

2. THRIVING COMMUNITY

As the Capital of Silicon Valley, San Jose is recognized regionally, nationally, and internationally as a leader in business innovation. The goals, policies, and implementation actions (Policies) in this chapter enhance that renowned reputation. San Jose is committed to supporting a thriving community for its businesses, residents, and visitors. As part of this commitment, San Jose facilitates economic development, promotes arts and culture, engages the community in issues that impact them, and implements fiscally sustainable policies.

Some of the General Plan goals and policies in this chapter are high-level and intentionally broad. The City regularly updates subsidiary policy documents, such as the Economic Strategy and the Cultural Vision Plan, to provide specific implementation strategies that further the intent of the goals and policies in this chapter.

The Diverse and Innovative Economy Policies support business attraction, growth, and retention in San Jose. San Jose recognizes that all individuals bring value to San Jose's diverse community, and the Diverse and Innovative Economy Policies seek to provide broad economic prosperity throughout San Jose's community. The Diverse and Innovative Economy Policies support businesses of all sizes and facilitate job creation. These Policies, along with the Fiscal Sustainability Policies, also strive to identify, secure, and maintain reliable funding streams for the City through economic development actions. Economic development is a keystone in furthering the Fiscally Strong City, Regional Transit Hubs, and Design for a Healthy Community City Concepts.

Civic innovation springs from partnerships with the corporate, education, and philanthropic community. With San Jose State University, the City successfully launched the first joint municipal-university library in the nation. With private partners, San Jose developed the nation's first incubator for environmental companies, an award-winning software incubator, and the nation's only incubator for foreign-owned businesses. And the community is the first in the nation to ensure health care for all children. The Diverse and Innovative Economy Policies promote partnerships with public, private, and non-profit organizations to achieve the highest efficiency and effectiveness in providing facilities or delivering services.



San Jose recognizes and responds to economic realities in order to operate the City in a fiscally healthy manner. San Jose seeks to manage revenue sources and expenditures to administer and deliver services that protect public health and safety, promote the local economy, and improve the quality of life for San Jose's residents in a financially sound and cost-effective manner.

Tourists and convention center visitors contribute significantly to San Jose's economy. The Diverse and Innovative Economy Policies recognize this, and they aim to develop, enhance, and promote distinctive sports, arts, and entertainment offerings and increase patronage for those attractions. Three million people attend downtown festivals annually, celebrating music, film and diverse culture.

The Arts & Culture Policies directly support economic development and a thriving community. Ever increasingly, college graduates are choosing where to live first, rather than deciding who to work for. The creation of landmark initiatives and programs that combine art, technology, creativity, and business, like 1stACT and ZeroOne, further the City's belief that creativity, culture, and diversity are central components to a thriving creative urban center. Outstanding artistic and cultural organizations, businesses, and activities attract a creative class to San Jose that translates to business innovation. More than 40% of Silicon Valley residents say their work requires "a lot" of creativity, and San Jose's arts, cultural, and entertainment offerings encourage this in adults and children alike. Arts, culture, and entertainment also attract visitors to San Jose, and those visitors add to San Jose's economic base. The San Jose Sharks are a national fixture in the NHL, and the San Jose Earthquakes bring professional soccer fans to the City.

San Jose is committed to working with the diverse stakeholder groups in the City to address critical issues, attract businesses and visitors, and improve the quality of life for its residents. San Jose will collaborate with community organizations and individuals to understand their perspectives and consider those perspectives in the decision-making process. The Community Engagement Policies in this chapter display San Jose's dedication to engaging San Jose's diverse community in decisions that impact them.



Diverse and Innovative Economy

Economic Development Goals, Policies, and Implementation Actions directly support the Fiscal Sustainability goals and Innovative Economy element of our City's Vision. The desired outcomes of these Goals, Policies, and Implementation Actions include growing San José's economic role within the region and world, increasing prosperity and opportunity for members of the community, providing opportunities both for San Jose residents and the regional workforce, and creating revenue growth for our City.

The City periodically adopts an Economic Strategy that builds on the most current information and trends to implement the major themes contained in the Economic Development Policies. The Economic Strategy details how San Jose will excel economically and how the City and its partners can work together to achieve the goals of this General Plan. The Economic Strategy has more detailed information that outlines specific strategies to further the goals and policies in this section.


Land Use and Employment

Goal IE-1 – Land Use and Employment

Proactively manage land uses to provide and enhance economic development and job growth in San José.

