



Memorandum

TO: RULES AND OPEN
GOVERNMENT COMMITTEE

FROM: Councilmember Ortiz

SUBJECT: SEE BELOW

DATE: August 21st, 2025

Approved:

Date: 8.21.25

SUBJECT: ECONOMIC REVITALIZATION FUND FOR EAST SAN JOSÉ

RECOMMENDATION

Direct staff to return, as part of the FY 2026-2027 budget priority setting study session, with a conceptual framework for establishing an Economic Revitalization Fund dedicated to improving the public safety, cleanliness, economic vitality, and public infrastructure of East San Jose. The framework can then be considered during the 2026-2027 budget cycle, where city funds can be leveraged alongside state and federal grants and philanthropic dollars.

The framework should include:

- An allocation of \$30 million to be used on projects to revitalize the East Side.
- A timeline for fund development and initial allocations.
- Identification of eligible uses and priority investment areas.
- Strategies for leveraging external funding sources.
- Mechanisms for ensuring transparency, accountability, and community engagement.
- Robust public outreach with the East San José Community to determine spending priorities

BACKGROUND

For decades, East San José has endured systemic neglect and chronic underinvestment compared to other areas of our city. This has resulted in persistent economic disparities, fewer opportunities for local businesses and residents, and slower overall community development. To begin addressing this inequity, the City must establish a dedicated and ongoing funding mechanism that ensures consistent, long-term investment in East San José.

Creating a dedicated \$30 million revitalization fund will serve as a structural remedy to the historic inequities faced by East San José. By pooling City resources with state and federal funding opportunities, we can amplify impact and ensure that this community receives the investment it deserves. This fund will not only offset years of neglect but also catalyze economic growth, create jobs, strengthen local businesses, and improve overall quality of life for East San José residents.

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This draft illustrates how the proposed \$30 million could be allocated, but with community outreach, residents will have the opportunity to decide how these funds should ultimately be used.

Example of a Draft Spending Plan

1. Dedicated BeautifySJ Team (\$10M)

A specialized crew exclusively assigned to East San José.

- Removes illegal dumping within 24–48 hours
- Eradicates graffiti and maintains public corridors
- Coordinates community clean-up days
- Equipped with dedicated trucks, power-washers, and technology for reporting

2. Homeless Outreach & Engagement (\$6M)

Mobile outreach units and caseworkers dedicated to East San José's streets and parks.

- Daily contact with unhoused residents.
- Connects individuals to shelter, mental health care, and job placement.
- Coordinates with housing providers to track and verify outcomes.
- Enforce a no-encampment zone on Lower Silver Creek next to Mayfair Park.

3. Beautification & Placemaking (\$5M)

Projects to uplift East San José's identity and environment.

- Commissioning murals and cultural art installations.
- Planting 5,000+ trees and adding native landscaping.
- Placemaking along Alum Rock and other corridors (arches, banners, markers)

4. Infrastructure Improvements (\$6M)

Investments to restore and expand safe public spaces.

- Repair broken playgrounds, basketball courts, and fields.
- Add pickleball courts, fitness areas, and benches.
- Upgrade lighting, ADA accessibility, and community facilities.
- Extend the Lower Silver Creek Trail and other local connections.

5. Code Enforcement & Accountability (\$3M)

Dedicated inspectors focused on absentee landlords and problem properties.

- Proactive inspections of high-impact properties.
- Targeted enforcement against neglected housing and nuisance businesses.
- Legal support for injunctions and contract terminations for repeat violators.