

2014-2015 CAPITAL BUDGET

2015-2019 CAPITAL IMPROVEMENT PROGRAM

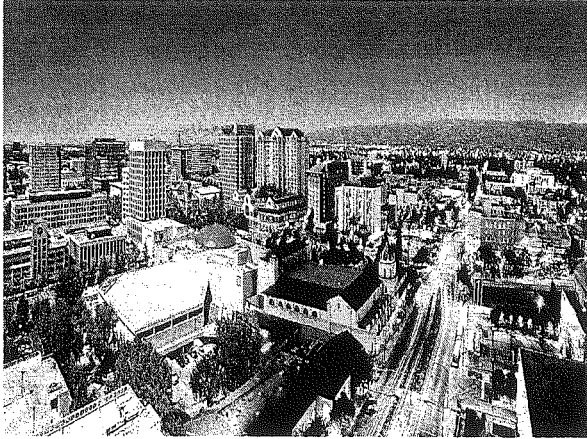
COMMUNITY PROFILE

CITY OF SAN JOSE 2014-2015 PROPOSED CAPITAL BUDGET

SAN JOSE AT A GLANCE

STRATEGIC LOCATION

Situated between the Diablo and Santa Cruz mountain ranges, the City of San José encompasses 180.2 square miles at the southern tip of the San Francisco Bay. San José's central location between San Francisco to the north and Monterey/Carmel to the south makes the "Capital of Silicon Valley" a gateway to adventures throughout California.



With a population of 984,299, San José is the 10th largest city in the nation.¹ Over 1.8 million people reside in Santa Clara County, of which San José is the county seat.

HISTORY

In November 1777, El Pueblo San José de Guadalupe became the first civil settlement in California. The settlement was mostly occupied by the Ohlone Indians along the Guadalupe River and Spanish settlers. At that time, San José was a farming community cultivating a number of different crops, which served the military communities in San Francisco and Monterey. In 1850, San José became the first capital of California, but this honor remained for only two years due to the lack of hotel capacity and flooding in downtown. Furthering San José's difficulties, the City was plagued with floods, earthquakes, and fires in the early 1900s. However, over the next century, San José experienced one of the most significant economic changes in California history, transforming from an agricultural community to what is known today as the "Capital of Silicon Valley."

QUALITY OF LIFE

San José's quality of life is unsurpassed. With an average of 300 days of sunshine a year, and temperatures varying from an average of 50 degrees in January to an average of 70 degrees in July, those living and working in San José can enjoy the City's many attractions, cultural and performing arts, sports and recreation opportunities, and year-round festivals and celebrations. San José has received accolades from Forbes, the Atlantic, and other national media as the place to live and do business.

DIVERSITY

Diversity is a hallmark of San José. San José is a city proud of the cultural and ethnic diversity of its population and workforce and the rich cultural identity of its many neighborhoods. City residents speak more than 50 different languages.



¹ State of California, Department of Finance, E-1 Population Estimates for Cities, Counties and the State with Annual Percentage Change – January 1, 2012 and 2013. (Released May 2013)

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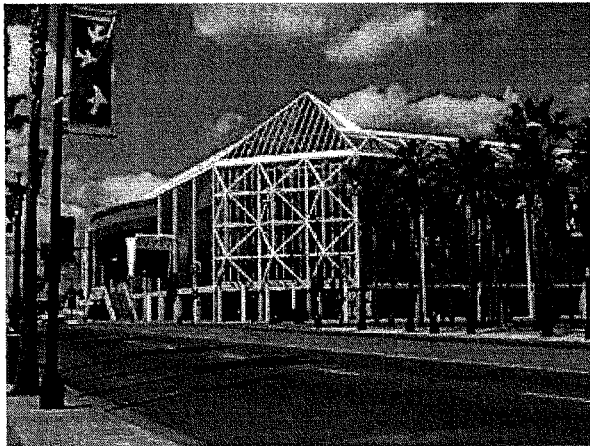
SAN JOSE AT A GLANCE

DIVERSITY

Japantown is a popular tourist stop and a cornerstone neighborhood full of tradition. Little Saigon is a haven of Vietnamese owned and operated businesses where customers and tourists can experience unique shopping experiences and diverse restaurants. Biblioteca Latinoamericana, one of the City's innovative library branches, boasts one of the largest collections of Spanish language materials in northern California. The City hosts many cultural festivals and numerous ethnic chambers of commerce are active in the community. According to the 2012 American Community Survey demographics, residents of the City are 33.2% Hispanic, 32.8% Asian, 27.6% White, 2.8% African American, and 3.6% other.

