



**MANAGEMENT PARTNERS**  
I N C O R P O R A T E D

**To:** Community and Economic Development Council Committee  
City of San José

**From:** Jerry Newfarmer, Nancy Hetrick, and Lynne Barrette

**Subject:** Performance Measurement Project

**Date:** May 14, 2007

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Management Partners has been hired by the City of San José to work with the four Council Committees and City staff to incorporate more frequent review and discussion of key performance measures into the ongoing work of the Standing Committees. To achieve that, a simplified structure and limited number of regular and meaningful performance reporting is recommended.

The City of San José currently collects and reports data on over 1,000 performance measures annually. Given the size and complexity of a city like San José, the large number of performance measures is understandable. However, the sheer volume, when reported in full, is daunting. The intended outcome of this effort is to identify a limited number of meaningful performance measures for each Council Committee that can be reported on a regular basis. The selected measures will focus on the service areas and key outcomes that are of greatest concern and/or interest to the specific committee.

The Community and Economic Development Committee has oversight for services provided by six City departments and approximately 550 employees, at a cost of over \$70 million annually. The Committee is assigned responsibility for City services that contribute to a:

- *Strong economic base*
- *Diverse range of housing options*
- *Diverse range of events, arts and cultural offerings*
- *Safe, healthy, attractive and vital community*

Management Partners will attend the Committee's May 24 meeting to discuss and review the use of performance measures by the committee. We will assist the committee with the selection of key performance measures that will aid in the oversight of the complex and important services associated with community and economic development.

When we meet with the Committee we will provide a brief background on the project and uses of performance measurement, then spend the majority of our time facilitating a discussion about the service areas for which the committee wishes measure

performance on a regular basis. We will work with the Committee to identify the performance measures that best reflect the outcomes listed above as well as other areas of concern and/or interest. By the end of our session we expect to have identified a set of performance measures and/or service areas on which to focus. We recognize and will be respectful of the time constraints of the meeting. If there is interest by the committee in learning more about performance measurement generally or about our findings and observations specifically, we will be happy to elaborate.

To help facilitate our dialogue on desirable performance measures, attached please find a draft summary of key performance measures and indicators for the core services associated with this Committee, by accountable department. This document is intended as a starting point for the Committee discussion. It is reflective of the framework for regular performance measures reporting developed by the Community and Economic Development Community Service Area (CSA) and has been reviewed by all involved departments.

We appreciate the time and assistance that City officials have given us and look forward to discussing our observations and recommendations with the Committee.

Attachment

City of San José  
Council Committee for Community and Economic Development (CED)

*Committee Mission Statement:*

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

**Community and Economic Development**

*Nancy Pyle, Chair  
Paul Krutko, Committee Staff*

**Office of Economic Development**

*(Paul Krutko, Director)*

\$9.6 Million / 77 FTE

Core Services:

- **Arts and Cultural Development**
- **Business/Job Attraction, Retention, Expansion and Creation**
- **Outdoor Special Events**
- **Workforce Development**

**Housing Department**

*(Leslye Krutko, Director)*

\$9.5 Million / 77 FTE

Core Services:

- **Increase the Affordable Housing Supply**
- **Maintain the Affordable Housing Supply**
- **Provide Services to Homeless and At-Risk Populations**

**Planning, Building and Code Enforcement**

*(Joseph Horwedel, Director)*

\$40.6 Million / 344 FTE

Core Services:

- **Development Plan Review & Building Construction Inspection**
- **Long Range Land Use Planning**
- **Community Code Enforcement (NSE)**

**Public Works Department**

*(Katy Allen, Director)*

47.4 Million / 383.5 FTE

Core Services:

- **Regulate/Facilitate Private Development**
- **Plan, Design and Construct Public Facilities & Infrastructure (Strategic Support)**

**Fire Department**

*(Darryl Von Raesfeld, Chief)*

\$129.3 Million / 857.75 FTE

Core Services:

- **Fire Safety Code Compliance**
- **Emergency Response and Fire Prevention (Public Safety)**

**The Redevelopment Agency\*\***  
(Harry S. Mavrogenes, Executive Director)

\$20.6 Million / 115 FTE

Core Services:

- **Enhance the Quality and Supply of the City's Housing Stock**
- **Initiate and Facilitate Private Development**
- **Initiate and Facilitate Public Facilities and Spaces**
- **Promote and Implement Neighborhood Improvement**

**Convention Facilities Department**  
(Team San José, Contractor)

\$12.7 Million / 84.76 FTE

Core Services:

- **Convention and Cultural Facilities**

\* Non-bolded italics indicate Core Service is assigned to another Council Committee.

\*\*Not reviewed in this phase of the project. Core Services associated with the Redevelopment Agency remain for future consideration.

