

# City of San José

## Annual Report on City Services 2018-19

A Report from the City Auditor  
Report #19-11  
December 2019

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City of San José  
Office of the City Auditor

December 18, 2019

Honorable Mayor and Members  
Of the City Council  
200 East Santa Clara Street  
San Jose, CA 95113

## Annual Report on City Services 2018-19

The Office of the City Auditor is pleased to present the twelfth City of San José Annual Report on City Services. This report provides performance data on the cost, quantity, quality, timeliness, and public opinion of City services. It includes historical trends and comparisons to targets and other cities. The report is intended to be informational and to provide the public with an independent, impartial assessment of the services the City provides with their tax dollars.

### Background

With a population of 1,043,000, San José is the tenth largest city in the United States and the third largest city in California. The City of San José serves an ethnically diverse population—about 36 percent Asian, 32 percent Hispanic, and 25 percent white. Roughly 40 percent of San José residents are foreign born. More than half of residents speak a language other than English at home.

In 2018, San José's median household income increased to \$113,000; however, the cost of living in San José is among the highest in the nation. Fifteen percent of San José households earned less than \$35,000. An estimated 6,100 residents are homeless.

### Resident Survey

2019 marked San José's ninth year of participation in The National Community Survey™, a collaborative effort between National Research Center, Inc. (NRC) and the International City/County Management

Association (ICMA). In addition, for the first time this year, the City Auditor's Office worked with the Knight Foundation and San Jose State University to implement a parallel survey of university students and faculty.

As in past years, residents identified safety and the economy as priorities for the San José community. While two thirds of respondents expected to remain in San José over the next five years, less than half rated the quality of life as good or excellent. As described in more detail in this report, ratings for many City services were similar to prior years. However, ratings for some City services have declined as the City has struggled to recover from budget and service reductions earlier in the decade.

### Financial Condition

For the first time in seven years, the City's revenues for governmental activities exceeded its expenditures. As a result, the City's net position increased in 2018-19. The City's liquidity ratio and unassigned General Fund balance also increased, which bolster the City's position in the event of an economic downturn. The City also added value to its capital assets, though it still faces an estimated \$1.5 billion deferred maintenance and infrastructure backlog.

### Operating Budget and Staffing

In 2018-19, the City's departmental operating expenditures totaled \$1.5 billion\*, or about \$1,450 per resident. Despite a projected General Fund shortfall of \$4.3 million at the beginning of the year, the City has generally

increased spending in recent years. The City Manager's 2019-20 Budget Message, however, forecasted budget shortfalls for three of the next four years.

Increased staffing in recent years has nearly restored staffing levels to what they were 10 years ago; however, about half of all City departments remain below those levels. San José employs about 6.1 people per 1,000 residents—fewer than any other large California city we surveyed.

\* Expenditures from the City's Operating Budget totaled \$3.7 billion. This also includes General Fund capital and Citywide expenditures, reserves, transfers, and various non-General Fund operating and enterprise fund expenditures (e.g., capital, debt service, pass-through grant funds) and operating or other reserves.

### **Performance Results by City Service Area**

The City of San José provides a wide array of services that city residents, businesses, and other stakeholders count on. 2019 marks the second year this report includes the newly created City Service Area Dashboards. Last year, the City Administration selected its top six measures representing achievements in each City Service Area. Some highlighted results from these service areas include:

#### *Public Safety*

- Police handled about 1.2 million calls for service and responded to about 196,000 Priority 1 to 4 incidents in 2018-19. The citywide average response time for Priority 1 calls was 7.1 minutes, with 52 percent of Priority 1 calls meeting the six-minute target. Forty-six percent of Priority 2 calls met their 11-minute response target. On average, Police responded to Priority 2 calls in 19.9 minutes.
- San José experienced 2,883 major crimes per 100,000 residents in 2018, marking the first year since 2012 that San José's per capita crime rate was higher than both the state and national rates, though it remains below other major California cities such as Los Angeles, San Francisco, and Oakland.
- Fire responded to about 91,900 incidents in 2018-19, including 3,100

fires. The Department responded to 74 percent of Priority 1 incidents within its time standard of eight minutes (target: 80 percent), which is an improvement from the last two years. The Department responded to 92 percent of Priority 2 incidents within 13 minutes (target: 80 percent).

#### *Community and Economic Development*

- Jobs per employed resident in San José increased slightly, to 0.83. It is still below the Envision 2040 target of 1.1 job per employed resident. San José's unemployment rate is low, however, declining to just 2.7 percent in 2018-19.
- In 2018-19, developers completed 111 new affordable housing units with City help, bringing the total number of affordable units to almost 21,000. Availability of quality, affordable housing remains among the lowest rated characteristics of the city, however, with 82 percent of residents rating the availability as "poor."
- Seventy-nine percent of plan checks for development projects were completed within processing time targets. Sixty-nine percent of building inspections occurred within the target time of 24 hours. In 2018-19, the value of construction increased; however, the volume of construction decreased for the second straight year.

#### *Transportation and Aviation Services*

- While overall City streets maintain a rating of "fair" based on the Pavement Condition Index (PCI), the passage of Measure T in November 2018 will enable the Department of Transportation to repair residential streets beginning in 2020. The Department also filled 19,700 potholes in 2018-19. Twenty-one percent of residents rated the City's street repair services as "good" or "excellent," a marked increase from 14 percent last year.
- The fatal and injury crash rate rose slightly to 2.2 per 1,000 residents in 2018, but remains below the national rate, which was 5.9 in 2017.



- The number of Airport passengers increased again last year. In 2018-19, the Airport served over 14.9 million airline passengers. The Airport remains one of the highest rated City services, with 78 percent of residents rating the overall ease of using the airport as "good" or "excellent."

#### *Environmental and Utility Services*

- Nearly 19 million gallons of wastewater per day were diverted from flowing to the San Francisco Bay during the dry weather period (June through August). South Bay Water Recycling delivered almost four billion gallons of recycled water over the course of the year. This is up from 2017-18.
- In 2018-19, San José Clean Energy began serving residents and businesses. It serves over 328,000 accounts with renewable and carbon-free energy, helping the City to meet its goal of reducing greenhouse gas emissions to less than 3.66 millions of metric tons of carbon dioxide equivalent by 2030.
- The percent of waste diverted from landfills stayed consistent with last year, as the City is still working to address disruptions in the recyclables market. The City diverted 64 percent, or around 400,000 tons, of solid waste in 2018.

#### *Neighborhood Services*

- The Parks, Recreation and Neighborhood Services Department rated the overall condition of City parks 3.3 on a 5-point scale. Two new parks, Cannery Park and William Lewis Manly Park, were opened in 2018-19.
- Library customer ratings of services remain high, with internal surveys showing 94 percent of customers rating library services as good or better. Eighty-five percent of library customers also reported reading more to their children following participation in library programs. Libraries offered over 24,000 programs in 2018-19. The Library also opened a new neighborhood library at Mt. Pleasant.

- The City's Animal Care Center adopted, rescued, returned, or transferred over 15,000 cats and dogs last year, for a live release rate of 92 percent.

#### *Strategic Support*

- IT reports 86 percent of its 2018-19 projects met scheduling, cost, scope, and value goals, exceeding its target of 80 percent. IT also added staff in 2018-19, decreasing its vacancy rate to 10 percent from 18 percent the prior year.
- Ninety-seven percent of general vehicles in the City's fleet were available when needed, as were 100 percent of emergency vehicles.
- The City has maintained general obligation bond ratings of Aa1/AA+/AA+ by the three leading national ratings agencies: Moody's, Standard & Poor's, and Fitch.

Additional information about other City services is included in the report.

#### **Conclusion**

This report builds on the City's existing systems and measurement efforts. The City Auditor's Office selected and reviewed performance data to provide assurance that the information in this report presents a fair picture of the City's performance. All City departments are included in our review; however, this report is not intended to be a complete set of performance measures for all users. It provides insights into service results, but is not intended to thoroughly analyze those results. By reviewing this report, readers will better understand the City's operations.

The report contains an introduction with a community profile of the City. This is followed by resident survey results, various measures about the City's financial condition, and a summary of the City's overall budget and staffing. The remainder of the report presents the City Service Area Dashboards, followed by performance information for each department in alphabetical order—their missions, descriptions of services, workload and performance measures, and survey results.

Additional copies of this report are available from the Auditor's Office and are posted on our website at [www.sanjoseca.gov/servicesreport](http://www.sanjoseca.gov/servicesreport). We thank the many departments that contributed to this report. This report would not be possible without their support. We would also like to thank the Knight Foundation and San Jose State University for their interest and participation in our resident survey.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'JR' or 'Joe Rois'.

Joe Rois  
City Auditor

Audit staff: Stephanie Noble, Juan Barragan, Chris Bernedo, Shirley Duong, Katrina Gutierrez, Brittney Harvey, Leonard Hyman, Marisa Lin, Gitanjali Mandrekar, Ebele Obi, Ali Pauly, Vicki Sun, Caroline Wurden

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# INTRODUCTION

Background  
Community Profile  
Scope and Methodology

# INTRODUCTION

## BACKGROUND

This is the twelfth Annual City Auditor's Report on City Services. The purpose of this report is to:

- improve government transparency and accountability,
- provide consolidated performance and workload information on City services,
- allow City officials and staff members to make informed management decisions, and
- report to the public on the state of City departments, programs, and services.

The report contains summary information including workload and performance results for the fiscal year ended June 30, 2019. We limited the number and scope of workload and performance indicators in this report to items we identified as the most useful, relevant, and accurate indicators of City government performance that would also be of general interest to the public. This report also includes the results of a resident survey, completed in October 2019, rating the quality of City services.

All City departments are included in our review; however this report is not a complete set of performance measures. The report provides three types of comparisons when available: historical trends, selected comparisons to other cities, and selected comparisons to stated targets.

After completing the first annual report on the City's Service Efforts and Accomplishments, the City Auditor's Office published [\*Performance Management and Reporting in San José: A Proposal for Improvement\*](#), which included suggestions for improving quality and reliability of performance and cost data. Since issuing that report we have worked with the Budget Office to assist a number of City departments in improving their measures. We will continue to work with departments towards improving their data.

This report covers the functions of the City government of San José. The City's residents are also served by the County of Santa Clara, which provides criminal justice, health and hospital, housing, and social services. The Santa Clara Valley Water District provides water and flood protection to San José residents. San José contains 240 schools. Fifteen public school districts serve the City's children.

The first section of this report contains information on resident perceptions of the city, City services, and City staff; the City's financial condition; and the City's operating budget and staffing. It also includes City Service Area (CSA) dashboards – the top six measures representing achievements in the City's key lines of business. The remainder of the report displays performance information by department, in alphabetical order. The departments are as follows:

- Airport
- City Attorney
- City Auditor
- City Clerk
- City Manager
- Community Energy
- Economic Development
- Environmental Services
- Finance
- Fire
- Housing
- Human Resources
- Independent Police Auditor
- Information Technology
- Library
- Parks, Recreation and Neighborhood Services
- Planning, Building and Code Enforcement
- Police
- Public Works
- Retirement
- Transportation

## ACKNOWLEDGEMENTS

The Office of the City Auditor thanks staff from each City department for their time, information, and cooperation in the creation of this report.

## CITY GOVERNMENT

San José was established as El Pueblo de San José de Guadalupe on November 29, 1777, 73 years before California achieved statehood. San José is a charter city, operating under a council/manager form of government. There is an 11-member City Council and many Council-appointed boards and commissions.\* The Mayor is elected citywide; Council members are elected by district (see map).

There were 21 City departments and offices during fiscal year 2018-19. Five of the departments and offices are run by officials directly appointed by the City Council. Those officials are the City Manager, City Attorney, City Auditor, Independent Police Auditor, and City Clerk.

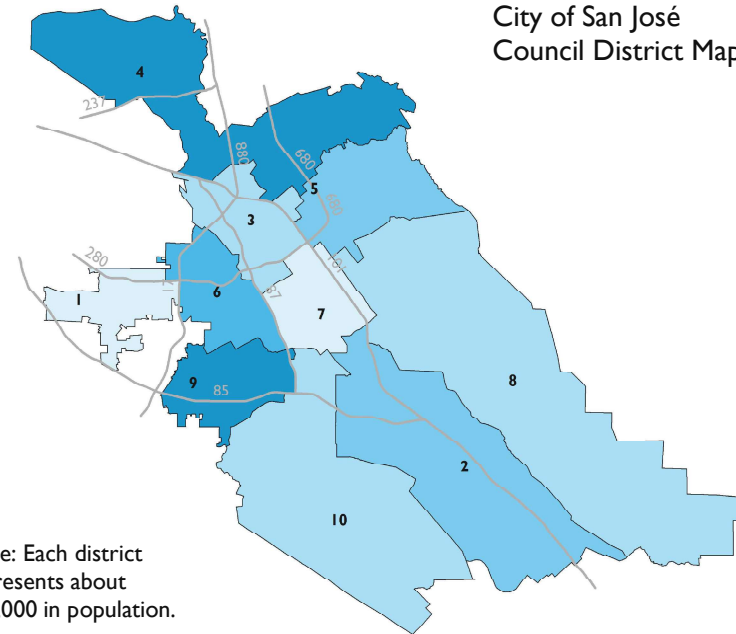
Some departments and programs serve expanded service areas. These departments include Environmental Services, Public Works, and the Airport. For example, the San José/Santa Clara Regional Wastewater Facility is co-owned by the cities of San José and Santa Clara and provides service to those cities as well as Milpitas, Cupertino, Los Gatos, Monte Sereno, Campbell, and Saratoga. The Airport serves the entire South Bay region and neighboring communities.

The Mayor's June 2019 budget message addressed several priorities for the upcoming year, with proposed investments in the areas of:

- Education and Opportunity,
- Housing and Homelessness,
- Public Safety,
- Blight and Beautification Efforts, and
- Community Building and Empowerment.

The City Council meets weekly to direct City operations. The Council meeting schedule and agendas can be viewed [online](#).

City of San José  
Council District Map



Note: Each district represents about 100,000 in population.

The City Council also holds Council Committee meetings each month. The decisions made in these meetings are brought to the main Council meeting for approval.

### City Council Committees:

- Community & Economic Development Committee
- Neighborhood Services & Education Committee
- Public Safety, Finance & Strategic Support Committee
- Rules & Open Government Committee
- Smart Cities & Service Improvements Committee
- Transportation & Environment Committee

\*Details of the boards and commissions can be found on [the City's website](#).

# INTRODUCTION

## COMMUNITY PROFILE

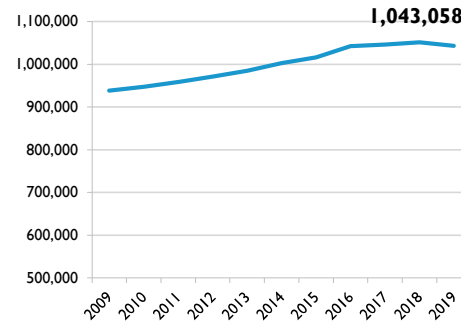
San José, with a population of 1,043,058, is the tenth largest city in the United States and the third largest city in California. However, San José ranks low in population density. The city covers approximately 181 square miles at the southern end of the San Francisco Bay. By comparison, San Francisco covers 47 square miles with a population of 883,869.

San José's population has been growing over the past decade, from about 938,000 in 2009 to just over 1,043,000 in 2019, an 11 percent increase. However, it has decreased slightly in the past year. (Unless otherwise indicated, this report uses population data from the California Department of Finance and demographic data from the U.S. Census Bureau. In some cases we have presented per capita data in order to adjust for population growth.)

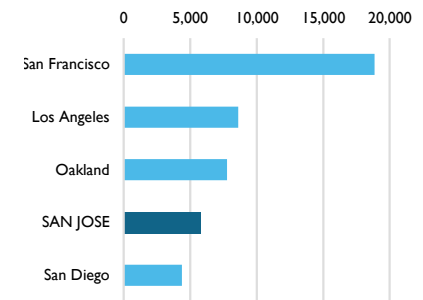
## THE CITY'S RESIDENTS ARE DIVERSE

The City of San José serves an ethnically diverse population. The demographics of San José are important because they influence the type of services the City provides and residents demand. It can also influence how services are provided (e.g., providing programming in other languages).

**San José's Population Growth**

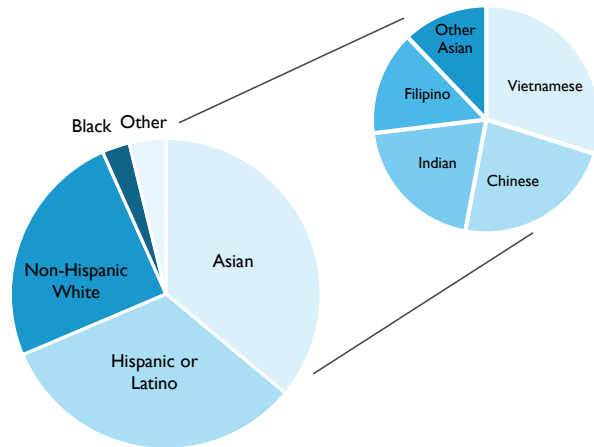


**Population per Square Mile**



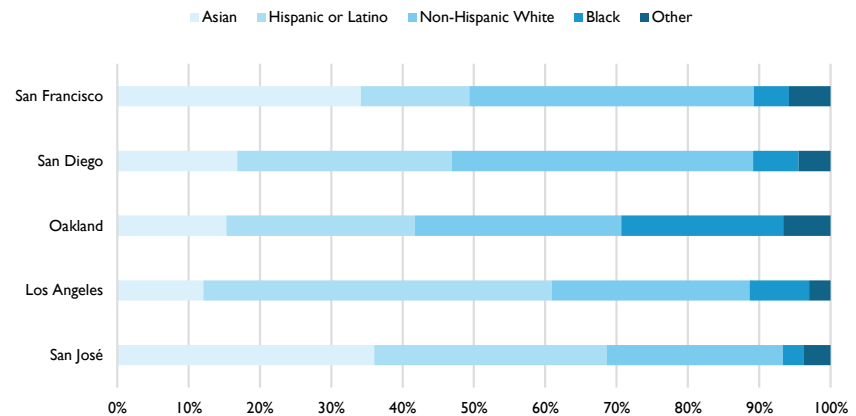
Source: California Department of Finance population estimates and U.S. Census Bureau land area estimates (2010)

**Ethnic Breakdown of San José Residents**



Source: U.S. Census Bureau, American Community Survey, 2019 1-year estimates (Table DP05)

**Population by Ethnicity**



Source: U.S. Census Bureau, American Community Survey, 2019 1-year estimates (Table DP05)



## MANY RESIDENTS ARE FOREIGN BORN

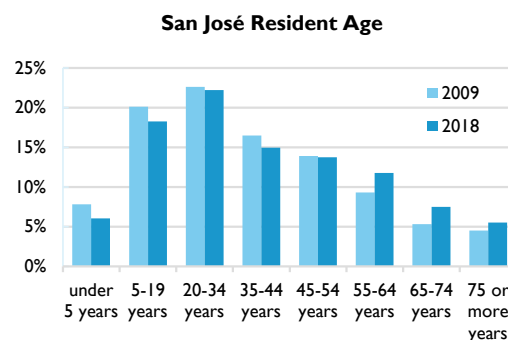
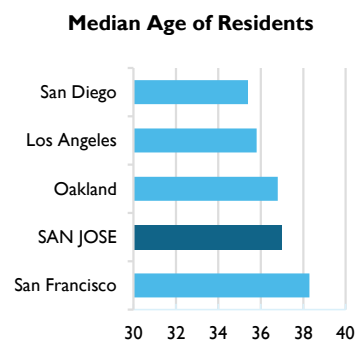
Despite the overall growth in population, the proportion of foreign born residents is about the same as it was ten years ago—though there has been a slight demographic shift within the foreign born population. The percentage of residents born in Asia has increased slightly, while the percentage of residents born in Latin America has decreased.

The proportion of the City's residents that speak a language other than English at home has increased in the past ten years, though the number that report they speak English less than “very well” is about the same. The proportion of the City's residents who are not U.S. citizens is also about the same as it was a decade ago.

## THE MEDIAN AGE IS SLIGHTLY LOWER THAN THE UNITED STATES' GENERALLY

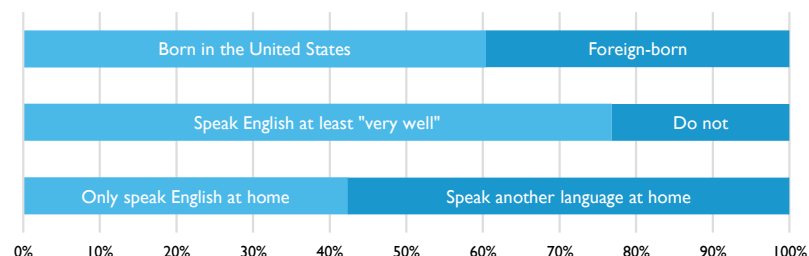
The City's population has a median age of 37 years. This is 1.2 years younger than the median age of the U.S. population. Ten years ago, it was 35 years.

According to the County Registrar, approximately 71 percent of the 886,000 registered voters in Santa Clara County voted in the last midterm election (November 2018).



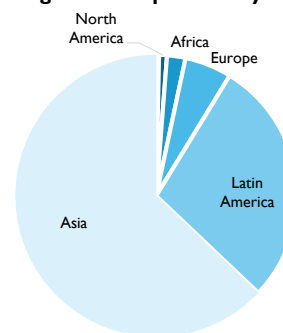
Source: U.S. Census Bureau, American Community Survey, 2019 1-year estimates (Table DP05)

## Characteristics of San José Residents

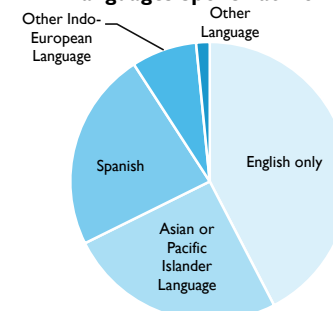


Source: U.S. Census Bureau, American Community Survey, 2019 1-year estimates (Table DP02)

## Foreign Born Population by Region



## Languages Spoken at Home

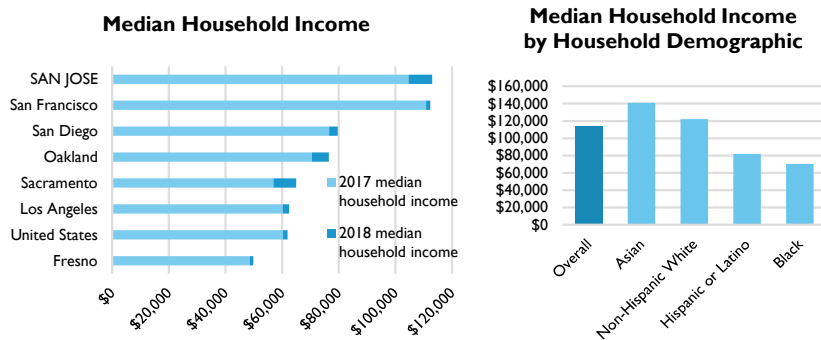


Source: U.S. Census Bureau, American Community Survey, 2019 1-year estimates (Table DP02)

# INTRODUCTION

## MEDIAN HOUSEHOLD INCOME HAS INCREASED

In San José, median household income rose to \$113,000 in 2018. Median household income varied across demographic groups. The city's unemployment rate has declined since reaching a high of about 12.5 percent in 2009-10. For 2018-19, it was approximately 2.7 percent, lower than the unemployment rate nationwide. According to the 2019 Silicon Valley Index, the Bay Area experienced the lowest growth rate in jobs since 2010-11, as the region approaches full employment.



Source: U.S. Census Bureau, American Community Survey, 2017-18 1-year estimates (Table DP03)

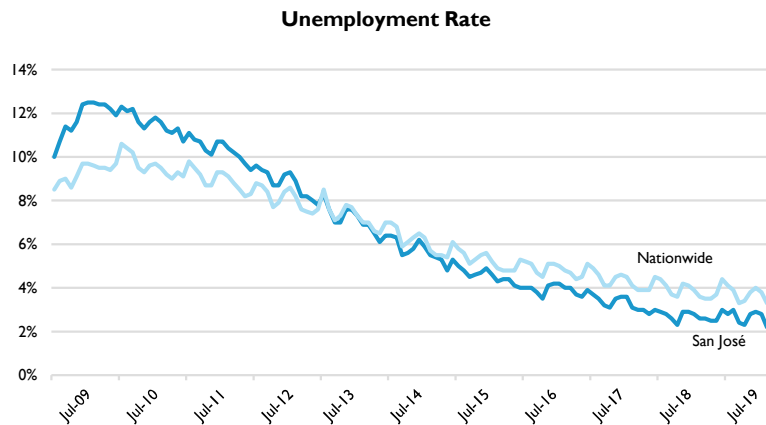
Source: U.S. Census Bureau, American Community Survey, 2019 1-year estimates (Table S1903)

## HOUSING PRICES HAVE ALSO INCREASED

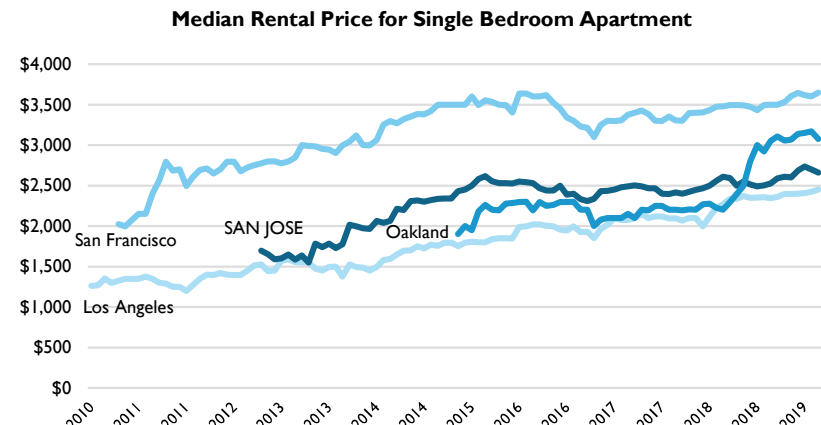
According to the Census Bureau, approximately 55 percent of the city's housing stock is owner-occupied and 45 percent is renter-occupied. These vary from the national averages: nationwide 64 percent of housing stock is owner-occupied and 36 percent is renter-occupied. These figures have stayed relatively steady in recent years.

The U.S. Department of Housing and Urban Development defines "housing affordability" as housing that costs less than 30 percent of the occupant's gross income. In San José, 34 percent of homeowners and 50 percent of renters report spending more than 30 percent of household income on housing costs.

The median home price in San José in 2018-19 was \$1,145,000 and average monthly rent for all unit types was about \$2,511. This is up from \$780,000 and \$1,996 respectively, from six years ago. This also marks the second year that the median home price in San José exceeded the million-dollar mark. This compares with a median existing home value of approximately \$259,000 nationally, according to the National Association of Realtors. For more information on housing and rent burden, see our [2016 Audit of the Apartment Rent Ordinance](#).



Source: Bureau of Labor Statistics



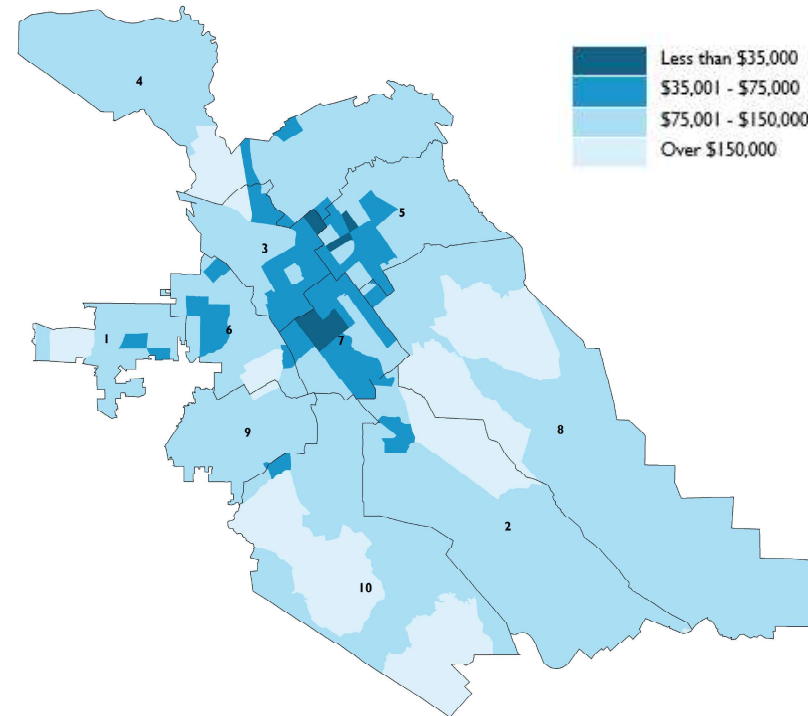
Source: Zillow Research

## DESPITE HIGH MEDIAN INCOMES, MANY RESIDENTS MAY EXPERIENCE ECONOMIC DISTRESS

The cost of living in San José is among the highest in the country. About 15 percent of households earned less than \$35,000 in income and benefits, and 17 percent of the population received supplemental income or public assistance. The city's overall poverty rate in 2018 was 8.3 percent. An estimated 6,097 residents are homeless, and of these, around 5,117 (84 percent) are unsheltered—that is, not in an emergency shelter or transitional housing (for more information, see the Housing chapter, as well as our [2018 Audit of Homelessness Assistance Services](#)).

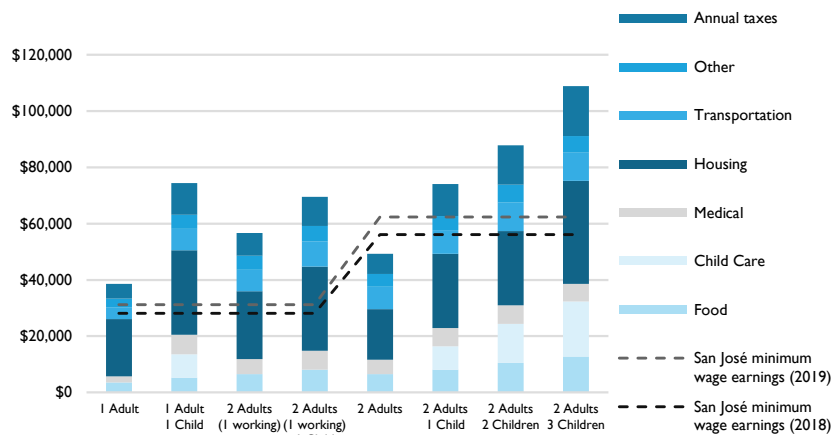
Despite high median household income and low unemployment, only 22 percent of respondents in the resident survey thought that the economy would have a positive impact on their income over the next six months—about ten percentage points lower than last year. (See the Resident Survey chapter and Economic Development chapter for more information.)

Map of Median Household Income



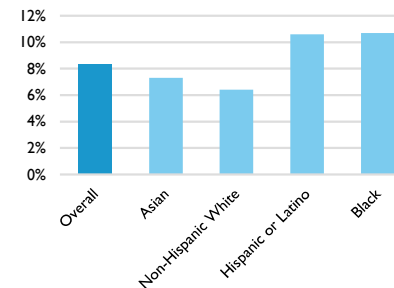
Source: U.S. Census Bureau, American Community Survey, 2017 5-year estimates (Table S1903).

San José - Sunnyvale - Santa Clara Metropolitan Area (2018)



According to [the Living Wage Calculator](#), a living wage in the San José metropolitan area for a single, working adult was \$38,500 in 2018. This represents estimated minimum expenses for a single adult for a year, including food, housing, and transportation. It does not include savings for retirement or purchasing a home, for example. For a family of four in San José, with two children and two working adults, the living wage calculation was nearly \$92,000 in household income, or \$46,000 for each adult. In 2018, a full-time, minimum-wage employee in San José would have earned just over \$28,000 a year. (In January 2019, the minimum wage increased to \$15.00 per hour, or just over \$31,000 a year.)

Poverty Rates by Demographic



Source: U.S. Census Bureau, American Community Survey, 2018 1-year estimates (Table S1701)

# INTRODUCTION

## SCOPE & METHODOLOGY

The City Auditor's Office prepared this report in accordance with the City Auditor's FY 2019-20 Work Plan. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The workload and performance results that are outlined here reflect current City operations. The report is intended to be informational and does not fully analyze performance results. The independent auditors in the City Auditor's Office compiled and reviewed departmental performance data. We reviewed information for reasonableness and consistency. We questioned or researched data that needed additional explanation. We did not, however, audit the accuracy of source documents or the reliability of the data in computer-based systems. Our review of data was not intended to give absolute assurance that all information was free from error. Rather, our intent was to provide reasonable assurance that the reported information presented a fair picture of the City's performance.

## SELECTION OF INDICATORS

This report relies on existing performance measures, most of which are reviewed yearly by Council, staff, and interested residents during the annual budget process. It also relies on existing benchmarking data.

We used audited information from the City's Comprehensive Annual Financial Reports (CAFRs). We cited mission statements, performance targets, performance outcomes, workload outputs, and budget information from the City's annual operating budget. We held numerous discussions with City staff to determine which performance information was most useful and reliable to include in this report. Where possible, we included ten years or more of historical data. We strove to maintain consistency with prior years' reports by including most of the same performance indicators; however, due to issues such as reporting and program updates, some indicators have changed.

We welcome input from City Council, City staff, and the public on how to improve this report in future years. Please contact us with suggestions at [city.auditor@sanjoseca.gov](mailto:city.auditor@sanjoseca.gov).

## COMPARISONS TO OTHER CITIES

Where possible and relevant, we have included benchmark comparisons to other cities (usually other large California cities, the state, or the nation). It should be noted that we took care to ensure that performance data comparisons with other cities compare like with like; however, other cities rarely provide exactly the same programs or measure data with exactly the same methodology.

## ROUNDING & INFLATION

For readability, many numbers in this report are rounded. In some cases, tables or graphs may not add to 100 percent due to rounding. Financial data have not been adjusted for inflation. Please keep in mind inflation (in the table of San Francisco Area Consumer Price Index for All Urban Consumers below) when reviewing historical financial data included in this report.

Year	Index
2009-10	228.1
2018-19	295.3
% change in last 10 years	29.4%

Source: Bureau of Labor Statistics, based on June 2010 and June 2019

Resident perceptions about Quality of Life and City Services in San José

## RESIDENT SURVEY

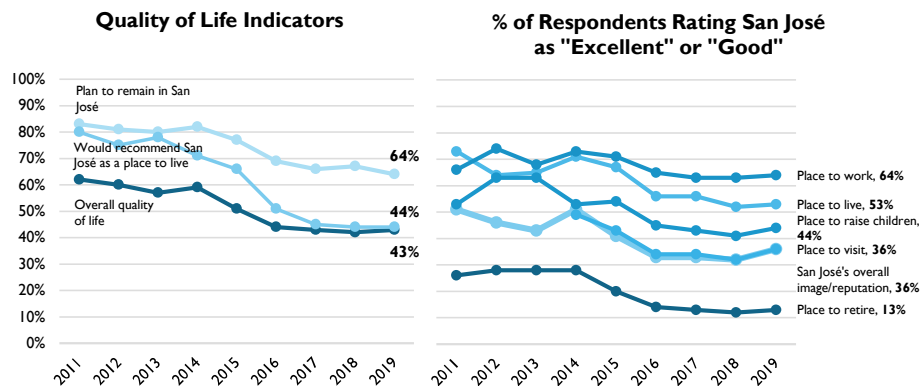
2019 marked San José's ninth year of participation in The National Community Survey™ (referred to throughout this report as the resident survey). The National Community Survey™ is a collaborative effort between National Research Center, Inc. (NRC) and the International City/County Management Association (ICMA). The survey was developed by NRC to provide a statistically valid sampling of resident opinions about their community and services provided by local government. Survey results in this chapter and in the following chapters provide the opinions of 4,388 residents of the City who responded to either a mail or online survey.

Complete survey results are posted online at [sanjoseca.gov/servicesreport](http://sanjoseca.gov/servicesreport). The end of this chapter provides more specific information about the survey methodology.

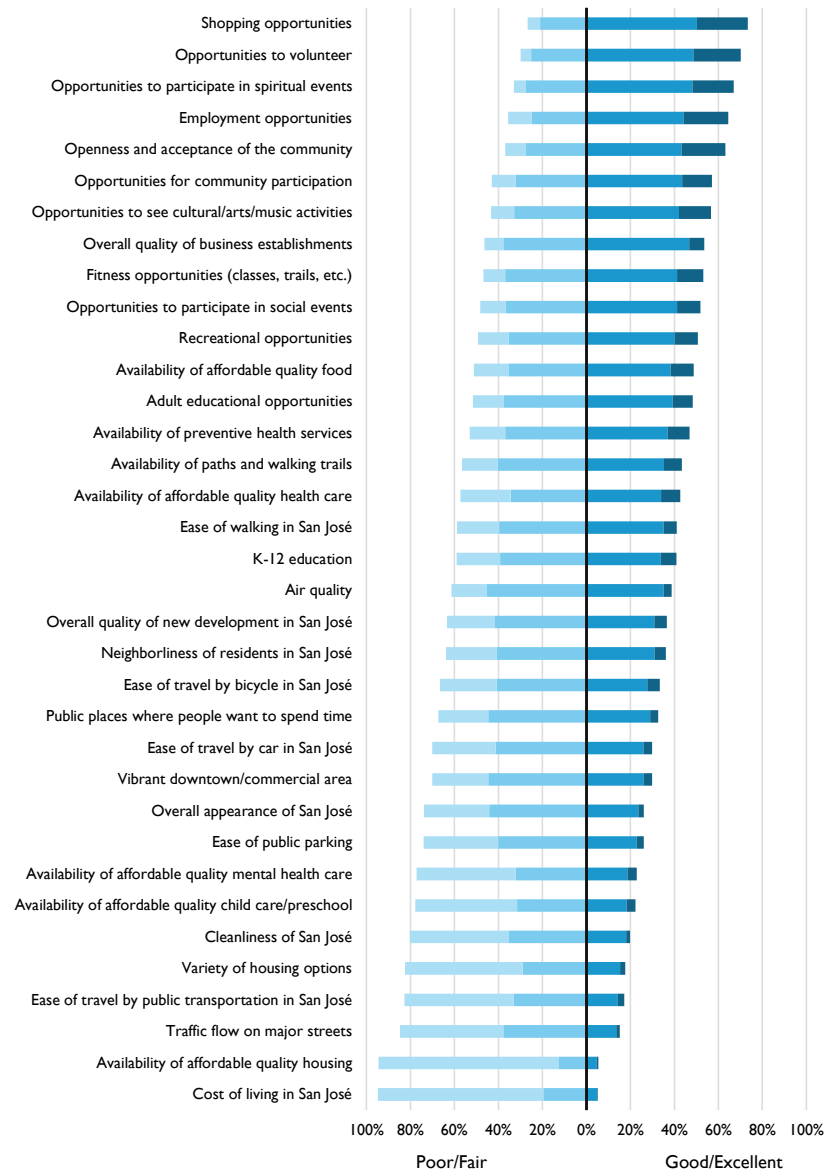
### QUALITY OF LIFE IN SAN JOSÉ

How residents rate their overall quality of life is an indicator of the overall health of a community. This can include opinions about a community's natural and built environments; the availability of services and amenities; overall feelings about safety or the economic health of the community; and other aspects of life.

Several aspects of community quality were rated highly by survey respondents, including shopping opportunities and opportunities to volunteer. Most ratings from 2019 are similar compared to those from 2018. Positive results on overall image or reputation increased from 32 percent to 36 percent in the past year. The availability of affordable housing and the cost of living remain the lowest rated community characteristics. Three in four respondents said cost of living is "poor."



### Ratings of Community Characteristics

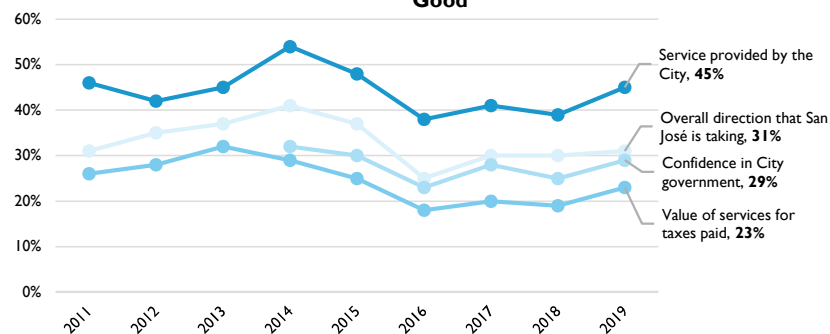


## CITYWIDE QUALITY OF SERVICES

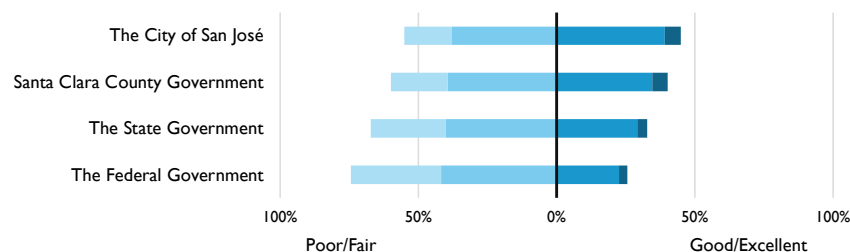
In the resident survey, the percentage of surveyed residents that rated the overall quality of City services "excellent" or "good" is higher than it has been in four years. However, it is still down from years prior to that.

Satisfaction with specific government services ranged from a high of 84 percent of residents rating fire services as "excellent" or "good" to a low of 19 percent for code enforcement. Other highly rated government services include public libraries; the ease of using the the Mineta San José International Airport (SJC); and recycling, garbage, and yard waste pick-up. More information on survey results related to specific services can be found in individual department pages later in this report.

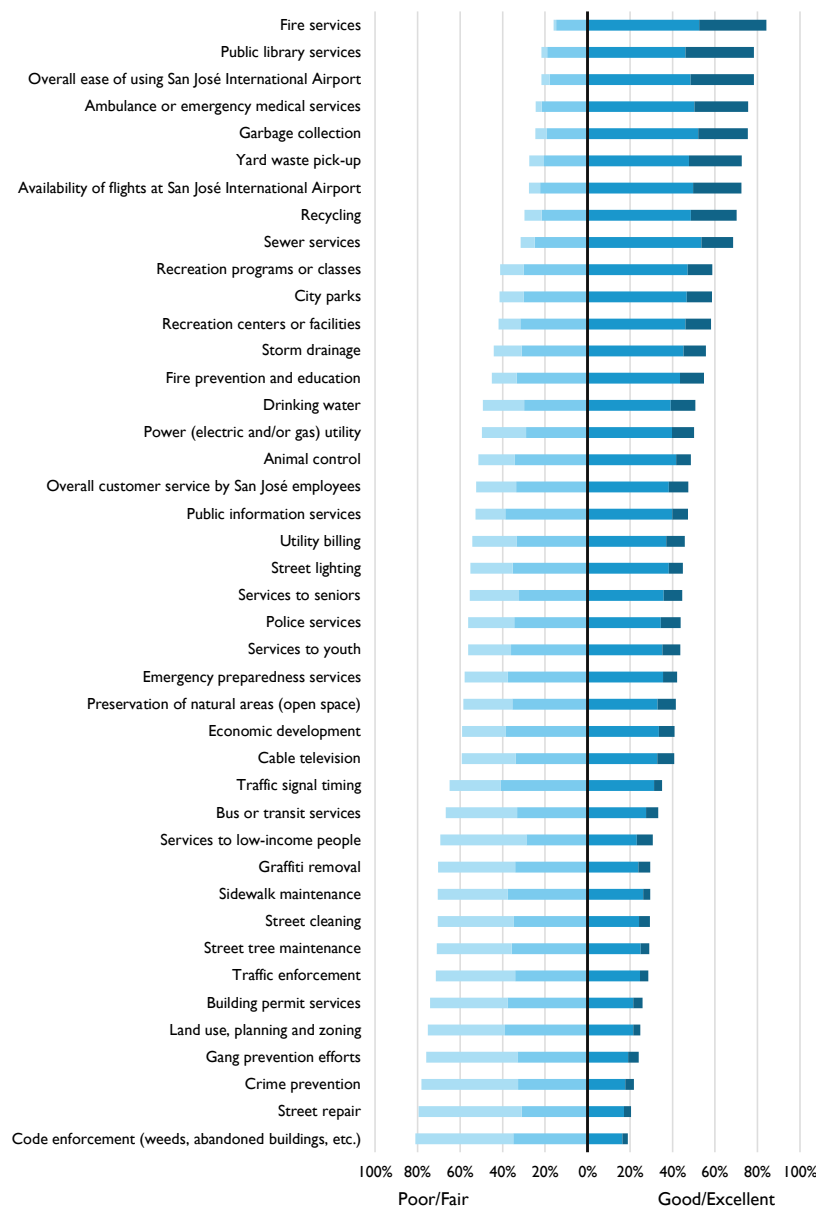
**% of Respondents Rating San José Services as "Excellent" or "Good"**



**Perception of Governance**



**Quality of Government Services**



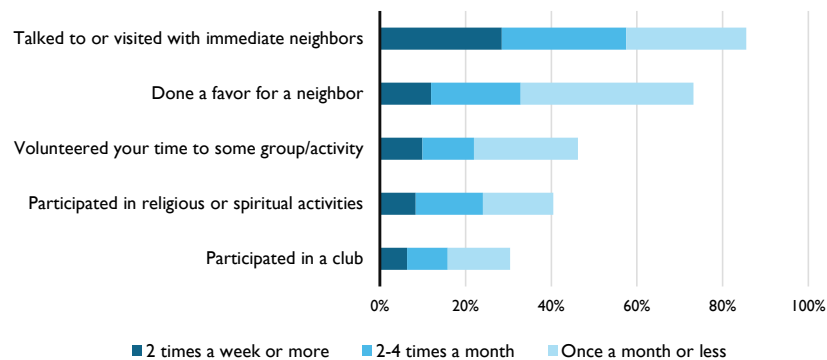
## RESIDENT SURVEY

### COMMUNITY PARTICIPATION & CITYWIDE PUBLIC TRUST

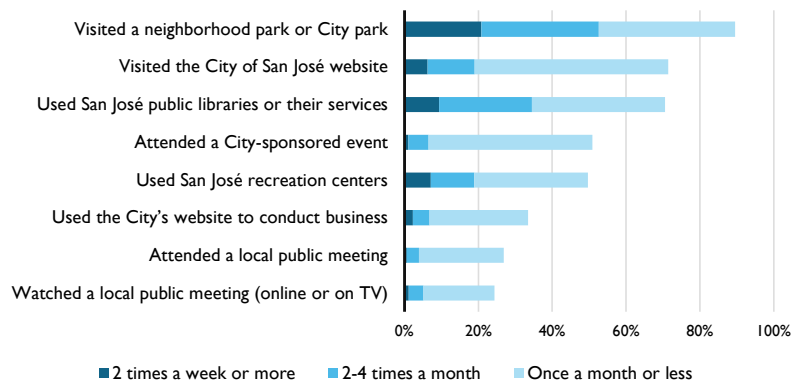
The resident survey also asked residents a variety of questions about their participation in the community, contact with City government, and confidence in San José's governance. Nearly three in four respondents said that they think it is essential or very important for San José to focus on sense of community in the next two years (just 28 percent of respondents rated San José's sense of community positively).

Public participation has generally increased in recent years. Half of respondents said they had contacted the City of San José (in-person, phone, email or web) for help or information in the past year.

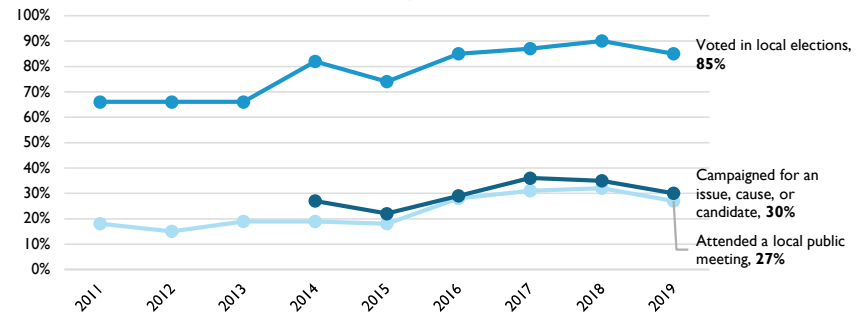
Participation in the San José Community



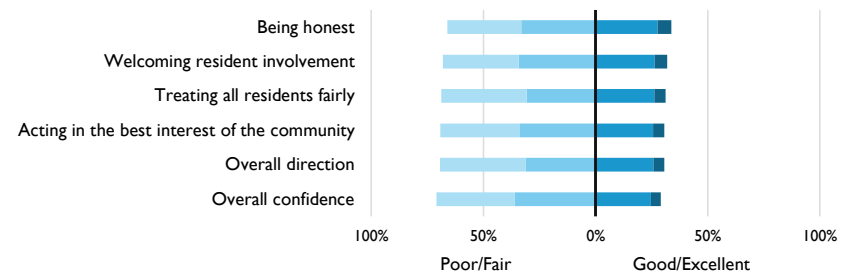
Contact with City Government



Public Participation in San José



Public Trust and Confidence in City Government



### PRIORITY ISSUES FOR RESIDENTS

Residents were asked to assess priorities for the San José community to focus on in the coming two years. Nearly all respondents felt that it was essential or very important to focus on the overall feeling of safety in San José and nearly nine out of ten residents also felt it was essential or very important to focus on economic health.

Resident Priorities in San José

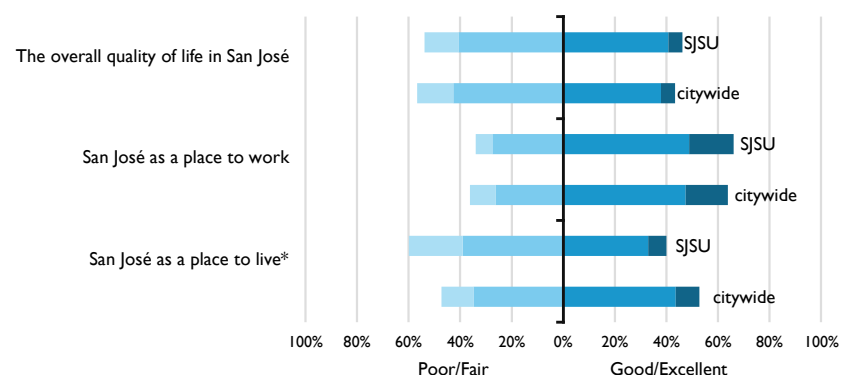




## SAN JOSE STATE UNIVERSITY

2019 marked the first year that San Jose State University (SJSU) participated in the resident survey. The university sent a shortened version of the resident survey to students, faculty, and staff to complete online. (See survey methodology section for more details.) The SJSU survey was administered by NRC, same as the citywide survey. Nearly 700 students, faculty, and staff responded to the survey. Around three-quarters of respondents live in San José.

