

# ENVISION SAN JOSE 2040

## 2025 GENERAL PLAN ANNUAL PERFORMANCE REVIEW EXECUTIVE SUMMARY

This review provides an overview and dashboard of metrics pertaining to progress on the 12 General Plan Major Strategies, as measured from November 2011 when the City Council adopted the General Plan.



## COMMUNITY BASED PLANNING

**24/25**

FISCAL YEAR

**34**

PLANNING VIRTUAL & IN-PERSON MEETINGS

**1,002**

TOTAL ATTENDEES

The City is committed to open government and community participation in its governance activities. After virtual community meetings, attendees are provided a survey about the meeting so the Department can monitor the effectiveness of the outreach and where changes may be needed to improve.

Survey Questions	% Agree or Strongly Agree
I had enough advance notice of the hearing date and time	60%
The public meeting notice I received was easy to understand	62%
The meeting location and time were convenient	69%
The meeting was well organized	69%
The meeting helped me to understand the topic	67%
My input, or someone else's input was similarly expressed, and recorded	68%
City staff and facilitators were informative and helpful	66%
I understood the explanations that City staff provided	69%
I understood the next steps in the project process	62%
Overall, I was satisfied with the meeting	60%



Saratoga Avenue Urban Village Plan Community Meeting

## UBAN VILLAGES

SINCE THE 2011 ADOPTION OF THE GENERAL PLAN:

**16\*\***

APPROVED URBAN VILLAGE PLANS

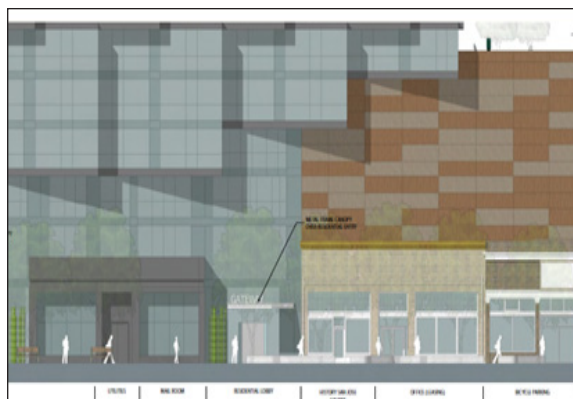
**24,432\***

ENTITLED HOUSING UNITS IN URBAN VILLAGES

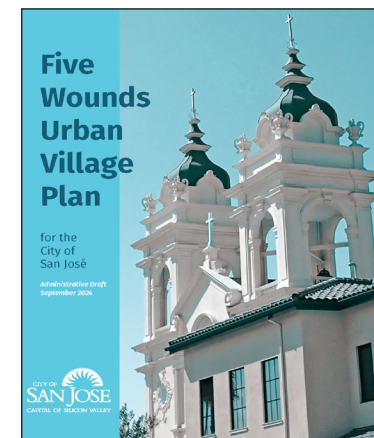
**8.3\***

MILLION SQ. FT. OF ENTITLED COMMERCIAL SPACE IN URBAN VILLAGES

The General Plan identifies Urban Villages within San José that focus on jobs and high density growth to foster vibrant, walkable, bicycle-friendly, transit-oriented, mixed-use urban settings for new housing and job growth.



Westbank Gateway Tower Historic Presevation of Facade.



Five Wounds Urban Village Plan

### URBAN VILLAGE PLANS UNDER DEVELOPMENT

Urban Village Plan	Status	Anticipated Adoption
Five Wounds (Five Wounds, Little Portugal, 24th & Williams, & Roosevelt Park Urban Villages Update)	In process	Fall 2026
Eastside Alum Rock	In process	Summer 2026
Saratoga Avenue (Saratoga Avenue/Paseo de Saratoga Urban Villages)	In process	Fall 2027
De Anza Boulevard	Under Consideration	TBD
South Bascom Avenue (South)	Under Consideration	TBD

\* Excludes Downtown Growth Area and Diridon Station Area Plan from the Urban Village classification.

\*\* Excludes the Rincon South Urban Village Plan which was changed from a Specific Plan to an Urban Village Plan with the adoption of the Envision San José 2040 General Plan.

## FOCUSED GROWTH & REGIONAL EMPLOYMENT CENTER

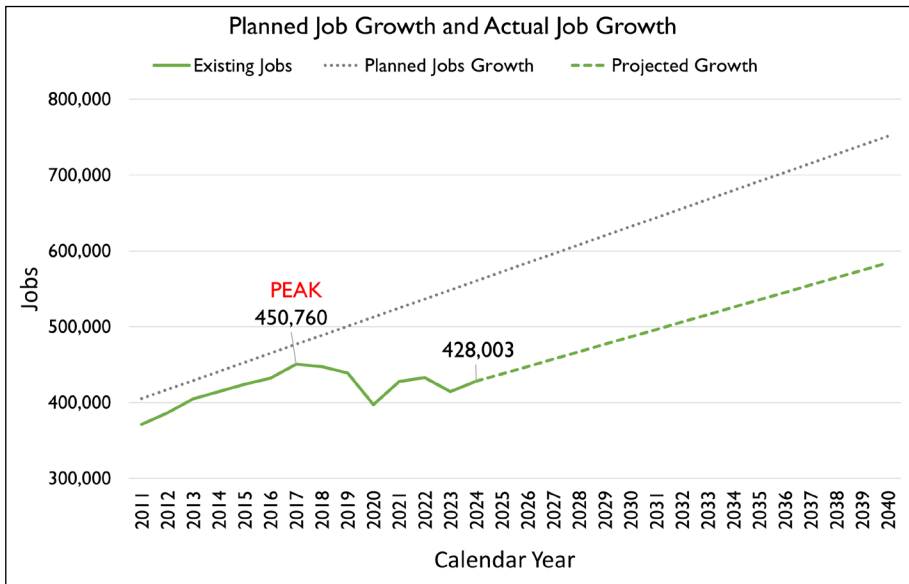
SINCE ADOPTION OF THE GENERAL PLAN IN NOVEMBER 2011,  
BUILDING PERMITS HAVE BEEN ISSUED FOR OVER:

<b>35.9</b>	<b>28.7</b>	<b>16.4</b>
THOUSAND NEW RESIDENTIAL UNITS	MILLION SQ. FT. OF NEW COMMERCIAL DEVELOPMENT	MILLION SQ. FT. OF NEW INDUSTRIAL DEVELOPMENT

At the end of 2024, San José had a total of 428,003 payroll jobs. San José has lost 22757 payroll jobs since its peak in 2017 with an average of approximately 3,200 jobs lost each year. San José is approximately 57,000 jobs above the levels since the adoption of the General Plan in November 2011, which represents a 15% increase from 2011 (California Employment Development Department). The General Plan includes a planned job capacity of 382,000 new jobs, equating to approximately 13,000 new jobs per year but the City has been adding only an average of approximately 4,400 jobs per year since 2011.

<b>1.1</b>	<b>0.84</b>
JOBS PER EMPLOYED RESIDENTS GOAL (2040)	JOBS PER EMPLOYED RESIDENTS (CURRENT)

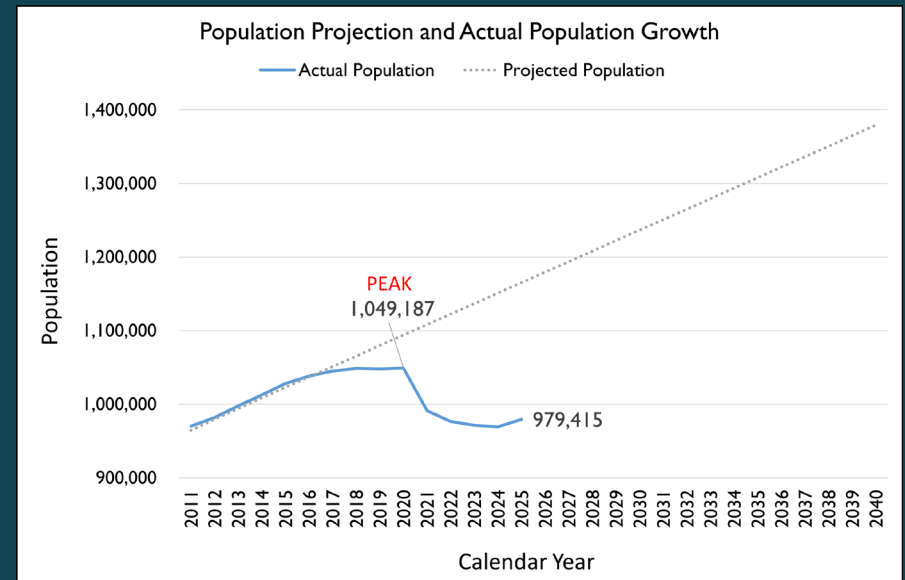
San José largely remains a bedroom community, having more employed residents than jobs within the City. The jobs-to-employed-resident (J/ER) ratio is an indicator of a city's fiscal strength; jobs-based development generates city revenue while residential-based development necessitates greater demand for the provision of services. The General Plan sets a J/ER ratio goal of 1.1 by 2040. According to the most recent data from 2024, the City's J/ER ratio is 0.84, meaning there are 0.84 jobs per employed resident in San José.



New growth is directed and encouraged within the City's Growth Areas to preserve and enhance the quality of established neighborhoods, and reduce environmental and fiscal impacts.

<b>79%</b>	<b>87%</b>	<b>91%</b>
RESIDENTIAL DEVELOPMENT BUILT* within growth areas	COMMERCIAL DEVELOPMENT BUILT* within growth areas	INDUSTRIAL DEVELOPMENT BUILT* within growth areas

As of January 2025, San José had an estimated population of 979,415 people, representing a 6.7% decrease from the peak population in 2020 and an 1% increase from 2011. San José's population growth is declining likely due to low birth rates, an increase of out-migration and a decrease of in-migration to the city due to high costs of living and remote work options. The population of San José stands as approximately 50.9% of the total population of Santa Clara County (State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties, and State, 2025).



\* Based on building permits issued since Fiscal Year 2011/2012

## MEASURABLE SUSTAINABILITY / ENVIRONMENTAL STEWARDSHIP

Climate Smart San José aims to achieve the State’s target of 80% reduction below 1990 levels of Greenhouse Gas emissions by 2050. Some major initiatives of Smart San José include:

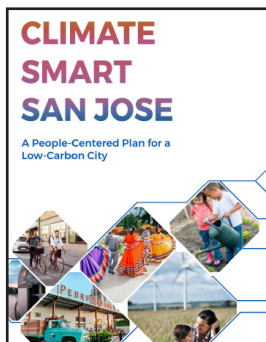
### Major Initiatives

The Zero Emissions Neighborhood (ZEN) pilot program

The Electric Homes San José program

San Jose Clean Energy Heat Pump Incentive Program

Peak Rewards Program



Home Appliance Savings Program

Energy Efficient Business Program

Multifamily Charger Assistance Program

## LIFE AMIDST ABUNDANT NATURAL RESOURCES

The General Plan promotes access to the natural environment by building a world-class trail network and adding parks and other recreational amenities.

**100**

MILES OF OFF-STREET TRAILS OPEN TO THE PUBLIC (GOAL)

**66**

MILES OFF-STREET TRAILS OPEN TO THE PUBLIC (2025)

## STREETSCAPES FOR PEOPLE

**484** MILES OF BIKE WAYS

San José is becoming a place where biking is a regular and common activity for people for all ages and abilities. Better Bike Plan 2025 updated San José Bike Plan 2020 to create a bicycle network that is:



**Safe.** We want to eliminate roadway fatalities and major injuries for all – people walking, bicycling, and driving – as soon as possible. This bike plan supports our Vision Zero San José initiative.



**Comfortable.** We want to create a bicycle network that enriches the lives of everyone who lives, works, or plays in San José.

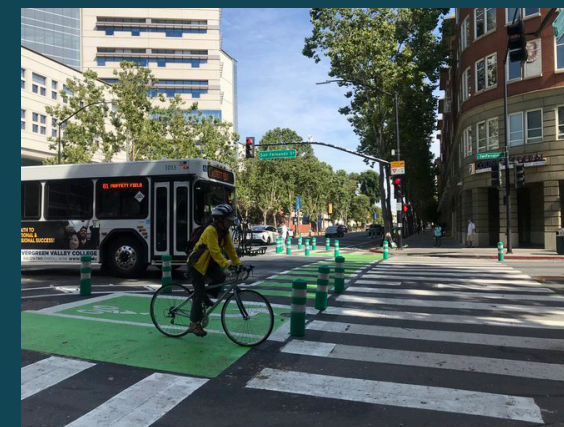


**Convenient.** We want more people biking! This plan will help us toward the goal of at least 15% of trips made by bike by 2040.

## DESIGN FOR A HEALTHFUL COMMUNITY

The General Plan supports the physical health of community members by promoting walking and bicycling as travel options, encouraging access to healthful foods, and supporting the provision of health care and safety services. Specifically, the Land Use and Transportation Chapter includes a set of balanced, long-range, multi-modal transportation goals and policies that provide for a transportation network that is safe, efficient, and sustainable. One such policy includes reducing the automobile commute mode share to no more than 40% by 2040, with goals to increase various other modes accordingly.

Mode	2040 Goal	San Jose (2024)
Drive Alone	No more than 40%	69%
Carpool	At least 10%	16%
Transit	At least 20%	<1%
Walk	At least 15%	14%
Bicycle	At Least 15%	1%



# DESTINATION DOWNTOWN

SINCE THE 2011 ADOPTION OF THE GENERAL PLAN:

**16,581**  
NEW RESIDENTIAL  
UNITS ENTITLED

**22.7**  
MILLION SQ FT OF NEW  
COMMERCIAL ENTITLED

**24/25**  
FISCAL  
YEAR

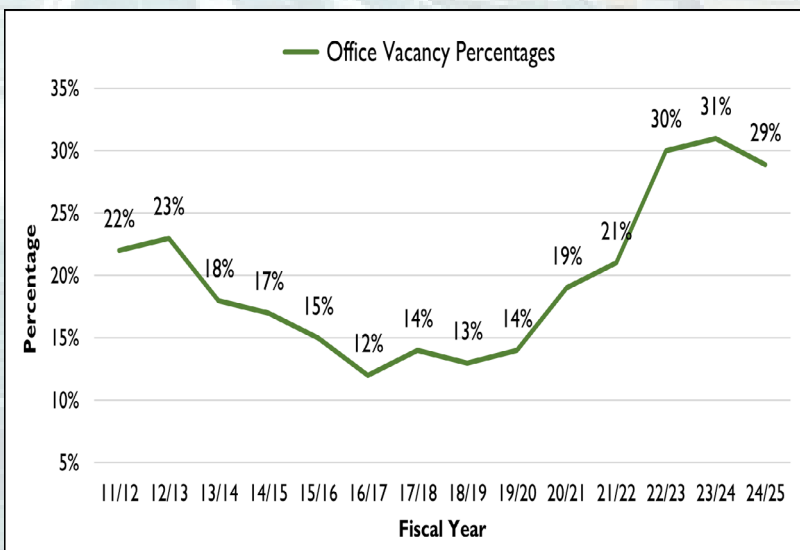
**242**  
NEW RESIDENTIAL  
UNITS ENTITLED

**1.1 mil**  
SQ FT OF NEW  
COMMERCIAL  
ENTITLED

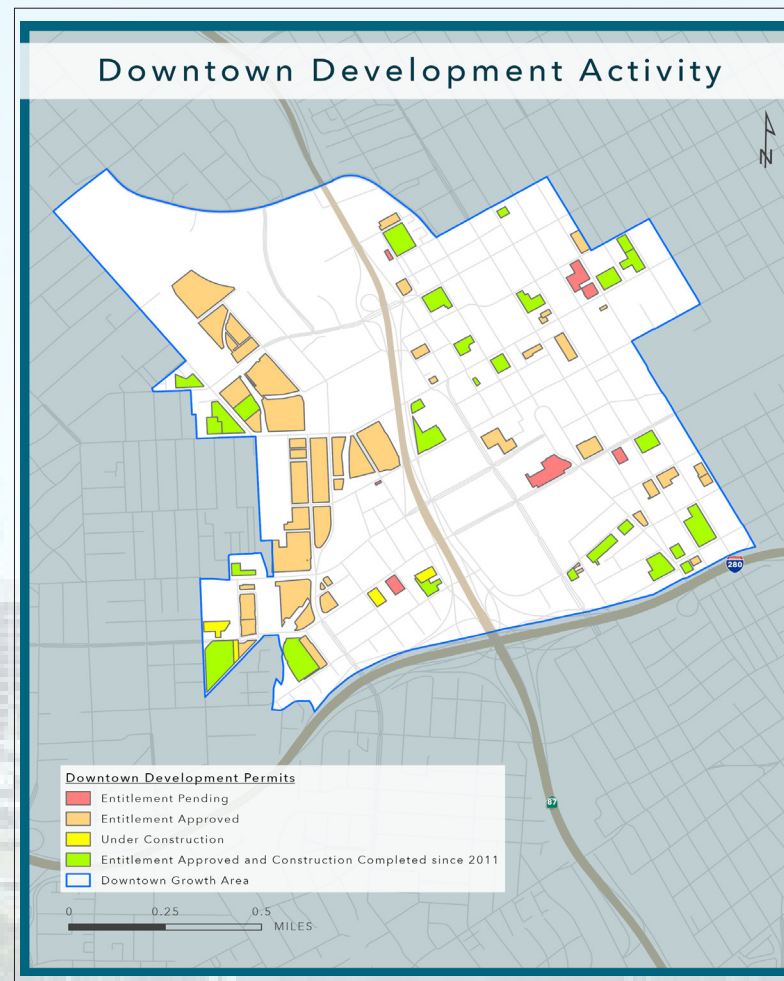
### Office Vacancies in Downtown San José

The percentage of office vacancies declined since the General Plan adoption in 2011 until fiscal year 2016/2017, when the office vacancy rate in the Downtown hit a low of 12%. The vacancy rate rose slightly year over year until the COVID-19 pandemic started in fiscal year 2019/2020 and changed work patterns, with more hybrid and remote work. This new work pattern has continuing even as Covid-19 restrictions have lifted and infection rates remain low.

In fiscal year 2023/2024, the vacancy rate increases slightly by 1%. Hybrid work models may continue to dampen the demand for Class A office space as many companies continue to right-size their office space to adjust to hybrid work models.



## Downtown Development Activity



The General Plan envisions downtown San José as the cultural heart of the city and the urban center for all of Silicon Valley.



Downtown San José Block Party with DJ Fisher

## HOUSING

Housing is a key component of San José’s General Plan, integrated into multiple strategies and policies aimed at addressing the diverse needs of the city’s population. In June 2023, the City Council adopted the 2023-2031 Housing Element, which outlines goals, policies, and a work plan to meet housing needs. The Housing Catalyst Team, an interdepartmental group, meets biweekly to coordinate the implementation of Housing Catalyst Work Plan items. The Work Plan contains Housing Element work plan items that are currently underway or that staff anticipates initiating in the next two years. A key tool for tracking progress is

the Housing Work Plan Dashboard, which visualizes the status of strategies and policies. The dashboard is updated semi-annually and helps the public stay informed about ongoing and upcoming housing initiatives.

While San José has made significant strides, challenges remain, including increasing affordable housing availability and addressing the long-term impacts of the COVID-19 pandemic. Despite these challenges, the city is optimistic about continuing progress toward its long-term housing objectives.

### Major Initiatives in 2025

In 2025, staff completed or are evaluating several initiatives to advance the City’s housing goals, including:

- Approval of City-streamlined ministerial review process for projects in identified growth areas to reduce time for projects to receive entitlement.
- Evaluating allowing increased density and multifamily use in the Residential Neighborhood land use designation to increase land available for “missing middle” small multifamily projects throughout the City.
- Evaluating the Urban Village planning process to reduce overall number of plans, simplify the process by establishing standardized outreach program and simplifying the Plan documents.
- Implementing two programs that provide development incentives: Downtown Residential High-Rise Incentive Program; and Multifamily Housing Incentive Program.



The Charles project at 551 Keyes Street with 99 affordable units, currently under construction

## GENERAL PLAN PERIODIC MAJOR REVIEW

### General Plan Amendments

No privately-initiated General Plan Amendments were included in the 2024 General Plan Annual Review hearing cycle. However, one General Plan Amendment hearing for 100% affordable housing in May 2025 included one privately-initiated General Plan Amendment:

**File Number GP23-001:** A privately-initiated General Plan Amendment to change the Envision San José 2040 General Plan land use designation from Mixed Use Commercial to Urban Village on a 0.90-gross-acre site on the corner of West San Carlos Street and Cleveland Avenue.

### General Plan Four-Year Review

Planning staff started work on the 3rd General Plan Four-Year Review in Fall of 2025 with anticipated completion of Task Force meetings in June 2026 and subsequent approval at the end of 2027, after environmental review. The General Plan Four-Year Review is addressing four main topics:

1. Increasing residential capacity in preparation for the 7th Cycle Housing Element.
2. Allowing “missing middle” small multifamily in Residential Neighborhood designated land to implement the “missing middle” program from the 6th cycle Housing Element.
3. Modifying Urban Village Planning process to prepare plans more efficiently.
4. Evaluating the Jobs-to-Employed Resident Ratio to determine if any changes are needed.

## FISCALLY STRONG CITY

The City’s 2025-2026 Adopted Capital Budget of \$1.4 billion reflects a 0% change from the 2024-2025 Adopted Capital Budget. Over a five-year period, the 2026-2030 Adopted Capital Improvement Program (CIP) totals \$3.7 billion, a 7.6% decrease from the 2025-2029 Adopted CIP of \$4.0 billion, driven in part by completion of major Measure T Public Infrastructure and Safety Bond projects in the Public Safety CSA, completion of major projects in the Transportation and Aviation Services and the Environmental and Utility Services CSAs, and deferral of the Terminal A and B Ramp Rehabilitation projects at the Airport until higher passenger activities can be achieved and sustained in order to proceed with the projects.

While the Administration remains focused on leveraging external State and federal resources to supplement project funding, the City’s key local revenues dedicated to the CIP are not sufficient to meet overall system rehabilitation needs.



**2025 GENERAL PLAN  
ANNUAL PERFORMANCE  
REVIEW**

FOR FISCAL YEAR 2024-2025

May 2026

Planning, Building and Code Enforcement

Planning Division



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## INTRODUCTION

On November 1, 2011, the City Council adopted the Envision San José 2040 General Plan (General Plan or Plan). This plan outlines a strong framework for the longstanding policies of growth management to create great places throughout San José and enhance job growth. The plan sets goals and policies for growth management, fiscal and job growth, infrastructure and service levels, environmental sustainability, housing affordability and housing supply, and healthful community living.



California state law requires an annual performance review report to be prepared and submitted to the City Council and the State, which analyzes and tracks progress on strategies and implementation actions. The General Plan also provides for an annual performance review process to enable evaluation of progress on the General Plan's strategies and implementation action. This 2025 Annual Performance Review report (Report) fulfills this evaluation requirement. The Report expands on the City's progress in implementing the General Plan during Fiscal Year (FY) 2024-2025. The Report describes the status, conditions, and progress pertinent to the 12 Major Strategies and related actions contained in the General Plan. Collectively, these strategies build on the vision of the Plan to directly inform the Land Use /Transportation Diagram and the Goals, Policies and Implementation Actions formulated to guide the physical development of the City and the evolving delivery of City services.



*Image 1: View of Downtown San José from Dr. Martin Luther King Jr. Library. Photo: flickr.com, Darshan Karia*

The 12 interrelated and mutually supportive Major Strategies are considered fundamental to the achievement of the City's Vision and together promote the continuing evolution of San José into a great city. These Major Strategies are listed below.

- 1) Community Based Planning
- 2) Form Based Plan
- 3) Focused Growth
- 4) Innovation/Regional Employment Center
- 5) Urban Villages
- 6) Streetscapes for People
- 7) Measurable Sustainability/Environmental Stewardship
- 8) Fiscally Strong City
- 9) Destination Downtown
- 10) Life Amidst Abundant Natural Resources
- 11) Design for a Healthful Community
- 12) Periodic Review

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## MAJOR STRATEGY #1 – COMMUNITY-BASED PLANNING

### Community Engagement and Participation

The City of San José is dedicated to continuously improving community engagement and participation processes—especially so in planning and development for the City. The [Envision San José 2040 General Plan](#) Goals, Policies, and Actions guide the Planning Division in how we improve these processes. In addition, the City’s Public Outreach Policy, Council Policy 6-30, establishes a process that encourages early and frequent communication between Planning Staff, applicants, and the community on specific development application proposals.

**Table 1 Planning Division Community Meetings**

Fiscal Year	Meetings	Total Attendees
24-25	34	1,002
23-24	40	1,451
22-23	41	772
21-22	71	2,172
20-21	115	3,581
19-20	26	702
18-19	63	1,795
17-18	40	1,686
16-17	58	2,686
15-16	49	2,158
14-15	27	1,246
13-14	50	1,483
12-13	49	1,429
11-12	31	442
<b>Total</b>	<b>694</b>	<b>22,605</b>

The Planning Division tracks its community outreach meetings on development proposals, General Plan amendments, ordinance updates, the development of Urban Village and other area plans. As shown in Table 1, in FY 2024-2025, the Planning Division held 34 in-person and virtual community meetings with approximately 1,002 community members and stakeholders. Out of the 34 meetings, 24 were virtual, eight were in-person, and two were hybrid.

Between FY 2011-2012 and FY 2024-2025, the Planning Division has held approximately 694 community meetings with 22,605 attendees.

A post-meeting feedback survey is distributed to community meeting attendees. 249 respondents (28%) completed the surveys during FY 2024-2025. The following table (Table 2) shows highlights of the survey responses of people who agreed or strongly agreed about various survey questions.

**Table 2 Highlights of Post-Meeting Feedback Survey**

Survey Questions	Percentage of respondents who agreed or strongly agreed
I had enough advance notice of the hearing date and time	60%
The public meeting notice I received was easy to understand	62%
The meeting location and time were convenient	69%
The meeting was well organized	69%
The meeting helped me understand the topic	67%
My input, or someone else’s input was similarly expressed, and recorded	68%
City staff and facilitators were informative and helpful	66%
I understood the explanations that City staff provided	69%
I understood the next steps in the project process	62%
Overall, I was satisfied with the meeting	60%

Highlights of one of the largest meetings held during the last fiscal year are given below.

## Community Meeting Highlights

### *Saratoga Avenue Urban Village Planning Workshops*

As part of the Saratoga Avenue Urban Village planning effort, Planning staff held two of three community workshops during FY 2024-2025 to gather feedback from community members. The first workshop took place in December 2024, followed by a second workshop in June 2025, both with in-person and virtual participation options. The first workshop was attended by 88 participants, and the second one by 113 participants.

The City conducted extensive outreach in advance of each workshop, including stakeholder emails to community organizations, phone banking to small businesses and school districts, outreach to neighborhood associations, social media posts, updates on the City's website, and direct mailers to residents within 1,000 feet of Saratoga Avenue. To support inclusive participation, communications and materials were provided in English, Spanish, and Simplified Chinese. Live Spanish and Cantonese/Mandarin interpretation was available during the online workshop.

Input gathered through the workshops and online surveys informed the development of guiding principles, draft plan concepts and policies, and recommendations for future housing and jobs growth. The survey, including questions on topics such as open space, circulation, land use, and urban design received more than 600 responses. A third open house workshop to present the finalized policies is anticipated in 2027.



*Image 2: Community member gathered around a model for the Saratoga Avenue Urban Village Plan*



*Image 3: Presentation at a Saratoga Avenue Urban Village workshop*

## MAJOR STRATEGY #2 – FORM-BASED PLAN

The goal of Major Strategy #2 is to use the General Plan Land Use/Transportation Diagram designations and Plan Goals and Policies to address the form and character for future development within San José. A *form-based approach* means clearly articulating a vision for San José’s urban form, providing greater flexibility for economic activity, addressing neighborhood concerns about the compatibility of new development, and promoting the ongoing development of complete and cohesive neighborhoods. Therefore, the Major Strategy #2 is not a measurable goal, but rather put in place to ensure that development throughout the city addresses the form and character of the built environment.

In prior years, the General Plan Annual Performance Review Report has reported on examples of development standards from specific plans such as the [Citywide Design Standards and Guidelines](#) (CDSG), adopted in 2021. The CDSG and other design guidelines continue to guide the City’s Planning staff when determining whether new development, uses, and densities are appropriate in the project’s proposed area. When the City’s Planning Division receives project proposals, each project must be reviewed with the criteria set in all the policies, standards, and area plans.

### Project Highlight: File No. H24-034, Gateway Tower



Image 4: Rendering of proposed Gateway Tower project

This project was for the partial demolition of City Landmark No. 74, Herrold College and a Structure of Merit and the total demolition of a third building for the construction of a 100% affordable, 15-story mixed-use building consisting of up to 220 multifamily residential units, and approximately 3,320 square feet of ground floor commercial space on an approximately 0.50-gross-acre site.

The project demonstrates a strong example of how the [Downtown Design Guidelines and Standards](#) (DTDG) can be successfully implemented while responding to complex urban site conditions. Located within the SoFA district and adjacent to Parque de los Pobladores, the project was designed to prioritize an active and pedestrian-oriented streetscape despite the challenges of the site’s irregular triangular shape and limited street frontage. Although limited exceptions were approved for service and vehicular access locations, the project maintained the intent of the DTDG by placing these functions along a secondary street frontage and preserving active ground-floor uses along key pedestrian-facing frontages.

A major strength of the project is the integration and preservation of historic resources on-site. The design retains the historic façades of the City Landmark “Herrold College” and a Structure of Merit, preserving the established architectural rhythm and character of the SoFA district while introducing a contemporary tower that is visually distinct yet compatible with the surrounding historic context. The continuation of storefront patterns and incorporation of publicly visible historic elements further enhance the pedestrian experience and reinforce the cultural identity of the area. Overall, the project

reflects the core goals of the DTDG by combining thoughtful urban design, historic preservation, and an active public realm to create a successful downtown development.

