COMMUNITY & ECONOMIC DEVELOPMENT CITY SERVICE AREA

2026-2027 PROPOSED OPERATING BUDGET

OUTCOMES:

- *Thriving, inclusive, and attractive communities and vibrant public spaces*
- *Strong, responsive, and equitable economy*
- *Accessible and diverse range of housing and business opportunities*

Presenter: Jen Baker, Director, City Manager's Office of Economic Development and Cultural Affairs

Panelists: Chris Burton, Director, Planning, Building and Code Enforcement
Matt Loesch, Director, Public Works
Robert Sapien, Fire Chief
Erik Solivan, Director, Housing

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

COMMUNITY & ECONOMIC DEVELOPMENT

Core Services

Economic Development and Cultural Affairs

- Economic Growth and Business Development
- Cultural Affairs: Sports, Arts, and Entertainment
- Workforce and Talent Development

Fire

- Fire Safety Code Compliance

Housing

- Affordable Housing Portfolio Management
- Housing Production and Preservation
- Neighborhood Investments
- Rent Stabilization and Tenant Protections

Planning, Building and Code Enforcement

- Citywide Land Use Planning
- Development Plan Review and Building Construction Inspection

Public Works

- Facilitate Private Development
- Utility Permitting
- Special Districts Administration
- City Geology & Flood Plain Management

COMMUNITY & ECONOMIC DEVELOPMENT

Program Samples*

Economic Development and Cultural Affairs

Business District and Small Business Support
Business Retention, Expansion, and Attraction
Cultural Investments and Special Events
Sports and Entertainment Planning and Coordination
Training, Education, and Career Support
Real Estate Asset Management

Planning, Building and Code Enforcement

Building Development Services
Citywide Planning
Planning Development Services
Planning Environmental Review and Historic Preservation

Fire

Fire Development Services

Public Works

Public Works Development Services
Utility Franchise Agreements
Downtown Construction Management

Housing

Affordable Housing Development Loans
Apartment Rent Ordinance Administration
CDBG – Infrastructure Investments
Property Maintenance and Inspection

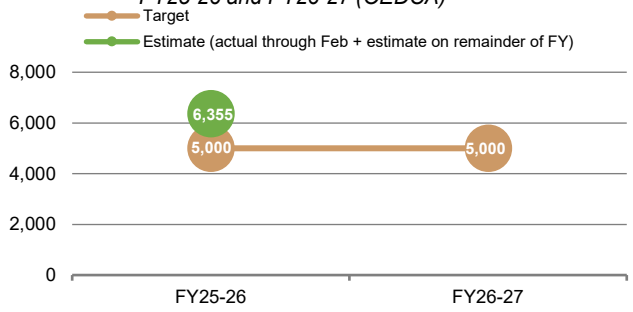
*** For a complete list of programs, please refer to the 2026-2027 Proposed Operating Budget**

COMMUNITY & ECONOMIC DEVELOPMENT PERFORMANCE MEASURE DASHBOARD

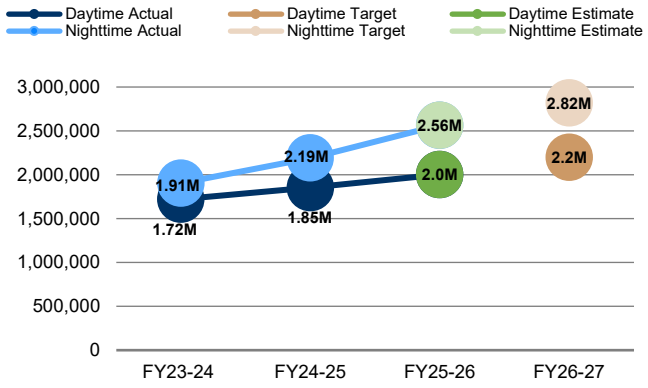
CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Retain, Expand, or Attract Jobs

# of retained, expanded, or attracted jobs from businesses receiving Business Development assistance toward the 10,000-job growth goal for FY25-26 and FY26-27 (OEDCA)

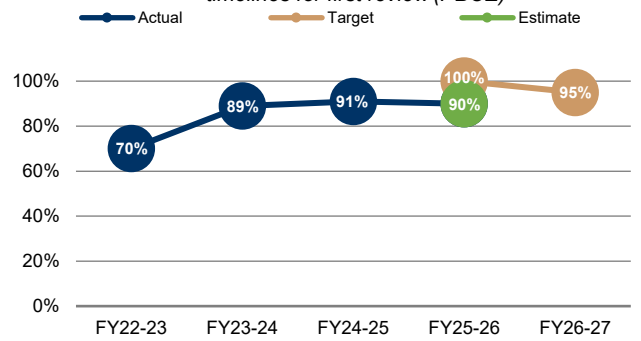


Average Monthly Downtown Foot Traffic



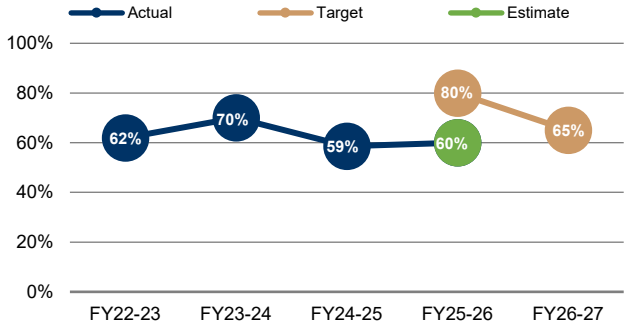
Development Project On-Time Reviews for Planning Permit Process

