



COUNTY OF SANTA CRUZ

PLANNING DEPARTMENT

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TOM BURNS, PLANNING DIRECTOR

May 4, 2007

Planning Commission
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA. 95060

Agenda Date: 5/23/07
Item #: 12
Time: After 9 AM

Subject: Study Session on Proposed 2007-08 Budget for the Planning Department

Dear Commissioners:

Annually, as part of the County's Budget process, staff presents your Commission a copy of the CAO's proposed budget for the Department for the next fiscal year. This is a requirement of the County Code. While the formal purpose of the discussion is in the context of the budget, these study sessions become the opportunity for a broad-level discussion of the Department's activities and future focus. A verbal overview is provided by the Director to introduce the item. As well, a copy of the proposed CAO's budget for the Department is provided for Commissioners.

As part of the item, Commissioners are encouraged to open broader topics for discussion than typically occur in the context of items before the Commission. At the conclusion of the study session, the Commission will be asked to make appropriate recommendation on the budget to the Board of Supervisors.

It is therefore **RECOMMENDED** that the Commission discuss the proposed Planning Department 2007-08 Budget, provide additional guidance to the Department in terms of future activities, and recommend that the Board approve the budget as proposed.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Burns", written over a horizontal line.

Tom Burns
Planning Director

Attachment – CAO's Proposed Budget

PLANNING
Tom Burns, Planning Director
Unit Number: 54/00/00

Fund: General
Function: Public Protection
Activity: Other Protection

Financing Use Classification	Actual					Change
	Actual 2005-06	Appropriated 2006-07	Estimated 2006-07	Requested 2007-08	Recommend 2007-08	FROM 2006- 07 APPROP.
Salaries & Benefits	\$ 8,900,034	\$ 9,759,092	\$ 9,215,089	\$ 9,572,084	\$ 9,572,084	\$ (187,008)
Services & Supplies	5,929,838	7,025,456	7,025,456	3,839,068	3,839,068	(3,186,388)
Fixed Assets	41,588	51,000	51,000	11,000	11,000	(40,000)
Intra-Fund Charges	(3,350,344)	(3,535,008)	(3,535,008)	(394,609)	(394,609)	3,140,399
TOTAL EXPEND	\$ 11,521,116	\$ 13,300,540	\$ 12,756,537	\$ 13,027,543	\$ 13,027,543	\$ (272,997)
Less: Revenue	\$ 8,592,319	\$ 8,719,994	\$ 8,788,005	\$ 8,786,491	\$ 8,786,491	\$ 66,497
NET COUNTY COST	\$ 2,928,797	\$ 4,580,546	\$ 3,968,532	\$ 4,241,052	\$ 4,241,052	\$ (339,494)
Positions	99.25	99.25	99.25	100.00	100.00	0.75

The Planning Department, through its offices in Santa Cruz, Aptos and Felton, is responsible for providing comprehensive planning and permit processing services for the unincorporated County area. The Department is in charge of developing, implementing and enforcing County land use ordinances and policies; administering environmental protection programs; processing and issuing building, zoning, and other development permits; carrying out long-range housing and community development programs; overseeing a variety of affordable housing assistance efforts; and operating neglected property and hazardous site/building programs. The Planning Department also provides staff support to the following Commissions: Planning Commission, Historic Resources Commission, Agricultural Policy Advisory Commission, and the Housing Advisory Commission. Finally, the Department oversees programs financed by a variety of special funds required to oversee the preparation of Environmental Impact Reports and the County's affordable housing activities.

ACCOMPLISHMENTS FOR FY 2006-07

During the 2006-07 Fiscal Year, the Department has continued to review its core services and staff resources and has focused on improvements to the permit process and general customer services. In addition, it has pursued a series of new policy and planning initiatives.

