



City of San José
Service Efforts and Accomplishments Report 2007-08
Annual Report on City Government Performance

A Report from the City Auditor
Report #09-01
January 2009



City of San José
Office of the City Auditor

Honorable City Council
San José, California

City of San José Service Efforts and Accomplishments Report 2007-08

Over the last 20 years, the Government Accounting Standards Board (GASB) has been researching and advocating Service Efforts and Accomplishments (SEA) reporting for state and local government. GASB advocates that SEA reports provide government officials and the public with information to supplement what is reported in annual financial statements. Financial statements give users a sense of government service, but do not provide information on the efficiency or effectiveness of government programs. SEA reporting provides that kind of information, and enables government officials and the public to assess how well their government is achieving its goals.

This is the City Auditor's first annual Service Efforts and Accomplishments Report for the City of San José. The report is intended to be informational. It provides cost, workload, and performance data for City services. It includes five-year historical trends, comparisons to targets and other cities when appropriate and available, and the results of a biennial survey conducted in December 2007 asking residents to rate City's services as well as the overall quality of life. The City Auditor's Office prepared this report in cooperation with City departments and offices. The report's purpose is to improve government transparency and accountability, provide consolidated performance information to the public, and allow informed decision making by City officials, staff, and the public.

Quality of Life

The City of San José 2007 Community Survey, conducted by Fairbank, Maslin, Maullin & Associates in December 2007, revealed that the residents of San José generally give high ratings to local quality of life, with four in five residents rating the City's quality of life as "good" or "excellent." The most serious issues that residents wanted City government to address were crime (including gangs, drugs, and police enforcement) followed by traffic congestion and housing costs/affordable housing.

In 2007, 78 percent of residents were satisfied with the quality of City services. Among those expressing opinions on specific services, residents gave the highest ratings to fire prevention and protection (83 percent rated services "good" or "excellent") and library services (80 percent). Residents gave the lowest ratings to protecting open space with only 49 percent of respondents rating the City's efforts as "good" or "excellent." Residents responded that the most important things that the City could do to improve City services for those who live and work in the City were to increase police patrols (11 percent of respondents), reduce traffic congestion and improve traffic flow (8 percent), and repair/expand roadways (7 percent).

Overall Spending and Staffing

In 2007-08, the City's operating expenditures allocated to the City's six broad service areas totaled more than \$1.2 billion, including:

- \$439.2 million for Public Safety
- \$234.4 million for Strategic Support
- \$195.8 million for Environmental & Utility Services
- \$150.0 million for Transportation & Aviation Services
- \$124.2 million for Neighborhood Services
- \$104.3 million for Community & Economic Development

This was about \$250 million, or 25 percent more than five years ago. During that five-year period, the City's population increased by 6 percent and inflation was approximately 11 percent. In 2007-08, the City authorized 6,992 full-time equivalent positions City-wide, two percent less than five years ago.

Public Safety

In 2007-08, operating expenditures allocated to Public Safety totaled \$439.2 million, 33 percent more than five years ago. The Police Department was about 60 percent, and the Fire Department was about 35 percent of that total.

In 2007, there were 27,821 major violent and property crimes in San José; no significant change from 2006, but 15 percent more than five years ago. The rate of major crimes per 100,000 residents in San José has been lower than the state or federal crime rates for each of the past five years. In 2007, the rate was 2,857 crimes per 100,000 residents, compared to 3,452 and 3,730 crimes for California and the U.S., respectively. The clearance rate for major violent crimes has fluctuated between 32 and 34 percent for each of the last five years.

The Police Department handled more than 1.2 million calls for service. Of these, approximately 500,000 were emergency calls. Over the last four years, there was a large increase in the number of wireless 9-1-1 calls, rising from roughly 30,000 to more than 140,000 in 2007-08. The average response time for calls where there is a present or imminent danger to life or major property loss (Priority 1 calls) was 5.9 minutes, an improvement from the 7.1 minute average response time in 2006-07.

The Fire Department had 50,678 emergency responses in 2007-08. Of these emergencies, 84 percent were for emergency medical services. There were 4,383 responses to fires in San José; 3,079 were classified as emergencies. In 2007-08, 80 percent of fire response units arrived on the scene of an emergency or fire within eight minutes of receiving a 9-1-1 call. This marked the first year the Department achieved its target of 80 percent after three consecutive years at 79 percent. In addition, the City's arson clearance rate reached 22 percent (67 clearances in 308 arson cases), well above the 2007 national arson clearance rate of 18.3 percent.

Ninety percent of residents reported feeling safe in their neighborhood during the day (70 percent at night), 83 percent felt safe in the park nearest their home during the day (48 percent at night), and 68 percent felt safe downtown during the day (41 percent at night).

Environmental & Utility Services

In 2007-08, operating expenditures allocated to Environmental & Utility Services totaled \$195.8 million, 12 percent more than the previous year. Of this \$195.8 million, about 91 percent was attributed to Environmental Services Department operations. About 67 percent of the Environmental Services Department's funding went towards managing recycling and garbage services, as well as managing wastewater via the San José/Santa Clara Water Pollution Control Plant.

Environmental & Utility Services (continued)

State mandate requires 50 percent of solid waste to be diverted from landfills; San José has performed at or above 60 percent for the past three years, reaching 60 percent in 2007-08. The City helped provide recycling and garbage services to over 300,000 residential households, resulting in 255,049 tons of solid waste being diverted from landfills. The San José/Santa Clara Water Pollution Control Plant serves over 1.3 million people, which includes the City of San José and neighboring jurisdictions. The City continues to meet the Regional Water Quality Control Board's permit requirements for water discharged into the Bay; pollutant discharge requirements were met or surpassed 100 percent of the time for the fifth consecutive year in 2007-08.

In October 2007, the City Council adopted the Green Vision Goals (see Chapter Three– Environment and Utility Services for more details), which will transform San José into one of the most environmentally sustainable communities in the world while creating job growth and economic opportunity for residents over the next 15 years.

Transportation & Aviation Services

In 2007-08, operating expenditures allocated to Transportation and Aviation Services totaled nearly \$150 million, 20 percent more than five years ago. Airport operations accounted for approximately half of those expenditures. The Airport is funded through its own operational revenues, and does not receive any general fund dollars.

In 2007-08, the San José Mineta International Airport served 10.4 million airline passengers, 3 percent fewer than 2006-07. Commercial flights totaled 129,504, roughly the same as 2006-07 but 6 percent fewer than 2003-04. An airlines' cost per enplanement (i.e. cost per passenger boarding in San José) was \$7.49, a \$3.33 per passenger increase from 2006-07. Despite this increase, per passenger costs are between the costs of the airports in San Francisco (estimated at \$13.60 per passenger) and Oakland (estimated at \$7.01 per passenger). The Airport handled a 17 percent share of the regional air passenger market and 7 percent of regional air cargo, freight, and mail.

The Transportation Department is responsible for maintaining the City's transportation infrastructure, which includes 892 traffic signals, 2,310 miles of street pavement, 60,900 streetlights, 95,377 traffic & street name signs, and over five million square feet of roadway markings. For many years pavement maintenance has been under-funded, resulting in a \$270 million deferred maintenance backlog. This is reflected in the decline of overall pavement condition from 87 percent in "acceptable" or better condition in 2003-04 to 76 percent in 2007-08, according to the statewide Pavement Condition Index.

San José's ratio of 3.01 injury crashes per 1,000 population in 2007 compared very favorably to the national average of 5.9 injury crashes per 1,000 residents. In 2007-08, the Police Department's Traffic Enforcement Unit issued 36,651 moving violations, 13 percent more than five years ago. The Police Department issued 2,146 DUI's (felony and misdemeanor combined), 23 percent more than in 2006-07.

Neighborhood Services

In 2007-08, operating expenditures allocated to Neighborhood Services totaled \$124.2 million, 2 percent less than five years ago. The Parks, Recreation, & Neighborhood Services Department (PRNS) accounted for approximately half of those expenditures.

Neighborhood Services (continued)

In 2007-08, there were 173 developed neighborhood parks and trails. The developed neighborhood parks covered 1,052 acres, 22 more acres than in 2006-07. Two-thirds of residents rated the City's efforts to maintain public parks in good physical condition as "good" or "excellent", similar to findings in previous years. There were 50 community centers in operation, up from 42 in 2003-04. Participation in PRNS programs totaled roughly 2.7 million.

In 2007-08, City libraries had over 147,000 visitors per week, 10 percent more than in 2003-04. The total number of hours libraries were open decreased by 6 percent over the past five years, however. In 2006-07, City libraries held 2.2 materials per City resident, compared to 4.0 and 4.5 for the San Francisco and Oakland libraries, respectively. Circulation per capita was higher in San José than in either San Francisco or Oakland. Attendance in literacy programs totaled approximately 105,000, with the largest attendance for the library's story time programs. Library customers rated library staff highly; more than 80 percent rated staff assistance as helpful, prompt, and courteous.

In 2007-08, the Planning Building & Code Enforcement Department opened 13,131 enforcement cases because of complaints or proactive enforcement, 8 percent fewer than five years ago. In 2007-08, there were 165 emergency complaints that involved an immediate threat to life or property (e.g. unsecured pool fences, sewage leaks). All 165 emergency complaints were responded to within 24 hours.

In 2007-08, the City's animal service officers responded to more than 30,000 animal service calls. Animal service officers responded to emergency calls, such as dangerous situations or critically injured or sick animals, within one hour 88 percent of the time. In 2007-08, 16,805 animals entered the City's Animal Care Center.

Community & Economic Development

In 2007-08, operating expenditures allocated to Community and Economic Development totaled \$104.3 million, 25 percent more than in 2003-04. Over half of these expenditures were attributed to City-wide expenses (see Appendix B for more detail) and the Planning, Building & Code Enforcement Department, which is also a Development Services Partner.

Development Services assists businesses and residents in navigating the City's permitting processes in a timely and predictable manner. In 2007-08, Development Services saw 46,332 customers, handled 2,067 planning applications, issued 25,500 building permits, and conducted 194,619 building inspections. Annual targets for timeliness were met for one of seven selected permitting processes (see Chapter Six— Community and Economic Development for more detail).

Sales and Use Tax revenue generated by companies assisted by the Office of Economic Development totaled \$2.1 million in 2007-08; this was lower than forecasted due in part to declining retail sales. The City's federal- and state-funded workforce development programs served a total of 1,157 persons in 2007-08, with 946 entering employment and 877 still employed six months after program completion.

In 2007-08, the Housing Department provided funding for the rehabilitation of 322 units to help maintain the affordable housing supply, as well as funding for the completion of an additional 737 units of affordable housing.

The City's convention and cultural facilities hosted 434 events with a total attendance (including exhibitors) of more than 1.6 million. Attendance was up 32 percent from 2006-07 and 69 percent from five years ago. The facilities' gross revenues totaled \$12 million; the net loss of \$3 million was roughly the same as in 2006-07, but half the net loss posted five years ago.

Strategic Support

In 2007-08, operating expenditures allocated to Strategic Support totaled \$234.4 million, 29 percent more than five years ago. This included six City departments, the Mayor and City Council, and the City Council Appointee Offices, as well as city-wide expenses such as workers' compensation claims.

The Public Works Department plans, designs, and constructs public facilities and infrastructure. In 2007-08, the Department completed 58 construction projects with a total construction cost of approximately \$168 million.

In 2007-08, the General Services Department was responsible for maintenance of 2.8 million square feet of City buildings, including libraries, community centers, and fire stations, compared to 1.7 million square feet in 2003-04.

The strategic support service area also includes: the Information Technology department which manages the City's information technology infrastructure, databases, and customer call center; the Finance Department which manages the City's debt, disbursements, financial reporting, purchasing, and revenue; the Human Resources Department; and the Retirement Services Department which administers the City's two pension plans.

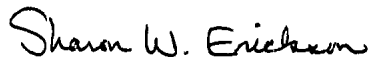
Conclusion

The City of San Jose has published performance data for a number of years. This report builds on existing systems and measurement efforts. The City Auditor's Office compiled and reviewed departmental performance data to provide reasonable assurance that the data are accurate and reliable, however we did not audit or perform detailed testing of the data. 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. We will use City Council, public, and staff feedback to ensure that the information items that we include in future SEA reports are meaningful and useful.

By reviewing this report, readers will better understand the City's operations. The report contains a background chapter which includes a community profile, information on the preparation of the report, and a discussion of service efforts and accomplishments reporting in general. Chapter 1 provides a summary of overall spending and staffing. Chapters 2 through 7 present city service area missions, the departments which provide services to achieve that mission, 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/auditor/>. We thank the many departments that contributed to this report. This report would not be possible without their support.

Respectfully submitted,



Sharon Erickson
City Auditor

Audit Staff:
Roy Cervantes
Jazmin LeBlanc
Joe Rois

TABLE OF CONTENTS

EXECUTIVE SUMMARY	I		
BACKGROUND	9		
Introduction	10		
Community Profile	11		
Scope & Methodology	15		
CHAPTER ONE: OVERALL SPENDING, STAFFING, & RESIDENT PERCEPTIONS	17		
Spending and Staffing	18		
Resident Perceptions of City Services and City Staff	20		
CHAPTER TWO: PUBLIC SAFETY	23		
Police Department	25		
Fire Department	29		
Independent Police Auditor	32		
Office of Emergency Services	32		
CHAPTER THREE: ENVIRONMENTAL & UTILITY SERVICES	33		
Environmental Services Department	35		
Transportation Department—Sanitary Sewer Maintenance and Storm Sewer Management	39		
CHAPTER FOUR: TRANSPORTATION & AVIATION SERVICES	41		
Airport	43		
Transportation Department	45		
Police Department—Traffic Safety Services	48		
CHAPTER FIVE: NEIGHBORHOOD SERVICES	49		
Parks, Recreation & Neighborhood Services Department	51		
Library Department	54		
Planning, Building & Code Enforcement Department—Community Code Enforcement	57		
General Services—Animal Care & Services	58		
		CHAPTER SIX: COMMUNITY & ECONOMIC DEVELOPMENT	59
		Development Services	61
		Public Works Department	62
		Fire Department—Fire Safety Code Compliance	63
		Planning, Building & Code Enforcement Department	63
		Office of Economic Development	64
		Convention Facilities	66
		Housing Department	67
		Redevelopment Agency	70
		CHAPTER SEVEN: STRATEGIC SUPPORT	73
		Public Works Department—Facilities & Infrastructure	75
		General Services Department	76
		Information Technology Department	76
		Finance Department	77
		Human Resources Department	77
		Retirement Services Department	78
		Mayor and City Council	78
		City Council Appointees	79
		City Manager	
		City Attorney	
		City Clerk	
		City Auditor	
		APPENDICES	
		Appendix A: Five-Year Trends	81
		Appendix B: City-Wide Expenses	111

BACKGROUND

Introduction
Community Profile
Scope & Methodology

INTRODUCTION

This is the first annual report on the City of San José's Service Efforts and Accomplishments (SEA). 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 the City departments, programs, and services.

The report contains summary information including workload and performance results for the fiscal year ended June 30, 2008. 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 be of general interest to the public.

This report also includes the results of a biennial resident survey, completed in December 2007, 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 for all users. The report provides three types of comparisons when available: five-year historical trends for fiscal years 2003-04 through 2007-08, selected comparisons to other cities, and selected comparisons to stated targets.

This report groups City offices and departments into six broad service areas:

- Public Safety,
- Environmental and Utility Services,
- Transportation and Aviation Services,
- Neighborhood Services,
- Community and Economic Development, and
- Strategic Support.

COMMUNITY PROFILE

San José, with a population of 989,496, is the tenth largest city in the United States and the third largest city in California. San José is the oldest city in California; established as El Pueblo de San José de Guadalupe on November 29, 1777, 73 years before California achieved statehood. Although it is the tenth largest city, it ranks 62nd in population density for large U.S. cities. The City covers approximately 178 square miles at the southern end of the San Francisco Bay. For comparison, San Francisco covers 47 square miles with a population of 824,525. Originally an agricultural community, it is now in the heart of Silicon Valley, so called in reference to the many silicon chip manufacturers and other high-tech companies.

DEMOGRAPHICS

The City of San José serves one of the most racially diverse populations in California.* According to the Census Bureau in 2007-08,** the ethnic breakdown of residents was:

Ethnic Group	Estimated Total	% of Pop.
Asian	306,241	32%
Vietnamese	97,997	
Chinese	73,498	
Filipino	55,123	
Indian	36,749	
Other Asian	42,874	
Hispanic	306,241	32%
Non-hispanic white	306,241	32%
Black	28,710	3%
Other	9,570	1%

*http://www.mercurynews.com/ci_11233012

**These data come from the US Census Bureau's three year average of the American Community Survey 2005, 2006, and 2007. Population estimates extrapolated using the average of the California Department of Finance's San José population estimates for 2005, 2006, and 2007.

San José also had a high number of foreign born residents; almost 40 percent of San José residents were foreign born. Over half of those identifying as foreign born were born in Asia with another 35 percent born in Latin America. Nearly one-fifth of residents were not U.S. citizens. Approximately 56 percent of San José residents speak a language other than English at home, and nearly 27 percent of the population identifies as speaking English less than "very well." **

San José's population is slightly older than other large California cities:**

Resident Age	Estimated Total	% of Pop.
under 5 years	66,990	7%
5-17 years	162,691	17%
18-24 years	86,130	9%
25-34 years	143,551	15%
35-44 years	162,691	17%
45-54 years	143,551	15%
55-64 years	95,700	10%
65-74 years	47,850	5%
over 75 years	38,280	4%
Median Age	36 years	

The largest occupation groups are management-professional (40 percent) and sales and office (23 percent).**

According to the county registrar, approximately 86 percent of the 788,821 registered voters in the county voted in the last election (November 2008).

Median household income was approximately \$77,000. Approximately one in ten households earned less than \$15,000 and two in ten households earned over \$150,000. About 6.8 percent of the population was unemployed, roughly the same as the state as a whole.**

DEMOGRAPHICS (continued)

The average home value in San José in 2008 was \$665,000* and average monthly rent for a one-bedroom apartment was about \$1,440. This compares with a median home value of \$181,000 nationally. Approximately seven in ten homes were valued at between \$500,000 and \$1 million and nearly one in ten was valued over \$1 million.

Approximately 62 percent of the housing stock was owner-occupied and 38 percent was renter-occupied. Homeownership rates were slightly lower than the national average: nationwide 69 percent of housing stock was owner-occupied and 31 percent was renter-occupied.

The U.S. Housing and Urban Development department defines housing affordability as housing stock which costs less than 30 percent of the occupant's gross income. Over 40 percent of homeowners with a mortgage and nearly 50 percent of renters reported spending over 30 percent of household income on housing costs, which is roughly the same as the statistics for the state as a whole.

The demographics of San José are important because they influence the type of services the City provides and residents demand.

* Subsequent to June 2008, home values have dropped, the median home value as of September 2008 was \$495,000.

⁵Quality of Life information is from the 2007 San José community survey. The City of San José contracted with Fairbank, Maslin, Maullin & Associates (FMM&A) to complete the 2007 San José community survey. 1,000 adult San José residents were interviewed over the telephone between November 26 and December 2, 2007. Surveys were conducted in English, Spanish, and Vietnamese. The sample was weighted to conform to demographic data on the City's population.

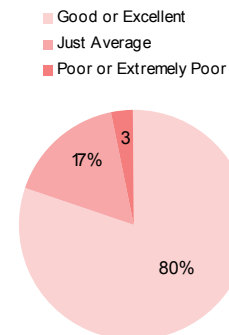
QUALITY OF LIFE

Residents generally gave high ratings to local quality of life.** Four in five residents (80 percent) rated the City's quality of life "good" or "excellent." Residents in Strong Neighborhoods Initiative (SNI) areas were somewhat less likely to rate quality of life as "good" or "excellent" (72 percent) than were residents of other parts of San José (82 percent).

What is SNI?

SNI is a partnership between the City of San José, the Redevelopment Agency and San Jose's residents and business owners to strengthen 19 of the City's neighborhoods by creating neighborhood organizations and developing Neighborhood Improvement Plans to upgrade public and private amenities.

Quality of Life ratings



San José residents also evaluated ease of access to public and private amenities. In general, residents felt that amenities are highly accessible.

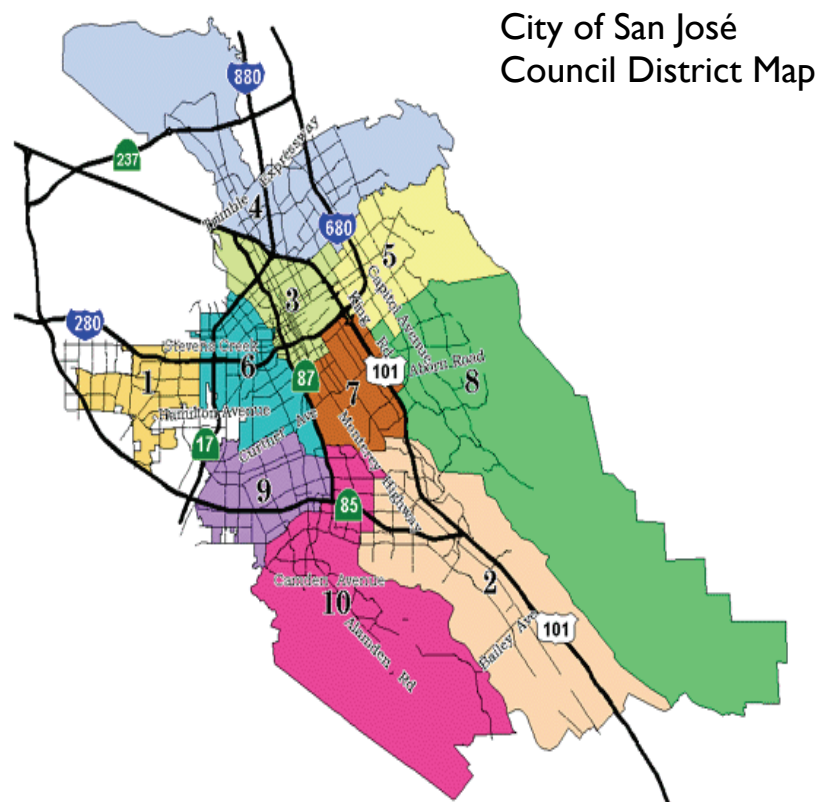
Amenity	% rating "Very" or "Somewhat" Accessible
Basic consumer services (such as restaurants, retail stores, groceries, dry cleaning, and drug stores)	91%
City parks	91%
The City's public library system	85%
Major shopping centers and malls	82%
Downtown San José	77%
Public Transit	75%
San José Interational Airport	74%
Local trails and natural areas	74%
The HP Pavillon Arena	73%
City recreation services	67%
Parking lots and garages in Downtown San José	57%

GOVERNMENT

San José is a charter city, operating under a council/manager form of government. There is a 11-member City Council and many Council-appointed boards and commissions.* The Mayor is elected at large; Council members are elected by district (see map).

There are 24 City departments and offices. City departments are grouped by City Service Area (CSA). Both City Service Areas and departments have changed over time, as some programs, and even entire departments, have moved from one department or CSA to another. In these cases, we have either adjusted data to reflect current CSA arrangements or referenced the change.

Each CSA has its own mission and goals, which are evaluated and updated annually during City Council hearings with City officials, staff, and residents.



City of San José
Council District Map

*Details of the boards and commissions can be found at <http://www.sanjoseca.gov/clerk/CommissionBoard/BCList.pdf>.

ORGANIZATIONAL STRUCTURE

**City of
San José**

CITY SERVICE AREAS

Departments

PUBLIC SAFETY

Police Department
Fire Department
Office of Emergency Services
Independent Police Auditor

**ENVIRONMENTAL
& UTILITY
SERVICES**

Environmental Services Department
Department of Transportation -
(Sanitary Sewer Maintenance & Storm Sewer Management)

**TRANSPORTATION
& AVIATION
SERVICES**

Airport Department
Department of Transportation
Police Department (Traffic Safety Services)

**NEIGHBORHOOD
SERVICES**

Parks, Recreation & Neighborhood Services
Library Department
Planning, Building & Code Enforcement (Community Code Enforcement)
General Services (Animal Care & Services)

**COMMUNITY
& ECONOMIC
DEVELOPMENT**

Development Services Partners:
Planning, Building & Code
Enforcement (PB&CE)
Fire Department -
(Code Compliance)
Public Works

Office of Economic Development
Convention Facilities
Housing Department
Redevelopment Agency

**STRATEGIC
SUPPORT**

Finance Department
General Services Department
Human Resources
Information Technology
Public Works

Retirement Services
Appointees (City Manager, City Clerk,
City Auditor, City Attorney)
City Council
Office of the Mayor

SCOPE & METHODOLOGY

The City Auditor's Office prepared this report in accordance with the City Auditor's FY 2008-09 Work Plan and 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. Where verifying data were not available, department heads confirmed the accuracy of included data. The report is intended to be informational and does not analyze performance results.

The City Auditor's Office compiled and reviewed departmental performance data to provide reasonable assurance that the data are accurate and reliable; however, we did not audit or perform complete testing of the data. Sources of budget and performance measurement data in this report include the City's annual operating budgets (from FY 2005-06 through FY 2008-09), internal Department documents, and reports to Council Committees.

SERVICE EFFORTS AND ACCOMPLISHMENTS REPORTING

For 20 years, the Government Accounting Standards Board (GASB) has been researching and advocating Service Efforts and Accomplishments (SEA) reporting for state and local government. GASB advocates that SEA reports provide government officials and the public with information to supplement what is reported in annual financial statements. Financial statements give users a sense of the cost of government service, but do not provide information on the efficiency or effectiveness of government programs. SEA reporting provides that kind of information, and enables government officials and the public to assess how well their government is achieving its goals.

This is the first annual SEA report for the City of San José. The number of cities and counties that produce SEA reports has been growing steadily over the past few years. The Association of Government Accountants (AGA), together with GASB, has initiated a Certificate of Excellence in Service Efforts and Accomplishments Reporting project with criteria which this report aims to address.

SELECTION OF INDICATORS

The report relies on existing performance measures, most of which are updated yearly by Council, staff, and interested residents during the annual budget study sessions. 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 include five years of historical data. In a few cases, we included performance data and activities which occurred after June 30, 2008 because of dramatic changes since June 30, 2008.

For consistency with the City's operating budget, this report follows all the operational expenditures that are directly allocated to City service areas. The City's budget does not allocate some non-general fund expenditures to City service areas and those expenditures are not included in this report; however, the performance measures associated with those expenditures/services are included. This is in keeping with the City's current operating budget structure.

City service area expenditures are further allocated to departments within City service areas or, if the expenditure is considered cross-departmental or not determined to be associated with on-going department operations, to "City-wide Expenditures." City-wide Expenditures are all financed through the General Fund. Large City-wide Expenditures are listed in Appendix B.

While this report covers all City departments and programs, there are numerous other local government services that are provided by other non-City agencies and not included here. These include public schools and public transportation.

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.

^{*} <http://www2.csjfinance.org/>

POPULATION

San José grew from a population of 930,734 in 2004 to 989,496 in 2008. Unless otherwise indicated, we have used population data from the California Department of Finance. In some cases we have presented per capita data in order to adjust for population growth.

Year	Population
2004	930,734
2005	942,993
2006	955,829
2007	972,190
2008	989,496
% change over last 5 years	6.3%

Some departments and programs serve expanded service areas. These departments include Environmental Services and the Airport. For example, the San Jose/Santa Clara Water Pollution Control Plant 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.

INFLATION

Financial data has not been adjusted for inflation. Please keep in mind the inflation data in the table of San Francisco Area Consumer Price Index for All Urban Consumers below when reviewing historical financial data included in this report.

Date	Index
Average FY 2003-04	197.22
Average FY 2004-05	200.57
Average FY 2005-06	206.23
Average FY 2006-07	212.95
Average FY 2007-08	219.92
% Change over last 5 years	11.5%

ROUNDING

For readability, most numbers in this report are rounded. In some cases, tables or graphs may not add to 100 percent due to rounding.

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.

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.

CHAPTER ONE: OVERALL SPENDING, STAFFING, AND RESIDENT PERCEPTIONS

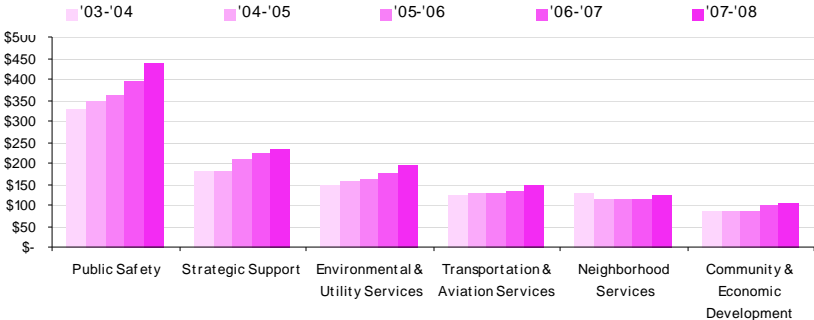
Spending and Staffing
Resident perceptions of City Services and City Staff

SPENDING AND STAFFING

OPERATIONAL BUDGET

The City of San José’s operating budget directly allocated over \$1.2 billion to City service area operations during 2007-08. These expenditures have increased by approximately \$250 million, or 25 percent, over the past five years. Expenditures have increased in every City Service Area over the past five years except Neighborhood Services. This includes all personnel and non-personnel/equipment expenditures, but does not include some programmatic expenditures that are paid out of special revenue and other funds.

Five-Year Service Area Operating Expenditures (\$millions)

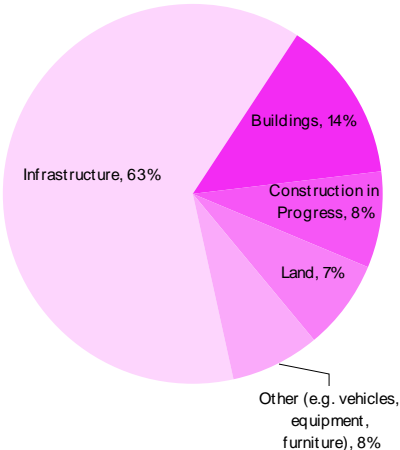


CAPITAL SPENDING

Capital assets refer to land, buildings, vehicles, equipment, infrastructure, and other assets with a useful life beyond one year. Infrastructure includes such assets as roads, bridges, drainage systems, and other items. Also included are construction projects in progress but not yet completed.

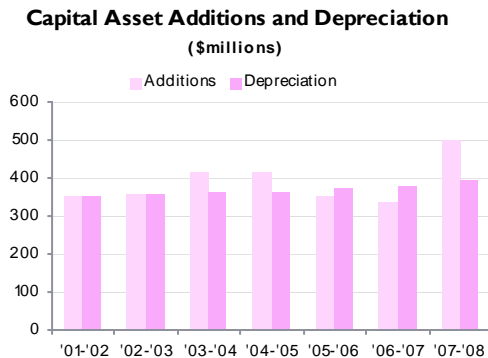
At the end of fiscal year 2007-08, the City owned \$9.4 billion of capital assets. This figure represents the historical purchase or constructed cost less depreciation. Depreciation is a reduction in value of an asset over time because of normal use, general wear and tear, and other factors. Assets used for normal government operations totaled \$7.8 billion and assets used in business-type activities such as the Airport, wastewater treatment, and other fee-based services totaled \$1.6 billion.

Net Capital Asset Breakdown June 30, 2008

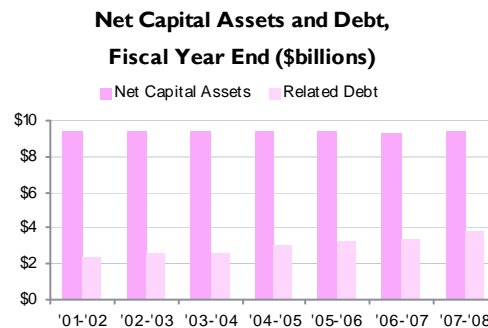


CAPITAL SPENDING (continued)

In 2007-08, the City added \$500 million in new capital assets. The largest increase was ongoing construction in progress due to the Airport expansion (\$273 million). Depreciation on existing assets offset much of these additions, however, resulting in an increase in net assets of roughly \$100 million from June 30, 2007 to June 30, 2008.

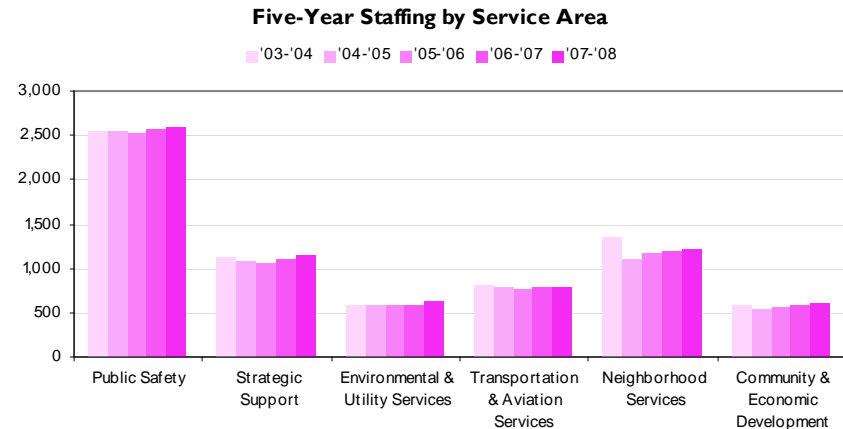


On June 30, 2008, capital asset-related debt totaled \$3.8 billion. Capital-asset related debt has increased each year since the fiscal year ending June 30, 2004. During 2007-08, significant new debt issuances included \$725 million in Airport Revenue Bonds to finance the Airport Improvement Program (see Chapter Four—Transportation & Aviation Services chapter), \$213 million in Redevelopment bonds for redevelopment projects, and \$33 million in General Obligation Bonds to finance library and park improvement projects. These latter projects were part of the voter-approved bond measures O and P passed 2000 (see Chapter Five—Neighborhood Services).



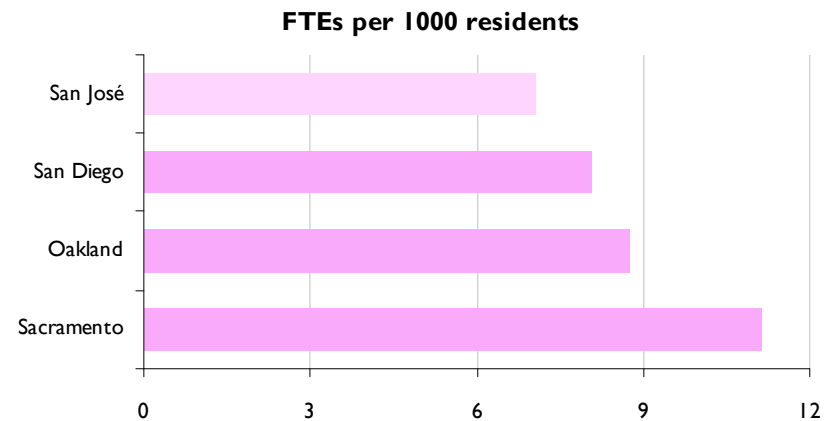
STAFFING

In FY 2007-2008 there were 6,992 authorized full-time equivalent positions city-wide. As of June 30, 2008, 6 percent of full-time positions were vacant.



Overall staffing levels declined by 2 percent over the past five years. Full-time equivalent positions dropped from 7,041 to 6,992.

San José had fewer employees per 1,000 residents in 2007-08 than several other large California cities we reviewed. Cities vary in the breadth of services provided making these types of comparisons difficult.



RESIDENT PERCEPTIONS OF CITY SERVICES AND CITY STAFF

OVERALL QUALITY OF SERVICES*

In 2007, nearly eight in ten San José residents (78 percent) were satisfied with the quality of City services. Only 9 percent were somewhat or very dissatisfied with City services. This satisfaction rate has remained fairly stable since 2000.