Policies – Land Use and Employment

- IE-1.1 Protect and improve the quantity and quality of those lands designated exclusively for industrial uses that are vulnerable to conversion to non-employment uses to maintain land capacity for employment uses in San José.
- IE-1.2 Plan for the retention and expansion of a strategic mix of employment activities at appropriate locations throughout the City to support a balanced economic base, including industrial suppliers and services, commercial/retail support services, clean technologies, life sciences, as well as high technology manufacturers and other related industries.
- IE-1.3 As part of the intensification of commercial, Village, Industrial Park and Employment Center job growth areas, create complete, mixed-employment areas that include business support uses, public and private amenities, child care, restaurants and retail goods and services that serve employees of these businesses and nearby businesses.
- IE-1.4 Manage land uses to enhance employment lands to improve the balance between jobs and workers residing in San José. Strive to achieve a minimum ratio of 1.3 jobs/employed resident to attain fiscal sustainability.
- IE-1.5 Promote the intensification of employment activities on sites in close proximity to transit facilities and other existing infrastructure, in particular within the Downtown, North San José, the Berryessa International Business Park and Edenvale.

- IE-1.6 Plan land uses, infrastructure development, and other initiatives to maximize development potential proximate to transit system investments. Advance the Diridon Station Area as a world-class transit hub and key transportation center for Northern California. Encourage public transit providers to serve employment areas.
- IE-1.7 Measure and report the number of jobs created in identified growth areas during the City Council’s periodic review of the General Plan.
- IE-1.8 Invest in infrastructure improvements, as appropriate, in order to encourage private investment, reduce new construction costs, and increase business efficiency and in order to support business retention and growth, stimulate economic activity, and employ people.
- IE-1.9 Protect and improve trucking and other modes of freight transportation access to the City’s key employment areas.
- IE-1.10 Allow interim development of employment lands with alternative employment uses such as small expansions of existing uses when the interim development would not limit the site’s ability to be redeveloped in the future in accordance with the long-term plan for the site. 
- IE-1.11 When developing housing near to active industrial areas, provide sufficient buffer areas and use construction methods for the housing project so that current and future business operations are not inhibited.
- IE-1.12 Achieve goals related to Quality Neighborhoods, including diverse housing options, a walkable/bikable public street and trail network and compact, mixed-use development where infrastructure exists to distinguish San José as a livable and attractive city, to promote interaction among community members, and to attract talented workers to the City.

Actions – Land Use and Employment

- IE-1.13 Periodically review residential construction activity and supply, and industrial and commercial job growth rates, to monitor the City's balance of land uses and resulting tax base as well as the progress towards reaching the goal of 1.3 jobs per employed resident in San José. Report results of this review to the City Council as part of the annual General Plan review.
- IE-1.14 Develop a long-term freight access plan, including trucking and rail, to support the City’s key employment areas.
- IE-1.15 Recognize projects that exemplify the Urban Design, Housing, and Green Building Goals, Policies, and Actions as a means to promote distinctive architecture and quality design and to attract a diverse group of employees and visitors to San José.

Business Growth and Retention

Goal IE-2 – Business Growth and Retention

Promote San José as an employment center. Nurture existing and attract new companies of all sizes (large anchor companies, emerging growth companies, small businesses) in industries that will drive the job and revenue growth for our City and regional economy.

Policies – Business Growth and Retention

- IE-2.1 Maintain City government practices attuned to business needs for clear and timely use of incentives, regulations and development entitlement processes.
- IE-2.2 Attract and sustain a growing concentration of companies to serve as the economic engine for San Jose and the region, particularly in driving industries such as information and communication technologies, clean technology, bioscience, and other sectors based on creativity and innovation.
- IE-2.3 Ensure support for the creative economy by facilitating access to resources and services for creative industries and entrepreneurs.
- IE-2.4 Support the development of the health care industry and related businesses, including those providing services to San Jose's aging population, in part by promoting the Health Care Goals, Policies, and Actions.
- IE-2.5 Provide business assistance and support to facilitate job creation, develop new businesses, spur private investment, and promote industry growth.
- IE-2.6 Promote the development of retail to the maximum extent feasible, consistent with other General Plan goals and policies, in order to generate City revenue, create jobs, improve customer convenience, and enhance neighborhood livability.
- IE-2.7 Encourage business and property development that will provide jobs and generate revenue to support city services and infrastructure.

Actions – Business Growth and Retention

- IE-2.8 Evaluate and periodically update the City's policies, regulations and ordinances to maintain San José's competitive ability to attract and grow businesses, including small businesses and home occupations.
- IE-2.9 Partner with public, private, and non-profit organizations, and continue to develop partnerships with San José State University, community colleges and other educational institutions, to advance economic development goals, meet the needs of businesses, and resolve constraints to business operations at the local, state, and federal levels.
- IE-2.10 Evaluate and refine existing goals for economic development projects that receive City funding to maintain a positive return on investment for the City.

Regional, State, and National Leadership

Goal IE-3 – Regional, State, and National Leadership

Increase San José’s leadership role and influence in regional, state, and national forums in order to advance City economic development goals and secure greater resources, and support the City’s efforts to become a job center for the region.

