



Excerpt from the April 30, 2019 transmittal letter for the 2019-20 and 2020-21 Proposed Biennial Operating Budget, signed by City Manager Deanna J. Santana and Director of Finance Angela Kraetsch, and past Financial Forecast charts issued by the City.

Investments in Our Council Priorities

With this budget, we continue to make significant investment aligned with City Council priorities. The resources allocated to each priority reflects funding that solve short-term needs and in some areas, is an initial start of addressing larger, long-term issues. A summary of service level change proposals are included below organized by City Council Strategic Pillar priorities.

Promote and Enhance Economic and Housing Development (\$754,000; \$624,000 ongoing/\$130,000 one-time)

- Real Estate Program Shared-Resources (\$305,000, 70% housing funds/30% General Fund) – adds one Assistant to the City Manager and one Management Analyst and deletes one Housing Division Manager in an effort to centralize real estate functions and develop a more robust real estate management function. Includes one-time resources to set up citywide real estate software application (\$90,000). This position will co-report to the City Manager's Office for real estate program functions and to Community Development for housing services.
- Pilot Accessory Dwelling Unit Incentive Program (\$200,000, housing funds) – initiates a loan program to encourage the development of Accessory Dwelling Units for income-qualified teachers and public service employees, to augment existing affordable housing units in Santa Clara.
- Affordable Rental Program Administrator (\$150,000, housing funds) – provides funding to administer the City's low- and moderate-income rental housing program.
- Housing Administrative Support (\$59,000, housing funds) – adds one Staff Aide I to assist with monitoring new and current housing programs.
- Housing Asset Management Software (\$40,000, housing funds) – consultant funding to assist with the implementation of housing software for tracking housing loans.

Deliver and Enhance High Quality Efficient Services and Infrastructure (\$7.9 million; \$7.9 million one-time)

- Capital Improvement Program Project Adjustments (\$3.7 million) – amends the FY 2019/20 Adopted CIP Budget to include resources for storm drain infrastructure, corporation yard renovations, water tank rehabilitation, advanced metering infrastructure, and civic center campus renovations.
- Silicon Valley Power (\$1.5 million) – funding for consultant services, conference and travel, remote property maintenance, advanced metering infrastructure and a van.
- Santa Clara Convention Visitors Bureau Subsidy Elimination (-\$1.5 million) – eliminates the current subsidy based on the transition to a new convention center operator and the proposed business model for destination marketing services as approved by Council.
- Information Technology Services (\$680,000) – resources to enhance cybersecurity, audio/visual services and Office 365 workforce transformation.
- Fire Engine Replacement (\$675,000) – funds the replacement of one reserve fire engine.
- Parks and Recreation programming (\$549,000, partially offset with program revenue) – funds additional outreach for special events, new therapeutic and north-side camps and programs, and reallocates program costs from previously unbudgeted funds to the General Fund.

- Public Works Consultant Support (\$393,000) – funds consultant to review and update fleet replacement and management policies, perform project design surveying, and to implement recent state legislation regarding traffic congestion to a vehicle mile traveled standard.
- City Auditor's Office Resources (\$357,000) – enhances audit services with funding for contractual services, conversion of one Office Records Specialist to Senior Performance Auditor, and training and conferences.
- Purchasing Policies and Procedures and Administrative Policies Update (\$330,000) – retains consultant services to update existing purchasing policies and procedures, citywide administrative policies and Civil Service rules.
- Silicon Valley Power Strategic Plan Implementation (\$250,000) – consultant services to develop a plan for implementation of the initiatives included in the adopted strategic plan.
- Revenue Strategies Consultant (\$200,000) – consultant funding to poll for potential revenue strategies/tax measures, support the development of revenue options for Council consideration, informational community outreach and legal analysis.
- Legislative Advocacy (\$150,000) – consultant services to support the City's legislative advocacy efforts as outlined in the Legislative Advocacy Position Policy.
- Fire Equipment and Programming (\$122,000) – funding for emergency response equipment, staffing software, and volunteer reserve programming.
- Census 2020 Outreach (\$100,000) – supports a more accurate census count to maximize our federal funding allocations.
- Pre-employment Consultant (\$70,000) – funding to complete a review of job physical requirements and pre-employment medical screening.
- Legal Management Software (\$50,000) – implements legal management software.
- Library Books (\$40,000) – funds purchase of eBooks and other library books.
- Santa Clara/Santa Cruz Counties Airport Community Roundtable (\$35,000) – costs related to an intergovernmental partnership with neighboring cities and counties.
- Community Garden Program Outreach (\$30,000) – funds marketing and communications efforts.
- Budget Office Workplan Support (\$30,000) – funds support for upcoming budget deliverables including the revision to the CIP budget format.
- Planning Commission Training, Education, and Conference (\$18,000) – funds planning commissioner education, training and conferences.
- City Council iPad Replacement (\$18,000) – replaces existing equipment in FY 2020/21.
- Permit System Support (\$7,000) – reallocates one Combination Inspector to one Senior Inspector to support the new permitting system.
- Northside Library Branch Additional Hours (\$5,000) – funds expanded hours on Monday, Tuesday and Sunday through the addition of one Librarian I and additional resources. Deletion of 1.0 Business Analyst partially offsets the cost of this proposal.

