



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO HERITAGE PRESERVATION COMMISSION

SUBJECT

Review Planning Program Budget and Fees for FY 2016-17

REPORT IN BRIEF

Attached is the Planning Program budget proposed for Fiscal Year (FY) 2016-2017 and FY 2017-2018. The full recommended budget is available online at:

<http://sunnyvale.ca.gov/Departments/Finance/BudgetDocuments.aspx>

Staff recommends that the Heritage Preservation Commission (HPC) review the City Manager's Message/Letter of Transmittal. In addition, the Commission should also review the Community Development Department Narrative in Volume I, Operating Budget. This discussion includes information on past and projections of future activity.

The Planning program budget starts on page 70 (of 407) in Volume one (following the department narrative). Excerpts showing the Planning Program budget are included in Attachment 1.

Boards and Commissions are asked to provide comments to the City Council on the recommended City budget where it could affect the Commission's work.

ENVIRONMENTAL REVIEW

The recommendation of the HPC on the budget is not subject to environmental review.

DISCUSSION

This is the first year of a two-year operating budget for the Planning Division. The structure and hours vary slightly from the current year (FY 2015-16) budget, with the inclusion of a new planner position to manage environmental review for projects and studies. The expenses are slightly higher, reflecting changes in the cost of living. In addition, the Planning Division has a supplemental project budget to provide on-call planning services to address the current high demand in development services.

Structure

The structure of the Planning Division budget has been similar for several budget cycles. The Planning budget is broken into three sections (called a Service Delivery Plan-SDP). They are: an SDP for Policy Planning, one for Development Services (also called zoning administration and current planning), and lastly an SDP for Management, Supervisory, and Administration Support Services.

Private development related activities are associated with an enterprise fund for Development Services. The Development Enterprise Fund supports all or some of the activities of the following divisions: Building, Planning, Engineering, Transportation and Traffic, Solid Waste, and Fire.

The recommended Budget also includes the same Performance Indicators that are in the current budget.

The first budget service area is Policy Planning. The primary activity affecting the Commission is Policy Reports, the first activity-234110. These policy reports include study issues, general plan updates and similar policy activities. The entire Policy Planning SDP, and a portion of the Management, Supervisory and Administration Support SDP (about 25%), will continue to be associated with the General Fund. Policy work is mostly funded from a General Plan Maintenance Fee (GPMF) collected with the issuance of building permits. The GPMF is assessed based on 0.15% of valuation used for building permits (based on a standardized table of values), and is applied to the same projects that are subject to a Construction Tax of 0.54% of building valuation.

The second service area in the Planning program is Development Review. HPC support is provided in the form of the various types of planning permits processed and zoning information provided by the Planning Division staff. Staff support to the HPC is mainly associated with those permit applications requiring a public hearing. Listed in the table below is the breakdown of permits processed by Planning that required a public hearing,, the number of these permits that were reviewed by the HPC, and the total number of permits processed by Planning staff in the last fiscal year.

Permit Review Body	Approx. Total No. of Permits Processed	Approx. Total No. of Applications Processed*	Approx. % of Total Applications Processed
City Council	100	19	31%
Planning Commission		22	35%
Zoning Administrator		17	28%
Heritage Preservation Commission	4	4	6%
Community Development Director (staff)	907	n/a	n/a
Total	1,011	62	100%

* Many applications that require a public hearing contain multiple permit types.

The third service area is Management, Supervisory and Administration Support Services. The activities include Management/Supervision (budget preparation, employee reviews, attendance at manager meetings, etc.) and Training. The third activity is called Administration and is for those tasks that do not easily fit into project work or the first two activities in this SDP.

Hours

FY 2016-2017 includes approximately 1,020 more hours than last year, which reflects the new planner position for environmental review. FY 2016-2017 includes 27,210 hours.

In the current fiscal year unprecedented growth and activity were experienced. Staff anticipates that the next fiscal year will be as busy, but may not exceed the current fiscal year. If the volume of applications increases, the enterprise fund balance for Development Services could help justify additional expenses should there be a request to modify the budget. For the Planning Program, the number and classification of full-time employees proposed in the FY 2016-2017 budget has increased to allow for a new Senior Planner position dedicated to environmental review in accordance with the California Environmental Quality Act (CEQA) . This position would assist other departments with some budget participation included for that work. The distribution of the hours among the activities is the same as the current fiscal year. As part of application fees for private

development proposals, fees are collected to cover project planner attendance at outreach meetings, study sessions and public hearings. These fees cover staff hours over and above budgeted amounts.

Staff support to the Heritage Preservation Commissions does not change.

Non-Personnel Expenses

The majority of the expense for the Planning program is for staff salaries and benefits (about 85%). For non-personnel expenses the budget includes funds for advertising of public hearings, books, office supplies, postage, training, etc. There are also expenses for rent and usage of facilities, furniture, vehicles, etc.

Total Expenses

The following table shows the past and proposed Planning Program Budgets.

OVERVIEW OF PLANNING PROGRAM BUDGETS

	2014/15	2014/15	2015/16	2016/17	2017/18
	Actual	Budget	Plan	Proposed	Proposed
General Fund	580,635	577,959	594,896	594,258	607,583
Development Enterprise Fund	1,851,600	1,825,607	1,884,170	2,135,364	2,195,218
TOTAL	2,432,234	2,403,566	2,479,066	2,729,622	2,802,801

Fee Schedule

A recommended, the fee schedule is considered by the City Council along with the recommended budget. Recommendations for fees are primarily changed due to general cost of living increases. A new fee type has been created for applications that are not as complex as administrative permits (Miscellaneous Plan Permits or Design Reviews), but do require staff effort to complete. Application types include short-term rentals and large family care facilities.

PUBLIC HEARING

At the June 1, 2016 the Heritage Preservation Commission hearing, staff will make a short presentation on current activity levels and will be available for any questions about the budget. The HPC has the option to make comments on the budget or to make a motion on the budget. The HPC discussion (and motion, if there is one) will be provided to the City Council at the public hearing on the recommended budget on June 14, 2016.

The City Council public hearing on the budget is scheduled for June 14, 2016; adoption is scheduled for June 28, 2016.

PUBLIC CONTACT

Public contact was made through posting of the Heritage Preservation Commission agenda on the City's official-notice bulletin board and on the City's website.

RECOMMENDATION

Provide comments to the City Council or make a formal recommendation to the City Council on the Recommended FY 2016-2017 budget for the Planning Program.

Prepared by: Andrew Miner, Planning Officer

ATTACHMENTS

1. Recommended Planning Program 234 Budget