



*Office of Economic Development + Cultural Affairs*  
**Business Development Division  
Activities Annual Report**

Community and Economic Development  
Committee

April 28, 2025

Item (d)1

Blage Zelalich, Deputy Director  
Victor Farlie, Small Business Team Lead

**Small Business Empowerment Day  
May 2024**





East Village Renaming and Mural Project Celebration  
August 2024

## Who We Are & What We Do

- ❖ OEDCA's Business Development Division strengthens San José's economy through business outreach, collaboration, development assistance, grants, economic analysis, and communications.
- ❖ Structured to serve multiple segments of the City's business community.

**Expected starting July 2025:  
12 permanent, 3 time-limited  
staff focused on:**

- ❖ Small Business and Neighborhood Commercial Corridors
- ❖ Corporate Outreach
- ❖ Downtown

# Business Ecosystem Vital Signs

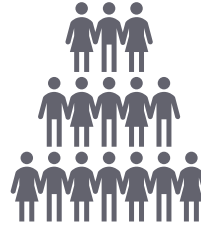


**60,000**

Businesses with  
1+ employee and  
registered with  
the City

**415,000**

Total jobs based  
in San José,  
December 2024



**20,000**

Jobs lost in 2024



**4%**

Citywide  
Unemployment  
Rate

## Real Estate Indicators



**22.5%**

Citywide  
office  
vacancy rate



**3.5%**

Citywide  
industrial  
vacancy rate



**13.5%**

Citywide  
R&D  
vacancy rate



**4.5%\***

Citywide  
retail  
vacancy rate



## Consumer & Business Spending

**-1%**

local sales tax in  
2024 but 18%  
above pre-COVID  
levels



**+6.8%**

Consumer  
spending,  
compared to  
January  
2020, Santa  
Clara County

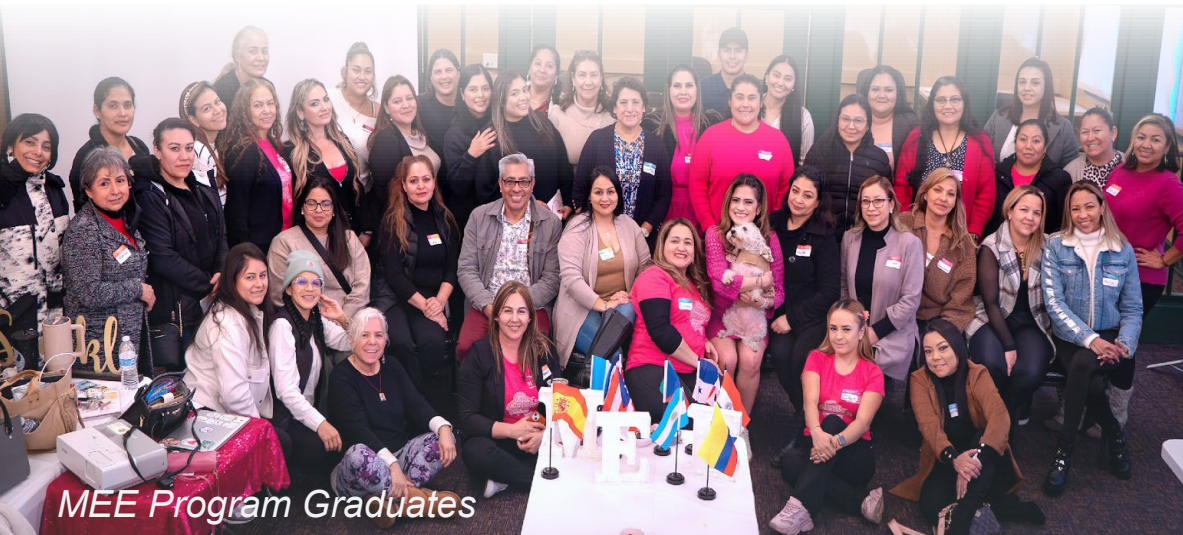


**30%**

Business  
generated Sales  
Tax in 2024



# Small Business & Neighborhood Commercial Corridors



Explore San José  
this holiday season.