EDUCATION

Sixteen public school districts and an estimated 300 private and parochial schools provide families with a range of educational choices. Innovative programs in local school districts include a nationally acclaimed performing arts magnet and concentrations in aerospace, international studies, math and science, and radio and television.



Higher education facilities in and around San José are superior. San José State University (SJSU) is California's oldest public university, founded in 1857. It offers strong programs in business, information technology, journalism, mass communications, and engineering, with SJSU graduating twice as many engineers annually as any nearby university. In addition, the collaboration between SJSU and the City of San José to construct and operate the Dr. Martin Luther King, Jr. Library (King Library), the first joint City/University library, earned the prestigious national title of Gale/Library Journal 2004 Library

of the Year. The King Library also received the National Medal for Museum and Library Service from the Institute of Museum and Library Services in 2011.

Area colleges include Santa Clara University, the State's oldest institution of higher private education, founded in 1851. Other excellent nearby universities include Stanford University, University of California at Berkeley, University of California at San Francisco, and University of California at Santa Cruz.

Seven community colleges serve the County of Santa Clara, offering a variety of two-year programs and work-ready certificate programs. Community-based programs like Metropolitan Education District and the Center for Employment Training fill the need for basic skills and job training.

ECONOMIC DIVERSITY

Perhaps more important than rankings and statistics, the term "Capital of Silicon Valley" describes not only a city and geographic region, but also a culture, an entrepreneurial energy, a spirit of innovation, and a symbol of opportunity. That entrepreneurial spirit led to the launch of several

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SAN JOSE AT A GLANCE

ECONOMIC DIVERSITY

business incubators, accelerators, and co-working spaces throughout San José. This entrepreneurial ecosystem provides access to a range of services and offerings for any type of business. For instance, the San José Biocube provides space for 18 high-potential startup companies involved in a diverse range of bio-convergence industry sectors. The City continued to build on its early success with the development of incubators by adopting a Green Vision, which aggressively promotes the growth of 'clean technology' companies that are developing alternative energy, energy efficiency, and transportation innovations of tomorrow. There are 124 clean tech companies in San José employing over 11,888 residents. Additional investments by the City include a 46,000 square foot building that will house ProspectSV, which is intended to strengthen San José's leadership in clean technology demonstration, slated to open in the summer of 2014. While San José and Silicon Valley are largely associated with the technology industry, the City's business profile is diverse and healthy. Commercial, retail, industrial, professional, and service businesses all thrive in San José. The area is rich with research and development resources, as San José area companies receive on average about one-third of the nation's venture capital investments each year.

INTERNATIONAL

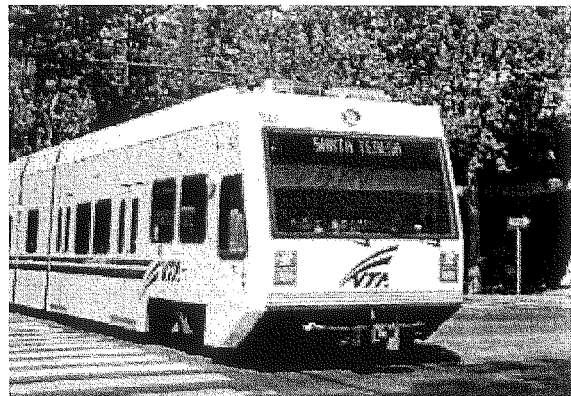
On the international front, San José attracts significant foreign investment from throughout the globe, particularly in information technology industrial sectors. San José is also a leading city in exporting goods and services. To expand international economic ties, the City maintains Economic Partnership Agreements with key international cities and regions that complement San José's economic profile in technological innovation and entrepreneurship.

