




Memorandum

TO: MAYOR MAHAN

FROM: Councilmember Salas

SUBJECT: BUDGET DOCUMENT

DATE: May 21, 2025

Approved  Date 5/21/25

RECOMMENDATION

Modify the City Manager's 2025-2026 Proposed Budget to incorporate the following budget proposal, including any required funding allocation adjustments.

Proposal

Program/Project Title: **Prosperity Lab**

Amount of City Funding Required: \$20,000

This change is:

One-time Ongoing

Cost Estimate Number (if applicable): **n/a**

Proposal Description, including the reason for the need and anticipated outcomes (Please describe how the proposal will affect services for San José residents, community groups, businesses, etc.):

Prosperity Lab, a non-profit founded in San Jose, operates nationally to provide economic empowerment approaches and tools that enable historically disinvested communities, women, and micro-enterprises to become prosperous, reduce socioeconomic disparities and achieve economic advancement. Specifically in San Jose, Prosperity Lab last year assisted 73 small food businesses with marketing, helped start 39 new businesses, and brought 47 non-compliant food vendors into health & permitting compliance. Also, 1176 persons from 454 distinct businesses participated in training on business or technology led by Prosperity Lab.

In 2024, Prosperity Lab created their *Mesa Redonda*, a communal kitchen sited in Downtown offering training programs to enable business start-ups. Also, an important subset of the mission is teaching existing non-compliant mobile food vendors to comply with all health standards, get required business & health permits, and operate their mobile vehicles or carts in a safe & compliant manner. In their first

year, 47 mobile food vendors, primarily operating in District 3, completed the program and began operating compliant with health standards and permitting rules. Due to the existing volume of non-compliant mobile food vendors, additional funding is needed to support Prosperity Lab's continued efforts assisting mobile food vendors.

Accordingly, the City Manager is directed to allocate \$20,000 in one-time funding from the ESR to Prosperity Lab's continued work supporting our mobile vendors and small business owners. Per Prosperity Lab's local Executive Director, all City and County funds will be matched 1:1 by the Governor's Office of Business and Economic Development.

Funding Source

- Essential Services Reserve: \$1,250,000
- Other (Please specify program/project/fund):

Department or Organization Contact

Please list the contact information for the individual that certified cost estimates contained within your recommendation:

Name and Title: James D Williams, Policy Director

Department or Organization: District 3 Council Office

Phone Number: 408-793-5509

Email: James1.Williams@sanjoseca.gov