



City of San José Annual Report on City Services 2021-22

A Report from the City Auditor
Report #22-10
December 2022

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City of San José
Office of the City Auditor

December 16, 2022

Honorable Mayor and Members
Of the City Council
200 East Santa Clara Street
San José, CA 95113

Annual Report on City Services 2021-22

The Office of the City Auditor is pleased to present the 15th Annual Report on City Services. This report provides performance data on the cost, quantity, quality, timeliness, and public opinion of City services. It includes historical trends and comparisons to targets and other cities. The report is intended to be informational and to provide the public with an independent, impartial assessment of the services the City provides with their tax dollars.

Background

With a population of over 975,000, San José is the tenth largest city in the United States and the third largest city in California. The City of San José serves an ethnically diverse population—about 39 percent Asian, 31 percent Hispanic or Latino/a/x, and 23 percent white. Roughly 40 percent of San José residents are foreign born. More than half of residents speak a language other than English at home.

In 2021, San José's median household income was over \$126,000; however, the cost of living is among the highest in the nation. The observed rent index for San José crept above San Francisco in the past year, with average monthly rents of \$2,732 for all units. The median home price was over \$1.5 million. Meanwhile, 13 percent of San José households earned less than \$35,000. An estimated 6,650 residents were homeless, according to the 2022 homeless census. This is an increase of around 9 percent compared to 2019.

COVID-19

Like 2020-21, the City continued to address the ongoing COVID-19 pandemic, though the nature of the disease and response changed.

The ongoing pandemic has had severe human and economic impacts on the city. As of December 2022, there have been over 265,000 COVID-19 cases in the city, an increase of 170 percent over the past year. The increases in cases followed waves of more infectious variants, first Delta in summer 2021, then Omicron the following winter. COVID-19 cases reached a record high in San José in January 2022, with more than 50,000 cases reported in a three-week period. Cases became less deadly, however; more infectious variants increased the case rate, but the number of deaths and intensive care hospitalizations from COVID-19 went down in 2021-22.

While economic activity had initially slowed as result of COVID-19; the city's unemployment rate rebounded from a monthly average of 14.3 percent in April 2020 to 2.3 percent in July 2022, below pre-pandemic levels.

Like other California cities, San José lost population during the COVID-19 pandemic. Both San José and Santa Clara County experienced population decreases for the past two years. In 2021, San José's population decreased by 50,000 while the overall County population decreased by 37,000. This is a similar trend to the state's overall population decline.

With the widespread adoption of remote work, 30 percent of residents reported telecommuting, compared to 4 percent in 2019. This shift is also seen in the ratio of jobs per employed resident, which increased to 0.89 in 2021.

In 2020, in response to the pandemic, the City launched new services to address community needs and suspended or altered many other City services. With changes in the pandemic, afforded by the widespread availability of vaccines at the beginning of 2021-22, the City began transitioning from emergency response to recovery. The City continued efforts to provide food distribution to at-risk populations, expand homeless services and housing assistance programs, provide support for small businesses, and distribute hotspot devices to students across the city to support learning, but transitioned these emergency activities out of the Emergency Operations Center (EOC) and into departments. In contrast to 2021-22, City libraries, community centers, and many other facilities opened to the public.

Community Survey

2022 marked San José's second year of participation in the Community Opinion Survey (referred to throughout this report as the community survey). The survey was developed by True North Research (working closely with the City Auditor's Office and the City Manager's Office) to provide a statistically valid sampling of resident opinions about their community and services provided by local government.

Forty-seven percent of respondents rated the overall quality of life in San José as "excellent" or "good"—about the same as last year. Approximately half were satisfied with the City's overall performance in providing municipal services. Satisfaction with specific government services varied, with most similar to last year's. The highest rated services were operating the Mineta San José International Airport; providing library services; and providing trash, recycling, and yard waste services. The lowest rated services were addressing homelessness and facilitating the creation of affordable housing. Among resident priorities for specific changes to make San José a better place to live, addressing homeless issues was the most commonly mentioned, followed by

improving public safety/reducing crime, and providing more affordable housing—a slight reordering from last year.

City Finances

In 2021-22, the City's overall revenues increased, while the City's total expenses decreased slightly. Collectively, business-type activities, like those associated with the Airport and San José Clean Energy (SJCE), experienced a 19 percent increase in revenues. Governmental expenditures decreased by 9 percent from the prior year, due in part to a decrease in recognized pension expenses that resulted from the prior year's earnings, which were higher than expected.

The City owns a variety of capital assets—land, buildings, vehicles, equipment, infrastructure (e.g., roads, bridges, sewers), and other assets with a useful life beyond one year. At the end of 2021-22 the City owned \$7.4 billion of capital assets. The City's overall obligations totaled \$6.8 billion, which includes debt, pension obligations, and other post-employment benefit (OPEB) obligations.

Operating Budget and Staffing

In 2021-22, the City's departmental operating expenditures totaled \$1.8 billion,* or about \$1,827 per resident. Due to the economic impacts of COVID-19, the City projected a \$38.3 million shortfall in the General Fund for 2021-22. A number of budget-balancing strategies were employed to resolve the shortfall, including the use of American Rescue Plan funds, which also helped to pay for a number of high-priority, one-time projects and programs.

Overall, there were 6,647 full-time equivalent positions in 2021-22, an increase following reduced staffing in 2020-21 that was due to the fiscal impacts of COVID-19. San José employs about 6.8 people per 1,000 residents—fewer than any other large California city we surveyed.

* Overall budgeted expenditures totaled \$4.7 billion. This also includes General Fund capital and Citywide expenditures, reserves, transfers, and various non-General Fund expenditures (e.g., enterprise funds, capital, debt service, pass-through grant funds) and operating or other reserves.

Performance Results by City Service Area

The City of San José provides a wide array of services that city residents, businesses, and other stakeholders count on. As noted, the City restored or re-opened some services that had been closed to the public during the pandemic and transitioned other emergency services to departments.

Public Safety

- The EOC remained active in 2021-22, though with the drop in COVID-19 case counts, the EOC reduced operations in February 2022. The EOC also activated for responses to a gas leak in August 2021 and the Home Depot Fire in April 2022.
- Police handled about 1.3 million calls for service and responded to about 201,800 Priority 1 to 4 incidents in 2021-22, an increase of 7 percent from last year. The citywide average response time for Priority 1 calls was 7.3 minutes, above the 6-minute target. On average, Police responded to Priority 2 calls in 23.9 minutes, well over their 11-minute response target.
- The Fire Department responded to about 103,100 incidents in 2021-22, including 4,900 fires. Fire attributes an increase in incidents (a 9 percent increase) to COVID-19 related medical responses. The Department responded to 71 percent of Priority 1 incidents within its time standard of eight minutes (target: 80 percent), a slight decrease from last year. It also responded to 92 percent of Priority 2 incidents within 13 minutes (target: 90 percent).

Community and Economic Development

- San José had 0.89 jobs per employed resident in 2021, below the Envision 2040 target of 1.1 job per employed resident, but an increase from prior years.
- Due in part to the COVID-19 pandemic, building inspections have decreased year over year from 2018-19; building permits rebounded in 2021-22, with a large increase in online permits issued.
- Sixty-one percent of plan checks for development projects were completed within processing time targets. Seventy-nine percent of building inspections occurred within the target time of 24 hours. The volume of construction has decreased every year since 2016-17; while

previously the value of construction had been increasing, in 2021-22, the value of construction decreased as well.

- Developers completed 133 affordable units with City help in 2021-22. Additionally, through the collective efforts of local jurisdictions and non-profit service providers, 1,857 homeless San José residents received assistance into housing.

Transportation and Aviation Services

- The number of Airport passengers increased following lifted travel restrictions associated with the pandemic. In 2021-22, the Airport served 9.8 million airline passengers, up from a low of 4.2 million in 2020-21, but still below pre-pandemic levels.
- Funding from VTA Measure B, State Senate Bill 1, and Measure T have allowed the Department of Transportation to expand pavement maintenance on local and neighborhood streets. In 2021-22, 122.5 miles of street were resurfaced and 100 miles were preventatively sealed as part of the pavement maintenance program. Overall, the Department rated city streets as fair (68 out of 100 on the Metropolitan Transportation Commission Pavement Condition Index).

Environmental and Utility Services

- In late 2021, the City adopted the goal of reaching net-zero greenhouse gas emissions by 2030. SJCE provides businesses and residents with options for renewable and carbon-free energy. SJCE served 350,800 accounts and stayed within its target opt-out rate of 5 percent. SJCE had an increase in operating income in part due to a City Council-approved increase in generation rates that set prices for GreenSource up to 8 percent above PG&E (inclusive of state-mandated charges).
- Sixty-three percent of waste was diverted from landfills in 2021-22, though the tons of waste sent to landfill increased. Since 2018-19, the City has been working to address disruptions in the recyclables market by educating residents on the importance of eliminating liquids and foods from recycling bins and exploring infrastructure to recycle domestically.
- The City continued to meet (or exceed) wastewater pollutant discharge requirements 100 percent of the time.

Neighborhood Services

- Most City libraries, community and recreation centers, and other public facilities re-opened during the 2021-22 fiscal year following pandemic closures.
- Library hours, circulation, and program participation increased in 2021-22, though remain below pre-pandemic levels. The City's libraries were open for about 48,000 hours in 2021-22, up from 7,000 hours last year.
- Beginning in 2021-22, the City consolidated the Beautify San José (BeautifySJ) program within PRNS. The program is intended to provide dedicated and enhanced focus on blight reduction and beautification and includes several legacy programs such as anti-graffiti, anti-litter, and illegal dumping, and new programs such as the encampment trash and the Cash for Trash programs.
- The City's Animal Care Center was also closed to the public during the pandemic. In 2021-22, the Center sheltered over 14,500 animals, up from about 13,600 in 2020-21. The Center had a live release rate of 90 percent.

Strategic Support

- The Information Technology Department reports 74 percent of its 2021-22 projects met scheduling, cost, scope, and value goals, below its target of 80 percent.
- Ninety-eight percent of general vehicles in the City's fleet were available when needed, as were 100 percent of emergency vehicles, the same as in prior years.
- Public Works completed 41 capital projects in 2021-22; 95 percent of projects were completed on budget.
- The City received general obligation bond ratings of Aa1/AA+/AAA by the three leading national ratings agencies: Moody's, Standard & Poor's, and Fitch. The Finance Department managed \$2.73 billion in City cash and investments and procured \$214.6 million in products and services.

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

Conclusion

This report builds on the City's existing systems and measurement efforts. The City Auditor's Office selected and reviewed performance data to provide assurance that the information in this report presents a fair picture of the City's performance. All City departments are included in our review; however, this report is not intended to be a complete set of performance measures for all users. It provides insights into service results but is not intended to thoroughly analyze those results. By reviewing this report, readers will better understand the City's operations.

The report contains an introduction with a community profile of the City. This is followed by community survey results, various measures about the City's finances, and a summary of the City's overall budget and staffing. The remainder of the report presents the City Service Area dashboards, followed by performance information for each department in alphabetical order—their missions, descriptions of services, workload and performance measures, and survey results. Additional copies of this report are available from the Auditor's Office and are posted on our website at www.sanjoseca.gov/servicesreport. We thank the many departments that contributed to this report. This report would not be possible without their support.

Respectfully submitted,



Joe Rois,
City Auditor

Audit staff: Stephanie Noble, Brittney Harvey, Michelle Mallari, Gitanjali Mandrekar, Ebelechukwu Obi, Michael O'Connell Jr., Alison Pauly, Adrian Perez, Ricky Tran

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INTRODUCTION

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Scope and Methodology

INTRODUCTION

BACKGROUND

This is the 15th Annual Report on City Services. 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 City departments, programs, and services.

The report contains summary information including workload and performance results for the fiscal year ended June 30, 2022. 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 also be of general interest to the public. This report also includes the results of a community survey, completed in September 2022, 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. The report provides three types of comparisons when available: historical trends, selected comparisons to other cities, and selected comparisons to stated targets.

This report covers the functions of the City government of San José. The city's residents are also served by the County of Santa Clara, which provides criminal justice, health and hospital, housing, and social services. The Santa Clara Valley Water District provides water and flood protection to San José residents. Multiple San José school districts containing over 220 public schools serve the city's children.

Note: "City" is capitalized when referring to the City of San José as an organization and lowercase ("city") when referring to the city as a place.

The first section of this report contains information on resident perceptions of the city, City services, and City staff; the City's finances; and the City's operating budget and staffing. It also includes City Service Area (CSA) dashboards – the top six measures representing achievements in the City's key lines of business. The remainder of the report displays performance information by department, in alphabetical order. The departments are as follows:

- Airport
- City Attorney
- City Auditor
- City Clerk
- City Manager
- Community Energy
- Economic Development and Cultural Affairs
- Environmental Services
- Finance
- Fire
- Housing
- Human Resources
- Independent Police Auditor
- Information Technology
- Library
- Parks, Recreation and Neighborhood Services
- Planning, Building and Code Enforcement
- Police
- Public Works
- Retirement
- Transportation

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.

CITY GOVERNMENT

San José operates under a council/manager form of government, where the City Council is the primary legislative body and the City Manager oversees day-to-day municipal operations. The City has an 11-member City Council with many Council-appointed boards and commissions.* The Mayor is elected citywide; Council members are elected by district (see map).

There were 21 City departments and offices during fiscal year 2021-22. Five of the departments and offices are run by officials directly appointed by the City Council. Those officials are the City Manager, City Attorney, City Auditor, Independent Police Auditor, and City Clerk.

Some departments and programs serve expanded service areas. These departments include Environmental Services, Public Works, and the Airport. For example, the San José/Santa Clara Regional Wastewater Facility 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. The Airport serves the entire South Bay region and neighboring communities.

The Mayor's March 2022 budget message, which was unanimously approved by City Council, addressed the ongoing COVID-19 pandemic and included priorities for the upcoming year, with proposed investments in the areas of:

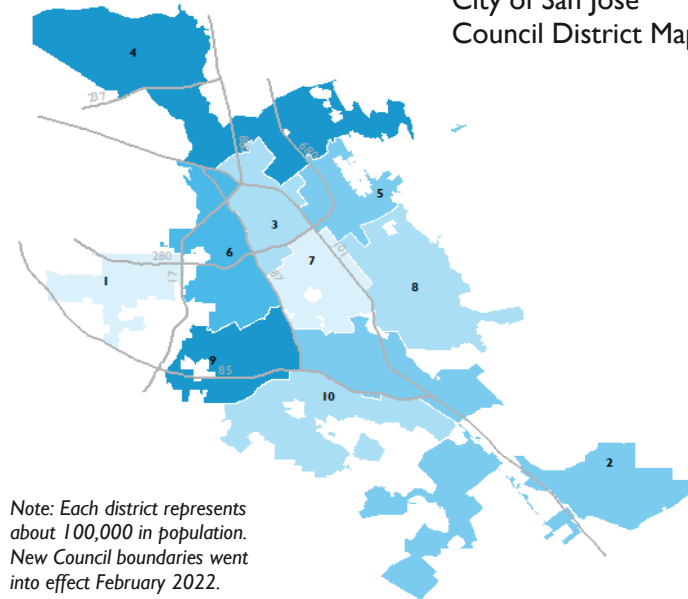
- Homelessness and Affordable Housing
- Public Safety
- Climate and Seismic Resilience
- Equitable Economic Recovery
- Fiscal Sustainability
- Battling Blight

In his June 2022 budget message, the Mayor proposed allocating Essential Services Reserve funds and other funds on a one-time basis to achieve these priorities.

The City Manager's Office presented the 2021-22 City Initiative Roadmap to City Council on March 16, 2021. The Roadmap is a prioritized list of the City's most important policy strategies and projects the Administration intends to focus on during the fiscal year. See the *City Manager* chapter for more

*Details of the boards and commissions can be found on [the City's website](#).

City of San José
Council District Map



The City Council meets weekly to direct City operations. The Council meeting schedule and agendas can be viewed [online](#).

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.

The City Council Committees are:

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

COMMUNITY PROFILE

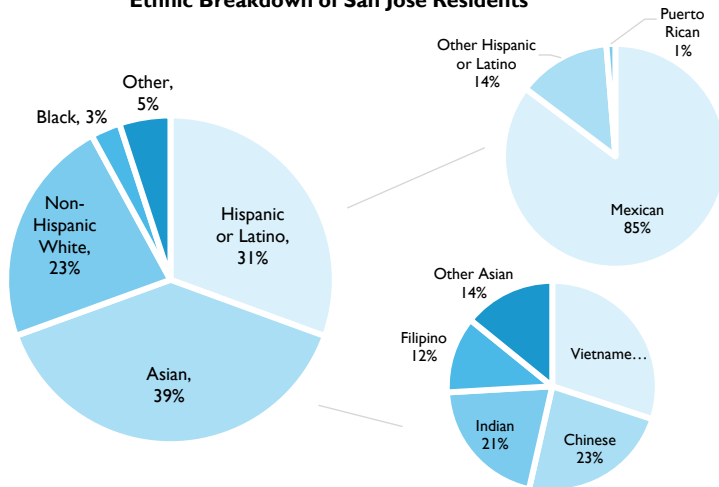
San José, with a population of over 975,000, is the tenth largest city in the United States and the third largest city in California. Major California cities had a population decline over the past year, with the exception of San Diego. Both San José and Santa Clara County have experienced population decreases for the past two years. In 2021, San José's population decreased by 50,000 while the overall County population decreased by 37,000. This is a similar trend to the state's overall population decline. The state experienced a net migration of about -118,000 in the past year.

Note: Unless otherwise indicated, this report uses population data from the California Department of Finance and demographic data from the U.S. Census Bureau. In some cases we have presented per capita data to adjust for population.

THE CITY'S RESIDENTS ARE DIVERSE

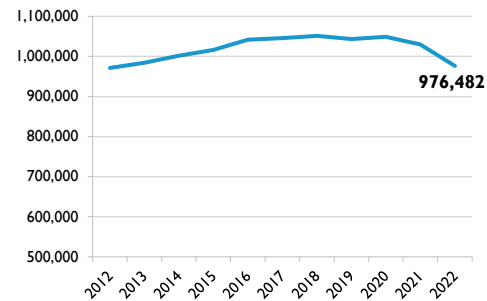
The City serves an ethnically diverse population. The demographics of San José are important because they influence the type of services the City provides and residents demand. It can also influence how services are provided (e.g., providing programming in other languages).

Ethnic Breakdown of San José Residents

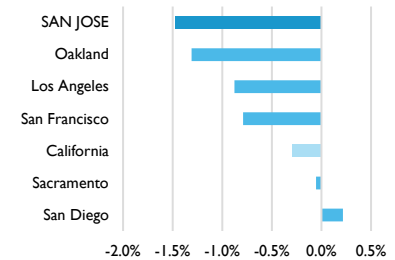


Source: U.S. Census Bureau, American Community Survey, 2021 1-year estimates (Table DP05)

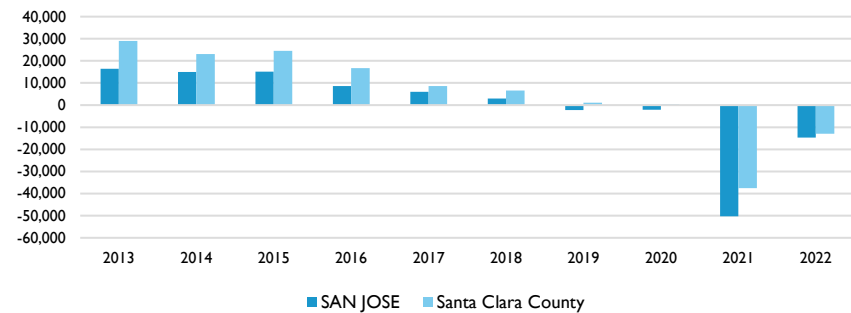
San José's Population Growth



Population Change in Major California Cities (2022)

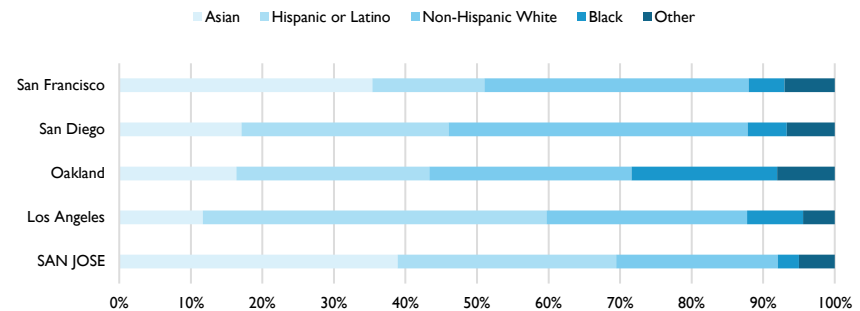


Net Population Gain/Loss in San José and Santa Clara County



Source: California Department of Finance population estimates. Net flows are from January 1 to December 31.

Population by Ethnicity



Source: U.S. Census Bureau, American Community Survey, 2021 1-year estimates (Table DP05)

INTRODUCTION

MANY RESIDENTS ARE FOREIGN BORN

The proportion of foreign born residents increased by 3 percent from 2012 to 2021—though there has been a slight demographic shift within the foreign born population. Over that period, the percentage of residents born in Asia increased by 5 percent, while the percentage of residents born in Latin America decreased by 6 percent.

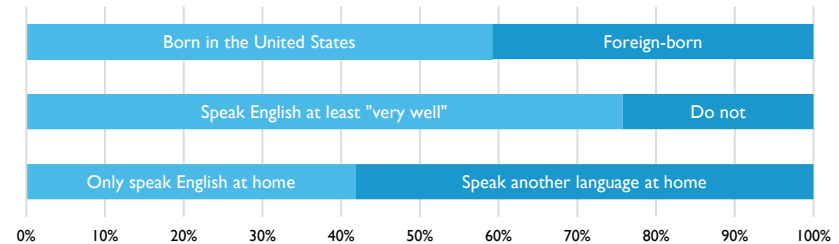
The proportion of the city's residents that speak a language other than English at home increased by 2 percent from 2012 to 2021, though the number that report they speak English less than “very well” has decreased by 2 percent. The proportion of the City’s residents who are not U.S. citizens (18 percent) in 2021 was about the same as it was in 2012.

THE MEDIAN AGE IS SLIGHTLY LOWER THAN THE UNITED STATES' GENERALLY

According to 2021 Census data, San José’s population has a median age of 38 years. This is slightly lower than the median age of the U.S. population in 2021. Ten years prior, the city's median age was 36 years.

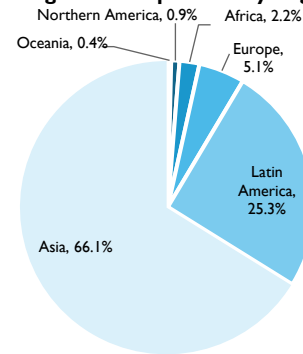
According to the County Registrar, approximately 55 percent of the 1 million registered voters in Santa Clara County voted in the November 2022 election. Voter participation decreased and the number of registered voters increased since the 2018 midterm election, when voter turnout was 71 percent and there were 886,000 registered voters.

Characteristics of San José Residents

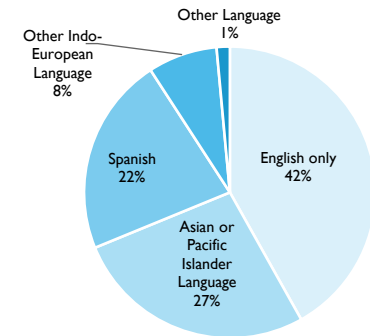


Source: U.S. Census Bureau, American Community Survey, 2021 1-year estimates (Table DP02)

Foreign Born Population by Region

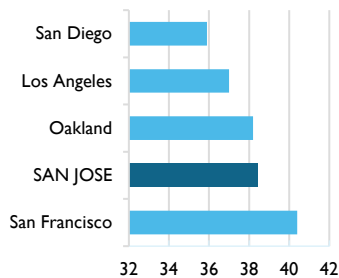


Languages Spoken at Home

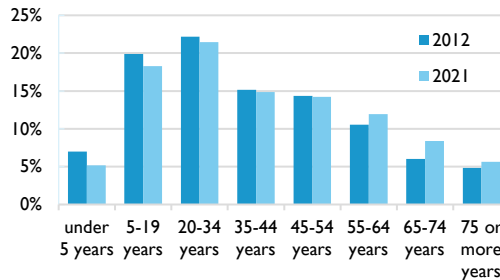


Source: U.S. Census Bureau, American Community Survey, 2021 1-year estimates (Table DP02)

Median Age of Residents



San José Resident Age



Source: U.S. Census Bureau, American Community Survey, 2021 1-year estimates (Table DP05)

RECOVERING FROM THE PANDEMIC

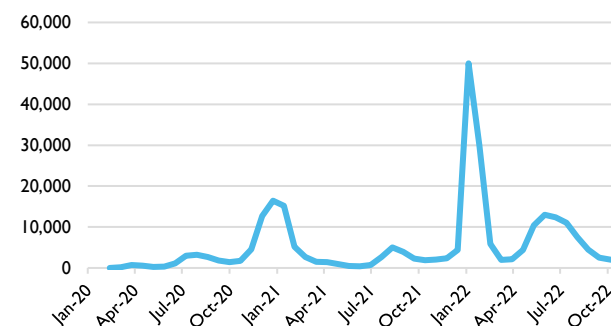
The COVID-19 pandemic has had a severe economic and human impact on the city. As of December 2022, San José experienced a cumulative total of 265,137 cases. For the latter half of 2021, Delta was the predominant COVID-19 variant, accounting for 78 percent to all cases in Santa Clara County. Since the beginning of 2022, Omicron has been the predominant COVID-19 variant, accounting for almost all cases. COVID-19 cases reached a record high in San José in January 2022, with more than 50,000 cases reported in a three-week period.

In August 2021, the City temporarily reactivated its Emergency Operations Center (EOC) in response to the Delta and Omicron variants of COVID-19. Services such as food distribution and digital equity were transitioned into departments. Though the City reopened in-person public meetings in 2021, it continues to offer virtual options for community participation. In September 2021, the City approved 55 organizations to the COVID-19 Recovery Task Force. Responsibilities of the Task Force include monitoring progress on recommended actions for Recovery to be considered by the City Council. Further details can be found on the [City's website](#).

Inflation also increased following the onset of the pandemic. Both regional and national inflation reached their highest point in June 2022, at 6.8 percent and 9.1 percent, respectively. The increases are mainly due to higher gas and transportation prices, though the Bay Area saw a large increase in the cost of groceries.

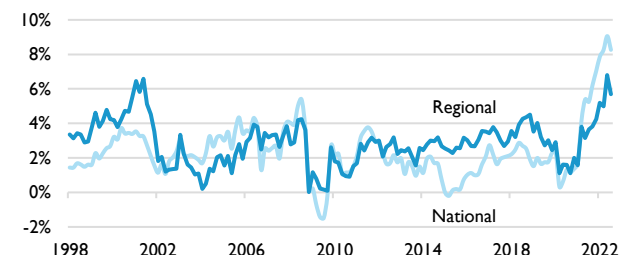
San José's unemployment rate improved from 14.1 percent in April 2020 to 2.3 percent in July 2022. As of 2021, median household income in the city was over \$126,000. This figure varied by race, with Black and Latino/a/x households earning less than Asian and Non-Hispanic White households.

COVID-19 Cases Over Time



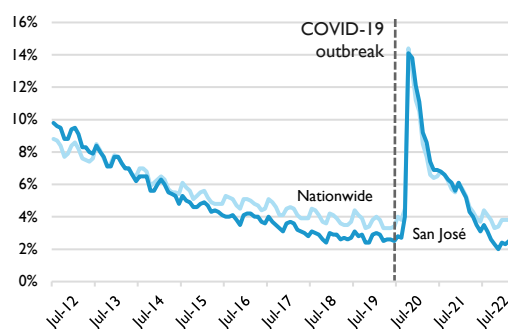
Source: County of Santa Clara Public Health Department

Inflation (year over year)



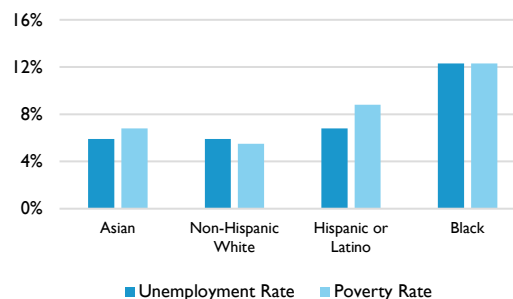
Source: U.S. Bureau of Labor Statistics, San Francisco-Oakland-Hayward Metropolitan Statistical Area

Unemployment Rate



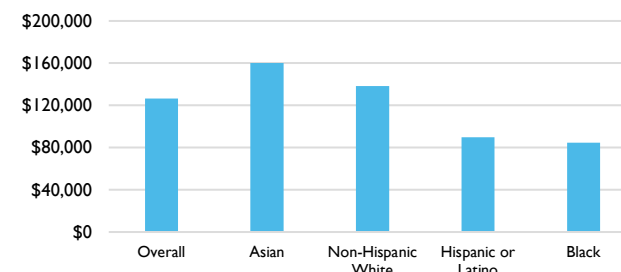
Source: U.S. Bureau of Labor Statistics

Unemployment and Poverty Rates by Race



Source: U.S. Census Bureau, American Community Survey, 2021 1-year estimates (Tables S1701 and S2301)

Median Household Income



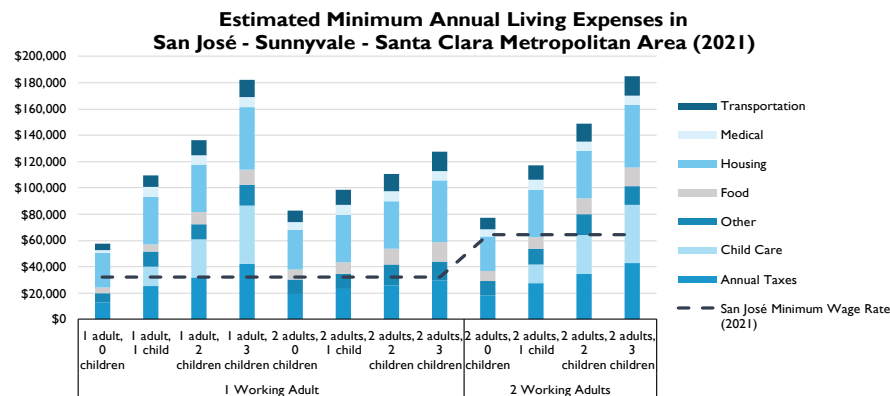
Source: U.S. Census Bureau, American Community Survey, 2021 1-year estimates (Table S1903)

INTRODUCTION

DESPITE HIGH MEDIAN INCOMES, MANY RESIDENTS MAY EXPERIENCE ECONOMIC DISTRESS

The cost of living in San José is among the highest in the country. In 2021, about 13 percent of households earned less than \$35,000 in income and benefits, and 19 percent of the population received supplemental income or public assistance. The city's overall poverty rate was 7.4 percent, with the Black population experiencing almost double the overall poverty rate.

The last homeless census, conducted in February 2022, estimated 6,650 residents were homeless, and of these, around 4,975 (75 percent) were unsheltered—that is, sleeping in a place not designed for or ordinarily used as a regular sleeping accommodation. *For more information, see the Housing chapter.*



According to [the Living Wage Calculator](#), a living wage in the San José metropolitan area for a single, working adult was \$57,700 in 2021. This represents estimated minimum expenses for a single adult for a year, including food, housing, and transportation. It does not include savings for retirement or purchasing a home, for example.

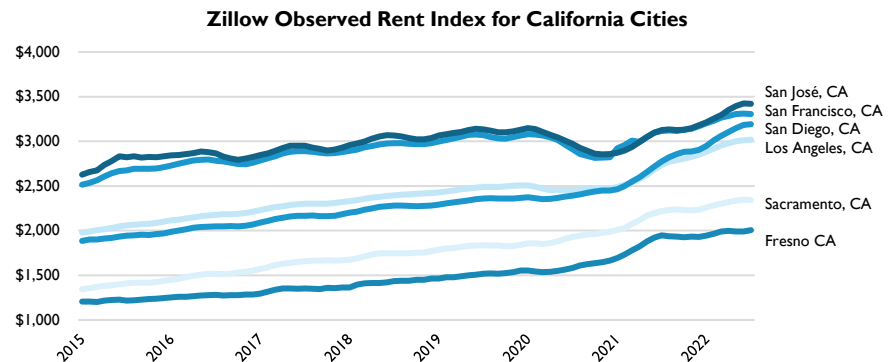
HOUSING PRICES HAVE ALSO INCREASED

As of mid-2022, the median home price in San José was \$1,562,500 and average monthly rent for all unit types was \$2,732. This is up from \$1,225,000 and \$2,479, respectively, from mid-2018. This also marks the fifth year that the median home price in San José exceeded the million-dollar mark. This compares with a median existing home value of approximately \$350,700 nationally, according to the National Association of Realtors.

In 2021, 32 percent of homeowners and 50 percent of renters in San José reported spending more than 30 percent of household income on housing costs.* In addition, the National Equity Atlas** reports that approximately 17,960 households in Santa Clara County were behind on rent in October 2022, with an average rent debt per household of \$11,300. It further estimates that there are 11,500 children in households that are behind on rent.

*The U.S. Department of Housing and Urban Development defines “housing affordability” as housing that costs less than 30 percent of the occupant’s gross income.

**The National Equity Atlas publishes data on racial and economic equity and is a partnership between PolicyLink and the USC Equity Research Institute. These figures are taken from its [Rent Debt Dashboard](#) and are based on the U.S. Census Bureau’s Household Pulse Survey from October 5 to October 17, 2022.



Source: Zillow Research

The Zillow Observed Rent Index measures changes in asking rents over time, controlling for changes in the quality of the available rental stock. The index varies from average rent in that it represents price differences for the same rental units over time, rather than the average market rent for units available at a given time.

SCOPE & METHODOLOGY

The City Auditor's Office prepared this report in accordance with the City Auditor's FY 2022-23 Work Plan. We conducted this performance audit in accordance with 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. The report is intended to be informational and does not fully analyze performance results. The City Auditor's Office compiled and reviewed departmental performance data. We reviewed information for reasonableness and consistency. We questioned or researched data that needed additional explanation. We did not however audit the accuracy of source documents or the reliability of the data in computer-based systems. We also did not assess the internal controls over performance data unless it was significant to determine the reasonableness and consistency of the reported information. Our review of data was not intended to give absolute assurance that all information was free from error. Rather, our intent was to provide reasonable assurance that the reported information presented a fair picture of the City's performance.

SELECTION OF INDICATORS

This report relies on existing performance measures, most of which are reviewed yearly by Council, staff, and interested residents during the annual budget process. It also relies on existing benchmarking data.

We used audited information from the City's Annual Comprehensive Financial Reports (ACFRs). 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 included ten years or more of historical data. We strove to maintain consistency with prior years' reports by including most of the same performance indicators; however, due to issues such as reporting and program updates, some indicators have changed.

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.

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.

ROUNDING & INFLATION

For readability, many numbers in this report are rounded. In some cases, tables or graphs may not add to 100 percent due to rounding. Financial data have not been adjusted for inflation. Please keep in mind inflation (in the table of San Francisco Area Consumer Price Index for All Urban Consumers below) when reviewing historical financial data included in this report.

Year	Index
2012-13	245.9
2021-22	330.5
% change in last 10 years	34.4%

Source: Bureau of Labor Statistics, based on June 2013 and June 2022

Resident perceptions about quality of life and City services in San José

COMMUNITY SURVEY

2022 marked San José's second year of participation in the Community Opinion Survey (referred to throughout this report as the community survey).^{*} The survey was developed by True North Research (working closely with the City Auditor's Office and the City Manager's Office) to provide a statistically valid sampling of resident opinions about their community and services provided by local government. Survey results in this chapter and in the following chapters provide the opinions of 1,464 randomly selected residents of the city who responded by telephone or online. The survey was administered in four languages: English, Spanish, Chinese, and Vietnamese.

Complete survey results are posted online at sanjoseca.gov/servicesreport. Online survey results include breakdowns by demographics and geography. The end of this chapter provides more specific information about the survey methodology.

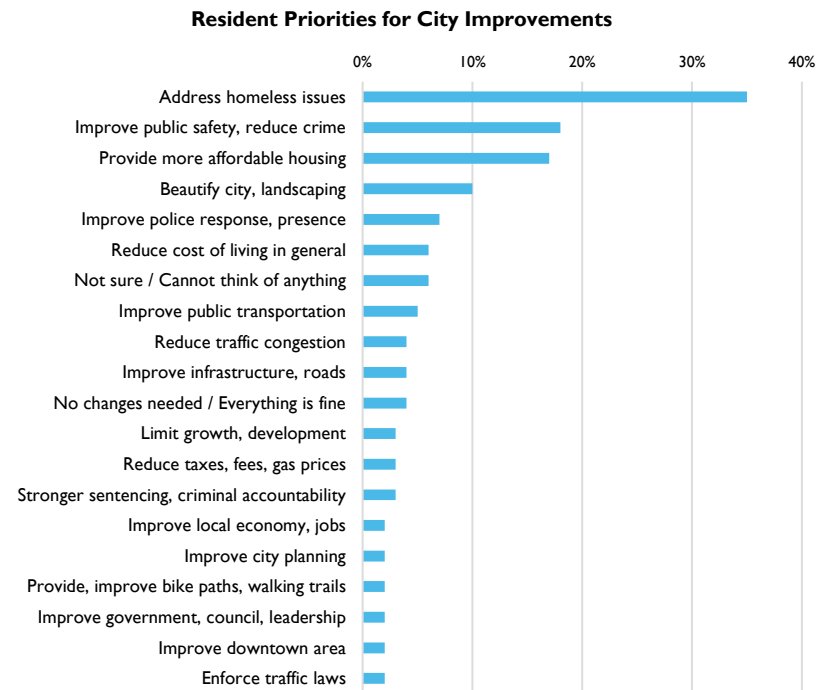
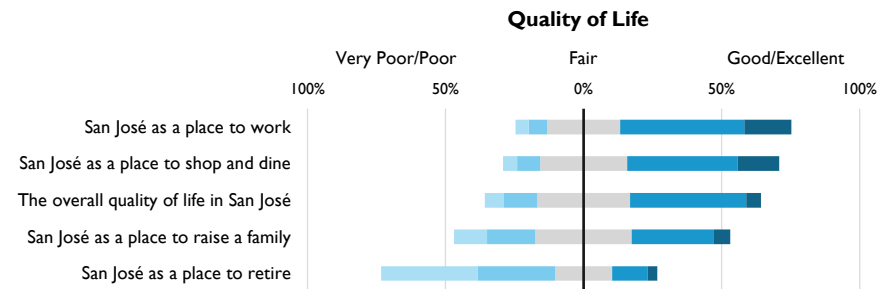
QUALITY OF LIFE IN SAN JOSÉ

How residents rate their overall quality of life is an indicator of the overall health of a community.

Similar to last year, about half of surveyed residents rated the overall quality of life in San José as "excellent" or "good." Respondents had the most favorable opinions of San José as a place to work (59 percent rated as "excellent" or "good") and as a place to shop and dine (55 percent rated as "excellent" or "good") and as a place to raise a family (55 percent rated as "excellent" or "good"). A third rated the City as an "excellent" or "good" place to retire.

Among resident priorities for specific changes to make San José a better place to live, addressing homeless issues was the most commonly mentioned (35 percent), followed by improving public safety and reducing crime (18 percent), and providing more affordable housing (17 percent). This represents a shift from last year, when just 12 percent identified improving public safety and reducing crime as a priority for improvement. Additionally, improving police response and presence was a higher priority for residents in 2022.

^{*}Prior to last year, this report used survey data from the National Community Survey, a standard survey created and administered by the National Research Center. In 2021, to improve the validity and reliability of the survey and better align questions with the City's interest, the questions and response scales were changed for the new community survey. Because of these changes, survey results from prior years are not shown in the report for comparison.



Note: Verbatim responses were recorded and later grouped.

CITYWIDE QUALITY OF SERVICES

Surveyed residents were fairly split in their satisfaction with the City's overall performance in providing services. About half (46 percent) of surveyed residents expressed satisfaction with the City's overall performance in providing services, half (47 percent) expressed dissatisfaction, and 7 percent said they were unsure or preferred not to answer. This is similar to last year.

Satisfaction with specific government services varied. Highly rated government services include the City's efforts to operate the Mineta San José International Airport; providing library services; providing trash, recycling, and yard waste services; and providing fire protection and prevention services.

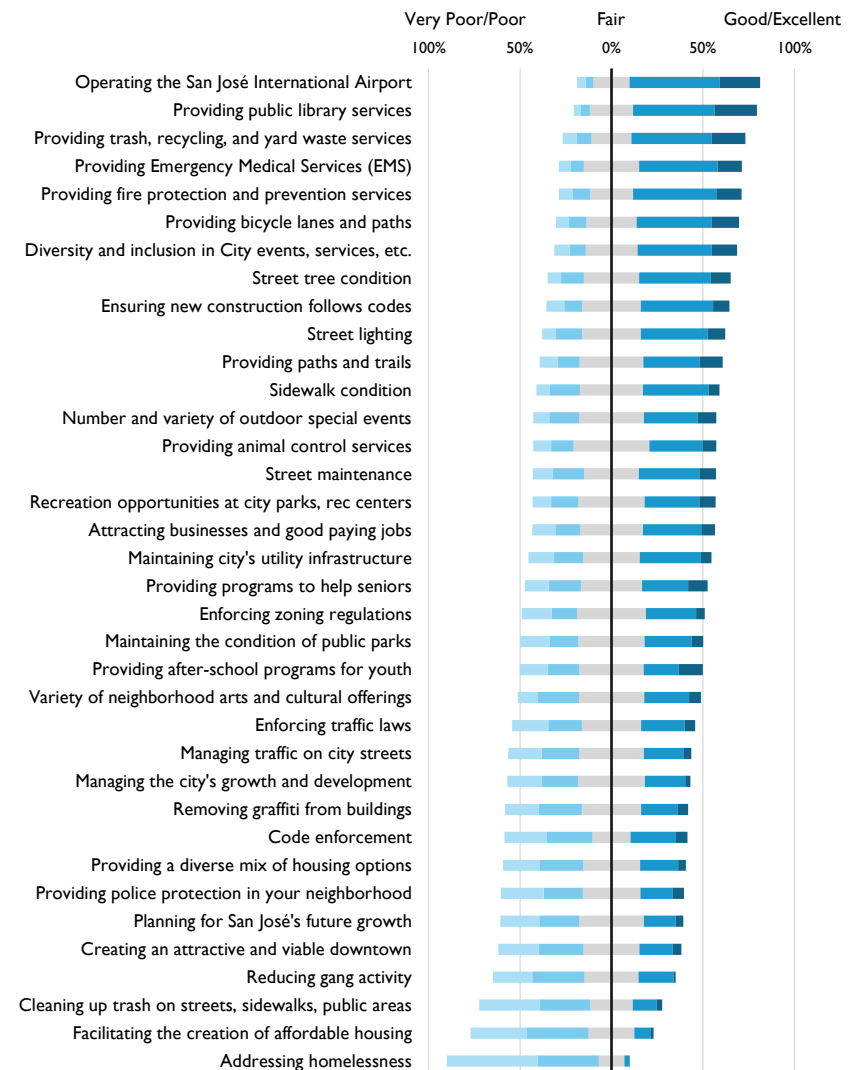
In comparison, few surveyed residents rated the City's performance in addressing homelessness, facilitating the creation of affordable housing, and cleaning dumped litter and trash "excellent" or "good."

Most ratings of City services stayed about the same compared to 2021, though there were a few changes. Relative to last year, resident ratings of the City's job providing outdoor special events, as well as recreation programs and opportunities at city parks and recreation centers increased (40 and 39 percent "excellent" or "good," respectively). These increased ratings follow the reopening of services and hours following pandemic closures, as described in department chapters. Ratings of the City's job maintaining the condition of public parks decreased (32 percent "excellent" or "good").

Respondents who reported being dissatisfied with the City's efforts to enforce code violations were asked to describe the particular issue in their neighborhood that the City isn't addressing to cause their dissatisfaction. Top responses crossed departmental responsibilities and included cars and RVs illegally parking on streets (22 percent), abandoned vehicles (21 percent), homeless camping and living in vehicles (19 percent), and illegal dumping or trash (18 percent).

More information on survey results related to specific services can be found in individual department pages later in this report.

Quality of Services and City Amenities



COMMUNITY SURVEY

CUSTOMER SERVICE

The community survey also asked residents a variety of questions about their interactions with City staff and their perceptions of the City.

Over a third of surveyed residents (36 percent) reported having contact with City staff in the past 12 months, either in person, on the phone, or by email. Most surveyed residents who had contact with City staff expressed satisfaction with staff's courtesy (75 percent), timeliness in response (60 percent), and competence (55 percent).

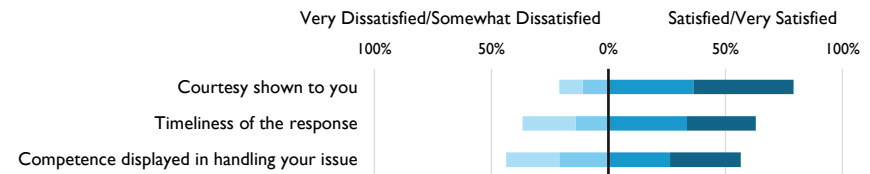
Seven percent reported that a language barrier had interfered with their ability to access City services, with 2 percent describing it as a major problem and 5 percent a minor problem.

GOVERNANCE AND PUBLIC TRUST

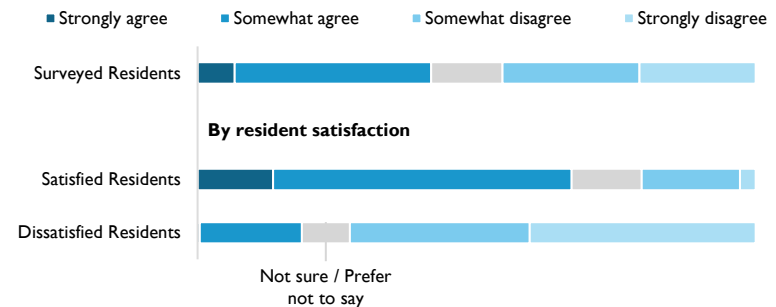
The community survey asked residents about their perceptions of the City's transparency and fiscal responsibility. Less than half of respondents with an opinion agreed that they trust the City of San José and that the City operates in a way that is open and accountable to the public (48 percent each). Fewer respondents agreed that the City listens to residents when making important decisions (38 percent) and manages its finances well (37 percent). This is similar to last year.

Residents' perceptions related strongly to their overall satisfaction with the City's performance in providing services. Residents that expressed satisfaction with City services were also much more likely to agree that they trusted the City, that it operates in an open and accountable way, and listens to residents.