Enhance Community Sports and Recreational Assets (\$718,000; \$443,000 ongoing/\$275,000 one-time)

- Reed and Grant Sports Park (\$718,000, General Fund, Parks Capital Funds, partial program revenue) – funds two positions; furnishings, fixtures and equipment; and programming costs for the new Reed and Grant Sports Park projected to open in FY 2019/20.

Enhance Community Engagement and Transparency (\$382,000; \$112,000 ongoing/\$270,000 one-time)

- Document and Content Management Software Resources and Records Retention Policies Update (\$120,000) – updates records retention policies and provides funding to support the document and content management software implementation.
- City Clerk Initiatives and Voter Outreach (\$100,000) – funds voter outreach and education in an effort by the City Clerk to encourage voter participation.
- Lobbyist Ordinance Implementation (\$100,000) – funds lobbyist ordinance implementation and enforcement.
- Measure N Outreach and Engagement (\$50,000) – funds outreach and engagement for the potential upcoming district elections.

- Police Video Records Staffing (\$12,000) – adds a Police Records Specialist and deletes a vacant Staff Aide to address recent state legislation regarding public access to peace officer personnel records.

Ensure Compliance with Measure J and Manage Levi’s Stadium (\$580,000; \$538,000 ongoing/\$42,000 one-time)

- Stadium Public Safety Deployment (\$365,000, 75% stadium reimbursed/25% General Fund) – adds one Stadium Oversight Manager (Deputy City Manager) to coordinate stadium functions including neighborhood impacts, multi-department deployment model, and other stadium event support issues.
- Public Safety Stadium Training (\$216,000, 100% stadium reimbursed) – funding for specialized training related to events at Levi’s Stadium including firearms qualification, bicycle crowd control, sniper courses and incident command system training.

Manage Strategically Our Workforce Capacity and Resources (\$2.1 million; \$1.7 million ongoing/\$394,000 one-time)

- Silicon Valley Power Staffing (\$721,000) – adds two Electric Program Managers and one Electric Utility Engineer.
- Real Estate Attorney (\$294,000 in Year 2) – funds one Assistant City Attorney position to support real estate legal matters.
- Information Technology Services Cost-Benefit Analysis Consultant (\$200,000) – funding for a third-party review of the City’s current contract for information technology services including an evaluation of audio and visual needs.
- Web and Digital Media Manager (\$194,000) – adds one Web and Digital Media Manager to oversee the redesign of the City’s website and Inside Santa Clara newspaper and provide support to all departments regarding communications planning, media relations, and public outreach.
- Solid Waste Organic Waste Diversion Program (\$152,000, Solid Waste Fund) – funds one Staff Analyst to meet new state regulations regarding programs for organic waste diversion.
- Risk Management Program Resources (\$122,000) – adds one Office Specialist III to support the Risk Manager with administrative tasks in an effort to develop a more robust risk management program.
- Public Records Act Resources (\$120,000) – funding to assist with public records act requests until ongoing technology improvements are completed.
- Human Resources Administration (\$112,000) – adds an Office Specialist IV to provide administrative support to human resource operations.
- Housing Division Staffing (\$57,000) – adds one Staff Aide position to assist with monitoring existing and new housing programs.
- Tuition Reimbursement and Professional Development (\$54,000) – funds Working Scholars Program and offers educational benefits that improve employee skills and potential promotional opportunities.
- Firefighter Recruitment Pilot (\$20,000) – funds marketing and outreach resources to promote a diverse applicant pool for the upcoming firefighter academy.
- Public Works Engineering Staff (\$11,000) – deletes a vacant Associate Engineer and adds a Management Analyst position to perform analytical work currently performed by engineers.
- Certified Access Specialist Program (\$7,000) – funding to increase training for building inspectors to obtain accessibility certification.