Policy – Regional, State, and National Leadership

IE-3.1 Promote San José’s stature as the capital of Silicon Valley, the Bay Area’s largest city, and one of the nation’s largest cities ~~to secure resources, investment, and talent, and to attract members of the regional workforce.~~

Actions – Regional, State, and National Leadership Actions

IE-3.2 Support federal, state, and regional policies and regulations that secure economic development resources for the City, promote economic development ~~in the City,~~ or further implementation of the General Plan.

IE-3.3 Work at the regional level to promote a shared responsibility for sufficient housing supply to accommodate the changing demographics and growing population.

IE-3.4 Continue to work with leaders of other large cities in California and across the nation to advance the importance of large cities in job creation and innovation to enhance San José’s competitiveness for state and federal resources.

IE-3.5 Advocate for changes to local, regional, and national policies that promote economic development and secure economic development resources for San José.

IE-3.6 Work with partners within the region to influence the development of regional policies and regulations that support a higher-density, clustered, transit-oriented development pattern consistent with the San José General Plan vision and policies.

IE-3.7 Maintain and periodically update a strategic plan for economic development (Five-Year Economic Strategy) establishing near-term economic development goals and actions to achieve those goals.

Connections to Promote Economic Development

Goal IE-4 – Connections to Promote Economic Development

Strengthen San José’s connections to the world, and promote San José’s assets and image as a global innovation center to attract economic development, and increase job production in San Jose.

Policies – Connections to Promote Economic Development

IE-4.1 Embrace San José’s diversity as a strength that provides for varied perspectives, presents partnership opportunities, and ~~connects~~ San José ~~to the world.~~



- IE-4.2 Continue developing a world-class airport, and build national and world connections by attracting new air service to ~~the airport~~.
- IE-4.3 Support development of fixed transit at the Mineta San Jose International Airport and between it and other fixed transit systems serving the area and specifically our Downtown.
- IE-4.4 Promote heightened awareness of San José's companies, assets, and economic development initiatives to national and international business media as a tool to attract companies ~~to San José~~ and to strengthen the connection of existing companies to ~~the City~~.

Actions – Connections to Promote Economic Development

- IE-4.5 Continue implementation of improvements to ~~the~~ airport facilities pursuant to ~~the~~ Airport Master Plan.
- IE-4.6 Support the California High Speed Rail Authority efforts to bring high-speed rail to Diridon Station.
- IE-4.7 Support Valley Transportation Authority efforts to extend BART service to Downtown San José and to Diridon Station.
- IE-4.8 Expand and upgrade the San José Convention Center to increase its capabilities as a modern conferencing facility.
- IE-4.9 Pursue implementation of a people-mover that serves terminals at the Mineta San Jose International Airport and provides convenient connection to light rail and future BART transit systems.

Cultural Attractions

Goal IE-5 – Cultural Attractions

Develop and promote a distinctive set of sports, arts, and entertainment offerings ~~aligned with~~ San José's ~~diverse, growing population~~ to attract economic development and increase patronage.

Policies – Cultural Attractions Policies

- IE-5.1 Further ~~the~~ Goals, Policies, and Actions that support the Vibrant Arts and Culture Vision Element, as well as those for Parks, Trails, Open Space, and Recreation to enhance San José's identity regionally, nationally, and internationally; to serve residents; and to attract workers and visitors.
- IE-5.2 Promote San José as a great bicycling community, highlighting its weather, topography, and fitness-oriented culture as significant assets for biking in order to attract businesses which support or can benefit from bicycling activity.

- IE-5.3 Support private efforts to achieve a stronger mix of evening and late-night uses in Downtown that promote a vibrant, 24-hour City center to generate jobs, increase revenues and attract visitors and workers to San Jose.
- IE-5.4 Support entertainment offerings and cultural facilities, including but not limited to visual and performing arts, museums, libraries, theatres, historic structures/sites/neighborhoods, festivals, and commercial entertainment venues, particularly those that provide significant social and economic benefit to San José’s community, provide opportunities for community participation, achieve excellence and innovation, and/or reflect San José’s population.
- IE-5.5 Attract and retain professional and amateur sports teams and events in San José and identify and support opportunities for growth of related businesses and retail markets.

Broad Economic Prosperity

Goal IE-6 – Broad Economic Prosperity

Provide widespread access to diverse employment and training opportunities in San José and strive to increase job growth, particularly jobs that provide self-sufficient wages and health care benefits, to allow the community to broadly share in the region’s prosperity.

Policies – Broad Economic Prosperity

- IE-6.1 Provide incentives that promote the creation of high-quality jobs across all industries.
- IE-6.2 Attract and retain a diverse mix of businesses and industries that can provide jobs for the residents of all skill and education levels to support a thriving community.
- IE-6.3 Attract job opportunities accessible to all of San Jose’s residents, and particularly to residents in low-income neighborhoods.