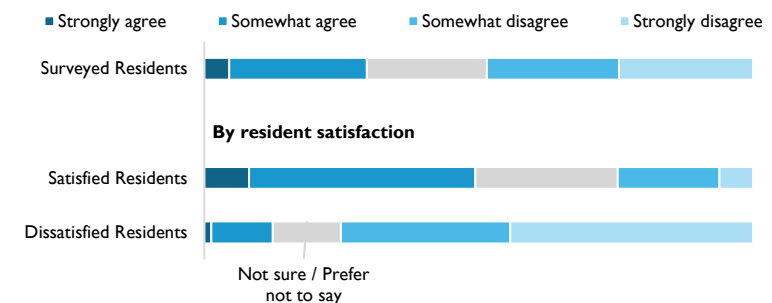
Resident Satisfaction with City Staff



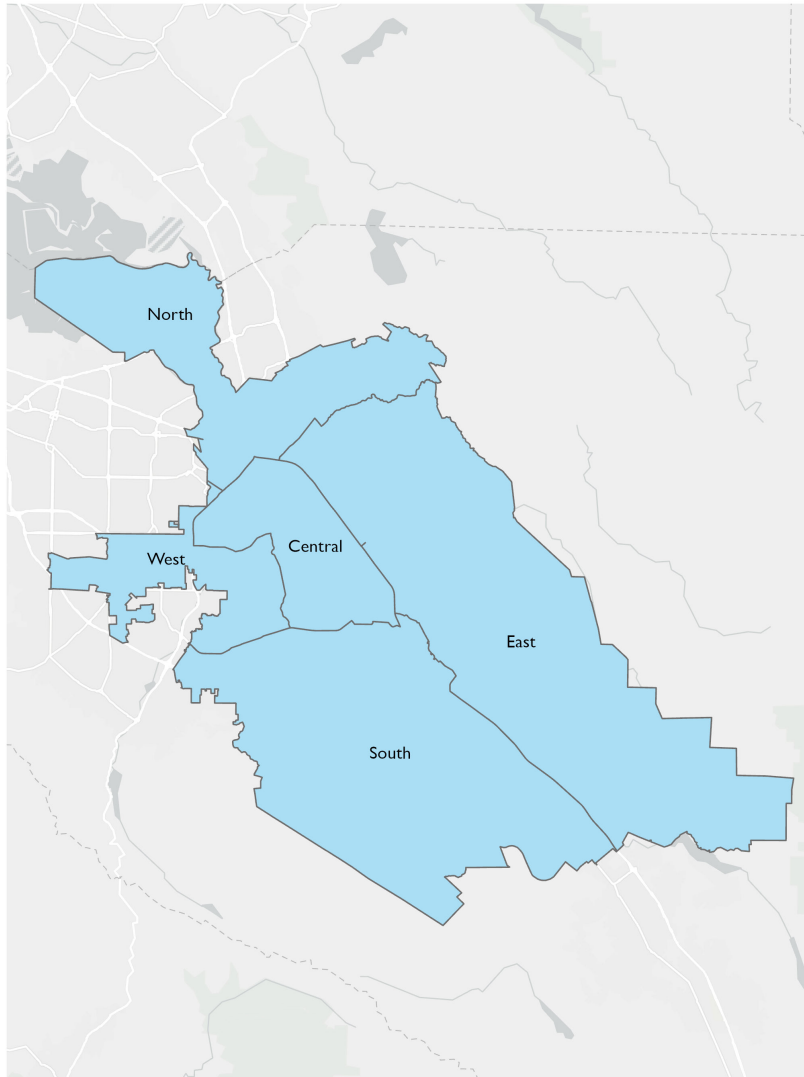
"I trust the City of San José"



"The City listens to residents when making important decisions"



SURVEY REGIONS



SURVEY METHODOLOGY

The survey data presented in this report was collected and analyzed by the [True North Research, Inc.](#) on behalf of the City Auditor's Office and the City Manager's Office.

True North collected survey results from phone interviews and online surveys. To ensure all households had the opportunity to participate in the survey, True North used a database of San José households. Once randomly selected, individuals were recruited to participate in the survey either through text or email invitations to the online survey. After a period of online data collection, True North made calls to those who had not yet participated in the online survey (who were previously recruited via text or email) or for whom only telephone contact information was available.

A total of 1,464 completed surveys were gathered online and by telephone between September 12 and September 22, 2022. The survey was administered in four languages: English, Spanish, Chinese, and Vietnamese.

True North re-weighted the final data results to balance the sample by age and ethnicity to closely reflect San José's demographic profile on age, ethnicity, home ownership, and presence of a child in the home based on the latest population estimates from the U.S. Census Bureau's American Community Survey (ACS).

The precision of estimates made from surveys are usually described by a "level of confidence" and accompanying "confidence interval" (or margin of error). A traditional level of confidence, and the one used here, is 95 percent. The margin of error around results for this survey is plus or minus 2.6 percentage points for questions answered by all 1,464 respondents. With this margin of error, one may conclude that when 60 percent of survey respondents report that a particular service is "excellent" or "good," somewhere between 57.4 to 62.6 percent of all residents are likely to feel that way. For questions where not all respondents provided a response (i.e., preferred not to answer), the margin of error is greater.

New this year, the survey collected responses by regions within the City. These regions are shown in the map to the left.

Complete survey report and cross tabulations are posted online at sanjoseca.gov/servicesreport.

An overview of the City's finances

Unless otherwise noted, information in this chapter is from the City's audited [Annual Comprehensive Financial Report \(ACFR\)](#). Other chapters use adopted budget information. The ACFR differs from the City's annual Adopted Operating Budget in the timing and treatment of some revenues and expenditures.

CITY FINANCES

UNDERSTANDING CITY FINANCES

Understanding the City's finances is important to assessing whether the City can deliver the services that residents expect based on the resources that residents provide, both now and in the future. A city that is financially healthy can provide sufficient services to residents today while preparing for future services that residents will require. Revenues and expenses, reserves, debt, and capital investments all provide different insights into the City's financial situation.

CITY REVENUES

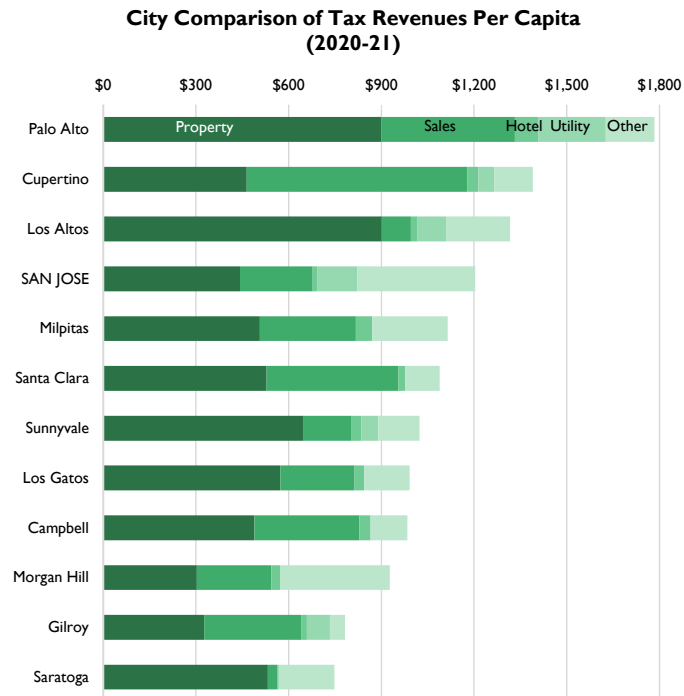
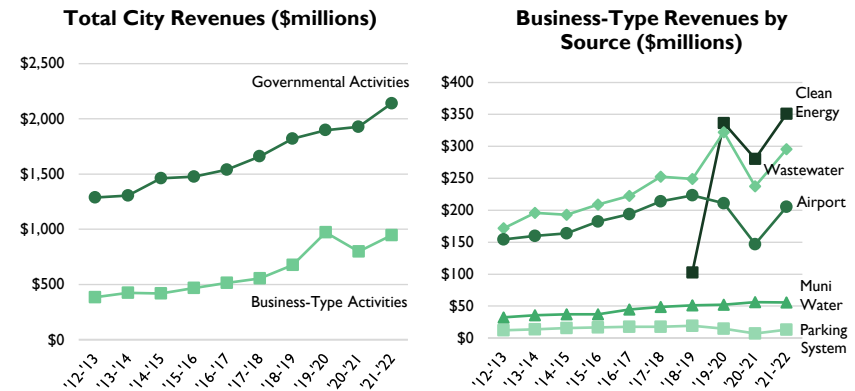
The City received \$3.09 billion in revenues in 2021-22. Governmental activity revenue totaled \$2.14 billion, an 11 percent increase from 2020-21. This was due to in part to increases in property, sales, and other taxes as well as increases in charges for housing inclusionary in-lieu fees and for recycling collections. Business-type activities generated \$947 million, a 19 percent increase from the prior year. Revenues at the Mineta San José International Airport increased in part due to higher passenger activity after a decline last year due to COVID-19 travel restrictions. Wastewater Treatment System revenues increased with higher contributions from tributary agencies. San José Clean Energy increased rates to customers, which impacted revenues.

Cities generate revenues from a variety of sources. Most California cities generate the majority of their revenue from taxes and fees. Grants made up a larger portion of the City's revenues than before the COVID-19 pandemic. Fines, fees, utilities, and user charges made up a smaller portion than a decade ago.

REVENUE PER CAPITA

In 2021-22, the City's governmental activity revenues per capita increased. Governmental activity revenues per capita totaled \$2,191 in 2021-22.

The City's tax revenues were \$1,204 per capita in 2020-21. Of that, property tax was \$442 and sales tax was only \$236. In contrast, Palo Alto received \$1,784 in taxes per capita, of which \$901 was from property tax and \$432 was from sales taxes.



Source: 2020-21 State Controller's City Data and California Department of Finance population estimates.

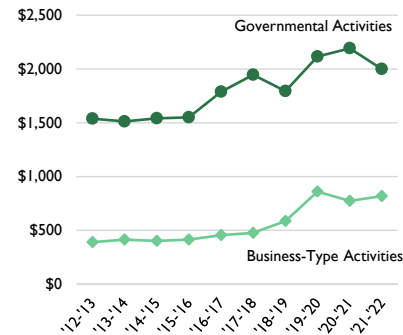
CITY EXPENSES

The City's total expenses decreased slightly in 2021-22 to \$2.82 billion. These expenses include non-cash expenses such as depreciation (see "City Capital Assets and Spending" later in this chapter). Revenue sources are often restricted in how they can be spent. As a result, reducing expenses for one service does not necessarily mean that expenses can be increased for another service, because the revenue may not be transferable.

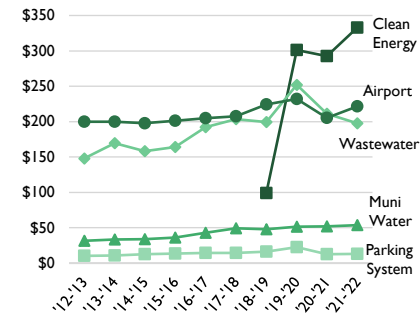
Governmental activity expenditures per capita were \$2,046 in 2021-22. Last year, they were \$2,128. Governmental activity expenses, which make up the majority of City expenses, decreased by 9 percent from the prior year. This was due in part to a decrease in recognized pension expenses after last year's earnings were significantly higher than expected.

Business-type activities expenses increased by 6 percent from last year. This was partly due to the effect of higher prices in the California energy markets on San José Clean Energy.

Total City Expenses (\$millions)



Business-Type Expenses by Source (\$millions)



Note: In 2017-18, San José Clean Energy had \$1 million of expenses.

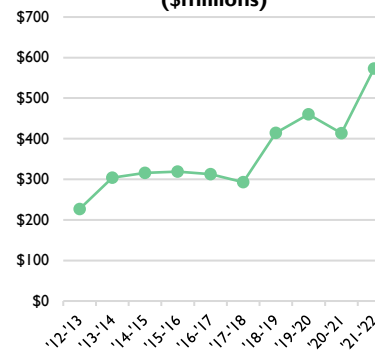
CITY RESERVES

The City has several different reserves set aside in General Fund balances. These fund balance categories are:

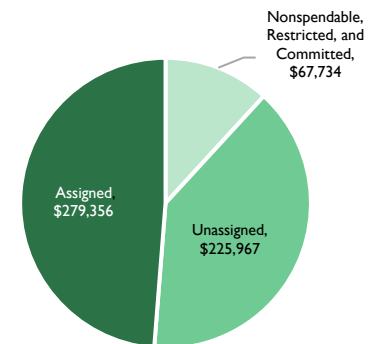
- **Nonspendable:** Amounts not in a spendable form, such as inventories, or that are legally or contractually required to be maintained intact or required to be retained in perpetuity.
- **Restricted:** Amounts with either external constraints (such as from creditors) or legal constraints on their usage.
- **Committed:** Amounts that have been limited to specific purposes in the City Charter or through a City ordinance.
- **Assigned:** Amounts intended to be used for a specific purpose, but which are not restricted or committed.
- **Unassigned:** Amounts that are not assigned to any other category, which can be used for any purpose.

In 2021-22, the overall General Fund balance increased to \$573 million, including an increase in the unassigned fund balance from \$8 million to \$226 million. General Fund revenues increased by 17 percent, in part due to higher real property transfer tax revenues, while expenditures only increased 2 percent.

General Fund Balances (\$millions)



General Fund Balances (\$thousands)



CITY FINANCES

CITY OBLIGATIONS AND DEBT

In total, the City had \$6.8 billion in obligations as of June 30, 2022. Of this, \$613 million was for short-term obligations and \$6.2 billion was for long-term obligations. Obligations decreased from last year primarily due to a decrease in pension liabilities.

Short-term obligations are due within the next year. This includes things like accrued wages that City employees have earned, and accounts payable (money owed for supplies or for services rendered).

Long-term obligations are generally not due within the next year, but will need to be paid in the future. Long-term obligations include:

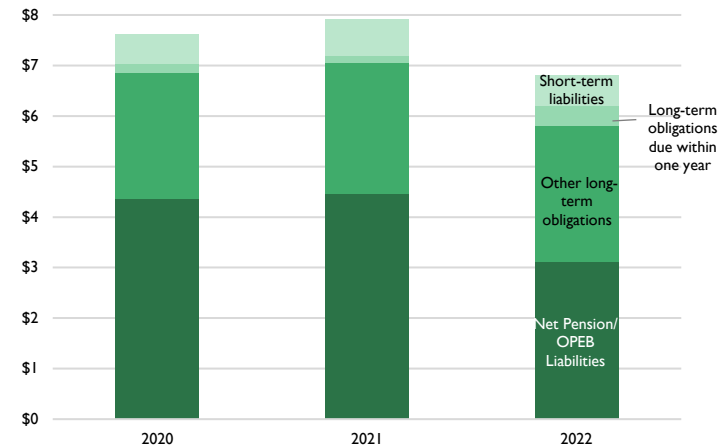
- The accrued vacation and sick leave that employees have earned but haven't taken.
- Bonds that the City has issued to finance the purchase, construction, and renovation of City-owned facilities and infrastructure. The payment of bond debt, called debt service, includes payment of principal and interest. *For more information, see the Finance Department chapter.*
- Pensions and other post-employment benefits (OPEB), which includes healthcare for retired City employees. *For more information, see the Retirement Services chapter.*

AMOUNT BORROWED PER CAPITA

The amount borrowed per capita increased in 2021-22, primarily resulting from the issuance of Lease Revenue Bonds to pay for City projects and to refund previous bonds. In July 2021, the City issued a second round of bonds relating to Measure T. San José residents passed Measure T in November 2018, authorizing the City to issue up to \$650 million of general obligation bonds for various public improvements.

The City's single largest source of long-term debt in the form of bonds related to capital improvements at Mineta San José International Airport (\$1 billion total, to be repaid with Airport revenues). *For more information, see the Airport and Finance chapters.*

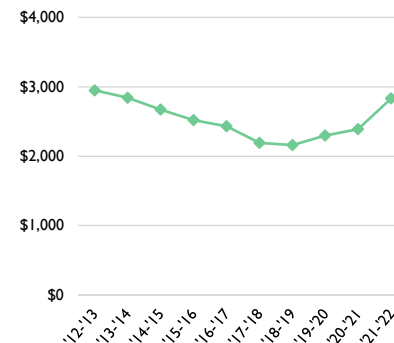
City Obligations by Type (\$billions)



Who has to pay the City's debt?

Separate entities within the broad City organization are legally responsible for different parts of the City's debt. On the one hand, the City is not legally obligated to use the City's general revenues to pay the business-type obligations. On the other hand, the City's business-type revenues are restricted and may not be used to pay other debt obligations.

Debt Burden per Capita



CAPITAL ASSETS AND SPENDING

The City owns a variety of capital assets—land, buildings, vehicles, equipment, infrastructure (e.g., roads, bridges, sewers), and other assets with a useful life beyond one year. Capital assets also include construction projects currently being built but not yet completed (referred to as construction in progress). Paying for and maintaining these assets play a critical role in the City's financial condition.

At the end of 2021-22, the City owned \$7.4 billion of capital assets. This figure represents the historical purchase or constructed cost less normal wear and tear from regular use (referred to as *depreciation*).

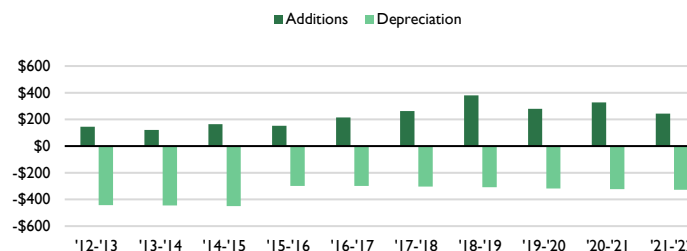
Capital assets used for governmental activities totaled \$4.9 billion. Assets used in business-type activities such as the Airport and wastewater treatment totaled \$2.5 billion.

In 2021-22, the City added \$244 million in capital assets; however, these were offset by \$327 million in depreciation. Including transfers and deletions, the overall value of the City's capital assets decreased slightly over the year. Among the additions were capital projects at the Regional Wastewater Facility and the Airport.

INFRASTRUCTURE AND MAINTENANCE

On an annual basis, the City Administration prepares a status report on the deferred maintenance and infrastructure backlog. In March 2022, staff reported that the City faced an estimated \$1.7 billion backlog, with an estimated additional \$91 million needed annually to sustain the City's infrastructure in a functional condition. The transportation system (e.g., streets, street lighting) is most affected by the backlog.

Capital Asset Additions and Depreciation (\$millions)



Note: Capital additions do not include transfers.

Infrastructure Backlog (all funds as of March 2022) (\$millions)

	Current Backlog of Deferred Needs	Annual Ongoing Unfunded Needs
Airport	none	none
Building Facilities*	\$246.5	\$20.1
City Facilities Operated by Others	\$13.8	\$6.8
Sports Facilities	none	TBD
Convention Center/Cultural Facilities	\$73.5	TBD
Fleet	\$7.7	\$1.4
Parks, Pools, and Open Space	\$284.4	\$36.5
Sanitary Sewer	\$50.0	\$0.9
Service Yards	\$14.1	\$0.7
Storm Sewer	\$180.0	\$5.0
Technology**	\$47.5	\$5.7
Radio Communications	\$3.8	\$0.4
Transportation Infrastructure	\$736.9	\$14.0
Regional Wastewater Facility	none	none
Water Utility	none	none
Total	\$1,658.2	\$91.5

Source: [Status Report on Deferred Maintenance and Infrastructure Backlog, 2022](#)

* Annual ongoing is for parks buildings only, remaining facilities to be determined (TBD).

** This estimate only includes deferred needs for technology infrastructure maintained by the Information Technology Department. Other departmental information technology needs are not included.

OPERATING BUDGET AND STAFFING

Operating budget and staffing for City services

OPERATING BUDGET AND STAFFING

CITY OPERATING BUDGET

The City's operating budget is a financial plan for how the City will provide services, pay obligations, and save for future expenses. It is approved by the Mayor and City Council. It contains information and data regarding expected sources and uses of funds, and performance. The City Charter requires the budget to be balanced for every fiscal year. The fiscal year in the City begins July 1 and ends June 30.

The City's operating budget is prepared using a different accounting basis than the Annual Comprehensive Financial Report (ACFR). ACFR data was used in the previous chapter to discuss the City's overall finances. This chapter, as well as the remainder of this report, uses budgetary data unless otherwise specified. Every year, the City Manager's Budget Office prepares a reconciliation between actual and budgeted expenditures. To see the latest of these reconciliations, see the [2021-22 Annual Report](#).

The City Charter also requires that the budget include a complete financial plan for all City funds. This includes the General Fund as well as numerous special funds, such as those related to Airport operations, sewer services, and others.

In 2021-22, City expenditures from all funds totaled about \$4.7 billion, a slight decrease from last year. Departmental personal and non-personal operating expenditures totaled approximately \$1.8 billion (or about \$1,827 per resident). The City's Operating and Capital Budgets are online at the [Budget Office Website](#).

Departmental Operating Expenditures, 2021-22 (All Funds, \$millions)

Airport	\$	73.1
City Attorney	\$	22.4
City Auditor	\$	2.3
City Clerk	\$	3.5
City Manager	\$	20.9
Community Energy	\$	13.6
Economic Development and Cultural Affairs	\$	11.5
Environmental Services	\$	328.5
Finance	\$	22.3
Fire	\$	286.0
Housing	\$	16.2
Human Resources	\$	16.1
Independent Police Auditor	\$	1.5
Information Technology	\$	26.5
Library	\$	49.7
Mayor and Council	\$	15.5
Parks, Recreation and Neighborhood Services	\$	97.3
Planning, Building and Code Enforcement	\$	51.3
Police	\$	483.4
Public Works	\$	126.0
Retirement	\$	7.5
Transportation	\$	108.7
Total	\$	1,783.6

Source: San José Adopted Operating Budgets, 2021-22 Annual Report, and Budget Office

Note: Department operating budgets include personal services, and non-personal/equipment expenditures. Departmental operating budgets do not include all expenditures such as reserves, capital expenditures, debt service, and pass-through funding. Other budgeted expenditures include:

- Expenditures from special funds that are not captured in departmental operating budgets. For example, the Airport's departmental budget totaled \$73.1 million in 2021-22 (as we report in the chart above and in the Airport section), but the Airport oversaw additional program expenditures, such as \$45 million in debt service/financing, over the course of the year. See individual department chapters for more information about additional expenditures.
- \$418 million in Citywide expenses and capital contributions and transfers (Citywide expenses are related to more than one department or are not directly associated with ongoing departmental operations.)

Total may not add due to rounding.

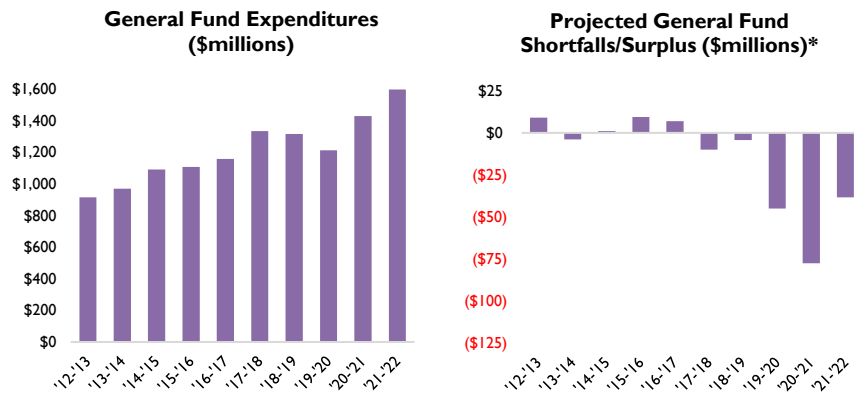
OPERATING BUDGET AND STAFFING

GENERAL FUND

The General Fund is the primary operating fund used to account for the City's revenues and expenditures which are not related to special or capital funds. Some of the General Fund's larger revenue sources include: property taxes, sales taxes, utility taxes, licenses and permits, and business taxes. The General Fund is available to use for any purpose and much of its use is dedicated to paying for personnel costs.

In 2021-22, General Fund expenditures totaled over \$1.6 billion. Departmental operations accounted for over \$1 billion, with the remaining budgeted for Citywide expenses, capital contributions, and transfers. Sixty-nine percent of expenditures were for the Police and Fire Departments. Some departments are funded through special funds, such as the Airport and the Environmental Services Department, and receive little or no General Fund support.

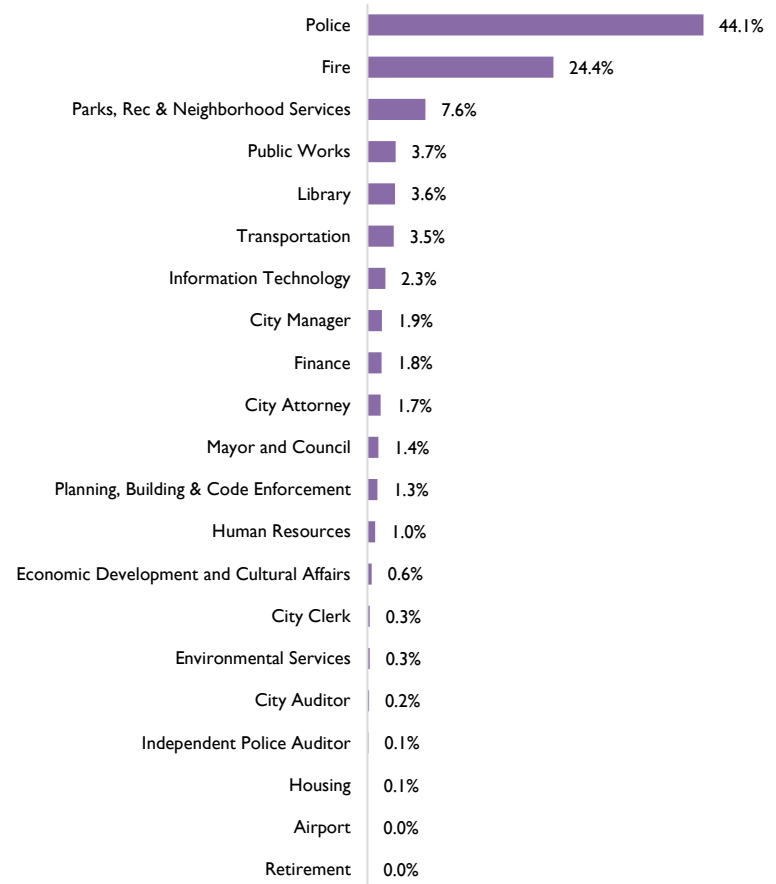
Due to the continued economic impact of COVID-19, the City projected a \$38.3 million budget shortfall for 2021-22. However, the Adopted Operating Budget used \$45.0 million from American Rescue Plan funds, along with a number of other budgetary strategies, to resolve the 2021-22 shortfall and pay for high-priority one-time projects and programs in the General Fund.



Source: San José Adopted Operating Budgets and Annual Reports

*2019-20 initially had a projected surplus, but the onset of COVID resulted in a \$45 million shortfall for the fiscal year.

Breakdown of Departmental General Fund Operating Expenditures, 2021-22



Source: San José 2021-22 Annual Report

Note: May not total to 100 percent because of rounding. Department expenditures in the General Fund totaled over \$1 billion. Citywide expenses, capital contributions, and transfers totaled \$505 million of additional General Fund expenditures.

OPERATING BUDGET AND STAFFING

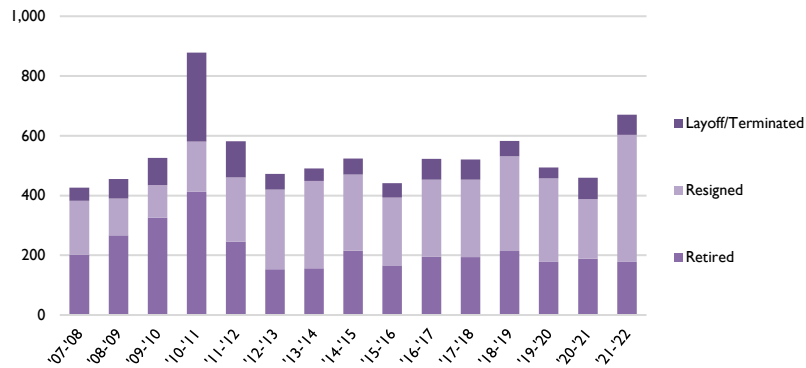
CITY STAFFING

Much of the General Fund's expenses are allocated for personnel costs. In 2021-22, there were 6,647 full-time equivalent positions in the City. This represents a net increase of 55 positions from 2020-21, with a third of the increase associated with the ongoing establishment of the consolidated Beautify San José (BeautifySJ) program, the restoration of Library hours, and the San José Abierto/Placemaking and Activation programs. Increased staffing in recent years restored staffing levels from a low in 2011-12, but current staffing is still below the peak staffing level of around 7,500 in 2001-02.

While a few City departments are still below staffing levels from ten years ago, when the City saw a significant decline in its workforce and was at one of the lowest points in City staffing, many departments have since experienced substantial growth in staffing levels. There were 904 full-time equivalent vacancies as of the end of 2021-22; however, it should be noted that there were 89 police recruits in the police academy to fill vacant police officer positions.

The number of full-time employees leaving City service has come down from the high seen in 2011 when nearly 900 employees left the City. In 2021-22, however, following unprecedented churn in national labor markets in the wake of the COVID-19 pandemic, 671 full-time employees left City employment, a marked increase from last year. This fits a national trend of a 20-year high quit rate (sometimes referred to as the "great resignation").

Number of Full-Time Employees Leaving by Type of Departure



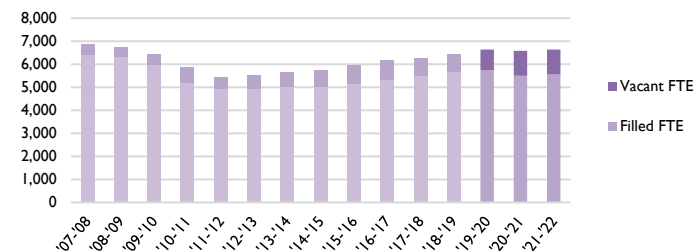
Source: Auditor analysis of PeopleSoft records

Authorized Department Staffing	2021-22	10-Year Change
Airport	215	17%
City Attorney	84	16%
City Auditor	13	-13%
City Clerk	14	-7%
City Manager	82	38%
Community Energy	37	not applicable
Economic Development and Cultural Affairs	57	-25%
Environmental Services	572	15%
Finance	121	5%
Fire	849	11%
Housing	92	48%
Human Resources	43	-21%
Independent Police Auditor	7	0%
Information Technology	103	12%
Library	365	16%
Mayor and Council	27	not applicable
Parks, Recreation and Neighborhood Services	775	61%
Planning, Building and Code Enforcement	299	29%
Police	1,717	11%
Public Works	628	30%
Retirement	40	11%
Transportation	509	30%
Total	6,647	20%

Source: 2021-22 Adopted Operating Budget

Note: Total may not add due to rounding.

City Full-Time Equivalent Staffing and Vacancies



Source: San José Adopted Operating Budgets and auditor analysis of PeopleSoft records

Note: Vacancies are as of the fiscal year end. 2019-2022 data reflects revised methodology.

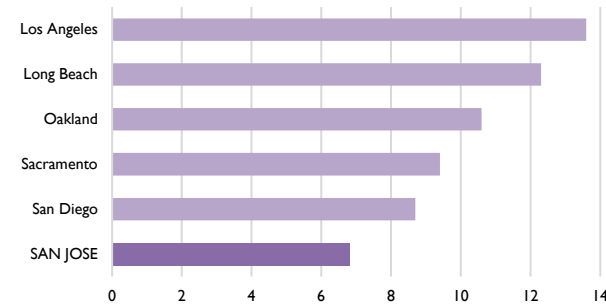
OPERATING BUDGET AND STAFFING

CITY STAFFING (CONTINUED)

In 2021-22, the City had 6.8 authorized positions per 1,000 residents, far fewer than other large California cities. The number of authorized positions per 1,000 residents was, however, more than San José's 20-year average of 6.5.

Total employee compensation for operating funds rose to more than \$1.2 billion in 2021-22. Cash compensation and other benefit costs have risen since 2012-13, partly driven by a restoration of former staffing levels and growing retirement costs (not adjusted for inflation). For more information, see the *Retirement Services* chapter.

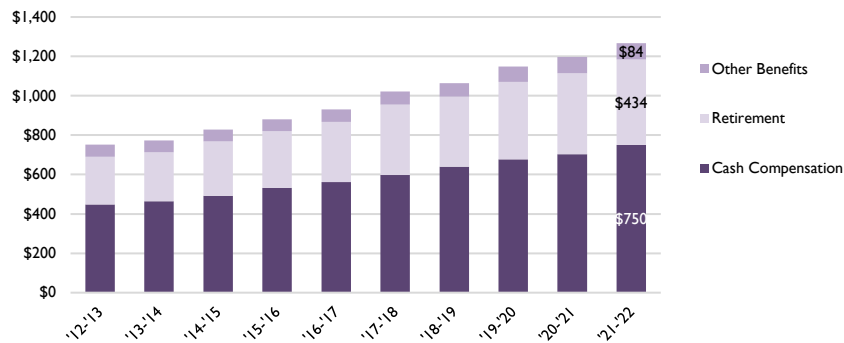
2021-22 Authorized Full-Time Positions per 1,000 Residents



Source: 2021-22 Operating Budgets from each jurisdiction and California Department of Finance Demographic Research Unit

Note: The type and range of services may vary across jurisdictions.

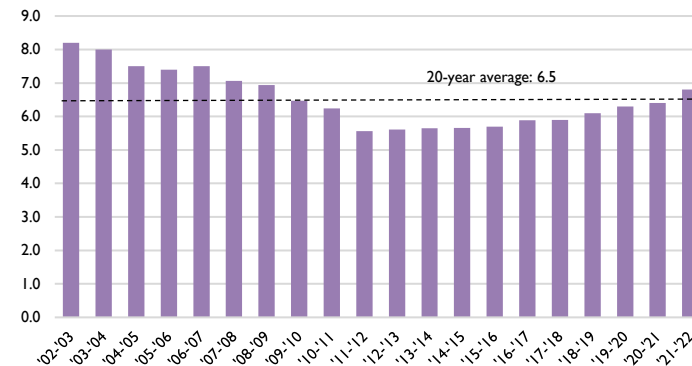
Retirement, Fringe, and Cash Compensation (Operating Funds Only, \$millions)



Source: Auditor analysis of FMS records

Note: Not adjusted for inflation.

Authorized Full-Time Positions per 1,000 population



Source: 2011 Fiscal and Service Level Emergency Report, November 2011, San José 2012-13 through 2021-22 Adopted Operating Budgets

OPERATING BUDGET AND STAFFING

ADDITIONAL REPORTS FOR MORE INFORMATION

The City of San José prepares numerous budgetary documents during the fiscal year.

The City's **Annual Adopted Operating Budget** details how the City will pay for services and operations. The Adopted Operating Budget contains key information about the City's budgets and performance, broken down by broad areas of City service delivery and City departments. It also contains information about the sources and uses of operating funds. See: [City Manager's Budget Office 2022-23 adopted operating budget homepage](#).

The City Manager's Budget Office also prepares an **Annual Adopted Capital Budget** and a **Five Year Capital Improvement Program** to outline how the City will maintain and grow its capital assets. This document provides detailed information about the planned capital investments in the City's assets such as buildings, parks, and transportation infrastructure. See: [City Manager's Budget Office 2022-23 adopted capital budget homepage](#).

The **Annual Report** provides unaudited information on the financial status of the City at the end of each fiscal year. The focus of the Annual Report is a comparison of actual revenue collections and expenditures to projections and appropriations included in the budget. This report also provides information about each City fund, including the status of the year-end reserve levels. See: [City Manager's Budget Office 2021-22 Annual Report](#).

The **Five Year Forecast** includes projected revenues and expenditures for the General Fund and revenue projections for the Capital Improvement Program. See: [City Manager's Budget Office Five Year Forecast homepage](#).

The **Fees and Charges Report** documents the majority of the fees and charges within the General Fund and selected fees within other funds. Some fees for enterprise activities, such as the Airport, are not included as they are approved separately. See: [City Manager's Budget Office Adopted Fees and Charges](#).

CITY SERVICE AREA (CSA) DASHBOARDS

City Service Areas (CSAs) integrate services provided in individual departments into the City's five key lines of business: Community and Economic Development; Environmental and Utility Services; Neighborhood Services; Public Safety; and Transportation and Aviation Services. An additional CSA, referred to as "Strategic Support," represents the internal functions that enable the other five CSAs to provide services to the community. The City Administration has selected the top six performance measures representing achievements in each CSA.

For more information about specific departments, see their corresponding chapters later in the report.

COMMUNITY AND ECONOMIC DEVELOPMENT CSA DASHBOARD

MISSION

To manage the growth and change of the City of San José in order to encourage a strong economy, create and preserve healthy neighborhoods, ensure a diverse range of employment and housing opportunities, and encourage a diverse range of arts, cultural, and entertainment offerings.

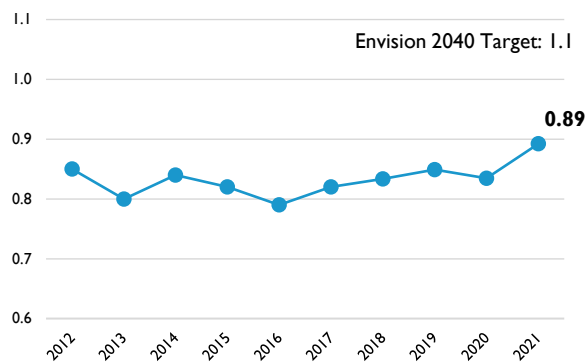
CSA OUTCOMES

- Strong economic base
- Safe, healthy, attractive, and vital community
- Diverse range of housing options
- Range of quality events, cultural offerings, and public artworks

PRIMARY PARTNERS

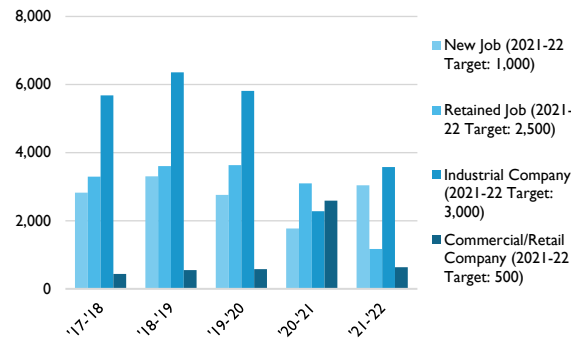
- Economic Development and Cultural Affairs
- Fire
- Housing
- Planning, Building and Code Enforcement
- Public Works

Jobs per Employed Residents in San José

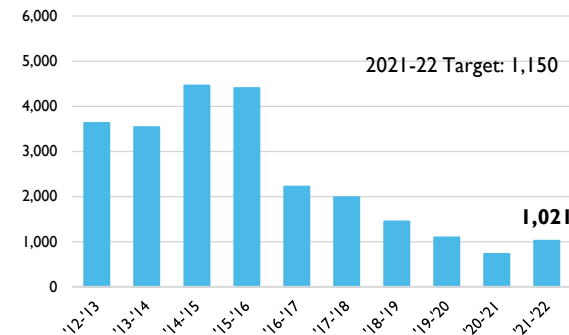


Source: U.S. Census Bureau, American Community Survey

Estimated Jobs Generated/Retained by Companies that Received City Assistance

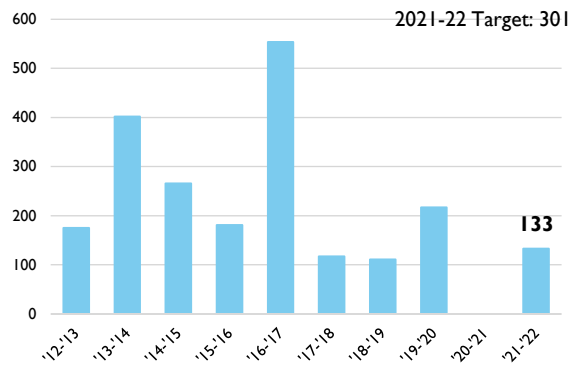


Number of work2future Clients Receiving Discrete Services (Counseling, Job Placement, and Occupational Training)



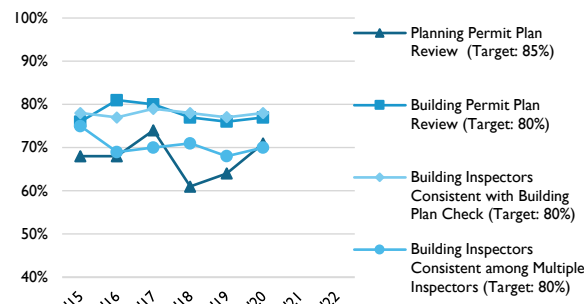
Note: According to work2future, the decline since 2015-16 was due to a change in the service delivery model which resulted in seeing fewer clients.

Affordable Housing Units Completed with City Assistance in the Fiscal Year



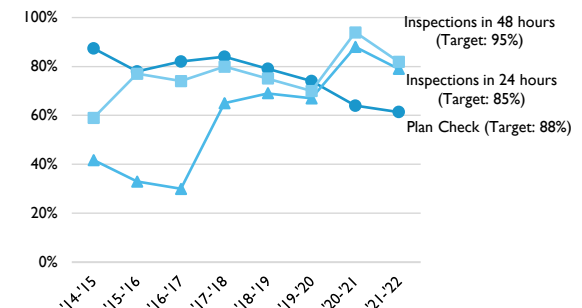
Note: There were no affordable housing units completed with City assistance in 2020-21.

Percent of Projects that Receive Consistent Feedback from Staff Throughout the Course of Project Review



Note: Data was not collected in 2020-21 or 2021-22. The Department reports procurement to select a consultant to conduct this survey had not yet been completed.

Development Projects Completed within Processing Time Targets (Construction Process)



Note: Beginning 2017-18, the data no longer includes building inspections specifically requested by customers for > 24 hours as missing the inspection target.

ENVIRONMENTAL AND UTILITY SERVICES CSA DASHBOARD

MISSION

To provide environmental leadership through policy development, program design, and reliable utility services.

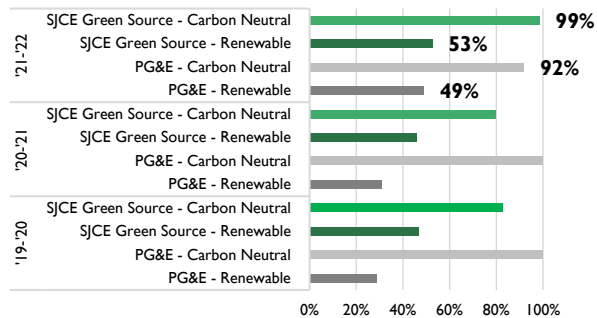
CSA OUTCOMES

- Reliable utility infrastructure
- Healthy streams, rivers, marsh, and bay
- Clean and sustainable air, land, and energy
- Safe, reliable, and sufficient water supply

PRIMARY PARTNERS

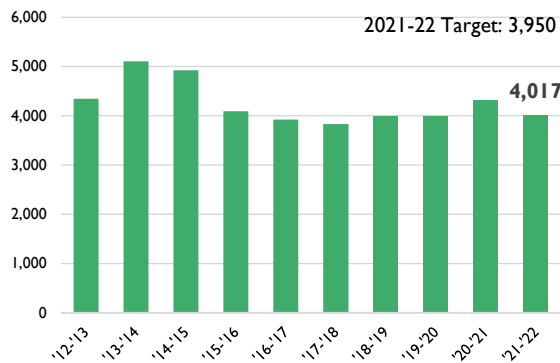
- Community Energy
- Environmental Services
- Transportation

San José Clean Energy and PG&E Power Content

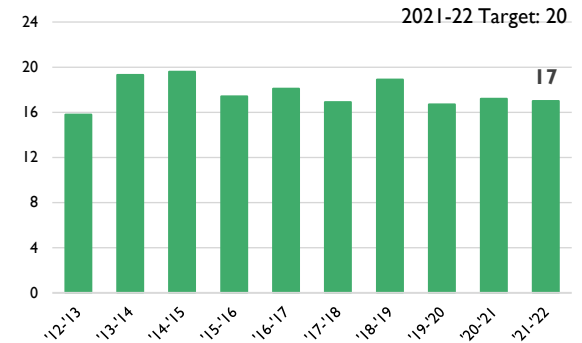


Note: Renewable energy comes from resources that are naturally replenished such as sunlight and wind. Other energy sources such as nuclear power and hydropower are not considered renewable by California state law but do not emit greenhouse gas emissions, making them carbon-free sources of power.

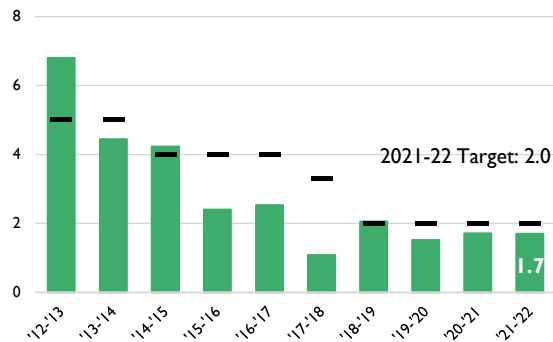
Millions of Gallons of Recycled Water Delivered Annually



Millions of Gallons per Day Diverted from Flow to the Bay for Beneficial Purposes During the Dry Weather Period

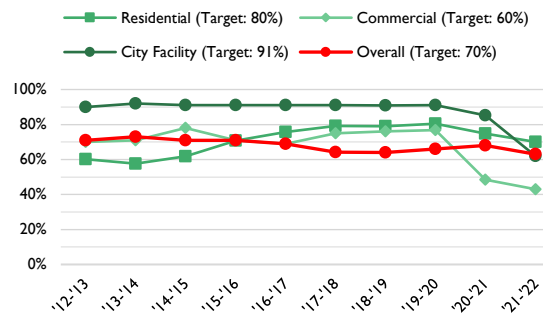


Number of Sanitary Sewer Overflows per 100 Miles of Sanitary Sewer Lines



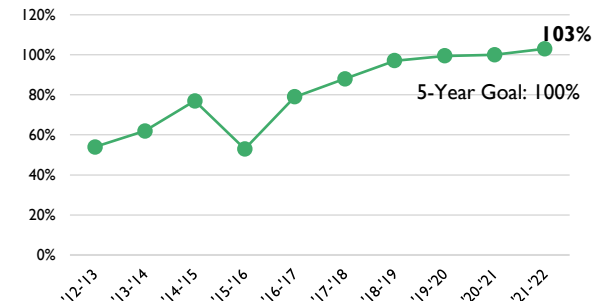
Note: The target declined from five overflows per 100 miles to two in 2018-19.

Percent of Waste Diverted from Landfills



Note: Current year measures are based on fiscal year data for 2021-22, however prior years included some calendar year data. The overall measurement is based on state guidelines, which uses a per-capita standard. It includes additional waste streams including construction, demolition, and self-haul categories. Methodology changed in 2021 based on a new contract.

Percent of Trash Reduced from Storm Sewer System



Note: The trash load reduction calculation measures compliance with the City's Municipal Regional Stormwater Permit requirement to reduce trash from receiving waters below 2009 levels. The reduction target was 70% by July 2017, 80% by July 2019, and 100% by July 2022.

NEIGHBORHOOD SERVICES CSA DASHBOARD

MISSION

To serve, foster, and strengthen the community by providing access to lifelong learning, opportunities to enjoy life, and preserving healthy neighborhoods.

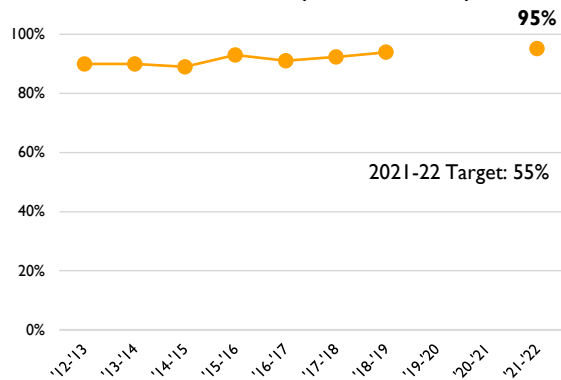
CSA OUTCOMES

- Safe and clean parks, facilities, and attractions
- Vibrant cultural, learning, recreation, and leisure opportunities
- Healthy neighborhoods and capable communities

PRIMARY PARTNERS

- Library
- Parks, Recreation and Neighborhood Services
- Planning, Building and Code Enforcement
- Public Works

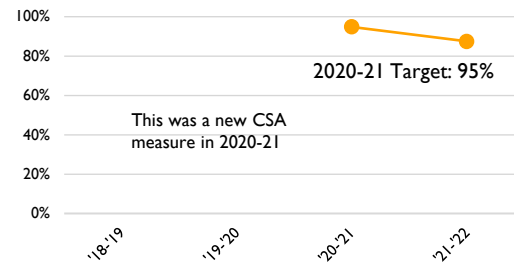
Percent of Customers Rating Library Services as Good or Better (Point of Service)



Source: Internal survey conducted by the Library.

Note: This survey was not administered in Fall 2020 or Fall 2021 due to COVID.

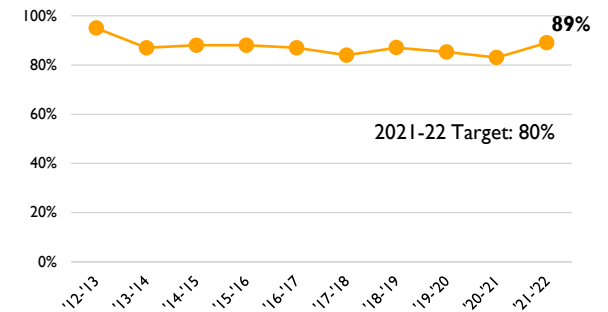
Percent of Participants who Report Improvement Following Participation in a Library Program or Study



Source: Internal survey conducted by the Library.