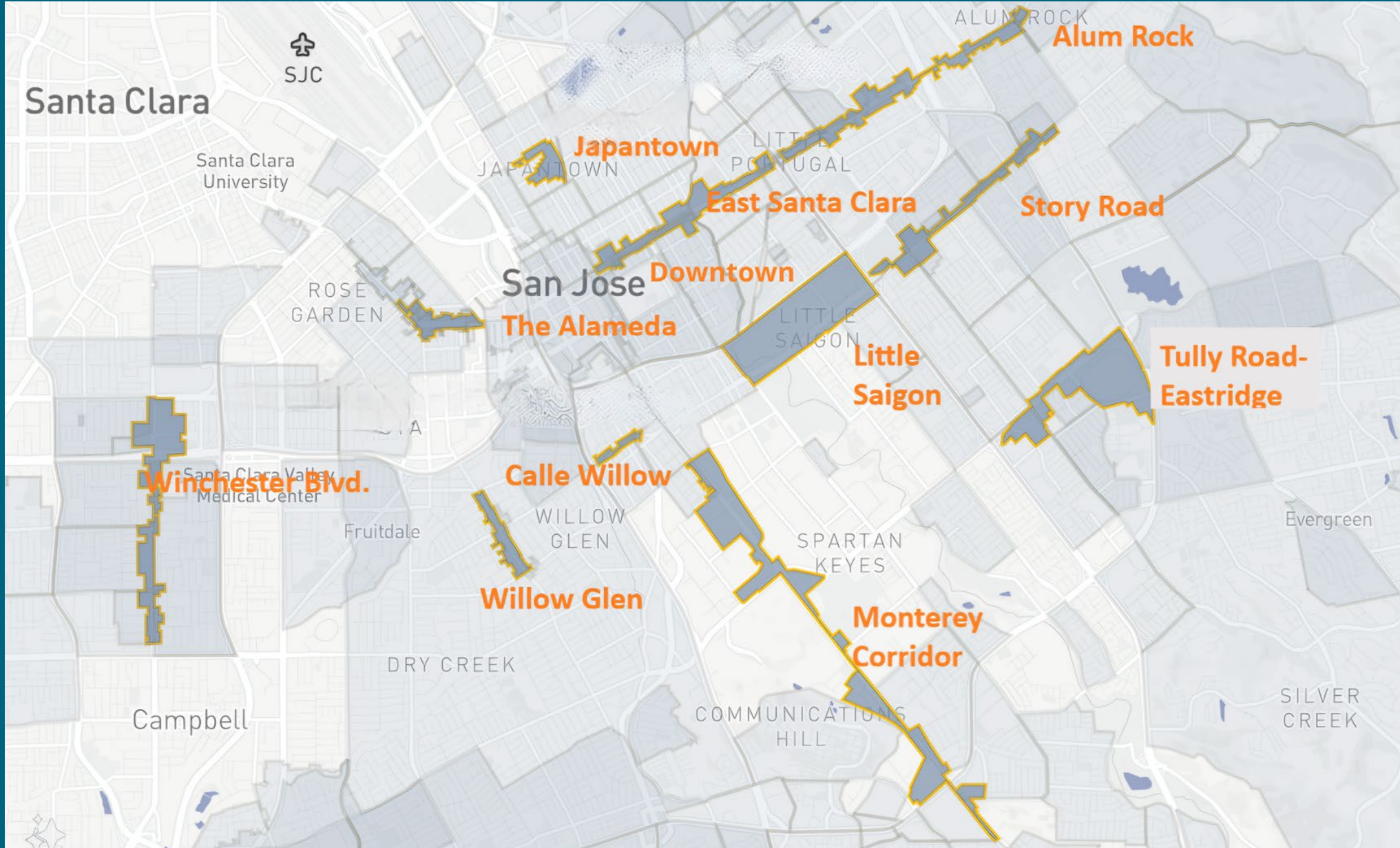
[SJEconomy.com/ShopLocalSJ](http://SJEconomy.com/ShopLocalSJ)