TOURISM

Residents and visitors enjoy the City's many attractions year-round: museums, parks, sports, multicultural festivals, theme parks, shopping, and of course, great hotels and restaurants. Attractions include the Tech Museum of Innovation, San José Museum of Art, Raging Waters, Happy Hollow Park and Zoo, the Japanese Friendship Garden, the Winchester Mystery House, and the Children's Discovery Museum of San José.

SPORTS

Several professional sports teams call San José home: the Sharks, National Hockey League; the Earthquakes, Major League Soccer; SaberCats, Arena Football League; and the Giants, Minor League Baseball. The City also has a state-of-the-art community ice center, golf courses, and parklands, including 55 miles of beautiful walking and biking trails.



TRANSPORTATION

San José/Silicon Valley has the following mass transportation options:

- The Norman Y. Mineta San José International Airport, located within minutes of downtown, serving over 8.9 million passengers annually, with 11 major passenger airlines operating service to 26 U.S. cities and three international destinations.

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SAN JOSE AT A GLANCE

TRANSPORTATION

- The Santa Clara Valley Transportation Authority's (VTA) 42-mile light rail service with 62 stations, serving over ten million passengers annually. VTA's active fleet of 432 buses serving 32 million annual riders with 70 routes and over 3,805 stops.
- Caltrain, a commuter rail service, with 32 stations, runs from Gilroy through San José and north to San Francisco, with an average weekday ridership of 47,060. Caltrain operates 92 weekday trains, including 22 Baby Bullet express route trains that travel from San José to San Francisco in less than an hour.
- Bay Area Rapid Transit (BART) and California High-Speed Rail both have planned routes to San José. In April 2012, construction began on phase one of the BART Silicon Valley Extension. Significant construction activities are underway, including major utility relocation throughout the project corridor, trench work at major project intersections, and ongoing construction at future station sites. Estimated passenger service is scheduled to begin in 2017-2018.

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SAN JOSE AT A GLANCE

BASIC CITY FACTS

FOUNDED: 1777; California's first civilian settlement
INCORPORATED: March 27, 1850; California's first incorporated City, and site of the first State capital

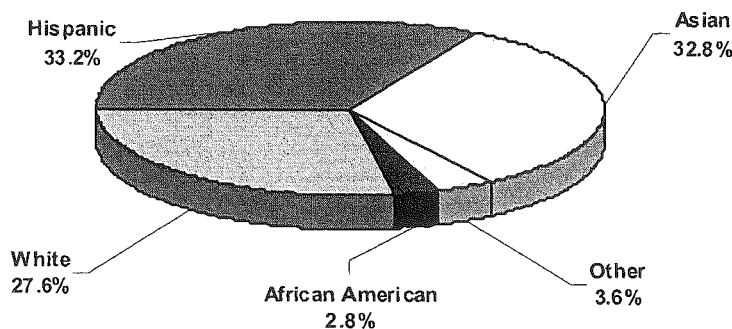
GENERAL DATA

Population ²	984,299
Registered Voters	410,596
Median Household Income	\$81,349
Miles of Streets	2,415
Miles of Alleys	2
Area of City (square miles)	180.2
Land Use:	
Single-Family	33.3%
Two-Family	2.3%
Multi-Family	6.5%
Mobile Home	0.8%
Commercial	5.1%
Industrial	7.6%
Government Institutions	2.8%
Airports	1.2%
Schools	4.5%
Parks/Open Space	8.6%
Roadways	20.9%
Mixed Use	0.8%
Undeveloped	5.6%