GOALS FOR 2007-08

The Department's proposed budget anticipates further customer service improvements, management and business initiatives, and new planning and policy directions during FY 2007-08. Highlights of those efforts include:

- Continuing work with the various departments and agencies involved in the land use review process to streamline and simplify permit review;
- Implementing the Hansen system for land use information tracking and record keeping;
- Evaluating the current code enforcement program to provide more effective services for the level of staff and legal resources available;

- Continuing to focus in diversifying the department's workforce and expanding cultural competency of services provided; and
- Initiating policy and regulatory changes to simplify the County's land use regulations and processes.

RECOMMENDED BUDGET

The 2007-08 recommended budget provides for a decrease of \$272,997 in expenditures and an increase of \$66,497 in revenues, for a \$339,494 reduction in Net County Cost.

Expenditures

The recommended budget provides for a decrease of \$187,008 in salaries and benefits due to a number of factors including lower salary levels for new hires that is partially offset by a .75 increase in positions reflecting the realignment of various positions within the department to better address current workload demands. One-time savings relative to completion of portions of the Hansen system contract, various other reductions and an accounting change in the department's internal overhead allocation result in a recommended decrease in Services and Supplies of \$3,186,388, with an offsetting increase in Intra-Fund Transfers. The proposed budget also provides \$11,000 for fixed assets, including a new server to support Hansen and needed computer equipment.

Revenue

The recommended budget includes an increase in revenues of \$66,497, primarily reflecting a modest increase in fees and rates. As well, the budget anticipates continued progress in cost-recovery for discretionary permits which is partially offset by reductions in building permit revenues related to a slow down in single family home construction.

CENTRAL MANAGEMENT

This section provides overall management direction and support for the Department and includes the Director, an Assistant Planning Director for Operations, an Assistant Planning Director for Planning, a Fiscal Officer, and administrative and support services staff.

Support services staff perform a variety of functions, including: accounting support and systems development, personnel services, computer support, cashiering, customer service enhancements and fiscal services.

BUILDING SECTION

The Building Section is managed by the Chief Building Inspector (Building Official), who reports to the Assistant Planning Director for Operations. The Building Section includes the life safety and structural plan check and field inspection functions. The plan check function also includes review for compliance with accessibility regulations. The building permit issuance rates and volume of inspections for recent years are as follows:

Building Section: Permit Activity					
	2003-04	2004-2005	2005-2006	2006-07 EA	2007-08 Proposed
Building Permits Issued	3,588	3,616	3,894	3,817	3,815
Building Permit Inspection Site Visits	11,420	12,247	12,157	12,000	12,000

Overall permit activity has grown modestly over the past several years, although the application rate for single family residences has declined. Similar trends are anticipated to continue next year.

CODE COMPLIANCE

The Code Compliance Section is directed by a Principal Planner, who reports to the Assistant Director for Operations. The Section provides investigation of complaints of zoning, and building violations and staff and administrative support for Neglected Property, Hazardous Building/Site Abatement Programs and the Environmental Cleanup Revolving Fund.

The following chart illustrates that the resolution rate for the past several years for code compliance cases has generally kept up with the rate of new complaints, a trend that is expected to continue next fiscal year.

Code Compliance: New Complaints v. Resolved Cases					
	2003-04	2004-05	2005-06	2006-07 EA	2007-08 Proposed
New Complaints	1,158	1,037	995	872	900
Resolved Cases	1,064	1,025	907	860	905

DEVELOPMENT REVIEW SECTION

The Development Review Section is managed by a Principal Planner under the guidance of the Assistant Planning Director for Planning.

Project review staff is responsible for processing land divisions, commercial, coastal, residential, agricultural and other development permits. In addition, the Development Review Section offers pre-development services to assist applicants in designing their proposed projects. This Section also includes the Urban Design function. Project review staff make presentations to the County Planning Commission, Agricultural Policy Advisory Commission, Zoning Administrator and the Board of Supervisors.

As indicated in the chart below, the volume of discretionary applications over the past year has generally remained constant.