## Highlights / Key Achievements

- ❖ First year of the Small Business Advisory Committee
- ❖ Two new Business Improvement Districts: Tully Road and Monterey Road Corridor
- ❖ Flea Market Advisory Group
- ❖ Free Legal Services launched
- ❖ Prosperity Lab Women in Business Entrepreneurs Program
- ❖ Holiday Shop Local campaign



# Neighborhood Commercial Corridors



## Business Development Activity

14,000

Business clients annually assisted through the BusinessOwnerSpace collaborative.

97%

Of businesses who received a Storefronts Activation grant in last 7 years remain open.

65

Storefront activation grants awarded to San José business owners.

50

Small Business owners benefitting from the new free legal service.

\$450K+

New Business Improvement Districts established in the Tully Road and Monterey Road business corridors.

2,500

Business owners assisted by the City's Small Business Ally service through Feb. 2025.

130

Jobs created via 39 start-ups in the Women in Business Entrepreneurs Program.

11

Neighborhood business districts promoted through Holiday San José campaign.



Created by Sunardi from Noun Project



Created by Fajar Studio from Noun Project



# Small Business & Neighborhood Commercial Corridors



*The Alameda Business District*

## Looking Ahead

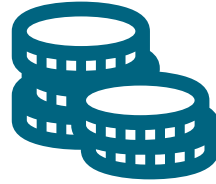
- ❖ The Alameda CBID on April 29, 2025 and Story Road in Fall 2025
- ❖ Alum Rock Business Association and East Village moving forward with Business Improvement Districts
- ❖ Launch of new online digital one-stop shop
- ❖ New Start-up and Neighborhood grant programs in Summer 2025

## Business Development Activity

200+



Corporate Engagements



Ratio of revenue to spend, OED  
Business Development Salary  
Overhead

\$2.80:\$1

600+



Businesses  
assisted with  
permitting



~7,000

Jobs retained/attracted



50

Years of Foreign  
Trade Zone 18

\$25B+

In activity generated  
by Foreign Trade Zone  
in the past year





## Highlights / Key Achievements

- ❖ Expansion of team
- ❖ 50 years of the Foreign Trade Zone: #2 in CA, \$25B of activity
- ❖ Infinera and Western Digital secure CHIPS grants and tax credits
- ❖ Relationships with top employers and key partners
- ❖ Expanded AI ecosystem



## Looking Ahead

- ❖ Engage top revenue generators
- ❖ Attract new investment
- ❖ Expand partner & broker relationships
- ❖ Manufacturing roundtable
- ❖ More AI

Mayor Matt Mahan with NVIDIA and SJSU, recognizing a new AI-focused collaboration between the three organizations, December 2024





MOMENT Paseo Launch May 2024

## Enhanced Vibrancy

- ❖ MOMENT pop-up program launched in May 2024
- ❖ 2025 NVIDIA's GTC conference attracted 25,000 people
- ❖ Post Street Pedestrian Mall
- ❖ Unpermitted Vendor pilot program
- ❖ Safety and Security Committee



*San Pedro Pedestrian Mall*

## Objectives #1, #2, #3 (Business Development)

1. Retain/grow jobs and revenue and promote innovation from large- and medium-sized businesses in key sectors such as manufacturing and artificial intelligence.
2. Foster small business resilience and create thriving business districts.
3. Accelerate a thriving Downtown.





**Deputy Director**  
Blage Zelalich

**Downtown**  
Chris Arkley

**Small Business & Neighborhood  
Commercial Corridors**

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Anh Nguyen  
Minh Tran

**Corporate Outreach**

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**Communications**

Carlos Velazquez