DEMOGRAPHICS

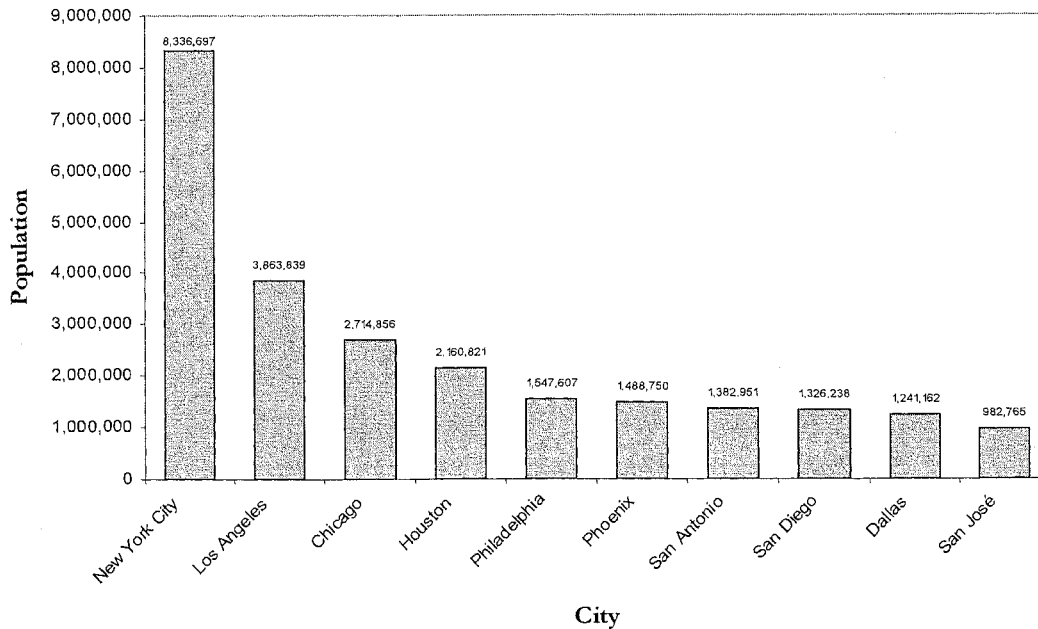
Breakdown of Race/Ethnicities (U.S. Census Bureau, 2012 American Community Survey)



² State of California, Department of Finance, E-1 Population Estimates for Cities, Counties and the State with Annual Percentage Change – January 1, 2012 and 2013. (Released May 2013)

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SAN JOSE AT A GLANCE

POPULATION OF 10 LARGEST U.S. CITIES



Source: U.S. Census Bureau, Population Division (March 2013)

MAJOR EMPLOYERS

Company	Number of Employees
Santa Clara County	15,766
Cisco Systems	15,520
City of San José*	5,655
eBay/Paypal, Inc.	5,580
IBM Corporation	3,920
US Postal Service	3,900
San José State University	2,483
San José Unified School District	2,320
Kaiser Permanente	2,300
Target Corporation	2,100
Brocade Communication	2,060
Adobe Systems Inc.	2,020
Western Digital/Hitachi	2,000
Good Samaritan Health System	1,900
Cadence Design Systems Inc.	1,800

