



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Aram Kouyoumdjian

SUBJECT: SEE BELOW

DATE: February 9, 2026

Approved

Date:

2/11/26

COUNCIL DISTRICT: Citywide

**SUBJECT: Public Hearing on the Status of the City's Vacancies,
Recruitment and Retention Efforts, and Obstacles in the Hiring
Process Pursuant to California Government Code § 3502.3**

RECOMMENDATION

- (a) Conduct a public hearing on the status of the City's vacancies, recruitment, and retention efforts, and obstacles in the hiring process.
- (b) Accept the staff report on workforce vacancy rates, recruitment, and retention efforts, and obstacles in the hiring process as required by California Government Code § 3502.3.

SUMMARY AND OUTCOME

In compliance with California Government Code § 3502.3, the City of San José (City) is reporting its overall workforce vacancy rate as of December 31, 2025 at 9.06%, which represents nearly a one point drop in the vacancy rate compared to the previous year and continues the multi-year trajectory of the City's gains in achieving a citywide staffing level of nearly 91%.

At different points during the year, the citywide vacancy rate dropped even below 9%, dipping as low as 8.63% in June 2025, before being nominally scaled back in light of budget constrictions as a buffer against the prospect of layoffs should the City's fiscal outlook necessitate any cuts in positions.

While focusing primarily on citywide data, both this memorandum and the presentation to City Council will single out two bargaining units, the International Brotherhood of Electrical Workers (IBEW) and the Peace Officer Park Ranger Association (POPRA) because their vacancy rates exceed 20%, triggering the law's enhanced reporting requirements and the need for targeted recruitment interventions. As detailed below, actual vacancies in those bargaining units are few in number, but in small bargaining

units (or classifications), a small number of unfilled positions can have an outsized effect on the vacancy rate.

Along with these statistics, the hearing will afford City Council an overview of obstacles to hiring and will survey the large-scale and ambitious recruitment and retention initiatives that the City has launched over the past 12 months. These include a newly-structured Recruitment and Workforce Development Division within the Human Resources Department, the expansion of the City's digital recruitment infrastructure, due to the investment of one-time funds and the engagement of a full-service marketing agency, the launch of a learning management system – the SJ Training Portal – and the enhancement of the Supervisory Academy, aimed at building a strong cadre of leaders to support employee performance and well-being, and to foster a strong organizational culture.

These innovative recruitment and retention strategies demonstrate a holistic and dynamic strategy to ensure that the City remains competitive in attracting and retaining public service talent, maintaining low vacancy rates, sustaining workforce stability, and effectuating viable succession plans.

Staff recommends acceptance of the required report summarizing vacancy trends and workforce initiatives.

BACKGROUND

Effective January 1, 2025, Assembly Bill 2561 added Government Code § 3502.3 to the Meyers-Milias-Brown Act, the body of law that governs collective bargaining and labor relations at the local government level. This new law requires local government agencies to comply with the following:

1. Hold a public hearing before the governing body at least once per fiscal year and present the status of vacancies, recruitment and retention efforts, and identify any necessary changes to the policies, procedures, and recruitment activities that may lead to obstacles in the hiring process; if the governing body will be adopting an annual budget during the fiscal year, the presentation shall be made prior to the adoption of the final budget;
2. Hold a public hearing and present additional information regarding vacancies, if the vacancy rate in a bargaining unit is at least 20%; and
3. Allow the recognized employee organizations for bargaining units to make presentations at the hearing.

Last year, the City held its public hearing on March 25, 2025, at which time the Human Resources Department reported a citywide vacancy rate of 9.95% (as of December 31, 2024).

ANALYSIS

Status of the City's Vacancies

As of December 31, 2025, the vacancy rate for the City was 9.06%, compared to 9.95% as of December 31, 2024, representing a year-over-year reduction of nearly a full percentage point. The vacancy rate actually dipped down to 8.63% at the end of FY 2024-2025 (as of June 30) and stood at 8.79% in November. However, as early forecasts indicated shortfalls in the upcoming General Fund budget, the City scaled back hiring in December, forgoing any hiring (or new employee orientations) just before the winter holidays, as a cost-saving measure but also as a contingency measure whereby a select number of vacancies are held back for employees who may face displacement if their current positions are not funded for next fiscal year.

Several departments, including Library and Parks, Recreation and Neighborhood Services, had vacancy rates below the citywide average, and four departments, including Finance, had rates below 5%, with the City Clerk's Office achieving 100% staffing.