Resident Satisfaction with the Quality of City Services



The most serious issues that San José residents would like City government to address include:

- Crime, drugs, gangs, police enforcement (22 percent of survey respondents)
- Traffic congestion (15 percent of survey respondents)
- Housing costs and affordable housing (9 percent of survey respondents)

According to residents, the most important things the City of San José can do to improve services for the people who live and work in San José include:

- Increase police patrols (11 percent of survey respondents)
- Reduce traffic congestion and improve traffic flow (8 percent of survey respondents)
- Repair and expand roadways (7 percent of survey respondents)
- Improve mass transit, light rail, bus system, expand BART (6 percent of survey respondents)

City of San José — 2007-08 Service Efforts and Accomplishments Report

Residents were asked how they would rate specific City services on the scale from “excellent” to “extremely poor.” The following chart shows the results of this evaluation.

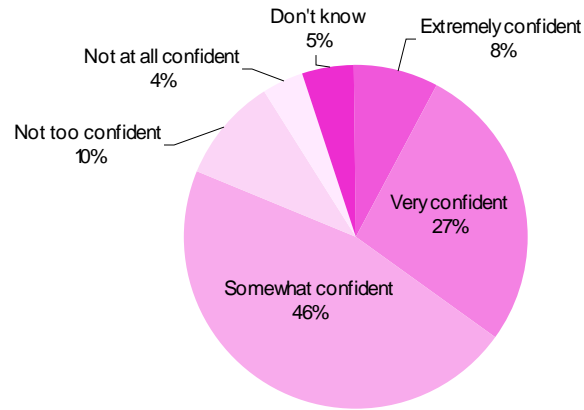
Service	% of Residents Rating Excellent/Good
Providing fire prevention and protection	83%
Providing public library services	80%
Providing police protection in your neighborhood	69%
Maintaining public parks in good physical condition	68%
Enforcing building and safety codes to protect public health and safety	68%
Redeveloping downtown San José as an attractive and economically viable city center	67%
Treating wastewater	66%
Providing bicycle lanes and paths	65%
Enforcing traffic laws to protect the safety of drivers, bikers, and pedestrians	65%
Proving programs to help seniors that live on their own	62%
Planning for San José’s future growth	61%
Encouraging the development of child care programs	60%
Preventing water pollution in creeks	60%
Providing after-school programs for young people	60%
Providing recreation opportunities and programs at city parks and recreation centers	57%
Removing graffiti from buildings	56%
Addressing climate change	55%
Supporting a diverse range of arts and cultural activities	53%
Enhancing public spaces with public art	53%
Providing an adequate number and variety of outdoor special events	52%
Protecting open space in San José	49%

*Quality of Survey information is from the 2007 San José community survey. The City of San José contracted with Fairbank, Maslin, Maullin & Associates (FMM&A) to complete the 2007 San José community survey. 1,000 adult San José residents were interviewed over the telephone between November 26 and December 2, 2007. Surveys were conducted in English, Spanish, and Vietnamese. The sample was weighted to conform to demographic data on the City’s population.

PUBLIC TRUST

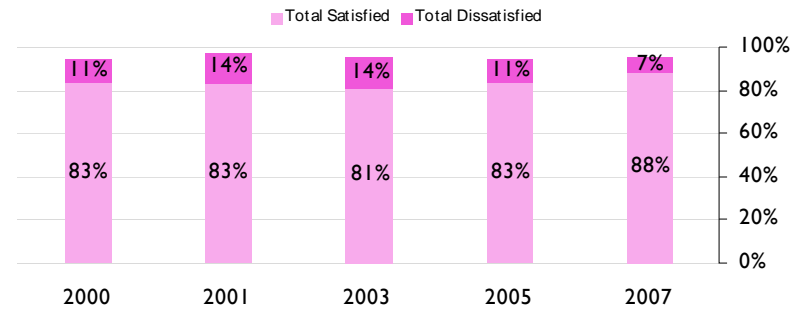
Residents were asked how confident they feel that San José city government “operates in a way that is open and accountable to the public.” Most responded that they feel at least “somewhat” confident (81 percent). Only 14 percent are “not too confident” or “not at all confident.” 2007 was the first year this question was asked.

Resident Confidence in Government Being Open and Accountable



Twenty-nine percent of residents reported having contact with a City employee in the last two years. Of that group, the majority were satisfied with that contact. Nearly 9 in 10 of them felt City employees were courteous and approximately 8 in 10 felt that employees handled their issues with competence and in a timely manner.

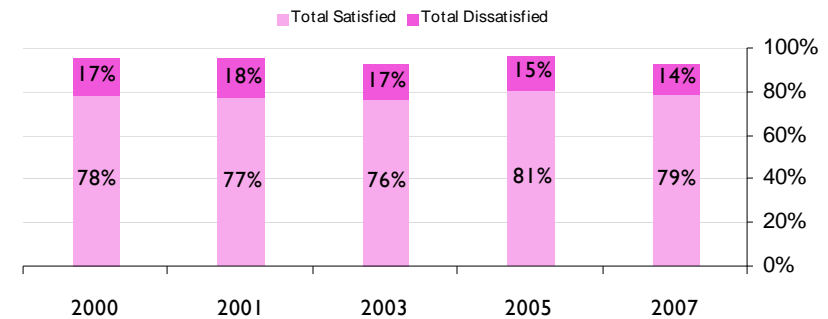
Courtesy Shown to Residents



Competence Displayed Handling Issues



Timeliness of Employee Response







CHAPTER TWO: PUBLIC SAFETY

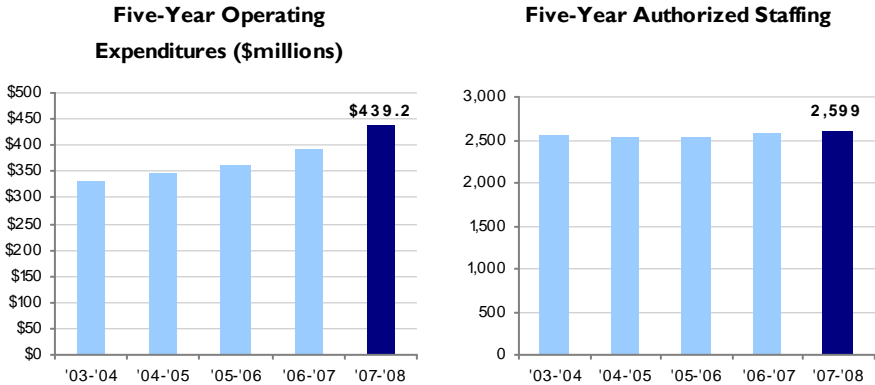
The City of San José strives to make the public feel safe anywhere, anytime in the City and work with residents so that they share the responsibility for public safety.

PUBLIC SAFETY

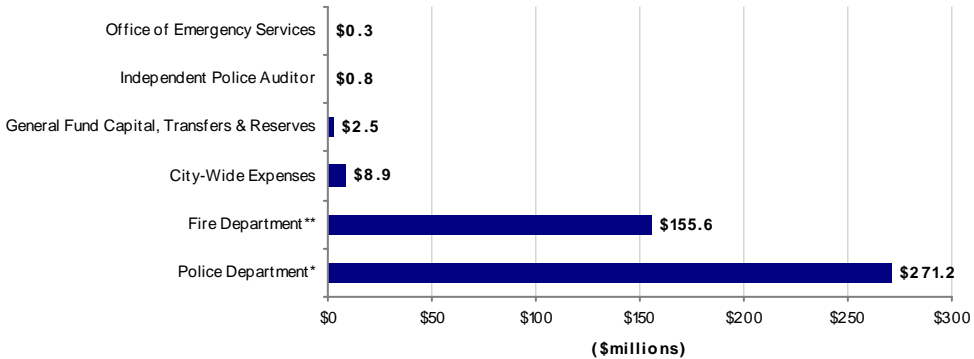
In 2007-08, operating expenditures allocated to Public Safety totaled \$439.2 million, 33 percent more than five years ago. The Police Department was about 60 percent and the Fire Department was about 35 percent of that total.

Public Safety Departments include:

-  **POLICE DEPARTMENT**
-  **FIRE DEPARTMENT**
-  **INDEPENDENT POLICE AUDITOR**
-  **OFFICE OF EMERGENCY SERVICES**



Public Safety 2007-08 Operating Expenditures by Department



NOTES:
 *Police Department expenditures and performance measures for the core service "Traffic Safety Services" are not included here; they can be found in the Transportation & Aviation Services chapter.
 ** Fire Department expenditures and performance measures for the core service "Fire Safety Code Compliance" are not included here; they can be found in the Community & Economic Development chapter.
 City-wide Expenses in this section included Urban Area Security Initiative Grant dollars (~\$5.8 million total) and the Automated Fingerprint Identification System (~\$942,654). See Appendix B for more details.

POLICE DEPARTMENT



In 2007-08, San José Police Department (SJPD) allocated operating expenditures totaled \$280.1 million, 9 percent more than in 2006-07 and 27 percent more than five years ago. There were 1,814 authorized positions in the SJPD; 1,370 of the positions were sworn officer positions. The budget and staff for traffic safety services are included in these figures. For performance measures for traffic safety services, see Chapter Four—Transportation & Aviation services

Crime in San José

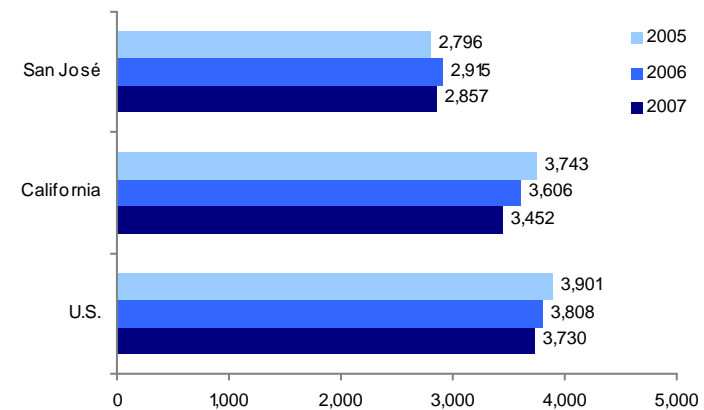
In 2007, there were 27,821 major violent and property crimes in San José, no significant change from 2006 but 15 percent more than five years ago. Major crimes include homicide, rape, robbery, aggravated assault, burglary, larceny, and vehicle theft.

The rate of major crimes per 100,000 residents in San José has been below the state and federal rates in each of the past five years. In 2007, the rate was 2,857 crimes per 100,000 residents, compared to 3,452 and 3,730 crimes for California and the U.S., respectively.

KEY FACTS (2007-08)

Police stations	1
Community policing centers	3
Sworn police officers	1,370
Total authorized positions	1,814
Total emergency calls	501,385

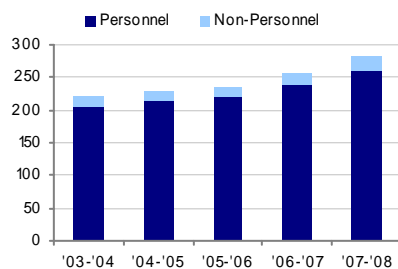
Major Violent and Property Crimes per 100,000 Residents



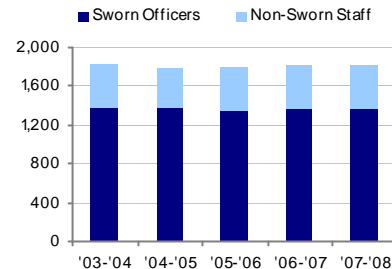
Note: Major crimes include homicide, rape, robbery, aggravated assault, burglary, larceny, and vehicle theft

Sources: SJPD, CA Department of Justice, FBI

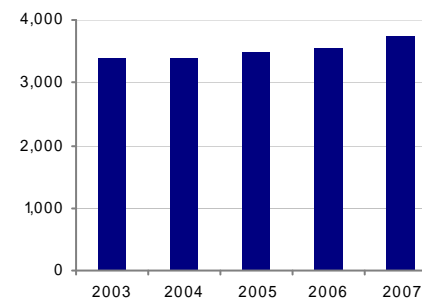
Police Department Operating Expenditures (\$millions)



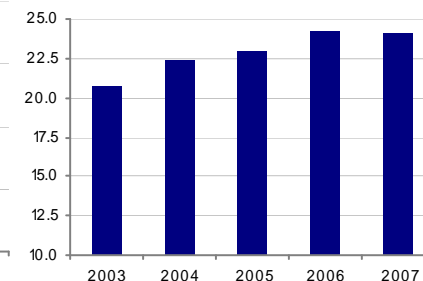
Police Department Authorized Positions



Major Violent Crimes



Major Property Crimes (thousands)



POLICE DEPARTMENT (continued)



Perceptions of Safety

In 2007-08, 22 percent of residents named crime-related issues as the most serious issue facing City government, up from 14 percent from five years ago. As in previous surveys, approximately two-thirds of residents rated police protection as “good” or “excellent” in their neighborhoods.

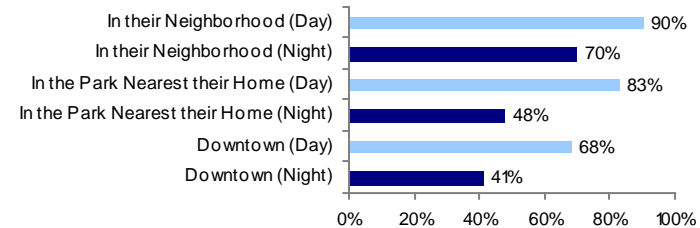
Respond to Calls for Service

The SJPD responds to emergency and non-emergency calls. In 2007-08, there were 1.2 million calls for service, 3 percent more than in 2006-07. This included more than 500,000 emergency calls. Over the past four years, there was a large increase in the number of wireless 9-1-1 calls received by the SJPD, rising from approximately 30,000 in 2004-05 to more than 140,000 in 2007-08.

In 2007-08, the average response time for Priority 1 calls was 5.9 minutes, within the time target of six minutes or less. Calls are classified as Priority 1 if there is a present or imminent danger to life or major property loss. A breakdown of Priority 1 response times across SJPD districts and individual beats is on the map on the next page.

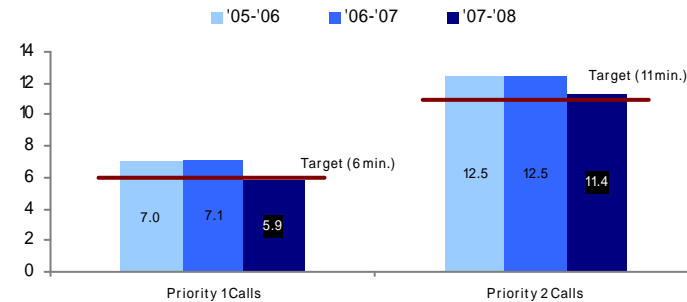
In 2007-08, the average response time for Priority 2 calls was 11.4 minutes. Although this is above the time target of 11 minutes or less, it is an improvement from 2006-07. Calls are classified as Priority 2 if there is an injury, property damage, or the potential of either.

Percent of Residents who Report Feeling Safe



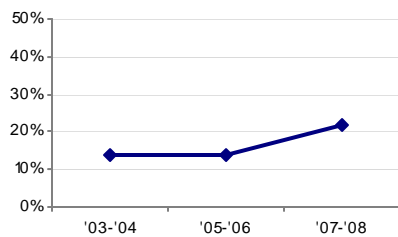
Source: City of San José Community Survey, 2007

Average Response Time to Calls (minutes)

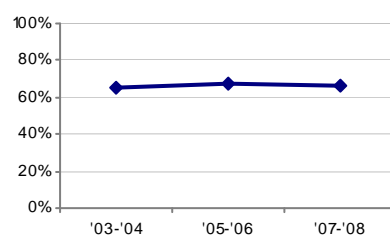


Priority 1 calls: present or imminent danger to life or major property loss
 Priority 2 calls: injury or property damage or potential for either to occur

% of Residents Naming Crime-related Issues as the Most Serious Issue Facing City Government

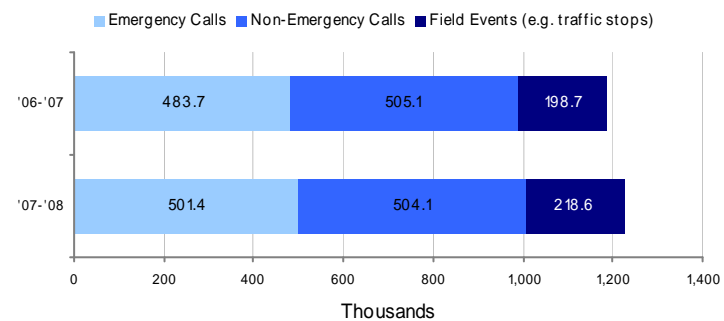


% of Residents Rating Police Protection as "Good" or Excellent" in their Neighborhood



Source: City of San José Community Survey, 2007

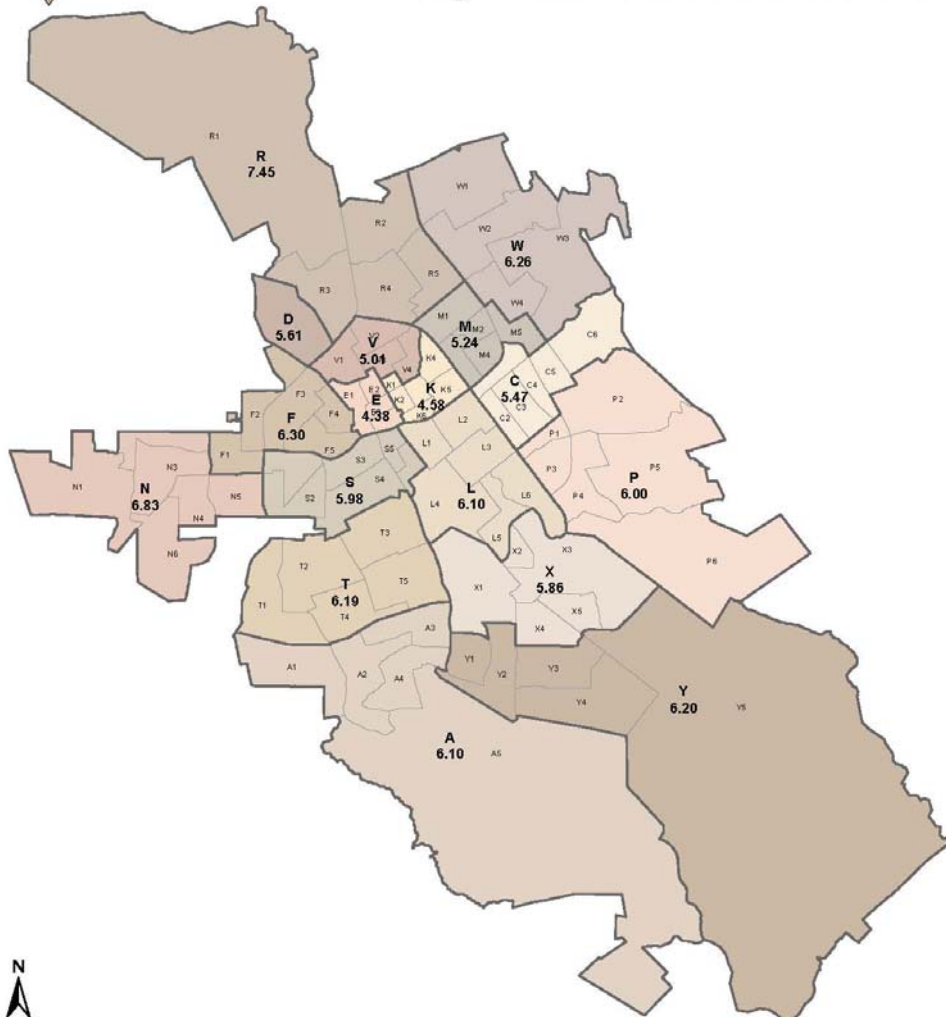
Calls for Service



POLICE DEPARTMENT (continued)



SJPD Priority 1 Average Response Time (ART) by Police District FY 07-08



Breakdown by Beat

DIST	BT	PRI 1 ART	DIST	BT	PRI 1 ART	DIST	BT	PRI 1 ART
A	A1	7.51	K	K1	4.30	R	R1	8.46
	A2	6.35		K2	4.18		R2	7.88
	A3	5.14		K3	4.14		R3	6.45
	A4	5.45		K4	4.60		R4	6.52
	A5	7.28		K5	5.01		R5	7.74
A Total		6.10		K6	4.90	R Total		7.45
C	C1	5.09	K Total		4.58	S	S1	6.87
	C2	4.85	L	L1	4.88		S2	6.55
	C3	5.57		L2	5.77		S3	7.20
	C4	5.20		L3	6.23		S4	6.42
	C5	5.52		L4	5.84		S5	4.70
	C6	6.34		L5	6.61		S6	5.19
C Total		5.47		L6	7.88	S Total		5.98
D	D1	4.65	L Total		6.10	T	T1	7.19
	D2	4.73	M	M1	5.84		T2	5.91
	D3	6.20		M2	5.02		T3	6.47
	D4	5.94		M3	5.29		T4	5.49
	D5	5.37		M4	5.17		T5	6.09
D Total		5.61		M5	5.35	T Total		6.19
E	E1	4.34	M Total		5.24	W	W1	7.17
	E2	4.58	N	N1	9.42		W2	6.55
	E3	3.76		N2	6.42		W3	5.57
	E4	5.01		N3	5.95		W4	5.54
E Total		4.38		N4	7.49	W Total		6.26
F	F1	6.48		N5	6.46	X	X1	6.68
	F2	7.16		N6	6.36		X2	5.89
	F3	5.64	N Total		6.83		X3	5.32
	F4	5.62	P	P1	4.65		X4	5.08
	F5	6.27		P2	6.86		X5	6.56
F Total		6.30		P3	5.05	X Total		5.86
				P4	5.84	Y	Y1	5.63
				P5	6.73		Y2	5.34
				P6	8.61		Y3	5.93
			P Total		6.00		Y4	6.13
							Y5	7.61
						Y Total		6.20



San Jose Police Department - Crime Analysis Unit

12.4.2008 / 511N

Note: Response time could vary across districts and beats because of the size or physical characteristics of an area, whether there are adjacent police service areas, population density, traffic conditions, officer staffing levels, or call-taker and dispatching levels.

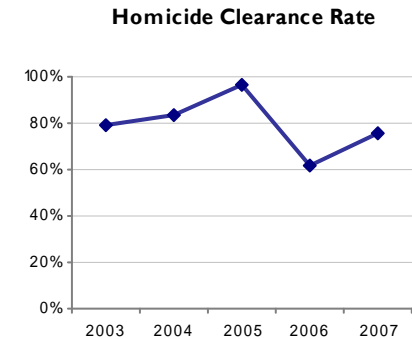
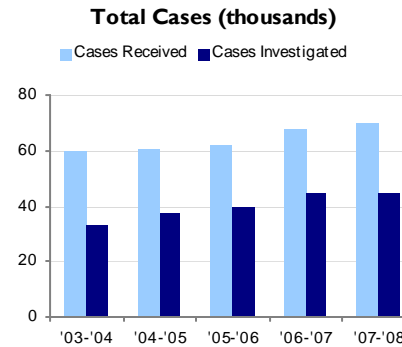
POLICE DEPARTMENT (continued)



Investigative Services

The SJPD investigates crimes and events by collecting evidence, interviewing witnesses, interrogating suspects, and other activities. In 2007-08, the SJPD received 69,702 cases, 16 percent more than five years ago. Of these cases, 44,971 were assigned for investigation. A case may be unassigned because of a lack of resources or it is deemed not workable (e.g. no evidence). In 2007-08, there were 36 percent more investigations than five years ago.

When a case is closed because of an arrest or by exceptional means (e.g. death of suspect), it is classified as cleared. The clearance rate for major violent crimes has fluctuated between 32 and 34 percent for each of the last five years. In 2007, the clearance rate for homicides in San José was 76 percent, compared to 61 and 54 percent for the U.S. and California respectively.



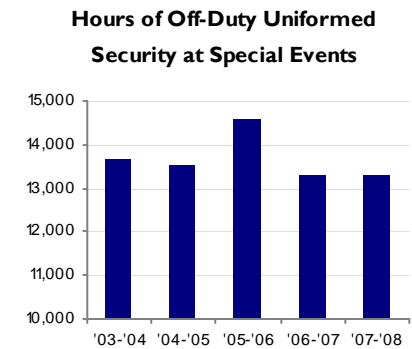
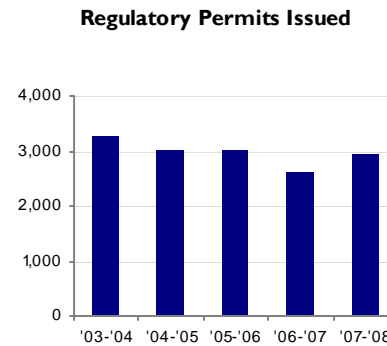
Crime Prevention & Community Education

To reduce crime and enhance public safety, the SJPD provides programs and services through community education and partnerships. Programs include:

- *Neighborhood Watch*—organizes neighbors and provides information on how to reduce the possibility of being a victim of a crime.
- *School Liaison Unit*—provides schools with a direct link to services designed to prevent and intervene in youth violence.
- *Police Activities League (PAL)*—offers athletic and non-athletic activities that deter delinquent behavior among young people.

Regulatory Services

The SJPD issues permits and regulates businesses and other activities (e.g. tow and taxi drivers, card rooms, public entertainment). In 2007-08, the Department issued 2,951 regulatory permits, 13 percent more than in 2006-07 but 10 percent fewer than five years ago. Regulatory fees covered 63 percent of budgeted costs.



Special Events Services

Off-duty police officers provide security services to special events, including festivals, parades, and other occasions. These events would otherwise be staffed by on-duty police officers at full cost to the City.

FIRE DEPARTMENT



In 2007-08, the Fire Department's allocated operating expenditures were \$158.7 million. There were 869 authorized positions in the Fire Department. For information on fire safety code compliance, please see Chapter Six—Community and Economic Development.

Emergency Response

In 2007-08, 42,416 of the Fire Department's 50,678 emergency responses were for medical emergencies (84 percent). The San José Fire Department has a contract with Santa Clara County to ensure that San José residents and visitors receive emergency care in a timely manner.

There were nearly 700 responses related to mitigation of hazardous materials (Haz-mat); these are included in the "Other" category in the pie chart to the right. The Fire Department also responded to 23,285 non-emergencies; these include, but are not limited to, smoke investigations and false or accidental alarms.

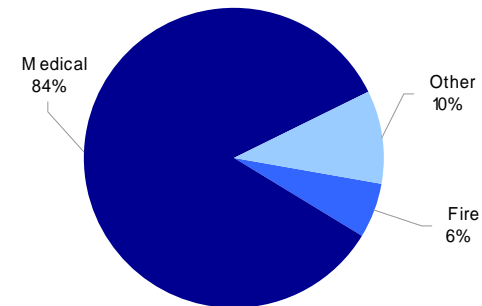
There were 4,383 responses to fires in 2007-08; this has increased steadily over the past five years. Of these responses to fires, 3,079 were classified as emergencies. Thirty-six were also classified as multiple-alarm fires, meaning that additional resources were required to control the fire incident.

The Fire Department continued to exceed its target of 90% of fires contained in the structure of origin (actual: 100%), but did not meet its target of 85% of fires contained in the room of origin (actual: 73%).

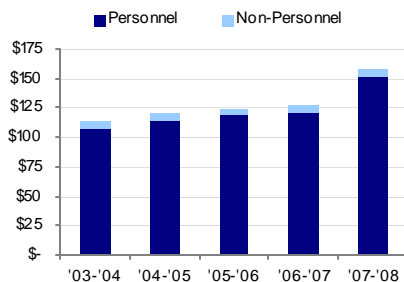
KEY FACTS (2007-08)

Fire stations	34
Truck companies	8
Urban search and rescue companies	3
Hazardous Incident Team (HIT) units	1
Supplemental Transport Ambulance (STAR) units	5
Sworn investigators/inspectors	15

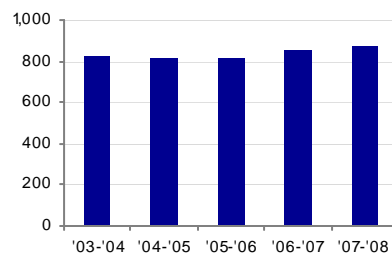
50,678 Emergency Responses in 2007-08



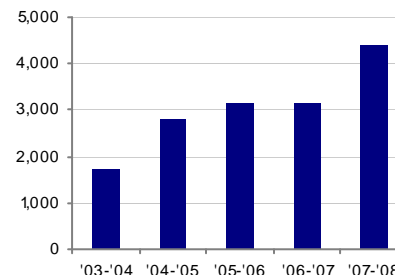
Fire Department Operating Expenditures (\$millions)



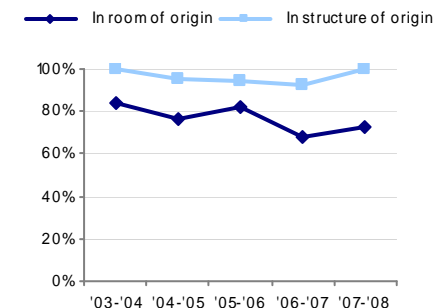
Fire Department Authorized Positions



Total Responses to Fires



Percent of Fires Contained



FIRE DEPARTMENT (continued)



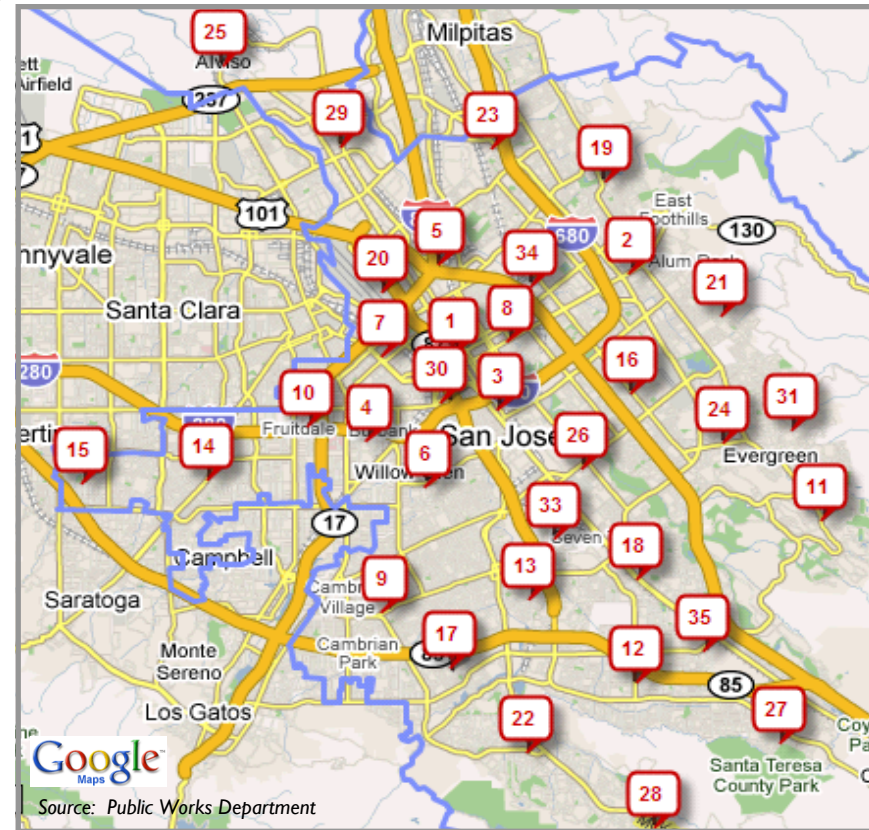
Emergency Response (continued)

Response time targets are captured in three different ways: how quickly a responding unit arrives after receiving a 9-1-1 call, how quickly a backup unit arrives after a 9-1-1 call, and how often the “first due” company is available for calls in the response area.

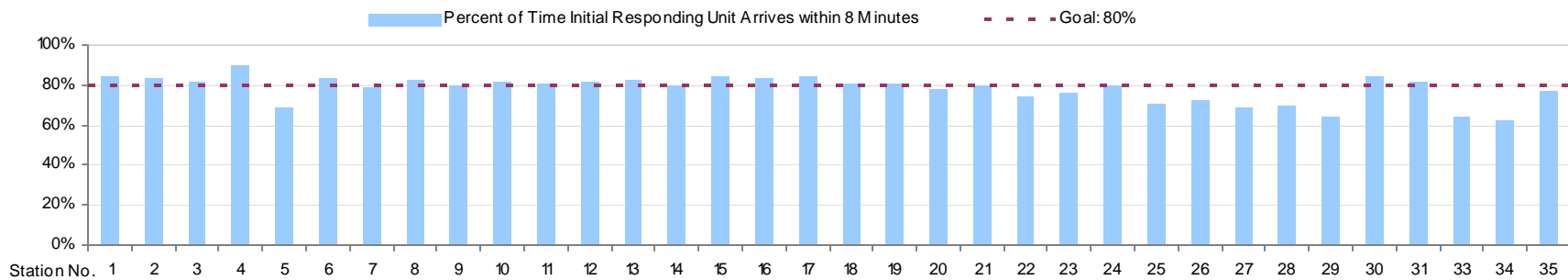
- Initial responding units are expected to arrive on the scene within 8 minutes of receiving a 9-1-1 call at least 80 percent of the time; 20 out of 34 fire stations met this target in 2007-08 (see chart below). City-wide performance also reached the 80 percent goal in 2007-08; this had remained at 79% for the past three years.
- “First due” company availability refers to how often the fire company is available for calls in their designated response area; city-wide performance is targeted at 85 percent. In 2007-08, 20 out of 33 stations (excluding Airport) met this target.
- City-wide response time for backup response units is also targeted at 80% each year; the Department estimates this goal will be met in 2007-08 for the first time in four years.

Fire Department response capability is expected to improve in the next three years through strategic relocation of stations and additional resources (stations and staff) in underserved areas. Also, the implementation of a Records Management System for fire and EMS records would enable the Department to collect better data and analyze causes of performance changes.

City of San José—Map of Fire Stations by Station Number



Response Time by Station (2007-08)



NOTE: Fire Station #32 reserved for Coyote Valley, pending future development.

FIRE DEPARTMENT (continued)



Fire Prevention

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. Since 2004-05, the number of fire inspections performed has increased*, and the compliance rate of inspection sites after two visits has also improved*.

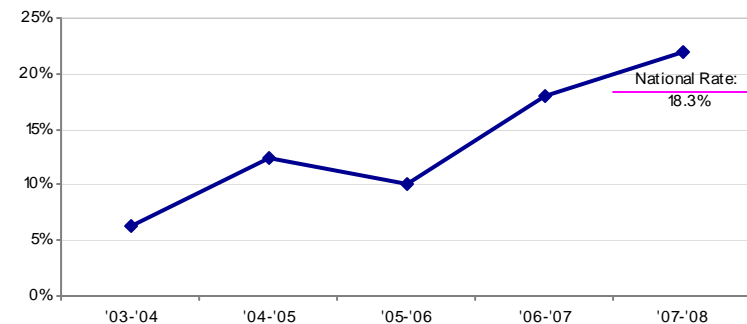
In 2007-08, the City's arson clearance rate reached 22 percent (67 clearances in 308 cases determined to be arson), well above the 2007 national arson clearance rate of 18.3 percent. Fire Prevention also conducts investigations based on complaints received about residents or businesses; estimates indicate that this number decreased by about 13 percent in 2007-08, from 356 to 311 complaints investigated.*

Fire and life safety education programs include Community CPR Training, Automated External Defibrillator training, Fire Aid training, Public First Aid Education, and presentations during Fire Prevention Week.