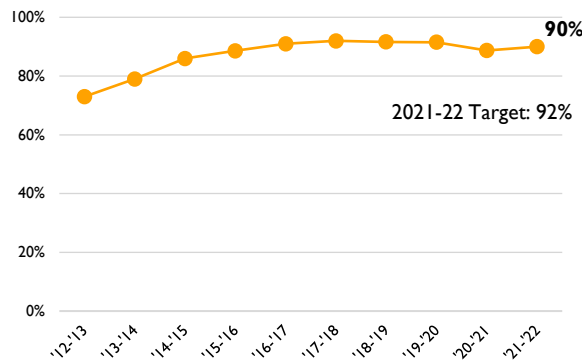
Note: The full text of the question is "As a result of participating in this program I believe my knowledge and skills have improved and has resulted in more quality literacy experiences with my child."

Percent of Community Center Participants Rating City Efforts at Providing Recreational Opportunities as "Good" or "Excellent" (Point of Service)



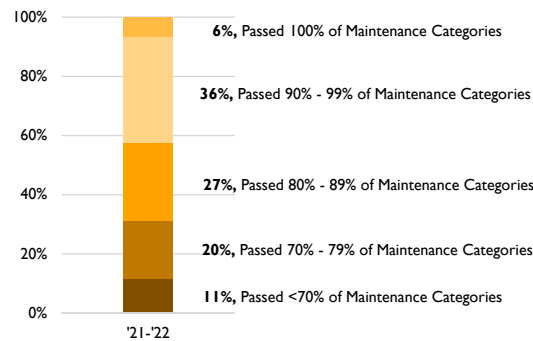
Source: Internal survey conducted by PRNS.

Animal Care Center Live Release Rate



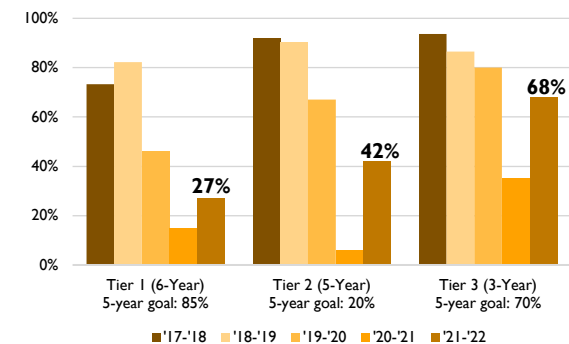
Note: In 2021-22, Public Works revised methodology to more closely align with industry standards.

Percent of Park Acres by Park Condition Assessment (PCA) Score



Note: PCA score represents the percent of park amenities which passed the minimum maintenance standards for each maintenance category. This is represented in the chart by percent of acres which fall into each PCA score. The methodology of this measure was recently revised.

Percent of Multiple Occupancy Permit Program Buildings Receiving Routine Inspection within Designated Cycle Time



PUBLIC SAFETY CSA DASHBOARD

MISSION

To provide prevention and emergency response services for crime, fire, medical, hazardous, and disaster related situations.

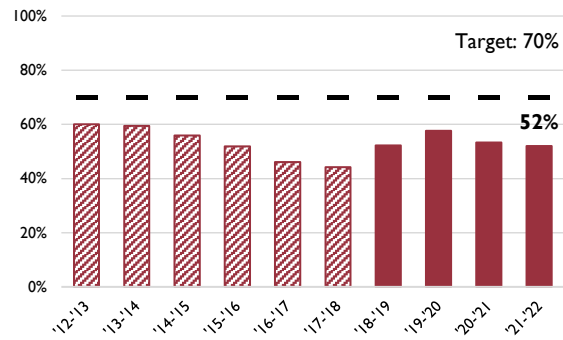
CSA OUTCOMES

- The public feels safe anywhere, anytime in San José
- Residents share the responsibility for public safety

PRIMARY PARTNERS

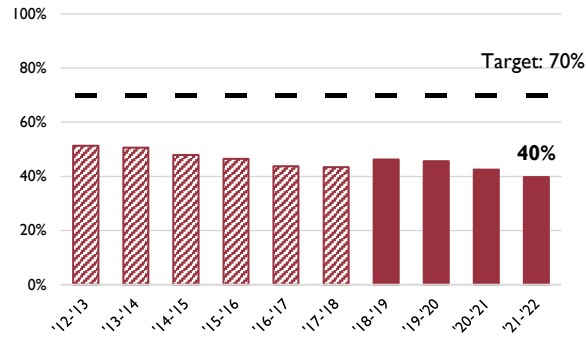
- City Manager's Office
- Fire
- Independent Police Auditor
- Police

Initial Police Unit Responses within 6 Minutes of Priority 1 Calls for Service (Life Threatening)

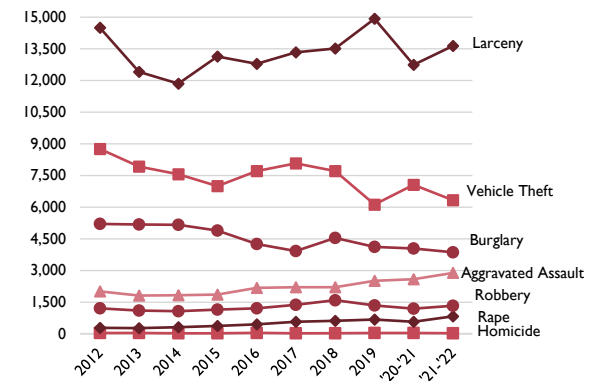


Note: In 2018-19, SJPd revised their reporting of police response times to be based on how incidents are initially coded into their system. In prior years, SJPd had measured response times based on updated coding of incidents as determined throughout the response, which could change the priorities of incidents and incorrectly affect response times.

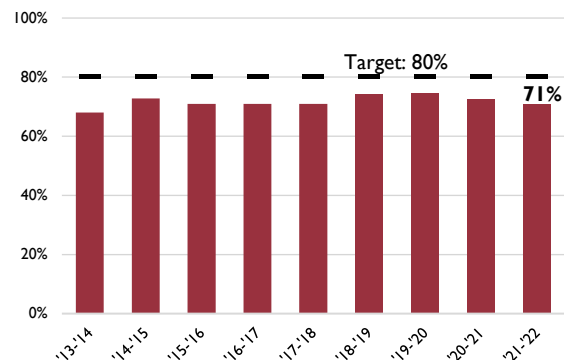
Initial Police Unit Responses within 11 Minutes of Priority 2 Calls for Service (Crime in Progress or Just Occurred)



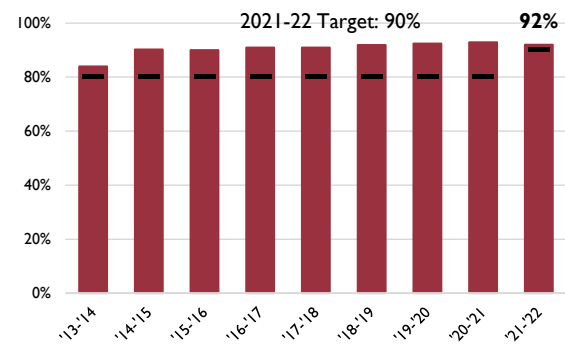
National Uniform Crime Reporting (UCR) Part I Crime Trends



Initial Fire Unit Responses within 8 Minutes of Priority 1 Calls for Service (Life Threatening)



Initial Fire Unit Response within 13 Minutes of Priority 2 Calls for Service (No Lights and Sirens)



Note: Target in prior years was 80 percent.

Emergency Operations Center (EOC) Assigned Staff who have Received Required Training (2021-22)

Following the COVID-19 emergency, the Office of Emergency Management is updating its performance measure and reporting for required training. Data is not currently available for 2021-22. As noted in past years, while some EOC assigned staff did not receive the regular emergency training, many of these employees received on-the-job training.

STRATEGIC SUPPORT CSA DASHBOARD

MISSION

To effectively develop, manage, and safeguard the City's fiscal, physical, technological, and human resources to enable and enhance the delivery of City services and projects.

CSA OUTCOMES

- Sound fiscal management that facilitates meeting the needs of the community
- A high performing workforce that is committed to exceeding internal and external customer expectations
- Effective use of technology
- Safe and functional public infrastructure, facilities, and equipment

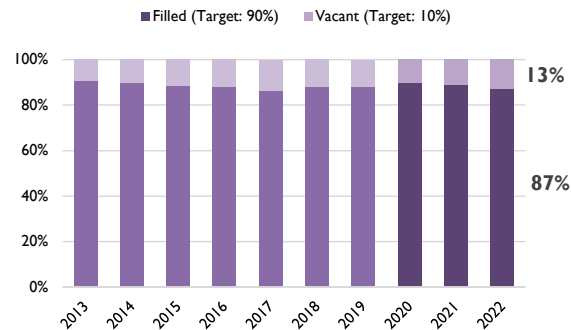
PRIMARY PARTNERS

- Finance
- Human Resources
- Information Technology
- Public Works

City's Bond Ratings
(General Obligation Bond Rating)

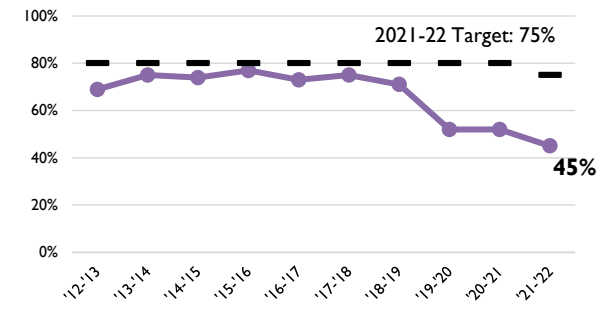
	Moody's	Standard and Poor's	Fitch
'17-'18	Aa1	AA+	AA+
'18-'19	Aa1	AA+	AA+
'19-'20	Aa1	AA+	AA+
'20-'21	Aa1	AA+	AAA
'21-'22	Aa1	AA+	AAA
Target	Aa1	AA+	AA+

Percent of Positions Filled as a Total of Budgeted Positions (as of June 30)



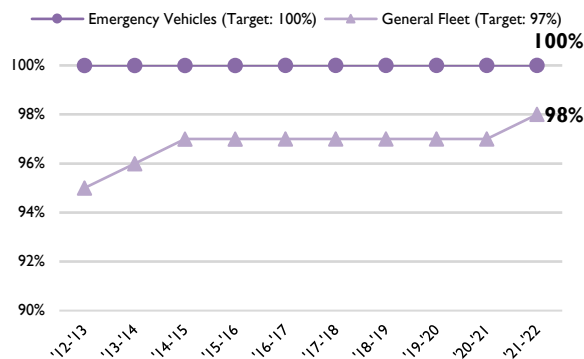
Note: Methodology was updated for 2020, 2021, and 2022.

Percent of Non-Management Employee Performance Appraisals Completed on Schedule

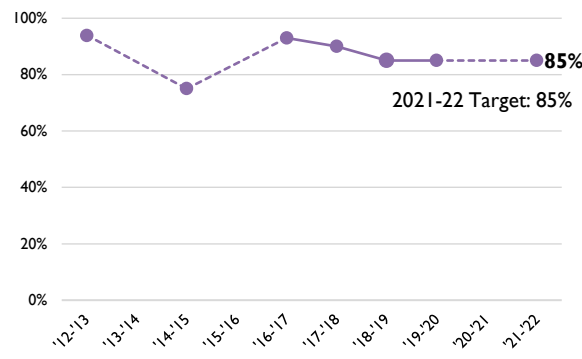


Note: Target in prior years was 80 percent.

Percent of Equipment Available for Use When Needed

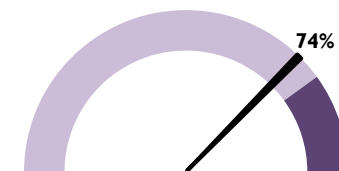


Percent of City Facilities with a Condition Assessment Rating of Good or Better



Note: Results reflect ratings of facilities assessed for the fiscal year.

Percent of Information Technology Project Success Rate Measured on Schedule, Cost, Scope, and Value



Target Project Success Rate: 80%

TRANSPORTATION AND AVIATION SERVICES CSA DASHBOARD

MISSION

To provide the community with safe, secure, and efficient surface and air transportation systems that support San José's livability and economic vitality.

CSA OUTCOMES

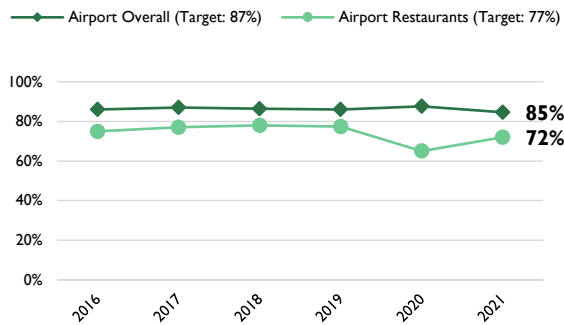
- Provide safe and secure transportation systems
- Provide viable transportation choices that promote a strong economy
- Travelers have a positive, reliable, and efficient experience
- Preserve and improve transportation assets and facilities
- Provide a transportation system that enhances community livability

PRIMARY PARTNERS

- Airport
- Transportation

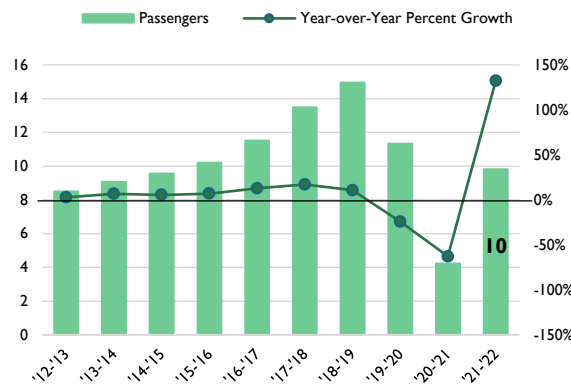
Airport Passenger Survey

% rating their satisfaction with the airport and restaurants

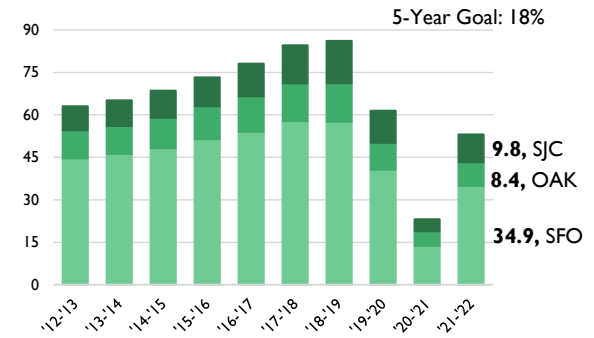


Source: Internal survey conducted by the Airport.

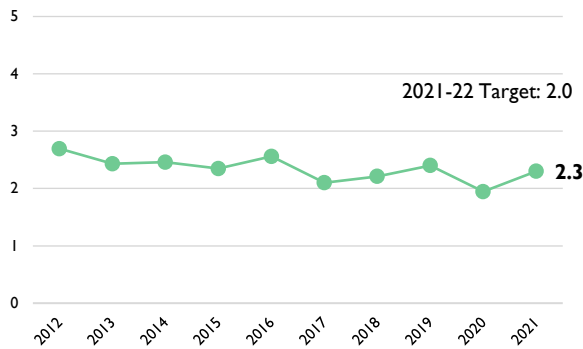
Annual Airport Passengers (millions)



Air Service Market Share of Regional Passengers (millions)

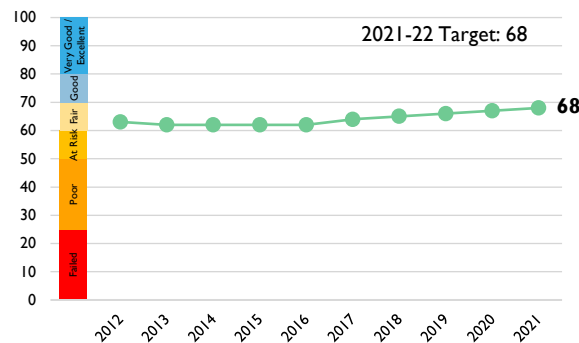


Number of Injury Crashes per Thousand



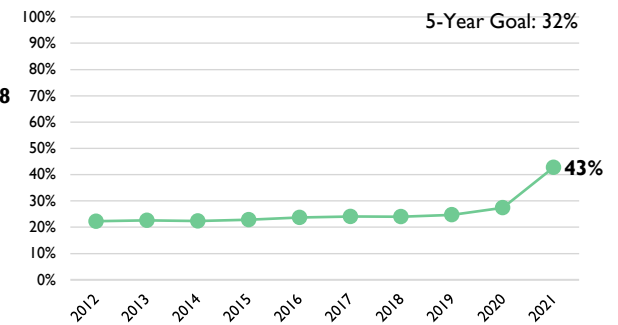
Note: DOT's measure of fatal and injury crashes only includes crashes that occurred on city roads. Crashes on private property or freeways beyond 50 feet of an intersection are excluded.

Pavement Condition Index (PCI) Rating



Note: This is based on DOT's 1-year estimates. The Metropolitan Transportation Commission reports a 3-year moving average. In 2021, this was 67.

Percent of Trips by Alternative Modes of Transportation



Source: American Community Survey 1-year and 5-year estimates. 2021 is a 1-year estimate. This measure is comprised of commuting trips. Working from home increased due to COVID-19.

The mission of the Airport is to connect, serve, and inspire.

AIRPORT

The City operates [Mineta San José International Airport](#) (SJC, Airport), which provides non-stop air service to 40 domestic and international destinations including Chicago, New York, the four Hawaiian islands (Hawai'i, Kaua'i, Maui, and O'ahu), London, Guadalajara, and Mexico City. While this is less than prior to the pandemic, this is an increase from 36 domestic and international locations in June 2021.

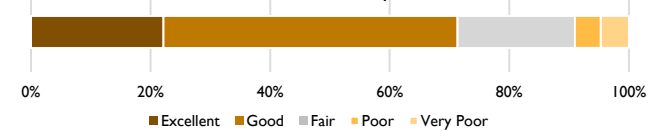
The Airport had 215 authorized positions in 2021-22. The Airport does not receive General Fund dollars; Airport operational revenues include rents, concession fees, parking, and landing fees. Operating revenues increased from \$131.2 million in 2020-21 to \$177.7 million in 2021-22.

During the COVID-19 pandemic, the Airport reports it was awarded \$136.2 million from the CARES Act, Consolidated Appropriations Act, and American Rescue Plan Act (ARPA) funds. According to the Department, funding from all three acts are available on a reimbursable basis, with \$87.3 million received through June 30, 2022, and the remaining ARPA funds (\$48.9 million) available over the next few years to help mitigate the effects of the COVID-19 pandemic on Airport revenue.

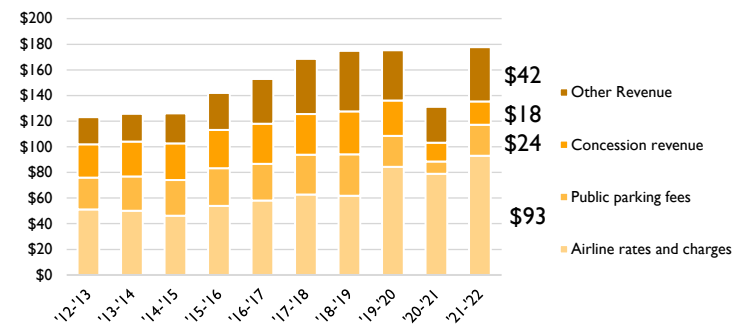
Airport operating expenditures, excluding debt service, totaled \$73.1 million. As of June 30, 2021, outstanding bonds totaled \$1.14 billion, with an additional \$34.1 million in commercial paper notes. Total debt service for the fiscal year was \$47.6 million. In 2020-21 the Airport completed a refunding of bonds to reduce and restructure debt service resulting in \$48.3 million in savings in 2021-22.

**Operating expenditures do not include police and fire services at the Airport, debt service, capital project expenditures or reserves. In 2021-22, the cost of police and fire services totaled \$18.0 million.*

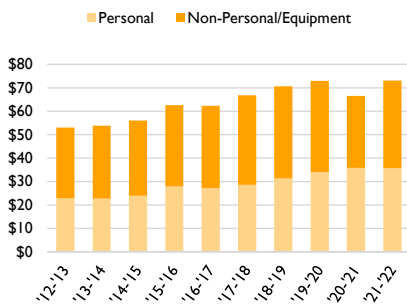
Community Survey 2022
Residents' rating of the City operating the San José International Airport



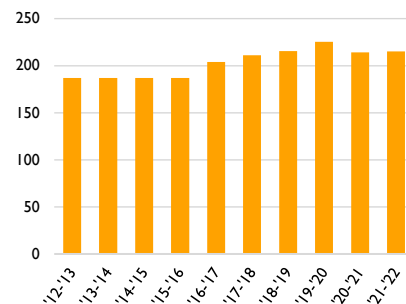
Airport Operating Revenues (\$millions)



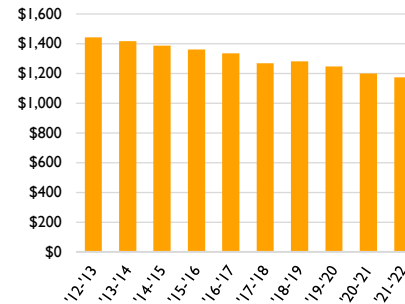
Airport Operating Expenditures



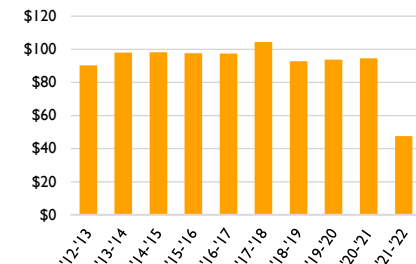
Authorized Positions



Outstanding Debt (\$millions)



Annual Debt Payments (\$millions)



Note: The Airport completed a refunding of bonds to reduce and restructure debt service in 2020-21.

During the COVID-19 pandemic, airline traffic was greatly reduced at the Airport with just 4.2 million passengers in 2020-21. In 2021-22, traffic at the Airport more than doubled to 9.8 million airline passengers. There were 96,634 passenger airline takeoffs and landings, or 265 per day, a 58 percent increase compared to the previous year.

Because of the increase in passenger levels, the airlines' cost per enplanement (CPE) was \$13.20 in 2021-22, down from nearly \$36.68 in 2020-21. As a result, San José's CPE was lower than San Francisco's and Oakland's.

The Airport represents 18 percent of the regional market share of passengers, slightly less than the prior year. Additionally, in 2021-22, the Airport handled 71.4 million pounds of cargo, freight, and mail—a decrease from 80.7 million pounds in 2020-21.

The Airport received 14,457 noise complaints in 2021-22; 443 concerned flights subject to the curfew between 11:30 pm and 6:30 am.

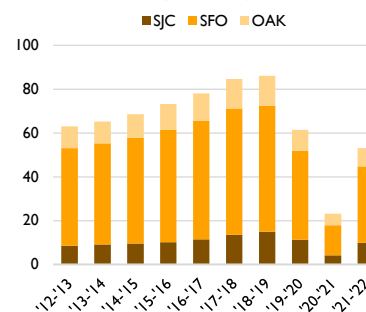
Regional Comparisons, 2021-22

	SJC	OAK	SFO
Passenger Airlines	9	11	51
Destinations	40	43	138
Domestic	33	38	86
International	7	5	52
Passengers (millions)	9.8	8.4	34.9
Passenger Flights/Day	265	N/A	867
On-Time Arrival Percentage	78.8%	77.8%	80.7%

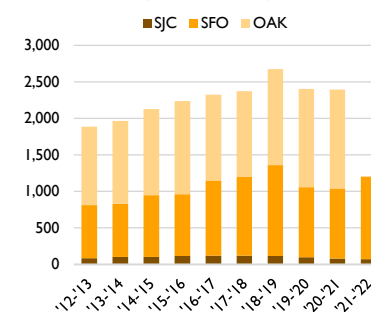
Sources: Oakland International Airport Airline Information and staff; Monthly Reports for SJC and SFO, SFO Fact Sheet FY 2020-21; and Airline On-Time Statistics U.S. Bureau of Transportation Statistics. Oakland passenger flight/day data was not available at the time of publication.

Market Shares

Regional Passengers (millions)

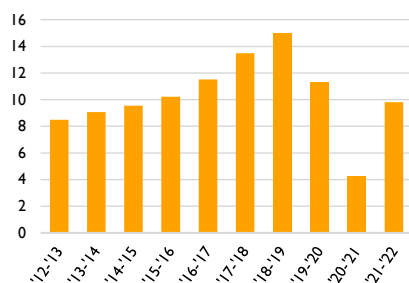


Regional Freight (millions lbs.)

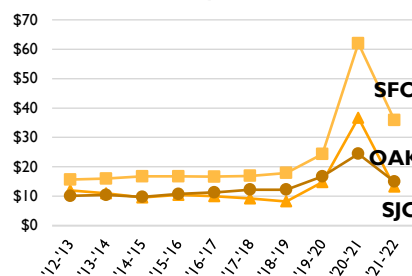


Note: Oakland cargo data for 2021-22 was not available at the time of publication.

Annual Airport Passengers (millions)

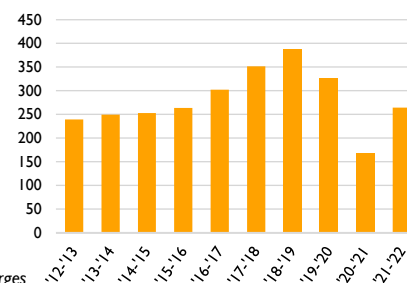


Airline Cost per Enplanement Comparison

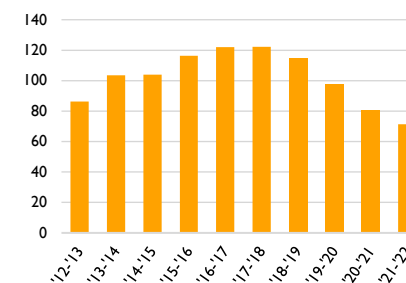


Note: The CPE (industry standard) is based on rates and charges paid by airlines divided by the number of boarded passengers.

Passenger Flights Per Day (Takeoffs and Landings)



Air Cargo, Freight, and Mail (millions lbs.)



The mission of the San José City Attorney's Office is to provide excellent legal services, consistent with the highest professional and ethical standards, with the goal of protecting and advancing the City's interests in serving the people of San José.

CITY ATTORNEY

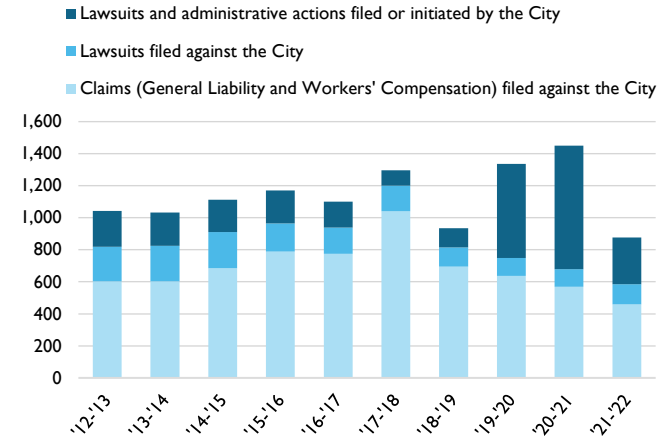
The City Attorney's Office provides legal counsel and advice, prepares legal documents, and provides legal representation to advocate, defend, and prosecute on behalf of the City of San José and the Successor Agency to the San José Redevelopment Agency.

The 2021-22 operating expenditures for the City Attorney's Office totaled \$22.4 million, which is comprised of personal and non-personal expenditures. In addition, the City Attorney's Office was responsible for around \$8 million in general liability claims, a Citywide expense.

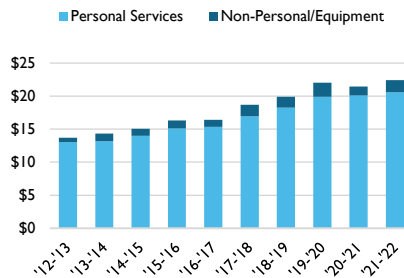
Authorized staffing positions totaled 83.5, slightly down from the prior year.

The City Attorney's Office handled about 880 new claims and litigation matters in 2021-22 and prepared or reviewed around 4,700 legal transactions, documents, and memoranda. Lawsuits and administrative actions filed or initiated by the City decreased by 62 percent from the prior year. The City Attorney's Office attributes the decrease to the pandemic, which may have delayed or reduced the 2020-21 filings as residents interfaced less with the City and engaged in fewer activities that could give rise to litigation. Also, the statute of limitations for filing claims and lawsuits were tolled for a time during the pandemic, reducing the urgency to file during much of the 2021-22 fiscal year. Litigation-related collections totaled \$12.4 million.

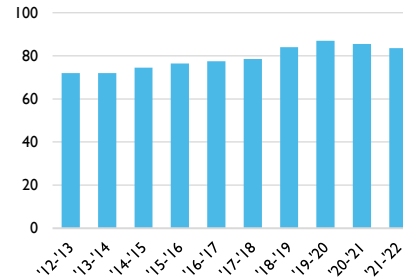
Claims and Lawsuits



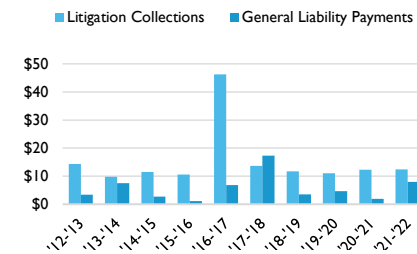
City Attorney Operating Expenditures (\$millions)



City Attorney Authorized Positions



Litigation-Related Collections and General Liability Payments (\$millions)



Note: Litigation-related collections spiked in 2016-17 largely due to a Housing Authority settlement.

The mission of the San José City Auditor's Office is to independently assess and report on City operations and services.

CITY AUDITOR

The City Auditor's Office conducts performance audits that identify ways to increase the economy, efficiency, effectiveness, equity, and accountability of City government and provide independent, reliable, accurate, and timely information to the City Council and other stakeholders. The Office also oversees a variety of external audits including the Annual Comprehensive Financial Report (ACFR) and the Single Audit.

The City Auditor's annual work plan is [posted online](#), along with copies of all issued audit reports and semi-annual recommendation status reports. The Office's 2021-22 operating expenditures totaled \$2.3 million. In addition, the City Auditor's Office was responsible for \$439,400 in Citywide costs, including the annual financial audit, the grant compliance Single Audit, and the bond projects audits. In 2021-22, the Office began providing Vietnamese and Spanish translations for parts of audit reports. The Office also added an equity category to its open audit recommendation outcomes. In November 2021, the Office passed its biennial external quality control review.

In 2021-22, the City Auditor's Office identified \$1 million in monetary benefits from its audit recommendations, or \$0.40 in savings for every \$1 spent on audit costs in 2021-22 (target: \$2 to \$1). Identified monetary benefits vary from year to year based on the types of audits that are on the Office's annual work plan. The 2020-21 ratio was \$1.27 of identified monetary benefits for every \$1 on audit costs.

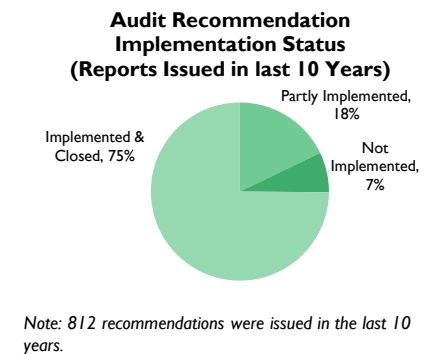
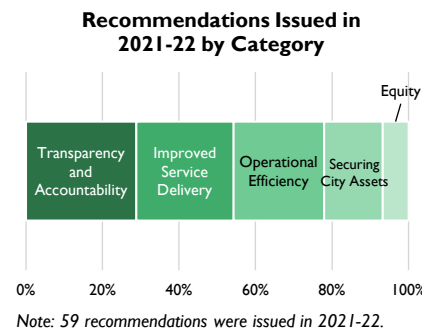
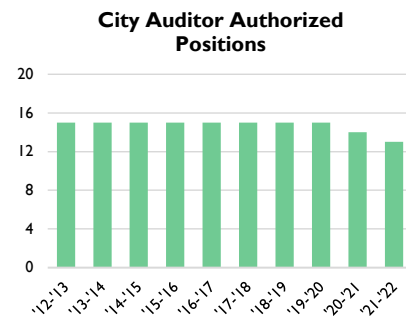
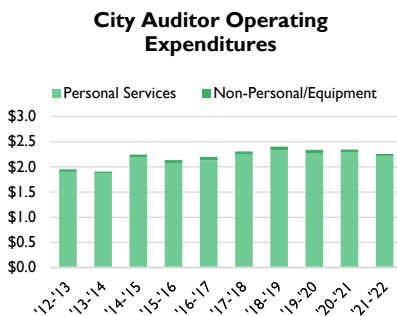
KEY FACTS (2021-22)

Number of audit reports issued or substantially completed	17
Number of audit reports per auditor*	2
Ratio of identified monetary benefits to audit cost*	\$0.40:\$1
Percent of approved work plan completed or substantially completed during the fiscal year*	68%

* Includes audits that were substantially completed. Does not include Code Enforcement Management Controls, which was substantially completed in 2020-21.

Subject area of audits issued in 2021-22:

- Code Enforcement Management Controls
- Municipal Water Billing and Customer Service
- Annual Performance Audit of Team San Jose 2020-21
- Annual Report on City Services 2020-21
- Information Technology
- Environmental Review for New Developments
- Take-Home Vehicles
- Citywide Grant Management



The mission of the San José City Clerk is to maximize public access
to municipal government.

CITY CLERK

The City Clerk's Office assists the City Council in the legislative process and maintains the legislative history of the City Council. The Office is responsible for open government, campaign finance, lobbyist registration, statements of economic interest, and other public disclosure requirements. The Office is also responsible for preparing and distributing agenda items for City Council, Committee, and Commission meetings, and in 2021-22, the City's Redistricting and Charter Review Commissions. The Office also provides access to the City's legislative records and documents under the California Public Records Act and reviews all City contracts for administrative compliance. In response to the COVID-19 pandemic, the City Clerk's Office has facilitated remote and in-person City Council and Board and Commissions meetings in accordance with California's open meeting laws (e.g., the Brown Act).

The City Clerk's operating expenditures totaled \$3.4 million in 2021-22, with \$2.6 million in personal services and \$0.8 million in non-personal expenditures. In addition, the City Clerk was responsible for \$1.2 million in Citywide expenses, out of which \$2,697 was spent on elections and ballot measures. Staffing has stayed the same from last year at 14 positions.

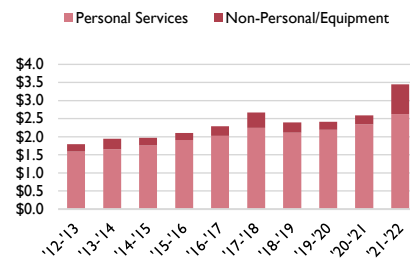
The Clerk's Office also provides administrative support to the Mayor and Council Offices, tracking office budgets and facilitating the disbursement of grants (296 in 2021-22). The Office coordinated the recruitment of 27 full-time and 17 part-time staff for the Mayor and City Council Offices.

During the 2022 Boards and Commissions Spring Recruitment, the City Clerk's Office recruited for 70 appointed positions by screening and processing about 89 online applications.

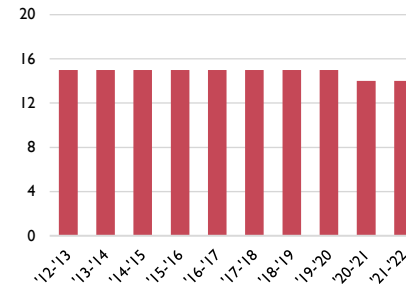
KEY FACTS (2021-22)

Number of meetings staffed	233
Number of agendas posted online	794
Number of Council actions processed and tracked	955
Number of public records requests (e.g., legislative histories, contracts, election related documents)	681
Number of ordinances processed	160
Number of resolutions processed	463
Number of contracts processed	2,592
Number of campaign filings processed	607

City Clerk Operating Expenditures (\$millions)



City Clerk Authorized Positions



The mission of the San José City Manager's Office is to provide strategic leadership that supports the Mayor and the City Council and motivates and challenges the organization to deliver high quality services that meet the community's needs.

CITY MANAGER

The City Manager's Office (CMO) develops public policy, leads the organization, and manages Citywide service delivery. 2021-22 operating expenditures totaled \$20.9 million, including personal and non-personal expenditures. In addition, the CMO was responsible for \$4.2 million in Citywide expenses. Staffing in 2021-22 totaled 81.5.

In 2021-22, CMO's Office of Communications released 46 weekly flash reports relating to COVID-19. To inform the community of the 2020 council district boundary changes, Communications launched a digital campaign and mailed postcards to nearly 39,000 affected addresses. Additionally, Communications deployed a San José 311 awareness campaign to reach Spanish and Vietnamese residents.

CMO KEY FACTS (2021-22)

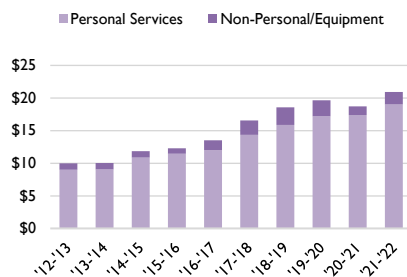
Staff reports approved for City Council consideration	588
City Council referrals assigned	66
Information memoranda issued	66
Community budget meetings held	3
Public records requests responded to or coordinated	238
Public records requests received Citywide (estimated)	4,692
City staff receiving language access training	76
Federal and state legislative action letters issued	74

Functions of the City Manager's Office (2021-22):

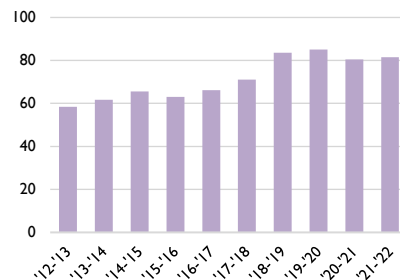
- **Administration, Policy, and Intergovernmental Relations** supports Citywide policy analysis and implementation, and monitors state and federal legislation. Other services include agenda review and open government and public record request coordination.
- **Budget** develops and monitors the City's operating and capital budgets, ensuring the City's fiscal health.
- **Civic Innovation** executes the City's Smart City Vision, overseeing projects aiming to improve the efficiency and effectiveness of City services through the use of data and technology.
- **Communications** directs and implements the City's communications strategy to inform and engage San José residents. It provides strategic counsel and oversight of media relations; internal communication; emergency public information; and digital, social, and creative services.
- **Employee Relations** negotiates labor contracts and supports a positive, productive, and respectful work environment.

For the Office of Emergency Management and Office of Racial Equity, see later in this chapter. See also the chapter on Office of Economic Development and Cultural Affairs.

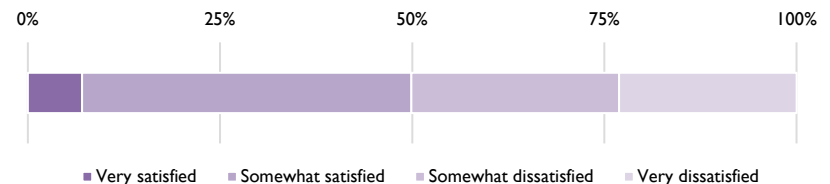
City Manager Operating Expenditures (\$ millions)



City Manager Authorized Positions



Community Survey 2022
Residents' rating of the job the City of San José is doing to provide city services



CITY MANAGER

The 2021-22 **City Initiatives Roadmap** is comprised of 41 initiatives that represent significant new policies, strategies, projects, or programs that require strategic planning and leadership capacity to successfully deliver. The initiatives are categorized under eight enterprise priorities. An updated list of the City's enterprise priorities is [posted online](#).

In September 2021, as part of the Roadmap's "Build Back Better + Recovery Task Force" initiative, the City Council approved a COVID-19 Recovery Task Force. The Recovery Task Force, composed of 55 member organizations, established nine committees on topics that address community issues including housing, childcare, health and wellness, and supporting workers and small businesses. The Recovery Task Force held eight meetings in 2021-22. In May 2022, the Recovery Task Force and City staff developed a Community Engagement Plan to engage and connect residents to City services. To gather community insights on COVID-19 impacts, the Recovery Task Force's Lived Experience Group was tasked with engaging the community through focus groups and forums between June and August 2022.

2021-2022 City Initiatives Roadmap

Enterprise Priority	Initiatives						
COVID-19 Pandemic: Community + Economic Recovery	Housing Stabilization	Re-Employment + Workforce Development	Small Business Recovery	Food + Necessities Distribution	Digital Equity	Child Care	Build Back Better + Recovery Task Force
Emergency Management + Preparedness	Vaccination Task Force	Soft-Story Building Earthquake Retrofit Policy					
Ending Homelessness	Emergency Housing Construction + Operation	Sheltering + Enhanced Encampment Services					
Safe, Vibrant, + Inclusive Neighborhoods + Public Life	Police Reforms Work Plan	San José 311 + Service Delivery	Encampment Waste Pick-Up BeautifySJ	Vision Zero Traffic Safety	Equity Strategy Development	Neighborhood Services Access Strategy	
Building the San José of Tomorrow with a Downtown for Everyone	Align Zoning with General Plan	Development Services Transformation	Google Development	Major Real Estate Development Projects	BART + High-Speed Rail Strategy	North San José Strategy	
Smart, Sustainable, + Reliable City: 21 st Century Infrastructure	Pavement, Fire, EOC, Transit Capital Improvements	Regional Wastewater Facility Capital Improvements	Electrical Service for Major Development	Climate Smart American Cities Climate Challenge	Lowering PG&E Above Market Costs for Clean Energy		

Enterprise Priority Foundational	Initiatives						
Strategic Fiscal Positioning + Resource Deployment	Federal + State Recovery Advocacy	Secure City Cybersecurity	Procurement Improvement	Pension Obligation Bond Analysis	Budgeting for Equity	City Roadmap Budgeting, Accountability, + Performance	
Powered by People	Continuity of City Services	Safe Workplace	Employee Health + Wellness	Drive to Digital	Effective Teams	City Workforce Diversity + Skill Building	

CITY MANAGER

OFFICE OF EMERGENCY MANAGEMENT

The Office of Emergency Management (OEM) leads efforts to protect life, property, and the environment by managing programs that mitigate, prepare for, respond to, and recover from disasters and emergencies. OEM administers Community Emergency Response Team (CERT) trainings, which train residents and businesses on how to organize, respond, and recover from major emergencies.

The Emergency Operations Center (EOC) was activated three times in 2021-22, including responses to a gas leak in August 2021, a Home Depot Fire in April 2022, and ongoing response to COVID-19. With the drop in COVID-19 case counts, the EOC reduced operations in February 2022.

Despite reduced EOC operations, OEM reports that staff continued to respond to COVID through the Vaccination Task Force, the COVID-19 Recovery Task Force (see previous page), or within their specific departments. Additionally, departments absorbed emergency activities at the end of the fiscal year, such as Parks, Recreation and Neighborhood Services' (PRNS) continued food distribution services and the Library's continued digital equity and access services.

OFFICE OF RACIAL EQUITY

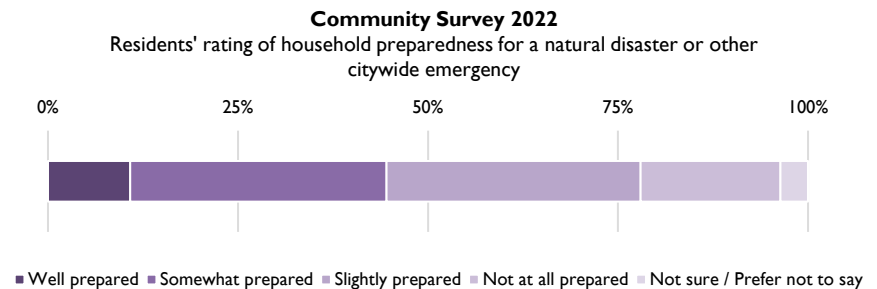
The mission of the Office of Racial Equity (ORE) is to support the City in embedding a racial equity practice and embody a culture that sustains it. ORE is responsible for examining and improving the City's internal policies, programs, and practices to address structural and/or institutional racism in the city. ORE is also responsible for inclusion and belonging work through the implementation of the Welcoming San José Plan 2.0. The plan aims to enable civic, economic, linguistic, and social inclusion of immigrants and refugees in San José.

During 2021-22, ORE developed and implemented a mandatory Foundational Racial Equity training for City employees. ORE also supported departments in drafting 18 Racial Equity Action Plans and consulted with departments on budget proposals that included equity considerations.

ORE worked collaboratively with community-based organizations on events curated for immigrant and refugee communities. In November 2021, ORE launched its Immigration Spotlight Facebook Live series and has hosted eight sessions. In 2021-22, ORE provided 16 immigration briefings to the City Council. Further, ORE supported the Rapid Response Network, a County-wide effort to protect undocumented immigrants from deportation. There were 506 calls to the Rapid Response Network in 2021-22.

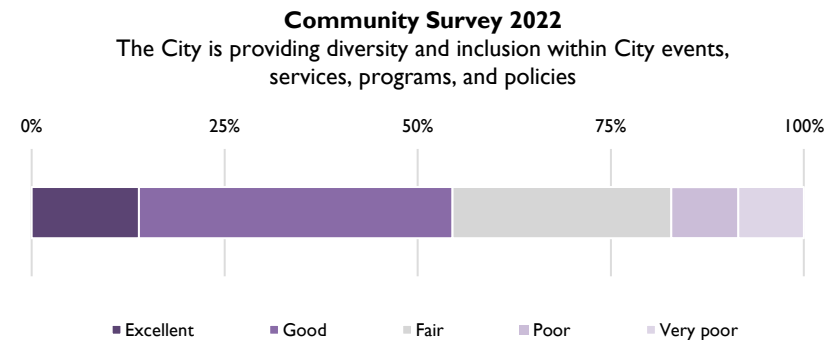
OEM KEY FACTS (2021-22)

Residents who received emergency preparedness outreach (estimated)	850
Community Emergency Response Team graduates	202
Emergency Operations Center (EOC) staff	221



ORE KEY FACTS (2021-22)

Citizenship workshop events	1
Total workshop participants	636
Participants completed and filed their paperwork	125



COMMUNITY ENERGY

The mission of the Community Energy Department is to procure clean, cost effective energy for the benefit of its customers.

COMMUNITY ENERGY

The Community Energy Department operates [San José Clean Energy \(SJCE\)](#), the City's Community Choice Aggregation (CCA)* program that provides residents with access to renewable energy and other customer benefits like community programs and local control. SJCE is part of [Climate Smart San José](#), the City's climate action plan. (See the Environmental Services chapter for more information.)

SJCE allows the City to choose the source and set the retail rates for power used in the city. In 2022, the default service, GreenSource, provided electricity that is 99 percent carbon-free. Since 2018, about 3 percent of eligible customers opted out of SJCE, within the target of less than 5 percent. Customers can upgrade to TotalGreen (opt-up) to receive electricity that is 100 percent renewable and carbon-free. As of June 2022, 1,545 customers upgraded. The opt-up rate was 0.44 percent, less than the target of 0.5 percent.

SJCE had 37 authorized positions in 2021-22, and operating revenues totaled \$355.7 million, an increase from last year's \$280.4 million. SJCE's operations, maintenance, and general administrative expenditures totaled \$18 million; additionally, the Department was responsible for energy purchases and other expenditures totaling \$313.3 million. Overall, SJCE had an operating income of \$24.4 million in 2021-22. Operating income increased from the prior year in part from a City Council-approved increase in generation rates that set prices for GreenSource up to 8 percent above PG&E (inclusive of state-mandated charges).

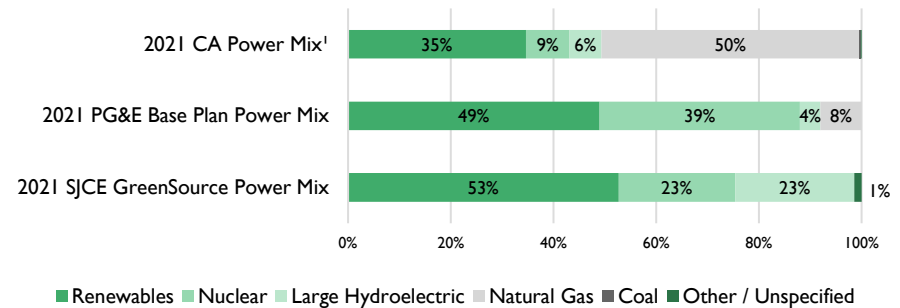
*CCAs are programs that allow local governments to purchase power on behalf of their residents and businesses. PG&E provides the transmission and distribution of electricity, and handles the billing process.