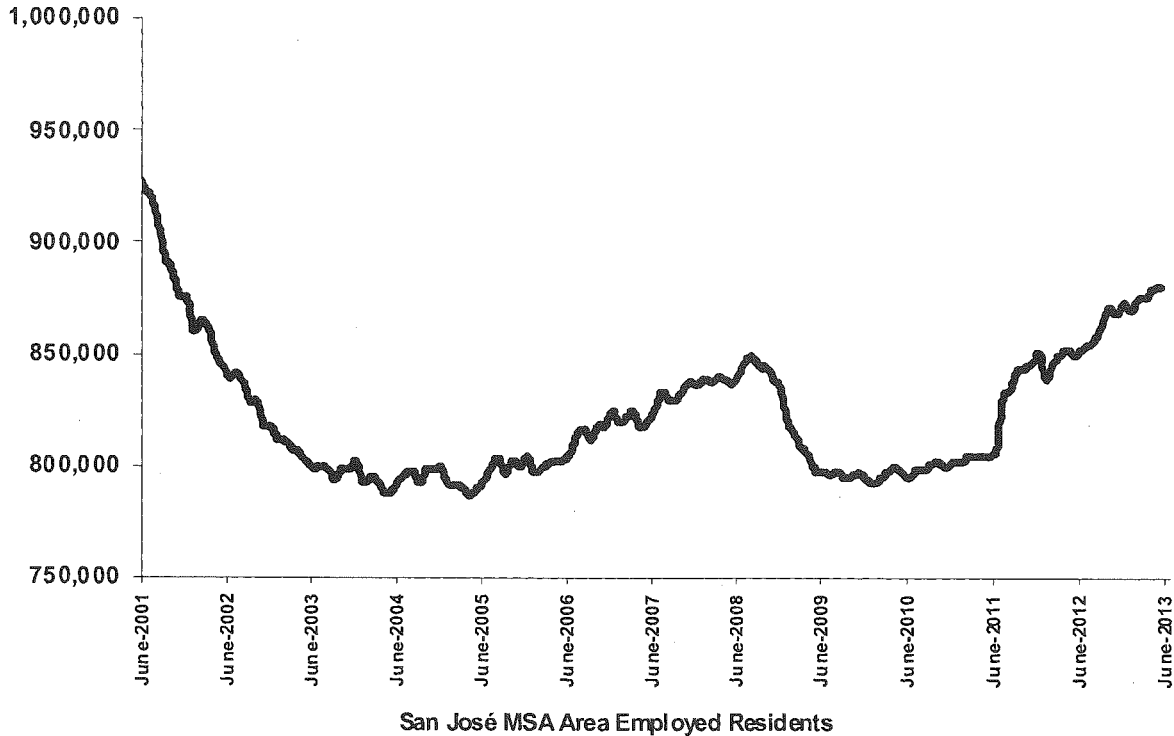
Source: City of San José, Office of Economic Development

* 2013-2014 Adopted Operating Budget

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SAN JOSE METROPOLITAN STATISTICAL AREA (MSA) EMPLOYED RESIDENTS*



* The San José, Sunnyvale, and Santa Clara Metropolitan Statistical Area (MSA) includes Santa Clara and San Benito Counties
 Source: U.S. Census Bureau, California Employment Development Department. (Released March 2014)

ANNUAL UNEMPLOYMENT RATES***

Unemployment Rates***	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u> (as of Feb 2014)
San José MSA	6.1%	11.0%	11.2%	9.9%	8.6%	7.0%	6.3%
State	7.2%	11.3%	12.4%	11.7%	10.5%	8.9%	8.5%
National	5.8%	9.3%	9.6%	8.9%	8.1%	7.4%	6.7%

** Average annual rates based on monthly employment statistics

*** Unadjusted unemployment rates

Source: U.S. Census Bureau, California Employment Development Department (Released March 2014)

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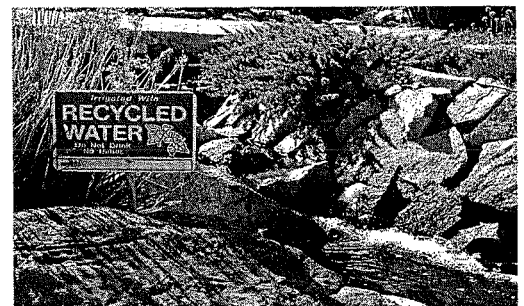
AIRPORT*

Size	1,050	Approx. Acres
Terminals	2	
Runways	3	
Hours of Operation	24	
Flights in 2013-2014:		
Commercial Airline Operations	74,088	
Cargo Commercial Airlines Operations	1,504	
Taxi/Commuter Commercial	16,843	
General Aviation	31,246	
Military Flights	228	
Landings per Day in 2013-2014:		
Commercial	125	
General Aviation	43	
Number of Passengers in 2013-2014:	8.9	Million
Public Parking Spaces:		
Hourly Parking	2,500	
Daily Parking	1,360	
Economy Parking	1,670	
Services:		
Passenger Airlines	11	
All-Cargo Airlines	2	
General Aviation Based Aircraft	64	