Heart Safe City

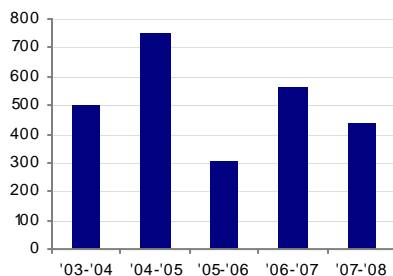
The Fire Department is working with key stakeholders as the first step in becoming a Heart Safe City. Designation as a Heart Safe City recognizes municipalities that demonstrate a commitment to improving survival from Sudden Cardiac Arrest through increased public education in prevention and CPR, automatic external defibrillator (AED) deployment, and coordinated advanced cardiac life support services.

Arson Case Clearance Rate

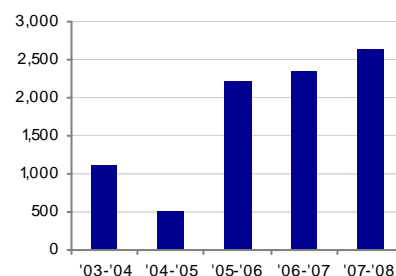


NOTE: (*) denotes best available estimates.

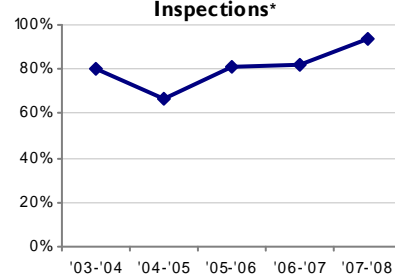
Fire Plan Checks Performed*
(on existing buildings)



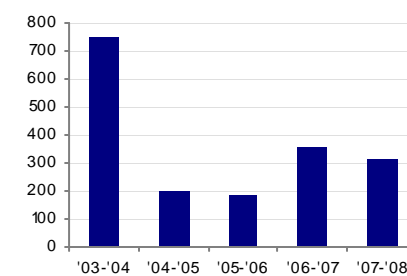
Fire Inspections Performed*
(on existing buildings)



Percent of Inspection Sites Compliant within 2 Inspections*



Fire Prevention Complaints Investigated*



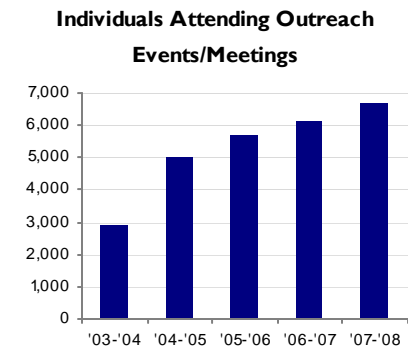
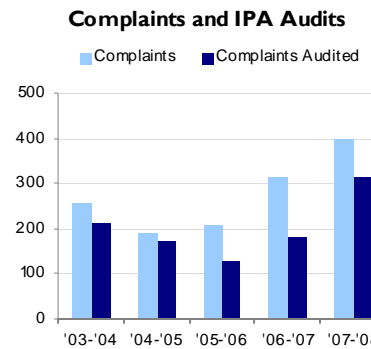
INDEPENDENT POLICE AUDITOR



The Independent Police Auditor (IPA) provides independent civilian oversight of the complaint process through objective review of police misconduct cases. Misconduct complaints received from citizens or generated internally from the SJPD are classified by the SJPD's Internal Affairs Unit (IA). In 2007-08, there were 400 cases classified by IA as a formal/informal complaint, 27 percent more than in 2006-07. Of the cases closed, 314 were audited by the IPA.

The IPA reviews complaint investigations to determine if they are complete, thorough, objective, and fair. The IPA is mandated to audit all excessive or unnecessary force complaints and 20 percent of all other complaints. The IPA has met this mandate each of the past five years.

The IPA also conducts community outreach about the complaint process and the role of the IPA. In 2007-08, 6,699 individuals attended IPA outreach events or meetings, more than double the number from five years ago.



OFFICE OF EMERGENCY SERVICES

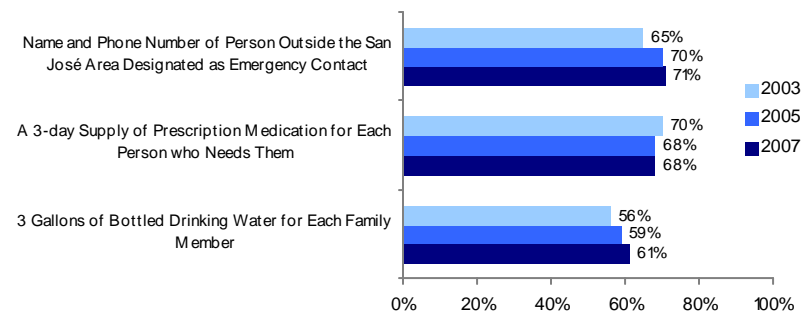


The Office of Emergency Services (OES) trains the community and City staff in disaster mitigation, preparation, response, and recovery skills through its San José Prepared! program. In 2007-08, 27 residents completed the 20-hour program and 938 completed the short 2-hour course (the target is to train 500 individuals annually in total).

The OES maintains the City's Emergency Operations Center (EOC) and coordinates City-wide activities in response to an emergency. In 2007-08, there were six emergencies which either caused the EOC to be activated or required the OES to coordinate City-wide activities: a fire at Town Park Plaza, a 5.4 earthquake, two instances of severe cold weather, and two instances of severe hot weather.

The OES also coordinates and monitors federal and state Homeland Security grants that have City-wide and regional impacts. For example, two federal Urban Area Security Initiative grants totaling \$16 million were used to purchase equipment and train staff for the 15 cities in Santa Clara County and other local government agencies.

Percent of San José Households with Emergency Preparedness Action Plans



Source: City of San José Community Survey (this survey was given to a sample of all San José residents, not just those receiving OES training)

CHAPTER THREE: ENVIRONMENTAL & UTILITY SERVICES

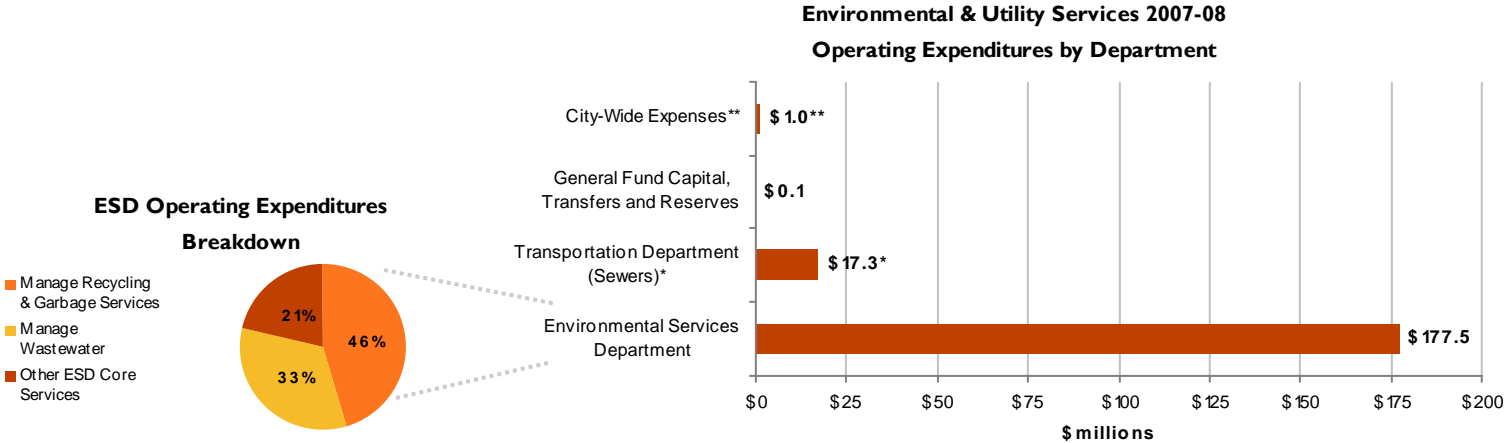
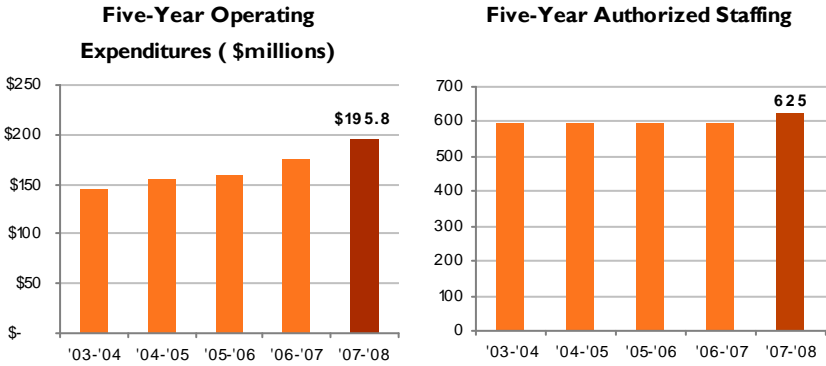
The City of San José is committed to providing a safe, reliable and sufficient water supply; healthy streams, rivers, marsh and bay; clean and sustainable air, land and energy; and a reliable utility infrastructure.

ENVIRONMENTAL & UTILITY SERVICES

In 2007-08, operating expenditures allocated to Environmental and Utility Services totaled \$195.8 million, 12 percent more than the previous year. Of this \$195.8 million, about 91 percent was attributed to Environmental Service Department operations. About 67 percent of the Environmental Services Department’s funding went toward managing recycling and garbage services, as well as managing wastewater via the San José/Santa Clara Water Pollution Control Plant.

Environmental & Utility Services Departments include:

-  **ENVIRONMENTAL SERVICES DEPARTMENT**
(ESD)
-  **TRANSPORTATION DEPARTMENT***
(Sanitary Sewer Maintenance & Storm Sewer Management)



NOTES:
 * This includes two core services: Sanitary Sewer Maintenance and Storm Sewer Management. The rest of the Transportation Department budget and performance measures are reflected in the Transportation & Aviation Services chapter.
 ** City-Wide expenses for this section include IDC Garbage Disposal Fees (\$623,591), Storm Fees (\$157,362), and Low-Income Energy Assistance (\$139,427). See Appendix B for further details.

ENVIRONMENTAL SERVICES DEPARTMENT



The Environmental Services Department (ESD) provides utilities and services to the City of San José and other jurisdictions (see right). The majority of the Department’s budget does not come from the General Fund. Most revenue comes from other Funds that generate revenues through service and use fees. Less than one percent of the budget comes from the General Fund. In 2007-08, ESD allocated operating expenditures totaled \$177.5 million, 12 percent more than the previous year. Staffing in 2007-08 included 476.5 full-time equivalent positions, or 7 percent more from the previous year.

The Department’s services include managing urban runoff quality, recycled water, wastewater, recycling and garbage services, protecting natural and energy resources, and managing potable water.

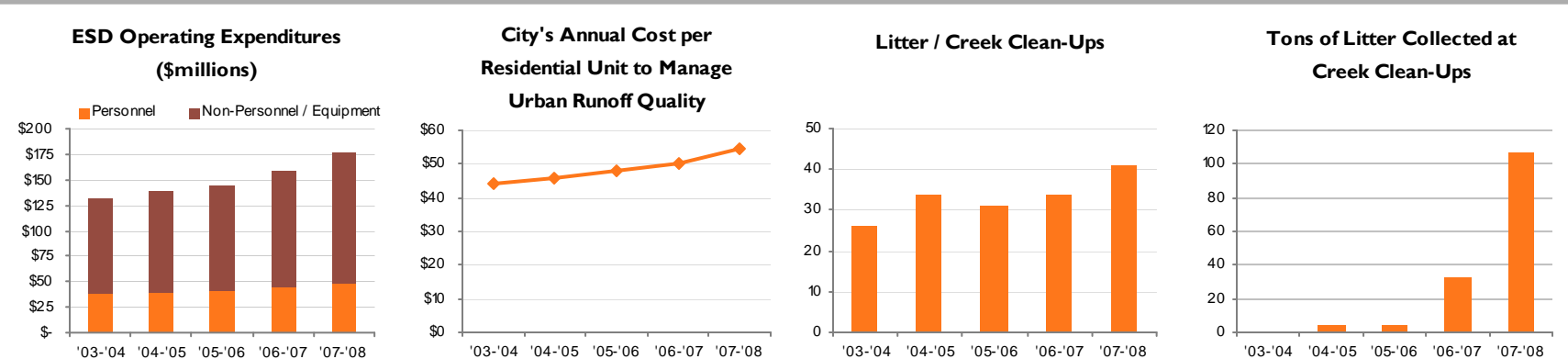
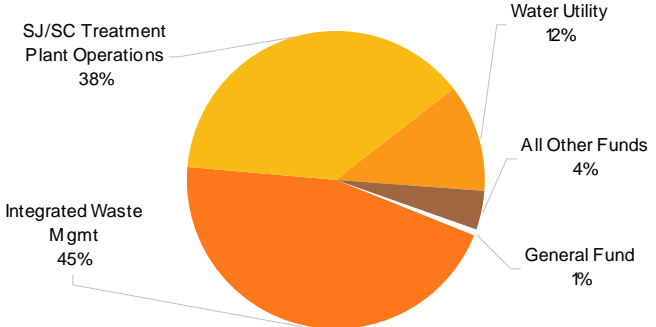
Manage Urban Runoff Quality

The Department manages regulatory programs, initiatives, and activities to promote the health of the South Bay watershed and preventing pollution from entering the storm sewer system and waterways. These programs and activities are largely directed by the City’s NPDES permit for municipal storm sewer systems (see top right). The City’s cost per residential unit reflects a rate increase in the storm sewer service use charge to help fund rehabilitation and replacement projects, maintain infrastructure, and meet regulatory requirements.

KEY FACTS (2007-08)

- San José / Santa Clara Water Pollution Control Plant serves about 1.3 million in San José, Santa Clara, Milpitas, Campbell, Cupertino, Los Gatos, Saratoga, and Monte Sereno
- South Bay Water Recycling serves the cities of Milpitas, Santa Clara, and San José
- National Pollutant Discharge Elimination System (NPDES) 2 permits (wastewater/stormwater); includes Municipal Regional Stormwater Permit proposed, in coordination with 77 Bay Area agencies & cities

ESD Expenditures by Fund Source (2007-08)



ENVIRONMENTAL SERVICES DEPARTMENT (continued) 

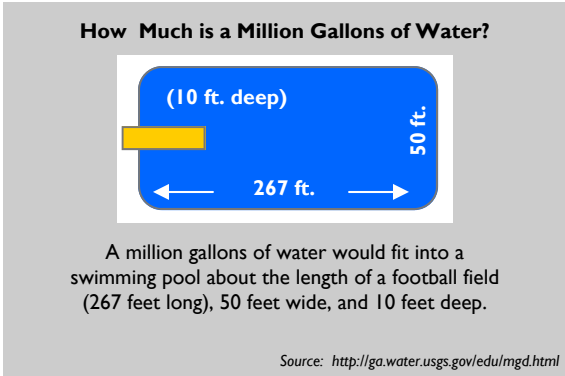
Manage Recycled Water

The City invests in South Bay Water Recycling (SBWR) in order to reduce effluent to the Bay and provide a reliable alternative water supply. SBWR had 556 customers in 2007-08, a 25 percent increase in customers over the past five years. These customers use recycled water to irrigate parks, golf courses, schools, and commercial landscape. In 2007-08, SBWR delivered about 3,384 million gallons of recycled water. Recycled water quality standards were met or surpassed 100 percent of the time for the fourth consecutive year.

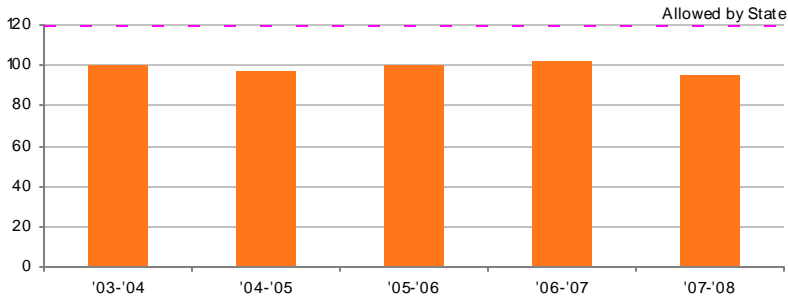
Manage Wastewater

The Department manages wastewater for reuse and for suitable discharge into the San Francisco Bay to protect public health and the environment. Wastewater treatment services are provided to eight jurisdictions and 1.4 million residents in the South Bay. The City continues to meet the Regional Water Quality Control Board's permit requirements for water discharged into the Bay. In 2007-08, pollutant discharge requirements were met or surpassed 100 percent of the time for the fifth straight year.

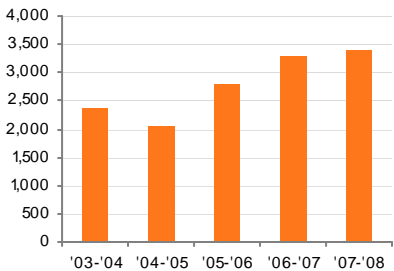
While there has been a significant decline in influent over the past five years, increasing maintenance costs associated with aging infrastructure have contributed to high operational costs; efforts are currently underway to address such infrastructure issues at the San José/Santa Clara Water Pollution Control Plant.



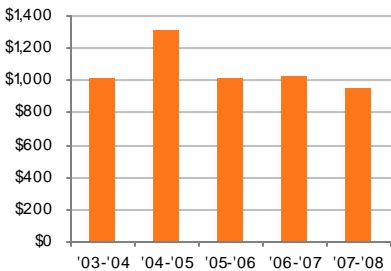
Millions of Gallons per Day Discharged to Bay During Average Dry Weather Season



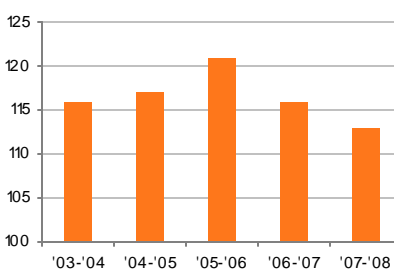
Millions of Gallons of Recycled Water Delivered Annually



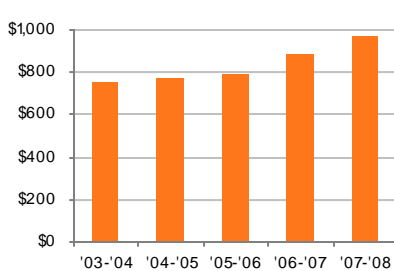
Cost per Million Gallons of Recycled Water Delivered



Average Millions of Gallons of Wastewater Treated per Day



Cost per Millions Gallons of Wastewater Treated



ENVIRONMENTAL SERVICES DEPARTMENT (continued) 

Manage Recycling & Garbage Services

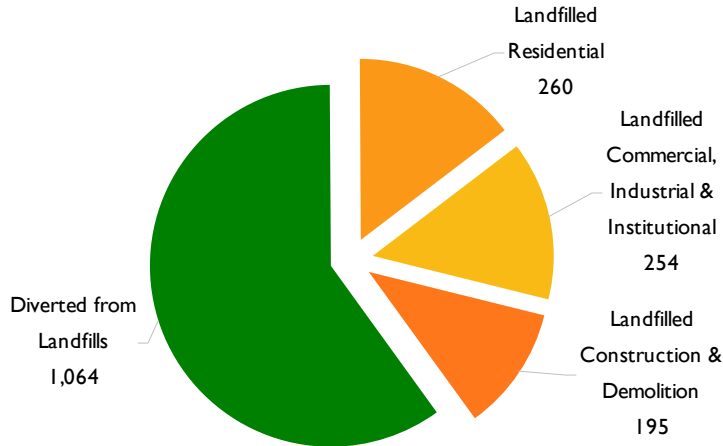
The Department provides Recycling and Garbage Services to about 300,000 residential households in San José through contracted service providers, which include California Waste Solutions, Garden City Sanitation Inc., Green Team of San José, and GreenWaste.

State mandate requires 50 percent of solid waste to be diverted¹ from landfills; San José has performed at or above 60 percent for the past three years, diverting 255,049 tons of residential solid waste from landfill in 2007-08. The City’s annual cost to provide recycling and garbage services to each household has increased by nearly 60 percent in the past five years. In 2007-08, 99.6 percent of residential pickups were completed as scheduled.

The Department is also pursuing efforts to reduce commercial, construction, and demolition waste. Of the 40 percent of generated waste going to landfill each year, staff estimates that 63 percent comes from commercial, construction, and demolition sources (see chart on right).

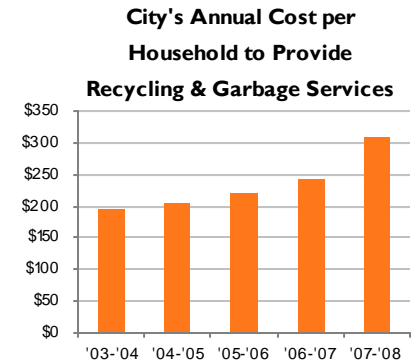
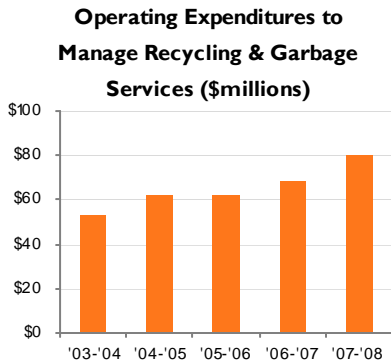
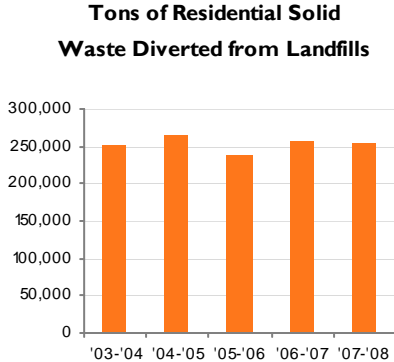
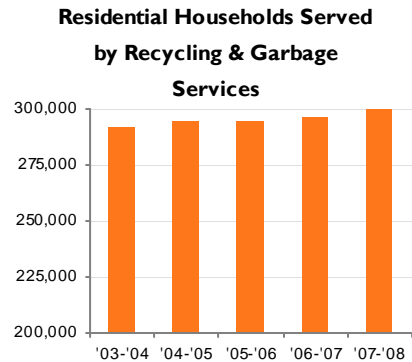
For more information on recycling programs and initiatives for residents and businesses, please see <http://www.sjrecycles.org>.

**About 60 Percent of Waste is Diverted from Landfills;
40 Percent is Sent to the Landfill Every Year
(estimated in '000s of tons)**



Source: http://www.sjrecycles.org/waste_prevention.asp—Environmental Services Department website, City of San José

¹ “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)



ENVIRONMENTAL SERVICES DEPARTMENT (continued) 

Protect Natural & Energy Resources

This core service focuses on the City’s contributions to protecting and conserving air, land, water, and energy through leadership, policy development, education, grant-seeking, and City-wide coordination. This work is guided by the City’s Green Vision (see right) and the United Nations’ Urban Environmental Accords (see below right).

Manage Potable Water

The City operates and maintains a municipal potable water system that serves about 26,000 customers annually in North San José, Alviso, Evergreen, Edenvale, and Coyote Valley. In 2007-08, the San José Municipal Water System (MWS) delivered 8,700 million gallons of water to its customers, up 14 percent from the previous year. State and federal water quality standards were met or surpassed in 100 percent of water samples taken. 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 the San José metropolitan area.



San José Green Vision

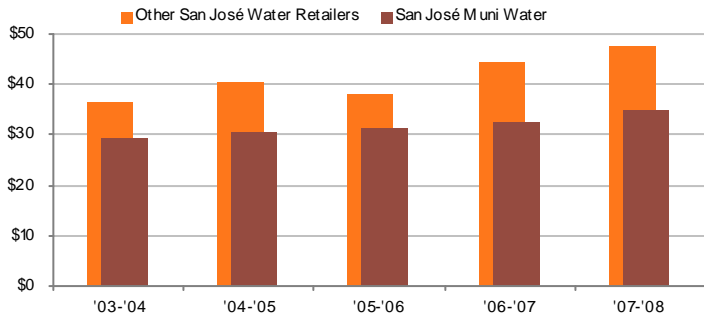
On October 30, 2007, the San José City Council adopted the Green Vision, a 15-year plan to transform San Jose into a world center of Clean Technology innovation, promote cutting-edge sustainable practices, and demonstrate that the goals of economic growth, environmental stewardship, and fiscal responsibility are inextricably linked.

Within 15 years, the City of San José in tandem with its residents and businesses will:

- 1) Create 25,000 Clean Tech jobs as the World Center of Clean Tech Innovation
- 2) Reduce per capita energy use by 50 percent
- 3) Receive 100 percent of its electrical power from clean renewable sources
- 4) Build or retrofit 50 million square feet of green buildings
- 5) Divert 100 percent of the waste from its landfill and convert waste to energy
- 6) Recycle or beneficially reuse 100 percent of its wastewater (100 million gallons per day)
- 7) Adopt General Plan with measurable standards for sustainable development
- 8) Ensure that 100 percent of public fleet vehicles run on alternative fuels
- 9) Plant 100,000 new trees and replace 100 percent of streetlights with smart, zero-emission lighting
- 10) Create 100 miles of interconnected trails

Source: <http://www.sanjoseca.gov/greenvision/>

Comparison of Average Monthly Residential Water Bills



City of San José – 2007-08 Service Efforts and Accomplishments Report

U.N. Urban Environmental Accords

There are 21 Accords, comprised of the 7 issues below, each with 3 actions that can be taken to address the issue. Most actions have a completion deadline of 2012.

- ENERGY:** Renewable Energy | Energy Efficiency | Climate Change
- WASTE REDUCTION:** Zero Waste | Manufacturer Responsibility | Consumer Responsibility
- URBAN DESIGN:** Green Building | Urban Planning | Slums
- URBAN NATURE:** Parks | Habitat Restoration | Wildlife
- TRANSPORTATION:** Public Transportation | Clean Vehicles | Reducing Congestion
- ENVIRONMENTAL HEALTH:** Toxics Reduction | Healthy Food Systems | Clean Air
- WATER:** Drinking Water Access | Source Water Conservation | Wastewater Reduction

TRANSPORTATION DEPARTMENT -
Sanitary Sewer Maintenance & Storm Sewer Management



Sanitary Sewer Maintenance

The City maintains a 2,200-mile sewer collection system and is responsible for proper sanitary sewage flow and preventing significant impact on public health or property. In 2007-08, 601 miles of sewer lines were cleaned; equivalent to 27 percent of the entire system. This is a 12 percent increase in miles cleaned from five years ago. For the fifth straight year, 98 percent or more of sewer line segments were without obstruction.

Storm Sewer Management

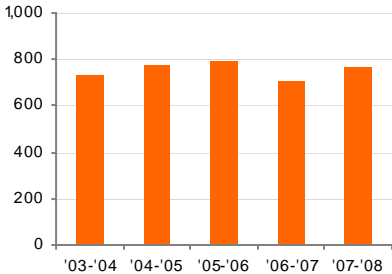
The City cleans the storm sewer system and ensures proper flow into the regional water tributary system and the South San Francisco Bay. Proactive cleaning of storm inlets prevents harmful pollutants and debris from entering the Bay and reduces the number of blockages during storms.

The City also provides street sweeping services in combination with the Environmental Services Department, and uses both contractual and City crews. Customer service feedback for 2007-08 shows 75 percent of customers rating the service “good or better”, while about 82 percent of streets were rated clean based on the Department’s quality control standards.

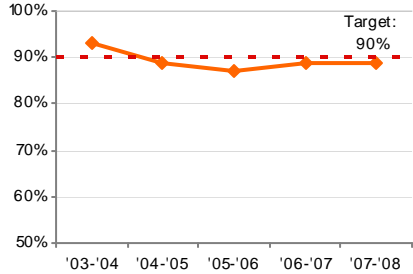
KEY FACTS (2007-08)

Miles of sanitary sewer line segments	2,200
Number of Vector (combo cleaning) trucks	11
Miles of storm sewer segments	1,250
Number of storm sewer segments	25,500
Storm water pump stations	25
Residential curb miles swept	64,000

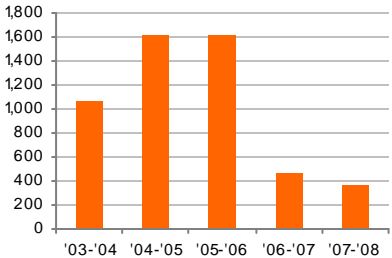
**Sanitary Sewer Main Line
Stoppages Cleared**



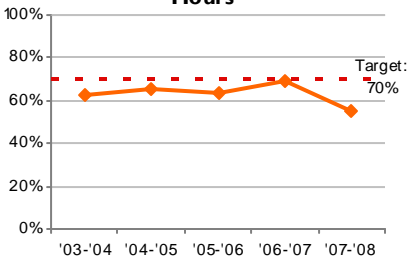
**Percent of Sewer Line
Blockages Cleared within 4
Hours of Notification**



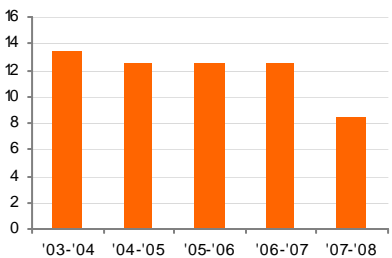
**Storm Sewer Inlet Stoppages
Identified & Cleared**



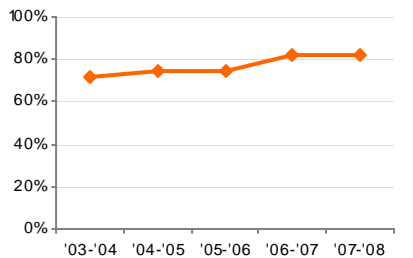
**Percent of Storm Sewer Inlet
Blockages Cleared within 24
Hours**



**Thousands of Tons of
Sweeping Debris Collected**



**Percent of Streets Rated
"Clean"**



CHAPTER FOUR: TRANSPORTATION & AVIATION SERVICES

The City of San José is committed to providing travelers and residents with safe, secure, and reliable transportation systems, as well as viable transportation choices that promote a strong economy and enhance community livability.

TRANSPORTATION & AVIATION SERVICES

In 2007-08, operating expenditures allocated to Transportation & Aviation Services totaled nearly \$150 million, 20 percent more than five years ago. Airport operations accounted for approximately half of those expenditures. The Airport is funded through its own operational revenues, and does not receive any general fund dollars.

Transportation & Aviation Services Departments include:



AIRPORT DEPARTMENT

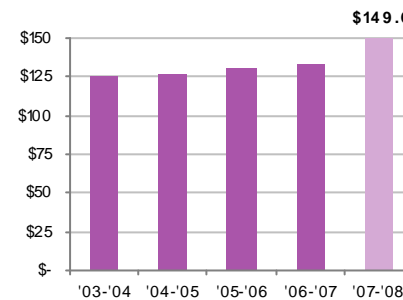


TRANSPORTATION DEPARTMENT

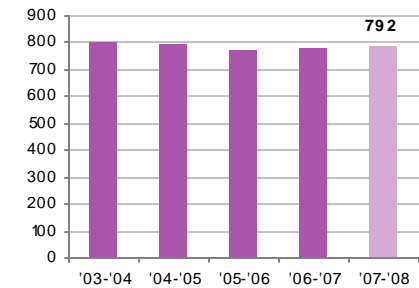


POLICE DEPARTMENT*
(Traffic Safety Services)

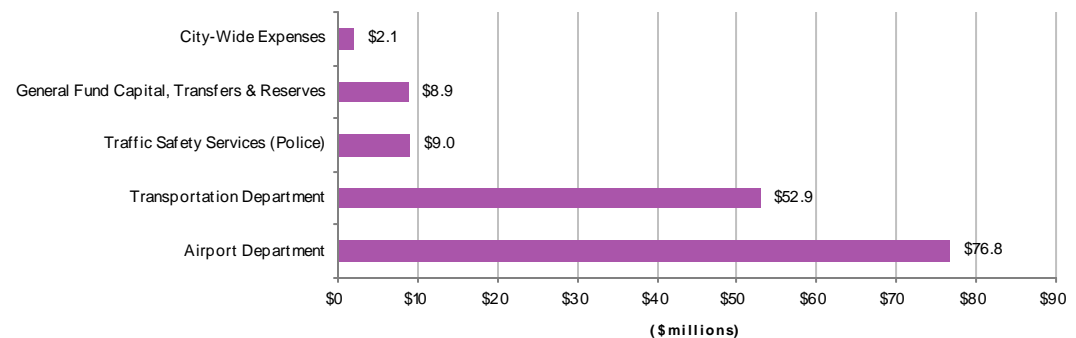
Five-Year Operating Expenditures (\$millions)



Five-Year Authorized Staffing



Transportation & Aviation Services 2007-08 Operating Expenditures by Department



NOTES:

* "Traffic Safety Services" is a core service of the Police Department; the full Police Department budget and performance measures can be found in the Public Safety chapter.

** City-Wide Expenses for this section include: Parking Citations/Jail Courthouse Fees (\$948,857), Parking Citations Processing (\$488,901), and the Sidewalk Fund (\$428,782). See Appendix B for further details.

AIRPORT DEPARTMENT



In 2007-08, allocated operating expenditures for the Mineta San José International Airport were \$76.8 million, 21 percent more than five years ago. The Airport does not receive any general fund dollars; it is funded through Airport operational revenues such as rents, concession fees, parking, and landing fees. In 2007-08, the Airport had 386 authorized positions. During 2007-08, an average of 46 positions were vacant.

Airport Customer Service & Community Air Service

The Airport provides passenger and air cargo services to the region. In 2007-08, the Airport served 10.4 million airline passengers, down 3 percent from 2006-07. Commercial flights totaled 129,504, roughly the same as 2006-07 but 6 percent fewer than five years ago.

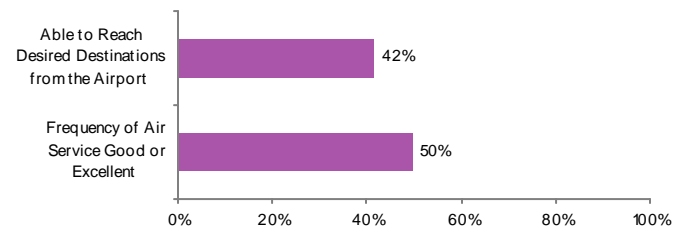
In a 2007-08 customer survey, only 42 percent of survey respondents said they were able to reach their desired location from the Airport and 50 percent rated the frequency of air service as good or excellent.

Note: In December 2008, staff informed the City Council of the weakening financial and budget outlook for the Airport because of the deteriorating national and global economy that resulted in a sharp decline in Airport passenger traffic (20 percent drop in traffic in November compared to previous year). Among other actions, staff will be eliminating at least 40 vacant positions from the current year's budget.

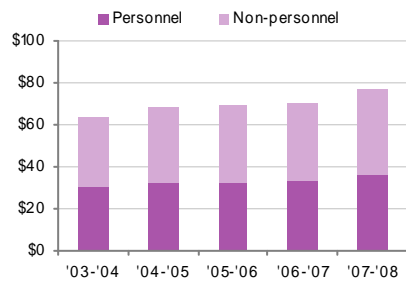
KEY FACTS (2007-08)

Commercial flights	129,504
Total operations (commercial flights, general aviation, military)	184,714
Operations per day	506 per day
Airline passengers	10.4 million
Passenger airlines	13
Public parking spaces	6,374
Air cargo, freight, and mail	176.7 million lbs.

