

Commercial Anti-Displacement Strategy Status Report

**Community and Economic Development Committee
January 27, 2025**

Item (d)2

Blage Zelalich
Deputy Director
Office of Economic Development & Cultural Affairs

Victor Farlie
Assistant to the City Manager
Office of Economic Development & Cultural Affairs

| **Commercial Anti Displacement Strategy**

- **Involuntary business relocation**
- **Triggered by:**
 - **Site development**
 - **Scarcity driving up rents**
 - **Long-term increase in the value of land**
- **17,000+ small businesses are commercial tenants**

| Alum Rock Pilot Program

- Opening of new business center at Quetzal Gardens
- \$50 M of Federal pandemic grants to business in 95116
- New East Side Coordinator position to sustain the work



| Commercial Tenant Protection Act (SB 1103)

- Formalized landlord-tenant regulation
- Qualifying businesses
- Landlord requirements



San Jose's SB 1103 Landscape

Over 14,000 small businesses are estimated to be qualifying commercial tenants

Business Headcount	Industrial Zoned Parcels	Retail/Office Zoned Parcels	Specially Zoned Parcels	Total
1 Person	1,551	4,831	1,227	7,609
2 to 5 Person	1,773	4,346	669	6,788
6 to 35 Person	1,085	1,901	310	3,296
Total	4,409	11,078	2,206	17,693

Small Business Advisory Committee Feedback on Displacement Policy Design

- **Maximize business notification timeline**
- **Provide access to advice and loan capital**
- **Free or low-cost legal advice is important**
- **Utilization of zoning and land use designations**
- **Address short and long-term partnerships**

| **Work Plan Highlights**

- **Overview of the commercial property market**
- **Evaluation of neighborhood economic resiliency**
- **Assessment of available City resources**
- **Business ecosystem building and services evolution**
- **Role of key partners' economic development efforts**

Milestones and Timeline

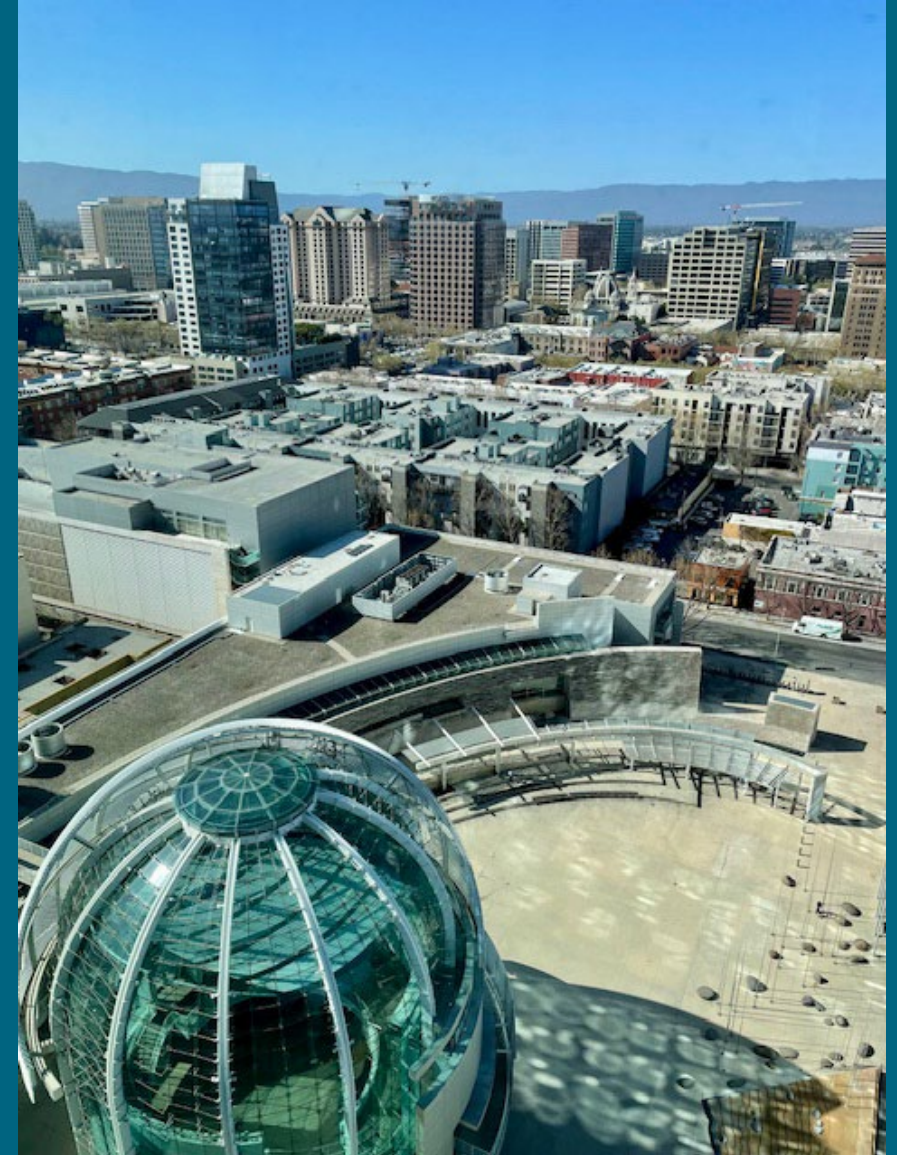
Stakeholder Engagement begins
Spring 2025

Interdepartmental Coordination

Secure Consultant Services
Summer 2025

Small Business Advisory Committee
Fall 2025

CED Committee
Spring 2026



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