MISSION STATEMENT

The City of San Jose provides quality public services, facilities and opportunities that create, sustain and enhance a safe, livable and vibrant community for its diverse residents, businesses and visitors.

CORE VALUES

The City of San Jose values . . .

- **INTEGRITY**
  Uphold the highest work ethic - Be open, honest and accountable - Demonstrate fiscal responsibility

- **INNOVATION**
  Challenge boundaries - Make tough decisions - Build on successes and failures - Encourage creativity

- **EXCELLENCE**
  Focus on all customers - Provide outstanding service - Support professional development - Promote continuous improvement

- **COLLABORATION**
  Foster teamwork - Support partnerships - Promote cooperation and win-win solutions - Communicate openly and positively - Listen

- **RESPECT**
  Treat everyone fairly - Honor diverse views and backgrounds - Empower people to do their best - Protect the environment

- **CELEBRATION**
  Recognize accomplishments - Create an enjoyable workplace - Reward excellence - Balance family and work

THREE-YEAR GOALS

2007-2010 - not in priority order

- Maintain our status as the safest big city in America
- Eliminate the structural budget deficit
- Reduce deferred maintenance and the infrastructure backlog and develop a strategy to improve the infrastructure
- Increase economic vitality
- Provide full funding for parks, pools, community centers and libraries, including maintenance, operation and development
<table>
<thead>
<tr>
<th>WHEN</th>
<th>WHO</th>
<th>WHAT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wednesday, Sept. 5</td>
<td>Nadine</td>
<td>Distribute the retreat record to those unable to attend.</td>
</tr>
<tr>
<td>Within 48 hours of receipt</td>
<td>All recipients</td>
<td>Read the retreat record.</td>
</tr>
<tr>
<td>By Sept. 15, 2007</td>
<td>Department Heads</td>
<td>Share and discuss the Strategic Plan with senior staff.</td>
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<tr>
<td>September 27-28, 2007</td>
<td>Management Team (City Manager - lead)</td>
<td>Review the “What’s Not Going As Well As You’d Like” list for possible action items.</td>
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<tr>
<td>At the Sept. 25, 2007 City Council meeting</td>
<td>City Council Mayor - lead</td>
<td>Consider the adoption of the Strategic Plan.</td>
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<tr>
<td>Monthly</td>
<td>Management Team (City Manager - lead) and City Council (Mayor - lead)</td>
<td>Monitor progress on the goals and objectives and revise objectives (add, amend and/or delete), as needed.</td>
</tr>
<tr>
<td>Bi-monthly</td>
<td>Nadine</td>
<td>Prepare the updated Strategic Plan monitoring matrix. Distribute monthly to the Management Team. Distribute bi-monthly to the City Council.</td>
</tr>
<tr>
<td>January 19, 2008 9:00 am to 1:00 pm</td>
<td>City Council, Mayor Community Groups and Members</td>
<td>Neighborhood Assn and Youth Commission Community meeting.</td>
</tr>
<tr>
<td>By Feb. 15, 2008</td>
<td>City Manager and Director of HR, with input from employees</td>
<td>Review and recommend revisions to the Core Values, if needed, to the City Council and Management Team [Note: consider adding ‘consistency’ to INTEGRITY and ‘risk taking’ to INNOVATION]</td>
</tr>
<tr>
<td>Feb. 15, 2008</td>
<td>Mayor, City Council City Manager Management Team</td>
<td>Strategic Planning Retreat to: - assess progress on the Goals and Objectives - develop a Vision Statement - develop Strategic Objectives for the next 6 months</td>
</tr>
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</table>
WHAT ARE THE ACCOMPLISHMENTS OF THE CITY OF SAN JOSE SINCE THE FEBRUARY 20, 2007 RETREAT?