Quality of Life Comparison



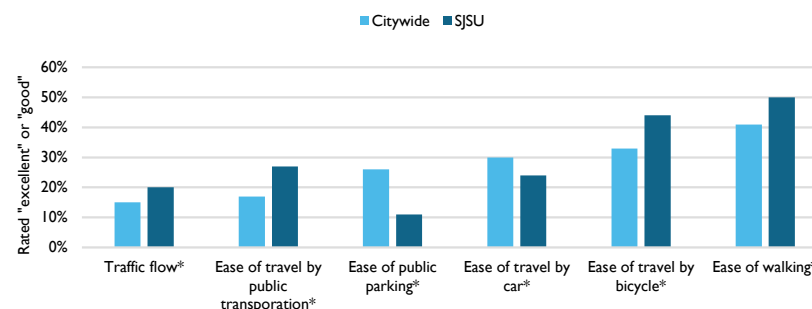
\* Statistically significant differences are indicated with an asterisk.

On many measures, SJSU responses and citywide responses were similar. As shown above, SJSU respondents and citywide respondents similarly rated the overall quality of life and the city as a place to work. Citywide respondents gave the city higher ratings as a place to live. Seventy-one percent of SJSU respondents said that they were likely to recommend studying in San José to someone who asks.

Additional characteristics were rated similarly across the survey groups. For example, ratings for cleanliness, appearance, public places where people want to spend time, sense of community, economic health, and overall reputation were similar. In some other cases, responses varied significantly. Citywide respondents rated shopping and employment opportunities higher than SJSU respondents. SJSU respondents rated the quality of new development, vibrancy of downtown, and opportunities to attend cultural activities higher than citywide respondents.

Though not all SJSU respondents live in San José, they all use City services, such as roads and parking. SJSU and citywide responses varied significantly in the ease of different modes of travel, as shown below. Generally, SJSU respondents rated alternatives to driving higher than citywide respondents. Forty-six percent of SJSU respondents rated the overall ease of getting to and from the university as "excellent" or "good."

Ease of Travel in San José



\* Statistically significant differences are indicated with an asterisk.

## SHARED PRIORITIES FOR THE CITY

Respondents in both surveys rated the overall feeling of safety, economic health, and ease of travel as three top priorities that were "essential" or "very important" to focus on in the coming two years.

SJSU Priorities in San José



\* Statistically significant differences are indicated with an asterisk.

# RESIDENT SURVEY

## SURVEY METHODOLOGY

The survey data presented in this report was collected and analyzed by the [National Research Center, Inc.](#) on behalf of the the City Auditor's Office.

The survey consultant mailed surveys to a statistically valid sample of 3,000 San José households starting in August 2019. They also sent postcards to an additional 1,000 random households inviting residents to complete the survey online. (Seventy-seven, or about 2 percent, of mailings were returned to sender.) Completed surveys were received from 601 residents, for a response rate of 15 percent.

The consultant selected survey respondents at random and tracked survey responses by each quadrant of the City (Northeast, Southeast, Northwest, Southwest). Participation was encouraged with multiple mailings; self-addressed, postage-paid envelopes; and three language choices—English, Spanish, and Vietnamese. Of the 601 completed surveys, 587 were completed in English, 11 in Spanish, and three in Vietnamese. The survey consultant statistically re-weighted results, as necessary, to reflect the actual demographic composition of the entire community.

An additional 3,760 residents completed an online “opt-in” survey, which was publicized through a press release, social media, and flyers in City facilities, including libraries and community centers, all of which were translated into Spanish and Vietnamese. A link to the survey was also posted on the City's website and multilingual flyers were distributed to community groups. The survey consultant has protocols to review the integrity of “opt-in” survey responses, such as checking for repeat IP addresses.

Upon completion of data collection of both the mail and “opt-in” surveys, the survey consultant compared data from the two samples to determine whether it was appropriate to combine, or blend, both samples together. Based on the similarity of the mail and “opt-in” sample characteristics, the survey consultant determined that the two samples could be blended.

To blend the data, the consultant weighted “opt-in” survey data using a calibration technique that takes into consideration behavioral characteristics of the sample, as well as demographic data. This calibration technique reduces the differences that may occur between the mail and “opt-in” samples by using the mail results to inform the weighting scheme of the “opt-in” sample.

To do this, the survey consultant calculated an index score based on respondents' levels of engagement in the community (e.g., contact with City employees, recreation center use, frequency of volunteering). They then categorized index scores into four equal groups and used the “norms” for the categorized index scores from the random mail sample as part of the weighting scheme for the “opt-in” sample.

The precision of estimates made from surveys are usually described by a “level of confidence” and accompanying “confidence interval” (or margin of error). A traditional level of confidence, and the one used here, is 95 percent. The margin of error around results for this survey is plus or minus two percentage points. With this margin of error, one may conclude that when 60 percent of survey respondents report that a particular service is “excellent” or “good,” somewhere between 58 to 62 percent of all residents are likely to feel that way. Differences between 2018 and 2019 results can be considered statistically significant if they are plus or minus six percentage points.

More opt-in survey responses were received this year than in past years, attributable in part to expanded outreach efforts for the 2019 survey. As a note, responses on some questions may have increased due to the participation of City departments (e.g., Library and Parks, Recreation and Neighborhood Services) in promoting the survey. This may represent sampling differences and should be considered within the context of other performance measures.

For complete methodology, see Appendix C of the Technical Appendices, posted online at [sanjoseca.gov/servicesreport](https://sanjoseca.gov/servicesreport).

In addition, for the first time this year, the City Auditor's Office worked with the Knight Foundation and San Jose State University to implement a parallel survey of university students and faculty. This survey used a slightly abbreviated version of the City's survey and substituted “campus” for “neighborhood” where appropriate (e.g., “rate how safe you feel on campus during the day”). The university encouraged participation with a message from the president. Responses were submitted online by 694 students, faculty, and staff. The consultant used statistical tests to determine whether responses from SJSU varied significantly from citywide responses within a 95 percent confidence level.

Financial condition is the measure of how healthy a city's finances are at a particular point in time.

Unless otherwise noted, information in this chapter is from the City's audited Comprehensive Annual Financial Report (CAFR). Other chapters use adopted budget information. The CAFR differs from the City's annual Adopted Operating Budget in the timing and treatment of some revenues and expenditures.

In February 2016, this Office published our first report on financial condition. This chapter builds on those efforts by providing both background information about the City's finances and measures of financial condition. See this chapter's endnotes for definitions and links to the City's numerous financial documents. For more information, see [Measuring San José's Financial Condition](#).

## FINANCIAL CONDITION

### WHAT IS FINANCIAL CONDITION?

Financial condition is the measure of how healthy a city's finances are at a particular point in time. A city is considered financially healthy if it can deliver the services its residents expect with the resources its residents provide, both now and in the future. A city that is financially healthy is prepared to respond to residents' needs as they change over time or when unforeseen events arise, while laying the groundwork for long-term projects that will impact services many years down the line.

Cities in poor financial condition are not able to provide the services that residents want, either now or in the future. They're more susceptible to economic downturns—requiring cutbacks in services and maintenance—and they may have difficulty recovering from financial setbacks.

### WHAT MAKES UP THE CITY GOVERNMENT?

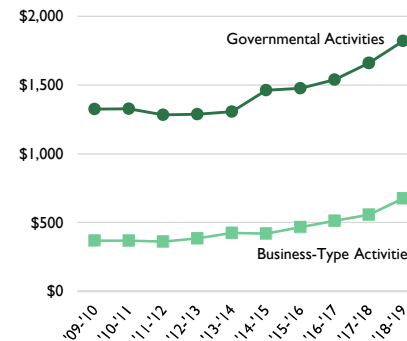
Most of what the City government does is considered to be a *governmental activity*, meaning that the programs and departments are funded by the public at large and can be used by everyone who lives in, works in, or travels to San José. This includes police, fire, libraries, roads, parks, and code enforcement. These governmental activities are primarily funded through the City's *General Fund* (the City's primary, unrestricted operating fund).

Many cities operate programs that don't receive general tax revenue to support their operations. These are called *business-type activities*. For example, the Mineta San José International Airport is supported through fees from airlines and passengers and rent from concessionaires.

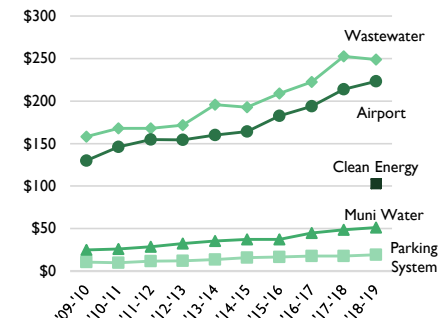
### CITY REVENUES

The City received \$2.50 billion in revenues in FY 2018-19. Governmental activity revenue totaled \$1.82 billion, a 10 percent increase from the previous year. Business-type activities generated \$675 million in FY 2018-19. All business-type activities generated more revenue than ten years ago.

**Total City Revenues (\$millions)**

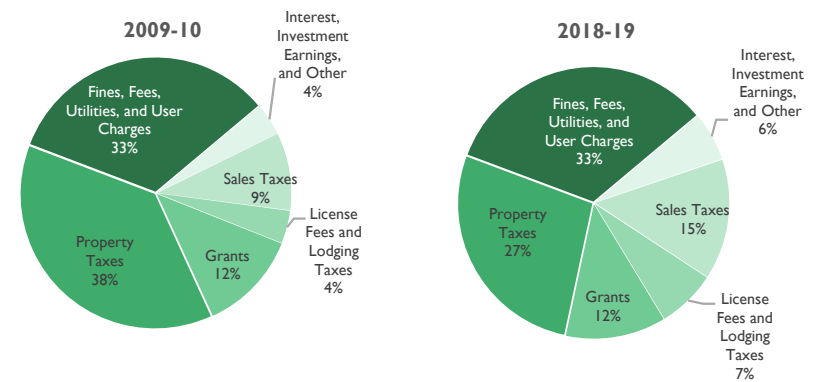


**Business-Type Revenues by Source (\$millions)**



The City relies on a number of funding sources to support its operations. Most California cities generate the majority of their revenue from taxes and fees. Compared to ten years ago, a smaller portion of the City's revenues came from property taxes, while a larger portion came from sales taxes and fees, fines, utilities, and other charges.

**Governmental Activity General and Program Revenues by Type**



## REVENUE PER CAPITA

*The City's revenue per capita has increased over the last seven years.*

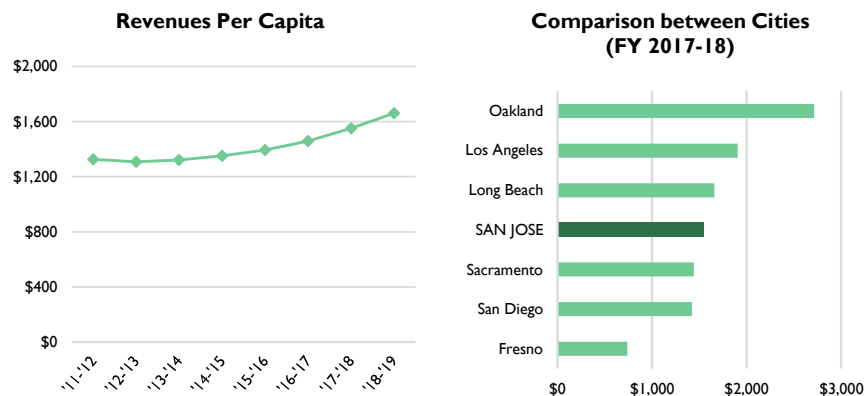
As a city's population increases, it is beneficial if the city's revenues also increase to maintain or grow service delivery for the expanding number of residents. Otherwise, the city may have to cut services or find new revenue sources.

The City's revenues per capita have increased over the last seven years. The increase in revenues helped contribute to the City's operating surplus, shown later in this chapter. San José's revenue per capita was mid-range compared to other jurisdictions surveyed.

Revenues per capita in the measures below include all governmental activity revenue. This includes taxes, fees, fines, grants, and other charges. Some revenue sources have restrictions on how they can be spent.

The graphs below compare governmental funds revenue to population. A higher ratio means that there was more revenue generated per capita.

*For this measure, a **higher** ratio indicates better financial condition.*

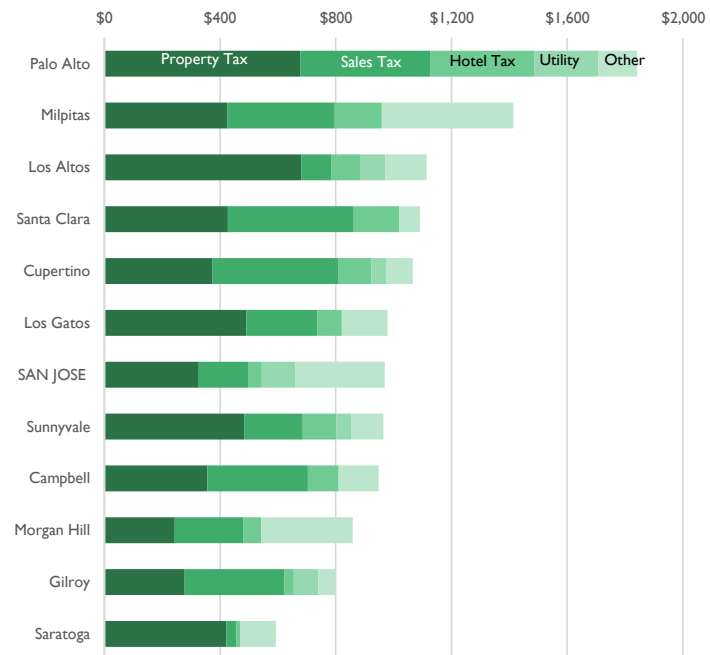


## REVENUE PER CAPITA (CONTINUED)

Although voters approved increases to the City's sales tax and business tax in 2016, San José still received less tax revenue per capita than most of its neighboring cities (consistent with previous years). The City's tax revenues were only \$969 per capita in 2017-18. Of that, sales tax was only \$170. In contrast, Palo Alto received \$1,842 in taxes per capita, of which \$448 was from sales taxes.

The chart below shows only tax revenues. It doesn't include other sources of total governmental activity revenue that are included on the other charts on this page (such as fees and grants).

**City Comparison of Tax Revenues Per Capita (2017-18)**



Source: 2017-18 State Controller's City Data and California Department of Finance population estimates.

Note: Due to a potential change in data collection methodology, Mountain View was excluded in this table as it may not be comparable to other jurisdictions. The Auditor's Office will review data when preparing future reports and include Mountain View going forward as appropriate.

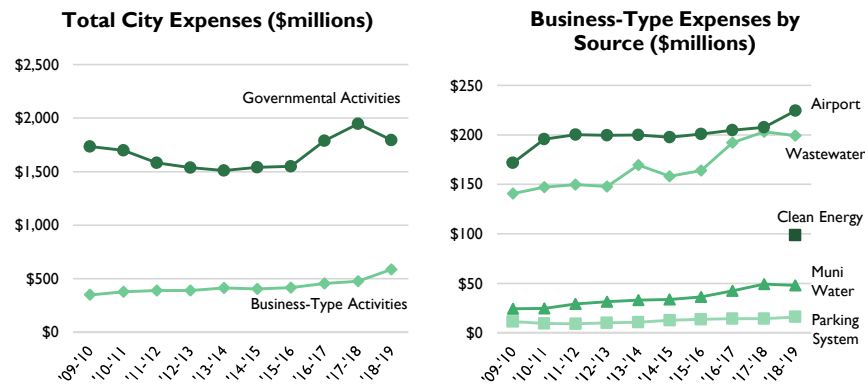
## FINANCIAL CONDITION

### CITY EXPENSES

The City's total expenses decreased in 2018-19 to \$2.38 billion, compared to a ten-year high of \$2.42 billion last year. Governmental activity expenditures, 75 percent of the total, decreased by 8 percent from last year. Expenses from business-type activities have steadily increased over the last ten years.

These expenses include non-cash expenses such as depreciation (see "City Capital Assets and Spending" later in this chapter). Revenue sources are often restricted in how they can be spent. As a result, reducing expenses for one service does not necessarily mean that expenses can be increased for another service, because the revenue may not be transferable.

In 2018-19, the reduction in expenditures included a decrease in the liability for net other post-employment benefits (OPEB). This reduction was due to the implementation of a new voluntary benefit program (VEBA) for employees as well as changes in actuarial assumptions. In prior years, expenditure growth included public safety personnel and equipment costs, higher debt service payments, expanded service delivery, and increased capital outlay and capital maintenance expenditures.



Note: In FY 2017-18, there were \$1 million of expenses from San José Clean Energy.

### EXPENDITURES PER CAPITA

*The City's expenditures per capita have decreased over the last year.*

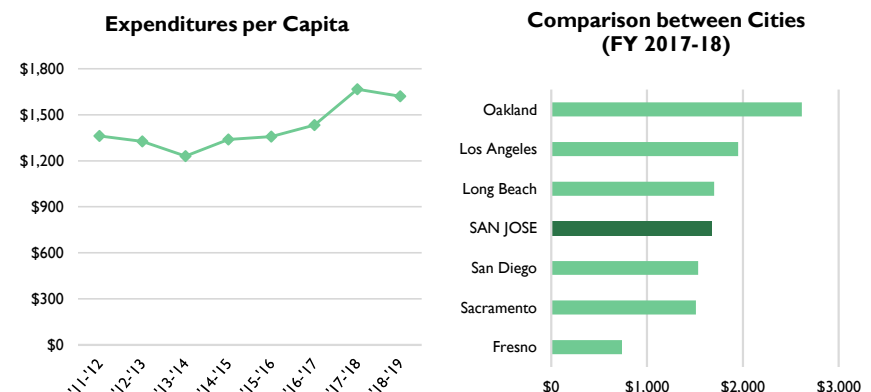
As a city adapts its service delivery over time and as its population changes, the amount of money expended per capita can shift. If the expenditures increase compared to population, it may indicate that new services were added, or that service delivery has become more expensive or less efficient.

After four years of increasing governmental funds expenditures per capita, the City's expenditures per capita decreased in 2018-19. The decrease in expenditures helped contribute to the City's operating surplus, shown later in this chapter.

San José's expenditures per capita were mid-range compared to other surveyed jurisdictions. The level and types of service offered may vary between cities.

The graphs below compare governmental funds expenditures to population. A lower ratio means that there were fewer expenditures per capita.

*For this measure, a **lower** ratio indicates a potentially lower level of service provided to residents.*



OPERATING SURPLUS/DEFICIT

The City's General Fund had an operating surplus last year.

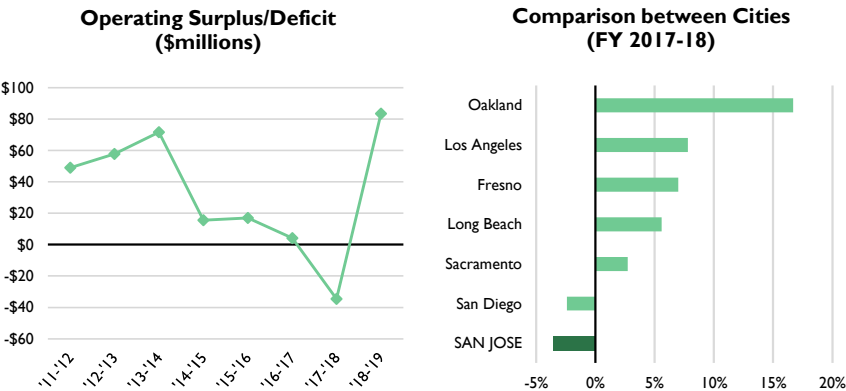
Ideally, a city's revenues will equal its expenditures; it will break even, rather than spending too little on services or too much. If the City spends too much on services, it has an operating deficit—it spent more than the revenues it brought in. Operating deficits that continue for years are unsustainable for a city's financial health.

In 2018-19, the General Fund operating surplus was \$83 million. General Fund revenues grew by 9 percent while expenditures decreased 3 percent. The growth in revenues was attributed to an increase in property tax and sales tax.

Last year, in 2017-18, when San José's operating deficit was \$35 million, San José had the largest operating deficit compared to revenues of any city surveyed.

The graph below to the left shows the difference between the City's General Fund total revenues and expenditures. The graph below to the right expresses this as a comparison ratio (surplus or deficit divided by revenues).

For this measure, a **higher** number indicates a better financial condition.



ABILITY TO PAY EXPENSES

The City had more cash available in its General Fund compared to the liabilities owed than it did in prior years.

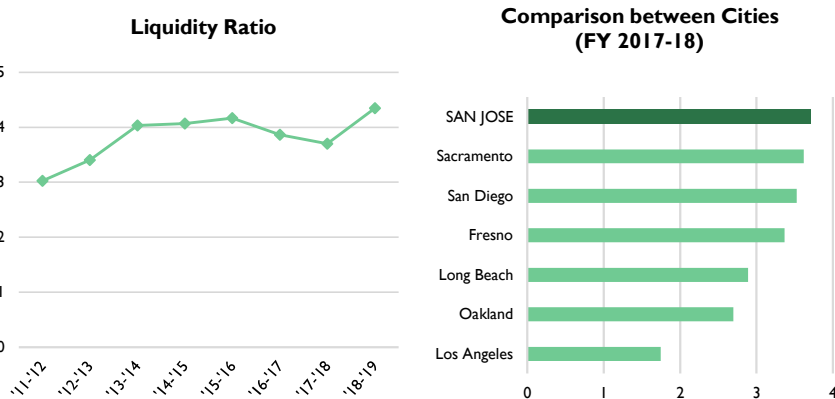
Cash and investments that can be quickly turned into cash enable the City to pay bills that will come due in the short term (within one year or sooner).

The amount the City had in its treasury in cash and investments compared to the liabilities owed increased in 2018-19, following two years of decline. As of June 30, 2019, the City's cash and investments were over four times the amount that it owed within the next year.

In 2017-18, San José's ratio of cash to liabilities was higher than other cities surveyed. This means that San José was in a comparatively good position to pay short-term obligations with cash and investments compared to other cities.

The graphs below show the amount of money that the City has in cash and investments compared to the amount of short-term obligations the City owes, all within the General Fund. A higher ratio shows a better ability to pay short-term obligations.

For this measure, a **higher** ratio indicates better financial condition.



## FINANCIAL CONDITION

### BUILDING UP RESERVES

*The City's General Fund unassigned fund balance reserves increased compared to revenue.*

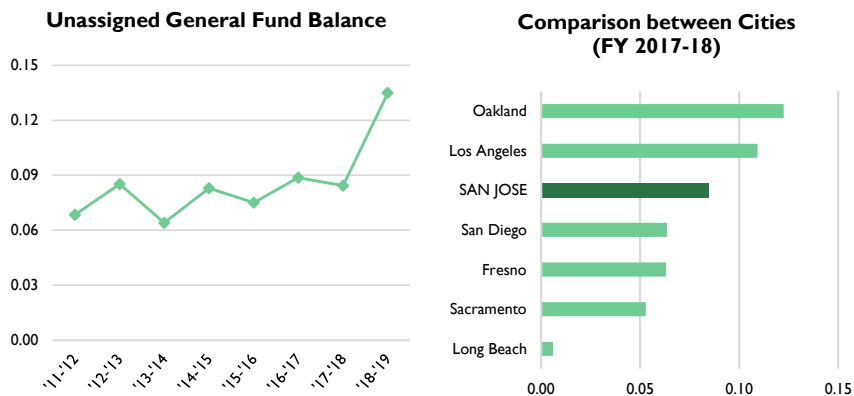
The City has several different reserves set aside. Of these reserves, the *unassigned fund balance* has the fewest restrictions on how it can be used. Within the unassigned fund balance are the City's safety net reserves: money that's set aside to pay for services and salaries when revenues take a turn for the worse.

San José's General Fund unassigned fund balance ratio increased in 2018-19 following years of relative consistency. The total General Fund balance increased by \$121.5 million in the last year, and was higher as of June 30, 2019 than at the end of the preceding ten fiscal years.

In 2017-18, the City's ratio was on the higher end compared to other jurisdictions.

The graphs below compare the money in the *General Fund* unassigned fund balance to total General Fund revenues. A higher ratio means that there was more money saved as compared to the revenues that were brought in.

*For this measure, a **higher** ratio indicates better financial condition.*



### NET ASSETS PER CAPITA

*The City's net position has increased.*

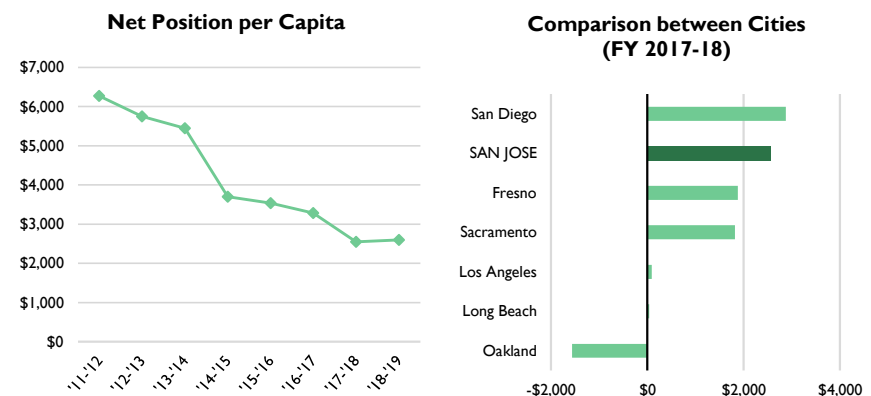
Revenues from the City's programs ideally should cover the expenses that the City incurs for those programs—otherwise, the City will have to make ends meet by dipping into other savings, and it won't be able to save money for projects and safety net reserves.

For the first time in seven years, the City's revenues for governmental activities (all funds) exceeded its expenditures (including depreciation on its capital assets) in 2018-19. As a result, the City's net position increased.

San José had a relatively high net position per capita for governmental activities than other surveyed cities in 2017-18. As noted previously, cities may provide a varying range of services to residents. A change in accounting practices due to the addition of net pension liability contributed to the decline between 2013-14 and 2014-15. Similarly, in 2017-18, cities began adding the liability for other post-employment benefits (OPEB).

The graphs below show the City's net position per capita for governmental activities. A higher ratio means the City had more resources to provide services per resident.

*For this measure, a **higher** ratio indicates better financial condition.*





## CITY OBLIGATIONS AND DEBT

In total, the City had **\$7 billion** in obligations as of June 30, 2019. Of this, **\$438 million** was for short-term obligations and **\$6.5 billion** was for long-term obligations.

*Short-term obligations* are due within the next year. This includes things like accrued wages that City employees have earned, and accounts payable (money owed for supplies or for services rendered).

*Long-term obligations* are generally not due within the next year, but will need to be paid in the future. Long-term obligations include:

- The accrued vacation and sick leave that employees have earned but haven't taken.
- Bonds that the City has issued to finance the purchase, construction, and renovation of City-owned facilities. The payment of bond debt, called debt service, includes payment of principal and interest. *For more information, see the Finance Department chapter.*
- Pensions and other post-employment benefits (OPEB), which includes healthcare for retired City employees. *For more information, see the Retirement Services chapter.*

### Who has to pay the City's debt?

Separate entities within the broad City organization are legally responsible for different parts of the City's debt. On the one hand, the City is not legally obligated to use the City's general revenues to pay the business-type obligations. On the other hand, the City's business-type revenues are restricted and may not be used to pay other debt obligations.

## ABILITY TO PAY OBLIGATIONS

*Less than three years of revenue would be required to pay the City's obligations.*

A city the size of San José has both short- and long-term obligations that must be paid in the future, such as accounts payable and bonds payable. The fewer number of years of annual revenue needed to pay the City's obligations, the better the City's financial condition.

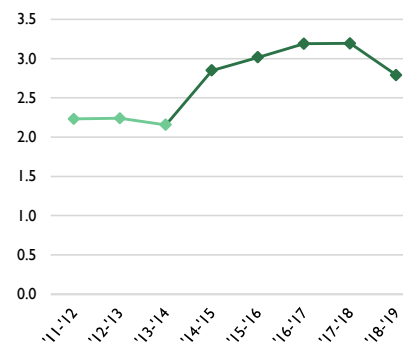
In 2018-19, 2.8 years of revenues would be required to pay the City's obligations. In 2014-15, the City began including its net pension liability, which totaled nearly \$1.7 billion that year, to the calculation of total liabilities. OPEB liabilities were added in 2017-18, and totaled \$1.1 billion that year.

San José had more liabilities compared to revenues than all other cities surveyed in 2017-18.

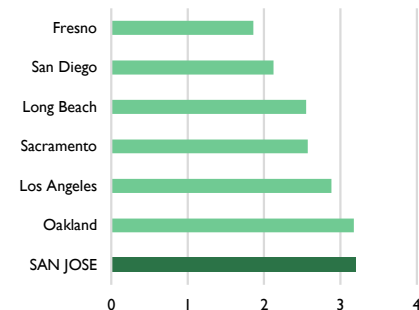
The graphs below compare the City's short- and long-term obligations to the City's annual revenues (including all governmental and business-type activities). A lower ratio shows that the City was able to pay a larger portion of its debts with annual revenues.

*For this measure, a **lower** ratio indicates better financial condition.*

Near-Term Solvency Ratio



Comparison between Cities (FY 2017-18)



Note: 2011-12 through 2013-14 do not include net pension liability; 2017-18 on includes OPEB liabilities.

## FINANCIAL CONDITION

### AMOUNT BORROWED PER CAPITA

*The amount the City had borrowed per capita decreased.*

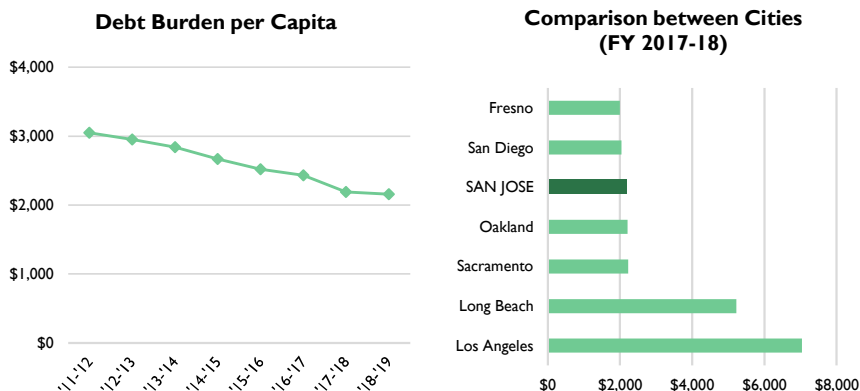
Having a low amount borrowed per capita would put a city in a better position, and potentially make it easier to borrow more money should the need arise.

2018-19 saw the lowest amount borrowed per capita than in the previous eight years. The City's single largest source of long-term debt in the form of bonds was related to capital improvements at Mineta San José International Airport, for which the outstanding bonds totaled \$1.2 billion as of June 30, 2019 (to be repaid with Airport revenues). For more information, see the Airport and Finance chapters. In November 2018, San José residents passed Measure T, which authorizes the City to issue up to \$650 million of General Obligation bonds for various public improvements.

San José's debt burden per capita (including business-type activities) was mid-range of other cities surveyed. A city's debt is highly dependent on what range of services a city offers, including what business-type activities it has.

The graphs below show the amount (including business-type activities) the City borrowed per capita. A lower ratio indicates that the City has less borrowed per capita.

*For this measure, a **lower** ratio indicates better financial condition.*



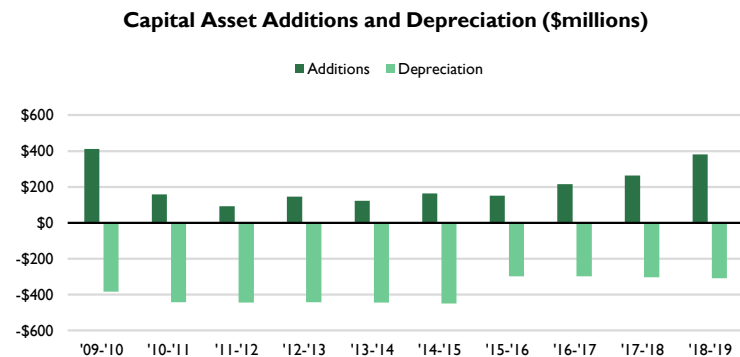
### CAPITAL ASSETS AND SPENDING

The City owns a variety of capital assets—land, buildings, vehicles, equipment, infrastructure (e.g., roads, bridges, sewers), and other assets with a useful life beyond one year. Capital assets also include construction projects currently being built but not yet completed (referred to as construction in progress). Paying for and maintaining these assets play a critical role in the City's financial condition.

At the end of fiscal year 2018-19 the City owned \$7.5 billion of capital assets. This figure represents the historical purchase or constructed cost less normal wear and tear from regular use (referred to as *depreciation*).

Capital assets used for governmental activities totaled \$5.2 billion and assets used in business-type activities such as the Airport, wastewater treatment, and other business-type activities totaled \$2.3 billion.

In 2017-18, the City added \$380 million in capital assets; however, these were offset by \$309 million in depreciation. Among the additions were capital projects at the Wastewater Treatment Facility and the Airport.



## CAPITAL ASSETS AND SPENDING (CONTINUED)

On an annual basis, the City administration prepares a status report on the deferred maintenance and infrastructure backlog. In January 2019, staff reported that the City faced an estimated \$1.5 billion deferred maintenance and infrastructure backlog, with an estimated additional \$87 million needed annually in order to maintain the City's infrastructure in a sustained functional condition. The transportation system (e.g., streets, street lighting) is most affected by the backlog.

### Infrastructure Backlog (all funds as of January 2019, \$millions)

	Current Backlog of Deferred Needs	Annual Ongoing Unfunded Needs
Airport	\$5.9	TBD
Building Facilities*	\$171.5	\$18.9
City Facilities Operated by Others	\$7.6	\$1.5
Sports Facilities	TBD	TBD
Convention Center/Cultural Facilities	\$54.1	TBD
Fleet	\$9.3	\$1.3
Parks, Pools, and Open Space	\$201.4	\$33.4
Sanitary Sewer	TBD	\$3.6
Service Yards	\$21.6	\$3.8
Storm Sewer	\$180.0	TBD
Information Technology**	\$21.6	\$0.4
Radio Communications	none	none
Transportation Infrastructure	\$876.1	\$23.9
Regional Wastewater Facility	none	none
Water Utility	none	none
<b>Total</b>	<b>\$1,549</b>	<b>\$87</b>

Source: [Status Report on Deferred Maintenance and Infrastructure Backlog, 2019](#)

\* Annual ongoing is for Parks buildings only, remaining facilities to be determined (TBD).

\*\* This estimate only includes deferred needs for technology infrastructure maintained by the Information Technology Department (IT). Other departmental IT needs are not included.

## CHANGE IN VALUE OF CAPITAL ASSETS

*The value of the City's capital assets increased in the last year.*

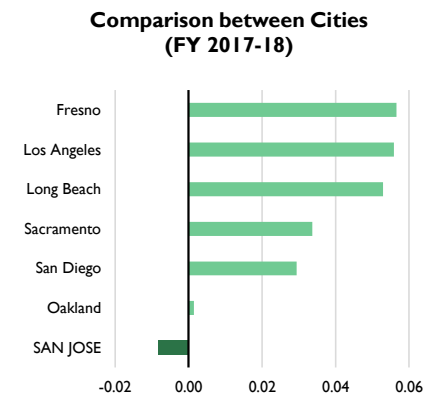
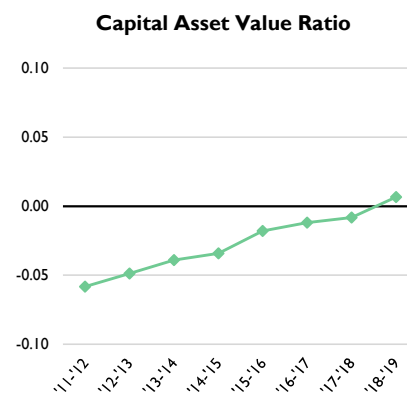
Most of the City's capital assets decrease in value over time because of depreciation. If the City doesn't replace or renovate its capital assets, the value over time decreases.

The value of the City's capital assets (net of depreciation) on June 30, 2019 was about \$49 million more than when the year started (about 0.7 percent above the value on July 1, 2018). The positive ratio indicates that the City's assets increased in value—that is, the value at the end of the year was more than the value at the beginning of the year. This indicates that the value of capital assets added was greater than the depreciation of capital assets. This is the first time in several years that the value of the City's capital assets has increased. A negative ratio would indicate that some capital assets may need to be renovated or replaced.

San José was the only city surveyed that had its capital assets decrease in value in 2017-18.

The graphs below show the difference in the value of capital assets at the end of the year, divided by the value at the beginning of the year.

*For this measure, a **higher** ratio indicates better financial condition.*



# FINANCIAL CONDITION

## ENDNOTES

**What Makes Up the City Government:** Trust and Agency funds, including the Pension Trust Funds and the Successor Agency to the Redevelopment Agency, are not included in revenues.

**City Revenues:** The City also doesn't receive 100 percent of the sales tax levied in Santa Clara County. The City receives less in tax revenue per capita than many other Santa Clara County cities. CAFR Source: Government-wide Statement of Activities and Statistical Section (unless otherwise noted).

**Revenue per Capita:** This measure includes all governmental funds. Note: for all measures, San Francisco is not included as a benchmark city because it is a City/County structure. Formula: Total government funds revenues / Population. CAFR Source: Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances, and Statistical Section

**City Expenses:** Trust and Agency funds, including the Pension Trust Funds and the Successor Agency to the Redevelopment Agency, are not included in expenses. CAFR Source: Government-wide Statement of Activities

**Expenditures per Capita:** This measure includes all governmental funds. Formula: Total government funds expenditures / Population. CAFR Source: Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances, and Statistical Section

**Operating Surplus/Deficit:** This measure includes only the General Fund. Formula: General Fund revenues – General Fund expenditures (for San José 5-year chart); (General Fund revenues – General Fund expenditures) / General Fund revenues (for comparison with other cities). CAFR Source: Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances

**Ability to Pay Expenses:** This measure considers cash and investments held in the City Treasury in the General Fund, as compared to liabilities. It is important to note that measures of cash and investments are a snapshot as of a given date. As a result, information could change the following day as cash flows in and out in revenues and bills paid. Formula: Total General Fund Cash and Investments / (General Fund Liabilities – General Fund Unearned Revenue). CAFR Source: Governmental Funds Balance Sheet

**Building up Reserves:** This measure focuses on General Fund unassigned fund balance. Unassigned fund balance includes contingency reserves and budget stabilization reserves (designed to buffer against financial shocks) and certain earmarked reserves (set aside for a purpose but potentially available in a catastrophic need). This measure shows short-run financial position. Formula: Unassigned General Fund Balance / Total General Fund Revenues. CAFR Source: Governmental Funds Balance Sheet; Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance

**Net Assets per Capita:** This measure considers only governmental activities. Business type activities are not included. Formula: Governmental Activities Net Position / Population. CAFR Source: Government-wide Statement of Activities and Statistical Section

## ENDNOTES (CONTINUED)

**City Obligations and Debt:** The bonds and loans payable noted on this page includes some debt for which the City has limited obligation or is not legally liable. This includes City of San José Financing Authority lease revenue bonds; the City is responsible for making annual lease payments so long as there is beneficial use and occupancy of the leased facility. In addition to debt noted on this page, the City manages, but is not liable for, long-term debt associated with the former Redevelopment Agency and conduit financing related to multi-family housing revenue bonds. For more information on the total debt managed, see the Finance Department chapter. CAFR Source: Statement of Net Position

**Ability to Pay Obligations:** Other Post-employment Benefits (OPEB) begin to be included for 2017-18 data. Formula: (Primary Government Liabilities - Unearned Revenues) / Primary Government Revenues. CAFR Source: Government-wide Statement of Net Position and Statement of Activities

**Debt Burden per Capita:** This measure reflects all primary government bonded debt, which includes governmental and business-type activities. Population estimates are from the State of California, Department of Finance. Trust and Agency funds, including the Pension Trust Funds and the Successor Agency to the Redevelopment Agency, are not included. Formula: Total Outstanding Debt for the Primary Government / Population. CAFR Source: Statistical Section

**Capital Assets:** Assets are valued at cost minus accumulated depreciation. Some assets may be fully depreciated. Trust and Agency funds, including the Pension Trust Funds and the Successor Agency to the Redevelopment Agency, are not included. CAFR Source: Capital Assets Note Disclosure

**Change in Value of Capital Assets:** This measure represents the net value of all primary government capital assets, which includes those owned by governmental activities and business-type activities. Land, intangible assets, and construction in progress are not depreciated. Formula: (Ending Net Value of Primary Government Capital Assets - Beginning Net Value) / Beginning Net Value. CAFR Source: Capital Assets Note Disclosure and Reconciliation of the Changes in Fund Balances for Governmental Funds to the Statement of Activities

## ADDITIONAL REPORTS FOR MORE INFORMATION

The City of San José prepares numerous financial and budgetary documents during the fiscal year. The **Comprehensive Annual Financial Report (CAFR)** provides the City's audited financial statements, notes to those statements, the City Management's Discussion and Analysis of the financial information and trends, as well as other essential information. All measures included in this chapter were calculated using data from the City's CAFR. The **Comprehensive Annual Debt Report** contains information such as recent debt issued by the City and the outstanding debt portfolio. The Annual Debt Report is a key document to better understand the City's debt, which is relevant for several measures presented in this report. Visit: [Finance Department's Report Homepage](#).

## OPERATING BUDGET AND STAFFING

Operating Budget and Staffing for City Services

## OPERATING BUDGET AND STAFFING

### CITY OPERATING BUDGET

The City's operating budget is a financial plan for how the City will provide services, pay obligations, and save for future expenses. It is approved by the Mayor and City Council. It contains information and data regarding expected sources and uses of funds, and performance. The City Charter requires the budget to be balanced for every fiscal year. The fiscal year in San José begins July 1 and ends June 30.

The City's operating budget is prepared using a different accounting basis than the Comprehensive Annual Financial Report (CAFR). CAFR data was used in the previous chapter to discuss financial condition. This chapter, as well as the remainder of this report, uses budgetary data unless otherwise specified. Every year, the City Manager's Budget Office prepares a reconciliation between the CAFR and the adopted budget. To see the latest of these reconciliations, see the [2018-19 Annual Report](#).

In addition to being balanced, the City Charter also requires that the budget include a complete financial plan for all City funds. This includes the General Fund as well as numerous special funds, such as those related to Airport operations, sewer services, and others.

In 2018-19, budgeted City expenditures from all funds totaled about \$3.7 billion. Of that, departmental personal and non-personal operating expenditures totaled approximately \$1.5 billion (or about \$1,450 per resident). The City's Operating and Capital Budgets are online at the [Budget Office Website](#).

### Departmental Operating Expenditures, 2018-19

(All Funds, \$millions)

		10-Year Change
Airport	\$ 70.6	-15%
City Attorney	\$ 19.9	34%
City Auditor	\$ 2.4	1%
City Clerk	\$ 2.4	-41%
City Manager	\$ 18.6	62%
Community Energy	\$ 7.4	not applicable
Economic Development	\$ 11.0	13%
Environmental Services	\$ 268.7	30%
Finance	\$ 18.0	16%
Fire	\$ 224.0	44%
Housing	\$ 11.3	1%
Human Resources	\$ 12.4	18%
Independent Police Auditor	\$ 1.2	54%
Information Technology	\$ 20.8	-10%
Library	\$ 41.8	18%
Mayor and Council	\$ 11.9	16%
Parks, Recreation and Neighborhood Services	\$ 88.4	36%
Planning, Building and Code Enforcement	\$ 50.2	68%
Police	\$ 409.5	37%
Public Works	\$ 112.5	26%
Retirement	\$ 6.3	49%
Transportation	\$ 97.4	26%
<b>Total</b>	<b>\$ 1,506.9</b>	<b>28%</b>

Source: San José Adopted Operating Budgets, 2018-19 Annual Report, and Budget Office

Note: Department operating budgets include personal services, and non-personal/equipment expenditures. Departmental operating budgets do not include all expenditures such as reserves, capital expenditures, debt service, and pass-through funding. Other budgeted expenditures include:

- Expenditures from special funds that are not captured in departmental operating budgets. For example, the Airport's departmental budget totaled \$71 million in 2018-19 (as we report in the chart above and in the Airport section), but the Airport oversaw \$271 million in other program expenditures over the course of the year. See individual department chapters for more information about additional expenditures.
- \$325 million in Citywide expenses and capital contributions and transfers (Citywide expenses are related to more than one department or are not directly associated with ongoing departmental operations).

The numbers do not account for inflation.

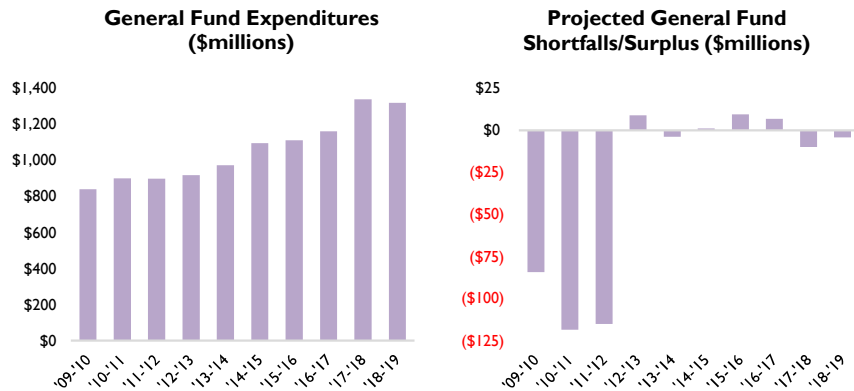
# OPERATING BUDGET AND STAFFING

## GENERAL FUND

The *General Fund* is the primary operating fund used to account for the revenues and expenditures of the City which are not related to special or capital funds. Some of the General Fund's larger revenue sources include: property taxes, sales taxes, utility taxes, licenses and permits, and business taxes. The General Fund is available to use for any purpose and much of its use is dedicated to paying for personnel costs.

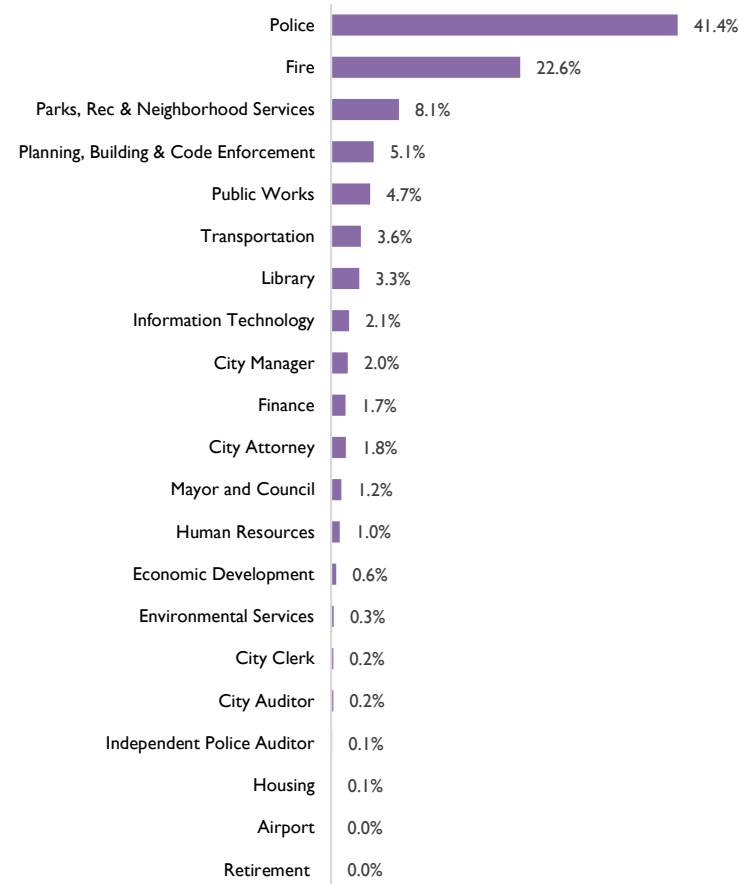
In 2018-19, General Fund expenditures totaled over \$1.3 billion. Departmental operations accounted for \$994 million, with the remaining budgeted for Citywide expenses, capital contributions, and transfers. About 64 percent of expenditures were for the Police and Fire Departments. Some departments are funded through special funds, such as the Airport and the Environmental Services Department, and receive little or no General Fund support.

In 2018-19, the City projected a \$4.3 million General Fund shortfall. This represented about 0.2 percent of the total General Fund budget. The City has faced projected General Fund shortfalls in six of the last ten years. In addition, the [FY 2019-20 City Manager's Budget Message](#) forecasted budget shortfalls for three of the next four years.



Source: San José Adopted Operating Budgets and Annual Reports

## Departmental Operating Expenditures, 2018-19 (General Fund Only)



Source: San José 2018-19 Annual Report

Note: May not total to 100 percent because of rounding. Department expenditures in the General Fund totaled \$994 million. Citywide expenses, capital contributions, and transfers totaled roughly \$325 million of additional General Fund expenditures.

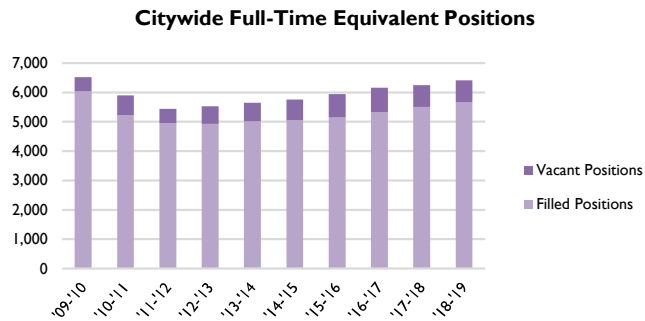
## OPERATING BUDGET AND STAFFING

### CITY STAFFING

Much of the General Fund's expenses are allocated for personnel costs. In 2018-19, there were 6,413 full-time equivalent positions in the City. Increased staffing over the last few years has almost restored staffing levels to what they were ten years ago, when the City had around 6,500 authorized positions.