Sustainability (\$670,000 ongoing)

- Sustainability Program (\$317,000 across various funds) – adds one Assistant to the City Manager to oversee strategies outlined in the Climate Action Plan with a focus on creating a more sustainable, healthy, and livable community; work with Silicon Valley Power to evaluate energy efficiency programs; ensure a reliable water supply, and coordinate with public works and community development regarding new building requirements.

- Silicon Valley Power Staffing (\$253,000) – adds one Electric Program Manager to support the utility’s electric vehicle program.
- Multi-Family Energy Rehab Program (\$100,000, housing funds) – a pilot program for multifamily housing for projects achieving 15% whole building energy savings with gas, electric, and water measures.

Amendments to the FY 2019/20 Adopted Capital Budget

The City Council approved the FY 2018/19 and 2019/20 Biennial CIP Budget on June 12, 2018. This action approved a two-year capital budget and presented a five-year capital improvement plan. As the focus of this year’s budget is operations, several budget amendments to the FY 2019/20 Adopted Capital Budget are recommended. Further detail can be found in the **Appendices** section of this document. Some of the key budget amendments are summarized below:

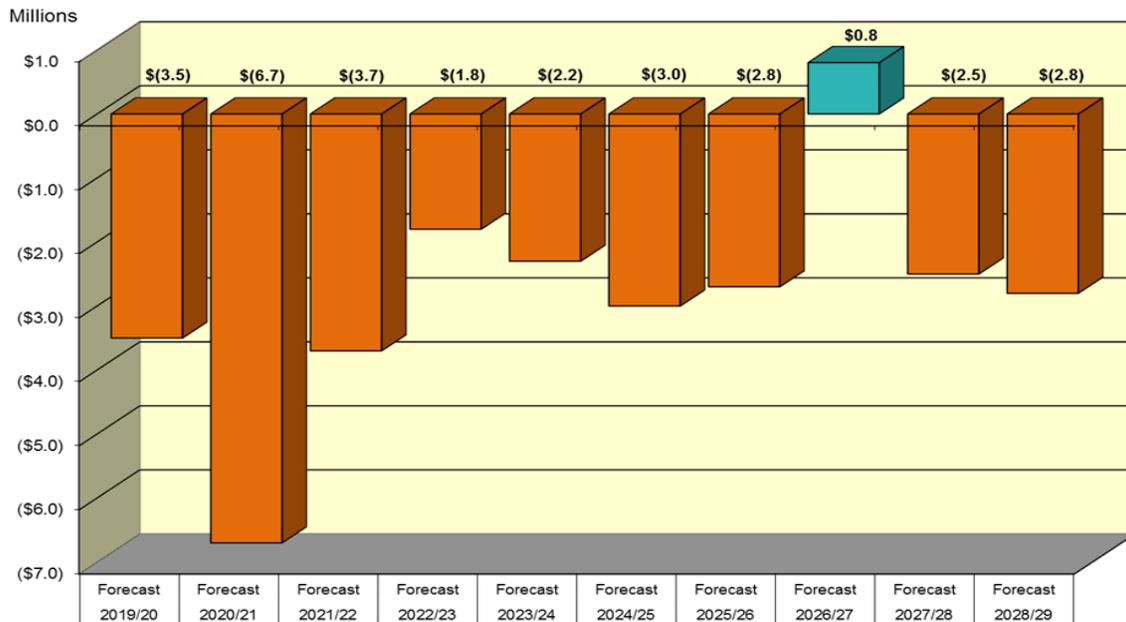
- Water and Sewer projects (\$4.2 million) – additional contributions for the San Jose/Santa Clara Regional Wastewater Facility, water tank rehabilitation and to develop a water infrastructure asset management program.
- Civic Center Campus Renovations – Multi-Department (\$1.0 million, General Fund) – funds renovations for finance, human resources and other departments to bring offices to modern standards and transition of a portion of the cafeteria for employee collaboration.
- Parks and Recreation projects (\$900,000) – funding to repair the roof at the recreation center at Bowers Park and construction of a restroom at Fairway Glen Park.
- Storm Sewer and Corporation Yard infrastructure (\$787,000) – funding for fiber optics to storm pumps, storm water retention basin remediation, and to repave the parking lot at the corporation yard.
- Silicon Valley Power Electric Utility projects (-\$12.8 million) – funding adjustments to several projects to reflect current project timelines and necessary project augmentations.
- Public Works Capital Projects Management – a new internal service fund to centralize Public Works staff costs in support of our capital programs.

FINANCIAL FORECAST IMPROVEMENTS

Forecast Improvement – June 2017 (\$ in millions)



Ten-Year Financial Forecast (June 2018)



Ten-Year Financial Forecast (January 2019)