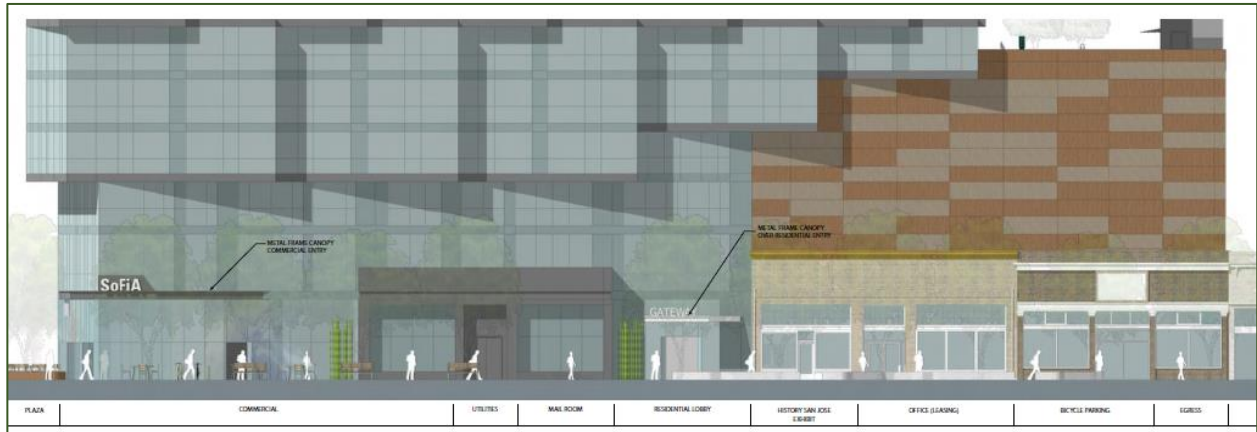


Image 5: Proposed ground floor facade incorporating commercial uses, pedestrian scale, historic elements, and continuation of adjacent storefronts.

## MAJOR STRATEGY #3 – FOCUSED GROWTH

The Focused Growth Major Strategy directs both population and job growth to designated Growth Areas identified in the General Plan through the intensification and redevelopment of existing properties. Designated Growth Areas include Downtown, Urban Villages, Specific Plan areas, and Employment Areas. Residential development outside designated Growth Areas is generally limited to neighborhood infill in order to preserve and enhance the quality of established neighborhoods and to minimize environmental and fiscal impacts, except where State laws allow for greater intensity of development.

To monitor progress in achieving this strategy, the Planning Division uses issued building permits and approved entitlement data, which is tracked through the City's permit management software. This data was geolocated using Geographic Information Systems (GIS) to determine if it was located within the City's designated Growth Areas. This information is an indicator of the extent to which jobs and housing are concentrated in Growth Areas, consistent with the Focused Growth Major Strategy.

Detailed data on issued building permits and approved entitlements within Urban Village Growth Areas are further discussed in Major Strategy #5 Urban Villages and within Downtown are further discussed in Major Strategy #9 Destination Downtown.

Issued building permits indicate the number of residential units or non-residential square footage that have been constructed or are currently under construction. Construction valuation is the valuation of construction costs for each development. Both issued building permits and construction valuation are indicators of construction activity. Construction valuation is inflation-adjusted except for fiscal year 2024-2025. This year, a thorough review of all data since 2011 has been conducted and corrections and refinements were incorporated where necessary to improve the consistency and accuracy of the report.

### Construction Activity Citywide and in Growth Areas

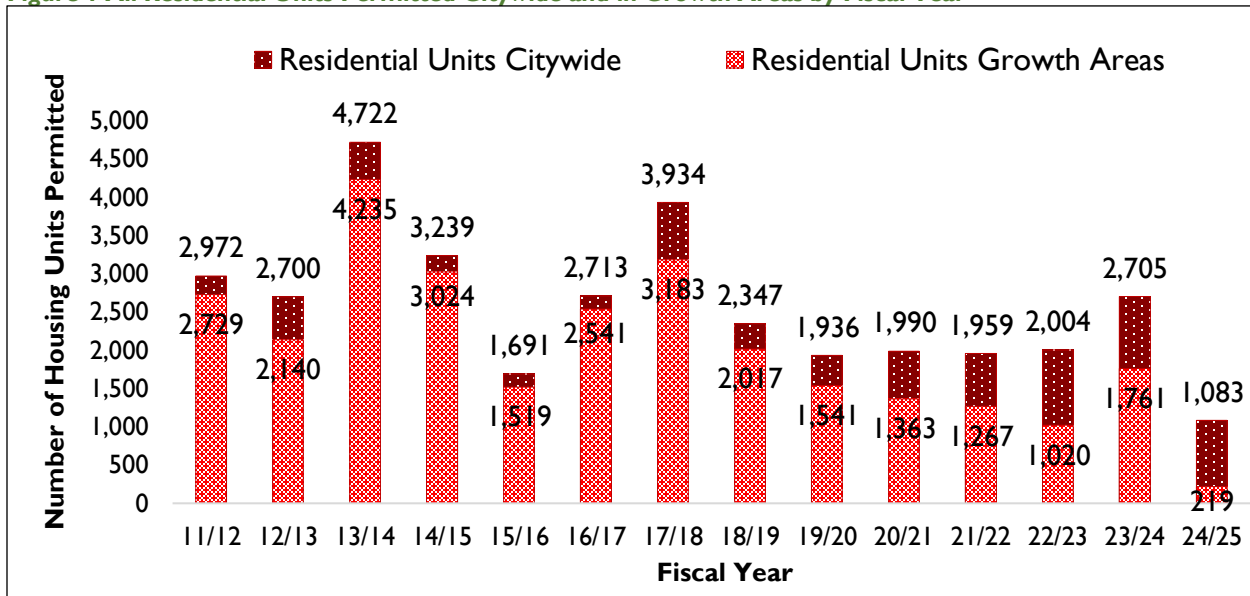
Since adoption of the Envision San José 2040 General Plan, the City issued building permits citywide for approximately 35,995 residential units, 28.7 million square feet of commercial development, and 16.4 million square feet of industrial development.

Between fiscal year 2011–2012 and fiscal year 2024–2025, issued building permits within Growth Areas accounted for approximately 79% of residential development, 87% of commercial development, and 91% of industrial development citywide.

In fiscal year 2024–2025, building permits issued within Growth Areas accounted for approximately 20% of residential development, 87% of commercial development, and 93% of industrial development citywide.

*Residential Units*

**Figure I All Residential Units Permitted Citywide and in Growth Areas by Fiscal Year**



Between fiscal year 2011-2012 and fiscal year 2024-2025, the City permitted 35,995 residential units (single-family/duplex, multifamily and accessory dwelling units) citywide, including 28,559 units within Growth Areas, representing approximately 79% of all permitted residential development.

In fiscal year 2024-2025, the City permitted 1,083 residential units citywide. This is 60% less than the 2,705 residential units permitted citywide in the prior fiscal year and is 58% below the historic average<sup>1</sup> of 2,571 units.

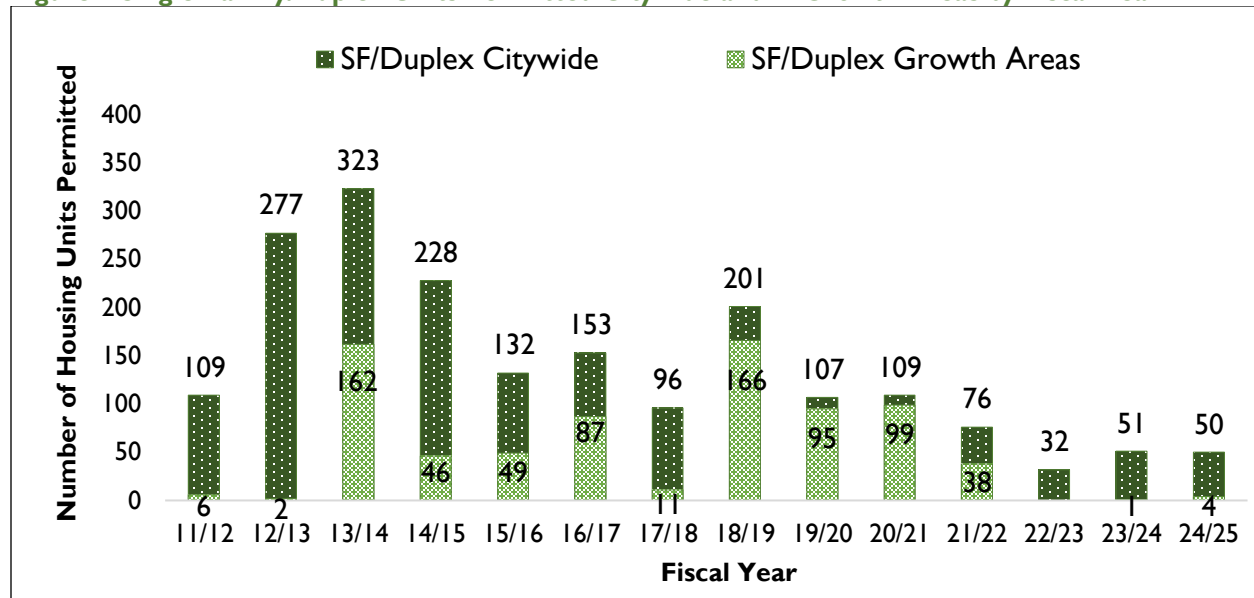
In fiscal year 2024-2025, the City permitted 219 residential units in Growth Areas, which is 20% of the citywide total. This is 88% less than the 1,761 residential units permitted in Growth Areas in the prior fiscal year and is 89% below the historic average of 2,040 units permitted in Growth Areas. This reduction in residential units in Growth Areas is likely due to the overall lower share of multifamily permitted compared to single-family/duplex and ADU's as new multifamily uses are encouraged and permitted in Growth Areas. For example, in the reporting fiscal year multifamily accounted for 48% of all permitted residential compared to 78% in fiscal year 2023-2024 and 75% in fiscal year 2022-2023. This trend is also reflective of the findings in the most recent Cost of Residential Development Study<sup>2</sup>, that higher density mid-rise and high-rise buildings are generally not feasible in the current market.

After a significant increase in permitted units in fiscal year 2023-2024, the last fiscal year saw the lowest number of residential units permitted since the adoption of the General Plan. However, in just the first six months of the current fiscal year, 1,945 units have been permitted. This may indicate that the drop in units is just a normal fluctuation of permitted units year over year.

<sup>1</sup> Historic average is the average from fiscal year 2011-2012 through fiscal year 2024-2025.

<sup>2</sup> <https://sanjose.legistar.com/View.ashx?M=F&ID=15007144&GUID=BA1D08BC-AD4D-4FE3-8740-F473655EA988>

**Figure 2 Single-Family/Duplex Units Permitted Citywide and in Growth Areas by Fiscal Year**



Between fiscal year 2011-2012 and fiscal year 2024-2025, the City permitted 1,944 single-family<sup>3</sup>/duplex units citywide, which is 5% of the total residential units permitted citywide.

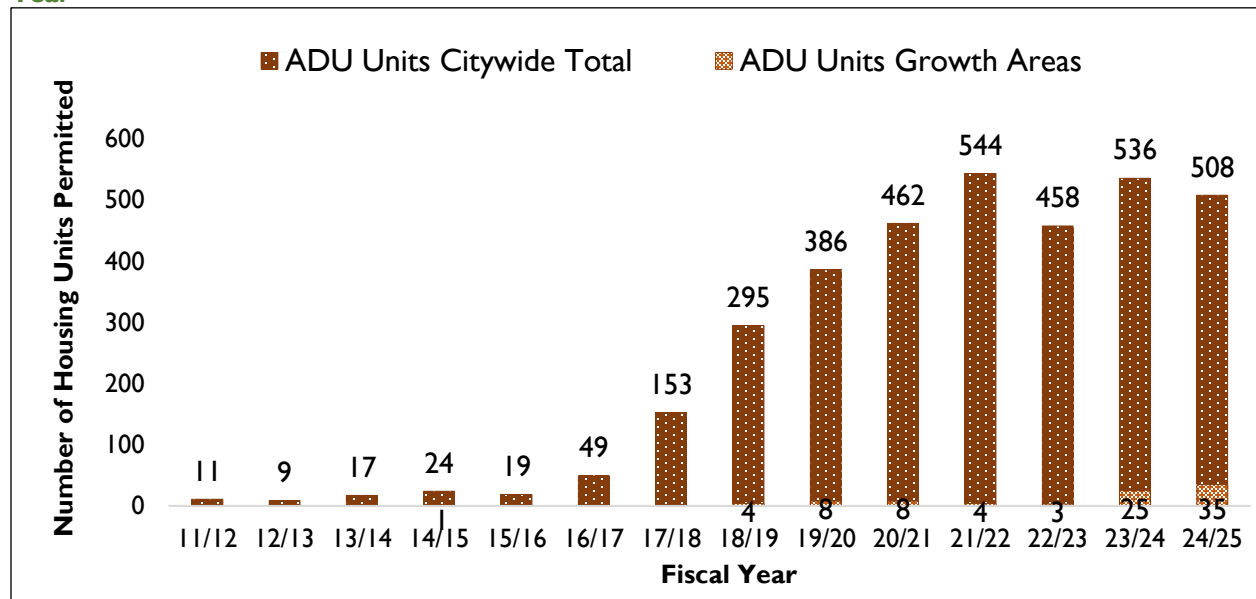
Corresponding with that pattern, the City permitted 50 single-family/duplex units citywide, which is also 5% of the total residential units permitted citywide in fiscal year 2024-2025. This is 2% less than the 51 single-family/duplex units permitted citywide in the prior fiscal year and is 64% below the historic average of 139 single-family/duplex units permitted.

Between fiscal year 2011-2012 and fiscal year 2024-2025, the City permitted 766 single-family/duplex units in Growth Areas, which is 39% of the citywide total. In fiscal year 2024-2025, the City permitted 4 single-family/duplex units in Growth Areas, which is 8% of the citywide total. This is 300% more than the single-family/duplex unit permitted in Growth Areas in the prior fiscal year but is 93% below the historic average of 55 single-family/duplex units permitted in Growth Areas.

The last several fiscal years have seen relatively lower levels of permitted single-family and duplex units compared to the early fiscal years of the General Plan. However, this is not unexpected since the General Plan is focused on creating more dense housing and vacant land for the development of new single-family neighborhoods is limited. The last three fiscal years have seen a significant drop in the proportion of single-family/duplex units permitted in Growth Areas, conforming to the Focused Growth Strategy which focuses higher density growth in Growth Areas.

<sup>3</sup> Single-Family includes only detached single-family units.

**Figure 3 Accessory Dwelling Unit (ADU) Units Permitted Citywide and in Growth Areas by Fiscal Year**



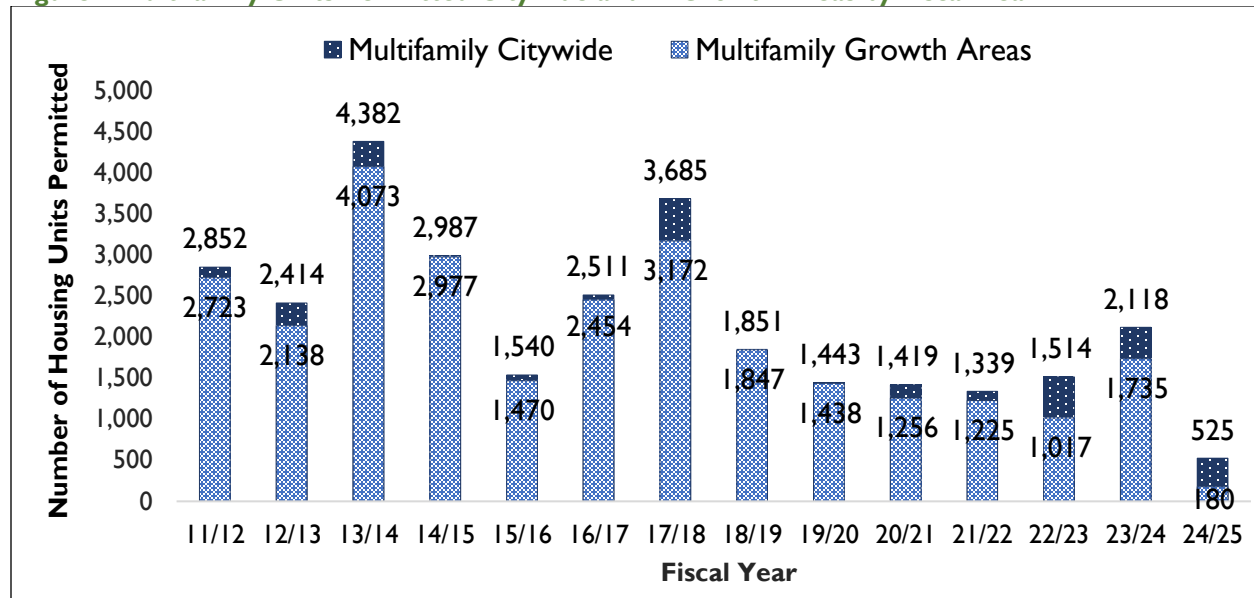
Between fiscal year 2011-2012 and fiscal year 2024-2025, the City permitted 3,471 accessory dwelling unit (ADU) units citywide, which is 10% of the total residential units permitted citywide.

In fiscal year 2024-2025, the City permitted 508 ADU units citywide, which is 47% of the total residential units permitted citywide. This is 5% less than the 536 ADU units permitted citywide in the prior fiscal year but is 105% above the historic average of 238 ADU units permitted.

Between fiscal year 2011-2012 and fiscal year 2024-2025, the City permitted 88 ADU units in Growth Areas, which is 3% of the citywide total. In fiscal year 2024-2025, the City permitted 35 ADU units in Growth Areas, which is 7% of the citywide total. This is 40% more than the 25 ADU units permitted in Growth Areas in the prior fiscal year and is 457% above the historic average of 6 ADU units permitted in Growth Areas. While low density housing is typically not encouraged in Growth Areas, permit data shows that existing multifamily developments in growth areas are taking advantage of state laws that allow accessory dwelling units in multifamily developments. Several are converting existing carports and other spaces to ADUs.

After several years of significant increase in the number of ADUs permitted each fiscal year, permit activity has leveled off over the past five fiscal years averaging approximately 500 ADU units per fiscal year. ADU units permitted in Growth Areas continue to represent a very small share of total ADU units permitted citywide.

**Figure 4 Multifamily Units Permitted Citywide and in Growth Areas by Fiscal Year**



Between fiscal year 2011-2012 and fiscal year 2024-2025, the City permitted 30,580 multifamily units citywide, which is 85% of the total residential units permitted citywide.

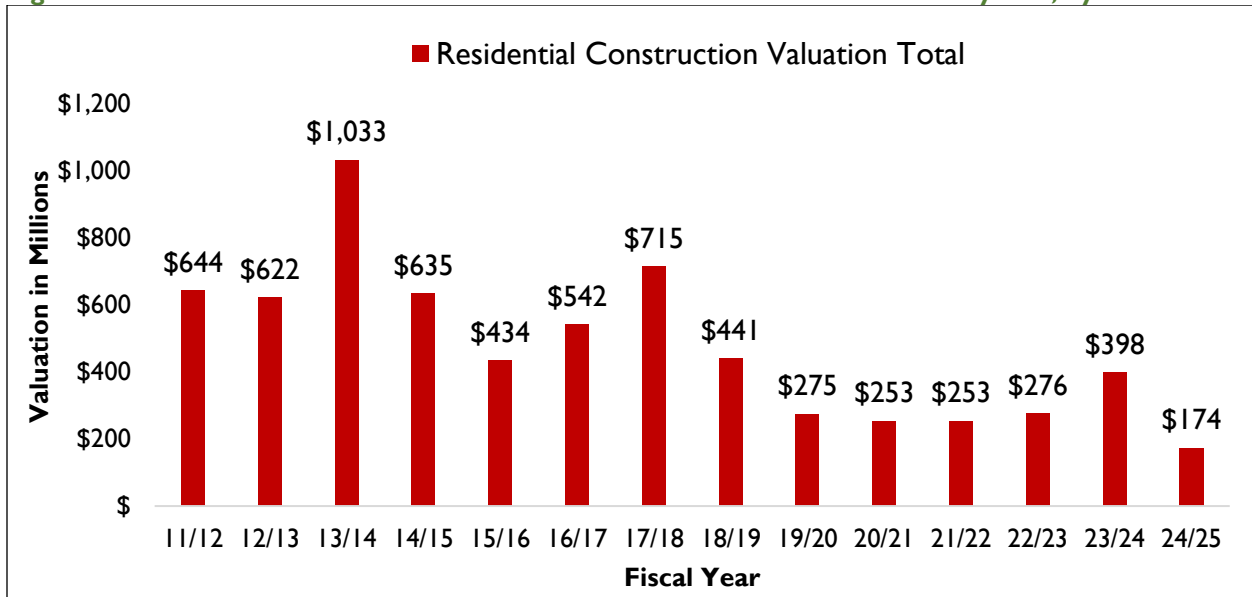
In fiscal year 2024-2025, the City permitted 525 multifamily units citywide, which is 49% of the total residential units permitted citywide. This is 75% less than the 2,118 multifamily units permitted citywide in the prior fiscal year and is 76% below the historic average of 2,184 multifamily units permitted.

Between fiscal year 2011-2012 and fiscal year 2024-2025, the City permitted 27,705 multifamily units in Growth Areas, which is 91% of the citywide total. In fiscal year 2024-2025, the City permitted 180 multifamily units in Growth Areas, which is 34% of the citywide total. This is 90% less than the 1,735 multifamily units permitted in Growth Areas in the prior fiscal year and is 91% below the historic average of 1,979 multifamily units permitted in Growth Areas.

The number of permitted multifamily units Citywide and within Growth Areas mirrors the fluctuation trend of the number of all residential units permitted in the last few fiscal years. With 1,659 multifamily units permitted in the first six months of the current fiscal year, it is clear that last fiscal year’s number was a temporary dip. In addition, the percentage of units permitted within Growth Areas relative to the total number of permitted units was the lowest since adoption of the General Plan at 34%, reflecting overall lower permitting activity.

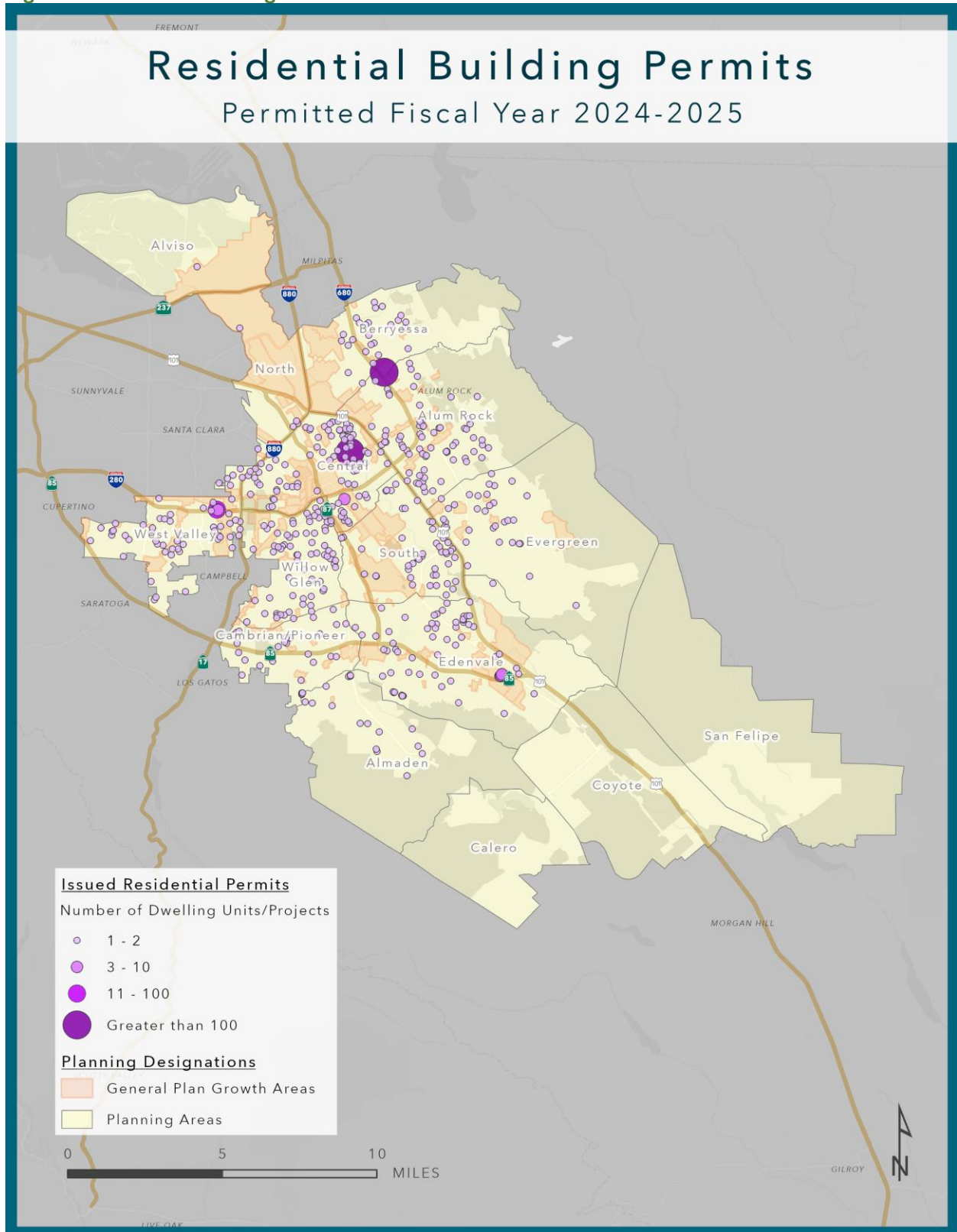
*Residential Construction Valuation*

**Figure 5 Construction Valuation of Total New Residential Units Permitted Citywide, by Fiscal Year**



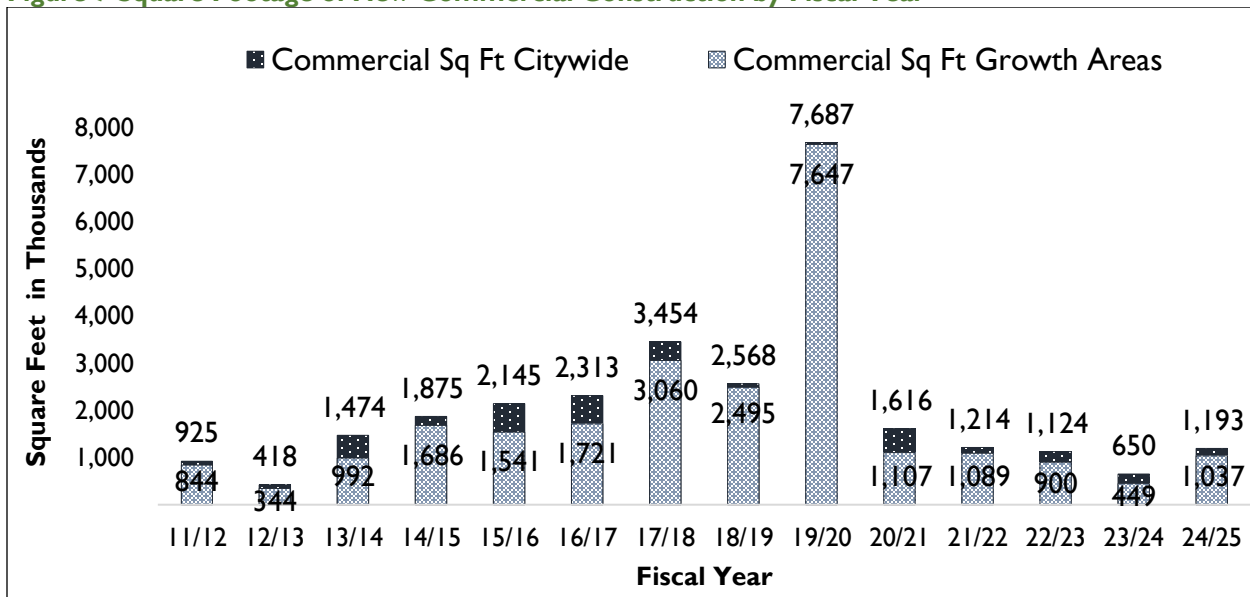
In fiscal year 2024-2025, the total construction valuation for new residential units permitted was \$174 million. This is 56% less than the \$398 million construction valuation for total residential units permitted in the prior fiscal year and 64% below the historic construction valuation average of \$478 million. The lower valuation is a symptom of the lower residential activity in the reporting year.

Figure 6 Residential Building Permits Permitted Fiscal Year 2024-2025



Commercial Square Footage

Figure 7 Square Footage of New Commercial Construction by Fiscal Year



Since the adoption of the General Plan in fiscal year 2011-2012 through fiscal year 2024-2025, the City permitted 28.7 million square feet of commercial space citywide.

