



Memorandum

TO: MAYOR LICCARDO
SUBJECT: BUDGET DOCUMENT

FROM: Councilmember Matt Mahan
DATE: 5/25/2022

Approved

Matt Mahan

Date 5/25/22

RECOMMENDATION

- Implement a “Satisfaction Guarantee” pilot program in the PBCE department.
- Direct staff from the City Attorney’s Office, Office of Employee Relations, Human Resources, and Planning Building and Code Enforcement to return to Council with direction on how to implement this pilot program.

Proposal

Program/Project Title: Money Back Guarantee Pilot

Amount of City Funding Required: \$30,000

This change is:

X One-time _____ Ongoing

Cost Estimate Number (if applicable): CE-FY22-23:088

One of the most frequent complaints we receive in our Council office has to do with the time it takes to receive a permit in San Jose. Whether from a big development or a simple kitchen remodel, the concerns roll in asking if there is anything the District 10 office can do to speed up the process. We are extremely grateful for the hard working PBCE staff who help us with all requests we receive. But to better tell the story of where we are, we need to be able to tell the story about what exactly is causing delayed permit processes, slow response times, and misunderstandings around applications or approvals.

There is much we can do to improve the situation, but I am calling on the City to pilot a “Money Back Guarantee” program to further incentivize our PBCE team to complete the permit approval process on-time, or risk refunding applicants for any delays. Modeled off of the “secret shopper” program practiced by retail stores, an employee may have a permit they are working on selected as one of the random samples that will be tracked. The employee will not know that their project has been selected, but the director and supporting staff will know. To ensure that the team is

knowledgeable on San Jose’s “best practices”, the permit will be monitored from creation to completion. If the applicant's permit is delayed due to our own fault, we will give back \$3,000 of applicants fees. If we are on-time, the \$3,000 will be awarded to the employee, their team or to PBCE as a whole for a “staff appreciation” event.

As part of continued evaluation and implementation planning, the proposed refund may be structured as a “Satisfaction Guarantee,” since the \$3,000 level per application is anticipated to be insufficient to cover the cost of a permit. Additionally, PBCE, HR, and OER will need to evaluate potential employee incentives that align with City compensation and benefits policies.

While this program incentivizes individual PBCE employees and management, it also calls for the creation of customer service goals and metrics that are tracked and published for greater accountability. Using this method, we can better understand how to improve the department and have the incentives to help guarantee our commitment to our constituents.

Funding Source

X Essential Services Reserve:

Other (Please specify program/project/fund):

Department or Organization Contact

Please list the contact information for the individual that certified cost estimates contained within your recommendation:

Name and Title: Chris Burton - Director

Department or Organization: PBCE

Phone Number:

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