KEY FACTS (2021-22)

Number of customer accounts	350,800
Opt-out rate	3.15%
Opt-up rate	0.44%
Total customer savings* (compared to PG&E)	-8.42%

* Unaudited; savings based on generation charges and excludes transmission charges. Negative savings rate indicates a higher overall cost.

Power Content Labels for SJCE and PG&E

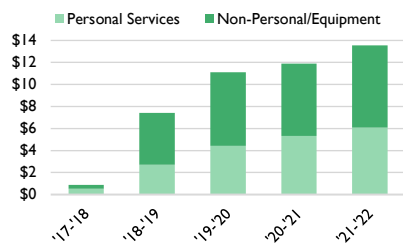


Source: 2021 Power Content Labels for SJCE and PG&E

¹ Figures are estimated annually by the California Energy Commission based on electricity generated in California and net imports.

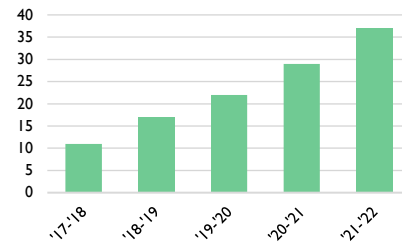
Note: Percentages may not add to 100 due to rounding. California's power mix included less than a percent of coal and other/unspecified.

Community Energy Operating Expenditures* (\$millions)

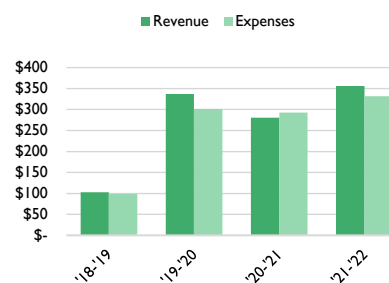


*Note: This does not include expenditures for energy purchases. Community Energy was created in 2017-18.

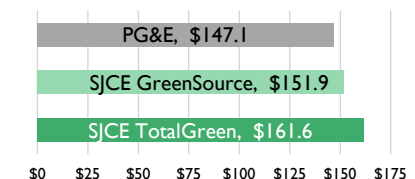
Community Energy Authorized Positions



Community Energy Revenue and Expenses (\$millions)



Comparison of Monthly Electricity Bill (rates as of July 1, 2022)



Source: SJCE and PG&E comparison of residential electric rates. Note: Based on E-TOU C rate schedules and usage of 427 kilowatt-hours.

ECONOMIC DEVELOPMENT AND CULTURAL AFFAIRS

The mission of the Office of Economic Development and Cultural Affairs is to catalyze job creation, private investment, revenue generation, talent development and attraction, and a diverse range of arts, cultural, and entertainment offerings.

ECONOMIC DEVELOPMENT AND CULTURAL AFFAIRS

The Office of Economic Development and Cultural Affairs (OEDCA) leads the City's economic strategy, provides assistance for businesses, manages the City's real estate assets, helps connect employers with trained workers, and supports art and cultural amenities in the community. OEDCA's economic strategy workplan seeks to expand economic opportunity and mobility through business support, attraction, and facilitation; talent development; business outreach; and encouraging downtown development.

OEDCA manages several incentive programs for businesses, among them the Foreign Trade Zone and the Storefronts Grants Program, which helps small businesses enhance or enliven their ground-floor storefronts.

OEDCA also oversees agreements with the non-profit operator of the City's [Convention & Cultural Facilities](#) (Team San José) and agreements for other City-owned cultural facilities.

In 2021-22, OEDCA's operating expenditures totaled \$11.5 million. This includes personal and non-personal expenditures. The department was responsible for \$13.5 million in Citywide expenses. Citywide expenses included property leases where the City is the tenant, and a subsidy to the Tech Interactive. The City also supported the Convention & Cultural Facilities with over \$7.6 million from hotel tax revenues.

KEY FACTS (2021-22)

Unemployment Rate	Pre-COVID*	2.6%
	As of July 2022	3.5%
Median Household Income		\$ 126,377

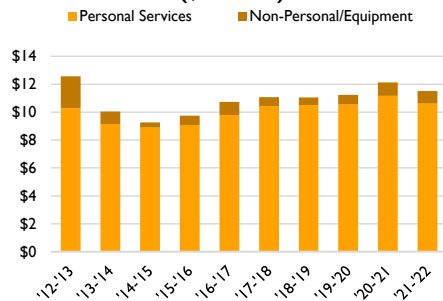
* Average of monthly unemployment rates from July 2019 to February 2020.

Sources: Bureau of Labor Statistics and 2021 American Community Survey

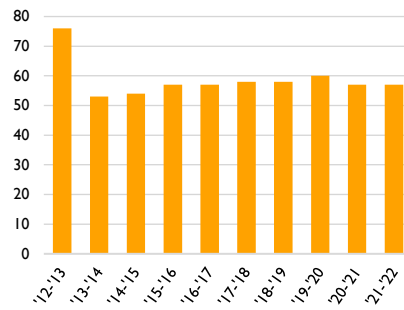
Select OEDCA Initiatives

- In response to COVID-19, OEDCA's Business Development Team pivoted to focus on small business support which included support activities such as funding of grant programs, business walks, contacting businesses, and hosting multilingual webinars on a variety of subjects including access to capital, crime prevention, and preventing eviction. The team also continued to conduct business meetings which included permit facilitations and engagements focused on business retention, expansion, or attraction.
- In August 2022, the City established a Commission to guide the Community Stabilization and Opportunity Pathways Fund which is the largest component of the community benefits outlined in the City's Downtown West Development Agreement with Google. The intent of this fund is to uplift under-resourced communities in San José through community stabilization and opportunity pathways.

OEDCA Operating Expenditures (\$millions)

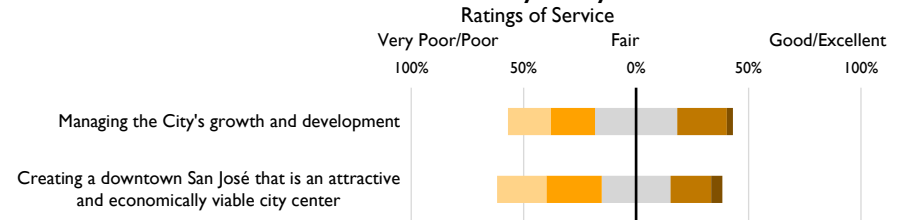


OEDCA Authorized Positions



Note: In '13-'14, the transition of work2future client services to the work2future Foundation eliminated 24 positions.

Community Survey 2022



ECONOMIC DEVELOPMENT AND CULTURAL AFFAIRS

BUSINESS DEVELOPMENT AND JOBS

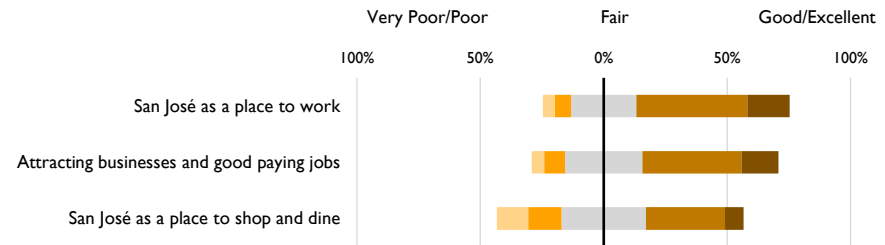
OEDCA promotes business in San José by providing assistance, information, access to services, and facilitating the development permit process. It also has continued to support the city in its recovery and response to the COVID-19 emergency by providing assistance to small businesses in the City's underserved communities. In 2021-22, OEDCA provided development facilitation services to support 63 projects. It also coordinated the Business Owner Space network, through which entrepreneurs receive information, technical and human resources support (see www.businessownerspace.com).

OEDCA estimated companies that received its assistance generated \$1.8 million in tax revenues (business and sales taxes). In 2021-22, this included the attraction of Eataly Silicon Valley and NetApp. About \$2.31 in tax revenue was generated for every \$1 of OEDCA expenditure on business development.

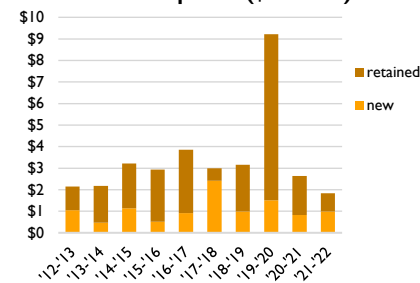
One of OEDCA's main goals is to catalyze job creation. Companies and businesses that received OEDCA assistance created about 3,050 jobs and retained about 1,170 jobs in 2021-22. With about 432,000 jobs located within the city in 2021, San José had less than one job per employed resident. Palo Alto, by contrast, had more than two jobs per employed resident. San José continues to be the only large U.S. city where more residents commute to work outside city limits, rather than *into* the city.

Community Survey 2022

Quality of Life Ratings

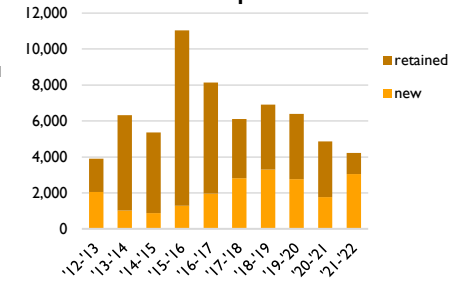


Estimated Tax Revenue Generated by OED-assisted Companies (\$millions)



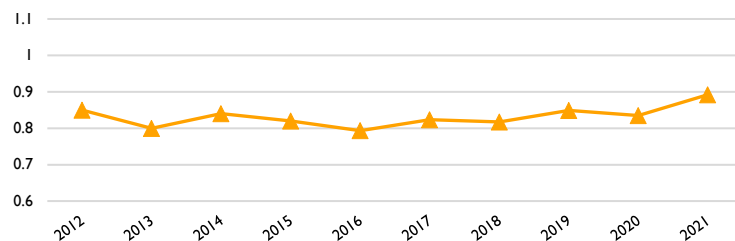
Note: The growth in '19-'20 was primarily driven by a revenue-sharing agreement with eBay.

Estimated Jobs Created or Retained by OED-assisted Companies



Jobs Per Employed Residents in San José

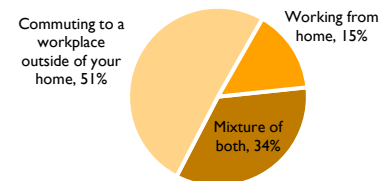
Balance at 1.0 job per resident
Envision 2040 target: 1.1 jobs per resident



Sources: [American Community Survey 5-Year Estimates](#) (2010 through 2018 and 2020) and 1-Year Estimate for 2019 and 2021). OEDCA calculates jobs per employed residents in San José using a different data source.

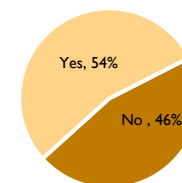
Community Survey 2022

Are you currently working from home, commuting to a workplace outside of your home, or a mixture of both?



Community Survey 2022

When commuting to a workplace outside of your home, is that place within San José?



ECONOMIC DEVELOPMENT AND CULTURAL AFFAIRS

WORKFORCE DEVELOPMENT

The City's workforce development program is managed by [work2future](#), a federally-funded, state-mandated program that provides services to adults, dislocated (laid-off) workers, and youth. It provides job search assistance, occupational training, and skills enhancement workshops to San José residents as well as those of surrounding cities.

In 2021-22, work2future provided workforce development training, work experience, and counseling services to over 1,850 diverse job seekers. These clients included those supported with work2future federal formula funds (1,021 participants), City General Funds through San José Works (627 participants), and the Resiliency Program—an inter-departmental collaboration funded with American Rescue Plan Act resources (207 participants). Finally, about 300 business clients, many of whom were small businesses, received assistance services, including recruitment, lay-off aversion, and business assistance.

CULTURAL AFFAIRS

OEDCA also promotes San José's artistic and cultural vibrancy and supports opportunities for cultural participation and cultural literacy for residents, workers, and visitors. In 2021-22, OEDCA awarded 114 grants totaling \$3.97 million to organizations that are located in San José or host events in San José. Contributing to San José's placemaking and design goals, the public art program reported that it had 428 works throughout the city, four of which are privately owned.

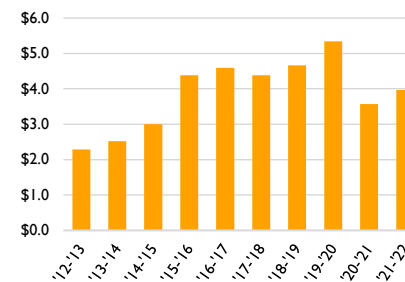
OEDCA helped facilitate almost 400 event days in 2021-22 with an estimated attendance of 1.8 million. While attendance increased from the previous year, it is still below the years pre-COVID when attendance was over 2 million. OEDCA's signature events included Christmas in the Park, Viva Calle, and the Rock N Roll Half Marathon.

work2future Development Program Results

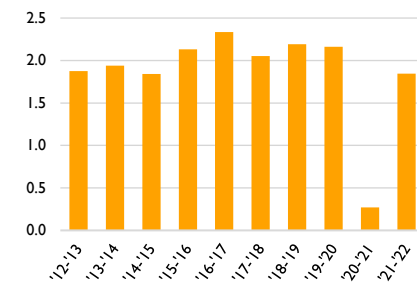
	Job Seekers	Placed in Jobs	State Goal	Success Rate*
Adults	570	55.9%	61.0%	91.6%
Dislocated Workers	304	61.0%	67.0%	91.0%
Youth (14-24 years)	147	66.4%	67.5%	98.4%

*Note: work2future serves San José, Campbell, Morgan Hill, Los Altos Hills, Gilroy, Saratoga, Monte Sereno, and unincorporated areas of Santa Clara County. A local area's performance is considered unsatisfactory when any overall program success rate falls below 90 percent for the program year.

Grant Awards for Arts and Cultural Development (\$millions)



Estimated Attendance at Outdoor Special Events (millions)



Funding to City-owned Cultural Facilities

In addition to the properties managed by Team San Jose, OEDCA provided operations and maintenance funds totaling about \$3.9 million from the General Fund to the following operators of City-owned cultural facilities:

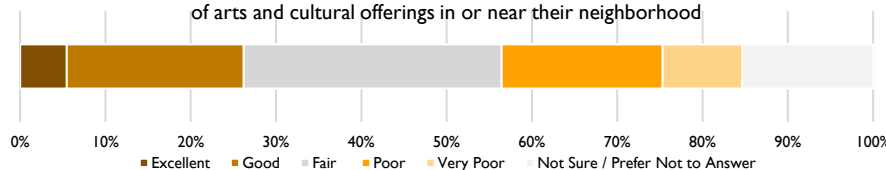
- Children's Discovery Museum
- San José Museum of Art
- SJSU (Hammer Theatre Center)
- Tech Interactive
- History San José
- School of Arts and Culture at Mexican Heritage Plaza



Hammer Theatre, Photo: City Auditor's Office

Community Survey 2022

Residents' rating of the availability and variety of arts and cultural offerings in or near their neighborhood



ECONOMIC DEVELOPMENT AND CULTURAL AFFAIRS

REAL ESTATE SERVICE

Real Estate Services manages the City's real estate portfolio, provides real estate services to City departments, and represents the City in third-party transactions. This includes acquisition, disposition, surplus sales, leasing, relocation, valuation, telecommunications, and property management. In 2021-22, sales revenue totaled about \$4.9 million. The division also generated \$2.3 million in facility lease revenue. Real Estate Services had 83 property leases in its real estate portfolio.

CONVENTION & CULTURAL FACILITIES

The City's convention facilities (San José McEnery Convention Center, South Hall) house exhibitions, trade shows, and conferences. The City's cultural facilities (San Jose Civic, Montgomery Theater, California Theatre, Center for the Performing Arts) are home to concerts, plays, and other performances.* Team San Jose, a non-profit organization, manages these facilities on behalf of the City.

In 2021-22, the facilities drew about 570,000 people to about 200 events. Of these events, 38 were at the convention facilities, which hosted more than 200,000 attendees. We should note that facilities continued to be impacted by the COVID-19 pandemic with closures occurring in July, October, and February.

*In previous years, Team San Jose also operated Parkside Hall. Parkside Hall did not host any events during 2021-22. City Council approved the demolition of the facility for a future multi-use development in that location.

**For more information about the performance of the City's Convention and Cultural Facilities, see our [FY 2021-22 Team San Jose Performance Audit](#).

San Jose Civic



California Theatre



Montgomery Theater

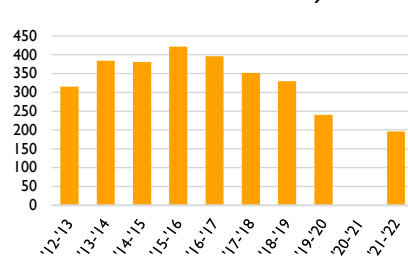


Center for Performing Arts



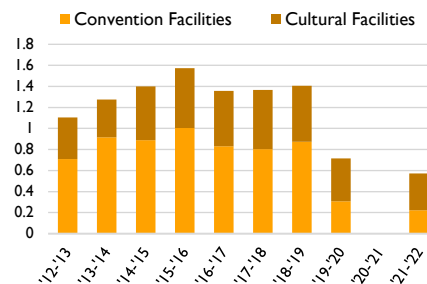
Photos: City Auditor's Office and Team San Jose

Number of Events
(Convention and Cultural
Facilities Combined)

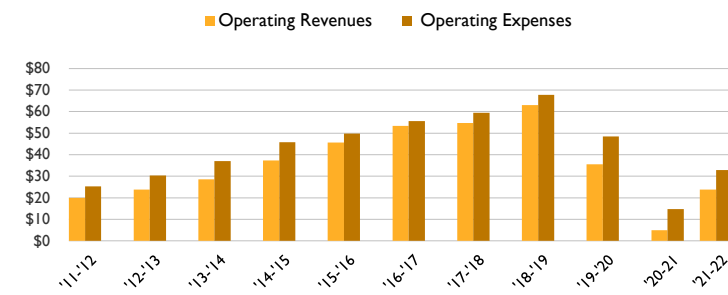


Note: The facilities did not host events in 2020-21 because of COVID-19.

Attendance (millions)



Operating Revenues and Expenses (\$millions)



ENVIRONMENTAL SERVICES

The mission of the Environmental Services Department is to deliver world-class utility services and programs to improve our health, environment, and economy.

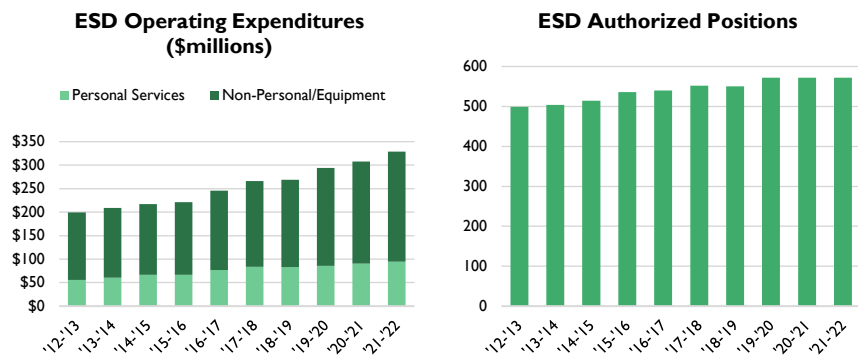
ENVIRONMENTAL SERVICES

The Environmental Services Department (ESD) provides recycling and garbage services, wastewater treatment, potable water delivery, stormwater management, and recycled water management. ESD also manages programs to conserve water and energy resources and achieve other environmental goals.

ESD coordinates Citywide efforts to protect and conserve air, land, water, and energy resources through policy development, education, and grant-seeking. This work is guided by the City's Climate Smart San José Plan and regulatory requirements.

Most ESD revenue comes from various customer fees and charges; approximately \$5 million of its budget, representing 1 percent of its operating expenditures, came from the General Fund in 2021-22.

In 2021-22, ESD's operating expenditures totaled \$328.5 million, including personal and non-personal expenditures. In addition, the Department was responsible for \$1.8 million in Citywide expenditures. Staffing in 2021-22 included 572 full-time equivalent positions, representing a 15 percent increase from ten years ago.



COVID-19 RESPONSE

Since 2020, ESD's Environmental Laboratory in the Watershed Protection Division has been partnering with Stanford University to detect SARS CoV-2, the virus that causes COVID-19, in wastewater samples collected from the San José-Santa Clara Regional Wastewater Facility. This research can be used to track community infection rates and help health officials in responding to diseases like COVID-19. More information on this research can be found on wbe.stanford.edu.

Climate Smart San José

On February 27, 2018, the San José City Council adopted the [Climate Smart San José Plan](#). The plan is a continuation of the 2007 San José Green Vision, and represents San José's commitment to meeting the greenhouse gas (GHG) emission reduction targets of the Paris Climate Agreement.

Climate Smart San José lays out eight goals, focusing on reducing air pollution, saving water, and creating a stronger and healthier community.

In November 2021, the San José City Council voted unanimously to adopt the goal of reaching net-zero greenhouse gas emissions by 2030, joining several cities across the nation. In doing so, the City announced its intention to offset the total amount of carbon dioxide it emits into the atmosphere through means such as using energy from carbon-free sources and encouraging more residents to drive electric vehicles.

Find more information on the City's [Climate Smart Dashboard](#).

RECYCLING & GARBAGE SERVICES

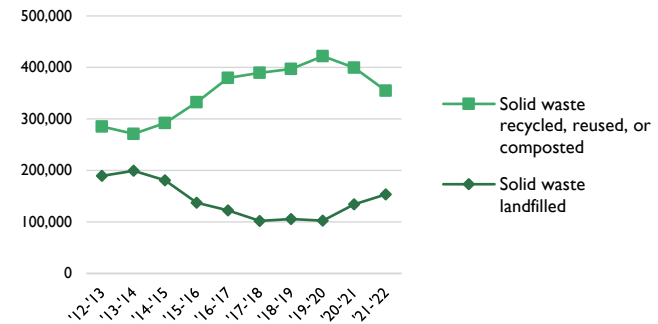
ESD provides recycling and garbage services to over 334,000 residential households in San José through contracted service providers. ESD also provides waste management programs and services for San José businesses, large events, public areas, and City facilities. The Department manages agreements for commercial collection and recyclables processing, organics processing, and residential and construction waste collection services in the city.

The state monitors each jurisdiction's "per capita disposal rate" and requires that 50 percent of solid waste be diverted* from landfills. The Department of Resources Recycling and Recovery (CalRecycle) has taken a statewide approach to decrease California's reliance on landfills. For 2021-22, City Council approved rate increases of up to 17 percent for recycling and garbage services.

Since 2007, San José has diverted at least 60 percent of waste, including 63 percent in 2021-22, despite increases in the amount of residential waste landfilled. In 2021-22, a change in methodology contributed to the significant drop, but the Department reports it will provide a more accurate measure of solid waste diversion going forward. Disruptions in the recyclables market have necessitated the City expand its efforts to meet current and future state diversion requirements. This includes outreach to inform residents on the importance of eliminating liquids and foods from recycling bins, and exploring infrastructure and partnership opportunities to manage recyclables domestically.

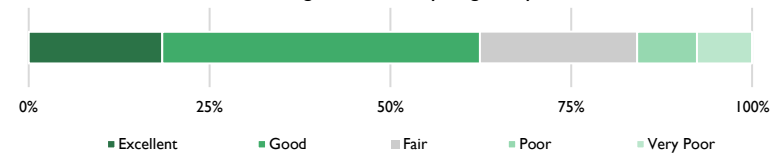
* "Diversion" refers to any combination of waste prevention, recycling, reuse, and composting activities that reduces waste disposed at landfills. (Source: CA Integrated Waste Management Board)

Tons of Residential Solid Waste Recycled vs. Landfilled

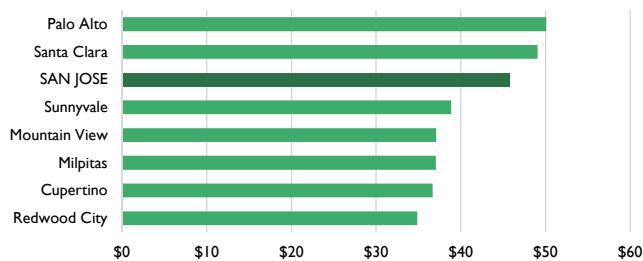


Note: Methodology changed in 2021 based on a new contract.

Community Survey 2022
Residents' ratings of trash, recycling, and yard waste services

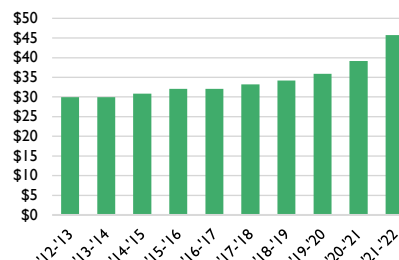


Comparison of Monthly Residential Garbage and Recycling Rates (2021-22)



Sources: Rates listed on local government websites for municipalities provided.
Note: Rates listed for all municipalities are for the 32-gallon cart size, except for Milpitas, which uses the 26-gallon bin.

San José Garbage and Recycling Monthly Bills (32-gallon cart)



What Can Be Recycled

Materials such as plastics, paper, metal, and glass can be placed in the recycling bin.

Recycling is collected weekly from residential homes, mobile home parks, and apartments and condos. You can find out more about what specific materials can be placed in the recycling bin at:

www.sanjoserecycles.org/what-to-do/curbside/

ENVIRONMENTAL SERVICES

STORMWATER MANAGEMENT

ESD manages regulatory programs, initiatives, and activities to prevent pollution from entering the storm sewer system and waterways.* The Department of Transportation (DOT) operates the City's storm drains and storm sewer system, conveying rainwater into creeks and eventually the South San Francisco Bay (see *Transportation chapter*).

ESD's programs protect water quality and the health of the South Bay watershed and the San Francisco Bay. One such program is the litter/creek cleanup program. Overall, 1,555 creek cleanup events were held and about 655 tons of trash were removed in 2021-22. Most of the cleanups in 2021-22 were performed as part of the City's BeautifySJ program, which as of 2021-22, is led by the Parks, Recreation and Neighborhood Services Department. The City's creek cleanup partners, which include Keep Coyote Creek Beautiful and South Bay Clean Creeks Coalition, conducted the remaining creek cleanups.

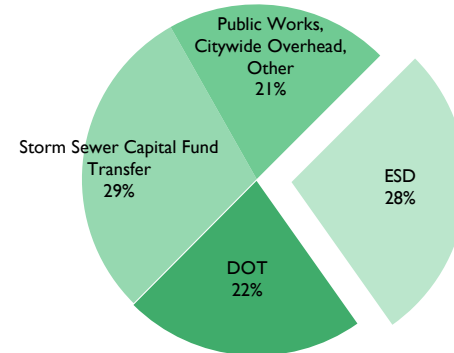
ESD estimates that the City has reduced the amount of trash discharged from the stormwater collection system into receiving waters by 100 percent since 2009 and met the July 2022 goal of 100 percent.**

The annual storm sewer fee for a single-family residence in 2021-22 was \$94.44. The annual fee has remained the same since 2011-12.

* These programs and activities are regulated by a state permit for municipal storm water systems. For more information, see the [California Water Boards' webpage](#) on the subject.

** Calculation is based on a method specified in the Municipal Regional Stormwater NPDES permit; the regional permit is due to be reissued in 2022-23.

Breakdown of Storm Sewer Operating Fund Budgeted Expenditures

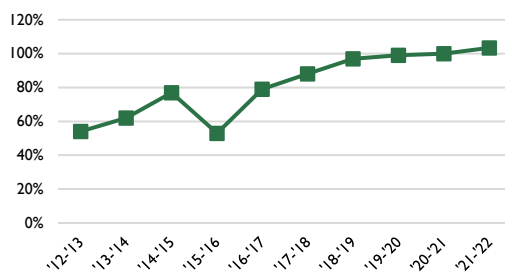


Source: 2021-22 Adopted Operating Budget

Baykeeper Consent Decree

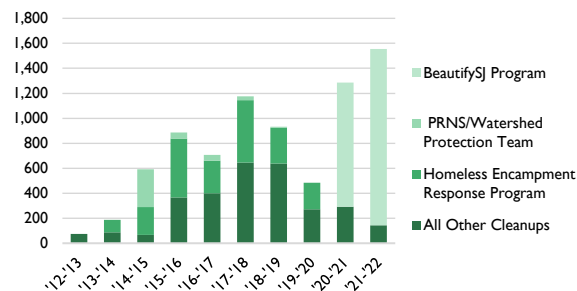
In June 2016, the City executed a consent decree to settle a lawsuit filed by the San Francisco Baykeeper. The consent decree stipulates that the City appropriate \$100 million over a ten-year period to implement projects intended to reduce the flow of pollutants from the City's urban areas to receiving waters (e.g., green infrastructure).

Citywide Trash Load Reduction Rate



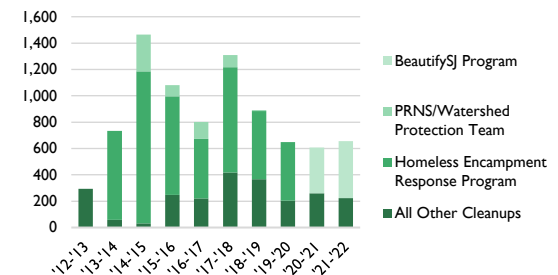
Note: Calculation is based on a method specified in the Municipal Regional Stormwater NPDES permit; the regional permit is due to be reissued in 2022-23.

Number of Creek Cleanups



Note: The City's creek cleanups are now performed as part of the BeautifySJ Program. The Watershed Protection Team was dismantled in 2018-19 while the Homeless Response Team stopped performing encampment creek cleanups in 2019-20.

Tons of Litter Collected at Creek Cleanups



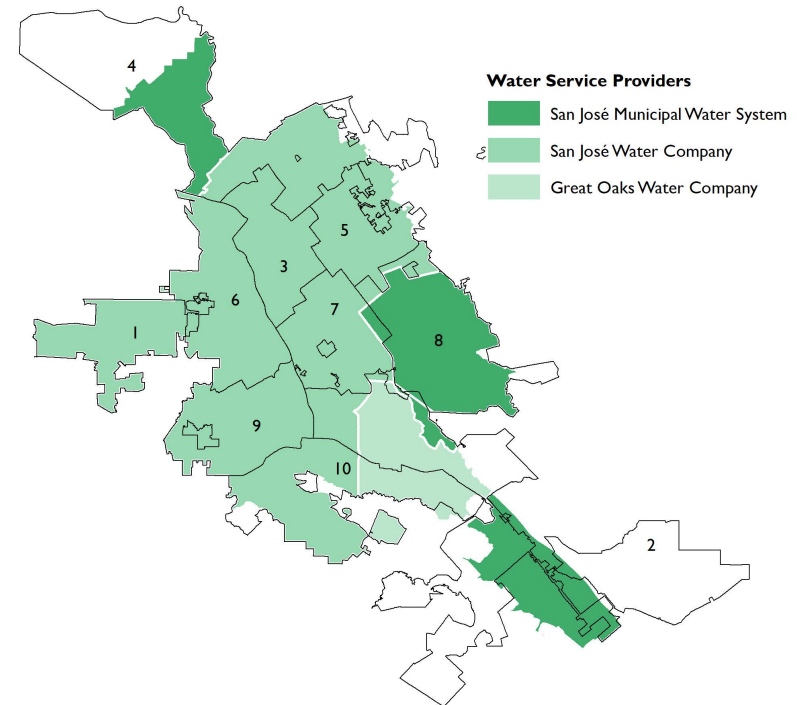
RETAIL WATER DELIVERY

ESD operates and maintains the San José Municipal Water System (Muni Water), which serves about 27,000 customers in North San José, Alviso, Evergreen, Edenvale, and Coyote Valley. 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 Downtown, West San José, Alum Rock, and Almaden Valley, among others).

The average monthly water bill for Muni Water customers was \$97.95. Muni Water rates have increased in recent years due to higher wholesale water rates and other inflationary costs; the increase is consistent with those of other San José retail water providers.

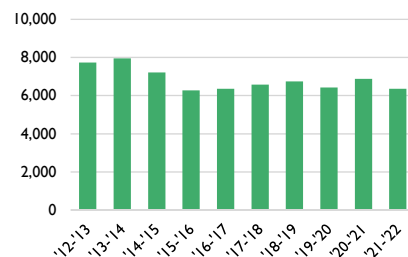
In 2021-22, Muni Water delivered 6,357 million gallons of water to its customers, down 18 percent from ten years ago. Muni Water met federal water quality standards in 99.6 percent of water samples taken (target: 100%).*

* For more information on water quality, see the [2021 Water Quality Report](#).

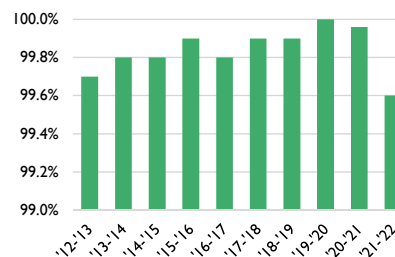


Note: According to ESD, areas in white are served by private well systems.
Source: Auditor map based on Environmental Services Department data

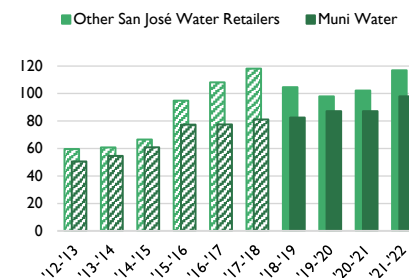
Millions of Gallons of Water Delivered to Muni Water Customers



% of Water Samples Meeting State and Federal Water Quality Standards



Comparison of Monthly Residential Water Bills



Note: Rates are based on water usage of 13 hundred cubic feet (HCF) whereas those prior to 2018-19 are based on 15 HCF; rates for 'Other San José Water Retailers' in 2018-19 are estimates.

ENVIRONMENTAL SERVICES

WASTEWATER TREATMENT

ESD manages and operates the San José-Santa Clara Regional Wastewater Facility – the largest advanced wastewater treatment facility in the Western United States. The facility is co-owned with the City of Santa Clara, and provides wastewater treatment for approximately 1.4 million residents in San José and surrounding communities. DOT maintains the City’s sanitary sewer system (see *Transportation chapter*) that flows to the facility. ESD also manages pretreatment programs to control for pollutants at their source. ESD wastewater treatment operations account for the largest share of ESD employees: 322 full-time budgeted positions out of 572 total.

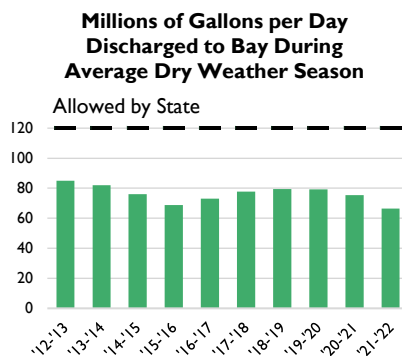
The Wastewater Facility continues to meet the Regional Water Quality Control Board’s permit requirements for water discharged into the San Francisco Bay. In 2021-22, pollutant discharge requirements were met or surpassed 100 percent of the time.

The cost per million gallons treated was \$1,862 in 2021-22. Aging infrastructure at the Facility has required increased maintenance and capital costs. In accordance with the Plant Master Plan adopted in 2013, the City is moving forward with over \$2 billion in long-term capital improvement projects to upgrade and rebuild the facility over the next 30 years.*

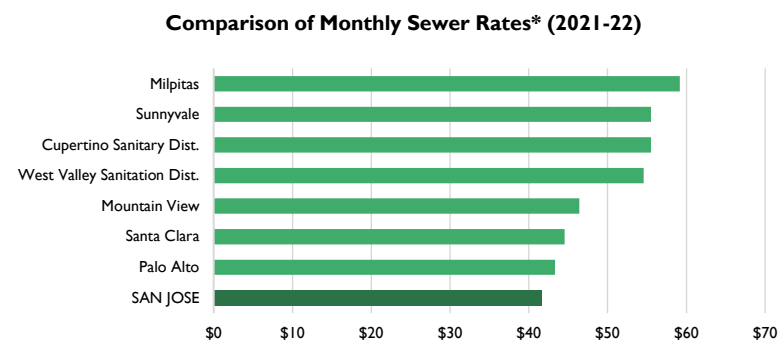
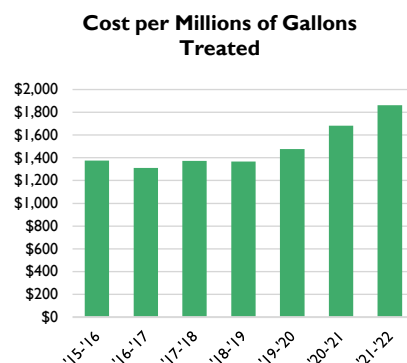
* For more information, see the [Capital Improvement Program webpage](#).



Aerial photo of the San José-Santa Clara Regional Wastewater Facility
Source: Environmental Services Department



Note: Based on [2021 Annual Self-Monitoring Report](#). In 2021, the dry weather period was from June to August.



* Sewer rates pay for costs of the sewer system as well as wastewater treatment.
Sources: Rates listed on local government websites for municipalities provided.

RECYCLED WATER

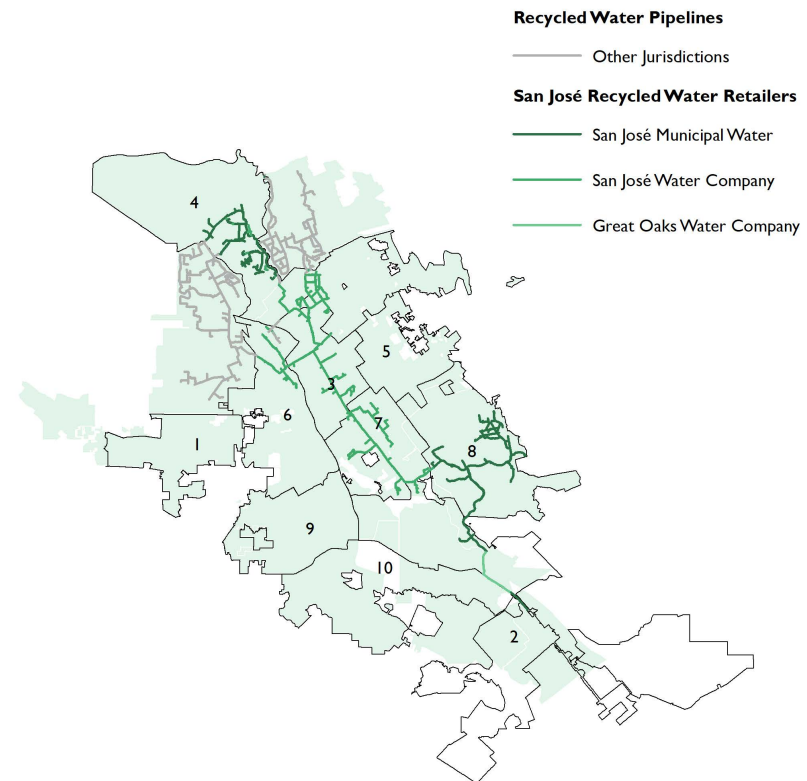
The South Bay Water Recycling System (SBWR) includes over 153 miles of pipeline that provides recycled water for parks, golf courses, school grounds, and commercial landscapes. In addition, SBWR also provides recycled water for agricultural, commercial, and industrial uses including cooling towers, power generation plants, and data centers, among others. SBWR currently provides recycled water to the cities of San José, Santa Clara, and Milpitas.

To provide SBWR customers higher quality recycled water, the cities of San José and Santa Clara partner with the Santa Clara Valley Water District to produce up to 8 million gallons per day of highly purified water at the Silicon Valley Advanced Water Purification Center. The purified water is mixed with the recycled water produced by the Regional Wastewater Facility.

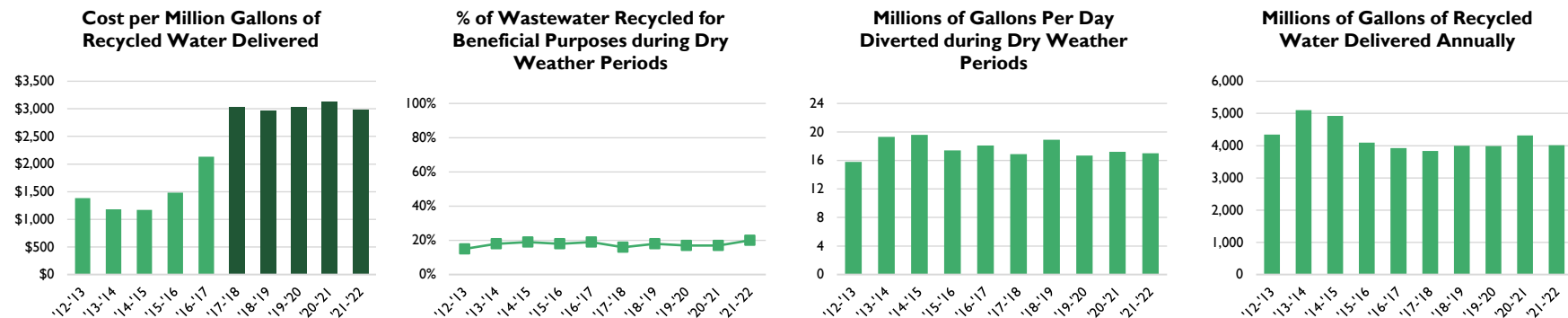
In 2021-22, SBWR delivered about 4 billion gallons of recycled water to 989 customers, who paid \$3.40* per hundred cubic feet of water. SBWR met recycled water quality standards 100 percent of the time during the same period.

The cost per million gallons of recycled water delivered was \$2,980 in 2021-22.

* This rate is for City of San José Municipal Water customers; other SBWR provider rates may vary; in 2021-22, SBWR offered the discounted wholesale rate of \$3.20 per hundred cubic feet to water recycling retailers.



Source: Auditor map based on Environmental Services Department data



Note: Figures for 2017-18 and later are not comparable to those of prior fiscal years due to a change in accounting methodology.

The mission of the Finance Department is to manage, protect, and report on the City of San José's financial resources to enhance the City's financial condition for our residents, businesses, and investors.

FINANCE

The Finance Department manages the City's debt, investments, disbursements, financial reporting, purchasing, insurance, and revenue collection. In 2021-22, Finance had 121 authorized positions, and its operating expenditures totaled \$22.3 million. This included personal and non-personal expenditures. Finance was also responsible for other expenses, including \$421.1 million in debt service and \$5.3 million in Citywide expenses.

The Accounting Division makes timely payments to vendors and employees and provides relevant financial information to the public. Revenue Management supports timely billing and revenue collection efforts. The Division collected \$1.37 billion of the City's overall revenue in 2021-22, which includes sales tax and other revenues.

Purchasing is responsible for ensuring cost-effective procurement of quality products and services, and ensuring adequate insurance coverage for the City's assets. In 2021-22, the Department procured \$214.6 million dollars of products and services, an increase from \$180.6 million last year. This increase is due to more spending on telecommunications/software, landscaping, and building maintenance.

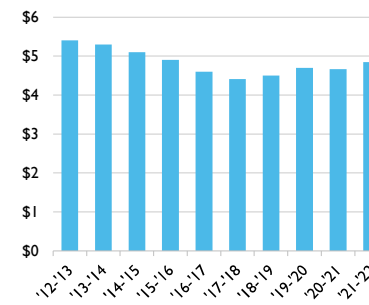
Treasury manages the City's cash and investment portfolio. The primary objectives of the investment program are safety, liquidity, and yield. The City ended 2021-22 with an investment fund portfolio of \$2.73 billion, which earned an average of 1.11 percent. Treasury also issues debt and administers a debt portfolio totaling \$4.85 billion. Actual debt issued was \$877 million in 2021-22. \$201 million of issued debt came from bonds to fund public safety and infrastructure projects under Measure T.

In 2021-22, the Finance Recovery Group (now known as the Grants Oversight Group) oversaw compliance for grants received during the pandemic. The group reported reviewing over 8,300 emergency transactions from COVID-19 funds.

KEY FACTS (2021-22)

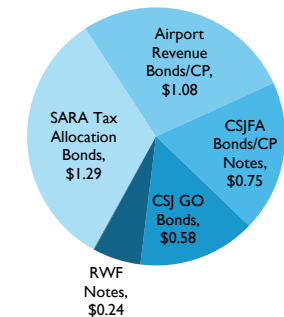
Average investment portfolio	\$2.73 billion
Total debt managed	\$4.85 billion
San José credit rating:	Moody's Aa1
	S&P AA+
	Fitch AAA

Total Debt Managed (\$billions)



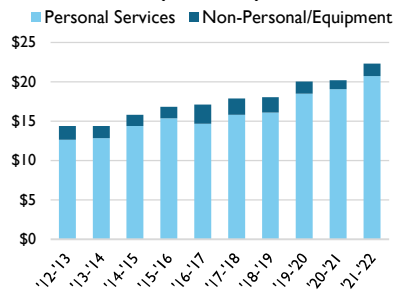
Note: Total debt managed includes conduit debt outstanding (multifamily housing revenue bonds). Pie chart to the right does not include conduit debt. For more information, see the [City's Comprehensive Annual Debt Reports](#).

Outstanding Debt Issued by All Agencies, June 30, 2022 (\$billions)

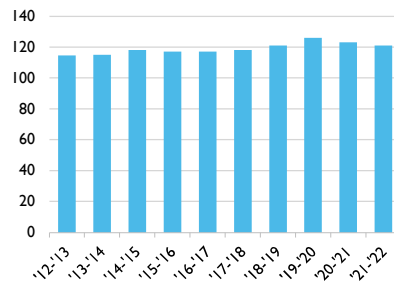


Note: Outstanding debt issued by land-secured financing was \$0.004 billion (or \$3.5 million) for 2021-22.

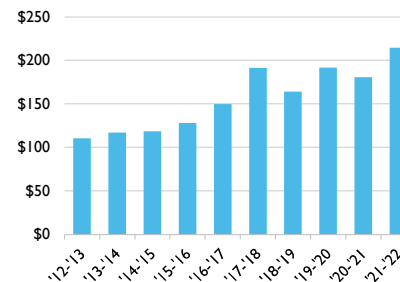
Operating Expenditures (\$millions)



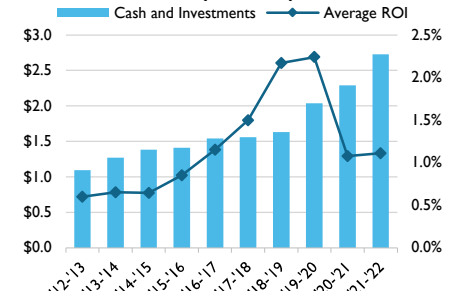
Authorized Positions



Total Dollars Procured (\$millions)



City Cash and Investments (\$billions)



The mission of the San José Fire Department is to serve the community by protecting life, property, and the environment through prevention and response.

FIRE

The San José Fire Department provides fire suppression, emergency medical services (EMS), and fire prevention services to residents and visitors within San José's city limits and some unincorporated areas of Santa Clara County. Other fire prevention services include regulatory enforcement of fire and hazardous materials codes through inspections and construction plan reviews for residents and businesses. The Department provides emergency Advanced Life Support (paramedic) first-response services, and the County of Santa Clara contracts with a private company for emergency ambulance transportation services.

In 2021-22, the Department's operating expenditures totaled \$286 million. This includes personal and non-personal expenditures. The Department was responsible for additional costs including \$1.8 million in Citywide expenses and \$9.5 million for workers' compensation claims. There were 849 authorized positions in the Department in 2021-22.

The Department reports that staff are working to address equity in service delivery and to close performance gaps. Strategies include use of technology to optimize response time performance, improving development services customer experience, and providing multilingual public information and education via social media channels. Additionally, as discussed to the right, the Department has improved resource deployment through new and relocated fire stations with funding from Measure T. In 2018, Measure T was passed to fund public improvements through general obligation bonds.