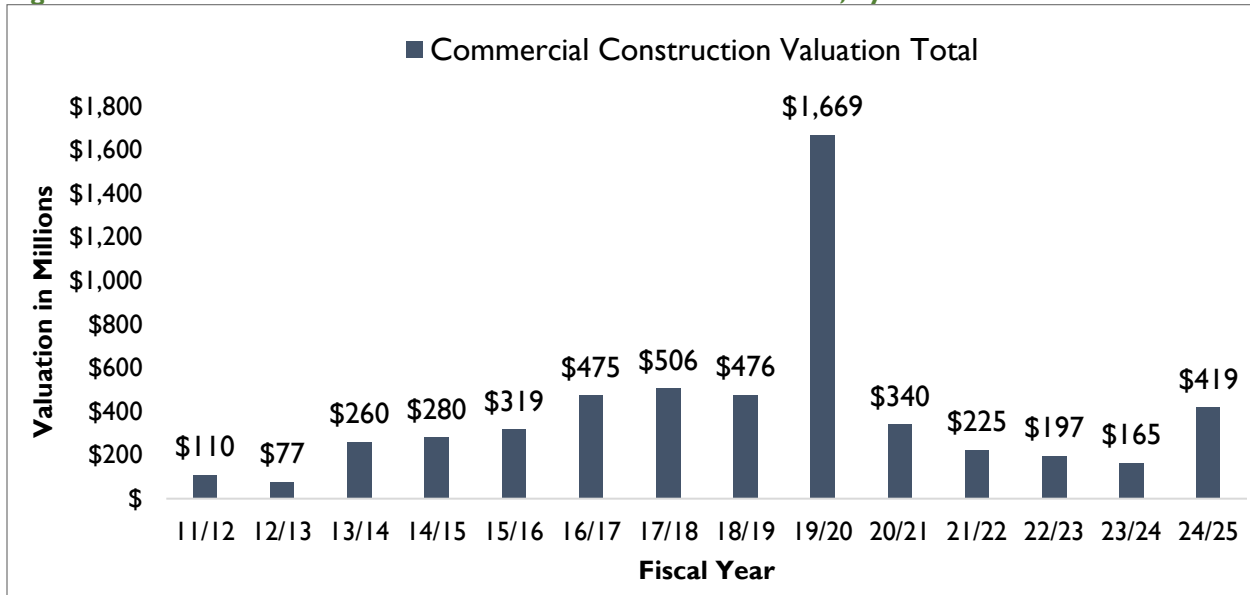
In fiscal year 2024-2025, the City permitted 1.2 million square feet of commercial space citywide, which is 4% of the total permitted between fiscal year 2011-2012 and fiscal year 2024-2025. This is 84% more than the 650 thousand square feet of commercial space permitted citywide in the prior fiscal year and is 42% below the historic average of 2.0 million square feet of commercial space permitted every year. Persistent workplace trends experienced since the COVID pandemic, especially remote-work models, have resulted in office vacancies that remain high – around 20% citywide and around 30% downtown, resulting in weak demand for commercial and office space.

Since the adoption of the General Plan in fiscal year 2011-2012 through fiscal year 2024-2025, the City permitted 24.9 million square feet of commercial space in Growth Areas, which is 87% of the citywide total. In fiscal year 2024-2025, the City permitted 1.0 million square feet of commercial space in Growth Areas, which is 87% of the citywide total. This is 131% more than the 449 thousand square feet of commercial space permitted in Growth Areas in the prior fiscal year but is 42% below the historic average of 1.8 million square feet of commercial space permitted in Growth Areas.

The amount of commercial square footage permitted has been relatively stable in the last several fiscal years though it is relatively below the earlier fiscal years for this General Plan. The proportion of square footage permitted in Growth Areas in the last several fiscal years has also remained relatively stable.

*Commercial Construction Valuation*

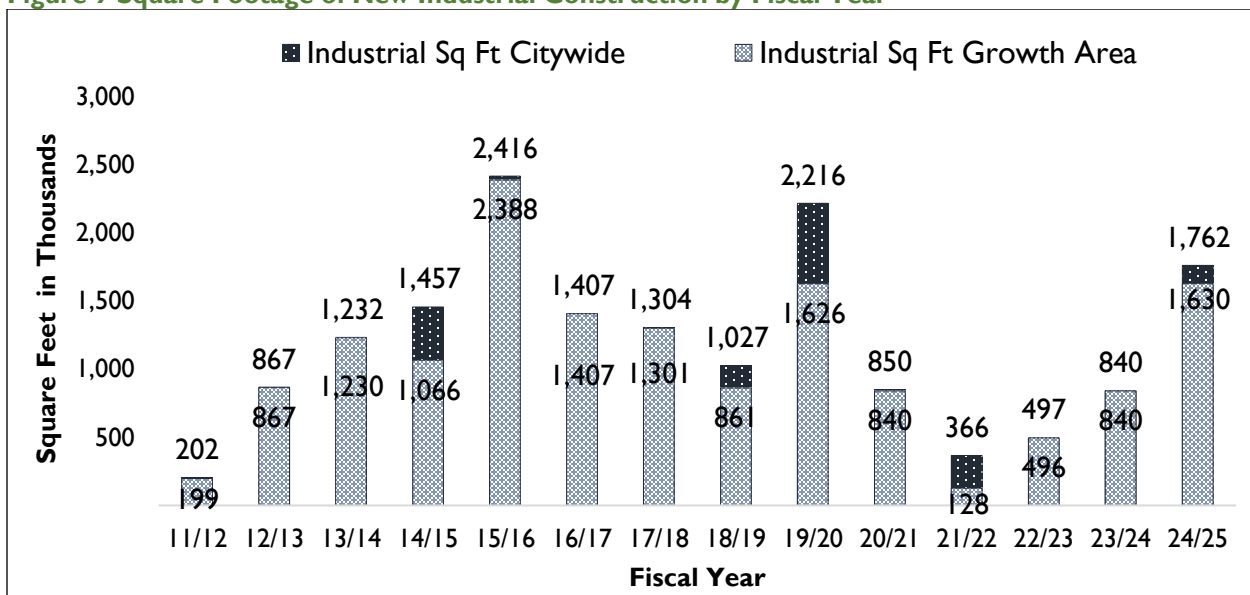
**Figure 8 Construction Valuation of New Commercial Construction, by Fiscal Year**



In fiscal year 2024-2025, the total construction valuation for new commercial square footage permitted was \$419 million. This is 55% more than the \$165 million construction valuation for industrial square footage permitted in the prior fiscal year and 6.3% above the historic construction valuation of \$394 million.

*Industrial Square Footage*

**Figure 9 Square Footage of New Industrial Construction by Fiscal Year**



Since the adoption of the General Plan in fiscal year 2011-2012 through fiscal year 2024-2025, the City permitted 16.4 million square feet of industrial space citywide.

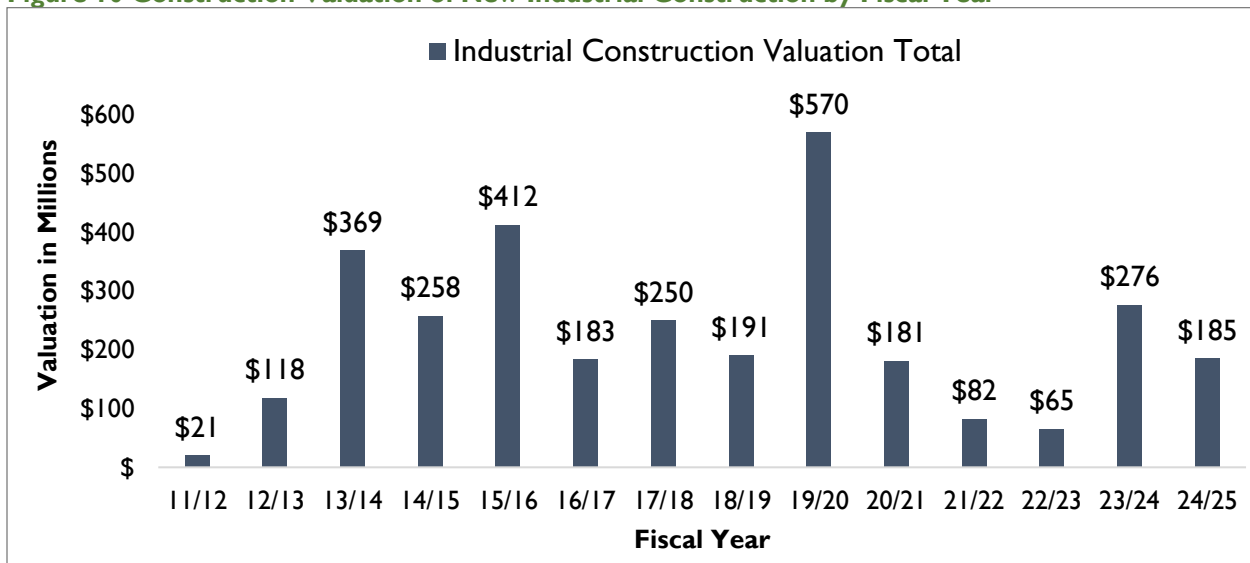
In fiscal year 2024-2025, the City permitted 1.8 million square feet of industrial space citywide, which is 11% of the total permitted between fiscal year 2011-2012 and fiscal year 2024-2025. This is 110% more than the 840 thousand square feet of industrial space permitted citywide in the prior fiscal year and is 50% above the historic average of 1.2 million square feet of commercial space permitted.

Since the adoption of the General Plan in fiscal year 2011-2012 through fiscal year 2024-2025, the City permitted 14.9 million square feet of industrial space in Growth Areas, which is 91% of the citywide total. In fiscal year 2024-2025, the City permitted 1.6 million square feet of commercial space in Growth Areas, which is 93% of the citywide total. This is 94% more than the 840 thousand square feet of industrial space permitted in Growth Areas in the prior fiscal year and is 53% above the historic average of 1.1 million square feet of industrial space permitted in Growth Areas.

The amount of permitted industrial square footage has steadily increased since a recent low in fiscal year 2022-2023 and doubled in the last fiscal year. However, relatively little square footage was permitted during the first six months of the current fiscal year, suggesting that this upward trend may not continue. The proportion of permitted industrial square footage in Growth Areas slightly decreased compared to the prior two fiscal years, but this appears to reflect normal year-to-year fluctuation.

*Industrial Construction Valuation*

**Figure 10 Construction Valuation of New Industrial Construction by Fiscal Year**



In fiscal year 2024-2025, the total construction valuation for new industrial square footage permitted was \$185 million. This is 33% less than the \$283 million construction valuation for industrial square footage permitted in the prior fiscal year and 18% below the historic construction valuation of \$226 million.

Figure 11 Commercial Building Permits Permitted Fiscal Year 2024-2025

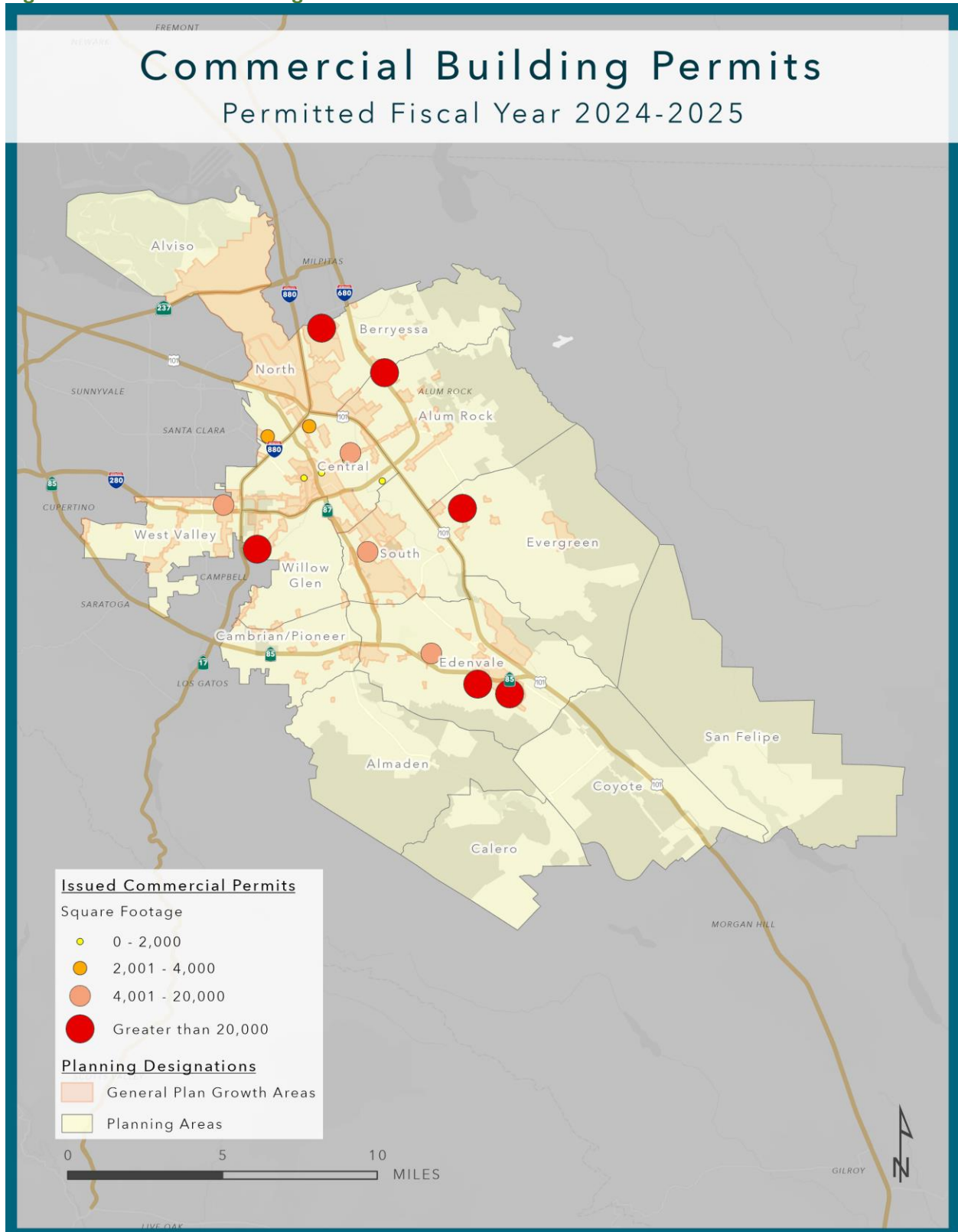
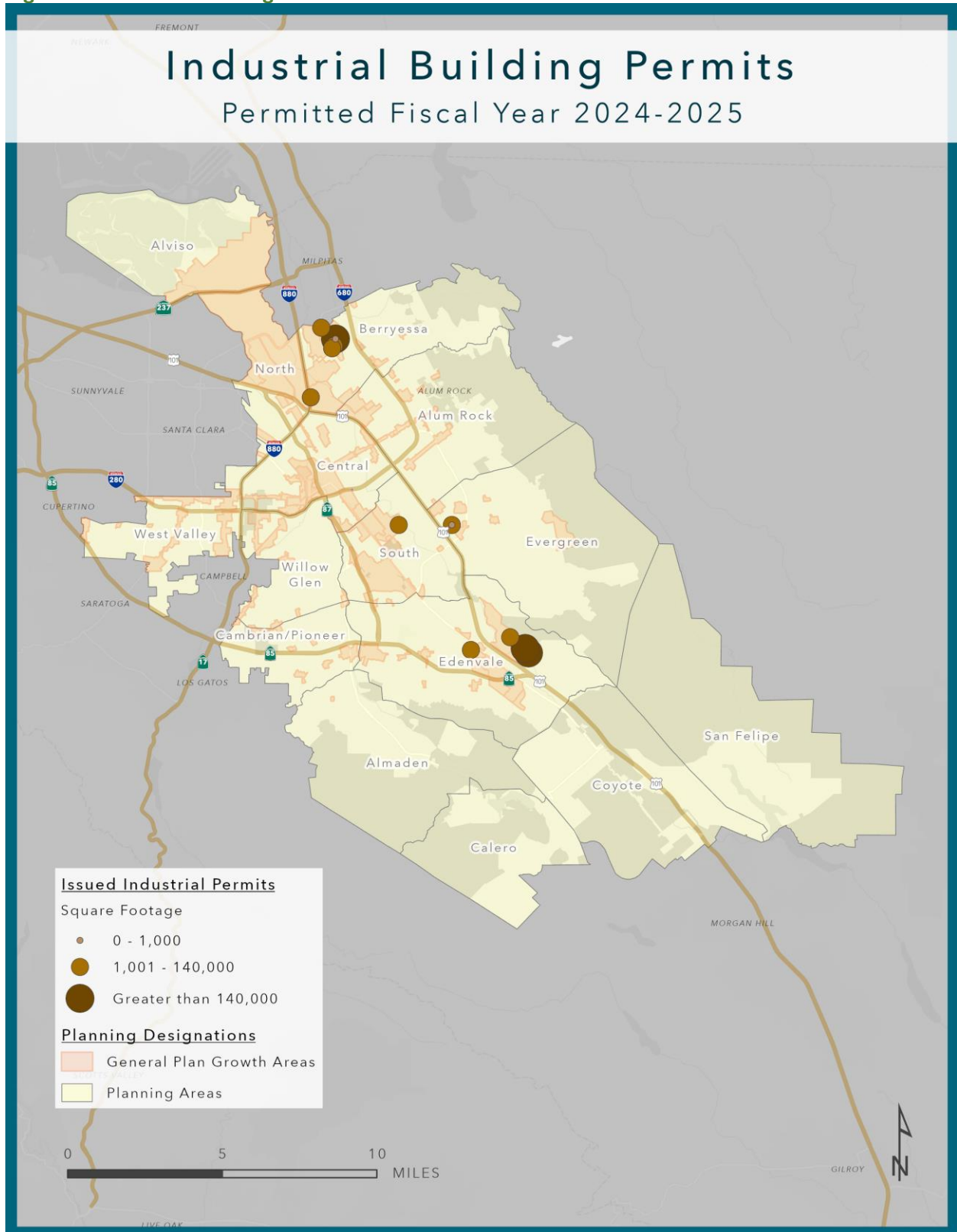


Figure 12 Industrial Building Permits Permitted Fiscal Year 2024-2025

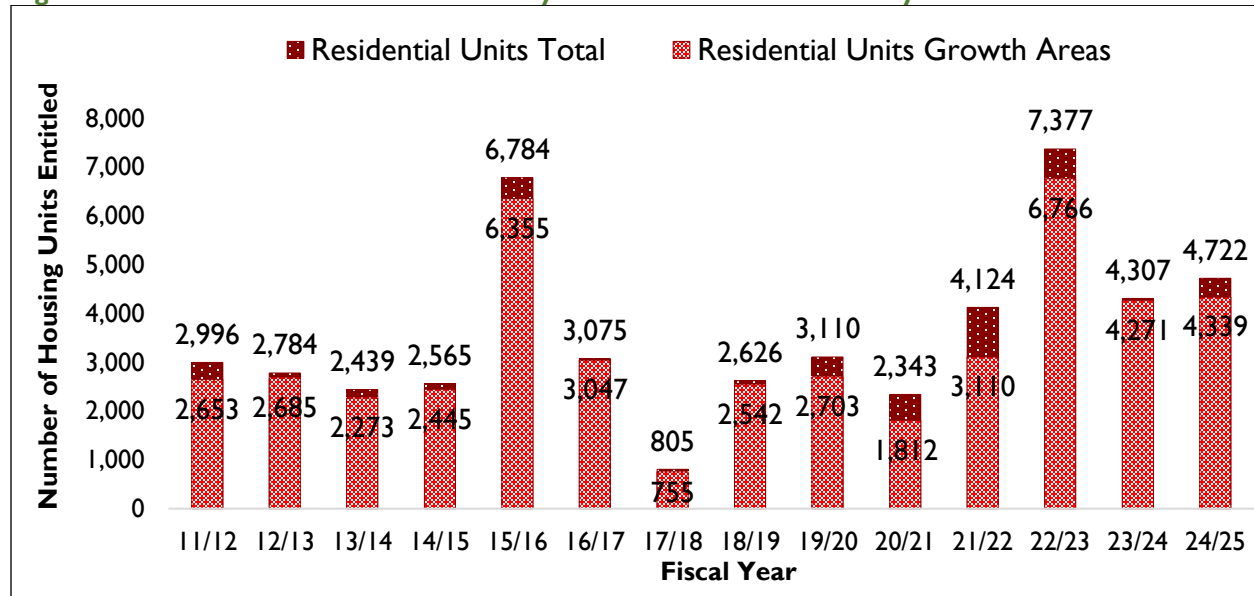


### Planning Entitlements Citywide and in Growth Areas

Approved Planning entitlements are an indicator of the development project pipeline and the potential for future construction of residential units and non-residential square footage.

#### Residential Units

**Figure 13 All Residential Units Entitled Citywide and in Growth Areas by Fiscal Year**



Since the adoption of the General Plan in fiscal year 2011-2012 through fiscal year 2024-2025, the City entitled 50,057 residential units citywide, including 45,756 units within Growth Areas, representing approximately 91% of all entitled residential units citywide.

In fiscal year 2024-2025, the City entitled 4,722 residential units citywide. This is 10% more than the 4,307 residential units entitled citywide in the prior fiscal year and is 32% above the historic average of 3,576 residential units entitled.

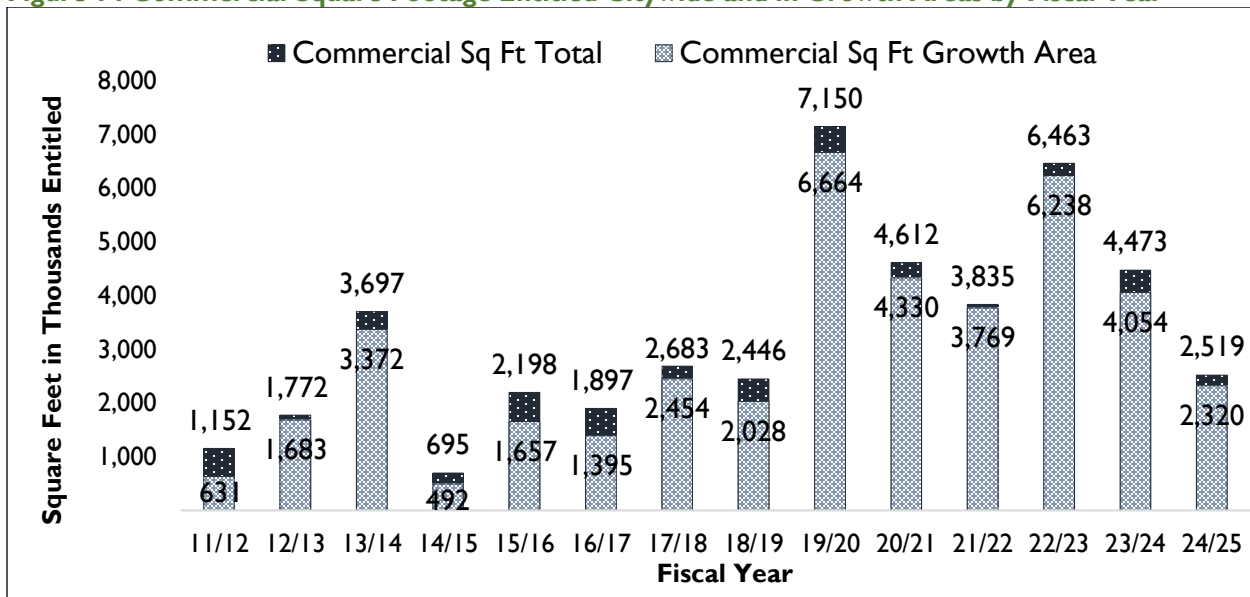
In fiscal year 2024-2025, the City entitled 4,339 residential units in Growth Areas, which is 92% of the citywide total. This is 2% more than the 4,271 residential units entitled in Growth Areas in the prior fiscal year and is 33% above the historic average of 3,268 residential units entitled in Growth Areas.

As of the end of 2025, for projects with 50 or more units, approximately 7,426 residential units across 31 projects are in the planning review process to be entitled.

Residential units entitled citywide in the last four fiscal years and in Growth Areas in the last three fiscal years have been above average, with fiscal year 2022/2023 showing the most residential units entitled citywide and in Growth Areas since the adoption of the General Plan in fiscal year 2011-2012. Based on the projected permitted, entitled and in the pipeline, the current fiscal year is likely to continue the trend of above average entitlement of residential units.

Commercial Square Footage

Figure 14 Commercial Square Footage Entitled Citywide and in Growth Areas by Fiscal Year



Since the adoption of the General Plan in fiscal year 2011-2012 through fiscal year 2024-2025, the City entitled 45.6 million square feet of commercial space citywide, including 41.1 million square feet within Growth Areas, representing approximately 90% of total entitled commercial square footage citywide.

In fiscal year 2024-2025, the City entitled 2.5 million square feet of commercial space citywide, which is 6% of the total commercial square footage entitled between fiscal year 2011-2012 and fiscal year 2024-2025. This is 44% less than the 4.5 million square feet of commercial space entitled citywide in the prior fiscal year and is 23% below the historic average of 3.3 million square feet of commercial space entitled.

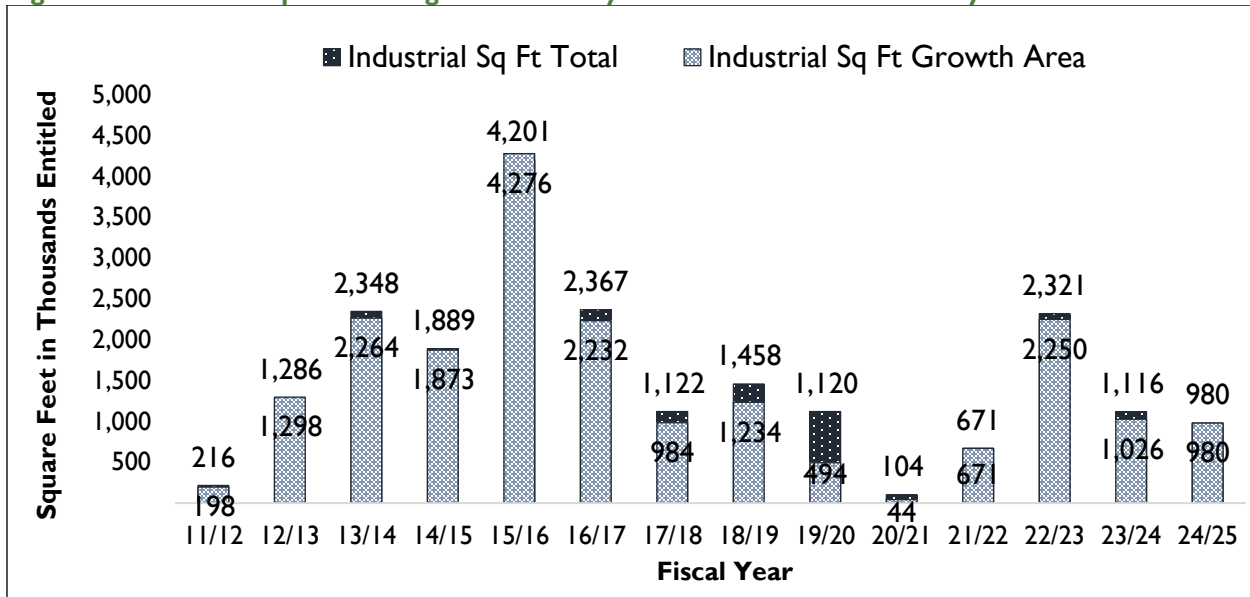
In fiscal year 2024-2025, the City entitled 2.3 million square feet of commercial space in Growth Areas, which is 92% of the citywide total. This is 43% less than the 4.1 million square feet of commercial space entitled in Growth Areas in the prior fiscal year and is 21% below the historic average of 2.9 million square feet of commercial space entitled in Growth Areas.

As of the end of 2025, for projects with 25 thousand square feet or more, approximately 5,311,173 square feet of commercial space across 16 projects are in the planning review process to be entitled.

Commercial square footage entitled citywide and in Growth Areas fell below average levels following five fiscal years of above-average commercial entitlement. Although entitlement of commercial square footage exceeded average in fiscal years 2019-2020 through 2023-2024, this has not translated into comparable levels of construction, as reflected in the lower-than-average permitted square footage. However, with a significant amount of commercial development currently in the entitlement, the current fiscal year could potentially return to above-average entitlement of commercial square footage.

*Industrial Square Footage*

**Figure 15 Industrial Square Footage Entitled Citywide and in Growth Areas by Fiscal Year**



Since the adoption of the General Plan in fiscal year 2011-2012 through fiscal year 2024-2025, the City entitled 21.2 million square feet of industrial space citywide, including 19.8 million square feet within Growth Areas, representing approximately 94% of total entitled industrial square footage citywide.

In fiscal year 2024-2025, the City entitled 980 thousand square feet of industrial space citywide, which is 5% of the total industrial square footage entitled between fiscal year 2011-2012 and fiscal year 2024-2025. This is 12% less than the 1.1 million square feet of industrial space entitled citywide in the prior fiscal year and is 35% below the historic average of 1.5 million square feet of industrial space entitled.

In fiscal year 2024-2025, the City entitled 980 thousand square feet of industrial space in Growth Areas, which is 100% of the citywide total. This is 4% less than the 1.0 million square feet of industrial space entitled in Growth Areas in the prior fiscal year and is 31% below the historic average of 1.4 million square feet of industrial space entitled in Growth Areas.

As of the end of 2025, for projects with 75 thousand square feet or more, approximately 784,447 square feet of industrial space across four projects are in the planning review process to be entitled.

Industrial square footage entitled citywide and in Growth Areas has been below average since fiscal year 2017-2018, except for a spike in entitlements in fiscal year 2022-2023. With limited square footage entitled this fiscal year or in the current entitlement pipeline, the trend of below average entitlement is likely to continue.

## MAJOR STRATEGY #4 – INNOVATION/REGIONAL EMPLOYMENT CENTER

San José, the Bay Area’s largest city and the nation’s thirteenth-largest city, continues to play a vital role in local, regional, state, and national economies. The Innovation/Regional Employment Center Major Strategy emphasizes economic development to support San José’s growth as a center of innovation and regional employment. The General Plan advances the strategy by:

- Planning for 382,000 new jobs and a jobs-to-employed-resident (J/ER) ratio of 1.1/1; and
- Supporting job growth within existing job centers; and
- Preserve new employment lands; and
- Designating job centers at regional transit stations.

Of the nation’s 20 largest cities, only San José has more nighttime residents than daytime workers, reflecting that it has less than a 1:1 jobs-to-employed-resident ratio.