While some City departments are still below staffing levels from ten years ago, some departments have experienced substantial growth in staffing levels. There were 754 vacancies as of June 30, 2019; however, it should be noted that there were roughly 90 police recruits in the police academy to fill vacant police officer positions.

The number of full-time employees leaving City service has come down from the high seen in 2011 when nearly 900 employees left the City. In 2018-19, 583 full-time employees left City employment; 698 new full-time hires joined the City.



Source: San José Adopted Operating Budgets and auditor analysis of PeopleSoft records



Source: Auditor analysis of PeopleSoft records

Authorized Department Staffing	2018-19	10-Year Change
Airport	216	-29%
City Attorney	84	-6%
City Auditor	15	-12%
City Clerk	15	-6%
City Manager	84	-3%
Community Energy	17	not available
Economic Development	58	-19%
Environmental Services	550	8%
Finance	121	-5%
Fire	823	-3%
Housing	78	-3%
Human Resources	53	-29%
Independent Police Auditor	6	20%
Information Technology	80	-40%
Library	367	1%
Mayor and Council	27	not available
Parks, Recreation and Neighborhood Services	711	6%
Planning, Building and Code Enforcement	330	56%
Police	1,691	-5%
Public Works	573	0%
Retirement	40	20%
Transportation	475	5%
<b>Total</b>	<b>6,413</b>	<b>-2%</b>

Source: 2018-19 Adopted Operating Budget



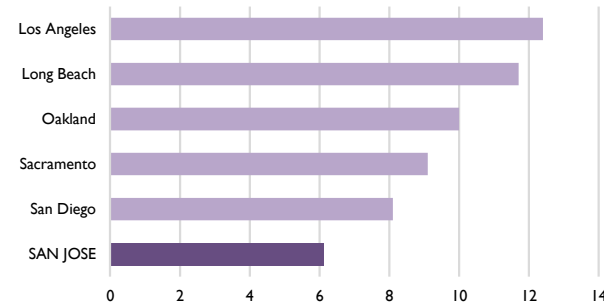
## OPERATING BUDGET AND STAFFING

### CITY STAFFING (CONTINUED)

In 2018-19, the City of San José had 6.1 authorized positions per 1,000 residents, far fewer than other large California cities. The number of authorized positions per 1,000 residents was also less than San José's 20-year average of 6.7.

Total employee compensation for operating funds rose to \$1.06 billion in 2018-19. Cash compensation and other benefit costs have risen above 2009-10 levels, partly driven by a restoration of former staffing levels. Moreover, retirement benefit costs have more than doubled. For more information, see the Retirement Services chapter.

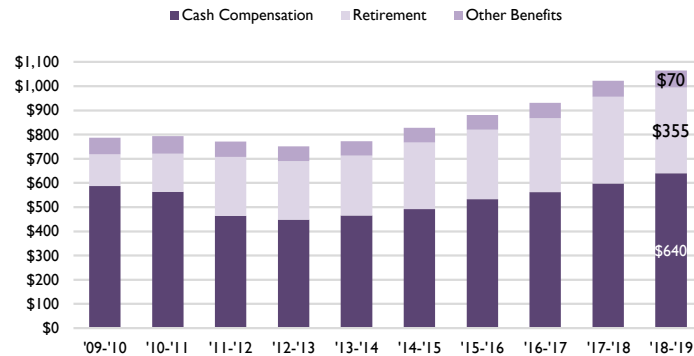
**2018-19 Authorized Full-Time Positions per 1,000 Residents**



Source: 2018-19 Operating Budgets from each jurisdiction and California Department of Finance Demographic Research Unit

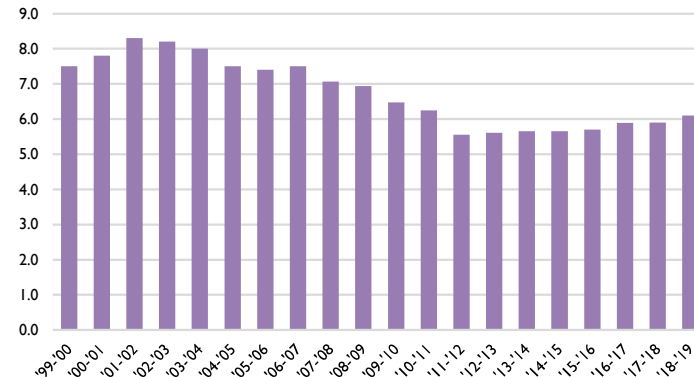
Note: The type and range of services may vary across jurisdictions.

**Retirement, Fringe, and Cash Compensation (Operating Funds Only, \$millions)**



Source: Auditor analysis of FMS records

**Authorized Full-Time Positions per 1,000 population**



Source: 2011 Fiscal and Service Level Emergency Report, November 2011, San José 2012-13 through 2018-19 Adopted Operating Budgets

## OPERATING BUDGET AND STAFFING

### ADDITIONAL REPORTS FOR MORE INFORMATION

The City of San José prepares numerous budgetary documents during the fiscal year.

The City's **Annual Adopted Operating Budget** details how the City will pay for services and operations. The Adopted Operating Budget contains key information about the City's budgets and performance, broken down by broad areas of City service delivery and City departments. It also contains information about the sources and uses of operating funds. Visit:

[City Manager's Budget Office 2019-20 adopted operating budget homepage.](#)

The City Manager's Budget Office also prepares an **Annual Adopted Capital Budget** and a **Five Year Capital Improvement Program** to outline how the City will maintain and grow its capital assets. This document provides detailed information about the planned capital investments in the City's assets such as buildings, parks, and transportation infrastructure. Visit:

[City Manager's Budget Office 2019-20 adopted capital budget homepage.](#)

The **Annual Report** provides unaudited information on the financial status of the City at the end of each fiscal year. The focus of the Annual Report is a comparison of actual revenue collections and expenditures to projections and appropriations included in the budget. This report also provides information about each City fund, including the status of the year-end reserve levels. Visit:

[City Manager's Budget Office 2018-19 Annual Report.](#)

The **Five Year Forecast** includes projected revenues and expenditures for the General Fund and revenue projections for the Capital Improvement Program. Visit: [City Manager's Budget Office Five Year Forecast homepage.](#)

The **Fees and Charges Report** documents the majority of the fees and charges within the General Fund and selected fees within other funds. Some fees for enterprise activities, such as the Airport, are not included as they are approved separately. Visit: [City Manager's Budget Office Proposed Fees and Charges.](#)

## CITY SERVICE AREA (CSA) DASHBOARDS

City Service Areas (CSAs) integrate services provided in individual departments into the City's five key lines of business: Community and Economic Development; Environmental and Utility Services; Neighborhood Services; Public Safety; and Transportation and Aviation Services. An additional CSA, referred to as "Strategic Support," represents the internal functions that enable the other five CSAs to provide services to the community. In FY 2017-18, the City Administration was instructed to select the top six measures representing achievements in each CSA. These measures are presented in the following section.

For more information about specific departments, see their corresponding chapters later in the report.

# COMMUNITY AND ECONOMIC DEVELOPMENT CSA DASHBOARD

## MISSION

To manage the growth and change of the City of San José in order to encourage a strong economy, create and preserve healthy neighborhoods, ensure a diverse range of employment and housing opportunities, and encourage a diverse range of arts, cultural, and entertainment offerings.

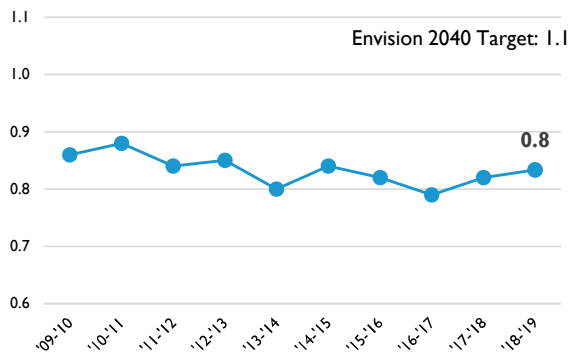
## CSA OUTCOMES

- Strong economic base
- Safe, healthy, attractive, and vital community
- Diverse range of housing options
- Range of quality events, cultural offerings, and public artworks

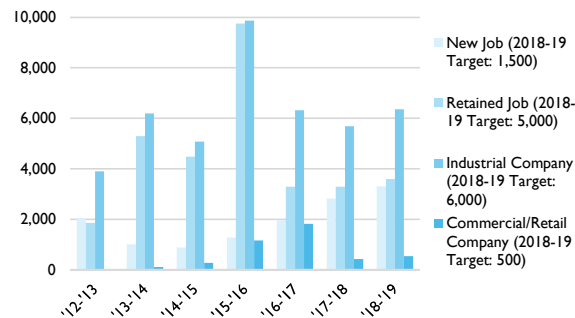
## PRIMARY PARTNERS

- Fire
- Housing
- Public Works
- Economic Development
- Planning, Building and Code Enforcement

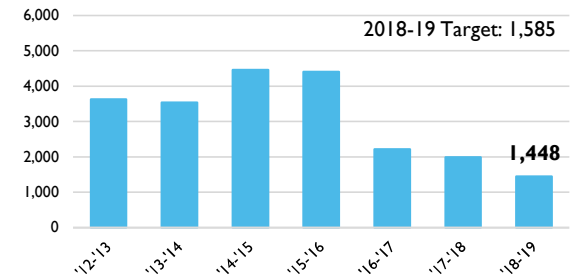
Jobs per Employed Residents in San José



Estimated Jobs Generated/Retained by Companies that Received City Assistance

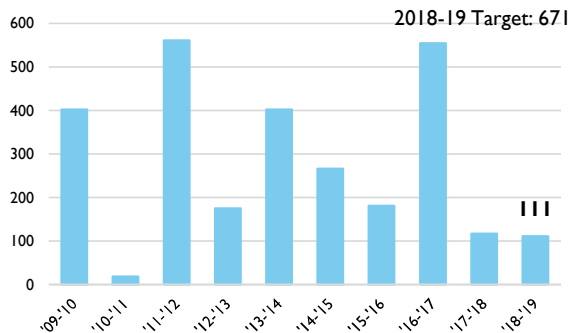


Number of work2future Clients Receiving Discrete Services (Counseling, Job Placement, and Occupational Training)

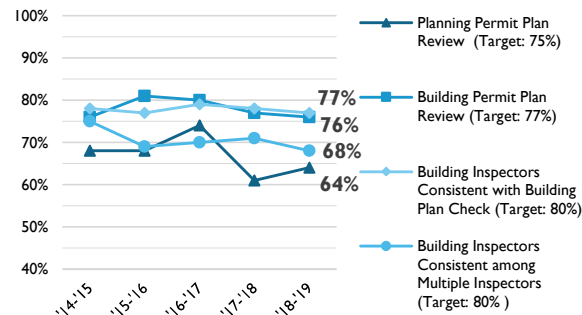


Note: According to work2future, the decline since 2015-16 was due to a change in the service delivery model which resulted in seeing fewer clients.

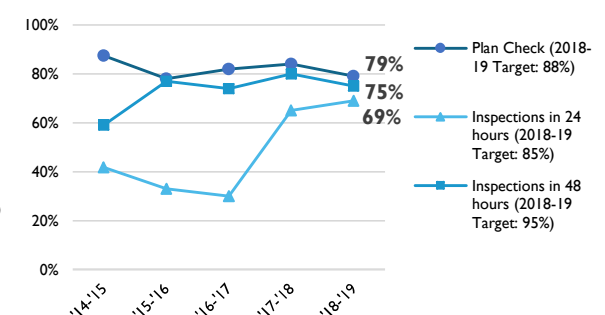
Affordable Housing Units Completed in the Fiscal Year



Percent of Projects that Receive Consistent Feedback from Staff Throughout the Course of Project Review



Development Projects Completed within Processing Time Targets (Construction Process)



Note: Beginning 2017-18, the data no longer includes building inspections specifically requested by customers for > 24 hours as missing the inspection target.

# ENVIRONMENTAL AND UTILITY SERVICES CSA DASHBOARD

## MISSION

To provide environmental leadership through policy development, program design, and reliable utility services.

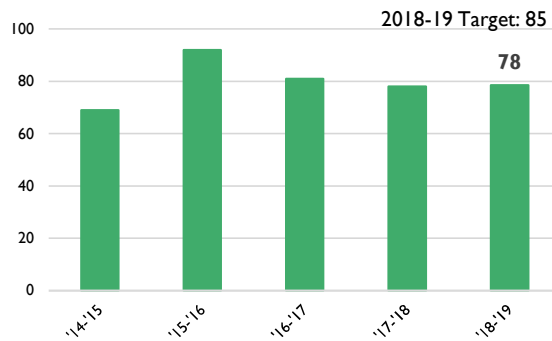
## CSA OUTCOMES

- Reliable utility infrastructure
- Healthy streams, rivers, marsh, and bay
- 'Clean and sustainable' air, land, and energy
- Safe, reliable, and sufficient water supply

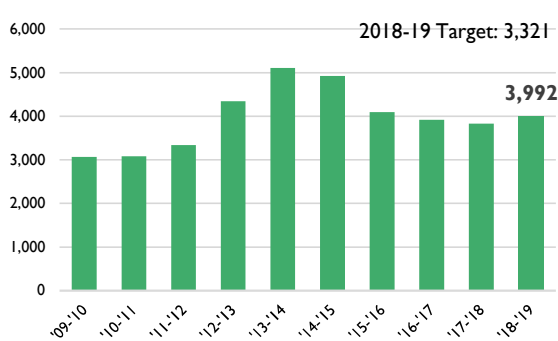
## PRIMARY PARTNERS

- Transportation
- Community Energy
- Environmental Services

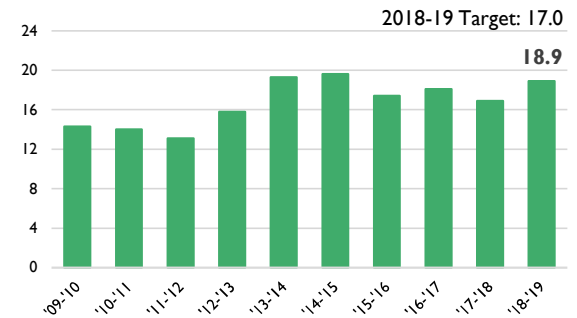
**Millions of Gallons per Day of Water Conserved and Recycled**



**Millions of Gallons of Recycled Water Delivered Annually**

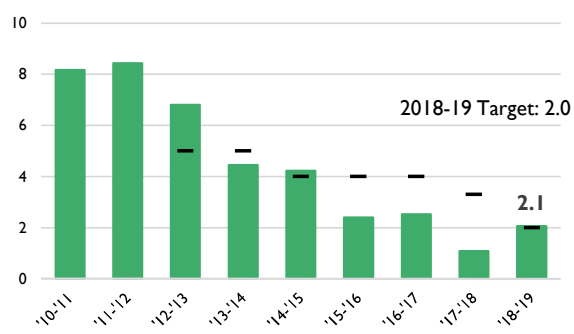


**Millions of Gallons per Day Diverted from Flow to the Bay for Beneficial Purposes During the Dry Weather Period**



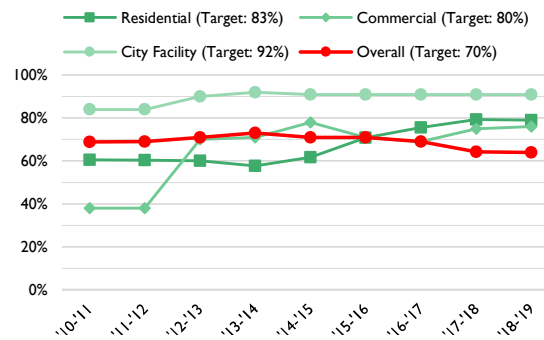
Note: In 2018, the dry weather period was from June through August. In past years, the dry weather period was from July through September.

**Number of Sanitary Sewer Overflows per 100 Miles of Sanitary Sewer Lines**



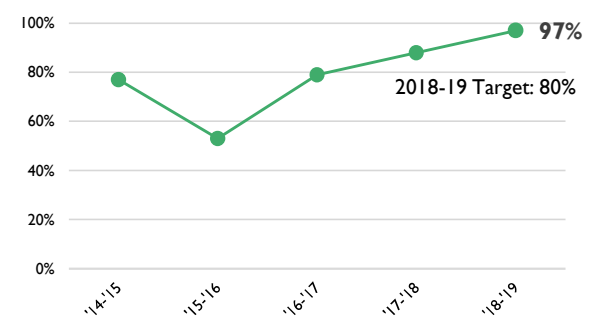
Note: This measure was added in 2012-13. The target declined from five overflows per 100 miles to two in 2018-19.

**Percent of Waste Diverted from Landfills**



Note: The overall measurement is based on state guidelines, which uses a per-capita standard. It includes additional waste streams including construction, demolition, and self-haul categories.

**Percent of Trash Reduced from Storm Sewer System**



Note: The trash load reduction calculation measures compliance with the City's Municipal Regional Stormwater Permit requirement to reduce trash from receiving waters below 2009 levels. The reduction target was 70% by July 2017, 80% by July 2019, and 100% by July 2022.

# NEIGHBORHOOD SERVICES CSA DASHBOARD

## MISSION

To serve, foster, and strengthen the community by providing access to lifelong learning, opportunities to enjoy life, and preserving healthy neighborhoods.

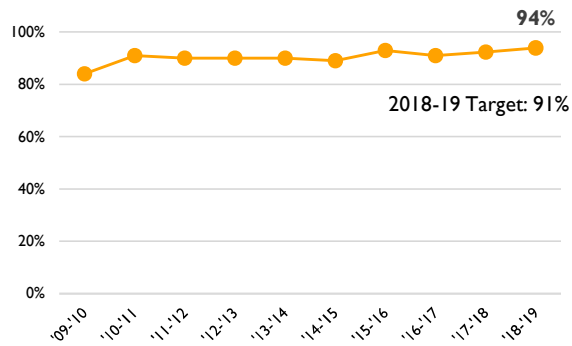
## CSA OUTCOMES

- Safe and clean parks, facilities, and attractions
- Vibrant cultural, learning, recreation, and leisure opportunities
- Healthy neighborhoods and capable communities

## PRIMARY PARTNERS

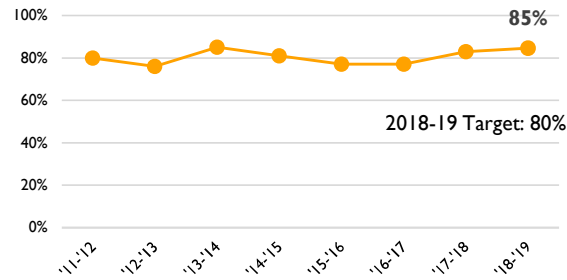
- Library
- Public Works
- Planning, Building and Code Enforcement
- Parks, Recreation and Neighborhood Services

**Percent of Customers Rating Library Services as Good or Better (Point of Service)**



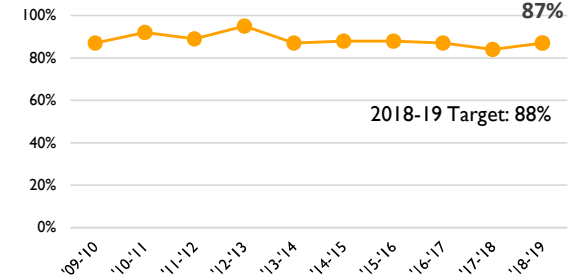
Source: Internal survey conducted by the Library.

**Percent of Parents and Caregivers who Report Reading More to their Children Following Participation in a Library Program or Study**



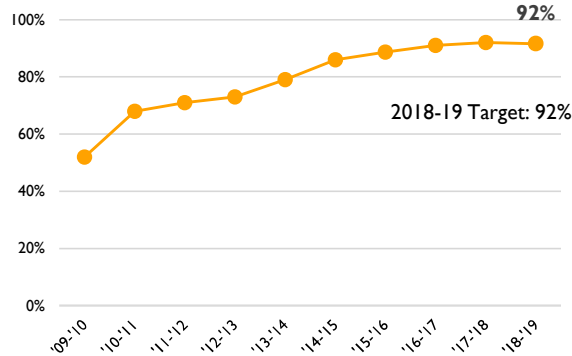
Source: Internal survey conducted by the Library.

**Percent of Community Center Participants Rating City Efforts at Providing Recreational Opportunities as "Good" or "Excellent" (Point of Service)**

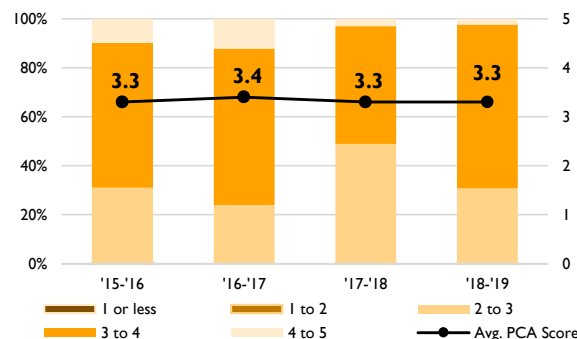


Source: Internal survey conducted by PRNS.

**Animal Care Center Live Release Rate**

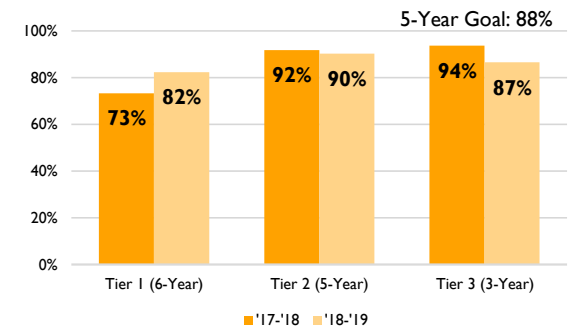


**Percent of Park Acres by Park Condition Assessment (PCA) Score**



Condition scores range from 1 (unacceptable) to 5 (new or like new). Measurement for 2018-19 was conducted in August 2019.

**Percent of Multiple Occupancy Permit Program Buildings Receiving Routine Inspection within Designated Cycle Time**



# PUBLIC SAFETY CSA DASHBOARD

## MISSION

To provide prevention and emergency response services for crime, fire, medical, hazardous, and disaster related situations.

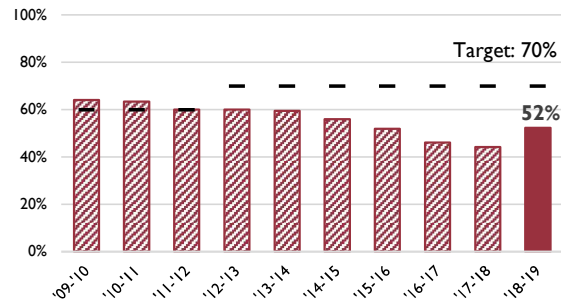
## CSA OUTCOMES

- The public feels safe anywhere, anytime in San José
- Residents share the responsibility for public safety

## PRIMARY PARTNERS

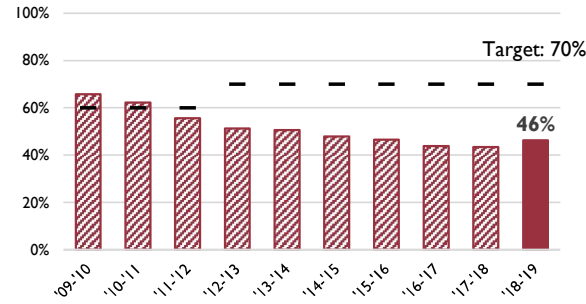
- Fire
- Police
- City Manager's Office
- Independent Police Auditor

**Initial Police Unit Responses within 6 Minutes of Priority 1 Calls for Service (Life Threatening)**

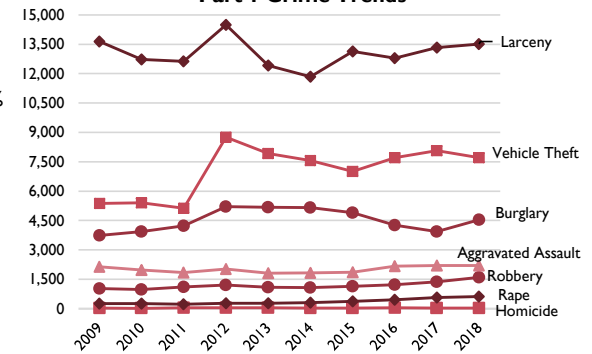


Note: In 2018-19, SJPD revised their reporting of police response times to be based on how incidents are initially coded into their system. In prior years, SJPD had measured response times based on updated coding of incidents as determined throughout the response, which could change the priorities of incidents and incorrectly affect response times.

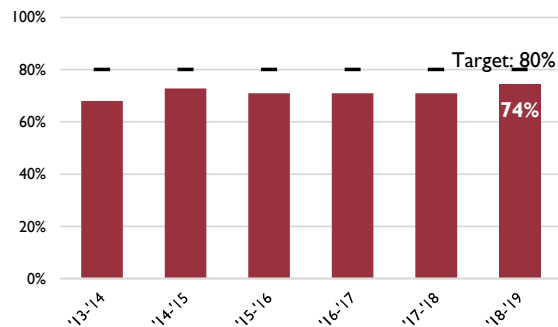
**Initial Police Unit Responses within 11 Minutes of Priority 2 Calls for Service (Crime in Progress or Just Occurred)**



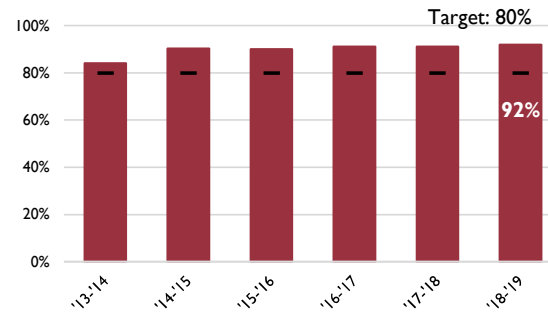
**National Uniform Crime Reporting (UCR) Part I Crime Trends**



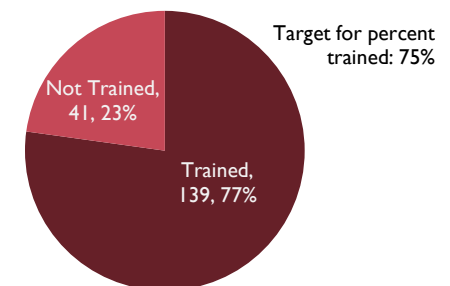
**Initial Fire Unit Responses within 8 Minutes of Priority 1 Calls for Service (Life Threatening)**



**Initial Fire Unit Response within 13 Minutes Priority 2 Calls for Service (No Lights and Sirens)**



**Emergency Operations Center (EOC) Assigned Staff who have Received Required Training (2018-19)**



# STRATEGIC SUPPORT CSA DASHBOARD

## MISSION

To effectively develop, manage, and safeguard the City's fiscal, physical, technological, and human resources to enable and enhance the delivery of City services and projects.

## CSA OUTCOMES

- Sound fiscal management that facilitates meeting the needs of the community
- A high performing workforce that is committed to exceeding internal and external customer expectations
- Effective use of technology
- Safe and functional public infrastructure, facilities, and equipment

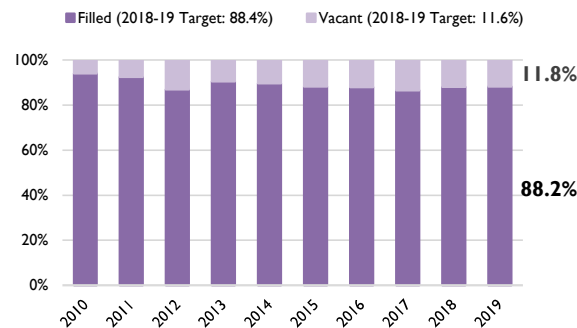
## PRIMARY PARTNERS

- Finance
- Public Works
- Human Resources
- Information Technology

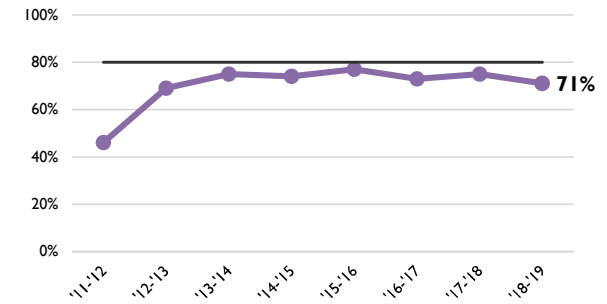
**City's Bond Ratings**  
(General Obligation Bond Rating)

	Moody's	Standard and Poor's	Fitch
'13-'14	Aa1	AA+	AA+
'14-'15	Aa1	AA+	AA+
'15-'16	Aa1	AA+	AA+
'16-'17	Aa1	AA+	AA+
'17-'18	Aa1	AA+	AA+
'18-'19	Aa1	AA+	AA+
Target	Aa1	AA+	AA+

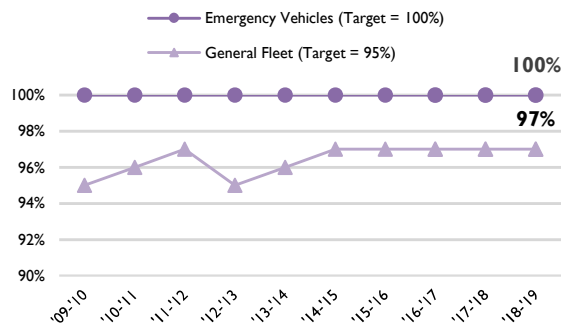
**Percent of Positions Filled as a Total of Budgeted Positions (June 30)**



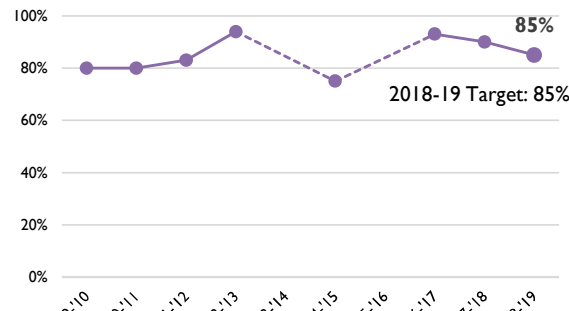
**Percent of Non-Management Employee Performance Appraisals Completed on Schedule**



**Percent of Equipment Available for Use When Needed**

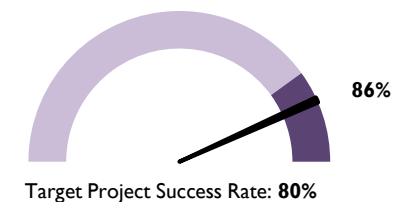


**Percent of City Facilities with a Condition Assessment Rating of Good or Better**



Note: Results reflect ratings of facilities assessed during the fiscal year. In 2018-19, this represented 40 individual facilities. Data not available in 2013-14 and 2015-16.

**Percent of Information Technology Project Success Rate Measured on Schedule, Cost, Scope, and Value**



The current measurement of project success is the IT CIO's internal assessment of staff's project success. In the future, IT's C3PO will report on all chartered technology projects in the City.



# TRANSPORTATION AND AVIATION SERVICES CSA DASHBOARD

## MISSION

To provide the community with safe, secure, and efficient surface and air transportation systems that support San José's livability and economic vitality.

## CSA OUTCOMES

- Provide safe and secure transportation systems
- Provide viable transportation choices that promote a strong economy
- Travelers have a positive, reliable, and efficient experience
- Preserve and improve transportation assets and facilities
- Provide a transportation system that enhances community livability

## PRIMARY PARTNERS

- Airport
- Transportation

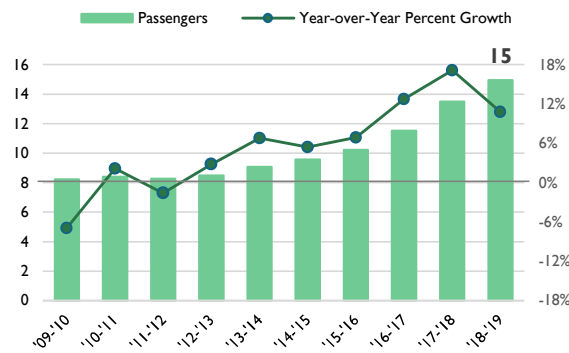
SJC Passenger Rating of Overall Satisfaction with the Airport			
FY 2016-17	FY 2017-18	FY 2018-19	Target
86%	87%	86%	87%

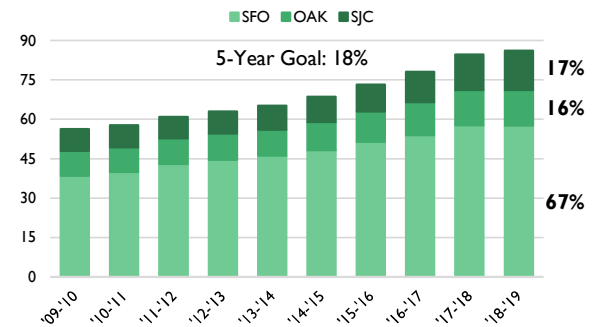
SJC Passengers Reporting Satisfaction with Airport Restaurant/Eating and Shopping Facilities			
FY 2016-17	FY 2017-18	FY 2018-19	Target
75%	77%	78%	77%

Source: Internal survey conducted by Airport.

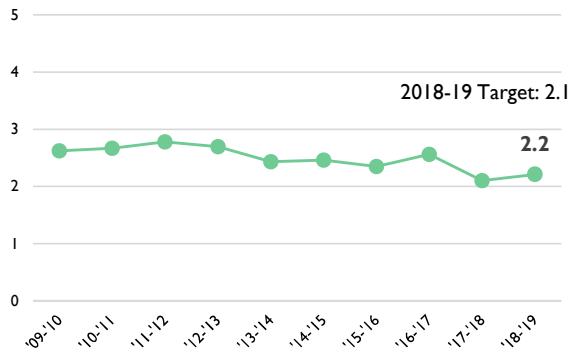
Annual Airport Passengers (millions)



Air Service Market Share of Regional Passengers (millions)

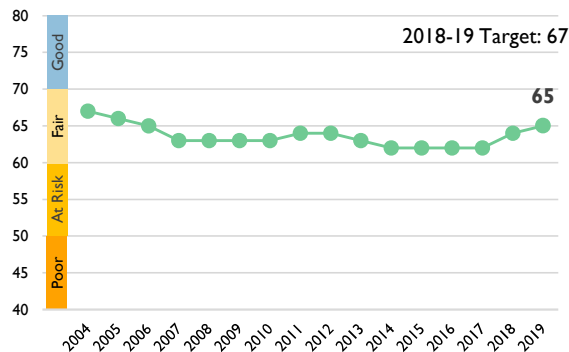


Number of Injury Crashes per Thousand



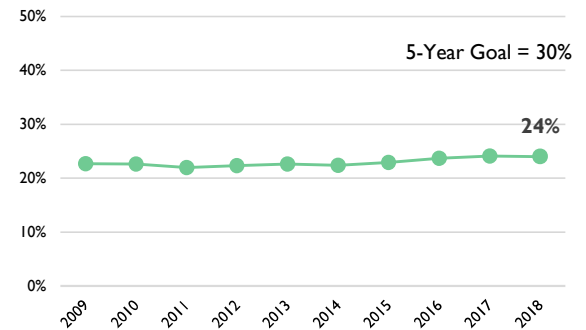
Note: This includes fatal crashes.

Pavement Condition Index (PCI) Rating



Source: Metropolitan Transportation Commission  
Note: This is a 3-year moving average. DOT's annual assessment rated the City's average street pavement a 66 in 2018.

Percent of Trips by Alternative Modes of Transportation



Source: American Community Survey 5-year estimates. DOT averages these over a four-year period.



The mission of the Airport is to connect, serve, and inspire.

## AIRPORT

The City operates [Mineta San José International Airport](#), which provides non-stop air service to 40 U.S. destinations, including Newark, Baltimore/Washington, Chicago, New York, and four Hawaiian islands (Hawaii, Kauai, Maui, and Oahu). Additionally, it provides non-stop service to several international locations including Beijing, Guadalajara, Tokyo, London, and Vancouver for a total of 49 non-stop destinations served (down from 53 last year).

The Airport had 215.5 authorized positions in 2018-19. The Airport does not receive General Fund dollars; Airport operational revenues include rents, concession fees, parking, and landing fees. In 2018-19, operating revenues totaled \$174.8 million, the highest total in the past ten years.

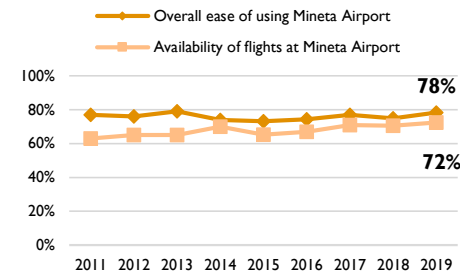
Airport operating expenditures, excluding debt service, totaled \$70.6 million.\* As of June 30, 2019, outstanding bonds totaled \$1.2 billion, with an additional \$52.2 million in commercial paper notes. Total debt service for the fiscal year was \$92.8 million. Debt service has tripled from 10 years ago; this is a result of debt incurred during the Airport's major modernization and renovation that began in 2005.\*\* The bonds issued in 2007 were restructured and refunded in 2017.

\*Operating expenditures do not include police and fire services at the Airport, debt service, capital project expenditures or reserves. The cost of police and fire services has increased from \$14.3 last year to \$16.1 million in FY 2018-19.

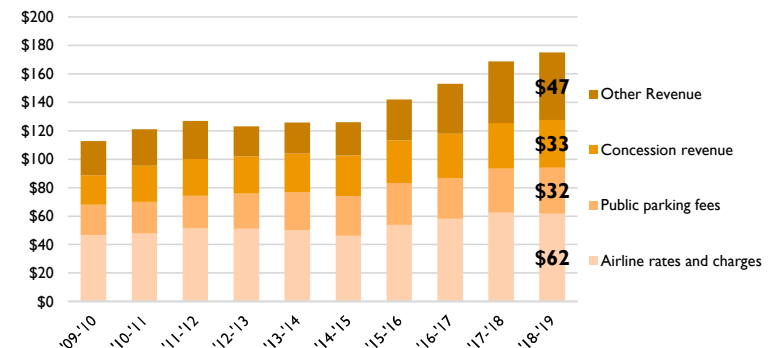
\*\*Total debt service in 2018-19 was partly paid by passenger facility charges (\$27.0 million) and customer facility charges (\$18.7 million); a net debt service of \$47.1 million is paid by Airport operating revenues. See the November 2017 audit — [Airport Financial Projections: Balancing ongoing Debt-Service Obligations with Increasing Operational Needs](#).

### RESIDENT SURVEY

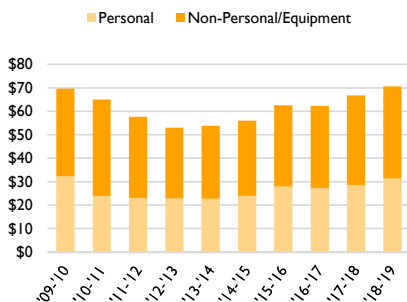
% of San José residents rating services as "excellent" or "good"



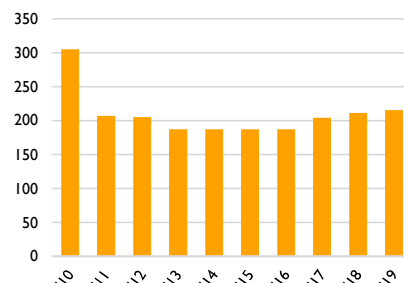
### Airport Operating Revenues (\$millions)



### Airport Operating Expenditures

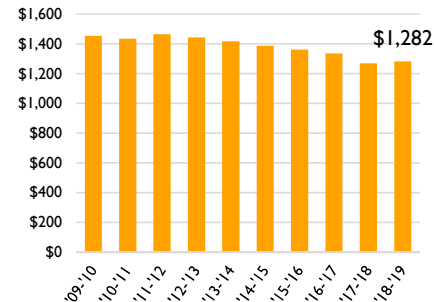


### Authorized Positions

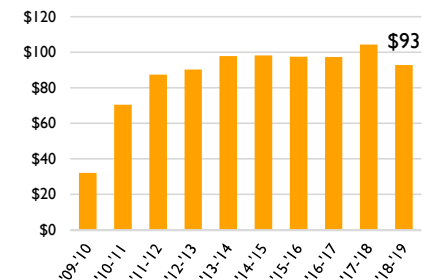


Note: Reductions prior to 2010-11 include outsourcing custodial and curbside management services.

### Outstanding Debt (\$millions)



### Annual Debt Payments (\$millions)



In 2018-19, the Airport served over 14.9 million airline passengers. There were 141,500 passenger airline takeoffs and landings, or 388 per day. The total number of passengers in the region was greater in 2018-19 than in any of the prior 10 years; the Airport's regional market share was 17.4 percent

The airline's cost per enplanement (CPE) was \$8.21 in 2018-19, the lowest in the past 10 years. San José airport's CPE continues to be lower than in Oakland (OAK) and San Francisco (SFO).

In 2018-19, the Airport handled 114.8 million pounds of cargo, freight, and mail—up from 104 million five years ago. According to the department, San José's noise curfew has limited cargo, freight, and mail capacity.

The Airport received 129,823 noise complaints in 2018-19, 1,687 of which concerned flights subject to the curfew between 11:30 pm and 6:30 am. According to the department, noise complaints, which have increased from 8,000 in 2015-16, have been primarily due to south flow operations and new air traffic control technology.\*

\*Due to the influx in noise complaints, the department had to change counting methodology in 2016-17. This resulted in some duplicate entries being counted towards the total noise complaint number. Noise complaints can also come from areas surrounding San José.

Regional Comparisons, 2018-19

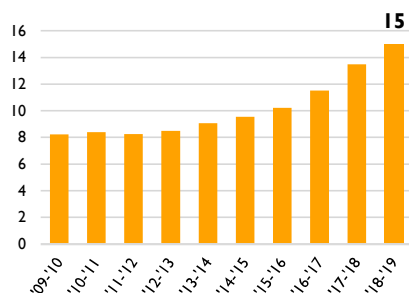
	SJC	OAK	SFO
Passenger Airlines	15	12	51
Destinations	49	58	146
Domestic	40	47	89
International	9	11	57
Passengers (millions)	14.9	13.6	57.6
Passenger Flights/Day	388	298	1,229
On-Time Arrival	82%	81%	72%

Sources: Oakland International Airport Airline Information and staff; Comparative Traffic Report FY 2018-19 and SFO Fact Sheet FY 2018-19; Airline On-Time Statistics U.S. Bureau of Transportation Statistics.

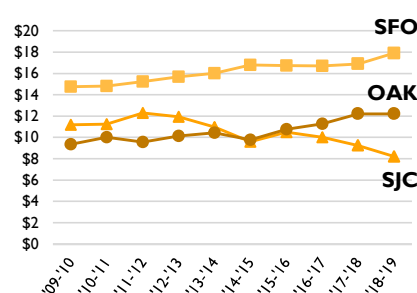
Market Shares



Annual Airport Passengers (millions)

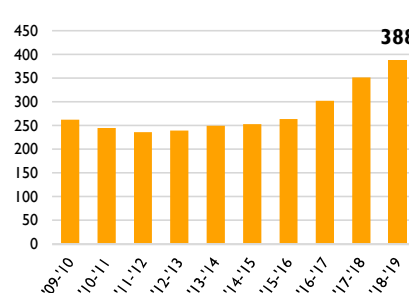


Airline Cost per Enplanement Comparison

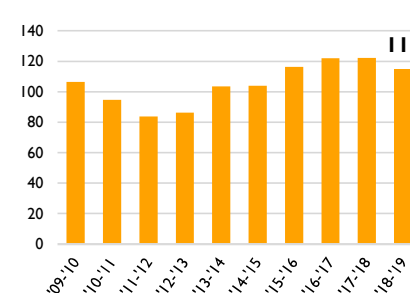


Note: The CPE (industry standard) is based on rates and charges paid by airlines divided by the number of boarded passengers.

Passenger Flights Per Day (Takeoffs and Landings)



Air Cargo, Freight, and Mail (millions lbs.)





The mission of the San José City Attorney's office is to provide excellent legal services, consistent with the highest professional and ethical standards, with the goal of protecting and advancing the City's interests in serving the people of San José.

## CITY ATTORNEY

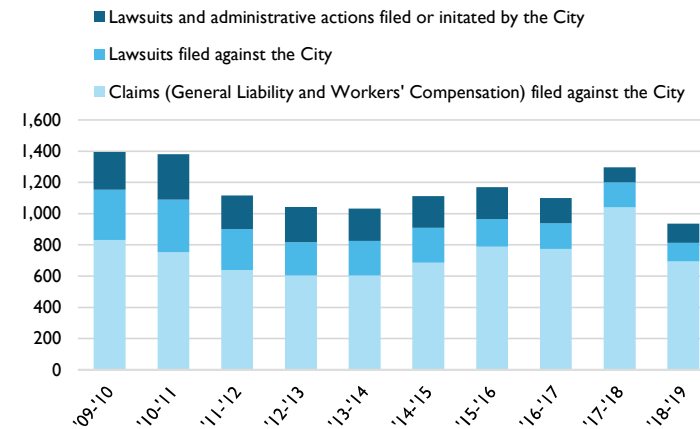
The City Attorney's Office provides legal counsel and advice, prepares legal documents, and provides legal representation to advocate, defend, and prosecute on behalf of the City of San José and the Successor Agency to the San José Redevelopment Agency.

The 2018-19 operating expenditures for the City Attorney's Office totaled \$19.9 million, which is comprised of personal and non-personal expenditures. In addition, the City Attorney's Office was responsible for \$3.9 million in other costs, including the management of \$3.5 million in general liability claims.

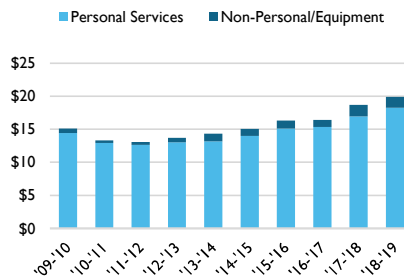
Although staffing increased in recent years, it is still lower compared to a decade ago.

The City Attorney's Office handled 935 new claims and litigation matters in 2018-19 and prepared or reviewed more than 9,000 legal transactions, documents, and memoranda. In 2018-19, litigation-related collections totaled about \$11.7 million, while general liability payments totaled about \$3.5 million, as noted above.

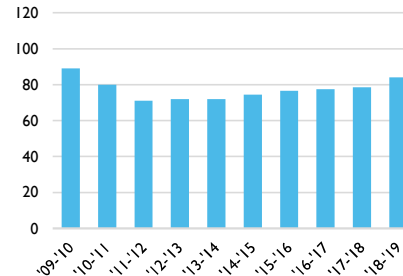
### Claims and Lawsuits



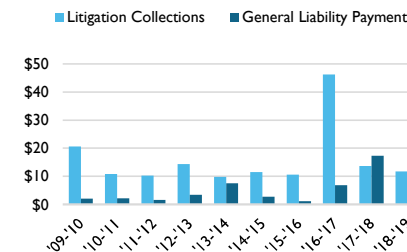
### City Attorney Operating Expenditures (\$millions)



### City Attorney Authorized Positions



### Litigation-Related Collections and General Liability Payments (\$millions)



Note: Litigation-related collections spiked in 2016-17 largely due to a Housing Authority settlement.



The mission of the San José City Auditor's Office is to independently assess and report on City operations and services.

## CITY AUDITOR

The City Auditor's Office conducts performance audits that identify ways to increase the economy, efficiency, effectiveness, and accountability of City government and provide independent, reliable, and timely information to the City Council and other stakeholders. The Office also oversees a variety of external audits including the Comprehensive Annual Financial Report (CAFR) and the Single Audit.

The City Auditor's annual work plan is posted online, along with copies of all issued audit reports and the semi-annual recommendation status reports.\* The Office's 2018-19 operating expenditures totaled \$2.4 million. In addition, the City Auditor's Office was responsible for \$451,000 in other costs, including the annual financial audit, the grant compliance Single Audit, and various bond audits. Staffing remained at 15 positions; this was three positions fewer than 10 years ago.

In 2018-19, the City Auditor's Office identified \$3.0 million in monetary benefits from its audit recommendations, or \$1.18 in savings for every \$1 spent on audit costs in 2018-19 (target: \$2 to \$1). Identified monetary benefits vary from year to year based on the types of audits that are conducted.

\*See [www.sanjoseca.gov/auditor](http://www.sanjoseca.gov/auditor)

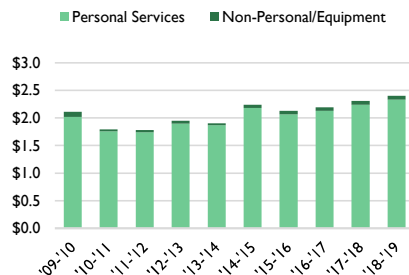
### KEY FACTS (2018-19)

Number of audit reports issued	19
Number of audit recommendations adopted	129
Number of audit reports per auditor	1.7
Ratio of identified monetary benefits to audit cost	\$1.18:\$1
Percent of approved work plan completed or substantially completed during the fiscal year	83%

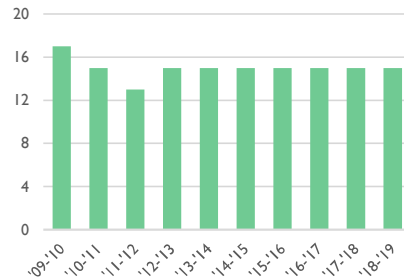
### Subject area of audits issued in 2018-19 include:

- Employee Reimbursements
- The Mayor's Gang Prevention Task Force
- Development Noticing
- Employee Benefit Fund Administration
- 9-1-1 and 3-1-1
- Towing Services
- Annual Report on City Services FY 2017-18
- Annual Performance Audit of Team San Jose FY 2017-18
- Homeless Assistance Programs
- Community Center Reuse
- Vehicle Abatement
- Public Works' Management of Capital Projects

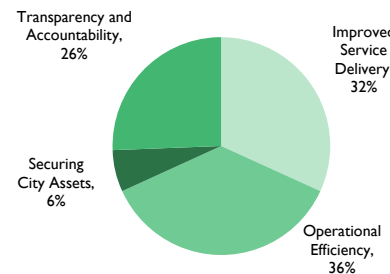
**City Auditor Operating Expenditures**



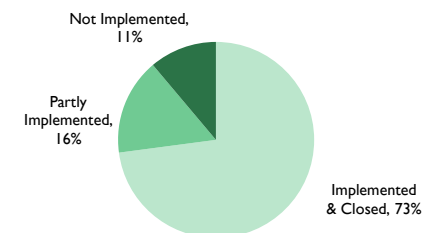
**City Auditor Authorized Positions**



**Recommendations by Category, 2018-19**



**Audit Recommendation Implementation Status (Reports Issued in last 10 Years)**



Note: Last year's report only considered audit reports issued in the last 5 years, rather than 10.