Action – Broad Economic Prosperity

- IE-6.4 Partner with educational, civic, labor, and business institutions to provide job training programs that meet the needs of business and industry, including programs that enable the unemployed, under-employed, or economically or socially disadvantaged to enter or move up in the labor force. Connect local businesses with such programs, organizations, or educational institutions.

Clean Technology

San Jose is rapidly emerging as a world center for Clean Technology, and the City supports the development and adoption of clean technology products and practices. Among other benefits, the development of clean technology as an industry within San Jose directly contributes to the achievement of the San Jose Vision for an Innovative Economy, Environmental Leadership, Healthy Neighborhoods, and Diversity and Social Equity.

Clean Technology jobs advance the research, development and commercialization of technology, products, and services that increase energy efficiency; expand clean energy production; reduce greenhouse gas emissions, waste, and pollution; and/or conserve water and other natural resources.

The development of Clean Technology industry provides advancement of environmental and economic objectives in one or more of five main sectors: (1) Clean Energy; (2) Energy Efficiency; (3) Environmentally Friendly Production; (4) Conservation and Pollution Mitigation; and (5) Training and Support.

Goal IE-7 – Clean Technology

Promote the development of clean technology companies, the adoption of clean technology products/services, and the creation of at least 25,000 clean technology jobs by 2022 and at least 70,000 clean technology jobs or at least 10% of San Jose’s total jobs ~~as clean technology jobs~~ by 2040 to make San Jose the “World Center of Clean Tech **Innovation.**”



Policies – Clean Technology

- IE-7.1 Continue to develop and implement City policies that strategically support the development of Clean Technology.
- IE-7.2 Promote research of innovative Clean Technology products and services.
- IE-7.3 Develop City-sponsored business incubators to lead globally in Clean Technology growth.
- IE-7.4 Assist Clean Technology companies with prototyping, demonstration, and testing of products and services.
- IE-7.5 Support strategies and programs that facilitate development and production of Clean Technology products and services.
- IE-7.6 Facilitate strategies for clean technology businesses to bring new products and services to the marketplace. Attract and retain Clean Technology businesses by providing assistance to them.
- IE-7.7 Educate residents about Clean Technology and develop and implement financial strategies to encourage San Jose residents to adopt clean technology products and services.
- IE-7.8 Aggressively implement the Clean Tech Strategy and Green Vision to make San Jose the “World Center of Clean Tech **Innovation.**”

Actions – Clean Technology

- IE-7.9 Track progress towards achieving at least 25,000 new Clean Technology jobs by 2022. Track progress towards achieving at least 70,000 new clean tech jobs by the

year 2040 or achieving 10% of the City's total jobs in Clean Technology by the year 2040.

Arts and Culture

The arts and culture in San José connect people, provide rich opportunities for participation and foster creativity.

San José has its own distinct culture. Cultural pluralism in San José is a demographic fact and a long-held civic commitment; diversity has shaped its arts and cultural community. San José's position as a global center of the technology sector reflects its spirit of innovation and creativity. Its residents' cultural activities are highly participatory, whether personal and informal or provided through community-based organizations. San José has made a long-term investment in its own cultural development, creating a vital community of non profit arts and cultural organizations, artists, and arts-related businesses.

Fostering cultural development builds on both community and economic development goals, resulting in great public value. A celebration of heritage and diversity, quality education, healthy neighborhoods, and an innovative economy are among the community goals to which the arts contribute. The sector spurs the economy by providing jobs, attracting a talented work force, supporting business development and generating fiscal impact through visitor attraction and audience spending. Planning for San José's cultural growth, with an emphasis on spaces and places for cultural participation, is integral to its future.

Arts and Cultural Development Goals, Policies, and Implementation Actions support the Vibrant Arts and Culture element of the City's Vision. The desired outcome of these Goals, Policies and Implementation Actions includes a downtown that is the cultural center of Silicon Valley, high impact public art throughout the community, and the cultivation of San José as a cultural destination. Policies in this section directly support a thriving economy. Related policies promoting a thriving arts community citywide and full integration of arts and cultural activities in San José's neighborhoods are included in the Cultural Opportunities section of the Quality of Life chapter.

Downtown as the Silicon Valley Cultural Center

Goal AC-1 – Downtown as the Silicon Valley Cultural Center

Strengthen Downtown San José as the cultural and creative urban center of Silicon Valley.

Policies – Downtown as the Silicon Valley Cultural Center

AC-1.1 Continue to support Downtown arts and cultural activities and pursue additional opportunities to enhance or expand arts and cultural offerings there.