Between 2012 and June of 2025, San José has attracted roughly 40,000 new jobs (2,963 jobs on average per year) and added approximately 24,000 employed residents. In 2019, despite a 2% decrease in the number of jobs, the Jobs/Employed Residents (J/ER) ratio remained relatively stable (0.81) due to a 0.3% decline in the number of employed residents. In 2020, the job losses accelerated by the Covid-19 pandemic, with approximately 40,686 jobs (9.7%) and 46,200 (8.4%) employed residents lost, likely reflecting the peak impact of COVID-19 and shelter-in-place orders. By 2021, the J/ER ratio returned to its 2019 level of 0.81 with a total of approximately 428,000 jobs and 529,600 employed residents. In 2022, despite a gain of 4,900 jobs (1.14%), the J/ER ratio (0.79) fell below the 2021 level due to the addition of 14,900 employed residents. Between 2022 and 2023, San José lost approximately 18,000 jobs (-3.9%) and 16,800 employed residents, (-3.1%) reflecting a decline in the City’s overall population. As a result, the J/ER ratio stabilized at 0.79, but remains the lowest since the Envision San José General Plan was adopted in 2011.

Improving J/ER requires growth in job centers, and the City has programs and staff focused on retaining, attracting, and growing business and jobs in the City’s employment centers. For example, the City’s Business Development team in the Office of Economic Development includes a Downtown team that nurtures a thriving downtown district, a Small Business team that establishes neighborhood business districts and supports small business, and a corporate outreach team that focuses on supporting growth in the City’s commercial and industrial areas. During the COVID-19 pandemic, small business support has become an important focus for the City. Then in 2024, the corporate outreach team was expanded with two new hires. This was happening while Downtown has remained a long-standing priority area with a dedicated team already in place. In FY 2024-2025, based on calculations completed as part of the City’s performance measure reporting process, the business development team helped create or retain approximately 6,800 jobs.

Sustained improvements in J/ER also require protecting employment lands as envisioned in the General Plan 2040. Currently, employment lands make up 13.5% of all land in the City. Protecting these lands is crucial for creating jobs, maintaining a stable revenue stream for the general budget, and ensuring the delivery of high-quality, sustainable services to our residents. City-level employment data is provided by the California Employment Development Department (CEDD) which is typically released with approximately a one-year lag. Both COVID-19 impacts and J/ER are further discussed below.

## Employment Dynamics: Post-COVID Work Models and Corporate Layoffs; Generative Artificial Intelligence (AI) Breakthroughs and Widespread Adoption

Although not on a city-level, the CEDD also provides data on a monthly basis for the San José-Sunnyvale-Santa Clara Metropolitan Statistical Area (MSA), which is comprised of the combined areas of Santa Clara and San Benito counties. This data reflects the direct and indirect loss of jobs due to the COVID-19 pandemic and shelter-in-place restrictions and the recovery since then.

The San José-Sunnyvale-Santa Clara Metropolitan Statistical Area (MSA) stands at 1,164,200 jobs, marking a 10.8% increase from January 2021 to June 2025. The most significant job losses occurred between March and April 2020, with 145,000 jobs lost (12.5%) in the MSA. As of June 2025, overall recovery is complete, with the MSA reporting 1,700 more jobs compared to peak levels in February 2020. This represents a steadying of the local economy with stable unemployment, slow job growth, and reabsorption of layoffs back into employment. Although some industries have not recovered, those lower employment levels should be viewed more as structural changes rather than temporary contractions.

Recovery was largely driven by job growth in the Healthcare and Social Assistance sector (+39,000 jobs), Manufacturing (+6,200 jobs), and Accommodation and Food Services (+35,600 jobs). In contrast, the hardest-hit sectors, including Retail Trade (-2,700 jobs) and Finance and Insurance (-2,400 jobs), are down from a 2021 baseline. The Leisure and Hospitality sector, another severely impacted industry, saw its significant recovery (+43,600 jobs), since February 2021, primarily driven by growth in Food services and Drinking Places.

The Information industry has experienced substantial job losses, with 12,300 jobs lost since the peak in December 2021, however slow growth has been occurring in the last 18 months. Meanwhile, the Professional, Scientific, and Technical Services industry, which encompasses a large portion of tech jobs, saw a decline of 9,200 jobs during the same period, reflecting tech layoffs.

CEDD also provides labor market information, such as unemployment and civilian labor force data for the MSA. In February 2020, the unemployment rate was only 2.7%, but it skyrocketed to 10.5% in June 2020 due to the pandemic. Subsequently, it decreased to 7.9% in August 2020. By December 2022, the unemployment rate had further decreased to 2.6%. However, in August 2024, the unemployment rate rose to 4.7% due to job losses in technology and technology-influenced industries. In addition to Information and Professional, Scientific, and Technical Services industries notable declines were observed in manufacturing (-5,300 jobs). The unemployment rate, or the number of people suffering with financial hardships, is likely higher than reported because it may not capture those without jobs that are not looking for employment, whether that be for disability, family care needs, or discouragement.

Many companies are formalizing and implementing hybrid work models and office vacancy is sitting at 21% across San José. As of June 2025, office occupancy is around 51% in San José metro area, meaning employees are badging into the office approximately 51% of the workdays. This shift in employment impacts future demand for retail, commercial and office as well as how employment uses are designed and function in the future. Nationwide, within the greater office market there has been a “flight to quality”. Much of the absorption in office space has been within Class-A spaces, where lower quality office spaces are suffering higher vacancy rate. Google’s Meadow Point Campus is an example of this. Consistent trends to attract office users are location characteristics like desirable business ecosystems, safety, quality of life, affordability, and transit. There is opportunity to enhance mixed-use areas and add high-quality amenities to improve these characteristics and increase the attraction of new office tenants.

Artificial intelligence is also expected to have a broad impact on San José’s economy, affecting the number and types of jobs in the city as well as demand for different forms of development. There is

currently an uptick in data center development. Major data center development requires industrial land, however there is space for small data centers to be within office spaces.

### Jobs-to-Employed-Resident (J/ER) Ratio

**Table 3 Population Growth and Jobs in San José**

Year	Population	Jobs
2011	970,011	371,330
2012	981,678	386,524
2013	997,781	405,032
2014	1,012,694	414,663
2015	1,028,040	423,961
2016	1,037,952	432,208
2017	1,045,047	450,760
2018	1,048,875	447,831
2019	1,047,871	439,004
2020	1,049,187	397,441
2021	991,144	427,894
2022	976,482	432,792
2023	971,233	414,708
2024	969,491	428,003
2025	979,415	n/a

The jobs-to-employed-residents (J/ER) ratio is a key indicator of how well a city balances employment opportunities with its residential base. A higher ratio means the city provides enough jobs locally, while a lower ratio signals that residents must commute elsewhere for work. Despite its growth and vibrancy, San José is the only large city (having a population greater than 500,000) in the United States that is largely a bedroom community, meaning more residents leave San José for employment in other communities than workers from other community’s commute into San José. This imbalance has led to significant negative fiscal, environmental, and quality of life impacts for San José.

In general, both employment and residential development generate city revenue, but residential development typically requires a significantly higher level of city services compared to the revenue it brings in. The City monitors its J/ER ratio using a combination of data from the U.S. Census Bureau’s American Community Survey (ACS) and payroll data from the CEDD. As of December 2024, San José has a total of 428,003 payroll and self-employed jobs,

which is approximately 57,000 more than when the General Plan was adopted in November 2011 and represents a 15% increase from 2011. The General Plan includes a planned job capacity of 382,000 new jobs, equating to approximately 13,000 new jobs per year. As shown in Table 4, San José remains the city with the lowest J/ER ratio from surrounding cities, and the only city under a 1.0. (see Table 4). The data reinforces the importance of the General Plan’s jobs focus and the need to maintain employment land for future job growth.

**Table 4 Jobs per Employed Resident for Select Cities 2013-2025**

City	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>San José</b>	<b>0.83</b>	<b>0.82</b>	<b>0.82</b>	<b>0.82</b>	<b>0.85</b>	<b>0.82</b>	<b>0.81</b>	<b>0.80</b>	<b>0.81</b>	<b>0.79</b>	<b>0.79</b>	<b>0.84</b>	<b>0.83</b>
<b>Cupertino</b>	1.33	1.47	1.64	1.75	1.85	1.99	1.99	2.15	2.2	2.26	2.38	2.27	2.30
<b>Fremont</b>	0.86	0.90	0.96	0.96	0.98	0.98	0.98	1.06	1.12	1.09	1.07	1.05	1.05
<b>Milpitas</b>	1.19	1.18	1.18	1.17	1.26	1.25	1.20	1.10	1.18	1.13	1.15	1.17	1.17
<b>Mtn View</b>	2.59	1.84	1.92	1.67	1.74	1.77	1.70	1.89	1.84	1.65	1.53	1.64	1.57
<b>Palo Alto</b>	3.19	3.21	3.36	3.33	3.36	3.41	3.09	3.26	3.07	3.09	2.83	3.01	3.16
<b>Santa Clara</b>	2.02	1.77	1.79	1.70	1.69	1.77	1.86	1.82	1.69	1.65	1.71	1.70	1.69
<b>Sunnyvale</b>	1.13	1.06	1.06	1.04	1.08	1.04	1.08	1.21	1.17	1.22	1.12	1.16	1.15

## MAJOR STRATEGY #5 – URBAN VILLAGES

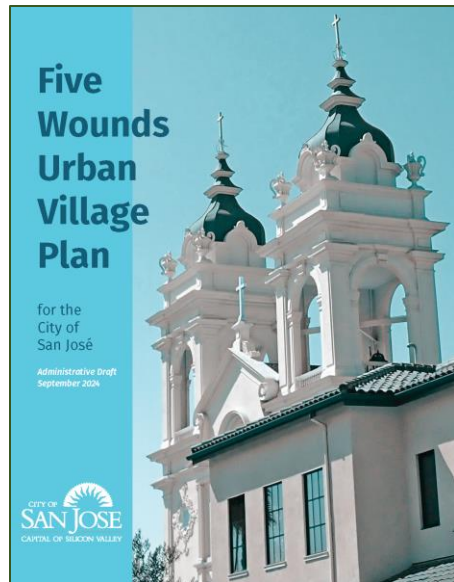


Image 6: Five Wounds Urban Village Plan cover page

Major Strategy #5 of the General Plan promotes the development of Urban Villages to provide active, walkable, bicycle-friendly, transit-oriented, mixed-use urban settings for new housing and job growth. [Urban Villages](#) are intended to be attractive to an innovative workforce, enhance established neighborhoods, and further General Plan’s environmental goals.

The General Plan establishes an Urban Village concept to create a policy framework to direct most of San José’s new job and housing growth to occur within walkable and bike-friendly Urban Villages with good access to transit and other existing infrastructure and facilities. The preparation of an Urban Village Plan for each Urban Village area provides for ongoing community involvement and public workshops in the implementation of the General Plan and for land use and urban design issues to be addressed at a finer level of detail. Planning staff facilitate community engagement and coordinate the participation of staff from multiple City Departments.

Concentrating new development in Urban Villages helps the City meet its environmental, fiscal, economic, and transportation goals, and provides the public with detailed information related to allowable uses, density, and heights that are permitted within each Urban Village.

### Approved Urban Village Plans

Since the adoption of the Envision San José 2040 General Plan in 2011, the City Council has approved 16 Urban Village plans out of 61 Urban Village Growth Areas that are identified in the General Plan. The most recent approval was for the Capitol Caltrain Station Area Plan in November 2023. Descriptions of the approved Urban Village plans are available on the Urban Village website.

Table 5 Approved Urban Village Plans

Urban Village Plan	Date Approved
<b>Downtown</b>	
Diridon Station Area Plan	May 25, 2021
<b>Regional Transit Urban Village Plans</b>	
The Alameda	December 16, 2016
Berryessa BART Station Area Plan	June 21, 2021
Five Wounds	November 19, 2013
Capitol Caltrain Station Area Plan	November 28, 2023
<b>Local Transit Urban Village Plans</b>	
Alum Rock	October 22, 2013
East Santa Clara Street	October 23, 2018
Little Portugal	November 19, 2013
North 1 <sup>st</sup> Street	March 22, 2022
Roosevelt Park	November 19, 2013
Stevens Creek Boulevard	August 8, 2017
West San Carlos Avenue	May 8, 2018

<b>Commercial Corridor Urban Village Plans</b>	
<b>Santana Row/Valley Fair</b>	August 8, 2017
<b>South Bascom Avenue (North)</b>	May 8, 2018
<b>Winchester Boulevard</b>	August 8, 2017
<b>Neighborhood Urban Village Plans</b>	
<b>24<sup>th</sup> Street/Williams Street</b>	November 19, 2013

### Urban Village Plans in Process

Five Urban Village Plans are currently either in progress or upcoming. These five Urban Village areas encompass approximately 595 acres, with a planned residential capacity of 4,882 units and planned job capacity of 8,385 jobs.

The new consolidated Five Wounds Urban Village Plan, which will combine the previously approved Five Wounds, Little Portugal, 24th St & Williams St, and Roosevelt Park Urban Village Plans, is anticipated to be scheduled for adoption by the City Council in Fall 2026. This updated Plan is in its final stages of preparation, which includes finalizing the Environmental Impact Report (EIR).

The planning process for the Eastside Alum Rock Urban Village Plan and the Saratoga Avenue Urban Village Plan (combining the Saratoga Avenue and Paseo de Saratoga Urban Village areas) both began in Fall of 2024. The Eastside Alum Rock Urban Village Plan is expected to be completed in 2026. The Saratoga Avenue Urban Village Plan will be completed by December 2027, as the environmental review for that Plan is being done concurrently with General Plan 4-Year Review environmental document.

The South De Anza Blvd and South Bascom Ave (South) Urban Villages are currently under consideration to be one of the next Urban Villages to start the Urban Village planning process.

**Table 6 Urban Village Plans in Process**

<b>Urban Village Plan</b>	<b>Status</b>	<b>Anticipated Adoption</b>
<b>Five Wounds (Little Portugal, Five Wounds, 24<sup>th</sup> &amp; Williams, &amp; Roosevelt Park Urban Villages Update)</b>	In Progress	Fall 2026
<b>Eastside Alum Rock</b>	In Progress	Summer 2026
<b>Saratoga Avenue (Saratoga Ave &amp; Paseo de Saratoga Urban Villages)</b>	In Progress	Fall 2027
<b>South De Anza Blvd.</b>	Upcoming	TBD
<b>South Bascom (South)</b>	Upcoming	TBD

### Development Activity in Urban Villages<sup>4</sup>

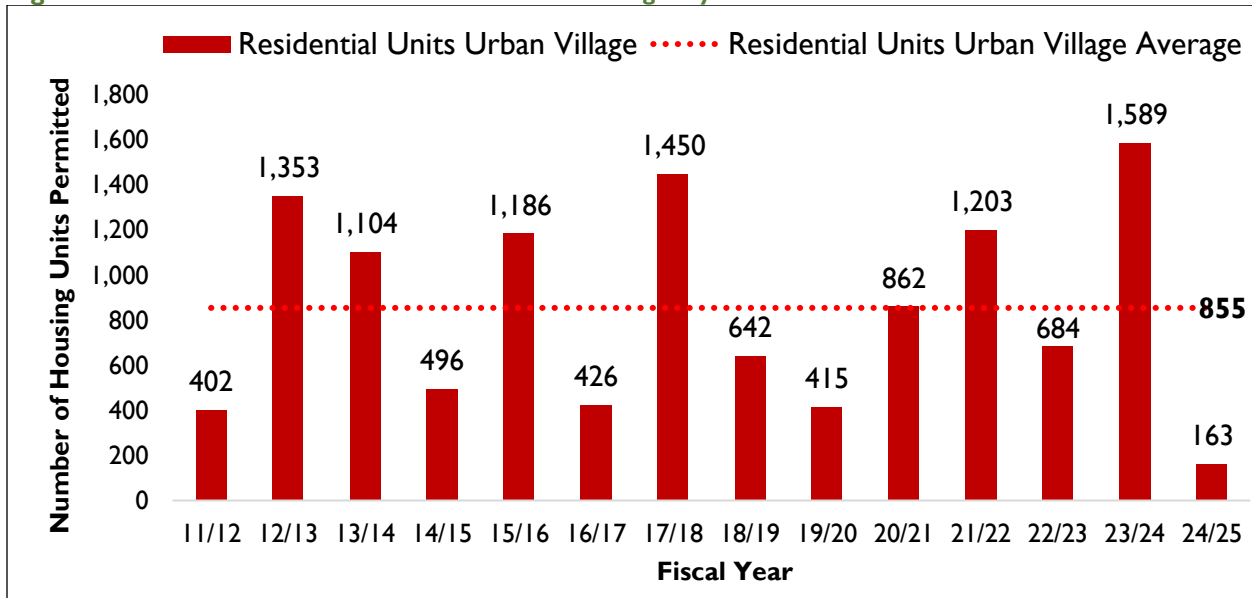
Since the adoption of the General Plan in 2011, the Planning Division entitled 24,432 residential units and 8.3 million square feet of commercial square footage and the Building Division permitted 11,975 residential units and 9.5 million square feet of commercial space within Urban Villages.

<sup>4</sup> For the purposes of this report, Diridon Station Area data is not included in Urban Village data totals but are included in the Downtown data totals.

In fiscal year 2024-2025, the Planning Division entitled 2,162 residential units and 1.2 million square feet of commercial space and the Building Division permitted 163 residential units and 572 thousand square feet of commercial space within Urban Villages.

*Residential Construction Activity*

**Figure 16 All Residential Units Permitted in Urban Villages by Fiscal Year**



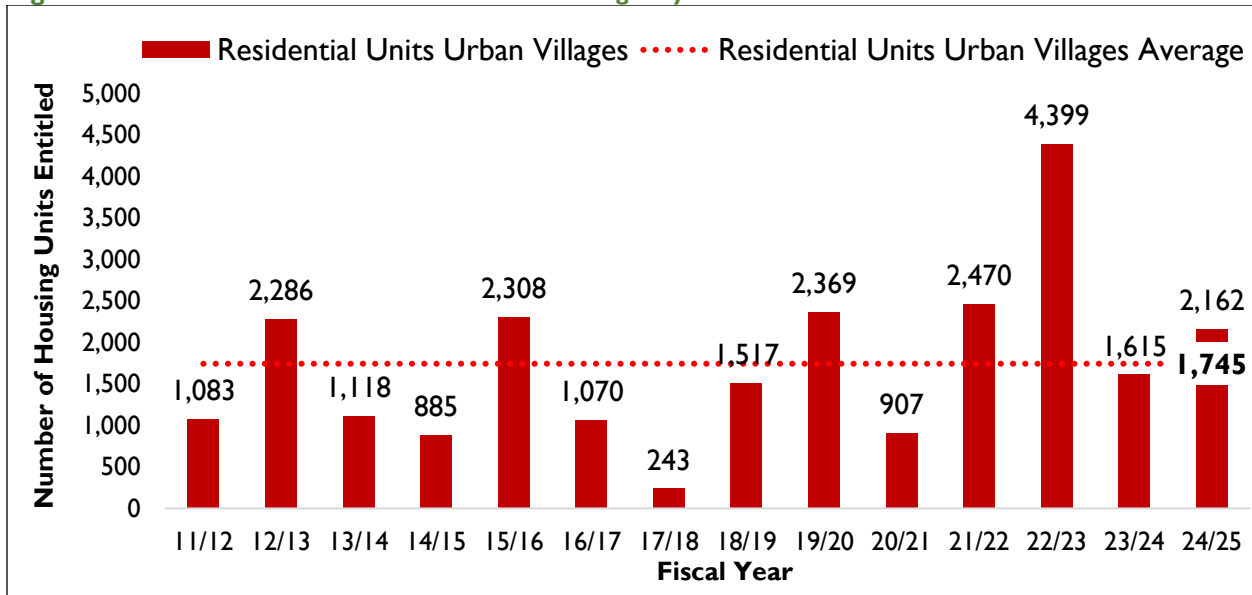
Since the adoption of the Envision San José 2040 General Plan in fiscal year 2011-2012 through fiscal year 2024-2025, the City permitted<sup>5</sup> 11,975 residential units within Urban Villages, which is 33% of the citywide total. In fiscal year 2024-2025, the City permitted 163 residential units within Urban Villages, which is 15% of the citywide total. This is 90% less than the 1,589 residential units permitted in Urban Villages in the prior fiscal year and is 81% below the historic average of 855 residential units permitted in Urban Villages. This trend is also reflective of the findings in the most recent Cost of Residential Development Study<sup>6</sup>, that higher density mid-rise and high-rise buildings—which is where this type of housing is strongly encouraged—are generally not feasible in the current market

<sup>5</sup> Issued building permits by City’s Building Division

<sup>6</sup> <https://sanjose.legistar.com/View.ashx?M=F&ID=15007144&GUID=BA1D08BC-AD4D-4FE3-8740-F473655EA988>

*Residential Entitlement Activity*

**Figure 17 All Residential Units Entitled in Urban Villages by Fiscal Year**

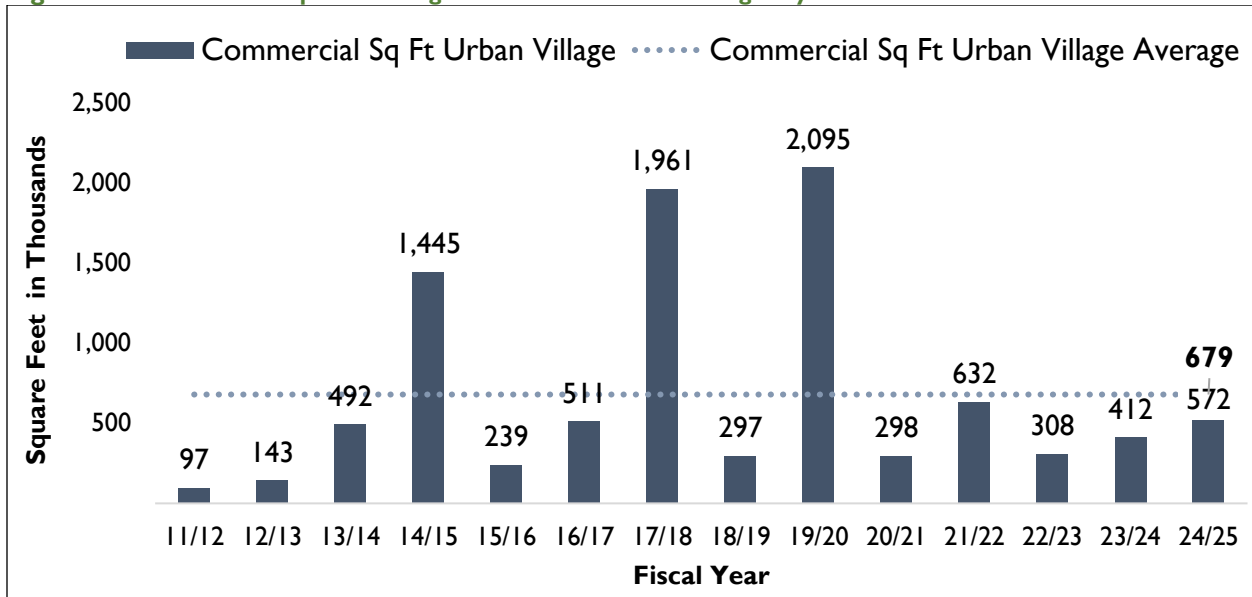


Since the adoption of the General Plan in fiscal year 2011-2012 through fiscal year 2024-2025, the City entitled<sup>7</sup> 24,432 residential units in Urban Villages, which is 49% of the citywide total. In fiscal year 2024-2025, the City entitled 2,162 residential units in Urban Villages, which is 46% of the citywide total. This is 34% more than the 1,615 residential units entitled in Urban Village in the prior fiscal year and is 24% above the historic average of 1,745 residential units entitled in Urban Villages. While the number of entitled units were strong, as shown previously, the Building Permit issued for residential units in the Urban Village areas has dropped significantly. This trend is primarily due to the high cost of construction.

<sup>7</sup> Approved entitlements by City’s Planning Division

*Commercial Construction Activity*

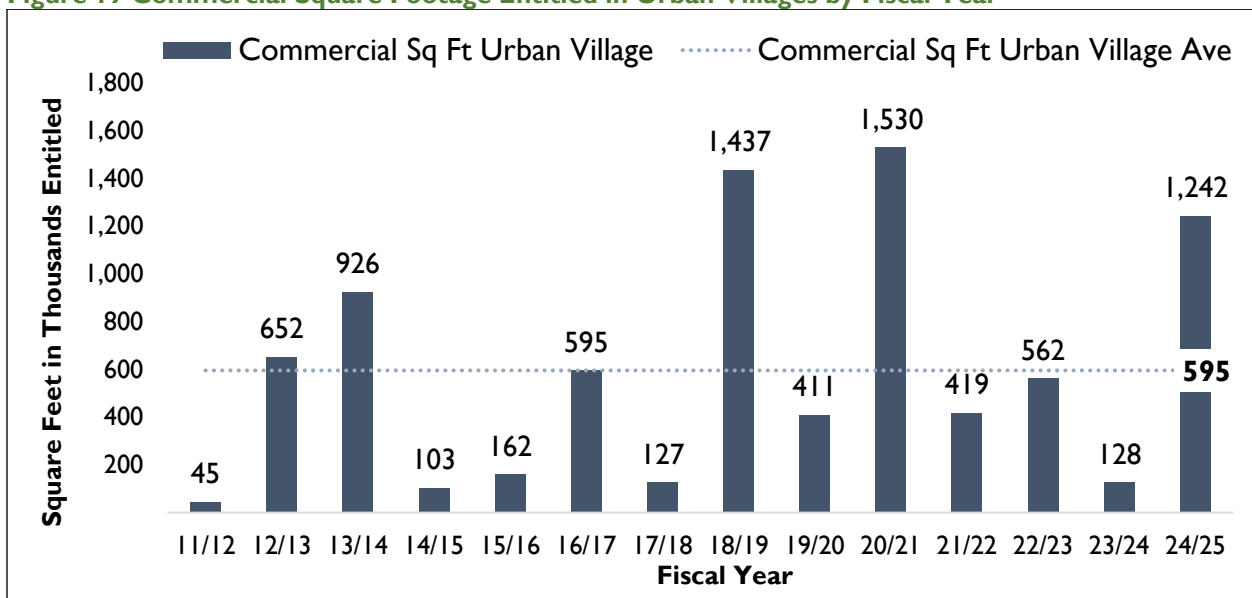
**Figure 18 Commercial Square Footage Permitted in Urban Villages by Fiscal Year**



Since the adoption of the Envision San José 2040 General Plan in fiscal year 2011-2012 to the last fiscal year, the City permitted approximately 9.5 million square feet of commercial space within Urban Villages, which is 33% of the citywide total. In fiscal year 2024-2025, the City permitted 572 thousand square feet of commercial space in Urban Villages, which is 48% of the citywide total. This is 39% more than the 412 thousand square feet of commercial space permitted in Urban Villages in the prior fiscal year but is 16% below the historic average of 679 thousand square feet of commercial space permitted in Urban Villages. Overall, demand for commercial/retail/restaurant uses in these urban villages is gaining steady strength.

*Commercial Entitlement Activity*

**Figure 19 Commercial Square Footage Entitled in Urban Villages by Fiscal Year**



Since the adoption of the General Plan in fiscal year 2011-2012 through fiscal year 2024-2025, the City entitled 8.3 million square feet of commercial space in Urban Villages, which is 18% of the citywide total. In fiscal year 2024-2025, the City permitted 1.2 million square feet of commercial space in Urban Villages, which is 49% of the citywide total. This is 874% more than the 128 thousand square feet of commercial space entitled in Urban Villages in the prior fiscal year and is 109% above the historic average of 595 thousand square feet of commercial space entitled in Urban Villages.

### Signature Projects in Urban Villages



Image 7: Sparta student housing (construction complete in 2022)

The [Signature Project](#) Policy (Policy IP-5.10) provides a pathway for market-rate residential mixed-use projects to proceed on parcels with non-residential General Plan land use designation within Urban Villages that do not yet have a Council-adopted plan. These projects may be approved if they meet established criteria under this policy related to density, design quality, employment space, and the provision of parkland.

Since 2011, the City has received nine applications for signature projects under General Plan Policy IP-5.10. Of these nine projects, two projects have fully

completed construction for 676 multifamily units, 11,530 sq ft of commercial space and 200,000 sq ft of office space, and one project has partially completed construction for 188 units, and 10,000 square feet of commercial space. Four projects are fully entitled for 1,857 units, 105,016 sq ft of commercial space, 160,790 sq ft of hotel space with 229 rooms, 125,740 sq ft of assisted living space, and 230,305 sq ft of residential care facility space with 263 beds, and one project is partially entitled for 111,000 square feet of mini-storage space. Two projects are either expired or superseded by different projects for 889 units, 45,776 square feet of commercial space, and 249,946 square feet of office space. See Table 7 for more details on the complete list of Signature Projects.

### Affordable Housing in Urban Villages



Image 8: Blossom Valley Senior Housing at 397 Blossom Hill Road (Construction complete in 2024). Image from Studio Architects at [www.studioarchitects.com](http://www.studioarchitects.com). Photographer Jeff Peters with Vantage Point at [www.vantagepointphoto.com](http://www.vantagepointphoto.com)

In December of 2016, as part of the first General Plan 4-year review, Council approved Policy IP-5.12 which allows affordable housing development or a mixed-used affordable housing development with non-residential land use designations to proceed ahead of an approved Urban Village plan if the residential portion of the project is 100% affordable units that are deed-restricted for no less than 55 years to low-income residents (earning 80% or less of the Area Median Income).

Since 2016, the City has received 17 applications for 100% affordable housing development projects under General Plan Policy IP-5.12. Of these 17, three projects have completed construction for a total of 497

units, eight projects are under construction for a total of 1,065 units, five projects are entitled but have not yet started construction for a total of 827 units, and one project is pending entitlement for 5 units. See Table 8 for more details on the complete list of affordable housing projects using Policy IP-5.12.