	Discretionary Permit Activity				
	2003-03	2004-05	2005-06	2006-07 EA	2007-08 Projected
Discretionary Applications	390	397	386	380	380

PERMIT CENTER SECTION

The Permit Center Section is managed by a Principal Planner under the guidance of the Assistant Planning Director for Planning. Permit Center staff are responsible for the public information, application intake and the zoning plan check review functions. Staff assigned to this Section answer general zoning questions, provide pre-application information and accept applications at the Santa Cruz, Felton and Aptos Permit Centers. The following chart illustrates the volume of public contacts and permit processing activities conducted at the three permit centers.

	Permit Centers Activity (200607) - EA			
	Santa Cruz	Felton	Aptos	Total
Building Application Intake	---	---	---	3,714
Public Phone Inquiries	7,552	---	---	7,552
Walk-ins	10,360	874	2,644	13,878

ENVIRONMENTAL PLANNING SECTION

The Environmental Planning Section is managed by a Principal Planner under the guidance of the Assistant Planning Director for Planning. This Section is responsible for administration and enforcement of environmental protection ordinances related to geology, riparian and sensitive habitats, significant trees, mining operations, grading and erosion control and related permits and approvals. Environmental Planning staff also administers California Environmental Quality Act (CEQA) requirements, including preparation and processing of Negative Declarations and Environmental Impact Reports. Permit statistics indicate a steady workflow in recent years.

	Environmental Permits and Technical Reviews				
	2003-04	2004-05	2005-06	2006-07 EA	2007-08 Proposed
Discretionary Applications & Technical Reviews	891	998	726	756	760
Building Permit Applications	545	756	736	650	680

POLICY ANALYSIS

The Policy Analysis Section is managed by a Principal Planner under the guidance of the Planning Director. This Section has responsibility for the General Plan (including the Housing Element) and community plans, housing policy, land use ordinance revisions, coastal planning, historic resources, demographics, and special studies. This Section is also responsible for preparing an annual update on the Measure C Program, which is included at the end of the Department's budget narrative. As well, staff provide support to the Historic Resources Commission.

HOUSING

The Housing Section is managed by the Housing Manager under the guidance of the Planning Director. This Section has responsibility for overseeing a variety of County and Redevelopment Agency financed affordable housing programs and projects. Staff works cooperatively with the Policy Section in the development of new housing policy initiatives and provides support to the Housing Advisory Commission. Funds are provided in both the RDA Low and Moderate Income Housing Fund (in the proposed Redevelopment Agency Budget) and County Housing Funds (discussed starting on page 28-7). A detailed discussion of housing projects and programs proposed for FY 2007-08 is included in those budget units.

OTHER PROGRAMS

The Planning Department is also responsible for administering a number of activities funded through a number of special funds. Those funds include:

- The Environmental Impact Report (EIR) Trust Fund (Trust Fund 72502) is where deposits and expenses are managed over time to reflect actual costs and charges related to the preparation of EIRs. When the Board of Supervisors approves a contract for an environmental report, this fund is used to keep the applicant's deposit separate from General Fund monies and functions.
- Various funds related to the County's affordable housing efforts. Those include Indexes 136150, 135436, 136160, and 135155.

The budgets for these funding sources are included on the pages that follow.