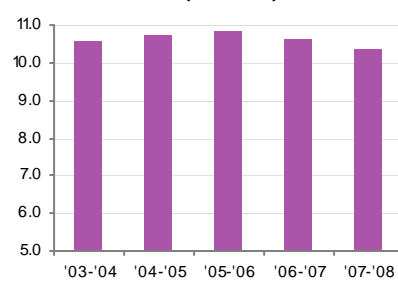
Selected Customer Ratings, 2007-08



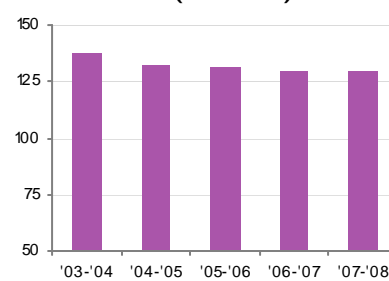
Airport Operating Expenditures (\$millions)



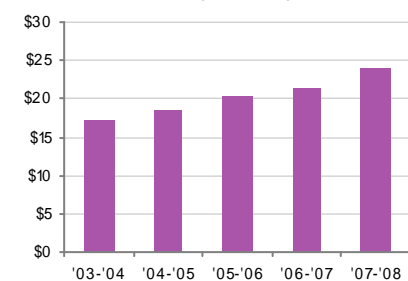
Annual Airport Passengers (millions)



Annual Commercial Flights (thousands)



Net Concession Revenue (millions)



AIRPORT DEPARTMENT (continued)



Airport Customer Service & Community Air Service (continued)

In 2007-08, the airlines' cost per enplanement (i.e. passenger boarding in San José) was \$7.49, a \$3.33 per passenger increase from 2006-07. Despite this increase, per passenger costs are between costs in San Francisco (estimated at \$13.60 per passenger) and Oakland (estimated at \$7.01 per passenger).

In 2007-08, 176.7 million pounds of cargo, freight, and mail were handled at the Airport, 6 percent less than in 2006-07 and 26 percent less than five years ago.

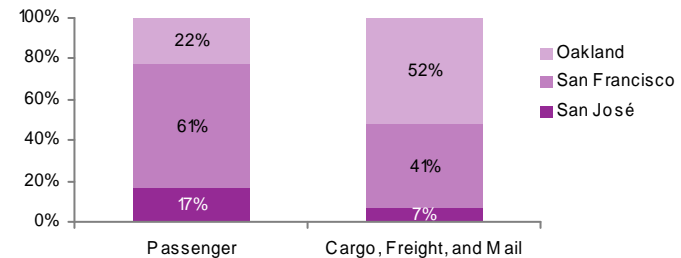
In 2007-08, the Airport passed FAA inspections required to maintain its operating certificate. These inspections ensure safe air transportation.

Airport Environmental Management

The Airport also manages its environmental impact on the community. In 2007-08, there were 881 environmental noise complaints, 32 percent less than in 2006-07.

The Airport sells and uses compressed natural gas (CNG) as an alternative to gasoline and diesel for Airport and non-Airport users. CNG is a more environmentally friendly fuel than gasoline and diesel. In 2007-08, the Airport sold or used 588,403 gasoline gallon equivalents of compressed natural gas, an increase of 77 percent over five years. This increase is primarily from more in sales to taxis.

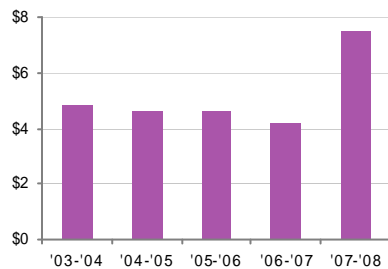
Regional Air Service Market Share, 2007-08



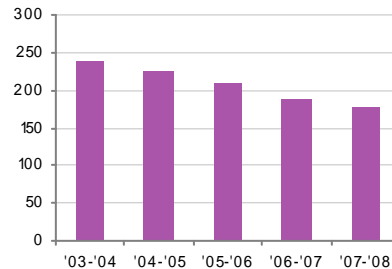
Airport Improvement Program

In 2005, the Airport received Council approval for an airport improvement program. Phase I, airport modernization, is on schedule for completion at the end of 2010 and on budget at \$1.3 billion. Phase I includes renovation of Terminal A, construction of a new Terminal B, removal of Terminal C (the Airport's oldest terminal), improved roadways, and a new consolidated rental car garage. Phase 2, expansion of the airport facilities, will begin when specific triggers for growth in passenger traffic or flights are reached in the future.

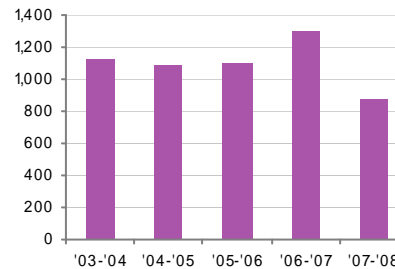
Airline Cost per Enplanement (i.e. passenger boarding)



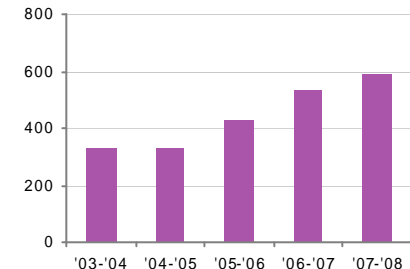
Air cargo, freight, and mail (million lbs.)



Environmental Noise Complaints



Compressed Natural Gas Dispensed (thousand GGEs)



TRANSPORTATION DEPARTMENT



In 2007-08, Transportation Department allocated operating expenditures totaled \$70.2 million, 12 percent more than five years ago. There were a total of 482.5 authorized positions, 3 percent less than five years ago.

Pavement Maintenance

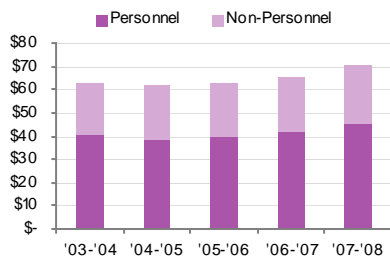
The Transportation Department is responsible for the maintenance and repair of over 2,310 miles of City street pavement. For many years, pavement maintenance has been under-funded, resulting in a \$270 million deferred maintenance backlog. This is reflected in the decline of overall pavement condition from 87 percent in “acceptable” or better condition in 2003-04 to 76 percent in 2007-08, according to the statewide Pavement Condition Index (PCI). The declining condition of the street network resulted in an increase in the number of priority service requests (i.e. potholes) in 2006-07; this has dropped by nearly one-third to about 6,000 potholes filled in 2007-08. Timely corrective pavement repairs have also declined from 85 percent in 2005-06 to 64 percent in 2007-08.

KEY FACTS (2007-08)

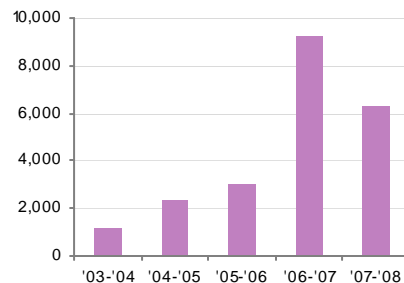
Miles of Paved Roadway to Maintain	2,310
Approximate Number of Street Trees	250,000
Acres of Landscape in Public Right-of-Way Maintained by Transportation Dept.	513
Acres of Street Landscape maintained by Special Districts	317
Number of Special Districts	18
Parking Meters	2,279
Parking Lots (1,552 total spaces)	12
Parking Garages (6,307 total spaces)	8

(more in Traffic Maintenance section)

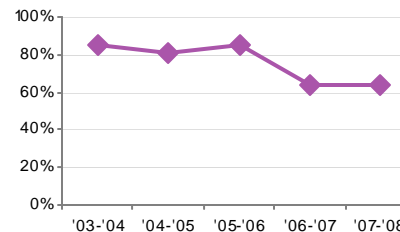
Transportation Department Operating Expenditures (\$millions)



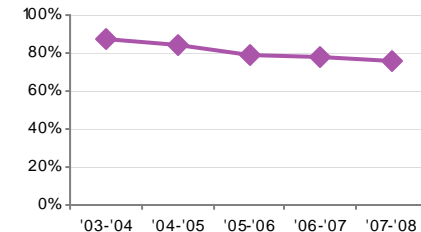
Number of Potholes Filled



Percent of Corrective Pavement Repairs Completed
(priority within 2 days; non-priority within 30 days)



Percent of Pavement Surfaces Rated as "Acceptable" or Better



TRANSPORTATION DEPARTMENT (continued)



Street Landscape Maintenance

The Department is responsible for maintaining median islands and undeveloped rights-of-way and ensuring the repair of sidewalks and street trees. Many of these services have been eliminated or reduced due to budget constraints. For street tree maintenance, Special Districts receive some enhanced services through property assessments; otherwise, property owners are responsible for street tree maintenance or must pay for services provided by the City. Sidewalk repair is also now the responsibility of property owners due to elimination of the Sidewalk Grant Repair Program; the City now provides limited repairs and services as needed.

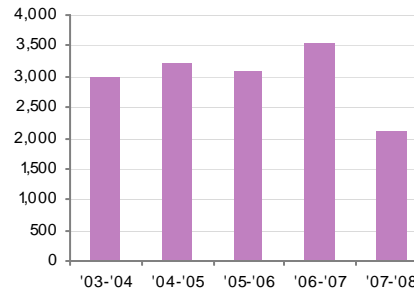
Parking Services

Parking Services is responsible for managing on- and off-street parking and implementing parking policies and regulations. Parking services also provides support to street sweeping, construction, and maintenance activities. Monthly parking in 2007-08 reached 69,475 customers, a 13 percent increase from the previous year; some of this can be attributed to the increase in monthly passes issued to City employees. Transient parking customers are mostly associated with evening visitors to the Downtown area; there were just over 2 million customers in 2007-08, up about 400,000 from last year. Nearly 240,000 citations were issued in 2007-08, only a three percent increase from the prior year. Also in 2007-08, the vehicle abatement program had 78 percent of abandoned vehicles in voluntary compliance by the staff's second visit; this marks the third straight year the program has reported such performance.

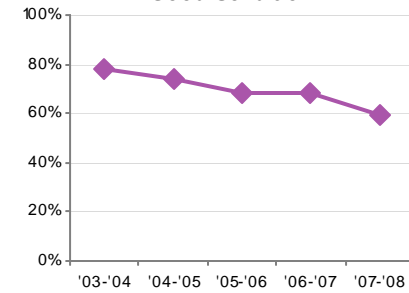
Transportation Planning & Project Delivery

Transportation Planning supports the development of the City's transportation infrastructure. This includes coordinating transportation and land use planning studies, managing the Capital Improvement Program (CIP), and working with regional transportation agencies such as VTA, BART, and Caltrans. Included among regional projects are 21 sub-projects associated with the BART extension to San José. In 2007-08, 85 percent of completed projects were delivered "on-schedule", or two months within the approved baseline schedule.

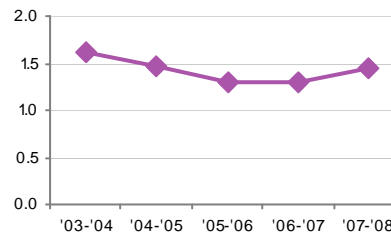
Sidewalk Repairs Completed



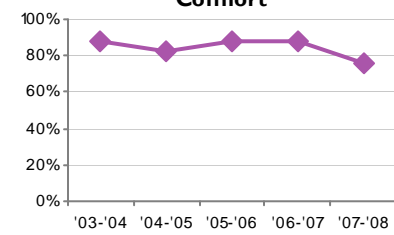
Percent of Street Landscapes in Good Condition



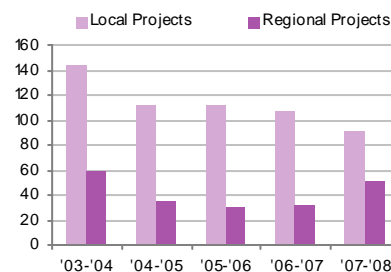
Parking Services Revenue to Cost Ratio



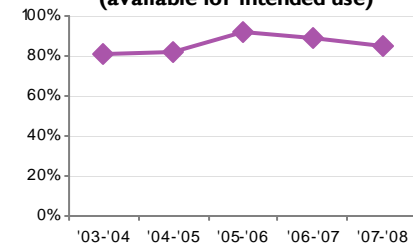
Customers Rating Parking Services Good or Better Based on Satisfaction, Appearance & Comfort



Transportation Projects in Process



Transportation Projects Delivered On-Schedule (available for intended use)



TRANSPORTATION DEPARTMENT (continued)



Traffic Maintenance

The Department is responsible for maintaining the City’s traffic signals, traffic signs, roadway markings, and streetlights. Performance improvements in 2007-08 are due in part to the addition of one-time backlog reduction funding.

Roadway marking services saw great improvement in 2007-08, as the percentage of service requests completed within 7 days doubled from 32 to 64 percent. Eighty percent of roadway markings also met visibility and operational guidelines in 2007-08, an 18 percentage point improvement from last year.

Preventive maintenance activities on traffic signals increased from 721 in 2006-07 to 871 in 2007-08. During that same time period, total repairs completed and response time to signal malfunctions within 30 minutes both experienced small declines.

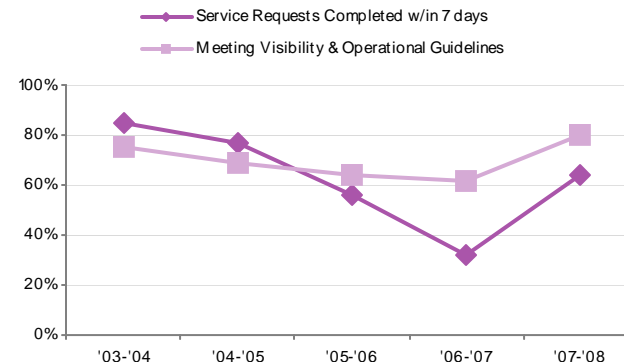
Staff response to traffic & street name sign service requests in 2007-08 once again exceeded its target of 85 percent of requests completed within 7 days (actual: 94%).

Streetlights have continued to be operational 98 percent of the time, a trend that has persisted over the past five years. Timely repair of streetlight malfunctions also improved again in 2007-08, from 77 to 85 percent.

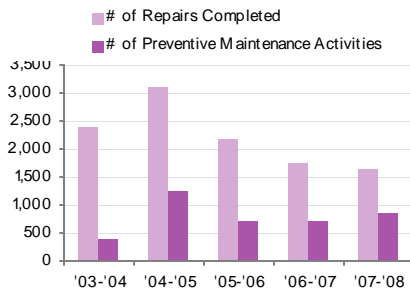
KEY FACTS (2007-08)

Traffic Signals	892
Traffic & Street Name Signs	95,377
Streetlights	60,900
Square Feet of Roadway Markings	Over 5 million

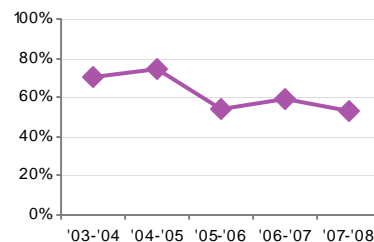
Traffic Roadway Markings



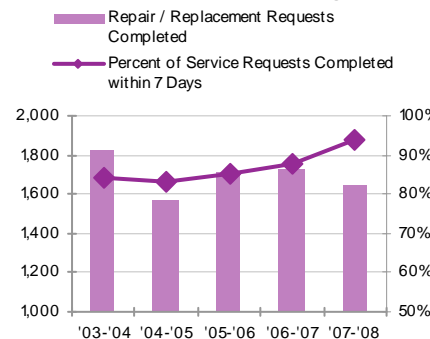
Traffic Signal Repairs & Preventive Maintenance



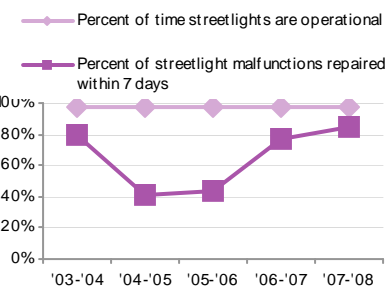
Percent of Traffic Signal Malfunctions Responded to within 30 minutes



Traffic & Street Name Signs



Streetlight Conditions



TRANSPORTATION DEPARTMENT (continued)

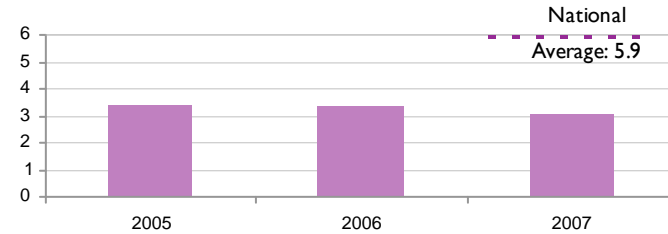


Transportation Operations

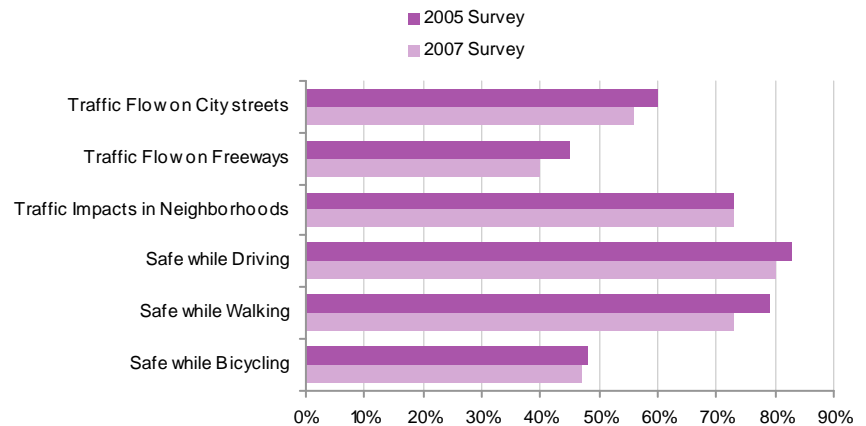
The City of San José's ratio of 3.01 injury crashes per 1,000 population compares very favorably to the national average of 5.9 in 2007, contributing to San José being one of the safest big cities in the nation.

Transportation Operations focuses on safe and efficient operations by updating traffic signal timing, calming neighborhood traffic, and promoting transportation safety through various traffic safety education programs. About 25 percent of residents in the 2007 biennial community survey responded that transportation-related services were among the most serious issues that the City should address; 15 percent of residents were specifically concerned about traffic congestion, up from 11 percent in 2005. In 2007-08, the Department re-timed an estimated 17 percent of the traffic signals along major commute corridors to help reduce travel time and vehicle emissions; the ongoing goal is to re-time about 15 percent of signals each year.

City of San José - Injury Crash Rate per 1,000 Residents



Residents' Rating of Traffic as Acceptable or Safe

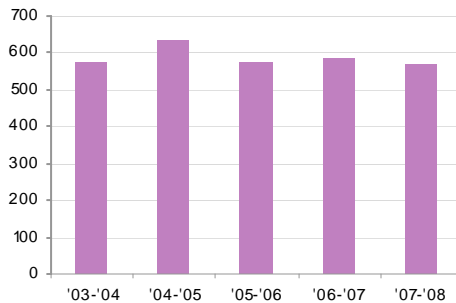


POLICE DEPARTMENT - Traffic Safety Services

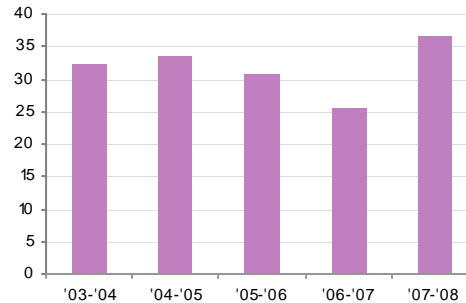


The Police Department provides for the safe and free flow of traffic through enforcement, education, investigation, and traffic control. In 2007-08, the Police Department's Traffic Enforcement Unit issued 36,651 moving violations, 13 percent more than five years ago. There were 2,146 DUI's (felony and misdemeanor combined), 5 percent more than five years ago.

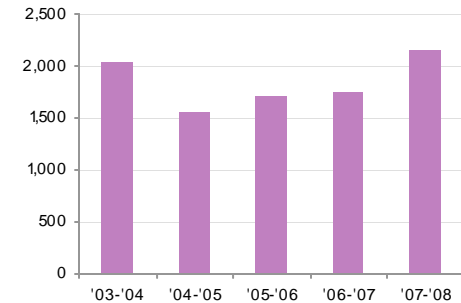
Pedestrian & Bike Injury Accidents



Moving Violations (thousands)



Felony and Misdemeanor DUIs



CHAPTER FIVE: NEIGHBORHOOD SERVICES

The City of San José is committed to provide safe and clean parks, facilities, and attractions; offer vibrant cultural, learning, and leisure opportunities; and foster healthy neighborhoods and capable communities.

NEIGHBORHOOD SERVICES

In 2007-08, operating expenditures allocated to Neighborhood Services totaled \$124.2 million, 2 percent less than five years ago. The Parks, Recreation, & Neighborhood Services Department (PRNS) accounted for approximately half of those expenditures.

Neighborhood Services Departments include:



PARKS, RECREATION & NEIGHBORHOOD SERVICES DEPARTMENT



LIBRARY DEPARTMENT

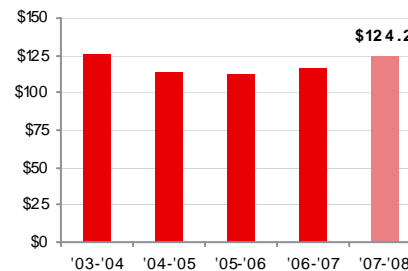


PLANNING, BUILDING & CODE ENFORCEMENT DEPARTMENT - Community Code Enforcement

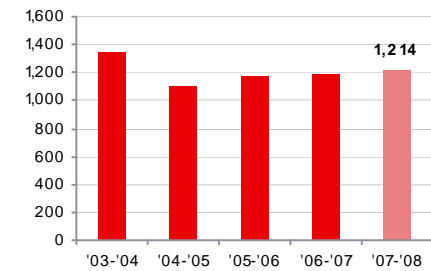


GENERAL SERVICES DEPARTMENT - Animal Care & Services*

Five-Year Operating Expenditures (\$millions)



Five-Year Authorized Staffing



Neighborhood Services 2007-08 Operating Expenditures by Department



NOTES:

* Expenditures for "Animal Care and Services" are included with Parks, Recreation & Neighborhood Services. It became part of General Services after the close of the 2007-08 fiscal year.

** Significant City-wide expenditures in 2007-08 included \$3.1 million for San José B.E.S.T. and \$1 million for San José After School District Contracts expenditures. See Appendix B for more details.

PARKS, RECREATION & NEIGHBORHOOD SERVICES DEPARTMENT



In 2007-08, Parks, Recreation & Neighborhood Services Department (PRNS) allocated operating expenditures totaled \$70 million, 11 percent more than five years ago. Staffing totaled 753 authorized positions, 2 percent less than five years ago.

Parks

The City works to increase neighborhood livability by providing and maintaining neighborhood parks and trails, regional parks, and other civic facilities.

In 2007-08, there were 173 developed neighborhood parks and trails, up from 170 in 2006-07. Developed neighborhood parks covered 1,052 acres, 22 more acres than in 2006-07. The City's nine regional parks cover an additional 1,506 acres. In 2007, 76 percent of residents reported visiting a regional park in the previous year (43 percent reported three or more visits).

Sixty-seven percent of residents rated the City's maintenance of public parks as "good" or "excellent", roughly the same as in previous years.

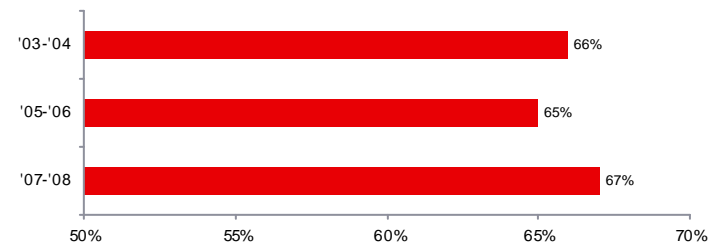
Recreation Programs

Through its community centers and recreation programs the City provides social, physical, and educational opportunities for residents. Program offerings include sports, fitness, arts, and other classes. For a list of classes, see www.sanjoseca.gov/prns/cagindex.asp.

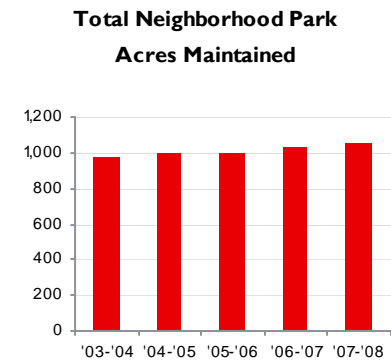
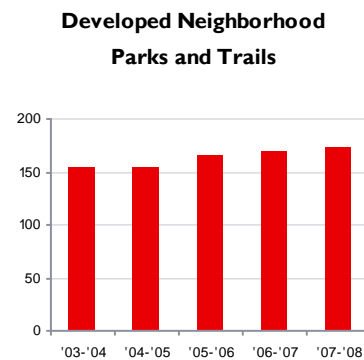
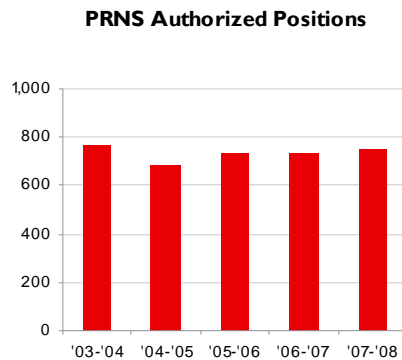
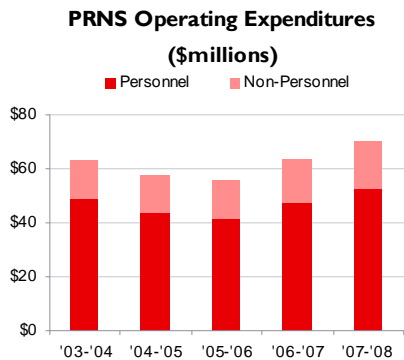
KEY FACTS (2007-08)

Neighborhood parks and trails	173
Acres of neighborhood parks	1,052 acres
Regional parks	9
Regional park acreage:	
Open space	689 acres
Developed	520 acres
Undeveloped	298 acres
Community centers (in operation)	50
Community center square footage	482,010 sq. ft.

% of Residents Rating City's Efforts to Maintain Public Parks in Good Physical Condition as "Good" or "Excellent"



Source: City of San José Community Survey, 2007



PARKS, RECREATION & NEIGHBORHOOD SERVICES DEPARTMENT (continued)



Recreation Programs (continued)

In 2007-08, the City had 50 community centers in operation, up from 42 in 2003-04. Total floor space in community centers totaled 482,010 square feet, 54 percent more than five years ago. Please see the following page for a map of the City's community centers. Participation in recreation programs totaled roughly 2.7 million (individuals are counted for each program they attend).

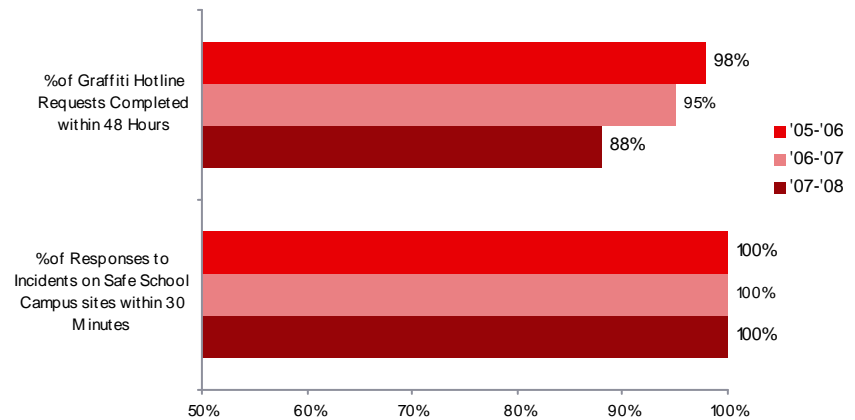
Neighborhood Services

The City provides services and programs to support and strengthen communities. Through the San José Bringing Everyone's Strengths Together (B.E.S.T.) program, the City provides services to at-risk youth and their families. In 2007-08, 4,520 individuals participated in the B.E.S.T. program.

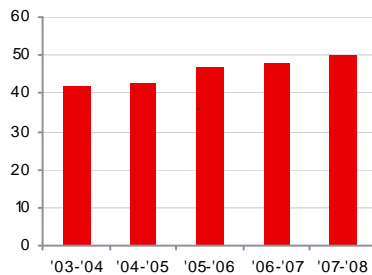
In 2007-08, the City removed roughly 84,000 graffiti tags, 45 percent more than in 2006-07. The number of tags removed 8 percent less than five years ago. An estimated 58 percent of the graffiti tags removed had been reported through the City's graffiti hotline. In 2007-08, 88 percent of graffiti hotline requests for tag removal were completed within the 48 hour time target.

The Safe Schools Campus Initiative (SSCI) is a partnership between school districts and the City to address violence-related issues in schools. SSCI teams responded to 731 incidents, or volatile situations, on Safe Schools campuses, all within the 30 minute time target.

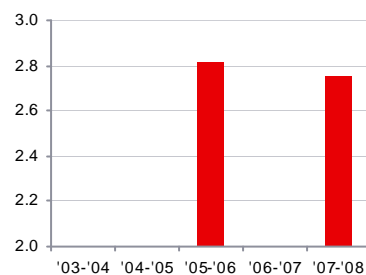
Timeliness of Selected Neighborhood Services



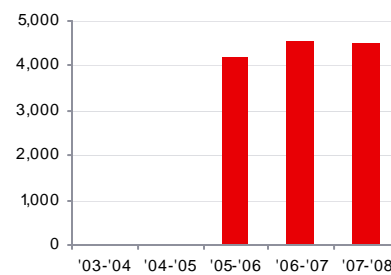
Community Centers in Operation



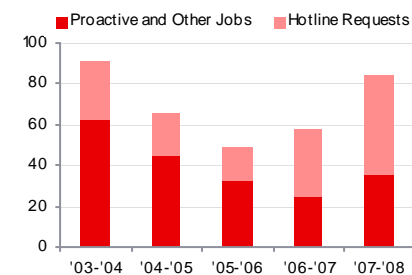
Estimated Participants in all Programs (millions)



Participants in B.E.S.T. Youth Service Program



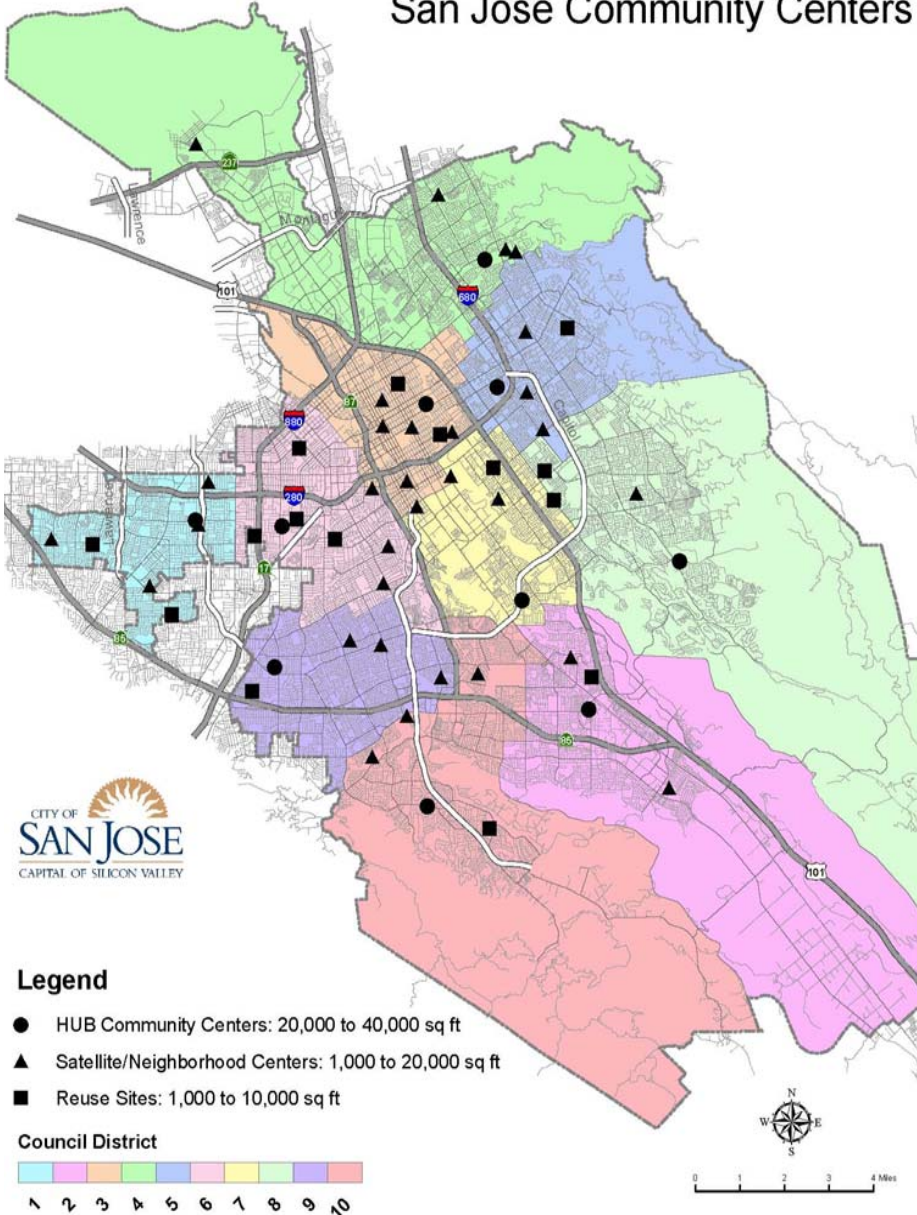
Estimated Graffiti Tags Removed (thousands)



PARKS, RECREATION & NEIGHBORHOOD SERVICES DEPARTMENT (continued)



San José Community Centers



Note: A HUB community center refers to those centers in a community where resources are focused and which provide vital core services to youth, seniors, and the disabled.

LIBRARY DEPARTMENT



In 2007-08, the Library Department's allocated operating expenditures totaled \$33.6 million, 21 percent more than five years ago. Staffing totaled 366 authorized positions, 5 percent more than five years ago.

Provide Access to Information, Library Materials & Digital Resources

Through its libraries, the City provides access to books, audio, video, and other information resources. At fiscal year end 2007-08, there were 18 libraries open, with four under construction (see last page in Library section for details on the Branch Library Bond Measure).

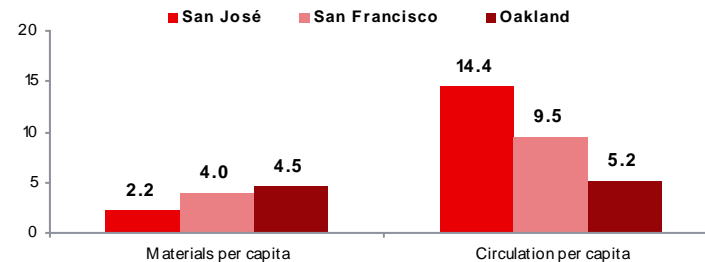
In 2007-08, City libraries had over 147,000 visitors per week, an increase of 10 percent from five years ago. Over the last five years, the total number of hours libraries were open decreased by 6 percent. In 2003-04, the City's libraries were open roughly 54 hours per week, whereas in 2007-08 most of the City's libraries were open only 51 or 47 hours per week.

In 2006-07, San José libraries had fewer materials per capita than the San Francisco and Oakland library systems. Circulation per capita was higher in San José than in either San Francisco or Oakland.