The mission of the San José City Clerk is to maximize public access  
to municipal government.

## CITY CLERK

The City Clerk's Office assists the City Council in the legislative process and maintains the legislative history of the City Council. The Office is responsible for open government, campaign finance, lobbyist registration, statements of economic interest, and other public disclosure requirements.\* The Office is also responsible for preparing and distributing agenda items for City Council and various Committee meetings; providing access to the City's legislative records and documents under the California Public Records Act; and reviewing all City contracts for administrative compliance.

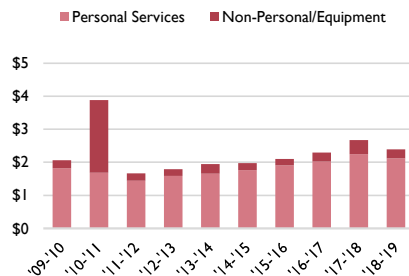
The City Clerk's operating expenditures totaled \$2.4 million in 2018-19, with \$2.1 million in personal services and \$0.3 million in non-personal expenditures. In addition, the City Clerk was responsible for \$3.4 million in Citywide expenses, out of which \$1.8 million was spent in elections and ballot measures. Staffing remained unchanged at 15 positions.

The Clerk's Office also provides administrative support to the Mayor and Council Offices, tracking office budgets and facilitating the disbursement of grants (410 in 2018-19). The Office coordinated the recruitment of 25 full-time and 12 part-time staff for the Mayor and Council Offices.

During the 2019 Boards and Commissions Spring Recruitment, the City Clerk's Office recruited for 50 appointed positions by screening and processing 137 online applications.

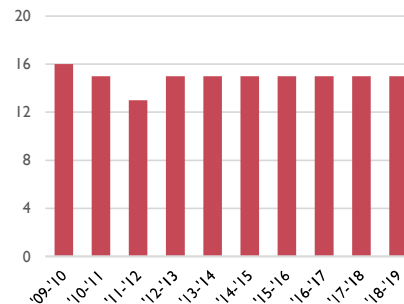
\*The City Auditor's Office conducted an [Audit of the Office of the City Clerk](#) in 2015-16, an [Audit on Open Government](#) in 2016-17, and an [Audit of Form 700s](#) in 2019-20.

**City Clerk Operating Expenditures (\$millions)**



Note: Spikes in expenditures in 2010-11 were due to elections. Elections expenditures are now consolidated Citywide.

**City Clerk Authorized Positions**



### KEY FACTS (2018-19)

Number of meetings staffed	192
Number of agendas posted online	343
Number of Council agenda items	810
Number of ordinances processed	69
Number of resolutions processed	470
Number of records requested (e.g., legislative histories, contracts, election related documents)	1,066
City staff requests	498
Public requests	568
Estimated number of contracts processed	2,040
Number of campaign filings processed	437
Council agendas posted 10 days before a meeting**	100%
Council synopsis posted by the next meeting**	83%
Council Committee minutes posted 5 days before the relevant Council meeting**	26%
Decision-Making Bodies minutes posted within 10 days**	74%

\*\*In accordance with the [City's Ethics and Open Government Provisions](#), which include a matrix of public meeting requirements.

The mission of the San José City Manager's Office is to provide strategic leadership that supports the Mayor and the City Council and motivates and challenges the organization to deliver high quality services that meet the community's needs.

## CITY MANAGER

The Office of the City Manager (CMO) develops public policy, leads the organization, and manages Citywide service delivery. 2018-19 operating expenditures totaled \$18.6 million, including personal and non-personal expenditures. In addition, the CMO was responsible for \$4.6 million in Citywide expenses, which included \$1.4 million for Public, Educational, and Government Access Facilities capital expenditures. Staffing in 2018-19 totaled 84.

### KEY FACTS (2018-19)

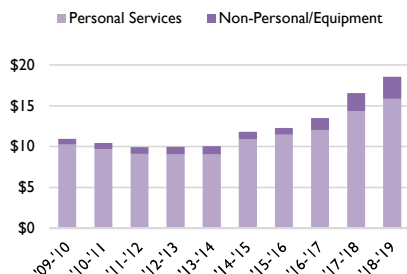
Staff reports approved for City Council consideration	642
City Council referrals assigned	77
Information memoranda issued	81
Neighborhoods Commission meetings staffed	18
Community budget meetings held	5
Public records requests responded to or coordinated	316
Public records requests received Citywide	3,761

### Functions of the City Manager's Office:

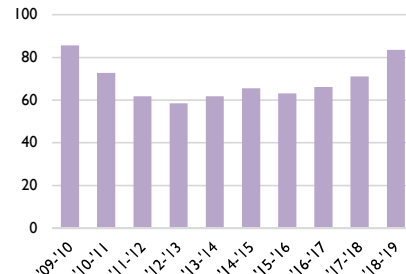
- **Agenda Services** oversees agenda development for Council Committees and develops weekly agendas for the City Council and Rules & Open Government Committee with the offices of the City Attorney and the City Clerk.
- **Budget** develops and monitors the City's operating and capital budgets, ensuring the City's fiscal health.
- **Civic Innovation** executes the City's Smart City Vision, overseeing projects aiming to improve the efficiency and effectiveness of City services through the use of data and technology.
- **Communications** corresponds with the media on Citywide issues, manages CivicCenter TV, oversees the City's website, and coordinates the Open Government program, including coordination of Citywide public records requests.
- **Policy Development** supports the City Council in the formulation, interpretation, and application of public policy.
- **Intergovernmental Relations** monitors state and federal laws and policies, while advocating for legislation addressing City concerns.
- **Employee Relations** negotiates labor contracts and supports a positive, productive, and respectful work environment.

For the Office of Emergency Management and Office of Immigrant Affairs, see next page. For the Office of Economic Development, see p. 61.

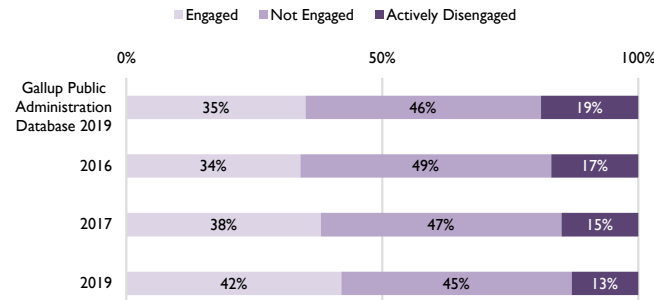
**City Manager Operating Expenditures (\$millions)**



**City Manager Authorized Positions**



**City Employee Engagement Survey Results**



Note: No survey was completed in 2018.

**Engaged**—Go above and beyond, are passionate about their work.  
**Not Engaged**—Do fine work, but for whom it is just a job.  
**Actively Disengaged**—Are disgruntled and may create disruption

## CITY MANAGER

### OFFICE OF EMERGENCY MANAGEMENT

The Office of Emergency Management (OEM) leads efforts to protect life, property, and the environment by managing programs that prevent and respond to disasters and emergencies. In September 2017, the City moved the OEM - formerly the Office of Emergency Services - from the Fire Department to the CMO. OEM's Ready San José! programs include public outreach and training in emergency preparedness.

OEM administers the Community Emergency Response Team (CERT) trainings. The purpose of the program is to train residents and businesses on how to organize, respond, and recover from major emergencies, such as earthquakes, fires, and floods. The program was reactivated last year.

### OFFICE OF IMMIGRANT AFFAIRS

The Office of Immigrant Affairs (OIA) aims to enable civic, economic, linguistic, and social inclusion of immigrants and refugees in San José in a way that facilitates opportunities for everyone to reach their fullest potential. In 2016, City Council adopted the Welcoming San José Plan, which recommends a set of strategies centered on leadership and communications; access and engagement; education; economic opportunity; and safe, healthy, and connected communities. OIA collaborates with nonprofits and the County of Santa Clara to support citizenship workshop events, the Rapid Response Network, and the Pro Bono Immigration Network. There were 1,212 calls to the Rapid Response Network in 2018-19 to support those impacted by federal immigration enforcement efforts.

### OEM KEY FACTS (2018-19)

People reached through public engagement	2,083
Graduates from Community Emergency Response Team course	159
Emergency Operations Center (EOC) Staff	180
EOC Staff trained this year	84
EOC Staff trained overall	139
EOC Percentage staff trained	77%

### RESIDENT SURVEY

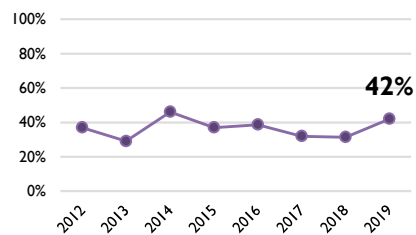
**57%** of respondents report they stocked supplies for an emergency.

### OIA KEY FACTS (2018-19)

City staff receiving language access training	338
Citizenship workshop events	3
Total workshop participants	597
Participants completed and filed their paperwork	398
Fee waiver applications completed	221

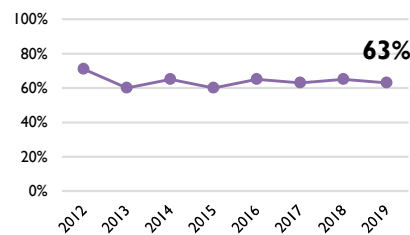
#### RESIDENT SURVEY

% of San José residents rating San José's emergency preparedness as "Excellent" or "Good"



#### RESIDENT SURVEY

% of San José residents rating San José's openness and acceptance as "Excellent" or "Good"



Emergency Operations Center activation in response to the Curie Fire on July 10, 2018.



Folklorico at World Refugee Day Celebration at City Hall.





## COMMUNITY ENERGY

The mission of the Community Energy Department is to procure clean, cost effective energy for the benefit of its customers.

## COMMUNITY ENERGY

The Community Energy Department (CED) operates [San José Clean Energy](#) (SJCE), the City's Community Choice Aggregation (CCA)\* Program that provides residents and business with cleaner electricity at lower rates than Pacific Gas and Electric Company (PG&E). SJCE launched in September 2018, and began serving most residents and businesses in February 2019. SJCE plays a crucial role in [Climate Smart San José](#), the City's climate action plan. (See the Environmental Services chapter for more information.)

SJCE allows the City to choose the source and set the retail rates for power used in the city. In 2019, SJCE's default service, GreenSource, provided electricity that is 80 percent carbon-free and at least 1 percent cheaper than PG&E's base offering. Customers can upgrade to TotalGreen to receive electricity that is 100 percent renewable and carbon-free and costs the average home about \$5 more per month than GreenSource; 940 SJCE customers upgraded in 2018-19.

Community Energy had 17 authorized positions in 2018-19. The Department does not receive General Fund dollars; its operational revenues include the sale of energy to customers and the sale of products to other organizations in the power industry. In 2018-19, operating revenues totaled \$102.9 million.

SJCE operating expenditures, excluding debt service, totaled \$7.4 million. In addition, the department was responsible for other expenditures totaling \$85.8 million, primarily resulting from its energy purchases. The department is also responsible for repaying a \$10 million loan issued through the City's commercial paper program, and expects to begin repaying the loan in 2020-21.

\*CCAs are programs that allow local governments to purchase power on behalf of their residents and businesses. PG&E continues to provide the transmission and distribution of electricity in the city, as well as handle the monthly billing process. AB 117, passed in 2002, allows for the creation of CCAs. For more information, refer to our [Preliminary Review of San José Clean Energy](#).

### KEY FACTS (2018-19)

Total number of accounts 328,478

Percent of eligible customers not enrolled in SJCE (opt-out rate) 1.4%

Total customer savings\* (compared to PG&E) \$1,025,279

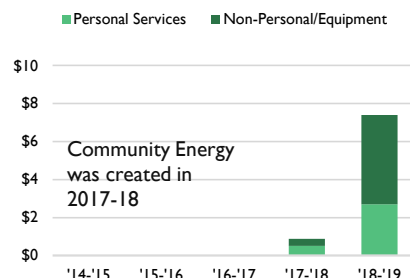
\* Unaudited; savings based on generation charges and excludes transmission charges.

Energy Resources	2018 SJCE Power Mix	2018 PG&E Base Plan Power Mix	2018 CA Power Mix <sup>1</sup>
Renewables	48%	39%	31%
Biomass and Waste	0%	4%	2%
Geothermal	0%	4%	5%
Hydroelectric	0%	3%	2%
Solar	0%	18%	11%
Wind	48%	10%	11%
Coal	0%	0%	3%
Large Hydroelectric	52%	13%	11%
Natural Gas	0%	15%	35%
Nuclear	0%	34%	9%
Other	0%	0%	< 1%
Unspecified	0%	0%	11%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

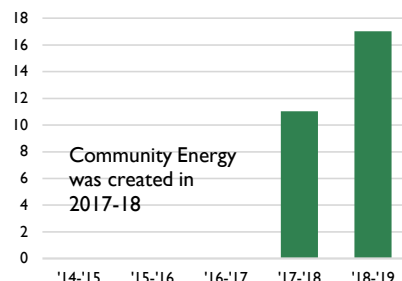
Source: Unaudited 2018 Power Content Labels for SJCE and PG&E

<sup>1</sup> Figures are estimated annually by the California Energy Commission based on electricity generated in California and net imports.

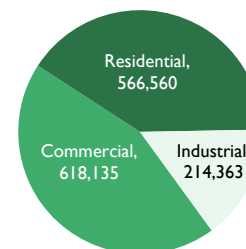
**Community Energy Operating Expenditures (\$millions)**



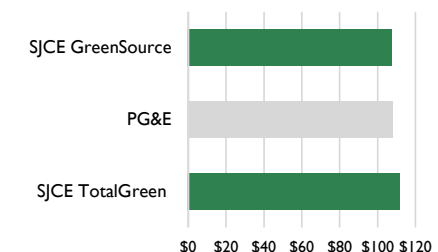
**Community Energy Authorized Positions**



**Breakdown of Energy Load by Customer Type (MWh)**



**Comparison of Monthly Electricity Bill (rates as of September 1, 2019)**



Source: SJCE and PG&E comparison of residential electric rates.

Note: Based on E-1 rate schedules and usage of 470 kilowatt-hours.

## ECONOMIC DEVELOPMENT

The mission of the Office of Economic Development is to catalyze job creation, private investment, revenue generation, and talent development and attraction.

## ECONOMIC DEVELOPMENT

The City of San José's Office of Economic Development (OED) leads the City's economic strategy, provides assistance for businesses, manages the City's real estate assets, helps connect employers with trained workers, and supports art and cultural amenities in the community.

OED manages several incentive programs for businesses, among them the Foreign Trade Zone and the Business Cooperation Program which refunds companies a portion of use taxes allocated to the City.

OED also oversees agreements with the non-profit operator of the City's [Convention & Cultural Facilities](#) (Team San Jose) and agreements for other City-owned cultural facilities.

In 2018-19, OED's operating expenditures totaled \$11 million. This includes personal and non-personal expenditures. The department was responsible for \$83.2 million of other costs, including \$46.8 million in capital and \$9.3 million in Citywide expenses. Citywide expenses included \$1.6 million in property leases where the City is the tenant, a \$1 million subsidy to the Tech Museum and \$1 million to the SJ Works: Youth Jobs Initiative. The City also supported the Convention & Cultural Facilities with \$4.7 million from hotel tax revenues.

### KEY FACTS (2018-19)

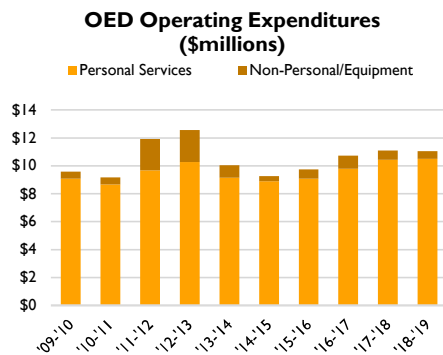
Unemployment Rate	2.7%
Median Household Income	\$ 113,036

Sources: Bureau of Labor Statistics and 2018 [American Community Survey](#)

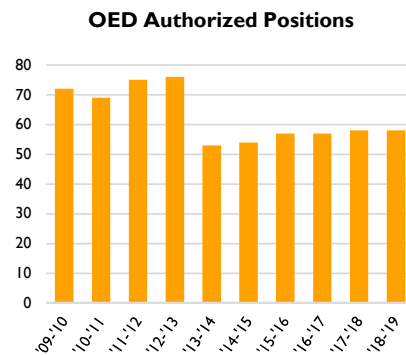
### ECONOMIC STRATEGY WORKPLAN

The current workplan seeks to expand economic opportunity and mobility through business support and facilitation, talent development, supporting transportation infrastructure, and encouraging downtown development. Recent work included launching "Manufacture : San Jose", a new initiative dedicated to growing our manufacturing sector, negotiating a revenue capture agreement with eBay Inc., and the development of retail strategies for North San José, downtown, and citywide. OED staff have also taken a role in responding to the housing crisis working with the Housing Catalyst Team and on the Cost of Residential Development report and the Development Fee Framework Council priority. OED staff have also engaged in developing the Anti-Displacement Workplan with a specific focus on small business retention.

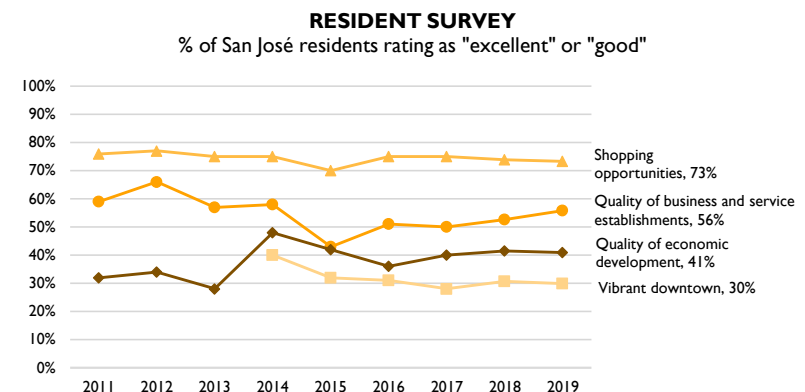
Source: Office of Economic Development



Note: In '11-'12, Real Estate Services was added to OED.



Note: In '13-'14, the transition of work2future client services to the Foundation eliminated 24 positions.



## BUSINESS DEVELOPMENT AND JOBS

OED promotes business in San José by providing assistance, information, access to services, and facilitation of the development permit process (also see Development Services in the Planning, Building and Code Enforcement section). In 2018-19, OED provided development facilitation services to 69 businesses. It also coordinated the Business Owner Space network, through which clients receive information, technical and human resources support. Partner organizations, like SCORE, a mentoring and training provider to small businesses, provide other services.\*

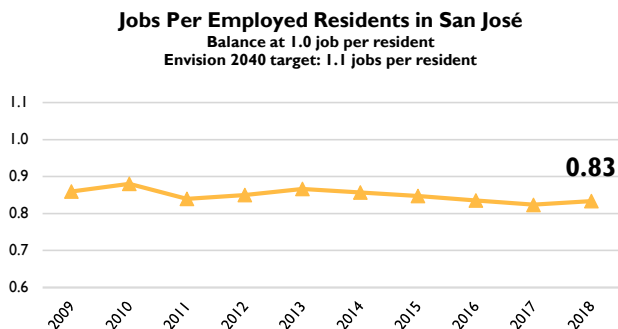
OED estimated companies that received its assistance generated \$3.2 million in tax revenues (business and sales taxes). In 2018-19, this included the attraction of Hewlett Packard Enterprise, Micron, and Bloom Energy. About \$3.73 in tax revenue was generated for every \$1 of OED expenditure on business development.

One of OED's main goals is to catalyze job creation. Companies and businesses that received OED assistance created about 3,300 jobs and retained about 3,600 jobs in 2018-19. With about 443,000 jobs located within the city, San José has less than one job per employed resident. Palo Alto, by contrast, has more than three jobs per employed resident. San José is the only large U.S. city where more residents commute to work outside city limits, rather than into the city. (See the CSA Dashboard chapter for additional information.)

\* For more information on the small business network, see [www.businessownerspace.com](http://www.businessownerspace.com)

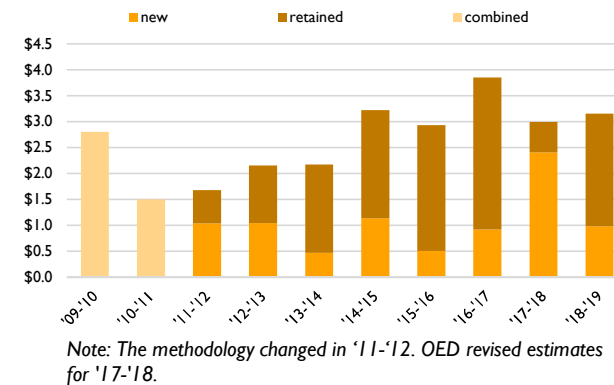
### RESIDENT SURVEY

**56%** of employed San José residents report they work inside the boundaries of the City

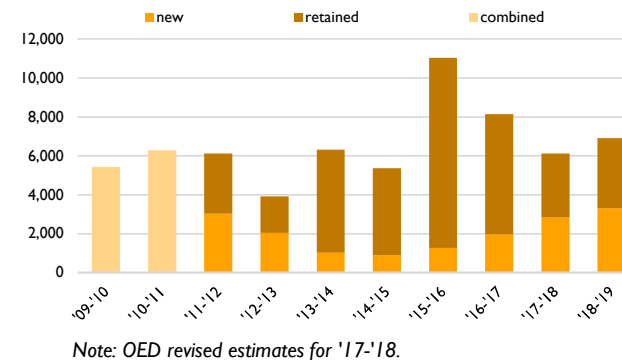


Sources: [American Community Survey](#) 5-Year Estimates (2010 through 2017) and 1-Year Estimate for 2018; [Association of Bay Area Governments](#) projection (prior to 2010)

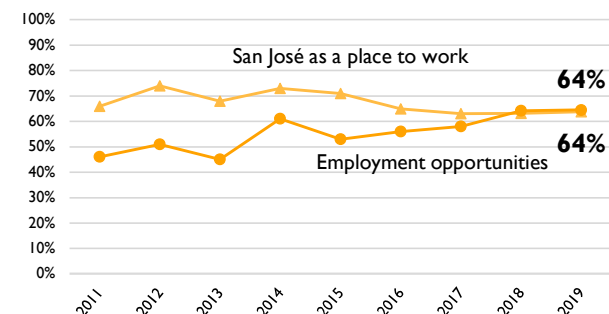
### Estimated Tax Revenue Generated by OED-assisted Companies (\$millions)



### Estimated Jobs Created or Retained by OED-assisted Companies



### RESIDENT SURVEY % of San José residents rating as "excellent" or "good"



## ECONOMIC DEVELOPMENT

### WORKFORCE DEVELOPMENT

The City's workforce development program is managed by the [work2future](#) Foundation, serving adults, dislocated (laid-off) workers, and youth. It provides job search assistance, occupational training, and skills enhancement workshops.

Nearly 1,500 job seekers took advantage of skill upgrades and training programs in 2018-19. Over 500 business clients received services, including recruitment, lay-off aversion, and business assistance. The work2future Foundation also runs San José Works, a youth jobs initiative focused on strengthening City partnerships, such as those with the Mayor's Gang Prevention Task Force, to identify, recruit, train, and place at-risk youth in jobs. In 2018-19, San José Works provided 1,000 youth with subsidized and unsubsidized employment opportunities. (See CSA Dashboard chapter for additional information.)

### ARTS AND CULTURAL DEVELOPMENT

The Office of Cultural Affairs (OCA) promotes San José's artistic and cultural vibrancy and supports opportunities for cultural participation and cultural literacy for residents, workers, and visitors. In 2018-19, OCA awarded 134 grants totaling \$4.7 million to organizations located primarily in San José. Contributing to San José's placemaking and design goals, the public art program reported that it had 308 works throughout San José, four of which are privately owned.

OCA helped facilitate 415 event days in 2018-19 with an estimated attendance of 2.2 million. Large-scale events included annual events such as the Christmas in the Park, Winter Wonderland, and the Rotary Fireworks. Other signature events included the 2018 NHL All-Star Game, Rock N Roll Half Marathon, Viva CalleSJ, and the College Football Playoffs Fan Central.

#### RESIDENT SURVEY

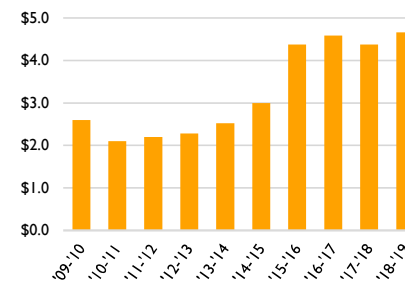
**51%** of San José residents attended at least one City-sponsored event

### work2future Development Program Results

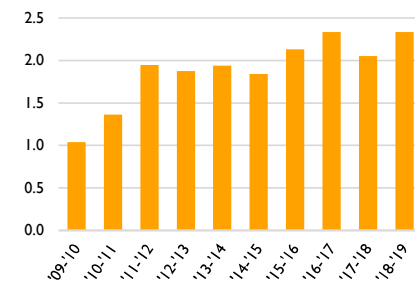
	Job Seekers	Placed in Jobs	State Goal
Adults	750	62%	54%
Dislocated Workers	475	68%	62%
Youth (14-24 years)	256	73%	62%

*Note: work2future serves San José, Campbell, Morgan Hill, Los Altos Hills, Gilroy, Saratoga, Monte Sereno, and unincorporated areas of Santa Clara County.*

**Grant Awards for Arts and Cultural Development (\$millions)**



**Estimated Attendance at Outdoor Special Events (millions)**



### Funding to City-owned Cultural Facilities

OCA provided operations and maintenance funds totaling about \$3.3 million from the General Fund to the following operators of City-owned cultural facilities:

- Children's Discovery Museum
- San José Museum of Art
- SJSU (Hammer Theatre Center)
- Tech Interactive
- History San José
- School of Arts and Culture at Mexican Heritage Plaza



Hammer Theatre, Photo: City Auditor's Office

## REAL ESTATE SERVICES

Real Estate Services manages the City's real estate portfolio, provides real estate services to City departments, and represents the City in third-party transactions. This includes acquisition, disposition, surplus sales, leasing, relocation, valuation, telecommunications, and property management. In 2018-19, this generated about \$1 million in sales revenue and \$3.2 million in lease revenue. Real Estate Services had 80 property leases in its real estate portfolio.

## CONVENTION & CULTURAL FACILITIES

The City's convention facilities (San José McEnery Convention Center, Parkside Hall, South Hall) house exhibitions, trade shows, and conferences. The City's cultural facilities (San Jose Civic, Montgomery Theater, California Theatre, Center for the Performing Arts) are home to concerts, plays, and other performances. These facilities have been managed by Team San Jose, a non-profit, on behalf of the City since July 2004.

In 2018-19, the facilities drew nearly 1.4 million people to 330 events overall. Of those events, 109 were at the convention facilities, hosting more than 870,000 visitors. Operating revenues reached \$63.2 million. The Convention Center's occupancy rate (by square footage) was 65 percent, the highest it has been in the last decade. Ninety-eight percent of responding event coordinator clients rated overall service as "good," "very good," or "excellent," higher than the target of 95 percent.

For more information about the Convention and Cultural Facilities, see our [annual performance audits](#) of Team San Jose.

San Jose Civic



California Theatre



Montgomery Theater

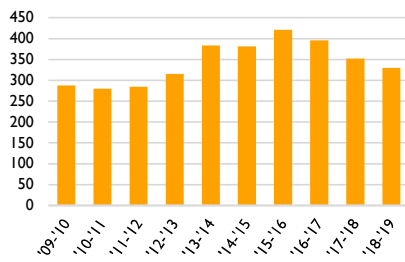


Center for Performing Arts

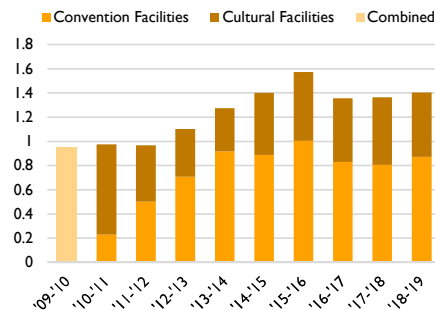


Photos: City Auditor's Office and Team San Jose

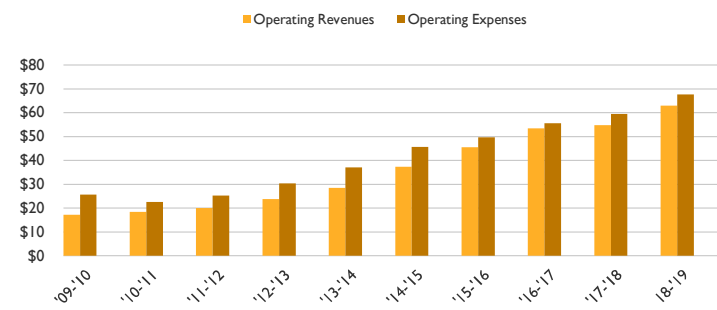
Number of Events  
(Convention and Cultural  
Facilities Combined)



Attendance (millions)



Operating Revenues and Expenses (\$millions)







## ENVIRONMENTAL SERVICES

The mission of the Environmental Services Department is to deliver world-class utility services and programs to improve our health, environment, and economy.

## ENVIRONMENTAL SERVICES

The Environmental Services Department (ESD) provides recycling and garbage services, wastewater treatment, potable water delivery, stormwater management, and recycled water management. ESD also manages programs to conserve water and energy resources and achieve other environmental goals.

ESD provides Citywide coordination of efforts to protect and conserve air, land, water, and energy resources through policy development, education, and grant-seeking. This work is guided by the City's Climate Smart San José Plan and regulatory requirements.

Most ESD revenue comes from various customer fees and charges; approximately 1 percent of its budget comes from the General Fund (about \$5.2 million in 2018-19).

In 2018-19, ESD's operating expenditures totaled \$268.7 million, including personal and non-personal expenditures. In addition, the department was responsible for other expenditures including \$120.9 million in capital expenditures and \$2.2 million in Citywide expenditures. Staffing in 2018-19 included 550 full-time equivalent positions, a slight decrease from 2017-18 but representing a 9 percent increase from ten years ago.

### RESIDENT SURVEY

% of San José residents surveyed who rated the following as "excellent" or "good"

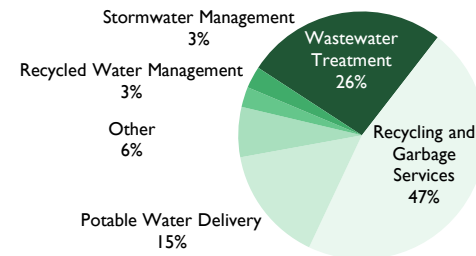
**39%** Air quality

**42%** Quality of overall natural environment in San José

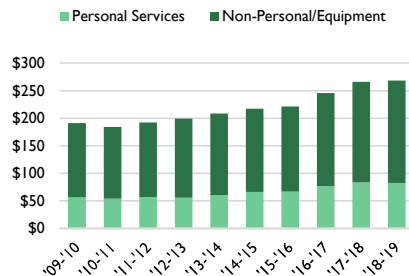
**42%** Preservation of natural areas such as open space, farmlands, and greenbelts

**74%** of San José residents made efforts to make their homes more energy efficient during the past 12 months

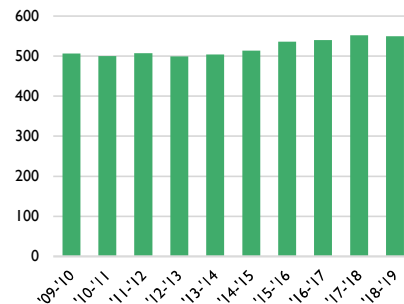
### ESD Expenditures Breakdown (2018-19)



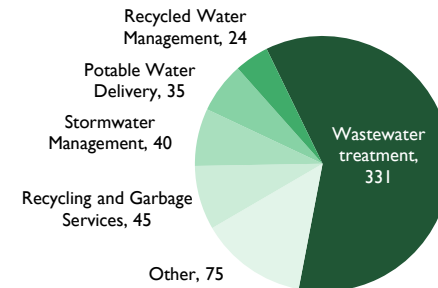
### ESD Operating Expenditures (\$millions)



### ESD Authorized Positions



### ESD Staffing Breakdown by Positions per Service (2018-19)



# ENVIRONMENTAL SERVICES

## RECYCLING & GARBAGE SERVICES

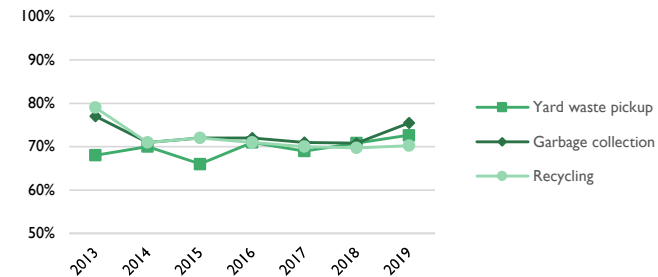
ESD provides recycling and garbage services to over 326,000 residential households in San José through contracted service providers. ESD also provides waste management programs and services for San José businesses, large events, public areas, and City facilities. It manages contracts for commercial collection and recyclables processing, organics processing, and construction waste collection services in the City. ESD's operating expenditures for recycling and garbage services was \$125.3 million.

The state monitors each jurisdiction's "per capita disposal rate" and requires that 50 percent of solid waste be diverted\* from landfills. The Department of Resources Recycling and Recovery, CalRecycle, has taken a statewide approach to meet the State's goal of achieving 75 percent "recycling" by 2020.

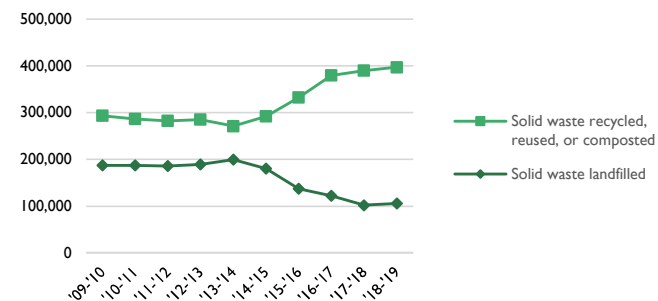
Since 2007, San José has diverted at least 60 percent of waste, including 64 percent in 2018. However, disruptions in the recyclables market may impact the City's ability to meet state diversion requirements in future years. In 2018, China implemented its "National Sword" policy, restricting the imports of recyclable materials. China also implemented tariffs of up to 50 percent on recyclable imports. California's cities have historically relied on exporting recyclable materials to China to meet state diversion goals. The City is exploring infrastructure and partnership opportunities to manage recyclables domestically and help achieve state diversion requirements.

\* "Diversion" refers to any combination of waste prevention, recycling, reuse, and composting activities that reduces waste disposed at landfills. (Source: CA Integrated Waste Management Board)

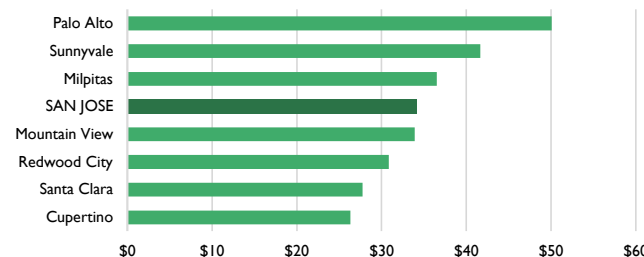
**RESIDENT SURVEY**  
% of San José residents rating services as "excellent" or "good"



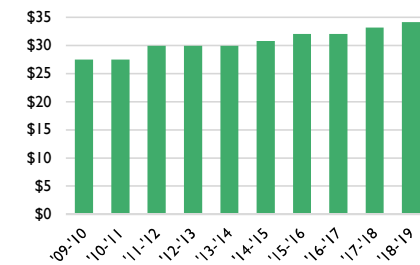
**Tons of Residential Solid Waste Recycled vs. Landfilled**



**Comparison of Monthly Residential Garbage and Recycling Rates (2018-19)**



**San José Garbage and Recycling Monthly Bills (32-gallon cart)**



Sources: Rates listed on local government websites for municipalities provided.

Note: Rates listed for all municipalities are for the 32-gallon cart size (with the exception of Sunnyvale's 35-gallon cart and Milpitas's 26-gallon cart.) Although this is San José's smallest and standard cart, some municipalities offer smaller 20-gallon bins.

## ENVIRONMENTAL SERVICES

### STORMWATER MANAGEMENT

The Department of Transportation operates the City's storm drains and storm sewer system, conveying rainwater into creeks and eventually the South San Francisco Bay (see Transportation chapter). ESD manages regulatory programs, initiatives, and activities to prevent pollution from entering the storm sewer system and waterways.\* These efforts protect water quality and the health of the South Bay watershed and the San Francisco Bay.

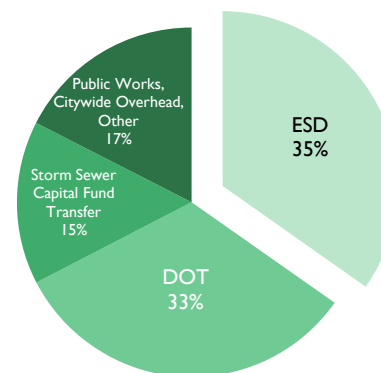
One such program is the litter/creek cleanup program. Overall, 932 creek cleanup events were held and about 892 tons of trash were removed in 2018-19. There were fewer creek clean-ups than the prior year due to reduced one-time funding. Over half of the cleanups in 2018-19 were performed by the City's creek cleanup partners, which include the Downtown Streets Team, South Bay Clean Creeks Coalition, and Keep Coyote Creek Beautiful. The Housing Department's Homeless Encampment Response Program accounted for about a third of all creek cleanups. ESD estimates\*\* that the City has reduced the amount of trash discharged into receiving waters by 97 percent since 2009, exceeding the July 2019 requirement rate of 80 percent.

The annual fee for a single-family residence in 2018-19 was \$94.44. The annual fee has remained relatively level since 2009-10.

\* These programs and activities are regulated by a state permit for municipal storm water systems. For more information, see the [California Water Boards' webpage](#) on the subject.

\*\* Calculation is based on a method specified in the Municipal Regional Stormwater NPDES permit

Breakdown of Storm Sewer Operating Fund  
Budgeted Expenditures

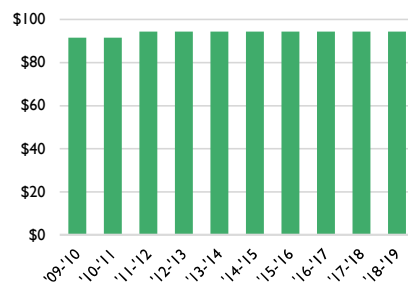


Source: 2018-19 Adopted Operating Budget

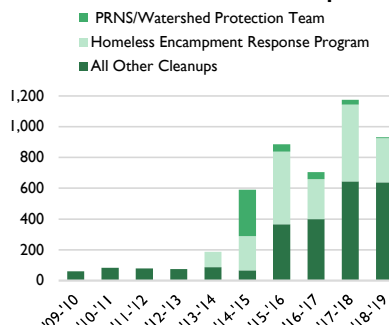
### Baykeeper Consent Decree

In June 2016, the City executed a consent decree to settle a lawsuit filed by the San Francisco Baykeeper. The consent decree stipulates that the City will appropriate \$100 million over a ten-year period to implement projects intended to reduce the flow of pollutants from the City's urban areas to receiving waters (e.g., green infrastructure).

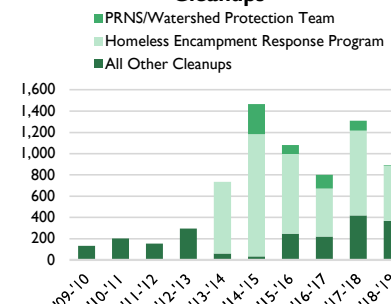
Annual Fee for Household Storm  
Sewer Service



Number of Creek Cleanups



Tons of Litter Collected at Creek  
Cleanups

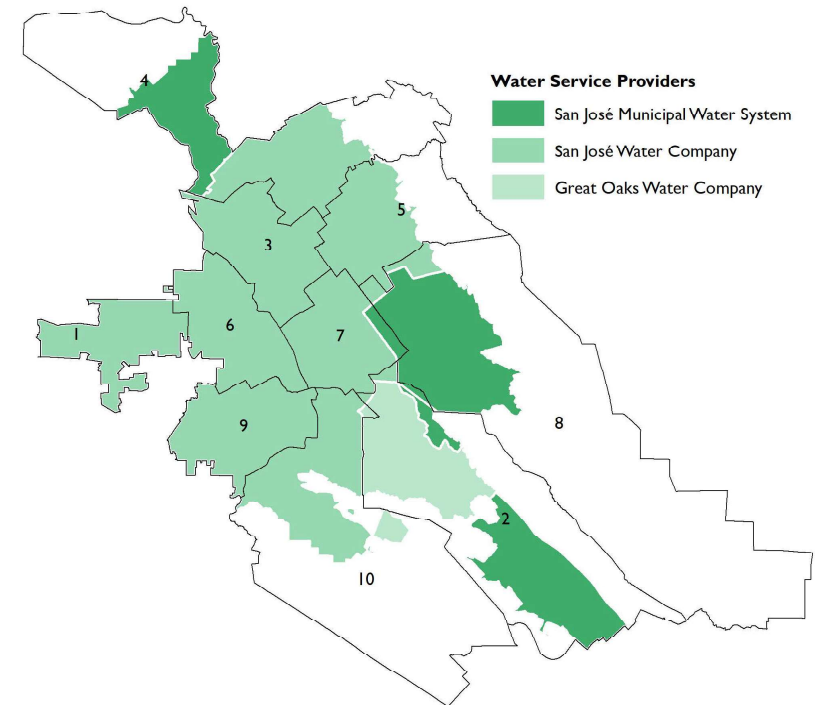


## RETAIL WATER DELIVERY

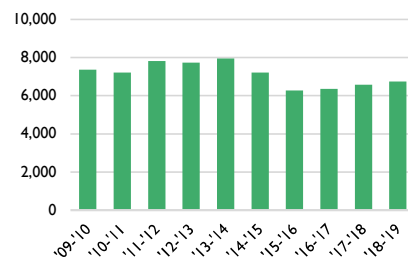
ESD operates and maintains the San José Municipal Water System (Muni Water), which serves about 26,600 customers in North San José, Alviso, Evergreen, Edenvale, and Coyote Valley. Other local San José water retailers include Great Oaks Water Company (which serves Blossom Valley, Santa Teresa, Edenvale, Coyote Valley, and Almaden Valley) and the San José Water Company (which serves Downtown, West San Jose, Alum Rock, and Almaden Valley, among others). For 2018-19, operating expenditures for retail water delivery totaled about \$40.6 million.

The average monthly water bill for Muni Water customers was \$82.51. Muni water rates have increased in recent years due to higher wholesale water rates and other inflationary costs; the increase is consistent with those of other San José retail water providers.

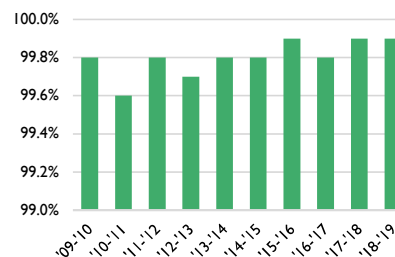
In 2018-19, Muni Water delivered 6,738 million gallons of water to its customers, down 8 percent from ten years ago. Fifty-one percent of City residents who responded to the resident survey rated drinking water delivery as "excellent" or "good"; 90 percent of residents indicated they made efforts to conserve water the past year. Muni Water met federal water quality standards in 99.9 percent of water samples taken.\*



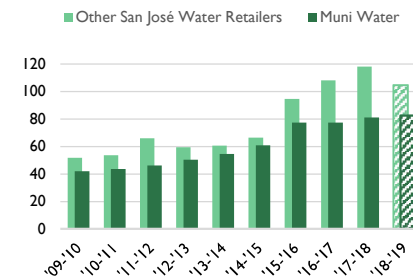
**Millions of Gallons of Water Delivered to Muni Water Customers**



**% of Water Samples Meeting State and Federal Water Quality Standards**



**Comparison of Monthly Residential Water Bills**



Note: Rates for 2018-19 are based on water usage of 13 hundred cubic feet (HCF) whereas those of prior years are based on 15 HCF.

## ENVIRONMENTAL SERVICES

### WASTEWATER TREATMENT

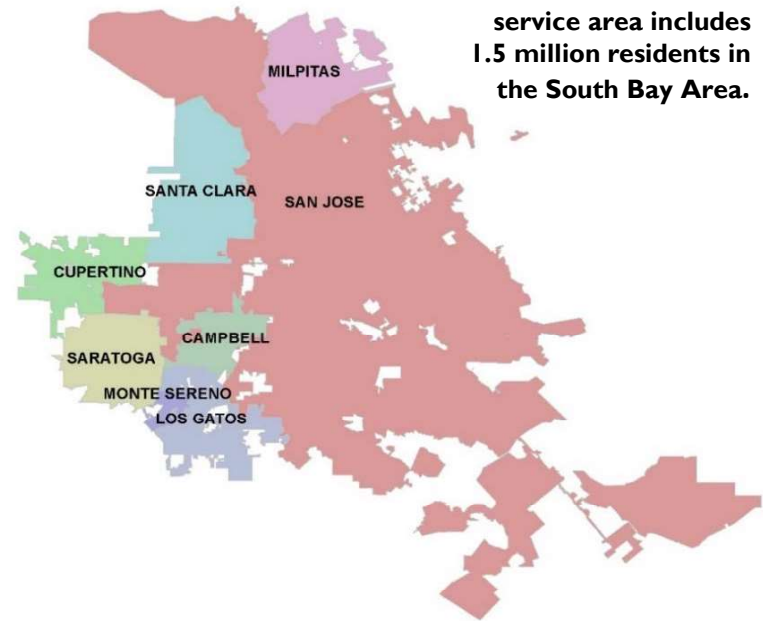
The City's Department of Transportation maintains the City's sanitary sewer system (see Transportation chapter) that flows to the San José-Santa Clara Regional Wastewater Facility. ESD staff at the Facility provides wastewater treatment for approximately 1.5 million residents in San José and surrounding communities. The Facility is co-owned with the City of Santa Clara; however, it is managed and operated by ESD. ESD also manages pretreatment programs to control for pollutants at their source. For 2018-19, operating expenditures totaled \$70.8 million. ESD wastewater treatment operations account for the largest share of ESD employees: 331 full-time budgeted positions out of 550 total.

The Wastewater Facility continues to meet the Regional Water Quality Control Board's permit requirements for water discharged into the San Francisco Bay. In 2018-19, pollutant discharge requirements were met or surpassed 100 percent of the time.

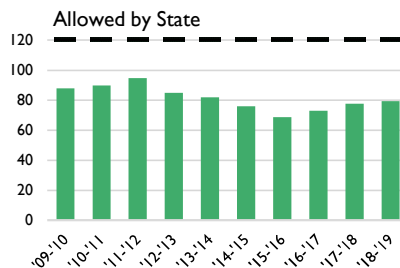
The cost per million gallons treated was \$1,367. Aging infrastructure at the Facility has required increased maintenance and capital costs. In accordance with the Plant Master Plan adopted in 2013, the City is moving forward with over \$2 billion in long-term capital improvement projects to upgrade and rebuild the facility over the next 30 years.\*

\* For more information, see the [Capital Improvement Program webpage](#).

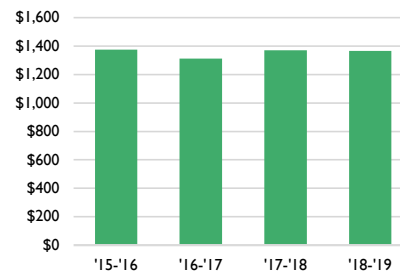
**Wastewater treatment service area includes 1.5 million residents in the South Bay Area.**



**Millions of Gallons per Day Discharged to Bay During Average Dry Weather Season**

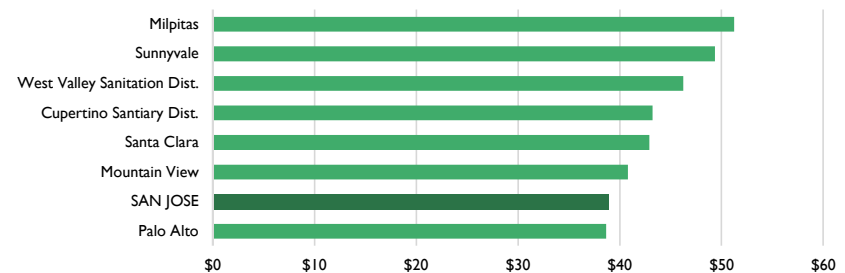


**Cost per Millions of Gallons Treated**



Note: Based on [2018 Annual Self-Monitoring Report](#). In 2018, the dry weather period was from June through August. In past years, the dry weather period was from July through September.

**Comparison of Monthly Sewer Rates\* (2018-19)**



\* Sewer rates pay for costs of the sewer system as well as wastewater treatment. Sources: Rates listed on local government websites for municipalities provided.