**Table 7 Signature Project List**

<b>Project Name</b>	<b>File Numbers</b>	<b>Status</b>	<b>Planning Approved Date</b>	<b>Address</b>	<b>Description</b>	<b>Urban Village</b>
<b>Sparta Student Housing</b>	PD15-044	Construction Completed	9/20/2016	505 E. Santa Clara Street	Planned Development Permit for the construction of 86 student residential units and 11,530 square feet of commercial space in a 7-story building.	East Santa Clara Street
<b>Volar</b>	PD15-059	Expired	6/13/2017	350 Winchester Boulevard	Planned Development Permit to allow the construction of 307 residential units and 52,167 square feet of commercial and office uses in an 18-story building.	Valley Fair/ Santana Row
<b>The Orchard</b>	PD16-025	Construction Completed	1/10/2017	641 N. Capital Avenue	Planned Development Permit for the construction of 188 residential units, 10,000 square feet of total 108,000 square feet of commercial space, and a one-acre park.	North Capitol Avenue/ McKee Road
	PDA16-025-03	Entitled	8/10/2022	525 N. Capital Avenue	Planned Development Amendment Permit to increase the mini storage building square footage from 76,000 square feet to 111,000 square feet.	
<b>FortBay</b>	PD17-014	Expired and superseded by PD20-012 & PDA20-012-01	2/26/2017	4300 Stevens Creek Boulevard	Planned Development Permit to allow construction of a 6-story approximately 233,000-square-foot office building, a 6-story parking garage, an 8-story mixed use building containing approximately 10,000 square feet of ground floor commercial and up to 289 residential units, and an 8-story residential building containing approximately 205 market rate residential units and approximately 88 affordable residential units.	Stevens Creek Boulevard
<b>AvalonBay</b>	PDA17-027-01	Entitled	1/29/2020	700 Saratoga Avenue	Planned Development Permit to allow the construction of up to 302 residential units, 17,800 square feet of retail/commercial space, and 1,110 new parking spaces within the existing multi-family residential development.	Saratoga Avenue Urban Village

<b>Bascom Gateway Station</b>	PD18-015	Construction Complete	9/10/2019	1350/1410 South Bascom Avenue	Planned Development Permit to allow the construction of 590 multifamily residential units and 200,000 square feet of office space.	South Bascom (North) Urban Village
<b>Blossom Hill Signature Project</b>	SP20-012	Entitled	8/9/2022	605 Blossom Hill Road	Special Use Permit to allow the construction of one six-story mixed use building with 13,590 square feet of commercial space and 239 market-rate multifamily residential units and one five-story multifamily residential building with 89 affordable housing units.	Blossom Hill Road/Calahan Avenue
<b>Cambrian Park Plaza</b>	PD20-007	Entitled	11/2/2022	14200 Union Avenue	Planned Development Permit to allow the construction of one building with 305 multifamily units and 50,990 sq ft of commercial space, one building with 160,790 sq ft of hotel space with 229 room and 4,610 sq ft of commercial space, one building with 125,740 sq ft of assisted living space with 110 beds and 50 multifamily units, 25 townhomes, 48 single-family residential homes, and 27 accessory dwelling units, and 4 acres of public open space.	Camden Avenue/ Hillsdale Avenue
<b>El Paseo Mixed Use Village</b>	PDA20-006-01	Entitled	11/29/2023	1312 El Paseo de Saratoga	Planned Development Amendment Permit to reduce the commercial square footage from 66,838 sq ft to 58,370 sq ft and to remove all 267 residential units from Building 3 of the original approved Planned Development Permit.	Paseo de Saratoga
	PDA20-006-02	Entitled	12/10/2024	1312 El Paseo de Saratoga	Planned Development Amendment Permit to increase the residential units from 267 to 398 and reduce the commercial sq ft from 64,176 sq ft to 14,139 sq ft on Building 1, to increase the residential units from 273 to 374 and reduce the commercial sq ft from 29,699 sq ft to 17,477 sq ft on Building 2, and to decrease the residential units from 248 to 0 and increase the commercial sq ft from 5,236 sq ft to a 230,305 sq ft, 263-bed residential care facility on Building 4.	

Table 8 Affordable Housing List

Project Name	File Numbers	Status	Planning Approved Date	Address	Description	Urban Village
<b>Blossom Hill Senior Affordable Housing</b>	CP18-022	Construction Complete	12/11/2019	397 Blossom Hill Road	Conditional Use Permit to construct a 147-unit senior affordable housing building with approximately 16,066 square feet of commercial uses.	Blossom Hill Road/Snell Avenue
<b>Meridian Apartment</b>	SP19-064	Under Construction	04/08/2020	961 Meridian Avenue	Special Use Permit to construct a 6-story mixed-use building with 233 affordable units, including two manager units, and 1,780 square feet of commercial space.	South Bascom Avenue (South)
<b>Affirmed Housing</b>	H20-013	Construction Complete	2/28/2021	3090 South Bascom Avenue	AB 2162 Ministerial Permit to construct a 5-story, 79-unit supportive housing development, with 29 units reserved for permanent supportive housing, and 619 square feet of commercial space.	South Bascom Avenue (South)
<b>Pacific West Communities, Inc.</b>	CP20-025	Under Construction	10/7/2021	2880 Alum Rock Avenue	Conditional Use Permit to construct one mixed-use six-story building (Building A) with 7,000 square feet of commercial space and 119 residential units (100% affordable) and one multifamily residential six-story building (Building B) with 45 units (100% affordable) with associated podium garage parking.	Alum Rock Avenue (East of 680)
<b>Maracor Development, Inc.</b>	H21-004	Under Construction	2/4/2022	2350 South Bascom Avenue	SB 35 Ministerial Permit to construct a 6-story mixed-use, multifamily project consisting of 123 affordable units and 1,437 square feet of ground floor commercial space.	South Bascom Avenue (South)
<b>Parkmoor Hub</b>	MP21-004	Under Construction	1/27/2023	1510 Parkmoor Avenue	SB 35 Ministerial Permit to construct one five-story mixed use building with 81 affordable units and 17,000 square feet of social services.	Race Street Light Rail (West of Sunol)

<b>JEMCOR Development Partners</b>	H21-020	Construction Complete	8/3/2022	1007 Blossom Hill Road	Site Development Permit to construct a seven-story building, with five-stories of multi-family 100% affordable residential housing units (271 units) over a two-story parking garage.	Oakridge Mall (Edenvale)
<b>Dry Creek Crossing</b>	MP22-006	Under Construction	1/27/2023	2388 South Bascom Avenue	SB 35 Ministerial Permit to construct a six-story 100% affordable residential project with 64 housing units, with 63 income-restricted units and one on-site manager unit.	South Bascom Avenue (South)
<b>Charities Housing Santa Teresa</b>	MP22-009	Under Construction	4/21/2023	5885 Santa Teresa Boulevard	SB 35 Ministerial Permit to construct three new buildings with 49 affordable units.	Santa Teresa Boulevard/ Snell Avenue
<b>Charities Housing Alum Rock</b>	MP22-010	Entitled	9/1/2023	2920 Alum Rock Avenue	SB 35 Ministerial Permit to construct one four-story 100% affordable residential project with 63 units with one manager's unit.	Alum Rock Avenue (East of 680)
<b>Community Development Partners</b>	MP22-011	Under Construction	9/1/2023	525 North Capitol Avenue	SB 35 Ministerial Permit to construct a 5-story mixed-use affordable housing project consisting of 160 affordable housing rental units and 2,600 sf of community serving flex space.	North Capitol Ave/McKee Road
<b>Affirmed Housing Group</b>	MP22-014	Under Construction	8/24/2023	1371 Kooser Road	SB 35 Ministerial Permit to construct a 7-story, 100% affordable housing apartment consisting of 191 residential units, of which 8 are set aside as Rapid Rehousing Units and 2 are for managers, with a 2-level parking garage with 130 parking spaces.	Kooser Road/Meridian Ave
<b>The Pacific Companies</b>	H24-042	Entitled	3/12/2025	2940 Alum Rock Avenue	Site Development Permit to construct a 6-story building with 372 affordable units.	Alum Rock Avenue (East of 680)
<b>Cloud Apartments</b>	H24-032	Entitled	4/9/2025	2165 The Alameda	Site Development Permit to construct a 7-story building with 174 affordable units, including one manager unit.	The Alameda

<b>Adobe Communities</b>	MP24-002	Entitled	5/19/2025	1999 Camden Avenue	SB 35 Ministerial Permit to construct a 6-story building with 90 affordable units, including 23 permanent supportive units and one manager unit.	Camden Ave/ Hillsdale Ave
<b>Danco</b>	H24-035	Entitled	n/a	1207 N. Capitol Avenue	Site Development Permit to construct a 5-story building with 128 affordable units.	N. Capitol Ave/Berryessa Rd
<b>Tupaz Homes, LLC</b>	SP23-007	Pending Entitlement	n/a	2940 S. Bascom Avenue	Special Use Permit to construct a 3-story building with 4,524 square feet of commercial space, 4,569 square feet of office space, 1,776 square feet of restaurant space, and five affordable units.	S. Bascom Ave (South)

## MAJOR STRATEGY #6 – STREETSCAPES FOR PEOPLE

Major Strategy #6 focuses on designing streets to prioritize people over cars and to accommodate a diverse range of urban activities and functions in them. The city's transportation network promotes walking, bicycling, and public transit use to support this strategy. General Plan policies advocate for the development of "Complete Streets" that cater to all users and support various activities such as pedestrian movement, cycling, utilities, outdoor gatherings, and vehicle traffic. Complete Streets ensure safe, comfortable, and convenient travel for people of all ages, abilities, and preferences. Close alignment between the City's Capital Improvement Program and the General Plan policies enables strategic planning and allocation of resources to develop infrastructure that supports the Plan's objectives.

The Department of Transportation (DOT) led efforts in the past few years for the approval of several transportation plans which move forward Complete Streets principles. These include:

- Vision Zero Action Plan (2025)
- Better Bike Plan 2025 (2020)
- *En Movimiento* or East San José Multimodal Transportation Improvement Plan (2021)
- Downtown Transportation Plan (2022)
- West San José Multimodal Transportation Improvement Plan (2022)
- Transit First Policy (2022)

DOT staff's current project delivery activity is guided by these plans. Additionally, several planning efforts are currently being pursued by DOT staff that include: the North San José Multimodal Transportation Plan and transit-priority complete streets for the Stevens Creek-San Carlos corridor, Santa Clara Street, King Road, and Monterey Road. Notable highlights about these planning and project delivery efforts are described in detail below.

### Better Bike Plan 2025

[Better Bike Plan 2025](#) continues the build-out of its network in all 10 City Council Districts. These new bikeways and enhancements to existing bikeways projects leverage DOT's Pavement Maintenance Program. Bikeways are any street or path that is designed to accommodate people on bikes, which includes a bike boulevard, a street with a bike lane, a protected bike lane, or a multi-use path, also called a trail.

In FY 2024-2025, the City installed 7.4 miles of new on-street bikeways and upgraded 32.8 miles of existing on-street bikeways. Notable on-street bikeways completed in FY 2024-2025 included:

- Lane reductions on paving corridors for new and upgraded bikeways on Almaden Boulevard, Moorpark Avenue, Snell Avenue, Taylor Street, Vistapark Drive, and Winfield Boulevard.
- Upgrades of existing bike lanes to parking-protected bikeways on Almaden Boulevard, Technology Drive, and Winfield Boulevard.
- Implementation of 11 new bike boulevards in East San José using one-time grant funds, providing low-street bikeway connections between East San José and Downtown on corridors including 33rd Street, Bonita Avenue, Jose Figueres Avenue, and William Street, among others; and
- Completion of numerous protected bikeways across the City by adding bollards to existing bike lanes using a variety of pavement maintenance funds and one-time grant funds; corridors include Aborn Road, Berryessa Road, Cherry Avenue, Hamilton Avenue, Hedding Street, Lundy Avenue, McKee Road, Murphy Avenue, and Ocala Avenue.

Examples below show the Better Bike Plan 2025 work completed in FY 2024-2025.



Image 10: Lane reduction and new bike lanes on Taylor St. implemented via pavement maintenance.



Image 9: New protected bikeway on Almaden Blvd. upgraded from existing bike lanes during paving.

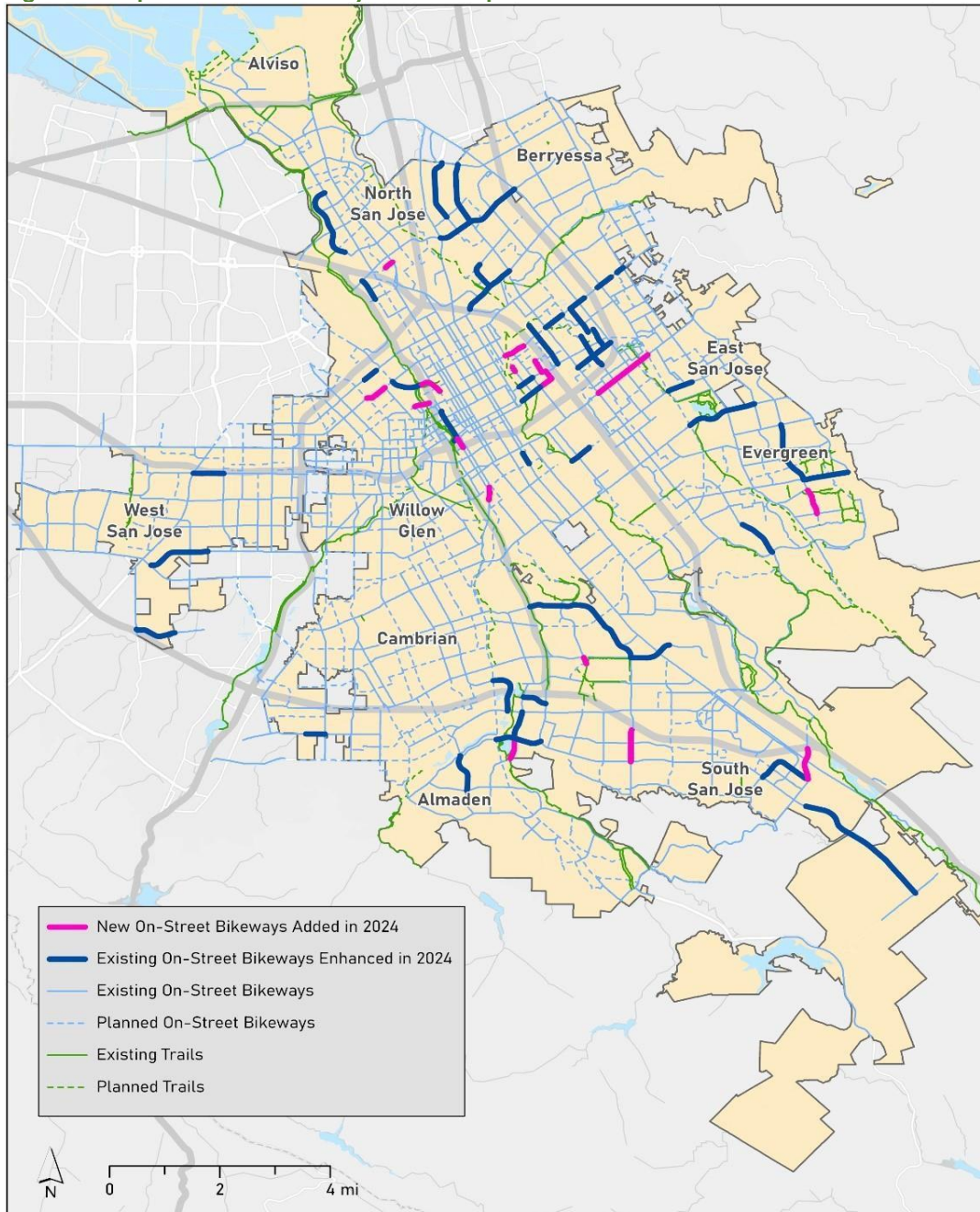


Image 12: New bike boulevard on Kammerer Av. near Cesar Chavez Elementary School.



Image 11: New protected bikeway on Murphy Av. implemented via one-time grant funding.

**Figure 20 Map of on-street bikeway works completed in FY 2024-2025**



**Downtown Curb Management Pilot**

The Downtown Transportation Plan recommends proactive curb management—a strategic and equitable approach to allocating curb space—to balance competing demands and reduce conflicts among uses such as short- and long-term parking, freight and food deliveries, passenger loading, bus stops, bike lanes, parklets, and outdoor dining.

In FY 2024–2025, the City launched a downtown curb management pilot to digitize and evaluate curb space, with the goal of improving safety, efficiency, and multimodal access. The project used Light Detection and Ranging (LiDAR) technology to develop a comprehensive digital curb inventory and

deployed 162 solar-powered cameras with AI capabilities to measure vehicle dwell times, turnover, loading activity, and other curb uses. These data will inform policy and operational decisions to better manage curb demand and respond to downtown community needs.

The solar-powered cameras do not record audio and capture only short video clips to verify activity at curb spaces. The system complies with the City's Digital Privacy Policy by retaining limited footage and not collecting personally-identifiable information. The pilot cost \$2 million and was funded through the Strengthening Mobility and Revolutionizing Transportation (SMART) federal grant.

Building on this pilot, the City plans to implement proactive curb management in 2026 by reallocating curb space based on observed utilization, deploying enhanced sensors to capture bicycle and pedestrian activity, and developing a public-facing tool to help users locate available curb space in real time.



Image 13: One of 162 solar-powered cameras in downtown

### Story-Keys Complete Streets

The Transit First Policy prioritizes public transit and passenger access in street design and traffic operations. It aims to improve bus speed and reliability, reduce greenhouse gas emissions, and increase transit ridership, particularly along key corridors such as Story Road. The Story-Keys Complete Streets Project advances these goals by improving transit reliability and safety for people who walk, roll, bike, take transit, and drive. Building on VTA's Story-Keys Complete Streets Plan, the project corridor includes Willow Street, Keyes Street, and Story Road from SR-87 to King Road.

The project will be delivered in two phases, supported by separate funding sources. Phase 1 includes Willow Street, Graham Avenue, Goodyear Street, and Keyes Street from Lelong Street to Third Street. Improvements include enhanced crosswalks, roundabouts, lane reductions, traffic signal upgrades, pedestrian lighting, curb extensions, and new street trees. Phase 2 covers Keyes Street and Story Road from Third Street to King Road and will include raised bikeways, protected intersections, transit boarding islands, wayfinding signage, and upgraded street lighting.

Phase 1 is estimated at \$19.9 million and is funded by the State Active Transportation Program, with local matching funds. Phase 2 is estimated at \$45 million and is funded by the Metropolitan Transportation Commission's One Bay Area Grant program and the Active Transportation Program, also with local match. The project is currently in design and engineering. Construction for Phase 1 is anticipated to begin in 2026, followed by Phase 2 in 2027.

### Centralized Transit Signal Priority

The Transit First Policy identifies Transit Signal Priority (TSP) as a key strategy to improve transit speed and reliability. TSP is a traffic signal technology that adjusts signal timing – by



Image 14: Conceptual roundabout design at Goodyear Street and Graham Avenue

extending green lights, shortening red lights, or reordering phases – to reduce the time buses spend waiting at intersections. The system uses centralized software, onboard equipment, and communications infrastructure to track bus locations and optimize signals as buses approach. Compared to traditional systems, it requires less field hardware and leverages advanced analytics, including artificial intelligence, to process real-time data from VTA buses. This technology improves schedule adherence and overall service reliability.

Centralized TSP has been implemented at 671 traffic signals serving all VTA Rapid, Frequent, and Local bus routes. The project was funded through two regional sources: the Transportation Fund for Clean Air and the Bus Accelerated Infrastructure Delivery grant.

### **Eastridge to BART Regional Connector**

The Eastridge to BART Regional Connector (EBRC) will extend light rail approximately 2.4 miles along Capitol Expressway from the Alum Rock Station to the Eastridge Transit Center. Highlights of this project include grade separations at Capitol Avenue, Story Road, Ocala Avenue, Cunningham Avenue, and Tully Road. The EBRC Project includes an elevated light rail station at Story Road and an at-grade station at the Eastridge Transit Center. The project extension will operate primarily in the median of the Capitol Expressway. The EBRC Project includes an aerial guideway, trackwork, two passenger stations, two traction power substations, and minor road widening.

The total project cost is estimated to be \$530 million, down from last year's estimate (\$652.9 million). Funding sources include Measure A, Regional Measure 3, Senate Bill 1, the Low Carbon Transit Operations Program, Transit and Intercity Rail Capital Program, and VTA Local Funds Reserve. The project groundbreaking and community resource fair was conducted in June 2024. The project is currently under construction, with passenger service expected to start by the beginning of 2029.

### **I-280/Winchester Boulevard Interchange**

Many public right-of-way and transportation projects are in coordination with VTA with projects statuses updated on the VTA [Freeways webpage](#). The Interstate (I)-280 / Winchester Boulevard Interchange Project will improve traffic operations, reduce congestion on local roadways, provide direct access from northbound I-280 to Winchester Boulevard and surrounding destinations, and improve bicycle and pedestrian access in the area. The project will construct a new freeway-to-freeway connector ramp to connect northbound SR-17 to northbound I-280 and construct a new Monroe Avenue pedestrian overcrossing to replace the existing underused overcrossing, which also conflicts with the new northbound I-280 off-ramp. Additional project scope includes the following:

- Widen the existing Winchester Boulevard bridge over I-280 to provide enhanced bicycle and pedestrian facilities in both directions. The lane configuration on Winchester Boulevard across the bridge will be modified to improve operations at both the Winchester Boulevard / Moorpark Avenue and the Winchester Boulevard / Tisch Way intersections;
- Remove and replace some of the existing soundwall along the north side of I-280 and east of Winchester Boulevard;
- Construct raised separated bike lanes and approximately 10-foot-wide sidewalks within the project limits on both northbound and southbound Winchester Boulevard; and
- Construct separated bike lanes on Tisch Way from Hatton Street to Winchester Boulevard.

The project completed the Caltrans' Project Approval and Environmental Document phase with an approved project report in April 2025. The project is estimated to cost roughly \$230 million to be funded by a combination of Measure B, local, state, and federal funds, as available.

Also see Major Strategy #11 – Design for a Healthful Community for additional transportation-related projects which also contribute towards Major Strategy #6.

## MAJOR STRATEGY #7 – MEASURABLE SUSTAINABILITY/ENVIRONMENTAL STEWARDSHIP

Major Strategy #7 of the Envision San José 2040 General Plan aims to achieve ambitious environmental leadership goals by advancing its Climate Smart San José plan through 2040. The General Plan also contains multiple policies to support the implementation of environmental best practices, aligned with the City's goals of managing resources for present and future generations, efficiently using natural resources, and minimizing waste.

To measure progress towards these goals, staff in the Environmental Services Department (ESD) collect data annually on key environmental indicators for energy use, transportation, housing, and water use. In fiscal year (FY) 2024–25, the City approved the transition of the Climate Smart San José Division from ESD to the Energy Department (ED) as of FY 2025–26.

### Climate Smart San José

[Climate Smart San José](#) (2018) provides a roadmap for achieving significant reductions in greenhouse gas (GHG) emissions. It aims to meet the state's target of an 80% reduction below 1990 levels by 2050, in line with the Paris Climate Agreement goals. While Climate Smart already set ambitious climate goals, the City recognized the urgency of climate change and, in November 2021, approved the *Pathway to Carbon Neutrality by 2030*. Progress on the nine strategies of Climate Smart San José is available on the public [Climate Smart Dashboard](#) and highlights are provided at the end of this section.

### Climate Adaptation and Resilience Plan

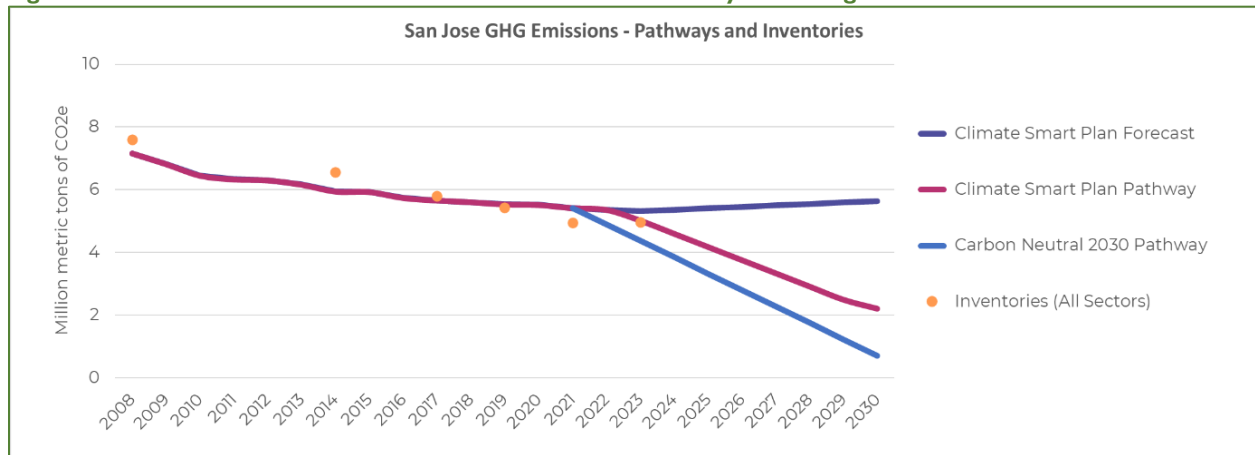
During FY 2024-25, the City was in the process of developing a Climate Adaptation and Resilience Plan (CARP) with a clear focus on reducing the impact of climate-related threats, such as wildfires, wildfire smoke, flooding, sea level rise, drought and extreme heat events, on the community. The CARP identifies the foundational measures, policies, and procedures necessary to achieve this goal, enhancing equity by addressing the unique adaptive needs of vulnerable communities that are disproportionately affected by climate change impacts.

Climate adaptation refers to strategies aimed at minimizing these risks and vulnerabilities by adjusting the way we live and care for people in our community and operate our infrastructure. The CARP complements the mitigation strategies outlined in San José's existing climate action plan, Climate Smart San José, which focuses on reducing greenhouse gas emissions. The final CARP was adopted by the City Council in March 2026.

### Communitywide Greenhouse Gas Inventory

In April 2025, the 2023 Inventory of Communitywide [Greenhouse Gas Emissions](#) (Inventory) was published on the Climate Smart Dashboard. The net communitywide GHG emissions in 2023 were an estimated 5 million metric tons of carbon dioxide equivalent, a 0.2 percent increase from the 2021 Inventory. As in previous years, the majority of communitywide GHG emissions came from transportation (51%) and energy use in buildings (29%). Based on the data in the 2023 Inventory, San José was on track to meet its Climate Smart GHG emissions reduction goals by 2050. However, these emissions are higher than those required to achieve carbon neutrality by 2030. Figure 14 provides a comparison between the Climate Smart plan's GHG emissions reduction pathway, the Pathway to Carbon Neutrality by 2030, and San José's GHG emissions reduction progress as of 2023.

**Figure 21 Climate Smart GHG Emissions and Reduction Pathways and Progress**



### Climate Advisory Commission

In May 2023, the City Council established the [Climate Advisory Commission](#) (CAC), merging it with the Clean Energy Community Advisory Commission. The CAC became effective January 1, 2024, and holds meetings bi-monthly, starting in March 2024. Key activities have included reviewing and providing input on Climate Smart San José updates; transportation, building, and clean energy programs and policies; and the City’s Climate Smart outreach and implementation strategies. The CAC also develops and approves recommendation language and comment letters to inform City Council decision-making on topics such as San José Clean Energy programs, municipal utility considerations, and climate-related policies. ESD co-leads the CAC with support from the departments of Energy, Transportation and Planning, Building, and Code Enforcement.

### Climate Smart Plan Administrative Update

By the end of FY 2024-25, ESD staff were near completion on an administrative update for the Climate Smart plan. The update incorporates the City’s carbon neutrality goal; revises the Climate Smart data model; aligns existing metrics with available data; and incorporates new Climate Smart elements. Staff presented the update to City Council in December 2025.

### Major Initiatives

Current areas of work that are driving progress on Climate Smart San José goals include:

- The Zero Emissions Neighborhood (ZEN) Pilot Program**  
 Since 2022, this program has implemented multiple climate-focused improvements in the Santee neighborhood of East San José. In FY 2024-2025, staff worked with program partners to lead an educational workshop at a community garden in November 2024 and host a volunteer native planting event in December 2024, during which almost 100 plants planted. Additionally, staff implemented a multifamily building electrification project, which used County grant funds to replace a multifamily property’s gas water and space heaters with heat pump alternatives. These upgrades reduced GHG emissions and risks to tenant health and safety. The upgrades also made air conditioning available to tenants, increasing tenant resiliency to extreme heat. Finally, the City secured the Extreme Heat and Community Resilience Program grant, which will provide additional extreme heat resources to Santee residents and climate resiliency upgrades to Roosevelt Community Center, the closest designated cooling center to the Santee neighborhood. The grant was executed and began implementation in FY 2024-2025, with full project implementation planned through December 2027.