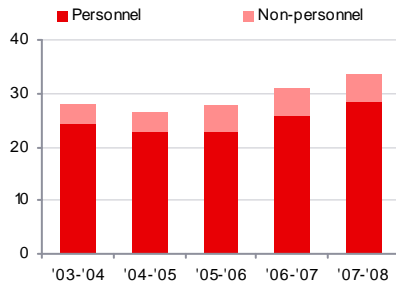
KEY FACTS (2007-08)

Libraries open	18
Libraries under construction or expansion	4
Library books and periodicals	1,721,632
Audio/visual materials	437,225
Number of items checked out	14,399,685
Number of literacy programs (storytime, other programs)	3,404
Authorized positions	366

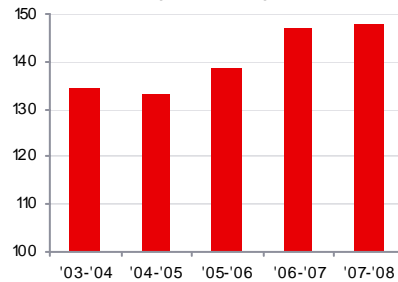
Comparisons with Other Bay Area Library Systems, 2006-07



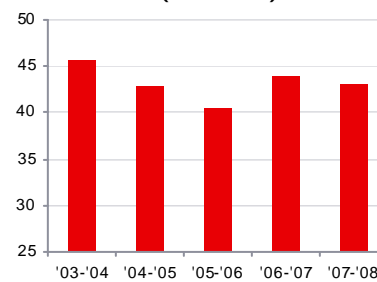
Library Operating Expenditures (\$millions)



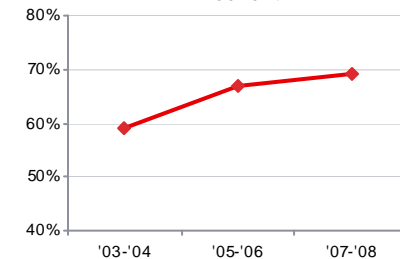
Weekly Library Visitors (thousands)



Annual Hours Open (thousands)



% of Residents rating the Variety and Level of Library Resources as Good or Excellent



Source: City of San José Community Survey, 2007

LIBRARY DEPARTMENT (continued)



Provide Access to Information, Library Materials & Digital Resources (continued)

In 2007-08, there were more than 2.1 million individual computer sessions in San José libraries, 70 percent more than five years ago. This increase was caused by both a rise in the use of computer resources and an increase in computers.

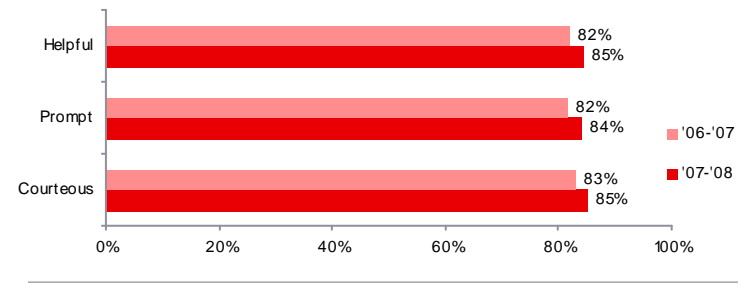
Promote Lifelong Learning & Provide Educational Support

The City's libraries provide programs to promote reading and literacy and support school readiness. Programs include adult and family literacy programs, preschool and early education initiatives, story time programs, and summer reading programs.

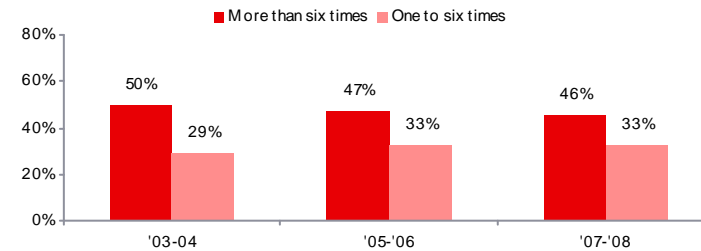
In 2007-08, City libraries offered 3,404 literacy programs or services with attendance totaling 105,191. Attendance in literacy programs was 35 percent higher than five years ago. The program with the largest attendance was the library's story time program.

In 2007-08, there were 26,169 participants in the library's summer reading program, 9 percent more than the previous year.

Percent of Library Customers Rating Staff Assistance as Helpful, Prompt, or Courteous

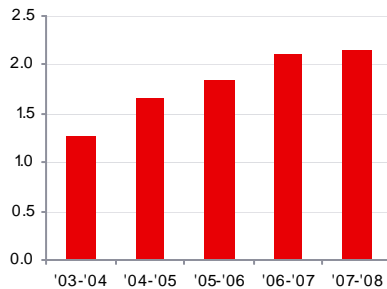


Residents (or Family Members) Reported Use of Libraries During the Year

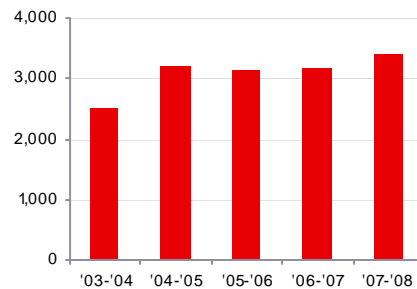


Source: City of San José Community Survey, 2007

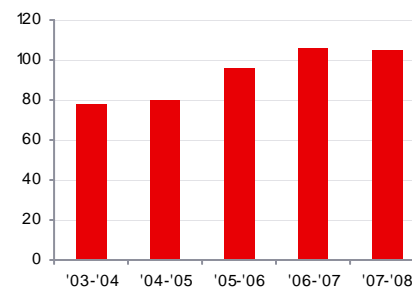
Computer Sessions in Library (millions)



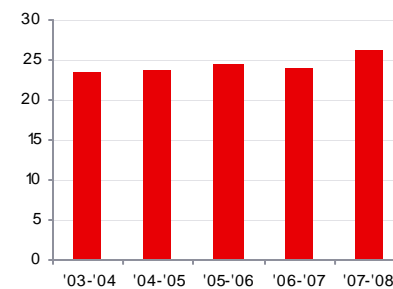
Number of Literacy Programs/Services



Attendance in Literacy Programs (thousands)



Participants in Summer Reading Program (thousands)

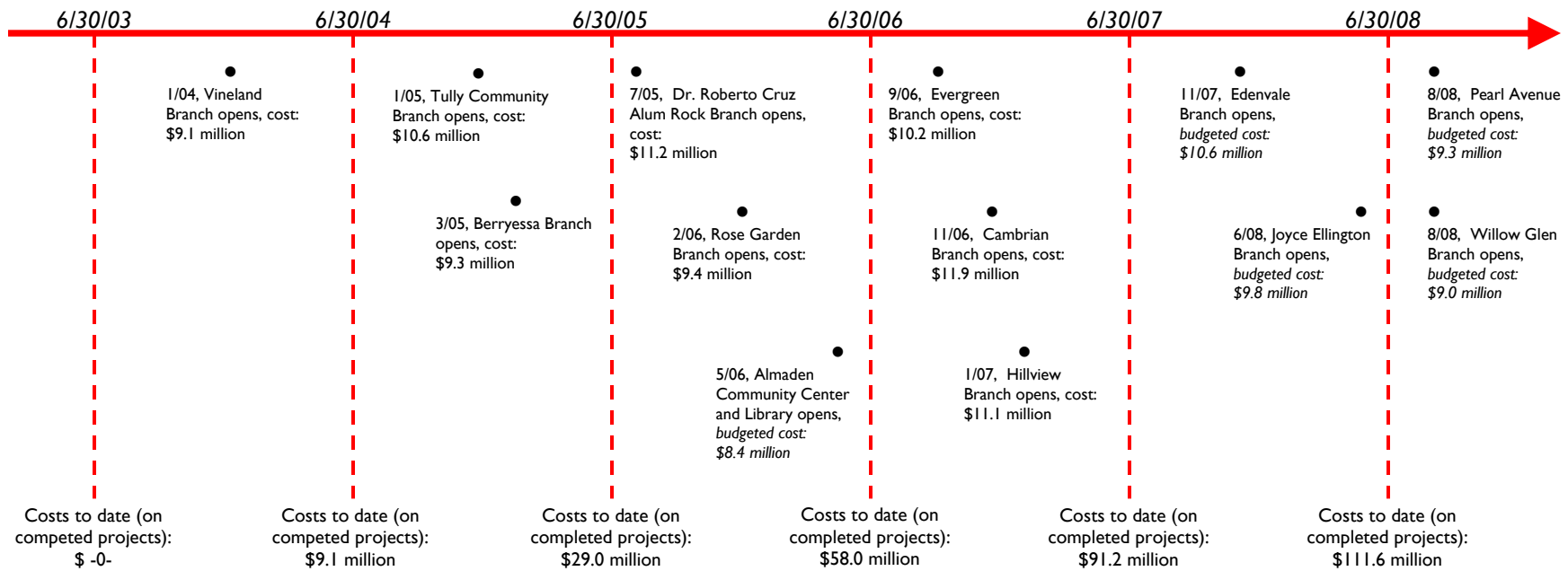


LIBRARY DEPARTMENT (continued)



In November 2000, voters approved a Branch Library Bond Measure, dedicating \$212 million over ten years for the construction of six new and 14 expanded branch libraries in San José. The first project to be completed under this measure was the new Vineland Branch in South San José, which opened its doors in January, 2004.

Branch Library Development Timeline



Projects in construction phase:

- East San Jose Carnegie Branch, groundbreaking held December 2007, project budget \$9.5 million
- Santa Teresa Branch, groundbreaking held January 2008, project budget: \$13.6 million
- Seven Trees Community Center and Library, groundbreaking held May 2008, project budget: \$15.0 million
- Bascom Library and Community Center, groundbreaking held June 2008, project budget: \$15.2 million

Projects in pre-construction phase:

- Calabazas Branch, in design phase, project budget: \$7.3 million
- Educational Park Branch, in design phase, project budget: \$13.5 million
- Southeast Branch, site still to be determined, project budget: \$9.1 million

PLANNING, BUILDING & CODE ENFORCEMENT DEPARTMENT - Community Code Enforcement



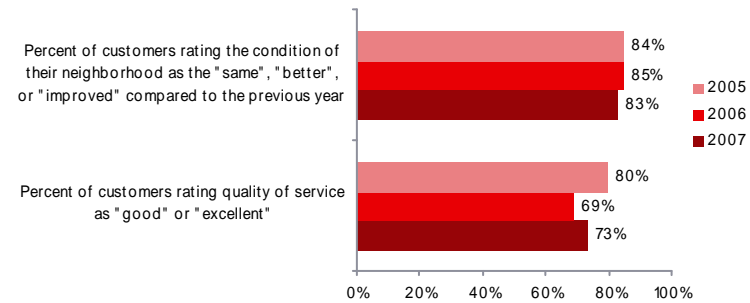
The Planning, Building & Code Enforcement Department (PBCE) enforces compliance with local and state codes to ensure safe, healthy, and attractive communities. In 2007-08, PBCE opened 13,131 enforcement cases because of complaints or proactive enforcement, 8 percent fewer than five years ago. There were 8,144 General Code initial inspections, 6 percent fewer than five years ago.

In 2007-08, there were 165 emergency complaints that involved an immediate threat to life or property (e.g. unsecured pool fences and sewage leaks). All 165 emergency complaints were responded to within 24 hours, exceeding the target of 95 percent of emergency complaints being resolved within that time frame.

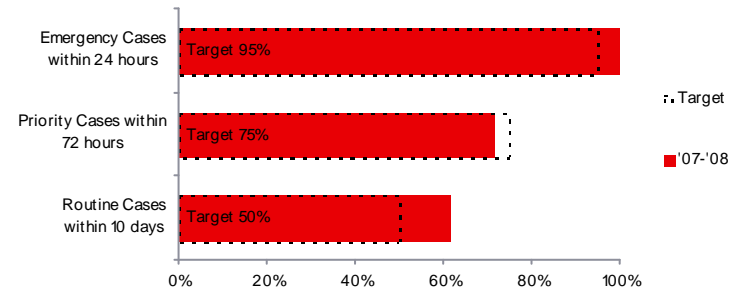
Other types of complaints included priority complaints (instances that by their nature may pose a threat to life and or property such as housing complaints or construction without a permit) or routine complaints (non-health and safety conditions such as zoning, illegal signs, lawn parking, or other conditions).

In 2007-08, 93 percent of code violations were resolved through voluntary compliance, the highest rate in any of the previous five years. The cost per violation to the City was \$570 for complaint-based violations and \$67 for proactive enforcement, down from \$705 and \$105 in 2005-06 respectively.

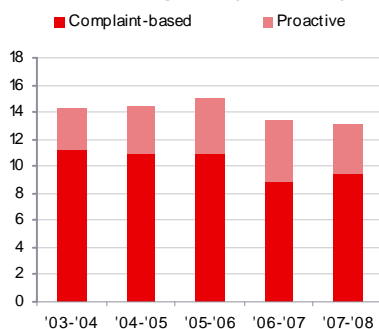
Selected Customer Ratings



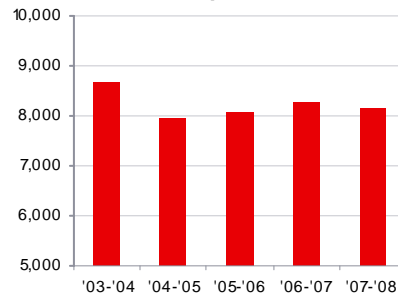
Timeliness of Inspections/Assessments, 2007-08



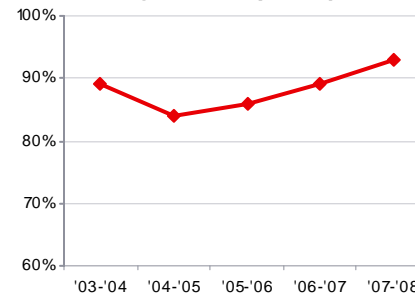
Cases Opened (thousands)



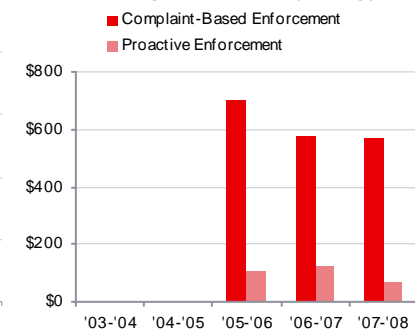
General Code Initial Inspections



% of Violations Resolved through Voluntary Compliance



Cost per Violation (to City)



GENERAL SERVICES DEPARTMENT -
Animal Care & Services



Through its Animal Care Center (the Center), the City provides animal licensing programs, patrol services, animal adoption and rescue programs, spay and neuter programs, and medical services for homeless animals. As of June 30, 2008, there were 36,589 licensed animals in the Center's service area, which includes San José, Cupertino, Los Gatos, Milpitas, and Saratoga.

In 2007-08, animal service officers responded to more than 30,000 service calls. Five major categories (dead animal removal, municipal code investigations, stray animals, dogs running loose, and animal bite investigations) accounted for 60 percent of all calls.

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 2007-08, the Center met this target 88 percent of the time.

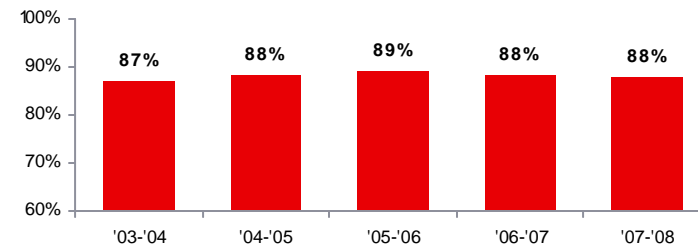
In 2007-08, there were 16,805 incoming animals into the Animal Care Center. More than 70 percent of dogs entering the Center were adopted, rescued, or returned to their owner, compared to only 32 percent of incoming cats.

In March 2005, the Center began providing low-cost spay/neuter surgeries to the public. In 2007-08, 4,777 surgeries were provided, a 9 percent increase from the previous year.

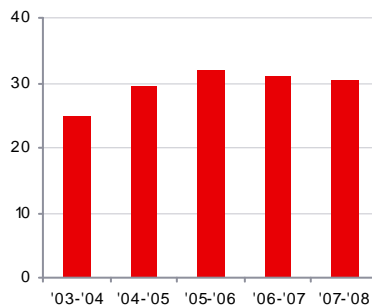
KEY FACTS (2007-08)

Location of Animal Care Center	2750 Monterey Highway
Date Center opened	October 1, 2004
Communities served by Center	San José, Cupertino, Los Gatos, Milpitas, Saratoga
Licensed animals in service area	36,589
Calls for service	30,332

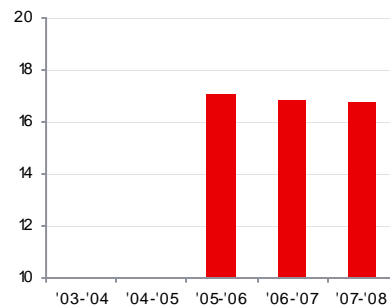
Percent of Emergency Calls with Response Time of One Hour or Less



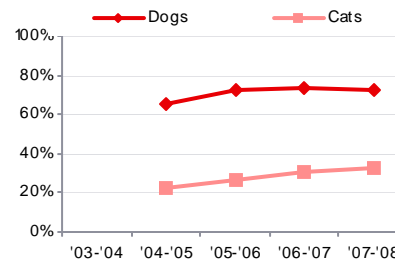
Calls for Service (thousands)



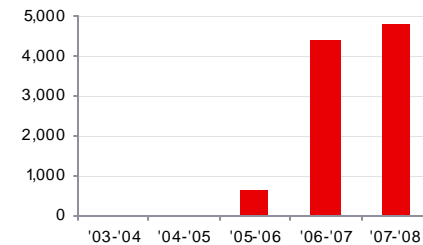
Incoming Animals (thousands)



% of Animals Adopted, Rescued, or Returned to Owner



Low-Cost Spay/Neuter Surgeries (service began in March 2005)



CHAPTER SIX: COMMUNITY & ECONOMIC DEVELOPMENT

The City of San José is committed to developing a strong economic base, creating and preserving safe and healthy neighborhoods, ensuring a diverse range of employment and housing opportunities, and facilitating a diverse range of arts, cultural and entertainment offerings.

COMMUNITY & ECONOMIC DEVELOPMENT

In 2007-08, operating expenditures allocated to Community & Economic Development services totaled \$104.3million, 25 percent more than five years ago. Over half of these expenditures were attributable to city-wide expenses (including convention center lease payments) and the Planning, Building & Code Enforcement Department, which is also a Development Services Partner.

Community & Economic Development Departments include:

Development Services Partners



PLANNING, BUILDING & CODE ENFORCEMENT (PBCE)



PUBLIC WORKS



FIRE DEPARTMENT - Fire Safety Code Compliance



OFFICE OF ECONOMIC DEVELOPMENT

(includes Office of Cultural Affairs and work2future)



CONVENTION FACILITIES

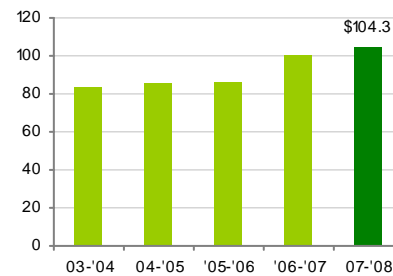


HOUSING DEPARTMENT

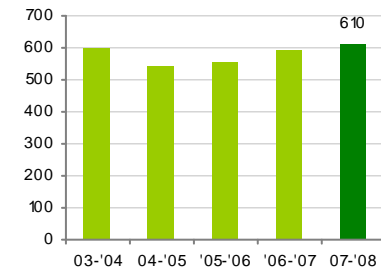


REDEVELOPMENT AGENCY

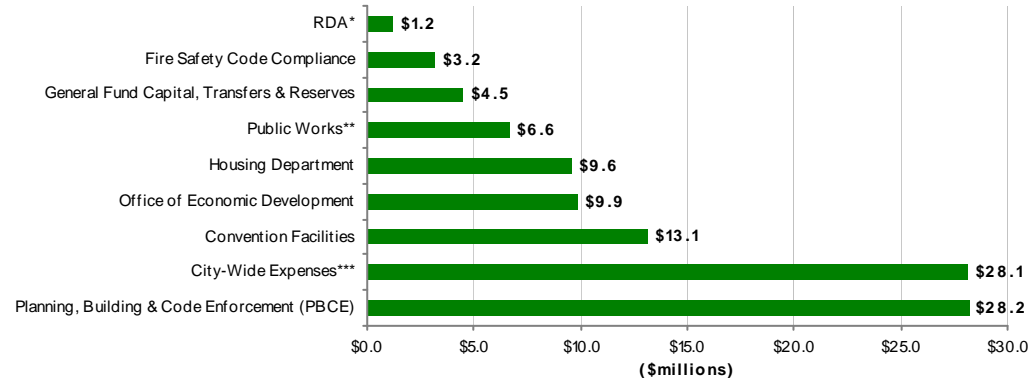
Five-Year Operating Expenditures (\$millions)



Five-Year Authorized Staffing



Community & Economic Development 2007-08 Operating Expenditures by Department



NOTES:

* A small percentage of City dollars is used to fund strategic support & other services shared between the RDA and other City Departments; these dollars are eventually reimbursed through the RDA budget. The RDA budget is independently supported by redevelopment funds.

** Public Works budget here only reflects one core service; the budget and performance measures for the core service "Plan, Design & Construct Public Facilities & Infrastructure" is included in Strategic Support chapter.

***City-Wide expenses for this section include: Convention Center Lease Payments (~\$14 million), Coyote Valley Specific Plan and EIR (~\$4.3 million), Convention & Visitors Bureau Marketing Program (~\$2.1 million), and Tech Center of Innovation Subsidy (~\$1.3 million). See Appendix B for further details.

DEVELOPMENT SERVICES



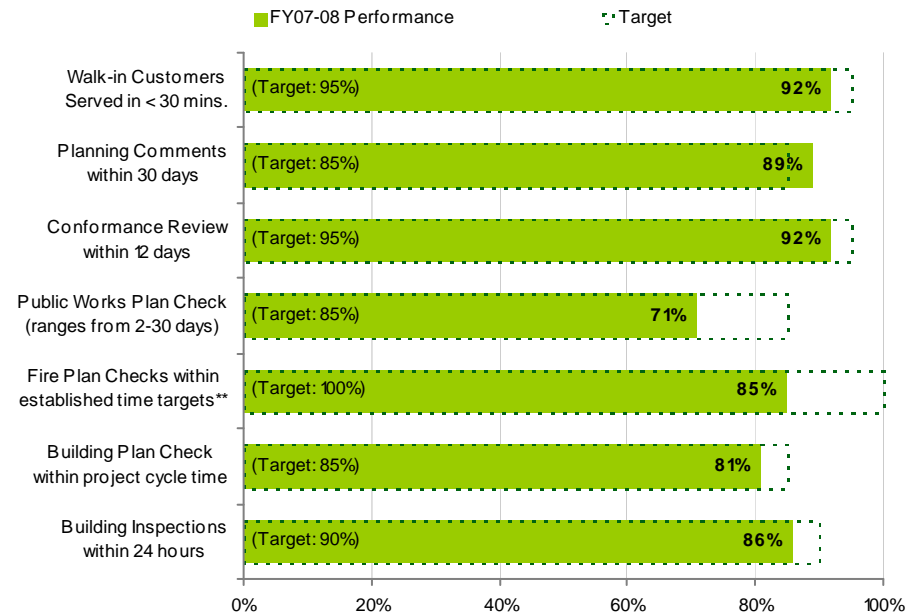
Provided by the Development Services Partners
(Planning, Building & Code Enforcement, Fire Department, and Public Works)

Development Services assists residents and businesses in navigating the City's permitting processes through a "one-stop" Permit Center in City Hall. In 2007-08, the Permit Center saw 46,332 customers.

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 three of the Development Services Partners listed above (see table below right). Annual targets were met for one of the seven listed permitting processes; reports on these measures are currently being monitored and reviewed on a monthly basis.

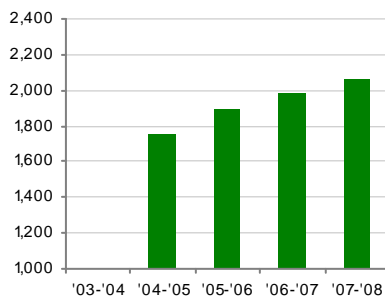
In 2007-08, Development Services handled 2,067 planning applications (4 percent more than in 2006-07), issued 25,500 building permits (11 percent less than in 2006-07), and conducted 194,619 building inspections (3 percent less than in 2006-07).

Timeliness of Development Services (2007-08)

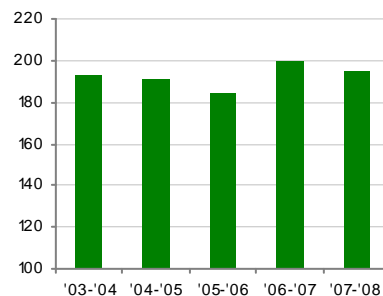


NOTE: The selected measures above may occur simultaneously; some are dependent on completion of particular processes. In addition, projects only go through Public Works and/or the Fire Department if the project in question has an impact on public facilities (e.g., traffic, streets, sewers, utilities, flood hazard zone) or fire-related issues (e.g. need for fire sprinkler systems or fire alarm systems), respectively. As such, one project may require multiple permits and inspections, as reflected in 2007-08 performance.

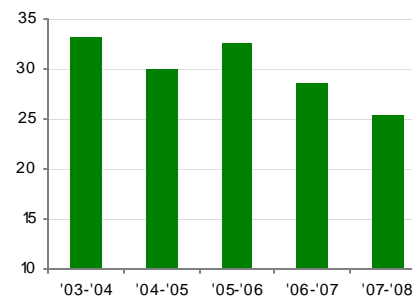
Planning Applications



Building Inspections (thousands)



Building Permits Issued (thousands)



Examples of Planning Timelines

- < 30 days: Single Family House Permit, dead tree removal, sign permits
- < 60 days: commercial/retail site modifications, residential addition/conversion
- < 90 days: church, school, child care additions or conversions, commercial and industrial sites
- < 120 days: gas stations, nightclubs or bars, high density residential permit (> 3 stories)
- < 180 days: high density residential permit (3 stories or more), hillside development, hotels/motels with more than 100 rooms
- > 180 days: large public / quasi-public use

DEVELOPMENT SERVICES (continued)

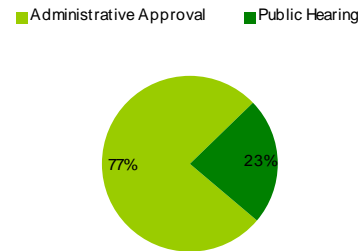


Provided by the Development Services Partners
(Planning, Building & Code Enforcement, Fire Department, and Public Works)

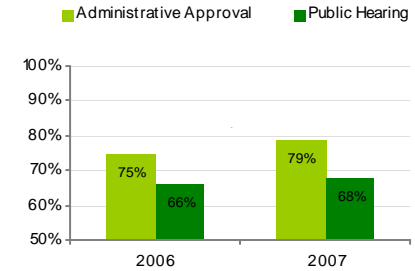
Due to their varying scale and complexity, some projects require approval through a public hearing while others require only administrative approval. In 2007, 77 percent of projects required administrative approval, while 23 percent required a public hearing. It was estimated that half of all projects were commercial, 40 percent were residential, and the rest were mixed-use developments.

In 2007, customer satisfaction improved from 2006 for both projects requiring a public hearing and those requiring administrative approval.

Estimated Breakdown by Project Type (2007)



Customer Satisfaction by Project Type



PUBLIC WORKS DEPARTMENT



Core Services:

- Plan, Design & Construct Public Facilities & Infrastructure (see Chapter Seven)
- Regulate / Facilitate Private Development

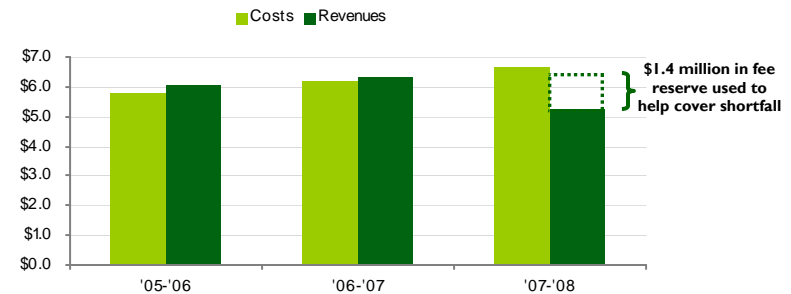
The Department reviews private development to ensure its safety and that it contributes to the City's economic development. The Department provides two fee-based cost-recovery programs: Development Services for private developers (see previous section) and the Utility Fee Program for utility companies.

Development services revenue (for Public Works only) was over \$1 million below operating costs in 2007-08. While a fee increase in 2006-07 helped offset an increase in program costs since 2004-05, development activity and revenue fell in 2007-08*.

The Utility Fee Program reviews plans and issues permits for work performed by utility and telecommunications companies, and is responsible for locating City-owned underground facilities. In 2007-08, Utility Fee revenues exceeded costs.

* In response, approximately 27 percent of positions supporting the Development Services fee program were eliminated to balance the proposed 2008-09 budget. A business/service model study will be conducted in 2008-09 to restructure fees and services.

Public Works Fee Recovery for Development Services (\$millions)



Utility Service Requests Received and Responded to within Target Time



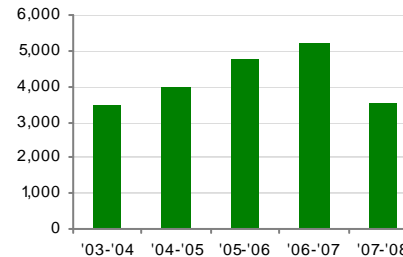
FIRE DEPARTMENT - Fire Safety Code Compliance



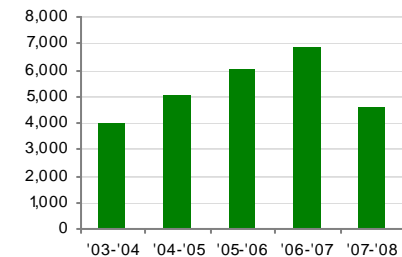
(see Chapter Two for complete Fire Department performance measures)

Fire Safety Code Compliance enforces the City’s Fire and Health and Safety Codes during the plan review and inspection processes, in coordination with the Development Services partners (see “Timeliness” measures under Development Services). In 2007-08, 3,527 fire plan checks and 4,579 inspections were performed for Development Services customers. Workload for fire plan checks and inspections for existing buildings can be found under “Fire Prevention” in chapter two.

Fire Plan Checks Performed* (Development Services only)



Fire Inspections Performed* (Development Services only)



NOTE: (*) denotes best available estimates.

PLANNING, BUILDING & CODE ENFORCEMENT DEPARTMENT



Core Services:

- Long Range Land Use Planning
- Development Plan Review & Building Construction Inspection (see Development Services page)
- Community Code Enforcement (see Neighborhood Services chapter)

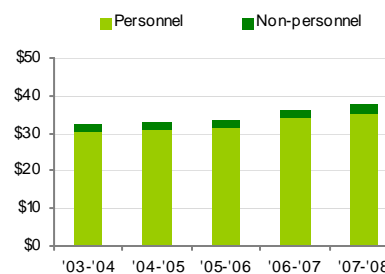
Long Range Land Use Planning

The City develops land use plans and policies to guide its future growth. The General Plan, the City’s blueprint for growth, is kept relevant and current through plan amendments. In 2007-08, there were 11 amendments to the General Plan. These included land use changes, efforts to streamline processes, and changes in support of City-wide initiatives (e.g. creating a height exception for solar panels to support the San José’s Green Vision plan, see Chapter Three).

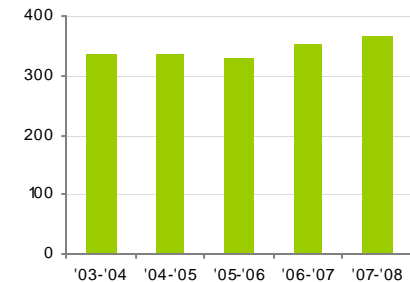
Other long range land use planning activities include:

- Conducting outreach to residents regarding the annexation of pockets of county lands within or adjacent to the City.
- Working with North San José stakeholders to develop urban design guidelines for future development.
- Updating the City’s zoning ordinance for projects consistent with General Plan and land use guidelines.

PBCE Operating Expenditures (\$millions)



PBCE Authorized Positions



OFFICE OF ECONOMIC DEVELOPMENT



(includes the Office of Cultural Affairs & work2future)

Allocated operating expenditures for the Office of Economic Development (OED) totaled \$9.9 million in 2007-08, 11 percent more than 2006-07. This includes federal workforce development dollars for the City's work2future office. The Office of Cultural Affairs became part of OED in 2005-06.

Business/Job Attraction, Retention, Expansion & Creation

OED promotes business in the City of San José by providing assistance, information, access to services, and facilitation of the development permit process (see *Development Services* section) and city approval process (for RDA projects). In 2007-08, OED provided development facilitation services to 110 businesses, and information and services to about 30,000 businesses through the online small business service network.* OED also Sales / Use Tax revenue generated by OED-assisted companies in 2007-08 was lower than forecasted, due in part to declining retail sales. OED improved its performance in job creation/retention by six percent since 2006-07, but was short of its 2007-08 target of 10,000 jobs created or retained by assisted companies.

Workforce Development

Workforce Investment Act (WIA) clients receive a broad range of support services such as job training, job search assistance, and eventually job placement through the City's work2future office. In 2007-08, work2future services were provided to 230 businesses. The City's main WIA programs focus on Adults, Dislocated (laid-off) Workers, and Youth. *(continued on next page)*

(*for more information on the small business network, see www.BusinessOwnerSpace.com)

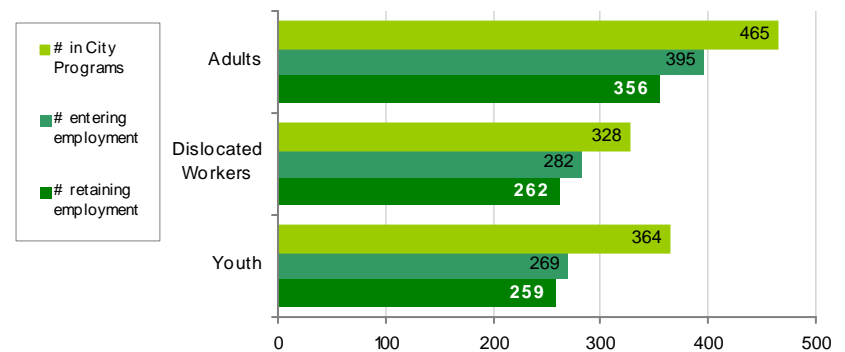
KEY FACTS (2007-08)

Largest City in the Bay Area (3rd largest in CA, 10th in nation)

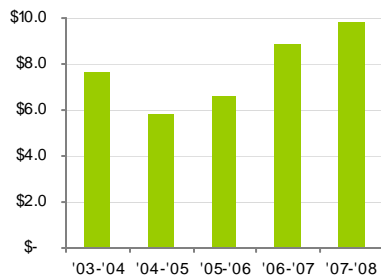
Unemployment Rate*	6.8%
Jobs per Employed Resident	0.81
Median Household Income*	\$76,354

*Source: U.S. Census Bureau - three-year average of the 2005, 2006, and 2007 American Community Survey.