Neighborhood Services and Education Committee:

Planning, Building and Code Enforcement - Community Code Enforcement

Public Works - Regulate/Facilitate Private Development

Public Safety, Finance and Strategic Support:

Public Works - Plan, Design and Construct Public Facilities & Infrastructure (Strategic Support)

Fire Department – Emergency Response (Public Safety)

Fire Department – Fire Prevention (Public Safety)

**Community and Economic Development CSA Outcomes:**

*Strong Economic Base*

*Safe, Healthy, Attractive and Vital Community*

*Diverse Range of Housing Options*

*Diverse Range of Events, Arts and Cultural Offerings*

# Office of Economic Development

(Paul Krutko, Director)

## CORE SERVICES

- **Arts and Cultural Development:** *To develop and manage resources that support and build a diverse array of opportunities for cultural participation and cultural literacy.*
- **Business/Job Attraction, Retention, Expansion and Creation:** *Promote business by providing assistance, information, access to services, and development permit facilitation.*
- **Outdoor Special Events:** *To attract, coordinate, support and produce outdoor special events on public and private property, and manage supporting programs.*
- **Workforce Development:** *Assist businesses in hiring a quality workforce through assessment, supportive services, and employability skills training.*

## Key Community Indicators

Percent change in number of jobs (Job Growth)  
Commercial occupancy rates

Core Services	Key Performance Measures	Key Workload Indicators
Arts and Cultural Development <i>Arts Grants</i> <i>Arts Community Development</i> <i>Public Art</i> <i>Arts Education</i> <i>Arts Planning and Development</i>  <b>2006-07 Adopted: \$1.9 M / 13 FTE</b>	% of San José students (K-12) participating in City-sponsored arts education programs and initiatives  Ratio of City support to all other revenue sources (City-supported cultural organizations including grantees)  <i>% of residents rating availability of a diverse range of arts and cultural activities in the City as good or excellent (Collected biannually through Citywide survey)</i>	Number of students served by arts education  Number of City-funded cultural organizations  Number of arts grants awarded and monitored  Number of public art projects initiated
<b>Business/Job Attraction, Retention, Expansion and Creation</b> <i>Economic Development Strategy</i> <i>Corporate Outreach</i> <i>Small Business Assistance</i>	<b>Percent change in economy-based revenue (i.e., sales tax, property tax, business license fees, transient occupancy tax)</b>	<b>Number of businesses contacted</b>  Number of businesses enrolled in incentives/assistance programs

Data sources: City of San José FY 2006-07 Adopted Budget; performance measures change requests for FY 2007-08; CSA performance measures framework.

<p><i>Loan Programs</i>  <i>San José Enterprise Zone</i>  <i>International Programs</i>  <i>Retail Attraction and Retention</i></p> <p><b>2006-07 Adopted: \$2.2 M / 11.9 FTE</b></p>	<p><b>% of businesses benefiting from incentives / assistance</b></p> <p><b>Jobs generated through City/Agency attraction, expansion and retention</b></p> <ul style="list-style-type: none"> <li>- Industrial</li> <li>- Commercial/Retail</li> </ul>	
<p><b>Outdoor Special Events</b>  <i>Attract / Recruit New Signature Events</i>  <i>Coordination and Support for Special Events</i>  <i>Special Event Development and Production</i>  <i>Support Development / Improvement of Existing Special Events</i>  <i>Development / Enforcement of Event Policies / Guidelines</i>  <i>Special Event Grant Support</i></p> <p><b>2006-07 Adopted: \$826,707 / 5 FTE</b></p>	<p><i>% of residents rating the City's efforts at providing an adequate number and variety of outdoor special events as good or excellent (Collected biannually through Citywide survey)</i></p> <p>% change in attendance at outdoor events</p> <p>% of event organizers rating City services and facilities good to excellent based on safety and planning</p>	<p>Number of outdoor special events coordinated</p> <p>Number of attendees</p>
<p><b>Workforce Development</b>  <i>Customized, Professional Career Services</i>  <i>Workforce Reduction Assistance</i>  <i>Career Transition Management</i>  <i>Employee Attraction, Training, and Retention Services</i></p> <p><b>2006-07 Adopted: \$3.8 M / 40.7 FTE</b></p>	<p>% of Workforce Investment Act (WIA) participants entering employment</p> <ul style="list-style-type: none"> <li>- Adults</li> <li>- Dislocated workers</li> <li>- Youth</li> </ul> <p>% of WIA participants retaining employment</p> <ul style="list-style-type: none"> <li>- Adults</li> <li>- Dislocated workers</li> <li>- Youth</li> </ul>	<p>Number of WIA program participants</p> <ul style="list-style-type: none"> <li>- Adults</li> <li>- Dislocated workers</li> <li>- Youth</li> </ul>

