

# 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



# 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

## Planning, Building and Code Enforcement

Citywide Land Use Planning  
Development Plan Review and Building Construction Inspection

## Fire

Fire Safety Code Compliance

## Public Works

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

## Housing

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

# 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

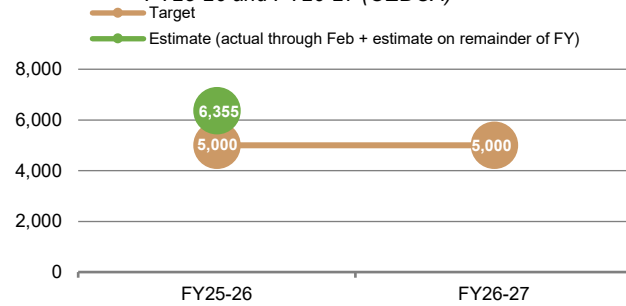
**\* For a complete list of programs, please refer to the 2026-2027 Proposed Operating Budget**

# COMMUNITY & ECONOMIC DEVELOPMENT PERFORMANCE MEASURE DASHBOARD

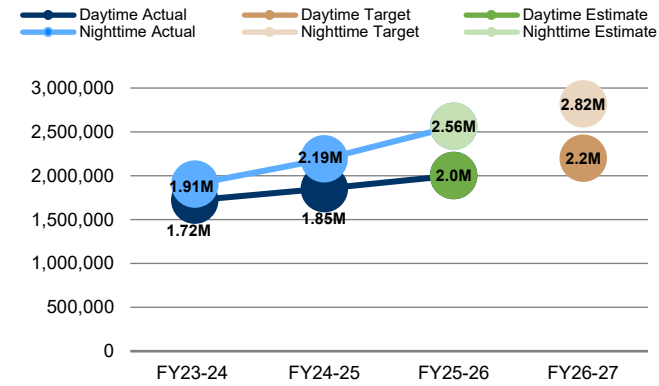


## Retain, Expand, or Attract Jobs

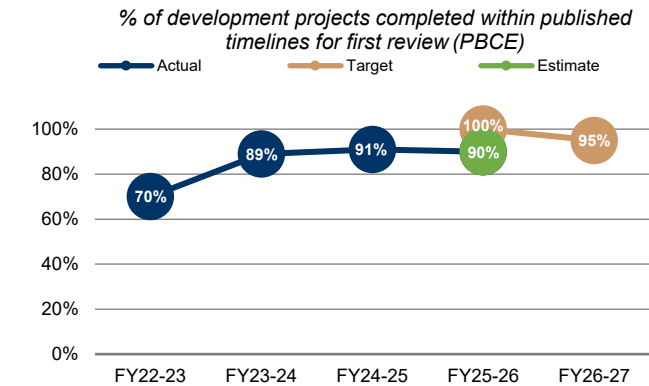
# of retained, expanded, or attracted jobs from businesses receiving Business Development assistance toward the 10,000-job growth goal for FY25-26 and FY26-27 (OEDCA)



## Average Monthly Downtown Foot Traffic

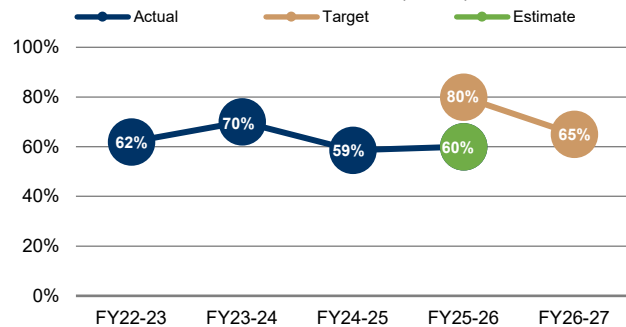


## Development Project On-Time Reviews for Planning Permit Process



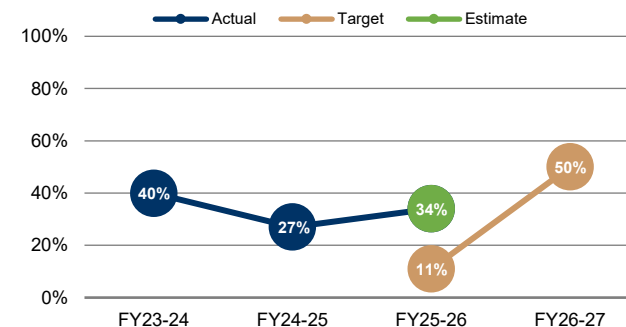
## Development Project On-Time Reviews for Construction Process

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



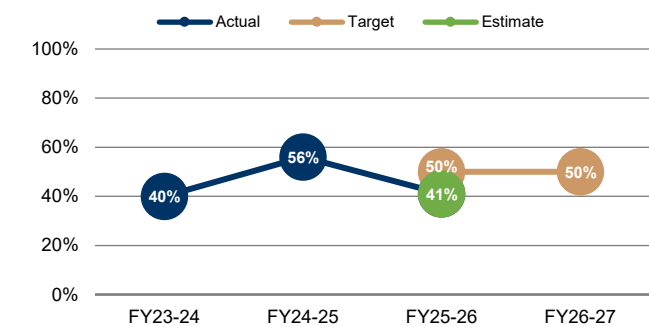
## Housing Production Rates

% 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%
<b>CSA Total</b>	<b>\$318,584,814</b>	<b>\$213,388,421</b>	<b>\$215,606,917</b>	<b>1.04%</b>
<b>Positions</b>	<b>481.77</b>	<b>482.46</b>	<b>484.90</b>	<b>0.51%</b>

\* 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



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



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.

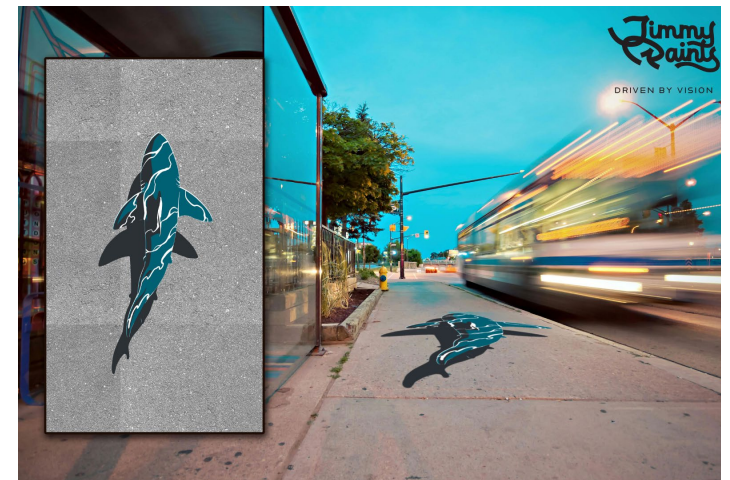
**Problem Area 3: Small Business and Neighborhood Business District Investments.** Small businesses and neighborhood districts need placemaking that activates storefronts, connects public spaces, and creates inviting environments that support consumer activity and positive social interaction.

**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



- 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



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

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