



City of San José
Office of the City Auditor

Honorable City Council

City of San José Service Efforts and Accomplishments Report 2013-14

The Office of the City Auditor is pleased to present the seventh annual Service Efforts and Accomplishments (SEA) Report for the City of San José. This report summarizes and highlights performance results and compares those results over ten years. The 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 when appropriate and available. 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.

Overall Spending and Staffing

With a population of 1,000,536, San José is the tenth largest city in the United States and the third largest city in California. The City of San José serves one of the most ethnically diverse populations in California—about one-third Asian, one-third Hispanic, and one-third white. In 2013-14, the City's departmental operating expenditures were about \$1.34 billion*, or about \$1,336 per resident including:

- \$305 for Police
- \$229 for Citywide, General Fund Capital, Transfers, and Reserves
- \$209 for Environmental Services
- \$162 for Fire
- \$ 86 for Public Works
- \$ 73 for Transportation
- \$ 57 for Parks, Recreation and Neighborhood Services (PRNS)
- \$54 for Airport
- \$42 for Finance, Retirement, Information Technology, and Human Resources
- \$37 for Mayor, City Council, and Council Appointees
- \$35 for Planning, Building, and Code Enforcement
- \$30 for Library
- \$10 for Economic Development
- \$ 7 for Housing

After nearly a decade of General Fund deficits, a moderate increase in revenues from a stronger economy allowed the City to provide limited service level enhancements and avoid service cuts in 2013-14. For example, the City added resources to meet the increased demand for development services and continued funding some services which had been funded on a one-time basis in the prior year.

However, significant work toward long-term fiscal reform remains, with the goal of returning services to January 1, 2011 levels. In recent years, the City was forced to reduce many City programs including a significant reduction in staff (18 percent over the last ten years). The City now employs about 5.7 people per 1,000 residents—fewer than any other large California city we surveyed and fewer than San Jose's 28-year average of 7.2. The City also faces an estimated \$1 billion in deferred maintenance and infrastructure backlog and a \$3.3 billion unfunded liability for pension and retiree health benefits.

* The City's Operating Budget totaled \$2.9 billion, which includes the above expenditures as well various non-General Fund operating and enterprise fund expenditures (e.g., capital expenditures, debt service, pass-through grant funds) and operating or other reserves.

Overall Resident Satisfaction

2014 marked San José's fourth year of participation in The National Citizen Survey.TM Respondents were selected at random. Participation was encouraged with multiple mailings and self-addressed, postage paid envelopes. Surveys were available in English, Spanish, and Vietnamese. Results were statistically re-weighted to reflect the actual demographic composition of the entire community. The survey and its results are included in the Appendix. Results of service-specific questions are also incorporated into the relevant departmental chapters.

Survey respondents reported mixed feelings about quality of life in San José. Just 59 percent of residents rated the overall quality of life in San José as good or excellent but 67 percent rated their own neighborhoods as good or excellent places to live and 70 percent of residents would recommend San José as a place to live. Residents expressed dissatisfaction with cost of living (only 11 percent thought the cost of living was good or excellent) but highly rated opportunities for employment, shopping, attending religious and cultural events as well as having a community that is open and accepting of people of all backgrounds.

Residents identified safety and economy as priorities for the San José community in the coming two years. Ninety-five percent of respondents felt it was essential or very important for San Jose to focus on the overall feeling of safety. Ninety-one percent thought it was essential that San José focus on the overall economic health of the City.

Major Service Results and Challenges in 2013-14

The City of San José provides a wide array of services that City residents, businesses, and other stakeholders count on. Some highlights include:

- The Police Department initiated or received about 1,000,000 calls for service, about 85,000 more than in the prior year. The average response time for Priority 1 calls was 6.7 minutes, the same as the prior year but above the target response time of 6 minutes or less. The response time for Priority 2 calls was 20.5 minutes, well above the target of 11 minutes or less, but also about the same as in the prior year. Over the past ten years, the Police department's sworn officers per 100,000 residents decreased from 146 to 111 authorized positions. San José's rate of major crimes per 100,000 residents decreased from 2012 (when it had surpassed national and state averages) and is again below those state and national averages. Major violent crimes decreased 9 percent from the prior year, including a 16 percent decrease in homicides. Major property crimes (including burglary, larceny, and vehicle theft) decreased by 10 percent.
- Less than half of survey respondents reported an overall excellent or good feeling of safety. The majority of residents, 83 percent, feel very or somewhat safe in their neighborhoods during the day but only 27 percent feel the same way in downtown at night – about a fifth of residents reported that they feel very unsafe downtown at night. Only 46 percent of residents rate the quality of Police services as good or excellent.
- The Fire Department responded to 79,000 emergency incidents in 2013-14. This included 49,000 medical incidents, 2,000 fires, and 28,000 other calls (such as rescues, Haz Mat incidents, and good intent responses). Following a review of emergency response data, the Department reported that it responded to 68 percent of Priority 1 incidents within 8 minutes. This is below the target of 80 percent compliance and less than the 72 percent compliance in 2012-13. The Department met its Priority 1 time target for dispatch time and nearly met its target for turnout time; however, it met its travel time standard for only 45 percent of Priority 1 incidents. No station met the Priority 1 response standard of 8 minutes for 80 percent of incidents in 2013-14. Seventy-five percent of residents rated fire services as good or excellent and 68 percent of residents rated emergency medical services as good or excellent.