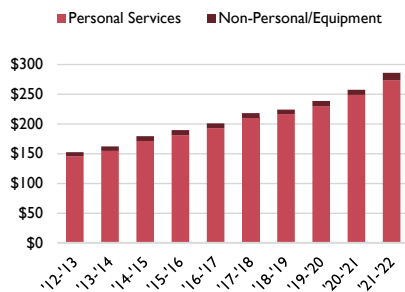


Source: San José Fire Department, photo of Fire Station 37 ribbon cutting

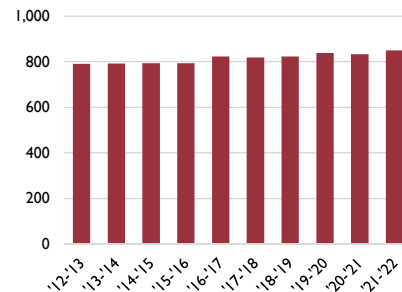
Fire Station Renovation and Construction

The Fire Department is using funds from Measure T for renovation and construction of fire stations. In 2021-22, the Department opened the newly constructed Fire Station 37 and the newly relocated Fire Station 20 at the San José Mineta Airport. The relocation of Fire Station 20 expanded the station's coverage by deploying an Advanced Life Support unit to serve the surrounding residential and business community. Going forward, Measure T funds will support development and construction of new Fire Stations 32 and 36, as well as the replacement of aging Fire Stations 8 and 23.

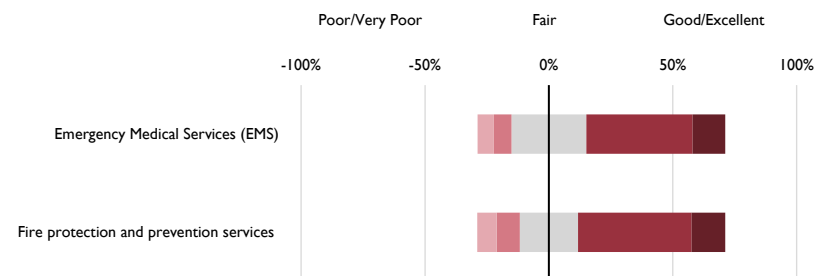
Fire Department Operating Expenditures (\$millions)



Fire Department Authorized Positions

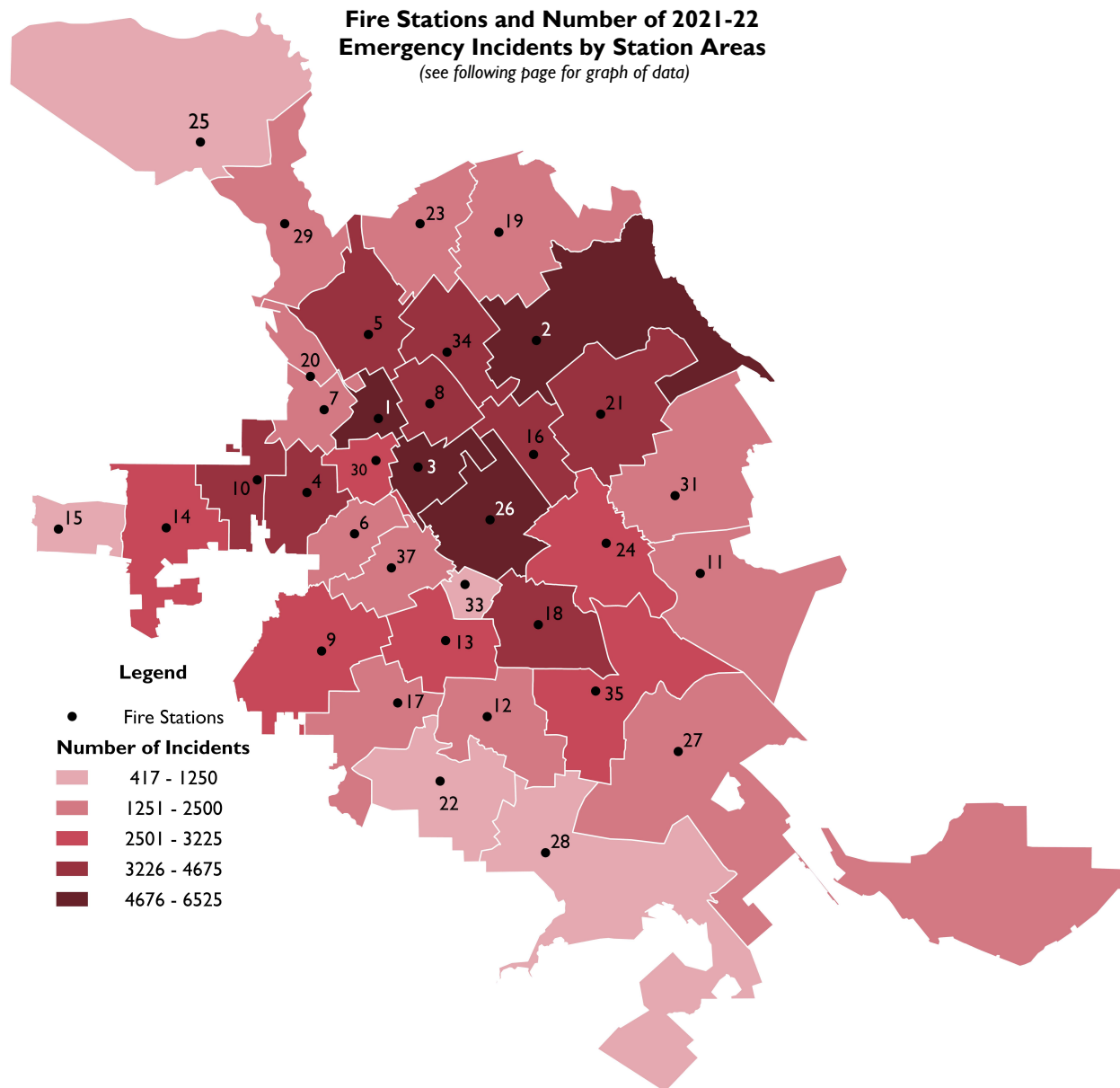


Community Survey 2022
Ratings of Services



Fire Stations and Number of 2021-22 Emergency Incidents by Station Areas

(see following page for graph of data)



KEY FACTS (2021-22)

Fire stations	34
Engine companies	44
Truck companies	9
Rescue Medic units	3
Aircraft Rescue Firefighting companies	2
Urban Search and Rescue companies	3
Emergency incidents	
Emergency medical incidents	63,100
Fires	4,900
Rescue, haz mat, and non-fire hazards	6,000
Other	29,100
Total	103,100

Other includes service requests, false alarms, good intent responses, and canceled en route incidents



Source: San José Fire Department, photo of new Fire Station 37

Source: Auditor analysis based on incident data provided by Fire Department. Note: Data shows incidents by geographic area, not by responding unit.

* Fire Station #20 is dedicated to Mineta San José International Airport. Fire Station #33 closed in August 2010. Incidents within the district of Station #33 were handled by other stations. The Department has reserved the numbering of Fire Station #32 and #36 for future use.

FIRE

EMERGENCY RESPONSE

In 2021-22, the Fire Department responded to about 103,100 emergency incidents.* The Department reports that there was an increase in incidents in 2021-22 due to COVID-19 related medical calls.

There were 82,500 Priority 1 incidents (red lights and sirens) and 20,700 Priority 2 incidents (no red lights or sirens). Of the total incidents:

- 61 percent were medical emergencies (63,100 total)
- 34 percent were other types of incidents, including good intent calls, rescues, and false alarms (35,100 total)
- 5 percent were fires (4,900 total). Of these, 470 were structure fires, 390 were vehicle/aircraft fires, and 720 were vegetation fires. The remaining were categorized as other fires, which could include rubbish fires or fires in dumpsters or encampments.

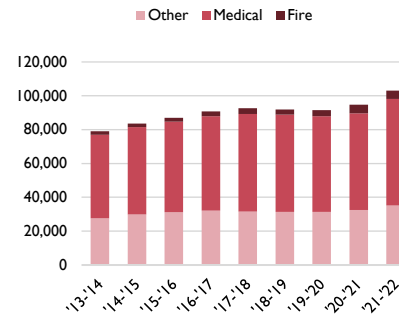
A breakdown of all incidents by fire station is provided below.

In 2021-22, the Department contained 91 percent of fires to the *structure* of origin (target: 92 percent). The Department contained 70 percent of fires to the *room* of origin (target: 80 percent, down from a target of 85 percent last year).

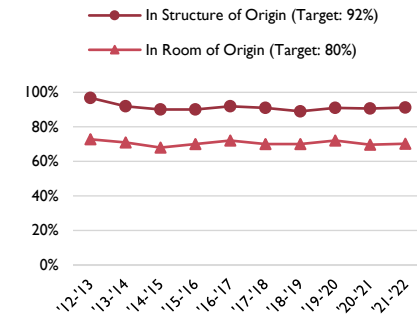
There were 28 civilian fire injuries and eight civilian fire deaths in 2021-22.

*May not add to incident subtotals due to rounding.

Emergency Incidents



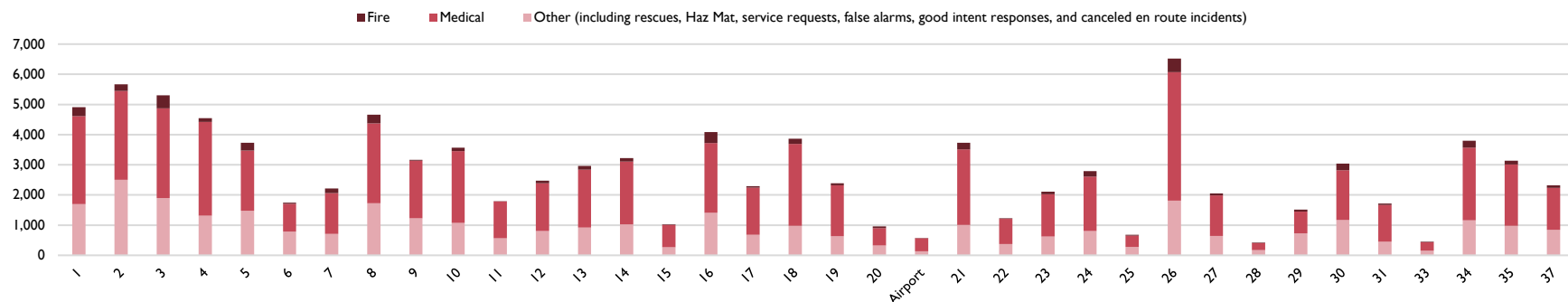
Percent of Fires Contained



Emergency Medical Services (EMS)

The San José Fire Department provides Advanced Life Support (paramedic) first-response services under an agreement with the County of Santa Clara Emergency Medical Services (EMS) Agency. The agreement performance requirements specify that the Department must arrive on-scene within eight minutes 90 percent of the time to qualify for funding and arrive within eight minutes 95 percent of the time to receive maximum funding. These requirements apply to qualifying EMS calls, and include adjustments (such as during times of high call volume). In 2021-22, the Department met the County EMS performance standard requirements of 90 percent for 12 months (after adjustments).

Emergency Incidents by Station Area (2021-22)



Note: Fire Station #20 is dedicated to Mineta San José International Airport. Fire Station #33 closed in August 2010. Incidents within the district of Station #33 were handled by other stations. The Department has reserved the numbering of Fire Station #32 and #36 for future use.

EMERGENCY RESPONSE (continued)

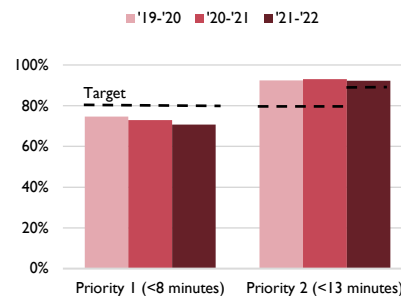
In 2021-22, the Department responded to 71 percent of Priority 1 incidents within its time standard of 8 minutes (target: 80 percent), which is slightly below its performance of the last two years. The Department responded to 92 percent of Priority 2 incidents within 13 minutes (target: 90 percent).

The Department disaggregates Priority 1 response time by three separate time segments: dispatch time, turnout time, and travel time. In 2021-22, the Department nearly met its targets for dispatch time and turnout time (target: 85 percent within 2 minutes). It met its travel time standard for only 43 percent of Priority 1 incidents (target: 50 percent within 4 minutes).

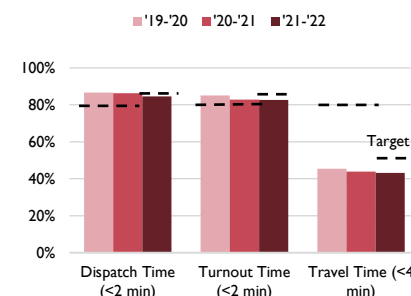
The Department expects that the addition of newly built Fire Stations 20 and 37 will result in improved travel time performance. Staff expect further improvements with the pending construction of Fire Stations 32 and 36, the relocation of Fire Stations 8 and 23, and the planned transition to “closest unit dispatch” procedures, replacing current fire station response area-based dispatch.

A breakdown of Priority 1 response times by fire station is shown below. Four fire stations met the Priority 1 response standard of 8 minutes for 80 percent of incidents in 2021-22, compared to three stations last year.

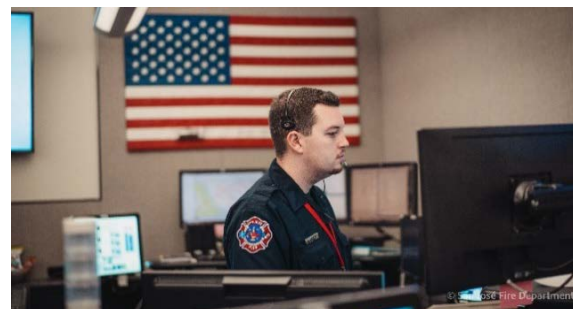
Emergency Response Time Compliance



Time Targets of Priority 1 Response Time



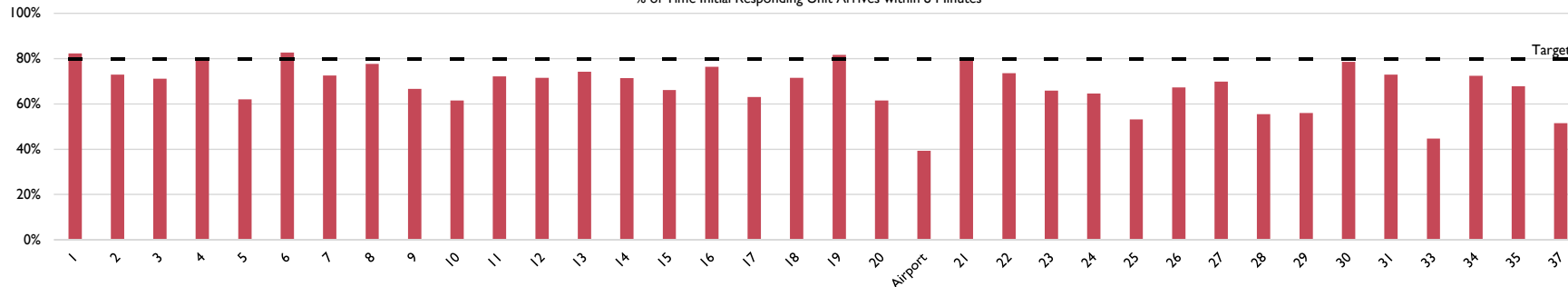
Note: In 2021-22, the target for Priority 2 response time changed from 80 percent to 90 percent of calls within 13 minutes. The targets for Priority 1 dispatch and turnout time increased from 80 percent to 85 percent within 2 minutes. The target for Priority 1 travel time decreased from 80 percent to 50 percent within 4 minutes.



Source: San José Fire Department, photo of Fire Communications

Priority 1 Response Time Compliance by Station (2021-22)

% of Time Initial Responding Unit Arrives within 8 Minutes



Note: Fire Station #20 is dedicated to Mineta San José International Airport. Fire Station #33 closed in August 2010. Incidents within the district of Station #33 were handled by other stations. The Department has reserved the numbering of Fire Station #32 and #36 for future use.

FIRE

FIRE PREVENTION

The Bureau of 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. Both fire fighters and fire prevention inspectors conduct inspections to check for compliance with fire codes. In 2021-22, about 85 percent of initial inspections conducted were code compliant, and therefore did not require a follow-up inspection. The Department performed 11,700 initial fire inspections during the fiscal year. Fire fighters conducted 5,600 of these initial inspections and fire prevention inspectors conducted the remaining.

The Bureau of Fire Prevention also conducts investigations based on complaints received from residents or businesses. In 2021-22, 96 complaints were investigated. In addition, the Bureau conducted 220 plan reviews for special events.

In 2021-22, arson investigators conducted 420 investigations and were able to determine that 210 of those investigations were caused by arson. In April 2022, the Fire Department responded to a 5-alarm fire inside a Home Depot store in South San José. Fire crews successfully prevented the fire from extending beyond the business of origin. The ensuing investigation was supported by the Department's Arson Unit, the Police Department, the Alcohol, Tobacco, Firearms and Explosive National Response Team, and mutual aid support from local fire agency arson investigators. The investigation resulted in a suspect being charged for intentionally lighting the fire.

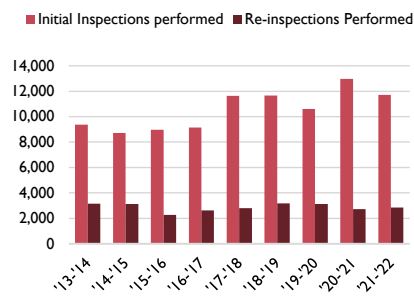
FIRE SAFETY CODE COMPLIANCE (DEVELOPMENT SERVICES)

Fire Safety Code Compliance enforces the City's fire and health and safety codes during the development plan review and inspection processes, in coordination with the Development Services partners in the Permit Center (see *Planning, Building & Code Enforcement Department chapter*). This includes both engineering and hazardous materials reviews. In 2021-22, Fire Code Compliance civilian and sworn staff performed 5,900 fire plan checks and 5,300 inspections for Development Services customers. Fire plan reviews were conducted within established time targets for 96 percent of projects in 2021-22. Following the 2020 [Audit of Fire Development Services](#), the Department has been reviewing the methodology for calculating these performance measures.

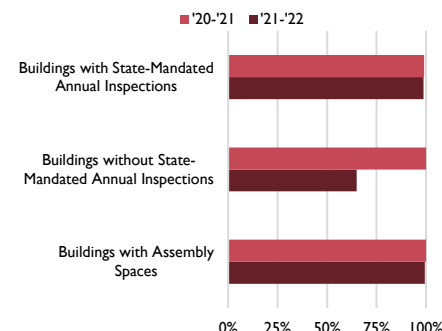
Fire Safety Inspections

The Department inspects existing buildings and newly constructed buildings to ensure compliance with the fire code. As of June 2022, San José had approximately 12,300 buildings that were eligible for a fire inspection, including 88 high-rises, 650 educational facilities, and 5,500 multi-family residences and hotels/motels. The frequency of the inspection cycle depends on the building use and type. For example, high-rises, schools, and multi-family residences are required by the State Fire Marshal to have annual inspections. In 2021-22, the Department completed 99 percent of state-mandated inspections.

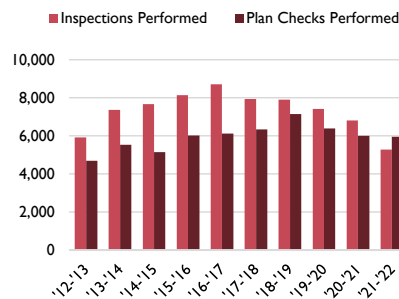
Fire Prevention Inspections (on existing buildings)



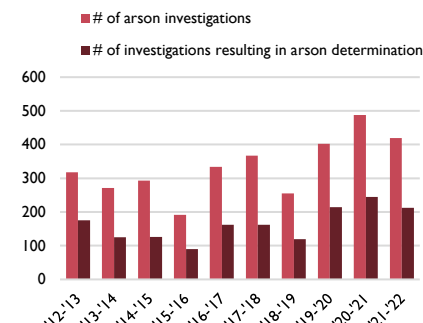
Completion of Initial Fire Inspections



Fire Safety Code Compliance - Workload (Development Services)



Arson Investigations



The mission of the Housing Department is to strengthen and revitalize our community through housing and neighborhood investment.

HOUSING

The Housing Department employs multiple strategies to meet the housing needs of San José residents, who face some of the highest housing costs in the nation. These strategies include:

- Administering a variety of single-family and multi-family loans,
- Financing new affordable housing construction,
- Recommending housing-related policies,
- Extending the useful lives of existing housing through rehabilitation,
- Managing rent stabilization programs and tenant protection programs,
- Addressing homelessness through a regional “housing first” model, and
- Administering a number of federal and state grant programs.

The Housing Department’s operating expenditures totaled \$16.2 million in 2021-22. This includes personal and non-personal/equipment expenditures. The Department was responsible for an additional \$11.2 million in Citywide expenses and \$44.7 million for loans and grants.

Funding for the Department included revenues from the Department’s loan portfolio that continued to generate program income (principal outstanding as of June 2022 was \$595.1 million). Additional revenues come from various state and federal grants, with \$27.9 million in CARES funding. Loan repayments, interest, and miscellaneous revenues totaled \$47.5 million.

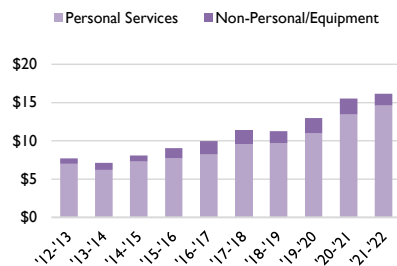
During the pandemic, Housing expanded services, including rental assistance and food distribution, as well as emergency sheltering, interim housing, and bridge housing communities. The Department has continued to support rental assistance and expanded sheltering.

2021-22 Housing Program Funds Received

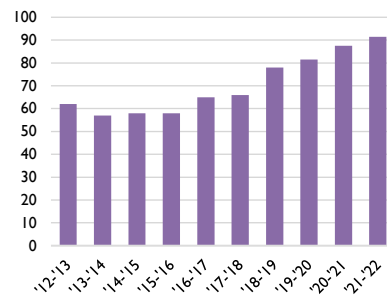
Measure E Property Transfer Tax	\$110,015,391
Loan Repayments, Interest, and Miscellaneous Revenues	\$47,453,190
Fees and Charges	\$40,250,095
Emergency Solutions Grant (ESG) CARES	\$23,350,438
Community Development Block Grant (CDBG)	\$9,964,729
Community Development Block Grant (CDBG) CARES	\$4,548,465
Homeless Housing Assistance and Prevention Grant	\$4,175,498
Rental Rights	\$2,688,320
Bond Administration Fee	\$2,514,409
HOME Investment Partnership Grant (HOME)	\$2,444,028
Housing Opportunities for People with AIDS (HOPWA)	\$2,059,091
Project Homekey	\$592,292
Emergency Solutions Grant (ESG)	\$570,019
HOPWA CARES	\$109,781
SB 2 Building Homes and Jobs Act	\$61,978
Total	\$250,797,726

Note: Total may not add due to rounding. Loan Repayments, Interest, and Miscellaneous Revenues was overstated in 2020-21 due to a large portion of fees and charges included under that category.

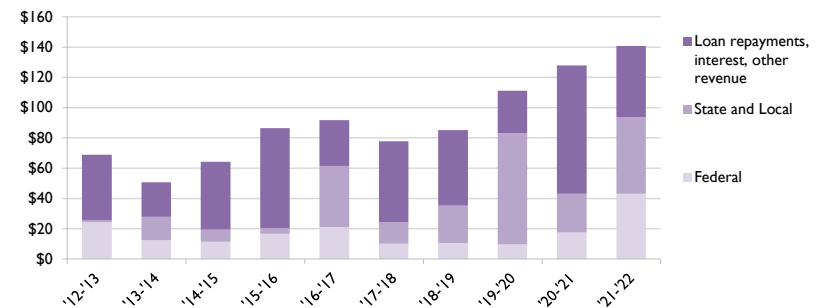
Housing Operating Expenditures (\$millions)



Housing Authorized Positions (\$millions)



Comparison of Funding Sources (\$millions)



AFFORDABLE HOUSING PRODUCTION & PRESERVATION

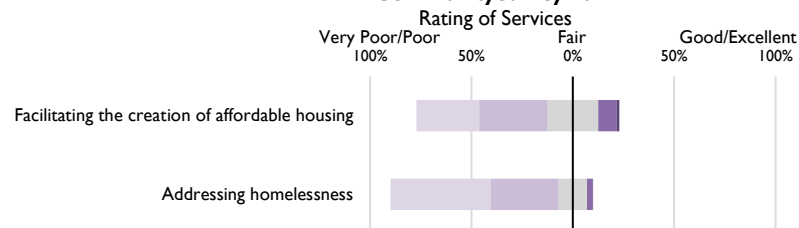
The availability of affordable housing has continued to be an area of concern for San José residents for a number of years. In 2022, only 3 percent of surveyed residents rated the City's efforts in addressing homelessness as "excellent" or "good;" only 10 percent rated the City's efforts to facilitate the creation of affordable housing as "excellent" or "good."

The City's efforts to increase the supply of affordable housing in San José include making loans to developers and authorizing conduit financing.* Developers completed 133 new affordable housing units with City help in 2021-22. For new projects under construction, the City committed an average per-unit subsidy of about \$134,875 (for 598 affordable housing units) in 2021-22. There are over 18,500 affordable housing units in San José.

Low-income homeowners whose homes are in need of repairs can qualify for City financial help. The Department no longer provides major rehabilitations, focusing instead on providing essential repairs. In 2021-22, the Department provided minor repairs for 222 households in partnership with Rebuilding Together Silicon Valley and Habitat for Humanity.

*For more information, see [Council Policy I-16](#) Policy for the Issuance of Multifamily Housing Revenue Bonds.

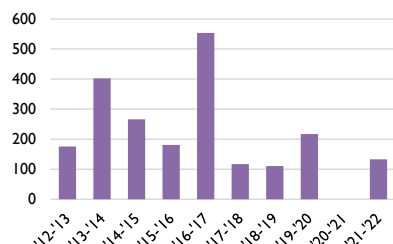
CommunitySurvey 2022



Select Housing Policy Initiatives

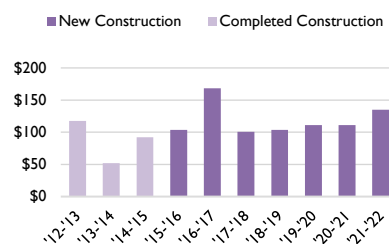
- **Anti-Displacement Strategy** to prevent and mitigate displacement of lower-income San José residents
- **Affordable Housing Siting Policy** to align affordable housing siting patterns with fair housing principles by increasing housing in higher opportunity neighborhoods, mitigating displacement, and reducing disparities in resources
- **Diridon Affordable Housing Implementation Plan** in light of large-scale investments at Diridon station and the Google development, this plan outlines a strategy for affordable housing production and preservation, and renter protections

Number of Affordable Housing Units Completed with City Help in the Fiscal Year



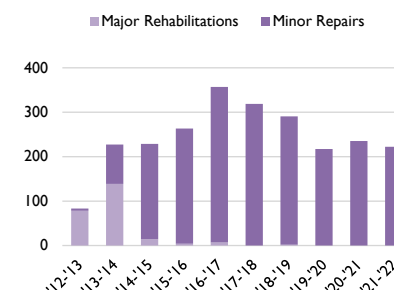
Note: No units were completed in 2020-21 due in part to cost and material shortages.

Average Per-Unit Subsidy for New Projects Under Construction (\$thousands)



Note: Prior to 2015-16, this measure was based on completed projects. It is now based on new construction only.

Rehabilitated Units



Note: Major rehabilitations are no longer provided.

HOUSING

HOMELESSNESS INTERVENTION

According to the 2022 San José Homeless Census and Survey, 6,650 San José residents were homeless when the census was conducted, including chronically homeless, youth, families with children, and veterans. Of these, 75 percent were unsheltered.

The Department provided \$65.8 million in grant funding (federal and state funding) to 17 service providers in 2021-22 as part of a region-wide effort to address homelessness. In 2021-22, 1,857 homeless San José residents were assisted into housing through the collective efforts of local jurisdictions and non-profit service providers. The Department received 5,686 calls and emails to its Homeless Concerns Hotline.

In 2021-22, the Services, Outreach, Assistance and Resources (SOAR) program provided street-based support and services to 16 of the City's largest encampments, at which 940 unduplicated individuals were served, and 33 percent moved to temporary or permanent housing.

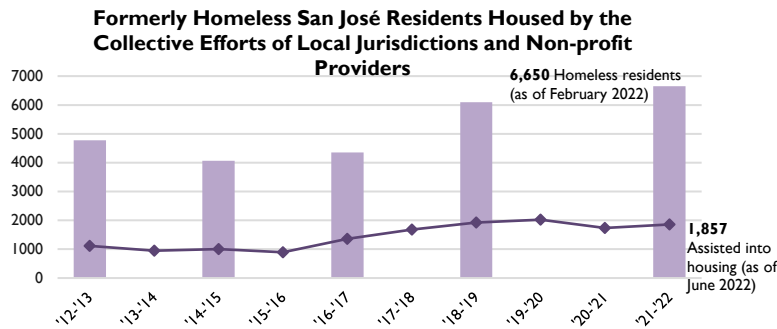
The City has five interim housing projects, two that are bridge housing communities (or BHCs, Mabury and Felipe) and three that are emergency interim housing (or EIHs, Monterey/Bernal, Rue Ferrari, and Evans Lane). These sites provide temporary shelter for individuals and families experiencing homelessness while they search for a permanent affordable home. In 2021-22, these sites served 742 individuals. A fourth EIH community is under construction near the Police Department headquarters.

Lastly, the Rapid Rehousing program helps households exit homelessness by providing limited or ongoing rental subsidies. In 2021-22, 373 individuals were enrolled and 47 percent of households that exited the program exited into permanent housing.

Interim Housing Communities

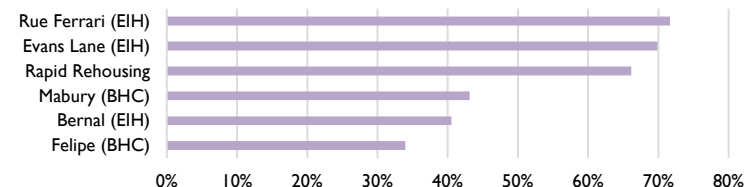


Source: Housing Department



Sources: San José Homeless Census and Survey (prepared by Applied Survey Research, 2022) and Santa Clara County Homeless Management Information System (HMIS). Note: The San José Homeless Census and Survey is conducted every two years. Due to COVID-19, it was not conducted in 2021.

% of Exited Participants who Successfully Exited to Permanent Housing



Note: Total number of participants who exited: Rue Ferrari EIH (N=67), Evans Lane EIH (N=73), Rapid Rehousing (N=121), Mabury BHC (N=51), Bernal EIH (N=74), and Felipe BHC (N=103).

HOUSING

NEIGHBORHOOD INVESTMENT & PUBLIC SERVICES

The Department received \$14.5 million in federal Community Development Block Grant (CDBG) program funds in 2021-22. CDBG funds are used for housing rehabilitation, fair housing, code enforcement, senior and homeless services, foreclosure prevention, and economic development services.

The Rent Stabilization Program oversees local ordinances providing limits on rent increases, just cause provisions, and requirements for removing apartments from the rental market. The program provides oversight of more than 39,000 rent-controlled units, or over a third of the city's rental housing units. In 2021-22, there were 98 tenant and landlord petitions filed. Thirty-seven percent resulted in an agreement between the tenant and landlord.

Tenants with pending state rent relief applications continued to have some limited protections from eviction through June 30, 2022. During 2021-22, in partnership with the County as well as other community partners, Housing's efforts helped connect 13,500 San José households and their landlords to \$156.3 million in federal emergency rental assistance funds.

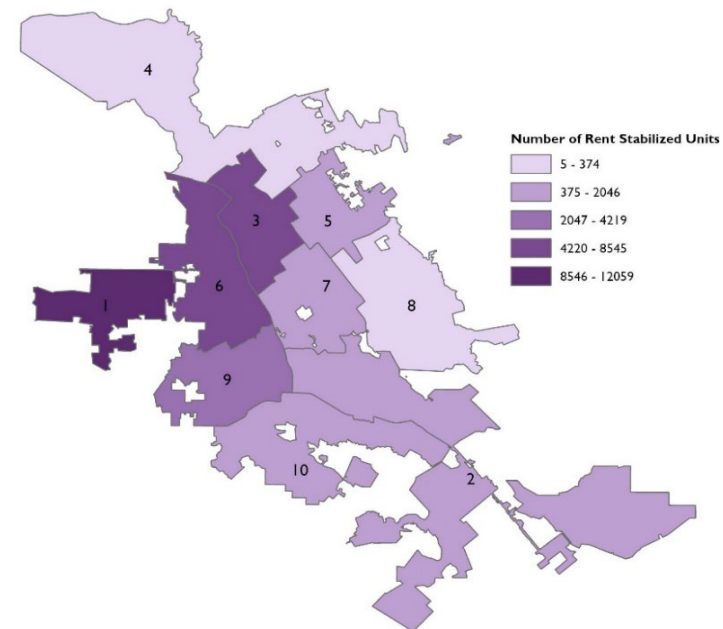
In September 2020, Council approved an Anti-Displacement Strategy. The Strategy focuses on steps the City can take to help prevent and mitigate displacement of lower income residents from San José. In August 2021, the City established two Eviction Prevention Help Centers which helped at least 1,600 San José households through the entire application process.

KEY FACTS (2021-22)

Median household income:	\$126,377
Annual income needed for a two bedroom apt. (avg. rent):	\$121,720
Annual income needed to afford median priced home:	\$341,814

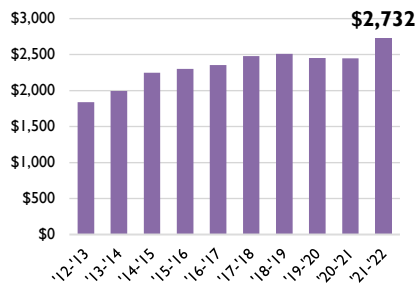
Sources: U.S. Census Bureau American Community Survey, 2021 1-year estimates; Housing Market Report for second quarter 2022.

Rent Stabilized Apartments in San José

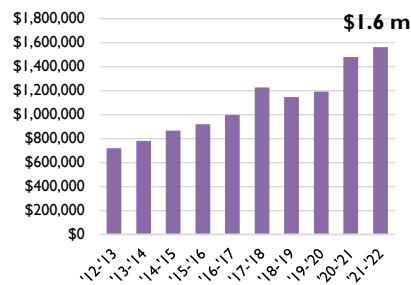


Source: Auditor map of San José rent stabilized units data as of November 2022.

Average Monthly Rent in San José



Median Single-Family Home Price



Sources: Housing Market Report for Second Quarter 2022; SCCAOR June 2022 report.
Note: Average monthly rent is for all market-rate unit types (excludes affordable units). Data provided by Costar as of July 2022. Prior years updated to reflect Costar data.

The mission of the Human Resources Department: Our Human Resource team recognizes that our Employees power the City of San José and our success as a City is dependent on our ability to create a dynamic and engaged workforce. Our employees' ability to provide excellent service is strengthened when we invest in attracting talent, providing opportunities for career growth, enabling an environment focused on health, safety, and wellness, and retaining a diverse workforce in a workplace that is equitable and inclusive.

HUMAN RESOURCES

The Human Resources Department (HR) manages employee benefits, employee health and safety, training and development, and employment services. In 2021-22, HR's operating expenditures totaled \$16 million, and included 42.5 positions. HR was also responsible for \$94.5 million in other costs, including payments to benefit providers and workers' compensation costs.

In 2021-22, HR facilitated the hiring of 381 new full-time employees (newly hired, reemployed, or rehired) and 623 internal appointments (promotions and transfers).

HR leads the City's "Powered by People" enterprise initiative. The initiative focuses, in part, on supporting employee retention, engagement, and advancement necessary to provide community services.

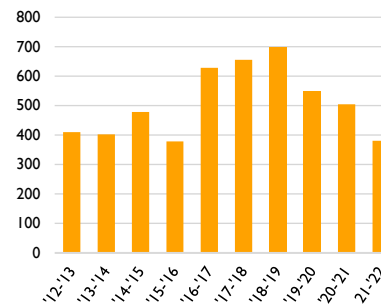
HR contracts with an outside vendor to administer the workers' compensation function. In 2021-22, there were 1,262 new claims and 2,575 open claims. Workers' compensation payments totaled \$24.3 million. Both new claims and payments were higher than previous years as a result of COVID-19 related claims.

HR also administers the City's Voluntary Employees' Beneficiary Association (VEBA) plan and the Tier 3 Retirement plan (3,727 and 55 active members, respectively, as of June 30, 2022), and continues to oversee the voluntary 457 deferred compensation plan. Seventy-three percent of eligible employees participated in the 457 plan in 2021-22, up slightly from a decade ago.

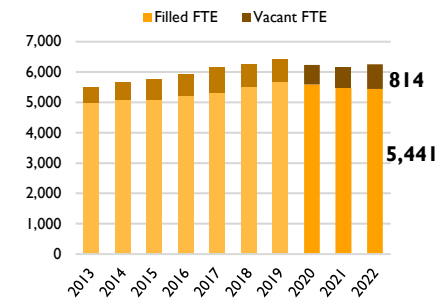
KEY FACTS (2021-22)

Benefited City employees (budgeted full-time equivalents)	6,255
Covered lives (active employees and dependents)	10,728
Percentage of employees with timely performance appraisals	
Non-management	45%
Management	94%
Turnover rate	
All employees (resignation, termination, retirements, etc.)	14%
Less retirements	11%

New Full-Time Hires (Citywide)

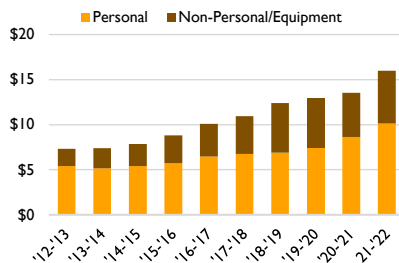


Citywide Full-Time Equivalent Positions (as of June 30)

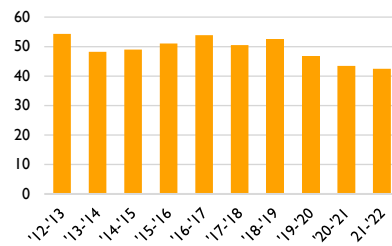


Note: 2019-2022 data reflects revised methodology.

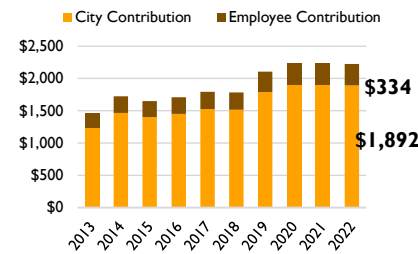
Human Resources Operating Expenditures (\$millions)



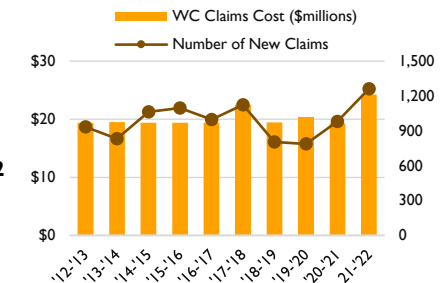
Human Resources Authorized Positions



Kaiser Family Plan Premium Rates



Workers' Compensation Payments & New Claims



Note: In 2017-18, the City Council approved outsourcing the City's worker compensation function.

INDEPENDENT POLICE AUDITOR

The mission of the San José Independent Police Auditor is to provide independent oversight of police misconduct investigations to ensure fairness, thoroughness, and objectivity.

INDEPENDENT POLICE AUDITOR

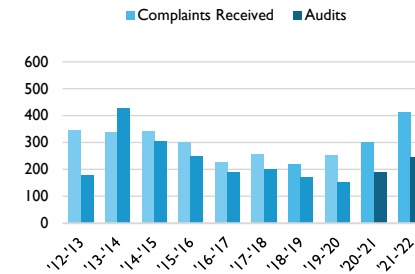
The Independent Police Auditor (IPA) provides the public with an objective review of police misconduct investigations in order to instill confidence in the complaint process and to provide independent oversight. In addition, the IPA conducts outreach to the San José community, proposes recommendations to improve San José Police Department (SJPD) policies and procedures, prepares annual public reports about complaint trends, and works to strengthen the relationship between the SJPD and the community it serves.

In 2021-22, the operating expenditures for the IPA totaled \$1.5 million, which includes personal and non-personal expenditures. The IPA added a new staff member in 2021-22 for a total of seven authorized positions.

In 2021-22, the IPA received 357 complaints from the public regarding SJPD officers and 54 SJPD-initiated complaints against its officers. During the COVID-19 pandemic, the IPA did not accept walk-in complaints. In September 2021, the IPA reopened to the public for limited in-person complaints, accepting walk-ins beginning in January 2022. In 2021-22, the IPA audited 245 complaints. Additionally, the IPA made 10 recommendations to change SJPD policy or procedure in 2021.

The IPA reached 2,627 people through 61 community events, meetings, media mentions, and other means in 2021-22. The IPA gave 28 presentations to immigrant and BIPOC (black, indigenous, and people of color) communities.

Complaints Received and IPA Audits



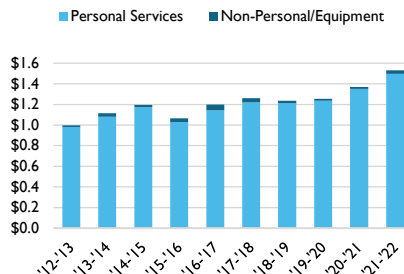
Note: Starting in 2020-21, "complaints received" include SJPD-issued complaints. Previously, the IPA only audited citizen-initiated complaints classified as "conduct complaints." In general, SJPD must complete its complaint investigation within one year from the date that the complaint was received. As such, complaints received in one fiscal year may not be closed and audited until the following fiscal year.

Changes to the IPA's Role

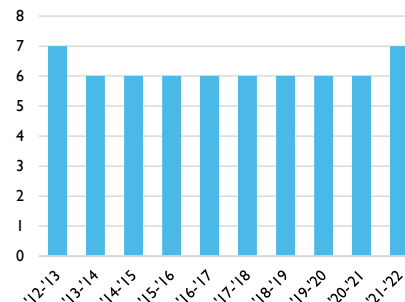
With the passage of Measure G in the November 2020 General Election, the IPA received more authority, such as being able to review and audit misconduct investigations initiated by SJPD against its sworn officers.

Following the period of civil unrest in summer 2020, the IPA office was also tasked with additional direction as part of the Police Reforms Work Plan, such as hiring consultants to conduct an After-Action Report as well as an analysis on SJPD's use of force.

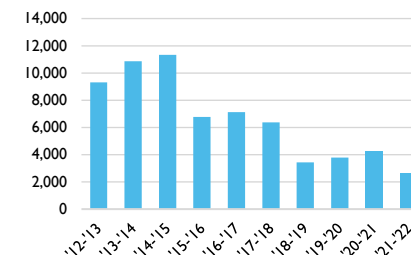
IPA Operating Expenditures (\$millions)



IPA Authorized Positions



Individuals Reached through Community Events/Meetings/Other Contacts



INFORMATION TECHNOLOGY

The mission of Information Technology is to deliver the technologies and data that help sustain an equitable, engaged, effective, and resilient City.

INFORMATION TECHNOLOGY

The Information Technology Department (IT) provides Citywide information and communications technology strategy and infrastructure that support municipal services. IT is responsible for Citywide cybersecurity, data administration, customer support, data/voice/video communications, and business applications such as the financial management, human resource information, payroll, and budget systems.

During 2021-22, IT completed various cybersecurity initiatives including monitoring against cyberattacks, enhancing response capabilities and practicing recovery of systems in a disaster. IT has continued its work to transition the City to hybrid work by implementing video conference equipment in public meeting rooms and building data service resiliency in the event of critical data center failures.

IT operating expenditures totaled \$26.5 million in 2021-22. IT was also responsible for \$1.2 million in Citywide expenses. Authorized staffing totaled 103 full-time equivalent positions, including 17 positions at the SJ311 customer contact center. IT's vacancy rate was over 19 percent on average in 2021-22.

IT aims to have network services (systems, voice, and network) and business applications achieve ≥ 99.9 and ≥ 99.8 percent uptime/availability. IT services met or almost met those targets in 2021-22.

In 2021-22, the City of San José was recognized by various industry groups, receiving 1st place in the Digital Cities Award and winning Government Experience Awards awarded by the Center for Digital Government.

KEY FACTS (2021-22)

SJ311 contacts	328,839
Service desk requests	23,536
Network outages	3
Enterprise servers	419

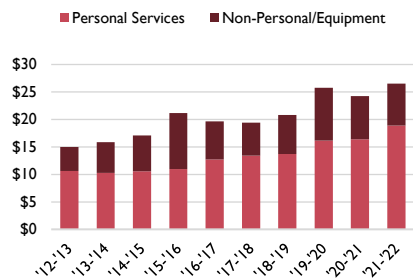
SJ311 contacts comprise all interactions IT handled via telephone, web, mobile, chatbot, and walk-ins. SJ311 also automatically routed an additional 242,700 service requests directly through the app.

IT Strategic Plan

IT developed the City's IT Strategic Plan for 2021-2023. The strategic plan supports the City Roadmap and was adopted by the City Council in August 2021. It features five strategic pillars to shape technology and innovation investments.

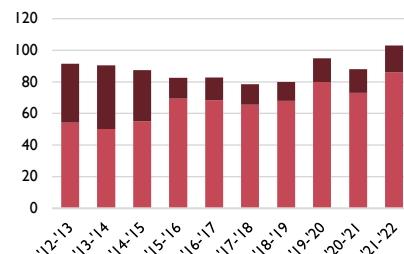
- 1. Enable Equity** – Champion equity solutions using technology and data to transform City services.
- 2. Secure the City** – Enable resilient City services against cybersecurity and natural disasters.
- 3. Optimize** – Use limited resources to maximize efficiencies and innovation.
- 4. Power Digital** – Support the City's workforce, public participation, and collaboration.
- 5. Partner** – Deliver City Roadmap priorities with masterful partnership and procurement.

IT Operating Expenditures (millions)

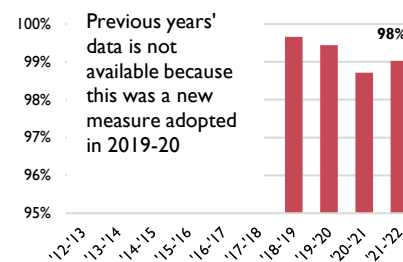


IT Authorized Positions

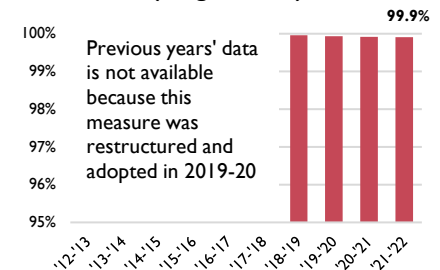
■ Non Call Center ■ Call Center



% Uptime and Availability for Business Applications (Target: 99.8%)



% Uptime and Availability for Systems, Network and Voice (Target: 99.9%)



SJ311 (FORMERLY CUSTOMER CONTACT CENTER)

San José 311 (SJ311) serves as the City's customer contact center providing the community with access to City services via phone and email (408/535-3500 or customerservice@sanjoseca.gov), web, mobile application, direct chat, and chatbot, as well as via the City Hall Information Desk. SJ311 is the primary point of City information and service access for residents, businesses, and employees. SJ311 staff are available to respond to resident queries during regular business hours and an answering service responds to resident questions after hours, routing emergency cases to on-call and standby City staff. Other departments also maintain small customer contact centers to respond to specialized resident concerns or questions.

In 2021-22, SJ311 received 302,000 contacts by telephone, 16,900 from the SJ311 mobile app that were handled by IT staff, and 5,000 by direct chat. Staff answered 99.73 percent of contacts received (target: 85 percent). Twenty-four percent of calls were self-service calls and redirected to a service provider or answered by the after-hours vendor. The average wait time for calls was 1 minute and 51 seconds (target: ≤3:00 minutes). We should note that there were about 242,700 service requests that were routed directly to other departments through the SJ311 portal and mobile app.

SJ311 has absorbed most Police and Fire Department non-emergency calls. In 2021-22, SJ311 handled more than 30,000 non-emergency service calls from the Police Department.