CONSOLIDATED PLANNING DEPARTMENT STAFFING SUMMARY

POSITION	Salary Range	2006-07 Allowed	Mid Year Change	2006-07 Total	2007-08 Request	2007-08 Recomm	Recomrn. Change
Planning Director	4A	1.00		1.00	1.00	1.00	0.00
Administrative Aide	JJ	1.00		1.00	1.00	1.00	0.00
Asst Planning Director	YJ	2.00		2.00	2.00	2.00	0.00
Accounting Tech	V2	3.00		3.00	2.00	2.00	(1.00)
Asst./Assoc. Civil Eng/Civil Eng.	YO/NH/NM	3.00		3.00	3.00	3.00	0.00
Bldg Counter Supv	IK	1.00		1.00	1.00	1.00	0.00
Bldg Inspector I/II	BP/JI	7.00		7.00	7.00	7.00	0.00
Bldg Permit Tech I/II/Senior	8D/86/HU	6.00		6.00	6.00	6.00	0.00
Bldg Plans Checker	HY	2.50		2.50	3.00	3.00	0.50
Cap Improv Proj Mgr	D7	0.50		0.50	0.00	0.00	(0.50)
Chief Bldg Inspector	D9	1.00		1.00	1.00	1.00	0.00
Clerical Supv II	JY	1.00		1.00	1.00	1.00	0.00
Code Comp Inv I/II/III	DQ/IL/CZ	4.00	1.00	5.00	5.00	5.00	1.00
Code Comp Inv IV	TJ	1.00		1.00	1.00	1.00	0.00
Dept Info Sys Analyst	61	1.00		1.00	1.00	1.00	0.00
Dept. Fiscal Officer	T9	1.00		1.00	1.00	1.00	0.00
Executive Secretary	II	1.00		1.00	1.00	1.00	0.00
Housing Manager	TG	1.00		1.00	1.00	1.00	0.00
Imaging Technician	Y6	0.00	1.00	1.00	1.00	1.00	1.00
Planner I/IV	DS/TH	24.00		24.00	24.00	24.00	0.00
Planning Technician	FX	7.00		7.00	7.00	7.00	0.00
Principal Planner	D9	5.00		5.00	5.00	5.00	0.00
RDA Project Manager	MY	3.50		3.50	4.00	4.00	0.50
Records Clerk	FB	2.00	(1.00)	1.00	1.00	1.00	(1.00)
Reg Geologist	KV	1.00		1.00	1.00	1.00	0.00
Resource Planner I/IV	DS/TH	5.75	(0.75)	5.00	5.00	5.00	(0.75)
Sr Acct Clerk	19	1.00		1.00	0.00	0.00	(1.00)
Sr Act Clk/Acct Tech	19/V2	0.00		0.00	1.00	1.00	1.00
Sr Act clk/Acct Tech/Sr Acct Tech	19/V2/JL	0.00		0.00	1.00	1.00	1.00
Sr Acct Tech	JL	1.00		1.00	1.00	1.00	0.00
Sr. Bldg. Inspector	X6	1.00		1.00	1.00	1.00	0.00
Sr Dept Admn Analyst	LL	1.00		1.00	1.00	1.00	0.00
Supv Bldg Inspector.	MQ	1.00		1.00	1.00	1.00	0.00
Typist Clerk I/II	J7/J8	3.00		3.00	2.00	2.00	(1.00)
Typist Clerk I/II/III	J7/J8/JF	4.00		4.00	5.00	5.00	1.00
Urban Designer	YK	1.00		1.00	1.00	1.00	0.00
DEPARTMENTAL TOTAL		99.25	0.25	99.50	100.00	100.00	0.75

The recommended budget reflects a .75 FTE increase in staffing for the Department. Various mid-year reclassifications are indicated which allow the Department to more effectively address workload demands.

County Housing Programs

The Planning Department administers four County housing funds: two which receive revenues from past housing rehabilitation programs, the fund for the Paloma del Mar Rent Subsidy Program, and the fund receiving the County's In-Lieu Housing fees.

Index Code 136150- Housing Rehabilitation Program - 1993 CDBG Grant

Requirements	Actual 2005-06	Appropriated 2006-07	Actual Estimated 2006-07	Requested 2007-2008	Recom. 2007-08	Change from 2006- 07 Approp.
Appropriations						
Other Charges	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Op.Transfers Out	3,271	24,620	24,620	31,109	31,109	6,489
Total	\$ 3,271	\$ 24,620	\$ 24,620	\$ 31,109	\$ 31,109	\$ 6,489
Increase Reserve	22,045	0		0	0	0
Total Requirements	\$ 25,316	\$ 24,620	\$ 24,620	\$ 31,109	\$ 31,109	\$ 6,489
Available Funds						
Fund Balance Avail.	\$ 24,876	\$ 1,108	\$ 1,108	\$ 30,669	\$ 30,669	\$ 29,561
Cancel Reserve	0	23,072	23,072	0	0	(23,072)
Interest	1,253	140	11,117	140	140	0
Other Revenue	294	300	19,992	300	300	0
Total	\$ 26,423	\$ 24,620	\$ 55,289	\$ 31,109	\$ 31,109	\$ 6,489