## RECYCLED WATER

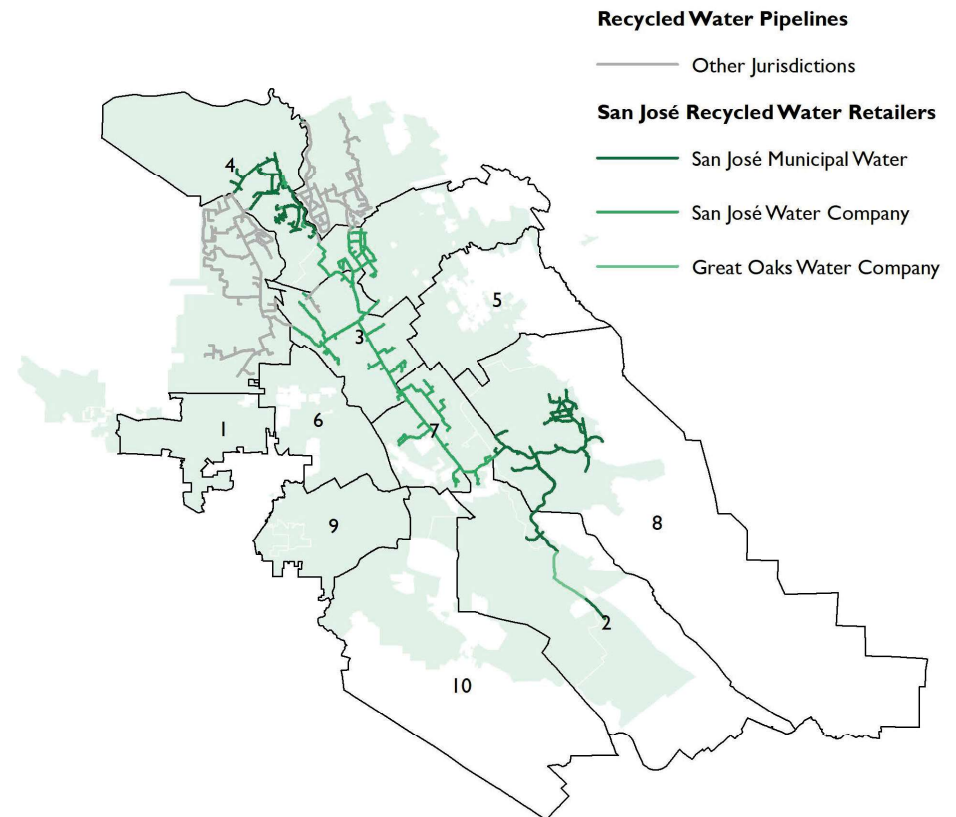
The City invested in South Bay Water Recycling (SBWR) in order to reduce wastewater effluent and protect the ecosystem of the South Bay, including the habitats of two federally endangered species, the Salt Marsh Harvest Mouse and the California Clapper Rail. SBWR serves the cities of Milpitas, Santa Clara, and San José.

In 2018-19, 18 percent of wastewater influent was recycled for beneficial purposes during the dry weather period, up from 14 percent ten years ago. SBWR customers used recycled water for cooling towers and to irrigate parks, golf courses, schools, and commercial landscape. SBWR met recycled water quality standards 100 percent of the time during the same period.

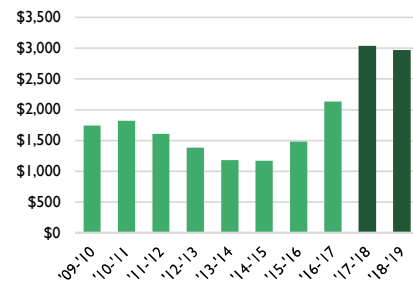
In 2018-19, SBWR delivered about four billion gallons of recycled water to 929 customers, who paid between \$2.71 and \$3.37\* per hundred cubic feet of water, depending on the use. The Silicon Valley Advanced Water Purification Center, operated by the Santa Clara Valley Water District in partnership with San José and Santa Clara, produces up to eight million gallons per day of highly purified water used to enhance the quality and supply of recycled water.

The cost per million gallons of recycled water delivered was \$2,965 in 2018-19. The measure increased from prior fiscal years due to a change in accounting methodology that resulted in higher expenses being recognized in fiscal years after 2017-18.

\* This rate is for City of San José Municipal Water customers; other SBWR provider rates may vary.

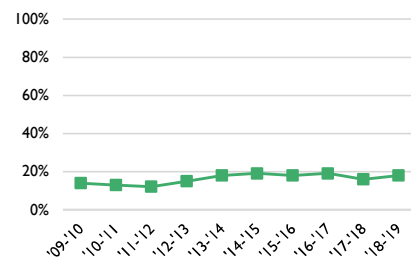


**Cost per Million Gallons of Recycled Water Delivered**



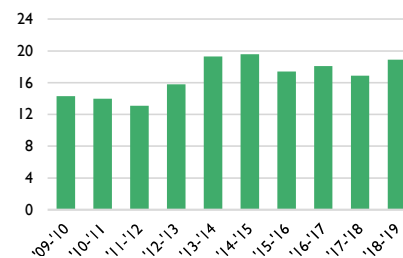
Note: Figures for 2017-18 and later are not comparable to those of prior fiscal years due to a change in accounting methodology.

**% of Wastewater Recycled for Beneficial Purposes during Dry Weather Periods**



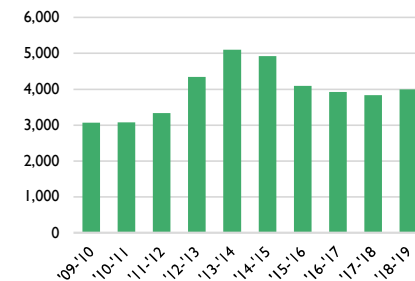
Note: In 2018, the dry weather period was from June through August. In past years, the dry weather period was from July through September.

**Millions of Gallons Per Day Diverted during Dry Weather Periods**



Note: In 2018, the dry weather period was from June through August. In past years, the dry weather period was from July through September.

**Millions of Gallons of Recycled Water Delivered Annually**



## CLIMATE SMART SAN JOSÉ

On February 27, 2018, the San José City Council adopted the [Climate Smart San José Plan](#). The plan is a continuation of the 2007 San José Green Vision, and represents San José's commitment to meeting the greenhouse gas (GHG) emission reduction targets of the Paris Climate Agreement. Climate Smart San José lays out eight goals, focusing on reducing air pollution, saving water, and creating a stronger and healthier community.

ESD staff has also created a Climate Smart Dashboard to track progress on GHG emissions and Climate Smart milestones. The dashboard presents data on strategies related to energy, mobility, water, and economy. See the dashboard online at the following link: <http://dashboard.climatesmartsj.org>

Climate Smart Goals	Status to Date
1. By 2021, San José Clean Energy (SJCE) will offer 100 percent greenhouse gas-free power as a base product.	SJCE started serving both residents and businesses in February 2019. SJCE provides electricity that is 45 percent renewable and 80 percent carbon free. It is on track to be 100 percent carbon neutral by 2021. (See the Community Energy chapter for more information.)
2. By 2040, San José will be the world's first one gigawatt solar city.	Total solar capacity installed is 168 megawatts.
3. By 2030, 60 percent of all passenger vehicles in the City will be electric, making San José the electric car capital of the U.S.	The City Council adopted a building reach code that requires electric vehicle readiness in all buildings with an application for a building permit submitted after 2019.
4. Beginning in 2020, all new homes will be Zero Net Energy and, by 2030, 25 percent of all existing homes will be energy efficient and all-electric.	The City Council adopted a natural gas infrastructure prohibition for all new detached accessory dwelling units, single-family, and low-rise multi-family buildings with an application for a building permit submitted after 2019.
5. By 2030, San José will create an additional 22 million square feet of commercial workspace located within a half-mile of transit.	In 2018-19, the City issued permits totaling 2.35 million square feet of commercial, office, retail space within a half-mile of transit.
6. By 2030, San José will have developed 40,000 dwelling units in urban villages and focused growth areas.	Since the adoption of the General Plan in 2011, the City has permitted approximately 9,586 units within urban villages and focused growth areas.
7. By 2040, only four out of ten commute trips in San José will be taken in single-occupancy vehicles.	An estimated 4 percent of commutes are by walking or cycling.
8. By 2030, San José will reduce its per capita residential water consumption by 30 percent compared to 2009 levels.	In 2018, residential water consumption was 48.69 gallons per capita per day, a reduction of 19 percent compared to 2009 levels.



The mission of the Finance Department is to manage, protect and report on the City of San José's financial resources to enhance the City's financial condition for our residents, businesses, and investors.

## FINANCE

The Finance Department manages the City's debt, investments, disbursements, financial reporting, purchasing, insurance, and revenue collection. In 2018-19 the department had 121 authorized positions, and its operating expenditures totaled \$18 million. This included personal and non-personal/equipment expenditures. In addition, Finance was responsible for \$253.2 million in other expenses, including \$228.2 million in debt service.

The Accounting Division is responsible for timely payments to vendors and employees, and for providing relevant financial information to the public. Revenue Management supports timely billing and revenue collection efforts. The division collected \$1 billion of the City's overall revenue in 2018-19, which includes sales tax and other revenues.

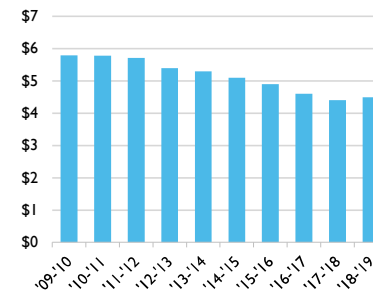
Purchasing is responsible for ensuring cost-effective procurement of quality products and services, and ensuring adequate insurance coverage for the City's assets. In 2018-19, the department procured \$164.2 million dollars of products and services, a decrease from \$191.4 million last year. Much of this decrease is due to expensive purchases last year, including electric buses for the Airport, new fire trucks, and a helicopter for the Police Department.

Treasury manages the City's cash and investment portfolio. The primary objectives of the investment program, in priority order, are safety, liquidity, and yield. In 2018-19, investment funds earned an average of 2.2 percent. Treasury also issues debt and administers a debt portfolio totaling \$4.6 billion at the end of 2018-19. Actual debt issued was \$640 million in 2018-19, primarily resulting from refunding debt associated with the Successor Agency to the Redevelopment Agency (SARA).

### KEY FACTS (2018-19)

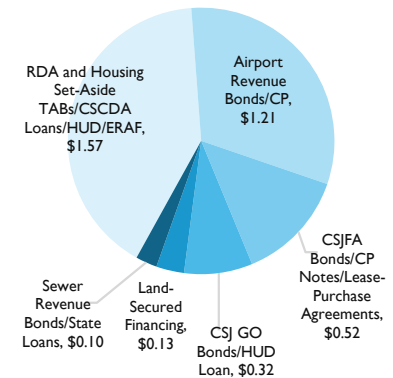
Average investment portfolio	\$1.6 Billion
Total debt managed	\$4.5 Billion
San José credit rating:	Moody's Aa1
	S&P AA+
	Fitch AA+

**Total Debt Managed (\$billions)**

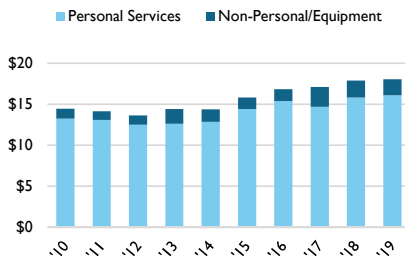


Note: Total debt managed includes conduit debt outstanding (multifamily housing revenue bonds). Pie chart to the right does not include conduit debt. For more information, see the [City's Comprehensive Annual Debt Reports](#).

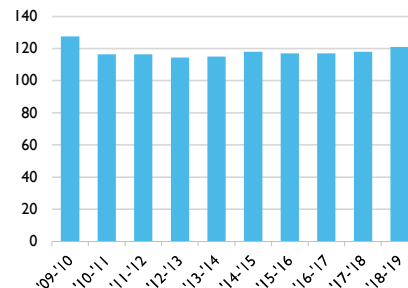
**Outstanding Debt Issued by All Agencies, June 30, 2019 (\$billions)**



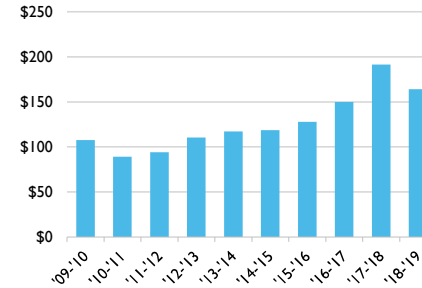
**Operating Expenditures (\$millions)**



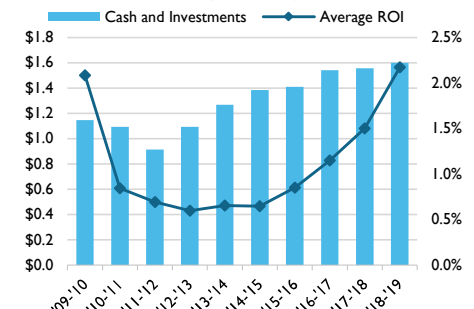
**Authorized Positions**



**Total Dollars Procured (\$millions)**



**City Cash and Investments (\$billions)**



The mission of the San José Fire Department is to serve the community by protecting life, property, and the environment through prevention and response.

## FIRE

The San José Fire Department provides fire suppression, emergency medical services (EMS), and fire prevention services to residents and visitors within San José's geographic boundaries, totaling approximately 200 square miles (including some unincorporated areas). Other fire prevention services include regulatory enforcement of fire and hazardous materials codes through inspection activities and construction plan reviews for residents and businesses. The Department provides emergency Advanced Life Support first-response services, and the County of Santa Clara contracts with a private company for emergency ambulance services.

In 2018-19, the Department's operating expenditures totaled \$224 million. This includes personal and non-personal expenditures. The Department was responsible for additional costs including \$14.7 million in Citywide and other expenses, of which \$6.7 million was for workers' compensation claims. There were 823 authorized positions in the Department in 2018-19.

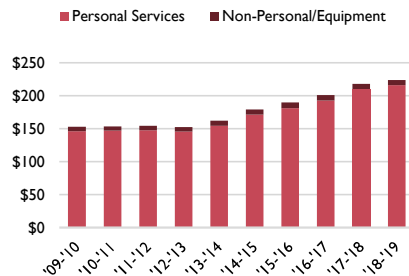


Source: San José Fire Department, photo of Communications staff

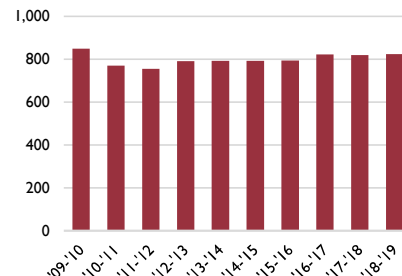


Source: San José Fire Department, photo of Engine 13

**Fire Department Operating Expenditures (\$millions)**

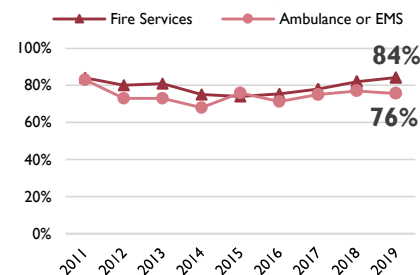


**Fire Department Authorized Positions**



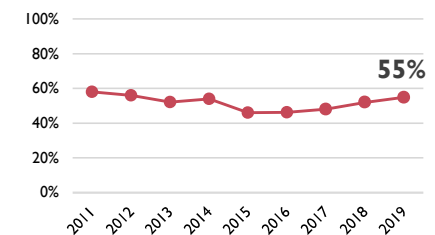
**RESIDENT SURVEY**

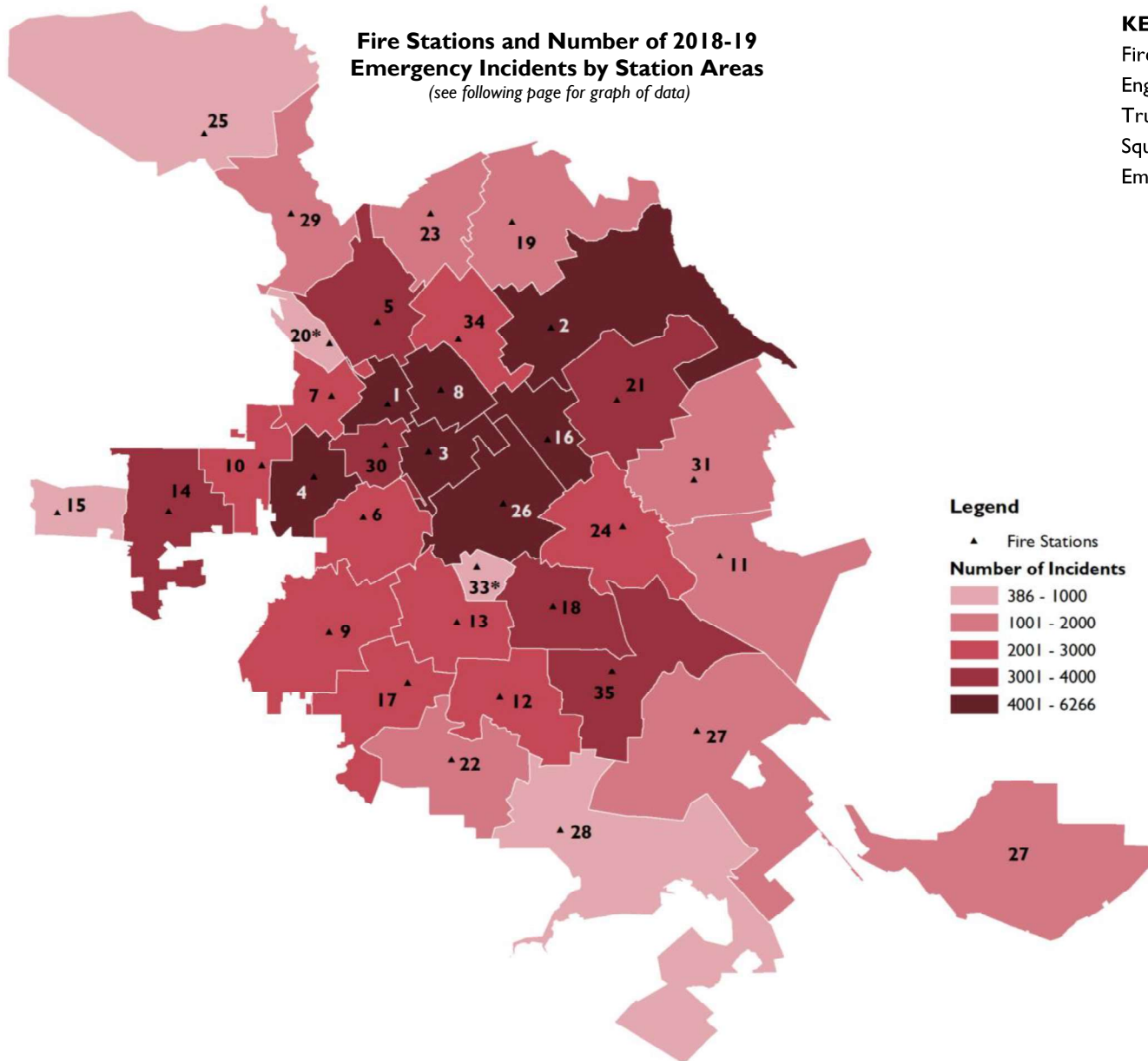
% of San José residents rating services as "excellent" or "good"



**RESIDENT SURVEY**

% of San José residents rating fire prevention and education as "excellent" or "good"





**KEY FACTS (2018-19)**

Fire stations	33
Engine companies	32
Truck companies	9
Squad units	3
Emergency incidents	
Emergency medical incidents	57,500
Fires	3,100
Rescue, Haz Mat, and non-fire hazards	6,700
Other	24,600
Total	91,900

*Other category includes service requests, false alarms, good intent responses, and canceled en route incidents*

Source: Auditor analysis based on incident data provided by Fire Department. Note: Data shows incidents by geographic area, not by responding unit.

\* Fire Station #20 dedicated to Mineta San José International Airport. Fire Station #33 closed in August 2010. Incidents within the district of Station #33 handled by other stations. The Department has reserved the numbering of Fire Station #32 for future use.

# FIRE

## EMERGENCY RESPONSE

In 2018-19, the Fire Department responded to about 91,900 emergency incidents. There were 73,100 Priority 1 incidents (red lights and sirens) and 18,100 Priority 2 incidents (no red lights or sirens). Of the total incidents:

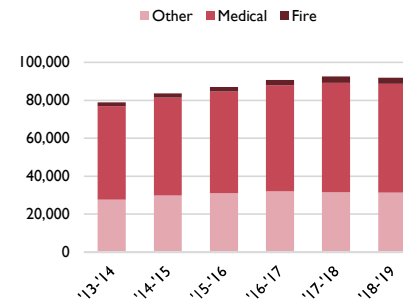
- 3 percent were fires (3,100 total)
- 63 percent were medical emergencies (57,500 total)
- 34 percent were other types of incidents, including good intent calls, rescues, and false alarms (31,300 total).

A breakdown of all incidents by fire station is provided below.

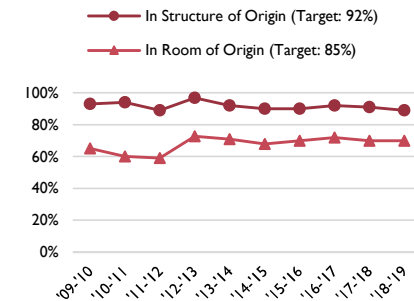
In 2018-19, the Department contained 89 percent of fires to the *structure* of origin (target: 92 percent). The Department contained 70 percent of fires to the *room* of origin (target: 85 percent).

There were 12 civilian fire injuries and three civilian fire deaths in 2018-19.

Emergency Incidents



Percent of Fires Contained

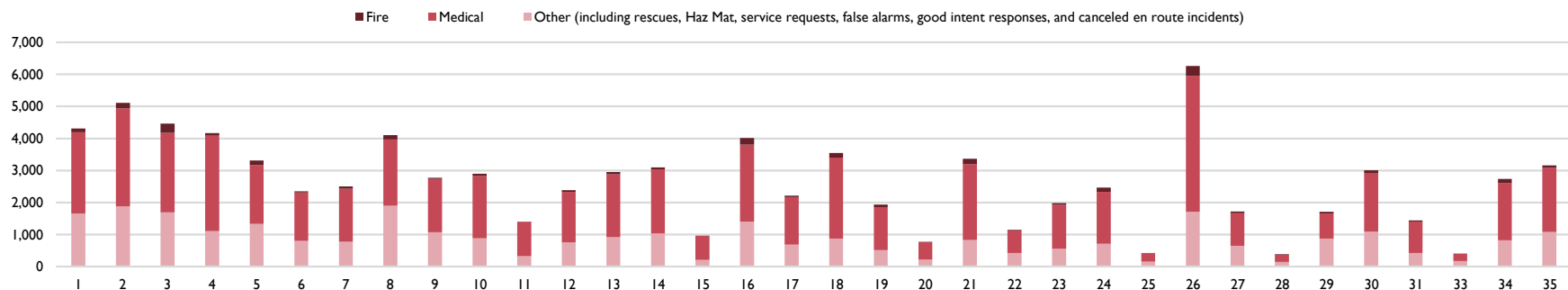


## Emergency Medical Services (EMS)

The County of Santa Clara contracts with a private company to provide emergency ambulance transportation services to all County areas except Palo Alto. The San José Fire Department provides Advanced Life Support (paramedic) first-response services primarily within the incorporated City limits through a direct agreement with the County of Santa Clara Emergency Medical Services (EMS) Agency.

The agreement performance requirements specify that the Department must arrive on-scene within eight minutes 90 percent of the time to qualify for funding, and arrive within eight minutes 95 percent of the time to receive maximum funding. These requirements apply to qualifying Code 3 EMS calls. In 2018-19, the Department met the County EMS Code 3 performance standard requirements of 90 percent for all 12 months.

Emergency Incidents by Station Area (2018-19)



Note: Fire Station #20 dedicated to Mineta San José International Airport. Fire Station #33 closed in August 2010. Incidents within the district of Station #33 handled by other stations. The Department has reserved the numbering of Fire Station #32 for future use. Breakdowns of incidents and response times city-wide and by fire station are also available on the [SJFD Statistics Website](#).

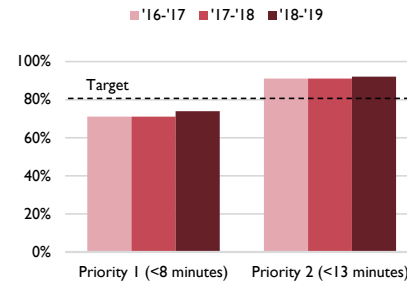
## EMERGENCY RESPONSE (continued)

In 2018-19, the Department responded to 74 percent of Priority 1 incidents within its time standard of eight minutes (target: 80 percent), which is an improvement from the last two years. The Department responded to 92 percent of Priority 2 incidents within 13 minutes (target: 80 percent).

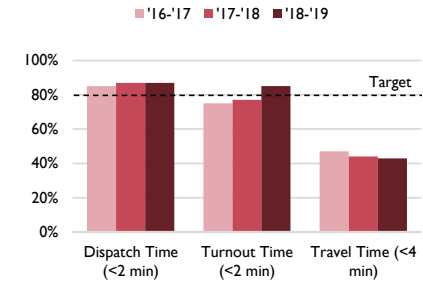
The Department disaggregates Priority 1 response time by three time targets: dispatch time, turnout time, and travel time. In 2018-19, the Department met its target for dispatch time. For the first time in several years, the Department also met its turnout time target (target: 80 percent within 2 minutes). The Department reports that continued messaging during training sessions has contributed to the improvement in turnout time. It met its travel time standard for only 43 percent of Priority 1 incidents (target: 80 percent within 4 minutes).

A breakdown of Priority 1 response times by fire station is shown below. Five fire stations met the Priority 1 response standard of 8 minutes for 80 percent of incidents in 2018-19, an increase from two stations last year.

Emergency Response Time Compliance



Time Targets of Priority 1 Response Time



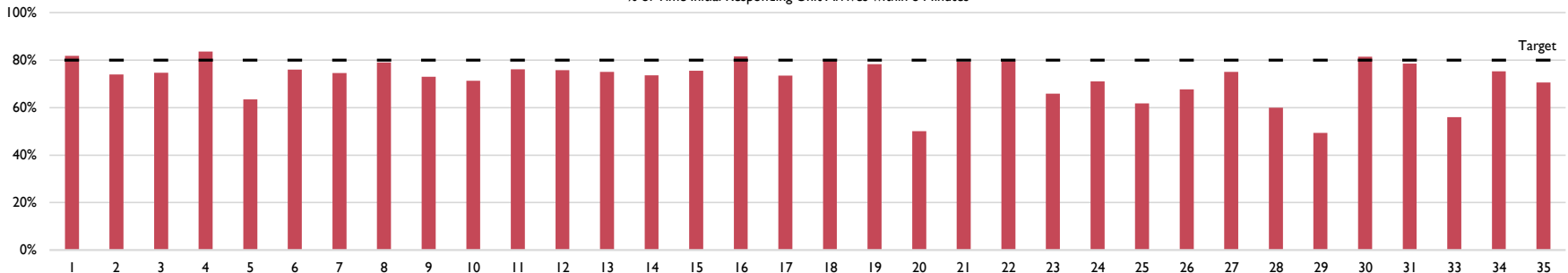
### Improving Emergency Response Times

The Department developed a response time work plan which includes strategies to further improve response time performance. This fiscal year, the Department deployed traffic signal emergency vehicle preemption (in which traffic signals are equipped to give green lights to oncoming emergency vehicles) for Priority 1 responses.

The Department continues to work on automatic vehicle location data collection (which provides more accurate data on when a vehicle has arrived at an emergency location), fire station alerting systems (which will automate some dispatching steps to reduce call processing times), and data management solutions. Additionally, the Department is implementing new call-taking procedures at the Fire Communication Center.

Priority 1 Response Time Compliance by Station (2018-19)

% of Time Initial Responding Unit Arrives within 8 Minutes



Note: Fire Station #20 dedicated to Mineta San José International Airport. Fire Station #33 closed in August 2010. Incidents within the district of Station #33 handled by other stations. The Department has reserved the numbering of Fire Station #32 for future use.

# FIRE

## FIRE PREVENTION

The Bureau of Fire Prevention provides regulatory enforcement of fire and hazardous materials codes, investigates fire cause, and educates the community to reduce injuries, loss of life, and property damage from fires and other accidents. Both fire fighters and fire prevention inspectors conduct initial inspections to check for compliance with fire codes. In 2018-19, the Department performed 11,700 initial fire inspections. Fire fighters conducted 5,400 of these initial inspections and fire prevention inspectors conducted the remaining. About 81 percent of initial inspections conducted were code compliant, and therefore did not require a follow-up inspection.

The Bureau of Fire Prevention also conducts investigations based on complaints received from residents or businesses. In 2018-19, 200 complaints were investigated. In addition, the Department conducted about 370 plan reviews for special events.

In 2018-19, fire prevention inspectors conducted over 250 investigations and were able to determine that about 120 of those investigations were caused by arson.

## FIRE SAFETY CODE COMPLIANCE (DEVELOPMENT SERVICES)

Fire Safety Code Compliance enforces the City's Fire and Health and Safety Codes during the development plan review and inspection processes, in coordination with the Development Services partners in the Permit Center (see Planning, Building & Code Enforcement Department chapter). This includes both engineering and hazardous materials reviews. In 2018-19, Fire Code Compliance civilian and sworn staff performed 7,100 fire plan checks and 7,900 inspections for Development Services customers. Fire plan reviews were conducted within established time targets for 80 percent of projects in 2018-19.

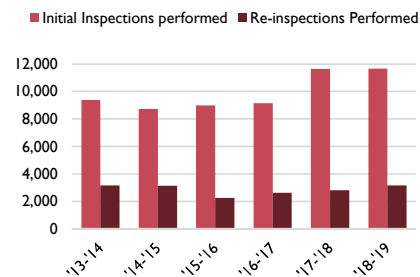
The **Development Services partners** in the Permit Center are:

- Planning, Building & Code Enforcement Department (see PBCE section)
- Fire Department
- Public Works Department (See Public Works section)

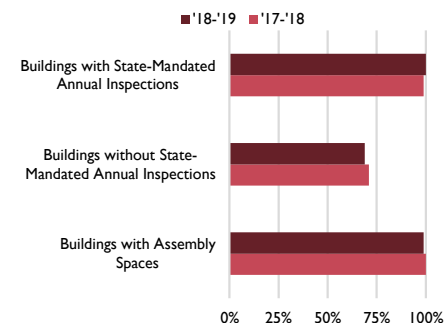
### Fire Safety Inspections

The Department inspects existing buildings and newly constructed buildings to ensure compliance with the fire code. As of June 2019, San José had approximately 12,000 buildings that were eligible for a fire inspection, including 87 high-rises, 670 educational facilities, and 5,300 multi-family residences and hotels/motels. The frequency of the inspection cycle depends on the building use and type. For example, high-rises, schools, and multi-family residences are required by the State Fire Marshal to have annual inspections. In 2018-19, the Department completed 100 percent of state-mandated inspections.

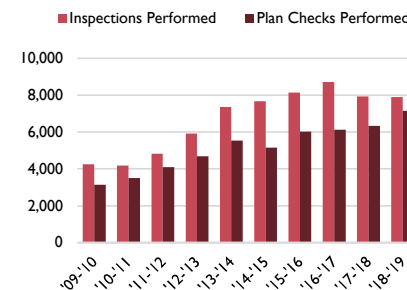
#### Fire Prevention Inspections (on existing buildings)



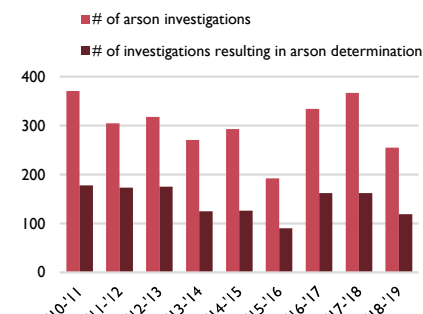
#### Completion of Initial Fire Inspections



#### Fire Safety Code Compliance - Workload (Development Services)



#### Arson Investigations





The mission of the Housing Department is to strengthen and revitalize our community through housing and neighborhood investment.

## HOUSING

The Housing Department employs multiple strategies to meet the housing needs of San José residents, who face some of the highest housing costs in the nation. These strategies include:

- Administering a variety of single-family and multi-family lending programs,
- Recommending housing-related policies,
- Financing new affordable housing construction,
- Extending the useful lives of existing housing through rehabilitation,
- Managing rent stabilization programs and tenant protection programs, and
- Addressing homelessness through a regional “housing first” model.

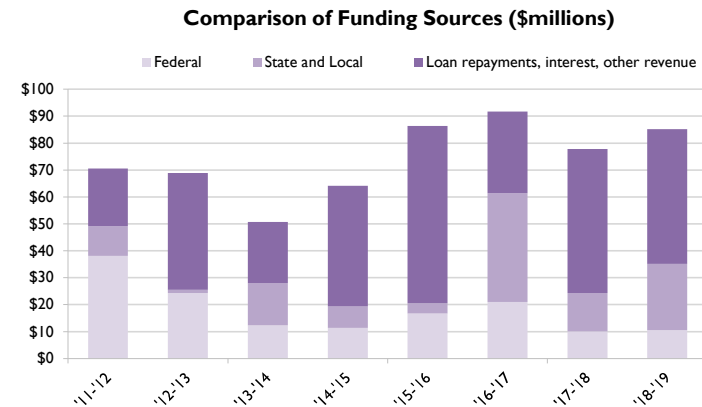
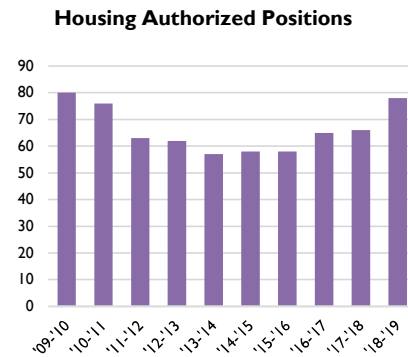
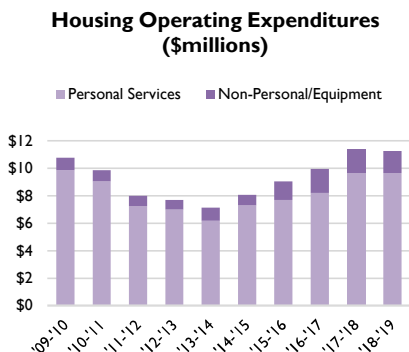
Additionally, the Department administers a number of federal and state grant programs, including the Community Development Block Grant (CDBG) program.

The Housing Department’s operating expenditures totaled \$11.3 million in 2018-19. This included personal and non-personal/equipment expenditures. The department was responsible for an additional \$29.7 million in Citywide and other expenses, including \$16.7 million for loans and grants.

Funding for the Department included revenues from the Department’s loan portfolio that continued to generate program income (principal outstanding as of November 2019 was \$578.1 million). Additional revenues come from various state and federal grants. Also included were Affordable Housing Impact Fees, which went into effect at the end of 2015-16, totaling \$1.4 million in revenues in 2018-19.

2018-19 Housing Program Funds Received	
Loan Repayments, Interest, and Miscellaneous Revenues	\$50,022,102
HEAP Grant	\$11,389,987
Fees and Charges*	\$7,794,679
Community Development Block Grant (CDBG)	\$6,948,870
Rental Rights	\$3,654,882
Bond Administration Fee	\$1,489,511
HOME Grants Revenue	\$1,464,624
Housing Opportunities for People with AIDS (HOPWA)	\$1,028,037
HOPWA Special Projects	\$616,039
Emergency Shelter Grant (ESG)	\$526,552
Dahlia Grant	\$80,000
<b>Total</b>	<b>\$85,015,283</b>

\* Fees and Charges increased from \$212,000 last year due to revenue from projects subject to Inclusionary Housing Policy In-lieu fees and Affordable Housing Impact fees.



## AFFORDABLE HOUSING

### Building New Affordable Housing

The availability of affordable housing has continued to be an area of concern for San José residents for a number of years. In 2019, only 6 percent rated the availability of affordable housing as “excellent” or “good,” while 82 percent considered availability to be “poor.”

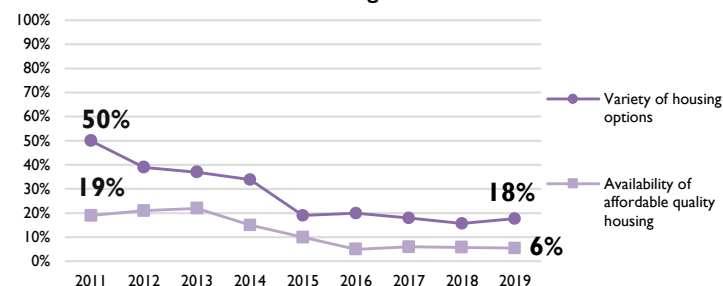
The City's efforts to increase the supply of affordable housing in San José include making loans to developers and authorizing conduit financing. In 2018-19, developers completed 111 newly affordable housing units with City help. For new projects under construction, the City committed an average per-unit subsidy of about \$104,500 (for 820 affordable housing units) in 2018-19. According to the Department, unit costs can vary widely depending upon a variety of factors. As of November 2019, there was a total of nearly 21,000 affordable housing units in San José.

### Rehabilitating Existing Housing & Financing Home Buying

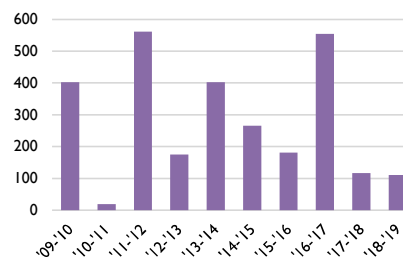
Although these programs have been dramatically reduced since 2012, low-income homeowners whose homes are in need of repairs can qualify for City financial help to rehabilitate them. In 2018-19, the Department provided minor repairs for 289 homes in partnership with Rebuilding Together Silicon Valley and Habitat for Humanity. Two rehabilitations for single-family homes were completed.

Previously, people who wanted to buy homes in San José could receive financial help, including down payment assistance, through various City programs. These programs have since been discontinued due to lack of funding.

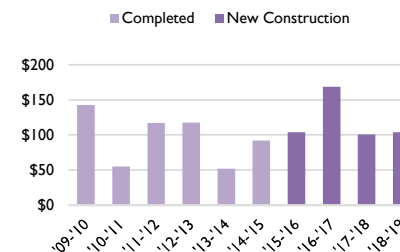
**RESIDENT SURVEY**  
% of residents rating housing opportunities as “excellent” or “good”



**Number of Affordable Housing Units Completed in the Fiscal Year**

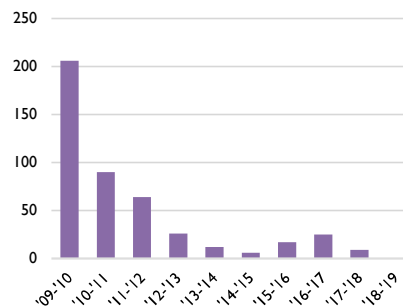


**Average Per-Unit Subsidy for New Projects Under Construction (\$thousands)**



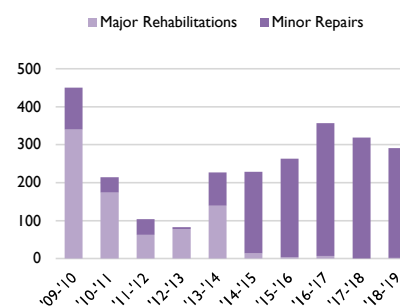
Note: This measure was based on completed projects prior to '15-'16

**Number of Homebuyers Assisted**



Note: This program has been discontinued.

**Rehabilitated Units**



# HOUSING

## NEIGHBORHOOD INVESTMENT & PUBLIC SERVICES

The Department received nearly \$7 million in federal Community Development Block Grant (CDBG) program funds in 2018-19. CDBG funds are used for housing rehabilitation, fair housing, code enforcement, senior and homeless services, foreclosure prevention, and economic development services.

### Rent Stabilization and Tenant Protections

The Rent Stabilization Program oversees local ordinances providing limits on rent increases, just cause provisions, and requirements for removing apartments from the rental market. The program provides oversight of nearly 39,000 rent-controlled units, or about a third of the City's rental housing units. In 2018-19, there were 73 tenant and landlord petitions filed. Of those resolved by staff or through a hearing, 62 percent resulted in an agreement between the tenant and landlord.

### Homeless Services

According to the 2019 San José Homeless Census and Survey, 6,097 San José residents were "homeless" when the census was conducted, including chronically homeless, youth, families with children, and veterans. Of these, 84 percent were unsheltered.

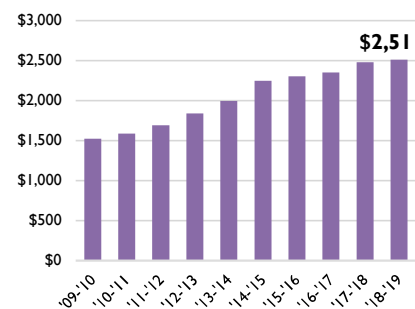
The Department provided almost \$12.3 million in grant funding to 10 service providers in 2018-19 as part of a region-wide effort to address homelessness. The Department initiated abatement of over 400 homeless encampment sites in 2018-19, and it received 6,498 calls and emails to its Homeless Concerns Hotline. During 2018-19, about 1,919 homeless San José residents were assisted into housing by the collective efforts of local jurisdictions and non-profit service providers. For more information, refer to our [Audit of the City's Homeless Assistance Programs](#).

## KEY FACTS (2018-19)

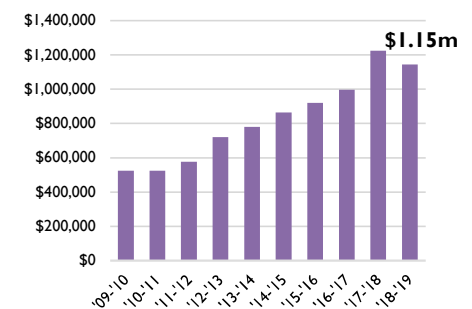
Median Household Income:	\$113,036
Income needed for a two bedroom apt. (avg. rent):	\$111,040
Income needed to afford median priced home:	\$212,710

Sources: U.S. Census American Community Survey, 2018 1-year estimates; Housing Market Report for Second Quarter 2019.

Average Monthly Rent in San José



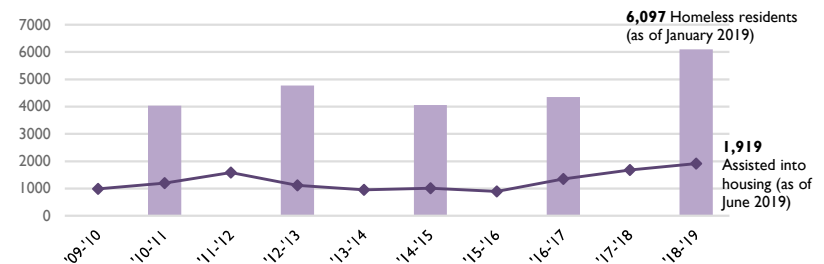
Median Single-Family Home Price



Sources: Costar report for Second Quarter 2019; SCCAOR June 2019 report.

Note: Average monthly rent is for all market-rate unit types (excludes affordable units). Data provided by Costar as of July 2018. Prior years updated to reflect Costar data.

Formerly Homeless San José Residents Housed by the Collective Efforts of Local Jurisdictions and Non-profit Providers



Sources: San José Homeless Census and Survey (prepared by Applied Survey Research, 2019) and Santa Clara County Homeless Management Information System (HMIS).

Note: Count of homeless residents is a count at a point in time in January of the indicated fiscal year, while the number assisted into housing is a fiscal year total.

The mission of the Human Resources Department recognizes that our City is powered by people and we are committed to providing high quality, essential services, and support our employees and departments. Its primary purpose is to enable the City's employees to serve a diverse and thriving San José community by providing valuable services to attract, hire, and retain employees; facilitate employee engagement; promote safety and wellness; and provide opportunities to develop skills and grow in a career with the nation's 10<sup>th</sup> largest City.

## HUMAN RESOURCES

The Human Resources Department (HR) manages employee benefits, health and safety, and employment services. In 2018-19, HR's operating expenditures totaled \$12.4 million, and included 52.5 positions. HR was also responsible for \$90.5 million in other costs, including payments to benefit providers and workers' compensation costs.

In 2018-19, HR facilitated the hiring of 698 new full-time employees (newly hired, reemployed, or rehired) and 755 internal appointments (promotions and transfers).

While the cost of Kaiser family coverage has dropped in the past year, health care premiums have increased significantly over the last ten years. Overall City spending on health benefits has reached \$55.5 million.

In 2017-18, the City Council approved outsourcing the City's workers' compensation function. In 2018-19, there were 804 new claims and 3,097 open claims. Workers' compensation payments totaled \$19.5 million.

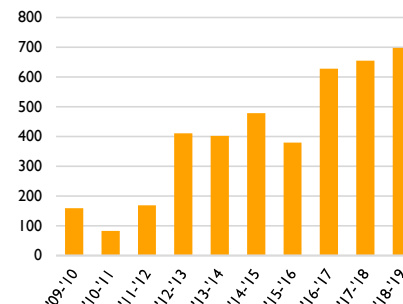
HR also administers the City's Voluntary Employees' Beneficiary Association (VEBA) plan (established in November 2017) and the Tier 3 Retirement plan (52 active members as of June 30, 2019), and continues to oversee the voluntary 457 deferred compensation plan. The percentage of employees participating in the 457 plan has increased slightly in recent years; from 68 percent in 2015-16 to 73 percent of eligible employees in 2018-19.

For more information, see the March 2019 audit report, [Employee Benefit Fund Administration: Opportunities Exist to Improve Controls](#).

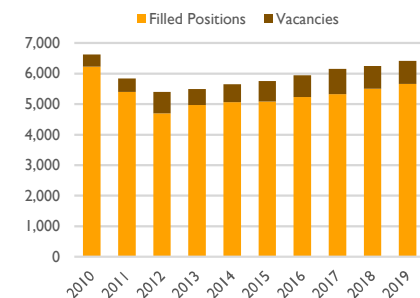
### KEY FACTS (2018-19)

Number of City employees (budgeted full-time equivalents)	6,413
Covered lives (active employees and dependents)	10,952
Percentage of employees with timely performance appraisals	
Non-management	71%
Management	92%
Turnover Rate	
All employees (resignation, termination, retirements, etc.)	14%
Less retirements	11%

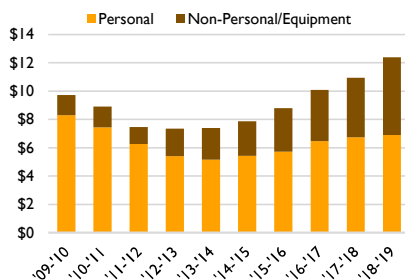
New Full-Time Hires (Citywide)



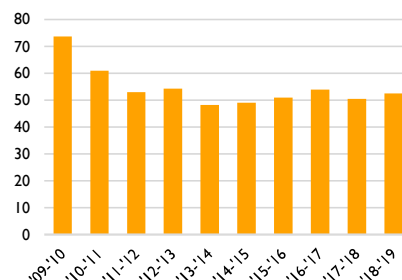
Citywide Staffing and Vacancies (as of June 30)



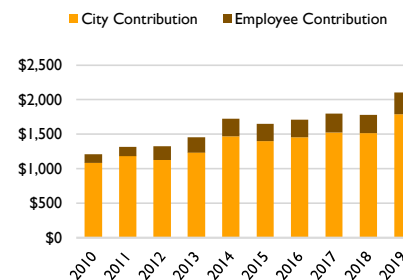
Human Resources Operating Expenditures (\$millions)



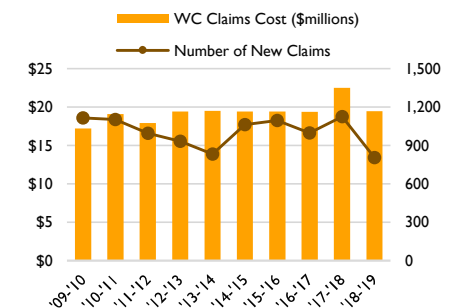
Human Resources Authorized Positions



Kaiser Family Plan Premium Rates



Workers' Compensation Payments & New Claims



Note: In 2018-19, HR began several initiatives and trainings to help reduce workplace injuries.

## INDEPENDENT POLICE AUDITOR

The mission of the San José Independent Police Auditor is to provide independent oversight of the citizen complaint process to ensure its fairness, thoroughness, and objectivity.

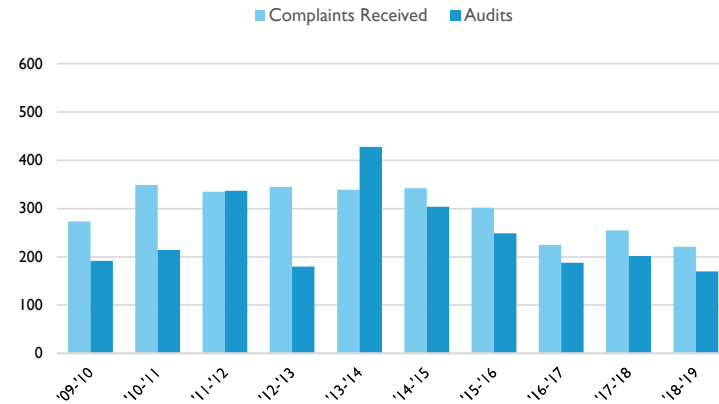
## INDEPENDENT POLICE AUDITOR

The Independent Police Auditor (IPA) provides the public with an objective review of police misconduct investigations in order to instill confidence in the complaint process and to provide independent oversight. In addition, the IPA conducts outreach to the San José community, proposes recommendations to improve San José Police Department (SJPd) policies and procedures, prepares annual public reports about complaint trends, and works to strengthen the relationship between the SJPd and the community it serves.

In 2018-19, the operating expenditures for the IPA totaled \$1.2 million, which includes personal and non-personal expenditures. In addition, the IPA was responsible for \$95,000 in Citywide expenses. The IPA authorized positions remained unchanged in recent years.

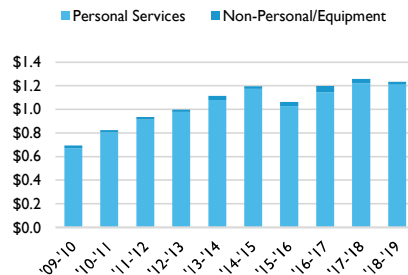
In 2018-19, the IPA received 221 complaints from the public regarding SJPd officers, 13 percent less than the previous year. There were 17 percent fewer complaints than ten years ago. The IPA reached 3,400 people through community events or meetings in 2018-19. Outreach for this year was lower than previous years because of staff vacancies.