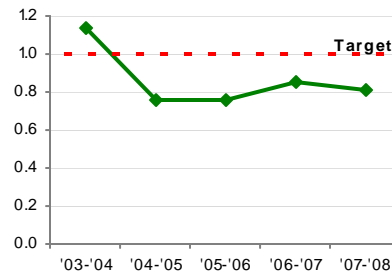
City of San José - 2007-08 Workforce Development



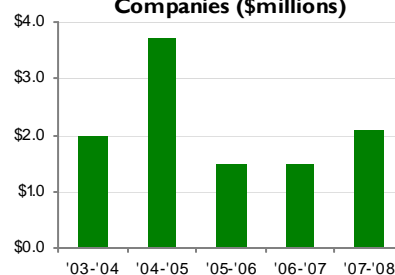
Operating Expenditures (\$millions)



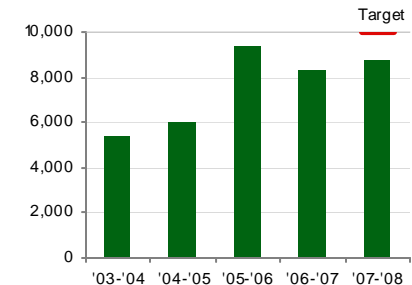
Jobs per Employed Resident in City of San José



Sales/Use Tax Revenue Generated by OED-assisted Companies (\$millions)



Jobs Created or Retained by OED-assisted Companies



OFFICE OF ECONOMIC DEVELOPMENT (continued)



Workforce Development (continued)

In 2007-08, WIA programs served a total of 1,157 persons, with 947 entering employment and 877 still employed six months after program completion. The City met five out of six performance targets for adults, dislocated workers, and youth entering and retaining employment in 2007-08.

Arts & Cultural Development

The Office of Cultural Affairs (OCA) develops and manages resources to support opportunities for cultural participation and cultural literacy. In 2007-08, OCA awarded 143 arts grants totaling over \$2.8 million to San José arts organizations, and invested nearly \$2.3 million in public art. Arts education in 2007-08 served just over 26,000 students, 5,000 more than in 2006-07, primarily through the City's *Arts Express* exposure program. Residents' positive ratings of arts and cultural offerings have also continued to improve, from 39 to 47 percent over the past five years.

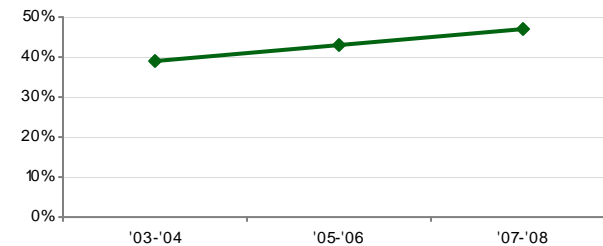
Outdoor Special Events

In 2007-08, the City sponsored or authorized 374 events with an attendance of nearly two million. The costs for special events in the past three years were higher than in previous years due to the addition of the San José Grand Prix; this event will no longer be held in San José in future years. Other signature City events include the ZEROONESJ Biennial Festival, the Rock 'n' Roll Half Marathon, and the Amgen Tour.

2007-08 Workforce Development Programs

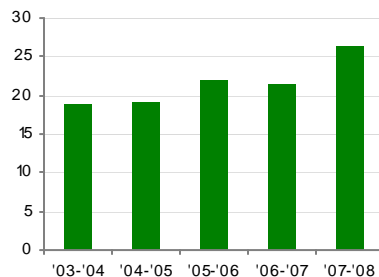
WIA Program Outcomes	Actual	Target
Adults entering employment	85%	77%
...retaining employment after 6 mos.	90%	82%
Dislocated workers entering employment	86%	85%
...retaining employment after 6 mos.	93%	87%
Youth entering employment	74%	80%
...retaining employment after 6 mos.	96%	80%

Percent of Residents Rating Availability and Variety of Arts & Cultural Offerings in or near their Neighborhood as "Good" or "Excellent"

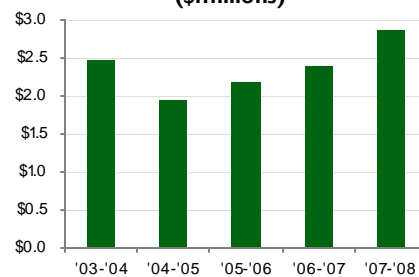


SOURCE: 2003, 2005, & 2007 Community Survey

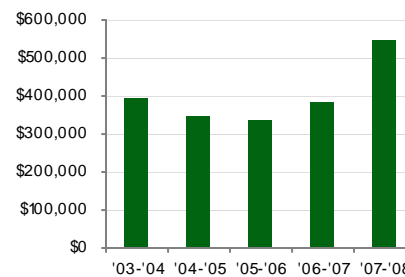
Students Served by Arts Education ('000s)



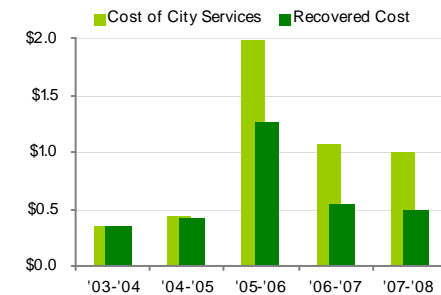
Grant Expenditures for Arts & Cultural Development (\$millions)



Grant Funding for Outdoor Special Events



Outdoor Special Events (\$millions)



CONVENTION FACILITIES



The City's convention center houses exhibitions, trade shows, and conferences. Its cultural facilities are home to concerts, plays, and other performances. These facilities have been managed by Team San José since July, 2004.

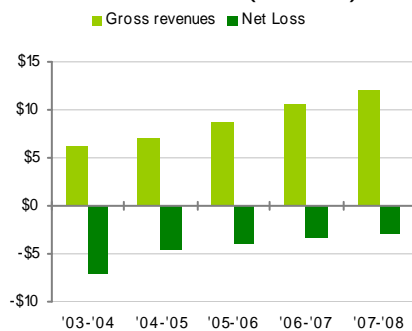
In 2007-08, gross revenues from the convention and cultural facilities totaled \$12 million, 14 percent more than in 2006-07 and 90 percent more than five years ago, the final year before Team San José took over management of the facilities. In 2007-08, the facilities posted a \$3.0 million net loss, roughly the same as in 2006-07 but half the net loss posted five years ago.

In 2007-08, the facilities hosted 434 events with a total attendance (including exhibitors) of more than 1.6 million. Attendance in 2007-08 was 32 percent more than in 2006-07 and 69 percent more than five years ago. The overall occupancy rate was 72 percent. Customer satisfaction was high, with 98 percent of customers rating overall service as good or excellent.

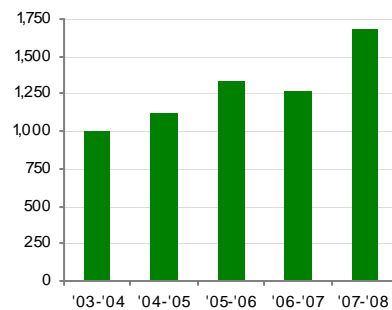
KEY FACTS (2007-08)

Convention and Cultural Facilities:	McEnery Convention Center South Hall Center for the Performing Arts Parkside Hall Civic Auditorium Montgomery Theater California Theater
Events (e.g. conferences, exhibitions, concerts, other performances)	434
Total attendance at all events	1,679,736

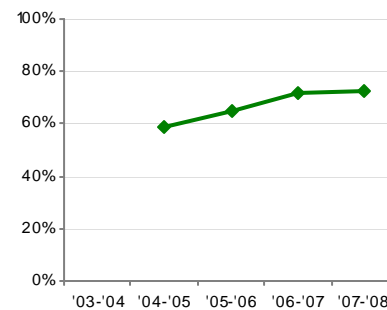
Revenue and Loss (\$millions)



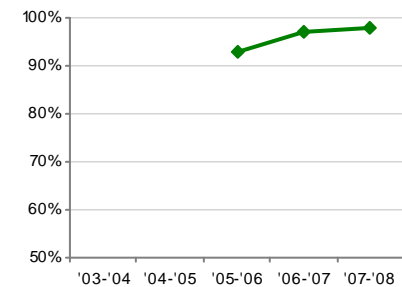
Annual Attendance (thousands)



Overall Occupancy Rate



% of Customers Rating Overall Service "Good" to "Excellent"



HOUSING DEPARTMENT



In 2007-08, allocated operating expenditures for the Housing Department totaled \$9.6 million, a 12 percent increase from 2006-07. The Department had 80 full-time equivalent positions, a 3 percent increase from 2006-07.

Increase the Affordable Housing Supply

The Department provides funding and technical assistance for the creation of new affordable housing by making loans to developers and providing homebuyer assistance programs. In 2007-08, the Housing Department provided funding for 737 additional units of affordable housing for a grand total of 17,582 units built since 1988.

Potential homeowners receive assistance through City programs such as the Teacher Homebuyer Program; 79 individuals received assistance from City homebuyer programs in 2007-08. The Department managed nearly \$21 million in funds for all homebuyer programs in 2007-08, with \$16.6 million projected in 2008-09. These figures include \$10 million in one-time funding provided in 2007-08. The department also provides housing developers with loans for construction of affordable housing units; this subsidy per unit increased by 57 percent over five years.

For information about the Redevelopment Agency's housing efforts, see the "Redevelopment Agency" section later in this chapter.

KEY FACTS

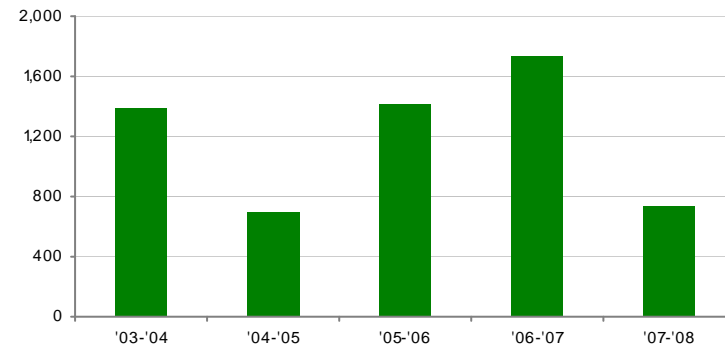
Median Household Income in San José*:	\$76,354
Average Monthly Rent in San José (1 bedroom)**:	\$1,441
Percent of Renters whose Gross Rent is 30 percent or more of Household Income*:	49%
Median Home Price in San José (single-family)**:	\$665,000
Percent of Owners whose Monthly Owner Costs (with mortgage) is 30 percent or more of Household Income*:	41%

*Source: U.S. Census - three-year average of the 2005, 2006, and 2007 American Community Survey

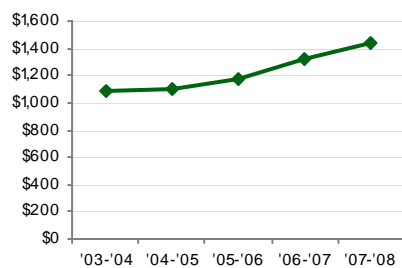
**Source: RealFacts report (from Dept., June 2008)

***Source: CA Association of Realtors (from Dept., Q2 2008)

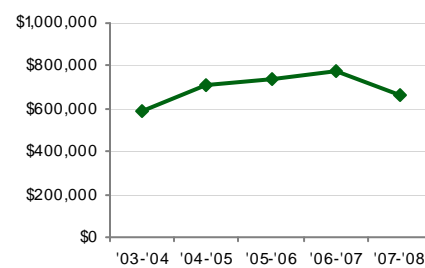
Affordable Housing Units Completed



Average Monthly Rent in San José (IBD)

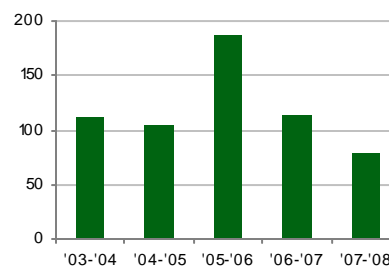


Median Home Price in San José (Single-Family)**

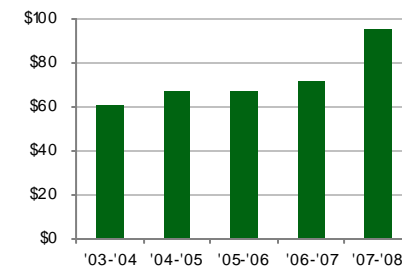


**Source: RealFacts report (from Dept., June 2008)

Number of Potential Homebuyers Assisted



Average Per-Unit Subsidy for New Construction Projects ('000s)



HOUSING DEPARTMENT (continued)



Maintain the Existing Affordable Housing Supply

The Department provides rehabilitation loans and grants to extend the useful life of affordable housing. In 2007-08, the Department provided funding for 322 rehabilitation units, an 11 percent increase from 2006-07. Affordable housing rehabilitation funds come from a variety of federal, State, and local sources. In 2007-08, the Department managed approximately \$8.2 million in funds for affordable housing rehabilitation.

The Department also administers a Rental Rights and Referrals Program that provides mediation for tenant/landlord disputes in rent-controlled units. The number of clients served in 2007-08 reflected a 57 percent increase over the previous year. In 2007-08, 50 percent of mediations resulted in mutual agreement; performance was as high as 95 percent in 2005-06.

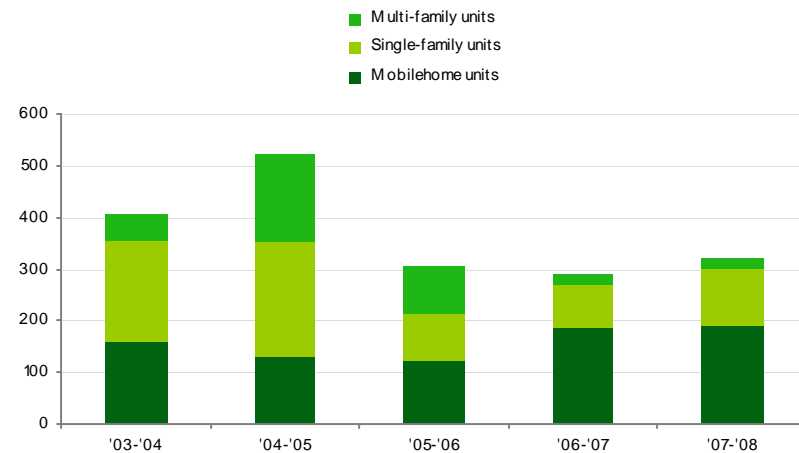
Provide Services to Homeless & At-Risk Population

Since 2005, the Housing Department has been contracting with local nonprofits to provide, on behalf of the City, direct services to residents who are homeless or at risk of homelessness. The Department also administers and manages grants through the federal Emergency Shelter Grant and other funding sources. The biennial Homeless Census in 2005 estimated about 4,892 homeless individuals in San José. The Department's goal is to permanently house 4,900 chronically homeless individuals (set from the 2005 Homeless Census) over a 10-year period. The 2007 Homeless Census estimated 4,309 homeless individuals in San José, 12 percent less than in 2005.

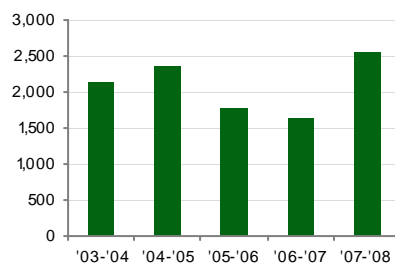
Housing Department Grants (2007-08)

The Housing Department administered \$46.7 million in grants in 2007-08. This includes \$3.4 million in local resources, \$13.1 million in state resources, and \$30.2 million in federal resources. Community Development Block Grant (CDBG) funds represented more than half of federal funding.

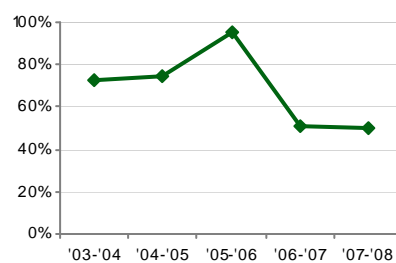
Breakdown of Rehabilitation Units Completed



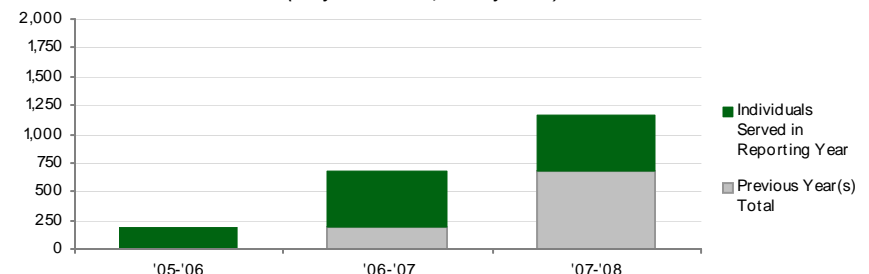
Rental Rights & Referrals Clients (unduplicated)



Percent of Tenant/Landlord Mediations Resulting in Mutual Agreement



Cumulative Number of Chronically Homeless Individuals Assisted in Securing Permanent Housing (10-year Goal: 4,900 by 2013)



REDEVELOPMENT AGENCY



Core Services:

- Develop & Preserve Housing
- Economic Development
- Build Public Facilities
- Strengthen Neighborhoods

The San José Redevelopment Agency (the Agency) is a public, government organization created in 1956 by the City Council. It is a separate legal entity from the City with a goal of revitalizing blighted areas in the City.

The Agency complements the work of the City's Office of Economic Development, Housing Department, and other departments. Whereas City departments work throughout the City, the Agency focuses on specific Redevelopment Areas as approved by City Council, which also acts as the Agency's Board.

The Agency issues bonds to finance projects in redevelopment areas. Debt service is funded through "tax increment financing." A tax increment is the additional property taxes that accrue because of an increase in the taxable values of property subsequent to the implementation of a redevelopment plan.

Tax increment financing is the primary funding mechanism for the Agency. In 2007-08, the Agency received only 6 percent of its budget from the City's General Fund (for strategic support services). These dollars were subsequently reimbursed to the City from redevelopment funds.

The Agency's budget is limited by a cap on the amount of tax increments that can be collected. Because of this revenue limitation, the Agency is expected to reach its bonding capacity in fiscal year 2009-10. In April 2008, the Council authorized the Agency to explore the feasibility of increasing the Agency's tax increment revenue through a plan amendment process.

In addition to debt service and other redevelopment activities, 20 percent of tax increment revenues must be dedicated to low- or moderate-income housing.



REDEVELOPMENT AGENCY (continued)



Develop & Preserve Housing

The Agency supplements the community’s ability to meet housing demand (both market rate and affordable housing). In 2007-08, one Agency-assisted project was completed containing 76 new housing units. Agency funds for the project accounted for 17 percent of the project’s total costs. All of the housing units were for sale units rather than rental units.

The number of units was down from the 585 units completed in 2006-07. Part of the variance was because of several large projects with long construction periods that were in development during 2007-08.

See Housing Department section in this chapter for more information on the City’s efforts related to developing and preserving housing.

Economic Development

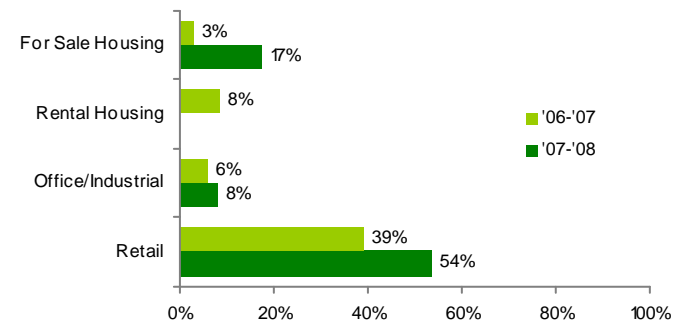
The Agency encourages private investment to create jobs and develop housing and retail opportunities. In 2007-08, Agency-assisted projects created or sustained 4,141 jobs in Redevelopment Areas. There were 18 office, retail, or industrial development projects. Agency funds for the various projects totaled \$13.4 million. In 2007-08, office/industrial projects accounted for 45 percent of the Agency funding with the remaining going toward retail projects.

See the Office of Economic Development section in this chapter for more information on the City’s economic development efforts.

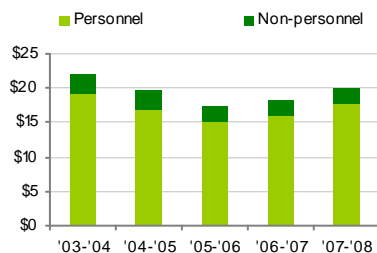
KEY FACTS (2007-08)

Number of Redevelopment Areas	21
Approximate area of Redevelopment Areas	29.17 sq. miles
Approximate area of City	178 sq. miles
Estimated percent of City designated as a Redevelopment Area	16%

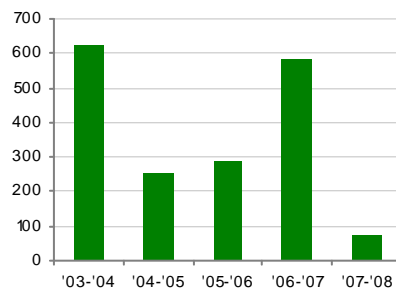
Percent of Project Costs Funded by Agency



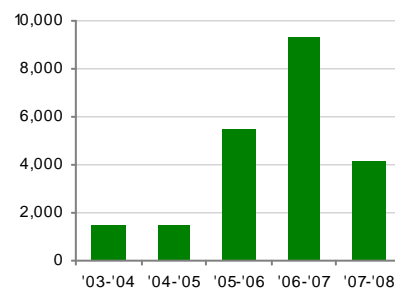
Redevelopment Agency Operating Expenditures (\$millions)



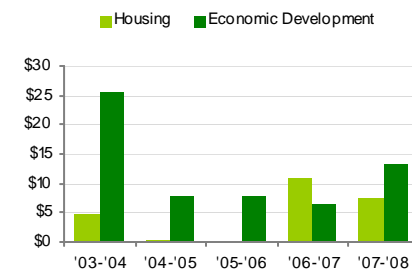
New Housing Units Completed in Redevelopment Areas



Jobs Created or Preserved in Redevelopment Areas



Agency Funding for Completed Projects (\$millions)



REDEVELOPMENT AGENCY (continued)



Build Public Facilities

The Agency helps develop facilities and spaces to correct blight conditions, encourage pedestrian activity, improve the quality of life of residents, and promote economic growth. In 2007-08, there were 17 completed Agency-assisted projects, including the EHC Lifebuilders Sobrato House Youth Center, the Starbird Teen Center, and the San José Day Nursery Infant Center. Total project costs totaled \$22.2 million, 55 percent of the which was funded by the Agency (\$12.2 million).

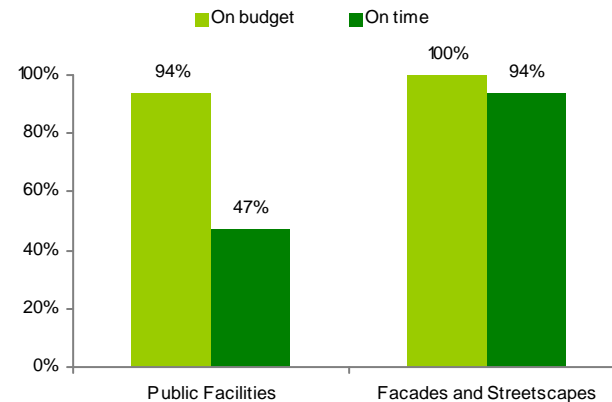
In 2007-08, 94 percent of public facility projects were completed on budget, whereas 47 percent were completed on time. In 2006-07, 100 percent of completed projects were on budget and 88 percent were on time.

See the Strategic Support chapter for more information on the City's efforts to build public facilities.

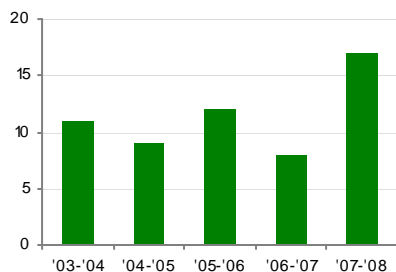
Strengthen Neighborhoods

The Agency promotes redevelopment in San José neighborhoods to advance business and economic development through facade improvement grants, streetscape projects, and other development. In 2007-08, there were 45 completed facade improvement projects and three completed streetscape projects. Agency funding for these totaled \$3.6 million (76 percent of total costs) and \$2.2 million dollars (100% of total costs), respectively. In 2007-08, all facade improvements and streetscape projects were completed on budget and 94 percent were completed on time.

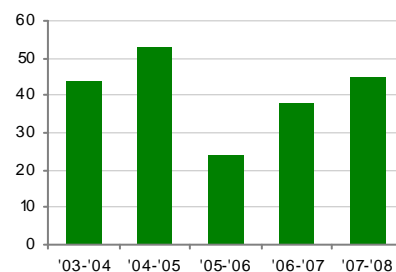
Percent of Projects On Time and On Budget



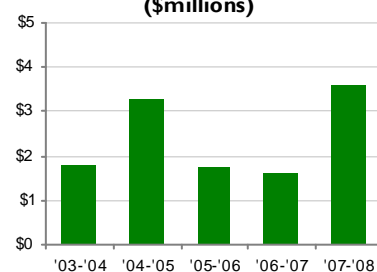
Completed Public Projects



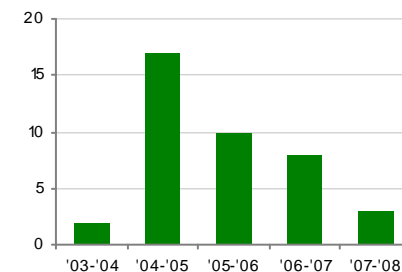
Completed Facade Improvements



Agency Funding for Completed Facade Improvements (\$millions)



Completed Streetscape Improvements



CHAPTER SEVEN: STRATEGIC SUPPORT

Strategic Support departments are responsible for leading and managing the City organizations that facilitate the innovative and efficient delivery of services and programs to customers.

STRATEGIC SUPPORT DEPARTMENTS

In 2007-08, operating expenditures allocated to Strategic Support totaled \$234.4 million, 29 percent more than five years ago. This includes six City departments, the Mayor and City Council, and the City Council Appointee Offices, as well as city-wide expenses such as workers' compensation claims.

Strategic Support Departments include:



PUBLIC WORKS



GENERAL SERVICES DEPARTMENT



INFORMATION TECHNOLOGY



FINANCE DEPARTMENT



HUMAN RESOURCES



RETIREMENT SERVICES



MAYOR AND CITY COUNCIL

City Council Appointees



CITY ATTORNEY



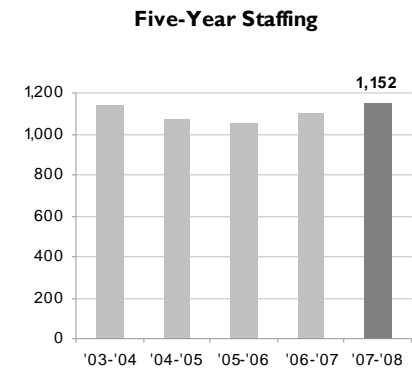
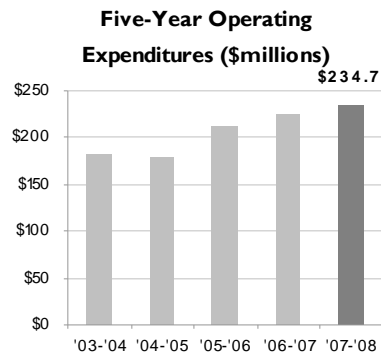
CITY MANAGER



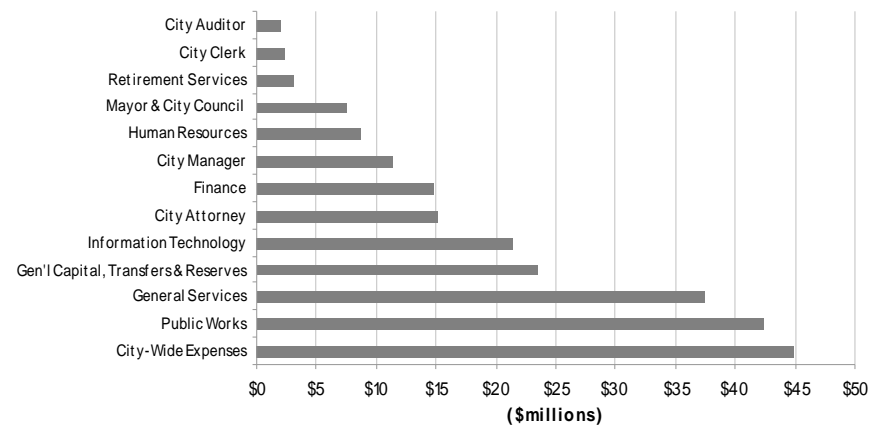
CITY CLERK



CITY AUDITOR



Strategic Support 2007-08 Operating Expenditures by Department



NOTE: City-Wide expenses include Worker's Compensation Claims (~\$13.4 million), Sick Leave Payments upon Retirement (~\$7.0 million), and Airport debt service payments (~\$5.7 million). See Appendix B for more details. General Fund Capital, Transfers, and Reserves includes City Hall debt service.

PUBLIC WORKS DEPARTMENT



Core Services:

- Plan, Design & Construct Public Facilities & Infrastructure
- Regulate / Facilitate Private Development
(see *Chapter Six– Community & Economic Development*)

Plan, Design & Construct Public Facilities & Infrastructure

Public facilities and infrastructure includes municipal facilities (airport, police and fire stations, libraries, community centers), street and transportation projects, pipe systems, and parks-related projects. In 2007-08, the Department completed 58 construction projects with a total construction cost of approximately \$168 million. Since 2004-05, the total number of projects completed has declined each year; however, the total construction value of projects completed has steadily increased each year.

In 2007-08, 43 of 58 (74%) construction projects were completed “on budget”. “On budget” refers to projects completed in the reporting year that do not exceed the approved baseline budget and no longer incur additional costs. Projects completed “on budget” in 2007-08 represent a five percent increase in performance since 2006-07.

Of the 58 construction projects completed in 2007-08, 37 of these projects also had benchmarks based on similar-sized projects in other California cities. Targets were met in 23, or 62%, of these projects.

A project is also considered “on schedule” when it is available for its intended use (i.e. completed street being used by vehicles, parks being utilized) by the approved baseline schedule. In 2007-08, 47 of 64 projects (73%) achieved their intended use by the scheduled target date. This represents a four percent decrease in performance since 2006-07.

Fire Station No. 35



Lake Cunningham Regional Skatepark



KEY FACTS (2007-08)

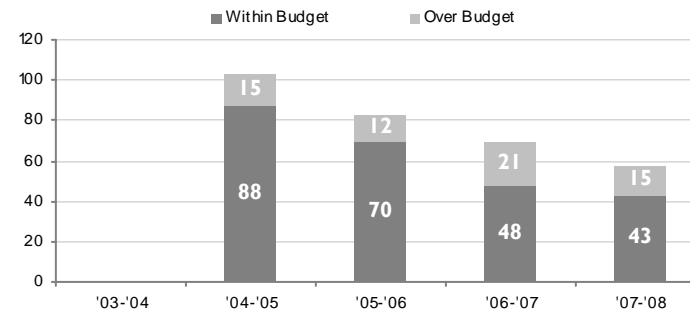
Public Works Operating Expenditures (allocated): \$32.1 million
 Total Construction Costs of Projects: \$168 million

Example of project completed “on budget”: Fire Station No. 35 (see photo)
 (Budget: ~\$6.69 million | Actual: ~\$6.59 million)

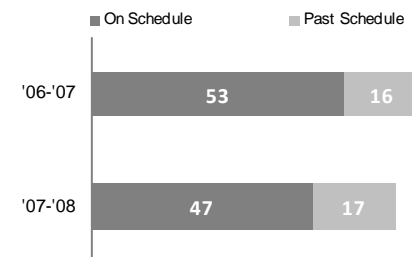
Example of project completed “on schedule”: Lake Cunningham Regional Skatepark (see photo)
 (Scheduled: April 2008 | Opened: April 2008)

Example of project completed “on budget” and “on schedule”: Traffic Signal Modification on Santa Clara & Seventh St.
 (\$72,828 under budget; 2 mos. before scheduled)

"On Budget" Construction Projects - Completed within Baseline Budget



Projects Completed "On Schedule" (Available for Intended Use)



GENERAL SERVICES DEPARTMENT



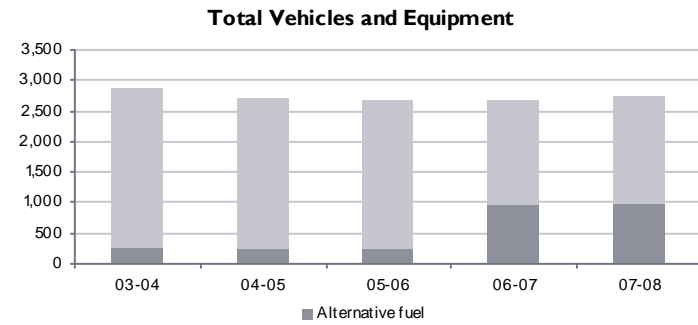
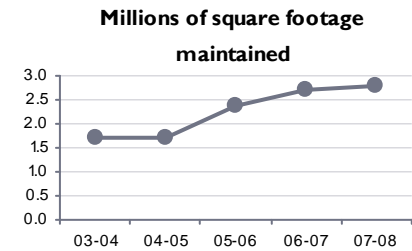
The General Services Department manages and maintains City facilities and the City's vehicle and equipment fleet. It also provides animal control services (see Chapter Five– Neighborhood Services.) In 2007-08, the department provided maintenance to 381 City buildings, including libraries, community centers, and fire stations. Total square footage maintained totaled 2.8 million sq. feet in 2007-08.

General Services also manages and maintains the City's vehicles and equipment. The City's Green Vision plan set a goal that all City vehicles and equipment run on alternative fuels by 2022-23. In 2007-08, 32 percent of City vehicles and 44 percent of City equipment ran on alternative fuels.

As of April 2008, the department estimated a facilities maintenance backlog of approximately \$13 million in one-time costs, \$5 million in annual unfunded costs, and a \$3 million vehicle and equipment backlog with \$400,000 in annual unfunded costs. The backlog is a continuing problem and a current focus for the City Council.

KEY FACTS

- Authorized Positions: 204 FTE
- 2007-08 Expenditures: \$37,396,643



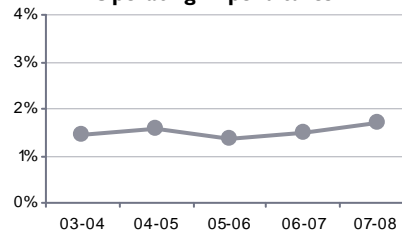
INFORMATION TECHNOLOGY DEPARTMENT



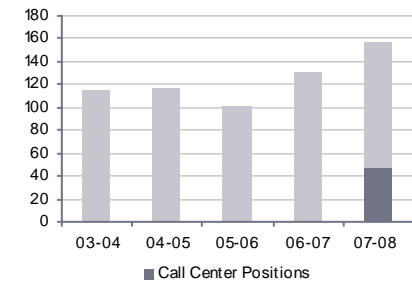
The Information Technology department (IT) manages the City's information technology infrastructure, provides enterprise technology solutions, and supports departmental technology services. IT, together with staff from other City departments, is responsible for managing a number of City databases including the Financial Management System, PeopleSoft HR/Payroll system, Geographic Information System, and the Capital Project Management system.

In 2007-08, there were 157 authorized positions in the department and its expenditures were approximately \$21.4 million. The City's customer contact center moved to the IT department in 2007-08, which increased IT staffing by 46 percent. The IT budget, including the customer call center, comprises approximately 1.7 percent of the City's operating budget.

IT Percent of Total City Operating Expenditures



IT Authorized Positions



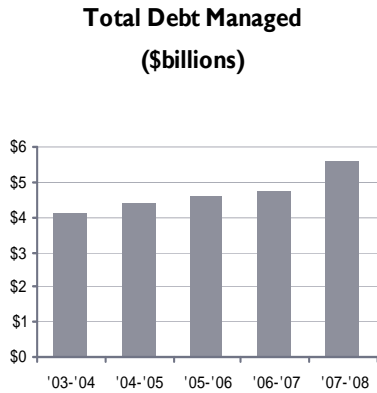
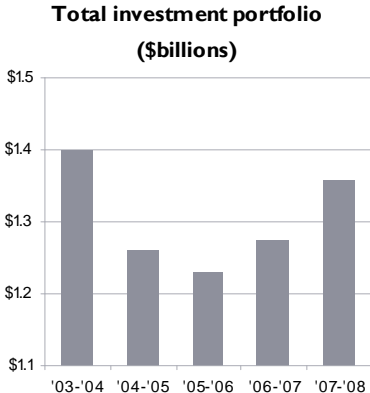
NOTE: 2007-08 is the first year with Customer Call Center expenditures included.

