



# Memorandum

**TO:** Neighborhood Services and  
Education Committee

**FROM:** Dolan Beckel

**SUBJECT:** See Below

**DATE:** July 22, 2024

Approved

Date:

7/31/24

**SUBJECT:** Neighborhood Services City Service Area Performance Modernization  
Status Report

## RECOMMENDATION

Accept the status report on performance modernization updates for the Neighborhood Services City Service Area, including mission, outcomes, strategic goals and community indicators, performance measures, and activity and workload highlights.

## BACKGROUND

As part of the City Manager's Foundational Strategic Support Focus Area, *Driving Organizational Performance*, the Administration has been modernizing the City Service Area (CSA) to improve performance management. The two primary drivers of this modernization are:

1. The CSA performance management framework has not been updated in over 15 years, during which dynamic economic, environmental, and social priorities have changed dramatically, requiring a refresh to reflect a contemporary context, and;
2. While the City of San Jose's CSA framework is considered a national best practice, it was initially designed around program and service performance ("how well?" and "how much?") and did not include a mechanism for outcome monitoring ("what impact?"). A high-performing local government must measure program and service performance and community impact.

The Neighborhood Services City Service Area (CSA) and the corresponding departmental Core Services underwent an initial performance management modernization in Fiscal Year (FY) 2022-2023, with updates made in FY 2023-2024, as part of a larger CSA-wide effort. This initiative included modernizing the elements of the Neighborhood Services CSA structure and the corresponding departmental Core Services performance measures and activity and workload highlights for the Library

Department, Department of Parks, Recreation, and Neighborhood Services, Public Works Department (Animal Care and Services), and Planning, Building, and Code Enforcement Department (Code Enforcement). It was reflected in the 2023-2024 Operating Budget. The CSA modernization also added community indicators into the CSA structure to better measure outcomes that inform the equity, efficiency, and effectiveness of the City's service delivery system (see Attachment A for a glossary of terms). In FY 2023-2024, the updated performance management structure was re-aligned to include the Housing Department's Homelessness Response and Solutions Core Service and reflected in the 2024-2025 Operating Budget.

The initiative is a collaboration between the Neighborhood Services CSA and departmental partners, the City Manager's Office of Administration, Policy, and Intergovernmental Relations, the City Manager's Budget Office, the Office of Racial and Social Equity, and the Information Technology Department. The modernization updates are reflected in the budget, with some of these measures appearing in other reporting frameworks to the City Council, such as the Semi-Annual Focus Area Report and Annual Homelessness Report.

On October 17, 2023, the City Council accepted the audit report on the Housing Department's performance measures audit.<sup>1</sup> The audit recommendations included 1) reducing and streamlining the number of performance measures for Housing's programs, 2) aligning measures across Housing's different reporting platforms and documenting the methodology for calculating measures to ensure consistency, and 3) reporting meaningful targets to provide context for results. City Council additionally directed staff to report to the Community and Economic Development Committee twice in the spring of 2024 on progress towards these recommendations before implementing final performance measures administratively through the FY 2024-2025 budget process.

On February 13, 2024, the City Council directed staff to update the performance measures used to evaluate the Reducing Unsheltered Homelessness City Council Focus Area, which aligns with the Neighborhood Services CSA.<sup>2</sup> Staff was directed to explore incorporating a more holistic picture of homelessness and to return to the City Council with further scorecard and dashboard recommendations to align with the Community Plan to End Homelessness.