Actions – Downtown as the Silicon Valley Cultural Center

AC-1.2 Support and promote downtown as the creative urban center with sub areas or districts with a specific focus, such as SoFA and the Historic District. Explore funding mechanisms that may reinforce this concept.



- AC-1.3 Continue to revitalize and activate SoFA as downtown’s chief creative arts district.
- AC-1.4 Explore opportunities for the creation of a permanent Downtown San José festival site.

High Impact Public Art

Goal AC-2 – High Impact Public Art

Integrate high impact public art throughout the community.

Policies – High Impact Public Art

- AC-2.1 Site public art in key locations. Prioritize innovative public art in three regional destination areas: Downtown, North San José, and the Airport. Place public art at transportation hubs: pedestrian, bike and transit improvements in pedestrian priority areas; encourage the inclusion of public art at VTA and BART stations, including Diridon Station; and integrate a broad range of art projects into the trail network to connect neighborhoods and bring people closer to nature. Integrate public art into bond-funded park, library, community facility and public safety projects. Cultivate community-based art projects that support neighborhood revitalization goals
- AC-2.2 Integrate planning for public art in other City planning efforts, including area-specific planning processes, and Village and Urban Corridors master planning processes.

Action – High Impact Public Art

- AC-2.3 Explore opportunities to address cultural amenities as part of the private development process, including the incorporation of on or off site public art facilities and activities that support art and culture through a private development funding contribution.

San Jose – Cultural Destination

Goal AC-3 – Cultural Destination

Establish San José as a regional center for arts, and as a widely recognized cultural destination.

Policy – Cultural Destination

- AC-3.1 Attract new and cultivate existing signature events that add to the quality of life for San José residents, enhance the image of San José, and stimulate economic activity.

Actions – Cultural Destination

- AC-3.2 Working in collaboration with non-profits and private businesses, develop and maintain a cultural destination strategy that encourages economic growth, the growth and health of the City’s cultural organizations and promotes a positive image of San José.

AC-3.3 Continue to market San José’s arts and cultural activities in the greater Bay Area and expand the marketing of key events to audiences across the state and country.

Community Engagement

The proposed Goals, Policies and Implementation Actions for Community Engagement provide high-level policy support for the public outreach and community engagement policies and activities conducted as part of the land use planning and implementation processes and also reflect the City’s general commitment to open government and community participation in the City’s governance activities. ~~Additionally, the importance of community engagement in the creation and maintenance of community-based plans has been the subject of many comments by Task Force members and community members at Task Force meetings and workshops.~~

Active Community Engagement

Goal CE-1 – Active Community Engagement


Actively develop community awareness, understanding, and interest in land use issues and public policy.


Policies – Active Community Engagement

CE-1.1 Provide convenient public access to City facilities, programs, services, and public records.

CE-1.2 Provide a transparent process for public engagement of San Jose’s diverse stakeholders.

CE-1.3 Maintain and implement the City’s Public Outreach Policy.

CE-1.4 Continue to use multi-media with emphasis on online messaging to effectively communicate with diverse stakeholder groups. 

CE-1.5 Continue to use the City’s library system as an active resource for engagement with the community, including provision of informational programs and resources and by using the library system as the repository for formal and informal information regarding City operations and strategies 

CE-1.6 Regularly evaluate how effectively public information is provided and how public knowledge is garnered and considered. Modify methods, techniques, or practices as needed to respond more effectively to the community and incorporate the full range of public knowledge into policy and land use actions.

Community Empowerment

Goal CE-2 – Community Empowerment

Empower the community to engage in order to shape policies and projects that will in turn shape their community.

Policies – Community Empowerment

- CE-2.1 Periodically assess opportunities for incorporating community knowledge or values into policy formulation.
- CE-2.2 Appoint advisory bodies, task forces, or ad hoc committees as needed to ensure broad perspective. Encourage membership of such groups to reflect ~~the diversity of the community.~~ the diversity of the community.
- CE-2.3 Educate the community about avenues for influencing decisions, including but not limited to serving on boards, commissions, committees, ~~or~~ task forces or participating in the land use and development review process.
- CE-2.4 Create a public engagement structure to involve the community early in and at all stages of the decision-making process, when they have the greatest ability to impact outcomes. Seek to resolve community concerns in advance of a public hearing on a topic.
- CE-2.5 Seek to engage the broadest possible spectrum of the community in public policy discussions, including residents, businesses, non-profit organizations, other public agencies, and particularly underrepresented groups.
- CE-2.6 Use a full range of community engagement and meeting facilitation techniques to achieve an open exchange of ideas and positive outcomes for a public engagement meeting.
- CE-2.7 Continue to develop an interactive public engagement and participation process that offers San Jose's diverse community opportunities to shape public policy and land use decisions.

~~CE-2.8~~ Continue to use the City's library system to promote community empowerment through educational programs and by providing resources to facilitate community participation in the City's governance.