- **Energy and Water Building Performance Ordinance (BPO)**  
 The City Council adopted the Energy and Water Building Performance Ordinance (BPO) in 2018 (Municipal Code Chapter 17.85) to reduce emissions and support Climate Smart San José. The ordinance, which builds on California Assembly Bill 802, requires non-residential and multifamily buildings 20,000 square feet or larger to annually benchmark energy and water use through the EPA ENERGY STAR Portfolio Manager® platform and report results to the City. Since implementation, about 1,800 properties have complied. Results show progress: median natural gas intensity declined 22%, electricity intensity fell 18%, and the median ENERGY STAR score is 85. In 2023, Phase 2 – Beyond Benchmarking began requiring underperforming buildings to complete corrective actions such as audits, retro-commissioning, or efficiency upgrades every five years. San José is among a small number of U.S. cities with this requirement, positioning it as a leader in energy transparency and building performance.
- **San José Clean Energy (SJCE) EcoHome Rebate Program and EcoHome Payment Plan Pilot**  
 In December 2024, San José Clean Energy (SJCE) launched EcoHome Rebate and EcoHome Payment Plan. EcoHome Rebate provides financial incentives for installing heat pump water heaters, heat pump HVAC systems, attic insulation, and panel and wiring upgrades. In FY 2024-25, 423 heat pumps were installed and over \$1 million in incentives were delivered, with over 10% of projects supporting customers in Environmental Justice Communities, who receive enhanced rebate amounts. To improve affordability further, the EcoHome Payment Plan offers zero-interest, no-money-down financing of up to \$5,000, repayable over two, three, or five years via on-bill payments. In FY 2024-25, 61 loans were issued totaling over \$297,000.
- **SJCE Energy Efficiency Programs**  
 In September 2022, SJCE launched two energy efficiency programs, the Home Appliance Savings Program and the Energy Efficient Business Program, which both sunsetted in 2024. The Home Appliance Savings Program provided 281 appliances and over 700 energy savings devices to income qualifying residents. These upgrades contributed to over \$480,000 in customer savings. The San José Energy Efficient Business Program provided technical assistance and 20 to 90 percent discounts for HVAC, water heating, and refrigeration systems and components for small- and medium-sized businesses and schools. The program served over 775 businesses and delivered over \$1 million in incentives.
- **SJCE Peak Rewards Program**  
 Peak Rewards is SJCE's demand response program, which pays residential and commercial customers to reduce their energy usage during critical hours when supply is tight on the electric grid. Program participants will soon be able to enroll their smart thermostats, electric vehicles, and electric vehicle chargers in the program for automated reductions in energy. Staff are working towards achieving 25 megawatts (MW) of peak reductions by 2028.
- **SJCE Multifamily Charger Assistance Program**  
 The Multifamily Charger Assistance Program encourages EV charger installations at multifamily properties, including apartment and condo buildings, by providing incentives to property owners for installing chargers at eligible properties.

## Community Engagement

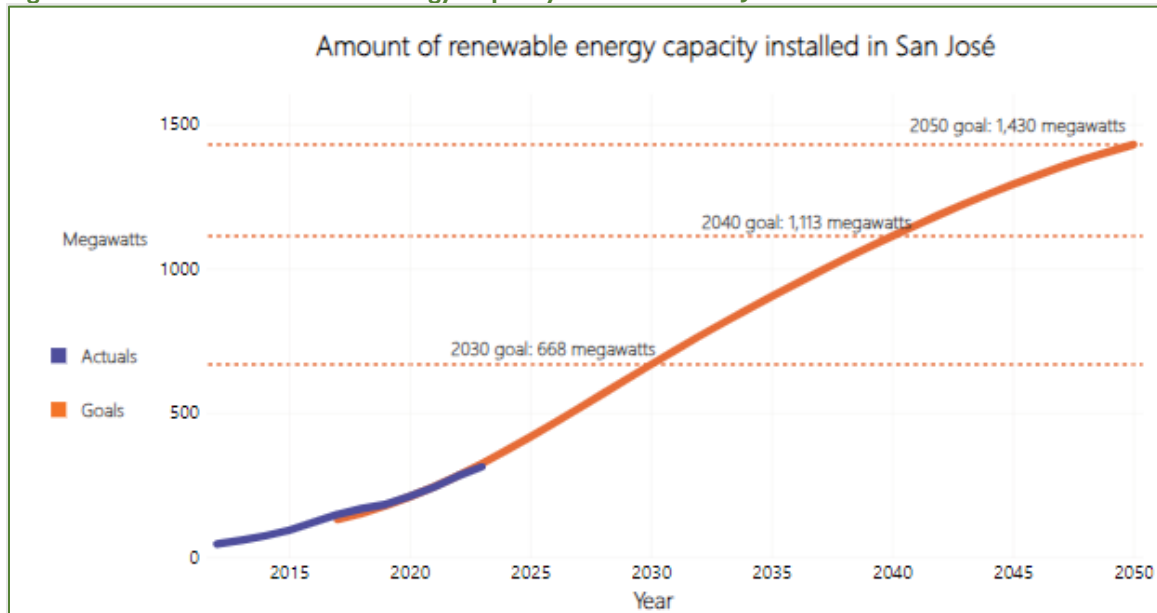
- **The Induction Cooktop Checkout program** offers San José residents the chance to try out clean, healthy, all-electric cooking with an induction cooktop at no cost for up to two weeks. In FY 2024-25, 17 San José residents participated in the checkout program.

- **The Climate Smart Challenge** provides residents with information on how to contribute to Climate Smart San José goals, allowing them to track their progress and connect with other interested residents. Since its inception in 2019, nearly 1,600 participants have saved 77,000 kilowatt-hours of electricity, 8,175 therms of natural gas, and 565,000 gallons of water, while avoiding 443 tons of carbon dioxide equivalent. In summer 2024, San José residents were invited to participate in the Climate Smart Summer Challenge, a citywide initiative aimed at empowering individuals to take simple, impactful climate actions. Over the three-month challenge, 54 residents embraced the call to action, completing a total of 735 climate actions. From biking and using public transit (83 actions in the Shift Your Ride category) to conserving energy at home (312 actions in Be Energy Smart and Clean Energy Home) to eating green and reducing waste (211 actions in Eat Green & Waste Less), their collective efforts helped avoid 107,150 lbs of CO<sub>2</sub>e emissions and saved over \$30,000 annually.
- **Electric Home Tour:** SJCE sponsored the regional Electric Home Tour on October 19, 2024, which offered residents the opportunity to visit homes across the Peninsula and South Bay. These updated homes transitioned from gas-powered appliances to clean electricity. ED and ESD promoted the tour to residents and recruited homeowners to showcase their energy-efficient appliances, such as electric water heaters, heating, ventilation, and air conditioning (HVAC) systems, dryers, and induction cooktops. Over 730 people toured homes and 31 percent of attendees expressed high interest in adopting heat pump HVAC systems and heat pump water heaters within the next three years.
- **Electric Vehicle Education & Engagement:** ED staff continued to provide education to and engage with priority communities around EVs. Staff hosted a neighborhood EV ride and drive in partnership with Breathe California of the Bay Area. The ride and drive took place in a disadvantaged community and had 70 test drives and 150 attendees. The Silicon Valley Clean Cities Coalition, which is hosted by Breathe California of the Bay Area, and ED secured funding from the National Renewable Energy Laboratory to conduct a vehicle electrification needs assessment, which was conducted from August 2024 to January 2025. ED also sponsored and co-hosted two multilingual EV financial incentive clinics with local nonprofit Acterra. These clinics were targeted at priority communities and the in-person event was hosted in a disadvantaged community.

### Measurable Sustainability and Climate Smart Goals

Highlights of specific measurable goals of the Climate Smart San José plan are given below. More detailed progress and reporting metrics can be found on the [Climate Smart Data Dashboard](#) webpage.

**Figure 22 Amount of Renewable Energy Capacity Installed in San José**



**Figure 23 Share of Renewable Energy in San José Clean Energy Power Mix**

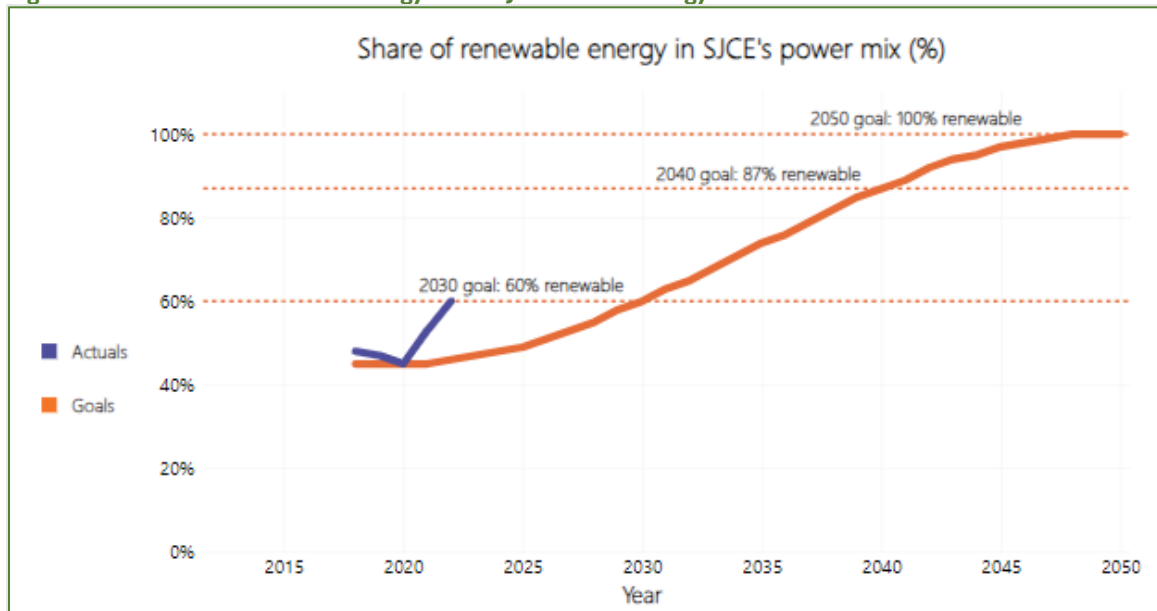


Figure 24 Percentage of Electric Vehicles Registered in San José

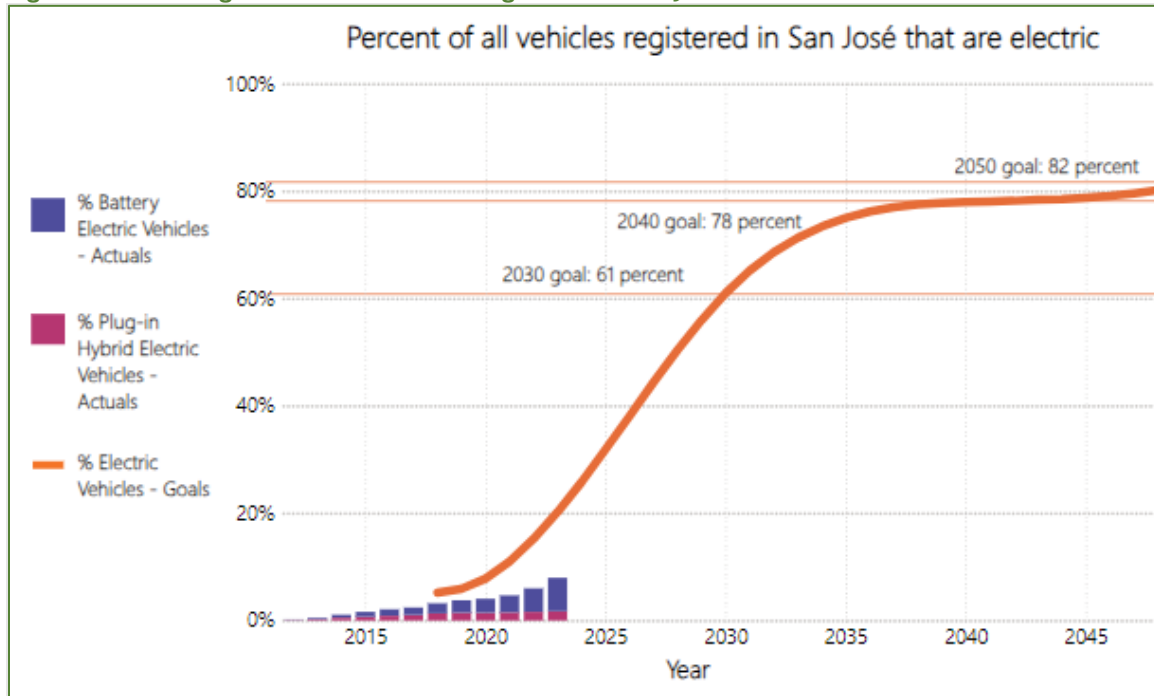
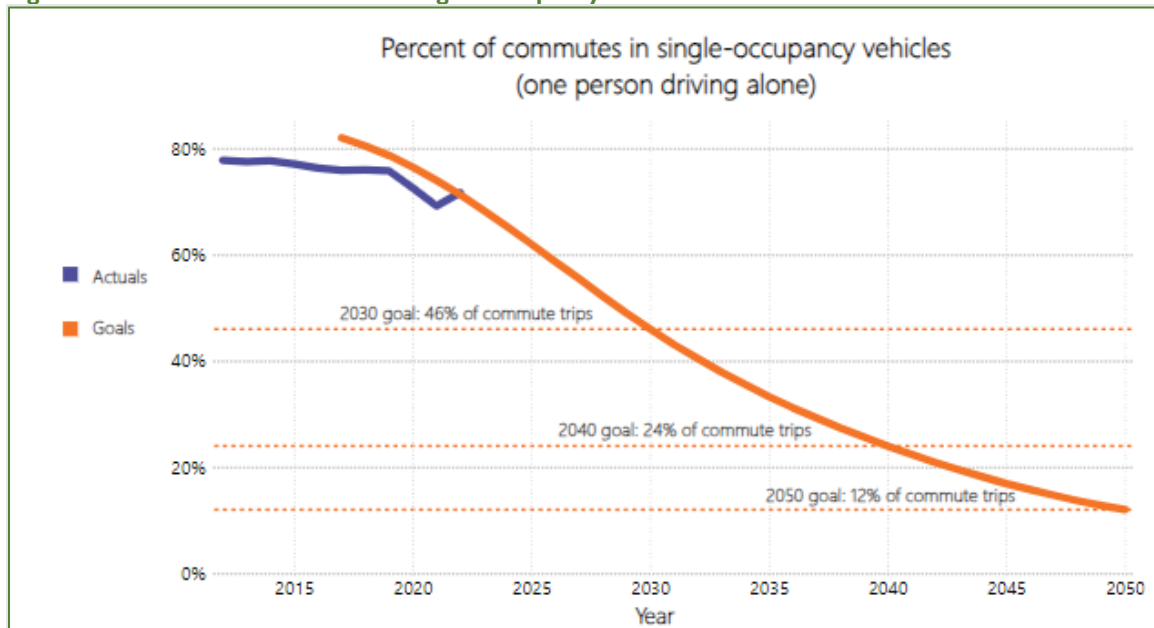
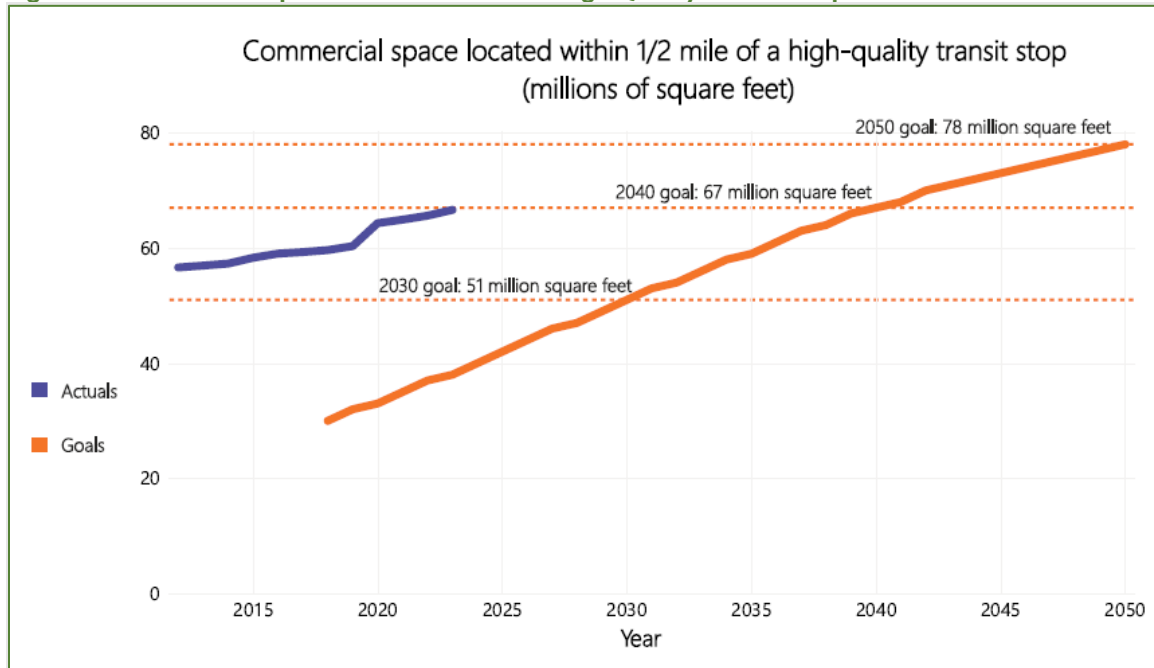


Figure 25 Percent of Commutes in Single-Occupancy Vehicles



**Figure 26 Commercial Space Within 1/2-Mile of a High-Quality Transit Stop**



**Figure 27 Population Density in General Plan Growth**

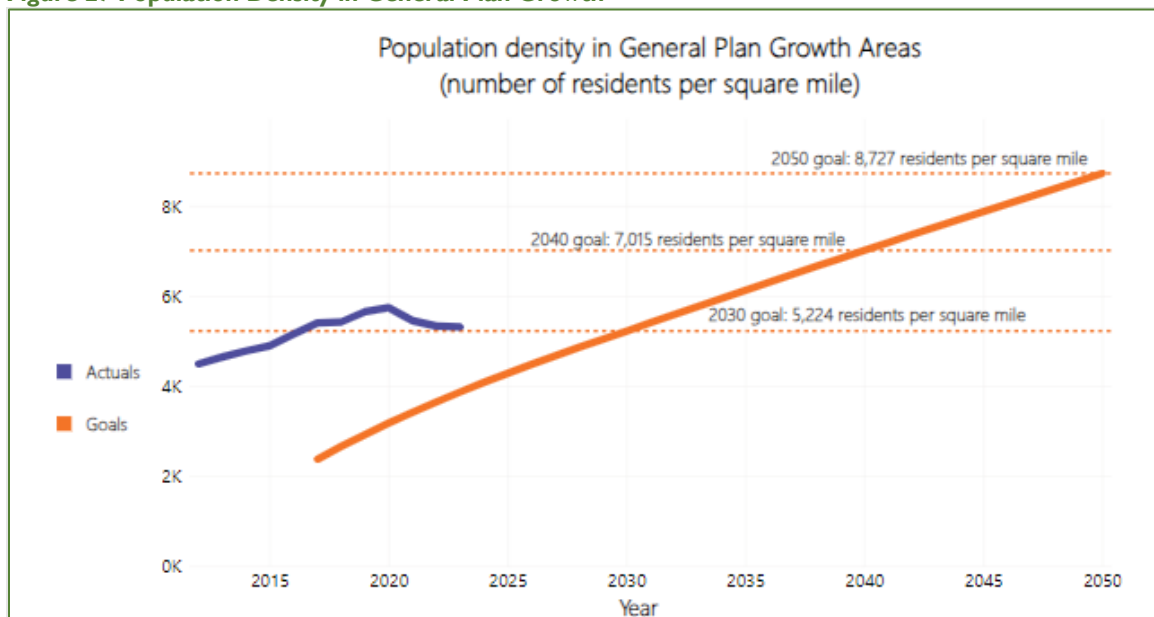
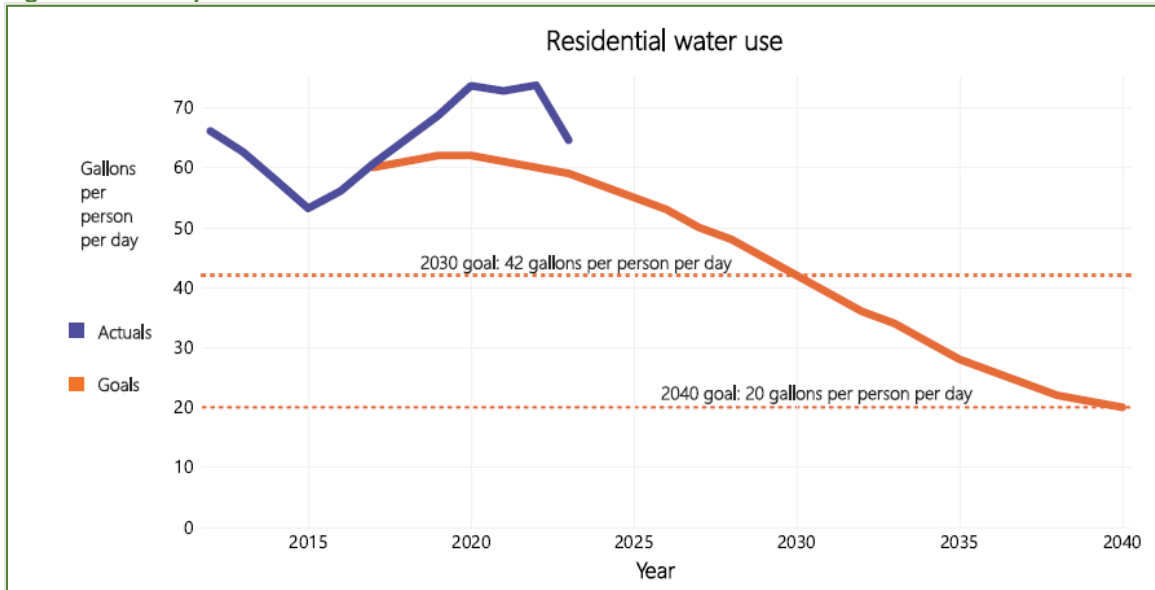


Figure 28 Per Capita Residential Water Use



## MAJOR STRATEGY #8 – FISCALLY STRONG CITY

The General Plan establishes a land use planning framework that promotes fiscal balance of revenue and costs to allow the City to deliver high-quality municipal services. The Fiscally Strong City Major Strategy was created in part to counteract the negative fiscal consequences of past land use patterns.

### Land Use and Fiscal Health

Past land use patterns have resulted in a predominance of low-density, single-family residential uses (43% of the City's total land area and 94% of land designated for residential uses) compared to only approximately 13.5% of job-generating employment land. The remaining land is for higher-density residential, public, or other uses. Low-density sprawl results in a disproportionate cost to the City due to high capital investments and ongoing operations and maintenance for infrastructure, serving fewer people and businesses than the City otherwise could in a higher-density built environment. High concentrations of jobs and housing contribute to place-making and economic development, boosting demand for retail and services, and facilitating transportation alternatives such as walking, bicycling, and public transit. As the City begins to achieve its goals for a more urban, transit-connected community, it is anticipated that its service and infrastructure cost structure will become more efficient with lower marginal costs and higher marginal benefits per resident.

### Budget Overview

Key measures for determining the City's fiscal strength are the Adopted Operating Budget, and the Adopted Capital budget, which includes the Capital Improvement Program (CIP).

According to the [2025-2026 Adopted Operating Budget](#), the 2025-2026 Adopted Operating Budget totaled \$6.25 billion for all City funds, which is 2.1% more than the 2024-2025 Adopted Operating Budget.

**Table 9 All Funds Table from Adopted Budget 2025-2026**

<b>2025-2026 Adopted Budget – All Funds</b>			
	2024-2025 Adopted	2025-2026 Adopted	% Change
General Fund	\$ 2,130,127,112	\$ 1,969,858,062	-7.5%
Special Funds	\$ 3,667,126,712	\$ 3,775,255,293	2.9%
<Less: Operating Transfers>	-\$ 1,106,073,764	-\$ 925,841,053	-16.3%
<b>Net Operating Funds</b>	<b>\$ 4,691,180,060</b>	<b>\$ 4,819,272,302</b>	<b>2.7%</b>
Capital Funds	\$ 1,444,448,234	\$ 1,444,522,665	0.0%
<Less: Capital Transfers>	-\$ 6,952,000	-\$ 7,377,000	6.1%
<b>Net Capital Funds</b>	<b>\$ 1,437,496,234</b>	<b>\$ 1,437,145,665</b>	<b>0.0%</b>
<b>Total</b>	<b>\$ 6,128,676,294</b>	<b>\$ 6,256,417,967</b>	<b>2.1%</b>

The Adopted Budget resulted in a slight (15 positions) net increase in overall positions throughout the City, from 6,994 to 7,009 full-time equivalent positions. This reflected the elimination of 31 one-time-funded positions, and the additions included 21 positions in the Housing Department, 14 positions in the Fire Department, 7 positions in the Department of Transportation, and 3 positions in other departments.

### Capital Improvement Program (CIP)

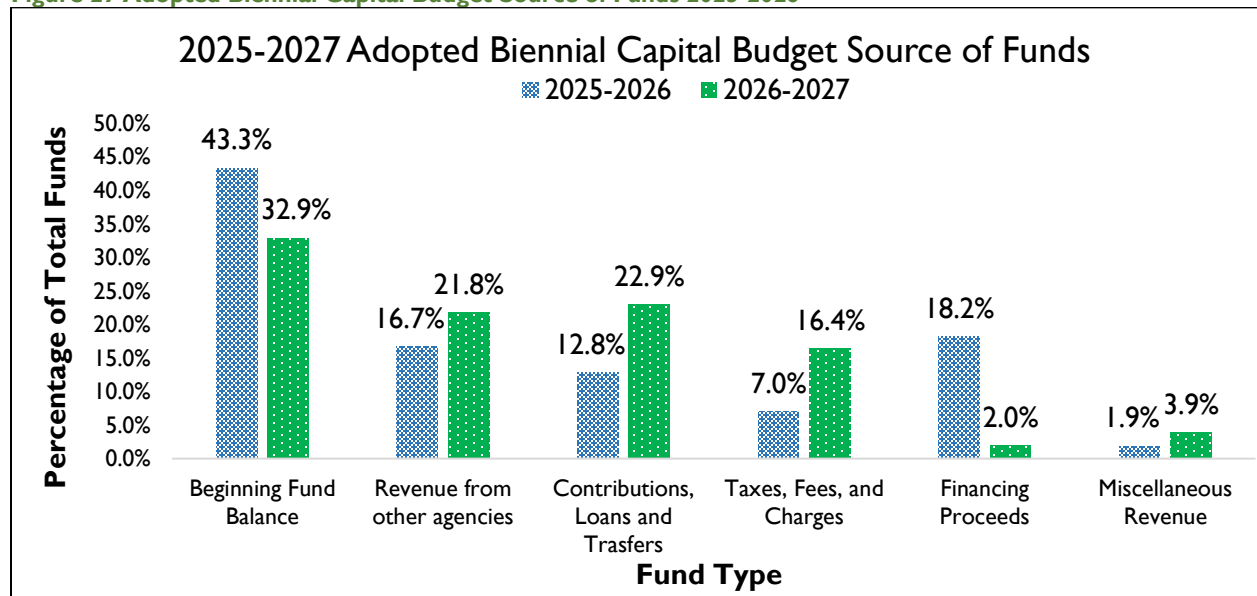
The City's Adopted Capital Improvement Program (CIP) includes 14 capital programs aligned to one of the six City Service Areas, focusing on infrastructure renovation, renewal, and expansion. This CIP provides resources to renovate, renew, and expand the City infrastructure that is essential to the day-to-day needs of our community and improves our quality of life, such as roadways, sewer collection and treatment systems, parks and sports fields, fire and police facilities, and airport facilities. Funding for the CIP comes from a variety of sources, including leftover balance from previous years, revenue from other agencies, contributions, taxes and fees, financing proceeds, and miscellaneous revenue. Some of these fees and charges can only be used to mitigate the impact of new development and cannot contribute to City services or deferred infrastructure maintenance.

New this year is the transition from a one-year to a two-year budget cycle. Given the long-term nature of planning for City infrastructure investments, a Biennial Capital Budget allows the City to highlight strategic investments planned to move forward in the first two years of the CIP. A Biennial Capital Budget ensures funding certainty for priority capital projects and allows Council and staff to focus more on long-term strategic and fiscal planning.

In this first [2025-2027 Adopted Biennial Capital Budget](#) report, the 2025-2026 Adopted Capital Budget is compared to the 2024-2025 Adopted Capital Budget. The 2025-2026 Adopted Capital Budget of \$1.44 billion reflects a 0.01% increase from the 2024-2025 Adopted Capital Budget of \$1.44 billion. Over a five-year period, the 2026-2030 Adopted CIP totals \$3.65 billion, a 7.6% decrease from the 2025-2029 Adopted CIP of \$3.95 billion, driven in part by completion of major Measure T Public Infrastructure and Safety Bond projects in the Public Safety CSA, completion of major projects in the Transportation and Aviation Services and the Environmental and Utility Services CSAs, and deferral of the Terminal A and B Ramp Rehabilitation projects at the Airport until higher passenger activities can be achieved and sustained in order to proceed with the projects.

The City's Capital Programs are supported by a variety of funding sources as shown in the figure below.

**Figure 29 Adopted Biennial Capital Budget Source of Funds 2025-2026**



## General Fund

The City's General Fund is the primary operating fund used to account for all revenues and expenditures of the City, which are not related to special or capital funds that were created for a specific purpose.

In February 2025, the City released the [2025-2026 City Manager's Budget Request and 2026-2030 Five-Year Forecast and Revenue Projections](#) documents describing the estimated budget condition of the General Fund and selected Capital Funds over the next five years. The Forecast initially anticipated an ongoing shortfall of \$45.7 million in 2025-2026. That shortfall was revised downward to \$35.6 million due to a number of combining factors, including increased estimates for Property Tax revenue and Franchise Fee revenue, a slight increase in retirement costs resulting from a lower discount for the prefunding of retirement contribution, and a handful of other minor revisions to several revenue categories and expenditure components.

City Council's approval of the [Mayor's March Budget Message for Fiscal Year 2025-2026](#) directed the City to take a multi-year approach to balancing the General Fund. The 2025-2026 Adopted Operating Budget fully met this direction by establishing a 2026-2027 Future Deficit Reserve that sets aside ongoing funding of \$28 million in 2026-2027.

