



Memorandum

**TO: HONORABLE MAYOR
AND CITY COUNCIL**

FROM: Del D. Borgsdorf

**SUBJECT: 2003 COMMUNITY SURVEY
AND 2003-2004 MID-YEAR CSA
PERFORMANCE REPORT**

DATE: March 15, 2004

RECOMMENDATION

Council acceptance of:

- 1) The report of results from the 2003 San Jose Community Survey and
- 2) The Mid-Year 2003-2004 City Service Area Performance Report.

BACKGROUND

Community Survey

As part of Investing in Results (iR), the City is seeking feedback from customers regarding their satisfaction with City services. One approach we use to obtain this feedback is a biannual survey of San Jose residents. The 2003 Community Survey is our third such survey and it builds on the benchmark information provided by the previous surveys conducted in 2000 and 2001 to tell us how we are doing and where there are opportunities to reshape services to more closely align with community expectations.

City Service Area Performance Report

For the first time, Council is receiving this twice-yearly report on the status of the seven City Service Areas' (CSAs) progress toward strategic goals and performance targets contained in their Business Plans. This inaugural report covers actual performance for the prior fiscal year (2002-2003) and for the first half of the current fiscal year (2003-2004). The purpose of the report is to provide data on the service level results delivered by each CSA during the periods covered.

This information can be used to evaluate the impact on service delivery of prior budget-balancing decisions and cost savings strategies (position vacancies, Cost Management Plans, etc.), and to provide a performance-based context for upcoming budget deliberations.

ANALYSIS

2003 Community Survey Methodology

From December 14 to December 23, 2003, a professional survey firm, Fairbank, Maslin, Maullin and Associates (FMM&A), conducted telephone interviews with 1,000 San Jose residents whose phone numbers were randomly selected. The survey was offered in English, Spanish and Vietnamese. Given the sample size, the survey results as a whole have a margin of error of +/- 3.1 percent. Any smaller subgroups of the sample (e.g., by age, income level, neighborhood, etc.) have higher margins of error.

New Strong Neighborhoods Initiative Data for 2003

New for the 2003 survey is a breakout of responses from the aggregated Strong Neighborhoods Initiative (SNI) areas. This information will be used in establishing baseline levels of conditions, needs and service delivery in the 20 SNI areas, and in measuring progress of the new SNI Business Plan. Comparison of the relative differences between residents' perceptions in SNI areas versus non-SNI areas of the City will also be possible.

The survey consultant's full report on results of the 2003 Community Survey is provided as Attachment A. Highlights of the report are presented below:

2003 Community Survey Highlight

The complete report of survey results, along with a copy of the interview questionnaire, is included as Attachment A. Overall, the survey results reflect positive perceptions about San Jose and the services the City provides. Key findings of the survey include:

- San Jose residents remain generally happy with the quality of life in San Jose, with 75 percent rating the quality of life as good or excellent.
- More than three-quarters of San Jose residents are "satisfied" or "very satisfied" with the overall quality of City services, a proportion that has remained very consistent since the 2000 baseline survey. Satisfaction with San Jose City services is significantly higher than satisfaction in other large Bay Area cities like San Francisco or Oakland.
- Two-thirds of San Jose residents rate the "overall physical condition" of their neighborhood as good or excellent, and only a slightly smaller proportion (63 percent) say their neighbors share a sense of local community pride.
- As has been the case in previous years, about one-third of San Jose residents (36 percent) say they have had contact with a City employee in the past two years. Those who had contact with City employees continue to express overwhelming satisfaction with their courtesy, timeliness, and competence.
- In a notable change from previous years' surveys, there is no single issue or group of issues that San Jose residents overwhelmingly believe should be City government's top priority to address. Currently, the issues of traffic, crime, education, jobs and housing costs are each named by about one out of ten residents as the most pressing issue for San Jose.

In 2000, the issues of traffic congestion (28 percent) and housing costs (25 percent) were clearly the dominant issues in the city.