San José's success in achieving a vacancy rate that hovers around or below 9% is unmatched among California's larger cities. By comparison, the City of San Diego had a vacancy rate of 9.70% in January 2026, while the rate stood at 14.93% for the City of Los Angeles (as of January 2026), 17.94% for the City of Oakland (as of April 2025), and 18.00% for Long Beach (as of August 2025). Closer to home, the County of Santa Clara is reporting a vacancy rate of 10.80% (as of February 2026), while the rate for the City of Santa Clara is 13.26% (as of January 2026).¹

As illustrated in Table 1, the reduction in the City's vacancy rate continues a multi-year trajectory of drops (following spikes during the pandemic years) due to the City Manager's focus on hiring and making San José a Great Place to Work as one of her five Foundational Strategic Support priorities combined with comprehensive hiring strategies that are supported by strong recruitment outreach and process improvements.

¹ City of San Francisco excludes any vacancies that it does not intend to fill in the next year from its vacancy rate. This approach, which artificially reduces the vacancy rate, is not utilized by San José; hence, San Francisco is no longer a meaningful comparator for this metric.

Table 1. City’s Vacancy Rates by Calendar Year

Vacancy Rate		
Calendar Year	Benefited Budgeted Full-Time Equivalent (FTEs)	Vacancy Rate
12 / 2017	5,868	11.45%
12 / 2018	6,034	10.67%
12 / 2019	6,229	11.75%
12 / 2020	6,177	10.60%
12 / 2021	6,255.06	12.40%
12 / 2022	6,467.76	14.30%
12 / 2023	6,616.16	13.20%
12 / 2024	6,584.06	9.95%
12 / 2025	6,586.06	9.06%

These gains are even more remarkable, given that the City has added 714 (benefited) full-time positions in less than a decade’s time. This means that to lower the vacancy rate, hiring not only had to outpace attrition (separations due to resignations, terminations, or retirements), but had to keep up with the expansion of the workforce as well.

Robust recruitment strategies (detailed below) and improvements in the hiring process, however, have allowed the City to bridge the vacancy gap. In 2025, the City attracted approximately 10,000 more applications for its vacant positions than it had in 2024, a staggering increase that translated into heightened workloads in the screening and selection phases of hiring.

Bargaining Units with Vacancy Rates of at Least 20% and the City’s Mitigation Strategies

Although the City improved its overall vacancy rate over the past year, reflecting sustained progress and the impact of deliberate, coordinated hiring strategies, two of the City’s 12 bargaining units, IBEW and POPRA, exceeded the 20% vacancy threshold. However, those percentages are amplified because both of these bargaining units have relatively small numbers of budgeted positions, so even a modest number of vacancies can significantly affect the vacancy rate as shown in Table 2 below. For example, the vacancies for POPRA are in the single digits, specifically, 7.75 FTE, but since the bargaining unit only has 16.25 budgeted FTEs, the resulting percentage is outsized.

Table 2. Bargaining Units with Vacancy Rates of at Least 20%

Classification Title	Bargaining Unit	Benefited Budgeted FTEs	Vacant FTEs
Industrial Electrician	IBEW	11	4
Electrician	IBEW	22	8
Communications Technician	IBEW	5	1
Electrician Supervisor	IBEW	5	1
Park Ranger	POPRA	11	6
Park Ranger Assistant	POPRA	2.25	0.75

IBEW’s high vacancy rate is due to single-digit vacancies in the Electrician and Industrial Electrician classifications, 8 FTEs and 4 FTEs, respectively. Notably, the number of Electrician vacancies has declined by 33.33% since last year, when the number of vacant FTEs was 12.

A combination of factors has contributed to challenges in hiring Electricians, including a limited pool of qualified candidates in a niche trade and a competitive labor market with utility and private sector companies often offering higher salaries. (According to the federal Bureau of Labor Statistics, the U.S. is short about 80,000 Electricians.) The challenge of hiring Industrial Electricians is further compounded by the necessity of very specialized high voltage experience, which further limits the pool.

Electricians and Industrial Electricians will be among the hard-to-fill classifications to be featured in the City’s new digital recruitment campaigns (discussed in detail below) in an effort to build on last year’s advances and continue minimizing the number of vacancies in these positions.

Even more promising, the City just recently obtained, after prolonged effort, approval from the Electrical Training Alliance of Silicon Valley to begin crafting a comprehensive agreement for an Apprenticeship Program that would create a hiring pipeline within the City structure (following approval by the California Department of Industrial Relations) for Electricians.

POPRA’s high vacancy rate is attributable to six vacancies in the Park Ranger classification. Significantly, some of these vacancies were created because the Parks, Recreation and Neighborhood Services Department filled vacancies in higher-level positions, including Chief Park Ranger, Supervising Park Ranger, and Senior Park Ranger by promoting Park Rangers and thereby depleting the ranks of that classification. Of course, these promotions foster advancement opportunities, career pathways, and leadership succession, and thereby ensure retention; however, they do create the need to backfill now-vacant Park Ranger positions.