## Management of 2024-2025 Budget

According to the [2024-2025 Annual Report](#), the City proactively managed approximately 140 budgeted funds in 2024-2025. Budget actions were brought forward during the year to help ensure that revenues and expenditures remained in alignment with actual performance. Through this careful management, the various City funds generally ended the year with revenues close to the budgeted estimates and expenditures below the budgeted allocations.

For the General Fund, the Ending Fund Balance of \$378.2 million was \$21.9 million above the fund balance estimate assumed when the 2025-2026 Adopted Budget was developed, but only \$1.2 million above the estimate after accounting for required cleanup/rebudget adjustments that are necessary to close out 2024-2025. The \$21.9 million variance represents 0.5% of the 2024-2025 Modified Budget for revenues and expenditures, and the \$1.2 million represents a variance of 0.03%.

For the General Fund Ending Fund Balance of \$21.9 million, the City followed City Council Policy I-18 to first consider clean-up/rebudget actions associated with the close-out of the 2024-2025 to be essentially non-discretionary and the highest priority. These cleanup/rebudget actions resulted in a net decrease to the Ending Fund Balance of \$20.7 million, bringing the total additional 2024-2025 Ending Fund Balance to \$1.2 million. The revised General Fund Ending Fund Balance of \$1.2 million is recommended to fund various required technical and rebalancing actions and actions associated with grants, reimbursements, and fee activities.

The financial results of 2024-2025 have been factored into the development of the [2026-2027 City Manager's Budget Request & 2027-2031 Five-Year Forecast and Revenue Projections](#) documents that were released on March 3, 2026.

## MAJOR STRATEGY #9 – DESTINATION DOWNTOWN

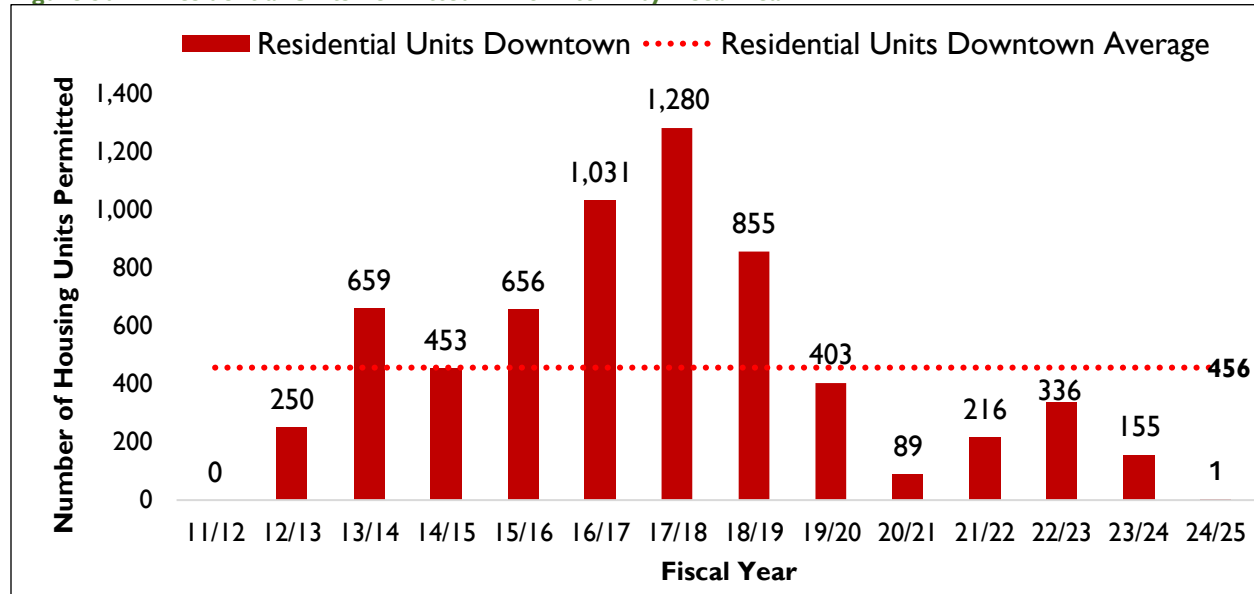
The Envision San José 2040 General Plan envisions downtown San José as the cultural heart of the city and the urban center for all of Silicon Valley, providing employment, entertainment, and cultural activities more intensely than any other area in the city. The General Plan also supports a significant amount of job and housing growth within the Downtown Growth Area, specifically, 105,809 new jobs and 27,779 new dwelling units by 2040. San José continues to work towards these goals by attracting high-density, mixed-use development and by hosting cultural and recreational activities, entertainment, and sporting events.

### Development Activity in Downtown

Downtown continued to experience residential, commercial, and transit-related development activity during fiscal year 2024–2025, although several development indicators declined from the elevated levels observed in recent fiscal years.

#### Residential Construction Activity

Figure 30 All Residential Units Permitted in Downtown by Fiscal Year



Issued building permits are indicators of construction activity. Since the adoption of the General Plan in fiscal year 2011-2012 through fiscal year 2024-2025, the City permitted 6,384 residential units Downtown, which is 18% of the citywide total. Of the units permitted, 10 were ADU units and the remaining were multifamily units. In fiscal year 2024-2025, the City permitted one residential unit in Downtown, which is 0.10% of the citywide total. The one unit permitted was an ADU unit. This is 99% less than the 155 residential units permitted in Downtown in the prior fiscal year and is 99% below the historic average of 456 residential units permitted in Downtown. As shown in the chart above, the market for high-rise housing is not as strong as in previous years. However, in 2024 City Council approved two construction incentive programs to boost production of new units. The incentives include reductions in construction taxes, inclusionary housing fees (also known as in-lieu fees), and parks fees<sup>8</sup>.

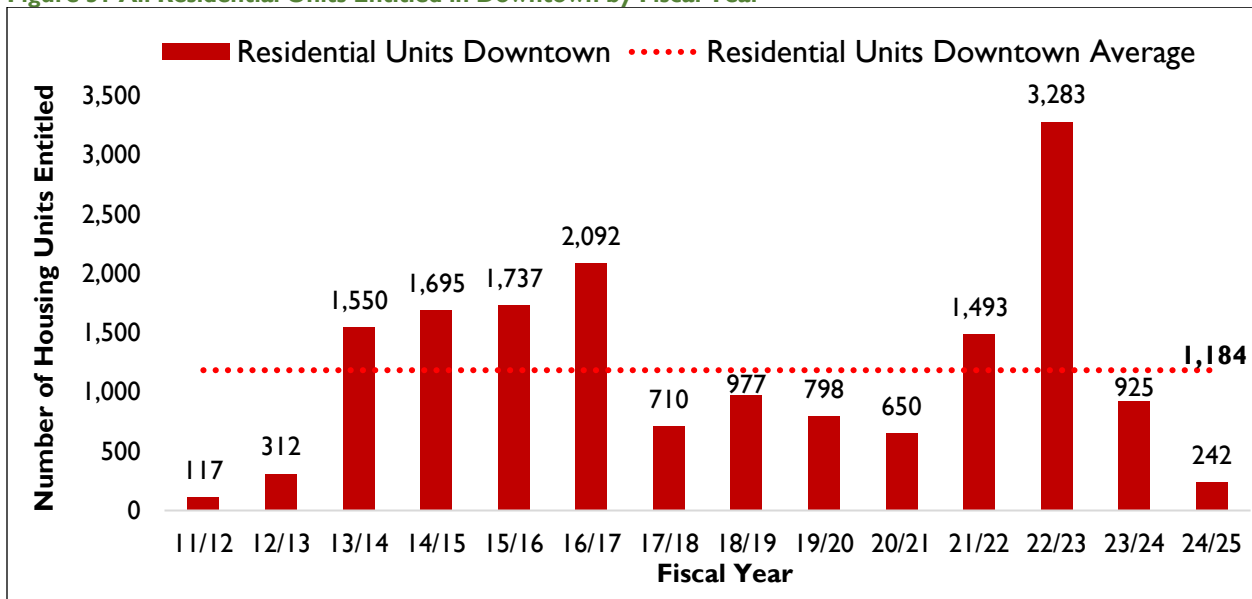
<sup>8</sup> <https://www.sanjoseca.gov/your-government/departments-offices/housing/residential-development-incentive-programs>

After four fiscal years of below-average residential permitting activity in Downtown, fiscal year 2024–2025 recorded the lowest number of permitted residential units since adoption of the General Plan, excluding the first fiscal year when no residential units were permitted in Downtown. However, two Downtown projects totaling 220 affordable and 109 market-rate residential units are anticipated to receive permits during the current fiscal year. While still below average, this would be more consistent with the level of permit activity observed over the prior four fiscal years.

One Downtown residential project completed construction during the last fiscal year, adding 336 market-rate residential units. In addition, four projects totaling 632 units are currently under construction, including 234 affordable residential units across two projects and 398 market-rate residential units across two projects.

*Residential Entitlement Activity*

**Figure 31 All Residential Units Entitled in Downtown by Fiscal Year**

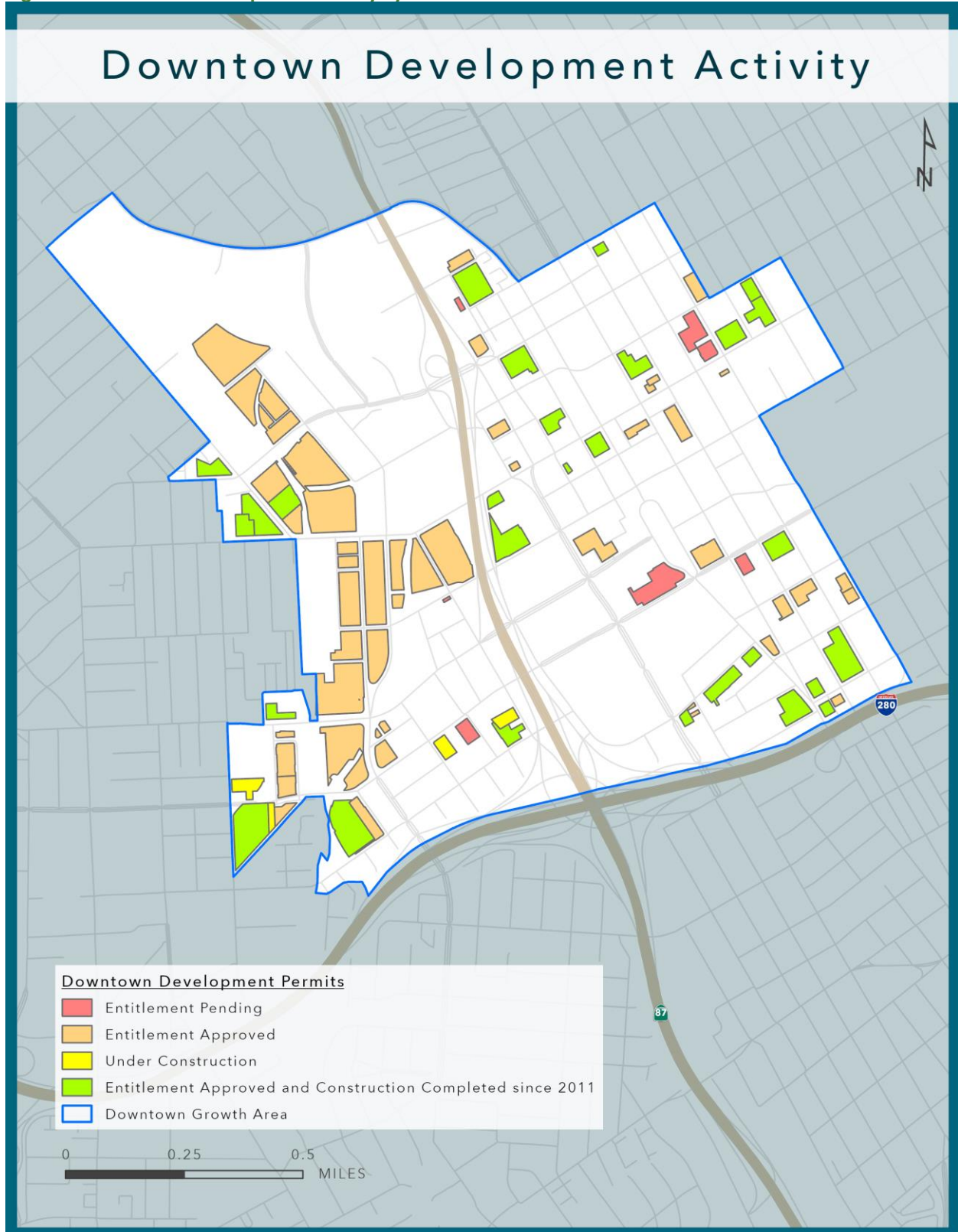


Since the adoption of the General Plan in fiscal year 2011-2012 through fiscal year 2024-2025, the City entitled 16,581 residential units in Downtown, which is 33% of the citywide total. In fiscal year 2024-2025, the City entitled 242 residential units Downtown, which is 5% of the citywide total. This is 74% less than the 925 residential units entitled in Downtown in the prior fiscal year and is 80% below the historic average of 1,184 residential units entitled in Downtown.

As of the end of 2025, for projects with 50 or more units, 7,280 residential units across 20 projects have valid entitlements and approximately 2,865 residential units across six projects are in the planning review process to be entitled.

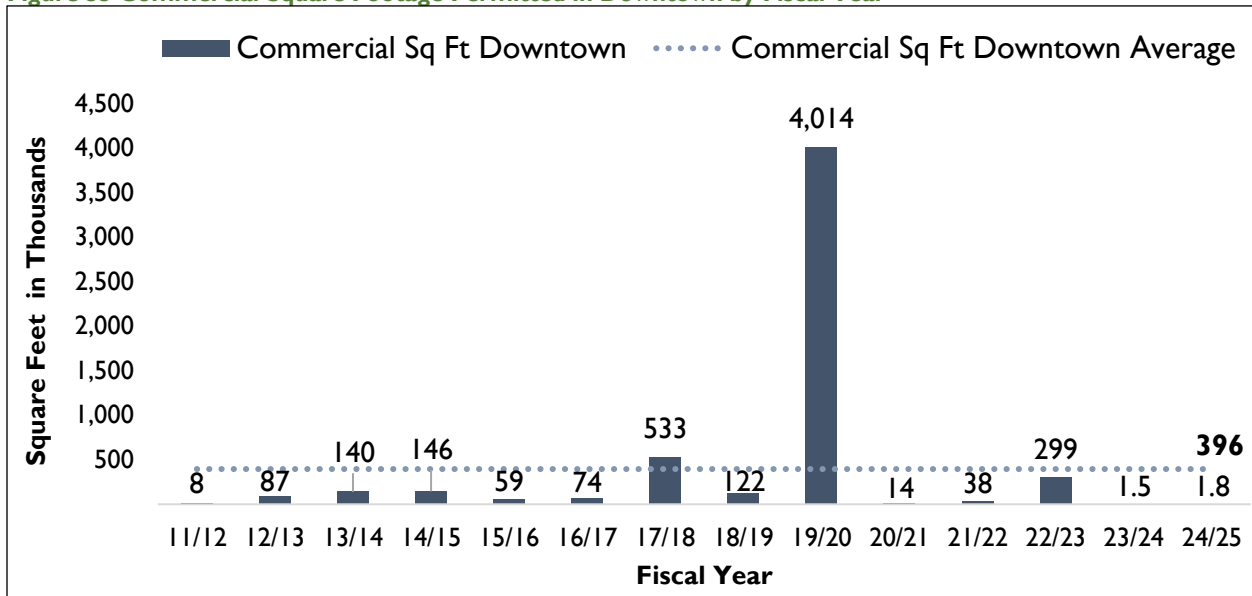
After a record high fiscal year of entitlements in fiscal year 2022-2023, entitlement activity significantly decreased in Downtown, with the last fiscal year resulting in the second lowest number of residential units entitled since the adoption of the General Plan. For reference, overall residential entitlement in last fiscal year was also record low. However, during the first six months of the current fiscal year, 1,477 residential units were entitled in Downtown. Combined with the continued presence of residential projects in the entitlement pipeline, this may indicate that the recent decrease in residential entitlements reflects normal year-to-year fluctuation and changes in the economic and construction markets.

Figure 32 Downtown Development Activity by Status



*Commercial Construction Activity*

**Figure 33 Commercial Square Footage Permitted in Downtown by Fiscal Year**



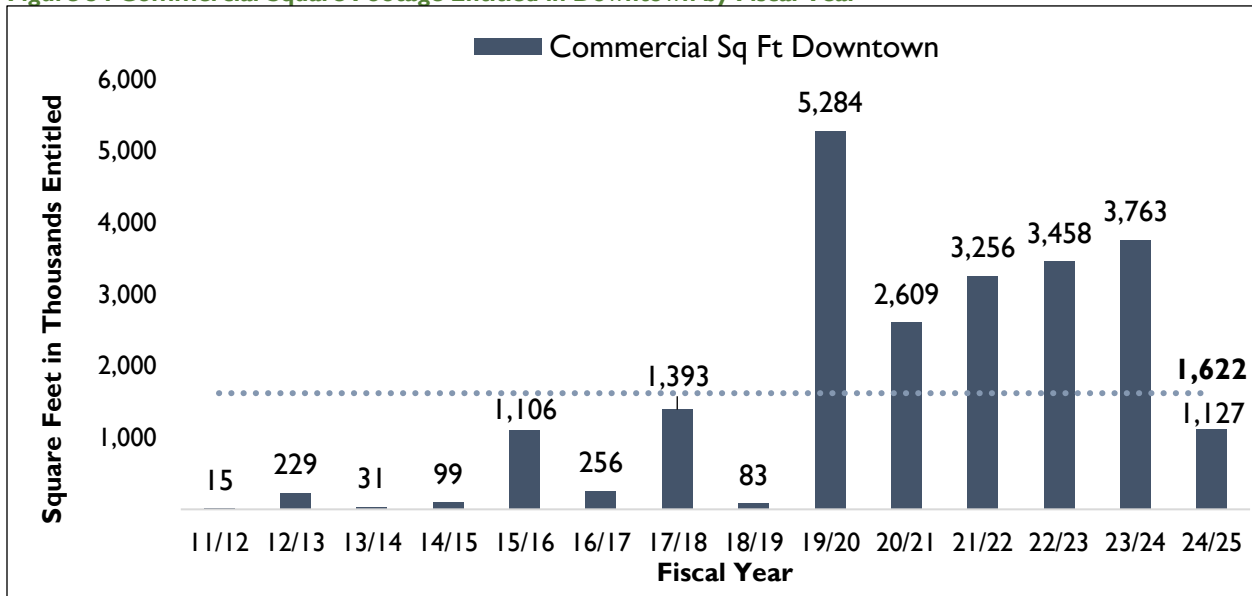
Since the adoption of the General Plan in fiscal year 2011-2012 through fiscal year 2024-2025, the City permitted 5.5 million square feet of commercial space in Downtown, which is 19% of the citywide total. In fiscal year 2024-2025, the City permitted 1,800 square feet of commercial space in Downtown, which is 0.2% of the citywide total. This is 23% more than the 1,500 square feet of commercial space permitted in Downtown in the prior fiscal year and is 99% below the historic average of 396 thousand square feet of commercial space permitted in Downtown. Post fiscal year 2019-2020, commercial square footage in the downtown area declined sharply after reaching a peak of approximately 4.0 million square feet, far exceeding the long-term downtown average of 396,000 square feet.

The last two fiscal years had the lowest levels of commercial square footage permitted in Downtown since the adoption of the General Plan. However, one Downtown project totaling 35,000 square feet of commercial space is anticipated to be permitted in the current fiscal year. While this would represent an increase compared to the last two fiscal years, it would still remain well below historic average levels.

One project completed construction of commercial space Downtown during the last fiscal year, adding 144,577 square feet of hotel space with 175 hotel rooms. There is currently no commercial square footage under construction Downtown.

**Commercial Entitlement Activity**

**Figure 34 Commercial Square Footage Entitled in Downtown by Fiscal Year**



Since the adoption of the General Plan in fiscal year 2011-2012 through fiscal year 2024-2025, the City entitled 22.7 million square feet of commercial space in Downtown, which is 50% of the citywide total. In fiscal year 2024-2025, the City permitted 1.1 million square feet of commercial space in Downtown, which is 45% of the citywide total. This is 70% less than the 3.7 million square feet of commercial space entitled in Downtown in the prior fiscal year and is 31% below the historic average of 1.6 million square feet of commercial space entitled in Downtown. Additionally, the Google Downtown West project plans for up to 7.3 million square feet of commercial space.

As of the end of 2025, for projects with 25 thousand or more square feet, 4.6 million square feet of commercial space across nine projects have valid entitlements and approximately 3.5 million square feet of commercial space across four projects are in the planning review process to be entitled in Downtown.

After five fiscal years of well above-average levels of entitled commercial square footage in Downtown, entitlement activity experienced a significant drop in the last fiscal year. During the first six months of the current fiscal year, 522,000 square feet of commercial space was entitled in Downtown, and a significant amount of additional commercial square footage remains under review. As a result, the current fiscal year could potentially end with above-average commercial entitlement activity.

While the list of valid entitlements reflects significant potential for future commercial development, relatively few entitled projects have advanced to the construction phase over the last several fiscal years.

**Office Vacancy**

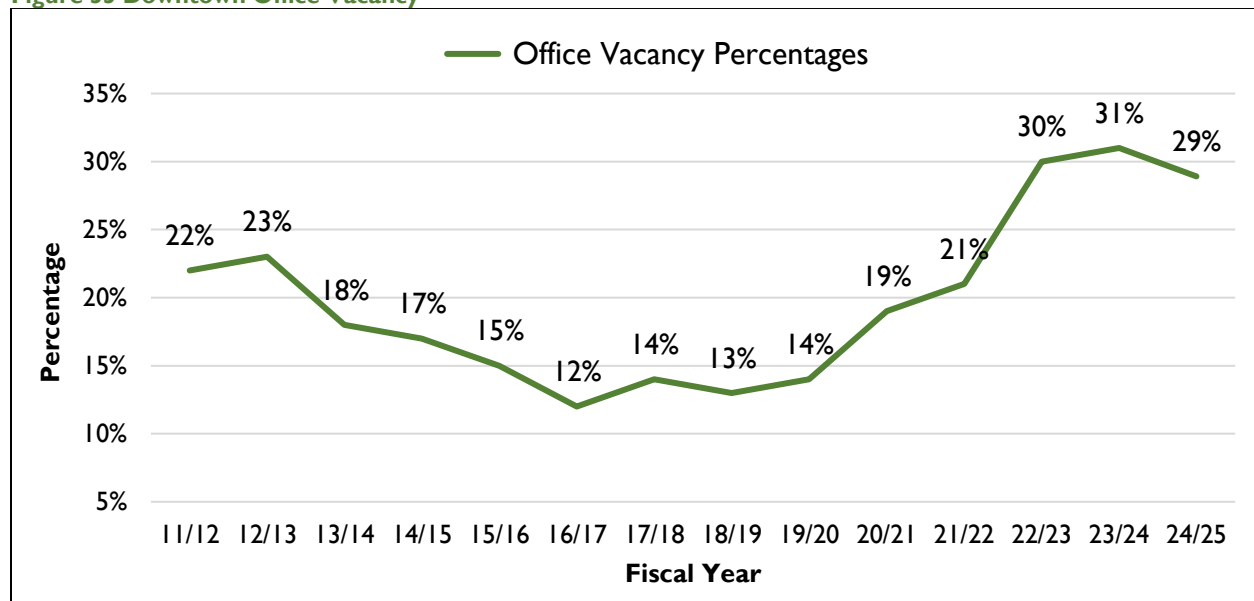
Downtown San José is the most significant downtown in the South Bay and Silicon Valley. San José’s downtown office market is roughly 11 million square feet. The Downtown office vacancy rate declined from a high of 23% in fiscal year 2012–2013 to a low of 12% in fiscal year 2016–2017. Vacancy later increased back into the 20% range during the COVID-19 pandemic as many tenants reduced office space under hybrid work arrangements. Vacancy increased again in fiscal year 2022–2023 following completion

of a large office building that initially opened without tenants. This past fiscal year the office vacancy percentage fell slightly from a record high of 31% to 29%.

While vacancies are high, significant new occupants are in the pipeline. For example, Valley Transportation Authority (VTA) purchased the 380 thousand square foot office tower at 488 S. Almaden Boulevard in 2025 to serve as their new headquarters. They would occupy approximately half of the building, with anticipated move-in at the end of 2026, and lease out the remaining office space. The City’s Downtown Office Incentive Program is also attracting other new tenants in Downtown.

Two prospective office-to-residential conversion projects could reduce the overall office space supply and reduce overall office vacancy in Downtown.

**Figure 35 Downtown Office Vacancy<sup>9</sup>**



### Caltrain Electrification

Caltrain began running two electrified trains in August 2024 and added new electric trains every week until September 2024, when Caltrain officially launched fully electrified service between San José and San Francisco. Riders from stations south of Tamien Station, where the corridor is not owned by Caltrain and not electrified, continue to ride on diesel trains up to Diridon Station where they can transfer to an electric train to continue north, and vice versa. Eventually Caltrain plans to equip their electrified trains with batteries that would allow them to continue south of Tamien Station and back.

The official launch introduced a new service schedule, with trains arriving every 15 to 20 minutes during peak hours at 16 stations. Weekend service also improved, with all stations now served every 30 minutes compared to every 60 minutes previously. Express service between San José and San Francisco was reduced to less than one hour, compared to 65 minutes previously. Following these service improvements, Caltrain’s estimated average weekday ridership in August increased approximately 62% compared to the prior year, rising from 24,762 to 39,986 passengers as riders continued returning to the system for both work and leisure travel.

<sup>9</sup> Source: Cushman and Wakefield. Data for each fiscal year is based on Quarter 2 (April- June) data for end year of the fiscal year.

The electrified trains reduce Caltrain's carbon dioxide emissions by 250,000 metric tons every year. Noise pollution is also reduced. The new trains feature amenities like Wi-Fi, digital displays, more power outlets, baby-changing tables in bathrooms, and more.

### **BART Silicon Valley Phase II Extension**

The VTA's BART Silicon Valley (BSV) Phase II Extension Project will extend BART regional rail service six miles from the Berryessa/North San José Station into downtown San José and terminate in the City of Santa Clara. It will include three below-ground stations in San José, 28th St/Little Portugal, Downtown, and Diridon Station, and one at-grade station in Santa Clara adjacent to the Santa Clara Caltrain Station. Most of the alignment in San José will be underground in a single-bore tunnel containing side-by-side tracks.

The Project is currently estimated at \$12.7 billion. VTA applied for funding from the Federal Transit Administration (FTA) and was accepted into the FTA's New Starts Engineering program in August 2024 with a 40% commitment (\$5.1 billion). That is the largest commitment outside of New York City in FTA history but is also \$1.2 billion less than VTA strived for. Subsequently, VTA allocated \$502 million from available Measure A funding to the project, reducing the funding gap to \$700 million. VTA is applying for two state grants that would amount to up to \$100 million if awarded. VTA is analyzing other ideas to bring project costs down.

VTA created the Thriving Business Program to support small businesses during BSV construction. In 2023, VTA's Board of Directors approved \$15 million to be utilized towards the program over five years. Through the program, VTA can assist eligible businesses in three ways: marketing, local resources, and direct financial assistance. Marketing assistance will be in the form of promotional materials (both physical and digital, e.g., banners, window clingers, websites, social media coverage, etc.) developed by VTA. Local resources refer to VTA partnering with community-based organizations to provide education to small businesses, such as on grant opportunities, marketing strategies, etc. VTA also could provide direct financial assistance to a qualifying business, up to \$10,000 per year.

### **Diridon Integrated Station**

Electrified Caltrain, BART, and High-Speed Rail service will add to the trains, buses, and light rail that currently serve San José Diridon Station. The City of San José has also adopted plans for substantial transit-oriented development near the station, which would bring thousands of new jobs and residents to the area. With these changes, Diridon Station is poised to become one of the busiest intermodal stations on the West Coast. The partnering agencies – including California High-Speed Rail Authority, Caltrain, Santa Clara Valley Transportation Authority, Metropolitan Transportation Commission and the City of San José – are working together on a plan to expand and redesign Diridon Station to be a world-class center of transit and public life that provides smooth connections between modes and integration with the surrounding neighborhoods.

In fiscal year 2024-2025, the partnering agencies developed three station design alternatives – an at-grade option, an elevated option, and a stacked option – to reduce impacts and costs while continuing to prioritize customer experience. In May 2025, the Diridon Station Steering Committee accepted the staff recommendation of the partnering agencies to advance the at-grade station alternative and the Diridon program for environmental review, the next phase of work. The at-grade alternative would rebuild the station with the tracks and platforms at approximately street level, consistent with their current vertical alignment.

### Diridon Station to Airport Connector

The Mineta San José International Airport Connector is a proposed transit project linking the airport to Diridon Station and future BART service.

The system would use Glydways autonomous, electric pod technology operating along dedicated guideways. Unlike traditional transit, the pods provide on-demand, direct, and non-stop service, reducing travel times and improving rider experience.

The project is envisioned as the first step toward a larger system that could move people across San José and neighboring cities without traffic delays.



Image 15: Prototype electric, automated transit pods

Identified in the General Plan as a regional priority (Policy IE-4.3), the Connector also ranks among the 14 eligible projects in VTA's 2000 Measure A sales tax program. In March 2025, City Council unanimously approved advancing next steps through a public-private partnership. The project is anticipated to start construction in 2027.

### Cultural, Entertainment, and Visitor Activity

Downtown San José is the hub of San José's civic and cultural attractions, including City Hall, the Martin Luther King Jr. Library, the Convention Center, the San José Arena/SAP Center, multiple museums, numerous theaters, public art pieces, and outdoor gathering venues. The South First Area (SoFA) cultural district is also located within the downtown area, which is home to multidisciplinary art organizations of all sizes and commercial arts-based businesses.