% of development projects completed within published timelines for first review (PBCE)



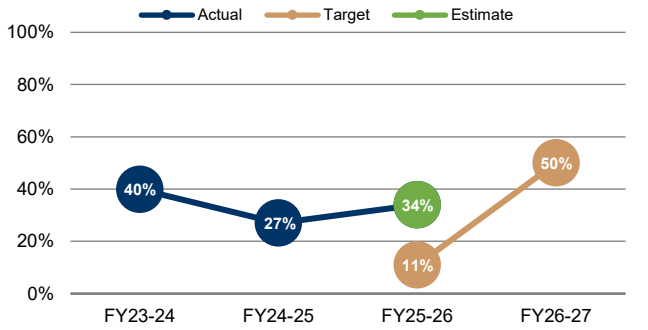
Development Project On-Time Reviews for Construction Process

% of development projects completed within published timelines for first review (PBCE)



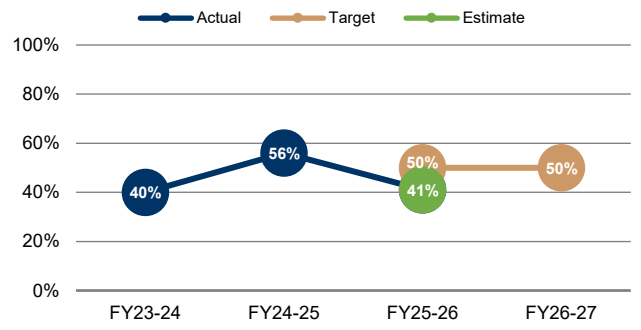
Housing Production Rates

% of San José housing production compared to yearly target for regional fair share number (RHNA) target for total cycle units (PBCE)



Rent Stabilization Rates

% of rent stabilized units under the Apartment Rent Ordinance that did not have a rent increase in the past year (Housing)



COMMUNITY & ECONOMIC DEVELOPMENT Budget Summary

Department	2025-2026 Adopted	2026-2027 Forecast	2026-2027 Proposed	% Change from Forecast
OEDCA	$72,739,037	$58,880,326	$60,119,952	2.11%
Fire*	$8,453,273	$8,373,990	$8,570,028	2.34%
Housing*	$153,474,903	$62,841,373	$62,024,749	(1.30%)
PBCE*	$63,009,091	$61,951,695	$62,879,736	1.50%
Public Works*	$20,908,510	$21,341,037	$22,012,425	3.15%
CSA Total	**$318,584,814**	**$213,388,421**	**$215,606,917**	1.04%
Positions	**481.77**	**482.46**	**484.90**	0.51%

* The Fire, Housing, PBCE and Public Works Departments have additional funding budgeted in the Neighborhood Services (Housing, PBCE, Public Works) and Public Safety (Fire) City Service Areas

COMMUNITY & ECONOMIC DEVELOPMENT BUILDING MORE HOUSING FOCUS AREA

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Long-Term Goal: Meet residents' housing needs across income levels by making San José a great place to build housing.

Problem Area 1: City codes and policies as well as regional regulations may be contributing to making the permit process less predictable and not optimized for speed.

Problem Area 2: The City's development fees, taxes, and development services processes are currently structured in a way that creates challenges for predictability and transparency throughout the permitting process.

Problem Area 3: Current financing tools are limited in use and do not adequately support the goal of building more housing at all income levels.

COMMUNITY & ECONOMIC DEVELOPMENT GROWING OUR ECONOMY FOCUS AREA

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Long-Term Goal: Cultivate an environment for thriving businesses and resident prosperity

Problem Area 1 : Business Development Ecosystem. San José must value and optimize employment lands, attract priority industries, and elevate the City's marketing and brand to drive investment and job growth.

Problem Area 2: Infrastructure and Site Readiness. Companies need a modern grid, readily developable industry-serving sites, and infrastructure to support innovative industries.

Problem Area 3: Small Business and Neighborhood Business District Investments. Small businesses and neighborhood districts need placemaking that activates storefronts, connects public spaces, and creates inviting environments that support consumer activity and positive social interaction.

Problem Area 4: Experience Economy. The City must build greater capacity to attract visitors, talent, and investment through enhanced destinations, streamlined event delivery, and vibrant, experience-rich environments.

COMMUNITY & ECONOMIC DEVELOPMENT 2026-2027 PRIORITIES / SERVICE DELIVERY

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

- Economic Strategy Work Plan
- Experience Economy Financing Tools
- 2027 Celebrations Strategy
- Affordable Housing Alternative Financing Strategies
- Ministerial Planning Permit Process
- Local Building Codes and Administrative Policies Evaluation
- Development Fee Framework Policy
- Electric Grid Upgrades and Capacity Enhancements

COMMUNITY & ECONOMIC DEVELOPMENT

Proposed Budget Actions

Proposal Title	Amount	Previously Funded One-Time?
Tri-Element General Plan Consultant Services	$500,000	
Historic Buildings Inventory	$250,000	
Business Outreach and Development Staffing (Cont.)	$535,846	Y
Major Events Staffing and Programming	$350,000	
Stitching Districts Initiative	$250,000	Y
Enhanced Infrastructure Financing District Assessment	$100,000	
East Side Revitalization Plan	$50,000	
San José Works – Youth Jobs Initiative	($200,286)	

COMMUNITY & ECONOMIC DEVELOPMENT SUMMARY

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

- Cultivate a thriving business development ecosystem
- Advance the experience economy
- Facilitate housing production
- Increase certainty in development services process

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2026-2027 PROPOSED OPERATING BUDGET

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