



Memorandum

TO: CITY COUNCIL

FROM: Mayor Matt Mahan
Vice Mayor Rosemary Kamei
Councilmember Peter Ortiz
Councilmember Bien Doan

SUBJECT: SAN JOSE ANIMAL
CARE AND SERVICES
AUDIT REPORT

DATE: November 27, 2024

APPROVED:

RECOMMENDATIONS

Accept the report on the San José Animal Care and Services (SJACS) audit with the following additional direction:

1. If additional resources are needed to complete the audit recommendations that staff yellow-lit by December 31, 2025, bring forward a respective budget proposal or Manager's Budget Addendum during the Fiscal Year 2025-2026 Budget process for Council's consideration.
2. Report to the Neighborhood Services & Education Committee (NSE) by May 2025 on:
 - a. Progress towards implementing the audit recommendations;
 - b. An updated timeline and associated workplan for completing any outstanding audit recommendations;
 - c. Progress towards increasing trap-neuter-return (TNR) services to operate five days per week, as directed in the Mayor's March Budget Message for Fiscal Year 2024-2025; and
 - d. A workplan for providing publicly available, low-cost spay/neuter services for owned pets with a focus on prioritizing services for lower-income zip codes.
3. Convene rescue groups to identify a partner or partners who can commit to diverting a certain number of animals per year from the shelter at an agreed upon cost.
4. Direct the Finance Department and City Attorney's Office to prioritize supporting SJACS in issuing an RFP to contract with private providers for spay and neuter services.
5. Solicit input on implementing Recommendation #4 from rescue partners who specialize in neonatal care for kittens.

6. Remove the \$50 fee currently charged by SJACS to rescue partners for submitting their registration forms.

DISCUSSION

We appreciate our City Auditor and his team for conducting and compiling such a comprehensive audit of SJACS. We called for this audit because we knew we needed an independent look at what was going on in our animal shelter, and the audit confirmed what many stakeholders and advocates have been telling us for more than two years – our shelter is over capacity, underwater, and needs to rapidly embrace significant changes to improve outcomes for animals.

We've tried to help animals that come our way without proper record keeping and disease control management practices, trainings for staff and volunteers, or maximizing the capacity of our rescue partners. Despite increases in veterinary staffing levels, we have also struggled to increase the availability of TNR services to a level that will ultimately help stem the tide of animals that require our care. We have some serious work to do, but now we have a roadmap that will help lead us forward and hold us all accountable for turning around the conditions at our animal shelter.

We are concerned by the number of recommendations that SJACS leadership yellow-lit, indicating they believe these may require additional resources to implement, with an expected completion date of December 31, 2025. If additional resources are truly necessary, the Council and City Manager should be aware of those needs during the upcoming Fiscal Year 2025-2026 budget process so that we are not prolonging implementation another year.

The NSE committee motioned for SJACS to return to the committee in April of 2025 with an update on progress implementing the audit recommendations, yet the staff recommendation reflected on the agenda for this item did not include that direction. After further conversations with staff, we believe May 2025 provides sufficient time for staff to return with a more substantive update, with an additional progress update on restoring TNR services to five days per week and staff's assessment of opportunities to provide low-cost spay/neuter services for owned pets.

Significantly increasing spay and neuter services is perhaps the single most impactful action we can take to curb the number of animals that show up at the shelter's doorsteps, many of which are still being turned away today. Pre-pandemic, we offered TNR services multiple days a week, yet despite adding at least five budgeted veterinary staff over the last year with the goal of restoring TNR to five days a week, the audit found we still only offer TNR one day a week. The shelter also used to offer low-cost veterinary services to the public, including spay/neuter and vaccinations, but those services haven't been available since 2020. Until we increase TNR services and start offering low-cost spay and neuter services for owned pets – particularly in light of the rising cost of private veterinary care – animal populations will continue to rise beyond levels our shelter, rescue partners, and foster partners can sustain.

Additionally, the audit highlighted a startling 68% decrease in the number of animals diverted to rescue partners over the past six fiscal years. While we recognize the importance of the respective increases in the number of adoptions and fosters, we need to embrace an approach that leverages every opportunity to divert animals out of our shelter quickly. Staff should work with rescue partners to identify those who can commit to pulling a certain number of animals every year out of the shelter at an agreed upon cost for providing outside veterinary care support, if necessary.

We also recommend eliminating the \$50 registration fee required for rescue groups to partner with SJACS. This fee has not been consistently enforced, generates no meaningful revenue, and creates unnecessary obstacles for rescue groups. Eliminating the fee will remove barriers and encourage more rescue partners to collaborate actively, supporting the shelter in its mission to manage and reduce animal populations. While we recognize that \$50 is not an egregious burden on rescue groups, by removing this fee, we are acting in good faith to restore relationships. This recommendation aligns with the goal of fostering stronger partnerships with rescue groups to improve SJACS operations.