- More than three out of five San Jose residents continue to feel safe walking around during the day in their neighborhoods (90 percent), in the park nearest their house (84 percent), or in the downtown area (65 percent). Most residents also feel safe in their neighborhood at night (68 percent), although less than a majority feel safe in the evening hours in the park nearest their house or downtown.

According to the survey consultants, the results of San Jose's community survey compare favorably to results in other large cities. In a number of cases, San Jose's positive results are more akin to results in smaller municipalities. Staff will provide a brief overview of the survey results and representatives from FMM&A will be available to respond to questions at the March 23, 2004 City Council meeting.

2003-2004 Mid-Year City Service Area Performance Report

As noted above, this is the inaugural release of a semi-annual City Service Area Performance Report, designed to highlight the progress toward implementation of the seven CSA Business Plans. In March 2003, the City Council approved a recommendation of the Making Government Work Better Committee to direct the Administration to develop a proposed process for regular reporting of CSA performance information to that committee and the City Council. In September 2003, the City Council directed the Administration to begin implementation of a process for regular reporting of City Service Area (CSA) level performance data on the following schedule:

- 1) Reporting of prior year-end actual CSA performance data concurrent with the City Manager's Annual Report; and
- 2) Reporting of current year six-month year-to-date CSA performance data concurrent with the Mid-Year Budget Review

Year-end actual performance data (for the prior fiscal year ended in June) would be reported in the fall, concurrent with the City Manager's Annual Report of financial data. Communication of prior year-end data in this timeframe provides Council with the opportunity to comprehensively review the annual service delivery performance against adopted targets as well as review annual expenditures against adopted budget amounts. Actual data would potentially allow confirmation of performance levels estimated in development of the current year budget or, where variances may occur, the ability to adjust current year resources or performance as necessary to reflect such variances.

In the second report, six month, year-to-date CSA performance data will be reported in the spring, concurrent with the Mid-Year Budget Review. Again, this timing gives staff, Council and the public a comprehensive picture of resources and performance at mid-year with the opportunity to adjust the adopted budget or performance levels to respond to trends or variances from the adopted budget. In addition, this timing also permits use of this information in development of the next year's Proposed Budget.

Format of Year-End and Mid-Year CSA Performance Reports

The report format includes two parts, a comprehensive table of each CSA's performance measures and data by Outcome, similar to that presented in the annual Operating Budget document, and a brief Executive Summary graphically highlighting selected measurement data and describing key messages and priority issues relevant to each CSA's Business Plan.

Implementation of New CSA Performance Data Reporting Process

For the initial year of implementation, both the Year-end Actual (for 2002-2003) and the Six Month Year-to-date performance data are being reported in Spring 2004 concurrent with the Mid-Year Budget Review. In subsequent years, reporting will be done on the planned Fall schedule for prior-year actual data and at mid-year for six-month year-to-date information.

The complete performance report including the Executive Summary as well as details of all CSA-level performance measures is provided as Attachment B. Highlights of the report are summarized below:

Mid-Year 2003-2004 CSA Performance Report Highlights

Overall, the report reflects positively on the ability of City staff to maintain a high level of services to residents and customers, particularly in those types of services designated as Council priorities, amid an environment of restricted resources and changing demands. These include public safety, economic development, neighborhood quality of life, and a number of "front-line" services such as parks, recreation and libraries.

However, while resident and customer perception of service delivery remains strong even after 1-3 years of restricted resources, some internal ratings of asset condition are beginning to show declines. These ratings may provide early warning that maintenance investments should receive consideration in order to avoid loss of assets or a decline in resident perceptions about San Jose and the services the City provides. Key messages of the report include:

Success Stories:

- ***GFB2W and Economic Development Strategy*** – Jobs generated from the special efforts to lease vacant office and industrial space have exceeded targeted levels in the Rincon, Edenvale and Downtown areas. This year, leased square footage should generate over 8,300 jobs, almost twice the annual target.

All elements of the development review process, from initial planning comments to inspections, are now meeting or exceeding performance targets for turnaround time, enhancing the predictability of the overall permitting process for customers.