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Community Partnerships

Goal CE-3 – Community Partnerships

Develop and maintain strong community partnerships to address community needs, to obtain community input in decision-making processes, and to disseminate public information.

Policies – Community Partnerships

- CE-3.1 Leverage community organizations, including school districts and neighborhood groups to disseminate public information.
- CE-3.2 Encourage grass-roots efforts to partner with the City to articulate community needs, problems, and solutions.
- CE-3.3 Support continuation of existing and formation of new community and neighborhood-based organizations to encourage and facilitate effective public engagement in policy and land use decisions.
- CE-3.4 Maintain trust and develop strong working relationships in the community through open and honest communication.

Fiscal Sustainability

Achievement of the City’s goals requires that our City have the fiscal resources needed to effectively govern, to provide services at a level consistent with community expectations, and to advance programs and initiatives that further the elements of the City’s Vision. San José must be persistent in pursuing new or enhanced revenue resources and the more efficient use of those resources in order to be an effective and fiscally sustainable government. The City must continuously refine its governance best practices to maintain and improve upon the services it provides to our community, and it must have adequate financial resources to fund those services.

City Operations

Goal FS-1 – City Operations

Operate our City in a fiscally responsible and sustainable manner by planning long-term and maintaining a positive annual balance between available revenue and the costs of services our City provides to its constituents.

Policies – City Operations

- FS-1.1 Provide a full range of City services to the community at service levels consistent with a safe, convenient and pleasant place to live, work, learn and play and consistent with the revenue available to sustain those services.
- FS-1.2 Manage San José’s future growth in an orderly, planned manner to reduce service costs, maximize the utilization of existing and proposed public facilities, and to enhance the City revenues available to sustain a desirable quality of life.
- FS-1.3 Identify and maintain reliable ongoing funding sources for City services and infrastructure.
- FS-1.4 Give priority to funding City municipal services that stimulate economic development and job creation and provide sufficient revenue, in order for the City to achieve and maintain fiscal stability.

- FS-1.5 Provide speed, consistency, and predictability for the land use entitlement processes while using these processes to add value and improve the quality of new development.
- FS-1.6 Evaluate and reflect projected changes in City revenue and service costs as part of the General Plan annual review process.
- FS-1.7 Partner with public, non-profit, and private organizations to form mutually-beneficial relationships that further the City's fiscal, environmental, economic development, and other major objectives.

Cultivate Fiscal Resources

Goal FS-2 – Cultivate Fiscal Resources

Maintain and expand the revenue sources available to finance the provision of City services.

Policies – Cultivate Fiscal Resources

- FS-2.1 Focus on economic development to sustain the fiscal health of our City, promoting land use development as a tool to support job growth, revenue generation, attractive place-making and the delivery of high quality government services to the community.
- FS-2.2 Explore new options to supplement our City's existing resources devoted to the operation and maintenance of its infrastructure facilities and service delivery.
- FS-2.3 Encourage development of industrial areas and redevelopment of existing older or marginal industrial areas (e.g. areas which could support intensified employment activity), particularly in locations that facilitate efficient commute patterns. The use of redevelopment tax increment financing to provide necessary public improvements is one means of encouraging this economic development and revitalization.
- FS-2.4 Consider strategic investments in infrastructure, subsidies for select development review processes, or other subsidies to facilitate development projects that will produce a substantial net positive fiscal impact for our City.
- FS-2.5 Finance capital and facility needs generated by new development through new development fees so that existing residents and businesses are not burdened by increased taxes or by lowered service levels to accommodate the needs created by new growth.



Actions – Cultivate Fiscal Resources

- FS-2.6 Consider implementation of a revolving fund system whereby funds for capital and facility needs may be advanced and later repaid by the affected property owners.
- FS-2.7 Work with new and existing businesses operating within San José to ensure that San José is designated as the point of sale for all taxable transactions.

FS-2.8 As part of the annual review of the Capital Improvement Plan (CIP), identify how the CIP can be used to support enhancement of the City's fiscal resources.

Fiscally Sustainable Land Use Framework

Goal FS-3 – Fiscally Sustainable Land Use Framework

Make land use decisions to improve the City's fiscal condition. Manage San José's future growth in an orderly, planned manner that is consistent with our ability to provide efficient and economical public services, to maximize the use of existing and proposed public facilities, and to achieve equitable sharing of the cost of such services and facilities.