Brainstormed List of Perceptions

- Balanced budget
- Six areas of San Jose were recognized as “Best Places to Live” in San Jose Magazine
- Utility rates increased to start to cover infrastructure needs
- Major downtown events (e.g., Mardi Gras, Cinco de Mayo, Grand Prix) without any major incidents
- Another new high rise tower got started downtown
- Rating agencies reaffirmed the city’s excellent credit rating
- Held the second annual joint city-county meeting
- Took a look at our parking and decided to assess a small fee for lighting, security, etc.
- Opened a new fire station, with two more to open before year’s end
- Lots of emphasis on environmental initiatives
- Council approved a policy to halt conversion of industrial land
- Our Traffic Enforcement Unit won first place in a state Traffic Enforcement Strategies competition
- The Budget Dept. presented the City Council with a report showing General Fund cost elements growing faster than revenue
- New Shopping Center Improvement Program
- City adopted aggressive greenhouse gas reduction goals
- Completed spending on two urban area security initiative grants that benefited many departments (e.g., fire, police, airport, transportation)
- Completed freeway projects at 880/Coleman and 87
- Formed the General Plan Update Committee
- Some veteran city employees agreed to come out of retirement (e.g., Budget, Chief Dep. City Manager)
- Approved a new City Public Art Master Plan
- Successfully completed a pilot program for the Revenue Collection Strategic Plan
- The Community Center Reuse Plan was approved
- Presented the Council a plan to complete the Library Bond Project
- City Manager’s General Fund Structural Deficit Task Force Work Plan was developed and a team was formed
- Several key General Fund adds were approved for high priority areas
- Conducted three special elections after a very busy general election
- Successful fledging of the peregrine falcons
- Reopened the Guadalupe Park River Trail
- Launched a new heat warming system in partnership with the National Weather Service
- We were instrumental in the passage of SB 641, which will help fund the airport rental car garage
- Focused on deferred maintenance
- City was recognized with an award for creative use of webstreaming of the peregrine falcon
- Increased airport passenger traffic
- Completed the employee parking garage
- Council approved high rise housing incentives including a revised inclusionary program
- We won an award from California for the best long range plan for North San Jose
- National Civilian Oversight Conference already has more attendees registered than ever before
- Passed a series of ethical initiatives and put our ethical issues behind us
Infrastructure Backlog Report to the Council’s Transportation and Environment Committee
Council approved the hiring of 15 additional police officers
Completed a Transportation Maintenance Master Plan and will present it in October to the Council’s Transportation and Environment Committee
Citistat evaluation completed
New corporate headquarters downtown
Despite challenges, there is hope and optimism in the workforce
City had soft closings of night clubs without incident
Council passed the Sunshine Task Force Phase I recommendations
Economic recovery is underway, revenue is up and a five-year forecast shows continued growth
Had a successful meeting with the Water District
Strengthening our partnership with First Act
Overwhelming investors’ interest in the City’s largest bond issue for the airport
Completed videos that address auto thefts and residential burglaries
Began a conversation about retiree health care
Two of our internal and external newsletters were recognized in a competition
Organization is taking on some of the tough challenges
Balanced budget includes some of the top priority goals
Mayor and new Council members were successfully transitioned in
Recycle Plus transition went smoothly
Successful transition of a new City Manager
New and growing clean tech companies
Central Service Yare Phase II allowed us to bring people together
New center to recycle household hazardous products and waste
Council approved a five-year housing plan
National League of Cities adopted San Jose’s anti-gang strategies for a statewide effort
Secured positive stories in the national media about San Jose
Citizen Task Force appointed/created to oversee development in North San Jose
Agreed to have the Zero One Festival come back to San Jose
Amgen Event is returning to San Jose
Independent report states that strong neighborhoods had greater property values than the rest of the city
Airport modernization is well underway
Adopted an Aquatics Master Plan
San Jose’s Incubator Program
Opened 5 new parks
Formed a Downtown Property-Business Improvement District
WHAT’S NOT GOING AS WELL AS YOU WOULD LIKE INTERNALLY?

Brainstormed List of Perceptions:

- Limited progress on the citywide Pandemic Flu Program
- Still have the unfunded retiree health care liabilities
- Lack of resources for the RDA, infrastructure, roads and services
- Inconsistent policies and standards applied to development
- Concern about upcoming retirements – replacement workers
- Don’t have traction on unfunded obligations
- Lack of understanding by employees of the structural budget deficit
- Inadequate supply of public safety resources
- Budget shortfalls still forecasted for the next five years
- Undercommitment to retail sales tax generation
- Management is thinned, stretched and burned out
- Not coordinating tech projects between departments
- Committee workload is very large
- Community Center Reuse Policy is unresolved
- Employee perception of inequitable labor contracts
- Disconnect between the Planning Dept. and the community
- Still have various management positions unfilled
- Lack of sufficient technology
- City is too risk adverse
- Too many priorities
- Administrative workload is stretched beyond capacity affecting the ability to deliver services
- Don’t have a good enough strategy and consensus for a vibrant downtown
- Sales tax leakage
- Change not happening fast enough to meet expectations
- Accomplishments not being well described to the media
- Available technology is inadequate
- Not enough staff
- Still have a number of cumbersome administrative processes that cost and have no value
- Increased workload due to Sunshine Reform Task Force without additional resources
- Labor groups/city at odds in reaching agreement
- Full funding for community centers, parks, pools cannot be achieved
- Demands exceed resources
- Expenses going up faster than resources
- Structural deficit still looms
- Permit process review is too slow
- Processes are still too cumbersome
- Growth of personnel costs exceed revenue
- Bureaucratic processes are too slow and cumbersome
- Risk taking is not a corporate value
- Lack of control over the media
- Traffic Unit is still too small despite concerns about traffic speeding and accidents
- Difficult to compete for qualified candidates in this job market
- Master plans without funding
- Employees are fearful of losses
- Organization focus is fragmented
- Not enough space to think and be creative
EXTERNAL FACTORS/TRENDS THAT WILL/MIGHT HAVE A POSITIVE IMPACT ON THE CITY OF SAN JOSE IN 2007/2008