- The City has 54 community centers; however, as in the prior year, it operated only 12 of those centers in 2013-14. The remaining facilities were operated through the City's facility re-use program by outside organizations and/or other City programs; three sites were closed. The City has 185 neighborhood parks, including the recently opened three-acre Commodore Park. Eighty-seven percent of residents reported having visited a park at least once in the last year. Fifty percent of residents rated services to seniors as good or excellent; only 45 percent rated services to youth as good or excellent. Estimated participation in City-run recreation programs totaled \$642,000.
- Open branch libraries hours have fallen to just 33 or 34 hours per week over four days of service (with the exception of Evergreen which was open for five days). This compares to 47 hours per week over six days from 2003-04 through 2009-10. Regular Sunday hours have not been offered at any branch since July 2010. The Dr. Martin Luther King, Jr. main library was open 77 hours per week during the academic year. Although total circulation remained high (10.5 million items, including eBooks), it was 28 percent less than ten years ago. Sixty-six percent of residents rated library services good or excellent.
- San José remains one of the least affordable cities in the country with four out of five residents rating the availability of affordable quality housing as only fair or poor. The City's 2013 Homeless Census identified 4,770 homeless individuals, roughly a third of whom were deemed chronically homeless. The Census also estimated there were 12,000 individuals who experienced at least one period of homelessness during the year.
- Garbage/recycling, sewer, and stormwater rates all remained unchanged from 2012-13 to 2013-14. Muni Water rates increased by 8 percent from the prior year and have increased by 79 percent over ten years. Although Muni Water rates remain below the average of other San José retail water providers, these other providers' rates have grown less dramatically over the past decade (seeing 50 percent increases). About 70 percent of San José residents rated garbage, recycling, and yard waste pick up as good or excellent.
- The City's "one-stop" Permit Center in City Hall served more than 30,000 customers. Activity has been on the rise as the Permit Center provided 58 percent more plan checks, 60 percent more building permits, and 153 percent more field inspections than five years ago. The value of new building projects has soared, more than doubling from 2012-13. Construction volume also grew from 11.5 million to 16.7 million square feet. While the number of building permits issued has returned to pre-recession levels, the number of development staff has not. The Permit Center only met their timeliness targets for four out of seven permit processes.
- Although the Airport saw an increase in passengers in 2013-14, the 9.1 million passengers served is down 15 percent from ten years ago. There were 91,000 passenger flights (takeoffs and landings), or about 250 per day. While the number of passengers in the region was greater in 2013-14 than in any of the prior 10 years, the Airport's market share has declined to 14 percent from the high of 19 percent in 2005-06. The Airport reduced operating expenditures 23 percent over the last five years, but annual debt service has increased greatly, reaching \$97.9 million, as a result of the completion of the Airport modernization and expansion. Seventy-four percent of residents rated the ease of use of the Airport as good or excellent.
- San José's street pavement condition was deemed only "fair" in 2013—rated at 62 on the Pavement Condition Index (PCI) scale out of a possible 100. This is down from the 2003 PCI rating of 67. A "fair" rating means that the City's streets are worn to the point where expensive repairs may be needed to prevent them from deteriorating rapidly. Because major repairs cost five to ten times more than routine maintenance, these streets are at an especially critical stage. San José's pavement condition rating ranked in the bottom third of 109 Bay Area jurisdictions. The Department of Transportation has continued to make corrective repairs, such as filling 10,000 potholes and patching damaged areas. Only 28 percent of residents rated street repair as good or excellent—the lowest rating of any City service.

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

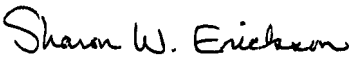
Conclusion

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 which includes a community profile, information on the preparation of the report, and a discussion of service efforts and accomplishments reporting in general. The following section provides a summary of overall spending and staffing. The remainder of the report presents 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 <http://www.sanjoseca.gov/SEA>. We thank the many departments that contributed to this report. This report would not be possible without their support.

Respectfully submitted,



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City Auditor

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