SJ311 Metrics

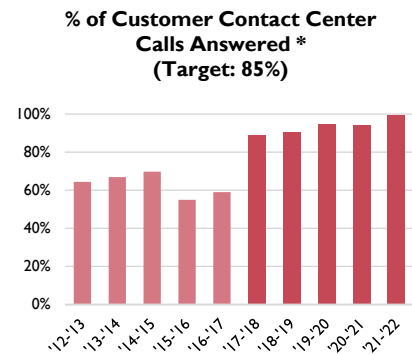
SJ311 allows residents to request City services through multiple channels, including the mobile application and website. Many requests feed directly into the relevant work order systems. Residents can file and track their service order requests through closure.*

- The SJ311 app had 158,400 registered users as of June 2022.
- In 2021-22, SJ311 received more than 259,000 service requests. The top three identified service requests, totaling approximately 126,000, were for abandoned vehicles, junk pickup, and graffiti.
- Since November 2020, SJ311 has provided language translation functionality. 546 unique users have accessed this functionality in 2021-22. At this time, translation is available in Spanish and Vietnamese.

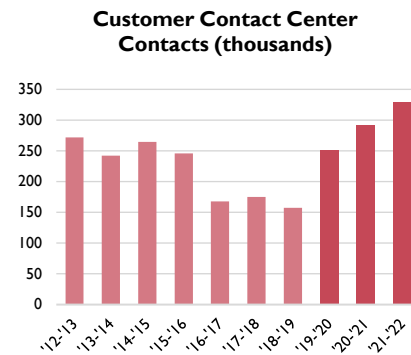
*Department staff consider a request closed when no further action will be performed on the request because the work was completed or staff cannot perform any additional work.



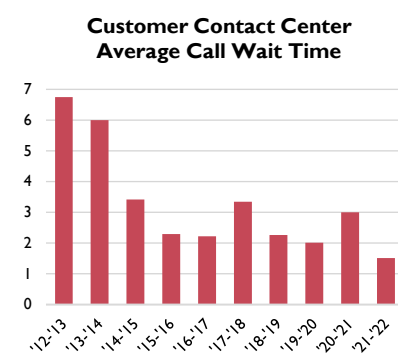
*Results based on an internal annual survey conducted by IT, in which 511 City employees responded.



Note: Starting 2017-18, data includes calls answered by staff, self-service calls, and after hours service. Previous years' data only included calls answered by staff.



Note: Starting 2019-20, data includes web requests, mobile, chatbot, and walk-ins.



The San José Public Library's mission is to enrich lives by fostering lifelong learning and by ensuring that every member of the community has access to a vast array of ideas and information.

LIBRARY

The San José Public Library (SJPL) consists of 25 libraries, including the main Dr. Martin Luther King, Jr. Library downtown, and branches in neighborhoods across the city. The Library offers materials in various formats and languages including books, CDs, DVDs, eBooks, online learning tools, and online database services. The Library also provides programs such as computer programming, English as a Second Language, citizenship classes, summer learning, literacy assistance, and story time. In addition to library services, SJPL leads two Citywide initiatives: the Education and Digital Literacy Strategy and SJ Access, a digital equity initiative.

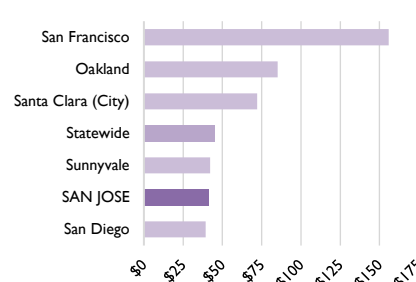
The City's libraries were open for about 48,000 hours in 2021-22, up from 7,000 hours last year due to reopening its buildings for indoor services post-COVID. The 2021-22 Adopted Budget restored library hours to 47 hours per week for 13 branches serving underresourced neighborhoods. Mount Pleasant remained at 24 hours per week, and other branches continued to offer 43 hours of service per week. Dr. Martin Luther King Jr. Library operated for 73 hours per week, down from 77 hours pre-pandemic. In October 2022, the Library expanded service days to include Sundays at 16 branches. The Library also offers eResources so residents may borrow digital books and resources online at any time through the Library's website at sjpl.org.

In 2021-22, the Library's operating expenditures totaled \$49.7 million. This includes personal and non-personal expenditures. The Library was responsible for an additional \$4.3 million in Citywide expenses. Staffing totaled 365 full-time equivalent (FTE) authorized positions, with a total of 538 staff. Volunteers contributed about 22,000 hours to the Library in 2021-22, including math and coding tutoring, and reading to young children.

KEY FACTS (2021-22)

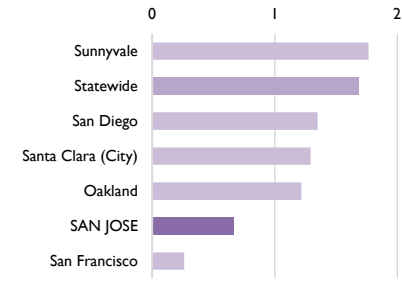
Libraries open	25
Total library materials	3,470,097
Number of eBooks/eMedia available to users	1,480,997
Number of items checked out (including eBooks)	6,904,760
Number of registered borrowers	698,130
Number of reference questions	293,364

Expenditures Per Capita (2020-21)



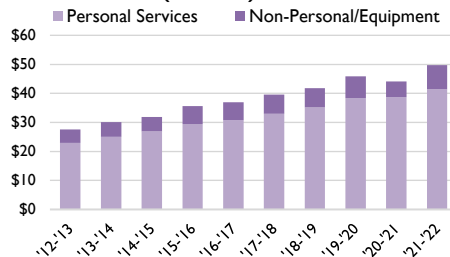
Source: [California State Library, 2020-21 Summary Data](#) (most recent available data)

Hours Open Per 100 City Residents (2020-21)

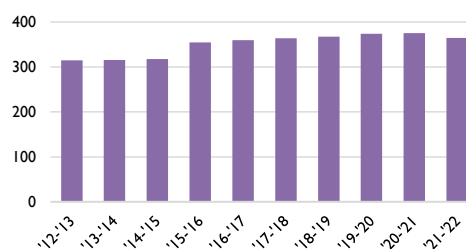


Source: [California State Library, 2020-21 Summary Data](#) (most recent available data)
Note: City residents refers to people in legal area. Open hours were impacted due to COVID-19 closures. In 2018-19, libraries were open 5.8 hours per 100 people in San

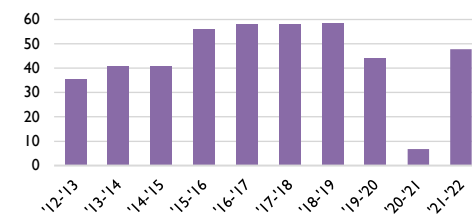
Library Operating Expenditures (millions)



Library Authorized Positions



Total Hours Open Annually (thousands)



Note: Open hours in 2020-21 were impacted due to COVID-19 library branch closures.

LIBRARY COLLECTION AND CIRCULATION

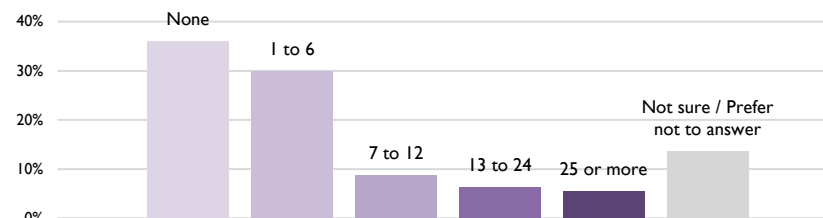
In 2021-22, the Library's collection totaled over 3.4 million items, including nearly 1.7 million print materials (such as books and periodicals), and over 1.4 million eResources (eBooks, eMagazines, eMusic, eMovies, and online learning tools). The Library also provides access to subscription-based online resources on a variety of topics, such as career development, technology training, consumer resources, language learning, and online high school classes.

The latest available comparison data shows that San José's 2020-21 materials per capita (excluding eBooks) was higher than the statewide mean. Overall, total circulation in 2021-22 (including eBooks) was 6.9 million, an increase from 3.8 million last year due to reopenings following COVID-19 closures. eResource circulation (eBooks and eMedia) totaled 1.4 million in 2021-22.

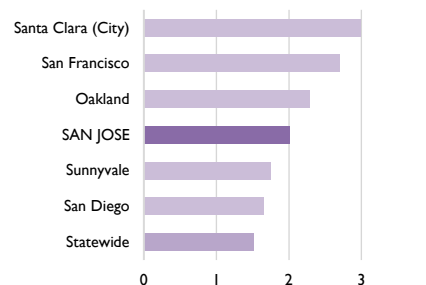
Fifty percent of respondents to the community survey indicated they, or someone in their household, used San José libraries at least once in the last 12 months. Library borrowers placed about 570,000 online holds to reserve materials in 2021-22, down from 1 million but returning to pre-pandemic levels. Library reports that patrons placed fewer holds with the reopening of Library branches and the discontinuation of the Express Pickup service offered during the pandemic.

About 11 percent of the Library's collection comprises materials in languages other than English (nearly 400,000 items). The Library actively collects materials in 19 languages, including Spanish, Vietnamese, Chinese, Hindi, Persian, Tagalog, Russian, Korean, and Japanese. In total, the Library maintains materials in 94 non-English languages.

Community Survey 2022
Visited San José Library or used the City's library services online

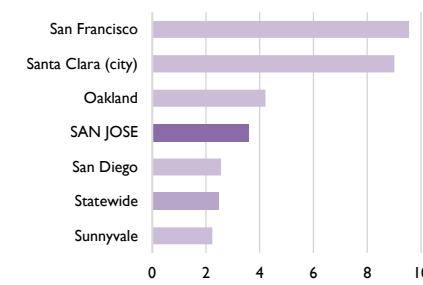


Materials Per Capita (2020-21)



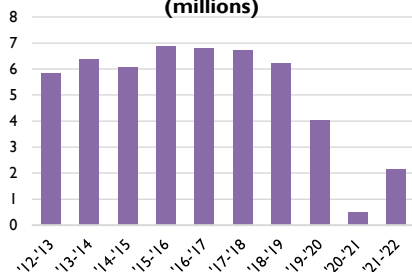
Source: [California State Library, 2020-21 Summary Data](#) (most recent available data)
Note: Refers to physical materials.

Circulation Per Capita (2020-21)

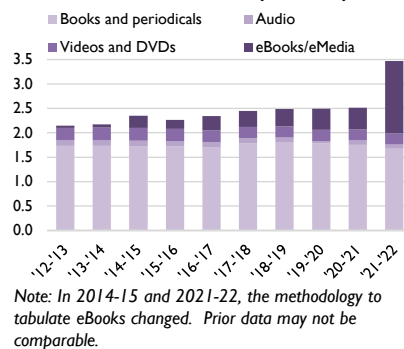


Source: [California State Library, 2020-21 Summary Data](#) (most recent available data)
Note: Includes eBooks. Circulation per capita may have been impacted by COVID-19 closures.

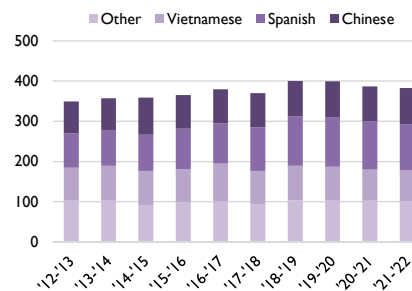
Number of Estimated Visitors to Main and Branch Libraries (millions)



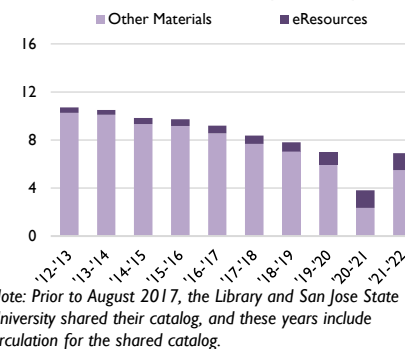
Total Collection (millions)



Non-English Collection (thousands)



Total Circulation (millions)



LIBRARY

The Library promotes reading and literacy, supports school readiness, and leads the City's Education and Digital Literacy Initiative, which was adopted in 2018. Programs include preschool and early education initiatives, story time, summer learning, digital literacy, adult and family literacy programs, and more. More information about Library programs can be found at sjpl.org/events.

In 2021-22, libraries offered about 10,000 programs, with total attendance over 259,000. SJPL Works, the Library's business and workforce development center, offered 450 business programs, with over 1,500 participants attending in-person and virtual sessions. In 2021-22, over 19,000 children and youth participated in a coding, computer science, or technology program at City libraries.

In 2021-22, the Library's Family, Friend, and Neighborhood Caregiver Support Program provided professional development support to 106 individuals caring for children. The Library also led the Resilience Corps Learning Pathway program, a job program where 61 young adults provided child learning opportunities through social-emotional learning, academics, and recreation for K-12 students in San José. The program is continuing into 2022-23.

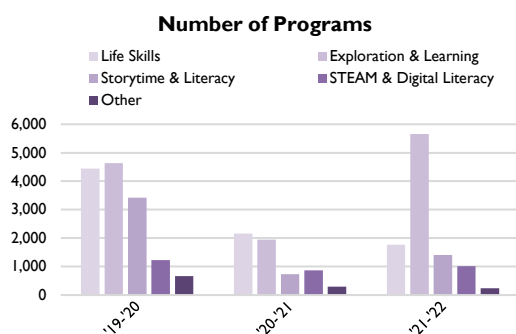
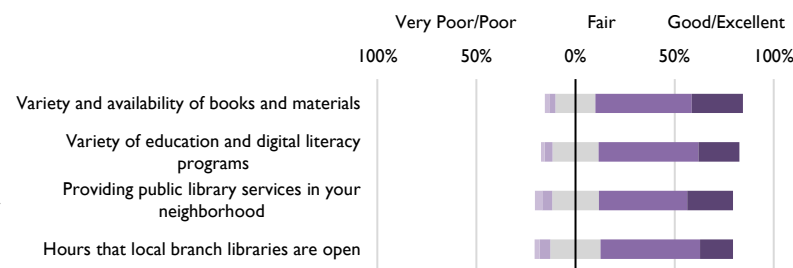
The Library continues to lead the citywide Digital Equity City Roadmap item, SJ Access. In 2021-22, the Library provided 7,425 hotspots and 2,250 computing devices for checkout at 25 library locations. The SJ Access program also supports Community WiFi and digital literacy programming.

See *CSA Dashboard chapter for additional measures related to Library activities*.

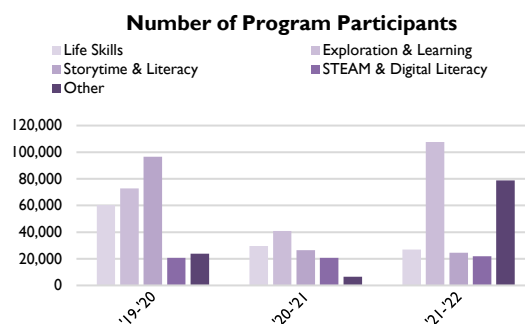


Source: San José Library Department.

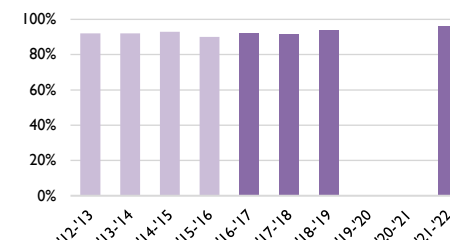
Community Survey 2022
Rating of Services



Note: Due to COVID-19, the number of programs offered were limited.



Percent of Library Customers Rating Staff Assistance as Good or Excellent



Source: Library customer surveys.

Note: Due to COVID-19, Library did not conduct surveys in 2019-20 and 2020-21. In 2016-17, the methodology to tabulate staff assistance changed. Prior data may not be comparable.

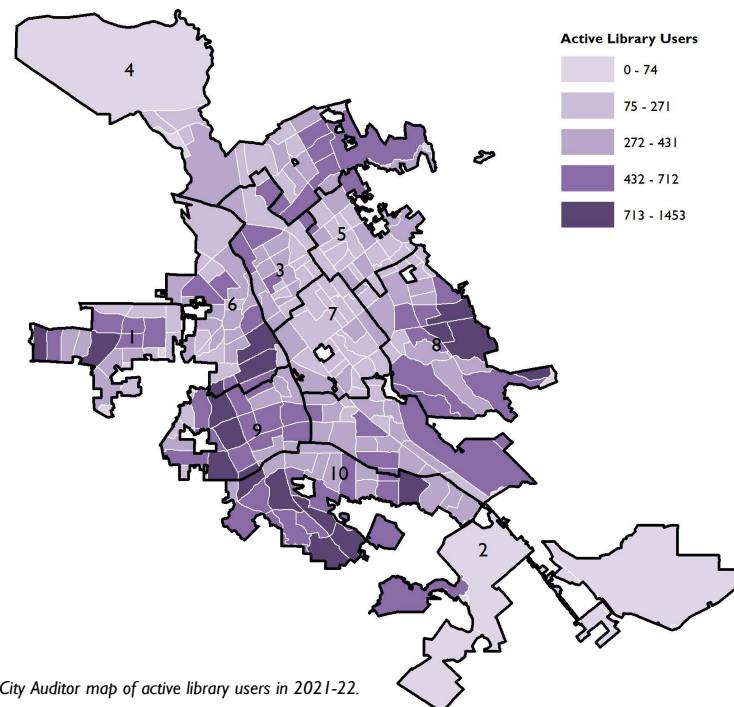
SAN JOSE BRANCH LIBRARY OPERATION

In 2021-22, City libraries had over 2 million visitors, an increase of over 1.6 million from last year, largely due to the reopening of City libraries in August 2021. Over 531,000 visitors went to the Dr. Martin Luther King, Jr. main library. The Library also operates a Bridge Library Program to serve neighborhoods without ready access to branch libraries. Historically, circulation and the number of visitors vary significantly across locations.

The Library offers WiFi services that enable customers to use their own devices, and in 2021-22, about 2.6 million WiFi sessions were held via branch library WiFi. There were also over 156,000 computer sessions on library-owned computers.

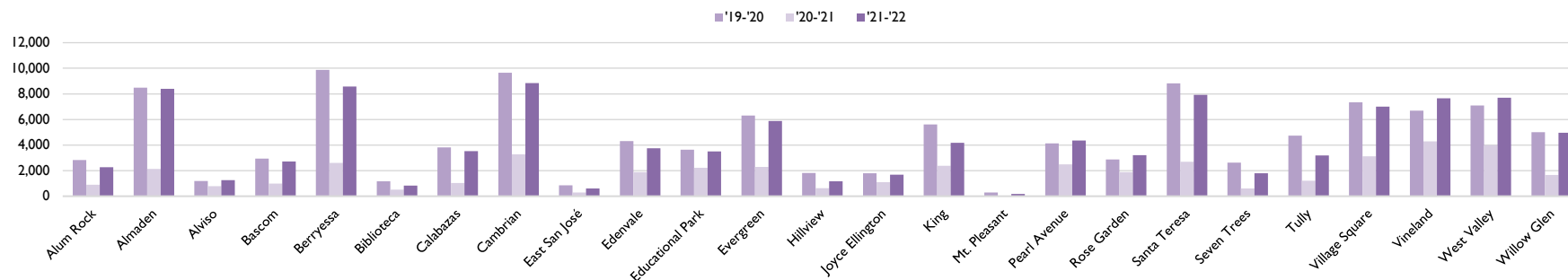
Visitors can also check out laptops and tablets for in-library use. Since August 2020, laptops and hotspots have become available for at-home use. Hotspots are available for checkout at all locations.

Active Library Card Users



Source: City Auditor map of active library users in 2021-22.

Branch Library Circulation (thousands)



PARKS, RECREATION AND NEIGHBORHOOD SERVICES

The mission of Parks, Recreation and Neighborhood Services is connecting people through parks, recreation and neighborhood services for an active San José.

PARKS, RECREATION AND NEIGHBORHOOD SERVICES

The Parks, Recreation and Neighborhood Services Department (PRNS) operates the City's regional and neighborhood parks, as well as facilities such as Happy Hollow Park & Zoo. PRNS also operates community and recreation centers and provides various recreation, community service, and other programs for the City's residents. PRNS offers programs and services for children, youth, teens, adults, seniors, and people with disabilities.

In 2021-22, PRNS operating expenditures totaled \$97.3 million. This included personal and non-personal/equipment expenditures. PRNS was also responsible for additional costs, including \$12.1 million in Citywide expenses. Staffing totaled 775 authorized positions, 33 more positions than in 2020-21. In 2021-22, the City consolidated management of BeautifySJ into PRNS, adding 26 positions. BeautifySJ program areas include anti-graffiti and anti-litter, illegal dumping, and homeless encampment trash services and abatement.

For 2021-22, PRNS reported its direct program cost recovery rate was 28 percent. Program fees, which accounted for 59 percent of collected revenues, totaled \$16 million, up from the prior year's low of \$2 million. [Happy Hollow Park & Zoo](#) served 311,300 visitors and generated \$6.5 million in revenues in 2021-22, up from the previous year's revenues of \$925,000 but not back up to pre-COVID revenues of more than \$7 million. Happy Hollow Park & Zoo remained closed Mondays and Tuesdays. In the previous fiscal year, the Zoo was closed Sunday through Wednesday.

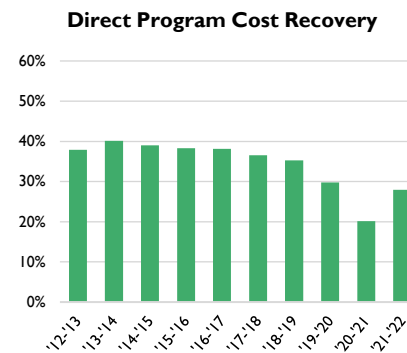
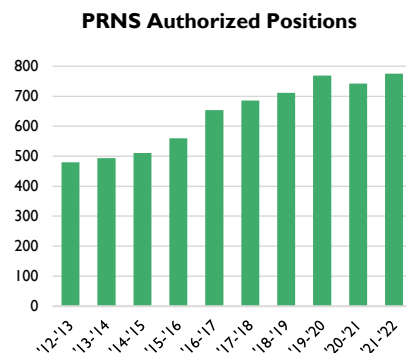
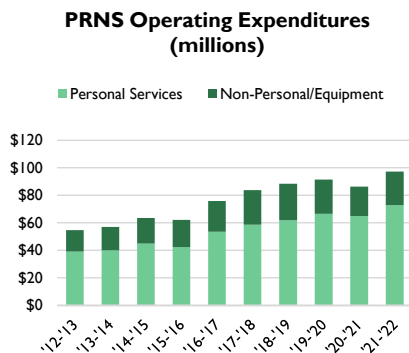
Graduation ceremony for the preschool program at the Calabazas Community Center



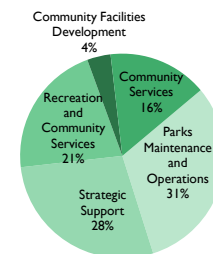
R.O.C.K. 'N' Learn program at the Berryessa Community Center



Source: PRNS



PRNS Operating Budget Breakdown



PARKS, RECREATION AND NEIGHBORHOOD SERVICES

PARKS

The City has 200 neighborhood and 10 regional parks, as well as other facilities, such as community gardens, trails, swimming pools, and skate parks. Excluding golf courses, the developed portion of these facilities covered 1,795 acres. There were an additional 1,501 acres of open space and undeveloped land. For more information on City parks see our 2020 audit, [Park Maintenance: Improved Data Collection and Analysis Would Enhance Park Maintenance Operations](#).

The City's General Fund cost to maintain developed parkland was \$14,234 per acre. This was lower than last year due to department vacancies. See the *CSA Dashboards* chapter for additional information on park condition.

In 2021-22, the five-year Parks and Community Facilities Development Capital Improvement Program (CIP) allocated \$355 million to parks for 2022 to 2026. PRNS estimates it has a deferred maintenance and unfunded infrastructure backlog totaling approximately \$464 million for regional park facilities, community buildings, regional facilities, trails, and park restrooms.

The [City Trail Network](#) is composed of 40 unique trail systems that are intended to interconnect as further development occurs. The 2021-22 network included 63.23 miles of trails that were open to the public (about 86 percent paved). An additional 82.46 miles have been identified or are being studied for further development, or are in the planning phases of development.

KEY FACTS (2021-22)

Neighborhood Parks (200 parks)	1,233 acres
Regional Parks (10 parks)	562 acres
Golf Courses (3 courses)	321 acres*
Open space and undeveloped land	1,501 acres
Total	3,617 acres**

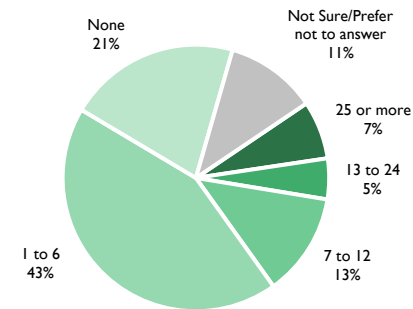
For list of City parks see: [List of parks and playgrounds](#)

*Does not include 50 acres open space.

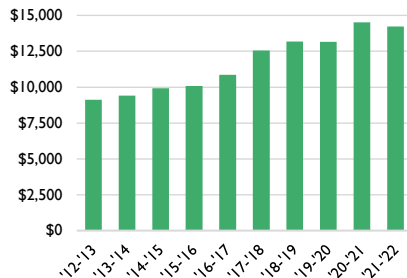
**State, county, or other public lands within San José's boundaries are not included in the above figures.

Community Survey 2022

Visited a large regional park in San José (not including local neighborhood parks)

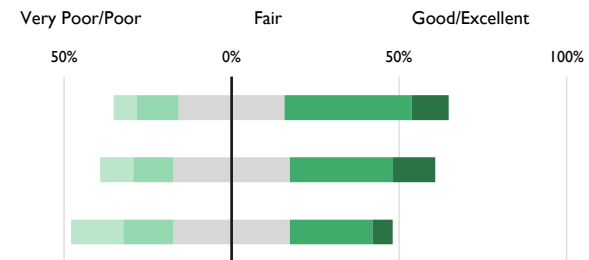
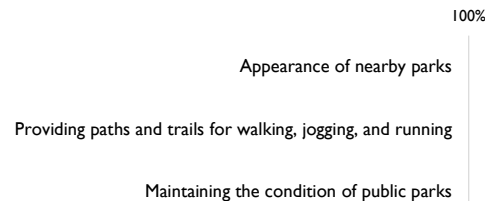


Cost per Acre to Maintain Parks and Other Facilities



Community Survey 2022

Ratings of Neighborhood Characteristics and City Services



PARKS, RECREATION AND NEIGHBORHOOD SERVICES

RECREATION PROGRAMS AND COMMUNITY CENTERS

PRNS program offerings include, but are not limited to, after-school programs, camps, aquatic programs, arts and crafts, dance, early childhood education, health and fitness programs, sports, therapeutic classes designed for persons with disabilities, and programs for seniors. For a list of all programs and classes, see [Community Center Brochures](#).

In 2021-22, the City operated 16 community centers throughout the city. Three of those centers are combination community centers and libraries. In 2021-22, PRNS also managed 31 additional Neighborhood Center Partner Program sites which were operated by community partners in the role of lead operator or service provider. These sites, formerly known as reuse sites, are generally operated by nonprofits, neighborhood associations, school districts, or other government agencies or community service providers.

PRNS provided nearly \$2.5 million in scholarships to individuals for its various programs such as Camp San José, Camp San José Strong, and R.O.C.K. afterschool program.

As most services reopened after the COVID-19 closure, community ratings for recreational services increased from the previous year.

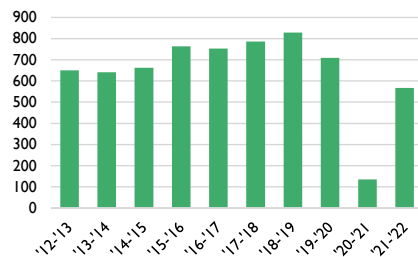
See the *CSA Dashboards* chapter for results of recreation program participant surveys.

KEY FACTS (2021-22)

Community centers (including Neighborhood Center Partner Program sites)	47
Community center square footage	547,704 sq. ft.
Average weekly hours open (hub community centers)	49
Estimated participation at City-run programs*	567,590

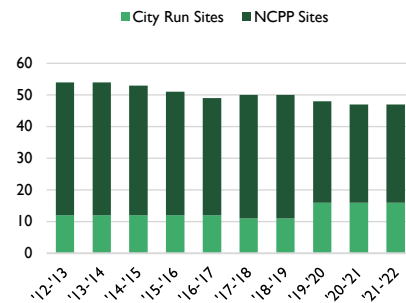
*This is a duplicated count (i.e. individuals are counted for each program attended).

Estimated Participation in Programs at City-Operated Community Centers (thousands)



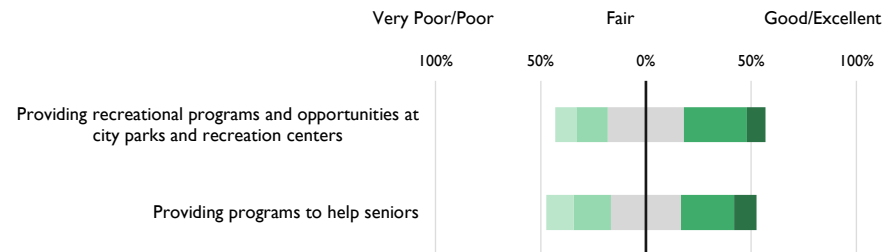
Note: The decrease in 2020-21 is due to the County's public health orders in response to COVID-19.

Community Centers



Note: In 2019, PRNS rebranded the "Reuse Program" to the "Neighborhood Center Partner Program (NCPP)."

Community Survey 2022
Rating of Services



PARKS, RECREATION AND NEIGHBORHOOD SERVICES

RECREATION PROGRAMS AND COMMUNITY CENTERS (continued)

City of San José Community Centers Map



Source: Auditor generated based on Public Works and PRNS data

Note: In 2019, PRNS rebranded the "Reuse Program" to the "Neighborhood Center Partner Program." Currently there are 31 sites in the Neighborhood Center Partner Program with an additional 16 sites that are City-operated.

Alma Community Center



Almaden Harvest Festival



Source: PRNS

PARKS, RECREATION AND NEIGHBORHOOD SERVICES

COMMUNITY SERVICES

PRNS also provides a number of community services and programs including anti-graffiti and anti-litter, illegal dumping, and homeless encampment trash collection and abatement, gang prevention and intervention, and others.

The San José Youth Empowerment Alliance* has service components such as the Bringing Everyone's Strengths Together (B.E.S.T.) program, Youth Intervention Services, the Safe Schools Campus Initiative (SSCI), and the Safe Summer Initiative Grants (SSIG) providing services to at-risk youth and their families.** In 2021-22, the SSCI team responded to 446 incidents. There were an estimated 2,400 participants in programs offered by community based organizations that received B.E.S.T. grants. B.E.S.T. program expenditures for 2021-22 were \$5.5 million, of which \$2.7 million were for B.E.S.T grants and SSIG.

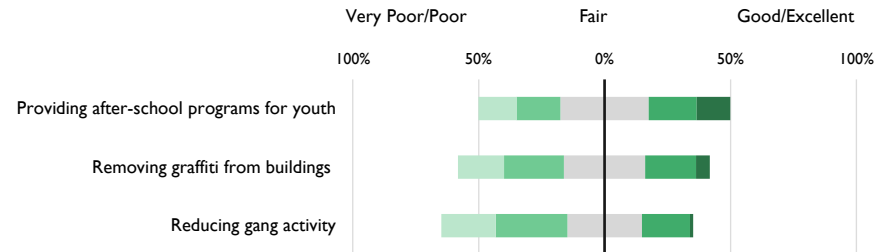
In 2021-22, the City's contractor completed 26,990 graffiti removal work orders. The community survey reports that 26 percent of residents viewed graffiti removal services as "good" or "excellent." BeautifySJ conducted about 70 encampment cleanups throughout the city. Over 300 participants signed up for the City's Cash for Trash program. This program helps mitigate blight in San José by providing incentives to unhoused residents to pick up trash at encampments.

* Formerly known as the Mayor's Gang Prevention Task Force (MGPTF)

** SSCI is a partnership between school districts and the City to address violence-related issues in schools.

Community Survey 2022

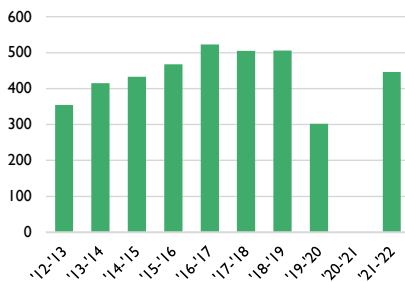
Ratings of Services



Beautify San José

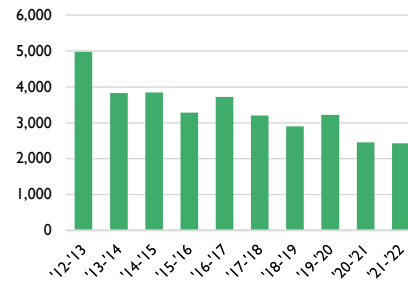
Beginning in 2021-22, the City consolidated the Beautify San José (BeautifySJ) program within PRNS. The program is intended to provide dedicated and enhanced focus on ridding the city of blight. The consolidation added 26 new positions and other funding and created a new Community Services Division to address illegal dumping, homeless encampment trash collection and abatement, youth gang prevention and intervention services, and support litter cleanup and graffiti abatement. A portion of this funding was one-time resources from the American Rescue Plan Fund.

Incidents Responses on Safe School Campuses

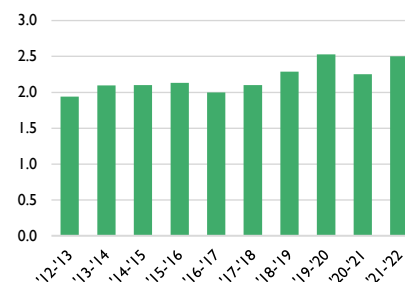


Note: In 2020-21 there were no SSCI responses due to COVID-19 school closures.

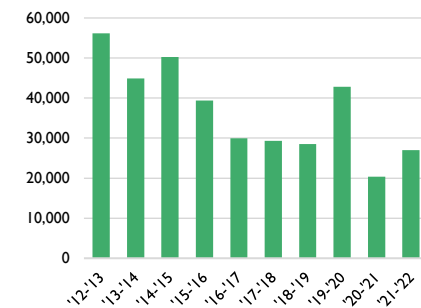
Participants in Grant-Funded B.E.S.T. Youth Service Program



Estimated Square Feet of Graffiti Eradicated (millions)



Graffiti Workorders Completed



PLANNING, BUILDING AND CODE ENFORCEMENT

The mission of the Planning, Building and Code Enforcement Department is to facilitate the preservation and building of a safe, attractive, vibrant and sustainable San José through partnership with and exceptional service to our diverse communities and customers.

PLANNING, BUILDING AND CODE ENFORCEMENT

The Planning, Building and Code Enforcement Department (PBCE) guides the physical development of San José. Through its three divisions, it reviews construction applications and issues permits for consistency with law and policy. PBCE's 2021-22 operating expenditures totaled \$51.3 million. This includes personal and non-personal expenditures. The Department was also responsible for roughly \$2.2 million in Citywide expenses. PBCE had 299 authorized positions, a reduction of 37.5 positions since 2019-20.

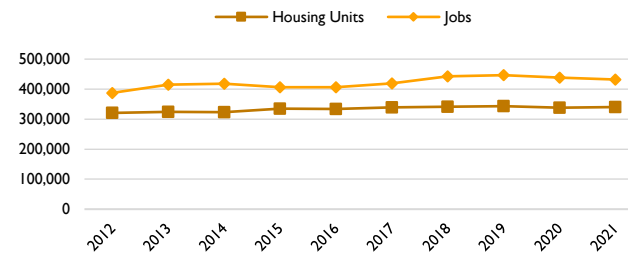
Under the collaborative umbrella of Development Services, PBCE works with other City departments to permit new development. Subsequent pages of this chapter discuss Development Services.

PLANNING

PBCE's Planning Division administers the City's long-range planning projects and processes land development applications to match the City's planning goals. The [Envision San José 2040 General Plan](#) identifies 12 major strategies that promote active, walkable, bicycle-friendly, transit-oriented, mixed-use urban settings for new housing and job growth. PBCE reviews the major strategies of the General Plan during both an annual hearing and its regular four-year major plan review.* See the Development Services pages of this chapter for more on the Planning Division's work. Also see [San José: A Community Guide](#) online.

*PBCE's most recent review of the major strategies within the General Plan can be accessed from [PBCE's website](#).

San José Housing Units and Jobs

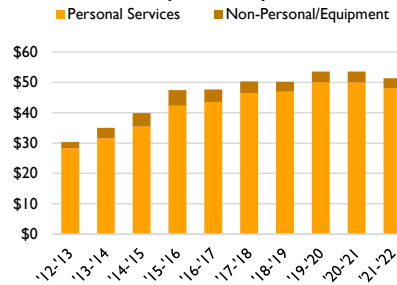


Source: American Community Survey, U.S. Census Bureau

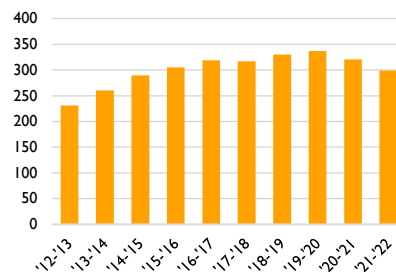
Select Planning Updates

Parking and Transportation Demand Management: In 2022, the City Council approved a zoning update to allow developers to “right size” their parking by no longer requiring that they provide an arbitrary minimum amount of parking. This update will also require Transportation Demand Management (TDM) which are measures developments must take to make a variety of transportation options more attractive.

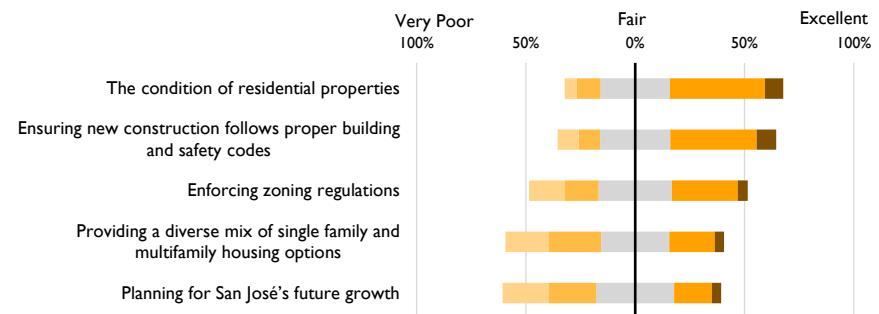
PBCE Operating Expenditures (\$millions)



PBCE Authorized Positions



Community Survey 2022
Ratings of Services

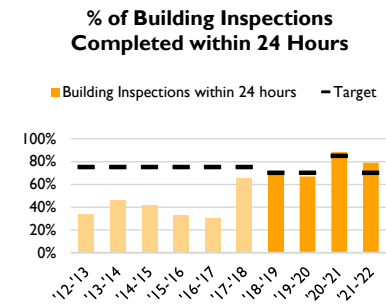
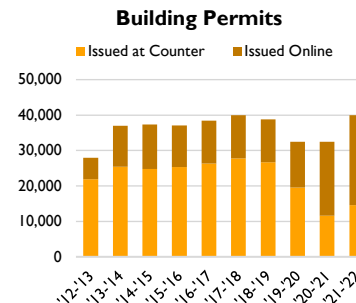


PLANNING, BUILDING AND CODE ENFORCEMENT

BUILDING

PBCE's Building Division reviews new construction projects within the city, ensuring they meet health and safety codes and City zoning requirements. The Division completed 61 percent of plan checks within cycle times (target: 85 percent) and 79 percent of building inspections within its goal of 24 hours (target: 70 percent).

See *Development Services* on the next page for more on the Building Division's work. Also see the *CSA Dashboard* chapter for additional performance measures.



Note: Beginning in '17-'18, data excludes inspections specifically requested for > 24 hours as missed targets.

CODE ENFORCEMENT

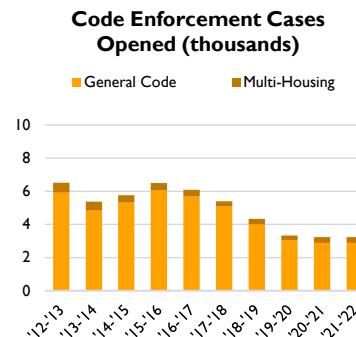
PBCE's Code Enforcement Division enforces laws that promote the health, safety, and appearance of existing buildings and neighborhoods. It also inspects businesses, such as those selling alcohol or tobacco; property and business owners fund these inspections with fees.

In 2021-22, PBCE opened 2,882 general code enforcement cases, including 48 emergency complaints and 706 priority complaints. Code Enforcement staff responded to 84 percent of emergency complaints within 24 hours (target: 100 percent) and 66 percent of priority complaints within 72 hours (target: 75 percent).^{*} Code Enforcement sends letters in response to other types of complaints and only responds in-person as appropriate.

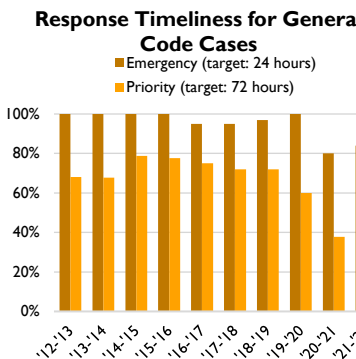
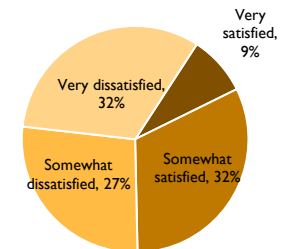
Code Enforcement has a risk-based, tiered Multiple Housing Inspection Program whereby more frequent inspections are targeted to properties at higher risk of violations. In 2021-22, Code Enforcement inspected 4,476 housing units out of the estimated 103,981 units on the Multiple Housing Roster.

^{*}Emergency complaints involve an immediate threat to life or property, such as an unsecured pool fence. Priority complaints involve possible threats to life or property, such as unpermitted construction. The proportions of such complaints that met response targets—84 percent and 66 percent, respectively, as noted above—are averages of monthly results.

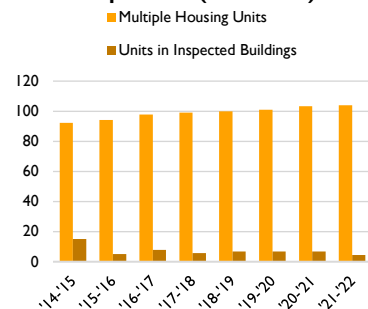
For more information on Code Enforcement performance measures, see our 2021 audit, [Code Enforcement Management Controls: Improvements to Oversight and Coordination Needed](#).



Community Survey 2022
Residents' rating of the City's efforts to enforce code violations



Multiple Housing Units and Inspections (thousands)



DEVELOPMENT SERVICES

The Permit Center in City Hall provides one-stop permit services for new building projects and changes to existing structures.

The **Development Services partners** in the Permit Center are the:

- Planning Division,
- Building Division,
- Public Works Department (*also see Public Works chapter*), and
- Fire Department (*also see Fire chapter*).

In 2021-22, Development Services:

- issued nearly 40,000 permits (25,400 online), and
- processed about 5,600 planning applications.

Due in part to the COVID-19 emergency, building inspections have decreased year to year since 2018-19, while the total number of building permits issued and plan checks completed have returned to or exceed pre-COVID levels. The Permit Center has been closed to in-person customers from mid-March 2020 to August 2022. The Department reports it has been working to transition permit issuance from an in-person process to a blended virtual/online process.

The volume of construction decreased for the fifth straight year. Additionally, the value of construction decreased slightly in 2021-22 from the prior year.

The Permit Center located in City Hall

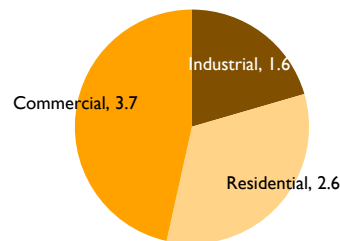


Source: Auditor photo from Fall 2019

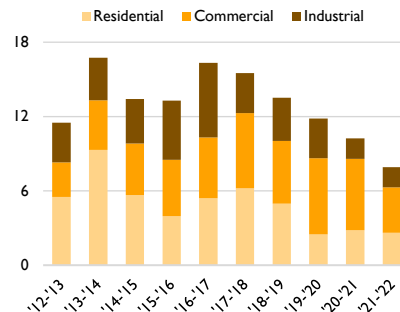
Partner	Revenue (\$millions)	Positions
Building	\$32.18	158.16
Public Works	\$13.00	66.23
Fire	\$7.54	54.86
Planning	\$6.71	34.4
TOTAL	\$59.42	313.65

Source: 2021-22 Modified Budget as outlined in the City's 2022-23 Adopted Operating Budget. Total may not sum due to rounding.

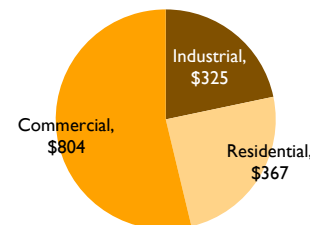
Volume of Building Activity
(millions of square feet)



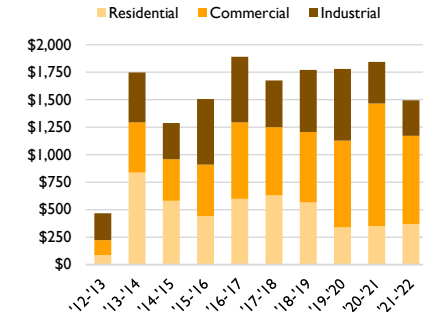
Volume of Construction
(millions of square feet)



Value of Building Activity
(\$millions)



Value of Construction
(\$millions)

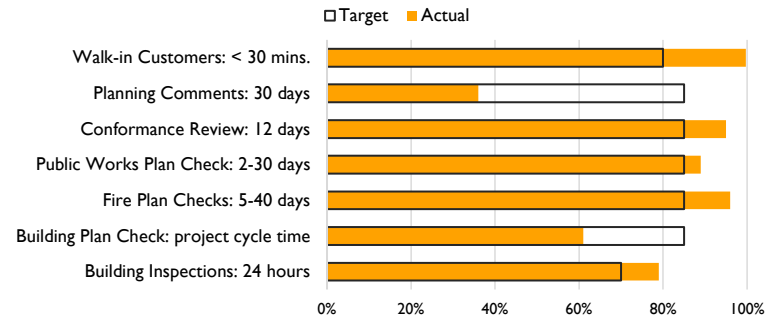


Development Services projects vary broadly, from replacing a residential water heater to large, mixed-use developments of many thousands of square feet. One project may require multiple permits and inspections. Some projects require approval through a public hearing, but most require only administrative approval. Projects only go through Public Works or the Fire Department when they have impacts 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.

The City offers a number of programs to expedite project delivery for companies, small businesses, and homeowners. However, turnaround times continue to be a primary concern. 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 four of the Development Services partners. Five of the seven selected development processes met their annual timeliness targets.

(See CSA Dashboards chapter for additional performance measures for development services.)

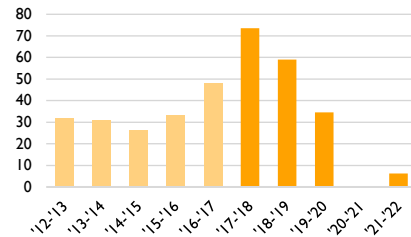
Timeliness of Development Services*



Source: PBCE from the City's permits database.

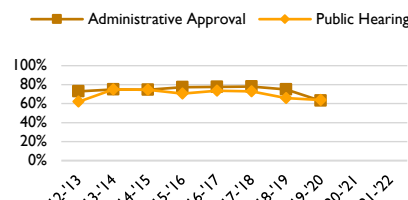
*These selected measures may occur simultaneously; some are dependent on completion of particular processes. For other Fire and Public Works measures related to Development Services, see the Fire and Public Works chapters.

Permit Center Customers Served (thousands)



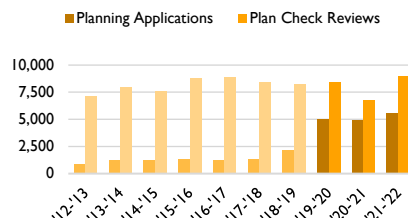
Note: Due to COVID-19, City Hall was closed to customers in 2020-21. In 2017-18, PBCE changed their methodology to include duplicated counts for multiple services and visits.