Brainstormed List of Perceptions

- Increased diversity
- Great reputation
- Caliber of new hires
- Proximity to higher education institutions
- Economy is still growing
- More engaged neighborhoods
- Capacity to involve
- Growing list of volunteers
- Community with high expectations of city government
- High speed rail is still on the ballot for 2008
- Significant infrastructure funding from voter-approved bond measures
- Creative people from around the world still want to come here
- A lot of sun for solar technology
- Desire of industry to cluster together
- Global thinking
- Strong environmental ethics
- Residential growth downtown
- High social conscience
- The use of diversity in everything we do here gives us synergy
- Sound real estate values
- Due to the environmental/green movement, we’ll get a certain amount of new jobs here
- Beautiful natural setting
- Fabulous weather
- Increased demand for commercial space downtown
- Access to great entertainment
- Low crime environment
- Good government
- Visibility (worldwide) of the companies we have here
- Improving test scores
- Historically low interest rates
- Strong community based organizations (CBOs)
- Corporate presence in the community
- Appreciation for art
- Attention to health care reform in Sacramento
- Strong legislative delegation
- The next new thing
- Focus on clean energy
- State has contributed to funding for BART in San Jose
- Willingness of companies to invest in San Jose
- Most educated city in America
- A vast pool of non-profit organizations
EXTERNAL FACTORS/TRENDS THAT WILL/MIGHT HAVE A NEGATIVE IMPACT ON THE CITY OF SAN JOSE IN 2007/2008

Brainstormed List of Perceptions

- High cost of living
- San Jose Mercury News
- Non-profits are struggling
- State budget problems
- Down mortgage industry
- A high high school drop out rate
- Limited philanthropy
- Tightening rental market
- Loss of the middle class
- College graduation rate is not high enough
- Transitions in Washington D.C.
- Global warming
- Lack of land available for development
- Global unrest
- Tax structure shifts from manufacturing to the service industry
- Offshoring and locating jobs in other countries
- National failure to address health care
- Generation Y workforce expects tech-savvy cities
- The War
- Terrorism
- Short attention span of the population
- Tight competitive labor force
- Feds changing interest rates
- Housing costs
- Earthquake country
- More commerce over the Internet resulting in less sales tax revenues
- Increase in foreclosures
- Poor quality of K-12 education
- Rising gang activity
- National failure to address immigration policy
- Possible water shortage
- Increasing gaps from low to high income families
- Gas prices
- Increasing global competition
- Actions by surrounding cities to locate shopping near our boundaries, thus capturing sales tax revenues from us
- Growing economy equals growing congestion on our roadways
- Changing demographics in the workplace – an aging workforce
- Aging population
- Not enough direct flights to the “spike cities” of the world
- Increased competition statewide for employees (e.g., the State of California)
- Lack of CalTrans maintenance of landscaping, litter, graffiti
- NIMBYism
- Rising cost of health care
- Increasing expectations for speed and responsiveness
- Low interest in public service as a career
STRATEGIC PLANNING ELEMENTS
Marilyn Snider, Strategic Planning Facilitator • Snider and Associates (510) 531-2904

“SWOT” ANALYSIS
Assess the organization’s:
- Internal Strengths - Internal Weaknesses
- External Opportunities - External Threats

MISSION/PURPOSE STATEMENT
States WHY the organization exists and WHOM it serves

VISION STATEMENT
A vivid, descriptive image of the future—what the organization will BECOME

CORE VALUES
What the organization values, recognizes and rewards—strongly held beliefs that are freely chosen, publicly affirmed, and acted upon with consistency and repetition

THREE YEAR GOALS
WHAT the organization needs to accomplish (consistent with the Mission and moving the organization towards its Vision) – usually limited to 4 or 5 key areas

KEY PERFORMANCE MEASURES
What success will look like upon achievement of the goal

SIX MONTH STRATEGIC OBJECTIVES
HOW the Goals will be addressed: By when, who is accountable to do what for each of the Goals

FOLLOW-UP PROCESS
Regular, timely monitoring of progress on the goals and objectives; includes setting new objectives every six months

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