Policies - Fiscally Sustainable Land Use Framework

- FS-3.1 Recognize the value of long-term planning and strong land use policy in managing the City's fiscal position.
- FS-3.2 Monitor residential construction, industrial and commercial job growth rates, the development of mixed-use and transit-oriented projects, the City's fiscal balance of land uses and resulting tax base, and progress made toward the General Plan targets for total jobs and the ratio of Jobs/Employed Resident. Report on the results of these analyses as part of the annual General Plan review process.
- FS-3.3 Promote land use policy and implementation actions that increase the ratio of Jobs to Employed Residents to improve our City's fiscal condition, consistent with the economic development and land use goals and policies. Maintain or enhance the City's net total employment capacity collectively through amendments made to the General Plan in each General Plan Annual Review process.
- FS-3.4 Promote land use policy and implementation actions that improve our City's fiscal sustainability. Maintain or enhance the City's projected total net revenue through amendments made to the General Plan in each General Plan Annual Review process. Discourage proposed rezonings or other discretionary land use actions that could significantly diminish revenue to the City or significantly increase service costs to the City without offsetting increases in revenue.
- FS-3.5 Prepare Village Plans that provide a clear and feasible strategy for achievement of Village job growth targets and incorporation of public services and other amenities consistent with Fiscal Sustainability and other General Plan goals and policies prior to the development of new housing projects within Village and Corridor Growth Areas. Commercial projects, including those with ancillary residential uses, may proceed in advance of the preparation of a Village Plan. The job growth target for each Village Growth Area is indicated in the Table *Growth Areas Planned Job Capacity*.
- FS-3.6 Through the land use entitlement process, approve new development projects, including mixed-use residential development, that conform to the completed Village Plan or which provide job capacity above the amount identified in the Village Plan for the subject property.

- FS-3.7 Maintain an Urban Service Area (USA) in the General Plan where services and facilities provided by ~~the~~ City and other public agencies are generally available, and where urban development requiring such services should be located.
- FS-3.8 Maintain ~~the~~ City's current Urban Service Area boundaries. Expansion of ~~the~~ Urban Service Area should only be considered when necessary to provide services to existing development in need of urban services and when such expansions are consistent with LAFCO rules. Coordinate with the County to prevent future Urban Service needs beyond ~~the~~ current USA boundaries.
- FS-3.9 Per City, County and LAFCO policy, locate existing and future urban development within city boundaries ~~and~~ implement this policy through ~~the City's~~ existing agreement with ~~the~~ County which requires that unincorporated properties within the Urban Service Area either annex to ~~the~~ City, if possible, or execute a deferred annexation agreement prior to approval of development.
- FS-3.10 Discourage the expansion of sanitary sewer districts for areas planned in non-urban uses outside ~~the~~ Urban Service Area.
- FS-3.11 Consider annexation of territory outside ~~the~~ Urban Service Area ~~to the City~~ only if its intended use will require minimal or no services and either:
- The intended use contributes to providing services to development in ~~the~~ Urban Service Area, such as a planned thoroughfare across nonurban territory or a solid waste disposal, processing, or composting facility which should be located in a remote area; or
 - The annexation is necessary or desirable for the implementation of ~~General Plan~~ non-urban land use goals and policies, such as to accept dedication of an open space or scenic easement in connection with a hillside open space preservation program.
- FS-3.12 Encourage the County and LAFCO to join in cooperative efforts to seek the annexation of urbanized County pockets within ~~the~~ Urban Service Area.
- FS-3.13 Encourage other jurisdictions to take on a greater share of the region's housing needs to promote an improved regional jobs-housing balance.

Promote Fiscally Beneficial Land Use

Goal FS-4 – Promote Fiscally Beneficial Land Use

Maintain ~~and~~ enhance ~~the~~ City's employment lands as part of our ~~City's~~ strategy for Fiscal Sustainability.

Policies – Promote Fiscally Beneficial Land Use

- FS-4.1 Preserve and enhance employment land acreage and building floor area capacity for various employment activities because they provide revenue, near-term jobs, contribute to our City's long-term achievement of economic development and job

growth goals, and provide opportunities for the development of retail to serve individual neighborhoods, larger community areas, and the Bay Area.

- FS-4.2 Maintain and enhance the employment lands within the identified key employment areas (North Coyote Valley, the Berryessa International Business Park, the East Gish and Mabury industrial areas, the Evergreen industrial area, the Edenvale Redevelopment Project Area, and the Monterey Corridor Redevelopment Project Area). Protect existing employment uses within these areas from potentially incompatible non-employment uses.
- FS-4.3 Maintain employment lands within the North San José industrial area and protect existing employment uses from potentially incompatible non-employment uses. Allow conversion of employment lands to non-employment and residential use only in support of and consistent with the provisions of the North San José Area Development Policy.
- FS-4.4 Identify, designate and maintain an adequate number of suitable sites for a full range of commercial opportunities, including large-scale commercial centers and neighborhood-scale shopping opportunities, to serve the resident and visitor consumer population fully and to increase sales tax revenue in San José.
- FS-4.5 Maintain and expand the total amount of land with either a Light Industrial or Heavy Industrial designation, and do not add overlays or other designations that would allow for non- industrial, employment uses.
- FS-4.6 Consider conversion from one employment land use to another, except for Light Industrial or Heavy Industrial land uses, where the conversion would retain or expand employment capacity and revenue generation, particularly for intensification on-site if the proposed conversion would result in a net increase in revenue generation.
- FS-4.7 Encourage transit-oriented development as a means to reduce costs for expansion and maintenance of our City’s street system, in addition to other benefits and consistent with the General Plan Transportation goals and policies.
- FS-4.8 Emphasize mixed-use development for most new development, to achieve service efficiencies from compact development patterns and to maximize job development and commercial opportunities near residential development.