Development Services Overall Customer Satisfaction by Project Type



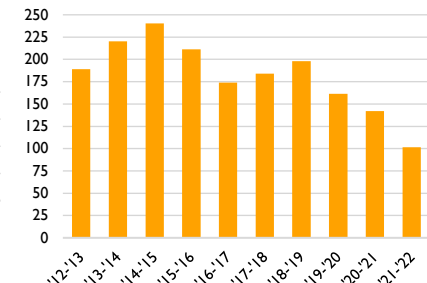
Note: Data was not collected in 2020-21 or 2021-22. The Department reports procurement to select a consultant to conduct this survey had not yet been completed.

Planning Applications and Plan Checks



Note: Starting in 2019-20, measures may have increased due to an upgrade to the City's integrated permitting system and subsequent changes to data reporting.

Building Inspections (thousands)



The San José Police Department's mission is to create safe places to live,
work and learn through community partnerships.

POLICE

The San José Police Department (SJPD) provides public safety services to the city's residents, including responding to calls for service, investigative efforts, crime prevention and education, and regulatory services. In 2021-22, SJPD operating expenditures totaled \$483.4 million. In addition, the Police Department was responsible for \$10.4 million for workers' compensation, and \$5.6 million in Citywide expenses.

The Department has one police station open to the public, as well as three community policing centers and one police substation which are currently closed to the public due to staffing.

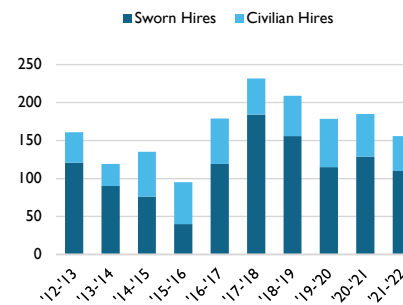
In 2021-22, there were 1,153 authorized sworn positions and 564 authorized civilian positions in the SJPD, totaling 1,717 for both sworn and civilian. There were 118 authorized sworn positions per 100,000 residents, which is slightly up from ten years ago.

Historically, SJPD has faced high vacancies among street-ready officers. Of the 1,153 authorized sworn positions, only 960 were actual full-duty, street-ready officers as of June 2022 (this excludes vacancies, officers in training, or those on modified duty or disability/other leave). There were 110 sworn hires in 2021-22 and 103 sworn vacant positions as of June 2022.

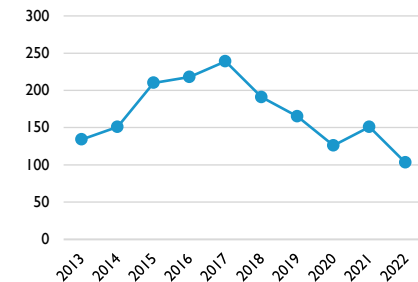
KEY FACTS (2021-22)

Sworn police positions	1,153
Street-ready officers	960
Total authorized positions	1,717
Total emergency calls	646,462

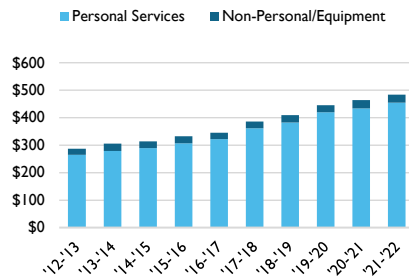
Police Department Hires



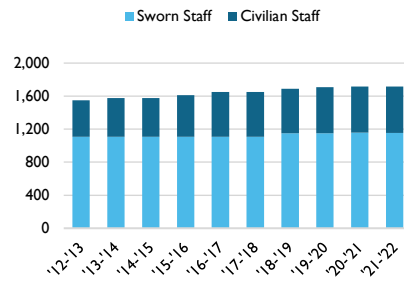
Sworn Police Vacancies (as of June 30)



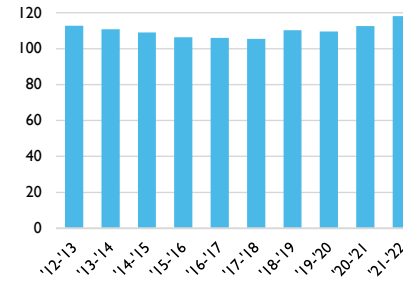
Police Department Operating Expenditures (\$millions)



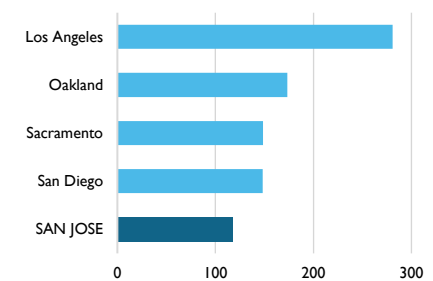
Police Department Authorized Positions



San José Sworn Staff per 100,000 Residents



Authorized Sworn Staff per 100,000 Residents



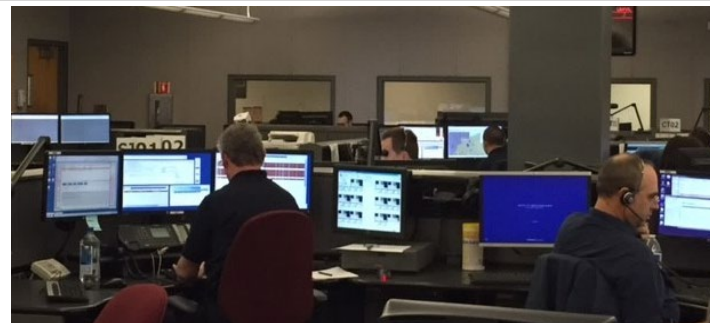
CALLS FOR SERVICE

The SJPD Communications Center receives all 9-1-1 calls for police, fire, and ambulance services in San José. Additionally, SJPD receives other non-emergency calls. Call-answering staff in the Communications Center obtain information from callers, prioritize events, and relay information to dispatchers. Dispatchers evaluate resources, identify and direct emergency personnel and equipment, and maintain control of radio channels to ensure the safety of officers and the public.

In 2021-22, SJPD handled over 1.3 million total calls for service. The number of 9-1-1 and other emergency calls increased to 646,500.* The number of non-emergency calls (e.g., 7-digit non-emergency calls and phone reports) totaled about 620,000. Field events (e.g., car and pedestrian stops, and other officer-initiated calls) accounted for the remainder.

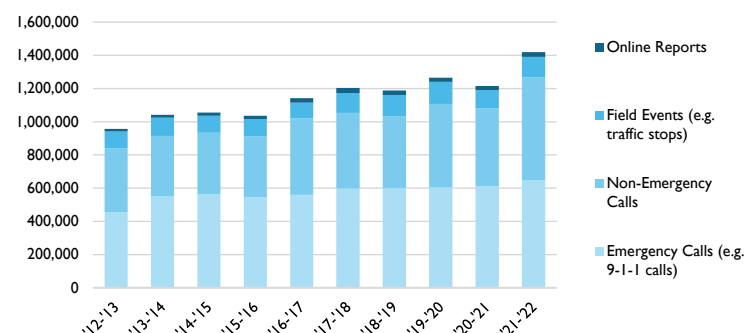
The percentage of 9-1-1 calls answered within 15 seconds was 87 percent (target: 95 percent), lower than the prior year. The Department reports that increasing call volume and continued staffing have been an ongoing challenge. Of the 162.5 authorized positions in the Communication Center, only 106.5 were full duty as of June 2022. The average answering time for emergency calls was 7.26 seconds, above the 6.5 second target.

* This includes 9-1-1 transfers received by the Fire Department for fire and medical emergencies.



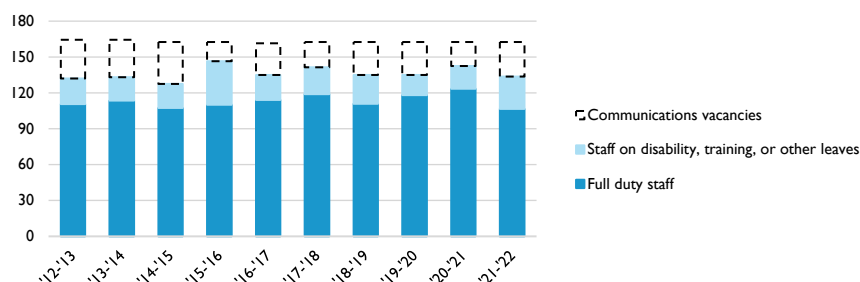
Source: San José Police Department, photo of Communications staff.

Breakdown of All Calls for Service

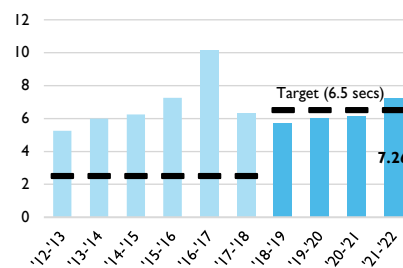


Note: All calls for service received, including duplicates, online reporting, and calls that did not require a police response. SJPD currently is reviewing non-emergency call data for 2021-22.

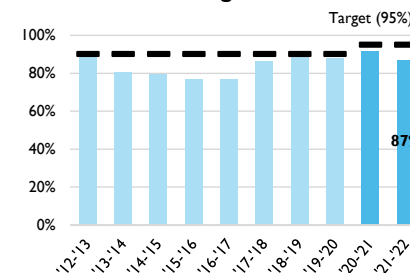
Communications Center Staff (as of June 30)



Average Emergency Call Answering Time (seconds)*



% of 9-1-1 Calls Answered Within Target**



*Years prior to 2016-17 may not be comparable due to change in methodology. In 2018-19, the call answering time target was adjusted to reflect all components of call answering time.

**In 2020-21, SJPD revised this performance measure from % of 9-1-1 calls answered within 10 seconds to % of 9-1-1 calls answered within 15 seconds.

POLICE

POLICE RESPONSES

SJPD responded to about 201,800 Priority 1-4 incidents* in 2021-22 (definitions shown in gray box below):

- 9,900 Priority 1 responses (5 percent)
- 85,000 Priority 2 responses (42 percent)
- 75,100 Priority 3 responses (37 percent)
- 31,700 Priority 4 responses (16 percent)

* May not add to incident subtotals due to rounding.

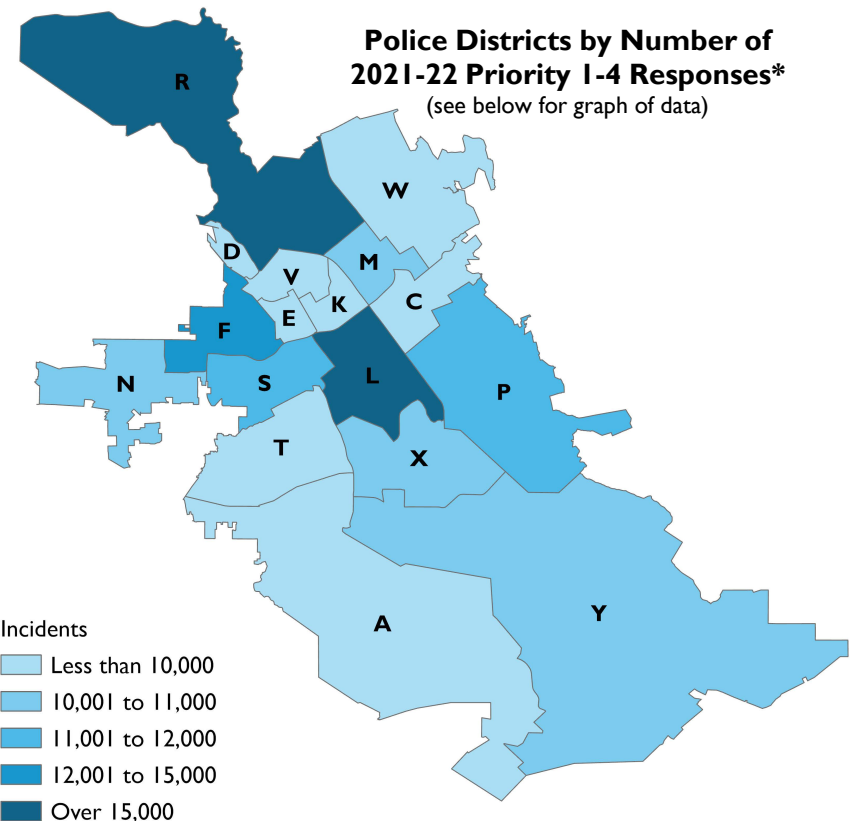
Prioritization of Police Responses

Priority 1 responses: Present or imminent danger to life or there is major damage to/loss of property (i.e., large-scale incident or cases where a major felony is in progress or just occurred).

Priority 2 responses: Injury or property damage or potential for either to occur or the suspect is still present in the area. Includes all missing person reports for children under the age of 12, or at-risk missing persons, including mentally handicapped or disoriented adults.

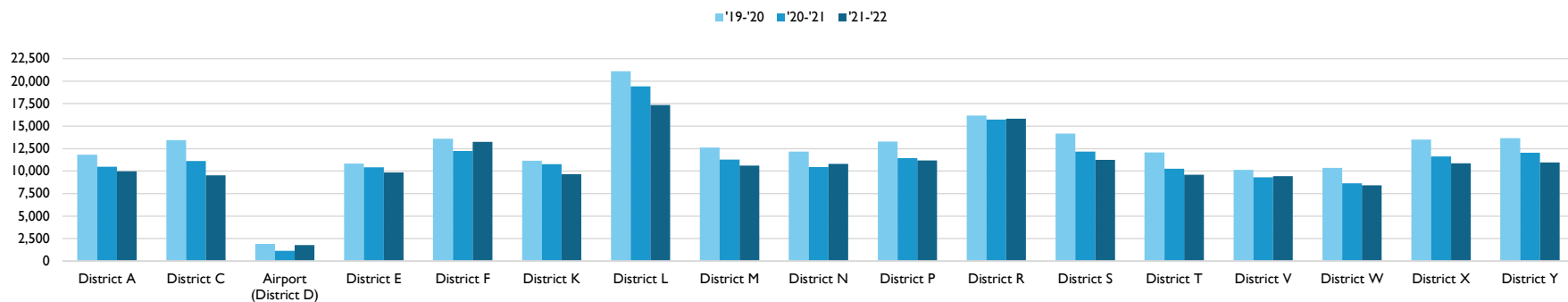
Priority 3 responses: There is property damage or the potential for it to occur. The suspect has most likely left the area. Situations where the suspect is in custody for a non-violent crime and is cooperative. Situations when a prior crime against the person occurred and there are no injuries to the victim necessitating immediate medical care and the suspect is not present.

Priority 4 responses: There is no present or potential danger to life/property and the suspect is no longer in the area.



Source: City Auditor's Office based on response data provided by the Police Department.

Priority 1-4 Police Responses* by District



POLICE RESPONSE TIMES

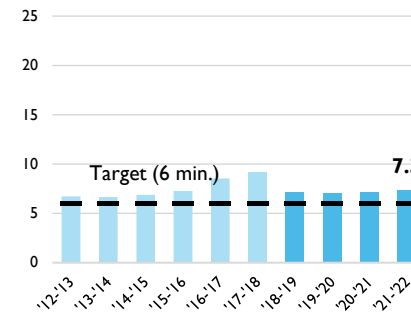
In 2021-22, the citywide average response time for Priority 1 calls was 7.34 minutes (target: 6 minutes). The citywide average 23.9 minute response time for Priority 2 calls was far outside the target of 11 minutes.

The Department has focused on maintaining Priority 1 response times as these calls involve present or imminent danger to life or major property loss. Priority 2 calls are those which involve either injury or property damage, or the potential for either to occur.

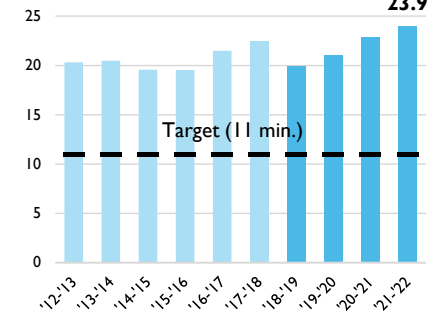
SJPD disaggregates response times by three time targets: processing time, queuing time, and driving time. In 2021-22, the Department's average processing and queuing times for Priority 1 calls were close to their targets, while driving time exceeded the target. For Priority 2 calls, SJPD was close to its processing time target while its average queuing and driving times were outside of the targets.

In 2021-22, two districts, District E and District M, were below the 6-minute target response time for Priority 1 calls, while two additional districts were close to achieving the target average response time. Response time may vary across districts because of the size or physical characteristics of an area, whether there are adjacent police service areas, population density, traffic conditions, and officer staffing levels.

Average Priority 1 Police Response Time* (minutes)

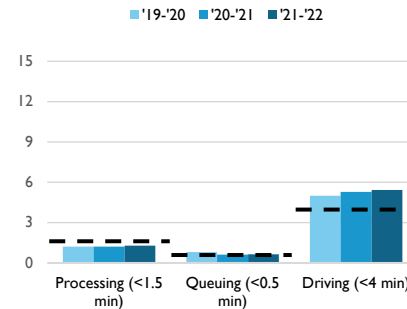


Average Priority 2 Police Response Time* (minutes)

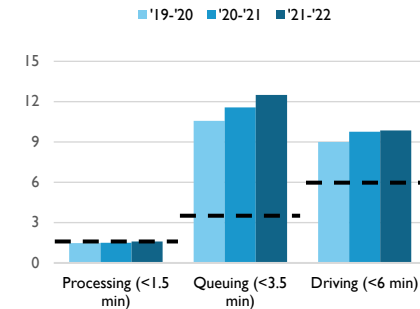


**In 2018-19, SJPD revised their reporting of police response times to be based on how incidents are initially coded into their system. In prior years, SJPD had measured response times based on updated coding of incidents as determined throughout the response, which could change the priorities of incidents and incorrectly affect response times.*

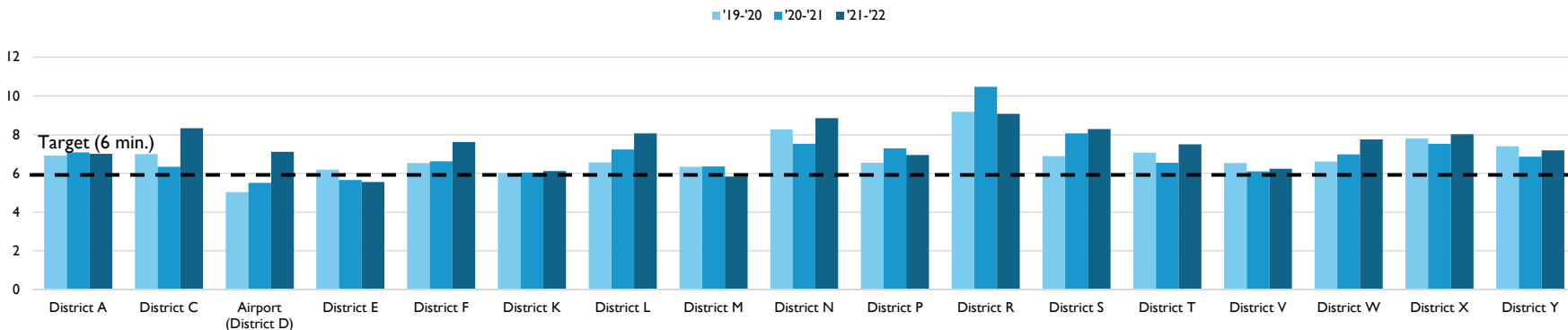
Priority 1 Response Time Breakdown (minutes)



Priority 2 Response Time Breakdown (minutes)



Priority 1 Average Police Response Times (minutes)



POLICE

CRIME IN SAN JOSE

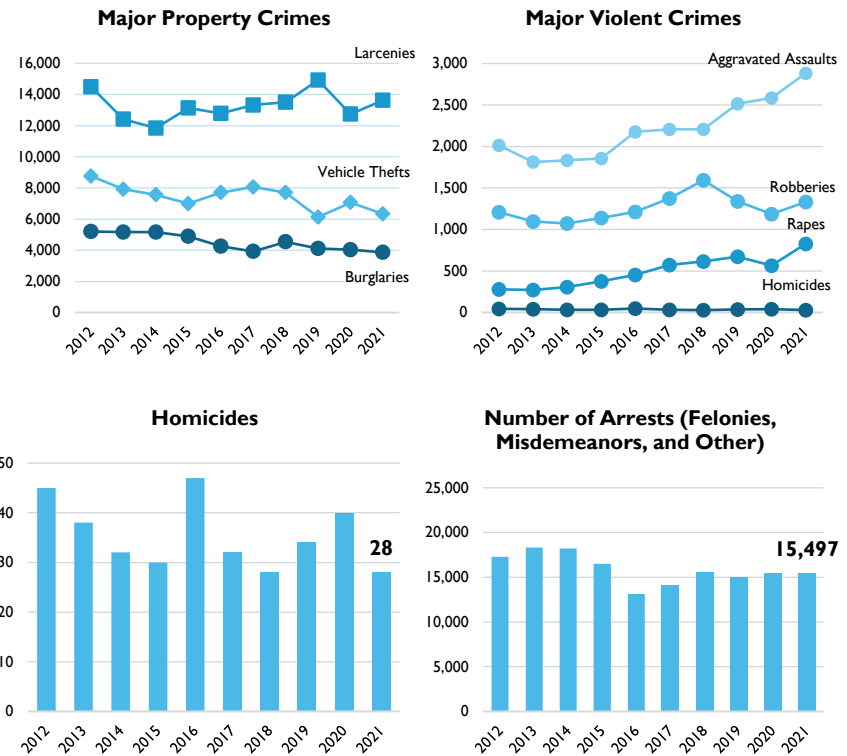
In 2021, there were 28,900 major crimes in San José, up 2 percent from last year but down nearly 10 percent from ten years ago. Major crimes include violent crimes (homicide, rape,* robbery, and aggravated assault) and property crimes (burglary, larceny, and vehicle theft). In 2021, there were 28 homicides in San José. This was 12 fewer than in 2020 and less than the ten-year average of 35.4. San José experienced 2,960 major crimes per 100,000 residents in 2021.

The number of arrests for felonies, misdemeanors, and other offenses has decreased from about 17,300 in 2012, to around 15,500 in 2021. There were 726 gang-related and gang-motivated incidents** overall in 2021, of which 150 were classified as violent by the SJPd. There were more gang-related and gang-motivated incidents in 2021 than the past two years.

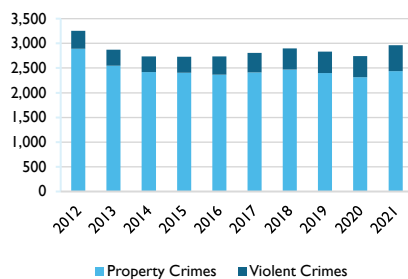
In the past ten years, San José has experienced an increase in hate crimes from 15 in 2012 to 116 in 2021. Hate crimes jumped in 2020 and have remained high. The Police Department provides crime statistics [online](#).

* Included in this category is rape, attempted sexual assault, oral copulation, among others defined by the FBI Uniform Crime Report (UCR).

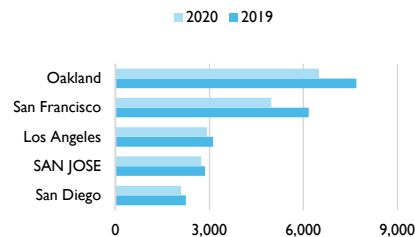
** Gang-motivated incidents include crimes committed for the benefit of a gang, whereas gang-related incidents include crimes involving gang members that may not necessarily be for the benefit of a gang.



Major Crimes per 100,000 Residents

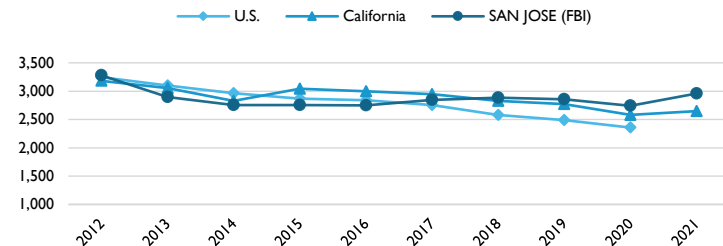


Major Violent and Property Crimes per 100,000 Residents Across CA Cities*



* 2021 data from the FBI had not been released by time of publication.

Major Violent and Property Crimes per 100,000 Residents*



Sources: SJPd, CA Department of Justice, FBI. For national crime data visit the [FBI web page](#).

* FBI data for 2021 was not available at the time of publication. 2021 data is based on SJPd and the California Department of Justice.

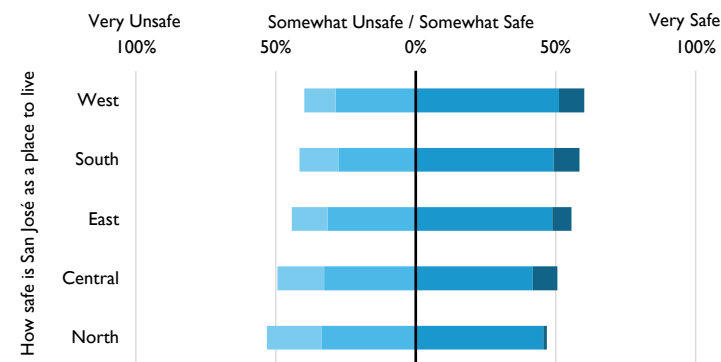
PERCEPTIONS OF SAFETY IN SAN JOSE

The community survey asked San José residents a variety of questions about how safe they feel in San José. In 2022, 55 percent of respondents reported San José as a safe place to live. Respondents age 18 to 24 had the highest feeling of safety across all age groups, with 67 percent reporting that they felt "very" or "somewhat" safe. Overall, 24 percent of respondents ranked police protection in their neighborhood as "excellent" or "good."

Respondents were also asked how safe they feel in their own neighborhoods, in the city park closest to their home, and in downtown San José. More respondents said they feel "very" or "somewhat" safe in their neighborhoods and city parks closest to their homes during the day than at night. Similarly, respondents said they felt more safe during the day downtown than at night. Respondents felt more safe in their neighborhoods and city parks closest to their homes than in downtown.

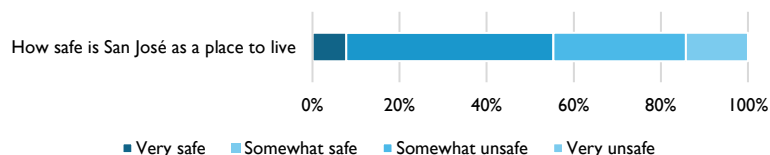
Perceptions of safety also varied by region; 60 percent of respondents from the West region rated the city as "very" or "somewhat" safe, compared to 47 percent of respondents from the North region.

Community Survey 2022
Ratings of Safety by Region

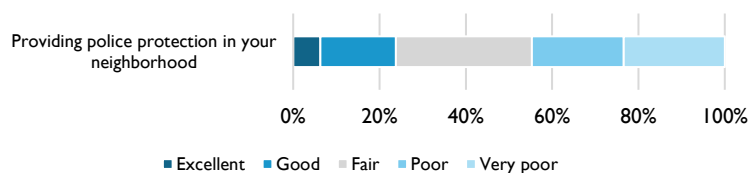


Note: see Community Survey chapter for a map of the survey regions.

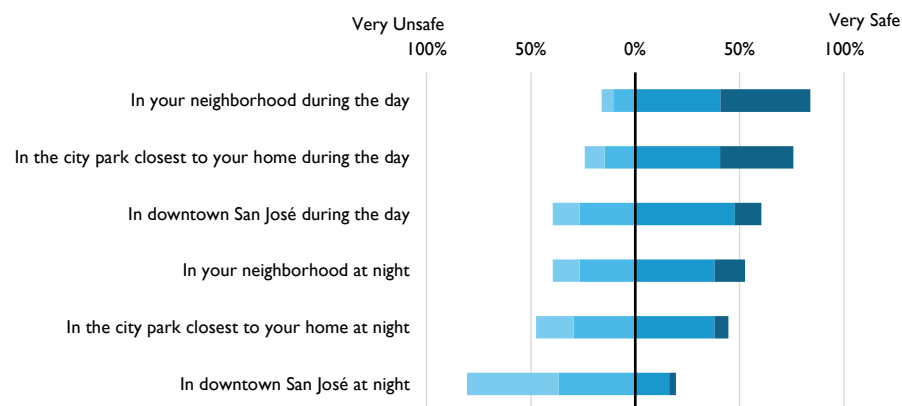
Community Survey 2022
Ratings of Safety



Community Survey 2022
Ratings of Service



Community Survey 2022
Ratings of Safety

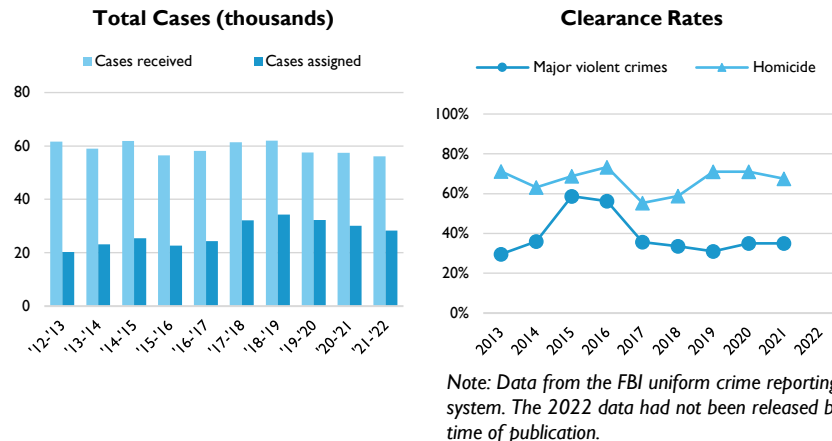


POLICE

INVESTIGATIVE SERVICES

The SJPD investigates crimes and events by collecting evidence, interviewing witnesses, interrogating suspects, and other activities. In 2021-22, the Bureau of Investigations received 56,100 cases, around 1,300 fewer than in 2020-21. Of these cases, 28,300 were assigned for investigation. A case may not be assigned because of a lack of resources or because it is deemed not workable (e.g., no evidence). In 2021-22, 55,100 cases were operationally closed. Reasons for closure included criminal filings, lack of investigative resources, and non-leads.*

* Additional data on clearance rates from the FBI's uniform crime reporting system was not available at the time of publication of this report.

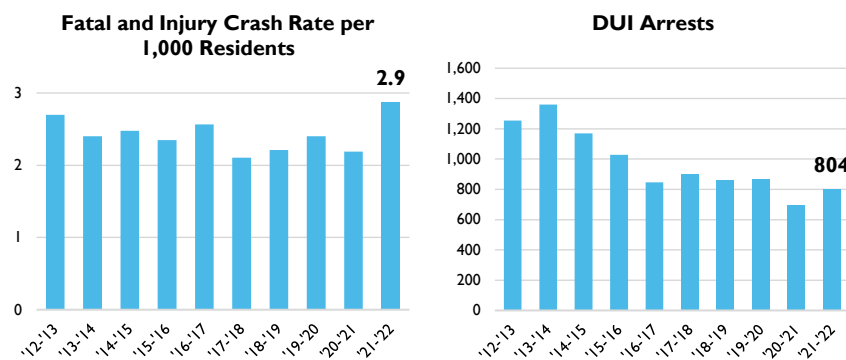
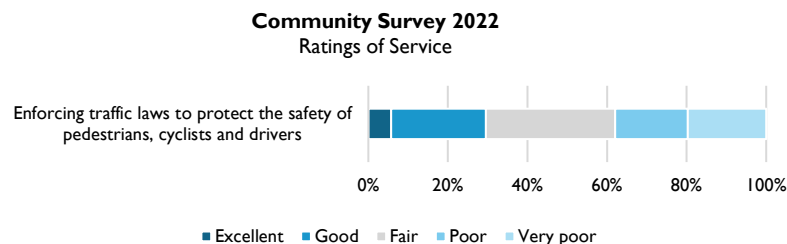


TRAFFIC SAFETY

The SJPD provides for the safe and free flow of traffic through enforcement, education, investigation, and traffic control. SJPD reported that its Traffic Enforcement Unit (TEU) issued around 15,500 citations in 2021-22, about 8,100 more citations than last year. TEU staff are deployed on all weekdays to high impact areas determined by citywide collision data. According to the Department, TEU officers have issued more citations and less warnings in efforts to make a greater impact on driver behaviors. Additionally, SJPD reported that several grant-funded traffic safety programs were conducted throughout the fiscal year.

In 2021, there were 800 DUI arrests, which is about 100 more than the previous year. Total DUIs have declined significantly over the past 10 years. San José's rate of fatal and injury crashes increased in fiscal year 2021-22 to 2.9 per 1,000 residents.

The community survey asked respondents about their perceptions of enforcing traffic laws to protect the safety of pedestrians, cyclists, and drivers; 30 percent responded with a rating of "good" or "excellent."



Note: Data based on incidents responded to and differs from the Transportation chapter and CSA dashboard measure, which captures incidents on public streets within San José's jurisdiction.

The mission of the Public Works Department is to provide excellent service in building a smart and sustainable community, maintaining and managing City assets, and serving the animal care needs of the community.

PUBLIC WORKS

The Public Works Department oversees the City's capital projects; maintains the City's facilities, equipment, and vehicles; provides plan review services for development projects; and provides animal care and services. Public Works also houses the City's Office of Equality Assurance.

In 2021-22, Public Works' operating expenditures totaled about \$126 million. This included personal and non-personal expenditures. Public Works was also responsible for \$2.8 million in Citywide expenses, as well as additional capital-related expenditures. Staffing increased from 624 in 2020-21 to 628 authorized positions in 2021-22.

OFFICE OF EQUALITY ASSURANCE

San José is subject to numerous labor policies that have been passed by City Council, approved by voters, or adopted due to requirements from the State of California. The Office of Equality Assurance (OEA) in Public Works implements, monitors, and administers the City's wage policies. OEA responded to 142 minimum wage complaint inquiries. They collected about \$209,000 in restitution for 82 workers affected by non-compliance with minimum wage regulations. OEA also collected an additional \$359,000 in restitution for non-compliance with prevailing wage regulations.

In addition, they oversee the City's disadvantaged business enterprise program and ensure compliance with the Americans with Disabilities Act (ADA). OEA serves as a liaison for ADA, and routes ADA complaints to the appropriate department.

Example Projects Completed in FY 2021-22

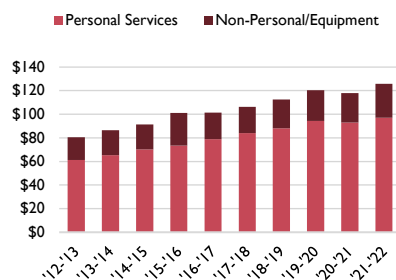
Mineta Airport Economy Lot Parking Garage
Senter Road Vision Zero Safety Improvements Project
Coyote Creek Trail from Story to Phelan
San Antonio Better Bikeways
Sanitary Sewer Assessment and Repairs
Tamien Park Phase 2

OEA KEY FACTS (2021-22)

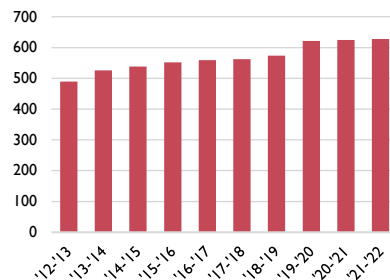
Number of minimum wage complaint inquiries	142
Number of minimum wage letters sent	12
Number of affected workers (from the letters sent)	82
Amount of restitution collected	\$567,985

Note: Restitution refers to non-compliance with minimum wage and prevailing wage by businesses within the City of San José geographical boundaries or businesses in municipalities that have contracted with the City to enforce these regulations on their behalf.

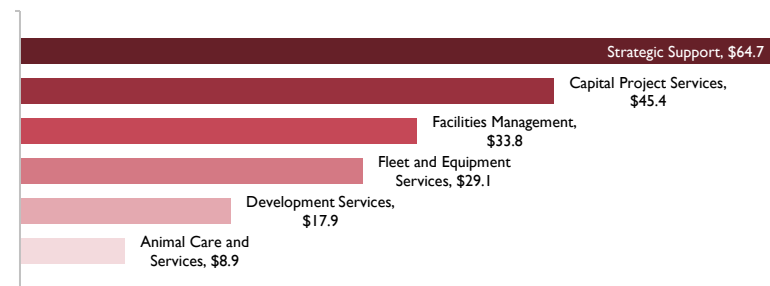
Public Works Operating Expenditures (\$millions)



Public Works Authorized Positions



Public Works 2021-22 Adopted Budget by Service (\$millions)



Note: Strategic Support provides administrative oversight for the Department, including executive management, financial management, information technology support, equality assurance, human resources, and analytical support.

CAPITAL PROJECT SERVICES

The Capital Services divisions of Public Works oversee the planning, design, and construction of public facilities and infrastructure. Other departments such as the Airport, Transportation, and Environmental Services also manage some capital projects.

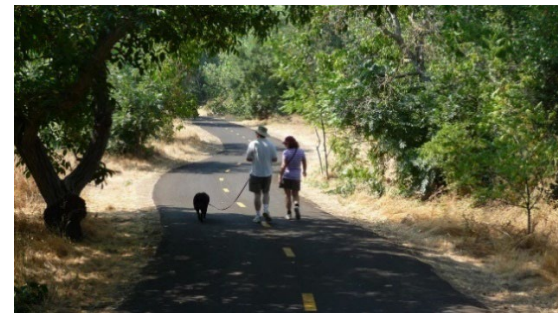
In 2021-22, Public Works completed 41 construction projects. Construction costs totaled \$71.7 million in 2021-22. A project is considered on budget for the entire life cycle of a project when its total expenses are within 101 percent of its budget. In 2021-22, Public Works completed 39 of 41 projects on budget (95 percent).

A project is considered on schedule for the construction phase of the project when it is available for use (e.g., completed street being used by vehicles, parks being utilized) within two months of the approved baseline schedule. Of the projects intended for completion in 2021-22, 35 of 38 projects were on schedule (92 percent).

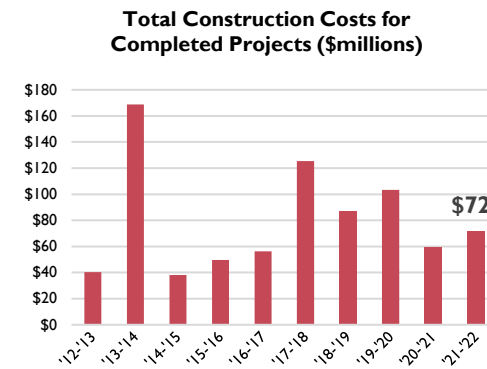
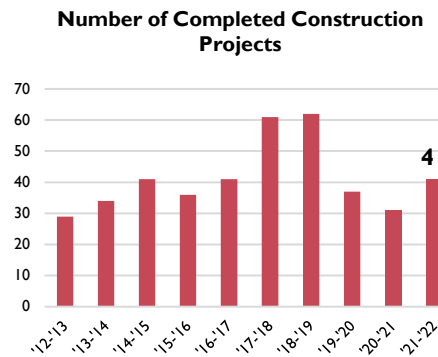
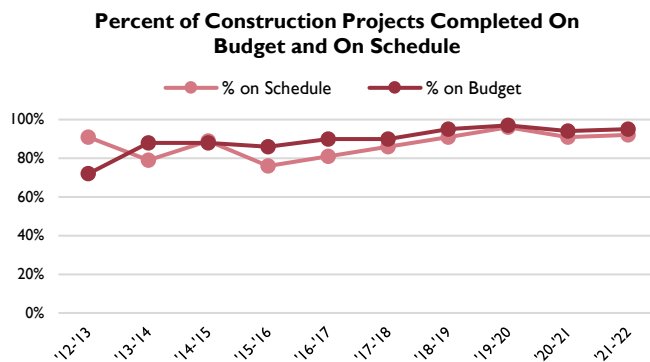
In 2021-22, for projects less than \$500,000, Public Works' average delivery cost (the ratio of soft costs to hard costs) was 64 percent, above the target of 62 percent. For larger projects, the average delivery cost was 25 percent, which is less than the target of 45 percent.



Mineta Airport Economy Lot Parking Garage



Coyote Creek Trail



PUBLIC WORKS

FACILITIES MANAGEMENT

The Facilities Management Division manages 2.8 million square feet in 223 City facilities, including City Hall, which is over 500,000 square feet. Services include maintenance, improvements, event support, and property management.

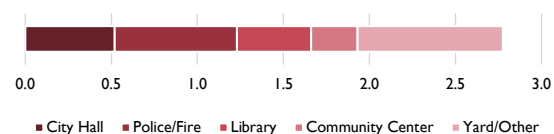
The Division completed over 18,800 corrective and preventive work orders in 2021-22, about 11,100 more than in 2020-21. Only 46 percent of about 5,900 preventive maintenance work orders were completed during the year, down from 78 percent pre-COVID-19. Public Works attributes this to staffing limitations and COVID-19 impacting work order prioritization.

As of March 2022, Public Works estimated a facilities maintenance backlog for City operated facilities of \$246.5 million in one-time costs, as well as \$20.1 million in annual unfunded costs. The estimated one-time maintenance backlog for City facilities operated by others is \$87.3 million, but this does not include the SAP Center, Sharks Ice, or Municipal Stadium.

KEY FACTS (2021-22)

Total number of City facilities	223
Square footage	2.8 million
Completed corrective & preventative work orders	18,817
Total completed solar installations on City sites	37

**Facilities Managed,
by Millions of Square Feet**



Note: "Other" includes PRNS Neighborhood Center Partner Program sites. See the PRNS chapter for more information about this program.

FLEET & EQUIPMENT SERVICES

Fleet and Equipment Services manages procurement and maintenance to provide a safe and reliable fleet of over 2,900 City vehicles and pieces of equipment. Public Works completed nearly 18,800 repairs and preventive work orders in 2021-22, 8 percent less than a year ago. Emergency vehicles were available for use when needed 100 percent of the time in 2021-22; the City's general fleet was available when needed 98 percent of the time.

Under the City's Green Vision, the City committed to ensuring 100 percent of public vehicles run on alternative fuels.* In 2021-22, 48 percent of City vehicles ran on alternative fuels, including compressed natural gas, propane, electricity, and renewable diesel.

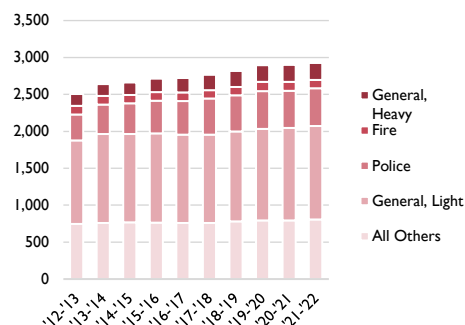
As of March 2022, Public Works estimated a vehicle and equipment deferred maintenance and infrastructure backlog of \$7.7 million in one-time costs, less than last year. Public Works reports that based on recent communications with vehicle manufacturers, they expect prices to increase significantly. Public Works is anticipating a higher infrastructure backlog in the future, reporting that prices are increasing by 10-20 percent in most cases, and if the replacement is an all-electric version, costs are about 45 percent higher.

*The City's Green Vision, adopted in 2007, laid out 10 goals around sustainability and clean technology. It was a precursor to the City's Climate Smart San José Plan.

KEY FACTS (2021-22)

Total number of vehicles & equipment	2,927
Completed repairs & preventative work orders	18,779
Percent of fleet running on alternative fuel	48%

City Vehicles & Equipment



Equipment Class	Cost/Mile Estimate
Police	\$0.49
Fire	\$2.58
General, Light (sedans, vans)	\$0.43
General, Heavy (tractors, loaders)	\$1.80

PUBLIC WORKS—DEVELOPMENT SERVICES

The Development Services Division of Public Works coordinates with private developers and utility companies to ensure that private projects comply with regulations to provide safe and reliable public infrastructure.

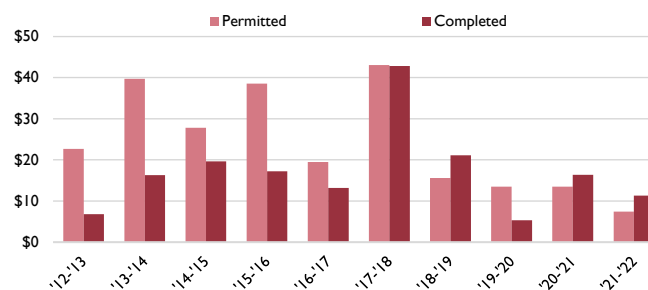
The Division manages two fee-based cost recovery programs: the Development Fee Program (for private developers) and the Utility Fee Program (for utility companies). During 2021-22, the Division approved about 500 development permits and received over 4,000 utility permits, slightly more than last year. In 2021-22, Public Works met 90 percent of planning and 88 percent of public improvement permit timelines; each surpassed the target goal of 85 percent.

Private development projects add public infrastructure (streets, traffic lights, storm sewer, etc.) to the City's asset base. Projects permitted in 2021-22 are expected to add \$7.4 million in public infrastructure upon completion. Projects completed in 2021-22 added \$11.3 million in value to the City's asset base, down from \$16.4 million last year. (See table for examples.)

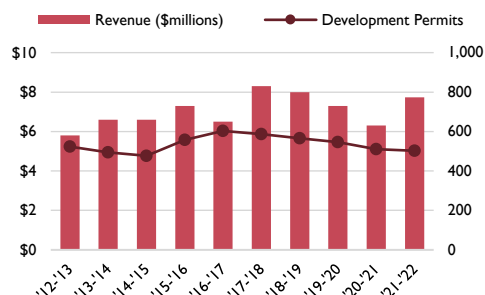
Major Projects & Estimated Public Improvement Values, 2021-22

Permitted	•200 Park Ave: sidewalk, public landscape, and roadway improvements at Park Ave and Almaden Blvd	\$2.2 million
	•Bascom Gateway Station: curb, gutter, sidewalk, and traffic signal improvements along Bascom Ave	\$1.5 million
	•La Vang: curb, gutter, sidewalk, utilities along 8th, 9th, and Santa Clara Street	\$0.4 million
Completed	•Bering Dr and E. Brokaw Rd: curb, gutter, traffic signal, and street improvement	\$3.1 million
	•Coleman Highline Phase 1/2: Aviation & Coleman Ave curb, gutter, sidewalk, utility infrastructure	\$1.7 million
	•Wondo Way: surface improvements and storm water facilities for a new street	\$1.3 million

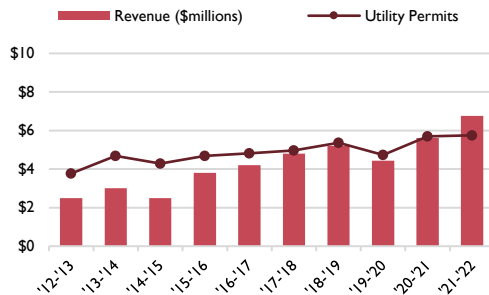
Value of Public Improvements from Private Development Projects (\$millions)



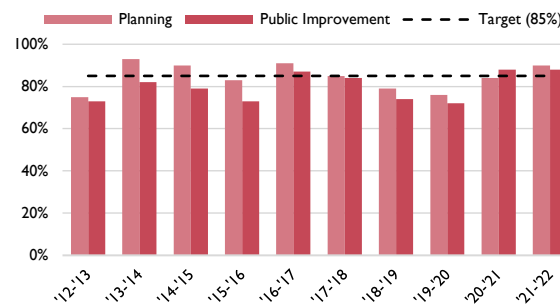
Development Revenues and Permits



Utility Fee Revenues and Permits



Permitting Timeliness



PUBLIC WORKS

ANIMAL CARE & SERVICES

The City provides animal licensing programs, patrol services, adoption/rescue programs, spay/neuter programs, and medical services through its Animal Care Center (Center). The Center serves San José, Cupertino, Los Gatos, Milpitas, and Saratoga.

As of July 1, 2022, there were almost 58,700 licensed animals in the Center's service area. Of licensed animals, Public Works estimates that 75 percent were dogs and 25 percent were cats. The Center provided over 3,700 low-cost spay/neuter surgeries to the public.

In 2021-22, the Center sheltered 14,500 animals, up from last year (13,600). Ninety-six percent of dogs and 88 percent of cats were adopted, rescued, returned to their owner, or transferred. The Center's overall live release rate was 90 percent.