On June 11, 2024, pursuant to City Council direction through approval of the Mayor's June Budget Message for 2024-2025, staff was directed to report additional performance measures to report on "investments against 1) the number of people living in unmanaged encampments, 2) the amount of acreage protected along our waterways

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<sup>1</sup> October 17, 2023, City Council Item 3.5

<https://sanjose.legistar.com/LegislationDetail.aspx?ID=6370289&GUID=FC92694F-F752-48C2-A849-2AA99A31EAD1&Options=&Search=>

<sup>2</sup> February 13, 2024, City Council Item 3.4

<https://sanjose.legistar.com/MeetingDetail.aspx?ID=1169057&GUID=5334A47E-3719-4C2E-AD22-9645378725EE&Search=>

and other metrics as directed to comply with State Water Board reporting requirements, 3) the reduction in Tier 3 encampments, and 4) net new placements created, including EIH, safe sleeping, safe parking, permanent supportive housing units, reconnections to family through the new Homeward Bound program and hotel/motel rooms.”<sup>3</sup> These updated measures relate to the City Council Focus Areas and are being evaluated for feasibility and collection by the Administration. They will be subsequently brought to the City Council as part of the Semi-Annual Focus Area Report in the fall of 2024 and included in the Proposed Operating Budget for FY 2025-2026.

On June 18, 2024, the City Council directed staff to consider a series of other potential measures in the development of the policy and procedures for inclusion in future agreements for new emergency interim housing (EIH) contracts regarding property management and performance management of the supportive services partners that set clear, contractual outcomes and appropriate performance measures.<sup>4</sup> The Housing Department is actively evaluating these proposals to incorporate into the upcoming emergency interim housing (EIH) contracts. Key factors guiding this evaluation include alignment with the existing Core Service metrics of the Housing Department and Neighborhood Services CSA, recommendations from recent audits, and the effectiveness of current data collection methods, practices, and systems. Once finalized, these metrics will be included as addendums in both new and existing contracts. Regular reports based on these metrics, following verification of data accuracy, will be reviewed by the Housing Department and provided to the City Council as applicable through service updates.

This Committee item is consistent with the 2024-2025 City Manager’s Foundational Strategic Support Focus Area of *Driving Organizational Performance* and is complementary to the City Council Focus Area direction. The ongoing workplan includes:

- For FY 2024-2025, three additional City Service Areas and those related departmental Core Services will undergo performance management modernization: Strategic Support, Environmental and Utility Services, and Transportation and Aviation Services.
- Recognition that in the spirit of “iterate to improve,” key lessons from the initial modernization of each CSA may require the team to revisit previous work and incorporate new opportunities into a previously modernized CSA.

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<sup>3</sup> June 11, 2024, City Council Item 3.4

<https://sanjose.legistar.com/MeetingDetail.aspx?ID=1192737&GUID=7FBFF0B3-2D6C-4889-B037-3DF71467A41B&Search=>

<sup>4</sup> June 18, 2024, City Council Item 2.23

<https://sanjose.legistar.com/MeetingDetail.aspx?ID=1192738&GUID=376CCCC4-329A-40CB-A474-18F28FA257EA&Options=info|&Search=>

## **ANALYSIS**

The City uses a performance-based budget as required by City Council Policy 1-18. All performance at the Core Service level must be consistent with the mission statements at the CSA and department levels and the outcomes of the CSA at the City level, meeting the performance, budget goals, and policies established by the Mayor and City Council. The CSA performance modernization initiative allows the Administration to report more meaningful measures and performance targets and forecasts in the budget.

Through this modernization effort, the number of total measures reported decreased while community indicators were added, enabling a clearer focus and a more effective logic model structure. In addition, the qualitative elements of the CSA were updated, including the mission, outcomes, and strategic goals.

During the process, department staff were asked to review and propose more meaningful measures using the following guidelines:

- **Frequency:** How often is the measure collected and reported? Does the measure adopt an adequate time horizon for impact? Can the measure be collected reliably over a specific period? Is there a lag between the collection and the reporting time?
- **Equity:** Can the measure be disaggregated by race/ethnicity, geographic location, income, and other categories to measure disparities?
- **Credibility:** Is the measure used by other agencies? Is it peer-reviewed, evidence-based, or part of a standard? Can it be used to benchmark against other cities or jurisdictions across categories that matter to the policy or program? Is the methodology sufficiently accurate and precise?
- **Scope:** Is the measure representative in ways that matter to the population impacted by the policy or program? What perspective and scale does the measure capture, including human, economic, material, environmental, and social? Is the measure strengths-focused and culturally responsive?
- **Relevancy:** Does that measure align with an organizational or community goal? Is it meaningful to a range of stakeholders? Is it actionable? Is it understandable to all audiences?