ENVIRONMENT AND UTILITIES*

Miles of Municipal Sewer Mains	2,294
Number of Water Pollution Control Plants ³	1
Number of Square Miles the Sanitary Sewer System Spans	179.8
Gallons of Wastewater the Plant has the Capacity to Treat Per Day	167.0 Million
Gallons of Wastewater Treated Per Day	109.0 Million
Number of Municipal Water Systems ⁴	1
Water Services in Municipal Service Water Area	26,700
Miles of Water Mains	345
Gallons of Potable Municipal Water Delivered	6.8 Billion
Gallons of Recycled Municipal Water Delivered	1.3 Billion
2013-2014 Recycled Materials:	
Tons of Paper	58,000
Tons of Glass	17,000
Tons of Cardboard	14,000
Tons of Metals	4,000
Tons of Plastics	7,000
Tons of Other Materials	3,000
Total Tons of Recyclables	103,000



*Current Counts or 2013-2014 Year-End Estimates

³ Serving the San José, Santa Clara, Milpitas, Campbell, Cupertino, Los Gatos, Saratoga, and Monte Sereno areas.

⁴ Serving the Evergreen, North San José, Alviso, Edenvale, and Coyote Valley areas. Other areas served by private water companies.

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ENVIRONMENT AND UTILITIES*

2013-2014 Recycled Materials:

Multi-Family Dwelling Tons	
Composted	55,000
Tons of Yard Trimmings	129,000
Tons of Used Motor Oil	273

FIRE*

Fire Stations	33
Companies	40
Squad Cars	5
Equipment	
Engines:	
Front Line	30
Relief	15
Trucks:	
Front Line	9
Relief	4
Brush Patrol Apparatus:	
Front Line	7
Relief	6
Aircraft Rescue and Firefighting Apparatus:	
Front Line	2
Relief	1
Urban Search/Rescue and Hazmat Apparatus:	
Front Line	3
Auxiliary Apparatus	131
Emergency Medical Calls	48,000
Fire Safety Code Inspections	13,000
Fires	2,000



LIBRARIES*

Number of Outlets:	
Main Library	1
Branches	22
Items Checked Out (Circulation)	10,700,000
Books (Inventory)	1,700,000
Audio Visual Materials (Inventory)	360,000
Reference Questions	550,000



PARKING*

Parking Meters	2,641
Parking Lots (1,308 total spaces)	9
Parking Garages (6,172 total spaces)	8

* Current Counts or 2013-2014 Year-End Estimates

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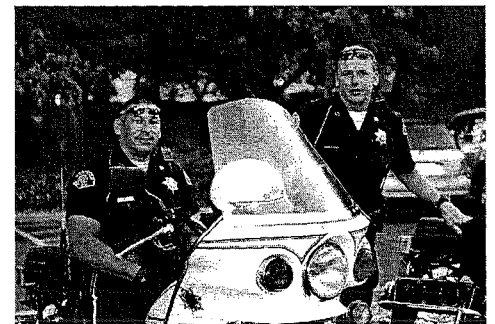
PARKS, RECREATION AND NEIGHBORHOOD SERVICES*

Park Sites**	194
Basketball Courts	95.5
Bocce Ball Courts	12
Exercise Courses	34
Handball Courts	7
Horseshoe Pits	17
Lawn Bowling Greens	13
Sand Volleyball Courts	9
Skate Parks	6
Softball/Baseball/T-Ball Fields	52
Swimming Pools	6
Tennis Courts	93
Soccer Fields	46
Park Acreage**	3,436
Playgrounds**	263
City Operated Community Centers	12
Partner Operated Re-Use Sites	42
Public Golf Courses	3
Gymnasiums	7
Fitness Rooms	5
Youth Centers	6
Walking and Biking Trails (miles)	55
Total Participation in Recreation Programs at Community Centers	555,000
Total Participation in Recreation Programs at Re-Use Centers	20,000



POLICE*

Police Stations	1
Community Policing Centers	3
Police Marked Vehicles	317
Motorcycles	52
Horses	5
Dogs	13
Aircraft:	
Helicopter	1
Fixed Wing	1
Number of Emergency Calls Received	549,000
Number of Non-Emergency Calls Received	368,000
Cases Assigned Per Year	22,300



* Current Counts or 2013-2014 Year-End Estimates
 ** Data represents City services (excludes school data)