Fiscally Sustainable Service Delivery

Goal FS-5 – Fiscally Sustainable Service Delivery

The City should provide the highest level of service feasible consistent with the City’s fiscal resources, and in a cost-effective manner so that the City’s method of service delivery contributes toward the achievement of a fiscally sustainable City.

Policies – Fiscally Sustainable Service Delivery

- FS-5.1 Consistent with fiscal sustainability, prioritize the City’s urban service delivery as follows:
 - Provide services and facilities designed to serve existing needs.
 - Prevent the deterioration of existing levels of service.
 - Upgrade City service levels whenever feasible.

- FS-5.2 Carefully consider the fiscal implications of land use decisions that result in service expansions to avoid significant negative fiscal impacts unless necessary to achieve other critical City objectives. Support the development of compact communities that reduce the demand for service expansions, facilitate more efficient service delivery and generate greater revenue per acre relative to cost for the City.

- FS-5.3 Be proactive to promote consolidation of geographically overlapping services between governmental jurisdictions where it would increase efficiency and quality of service delivery, both countywide and regionally.

- FS-5.4 Seek opportunities to implement new technologies, more efficient management, or other improvements for the delivery of urban services to reduce the fiscal impact of providing those services while also meeting City service level goals.

- FS-5.5 Allow residential development at urban densities (one dwelling unit per acre or greater) only where adequate services and facilities can be feasibly provided.

- FS-5.6 When reviewing major land use or policy changes, consider the availability of police and fire protection, parks and recreation and library services to the affected area as well as the potential impacts of the project on existing service levels.

- FS-5.7 Encourage school districts and residential developers to engage in early discussions regarding the nature and scope of proposed projects and possible fiscal impacts and mitigation measures early in the project planning stage, preferably immediately preceding or following land acquisition.

- FS-5.8 To avoid any extraordinary maintenance and operating expenses, public improvements, communication facilities, and utilities should not be located in hillside areas with identified soils and/or geologic hazards, or other areas with similar hazards, and when the location of such public improvements, communication facilities, and utilities in such areas cannot be avoided, effective mitigation measures should be implemented to maximize their potential to remain functional during and after a seismic event.

- FS-5.9 Expansion of the Urban Service Area into the South Almaden Valley and Central Coyote Valley Urban Reserves will not be considered until after 2040.

- FS-5.10 Maintain the rural and agricultural character of Central Coyote Valley and do not expand the Urban Service Area into the Central Coyote Valley area.

- FS-5.11 Identify the most efficient use of available resources to maintain the City's infrastructure and to minimize the need to replace this infrastructure.
- FS-5.12 Use the design review process to consider and weigh the long term maintenance, resource needs, and costs of the design of private streets and other private infrastructure improvements.

Goal FS-6 – Fiscally Sustainable Waste Management

Maintain a sound financial model that would sustain the City's Zero Waste programs and enable long-term delivery of quality solid waste management services to the community.

Policies – Fiscal Sustainability of Waste Management

- FS-6.1 Evaluate and address potential impacts of program initiatives on system fees (hauling, tipping, and franchise).
- FS-6.2 Explore alternative revenue streams such as implementing Solid Waste Development Impact Fees, Street Sweeping Fees, or Extended Producer Responsibility Fees.
- FS-6.3 Examine the remaining capacity at local landfills to assess future alternatives to the Disposal Facility Tax.
- FS-6.4 Continue to support a statewide landfill surcharge to fund local programs and facilities.
- FS-6.5 Achieve 100% cost-recovery in commercial, residential, and construction and demolition programs.
- FS-6.6 Minimize impact on customer rates while providing rate equity to all customers.
- FS-6.7 Consider environmental and social costs in all decision-making and budget decisions
- FS-6.8 Continue to collaborate with other jurisdictions to increase recycling market development program funding at the State level.
- FS-6.9 Support legislation to adopt a statewide landfill surcharge with an exemption for locally enacted landfill fees or other statewide solution for low cost regional landfill issue.

Action – Fiscal Sustainability of Waste Management

- FS-6.10 Develop long-term alternative fee-based options to address the impact of waste diversion activities on the General Fund and Integrated Waste Management Fund.