In 2021-22, animal service officers responded to over 20,100 service calls, a decrease from the previous year. Five major categories of calls (including animal bite investigations, dead animals, and human neglect) account for about 42 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 2021-22, the Center met this target 96 percent of the time.

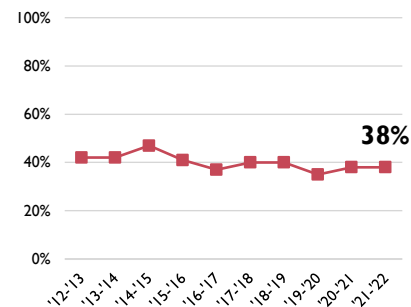
KEY FACTS (2021-22)

Licensing costs (dog / cat)*	Starts at \$25 / \$20
Animal licenses in service area	58,700
Incoming animals to Center**	14,500
Live release rate	90%
Calls for service completed	20,108
Low-cost spay/neuter surgeries	3,736

*Licensing costs depend on when its rabies vaccination expires, and whether it has been spayed or neutered.

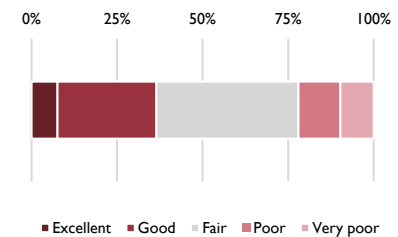
**Incoming animals does not include wildlife.

Cost Recovery

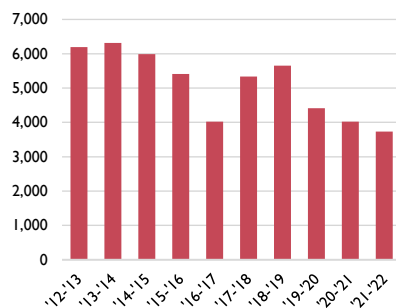


Community Survey 2022

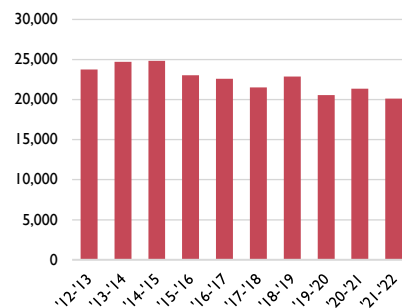
Residents' rating of the City providing animal control services



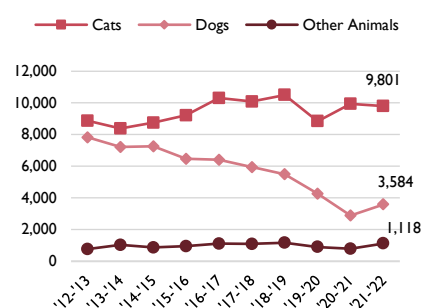
Low-Cost Spay/Neuter Surgeries



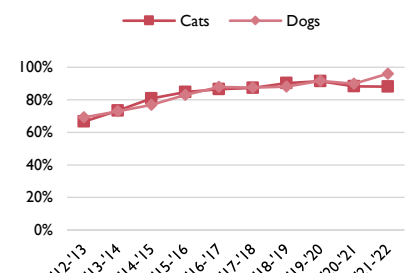
Calls for Service



Incoming Shelter Animals



Percent Adopted, Rescued, Returned, or Transferred



Note: In 2021-22, Public Works revised methodology to more closely align with industry standards.

RETIREMENT SERVICES

The mission of the Office of Retirement Services is to provide quality services in the delivery of pension and related benefits and maintain financially sound pension plans.

RETIREMENT SERVICES

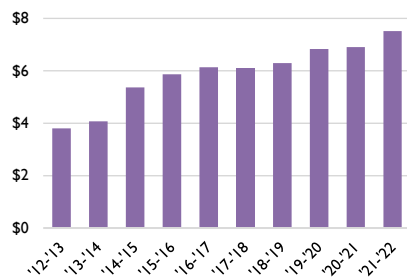
The Office of Retirement Services administers two pension plans, the Federated City Employees' Retirement System (Federated) and the Police and Fire Department Retirement Plan (Police and Fire), as well as Other Post-Employment Benefits (OPEB) for City employees and retirees. The City offers several tiers of benefits, based on the start date of the employee.

The Office is responsible for administering retirement benefits, including providing retirement planning and counseling; supervising the investment of plan assets; managing contracts; and producing financial reports.

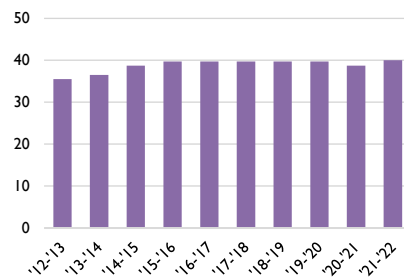
In 2021-22, the Office's personal expenses totaled \$7.5 million, and there were 40 authorized positions (up from 38.75 positions last year). About \$4.4 million in additional administrative costs, such as professional services, were paid out of the retirement funds. Total investment fees were \$118 million in calendar year 2021, up from \$69 million in calendar year 2020.

The City's total contributions to the two plans included \$420 million for pension benefits and \$56 million for OPEB. Separately, City employees contributed \$81 million for pension and OPEB. This totals to \$556 million in contributions from the City and its employees. The City's contributions have grown dramatically since the early 2000s but are expected to decline in coming years.

Retirement Services Personal Services Expenditures (\$millions)

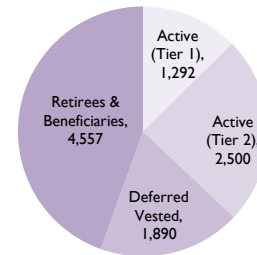


Retirement Services Authorized Positions

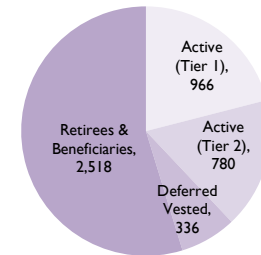


Note: The Retirement Services chapter of the City's Budget only includes personal services. Additional administrative expenses and investment expenses are detailed in the Federated City Employees Retirement System and the Police and Fire Department Retirement Plan Annual Comprehensive Financial Reports.

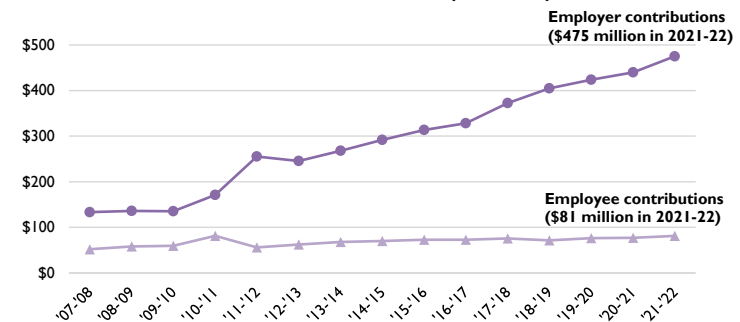
Federated Plan Membership



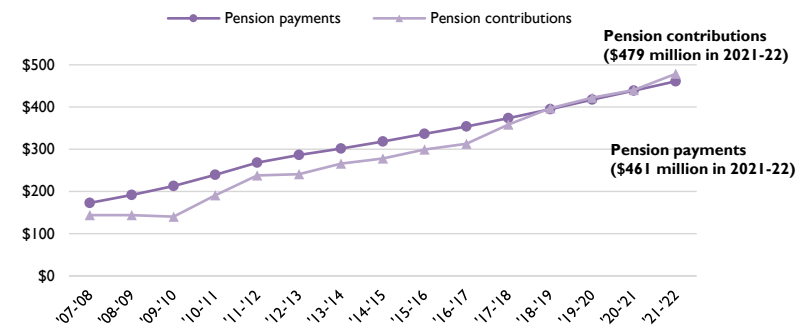
Police and Fire Plan Membership



Total Annual Contributions for Pension and Retiree Health and Dental Benefits (\$millions)



Pension Benefit Payments and Contributions (\$millions)



Sources for above charts: Police and Fire Department Retirement Plan and Federated City Employees' Retirement System Annual Comprehensive Financial Reports

RETIREMENT SERVICES

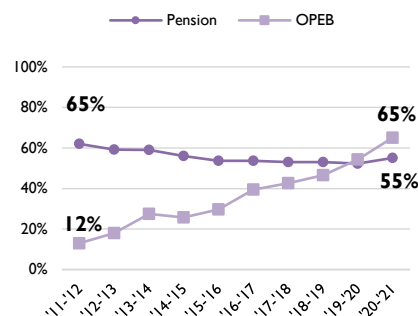
As of June 30, 2022, there were 7,075 retirees or beneficiaries of the plans, up from 5,706 ten years ago. The ratio of active members (i.e., current employees contributing to the plans) to beneficiaries is now less than 1:1. In 1980, the ratio was nearly 5:1, and in 2000 it was over 2:1.

The pension and OPEB plans' total liabilities (including future pension payments) exceeded the values of their assets by \$2.3 billion for Federated and \$1.7 billion for Police and Fire. These net liabilities totaled about \$226,000 per Federated member and about \$380,000 per Police and Fire member.

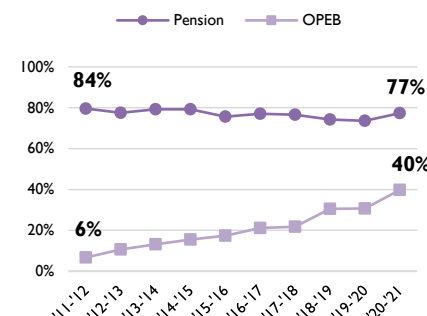
As of the June 30, 2021 actuarial valuations, the Federated and Police and Fire funded ratios (or percent of liabilities covered by plan assets) were 55 percent and 77 percent for the respective pension plans.

In November 2019, the City convened a Retirement Stakeholder Solutions Group to address retirement fund resilience and increasing retirement costs that were competing with other City services and programs in the General Fund. One of the options under consideration is using pension obligation bonds, which are taxable bonds that fund the unfunded portion of pension liabilities by creating debt. The City has begun exploring this option.

Federated Funded Status



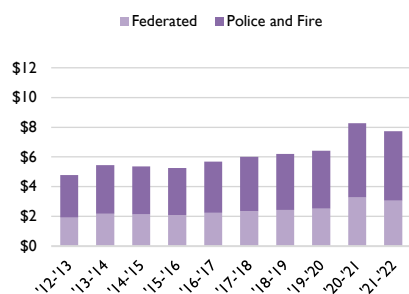
Police and Fire Funded Status



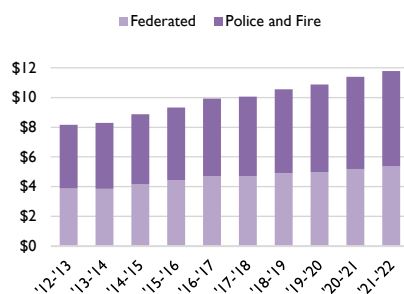
Sources: Federated City Employees' Retirement System and Police and Fire Department Retirement Plan Actuarial Valuations

Note: Funded status calculated using the actuarial value of assets, which differs from the market value, as gains/losses are recognized over five years to minimize the effect of market volatility on contributions. Beginning in 2016-17, OPEB funded status has reflected changes to asset and liability calculations based on guidance from the Government Accounting Standards Board.

Retirement Plan Net Assets (\$billions)

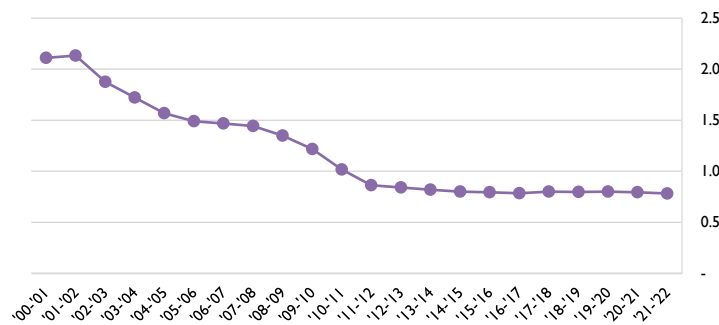


Retirement Plan Total Liabilities (\$billions)



Source: Police and Fire Department Retirement Plan and Federated City Employees' Retirement System Annual Comprehensive Financial Reports and Actuarial Valuations

Ratio of Active Members to Retirees and Beneficiaries



Source: Police and Fire Department Retirement Plan and Federated City Employees' Retirement System Annual Comprehensive Financial Reports and Actuarial Valuations

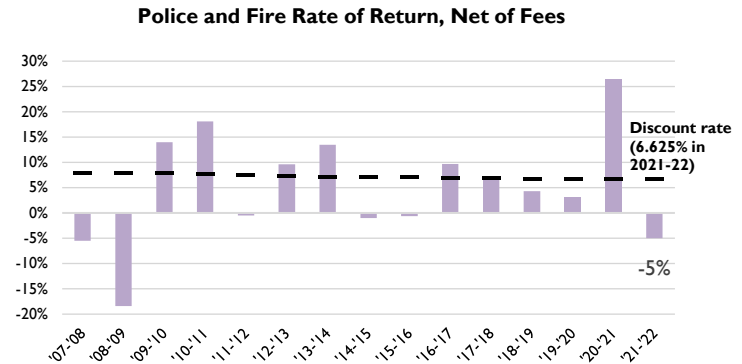
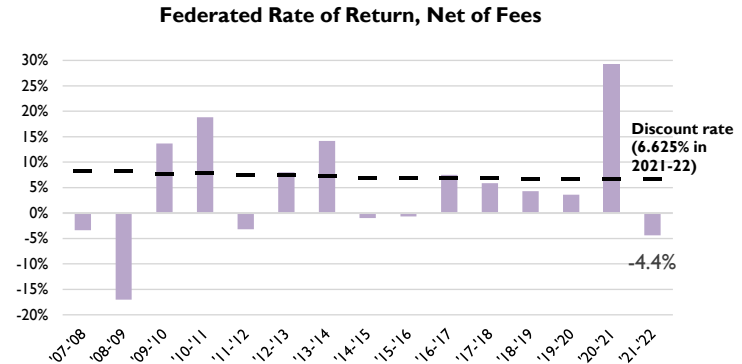
RETIREMENT SERVICES

The retirement plans' assets are distributed among various types of investments, according to each board's investment policies. As of June 30, 2022, the largest category of assets held by each pension plan was public equities. The second largest portion of both pension plans were "alternatives," which are generally investments outside of traditional stocks, bonds, or cash.

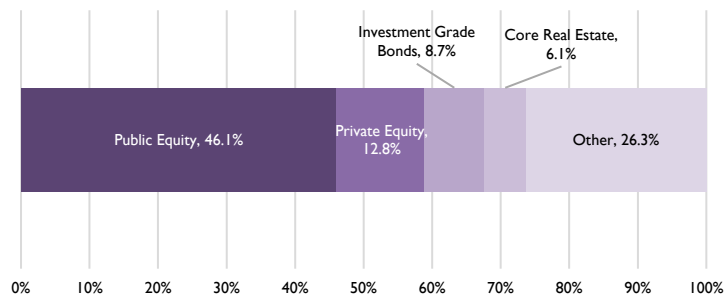
During 2021-22, the Federated pension plan had a net rate of return on pension plan assets of -4.4 percent, down from 29.2 percent last year. The Police and Fire pension plan had a net rate of return of -5 percent, down from 26.3 percent last year. In 2021-22, the assumed rate of return, or discount rate,* was 6.625 percent for both the Federated pension plan and the Police and Fire pension plan, the same as last year.

As a result of the negative investment returns, total plan assets decreased from \$8.27 billion last year to \$7.73 billion on June 30, 2022.

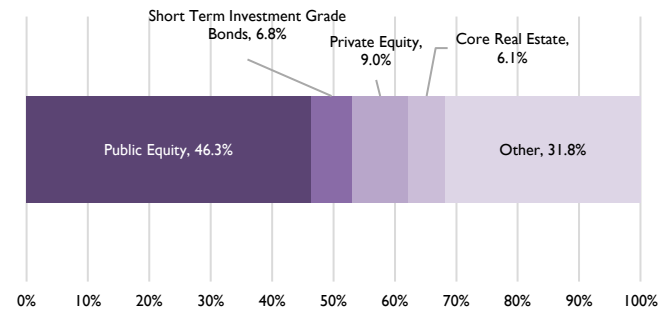
*The assumed rate of return, or discount rate, is the annual rate used to discount pensions expected to be paid in the future to current dollars. For pension plans, it is often based on average expected investment returns over a long time horizon.



Federated Pension Actual Asset Allocation



Police and Fire Pension Actual Asset Allocation



Source: Police and Fire Department Retirement Plan and Federated City Employees' Retirement System investment performance reports as of June 30, 2022. Note: Asset classes not in top four largest categories grouped in "other," such as other bonds, real estate, and cash. Percentages do not add up to 100 due to rounding.

TRANSPORTATION

The mission of the Transportation Department is to plan, develop, operate, and maintain transportation facilities, services, and related systems which contribute to the livability and economic health of the City.

TRANSPORTATION

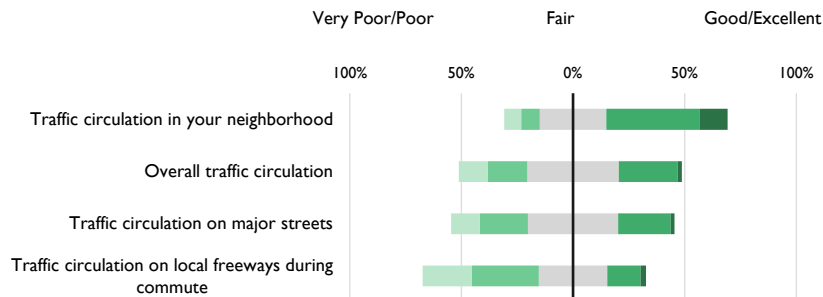
The Department of Transportation (DOT) has eight core service groups to: plan and develop transportation projects; optimize traffic flow and safety; maintain street pavement; maintain traffic signals, signs, markings, and streetlights; maintain street landscapes and street trees; clean and repair sanitary sewers; maintain storm sewers; and maintain public parking. Additional staff provide strategic support, such as budget and information technology services.

In 2021-22, DOT's operating expenditures totaled \$108.7 million, including personal and non-personal expenditures. In addition, DOT was responsible for other costs including \$4.8 million in Citywide expenses and \$434,800 in workers' compensation. The Department had 508.5 authorized positions; staffing was up by 30 percent compared to levels 10 years ago.

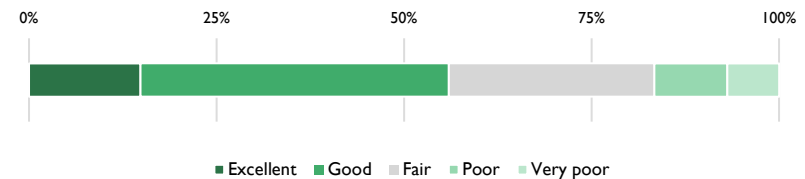
KEY FACTS (2021-22)

Number of acres of street landscape (also includes special district)	626
Number of City parking lots and garages	14
Number of parking meters (estimate)	2,300
Number of street miles	2,519
Number of street trees	269,500

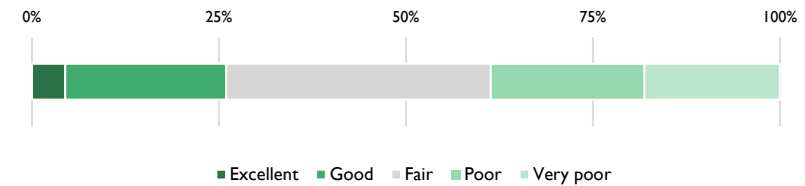
Community Survey 2022
Residents' rating of traffic circulation in the city



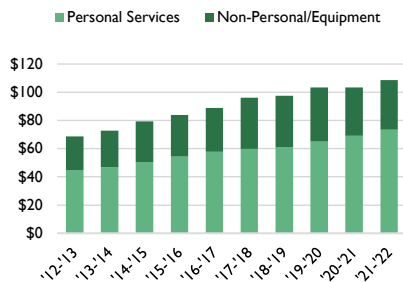
Community Survey 2022
Residents' rating of the City providing bicycle lanes and paths



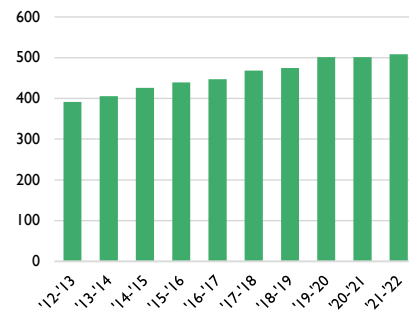
Community Survey 2022
Residents' rating of the City managing traffic on city streets



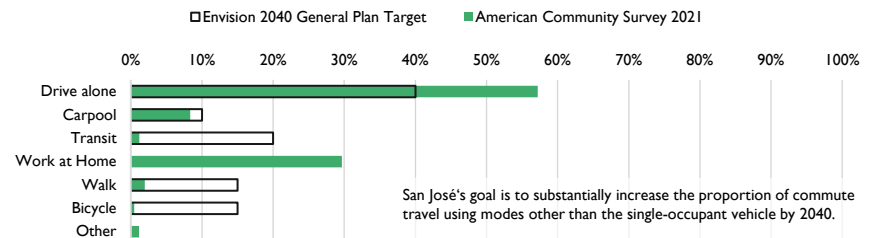
DOT Operating Expenditures (millions)



DOT Authorized Positions



San José Residents' Mode of Commuting to Work



Source: 2021 [American Community Survey](#), 1-year estimates, table B08006

Note: In 2019, prior to COVID-19, working at home was at 4 percent. The commuting mode targets presented are from the Envision 2040 General Plan as amended in May 2021. The targets in the Envision 2040 General Plan have recently been updated to account for all trips (both commute and non-commute). Staff are in the process of collecting data to update the measure.

TRANSPORTATION SAFETY & OPERATIONS

Transportation Safety & Operations manages various traffic safety programs to facilitate safe and efficient travel within San José. In February 2020, City Council approved a [Vision Zero Action Plan](#) prioritizing investments for a data analytic tool, safety redesign projects on high injury corridors, and outreach and community engagement to reduce fatal and severe injury crashes and move towards a culture around safety.

DOT reports that there were 60 traffic fatalities in San José in 2021, 11 more than 2020. Thirty-eight percent were pedestrians with a median age of 51. However, San José’s rate of fatal and injury crashes has remained well below the national rate. In 2021, the rate was 2.3 per 1,000 residents* compared to 4.9 in 2020 nationally.

DOT installed 4.2 miles of quick-build safety improvements on Story Road and Hillsdale Ave. Citywide, DOT installed 40 traffic safety improvements, such as flashing beacons, median refuge islands, curb extensions, radar speed display signs, and edgelines/centerlines to enhance pedestrian crossings safety and/or reduce speeding on roadways. Over 1,270 traffic studies were evaluated citywide. Additionally, almost 23,800 school-aged youth and adults received traffic safety education in 2021-22.

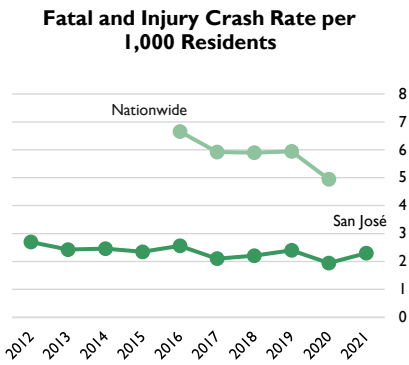
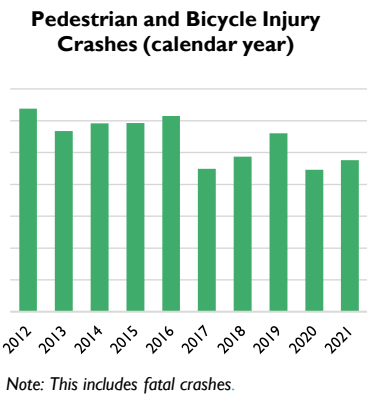
* DOT’s measure of fatal and injury crashes counts crashes that occurred on City roads. Crashes on private property or freeways beyond 50 feet of an intersection are excluded.

TRANSPORTATION PLANNING & PROJECT DELIVERY

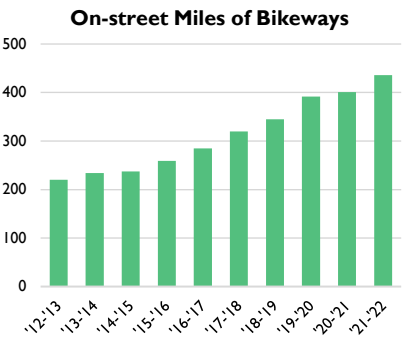
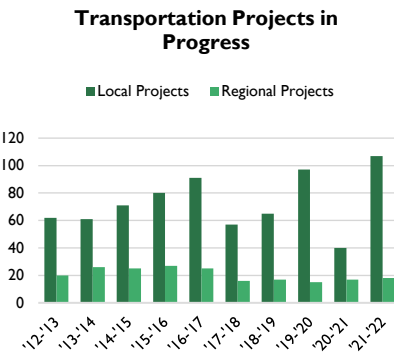
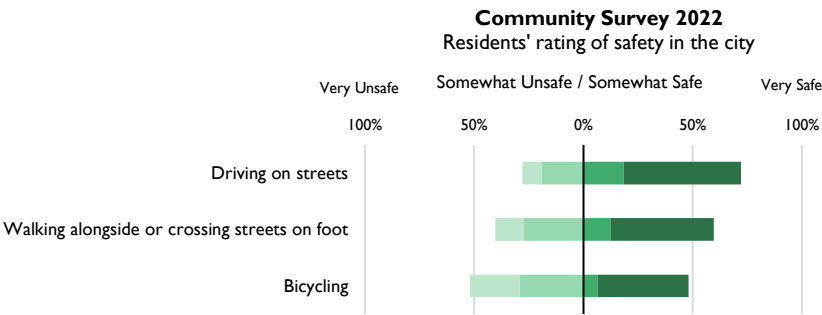
Planning & Project Delivery supports the development of San José’s transportation infrastructure. This includes coordinating transportation and land use planning studies, managing the Capital Improvement Program, and working with regional transportation agencies such as VTA, BART, and Caltrans.

In 2021-22, DOT budgeted \$403.6 million towards its traffic capital improvement program. Example regional and local projects include the 280 Sound Wall, Warm Springs Quiet Zone, Caltrain Electrification, Pedestrian Safety Enhancements, and ADA Accessibility Ramps projects.

San José has 436 miles of on-street bicycle lanes and routes (installed by DOT). In 2020-21, San José reached its 2020 goal of 400 miles of on-street bikeways. Under the new [Better Bike Plan 2025](#), the City aims to create a low-stress, connected network. The Plan calls for completing a roughly 550 mile on-street bike network. This includes upgrading the existing bike network and adding new bikeways. Thirty-three miles of new on-street bikeways were installed in 2021.



Source: National fatal and injury crash rate data comes from the National Highway Traffic Safety Administration (NHTSA). Data prior to 2016 is not comparable due to different sample designs used by NHTSA.



TRANSPORTATION

STREET PAVEMENT MAINTENANCE

Pavement Maintenance is responsible for maintaining and repairing the 2,519 miles of city streets.

- In 2021, the city's street pavement condition was rated a 67, or "fair," on the Pavement Condition Index (PCI) scale by the Metropolitan Transportation Commission (MTC). A "fair" rating means that streets are worn to the point where expensive repairs may be needed to prevent them from deteriorating rapidly. This is a three-year moving average.
- DOT also annually assesses the conditions of the city's streets, and rated the city's average street pavement condition a 68 in 2021.

DOT estimates it needs \$509.5 million for deferred maintenance on poor and failed roads, as well as to bring and sustain the average street condition to a "good" rating. Due to funding from 2016 VTA Measure B, State Senate Bill I, and Measure T, DOT anticipates improving pavement conditions and reducing the maintenance backlog. Accounting for one-time and temporary funding sources, the 10-year average annual funding for pavement maintenance is estimated at \$81.2 million.

As part of the 2021 pavement maintenance program, 122.5 miles of street were resurfaced and 100 miles were preventively sealed. DOT has also continued to make safety-related corrective repairs, such as filling potholes and patching damaged areas. In 2021-22, DOT crews repaired over 2,700 potholes, 50 percent less than 2020-21. DOT credits this decrease to increased resurfacing of streets, a stamp patching program that proactively addresses hot-spot locations, and other factors, such as weather.

Pavement Condition Index
San José*

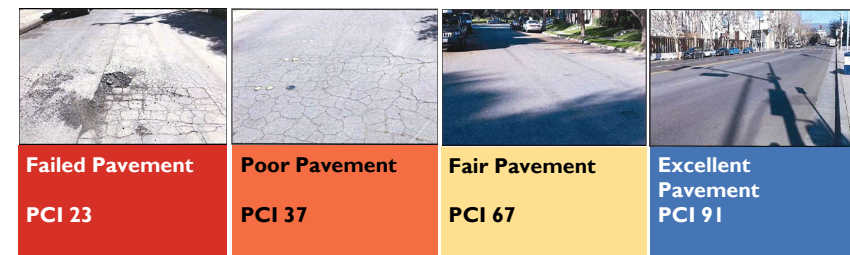
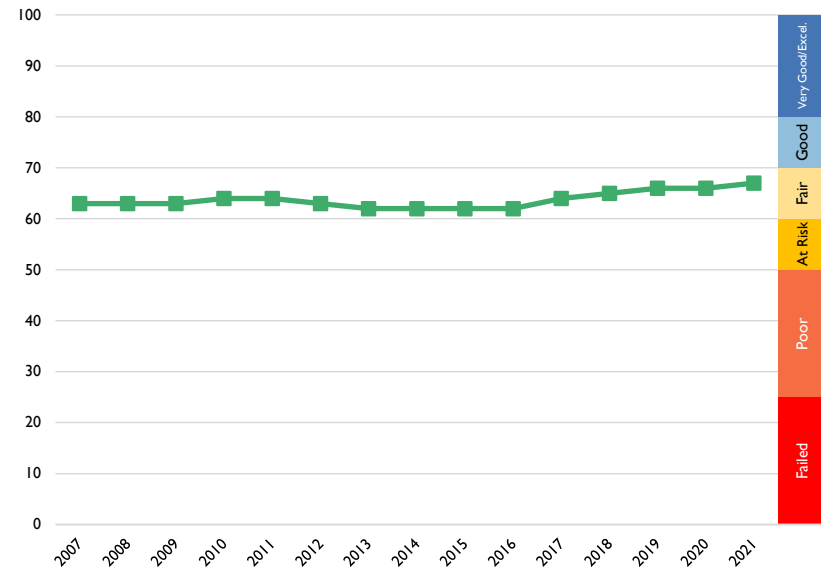
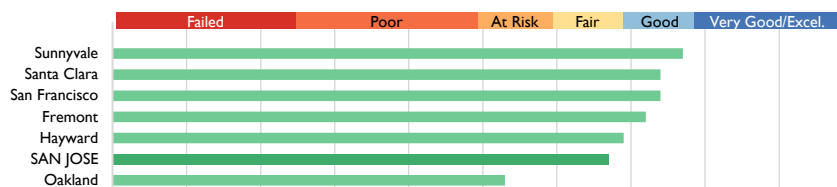


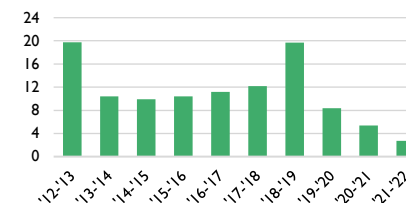
Photo source: Department of Transportation

2021 Pavement Condition Index Selected Bay Area Comparisons*

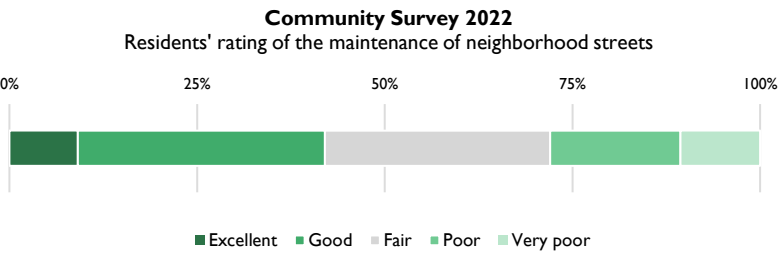
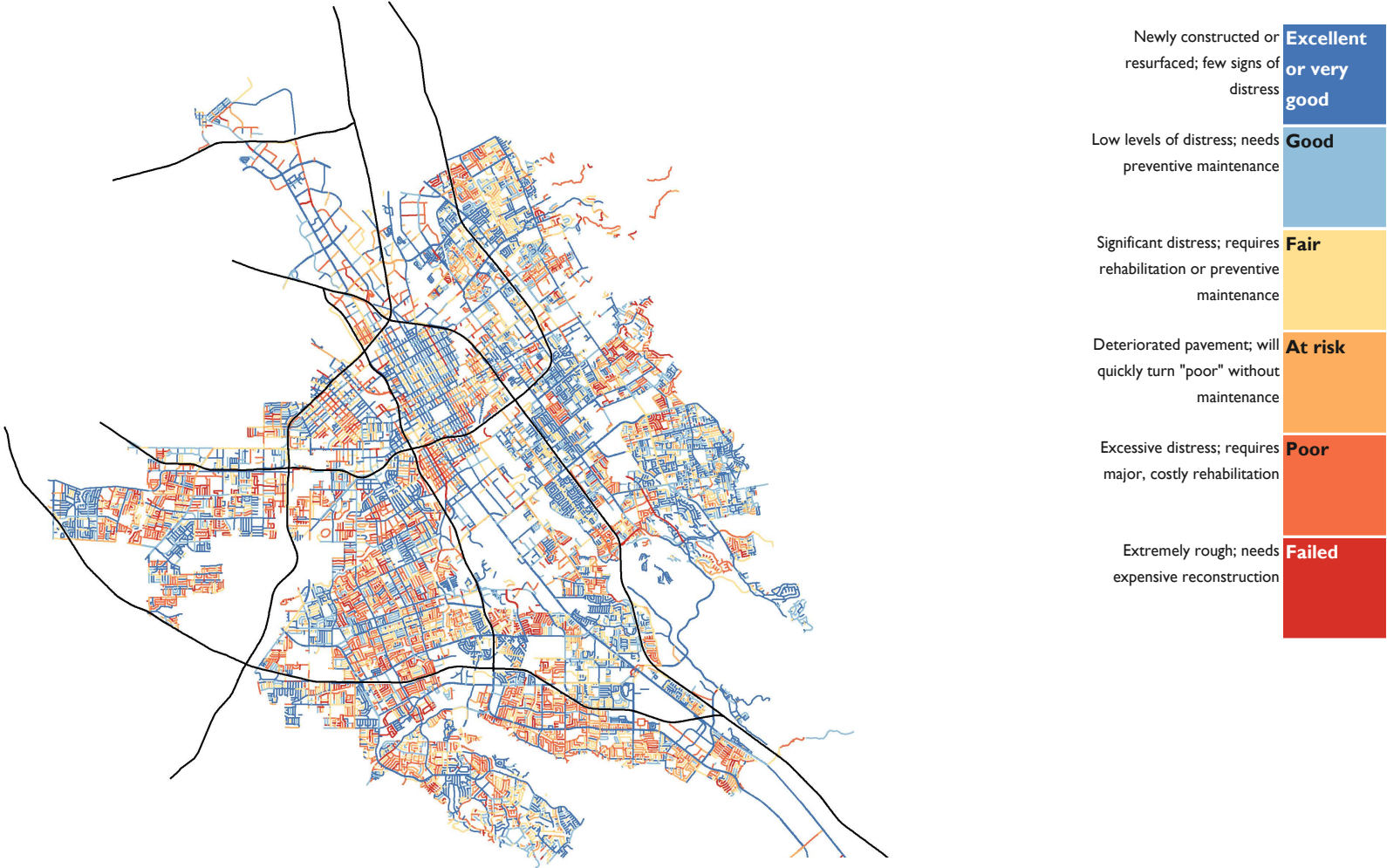


* 3-year moving average, calendar year basis. Source: [Metropolitan Transportation Commission](#).

Number of Potholes Filled
(thousands)



Map of Pavement Condition



Source: Department of Transportation StreetSaver data as of December 2021.

See the City's Pavement Condition Interactive Map [online!](#)

TRANSPORTATION

TRAFFIC MAINTENANCE

The Traffic Maintenance Division is responsible for maintaining the City's traffic signals, traffic signs, roadway markings, and streetlights. In 2021-22, DOT made almost 1,900 repairs to traffic signals. DOT responded to signal malfunctions within 30 minutes 16 percent of the time (target: 40 percent).

DOT's response to traffic and street name sign service requests fell within established guidelines¹ 94 percent of the time in 2021-22 (target: 98 percent). Almost 1,500 signs were preventively maintained, a decrease of 66 percent compared to the prior year. DOT credits this decrease to their focus on "mast arm" signs projects during this time, which DOT reports has fewer signs per intersection, impacting the numbers reported.

DOT crews completed roadway marking services within established priority guidelines² 97 percent of the time in 2021-22. Eighty-six percent of roadway markings met visibility and operational guidelines (target: 64 percent).

Ninety-nine percent of San José's 65,400 streetlights³ were operational. Forty-six percent of reported malfunctions were repaired within seven days (target: 50 percent). DOT repaired over 7,100 streetlights in 2021-22. As of 2021-22, the City has converted or installed around 54,600 LED streetlights, up from about 3,000 LED streetlights in 2013.

Traffic Signals

964 traffic signal intersections in San José

1,900 repairs and **730** preventive maintenance activities completed

16% of malfunctions responded to within 30 minutes (Target: 40%)

Traffic and Street Name Signs

123,400 traffic control and street name signs in San José (estimate)

1,500 preventive maintenance activities completed

94% of sign repair requests completed within established guidelines¹ (Target: 98%)

81% of signs in good condition (estimate, Target: 81%)

1. 24 hours, 7 days, or 21 days—depending on the priority

Roadway Markings

5.9 million square feet of roadway markings

160 maintenance requests completed

97% of service requests completed within prioritized operational guidelines² (Target: 100%)

86% of markings met visibility and operational guidelines (Target: 64%)

2. 24 hours, 7 days, or 21 days—depending on the priority

Streetlights

65,400 streetlights³ in San José, including **54,600** LED streetlights

7,100 repairs completed

99% of streetlights in operational condition (Target: 98%)

3. includes other types of street lighting, not just streetlights

Number of Traffic Signal Maintenance Activities

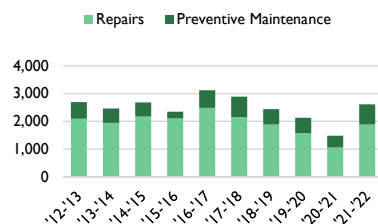
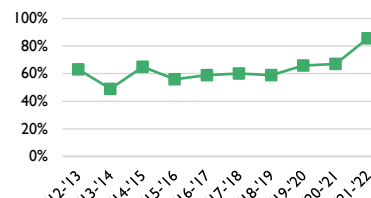


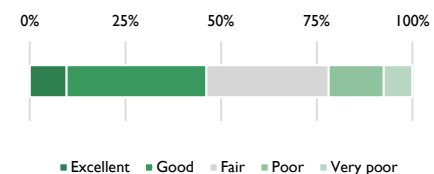
Photo source: Department of Transportation

Percent of Roadway Markings Meeting Visibility and Operational Guidelines



Community Survey 2022

Residents' rating of the adequacy of street lighting in their local neighborhood

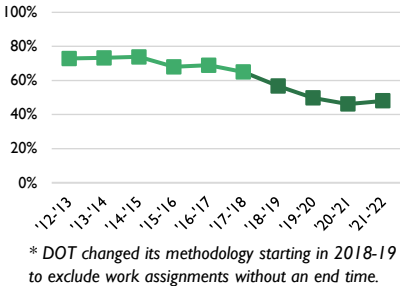


SANITARY SEWERS

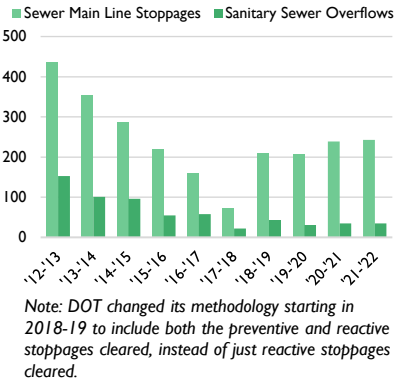
DOT maintains more than 2,000 miles of sanitary sewers and 17 sewer pump stations. DOT is responsible for maintaining uninterrupted sewer flow to the San José-Santa Clara Regional Wastewater Facility. (The Facility is operated by the Environmental Services Department (ESD). For more information see the ESD chapter.)

DOT conducts proactive cleaning to reduce sanitary sewer stoppages and overflows. Over 800 miles were cleaned in 2021-22. About 660 sewer repairs were completed. DOT responded to 35 sewer overflows in 2021-22, the same as last year. DOT cleared over 240 main line stoppages in 2021-22. DOT estimates 48 percent of sanitary sewer problems were responded to within 30 minutes (target: 80 percent).

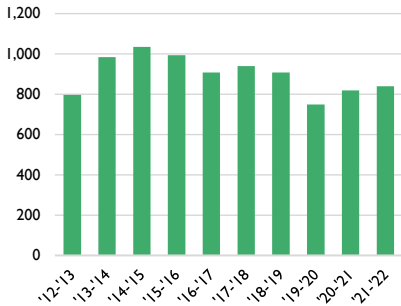
Percentage of Sanitary Sewer Problems Responded to within 30 Minutes*



Sewer Stoppages and Overflows Cleared



Sewer Miles Cleaned



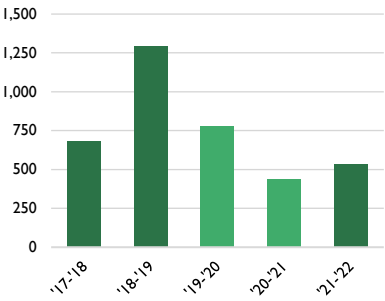
STORM DRAINAGE

DOT and ESD ensure that all of the City’s streets are swept of roadway particulate and debris that may collect in gutters. DOT’s street sweepers clean the downtown area, major streets, and bike routes. ESD contracts residential street sweeping.

DOT annually cleans storm drain inlets so that rain and storm water runoff flow unimpeded through storm drains into the San Francisco Bay. There are approximately 35,600 storm drain inlets in the city. Proactive cleaning prevents harmful pollutants, trash, and debris from entering the Bay and reduces the potential for blockages and flooding during heavy rains.

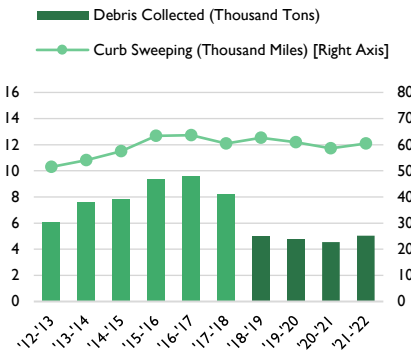
In 2021-22, DOT reports that there were five declared storm days and about 540 responses to calls related to the storm collection system. The number of stoppages and calls varies depending on the severity of rainfall. DOT also maintained 31 stormwater pump stations and cleaned wet wells during summer months.

Storm Calls



Note: Only blockage-related calls were counted in 2019-20 and 2020-21. For all other years presented, this measure shows responses to calls related to the storm collection system, not just blockage-related calls.

Street Sweeping



Note: Previously, debris numbers were reported with the assumption that sweepers were 100 percent full. Starting in 2018-19, DOT based reporting on the approximate percent sweepers were full.

TRANSPORTATION

STREET LANDSCAPE MAINTENANCE

DOT's Landscape Services Division maintains median islands and undeveloped rights-of-way, and ensures the repair of sidewalks and the maintenance of street trees. For the past five years (2017-18 to 2021-22), the City Council allocated additional funding to increase the frequency of street landscape maintenance through contracted services as part of the [BeautifySJ](#) program. DOT reports that BeautifySJ maintains almost half of DOT's landscape inventory. DOT maintenance staff continues to provide basic cleaning and maintenance activities to the non-contractually maintained parcels. Through these combined efforts, there have been improvements in the overall condition of City landscapes. In 2021-22, an estimated 80 percent of general benefit street landscapes were rated on average a 3.5 or higher out of a four point condition rating scale. DOT attributes a decrease from the prior year to possible impacts from lack of rain and staffing challenges.

San José has about 269,500 street trees.* DOT responded to almost 1,100 emergencies for street tree maintenance in 2021-22. The City and property owners completed more than 7,100 sidewalk repairs in 2021-22.

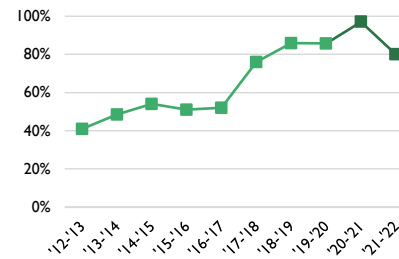
** Property owners are typically responsible for maintaining street trees and repairing adjacent sidewalks. The City maintains trees that are located within the arterial medians and roadside landscaped areas owned by the City.*

PARKING

Parking Services is responsible for managing on-street and off-street parking operations, implementing parking programs, enforcing regulations, and supporting street sweeping, construction, pavement, and maintenance activities. There were almost 54,000 monthly parking customers in 2021-22 and 902,200 visitors used City parking facilities, both of which were below pre-COVID levels. However, overall parking activity increased from 2020-21; with visitor parking up by 56 percent compared to the prior year.

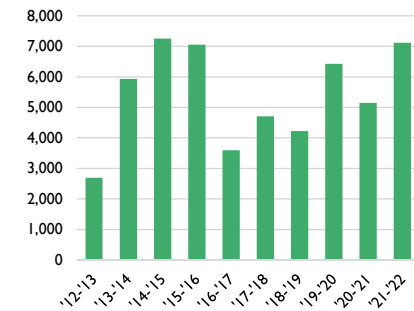
The Department issued about 154,700 parking citations in 2021-22, 53 percent more than in 2020-21. Parking Services is also responsible for investigating service requests to abate abandoned vehicles. There were 34,400 vehicle abatement service requests submitted through SJ311 and generated from Parking Compliance Unit proactive patrols in 2021-22. The average time to complete a service request for vehicles qualifying for investigation was 8.2 days, down from 16 days the prior year. DOT attributes the reduced response time to increased staffing availability in 2021-22 and program changes.*

Percent of General Benefit Street Landscapes Rated a 3.5 or Higher out of a 4 Point Scale



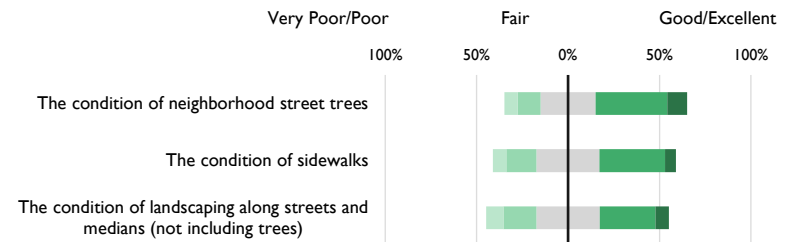
Note: DOT changed methodology in 2020-21 to rate entire corridors and give the street only one rating. Prior, multiple ratings would be given for a segment.

Sidewalk Repairs

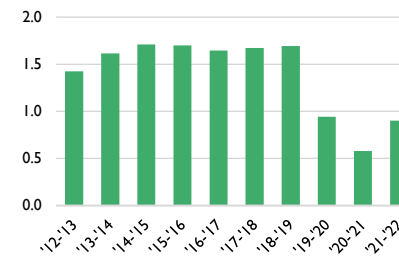


Community Survey 2022

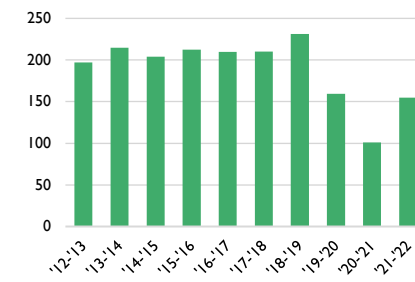
Residents' rating of street landscaping in the city



Visitor Parking Customers at the City's Downtown Facilities (millions)



Parking Citations Issued (thousands)



** During the COVID-19 emergency, the Vehicle Abatement Program within DOT began focusing on investigating and removing vehicles that were inoperable, considered a safety or health concern, or contributing to extreme blight.*

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