Success Stories (cont'd):

- ***Strong Neighborhoods*** – Community Survey results show that we are properly targeting SNI resources to areas in need based on the percentage of residents' rating the overall physical condition of their neighborhoods as "good" or "excellent" (only 45% in SNI vs. 67% citywide), but they also show that a higher percentage of SNI residents perceive that their neighborhood has improved over the last two years (53% in SNI vs. 47% citywide) indicating our efforts in these areas may be paying off.

- ***Quality of Life*** – Anti-Graffiti Hotline response within 48 hours is above target for 2003-2004 (99% vs. 95%) and residents are extremely satisfied with City efforts to remove graffiti (95% are satisfied vs. a target of 85%). Anti-Litter efforts are showing results with 85% of litter "hotspots" rated as litter free at mid-year vs. a 2003-2004 target of 75%.

Resident perception of traffic flow and traffic impacts on neighborhoods are showing positive results in 2003-2004, with 59% rating traffic flow on City streets as "acceptable" (vs. a target of 42% and an actual 2002-2003 figure of 41%). Since 2000, the percentage of residents perceiving traffic impact in their neighborhoods as "acceptable" has improved from 63% to 75%.

- ***"Front-line" Services*** – Internal point-of-service data shows that satisfaction with library services (90% vs. 75% target for 2002-2003) and recreation services (94% vs. 90% target at mid-year 2003-2004) remains well above targets despite increased demand for services and restricted resources such as position vacancies.

More park visitors are rating the overall physical condition of facilities as "good" or "excellent" (71% vs. a target of 66%) despite additional acreage coming on line and a number of position vacancies. This may be due in part to the significant capital program of park rehabilitation and construction, as well as the efforts of staff to prioritize services for park visitors. As noted below, however, staff measurements of park infrastructure condition (much of which may not be visible to visitors) continue to decline.

- ***Safest Big City*** – FBI Part I Crime data continues to rank San Jose as the safest U.S. city over 500,000 population in terms of serious crime. Detailed crime data shows that the actual occurrence of various crimes and incidents (including gang-related incidents) for the first six months of 2003-2004 is down by 7% -14% from the same period last fiscal year, with one exception (residential burglaries) which is up by 20%. This data is in contrast to the slight increase in residents' concern about crime as an issue in San Jose seen in the 2003 Community Survey.

Areas of Concern:

- ***"Perception vs. Reality"*** – While surveys show customer and resident satisfaction levels remain high, based on their perception of city facilities and services, a number of other measures of asset condition and timeliness of response are indicating the impacts of the last 1-3 years of restricted resources and changing demands. Staff condition ratings are flat or declining for transportation assets, including street pavement, traffic control devices and streetscapes (streetlights, landscaping, trees and sidewalks), as are response times to address traffic signal timing requests and traffic calming requests. Parks and facilities rated by staff in "good" or "excellent" condition, at the target of only 25% last year, has dropped to 18% (vs. 22% target) at mid-year, reflecting impacts of increased acreage and reduced or vacant maintenance staffing.

These examples illustrate the need to balance data from external customer perception measures and internal professional measures to more fully understand service delivery results. Customer perception ratings may remain high because staff has focused on direct customer service aspects as a priority, the offsetting impact of recent capital investments or because of the time needed for assets to noticeably deteriorate. Internal condition measures may be more comprehensive, and include aspects of condition not readily observable by customers or residents. Therefore, both types of measures complement each other in a "balanced set" of measurements.

Public Outreach

Given the nature of the survey methodology – telephone survey of 1,000 residents using random digit dialing – no public outreach is done prior to the survey being conducted.

Next Steps

The Community Survey is designed to provide a broad look at how residents feel about San Jose and the City's services. The CSA Performance Report communicates progress toward achievement of CSAs' and the City's strategic goals for service delivery. Together, data elements from these sources can be used to evaluate use of current resources as well as guide future resource-allocation decisions. They are components of all seven CSA business plans as well as the new Strong Neighborhood Initiative business plan and GFB2W "One List" status report, offering new opportunities for cross-organizational planning and collaboration toward service delivery.


Del D. Borgsdorf
City Manager

Attachments