FINANCE DEPARTMENT

The Finance Department manages the City’s debt, disbursements, financial reporting, purchasing, and revenue. In 2007-08, there were approximately 139 authorized positions and its operating expenditures were over \$14.7 million.

At the end of 2007-08, the Finance Department managed approximately \$1.4 billion in City cash and investments and had an average rate of return of 4.1 percent. It also managed the City’s debt, which has grown to over \$5.6 billion in 2007-08. The City’s debt has grown significantly since 2002 when the City began capital improvements for parks, community centers, libraries, and public safety.

In 2007-08, San José’s credit rating from Standards & Poor’s improved from AA+ to the highest rating, AAA. Its credit rating remains at Aa1 and AA+ from Moody’s and Fitch, respectively.

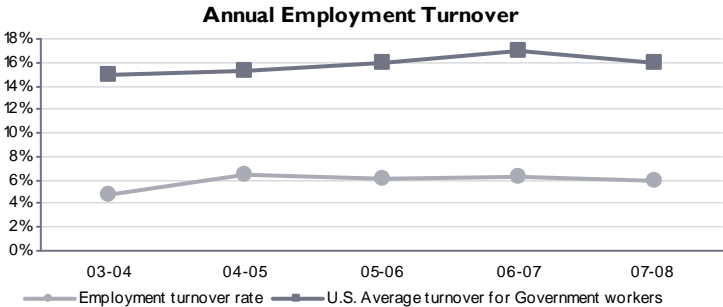
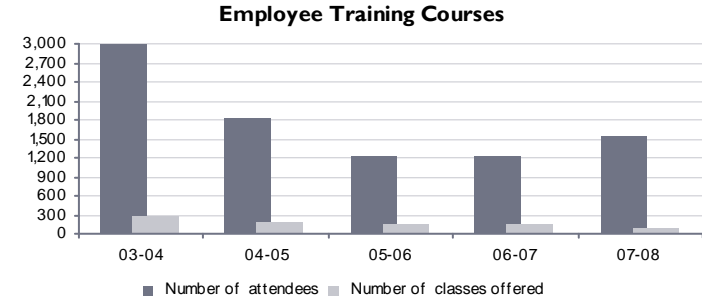


HUMAN RESOURCES DEPARTMENT

The Human Resources department works to attract, develop, and retain a quality workforce. It manages employee benefits, employment services, employee health & safety, and workforce development. In 2007-08, there were approximately 71 FTE positions in the department and its operating expenditures were just over \$9.2 million.

Human Resources offers a number of personal growth and career-related training courses, as well as an employee mentoring program. The employee mentoring program matched approximately 68 pairs in 2007-08. The number of employee training courses offered has declined by 65 percent over the past five years, however, the number of attendees has not dropped by the same rate and has been increasing since 2005-06.

Employment turnover remains relatively low compared to other state and local governments. The City’s turnover rate was about six percent for 2007-08 compared with the U.S. average for state and local government workers of about 16 percent.



RETIREMENT SERVICES DEPARTMENT



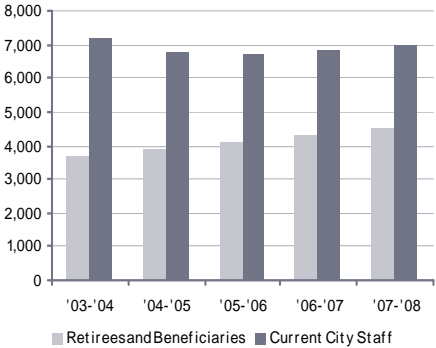
The Retirement Services Department administers two pension plans, the Federated Plan and the Police and Fire Plan, and retirement benefit programs for City employees. In 2007-08 there were approximately 29 authorized positions in the department; its operating expenditures were just over \$3 million.

In 2007-08, the City contributed approximately \$133.5 million and employees contributed just over \$52 million to the funds. In 2007-08, there were 4,480 current beneficiaries of the plans.

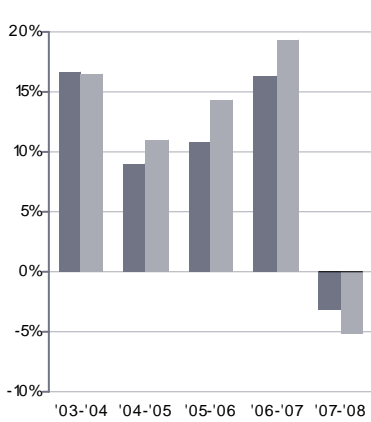
During 2007-08, both plans had a negative rate of return on plan assets. Police and Fire’s rate of return was negative 5.1 percent and the Federated plan’s rate of return was negative 3.1 percent.*

**Since the end of fiscal year 2007-08, the plans’ rate of returns have continued to decline. Between July and October 2008, the plans lost an estimated \$950 million in market value (from \$4.335 billion to \$3.385 billion). This was a negative 24.8 percent return for the Police and Fire Plan and a negative 17.8 percent rate of return for the Federated Plan.*

Number of Retirees and Beneficiaries Compared to Size of Current Staff



Rate of Return on Plan Assets



MAYOR AND CITY COUNCIL

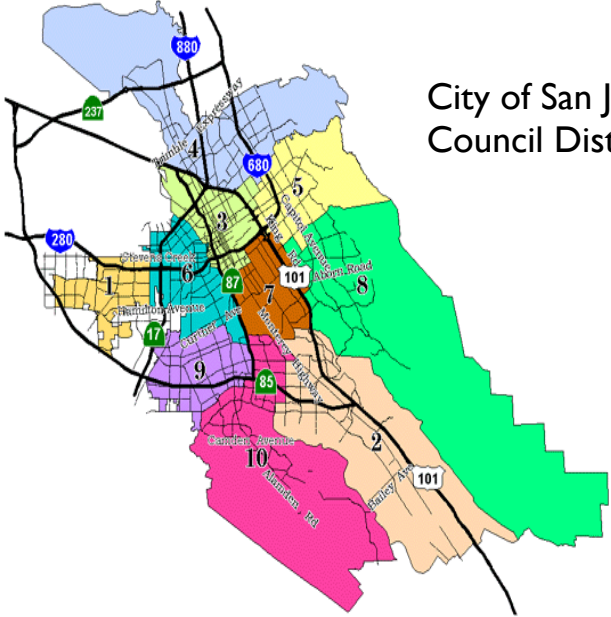


The Mayor and City Council set the policy agenda for the City of San José. Operating expenditures for the Mayor and Council were \$7.5 million in 2007-08.

The City Council meets weekly to direct city operations. The Council meeting schedule and agendas can be viewed at this website: <http://www.sanjoseca.gov/clerk/agenda.asp>.

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 each month. The City Council Committees are:

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



City of San José Council District Map

CITY COUNCIL APPOINTEES

CITY MANAGER'S OFFICE



The Office of the City Manager develops public policy, leads the organization, and manages City-wide service delivery.

- Total Expenditures: \$11.5 million
- Authorized full-time equivalent positions: 90
- Number of policy documents issued: 1,700 (est.)
- Number of City Council referrals assigned: 150 (est.)
- Offices: Administration
 - Budget
 - Employee Relations
 - Intergovernmental Relations
 - Agenda Services
 - Communication
 - Strong Neighborhood Initiative
 - CIP Action Team

CITY ATTORNEY'S OFFICE



The Office of the City Attorney 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 San José Redevelopment Agency.

- Total Expenditures: \$15.1 million
- Authorized full-time equivalent positions: 95
- Number of legal transactions, documents, and memoranda prepared or reviewed : 9,851
- Number of new litigation matters: 1,276

CITY CLERK'S OFFICE



The Office of the City Clerk assists the City Council in the legislative process and makes that process accessible to the public by maintaining the legislative history of the City Council and complying with election laws.

- Total Expenditures: \$2.4 million
- Authorized full-time equivalent positions: 18

CITY AUDITOR'S OFFICE




The Office of the City Auditor conducts performance audits to determine whether City resources are being used in an economical, effective, and efficient manner; established objectives are being met; and desired results are being achieved. The City Auditor also coordinates the work of an independent accounting firm to conduct annual financial audits for the City.


- Total Expenditures: \$2.1 million
- Authorized full-time equivalent positions: 18
- Number of reports issued: 16
- Audit benefit identified: \$9.5 million
- Ratio of Office benefit to cost: \$4.55 to \$1


APPENDIX A: FIVE-YEAR TRENDS


Public Safety
Environmental & Utility Services
Transportation & Aviation
Neighborhood Services
Community & Economic Development
Strategic Support




FIVE-YEAR TRENDS	2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
CHAPTER TWO: PUBLIC SAFETY							
Allocated Operating expenditures (\$millions):							
Police Department (does not include Traffic Safety Services)	\$212.8	\$222.5	\$227.9	\$249.5	\$271.2	9%	27%
Fire Department	\$108.2	\$115.4	\$122.3	\$124.4	\$155.6	25%	44%
Independent Police Auditor	\$0.6	\$0.7	\$0.7	\$0.8	\$0.8	6%	24%
Office of Emergency Services	\$0.3	\$0.2	\$0.3	\$0.4	\$0.3	-36%	0%
City-Wide Expenses	\$3.9	\$3.8	\$7.3	\$16.7	\$8.9	-47%	130%
General Fund Capital, Transfers & Reserves	\$4.8	\$3.1	\$3.1	\$3.2	\$2.5	-21%	-48%
Total	\$330.5	\$345.7	\$361.6	\$395.0	\$439.2	11%	33%

 Police Department							
Allocated operating expenditures (\$millions):							
Respond to Calls for Service	\$131.5	\$138.4	\$140.9	\$154.7	\$166.1	7%	26%
Investigative Services	43.5	45.5	45.7	48.1	54.1	13%	24%
Crime Prevention and Community Education	8.8	8.0	7.4	9.6	9.8	2%	11%
Traffic Safety Services	7.4	7.6	7.7	8.2	9.0	9%	22%
Regulatory Services	2.4	2.3	2.5	2.8	3.2	14%	37%
Special Events Services	1.1	1.3	1.2	1.0	0.9	-7%	-16%
Strategic Support	25.5	26.9	30.1	33.3	36.9	11%	45%
Total	\$220.1	\$230.1	\$235.6	\$257.8	\$280.1	9%	27%
Authorized positions	1,835	1,802	1,789	1,805	1,814	1%	-1%
Total sworn officers	1,379	1,379	1,336	1,353	1,370	1%	-1%

FIVE-YEAR TRENDS		2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
	Police Department (continued)							
Crime								
Major crimes (calendar year data):								
	Violent crimes (homicide, rape, robbery, aggravated assault)	3,378	3,379	3,492	3,561	3,759	6%	11%
	Property crimes (burglary, larceny, vehicle theft)	20,748	22,298	22,930	24,240	24,062	-1%	16%
	Total	24,126	25,677	26,422	27,801	27,821	0%	15%
Major crimes per 100,000 residents:								
	San José	2,608	2,772	2,796	2,915	2,857	-2%	10%
	U.S.	4,067	3,977	3,901	3,808	3,730	-2%	-8%
	California	3,934	3,883	3,743	3,606	3,452	-4%	-12%
Gang-related incidents (fiscal year data) Note: In March 2008, gang-related graffiti cases began to be included, making prior year comparisons difficult.)						1,292		
Perceptions of Safety (San José Community Survey)								
Percent of residents who feel safe:								
	In their neighborhood (day)	90%		90%		90%		0%
	In their neighborhood (night)	68%		72%		70%		2%
	In the City park nearest their home (day)	84%		84%		83%		-1%
	In the City park nearest their home (night)	44%		51%		48%		4%
	Downtown (day)	65%		71%		68%		3%
	Downtown (night)	38%		43%		41%		3%
Percent of residents naming crime-related issues as the most serious issue facing City government		14%		14%		22%		8%
Percent of residents rating police protection as "good" or "excellent" in their neighborhood		65%		67%		66%		1%

FIVE-YEAR TRENDS	2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
 Police Department (continued)							
Respond to Calls for Service							
Average response time (minutes) - Priority 1 calls (present or imminent danger to life or major damage/loss of property)			7.0	7.1	5.9	-17%	
Average response time (minutes) - Priority 2 calls (injury or property damage or potential for either to occur)			12.5	12.5	11.4	-9%	
Calls for service:							
9-1-1 calls	190,767	200,866	221,882	251,299	260,061	3%	36%
Wireless 9-1-1 calls (in 2003-04 wireless calls were referred to the CHP)		29,711	94,617	114,712	143,921	25%	
7-digit emergency calls				97,228	82,193	-15%	
CHP transfers				20,489	15,210	-26%	
Total emergency calls				483,728	501,385	4%	
Total non-emergency calls (e.g. 3-1-1 calls, 7-digit non-emergency calls)				505,056	504,093	0%	
Total field events (e.g. car and pedestrian stops, officer-initiated calls)				198,675	218,575	10%	
Total all calls				1,187,459	1,224,053	3%	
Investigative Services							
Total cases	60,107	60,286	62,140	67,650	69,702	3%	16%
Cases investigated	32,957	37,399	39,871	44,441	44,971	1%	36%
Clearance rates (calendar year data):							
Clearance rate for major violent crimes	33.2%	34.0%	34.2%	31.6%	31.8%	0%	-1%
Clearance rate for homicides	79.3%	83.3%	96.2%	62.1%	75.8%	14%	-4%
Clearance rate for major property crimes	15.2%	15.8%	*	*	*		
* The City is undergoing an audit of the auto theft unit, including auto theft clearance rates which would be found here. In the future, we hope to report these figures.							
Regulatory Services							
Total number of regulatory permits issued	3,283	3,010	3,002	2,614	2,951	13%	-10%
Percent of budgeted costs recovered through fees and charges	47%	55%	39%	58%	63%	5%	16%
Special Events Services							
Hours of off-duty uniformed security at special events	13,673	13,547	14,576	13,313	13,283	0%	-3%

FIVE-YEAR TRENDS		2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
 Fire Department								
Allocated operating expenditures (\$millions):								
Emergency Response		\$98.5	\$104.1	\$107.2	\$108.8	\$137.5	26%	40%
Fire Prevention		\$0.9	\$0.9	\$2.8	\$3.0	\$4.3	47%	384%
Fire Safety Code Compliance		\$4.0	\$3.8	\$1.7	\$2.3	\$2.6	13%	-34%
Strategic Support		\$9.7	\$11.3	\$12.8	\$13.4	\$14.3	7%	47%
Total		\$113.1	\$120.1	\$124.6	\$127.4	\$158.7	25%	40%
<i>(NOTE: Operating budget increases due in part to retroactive payments from arbitration from previous years.)</i>								
Authorized positions		825.0	816.8	818.8	857.1	869.3	1%	5%
Emergency Response								
Total responses to fires		1,707	2,794	3,163	3,129	4,383	40%	40%
Emergency Responses						50,678	N/A	
Fire				3,211	3,130	3,079	-2%	
Medical				40,777	41,436	42,416	2%	
Other						5,183	N/A	
Non-Emergency Responses						23,285	N/A	
Fire Injuries				71	32	34	6%	
Percent of Fires contained in room of origin		84%	76%	82%	68%	73%	5%	-11%
Percent of Fires contained in structure of origin		100%	95%	94%	92%	100%	8%	0%
Percent of time the initial responding unit arrives within 8 minutes after 9-1-1 call is received		81%	79%	79%	79%	80%	1%	-1%
Percent of time Fire "first due" company available for calls in first due response area (excluding airport station)		81%	88%	90%	83%	80%	-3%	-1%
Percent of time back-up response unit arrives w/in 10 min. after 9-1-1 call is received (est.)			79%	79%	79%	88%	9%	
Fire Prevention								
Plan Reviews performed (est.)		500	750	307	564	441	-22%	-12%
Inspections performed (est.)		1,100	508	2,208	2,347	2,636	12%	140%
Complaints investigated by Fire Prevention (est.)		750	203	188	356	311	-13%	-59%
Percent of arson cases cleared		6%	12%	10%	18%	22%	4%	16%
Percent of cases where cause was determined		75%	91%	84%	68%	70%	2%	-5%
Percent of inspection sites in compliance within 2 inspections (est.)		80%	67%	81%	82%	94%	12%	14%
Percent of time complaint investigations initiated within 4 working days (est.)		100%	100%	100%	100%	100%	0%	0%
Percent of residents rating public education programs and community outreach service as good or excellent based on courtesy and service (est.)		95%	90%	90%	90%	N/A		

FIVE-YEAR TRENDS		2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
	Fire Department (continued)							
	Fire Safety Code Compliance							
	Inspections performed	3,991	5,043	6,034	6,882	4,579	-33%	15%
	Plan Reviews performed (est.)	3,502	3,975	4,768	5,206	3,527	-32%	1%
	Percent of Fire Inspections completed within 24 hours	98%	96%	89%	68%	N/A		
	Percent of Fire Plan Checks completed within established time targets (est.)	88%	82%	65%	71%	85%	14%	-3%
	Independent Police Auditor							
	Allocated operating expenditures	\$646,880	\$684,490	\$679,360	\$758,489	\$805,216	6%	24%
	Authorized positions	6	6	6	6	6	0%	0%
	Total cases (classified complaints, inquiries, and other contacts)	450	389	585	604	624	3%	39%
	Formal/informal complaints	258	190	207	315	400	27%	55%
	Number of cases audited	213	174	128	181	314	73%	47%
	Individuals attending outreach events/meetings	2,895	4,591	5,355	6,168	6,699	9%	131%
	Percent of IPA policy recommendations adopted by City Council (cumulative)	85%	86%	86%	86%	85%	-1%	0%
	Office of Emergency Services							
	Allocated operating expenditures	\$262,624	\$231,093	\$310,866	\$412,588	\$262,464	-36%	0%
	Authorized positions	3	3	3	6	6	0%	100%
	Number of San José Prepared! graduates					965		
	Emergencies which required Emergency Operations Center activation or City-wide coordination				7	6		
	Percent of San José households with demonstrated emergency preparedness action plan (San José Community Survey):							
	Name and phone number of a contact person outside of the San Jose area, whom you have designated in advance as a contact person in the case of emergency.	65%		70%		71%		6%
	A 3-day supply of prescription medication for each person who needs them	70%		68%		68%		-2%
	3 gallons of bottled drinking water for each family member	56%		59%		61%		5%

APPENDIX A: ENVIRONMENTAL & UTILITY SERVICES

FIVE-YEAR TRENDS	2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
Environmental & Utility Services							
Allocated operating expenditures (\$millions):							
Environmental Services Department	\$130.7	\$139.2	\$143.7	\$157.8	\$177.5	12%	36%
Transportation Department*	\$14.5	\$15.4	\$15.1	\$15.7	\$17.3	10%	19%
City-Wide Expenses	\$0.5	\$0.5	\$0.9	\$1.4	\$1.0	-23%	107%
General Fund Capital, Transfers & Reserves	\$0.0	\$0.0	\$0.0	\$0.0	\$0.1	0%	0%
Total	\$145.6	\$155.1	\$159.7	\$174.8	\$195.8	12%	34%


*Reflects "Sanitary Sewer Maintenance" and "Storm Sewer Management" core services only; other core services of Transportation Department can be found in the Transportation & Aviation Services chapter.

Environmental Services Department							
Allocated operating expenditures (\$millions):							
Manage Potable Water	\$16.3	\$15.8	\$16.8	\$18.9	\$20.4	8%	26%
Manage Recycled Water	\$3.1	\$2.3	\$2.5	\$3.1	\$3.1	-2%	0%
Manage Recycling and Garbage Services	\$52.9	\$62.2	\$61.7	\$68.3	\$80.6	18%	52%
Manage Urban Runoff Quality	\$4.5	\$4.4	\$4.4	\$5.1	\$4.9	-4%	8%
Manage Wastewater	\$47.1	\$47.7	\$50.5	\$53.1	\$58.9	11%	25%
Protect Natural and Energy Resources	\$1.1	\$1.3	\$1.0	\$1.3	\$1.3	4%	24%
Strategic Support	\$5.8	\$5.7	\$6.8	\$7.9	\$8.2	4%	43%
Total	\$130.7	\$139.2	\$143.7	\$157.8	\$177.5	12%	36%
Authorized positions	444.5	446.5	446.5	446.5	476.5	7%	7%

Core service: Manage Potable Water							
Millions of gallons of water delivered per year to San José Municipal Water System (MWS) customers	7,312	7,296	8,003	7,600	8,700	14%	19%
Total number of MWS customers	26,268	26,867	26,982	26,397	26,484	0%	1%
Percent of water samples meeting or surpassing State and federal water quality standards	100.0%	99.9%	99.9%	100.0%	100.0%	0%	0%
Average monthly water bill for MWS customers	\$29.23	\$30.43	\$31.33	\$32.64	\$35.02	7%	20%
Average monthly water bill for other San Jose water retailers	\$36.54	\$40.57	\$37.98	\$44.53	\$47.65	7%	30%


Core service: Manage Recycled Water							
Total number of South Bay Water Recycling customers	445	526	536	547	556	2%	25%
Millions of gallons of recycled water delivered annually	2,360	2,059	2,796	3,290	3,384	3%	43%
Millions of gallons per day diverted from flow to the Bay during dry weather period	10.2	10.6	12.6	14.1	14.4	2%	41%
Percent of wastewater influent recycled for beneficial purposes during dry weather period	9%	10%	11%	12%	13%	1%	4%
Percent of time recycled water quality standards are met or surpassed	98%	100%	100%	100%	100%	0%	2%
Cost per million gallons of recycled water delivered	\$1,010	\$1,315	\$1,012	\$1,025	\$952	-7%	-6%

FIVE-YEAR TRENDS	2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
Environmental Services Department (continued)							
Core service: Manage Recycling & Garbage Services							
Total tons of residential solid waste diverted from landfills	251,511	265,214	238,882	257,087	255,049	-1%	1%
Residential households served	291,541	294,599	294,329	296,457	300,048	1%	3%
Percent of solid waste diverted from landfill (State Mandate: 50%)	n/a	n/a	61%	60%	60%	0%	
City's annual per household cost to provide recycling & garbage collection, processing, & disposal	\$195	\$204	\$222	\$242	\$310	28%	59%
Core service: Manage Urban Runoff Quality							
Annual cost per residential unit	\$43.92	\$45.84	\$47.88	\$49.92	\$54.36	9%	24%
% of Urban Runoff Management Plan tasks completed by target date	97%	98%	99%	99%	98%	-1%	1%
Number of litter clean-ups or creek clean-ups	26	34	31	34	41	20.6%	57.7%
Tons of litter collected at creek cleanups	0.0	4.5	4.0	32.8	107.2	226.8%	
Core service: Manage Wastewater							
Average gallons per day treated (in millions)	116	117	121	116	113	-3%	-3%
Total population in service area	1,304,568	1,337,500	1,356,300	1,364,700	1,387,100	2%	6%
Millions of gallons per day discharged to the Bay during average dry weather season (State: 120 mgd or less)	100	98	100	102	95	-7%	-5%
% of time pollutant discharge requirements are met or surpassed	100%	100%	100%	100%	100%	0%	0%
% of suspended solids removed	99%	99%	99%	99%	99%	0%	0%
Cost per million gallons treated	\$752	\$776	\$794	\$885	\$969	9%	29%
Core service: Protect Natural & Energy Resources							
Percent of energy conserved in City facilities	15%	15%	15%	27%	21%	-6%	6%
Percent of new City facilities incorporating the Green Building Guidelines implementation goal as adopted by Council (LEED Certification)	100%	100%	100%	100%	100%	0%	0%
Percent of City vehicles using alternative fuels or Ultra-Low Emission Vehicles	11%	11%	11%	11%	36%	25%	25%
Millions of gallons per day conserved and recycled			15.4	17	17.5	2.9%	N/A


FIVE-YEAR TRENDS		2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
 Transportation Department								
<i>(see Chapter Four for complete Transportation Department operating expenditures and performance)</i>								
Core service: Sanitary Sewer Maintenance								
Miles of sewer line segments		2,181	2,190	2,195	2,200	2,200	0%	1%
Miles of sanitary sewer lines cleaned		537	487	508	526	601	14%	12%
Sanitary sewer main line stoppages cleared		731	779	796	705	766	9%	5%
Percentage of sewer line segments without obstruction		98%	98%	98%	98%	98%	-1%	0%
Percentage of sewer line blockages cleared within 4 hours of notification		93%	89%	87%	89%	89%	0%	-4%
Core service: Storm Sewer Management								
Miles of storm sewer segments		909	1,032	1,032	1,250	1,250	0%	38%
Storm sewer segments		23,900	24,752	24,752	25,500	25,500	0%	7%
Storm sewer inlet stoppages identified & cleared		1,059	1,616	1,616	469	359	-23%	-66%
Percentage of storm sewer inlets cleared within 24 hours		63%	65%	64%	69%	55%	-14%	-8%
Residential curb miles swept		78,000	64,900	64,900	65,900	64,000	-3%	-18%
Thousands of tons of sweeping debris collected		13.5	12.5	12.5	12.5	8.4	-33%	-38%
Percentage of streets rated clean (4+ on 1-5 scale)		72%	75%	75%	82%	82%	0%	10%
Percentage of customers rating street sweeping services good or better based upon effectiveness and satisfaction w/ street appearance (4+ on 1-5 scale)		70%	79%	79%	75%	75%	0%	5%

APPENDIX A: TRANSPORTATION & AVIATION SERVICES


FIVE-YEAR TRENDS	2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
CHAPTER FOUR: TRANSPORTATION & AVIATION SERVICES							
Allocated operating expenditures (\$millions):							
Airport	\$63.5	\$68.3	\$69.9	\$71.0	\$76.8	8%	21%
Transportation Department (does not include Sanitary Sewer Maintenance and Storm Sewer Management))	\$48.2	\$46.3	\$48.1	\$49.9	\$52.9	6%	10%
Traffic Safety Services (Police Department)	\$7.4	\$7.6	\$7.7	\$8.2	\$9.0	9%	22%
City-Wide Expenses	\$1.9	\$1.7	\$2.0	\$2.3	\$2.1	-9%	11%
General Fund Capital, Transfers & Reserves	\$3.8	\$3.3	\$2.4	\$2.1	\$8.9	313%	131%
Total	\$124.8	\$127.3	\$130.1	\$133.5	\$149.6	12%	20%

 Airport	2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
Allocated operating expenditures (\$millions)	\$63.5	\$68.3	\$69.9	\$71.0	\$76.8	8%	21%
Authorized positions	398	403	391	386	386	0%	-3%
Core service: Airport Customer Service & Community Air Service							
Annual Airport passengers (millions)	10.6	10.7	10.9	10.7	10.4	-3%	-2%
Commercial airline flights	137,950	132,158	131,418	129,790	129,504	0%	-6%
Concession revenue (\$millions)	\$17.3	\$18.4	\$20.3	\$21.3	\$24.0	13%	39%
Percent of customers rating the frequency of air service good or excellent					50%		
Percent of customers able to reach desired destinations from the Airport					42%		
Airline cost per passenger boarding in San José	\$4.85	\$4.61	\$4.60	\$4.16	\$7.49	80%	54%
Air cargo, freight, and mail (million lbs.)	238.9	225.5	209.8	188.3	176.7	-6%	-26%
Regional air service market share (passengers)	19%	18%	19%	18%	17%	-1%	-2%
Regional air service market share (cargo)		8%	7%	7%	7%	0%	
Core service: Airport Environmental Management							
Number of environmental noise complaints	1,119	1,083	1,100	1,294	881	-32%	-21%
Percent of community complaints on noise issues responded to within one day	97%	99%	93%	93%	93%	0%	-4%
Percent of customers rating the Airport response to noise issues as satisfactory or better	83%	99%	100%	94%	100%	6%	17%
CNG dispensed (Gallons of Gas Equivalent (GGE))	331,996	328,577	430,596	531,677	588,403	11%	77%
Percent of total Airport waste recycled					19%		

FIVE-YEAR TRENDS	2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
Transportation Department							
Allocated operating expenditures (\$millions):							
Parking Services	\$8.0	\$8.1	\$10.1	\$11.5	\$10.8	-6%	35%
Pavement Maintenance	\$7.0	\$6.4	\$5.5	\$6.3	\$6.4	2%	-9%
Sanitary Sewer Maintenance	\$7.9	\$8.9	\$8.3	\$8.8	\$10.0	13%	27%
Storm Sewer Management	\$5.9	\$5.9	\$5.9	\$6.0	\$6.3	4%	7%
Street Landscape Maintenance	\$9.6	\$10.0	\$10.1	\$10.2	\$10.2	0%	6%
Traffic Maintenance	\$9.5	\$9.7	\$10.3	\$8.4	\$10.6	26%	12%
Transportation Operations	\$7.6	\$6.7	\$6.5	\$7.1	\$7.5	5%	-1%
Transportation Planning and Project Delivery	\$4.3	\$3.2	\$4.0	\$4.2	\$5.5	29%	26%
Strategic Support	\$2.8	\$2.9	\$2.4	\$3.0	\$2.8	-6%	-2%
Total	\$62.7	\$61.7	\$63.2	\$65.6	\$70.2	7%	12%
Authorized positions	496.0	475.5	474.5	478.5	482.5	1%	-3%
Core service: Pavement Maintenance							
Miles of paved roadway to maintain	2,300	2,300	2,310	2,310	2,310	0%	0%
Number of potholes filled	1,143	2,347	2,993	9,270	6,275	-32%	449%
Percent of pavement surfaces rated in "acceptable" or better condition (50+ on 1-100 scale)	87%	84%	79%	78%	76%	-2%	-11%
Percent of corrective pavement repairs completed within two days (priority) and 30 days (non-priority)	85%	81%	85%	64%	64%	0%	-21%
Core service: Street Landscape Maintenance							
Number of street trees emergency responses	1,831	1,781	2,220	3,922	2,128	-46%	16%
Number of sidewalk repairs completed	2,981	3,224	3,081	3,549	2,114	-40%	-29%
Acres / districts of Special District-maintained street landscapes	260 / 18	274 / 18	277 / 18	285 / 18	317 / 18	11%	22%
Percent of street landscapes in good condition	78%	74%	68%	68%	59%	-9%	-19%
Core service: Parking Services							
Number of monthly parking customers served	55,226	49,761	58,000	61,345	69,475	13%	26%
Number of transient parking customers served	1,202,921	1,441,471	1,700,000	1,651,836	2,078,097	26%	73%
Number of parking citations issued	230,387	228,521	222,000	233,442	239,613	3%	4%
Parking Services Revenue to Cost Ratio	1.61	1.47	1.29	1.29	1.44	12%	-11%
Percent of abandoned vehicles in voluntary compliance by staff's second visit		69%	78%	78%	78%	0%	
Percent of customers rating services good or better based on satisfaction, appearance, comfort (4 or better on a 1-5 scale)	88%	82%	88%	88%	76%	-12%	-12%

FIVE-YEAR TRENDS	2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
 Transportation Department (continued)							
Core service: Transportation Planning & Project Delivery							
Number of local Transportation projects in CIP database	144	112	112	107	92	-14%	-36%
Number of regional projects in the City (all phases of development)	59	36	30	32	52	63%	-12%
Dollar amount of regional projects in the City (projects under construction only)	\$650 M	\$267 M	\$274 M	\$272 M	\$19 M	N/A	N/A
Percent of Transportation CSA projects delivered within two months of approved baseline schedule	81%	82%	92%	89%	85%	-4%	4%
Core service: Traffic Maintenance							
Number of traffic signals	848	867	866	888	892	0%	5%
Number of traffic signal repair requests completed	2,391	3,103	2,183	1,739	1,655	-5%	-31%
Number of traffic signal preventive maintenance activities completed	408	1,251	731	721	871	21%	113%
Percent of traffic signal malfunctions responded to within 30 minutes	70%	75%	54%	59%	53%	-6%	-17%
Number of traffic & street name signs	83,000	85,965	87,726	88,556	95,377	8%	15%
Number of traffic & street name signs preventively maintained	6,320	4,151	1,464	4,005	9,482	137%	50%
Number of traffic & street name signs repair / replacement requests completed	1,824	1,573	1,717	1,726	1,647	-5%	-10%
Percent of traffic & street name sign service requests completed within 7 days	84%	83%	85%	88%	94%	6%	10%
Number of roadway markings maintenance requests completed	560	481	588	746	778	4%	39%
Percent of all roadway marking service requests completed within 7 days	85%	77%	56%	32%	64%	32%	-21%
Percent of traffic roadway markings meeting visibility and operational guidelines	75%	69%	64%	62%	80%	18%	5%
Number of streetlights	57,000	58,000	58,255	58,840	60,900	4%	7%
Number of streetlight repair requests completed	9,517	10,254	12,987	11,858	9,535	-20%	0%
Percent of time streetlights are operational	98%	98%	98%	98%	98%	0%	0%
Percent of streetlight malfunctions repaired within 7 days	80%	41%	44%	77%	85%	8%	5%

FIVE-YEAR TRENDS	2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
Transportation Department (continued)							
Core service: Transportation Operations							
Number of pedestrian and bicycle injury accidents	576	633	573	584	570	-2%	-1%
Percent of residents rating commute traffic flow as acceptable or better:							
City Streets	59%		60%		56%		-3%
Freeways / Expressways	46%		45%		40%		-6%
Percent of residents rating traffic impacts in their neighborhoods as acceptable or better	75%		73%		73%		-2%
Percent of residents rating traffic conditions as safe while:							
driving	81%		83%		80%		-1%
bicycling	41%		48%		47%		6%
walking	75%		79%		73%		-2%

 Police Department—Traffic Safety Services							
Number of injury crashes per 1,000 residents			3.4	3.3	3.0	-9%	
Number of moving violation citations issued (traffic enforcement unit only)	32,418	33,472	30,754	25,439	36,651	44%	13%
Total DUIs	2,046	1,564	1,718	1,749	2,146	23%	5%


FIVE-YEAR TRENDS	2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
CHAPTER FIVE: NEIGHBORHOOD SERVICES							
Allocated operating expenditures (\$millions):							
Parks, Recreation, & Neighborhood Services Department*	\$63.1	\$58.1	\$55.8	\$64.1	\$70.3	10%	11%
Library Department	\$27.9	\$26.7	\$27.6	\$31.1	\$33.6	8%	21%
Planning, Building & Code Enforcement Department (Community Code Enforcement)	\$8.3	\$8.1	\$8.0	\$8.5	\$9.4	10%	13%
General Services Department (Animal Care & Services)*	N/A	N/A	N/A	N/A	N/A		
City-Wide Expenses*	\$19.6	\$15.8	\$16.1	\$10.5	\$9.0	-15%	-54%
General Fund Capital, Transfers & Reserves	\$7.5	\$5.7	\$5.1	\$2.2	\$1.9	-12%	-74%
Total	\$126.5	\$114.4	\$112.5	\$116.4	\$124.2	7%	-2%

* During fiscal years 2003-04 through 2007-08, Animal Care and Services was part of the Parks, Recreation, & Neighborhood Services Department. Between 2003-04 and 2007-08, its budget was found either in City-Wide Expenses (over \$5 million in fiscal years 2003-04, 2004-05, and 2005-06) or in the Parks, Recreation, & Neighborhood Services budget. In fiscal year 2008-09, the service was moved to General Services.