**Complaints Received and IPA Audits**

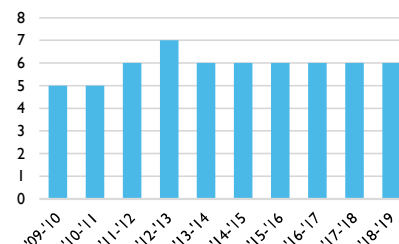


Note: The IPA audits only those complaints classified as “conduct complaints” or “policy complaints”. In general, the SJPd must complete its complaint investigation within one year from the date that the complaint was received. Thus, complaints received in one fiscal year may not be closed and audited until the following fiscal year.

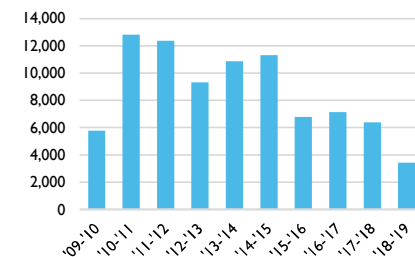
**IPA Operating Expenditures (\$millions)**



**IPA Authorized Positions**



**Individuals Receiving Outreach Services at Community Events/Meetings**





## INFORMATION TECHNOLOGY

The mission of Information Technology is to execute, secure, and sustain the civic technology solutions that allow San José to thrive as a community.

## INFORMATION TECHNOLOGY

The Information Technology Department (IT) provides Citywide information and communications technology strategy and infrastructure that support municipal services. IT is responsible for cybersecurity, Citywide data communications management, and customer support. It also manages a number of enterprise applications including the Financial Management System (FMS), PeopleSoft HR/Payroll System, the Budget System, the Municipal Area Network (MAN), and the City's open data portal.

The City of San José ranked second in the 2019 Digital Cities Awards for the City's use of technology for operational effectiveness, customer engagement, and innovation and was the recipient of other leadership awards.

IT operating expenditures totaled \$21 million in 2018-19. IT was also responsible for \$108,000 in Citywide expenses. Authorized staffing totaled 80 full-time equivalent positions, including 12 positions at the Customer Contact Center. IT's vacancy rate decreased from 18 percent in 2017-18 to 10 percent in June 2019.

In 2018-19, IT rolled-out cybersecurity education and awareness events; Incident Response program implementation; and a security review/support program for major contracts, externals audits, insurance, and bonding.

IT aims to have network services (systems, voice, and network) and business applications available 99.9 percent and 99.8 percent of the time, respectively (new measures adopted for 2018-19). The City's network, telephones, and systems and business applications met or almost met that target in 2018-19.

### KEY FACTS (2018-19)

Customer Contact calls	157,175
Service desk requests	16,603
Network outages	7
Computers	7,577*
Enterprise servers	373

\*This includes decommissioned or computers not in use. IT is currently in the process of reviewing this data to only include computers in use.

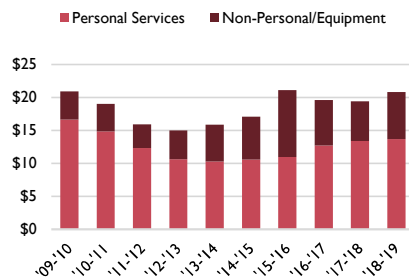
### IT Strategic Plan

IT is in the final stages of a three-year strategic plan to modernize the City's technology portfolio and implement a management structure that reinforces the City's transformation to secure, customer-centric digital services and data-driven decision making. In furtherance of those goals, IT implemented or worked on the following:

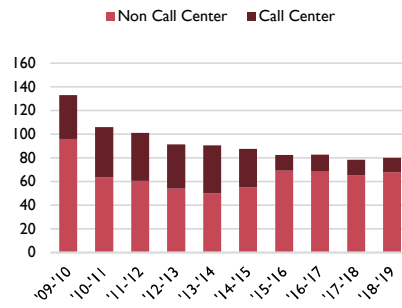
- City Cybersecurity Office
- City Portfolio-Products-Projects Management (C3PO) maturity
- My San Jose application update releases
- New City open data portal
- Integrated Permitting System upgrade
- Business Tax Amnesty System implementation

(See CSA Dashboard chapter for IT's project success rates.)

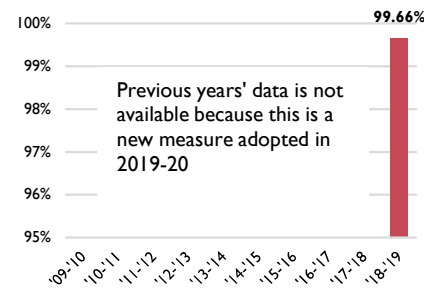
**IT Operating Expenditures (millions)**



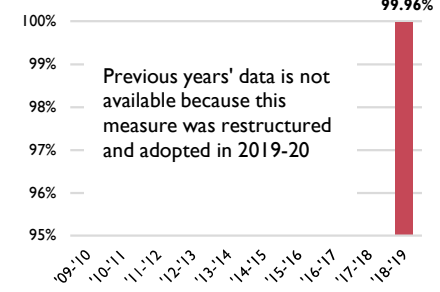
**IT Authorized Positions**



**% Uptime for Business Applications**



**% Uptime and Availability for Systems, Network and Voice**



## CUSTOMER CONTACT CENTER

The City's Customer Contact Center (408/535-3500 or customerservice@sanjoseca.gov) is one of the primary points of City information for residents, businesses, and employees. The Center is available to respond to resident queries during regular business hours and has an answering service respond to resident questions after hours. Other departments also maintain customer contact centers to respond to specific resident concerns or questions.

Since April 2017, the My San Jose app accumulated about 55,000 users, and received about 173,500 service requests in 2018-19. Staff reported that it was able to close out 97 percent of the requests. IT considers a request closed when no further action will be performed on the request because the work was completed or staff cannot perform any additional work.

In 2018-19, the Customer Contact Center staff answered 90 percent of calls received (target: 85 percent). Forty-one percent of the calls were self-service calls and redirected to a service provider or answered by the after-hours vendor. The average wait time for calls answered by the Customer Contact Center staff was 2.26 minutes (forecast: 3 minutes). In response to our [Audit of 9-1-1 and 3-1-1: Changes to Call Handling and Increased Hiring Efforts Could Improve Call Answering Times](#), IT and the Police and Fire Departments are working on transitioning some non-emergency calls to the Customer Contact Center. As of June 2019, the Customer Contact Center absorbed the Fire Communications non-emergency calls. Additional changes are planned for implementation by April 2020.

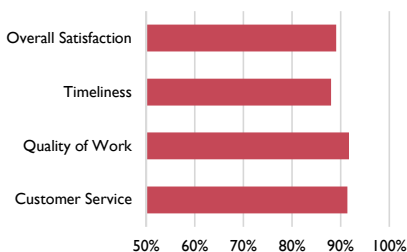
### My San Jose



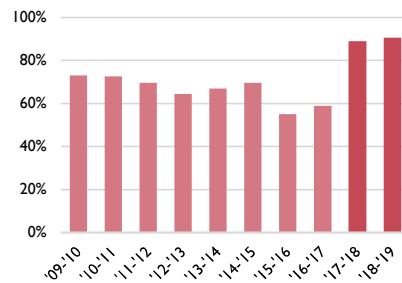
Source: [My San Jose](#)

*My San Jose allows residents to request City services through the application or website. Many requests feed directly into the relevant department workorder systems. Residents can file and track their service requests through this application.*

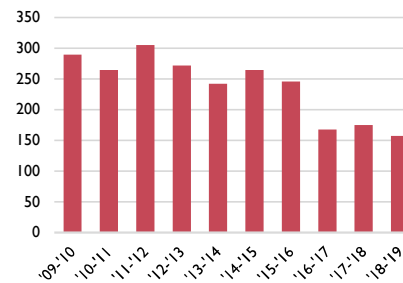
**% of Overall Internal Customers Rating IT Services as "Excellent" or "Good"**



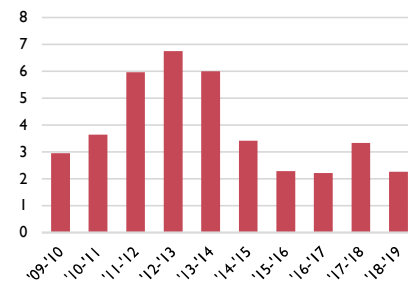
**% of Customer Contact Center Calls Answered\***



**Customer Contact Center Calls (thousands)**



**Customer Contact Center Average Wait Time (minutes)**



\*Starting 2017-18, the data includes calls answered by staff, self-served calls, and after hours service. Previous years' data only included calls answered by staff.



The San José Public Library's mission is to enrich lives by fostering lifelong learning and by ensuring that every member of the community has access to a vast array of ideas and information.

## LIBRARY

The San José Public Library consists of 25 libraries, including the main Dr. Martin Luther King, Jr. Library downtown, Mt. Pleasant which opened in April 2019, and branches in neighborhoods across the City. The Library offers materials in various formats including books, CDs, DVDs, eBooks, online learning tools, and online database services. The Library also provides programs such as computer programming, English as a Second Language, citizenship classes, summer learning, literacy assistance, and story times. The City's libraries were open over 58,000 hours in 2018-19.

In 2018-19, the Library's operating expenditures totaled almost \$42 million. This includes personal and non-personal/equipment expenditures. The Library was responsible for an additional \$12 million in other expenditures including \$9.9 million in capital expenditures. Staffing totaled 367 full-time equivalent (FTE) authorized positions, with a total of almost 580 staff. This represents a slight increase from a year ago.

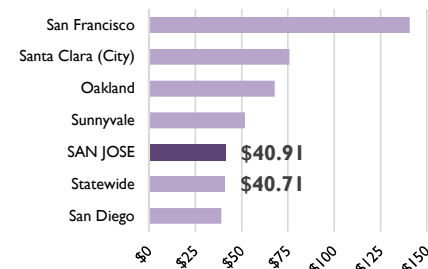
In an ongoing effort to increase library accessibility, the Library continued strategies to reduce amounts owed in library fines and fees. In 2018-19, the Library instituted the Fines Free for Youth program, which eliminated late fees on children's materials. Programs such as Read Away Your Fines and Volunteer Away Your Fines removed \$91,845 in fines and fees, which allowed 4,258 customers to regain library access.

Of San José respondents to the resident survey, 78 percent rated the quality of public library services as "excellent" or "good."

### KEY FACTS (2018-19)

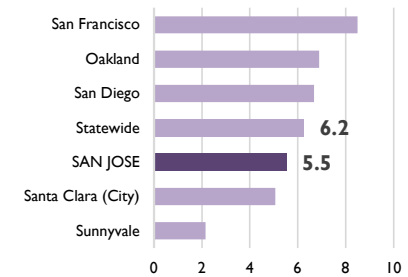
Libraries open	25
Total library materials	2,487,069
Number of eBooks/eMedia	352,543
Number of items checked out (including eBooks)	7,815,344
Number of registered borrowers	553,065
Number of reference questions (estimated)	526,365

Expenditures Per Capita  
(2017-18)



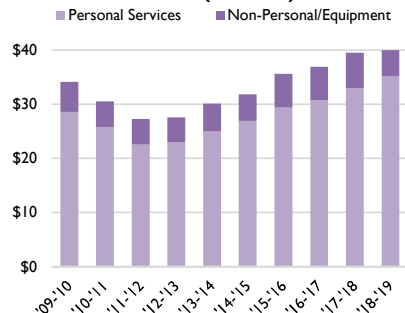
Source: California State Library, 2017-18 Summary Data

Hours Open Per 100 People  
(2017-18)

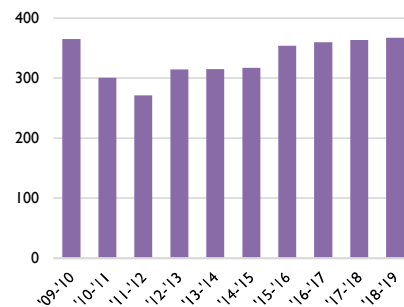


Source: California State Library, 2017-18 Summary Data

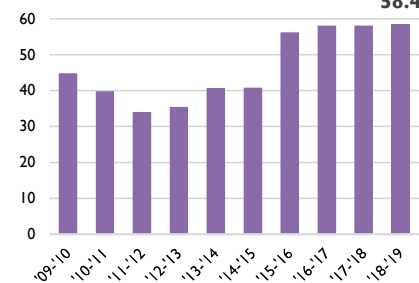
Library Operating Expenditures  
(millions)



Library Authorized Positions

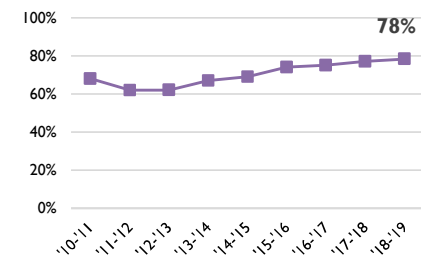


Total Hours Open Annually  
(thousands)



RESIDENT SURVEY

% of San José residents rating library services as "excellent" or "good"



## LIBRARY COLLECTION AND CIRCULATION

In 2018-19, the Library's collection totaled almost 2.5 million items, including over 1.8 million print materials (such as books and periodicals), and over 352,000 eResources (eBooks, eMagazines, eMusic, eMovies, and online learning tools). The Library also provides access to subscription-based online resources on a variety of topics, such as career development, technology training, consumer resources, language learning, and online high school classes.

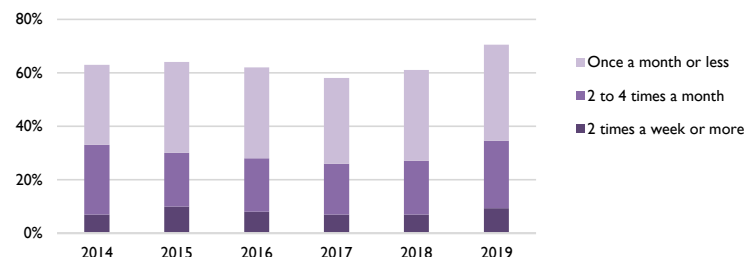
San José's 2017-18 circulation per capita (excluding eBooks) was higher than the statewide mean. Total circulation in 2018-19 (including eBooks) was 7.8 million, and eResource circulation continues to grow.

Seventy-one percent of respondents to the resident survey indicated they, or someone in their household, used San José libraries at least once in the last 12 months. Online holds to reserve materials decreased slightly from the previous year with library borrowers placing about 519,000 online holds to reserve materials in 2018-19.

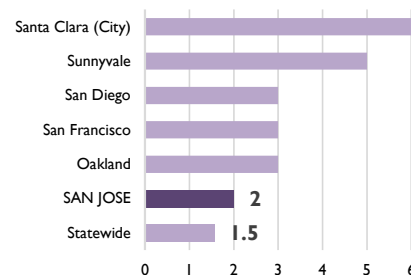
Approximately 16 percent of the Library's collection includes materials in languages other than English (over 400,000 items). The Library actively collects materials in 19 languages, including Spanish, Vietnamese, Chinese, Hindi, Persian, Tagalog, Russian, Korean, and Japanese. In total, the Library maintains materials in 95 languages.

### RESIDENT SURVEY

In the last 12 months, about how many times have you or other household members used San José public libraries or their services?

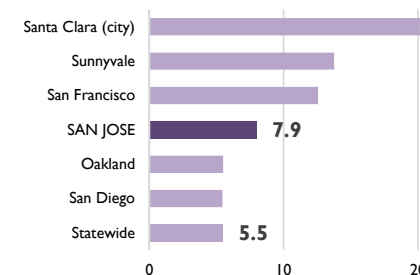


### Materials Per Capita (2017-18)



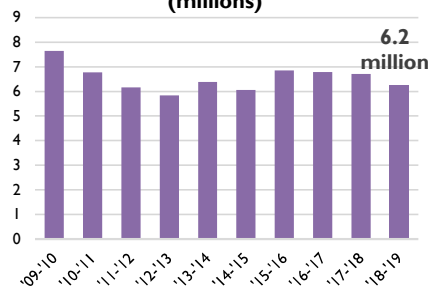
Source: California State Library, 2017-18 Summary Data

### Circulation Per Capita (2017-18)

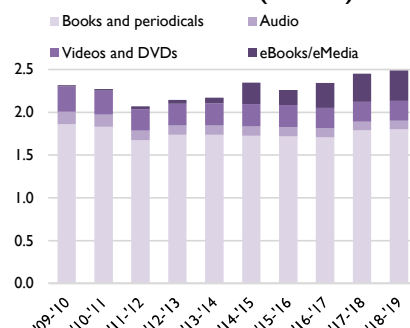


Source: California State Library, 2017-18 Summary Data (does not include eBooks)

### Number of Estimated Visitors to Main and Branch Libraries (millions)

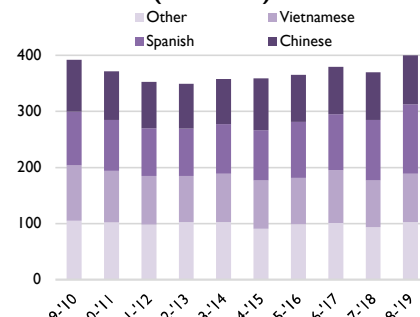


### Total Collection (millions)

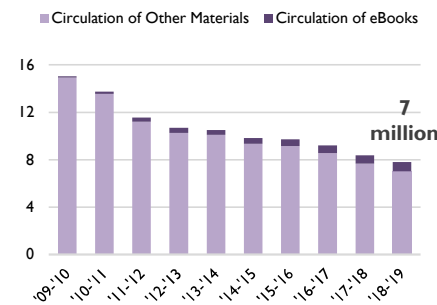


Note: In 2014-15, the methodology to tabulate eBooks changed. Prior data may not be comparable.

### Non-English Collection (thousands)



### Total Circulation (millions)



Note: Prior to August 2017, the Library and San Jose State University shared their catalog, and these years include circulation for the shared catalog.

## LIBRARY

The Library promotes reading and literacy, and supports school readiness. Programs include preschool and early education initiatives, story time, summer learning, digital literacy, adult and family literacy programs, and more. More information about Library programs can be found at [sjpl.org/events](http://sjpl.org/events).

In May 2018, the City Council formally adopted the Education and Digital Literacy Strategy, which codifies the Library's role in leading the City's Education and Digital Literacy Initiative.

In 2018-19, libraries offered over 24,000 programs with total attendance growing to more than 472,600. SJPL Works, the Library's business and workforce development center, began holding programs in 2016-17. In 2018-19, SJPL Works offered 275 business programs, with over 2,400 participants attending sessions.

Programming and program attendance has continued to grow. Over the last two years, the number of programs and program attendance has grown in the Life Skills, Storytime & Literacy program, and STEAM & Digital Literacy areas. In February 2018, the Library launched Coding5k, an initiative to teach coding and computer science to 5,000 unduplicated students each year through 2020. In 2018-19, more than 6,400 children and youth participated in a coding, computer science, or technology program at City libraries.

See CSA Dashboard chapter for additional measures related to Library activities.

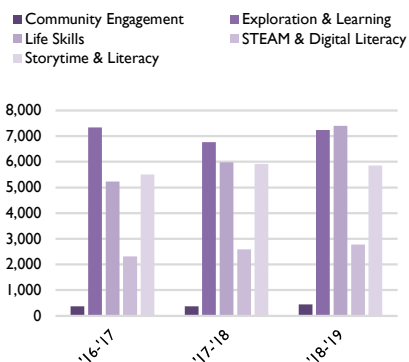


Source: San José Library Department

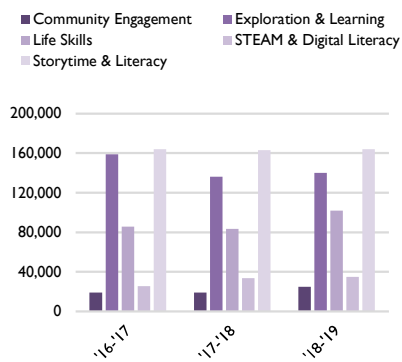


Source: San José Library Department

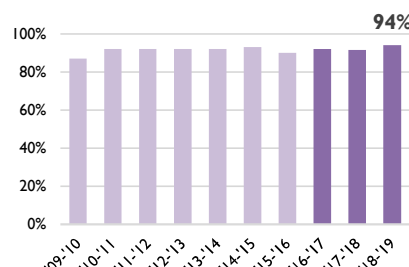
**Number of Programs**



**Number of Program Participants**

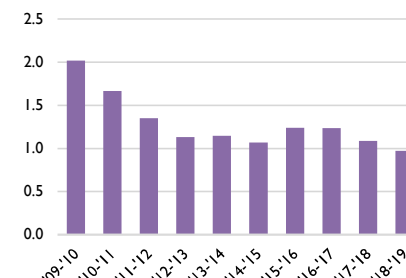


**Percent of Library Customers Rating Staff Assistance as Good or Excellent**



Source: Library customer surveys.  
Note: In 2016-17, the methodology to tabulate staff assistance changed. Prior data may not be comparable.

**Computer Sessions in Library (millions)**



Note: Does not include wireless connections or use of personal devices.



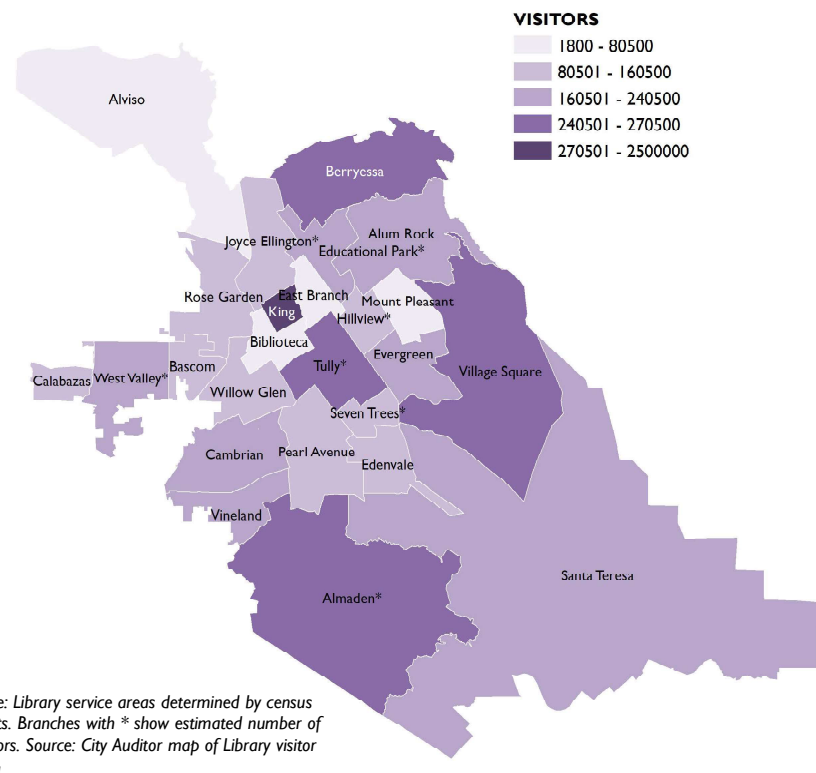
## SAN JOSE BRANCH LIBRARY OPERATION

In 2018-19, City libraries had an estimated 6.2 million visitors. About 2.3 million visitors went to the Dr. Martin Luther King, Jr. main library. Historically, circulation and the number of visitors vary significantly across locations. According to the Library, visitation tracking infrastructure was unavailable at some branches during a portion of 2018-19. The data presented for these branches are estimates.

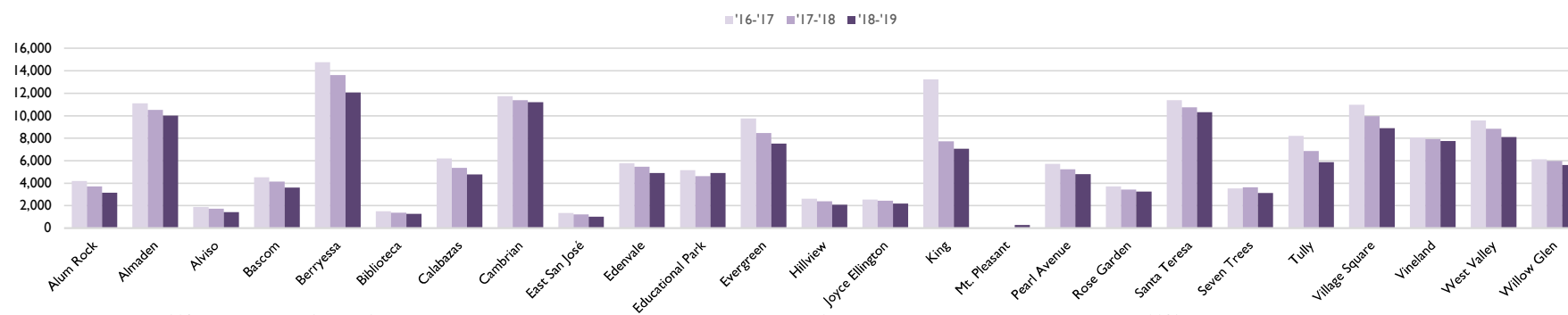
In 2015, the Library began operating a Bridge Library Program to serve neighborhoods without ready access to branch libraries. In 2018-19 seven bridge libraries operated in conjunction with an existing nonprofit or Family Resource Center (FRC). These sites provided 5,363 children and adults with programming presented by Library staff. The Library maintains bridge libraries at the African American Community Services Agency, César Chávez Elementary FRC, Cureton Elementary FRC, Educare FRC, Evergreen FRC, Roots Community Health Clinic, and the Sherman Oaks Elementary FRC.

Volunteers contributed over 96,500 hours to the Library in 2018-19, including math and coding tutoring, and reading to young children. The number of computer sessions on library-owned computers amounted to over 970,000. The Library offers Wi-Fi services that enable customers to use their own devices, and in 2018-19, about 430,000 Wi-Fi sessions were held via branch library Wi-Fi, a 2 percent increase over the previous year. At several branches, visitors can also check out laptops and tablets for in-library use.

## Branch Library Visitors, 2018-19



## Branch Library Circulation (thousands)



Note: Prior to August 2017, the Library and San Jose State University shared their catalog, and these years include circulation for the shared catalog. Mt. Pleasant opened in April 2019.



## **PARKS, RECREATION AND NEIGHBORHOOD SERVICES**

The mission of Parks, Recreation and Neighborhood Services is to build healthy communities through people, parks, and programs.

## PARKS, RECREATION AND NEIGHBORHOOD SERVICES

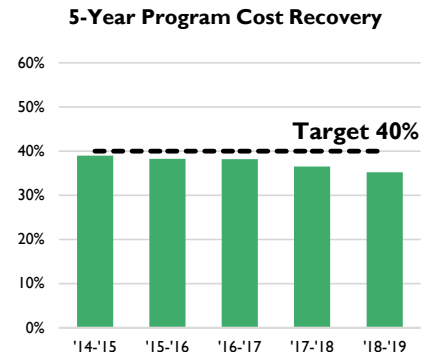
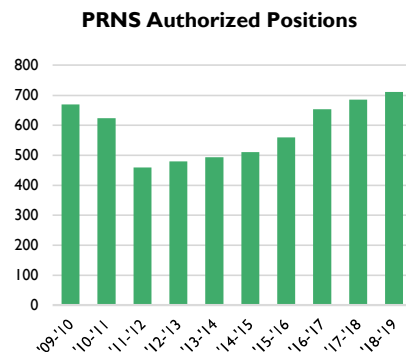
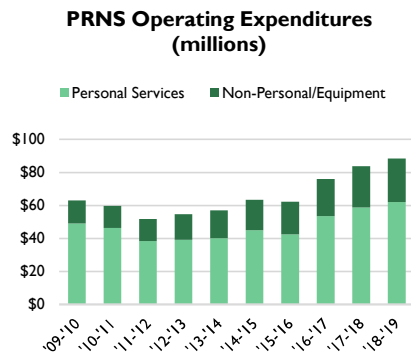
The Parks, Recreation and Neighborhood Services Department (PRNS) operates the City's regional and neighborhood parks, as well as facilities such as Happy Hollow Park & Zoo. PRNS also operates community and recreation centers and provides various recreation, community service, and other programs for the City's residents. PRNS offers programs and services for children, youth, teens, adults, seniors, and people with disabilities.

In 2018-19, PRNS' operating expenditures totaled \$88 million. This included personal and non-personal/equipment expenditures. PRNS was responsible for \$61 million in additional costs, including \$46 million in capital expenditures, \$7.5 million in Citywide expenses, and \$1.9 million in debt service expenses. Staffing totaled 711 authorized positions, 26 more positions than 2017-18. This includes continued funding for Public Life and Park Activation positions, added staffing for the Arcadia Sports Complex, and positions for Project Hope and Anti-Litter neighborhood programs.

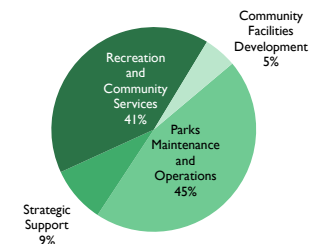
PRNS has a goal of recovering 40 percent of its direct program costs through collected revenues (e.g., fees, charges, leases, grants). For 2018-19, PRNS reported its direct program cost recovery rate was 35 percent. Cost recovery has been trending downwards partly because of higher wage costs and increases in the living wage rates. Program fees of \$21.7 million accounted for approximately 70 percent of collected revenues. [Happy Hollow Park & Zoo](#) served 488,000 visitors and generated \$7.6 million in revenues in 2018-19.



Happy Hollow Park & Zoo and Plaza de Caesar Chavez



**PRNS Operating Budget Breakdown**



# PARKS, RECREATION AND NEIGHBORHOOD SERVICES

## PARKS

The City has 197 neighborhood and nine regional parks, as well as other facilities, such as community gardens, trails, and skate parks. Excluding golf courses, the developed portion of these facilities covered 1,773 acres. There were an additional 1,443 acres of open space and undeveloped land. Two new parks were added in 2018-19. These were Cannery Park and William Lewis Manly Park.

The City's General Fund cost to maintain developed parkland increased to \$13,184 per acre. (See the CSA dashboard chapter for additional information on park condition.)

The PRNS five-year Capital Improvement Program (CIP) allocated \$176 million to parks in 2018-19. PRNS estimates it has a deferred maintenance and unfunded infrastructure backlog totaling approximately \$332 million for regional park facilities, community buildings, regional facilities, trails, and park restrooms.

The [City Trail Network](#) is composed of 40 unique trail systems that will be interconnected as further development occurs. The 2018-19 network includes 61.61 miles of trails that are open to the public (82 percent paved). An additional 82 miles have been identified or are being studied for further development, or are in the planning or construction phases of development.

## KEY FACTS (2018-19)

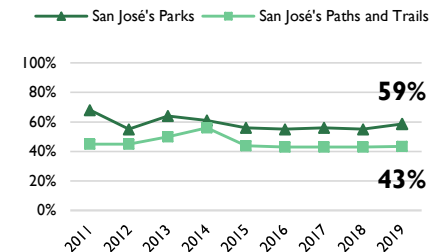
Neighborhood Parks (197 parks)	1,225 acres
Regional Parks (9 parks)	548 acres
Golf Courses (3 courses)	321 acres*
Open space and undeveloped land	<u>1,443 acres</u>
Total*	3,537 acres*

For list of City parks see: [City Parks](#)

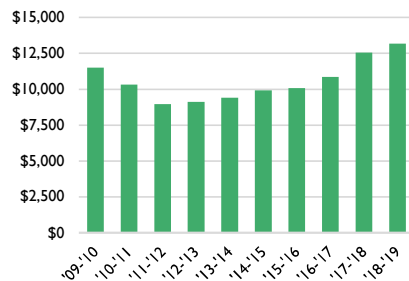
\*State, county, or other public lands within San José's boundaries are not included in the above figures. Does not include 50 acres open space.

## RESIDENT SURVEY

% of San José residents rating services as "excellent" or "good"

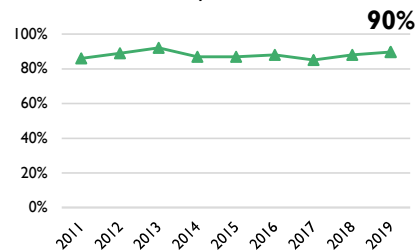


## Cost per Acre to Maintain Parks and Other Facilities



## RESIDENT SURVEY

% of San José residents that reported visiting a park at least once in the past year



## Department Goals

The [City's Envision 2040 General Plan](#) includes goals for park acreage per resident of 3.5 acres of neighborhood/community serving parkland per 1,000 residents (1.5 acres of public parkland and 2.0 acres of recreational school grounds). It also has a goal of 7.5 acres per 1,000 residents of Citywide/regional park or open space lands through a combination of facilities owned by the City and other public agencies. Finally it aims to provide 500 square feet per 1,000 population of community center space.

The [City's Greenprint](#) adopted in 2000 and updated in 2009 is a twenty-year strategic plan to provide staff and decision makers with a strategy for expanding recreation opportunities in the City. [ActivateSJ](#) complements Greenprint as the 20-year strategic operating plan. It reaffirms the vision, mission and guiding principles that direct the department's work, and defines key aspirations to focus on.

# PARKS, RECREATION AND NEIGHBORHOOD SERVICES

## RECREATION PROGRAMS AND COMMUNITY CENTERS

PRNS program offerings include (but are not limited to) after-school programs, camps, aquatic programs, arts and crafts, dance, early childhood education, health and fitness programs, sports, therapeutic classes designed for persons with disabilities, and programs for seniors. For a list of all programs and classes, see [Community Center Brochures](#).

In 2018-19, the City operated 11 hub community centers throughout the City. Three of those centers are combination community centers and libraries. PRNS also has reuse facilities which are operated by nonprofit, neighborhood associations, school districts, and other government agencies or community service providers. Other City programs operated out of 10 of the reuse sites.

The City's hub community centers and the Bascom Community Center were open from 37 to 72 hours per week which is mostly unchanged from the previous year. No City run centers had regularly scheduled Sunday hours.

(See the CSA Dashboard chapter for results of recreation program participant surveys.)

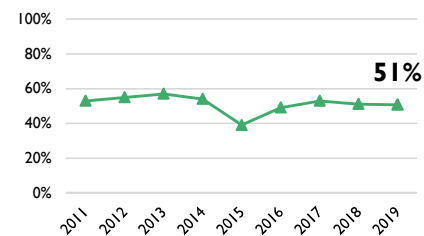
## KEY FACTS (2018-19)

Community centers (including reuse sites)	50
Community center square footage	557,664 sq. ft.
Average weekly hours open (hub community centers)	57
Estimated participation at City run programs*	828,233

\*This is a duplicated count (i.e. individuals are counted for each program attended).

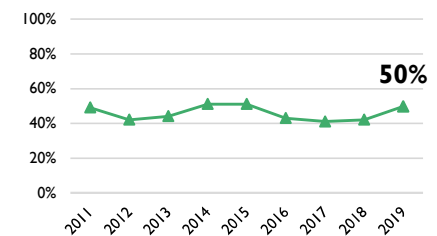
### RESIDENT SURVEY

% of San José residents rating recreational opportunities as "excellent" or "good"

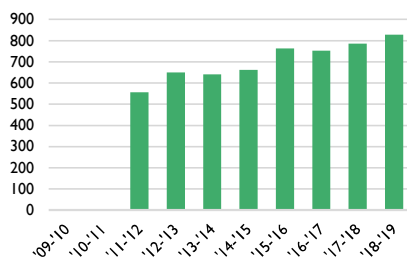


### RESIDENT SURVEY

% of San José residents using a recreation center or facility at least once

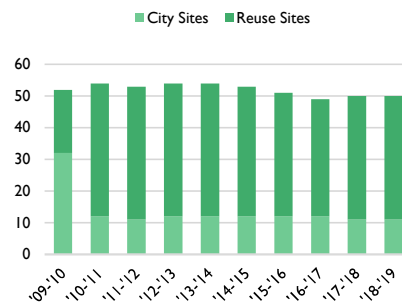


**Estimated Participation in Programs at City-Operated Community Centers (thousands)**



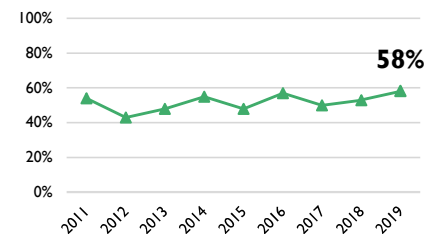
Note: Comparable data is unavailable for 2009-10 and 2010-11.

**Community Centers**



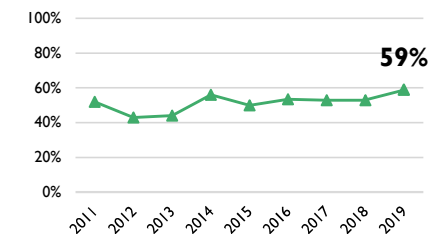
### RESIDENT SURVEY

% of San José residents rating San José's recreation centers or facilities "excellent" or "good"



### RESIDENT SURVEY

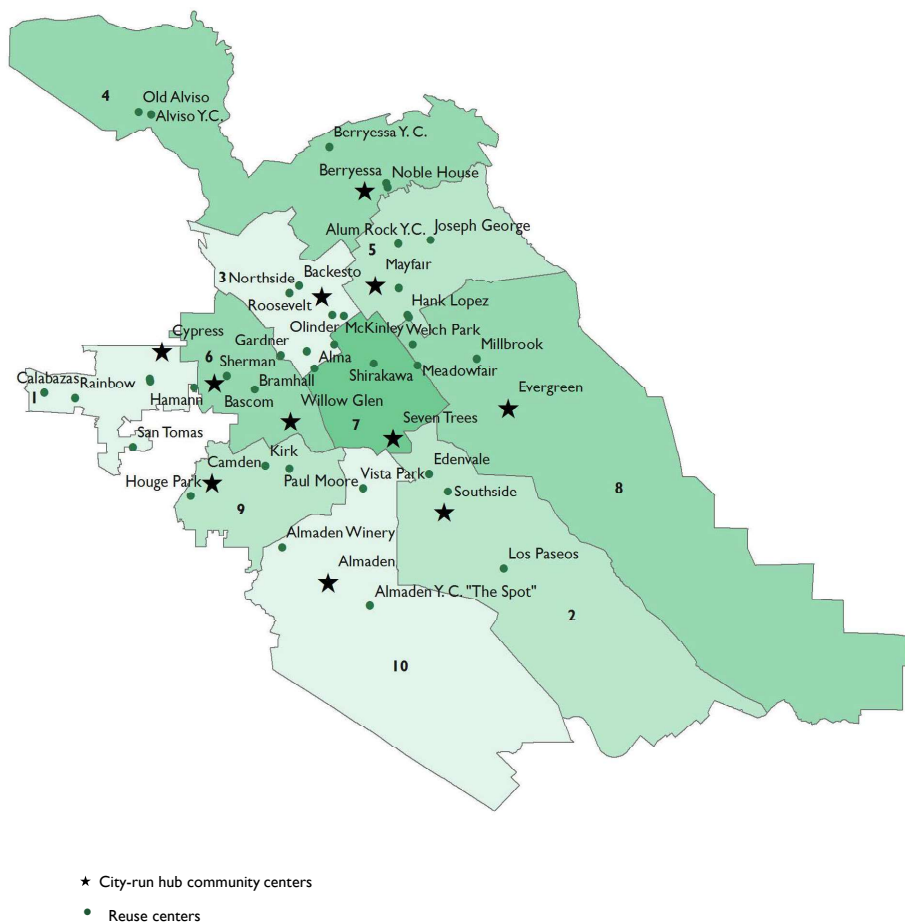
% of San José residents rating San José's recreation programs "excellent" or "good"



# PARKS, RECREATION AND NEIGHBORHOOD SERVICES

## RECREATION PROGRAMS AND COMMUNITY CENTERS (continued)

City of San José Community Centers Map



Source: Auditor generated based on Public Works data

### Community Centers in Operation (as of June 30, 2019)

Alma Community Center (Youth & Senior) (S)	<b>Mayfair Community Center (hub)</b>
<b>Almaden Community Center (hub)</b>	McKinley Community Center (N)
Almaden Winery Community Center (S)	Meadowfair Community Center (N)
Almaden (The Spot) Youth Center (N)	Millbrook Community Center (N)
Alum Rock Youth Center (S)	Noble House Neighborhood Center (N)
Alviso Youth Community Center (S)	Noble Modular Community Center (N)
Backesto Neighborhood Center (N)	Northside Community Center (S)
<b>Bascom Community Center &amp; Library (hub)</b>	Olinda Neighborhood Center (N)
<b>Berryessa Community Center (hub)</b>	Old Alviso Community Center (Closed)
Berryessa Youth Center (S)	Old Hillview Library (Closed)
Bramhall Park Neighborhood Center (N)	Paul Moore Community Center (N)
Calabazas Community Center (N)	Rainbow Park Neighborhood Center (N)
<b>Camden Community Center (hub)</b>	<b>Roosevelt Community Center (hub)</b>
Capitol Park (Goss) Community Center (N)	San Tomas Community Center (N)
<b>Cypress Senior Center (hub)</b>	<b>Seven Trees Community Center (hub)</b>
Edenvale Community Center (S)	Sherman Oaks Community Center (N)
Edenvale Youth Center (N)	Shirakawa Community Center (S)
<b>Evergreen Community Center (hub)</b>	<b>Southside Community Center (hub)</b>
Gardner Community Center (S)	Spartan Keyes Neighborhood Center (N)
Hamann Park Community Center (N)	Starbird Community Center (S)
Hank Lopez Community Center (N)	Vista Park Community Center (N)
Houge Park Community Center (N)	Washington United Youth Center (S)
Joseph George Youth Center (N)	Welch Park Neighborhood Center (N)
Kirk Community Center (S)	West San José Community Center (S)
Los Paseos Youth Center (S)	<b>Willow Glen Community &amp; Senior Center (hub)</b>

Facilities in bold are hub community centers operated by the City. Facilities with (N) are Neighborhood Centers and facilities with (S) are Satellite Centers. Neighborhood centers are less than 10,000 square feet of space that generally house organizations who offer targeted types of services. Satellite centers are larger facilities, with roughly 10,000-20,000 square feet of space. Satellite centers can house multiple service providers which are often larger organizations with multiple branches. The Old Alviso Community Center and the Old Hillview Library are currently not in use. For more information see our 2018 audit [Community Center Reuse: Efficient Monitoring and Better Data Can Help Determine the Next Phase of Reuse](#).



# PARKS, RECREATION AND NEIGHBORHOOD SERVICES

## NEIGHBORHOOD SERVICES

PRNS also provides a number of community services including anti-graffiti and anti-litter programs, gang prevention and intervention programs, the senior nutrition program, Project Hope\* and others.

The Mayor's Gang Prevention Task Force (MGPTF) has service components such as the Bringing Everyone's Strengths Together (B.E.S.T.) program, the Safe Schools Campus Initiative (SSCI) and the Safe Summer Initiative providing services to at-risk youth and their families.\*\* In 2018-19, the SSCI team responded to 506 incidents at 82 high schools and middle schools. There were an estimated 2,900 participants in programs offered by community based organizations that received B.E.S.T. grants; in 2018-19 grants totaled \$2.8 million. The 2018-19 expenditures for the B.E.S.T. program were \$5.7 million.

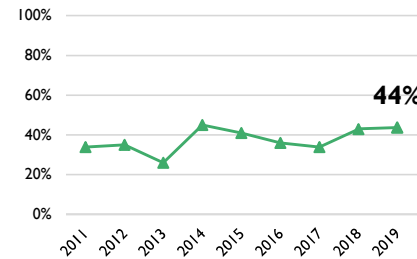
In 2018-19, the City's contractor completed 28,500 graffiti removal workorders. The resident survey reports that 30 percent of residents viewed graffiti removal services as good or excellent. Survey responses were likely based on respondents' overall perception of graffiti removal, including graffiti on highways, expressways, and railroads that are the responsibility of others.

\*The Project Hope program uses principles of community partnership, community development, neighborhood empowerment, and coordination of a broad range of City services to address challenging neighborhood issues such as crime and blight.

\*\* SSCI is a partnership between school districts and the City to address violence-related issues in schools. For more information see our audit of [The Mayor's Gang Prevention Task Force: Better Coordination and Use of Data Can Further The Task Force's Strategic Goals](#)

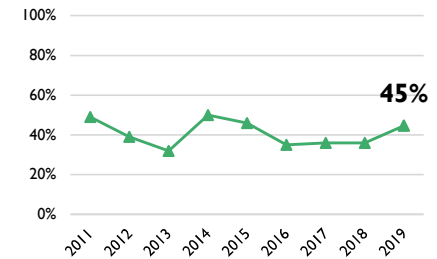
### RESIDENT SURVEY

% of San José residents rating services to youth as "excellent" or "good"



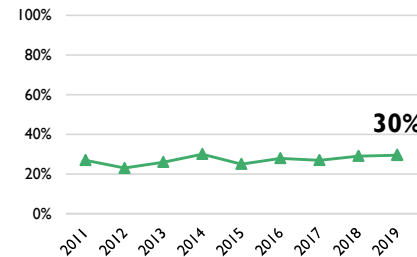
### RESIDENT SURVEY

% of San José residents rating services to seniors as "excellent" or "good"



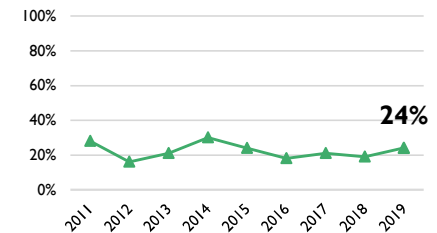
### RESIDENT SURVEY

% of San José residents rating graffiti removal as "excellent" or "good"

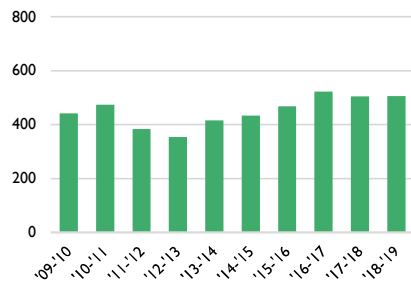


### RESIDENT SURVEY

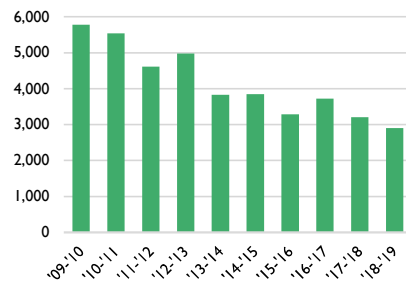
% of San José residents rating gang prevention efforts as "excellent" or "good"



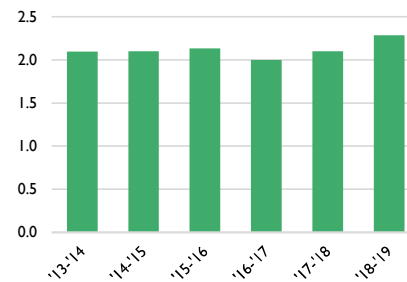
### Incidents on Safe School Campus Sites Responded To



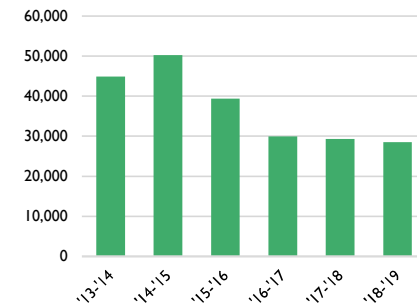
### Participants in Grant-Funded B.E.S.T. Youth Service Program



### Estimated Square Feet of Graffiti Eradicated (millions)



### Graffiti Workorders Completed





## PLANNING, BUILDING AND CODE ENFORCEMENT

The mission of the Planning, Building and Code Enforcement Department is to facilitate the preservation and building of a safe, attractive, vibrant and sustainable San José through partnership with and exceptional service to our diverse communities and customers.

## PLANNING, BUILDING AND CODE ENFORCEMENT

The Planning, Building and Code Enforcement (PBCE) Department guides the physical development of San José. Through its three divisions, it reviews construction applications and issues permits for consistency with law and policy. PBCE's 2018-19 operating expenditures totaled \$50.2 million. This includes personal and non-personal expenditures. The department was also responsible for Citywide and other expenses totaling in \$1.2 million. PBCE had 330 authorized positions.

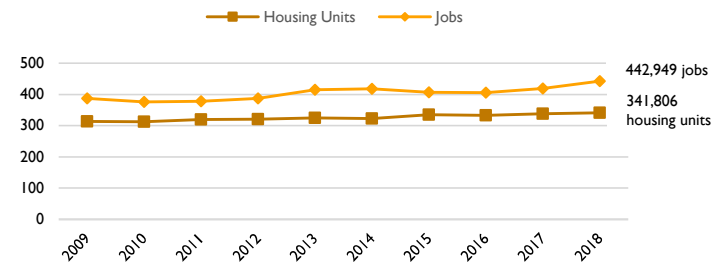
Under the collaborative umbrella of Development Services, PBCE works with other City departments to deliver the City's permitting function. Subsequent pages of this chapter discuss Development Services.

### PLANNING

PBCE's Planning Division administers the City's long-range planning projects and processes land development applications to match the City's planning goals. The [Envision San José 2040 General Plan](#), last updated in December 2018\*, identifies 12 major strategies that promote active, walkable, bicycle-friendly, transit-oriented, mixed-use urban settings for new housing and job growth. PBCE reviews the major strategies of the General Plan during both an annual hearing and its regular four-year major plan review. The U.S. Census Bureau estimates that San José had 442,949 jobs and 341,806 housing units in 2018. See the *Development Services* pages of this chapter for more on the Planning Division's work. Also see [San José: A Community Guide](#) online.

\*Council approved General Plan land use amendments including the Downtown Strategy 2040 project, which increased development capacity for residential and employment uses in Downtown San José.

San José Housing Units and Jobs (thousands)



Source: American Community Survey, U.S. Census Bureau

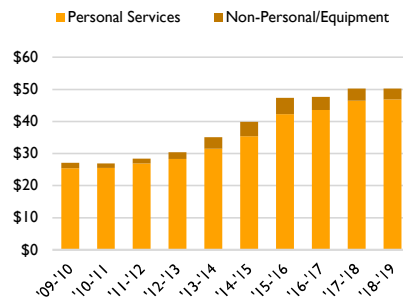
Note: In 2018-19, building permits accounted for 2,987 new residential units, including 697 single-family units (including second units and duplexes), and 2,290 multi-family units.

