



Memorandum

TO: MAYOR REED

FROM: Councilmember Sam Liccardo

SUBJECT: BUDGET DOCUMENT

DATE: May 22, 2013

Approved

Date

5-22-13

RECOMMENDATION

That the following recommendation be enacted.

Proposal

Program/Project Title: Predictive Analytics Policing Pilot Program, 2.0 FTE Crime and Intelligence Analysts

Amount of City Funding Required: \$150,000

Fund Type (i.e. General Fund, C&C funds, etc.):

- \$75,000: Fund 417, State Drug Forfeiture Fund, Unrestricted Ending Fund Balance
- \$75,000: Fund 157, Unemployment Insurance Fund, Unrestricted Ending Fund Balance

Proposal Description, including anticipated outcomes (describe how change would affect services for San José residents, businesses, community groups, etc.):

Every councilmember would like to allocate funding to put more police on the street. Unfortunately, given the much-discussed pipeline constraints in recruiting, educating, and training officers for street-readiness, no allocation of additional dollars to additional positions on patrol will have any impact over the next fiscal year. Accordingly, we can only hope to help make the officers on the street more effective and efficient.

With predictive analytics, we can do so. By implementing this pilot, we can reduce high-frequency, geographically-focused crimes like burglary and drug-dealing, and better assess whether we want to make more substantial, long-term investments in this nascent application of technology.

Municipalities throughout the United States and Canada have introduced predictive policing initiatives with palpable evidence of success. The cities of Santa Cruz and Los Angeles have each leveraged "PredPol" software to reduce crime by 11%¹ and 12%, respectively. The Charlotte-Mecklenberg Police Department implemented a predictive policing pilot program for \$75,000 that so substantially reduced costs as to provide a 529% return on investment, according to a three-year study.²

¹ <http://www.popsci.com/science/article/2011-10/santa-cruz-experiment>

² http://www.informationbuilders.com/pdf/products/webfocus/IBI-Charlotte-Mecklenburg%20PD%20Case%20Study_2-1-12.pdf

With the phased implementation of a CompStat data management system in SJP, and with our concurrent launch of the IMPACT Program, we can initiate a pilot program using predictive policing strategies. SJP brass has made clear that they need more civilian staff to effectively implement this program, so I have identified \$150,000, which will barely cover the 2.0 FTE Crime and Intelligence Analyst positions necessary to do so. Alternatively, I have also heard from private sector vendors that the same amount of funding could provide a wholly contracted service, without any additional staff. I merely submit the request for funding now, with the expectation that a discussion about the "how" and the "who" will follow.

The sources identified above appear suitable for these Crime and Intelligence Analyst positions. State forfeiture law specifically requires that the City allocate at least 15% of the forfeiture proceeds to combat drug abuse and to divert gang activity. For purposes of this budget document, I've presumed that 50% of the time the analyst will focus on utilizing analytics for drugs and gangs. The unrestricted reserve for that fund exceeds \$208,000 (p. XI-90).

For the remaining 50% of the cost, I've identified the unrestricted ending fund balance of the Unemployment Insurance Fund, which currently exceeds \$1.96 million. In that fund, we already have an additional claims reserve balance of \$1.5 million to cover the anticipated level of claims, a more-than-safe amount given that the City has no plans for layoffs in this fiscal year.

Should the SJP ultimately determine that it needs to find additional amounts next year to acquire any necessary software licenses or training to utilize the predictive analytics software such as PredPol, then I further recommend the use of these two fund sources at Mid-Year.

Funding Source

Essential Services Reserve

Other (Program/Project/Fund):

\$ 75,000: Fund 417, State Drug Forfeiture Fund, Unrestricted Ending Fund Balance (\$208,271)

\$ 75,000: Fund 157, Unemployment Insurance Fund, Unrestricted Ending Fund Balance (\$2 mil.)

Department or Organization: San José Police Department

Department or Organization Contact (list contact information for the individual that certified cost estimates contained within your recommendation): Lisa Perez

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This change is:

One-time Ongoing

The City Service Area to which the change best relates:

- Community and Economic Development Services
- Environmental and Utility Services
- Neighborhood Services
- Public Safety
- Strategic Support
- Transportation and Aviation Services