Parks, Recreation & Neighborhood Services Department							
Allocated operating expenditures (\$millions)	\$63.1	\$58.1	\$55.8	\$64.1	\$70.3	10%	11%
Authorized positions	766	684	736	733	753	3%	-2%
Core service: Parks							
Developed neighborhood parks and trails	155	154	166	170	173	2%	12%
Developed neighborhood park acreage	980	998	1,002	1,030	1,052	2%	7%
Maintenance cost per developed neighborhood park acre			\$12,304	\$12,797	\$12,792	0%	
Regional parks	9	9	9	9	9	0%	0%
Percent of residents rating City's efforts to maintain public parks in good physical condition as "good" or "excellent" (San José Community Survey)	66%		65%		67%		1%
Residents reported use of regional parks during the year (San José Community Survey):							
Three or more times					43%		
One to two times					33%		
Core service: Recreation Programs							
Number of community centers in operation	42	43	47	48	50	4%	19%
Community center square footage	313,316	359,652	439,948	478,950	482,010	1%	54%
Estimated participants in all programs (e.g. senior programs, community center classes, after-school programs)			2,815,309		2,748,624		

FIVE-YEAR TRENDS		2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
Parks, Recreation & Neighborhood Services Department								
Core service: Neighborhood Services								
Number of B.E.S.T. youth service program participants				4,204	4,534	4,520	0%	
Percent of B.E.S.T. youth program participants experiencing a change for the better due to youth service programs				71%	71%	72%	1%	
Total graffiti tags removed (est.)		91,178	65,423	49,360	57,876	84,184	45%	-8%
Graffiti hotline tags removed (est.)		28,586	20,311	17,426	33,003	49,125	49%	72%
Percent of graffiti hotline requests completed within 48 hours (tags removed)				98%	95%	88%	-7%	
Number of Safe School Campus sites				73	73	73	0%	
Incidents on Safe School Campus sites responded to				473	592	731	23%	
Percent of incidents on Safe School Campus sites responded to within 30 minutes				100%	100%	100%	0%	
Library Department								
Allocated operating expenditures by core service (\$millions):								
Provide Access to Information, Library Materials & Digital Resources		\$21.5	\$20.4	\$21.6	\$24.7	\$26.6	8%	24%
Promote Lifelong Learning & Provide Educational Support		\$3.4	\$3.5	\$3.1	\$3.0	\$3.2	7%	-7%
Strategic Support		\$3.0	\$2.8	\$2.8	\$3.4	\$3.8	12%	29%
Total		\$27.9	\$26.7	\$27.6	\$31.1	\$33.6	8%	21%
Authorized positions		350	329	339	366	366	0%	5%
Hours open (annual)		45,757	42,826	40,537	44,028	43,210	-2%	-6%
Library visitors (weekly)		134,349	133,280	138,787	146,916	147,863	1%	10%
Core service: Provide Access to Information, Library Materials & Digital Resources								
Materials:								
Books and periodicals		1,681,703	1,647,262	1,681,031	1,702,672	1,721,632	1%	2%
Audio		98,542	141,597	147,886	151,950	150,844	-1%	53%
Video		243,823	220,564	246,235	266,755	286,381	7%	17%
Materials per capita		2.2	2.1	2.2	2.2	2.2	0%	0%
Total circulation		14,170,776	14,449,984	14,453,206	14,060,019	14,399,685	2%	2%
Circulation per capita		15.3	15.3	15.2	14.4	14.6	1%	-5%
Computer sessions		1,269,135	1,651,988	1,843,487	2,109,135	2,157,998	2%	70%

FIVE-YEAR TRENDS	2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
Library Department (continued)							
Core service: Provide Access to Information, Library Materials & Digital Resources (continued)							
Percent of customers rating staff assistance as helpful, prompt, or courteous:							
Helpful	84%	84%	77%	82%	85%	3%	1%
Prompt	84%	84%	79%	82%	84%	2%	0%
Courteous	85%	85%	77%	83%	85%	2%	0%
Percent of residents rating the variety and level of library resources as good or excellent (San José Community Survey)							
	59%		67%		69%		10%
Residents (or family members) reported use of libraries during the year (San José Community Survey)							
More than six times	50%		47%		46%		-4%
One to six times	29%		33%		33%		4%
Core service: Promote Lifelong Learning & Provide Educational Support							
Number of literacy programs	2,515	3,218	3,141	3,182	3,404	7%	35%
Attendance in early literacy programs	78,091	79,726	96,385	105,820	105,191	-1%	35%
Participants in Summer Reading Program	23,556	23,660	24,507	24,082	26,169	9%	11%
Planning, Building, and Code Enforcement Department (Community Code Enforcement)							
Number of cases opened							
Proactive	3,056	3,429	4,126	4,541	3,746	-18%	23%
Complaint-based	11,214	10,989	10,901	8,840	9,385	6%	-16%
General code initial inspections							
	8,696	7,955	8,092	8,274	8,144	-2%	-6%
Percent of time inspection/assessments for health/safety cases occurring within targeted time frames:							
Emergency (24 hours)	55%	71%	77%	81%	100%	19%	45%
Priority (72 hours)	40%	44%	42%	41%	72%	31%	32%
Routine (10 days) (prior year comparisons difficult as time target changed)					62%		
Percent of violations resolved through voluntary compliance							
	89%	84%	86%	89%	93%	4%	4%
Cost per violation for:							
Proactive enforcement			\$105	\$125	\$67	-46%	
Complaint-based enforcement			\$705	\$580	\$570	-2%	
Customer survey (calendar year data)							
Percent of customers rating quality of service as "good" or "excellent"							
			80%	69%	73%	4%	
Percent of customers rating the condition of their neighborhood as the "same", "better", or "improved" compared to the previous year							
			84%	85%	83%	-2%	

FIVE-YEAR TRENDS		2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
	Animal Care & Services (General Services Department)							
	Revenues (\$millions)		\$2.2	\$1.9	\$2.8	\$2.1	-24%	
	Current animal licenses (end of fiscal year)			34,285	35,492	36,589	3%	
	Total calls for service	25,060	29,426	32,086	30,948	30,332	-2%	21%
	Percent of emergency calls with response time in one hour or less	87%	88%	89%	88%	88%	0%	1%
	Number of sheltered animals (incoming animals) *							
	Cats		7,257	10,677	10,624	9,830	-7%	
	Dogs		3,848	5,476	5,486	5,977	9%	
	Other animals (rabbits, rats, hamsters)		909	938	745	998	34%	
	Total		12,014	17,091	16,855	16,805	0%	
	Percent of cats adopted, rescued, or returned to owner		23%	26%	31%	32%	1%	
	Percent of dogs adopted, rescued, or returned to owner		66%	73%	73%	72%	-1%	
	Number of low-cost spay/neuter surgeries provided to public*			657	4,382	4,777	9%	

* Animal Care Center opened in October, 2004, so fiscal year 2004-05 figures are not full year. It began providing low-cost spay/neuter surgeries in March, 2005.

FIVE-YEAR TRENDS	2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
CHAPTER SIX: COMMUNITY & ECONOMIC DEVELOPMENT							
Allocated operating expenditures (\$millions):							
Planning, Building & Code Enforcement (does not include Community Code Enforcement)	\$22.6	\$23.7	\$24.3	\$26.5	\$26.8	1%	18%
Public Works	\$6.1	\$7.2	\$6.1	\$6.9	\$6.6	-3%	8%
Fire Safety Code Compliance (Fire Department)	\$4.0	\$3.8	\$1.7	\$2.3	\$2.6	13%	-34%
Office of Economic Development (City Manager's Office)	\$5.8	\$5.5	\$5.9	\$8.1	\$9.0	11%	56%
Convention Facilities	\$11.4	\$11.3	\$12.3	\$12.7	\$13.1	3%	15%
Housing Department	\$4.6	\$4.5	\$4.5	\$4.9	\$5.2	6%	12%
Strategic Support*	\$10.2	\$6.7	\$6.2	\$7.7	\$8.4	9%	-18%
City-Wide Expenses	\$17.9	\$22.8	\$25.3	\$26.8	\$28.1	5%	57%
General Fund Capital, Transfers & Reserves	\$0.8	\$0.3	\$0.0	\$4.5	\$4.5	1%	473%
Total	\$83.4	\$85.7	\$86.5	\$100.4	\$104.3	4%	25%

* Strategic Support is not allocated to each department due to variations in previous years between Community & Economic Development and Neighborhood Services sections.


Note: A small percentage of City dollars is used to fund strategic support & other services shared between the RDA and other City Departments; these dollars are eventually reimbursed through the RDA budget. The RDA budget is independently supported by redevelopment funds.

Development Services (provided by PBCE, Fire, and Public Works)							
Building Inspections within 24 hours						86%	
Building Plan Check within project cycle time						81%	
Fire Plan Checks within established time targets (est.; see Fire Department)						85%	
Public Works Plan Check (ranges from 30-180 days)						71%	
Conformance Review within 12 days						92%	
Planning Comments within 30 days						89%	
Walk-in Customers Served in < 30 mins.						92%	

FIVE-YEAR TRENDS	2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
Development Services (provided by PB&CE, Fire, and Public Works) (continued)							
Customer Satisfaction Survey				2006	2007		
Ministerial Projects (i.e. require administrative approval only)							
Overall				75%	79%	4%	N/A
Permit Application & Issuance				79%	85%	6%	N/A
Plan Check				77%	80%	3%	N/A
Building Inspections				83%	85%	2%	N/A
Fire Department				80%	90%	10%	N/A
Public Works				76%	82%	6%	N/A
Discretionary Projects (i.e. require public hearing)							
Overall				66%	68%	2%	N/A
Permit Application & Issuance				81%	78%	-3%	N/A
Public Hearing				71%	72%	1%	N/A
Plan Check				62%	66%	4%	N/A
Public Works				79%	72%	-7%	N/A
Fire Department				71%	81%	10%	N/A

Planning, Building & Code Enforcement							
Allocated operating expenditures (\$millions):							
Community Code Enforcement	\$8.3	\$8.1	\$8.0	\$8.5	\$9.4	10%	13%
Development Plan Review & Building Construction Inspection	\$19.8	\$21.4	\$22.1	\$23.9	\$24.5	3%	24%
Long Range Land Use Planning	\$2.8	\$2.4	\$2.2	\$2.6	\$2.3	-12%	-18%
Strategic Support	\$1.6	\$1.3	\$1.3	\$1.3	\$1.4	9%	-12%
Total	\$32.6	\$33.1	\$33.6	\$36.3	\$37.6	3%	15%
Authorized positions	338	336	329	352	367	4%	9%
Core service: Development Plan Review & Building Construction Inspection							
Number of planning applications		1,748	1,893	1,986	2,067	4%	
Number of plan checks	6,404	6,360	6,676	6,221	6,236	0%	-3%
Number of field inspections	192,983	190,722	184,547	200,198	194,619	-3%	1%
Number of building permits issued	33,122	29,912	32,651	28,636	25,500	-11%	-23%

FIVE-YEAR TRENDS		2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
Fire Department (see Public Safety for complete Fire Department expenditures and performance)								
Core service: Fire Safety Code Compliance								
Inspections performed (est.)		3,991	5,043	6,034	6,882	4,579	-33%	15%
Plan Reviews performed (est.)		3,502	3,975	4,768	5,206	3,527	-32%	1%
Percent of Fire Inspections completed within 24 hours		98%	96%	89%	68%	n/a	-	-
Percent of Fire Plan Checks completed within established time targets (est.)		88%	82%	65%	71%	85%	14%	-3%
Public Works Department								
Allocated operating expenditures (\$millions):								
Plan, Design & Construct Public Facilities and Infrastructure (see Strategic Support chapter)		\$34.6	\$29.0	\$29.5	\$31.4	\$32.1	2%	-7%
Regulate / Facilitate Private Development		\$6.1	\$7.2	\$6.1	\$6.9	\$6.6	-3%	8%
Strategic Support		\$6.7	\$6.3	\$6.6	\$8.8	\$10.3	17%	54%
Total		\$47.4	\$42.5	\$42.2	\$47.1	\$49.0	4%	3%
Authorized positions		469	413	386	384	387	1%	-18%
Core service: Regulate / Facilitate Private Development								
Fee Program Revenue (in \$millions)		\$7.7	\$8.0	\$7.2	\$7.9	\$7.0	-11%	-10%
Development Services				\$6.0	\$6.3	\$5.2	-17%	
Utility Program				\$1.1	\$1.5	\$1.7	15%	
Fee Program Costs (in \$millions)		\$7.1	\$8.3	\$7.1	\$7.7	\$8.2	6%	14%
Development Services				\$5.8	\$6.2	\$6.7	8%	
Utility Program				\$1.3	\$1.5	\$1.5	-2%	
Development Services								
Number of Development Plans reviewed (by Public Works)				2,170	2,190	1,694	-23%	
Improvement plan processing targets met		83%	83%	70%	68%	71%	3%	-12%
Planning processing targets met		83%	80%	65%	47%	71%	24%	-12%
Utility Program								
Major Utility Permit Plans reviewed for consistency and completeness		508	526	517	576	545	-5%	7%
Service requests received		2,691	2,363	2,166	2,725	2,605	-4%	-3%
Requests responded to within target times		2,438	1,882	1,840	2,316	2,110	-9%	-13%
Underground service alert requests received		34,398	18,901	33,518	23,451	27,318	16%	-21%


FIVE-YEAR TRENDS	2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
 Office of Economic Development (incl. Office of Cultural Affairs and work2future)							
Allocated operating expenditures (in \$millions)							
Arts and Cultural Development	\$4.3	\$1.3	\$1.8	\$2.0	\$2.1	5%	N/A
Business/Job Attraction, Retention, Expansion, & Creation	\$0.2	\$1.5	\$1.5	\$1.7	\$2.1	24%	1054%
Outdoor Special Events	\$0.1	\$0.4	\$0.5	\$0.8	\$0.9	12%	N/A
Workforce Development	\$1.1	\$2.3	\$2.0	\$3.7	\$3.9	8%	255%
Strategic Support	\$1.9	\$0.3	\$0.7	\$0.8	\$0.9	8%	-54%
Total	\$7.6	\$5.9	\$6.6	\$8.9	\$9.9	11%	29%
*NOTE: The Office of Cultural Affairs officially became part of the Office of Economic Development in 2005-06. To reflect the current composition of the Office of Economic Development, budget figures for the Office of Cultural Affairs were added to the OED total budget prior to 2005-06.							
Authorized positions	39.0	54.0	71.5	77.0	78.0	1%	100%
Core service: Business/Job Attraction, Retention, Expansion & Creation							
Sales/Use Tax revenues generated by OED-assisted companies (in millions)	\$2.0	\$3.7	\$1.5	\$1.5	\$2.1	40%	5%
Number of job placements resulting from Enterprise Zone vouchers	1,850	1,900	675	650	1,190	83%	-36%
Number of jobs created or retained by assisted companies	5,400	6,000	9,400	8,300	8,800	6%	63%
Ratio of Sales/Use Tax revenues generated by assisted companies per OED expenditure	\$19 to \$1	\$25 to \$1	\$7 to \$1	\$5 to \$1	\$8 to \$1	60%	-58%
Jobs per employed resident	1.1	0.8	0.8	0.9	0.8	-4%	-28%
Core service: Workforce Development							
Number of adults in City programs	373	333	512	540	465	-14%	25%
Number of dislocated workers in City programs	867	504	373	317	328	3%	-62%
Number of youth in City programs	771	630	554	363	364	0%	-53%
Adults entering employment	66%	78%	85%	81%	85%	4%	19%
Dislocated workers entering employment	69%	92%	90%	90%	86%	-4%	17%
Youth entering employment	52%	73%	81%	82%	74%	-8%	22%
Adults retaining employment (after 6 mos.)	83%	83%	82%	78%	90%	12%	7%
Dislocated workers retaining employment (after 6 mos.)	88%	92%	87%	92%	93%	1%	5%
Youth workers retaining employment (after 6 mos.)	33%	83%	88%	84%	96%	12%	63%

FIVE-YEAR TRENDS	2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
Office of Economic Development (continued)							
Core service: Arts & Cultural Development							
Number of students served by arts education	19,000	19,073	21,879	21,573	26,478	23%	39%
Number of arts grants awarded and monitored	65	67	127	139	143	3%	120%
Number of City-funded cultural organizations	53	59	57	68	63	-7%	19%
Grant expenditures	\$2,473,586	\$1,942,728	\$2,194,223	\$2,400,000	\$2,857,018	19%	16%
Percent of funding for City-supported cultural organizations provided by City	5.2%	3.3%	3.6%	4.2%	5.0%	0.8%	-0.2%
Percent of San José students (grades K-12) participating in OCA-sponsored arts education programs	15%	15%	15%	14%	19%	5%	4%
Percent of residents rating the availability and variety of arts and cultural offerings in or near their neighborhood as "good" or "excellent"	39%	39%	43%	43%	47%	4%	8%
Core service: Outdoor Special Events							
Number of event attendees at City-authorized outdoor spaces	1,656,809	1,914,790	1,965,885	1,817,558	1,951,562	7%	18%
Number of events held on public and private property	388	347	341	337	374	11%	-4%
Number of non-profit sponsored events	302	255	213	212	295	39%	-2%
Grant funding for special events	\$397,045	\$344,853	\$335,716	\$384,238	\$548,694	43%	38%
Cost of City services (for special events)	\$356,731	\$430,796	\$1,981,400	\$1,070,304	\$1,008,354	-6%	183%
Recovered cost (for special events)	\$354,680	\$420,454	\$1,254,470	\$542,636	\$498,336	-8%	41%
Convention Facilities							
Gross revenue (\$millions)	\$6.3	\$7.2	\$8.8	\$10.6	\$12.0	14%	90%
Net profit (loss) (\$millions)	-\$7.1	-\$4.6	-\$3.9	-\$3.3	-\$3.0	-1%	-58%
Authorized positions	87	85	85	85	86	1%	-2%
Number of events at convention facilities	370	481	496	519	434	-16%	17%
Total attendance	996,031	1,121,704	1,337,674	1,272,329	1,679,736	32%	69%
Occupancy rate		59%	65%	72%	72%	0%	72%
Percent of customers rating overall service good to excellent based on satisfaction with facilities and services provided			93%	97%	98%	1%	

FIVE-YEAR TRENDS	2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
Housing Department							
Allocated operating expenditures (in \$millions):							
Increase Affordable Housing Supply	\$1.1	\$0.9	\$1.1	\$1.2	\$1.2	-1%	8%
Maintain Existing Affordable Housing Supply	\$3.2	\$3.2	\$3.1	\$3.2	\$3.2	0%	0%
Provide Services to Homeless & At-Risk Populations	\$0.3	\$0.3	\$0.4	\$0.5	\$0.8	72%	159%
Strategic Support (NOTE: CDBG funds included beginning 2006-07)	\$3.0	\$3.1	\$2.5	\$3.6	\$4.4	20%	47%
Total	\$7.6	\$7.6	\$7.1	\$8.5	\$9.6	12%	26%
Authorized positions	83	67	67	78	80	3%	-4%
Core service: Increase the Affordable Housing Supply							
Number of homebuyers assisted	112	104	188	114	79	-31%	-29%
Number of affordable housing units completed in the fiscal year	1,392	699	1,415	1,734	737	-57%	-47%
Average per-unit subsidy in funding commitments for new construction projects (\$)	\$61,139	\$66,900	\$66,900	\$71,400	\$95,855	34%	57%
Core service: Maintain Existing Affordable Housing Supply							
Number of rehabilitation units completed	410	522	305	291	322	11%	-21%
Single-family units	210	222	90	84	113	35%	-46%
Mobilehome units	159	131	123	187	189	1%	19%
Multi-family units	41	169	92	20	20	0%	-51%
Number of unduplicated Rental Rights & Referrals program clients	2,143	2,369	1,780	1,637	2,566	57%	20%
Percent of tenant / landlord mediations that resulted in mutual agreement	73%	75%	95%	51%	50%	-1%	-23%
Housing Department Loan Portfolio - Total Number of Loans	1,280	1,133	1,307	1,326	1,415	7%	11%
Total Loan Principal (in \$millions)	\$432.5	\$470.9	\$506.2	\$525.8	\$582.6	11%	35%
Core Service: Provide Services to Homeless & At-Risk Populations							
Estimated Number of Homeless Individuals		4,892		4,309			
Number of Clients assisted by the Homeless Program			4,058	10,428	10,579	1%	
Cumulative number of homeless individuals assisted in securing permanent housing (since 2004)			4%	14%	24%	10%	

FIVE-YEAR TRENDS	2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
Redevelopment Agency							
Allocated operating expenditures (\$millions):							
Develop and Preserve Housing	\$6.1	\$5.1	\$4.6	\$4.4	\$5.8	30%	-6%
Build Public Facilities	\$4.4	\$4.2	\$3.0	\$2.8	\$3.7	35%	-15%
Economic Development	\$2.5	\$1.5	\$2.9	\$4.4	\$2.7	-38%	11%
Strengthen Neighborhoods	\$4.6	\$4.6	\$3.1	\$2.1	\$2.5	16%	-45%
Strategic Support	\$4.6	\$4.3	\$4.0	\$4.5	\$5.5	21%	18%
Total	\$22.2	\$19.8	\$17.5	\$18.2	\$20.2	11%	-9%
Dollars by fund (\$millions):							
Redevelopment Funds	\$20.8	\$18.6	\$16.4	\$17.0	\$19.0	12%	-9%
General Fund	\$1.3	\$1.2	\$1.2	\$1.2	\$1.2	-6%	-13%
Authorized positions	124	114	113	116	116	0%	-6%
Develop & Preserve Housing							
Number of new housing units completed (in Redevelopment Areas)	624	254	292	585	76	-87%	-88%
Agency funding (\$millions)	\$4.8	\$0.3	\$0.0	\$10.9	\$7.7	-30%	59%
Percent of project costs funded by Agency (estimated)	11%	0.3%	0%	5%	17%	12%	7%
Economic Development							
Jobs created or sustained in Redevelopment Areas	1,481	1,489	5,509	9,371	4,141	-56%	180%
Agency funding for completed private development projects (\$millions)	\$25.4	\$7.8	\$7.9	\$6.6	\$13.4	102%	-47%
Percent of total project costs funded by Agency	23%	15%	9%	6%	15%	9%	-7%
Build Public Facilities							
Number of completed public projects	11	9	12	8	17	113%	55%
Total cost of completed public projects (\$millions)					\$22.2		
Percent of total project cost funded by Agency					55%		
Percent of completed Agency-assisted public projects on budget	91%	100%	100%	100%	94%	-6%	3%
Percent of completed Agency-assisted public projects on time	91%	78%	83%	88%	47%	-40%	-44%
Strengthen Neighborhoods							
Number of facade improvement projects completed	44	53	24	38	45	18%	2%
Number of streetscape projects completed	2	17	10	8	3	-63%	50%
Agency funding for façade improvements (\$millions):	\$1.8	\$3.3	\$1.8	\$1.6	\$3.6	119%	97%
Agency funding for streetscape improvements (\$millions):				\$4.3	\$2.2	-49%	
Percent of façade improvement costs funded by Agency	51%	86%	51%	88%	76%	-12%	
Percent of streetscape improvement costs funded by Agency				98%	100%	2%	
Projects (all) completed on budget	100%	89%	100%	98%	100%	2%	0%
Projects (all) completed on time	100%	90%	94%	100%	94%	-6%	-6%


FIVE YEAR TRENDS	2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
CHAPTER SEVEN: STRATEGIC SUPPORT							
Allocated operating expenditures (\$millions):							
Public Works	\$41.3	\$35.3	\$36.1	\$40.2	\$42.4	5%	3%
General Services	\$38.0	\$35.4	\$36.6	\$37.0	\$37.4	1%	-2%
Information Technology	\$14.5	\$15.7	\$14.6	\$17.0	\$21.5	26%	48%
Finance Department	\$9.8	\$9.9	\$12.5	\$13.9	\$14.8	6%	51%
Human Resources	\$7.2	\$7.2	\$7.1	\$7.9	\$8.7	10%	21%
Retirement Services	\$2.0	\$2.0	\$2.5	\$2.8	\$3.1	11%	55%
City Attorney	\$11.9	\$12.2	\$12.3	\$14.1	\$15.1	7%	27%
City Manager	\$8.1	\$8.4	\$8.4	\$9.1	\$11.5	26%	42%
Mayor and City Council	\$6.0	\$6.0	\$6.4	\$6.7	\$7.5	12%	25%
City Clerk	\$1.9	\$2.1	\$2.4	\$3.7	\$2.4	-35%	26%
City Auditor	\$2.2	\$2.1	\$2.1	\$2.4	\$2.1	-13%	-5%
City-wide Expenses	\$35.3	\$36.1	\$67.8	\$44.8	\$49.1	10%	39%
General Fund Capital, Transfers and Reserves	\$3.0	\$7.8	\$2.8	\$25.8	\$23.4	-9%	680%
Total	\$181.1	\$180.0	\$211.6	\$225.4	\$234.4	4%	29%

 Public Works Department							
Allocated operating expenditures (\$millions):							
Plan, Design & Construct Public Facilities and Infrastructure	\$34.6	\$29.0	\$29.5	\$31.4	\$32.1	2%	-7%
Regulate / Facilitate Private Development	\$6.1	\$7.2	\$6.1	\$6.9	\$6.6	-3%	8%
Strategic Support	\$6.7	\$6.3	\$6.6	\$8.8	\$10.3	17%	54%
Total	\$47.4	\$42.5	\$42.2	\$47.1	\$49.0	4%	3%
Authorized positions	469	413	386	384	387	1%	-18%


FIVE YEAR TRENDS	2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
Public Works Department (continued)							
Core service: Plan, Design & Construct Public Facilities and Infrastructure							
Construction projects completed (Note: "completed" means that a Notice of Completion and Acceptance has been recorded and no more costs are incurred to the project.)	122	103	82	69	58	-16%	
Total construction cost of projects (in \$millions)	\$92.0	\$443.0	\$114.6	\$135.0	\$168.0	24%	
Percent of projects completed within the approved baseline budget		85%	85%	69%	74%	5%	
Projects achieving "Beneficial Use" during the fiscal year (Note: "Beneficial Use" means project is available for intended use to all potential users and Contractor's scope of work has been substantially completed)				69	64	-7%	
Percent of projects achieving "Beneficial Use" within approved baseline schedule				77%	73%	-4%	
Percent of customers rating design and construction services as good or excellent based on accuracy, timeliness, and quality of final product		70%	93%	99%	94%	-5%	


General Services							
Allocated operating expenditures (\$millions):							
Animal Care Services (transferred from PRNS)					N/A	N/A	N/A
Parks & Civic Grounds and Purchasing & Materials Management (transferred to other depts.)	\$2.8	\$2.7					
Facilities Management and Fleet & Equipment Services	\$26.7	\$25.8	\$32.6	\$35.7	\$36.2	1%	36%
Strategic Support	\$8.5	\$7.0	\$4.0	\$1.3	\$1.2	-8%	-86%
Total	\$38.0	\$35.4	\$36.6	\$37.0	\$37.4	1%	-2%
Authorized positions	346	334	198	202	204	1%	-41%
Core services: Facilities Management & Fleet and Equipment Services							
Total square footage maintained (millions)	1.7	1.7	2.4	2.7	2.8	4%	65%
Total vehicles and equipment	2,879	2,715	2,667	2,680	2,758	3%	-4%
Percent of fleet using alternative fuels	9%	9%	9%	35%	35%	2%	28%


Information Technology							
Allocated operating expenditures (\$millions):							
IT Infrastructure, Enterprise Systems and Solutions, and Tech Services	\$13.0	\$14.4	\$13.7	\$15.9	\$19.7	24%	52%
Strategic Support	\$1.5	\$1.3	\$1.0	\$1.2	\$1.8	50%	20%
Total	\$14.5	\$15.7	\$14.6	\$17.0	\$21.5	26%	48%
Authorized positions	115	118	101	131	157	20%	37%


FIVE YEAR TRENDS		2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
	Finance Department							
Allocated operating expenditures (\$millions):								
Debt, Treasury, and Revenue Management, Financial Reporting, Disbursements, and Purchasing & Materials Management**		\$8.2	\$8.5	\$11.3	\$12.5	\$13.6	9%	66%
Strategic Support		\$1.6	\$1.3	\$1.3	\$1.3	\$1.2	-8%	-25%
Total		\$9.8	\$9.9	\$12.5	\$13.9	\$14.8	6%	51%
Authorized positions		110	106	132	132	139	5%	26%
Total debt portfolio managed (\$millions)		4,101	4,361	4,560	4,690	5,621	20%	37%
City's General Obligation Bond rating								
Standard & Poor's		AA+	AA+	AA+	AA+	AAA		
Fitch		AA+	AA+	AA+	AA+	AA+		
Moody's		Aa1	Aa1	Aa1	Aa1	Aa1		
Total City's investment portfolio (\$millions)		\$1,400	\$1,260	\$1,230	\$1,275	\$1,359	7%	-3%
Average return on investments		2.4%	3.1%	3.9%	4.7%	4.1%	-0.6%	1.7%




**The Purchasing and Materials Management core service moved from General Services to Finance in 2005-06. This resulted in a \$2,399,176 increase to the Finance Department budget in 2005-06.

	Human Resources							
Allocated operating expenditures (\$millions):								
Employee Benefits, Employee Services, Health and Safety, and Workforce Resources and Diversity		\$6.0	\$6.2	\$6.1	\$6.9	\$7.7	12%	28%
Strategic Support		\$1.2	\$1.0	\$1.0	\$1.0	\$1.0	0%	-17%
Total		\$7.2	\$7.2	\$7.1	\$7.9	\$8.7	10%	21%
Authorized positions		61	62	61	65	71	9%	17%
Percent of employees contributing to Deferred Comp		66%	67%	67%	67%	71%	2%	3%
Cost of benefits administration per FTE		\$142	\$145	\$157	\$259	Not Avail.		
Annual job turnover rate		5%	7%	6%	6%	6%	0%	1%
U.S. average turnover for government workers		15%	15%	16%	17%	16%	-1%	1%
Days for recruitments:								
Internal				66	85	92	8%	
External				95	117	121	3%	
Number of training classes offered		270	198	160	160	95	-41%	-65%
Number of training attendees		3,000	1,827	1,222	1,222	1,543	26%	-49%

FIVE YEAR TRENDS		2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
	Retirement Services							
	Allocated operating expenditures (\$millions):	\$2.0	\$2.0	\$2.5	\$2.8	\$3.1	11%	55%
	Dollars by fund (\$millions):							
	Federated Retirement Fund	\$1.1	\$1.1	\$1.3	\$1.4	\$1.5	7%	36%
	Police and Fire Retirement Fund	\$0.9	\$0.9	\$1.3	\$1.4	\$1.5	7%	67%
	Total	\$2.0	\$2.0	\$2.5	\$2.8	\$3.1	11%	55%
	Authorized positions	24	25	27	28	29	3%	23%
	Annual contributions (\$millions):							
	Federated Retirement Fund:							
	Employee contribution	\$15.6	\$17.6	\$17.6	\$22.0	\$23.8	8%	53%
	Employer contribution	\$43.5	\$47.5	\$47.2	\$61.7	\$66.5	8%	53%
	Annual contributions (\$millions):							
	Police and Fire Retirement Fund:							
	Employee contribution	\$21.0	\$21.9	\$22.2	\$24.0	\$28.4	18%	35%
	Employer contribution	\$29.0	\$48.2	\$50.0	\$55.7	\$67.0	20%	131%
	Return on plan assets:							
	Federated Retirement Fund	16.6%	8.9%	10.8%	16.2%	-3.1%	-19%	-20%
	Police and Fire Retirement Fund	16.5%	11.0%	14.3%	19.3%	-5.1%	-19%	-22%
	Net assets (\$millions):							
	Federated City Employees Retirement Plan	\$1,406	\$1,512	\$1,623	\$1,862	\$1,776	-5%	26%
	Police and Fire Department Retirement Plan	\$1,910	\$2,099	\$2,311	\$2,735	\$2,560	-6%	34%
	Number of beneficiaries:							
	Federated Retirement Fund	2,332	2,485	2,621	2,749	2,886	5%	24%
	Police and Fire Retirement Fund	1,363	1,445	1,479	1,536	1,594	4%	17%

	Mayor and City Council							
	Allocated operating expenditures (\$millions):	\$6.0	\$6.0	\$6.4	\$6.7	\$7.5	12%	25%

	City Attorney's Office							
	Allocated operating expenditures (\$millions):	\$11.9	\$12.2	\$12.3	\$14.1	\$15.1	7%	27%
	Authorized positions	95	92	97	99	95	-4%	0%
	Number of legal transactions, documents, and memoranda prepared or reviewed	10,604	9,485	9,028	9,723	9,851	1%	-7%
	Number of new litigation matters	1,602	1,699	1,301	1,199	1,276	6%	-20%

FIVE YEAR TRENDS		2003-04	2004-05	2005-06	2006-07	2007-08	1-year change	5-year change
	City Manager's Office							
	Allocated operating expenditures (\$millions)	\$8.1	\$8.4	\$8.4	\$9.1	\$11.5	26%	42%
	Authorized positions	68	64	64	87*	90	3%	32%
	Number of policy documents prepared or reviewed	1,800	2,000	2,000	2,000	1700 (est.)	-15%	-6%
	Number of City Council referrals assigned	125	122	129	129	150 (est.)	16%	20%
*In 2006-07, Strong Neighborhoods Initiative staff were transferred from Citywide expenses to the CMO, funding for these positions, however, remains in Citywide expenses.								
	City Clerk's Office							
	Allocated operating expenditures (\$millions):	\$1.9	\$2.1	\$2.4	\$3.7	\$2.4	-35%	26%
	Authorized positions	14	12	13	15	18	6%	29%
	City Auditor's Office							
	Allocated operating expenditures (\$millions):	\$2.3	\$2.1	\$2.1	\$2.4	\$2.1	-13%	-9%
	Authorized positions	19	18	17	17	18	6%	-5%
	Number of reports issued	25	26	22	24	16	-33%	-36%
	General fund savings identified (\$millions)	\$16.8	\$8.9	\$25.0	\$19.1	\$9.5	-50%	-43%
	Ratio of Office benefit to cost	\$7 to \$1	\$4 to \$1	\$12 to \$1	\$8 to \$1	\$5 to \$1	-38%	-29%

APPENDIX B: CITY-WIDE EXPENDITURES

CSA	Citywide Expenditures (\$500,000 and over)	2007-08 Actual
CED	Convention Center Lease Payments	\$13,961,839
CED	Coyote Valley Specific Plan and EIS	\$4,296,556
CED	Convention and Visitors Bureau Marketing Program	\$2,051,818
CED	Tech Center of Innovation Subsidy	\$1,300,000
CED	History San José	\$875,000
CED	Comprehensive General Plan Update	\$586,955
CED	Sports Authority	\$508,895
CED	San José Museum of Art Subsidy	\$500,000
Environment & Utility	IDC Garbage Disposal Fees	\$623,591
Neighborhood Services	San José BEST	\$3,483,211
Neighborhood Services	San José After School District Contracts - Year 2	\$1,041,616
Neighborhood Services	Parks Maintenance Enhancement Strategy	\$741,083
Neighborhood Services	Parks Maintenance- Non-personal/Equipment	\$657,910
Public Safety	2007 Super Urban Area Security Initiative (UASI) - Police	\$3,329,100
Public Safety	2006 Super UASI - OES	\$997,748
Public Safety	Automated Fingerprint Identification System Phase III	\$925,493
Public Safety	2005 Urban Area Security Initiative Grant	\$920,710
Strategic Support	Workers' Compensation Claims	\$13,415,432
Strategic Support	Sick Leave Payments Upon Retirement	\$6,963,392
Strategic Support	FMC Debt Service Payments- Airport	\$5,731,259
Strategic Support	Property Tax Administration Fee	\$2,564,216
Strategic Support	General Liability Claims	\$2,106,501
Strategic Support	FMC Debt Service Payments- General Fund	\$1,627,053
Strategic Support	Public and Education Access - Capital Expenditures	\$1,446,000
Strategic Support	Banking Services	\$1,040,042
Strategic Support	Technology Legacy Application Migration	\$891,293
Strategic Support	Arts Stabilization Loan Fund	\$727,158
Strategic Support	Insurance Premiums	\$715,555
Transportation & Aviation	Parking Citation/Jail Courthouse Fees	\$948,857
	All other expenditures (under \$500,000)	\$19,006,639
	Total	\$93,984,922