### Select Planning Updates

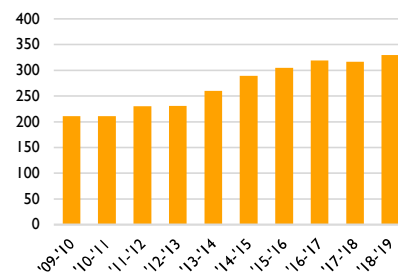
**Secondary Units:** In 2019, Council approved a number of changes to secondary unit regulations that allow for more flexibility. See <http://sanjoseca.gov/adus> for all regulation changes.

**Building height limit:** In March 2019, Council approved to an increase in building height limits in the Downtown Core (by 5'-35') and Diridon Station Area (by 70'-150'). Height limits are determined to be safe by the Federal Aviation Administration (FAA).

PBCE Operating Expenditures (\$millions)

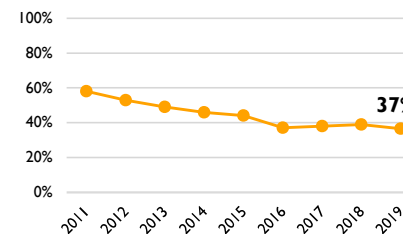


PBCE Authorized Positions



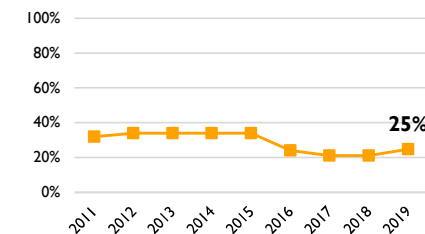
### RESIDENT SURVEY

% of San José residents rating overall quality of new development as "excellent" or "good"



### RESIDENT SURVEY

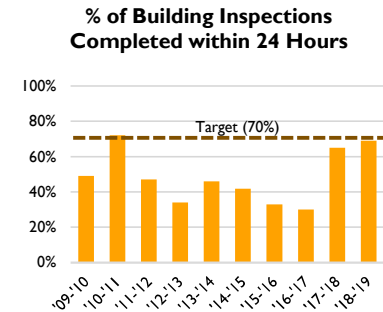
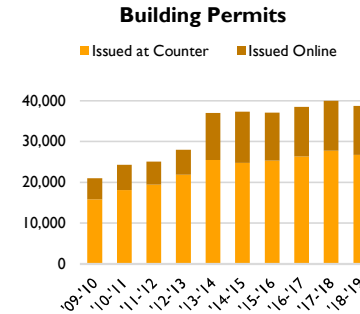
% of San José residents rating land use, planning and zoning as "excellent" or "good"



# PLANNING, BUILDING AND CODE ENFORCEMENT

## BUILDING

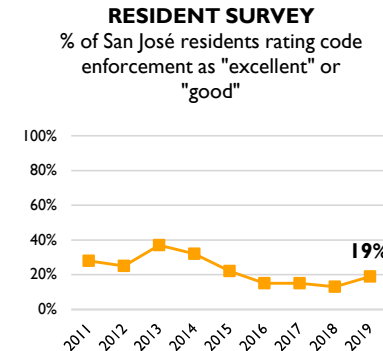
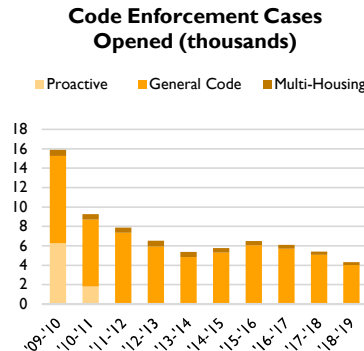
PBCE's Building Division reviews new construction projects within the City, ensuring they meet health and safety codes and City zoning requirements. The Division saw a slight decrease in the number of permits issued after several years of modest growth with 38,700 in 2018-19. It completed 79 percent of plan checks within cycle times (target: 85%) and 69 percent of building inspections within its goal of 24 hours (target: 70%). See *Development Services on the next page for more on the Building Division's work. Also see the CSA Dashboard chapter for additional performance measures.*



## COMMUNITY CODE ENFORCEMENT

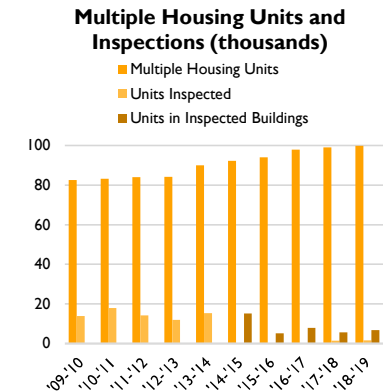
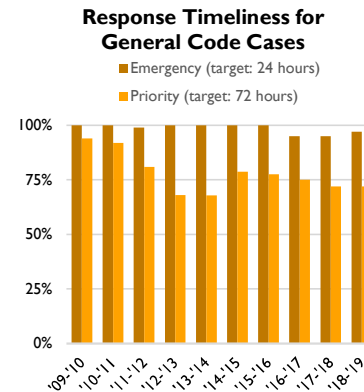
PBCE's Code Enforcement Division enforces laws that promote the health, safety, and appearance of existing buildings and neighborhoods. It also inspects businesses selling alcohol or tobacco; property and business owners fund these inspections with fees.

In 2018-19, PBCE opened about 4,000 general code enforcement cases, including 66 emergency complaints and 950 priority complaints. Code Enforcement staff responded to an average of 97 percent of emergency complaints within PBCE's 24-hour target and 72 percent of priority complaints within the 72-hour target.\* Code enforcement sends letters in response to other types of complaints and only responds personally on an as-available basis.



Code Enforcement has a risk-based tiered inspection program whereby inspections are targeted to properties at higher risk of violations. In 2018-19, PBCE inspected buildings that cumulatively had about 6,700 housing units out of the estimated 99,900 units on the Multiple Housing Roster.

\*Emergency complaints involve an immediate threat to life or property, such as unsecured pool fence. Priority complaints involve possible threats to life or property, such as unpermitted construction. The proportions of such complaints that met response targets—97 percent and 72 percent, respectively, as noted above—are averages of monthly results.



## DEVELOPMENT SERVICES

The Permit Center in City Hall provides one-stop permit services for new building projects and changes to existing structures.

The **Development Services partners** in the Permit Center are the:

- Planning Division,
- Building Division,
- Public Works Department (*also see Public Works chapter*), and
- Fire Department (*also see Fire chapter*).

In 2018-19, Development Services:

- issued about 38,700 permits (12,000 online),
- served nearly 59,000 Permit Center customers, and
- processed nearly 2,200 planning applications.

Planning applications, plan checks, field inspections, and building permits all bottomed out ten years ago, but have since rebounded.

The volume of construction decreased for the second straight year; however, the value of construction increased from 2017-18. Trends varied across residential, commercial, and industrial categories.

### The Permit Center located in City Hall

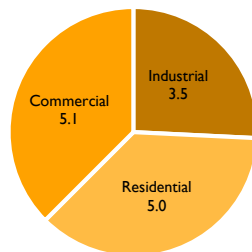


Source: Auditor photo from Fall 2019

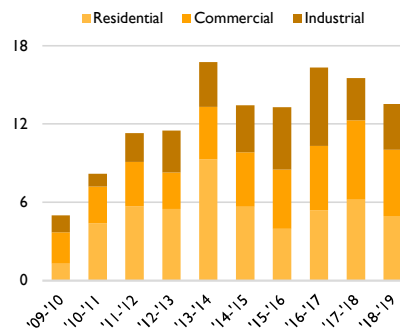
Partner	Revenue (\$millions)	Positions
Building	\$35.00	167
Public Works	\$13.03	67
Fire	\$8.10	34
Planning	\$8.00	49
<b>TOTAL</b>	<b>\$64.13</b>	<b>317</b>

Source: 2018-19 Modified Budget as outlined in the City's 2019-20 Adopted Operating Budget

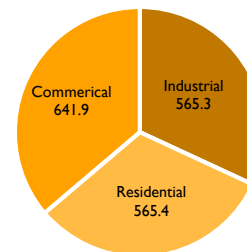
### Volume of Building Activity (millions of square feet)



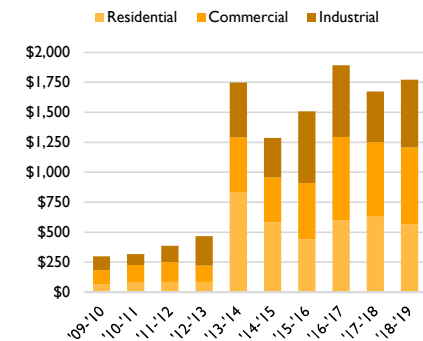
### Volume of Construction (millions of square feet)



### Value of Building Activity (\$millions)



### Value of Construction (\$millions)



## DEVELOPMENT SERVICES

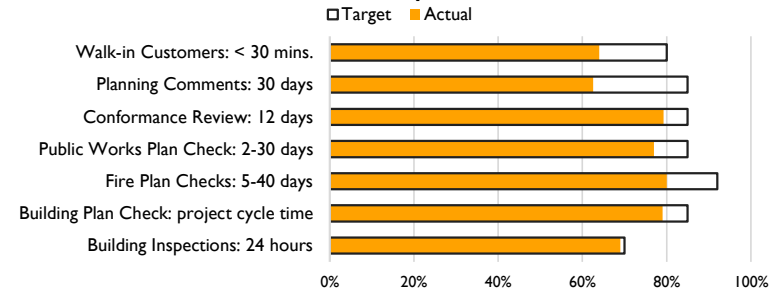
Development Services projects vary broadly, from replacing a residential water heater to large, mixed-use developments of many thousands of square feet. One project may require multiple permits and inspections. Some projects require approval through a public hearing, but most require only administrative approval (an estimated 88 percent). Projects only go through Public Works or the Fire Department when they have impacts on public facilities (e.g., traffic, streets, sewers, utilities, flood hazard zone) or fire-related issues (e.g., need for fire sprinkler systems or fire alarm systems), respectively.

The City offers a number of programs to expedite project delivery for companies, small businesses, and homeowners. However, turnaround times continue to be a primary concern. Timeliness of individual steps in the development process varies depending on the scale and complexity of a given project, and can involve one to all four of the Development Services partners. None of the seven selected development processes met their annual timeliness targets.

Of the 38,700 building permits PBCE issued in 2018-19, about 12,000 were online permits, saving staff time and customer trips to the Permit Center.

(See CSA Dashboard chapter for additional performance measures for development services.)

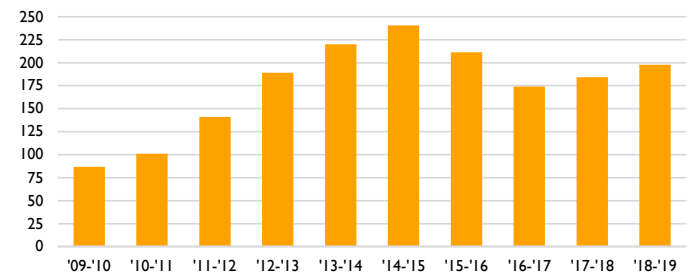
### Timeliness of Development Services\*



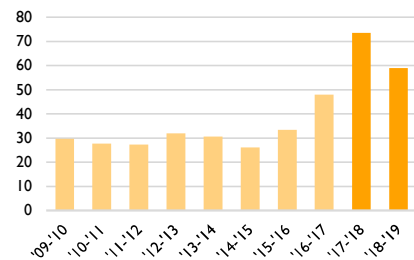
Source: PBCE from the City's Permits Database

\*These selected measures may occur simultaneously; some are dependent on completion of particular processes. For other Fire and Public Works measures related to Development Services, see the Fire and Public Works chapters.

### Building Inspections (thousands)

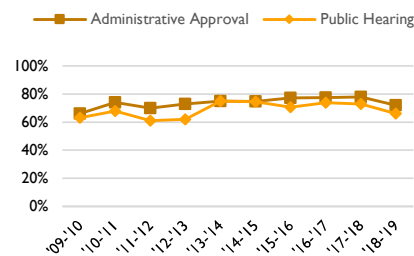


### Permit Center Customers Served (thousands)\*



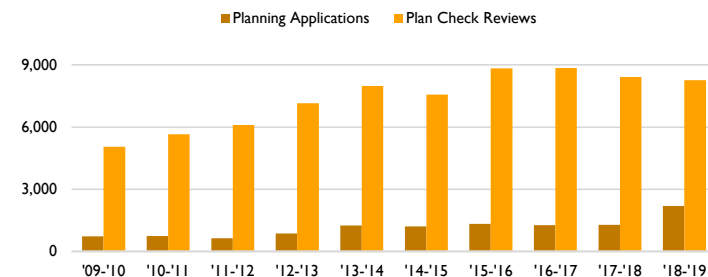
\* In 2017-18, PBCE changed their methodology. Customers served now is a duplicated count (i.e., individuals may be counted for each service provided in one or multiple visits).

### Development Services Overall Customer Satisfaction by Project Type



Source: Development Services Customer Satisfaction Surveys

### Planning Applications and Plan Checks





The San José Police Department's mission is to create safe places to live,  
work and learn through community partnerships.

## POLICE

In 2018-19, the San José Police Department (SJPD) operating expenditures totaled \$409.5 million. In addition, the Police Department was responsible for \$19.5 million in other costs, including \$8.9 million for workers' compensation, and \$1.5 million in Citywide expenses.

The Department has one police station open to the public, as well as five community policing centers and one police substation which are all currently closed to the public due to staffing.

In 2018-19, there were 1,691 authorized positions in the SJPD, including 540 civilian authorized positions. The number of sworn, authorized positions per 100,000 residents has decreased from 144 in 2009-10 to 110 in 2018-19.

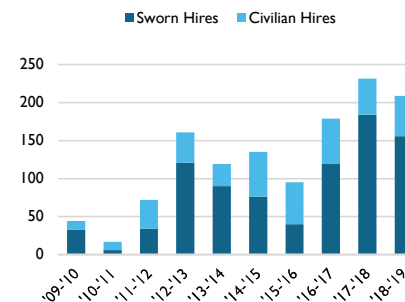
SJPD has faced high vacancy rates among street-ready officers. Of the 1,151 authorized sworn positions, only 908 were actual full-duty, street-ready officers as of June 2019 (this excludes vacancies, officers in training, or those on modified duty or disability/other leave). There were 159 sworn hires in 2018-19 and 165 sworn vacant positions as of June 30, 2019.

### KEY FACTS (2018-19)

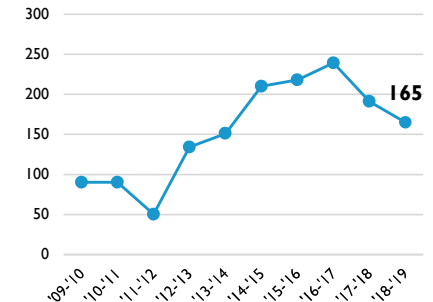
Sworn police positions*	1,151
Street-ready officers	908
Total authorized positions	1,691
Total emergency calls	601,144

\*Includes two positions assigned to the City Attorney's Office.

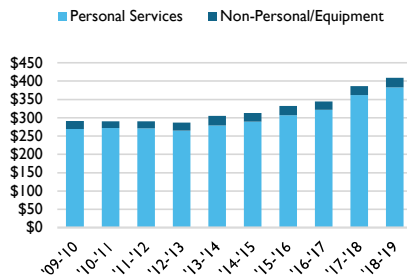
Police Department Hires



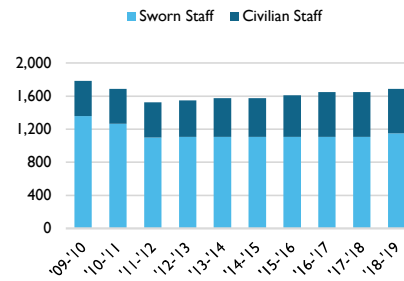
Sworn Police Vacancies



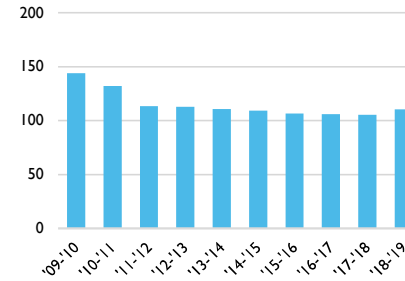
Police Department Operating Expenditures (\$millions)



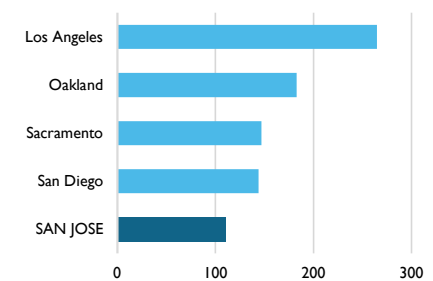
Police Department Authorized Positions



San José Sworn Staff per 100,000 Residents



Authorized Sworn Staff per 100,000 Residents





## CALLS FOR SERVICE

The SJPD Communications Center receives all 9-1-1 calls for police, fire, and ambulance services in the City of San José. Additionally, SJPD receives 3-1-1 and other non-emergency calls. Call-answering staff in the Communications Center obtain information from callers, prioritize events, and relay information to dispatchers. Dispatchers evaluate resources, identify and direct emergency personnel and equipment, and maintain control of radio channels to ensure the safety of officers and the public.

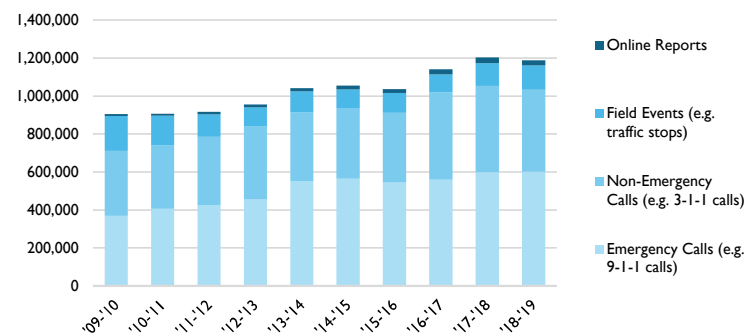
In 2018-19, SJPD handled about 1.2 million total calls for service. The number of 9-1-1 and other emergency calls increased slightly to about 601,000.\* The number of non-emergency calls (e.g., 3-1-1 calls and phone reports) totaled about 431,000. Field events (e.g., car and pedestrian stops, and other officer-initiated calls) accounted for the remaining.

The percentage of 9-1-1 calls answered within 10 seconds was 88 percent (target: 90 percent), a slight improvement from the prior year. The Department reports that high call volume and staffing shortages required use of overtime to achieve this near-target service level. Of the 165 authorized positions in the Communication Center, only 111 were actual full duty as of June 2019. The City is exploring moving non-emergency calls out of the Communications Center to help improve emergency call answering times. For more information, refer to our 2019 [Audit of 9-1-1 and 3-1-1](#).

\* This includes 9-1-1 transfers received by the Fire Department for fire and medical emergencies

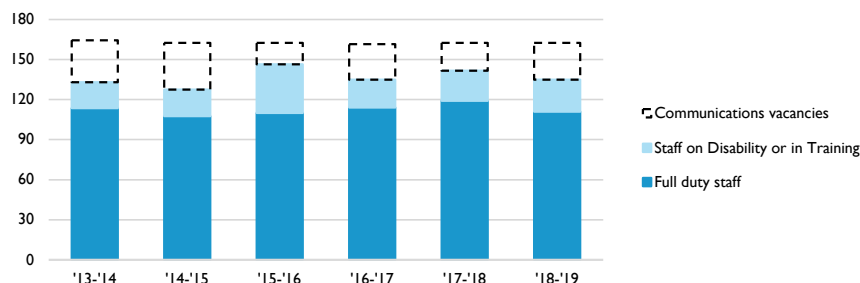


**Breakdown of All Calls for Service**

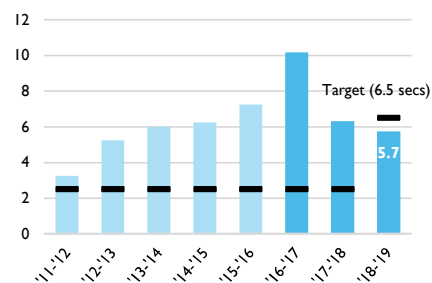


Note: All calls for service received, including duplicates, online reporting, and calls that did not require a police response.

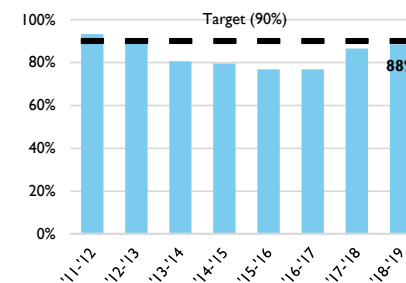
**Communications Center Staff  
(as of June 30)**



**Average Emergency Call  
Answering Time (seconds)\*\***



**% of 9-1-1 Calls Answered Within  
10 Seconds**



\*\*Years prior to 2016-17 may not be comparable due to change in methodology. In 2018-19, the call answering time target was adjusted to reflect all components of call answering time.

# POLICE

## POLICE RESPONSES

The SJPd responded to about 196,000 Priority 1-4 incidents in 2018-19 (definitions shown in gray box below):

- 8,200 Priority 1 responses (4 percent)
- 83,300 Priority 2 responses (42 percent)
- 76,500 Priority 3 responses (39 percent)
- 28,200 Priority 4 responses (14 percent)

Percentages do not total to 100 percent due to rounding.

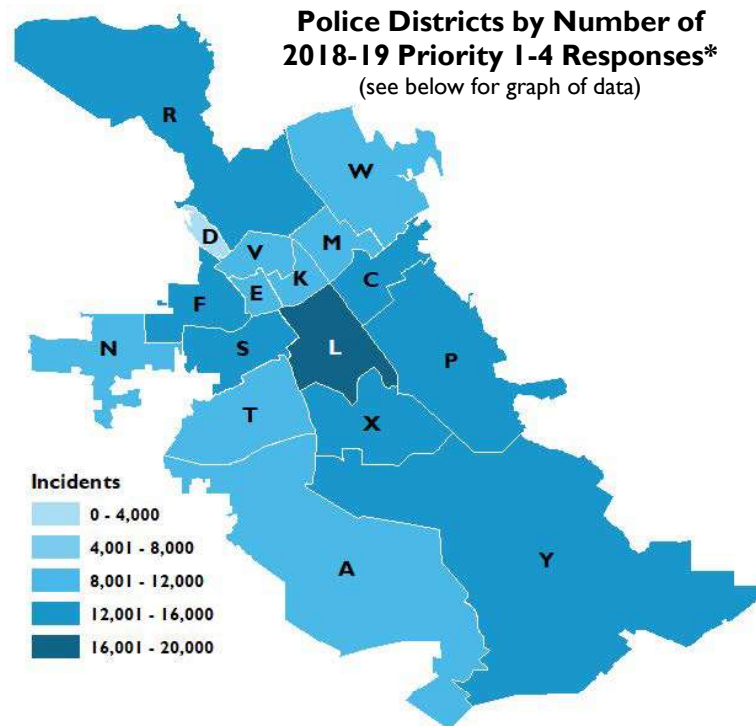
### Prioritization of Police Responses

**Priority 1 responses:** Present or imminent danger to life or there is major damage to/loss of property (i.e., large-scale incident or cases where there is an in-progress or just occurred major felony).

**Priority 2 responses:** Injury or property damage or potential for either to occur or the suspect is still present in the area. Includes all missing person reports for children under the age of 12, or at risk missing persons, including mentally handicapped or disoriented adults.

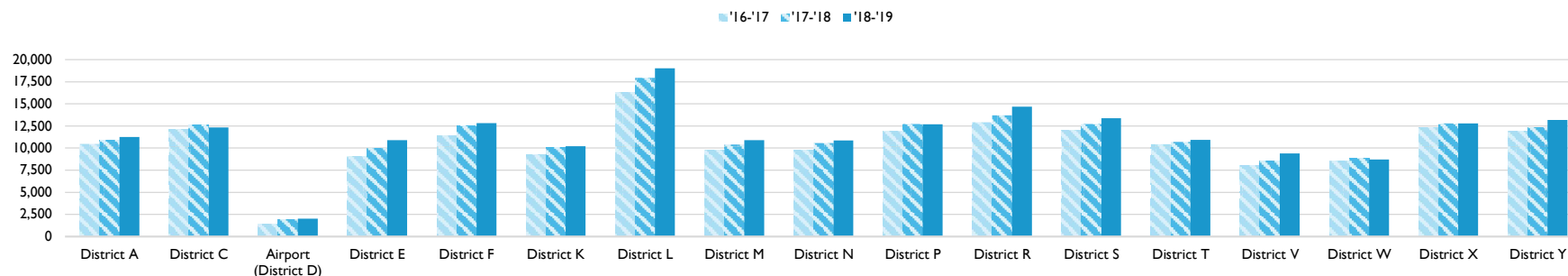
**Priority 3 responses:** There is property damage or the potential for it to occur. The suspect has most likely left the area. Situations where the suspect is in custody for a non-violent crime and is cooperative. Situations when a prior crime against the person occurred and there are no injuries to the victim necessitating immediate medical care and the suspect is not present.

**Priority 4 responses:** There is no present or potential danger to life/property and the suspect is no longer in the area.



Source: City Auditor's Office based on response data provided by the Police Department.

### Priority 1-4 Police Responses\* by District



\* Includes only Priority 1-4 calls for service to which the Department responded; excludes duplicate calls and officer-initiated events. Response totals prior to 2018-19 (shown as striped columns) may not be comparable due to changes in reporting methodology. See the next page for more information.

## POLICE RESPONSE TIMES

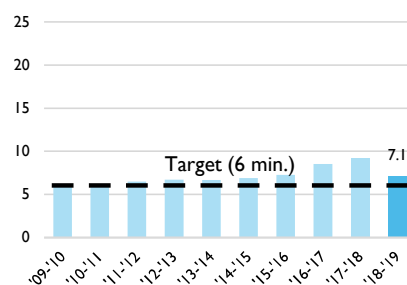
In 2018-19, the citywide average response time\* for Priority 1 calls was 7.1 minutes (target: 6 minutes). The citywide average 19.9 minute response time for Priority 2 calls was well above the target of 11 minutes.

As staffing reductions have affected the SJPD, the Department has focused on maintaining the Priority 1 response times as these calls involve present or imminent danger to life or major property loss. Priority 2 calls are those which involve either injury or property damage, or the potential for either to occur.

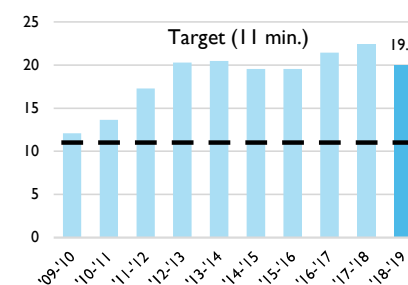
The Department disaggregates response times by three time targets: processing time, queuing time, and driving time. In 2018-19 the Department processing time for both Priority 1 and 2 were close to targets while queuing time for Priority 1 was just slightly above target.

In 2018-19, all but three districts exceeded the 6 minute target response time for Priority 1 calls. Response time may vary across districts because of the size or physical characteristics of an area, whether there are adjacent police service areas, population density, traffic conditions, and officer staffing levels.

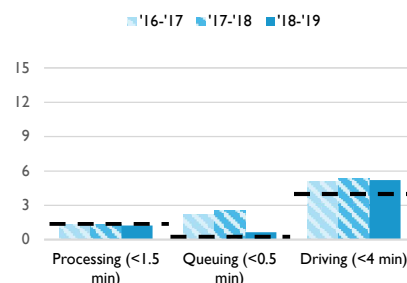
**Average Priority 1 Police Response Time\* (minutes)**



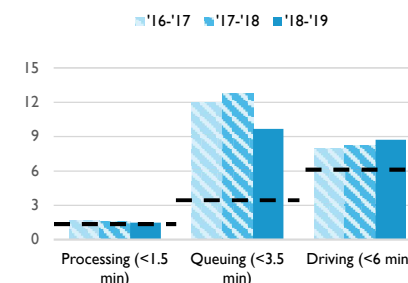
**Average Priority 2 Police Response Time\* (minutes)**



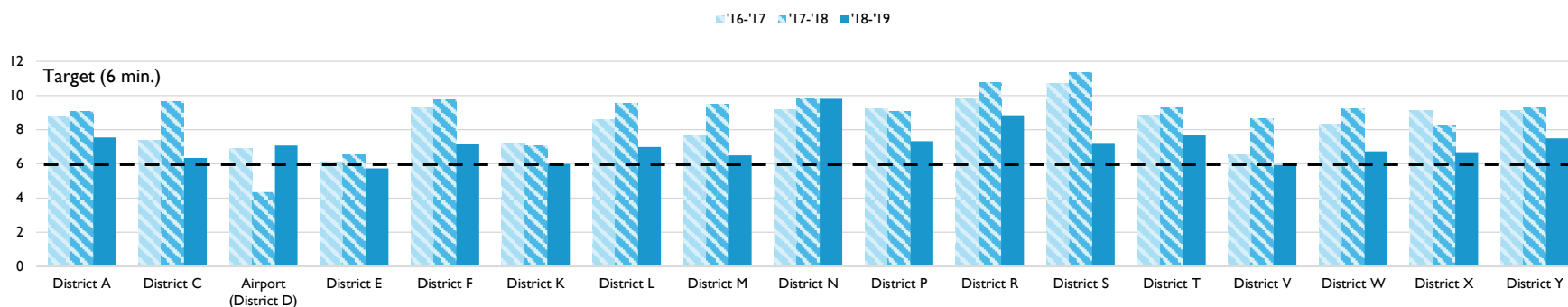
**Priority 1 Response Time Breakdown\* (minutes)**



**Priority 2 Response Time Breakdown\* (minutes)**



**Priority 1 Average Police Response Times\* (minutes)**



\*Response times prior to 2018-19 (shown as striped columns) may not be comparable due to changes in reporting methodology. In 2018-19, SJPD revised their reporting of police response times to be based on how incidents are initially coded into their system. In prior years, SJPD had measured response times based on updated coding of incidents as determined throughout the response, which could change the priorities of incidents and incorrectly affect response times.

# POLICE

## CRIME IN SAN JOSE

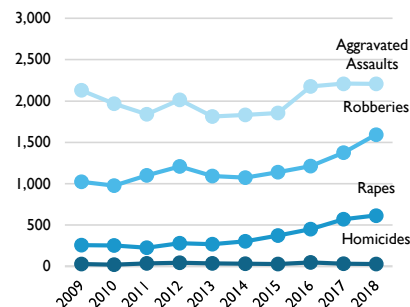
In 2018, there were 30,200 major crimes in San José, up 15 percent from ten years ago. Major crimes include violent crimes (homicide, rape, robbery, and aggravated assault) and property crimes (burglary, larceny, and vehicle theft). In 2018, there were 28 homicides in San José. This was four fewer than in 2017 and six below the ten-year average.

San José experienced 2,883 major crimes per 100,000 residents in 2018. Although, the rate of major crimes per 100,000 residents in San José has historically been slightly below the national and state rates, since 2012 those rates have converged. In 2018, San José's rate was slightly above both the state and national rates. However, San Jose's crime rate remains below that of other major California cities, such as Oakland, San Francisco, and Los Angeles.

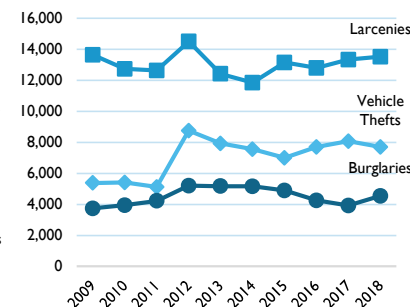
The number of arrests for felonies, misdemeanors, and other offenses has decreased from about 30,000 in 2009, to around 15,500 in 2018. There were 771 gang-related and gang-motivated incidents\* overall in 2018-19, of which 221 were classified as violent by the SJPd. This is a decrease from 2017-18, which saw 839 overall gang incidents and 236 violent gang incidents.

\*Prior to 2017, SJPd only reported gang-motivated incidents. 2017-18 numbers were updated to reflect inclusion of both gang-motivated and gang-related incidents. Gang-motivated incidents include crimes committed for the benefit of a gang, whereas gang-related incidents include crimes involving gang members that may not necessarily be for the benefit of a gang.

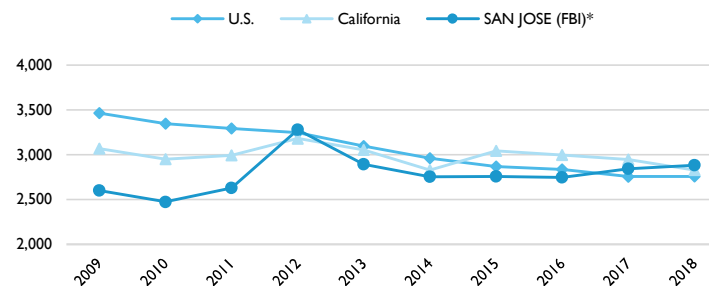
Major Violent Crimes



Major Property Crimes

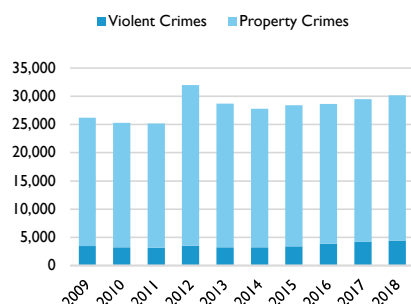


Major Violent and Property Crimes per 100,000 Residents

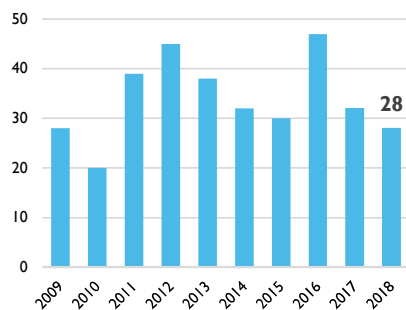


Sources: SJPd, CA Department of Justice, FBI For national crime data visit the [FBI web page](#). San José adopted the FBI's updated definition of rape beginning January 1, 2015.

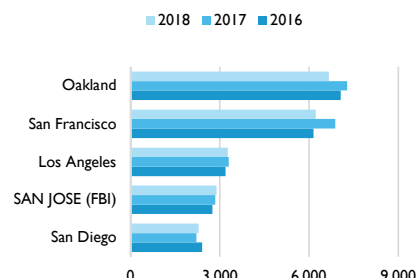
Major Crimes



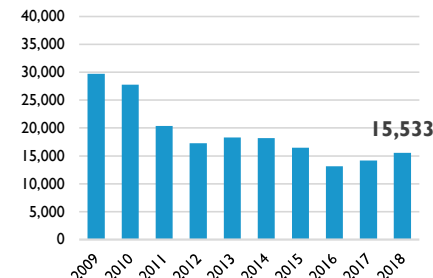
Homicides



Major Violent and Property Crimes per 100,000 Residents



Number of Arrests (Felonies, Misdemeanors, and Other)



## PERCEPTIONS OF SAFETY IN SAN JOSE

The resident survey asked San José residents a variety of questions about how safe they feel in the City. Forty-four percent reported that they feel “very” or “somewhat” safe from violent crime in San José. Twenty-eight percent reported feeling “very” or “somewhat” safe from property crimes.

Thirty-seven percent of respondents said they feel “good” or “excellent” regarding their overall feeling of safety in San José.

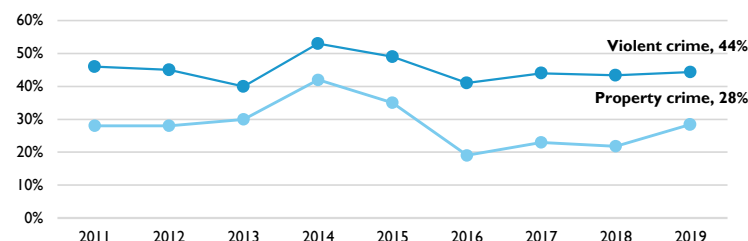
Respondents were also asked how safe they feel in their own neighborhoods as well as in downtown San José. More respondents said they feel “very” or “somewhat” safe in their neighborhoods during the day than at night. Similarly, respondents said they felt more safe during the day downtown than at night. Respondents felt more safe in their neighborhood than downtown.

Similar to San José residents overall, students and staff at San José State University felt safer during the day than at night. Sixty-one percent of students and staff felt safe during the day downtown compared to 53 percent of San José residents generally.

In 2019, 20 percent of San José residents surveyed said they or someone in their household had been a victim of a crime in the last 12 months. Thirty-two percent of respondents said they reported a crime to the police.

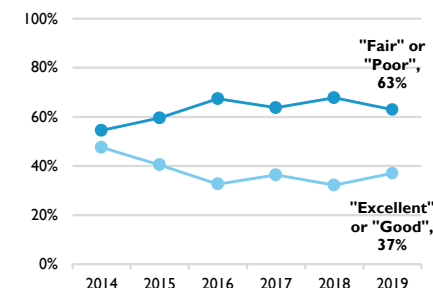
### RESIDENT SURVEY

% of respondents who feel “very” or “somewhat” safe from violent and property crimes



### RESIDENT SURVEY

Overall feeling of safety

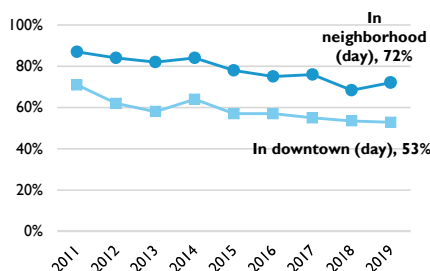


### RESIDENT SURVEY

**94%** of respondents said it was “essential” or “very important” for the community to focus on an overall feeling of safety in the next two years.

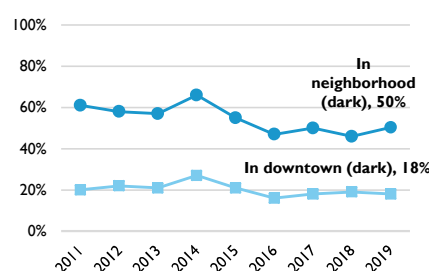
### RESIDENT SURVEY

% of respondents who feel “very” or “somewhat” safe during the day



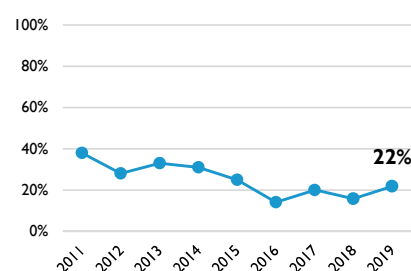
### RESIDENT SURVEY

% of respondents who feel “very” or “somewhat” safe after dark



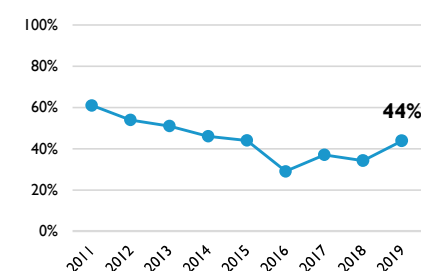
### RESIDENT SURVEY

% of respondents rating crime prevention “excellent” or “good”



### RESIDENT SURVEY

% of respondents rating police services as “excellent” or “good”



# POLICE

## INVESTIGATIVE SERVICES

The SJPD investigates crimes and events by collecting evidence, interviewing witnesses, interrogating suspects, and other activities. In 2018-19, the Bureau of Investigations received 62,000 cases, slightly more than in 2017-18. Of these cases, 34,000 were assigned for investigation. A case may not be assigned because of a lack of resources or because it is deemed not workable (e.g., no evidence).

When a case is closed because of an arrest or by exceptional means (e.g., death of suspect), it is classified as cleared. In 2018, the clearance rate in San José for major violent crimes was 31 percent, compared to 46 and 45 percent for both the U.S. and California, respectively.\* The clearance rate for homicides in San José was 71 percent, compared to 62 and 64 percent for the U.S. and California.\*\*

\*Out of 4,444 total cases for San José, 1.1 million for the U.S., and 176,866 for California.

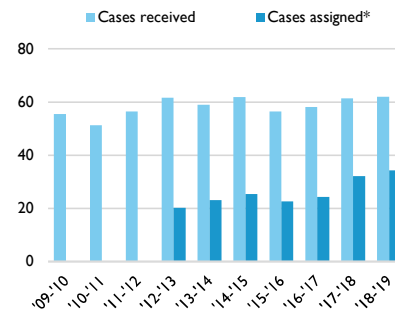
\*\*Out of 28 homicides for San José, 14,786 for the U.S., and 1,739 for California.

## TRAFFIC SAFETY

The SJPD provides for the safe and free flow of traffic through enforcement, education, investigation, and traffic control. In 2018-19, the SJPD's Traffic Enforcement Unit issued about 4,800 citations. The Traffic Enforcement Unit staff has been reduced significantly; current staff are targeting areas with higher crash rates to increase traffic safety. Twenty-nine percent of San José respondents to the resident survey rated traffic enforcement "good" or "excellent."

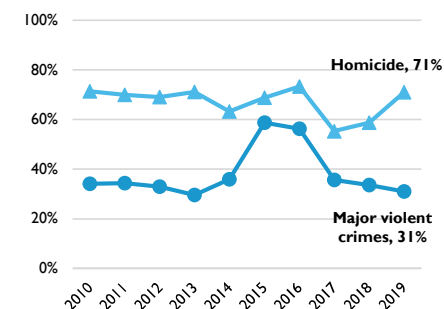
DUI arrests decreased 4 percent from the previous year and have declined significantly over the past 10 years. Likewise, San José's rate of fatal and injury crashes has been steadily decreasing since 2003, though 2018 saw this rate increase slightly from the prior year.

Total Cases (thousands)

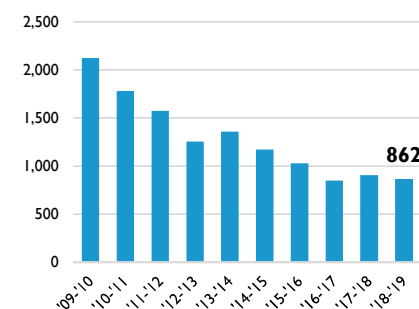


\* In 2012-13, the Police Department changed the performance measure from recording cases investigated to cases assigned to reflect the record management system classification. Cases are assigned when there is a likelihood investigation will yield results.

Clearance Rates

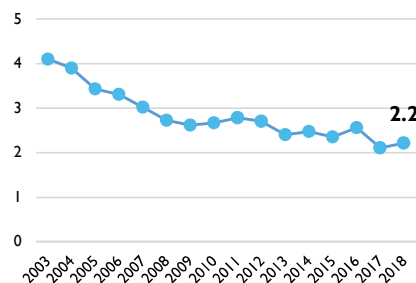


DUI Arrests\*



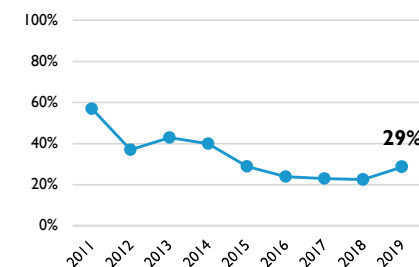
\*Data in '16-'17 and '17-'18 updated to reflect unique incidents.

Fatal and Injury Crash Rate per 1,000 Residents



RESIDENT SURVEY

% of San José residents rating traffic enforcement as "excellent" or "good"



The mission of the Public Works Department is to provide excellent service in building a smart and sustainable community, maintaining and managing City assets, and serving the animal care needs of the community.

## PUBLIC WORKS

The Public Works Department oversees the City's capital projects; maintains the City's facilities, equipment, and vehicles; provides plan review services for development projects; and provides animal care and services.

In 2018-19, Public Works' operating expenditures totaled \$112.5 million. This included personal and non-personal expenditures. Public Works was responsible for an additional \$91 million in expenditures, including \$67.4 million in capital-related expenditures, and \$3 million in Citywide expenses. Staffing increased from 561 to 573 authorized positions.

### OFFICE OF EQUALITY ASSURANCE

San José is subject to numerous labor policies that have been passed by City Council, approved by voters, or adopted due to requirements from the State of California. The Office of Equality Assurance in Public Works implements, monitors, and administers the City's wage policies and has been part of Public Works since 2002. In addition, they oversee the City's disadvantaged business enterprise program and ensure compliance with the Americans with Disabilities Act (ADA).

The Office of Equality Assurance started tracking prevailing and living wage infraction data in a new central location in October 2018, and will continue to track this information going forward.

#### Example Public Works Projects Completed in FY 2018-19

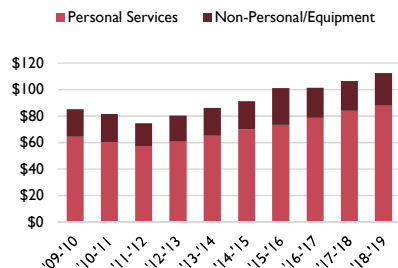
Airport Terminal B south ramp reconstruction
Fire Station 29 generator replacement
Animal Care Center laundry room modifications
Convention Center restroom upgrades
Welch Park community building renovation
Sanitary sewer assessment and repairs

### OFFICE OF EQUALITY ASSURANCE KEY FACTS (2018-19)

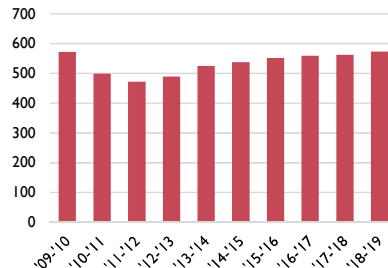
Number of full time staff	10
Number of infractions	28
Number of affected workers	88
Restitution collected	\$31,824

*Note: Infractions and restitution refer to non-compliance with prevailing and living wage infractions by contractors working on Public Works' projects or service and maintenance contracts.*

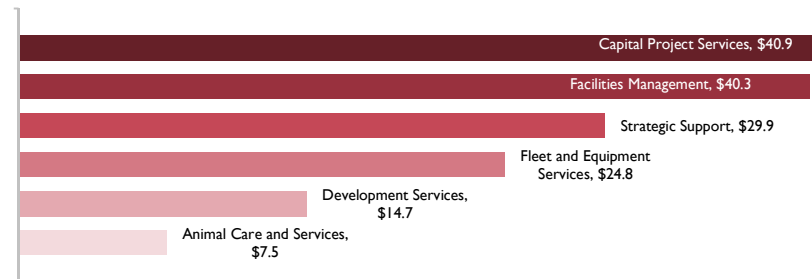
**Public Works Operating Expenditures (\$millions)**



**Public Works Authorized Positions**



**Public Works 2018-19 Adopted Budget by Service (\$millions)**





## CAPITAL PROJECT SERVICES

The Capital Services division of Public Works oversees the planning, design, and construction of public facilities and infrastructure.\* Other departments such as the Airport, Transportation, and Environmental Services also manage some capital projects in their divisions.

In 2018-19, Public Works completed 62 construction projects with construction costs totaling \$86.9 million. A project is considered on budget for the entire life cycle of a project when its total expenses are within 101 percent of its original budget. In 2018-19, Public Works completed 59 of 62 projects on budget, or 95 percent.

A project is considered on schedule for the construction phase of the project when it is available for use (e.g., completed street being used by vehicles, parks being utilized) within two months of the approved baseline schedule. Of the projects intended for completion in 2018-19, 57 of 63 projects were on schedule (91 percent compared to the 85 percent target).

In 2018-19, for projects less than \$500,000, Public Works' average delivery cost (the ratio of soft costs to hard costs) was 56 percent, which is less than the target of 65 percent. For larger projects, the average delivery cost was 43 percent, which is also smaller than the target of 48 percent.

\* Read more about the division in the July 2018 [Audit of the Department of Public Works: Enhancing Management of Capital Projects](#).

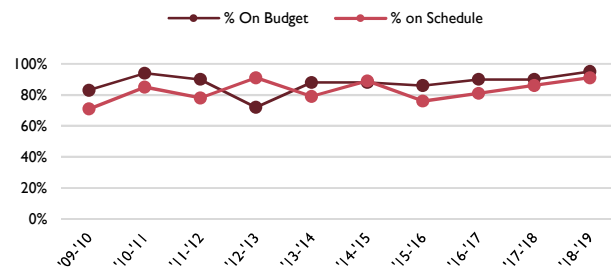


Del Monte Park Shade Improvement Project



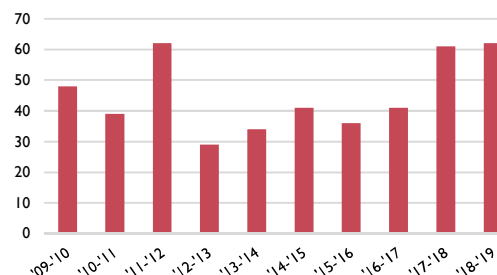
Fire Station 29 Generator Replacement

**Percent of Construction Projects Completed On Budget and On Schedule**

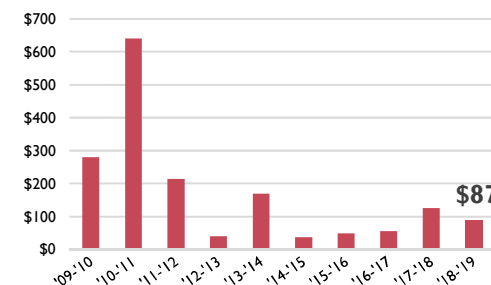


Note: On-budget and on-schedule only refer to whether a project was on budget or on-schedule for the construction phase of the project.

**Number of Completed Construction Projects**



**Total Construction Costs for Completed Projects (\$millions)**



## PUBLIC WORKS

### FACILITIES MANAGEMENT

The Facilities Management division manages 2.8 million square feet in 224 City facilities, including City Hall (over 500,000 square feet). Services include maintenance, improvements, special event support, and property management.

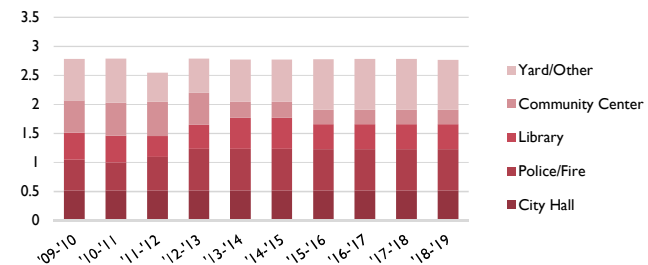
The division completed 16,398 corrective and preventive work orders in 2018-19, nearly 10 percent less than a year ago and 33 percent less than three years ago. According to Public Works, this drop is a result of HVAC vacancies. Seventy-eight percent of 10,461 preventive maintenance work orders were completed during the year.