This budget receives and appropriates funds from the 1993 CDBG Housing Rehabilitation Program, which was completed in fiscal year 1994-95. As funds from loan repayments become available, they are budgeted for transfer to Index 135436, where they are in turn used for additional affordable housing activities. In the case where substantial loan repayments are received, under the re-use plan approved by the State, that amount is budgeted for Rehabilitation Loans in Index 135436.

Index Code 135436 - Housina Rehabilitation Program - General

Requirements	Actual 2005-06	Appropriated 2006-07	Actual Estimated 2006-07	Requested 2007-2008	Recom. 2007-08	Change from 2006-07 Approp.
Serv & Supplies	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Charges	66,988	100,000	20,669	100,000	100,000	0
Approp. for Cont.	0	0	0	0	0	0
Total	\$ 66,988	\$ 100,000	\$ 20,669	\$ 100,000	\$ 100,000	\$ 0
Increase Reserve	0	45,586	45,586	64,874	64,874	19,288
Total Requirements	\$ 66,988	\$ 145,586	\$ 66,255	\$ 164,874	\$ 164,874	\$ 19,288

Available Funds

Fund Balance Avail.	\$ 110,631	\$ 115,606	\$ 115,606	\$ 83,052	\$ 83,052	\$ (32,554)
Cancel Reserve	13,240	0	0	45,586	45,586	45,586
Interest	22,434	3,777	7,118	3,777	3,777	0
Other Revenue	33,018	1,500	1,963	1,500	1,500	0
Op Transfers In	3,271	24,703	24,620	30,959	30,959	6,256
Total	\$ 182,594	\$ 145,586	\$ 149,307	\$ 164,874	\$ 164,874	\$ 19,288

This budget provides appropriations for housing-related program activities and is funded by repayments of prior year affordable housing loans made through a variety of grant funded programs. The proposed budget includes \$100,000 for Rehabilitation Loans, \$40,911 of which is to meet the re-use regulations of the 1993 CDBG Program.

Index Code 136160 - Paloma del Mar Rent Subsidy Program

Requirements	Actual 2005-06	Appropriated 2006-07	Actual Estimated 2006-07	Requested 2007-2008	Recom. 2007-08	Change from 2006- 07 Approp.
Serv & Supplies	\$ 55,200	\$ 55,400	\$ 55,400	\$ 55,400	\$ 55,400	\$ 0
Total	\$ 55,200	\$ 55,400	\$ 55,400	\$ 55,400	\$ 55,400	\$ 0
Increase Reserve	0	0	0	0	0	0
Total Requirements	\$ 55,200	\$ 55,400	\$ 55,400	\$ 55,400	\$ 55,400	\$ 0

Available Funds

Fund Balance Avail.	\$ 13,108	\$ 23,038	\$ 23,038	\$ 28,883	\$ 28,883	\$ 5,845
Cancel Reserve	37,292	27,362	27,362	21,517	21,517	(5,845)
Interest	27,838	5,000	33,883	5,000	5,000	0
Other Revenue	0	0	0	0	0	0
Total	\$ 78,238	\$ 55,400	\$ 84,283	\$ 55,400	\$ 55,400	\$ 0

This budget provides funding for the Paloma del Mar Rent Subsidy Program. Funded through prior sales of affordable housing credits, this program allows a rent subsidy of \$100 per month for up to 42 low income senior households residing in the Paloma del Mar project and related administrative charges. This program is scheduled to expire in the year 2012.