The results of the Neighborhood Services CSA modernization effort are included in the tables below and include changes to the mission, outcomes, strategic goals, CSA performance measures, Core Service performance measures, and activity and workload highlights. A summary of the tables is:

- Table 1. CSA Mission, Outcomes, and Strategic Goals; and
- Table 2. CSA Community Indicators and CSA Performance Measures.

The full set of Neighborhood Services CSA community indicators, performance measures, and activity workload highlights can be found in the Proposed Operating

Budget for FY 2024-2025.<sup>5</sup> This includes all Core Service measures for the departmental partners that comprise the CSA, full measure definitions, and data source citations.

Table 1. CSA Mission, Outcomes, and Strategic Goals

<b>Mission: To serve, foster, and strengthen the community by providing access to lifelong learning, supportive services, and opportunities to enjoy life and by preserving and stewarding healthy neighborhoods with shelter and housing opportunities for all.</b>			
<b>Outcome 1:</b> Safe and Clean Neighborhoods and Public Spaces.	<b>Outcome 2:</b> Welcoming and Vibrant Neighborhoods and Public Life.	<b>Outcome 3:</b> Equitable Access to Community Opportunities to Flourish.	<b>Outcome 4:</b> Housing Security through Supportive Solutions. <sup>6</sup>
<p><b>Strategic Goal 1.1:</b> Clean and maintain the City’s public spaces and community resources.</p> <p><b>Strategic Goal 1.2:</b> Promote and protect the health, safety, and welfare of residents, businesses, and animals through education and compliance services.</p>	<p><b>Strategic Goal 2.1:</b> Build and activate vibrant spaces for people to celebrate identity and community.</p> <p><b>Strategic Goal 2.2:</b> Cultivate welcoming neighborhoods and public facilities.</p>	<p><b>Strategic Goal 3.1:</b> Connect people to the learning resources they need.</p> <p><b>Strategic Goal 3.2:</b> Strengthen communities and enrich lives through education, literacy, play, health, and youth empowerment.</p>	<p><b>Strategic Goal 4.1:</b> Prevent people from entering or returning to homelessness.</p> <p><b>Strategic Goal 4.2:</b> Provide access to the temporary and interim housing system.</p> <p><b>Strategic Goal 4.3:</b> Support individuals experiencing unsheltered homelessness.</p>

Table 2. CSA Community Indicators and Performance Measures

<b>Outcome 1: Safe and Clean Neighborhoods and Public Spaces.</b>
<p><b>Community Indicators:</b></p> <ul style="list-style-type: none"> <li>• Neighborhood Safety Perception. (<i>Community Opinion Survey</i>)</li> <li>• Neighborhood Park Safety Perception. (<i>Community Opinion Survey</i>)</li> </ul>

<sup>5</sup> 2024-2025 Proposed Operating Budget <https://www.sanjoseca.gov/your-government/departments-offices/office-of-the-city-manager/budget/budget-documents/2024-2025-budget-documents/2024-2025-proposed-operating-budget>

<sup>6</sup> Note that the Neighborhood Services CSA aligns to the Homelessness Response and Solutions Core Service within the Housing Department. The City’s work around permanent supportive housing aligns to the Housing Production and Preservation Core Service within the Community and Economic Development CSA.

- Neighborhood Cleanliness Perception. (*Focus Area Community Survey*)

**Performance Measures:**

- Park Condition Assessment Score. (*PRNS*)
- BeautifySJ Response Times. (*PRNS*)
- Neighborhood Physical Condition Perception (*Code Enforcement*)
- Library Facility Condition Rating. (*Library*)
- Animal Live Release Rate. (*Animal Care and Services*)
- Code Enforcement Case Resolution. (*Code Enforcement*)
- Code Enforcement Case Backlog. (*Code Enforcement*)
- Library Facility Safety Rating. (*Library*)