As of January 2019, Public Works estimated a facilities maintenance backlog for City-owned and operated facilities of over \$171 million in one-time costs, as well as \$19 million in annual unfunded costs. The estimated one-time maintenance backlog for City facilities operated by others is about \$54 million, but this does not include the SAP Center, Sharks Ice, or Municipal Stadium.

### KEY FACTS (2018-19)

Total number of City facilities	224
Square footage	2.8 million
Completed corrective & preventive work orders	16,398
Total completed solar installations on City sites	25

Facilities Managed,  
by Millions of Square Feet



Note: "Other" includes PRNS reuse sites. See the PRNS chapter for more information about the reuse program.

### FLEET & EQUIPMENT SERVICES

Fleet and Equipment Services manages procurement and maintenance to provide a safe and reliable fleet of 2,819 City vehicles and pieces of equipment. Public Works completed 20,995 repairs and preventive work orders in 2018-19, slightly less than a year ago. Emergency vehicles were available for use when needed 100 percent of the time in 2018-19; the City's general fleet was available when needed 97 percent of the time.

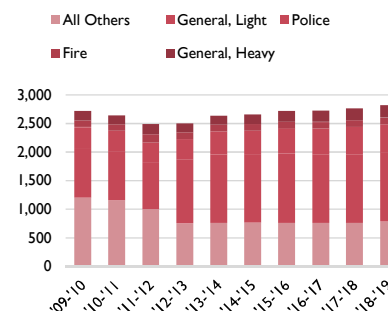
In 2007, the City committed to ensuring 100 percent of public vehicles run on alternative fuels. In 2018-19, 46 percent of City vehicles ran on alternative fuels, including compressed natural gas, propane, electricity, and biodiesel.

As of January 2019, Public Works estimated a vehicle and equipment deferred maintenance and infrastructure backlog of \$9.3 million in one-time costs, slightly more than the previous year.

### KEY FACTS (2018-19)

Total number of vehicles & equipment	2,819
Completed repairs & preventive work orders	20,995
Percent of fleet running on alternative fuel	46%

City Vehicles & Equipment



Equipment Class	Cost/Mile Estimate
Police	\$0.36
Fire	\$2.22
General, Light (sedans, vans)	\$0.39
General, Heavy (tractors, loaders)	\$1.85

## PUBLIC WORKS—DEVELOPMENT SERVICES

The Development Services division of Public Works coordinates with private developers and utility companies to ensure that private projects comply with regulations to provide safe and reliable public infrastructure.

The division manages two fee-based cost-recovery programs: the Development Fee Program (for private developers) and the Utility Fee Program (for utility companies). During 2018-19, the division approved 566 development permits and 3,751 utility permits. In 2018-19, Public Works met 79 percent of planning and 74 percent of public improvement permit timelines; each declined from last year (target for both: 85 percent).

Private development projects add public infrastructure (streets, traffic lights, storm sewer, etc.) to the City's asset base. Projects permitted in 2018-19 are expected to add \$15.6 million in public infrastructure upon completion. Projects completed in 2018-19 added \$21.1 million in value to the City's asset base. (See table for examples.)

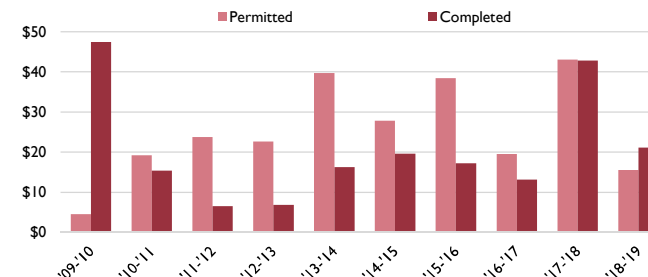
The **Development Services partners** are:

- Planning, Building & Code Enforcement Department (see *PBCE section*)
- Fire Department (see *Fire section*)
- Public Works Department

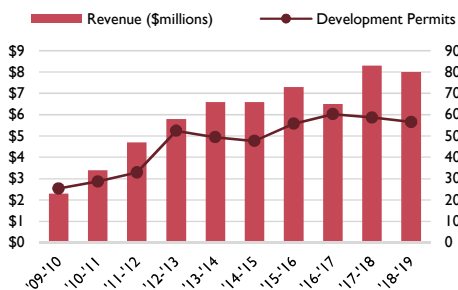
### Major Projects & Estimated Public Improvement Values, 2018-19

Permitted	Terra Top Golf (street widening, curb, gutter, sidewalk, and streetlight construction)	\$3.6 million
	Stevens Creek (curb, gutter, sidewalk, median island, and traffic signal improvements on Stevens Creek Blvd)	\$2.2 million
	Coleman Highline Phase 1.2 (Aviation Avenue curb, road, gutter, sidewalk, and utility infrastructure construction)	\$1.7 million
Completed	Berryessa Road Phase 1 In-tract improvements (new public streets construction near Flea Market)	\$7.5 million
	Berryessa Road and Mabury Road Phase 2 Sanitary Sewer Construction	\$5.1 million
	Berryessa Road Phase 2 (curb, gutter, sidewalk, driveways, and other improvements)	\$1.1 million

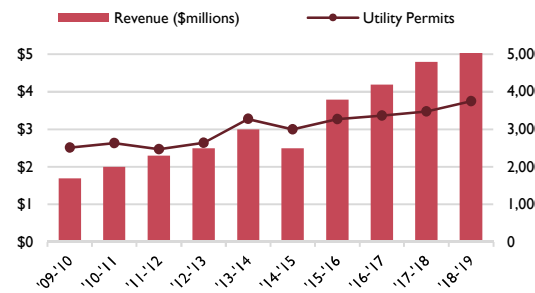
### Value of Public Improvements from Private Development Projects (\$millions)



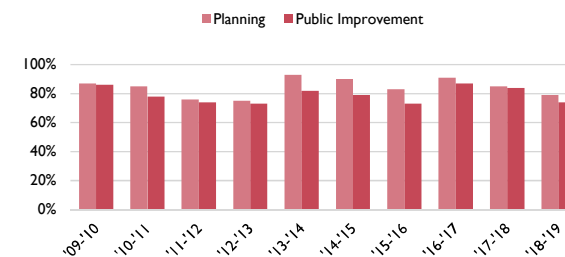
### Development Revenues and Permits



### Utility Fee Revenues and Permits



### Permitting Timeliness (Target 85%)



Note: Examples of permitting timelines include planning (20 working days), public improvement (20-30 working days depending on scope), and grading (20 working days).

## PUBLIC WORKS

### ANIMAL CARE & SERVICES

The City provides animal licensing programs, patrol services, adoption/rescue programs, spay/neuter programs, and medical services through its Animal Care Center (Center). The Center serves San José, Cupertino, Los Gatos, Milpitas, and Saratoga.

As of July 1, 2019, there were over 61,000 licensed animals in the Center's service area, up from about 54,000 in the previous year. Of licensed animals, 75 percent were dogs and 25 percent were cats. The Center provided about 5,650 low-cost spay/neuter surgeries to the public.

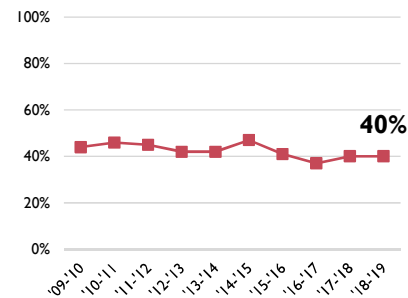
In 2018-19, the Center sheltered 17,156 animals, about the same as the previous year. Among incoming animals, 88 percent of dogs and 90 percent of cats were adopted, rescued, returned to their owner, or transferred, an increase from the previous year. The Center's overall live release rate is about 92 percent, consistent with the prior year.

In 2018-19, animal service officers responded to about 22,900 service calls, an increase from the previous year. For emergency calls, such as dangerous situations or critically injured or sick animals, the time target is to respond to calls within one hour. In 2018-19, the Center met this target 95 percent of the time.

### KEY FACTS (2018-19)

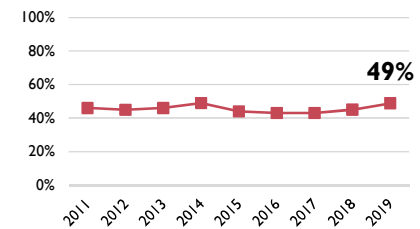
Location of Animal Care Center	2750 Monterey Road
Licensing costs (dog / cat)	Starts at \$25 / \$15
Animal licenses in service area (as of July 1, 2019)	61,390
Incoming animals to Center	17,156
Live release rate	92%
Calls for service completed	22,877
Low-cost spay/neuter surgeries	5,652

#### Cost Recovery



#### RESIDENT SURVEY

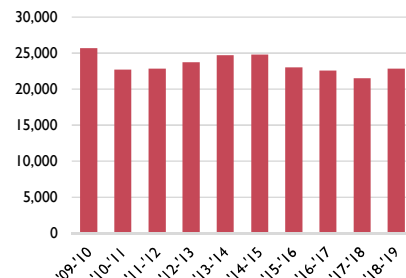
% of residents rating San José's animal control services as "excellent" or "good"



#### Low-Cost Spay/Neuter Surgeries

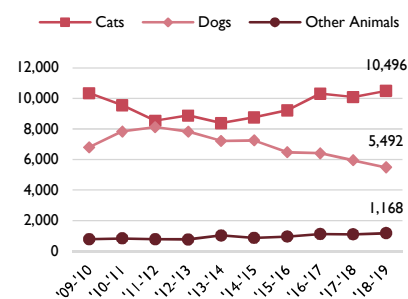


#### Calls for Service\*

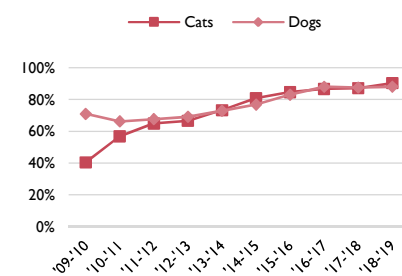


\* Five major categories of calls (animal bite investigations, stray animals, dead animal removal, humane investigations, and animal transfers) accounted for nearly two-thirds of all calls.

#### Incoming Shelter Animals



#### Percent Adopted, Rescued, Returned, or Transferred



## RETIREMENT SERVICES

The mission of the Office of Retirement Services is to provide quality services in the delivery of pension and related benefits and maintain financially sound pension plans.

## RETIREMENT SERVICES

The Office of Retirement Services administers two pension plans, the Federated City Employees' Retirement System (Federated) and the Police and Fire Department Retirement Plan (Police and Fire), as well as Other Post-Employment Benefits (OPEB) for City employees and retirees.\*

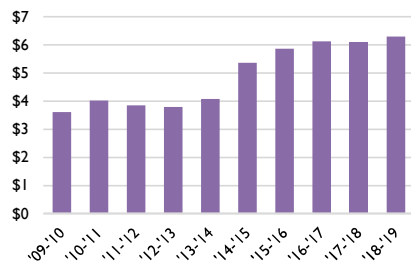
The Office is responsible for administering retirement benefits, including providing retirement planning and counseling; supervising the investment of plan assets; managing contracts; and producing financial reports.

In 2018-19, the Office's personal expenses totaled \$6.3 million, and there were 40 authorized positions (up from 33 positions ten years ago). About \$4.2 million in additional administrative costs, such as professional fees, were paid out of the retirement funds. A comprehensive report by the Office put total investment fees at \$62.4 million for calendar year 2018.

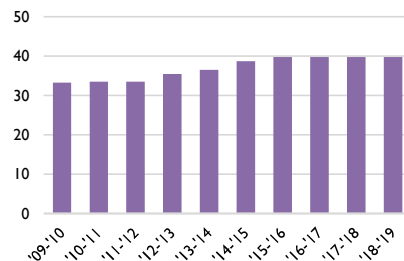
The City's total contributions to the two plans included \$350 million for pension benefits and \$55 million for OPEB, along with contributions from City employees of \$71 million for pension and OPEB. This totals to \$476 million in contributions from the City and its employees. The City's contributions have grown dramatically since the early 2000s and are expected to continue to grow.

\*The City also offers a Tier 3 defined contribution plan for new executive and professional employees that is managed by the Human Resources Department. See the Human Resources chapter for more information.

**Retirement Services Personal Services Expenditures (\$millions)**

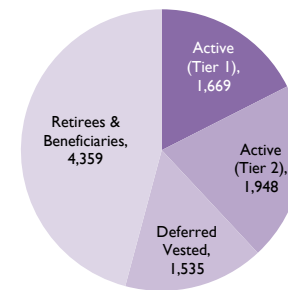


**Retirement Services Authorized Positions**

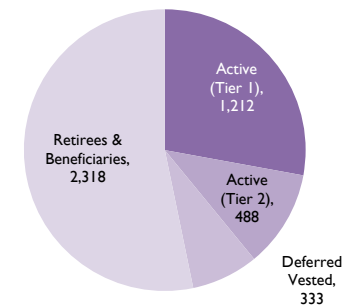


Note: The Retirement Services chapter of the City's Operating Budget only includes personal services. Additional administrative expenses and investment expenses are included in the Federated City Employees Retirement System and the Police and Fire Department Retirement Plan Comprehensive Financial Reports.

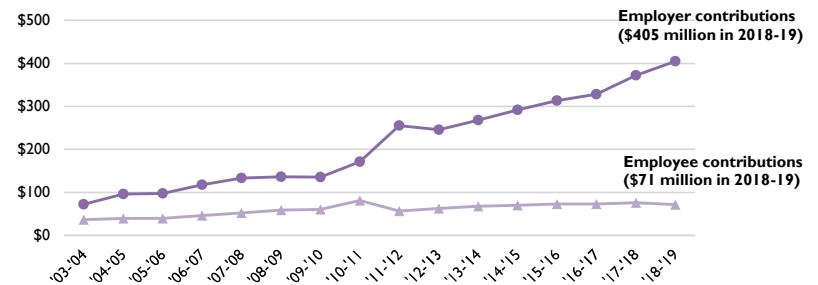
**Federated Plan Membership**



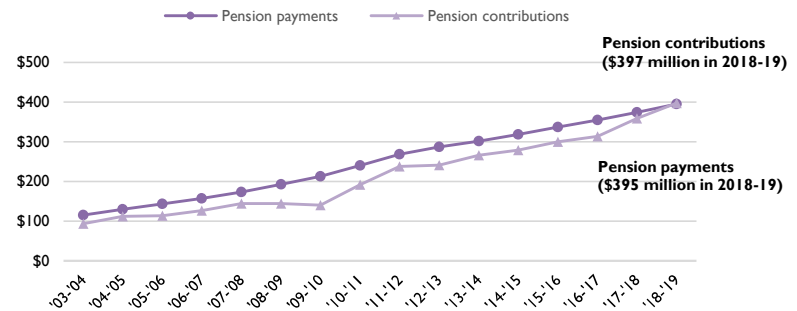
**Police and Fire Plan Membership**



**Total Annual Contributions for Pension and Retiree Health and Dental Benefits (\$millions)**



**Pension Benefit Payments and Contributions (\$millions)**



Sources for above charts: [Police and Fire Department Retirement Plan](#) and [Federated City Employees' Retirement System](#) Comprehensive Annual Financial Reports

## RETIREMENT SERVICES

As of June 30, 2019, there were 6,677 retirees or beneficiaries of the plans, up from 4,891 ten years ago. Over that period, the ratio of active members (i.e., current employees contributing to the plans) to beneficiaries has declined to less than 1:1. In 1980, the ratio was nearly 5:1.

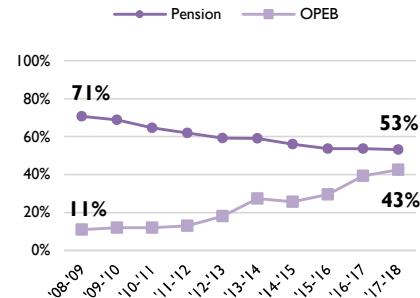
The pension and OPEB plans' total liabilities exceeded the values of their assets by \$2.5 billion for Federated and \$1.9 billion for Police and Fire respectively. These net liabilities totaled about \$260,000 per Federated member and over \$430,000 per Police and Fire member.

As of the June 30, 2018 actuarial valuations, the Federated and Police and Fire funded ratios (or percent of liabilities covered by plan assets) were 53 percent and 77 percent for the respective pension plans.

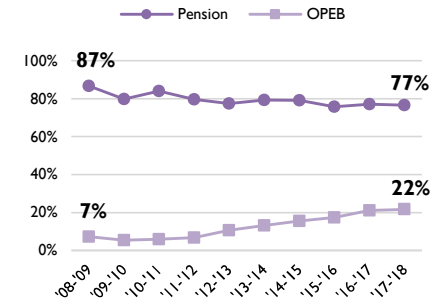
In 2016, San José voters passed Measure F, as part of a settlement between the City and its bargaining units, to supersede a previous retirement reform measure passed in 2012 (Measure B), which had been subject to legal challenges. Measure F was intended to preserve certain retirement benefits while maintaining some reduction in the growth of plan liabilities. Among other things, it improved Tier 2 benefits and closed retiree healthcare to new members.

Additionally, the City established a Voluntary Employee Beneficiary Association (VEBA), a defined contribution plan for retiree healthcare expenses, which went into effect in 2018. The VEBA allowed employees, with some exceptions, a one-time opt-in to the plan and was intended to help reduce OPEB liabilities.

**Federated Funded Status**



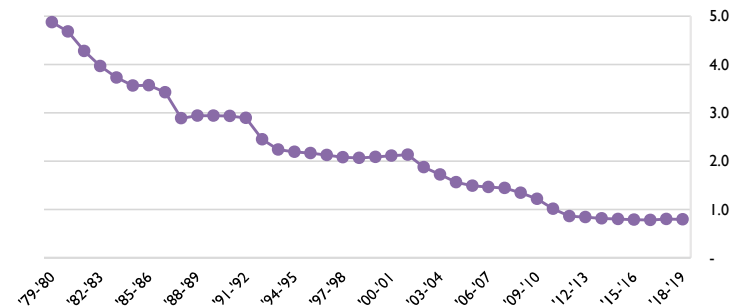
**Police and Fire Funded Status**



Sources: *Federated City Employees' Retirement System and Police and Fire Department Retirement Plan Actuarial Valuations*

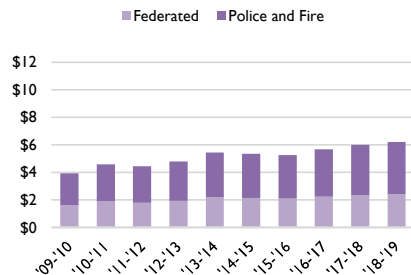
Note: Funded status calculated using the actuarial value of assets, which differs from the market value, as gains/losses are recognized over five years to minimize the effect of market volatility on contributions. As of '16-'17, OPEB funded status reflects changes to asset and liability calculations based on newly implemented guidance from the Government Accounting Standards Board.

**Ratio of Active Members to Retirees and Beneficiaries**

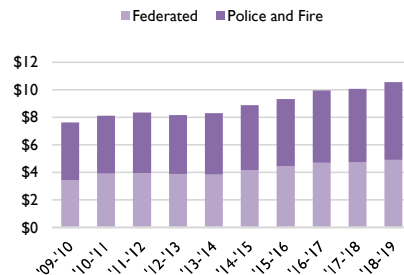


Source: [Police and Fire Department Retirement Plan](#) and [Federated City Employees' Retirement System Comprehensive Financial Reports and Actuarial Valuations](#)

**Retirement Plan Net Assets (\$billions)**



**Retirement Plan Total Liabilities (\$billions)**



Source: [Police and Fire Department Retirement Plan](#) and [Federated City Employees' Retirement System Comprehensive Financial Reports and Actuarial Valuations](#)

## RETIREMENT SERVICES

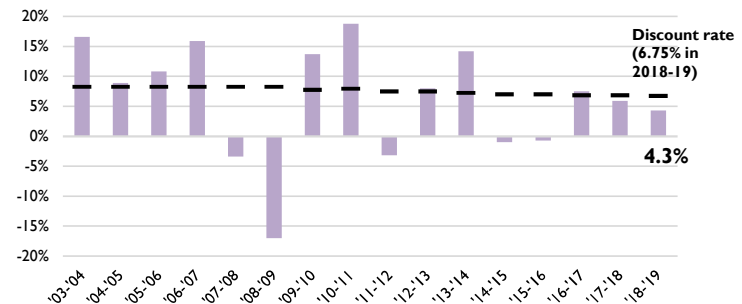
The retirement plans' assets are distributed among various types of investments, according to each board's investment policies. As of June 30, 2019, both pension plans held the largest portions of their assets in "alternatives," which are generally investments outside of traditional stocks, bonds, or cash.

During 2018-19, both Federated and Police and Fire had a net rates of return on pension plan assets of 4.3 percent. Over the past five years, the Federated and Police and Fire pensions' annualized net returns have been 3.2 and 3.8 percent, respectively. The assumed rate of return, or discount rate\*, for both plans was 6.75 percent as of June 30, 2019.

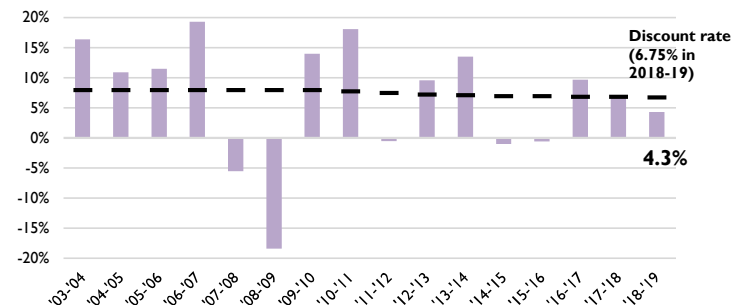
As a result of the positive investment returns, as well as payments for retirement benefits and health care premiums, total plan assets increased from \$6.01 billion last year to \$6.20 billion on June 30, 2019.

\*The assumed rate of return, or discount rate, is the annual rate used to discount pensions expected to be paid in the future to current dollars. For pension plans, it is often based on average expected investment returns over a long time horizon.

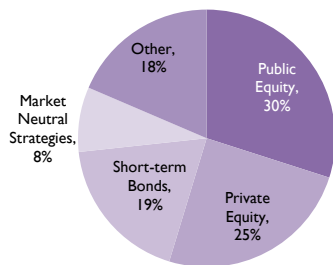
**Federated Rate of Return, Net of Fees**



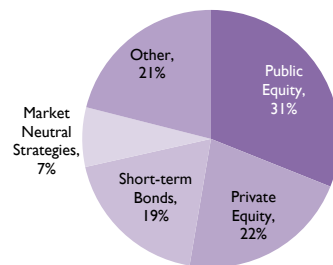
**Police and Fire Rate of Return, Net of Fees**



**Federated Pension Actual Asset Allocation**



**Police and Fire Pension Actual Asset Allocation**



Source: Federated City Employees' Retirement System and Police and Fire Department Retirement Plan Comprehensive Annual Financial Reports. Note: Asset classes not in top four largest categories grouped in "other", such as other bonds, real estate, commodities, and cash.



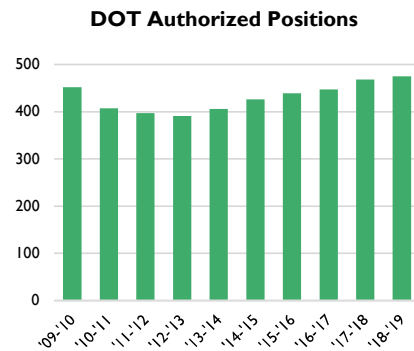
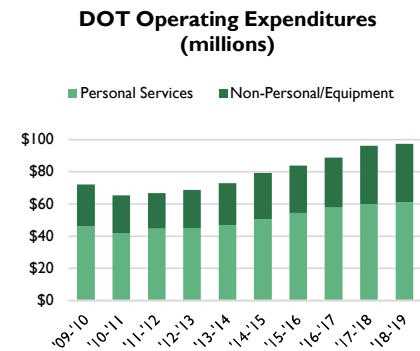
## TRANSPORTATION

The mission of the Transportation Department is to plan, develop, operate, and maintain transportation facilities, services, and related systems which contribute to the livability and economic health of the City.

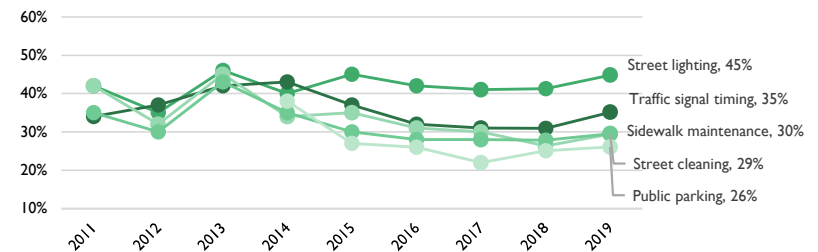
## TRANSPORTATION

The Department of Transportation (DOT) has eight core service groups to: plan and develop transportation projects; optimize traffic flow and safety; maintain street pavement; maintain traffic signals, signs, markings, and streetlights; maintain street landscapes and street trees; clean and repair sanitary sewers; maintain storm sewers; and maintain public parking. Additional staff provide strategic support, such as budget and information technology services.

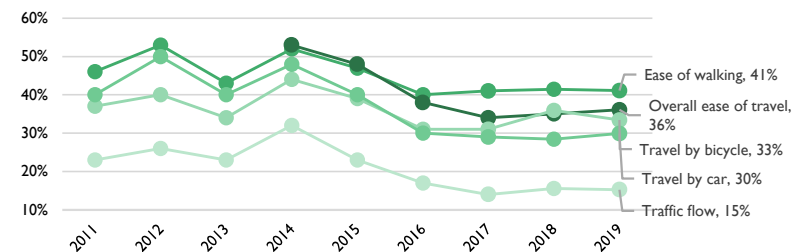
In 2018-19, DOT's operating expenditures totaled \$97.4 million, including personal and non-personal expenditures. In addition, the Department was responsible for other expenditures including \$55 million in capital related expenditures and \$19.9 million in Citywide and other expenditures. DOT had 475 authorized positions; staffing was slightly up (5 percent) compared to levels 10 years ago.



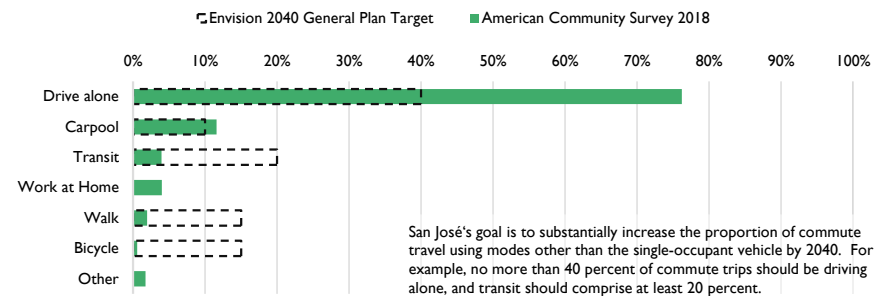
**RESIDENT SURVEY**  
% of San José residents rating transportation-related services as "excellent" or "good"



**RESIDENT SURVEY**  
% of San José residents rating travel modes as "excellent" or "good"



**San José Residents' Mode of Commuting to Work**



2018 [American Community Survey](#), 1-year estimates, table B08006

## TRANSPORTATION SAFETY & OPERATIONS

Transportation Safety & Operations manages various traffic safety programs to facilitate safe and efficient travel within San José. Nearly 48,000 school children received traffic safety education in 2018-19, and a new messaging campaign for senior pedestrian safety awareness was developed. DOT also installs flashing beacons, median islands, and curb ramps to enhance pedestrian crossings on major roads and near areas with high pedestrian traffic to improve safety.

In 2015, the City adopted [Vision Zero](#), a policy that recognizes traffic deaths as preventable and unacceptable, and prioritizes human life over mobility and high vehicle speeds. Under Vision Zero, the City's goal is to reduce, and ultimately eliminate, traffic fatalities and severe injuries. In 2018, there were 52 traffic fatalities—46 percent were pedestrians, and their median age was 56. There were also 195 severe injuries from traffic collisions, the highest amount in the past five years.

Despite these increases, San José's rate of fatal and injury crashes has remained well below the national rate, with 2018 resulting in a rate of 2.2 per 1,000 residents. In comparison, the national rate was 5.9 per 1,000 residents in 2017.

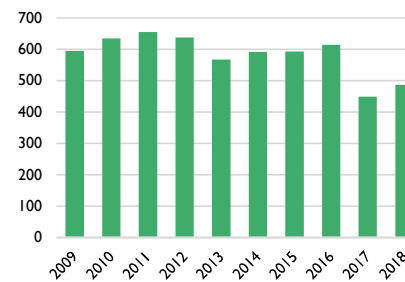
## TRANSPORTATION PLANNING & PROJECT DELIVERY

Planning & Project Delivery supports the development of San José's transportation infrastructure. This includes coordinating transportation and land use planning studies, managing the Capital Improvement Program, and working with regional transportation agencies such as VTA, BART, and Caltrans.

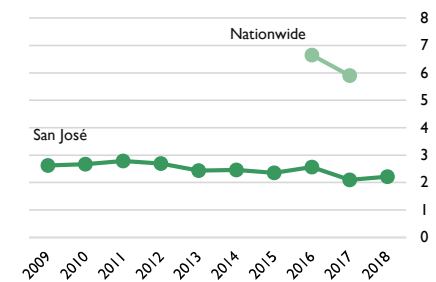
In 2018-19, DOT budgeted \$239 million towards its traffic capital improvement program. Regional projects include freeway and transit infrastructure improvements; local projects include major street improvements, such as road resurfacing and bike lane installation.

San José currently has 396 miles of bikeways, including 345 miles of on-street bicycle lanes and routes (installed by DOT) and 51 miles of paved trails (installed by Parks, Recreation and Neighborhood Services). There are nine additional miles of gravel (interim) trails that may be subject to future paving. San José is four-fifths of the way to its 2020 goal of 400 miles of on-street bikeways and 100 miles of off-street bike trails.

**Pedestrian and Bicycle Injury Crashes (calendar year)**

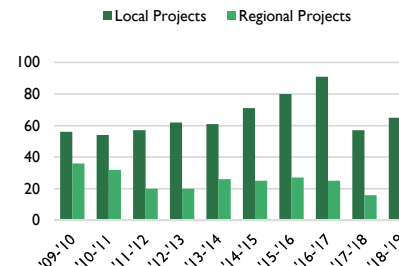


**Fatal and Injury Crash Rate per 1,000 Residents**

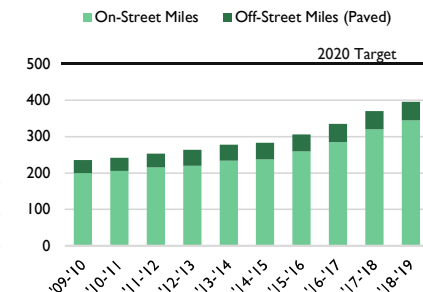


Source: National fatal and injury crash rate data comes from the National Highway Traffic Safety Administration (NHTSA) Traffic Safety Facts Report, 2017. Data prior to 2016 is not comparable due to different sample designs used by NHTSA, so only 2016 and 2017 years are shown.

**Transportation Projects in Progress**



**Miles of Bikeways**



### Example Local & Regional Transportation Projects (FY 2018-19)

- Autumn Parkway - Phase II
- Safe Pathways to Diridon Station
- 680 Sound Wall
- BART Phase II
- Caltrain Electrification
- High Speed Rail

# TRANSPORTATION

## STREET PAVEMENT MAINTENANCE

Pavement Maintenance is responsible for maintaining and repairing the 2,434 miles of city streets. In 2018, the City's street pavement condition was rated a 65, or "fair," on the Pavement Condition Index (PCI) scale by the Metropolitan Transportation Commission (MTC).\* A "fair" rating means that streets are worn to the point where expensive repairs may be needed to prevent them from deteriorating rapidly. This is a three-year moving average.

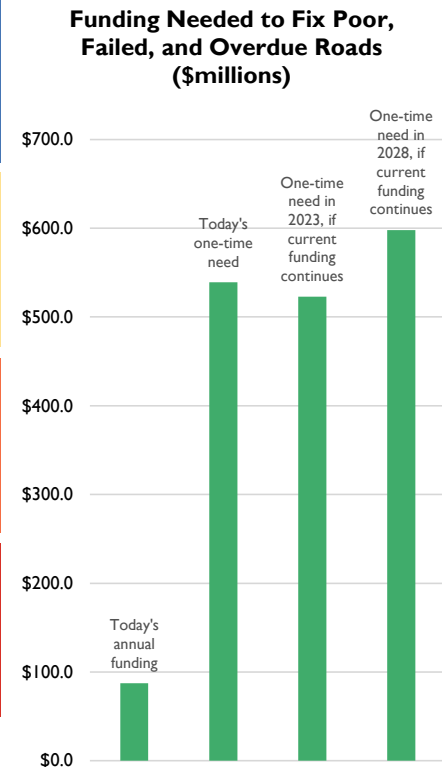
DOT also annually assesses the conditions of the City's streets, and rated the City's average street pavement condition a 66 in 2018.

DOT estimates it needs \$539 million for deferred maintenance on poor and failed roads. With recent voter approval of Measure T, \$300 million in bond funds are available to repair and replace neighborhood streets in the worst condition beginning in 2019-20. Accounting for one-time and temporary funding sources, the 10-year average annual funding for pavement maintenance is estimated at \$87.2 million.

In 2018-19, 31 miles of street were resurfaced and 69 miles were preventively sealed. DOT has also continued to make safety-related corrective repairs, such as filling potholes and patching damaged areas. In 2018-19, DOT crews repaired 19,700 potholes, 62 percent more than 2017-18. DOT credits this increase in part to the public's familiarity with the My San Jose app, which provides a platform for residents to report potholes.

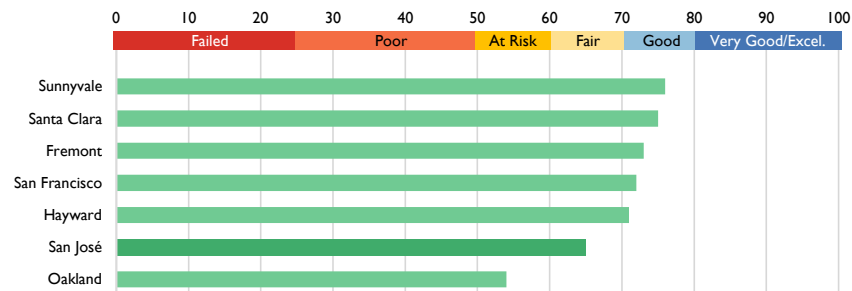


Photo source: Department of Transportation



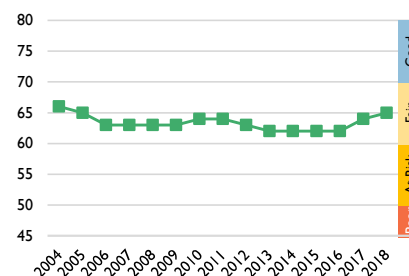
Source: Pavement Maintenance Conditions, Funding, and Program Delivery Strategy Report, 2019.

2018 Pavement Condition Index Selected Bay Area Comparisons\*

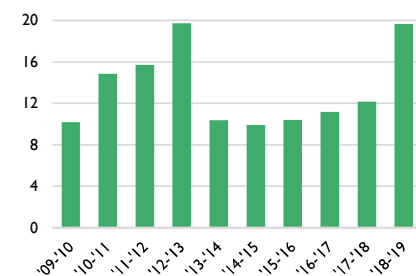


\* 3-year moving average, calendar year basis. Source: [Metropolitan Transportation Commission](#).

Pavement Condition Index San José\*

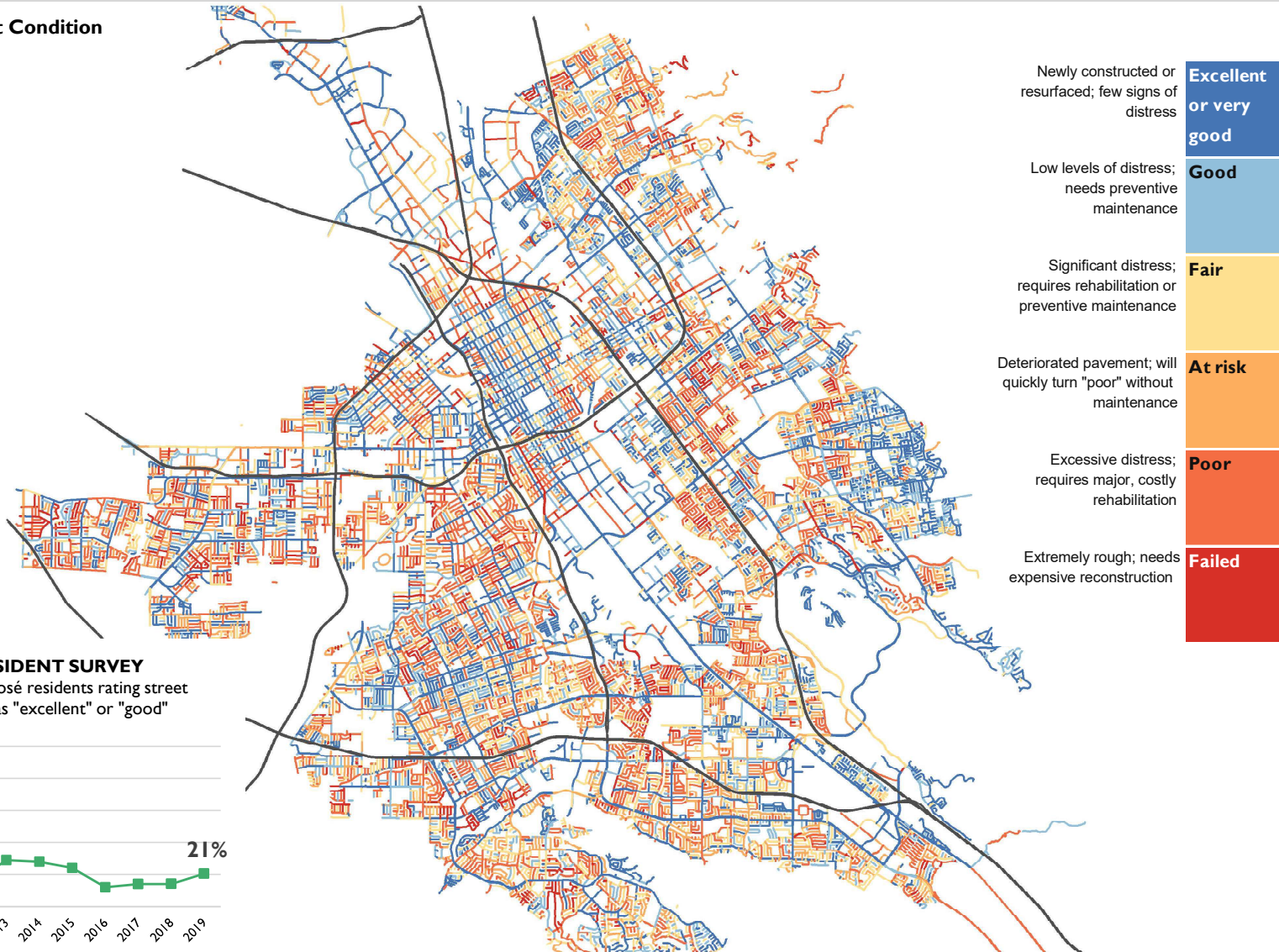


Number of Potholes Filled (thousands)





## Map of Pavement Condition



Source: Department of Transportation StreetSaver data as of November 2019.

See the City's Pavement Condition Interactive Map [online!](#)

# TRANSPORTATION

## TRAFFIC MAINTENANCE

The Traffic Maintenance Division is responsible for maintaining the City's traffic signals, traffic signs, roadway markings, and streetlights. In 2018-19, DOT made 1,884 repairs to traffic signals. DOT responded to signal malfunctions within 30 minutes 22 percent of the time, down from the 38 percent reported the year prior. DOT attributes this decrease to new vacancies in the electrician classification and recruiting challenges. DOT is evaluating contractual and recruiting strategies to meet its target of 40 percent of traffic signal malfunctions responded to within 30 minutes.

DOT's response to traffic and street name sign service requests fell within established guidelines<sup>1</sup> 100 percent of the time in 2018-19, exceeding the target of 98 percent. Over 5,500 signs were preventively maintained.

DOT crews completed roadway marking services within established priority guidelines<sup>2</sup> 100 percent of the time in 2018-19. Fifty-nine percent of roadway markings met visibility and operational guidelines.

Ninety-eight percent of San José's 65,100 streetlights<sup>3</sup> were operational; 49 percent of reported malfunctions were repaired within seven days. DOT repaired 11,077 streetlights in 2018-19. As of 2018-19 the City has converted or installed about 28,000 LED streetlights, up from about 3,000 LED streetlights in 2013.

### Traffic Signals

**956** traffic signal intersections in San José

**1,884** repairs and **553** preventive maintenance activities completed

**22%** of malfunctions responded to within 30 minutes (*Target: 40%*)

### Traffic and Street Name Signs

**122,000** traffic control and street name signs in San José (*estimate*)

**491** repairs and **5,519** preventive maintenance activities completed

**100%** of sign repair requests completed within established guidelines<sup>1</sup> (*Target: 98%*)

**81%** of signs in good condition (*Target: 83%*)

1. 24 hours, 7 days, or 21 days—depending on the priority

### Roadway Markings

**5.7 million** square feet of roadway markings

**239** maintenance requests completed

**100%** of service requests completed within prioritized operational guidelines<sup>2</sup> (*Target: 99%*)

**59%** of markings met visibility and operational guidelines (*Target: 62%*)

2. 24 hours, 7 days, or 21 days—depending on the priority

### Streetlights

**65,100** streetlights<sup>3</sup> in San José, including **28,000** LED streetlights

**11,100** repairs completed

**98%** of streetlights in operational condition (*Target: 98%*)

3. includes other types of street lighting, not just streetlights

**Number of Traffic Signal Maintenance Activities**

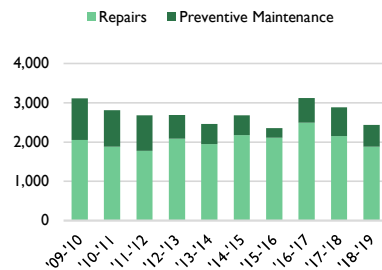


Photo source: Department of Transportation

**Percent of Roadway Markings Meeting Visibility and Operational Guidelines**

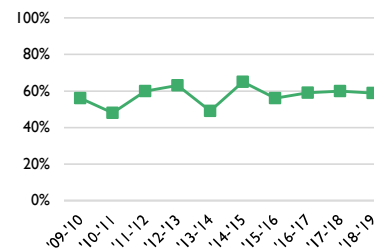


Photo source: Auditor

## SANITARY SEWERS

DOT maintains more than 2,000 miles of sanitary sewers and 20 sewer pump stations. DOT is responsible for maintaining uninterrupted sewer flow to the San José-Santa Clara Regional Wastewater Facility. (The Facility is operated by the Environmental Services Department (ESD). For more information see the ESD chapter.)

DOT conducts proactive cleaning to reduce sanitary sewer stoppages and overflows. Over 900 miles were cleaned in 2018-19, and 585 sewer repairs were completed. DOT responded to 42 sewer overflows in 2018-19, 20 more than last year. The number of main line stoppages that needed to be cleared was 210 in 2018-19. DOT estimates 57 percent of sanitary sewer problems were responded to within 30 minutes.\*

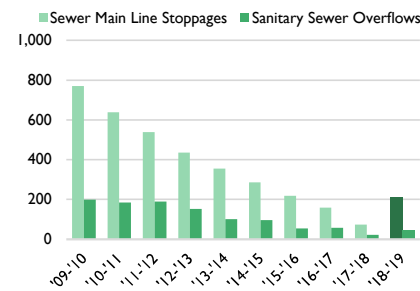
## STORM DRAINAGE

DOT and ESD ensure that all of the City's streets are swept of roadway particulate and debris that may collect in gutters. DOT's street sweepers clean the downtown area, major streets, and bike routes; the City contracts residential street sweeping.

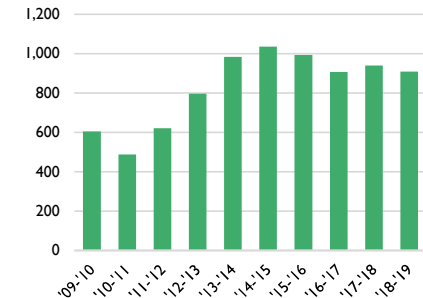
DOT annually cleans over 30,000 storm drain inlets so that rain and storm water runoff flow unimpeded through storm drains into the San Francisco Bay. Proactive cleaning of storm drain inlets prevents harmful pollutants, trash, and debris from entering the Bay and reduces the potential for blockages and flooding during heavy rains.

In 2018-19, DOT reports that there were 23 declared storm days and 1,296 storm call responses. The number of stoppages and calls varies depending on the severity of rainfall. DOT also maintains 30 storm water pump stations and cleans wet-wells during summer months.

### Sewer Stoppages and Overflows Cleared

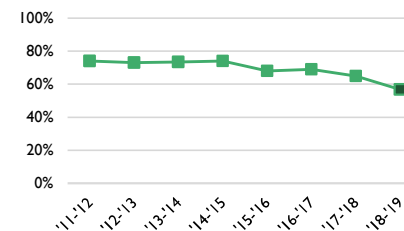


### Sewer Miles Cleaned



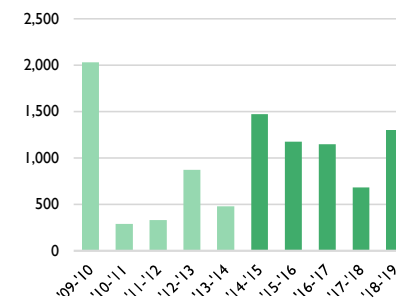
Note: DOT changed its methodology in 2018-19 to include both the preventive and reactive stoppages cleared. Before, DOT was only capturing reactive stoppages cleared in this measure.

### Percentage of Sanitary Sewer Problems Responded to within 30 Minutes\*



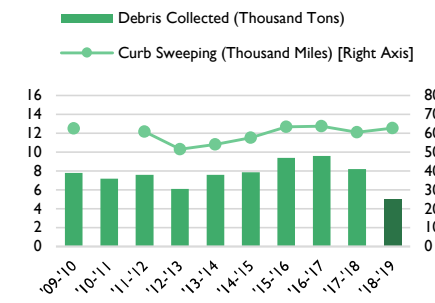
\* DOT changed its methodology in 2018-19 to exclude work assignments without a start time. Due to incomplete data, 2017-18 data is an estimate based on a subset of work assignments.

### Storm Calls



Note: 2009-10 was an above-normal storm year. Prior to 2014-15, storm calls counted only storm drain inlet stoppages.

### Street Sweeping



Note: Previously, debris numbers were reported with the assumption that sweepers were 100 percent full. Starting in 2018-19, DOT based reporting on the approximate percent sweepers were full.

# TRANSPORTATION

## STREET LANDSCAPE MAINTENANCE

DOT's Landscape Services Division maintains median islands and undeveloped rights-of-way, and ensures the repair of sidewalks and the maintenance of street trees. For the past two years (2017-18 and 2018-19), the City Council allocated additional funding to increase the frequency of street landscape maintenance through contracted services as part of the BeautifySJ program. DOT maintenance staff continues to provide basic cleaning and maintenance activities. Through these combined efforts, the overall condition of City landscapes has continued to increase, with an estimated 86 percent of street landscapes in good condition.

San José has an estimated 269,000 street trees.\* DOT responded to nearly 1,400 emergencies for street tree maintenance in 2018-19. The City and property owners completed about 4,200 sidewalk repairs in 2018-19.

*\* Property owners are typically responsible for maintaining street trees and repairing adjacent sidewalks. The City maintains trees that are located within the arterial medians and roadside landscaped areas owned by the City.*

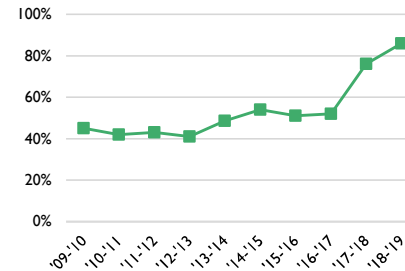
## PARKING

Parking Services is responsible for managing on-street and off-street parking, implementing parking policies and regulations, and supporting street sweeping, construction, and maintenance activities. Monthly parking in 2018-19 was up 41 percent compared to 10 years ago, with more than 104,000 monthly customers. Over 1.6 million visitors used City parking facilities in 2018-19.

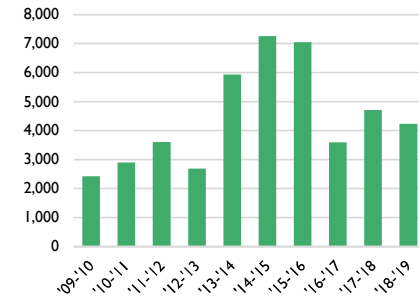
The Department issued over 231,000 parking citations in 2018-19. Parking Services is also responsible for investigating service requests to abate abandoned vehicles. In 2018-19, DOT responded to 58,678 service requests to abate abandoned vehicles. Vehicle abatement is a service that the City performs in accordance with state and local laws to remove vehicles from public streets that are inoperable, abandoned, or have been stored for long periods of time. Citywide, in 2018-19, the average time to complete a service request was nine days. This represents a significant improvement from the 18 days it took to complete a service request from August 2017 to June 2018.

For more information, see our August 2018 [Audit of Vehicle Abatement](#).

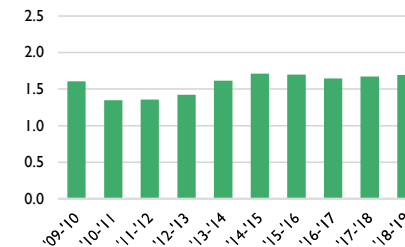
**Percent of Street Landscapes in Good Condition**



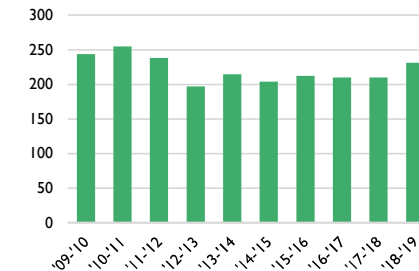
**Sidewalk Repairs**



**Visitor Parking Customers at the City's Downtown Facilities (millions)**



**Parking Citations Issued (thousands)**





## NOTES

**NOTES**



**NOTES**