Index Code 136155 - In-Lieu Housina Fees

Requirements	Actual 2005-06	Appropriated 2006-07	Actual Estimated 2006-07	Requested 2007-2008	Recom. 2007-08	Change from 2006- 07 Approp.
Serv & Supplies	\$ 675,056	\$ 2,378,209	\$ 1,886,175	\$ 2,308,737	\$2,308,737	\$ (69,472)
Approp. for Cont.	0	0	0	0	0	0
Total	\$ 675,056	\$ 2,378,209	\$ 1,886,175	\$ 2,308,737	\$2,308,737	\$ (69,472)
Increase Reserve	0	0	0		0	0
Total Requirements	\$ 675,056	\$ 2,378,209	\$ 1,886,175	\$ 2,308,737	\$2,308,737	\$ (69,472)

Available Funds

Fund Balance Avail.	\$2,271,122	\$ 2,237,816	\$ 2,237,816	\$ 1,108,525	\$1,108,525	81,129,291)
Cancel Reserve	194,194	40,393	40,393	62,212	62,212	21,819
Interest	112,642	50,000	114,741	50,000	50,000	0
In-Lieu Dev Fees	333,914	50,000	152,375	400,000	400,000	350,000
Other Revenue	0	0	449,375	688,000	688,000	688,000
Total	\$2,911,872	\$ 2,378,209	\$ 2,994,700	\$ 2,308,737	\$2,308,737	\$ (69,472)

This budget was created in 1997 at the direction of the Board of Supervisors to provide a means to appropriate funds received from developer housing fees as provided under County Code Chapter 17.10. The recommended budget totaling \$2,308,737 is available for housing projects in 2007-08. Of those funds, \$100,000 is earmarked for continuation of the Community Action Board Emergency Housing Assistance Program, \$83,187 for the Winter Shelter Program and \$500,000 has been allocated by the Board of Supervisors for the Tannery Project. The balance of recommended appropriations will be available for projects that are identified by staff during the year and approved by the Board of Supervisors, as part of the County's overall affordable housing assistance efforts.

Measure C Report Summary

As requested by the Board of Supervisors, the Planning department prepares an annual report on the Measure C Program, which identifies new initiatives throughout County government that have been undertaken to further program objectives related to energy conservation and environmental protection. Prior Measure C reports have identified a wide range of programs that have been incorporated into the ongoing operations of various County departments. A summary of new and ongoing Measure C initiatives that took place in FY 2006-07 are noted below (more detailed reports from each individual agency are also available):

General Services:

- o Initiated energy efficient upgrades and replacements at the Governmental Center Complex, and continued purchase of "green" vehicles where appropriate.

Planning Department:

- o Sponsored two free introductory "Green Building 101" workshops and a 2-day Green Building Certification Training workshop.

Environmental Health Services:

- o Undertook various efforts to improve ground and surface water quality.

Public Works:

- o Undertook various efforts to improve landfill diversion rates (recycling, composting, etc.).
- o Undertook various efforts to improve surface water quality.
- o Undertook various efforts to improve pedestrian/bike facilities along County roads.
- o Completed installation of two fish passage structures.
- o Green Building Directory update in progress.

Redevelopment Agency:

- o Undertook various efforts to increase number of street trees.
- o Funded "green" design of Animal Services Facility.
- o Funded 3,300 linear feet of pedestrian improvements and over 3,000 linear feet of bike lanes in Live Oak.
- o Undertook community design process in conjunction with the Parks Department for a Soquel "Farm park" Master Plan, and funded consultant work for Felt Street Park, A.J. Cummings Park, and Moran Lake Park, including energy and water saving improvements at Simpkins Family Swim Center.
- o Continues to provide funding for new storm water pollution control devices.

Parks and Recreation:

- o Furnished all major County parks with recycling carts and installed permanent recycling enclosures.
- o Added a heat exchanger to the cogeneration system at the Simpkins Family Swim Center, thus enabling Parks to use the excess heat generated by the system to heat the warm water pool in addition to the 50 meter pool.
- o Replaced the boiler that was used to heat water in the main building with tankless hot water heaters. The heating system is now configured so that in 2007-08, solar preheating can be added to the water heating system.