**Outcome 2: Welcoming and Vibrant Neighborhoods and Public Life.**

**Community Indicators:**

- Healthy Places Index. (*Healthy Places Index*)
- Sense of Community and Belonging. (*Focus Area Community Survey*)
- Older Adult Sense of Social Connectivity and Independent Living. (*Focus Area Community Survey*)

**Performance Measures:**

- Public Life Identity and Belonging. (*PRNS*)
- Public Life Community Building. (*PRNS*)
- Participant Disability Connection Rating. (*PRNS*)
- Library Service Quality Rating. (*Library*)
- Code Enforcement Customer Service Rating. (*Code Enforcement*)
- Animal Care Customer Service Rating. (*Animal Care and Services*)

**Outcome 3: Equitable Access to Community Opportunities to Flourish.**

**Community Indicators:**

- Youth Participation Rates. (*American Community Survey*)
- Neighborhood Poverty Rates. (*American Community Survey*)
- Broadband Access Rates. (*American Community Survey*)

**Performance Measures:**

- Library Customer Service Rating. (*Library*)
- Code Enforcement Customer Service Rating. (*Code Enforcement*)
- Library WiFi Hotspot Utilization. (*Library*)
- Recreation Physical Activity Rating. (*PRNS*)
- Program Older Adult Independent Living Rating. (*PRNS*)

**Outcome 4: Housing Security through Supportive Solutions.**

**Community Indicators:**

- Homelessness Inflow/Outflow Rate. *(HMIS)*
- Homelessness Solutions Participants Average Income. *(HMIS, State of California)*

**Performance Measures:**

- Homelessness Prevention Retention Rate. *(Housing)*
- Outreach Program Participants Return to Homelessness. *(Housing)*
- Emergency Interim Housing Program Participants Return to Homelessness. *(Housing)*
- Homelessness Program Occupancy Rate. *(Housing)*
- Annual Change in Persons Served through Temporary and Interim Housing. *(Housing)*
- Clients Entering Permanent Housing. *(Housing)*
- Program Participants Entering Sheltered Homelessness. *(Housing)*
- Clients Engaging in Service Programs. *(Housing)*

The City Manager’s Budget Office works with Departments to collect and publish data for the performance measures in the Proposed Operating Budget released in May of each year. This allows staff and the City Council to use the modernized CSA state throughout the budget deliberation process to assess resourcing requests and service delivery performance before the approval of the annual budget.

Additional measures directed by the City Council for exploration and evaluation are summarized in Table 4. This summary includes alternative measures recommended by the Administration where the proposed measures are limited in some manner. Criteria for the evaluation include availability and accuracy of existing data, cost-effectiveness of collecting new data at an adequate reporting frequency, alignment with the objectives of the City Council Focus Area, and ability to disaggregate. The Administration-recommended measures and data will be brought to the City Council in the fall of 2024 through the Semi-Annual Focus Area Report for the Reducing Unsheltered Homelessness Focus Area unless otherwise noted. One additional performance measure, recommended by the Administration, will be included for interim housing utilization rates.

Table 4. Additional Measures Directed by City Council for Consideration

<b>Measure Evaluation Summary</b>	
<b>1</b>	<p><b># of people living in unmanaged encampments</b></p> <ul style="list-style-type: none"> <li>• Current Reporting Status: Not currently collected.</li> </ul>

