



FY 2026 PROPOSED BUDGET HEARINGS

PLANNING & TRANSPORTATION SERVICES AREA

**PLANNING & DEVELOPMENT SERVICES
DEPARTMENT, OFFICE OF TRANSPORTATION, &
SPECIAL REVENUE FUNDS**

Please refer to Dept Sections for Page Numbers

PLANNING & DEVELOPMENT AND TRANSPORTATION - SERVICE AREA

	FY 2025 Adopted	FY 2026 Proposed	% change	FY 2025 Adopted FTE	FY 2026 Proposed FTE	% change
General Fund	\$28.6 M	\$28.8 M	0.5%	80.3 FTE	78.19 FTE	(2.7%)
Other Funds*	\$16.2 M	\$6.7 M	(58.6%)	10.30 FTE	8.85 FTE	(14.1%)

Department	General Fund Revenue	General Fund Expenses	General Fund FTE
Planning & Development Services	\$19,026,846	\$24,768,483	70.64
Office of Transportation	\$896,101	\$4,014,327	7.55

**Other Funds include developer impact and in-lieu funds (housing, traffic, and parking) and Stanford Medical University Center (SUMC). Additional information is available in the Special Revenue Fund section.*



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PLANNING & DEVELOPMENT SERVICES

OPERATING PG. 315 - 330

FY 2026 BUDGET SUMMARY (PLANNING & DEVELOPMENT SERVICES)

Community Impact

The FY 2026 budget proposals maintains PDS's ability to deliver responsive, coordinated development review services and advance key City Council priorities—particularly around housing and community resilience.

Major Proposed Changes in General Fund

- Add 1.0 FTE Principal Planner to improve Development Center capacity and lead cross-departmental coordination on complex projects.
- Add \$150K in one-time funds for consultant support on Housing Element, development fees, parklets, and other high-impact Council initiatives.
- Reclassify 1.0 FTE Plan Review Manager to Manager Planning to align roles and support consistent leadership structure.
- Eliminate 0.48 FTE Staff Specialist as part of a broader Public Works staffing reorganization.

Key Initiatives

- Implement Housing Element programs and zoning updates to support housing production
- Advance Downtown and San Antonio Area housing plans
- Present anti-rent gouging ordinance proposals for Council review
- Update 2026 California Building Standards Code, including green building measures
- Streamline pre-application and permit review workflows
- Evaluate citywide development impact fees and explore affordability-based waivers
- Progress on seismic hazard ordinance to improve building safety and resilience



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OFFICE OF TRANSPORTATION

OPERATING PG. 303-314

FY 2026 BUDGET SUMMARY (OFFICE OF TRANSPORTATION)

Community Impact

Proposed changes reflect the strategic deployment of resources to increase the safety and use of sustainable multimodal transportation and maintain City operations

Major Proposed Changes in General and Special Revenue Fund

- Add 1.00 Project Engineer (primarily funded by VTA Measure B Local Streets & Rail and FRA grants) to bolster the City's Rail grade separation CIP
- Ongoing loans of \$1.8M to the City's Parking Funds to offset ongoing deficits (reduction of \$0.2M to the Residential Parking Permit Fund)

Office of Transportation Initiatives:

- Upgrade traffic signal systems to improve reliability and enhance pedestrian access
- Seek funding and implement foundational elements of Safe Streets for All Action Plan
- Complete Bike and Pedestrian Plan Updates
- Complete procurement and implement new parking systems and technology
- Key CIPs:
 - Churchill Avenue Enhanced Bikeways
 - Bicycle and Pedestrian Transportation Plan (Council Priority m)
 - Grade separations/Quiet Zones (Council Priority hhh)
 - Churchill/Alma Railroad Crossing Safety Improvements
 - Charleston/Alma Railroad Crossing Safety Improvements