# Housing Department

(Leslye Krutko, Director)

## CORE SERVICES

- **Increase the Affordable Housing Supply:** *Provide funding and technical assistance for the creation of new affordable housing and homebuyer assistance.*
- **Maintain the Existing Affordable Housing Supply:** *This core service provides rehabilitation loans and grants and construction oversight to extend the useful life of affordable housing, including single-family homes, mobile homes and multi-family buildings. In addition, this core service provides loans servicing and portfolio oversight to protect the City's investments and ensure the affordable units remain affordable as well as provide Rental Dispute services to community residents to ensure rent increases are controlled and assist clients with eviction notices.*
- **Provide Services to Homeless and At-Risk Populations:** *Provide direct and indirect assistance to the homeless and those at risk of homelessness in securing housing and related services.*

### Key Community Indicators

San José median housing price

% of median-income residents that can afford a median-priced home

% of households in San José paying more than 50% of their income on housing costs

Core Services	Key Performance Measures	Key Workload Indicators
<p><b>Increase the Affordable Housing Supply</b>  <i>Make loans to developers</i>  <i>Provide homebuyer assistance</i></p> <p><b>2006-07 Adopted: \$1.3 M / 9.35 FTE</b></p>	<p><b>% of annual ABAG target achieved for production of affordable housing</b></p> <p>% of annual target achieved for number of homebuyer clients assisted</p>	<p>Number of affordable housing units completed in the fiscal year</p> <p>Number of homebuyers assisted</p>
<p><b>Maintain the Existing Affordable Housing Supply</b>  <i>Loan Compliance and Collections</i>  <i>Rental Rights and Referral Services</i>  <i>Housing Rehabilitation</i></p> <p><b>2006-07 Adopted: \$3.9 M / 31.9 FTE</b></p>	<p>Default rate of loan portfolio by category</p> <ul style="list-style-type: none"> <li>- Project Loans</li> <li>- Rehabilitation Loans</li> <li>- Homebuyer Loans</li> </ul> <p>% of rehabilitation projects completed within 6 months (small projects)</p>	<p>Monetary value of loan portfolio</p> <ul style="list-style-type: none"> <li>- Project Loans</li> <li>- Rehabilitation Loans</li> <li>- Homebuyer Loans</li> </ul> <p>Number of rehabilitation projects completed</p>
<p><b>Provide Services to Homeless / At-Risk Populations</b>  <i>Coordination of Services Aimed to End Chronic</i></p>	<p>% change in the number of unduplicated persons utilizing emergency shelters</p>	<p>Number of chronically homeless individuals assisted in securing permanent housing</p>

Data sources: City of San José FY 2006-07 Adopted Budget; performance measures change requests for FY 2007-08; CSA performance measures framework.

<p><i>homelessness Information and Referral Services for Homeless and those At-Risk of Homelessness Grant Administration</i></p> <p><b>2006-07 Adopted: \$375,492 / 3.3 FTE</b></p>	<p>% change in the number of reported homeless encampments (annual)</p>	
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# Planning Building and Code Enforcement Department

(Joseph Horwedel, Director)

## CORE SERVICES

- **Development Plan Review & Building Construction Inspection:** *Manage and review development and construction applications to allow issuance of permits in compliance with applicable codes and policies.*
- **Long Range Land Use Planning:** *Develop land use plans and policies to guide the future physical growth of the City.*
- **Community Code Enforcement:** *Enforce and promote compliance with local and State codes to ensure a safe, healthy and attractive community.*

Core Services (CED only)	Key Performance Measures	Key Workload Indicators
<p><b>Development Plan Review &amp; Building Construction Inspection</b>  <i>Review of Land Use, Rezoning, Development Applications, and Plans for Compliance with Zoning Code</i>  <i>Review of Construction Plans and Calculations for Compliance with Building Code Standards, Policies and Guidelines</i>  <i>Environmental Review</i>  <i>Construction Inspection</i>  <i>Permit Issuance</i>  <i>Pubic Information Services</i></p> <p><b>2006-07 Adopted: \$26.3 M / 212.95 FTE</b></p>	<p><b>% of development projects completed within processing time targets</b></p> <ul style="list-style-type: none"> <li>- <b>Planning Permits</b></li> <li>- <b>Building Plan Check</b></li> <li>- <b>Building Inspection</b></li> </ul> <p><b>% of development services walk-in customer served in less than 30 minutes</b></p> <p><b>% of customers surveyed who indicated the City provided coordinated and consistent information on their project (one voice)</b></p>	<p>Number of building permits issued</p> <p>Number of customers served in the Permit Center</p> <p>Number of plan checks</p> <p>Number of planning applications</p> <ul style="list-style-type: none"> <li>- Major</li> <li>- Minor</li> </ul> <p>Number of field inspections</p>
<p><b>Long Range Land Use Planning</b>  <i>City-wide land Use Planning (General Plan)</i>  <i>Historic Preservation</i>  <i>Specific / Area Planning</i>  <i>Neighborhood Revitalization</i>  <i>Policy / Ordinance Development</i></p> <p><b>2006-07 Adopted: \$3.1 M / 35.95 FTE</b></p>	<p><b>% of special planning efforts completed on time and within budget</b></p>	<p>Number of Specific/Area planning efforts underway</p>