While the City has had active recruitments for Park Ranger positions throughout the year, there are two notable limiting factors in hiring into this classification. First, the

public safety contours of the role require an enhanced backgrounding process that can take weeks (and occasionally months) to complete. Second, new Park Ranger hires must complete a training academy, coordinated by the County of Santa Clara and implemented by the South Bay Public Safety Training Consortium, that accepts only *one cohort per year*, severely limiting the frequency with which applicants can be hired.

To mitigate these hiring barriers, the Human Resources Department has newly created job specifications for a feeder classification, Park Ranger Trainee, into which Park Ranger candidates can be hired while awaiting the start of the academy. By utilizing this trainee classification, the City will be able to avoid losing candidates to other agencies and allow them to become acclimated with the job ahead of starting academy training.

Moreover, the City is customizing a hiring campaign for Park Rangers, engaging external marketing professionals to coordinate a photo and video shoot featuring actual employees who serve in these roles, and designing a campaign strategy on digital platforms to attract a wider pool of applicants. The campaign is expected to launch by the latter part of spring 2026.

Recruitment and Retention Efforts

To sustain the gains that San José has made in reducing its vacancy rate, the City made new investments in recruitment tools last year, while simultaneously launching major initiatives to bolster employee engagement and retention. In order to sufficiently support these initiatives, the 2025-2026 Adopted Operating Budget included the reconfiguration of the Human Resources Department's Learning and Development team as the Recruitment and Workforce Development Division, with its own Division Manager, and an allocation of \$150,000 in one-time funds toward enhancement of the City's digital recruitment infrastructure.

Utilizing those funds, and through a competitive procurement process, Human Resources selected a full-service marketing agency to (1) design a custom recruitment campaign for the City with particular focus on hard-to-fill classifications such as Electricians and Park Rangers, as previously mentioned, as well as Building Inspectors and various Engineering classifications, and departments with higher vacancy rates; (2) build a hiring-specific landing page or microsite touting job opportunities in the City and the benefits associated with them; and (3) leverage digital platforms, especially social media, to broaden outreach. The initial stages of the initiative are already in progress and involve creating a library of visual assets through photo and video shoots featuring City employees to ensure an authentic look and feel for the broader campaign, which will formally launch in the latter part of spring and will offer candidates a more seamless exploration of City career opportunities.

The enhanced digital recruitment tools will supplement multi-pronged outreach strategies that the City already uses to meet candidates where they are: online through social media and job-specific platforms; on the campuses of both public and private

universities, as well as several community colleges; and at community events (such as Viva Calle) and public-facing job fairs. Four of the aforementioned outreach strategies are detailed below.

- (1) A premium LinkedIn Recruiter subscription allows the City to drive visibility to specific recruitments and to initiate data-driven outreach to prospective candidates. City jobs posted on LinkedIn generated 58,500 views in 2025, and followers of the City's account increased by 29% to 40,200.
- (2) Social media campaigns that the Human Resources Department launched in the summer of 2024, in coordination with the City Manager's Office of Communications, have continued in new formulations, attracting new talent to City jobs. These social media campaigns have both immediate focus (e.g., "We Are Hiring" posts spotlight job opportunities) as well as long-term brand building (e.g., "In the Loop" posts feature a different department each month and bring to light its work and civil impact through staff testimonials).
- (3) The Human Resources Department engages in nearly two dozen events with students in high schools (Yerba Buena, Independence, Cristo Rey), community and technical colleges (Evergreen, DeAnza, Mission, and Silicon Valley Career and Technical Education), and universities (San José State, Santa Clara) to create early career pathways and diversify the talent pipeline by reaching prospective hires at different stages of their educational and professional journeys.
- (4) Participation in job fairs, career workshops, and local events from Viva Calle to Work for California creates face-to-face access points for job seekers and builds trust with residents who may not engage with the City through digital channels alone. The Human Resources Department not only took part in more than a dozen such events last year but was the organizer of the City's second annual Career Expo that was held at the Mexican Heritage Plaza in October 2025 and drew more than 500 attendees who interacted with recruiters representing nearly all City departments and who attended Human Resources-led presentations on the City's hiring process and employment benefits.

Parallel with these recruitment efforts, the Human Resources Department has simultaneously launched major retention initiatives to maintain a turnover rate (7.1% for calendar year 2025) that is well within healthy margins. These initiatives preserve institutional knowledge and experience while keeping the organization dynamic and well-positioned in terms of succession. Notably, these initiatives include the implementation of a digital learning management system, the SJ Training Portal, and the enhancement of the City's Supervisory Academy.

The SJ Training Portal, which went live on January 14, 2026, marked a milestone in bringing an entire digital library of training courses to City employees, democratizing

access, and consolidating delivery, tracking, and reporting into one centralized and easy-to-navigate platform. Employees can now access custom City courses, a robust catalog of public sector-focused content, and guided Learning Plans aligned with career paths and designed to support career development at every stage. As such, the SJ Training Portal supports stronger employee engagement, clearer visibility into training completion, and sustained professional growth that bolsters the City's long-term retention goals.