	<ul style="list-style-type: none"> <li>• Administration-recommended Measure Alternative: Inflow-Outflow Rate of People Utilizing Homelessness Services (Santa Clara County, City of San José).</li> <li>• Administration-recommended Reporting Framework: Focus Area Semi-Annual Report (twice per year), Operating Budget (annually), Homelessness Annual Report (annually).</li> <li>• Disaggregation Type: Race/ethnicity.</li> </ul> <p>There is ongoing work to gather information from the City and service partners regarding the number of people living in unmanaged encampments, including the definition of unmanaged encampments and process for reporting their number of occupants. Additionally, the Administration is actively developing a methodology for collecting inflow-outflow rates of people experiencing homelessness at the encampment level. The timeline for collection and reporting this information is expected to be prepared for the first time at the spring 2025 Semi-Annual Focus Area Report. Until then, the Administration will continue to report on the inflow-outflow rates of people experiencing homelessness for the City of San José overall.</p>
<p style="text-align: center;"><b>2</b></p>	<p><b># of net new placements created, including EIH, safe sleeping, safe parking, permanent supportive housing units, reconnections to family through the new Homeward Bound program, and hotel/motel rooms.</b></p> <ul style="list-style-type: none"> <li>• Current Reporting Status: Collected by the Public Works and Housing Departments.</li> <li>• Administration-recommended Measure Alternative: # of net new placements for interim housing, safe parking, and safe sleeping spaces.</li> <li>• Administration-recommended Reporting Framework: Focus Area Semi-Annual Report (twice per year), Homelessness Annual Report (annually).</li> <li>• Disaggregation Type: Geographic location.</li> </ul>
<p style="text-align: center;"><b>3</b></p>	<p><b># of acreage protected along our waterways and other metrics as directed to comply with State Water Board reporting requirements</b></p> <ul style="list-style-type: none"> <li>• Current Reporting Status: Not currently collected.</li> <li>• Administration Recommended Measure Alternative: # of miles of waterways that have been abated and where no-habitation requirements have been enforced.</li> <li>• Administration-recommended Reporting: Focus Area Semi-Annual Report (twice per year), Homelessness Annual Report (annually).</li> <li>• Disaggregation Type: Geographic location.</li> </ul>



	<p>The Administration is actively developing a methodology for collecting waterway enforcement data. The timeline for collection and reporting is expected to be prepared for the first time at the spring 2025 Semi-Annual Focus Area Report.</p>
<p><b>4</b></p>	<p><b>% change in the number of Tier 3 encampments (e.g. most impactful)</b></p> <ul style="list-style-type: none"> <li>• Current Reporting Status: Not currently collected.</li> <li>• Administration-recommended Measure Alternative: No alternative recommended.</li> <li>• Administration-recommended Reporting Framework: Focus Area Semi-Annual Report (twice per year).</li> <li>• Disaggregation Type: To be determined by data gathering methodology.</li> </ul> <p>The Administration is actively developing a methodology for collecting Tier 3 encampment summary data, including a standard definition for the encampment tier system referenced in the City Implementation Plan for the Community Plan to End Homelessness.<sup>7</sup> The timeline for collection and reporting is expected to be prepared for the first time at the spring 2025 Semi-Annual Focus Area Report.</p>

Collectively, the measures in this memorandum are used to manage the outcomes and performance of the Neighborhood Services CSA. As such, the Administration uses them to drive resource and policy decision-making, demonstrate accountability, guide service improvements, share progress and lessons learned, identify models for replication, solicit reflections and ideas, educate stakeholders, and influence change.

Data for the measures described in this memorandum will be brought to the City Council as part of the Semi-Annual Focus Area Report, the Annual Homelessness Report, and the Proposed Operating Budget for FY 2025-2026.

**COORDINATION**

This memorandum was coordinated with the City Attorney’s Office, the City Manager’s Budget Office, the Office of Racial and Social Equity, the Housing Department, and the Information Technology Department.

/s/  
 Dolan Beckel  
 Chief of Staff for the City Manager

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<sup>7</sup> The encampment tier system is referenced in the City of San José’s Implementation Plan for the Community Plan to End Homelessness. <https://www.sanjoseca.gov/home/showpublisheddocument/111629/638509313329570000>

August 8, 2024

**Subject: Neighborhood Services City Service Area Performance Modernization Status Report**

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The principal authors of this memorandum are Erik Chiarella Jensen, Assistant to the City Manager, City Manager's Office; Jennifer Piozet, Senior Executive Analyst, City Manager's Office; and Graham Pruss, Senior Executive Analyst, City Manager's Office. For questions, please contact [erik.jensen@sanjoseca.gov](mailto:erik.jensen@sanjoseca.gov).

## **ATTACHMENTS**

Attachment A: City Service Area Glossary of Terms