NOTE: The Planning, Building and Code Enforcement Department Core Service of Community Code Enforcement is assigned to the Council Committee on Neighborhood Services and Education.

Data sources: City of San José FY 2006-07 Adopted Budget; performance measures change requests for FY 2007-08; CSA performance measures framework.

# Public Works Department

(Katy Allen, Director)

## CORE SERVICES

- **Regulate/Facilitate Private Development:** *Review of private development to ensure that new development contributes to the safety and welfare of the citizens as well as the City's economic development.*
- **Plan, Design and Construct Public Facilities and Infrastructure:** *Plan, design and construct public facilities and infrastructure.*

Core Services (CED Only)	Key Performance Measures	Key Workload Indicators
<p><b>Regulate/Facilitate Private Development</b>  <i>Grade Permits</i>  <i>Public Improvement Permits</i>  <i>Traffic Reports</i>  <i>Inspection</i>  <i>Subdivision Maps</i>  <i>Development Application Review</i>  <i>Assessment Engineering</i>  <i>Utility Permits</i>  <i>Underground Service Alert</i></p> <p><b>2006-07 Adopted: \$6.5 M / 53.99 FTE</b></p>	<p>% of Development Improvement Plans processed completed within established time targets</p> <p>Ratio of fee revenue to Development Fee Program costs</p> <p><i>% of development process participants rating service as good or excellent</i></p>	<p>Number of development improvement plans reviewed</p>

*NOTE: The Public Works Department Core Service to Plan, Design and Construct Public Facilities and Infrastructure is assigned to the Council Committee for Public Safety, Finance and Strategic Support.*

# Fire Department

(Darryl Von Raesfeld, Fire Chief)

## CORE SERVICES

- **Fire Safety Code Compliance:** *Minimizes loss of life and property from fires and hazardous materials releases. Provides on-site code inspections and code plan review services to the City of San José service area, resulting in a fire and chemicalsafe environment.*
- **Emergency Response:** *Provides comprehensive life safety services to residents and visitors by responding to emergencies in San José's incorporated and unincorporated areas, totaling approximately 200 square miles.*
- **Fire Prevention:** *Educates the community to reduce injuries, loss of life, and property damage from fires and other accidents, and investigates fire cause. Provides regulatory enforcement of fire and hazardous materials codes through inspection activities.*

Core Services	Key Performance Measures	Key Workload Indicators
<b>Fire Safety Code Compliance</b> <i>Engineering (Development Review)</i>  <b>2006-07 Adopted: \$2.8 M / 21.25 FTE</b>	% of Fire Plan Checks completed within established time targets  % of Fire inspections completed within 24 hours	Number of Plan Checks performed  Number of Inspections performed

*NOTE: The Fire Department Core Services of Emergency Response and Fire Prevention are assigned to the Council Committee on Public Safety, Finance, and Strategic Support.*

# Convention Facilities Department

(Team San José, Contractor)

## CORE SERVICES

- **Convention and Cultural Facilities:** *To ensure that San José's Convention Center and Cultural Facilities are effectively managed to reduce costs, improve the local economy, and add value to customers, residents, workers, and businesses within the City of San José.*

Core Services	Key Performance Measures	Key Workload Indicators
<p><b>Convention and Cultural Facilities</b>  <i>Sales and Marketing</i>  <i>Event Services</i>  <i>Technical Services</i>  <i>Food and Beverage Services</i>  <i>Facility and Infrastructure Maintenance</i>  <i>HVAC, Electrical, and Co-generation Services</i></p> <p><b>2006-07 Adopted: \$12.7 M / 84.75 FTE</b></p>	<p>Economic Impact of Convention Center and City-sponsored events (attendee days by type of visitor)</p> <ul style="list-style-type: none"> <li>- Local/social</li> <li>- Out of town</li> <li>- Exhibitor</li> </ul> <p><i>% of customers rating overall service good to excellent based on satisfaction with facilities and services provided</i></p>	<p>Number of events</p> <ul style="list-style-type: none"> <li>- Convention Center</li> <li>- Other cultural facilities</li> </ul> <p>Attendance at Convention facilities</p>