At the same time, the City is investing in the people who shape the employee experience most directly: supervisors. The Recruitment and Workforce Development team, in collaboration with the City Manager's Office of Employee Relations, is reimagining leadership and supervision training to better support City services and operations. Launching in spring 2026, the newly designed Supervisory Academy focuses on the unique needs of new front-line supervisors. The program emphasizes core skills such as communication, coaching, employee engagement, and performance management. Because strong supervision plays a critical role in retention, this targeted development helps build healthier teams, strengthen leadership capacity, and support more effective service delivery across the organization.

Supervisory and non-supervisory employees alike have additional development opportunities through the Citywide Mentorship Program, which notched its highest-ever number of participants this fiscal year: 235 mentor-mentee matches. The program not only pairs each mentee with a mentor, including almost all members of Senior Staff, but supports them through a series of practical workshops (e.g., informational interview practices) and networking opportunities.

Continued investment in training and professional growth will strengthen career pathways, deepen employee engagement, promote the City Manager's One Team Values and Expectations, and advance the City's ability to retain a skilled and committed workforce.

Retention efforts are also being promoted through employee benefits, including 15 paid holidays; vacation and illness leave banks; and access to medical, dental, and vision coverage. This year, the Benefits Division within the Human Resources Department streamlined its vision plan offerings to enroll all City employees in the more generous plan, which provides, for instance, frames every year (instead of every other year). Benefits maintained its rich curriculum of Wellness courses and offerings, including the Open Enrollment Benefits and Wellness Fair, and engaged in active outreach to departments and the City's labor groups to increase awareness of and participation in the City's Deferred Compensation Plan, in which 75% of City employees are now enrolled.

Moreover, the City is amplifying its focus on workplace culture, convening the second instance of "Bring Your Child to Work Day" and launching a "Day of Service", both this spring, to fortify the connection between employees and the communities they serve.

These initiatives contribute to retention by fostering employee satisfaction and organizational stability.

Finally, the City negotiated a new labor contract with the San José Police Officers Association last year and is negotiating this year with seven bargaining units representing the vast majority of Federated employees whose contracts expire in June. Negotiations will afford many opportunities for the City to receive from employee groups proposals related to wages and working conditions and to effectuate them to the extent that they align with operational needs and budgetary considerations.

Identifying and Addressing Challenges

In last year's Vacancy Rate memorandum and presentation, staff had contextualized key challenges to recruitment and hiring in the public sector against a backdrop of broader shifts in the labor market, such as the emergence of the gig economy, and the fact that jobs in the U.S. are increasing in number, even as the labor pool is shrinking.

Between January 2000 and January 2025, the number of U.S. jobs grew from 131 million to 159 million, an increase of 28 million, due to the emergence of new industries (such as artificial intelligence and drone technology) and the expansion of others (such as healthcare and delivery services). At the same time, the workforce is contracting due to a variety of reasons, including a decline in the national birth rate and drops in immigration.

These challenges are amplified by changing concepts of work, the impacts of technology, and the uncertainties of the economy, which necessarily affect the cadence of hiring.

The Human Resources Department is addressing these challenges through the various strategies, initiatives, and innovations discussed throughout this memorandum. Staff has also convened an internal AI Working Group to assess the likely impacts of artificial intelligence on the workforce, to evaluate any upskilling and re-skilling needs that current employees may have, and to develop strategies whereby the City can be competitive in recruiting future employees skilled in evolving technologies. In sum, staff will continue building on the current hiring momentum, implementing innovative strategies and initiatives, and nimbly adapting to the City's evolving workforce needs, whether they be related to services, operations, or external factors affecting the workforce of the future.

EVALUATION AND FOLLOW-UP

Staff will return to the City Council annually with updates on workforce vacancies in compliance with Government Code § 3502.3, including additional reporting when vacancy rates for specific bargaining units exceed 20%.

HONORABLE MAYOR AND CITY COUNCIL

February 9, 2026

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COORDINATION

This memorandum was coordinated with the City Attorney's Office and the City Manager's Budget Office.

PUBLIC OUTREACH

This memorandum will be posted on the City Council Agenda website for the February 24, 2026 City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.



Aram Kouyoumdjian
Director of Human Resources
and City Manager's Office of
Employee Relations

The principal authors of this memorandum are Linh Le, Division Manager, Employment Services, Human Resources Department, and Randi Perry, Division Manager, Recruitment and Workforce Development, Human Resources Department. For questions, please contact Kim Jackson, Assistant Director, Human Resources Department, at kim.jackson@sanjoseca.gov.