Image 16: Downtown San José Block Party with DJ Fisher

Many cultural events and festivals add to the vibrancy of the downtown, such as Christmas in the Park, the San José Jazz Summerfest, and the annual Silicon Valley Turkey Trot. According to the Office of Cultural Affairs' 2024 and 2025 Events Calendar, San José hosted 113 outdoor events in downtown in FY 2024-2025. These 113 outdoor events attracted almost 2 million people over 378 event days, which was 100 more event days than the previous fiscal year.

Some notable events in this last fiscal year were NVIDIA GTC Conference, VivaCalle, Winter Wonderland, Christmas in the Park, Music in the Park, Pumpkins in the Park, SubZERO Festival, SJ Jazz Summerfest, Fountain Blues and Brew Festival, SoFA Street Fair, Silicon Valley Pride Festival and Parade, Veterans Day Parade, the Levitt Pavilion concert series, and numerous run/walk events.

## MAJOR STRATEGY #10 – LIFE AMIDST ABUNDANT NATURAL RESOURCES

Major Strategy #10 emphasizes the crucial role of preserving and nurturing one of San José's most notable attributes: easy access to the outdoors. The strategy identifies goals for promoting an active lifestyle and prioritizing residents' quality of life by supporting and enhancing the equitable distribution, development, and accessibility of an exceptional park system, trails, and community centers.

San José's commitment to enhancing the quality of life for its residents is exemplified through the projects and programs of the Department of Parks, Recreation, and Neighborhood Services (PRNS) and Department of Transportation (DOT). The discussion below elaborates on how the General Plan's goals related to the Major Strategy #10 are being implemented by PRNS. In addition, refer to Major Strategy #11, which includes highlights of trails.

The details of these Goals and Policies can be found in the [Envision San José 2040 General Plan](#).

### Goal PR-1 High-Quality Facilities and Programs

San José desires to provide high quality parks and recreation facilities and programs that meet the needs of its residents. San José recognizes that great cities should have great parks and that the City should have standards for the provision of minimum parkland acreages and that its parks should be carefully designed and located to address local community demographics, needs, and interests.

The General Plan establishes service level objectives for parks, recreational facilities and community centers, which are provided in the table below. The actual service level column reflects updated data for the last fiscal year, and the estimated service level column reflects estimated data for the current fiscal year. These service level ratios are based on a current City population of 979,415, representing an increase of 14,300 residents over the previous year.

**Table 10 Parkland Acreage per Resident**

General Plan Park Acreage Policy Objectives	Actual Service Level as of 06/30/25	Estimated Service Level 2025-26	Estimated Service Level 2025-2029
3.5 acres of neighborhood and community recreational lands per 1,000 population	3.2	3.2	3.1 (Acres)
7.5 acres of regional/city parklands per 1,000 population (valley floor)	17.7	17.5	17.5 (Acres)
500 square feet of community center floor area per 1,000 population	552.2	544.3	544.3 (sq. ft.)

### Goal PR-2 Contribute to a Healthful Community

PRNS provides services that promote community safety, cleaning and restoring neighborhoods, elderly health, youth engagement, and food initiatives that contribute to a Healthful Community.

The 2025 Community Impact Report shows continued systemwide delivery across parks and recreation services. PRNS reported program outcomes showing that 82% of participants say services help older adults live more independently, 81% of children in afterschool and summer camp programs make healthier choices, and 75% of recreation participants report increasing their physical activity to at least 2.5 hours per week.

**Recreation:** In fiscal year 2024-2025, PRNS provided over 2,100 scholarships totaling \$1.5 million to help families send kids to Camp San José, Camp San José Jr., and Fit Camp during the summer, enroll them in R.O.C.K. Afterschool programs during the school year, register them in San José Recreational Preschool, sign them up for Aquatics swim lessons, and participate in other leisure activities. Ninety percent of parents said recreation programs improved their child's quality of life, and 94% of participating seniors said the Senior Nutrition Program helps them stay healthy. Additionally, the City of San José offers \$10 swim lessons, free swim days, and afterschool and summer camp programs that support children and working families.



Image 17: Senior Nutrition Program staff in Halloween costumes ready to serve senior residents

**Community Services:** Youth Intervention Services operates seven programs in partnership with community organizations powered by PRNS. These programs effectively utilize various community resources to promote positive behavior to counter the negative influences gangs have on youth. Additionally, Project Hope is an innovative neighborhood engagement and empowerment program that aims to improve the quality of life in the City of San José by promoting the creation of neighborhood associations in underserved areas stressed by crime, blight, and violence. Project Hope's Neighborhood Academy trains and supports neighborhood associations in seven San José council districts to lead monthly meetings, advocate for resources and services, host events, and actively engage with City departments and partners to address issues in their neighborhoods. PRNS community centers hosted cultural programming such as Día de los Muertos, Lunar New Year, and Nowruz. Older adults used these spaces for meals, classes, friendship, and support. In addition, 79% of participants reported feeling more connected to community resources through PRNS recreation programs.

**Neighborhood Improvement:** The [Beautify SJ](#) initiative aims to encourage neighborhood clean-up efforts, beautification projects, and neighborhood engagement opportunities. A new Neighborhood Engagement Model through BeautifySJ equips residents with tools and connections to create cleaner, safer neighborhoods. The 2024 Annual Neighborhoods Conference drew over 250 residents, quarterly forums strengthened relationships between neighbors and City staff, and PRNS reported engagement in 190+ neighborhoods.

**Capital Projects:** In fiscal year 2024-2025, PRNS delivered 14 new parks and major renovations during the reporting period, reflecting continued investment in park facilities, recreation assets, and neighborhood-serving public spaces. PRNS opened the 5.2-acre Riverview Stormwater Garden, Bruzzone Park, Mercado Park, The Beautiful Way Park, and Tsugio Fujimoto Park. Additionally, new park naming included Elizabeth P. Boyer Park and Brickyard Park.



Image 18: Heinleville Park Ribbon Cutting

Significant major renovations included installing shade structures, removing and replacing a ramp leading to the Basking Ridge Park, resurfacing the sport court and retrofitting the playground at De Anza Park, repairing two bridges, renovating the Fair Swim Center's swimming pool, improving the Camden Community Center and Kirk Community Center to operate as shelters in case of an emergency, and

improving the community gathering areas and playground equipment for all ages and abilities at the Almaden Lake All-Inclusive Playground.

### Goal PR-3 Provide an Equitable Park System

The [ActivateSJ Strategic Plan](#), adopted in 2020, is the guiding document for PRNS to maintain, improve, and expand facilities, programs, and services within the City of San José. The Plan includes the equity guiding principle “We embrace people of all ages, cultures and abilities” and has a goal of achieving a 10-minute walk to a quality park for all San Joséans.

To align with the ActivateSJ 10-minute walk goal, in October 2023 the City of San José pledged commitment to the [Trust for Public Land 10-Minute Walk Program](#), which is a network of U.S. cities aiming to expand access and green spaces for everyone. Each year the Trust for Public Land ranks 100 cities with a [ParkScore Index](#), which compares 100 U.S. cities based on park acreage, access, investment, amenities, and equity in parks. In the [San José 2025 ParkScore Index](#) report, the City of San José ranked 41st out of 100 U.S. cities. The report found that 79% of San José residents live within a 10-minute walk of a park, and that residents in neighborhoods of color have access to the same park space per person as the city’s average neighborhood and 5% more than those in white neighborhoods, though access can vary depending on specific race/ethnicity.



Image 19: Retrofitted playground at De Anza Park

### Goal PR-4 Community Identity

PRNS contributed to Community Identity by activating neighborhood parks by hosting Viva Parks events and Viva CalleSJ events. Viva Parks is a series of free events held at City parks that promote health and wellness resources, physical activity, and community involvement by uniting neighbors, visually transforming the park with positive programming, increasing usage, and providing neighborhood resources. Viva CalleSJ is the City’s premier open streets program that temporarily closes miles of San José streets to bring communities together to walk, bike, skate, play, and explore the city like never before. 90% of Viva Parks attendees say the events increase their sense of belonging, while 76% of Viva CalleSJ attendees say they feel more connected to the community at events. PRNS also has ongoing placemaking partnerships, including work at St. James Park, where yoga and movie nights are helping reshape the park’s identity and support future activation.



Image 20: Viva CalleSJ in East San José

### Goal PR-5 Grand Parks

PRNS continued advancing the City’s grand parks and natural-resource assets through stewardship, habitat support, and public-facing nature programming. The Resilience Corps served as a workforce and maintenance strategy with more than 30 participants hired into full-time roles since the program launched in 2021. Park Rangers engaged 3,600+ people through nature-based programming, volunteers

supported 33 native gardens now present in 15% of San José's parks, and PRNS planted 300+ new trees in parks.

### Goal PR-6 Sustainable Parks and Recreation

PRNS incorporated native plants and trees at Fujimoto Park as part of the design for the previously undeveloped site, including native Live Oak trees, native plantings, and a small pollinator garden.

Solar lighting was installed at Children of the Rainbow Park and by using renewable energy to light up our parks, PRNS is able to eliminate grid reliance, reduce carbon emissions, and minimize costs of maintenance. At the Penitencia Creek Dog Park, both the large and small dog park areas were resodded which significantly reduces the amount of waste and consumption the department would incur.

Modernization efforts at Emma Prusch Farm Park also began in the small animal area and pasture. These improvements focus on animal care standards, operational efficiency for maintaining animal enclosures, and improved animal security and safety.



Image 21: Emma Prusch Farm Park All Inclusive Playground

### Goal PR-7 Interconnected Parks System

Construction of a 0.5-mile segment of the Coyote Creek Trail from Mabury Road to Empire Street was completed, enhancing connectivity between the Berryessa BART station and Watson Park. Following this completion, design is underway to further extend the trail from Watson Park to Julian Street, improving further connections to Downtown, the nearby high school, and the surrounding neighborhoods.

Additionally, construction of a 0.5-mile segment of the Coyote Creek Trail between Phelan Avenue and Tully Road was also completed, extending regional connectivity further south toward Morgan Hill.

The Five Wounds Trail is currently in the master planning phase and will provide a connection from Story Road to Santa Clara Street, linking the planned Little Portugal BART station area to Happy Hollow Park & Zoo.

### Goal PR-8 Fiscal Management of Parks and Recreation Resources

For fiscal year 2024-2025, the Parks and Community Facilities Development (P&CFD) Capital Improvement Program (CIP) budget allocated \$184,717,738 and a capital budget of \$216,850,170. The budget report also notes \$4.8 million in minor capital repairs and upgrades, a 35% increase in time spent fixing irrigation systems, and continuing reliance on grant revenue across capital, parks, recreation, and community services.

PRNS continues to face \$554 million in aging infrastructure, limited maintenance staffing, and growing demand for services. As a result, this section remains substantively consistent with the prior draft: the scale of deferred maintenance continues to exceed available resources, and long-term fiscal sustainability will require continued innovation, partnerships, and policy support.

### Goal TN-I National Model for Trail Development and Use

San José has one of the nation's largest urban trail networks with 66.9 miles of trails composed of Core and Edge trail systems. Linkages to rural trails within San José's regional parks and open spaces

contribute further to the recreational amenities available in the region. Several of these trail systems are recognized as part of regional, state, and national systems.

### **Goal TN-2 Trails as Transportation**

ActivateSJ, Trail Program Strategic Plan, Envision San José General Plan, and Better Bike Plan 2025 all support further development of trails with the goal of an interconnected 100-mile urban trail network and 30 miles of hiking trails. See Major Strategy #11 for more details of the Trails program.

### **Goal TN-3 Accessible, Safe, and Well-Functioning Trails**

Winter storm events caused erosion and damage along the Los Gatos Creek Trail between Meridian Avenue and Leigh Avenue. PRNS completed necessary repairs and safely reopened the trail to the public.

The Lower Silver Creek Class I trail project, between S. Sunset Ave and Dobern Avenue, advanced to regulatory review, with the Jurisdictional Delineation Report submitted to the U.S. Army Corps of Engineers.

Design is underway for the Guadalupe River Trail from Sharks Way to Julian Street. This segment runs adjacent to the Sharks parking lot and proposed improvements include a new crossing at Sharks Way, a new ramp connection at Julian Street, and modifications to the existing sound wall along Julian Street.

Design is also in progress for the Guadalupe River Trail segment between Branham Lane and Chynoweth Avenue, funded by Measure B funds. Proposed improvements include paving the existing gravel path around the percolation pond and constructing a new Class I bike trail connection to Branham Lane. The project also received a \$1 million federal earmark secured by Congressman Jimmy Panetta to support project development.

## MAJOR STRATEGY #11 – DESIGN FOR A HEALTHFUL COMMUNITY

Major Strategy #11 encompasses a broad set of initiatives aimed at fostering a healthy community. It establishes a policy framework that supports active lifestyles – encouraging walking and biking, expanding access to a diverse network of parks, trails, and recreational facilities, improving access to healthy food, and ensuring the availability of healthcare and safety services.

This chapter highlights how the General Plan’s goals under Major Strategy #11 are being implemented through Department of Transportation (DOT) programs. For additional context, see Major Strategy #6 for transportation plans and projects that promote walking and biking, and Major Strategy #10 for efforts led by the Department of Parks, Recreation, and Neighborhood Services (PRNS) to provide and maintain parks, trails, and community recreation programs that support active living.

The City also advances community health through its climate goals, recognizing the link between reducing air pollution and improving quality of life. *Climate Smart San José*, adopted in 2018, outlines the City’s pathway to meeting the targets of the Paris Agreement. Together with the Land Use and Transportation chapter of the *Envision San José 2040 General Plan*, it establishes long-range policies for a safe, efficient, and sustainable transportation system. General Plan Policy TR-1.3 sets a target of reducing drive-alone trips to no more than 45% by 2030 and 25% by 2040, with corresponding increases in other travel modes.

As reflected in the charts below, the City continues to prioritize reducing reliance on single-occupancy vehicles while increasing the use of alternative modes. Although public transit ridership has not increased over the past five years, there has been growth in carpooling, ridesharing, and walking in recent years. Changes in work patterns, including more remote work, have also led to an increase in shorter, neighborhood-based trips, further supporting walking. The City is actively working to build on these trends and improve overall mode share outcomes.

**Table 10 Mode Split Goals for 2030 and 2040**

Mode	All Trips Starting and/or ending in San José	
	2030 Goal	2040 Goal
Drive Alone	No more than 45%	No more than 25%
Carpool/ Shared Mobility	At least 25%	At least 25%
Transit	At least 10%	At least 20%
Bicycle/ Micro-mobility	At least 10%	At least 15%
Walk	At least 10%	At least 15%

**Table 11 San José Mode Split in 2019, 2022, and 2023**

Mode	All Trips Starting and/or Ending in San José <sup>10</sup>			
	2019	2022	2023	2024
Drive Alone	74%	76%	71%	69%
Carpool/ Shared Mobility	15%	14%	13%	16%

<sup>10</sup> Citywide mode split was derived from Replica’s location-based big data and the U.S. Census Bureau’s American Community Survey commute-to-work data.

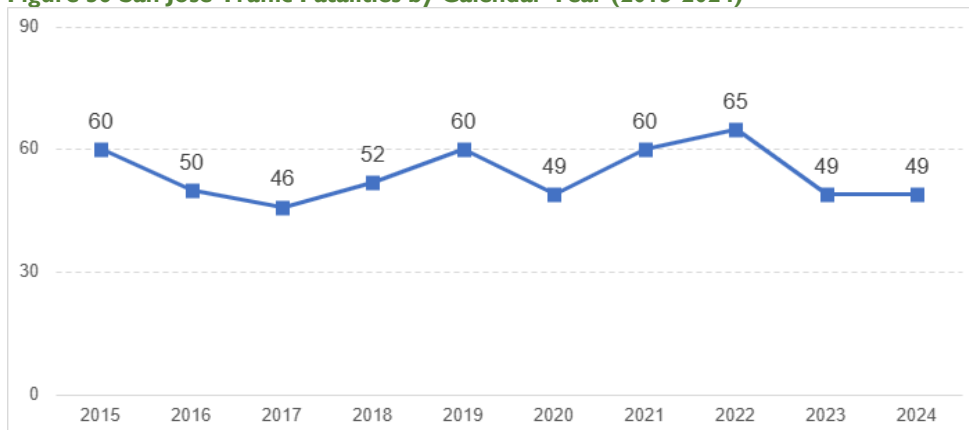
<b>Transit</b>	2%	1%	<1%	<1%
<b>Bicycle/ Micro-mobility</b>	<2%	2%	1%	1%
<b>Walk</b>	7%	7%	15%	14%

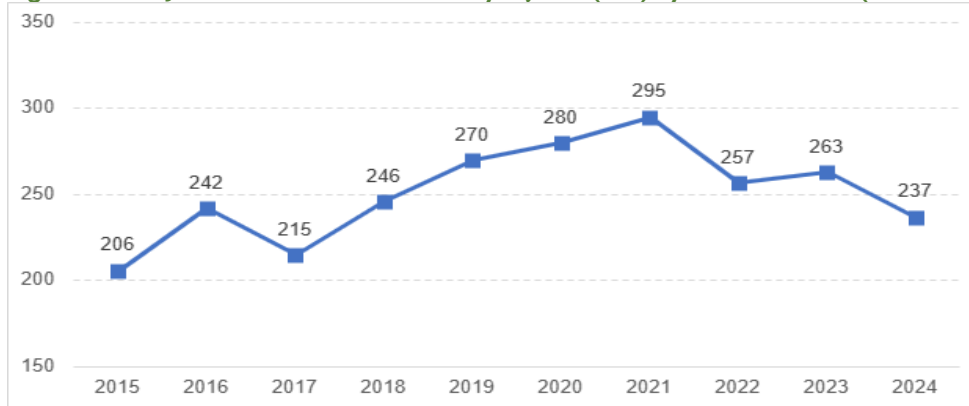
### Vision Zero

[Vision Zero](#) is a nationwide program adopted by the City in 2015. The goal of Vision Zero is to reduce and eventually eliminate traffic deaths and severe injuries. General Plan Action TR-9.23 calls for implementing Vision Zero strategies to eliminate all traffic fatalities and severe injuries, significantly reduce injury crashes, and create safe and comfortable walk and bike environments. In February, the City Council adopted the 2025 Vision Zero Action Plan, San José’s fourth, strengthening this commitment through updated strategies, equity-focused initiatives, and alignment with national best practices. The plan sets a clear target: a 30% reduction in fatal and severe injuries by 2030, with the goal of eliminating them by 2040.

Annual traffic fatalities have fluctuated over the past decade, peaking at 65 in 2022 before declining to 49 in 2023 and 2024 (Figure 36). Killed and severely injured (KSI) traffic incidents, which include fatalities from Figure 36, peaked during the COVID-19 pandemic with 280 in 2020 and 295 in 2021, before declining to 237 in 2024 (Figure 37). While both crash types now show a downward trend, the number of KSI crashes remain a serious safety concern. Building on the past 10 years of efforts primarily focused on fatalities, the City is expanding and focusing its Vision Zero initiatives to address both fatalities and severe injuries. Targeted actions to reduce speeding, improve vulnerable road users’ safety, and enhance overall roadway safety are central priorities.

**Figure 36 San José Traffic Fatalities by Calendar Year (2015-2024)**

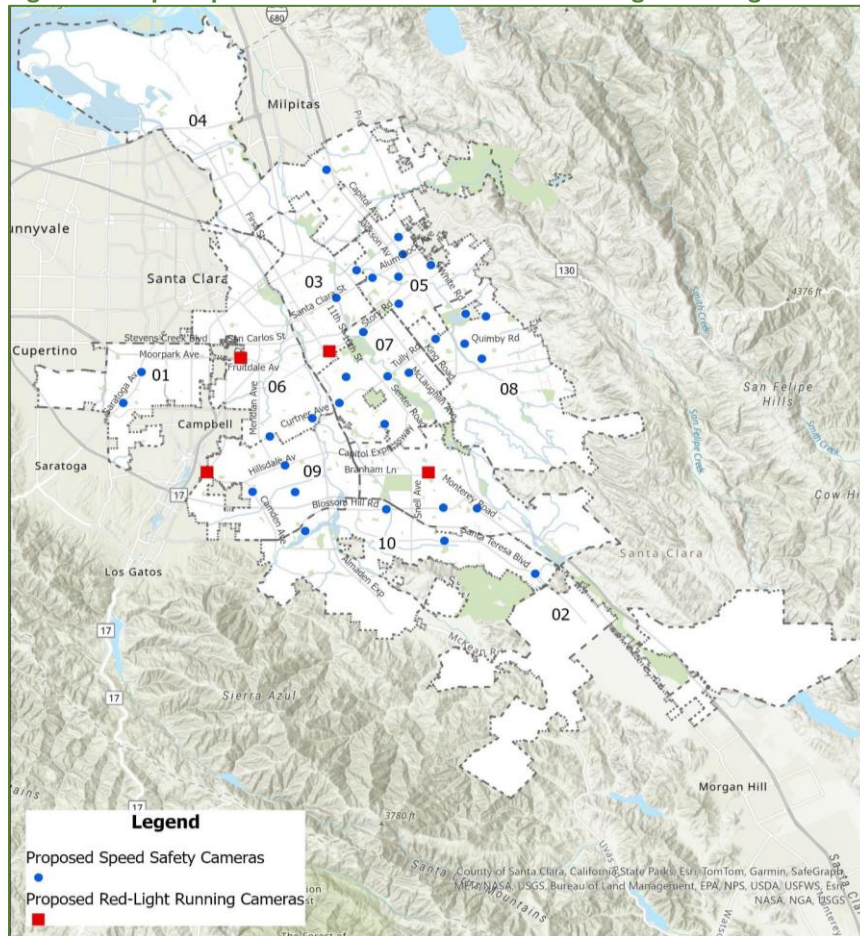


**Figure 37 San José Traffic Killed or Severely Injured (KSI) by Calendar Year (2015-2024)**

### Vision Zero Action Plan

The new 2025 [Vision Zero Action Plan](#) includes near-term priorities to improving data accessibility, enhancing collaboration, and supporting safety efforts through structured before-and-after project evaluations. Redesigning streets to reduce fatal and severe injury crashes is DOT's top strategy to deliver safety improvements quicker and less costly than capital projects. Quick-build projects are prioritized on Priority Safety Corridors to expedite pedestrian and bicyclist safety treatments. Quick-build improvements primarily include pavement markings, roadway signs, plastic bollards, streetlight upgrades, minor traffic signal hardware enhancements, and traffic signal timing changes. Notable accomplishments in FY 2024-2025 include:

- Completion of quick-build improvements on Moorpark Avenue from Saratoga Avenue to Boynton Avenue in fall 2024. The improvements included pavement resurfacing, reconfigured traffic lanes, protected bike lanes, high-visibility crosswalks, and radar speed display signs.
- Completion of quick-build improvements on Snell Avenue from State Route 85 to Santa Teresa Boulevard in fall 2024. The improvements included new center turn lane for safer driveway and side street access, bike lanes, high-visibility crosswalk upgrades, restricted U-turns at Snell Way, reconfigured travel lanes, and dedicated left turn pocket into a local shopping center.
- The School Safety Program completed 31 access and circulation studies, analyzing traffic flow at school parking lots and surrounding streets, students' walk and bike access, and overall traffic safety around the school areas. The program also installed 282 high-visibility school crosswalks as a proactive approach to creating safer pathways and reducing risks for students and parents walking to and from school.
- The Walk n' Roll Program worked with approximately 90 elementary, middle, and high schools throughout San José. The program provided traffic safety education through safety assemblies, bike rodeos and informational resources, as well as events designed to motivate students to try walking and biking to school. These events include Walk n' Roll Days, International Walk to School Day, and open-streets events (like Viva Escuela SJ).
- In October 2024, City Council adopted the Speed Safety System Use Policy and the Speed Safety System Pilot Program Impact Report, as required by state Assembly Bill 645. The bill allows San José – along with five other California cities – to pilot automated speed enforcement. In 2025, as part of the Speed Safety Systems, the City installed speed enforcement cameras at 33 locations and red-light cameras at four intersections.

**Figure 38 Map of speed enforcement cameras and red-light running cameras**

### Emerging Mobility Action Plan

The [Emerging Mobility Action Plan](#) (2022) is a racial equity-focused action plan to guide emerging mobility in San José. Emerging mobility includes ride-hailing, on-demand shuttles, carshare, bikeshare, and e-scooters. It also includes services on the horizon, such as automated vehicle car-sharing and automated ride-hailing services, ground-based and aerial delivery drones, and aerial drones transporting humans.

In FY 2024-2025, the City continued working closely with residents and community-based organizations in East San José, such as the *Si Se Puede Collective*, SOMOS Mayfair, and the Latino Business Foundation, to co-develop and expand e-mobility programs and services including bike sharing and e-micro transit. The City and its partners secured \$1.5M to implement those programs and services as well as build the capacity of environmentally focused community-based organizations in East San José.

### Shared Micro-Mobility

The Shared [Micro-Mobility Ordinance](#) (2019) establishes the City's requirements for operators to develop and deploy technology capacity for preventing sidewalk riding in areas of high pedestrian activities or other designated areas. Only operators complying with the sidewalk riding prevention requirements will be allowed to operate devices in the areas.

In FY 2024-2025, the City continued to work closely with the Metropolitan Transportation Commission and Lyft to expand bikeshare access in equity priority communities. The Metropolitan Transportation Commission's and Lyft's investments, combined with a grant the City secured from the California Energy

Commission's Clean Mobility Options program, will result in the deployment of 500 new e-bikes and 32 new stations in East San José. The grant will also support extensive community programming to encourage bike usage.

The City also launched a community engagement studio class with Communiversy and San José State University that will allow students and residents to co-design mobility solutions and shape bikeshare expansion. These efforts will continue to improve station coverage and accessibility in underserved areas across San José.

### Trail Network

The City has a goal to provide 100 miles of [off-street trails](#) designated for use by pedestrians, cyclists, and other non-motor vehicles. As of FY 2024-2025, 66 miles were open to the public. Notable accomplishments in FY 2024-2025 include:

- Construction of the 0.59-mile Coyote Creek Trail from Mabury Road to Empire Street was completed in March 2025. This segment crosses Coyote Creek and US 101 via a new pedestrian bridge and a new undercrossing, connecting the Berryessa BART station with Watson Park.
- Construction of the 1.39-mile Coyote Creek Trail from Phelan Avenue to Tully Road was completed in April 2025. This segment fills a critical trail gap. Of the almost 40-mile planned Coyote Creek Trail, trail users are able to ride approximately 24 miles along the Coyote Creek between Downtown San José, at William Street and Selma Olinder Park, to Morgan Hill.



Image 23: : Coyote Creek Trail, Phelan Avenue to Tully Road



Image 22: Coyote Creek Trail, Watson Park to Mabury Road

### Community Forest Management Plan

San José's community forest is a vital City asset and part of our nature-based infrastructure with a complex maintenance and management structure. The Community Forest Management Plan (CFMP) studies how we currently manage those trees and lays out a roadmap for restoring our San José community forest.

The Community Forest Management Plan (2022) includes a new tree database, the planting of 200 trees in disadvantaged communities, an analysis of the condition of the community forest, forestry management roles and responsibilities, and a strategic work plan. The City's forestry program aims to prune and maintain all street trees on a 12-year cycle and plant 1,000 trees per year. DOT and its partners plant an additional 1,000 trees annually with various collaborations and funding streams (for a total of 2,000 trees a year).

Accomplishments in FY 2024-2025 include:

- A total of 1,692 new trees were planted by the City and partner organizations.
- Pruned 3,100 trees in public medians and areas that back up to sound walls, preventing storm damage to the trees and adjacent property.

In addition, the invasive shot hole borer – a small beetle that burrows into trees and introduces a fungus known as fusarium, which can damage and sometimes kill trees – was found in the city during FY 2024-2025. Its presence has led to a significant shift in City staff efforts to protect and preserve the existing tree canopy. The City worked with the Santa Clara Agriculture Commission, the California Invasive Pest Council, the University of California Agriculture and Natural Resources Agency, University of California Cooperative Extension, and Cal Fire on best practices and a strategy to contain the invasive shot hole borer. In a worst-case scenario, this pest has the potential to impact an estimated 69,000 San José street trees, potentially causing property owners more than \$19.7 million in tree removal costs.

Figure 39 shows a map of the invasive shot hole borer infestation. The trees in red on the map were heavily infested and are planned to be treated with pesticide and fungicide to slow the spread of the infestation; the other trees on the map had lower levels of infestation. To combat the issue, \$250,000 in funding was shifted from the tree planting budget to cover mitigation costs.

**Figure 39 Map of invasive shot hole borer infestation**



## MAJOR STRATEGY #12 – PERIODIC MAJOR REVIEW

The Envision San José 2040 General Plan provides a comprehensive road map that guides the City’s growth through the year 2040. Major Strategy #12 lays out a periodic major review process to ensure that the current community context and values are reflected in the General Plan and that the achievement of key goals is closely monitored and adapted as needed. The Major Strategy requires the City to review the General Plan every four years to evaluate significant changes in the planning context and the achievement of key General Plan goals. The Four-Year Review process requires the reassembly of a community stakeholder Task Force to evaluate changes in the planning context and achievement of goals, as well as provide recommendations to staff.

### General Plan Four-Year Reviews

Since the adoption of the General Plan in 2011, two General Plan Four-Year Reviews have been completed, and a third General Plan Four-Year Review is currently underway.

The first General Plan Four-Year Review, from November 2015 to December 2016, was led by a 43-member Task Force. The major policy changes included adjusting the General Plan’s jobs to employment resident (J/ER) ratio goal from 1.3 to 1.1, reducing the planned job capacity from 470,000 new jobs to 382,000 new jobs, adopting several policies to encourage affordable housing within Urban Villages and outside of existing Growth Areas, and prioritizing planning efforts on Light Rail and BART Urban Villages.

The second Four-Year General Plan Review, from November 2019 to December 2021, was led by a 42-member Task Force. The major policy changes included removing Coyote Valley as an Employment Lands Growth Area, allowing residential uses in underutilized business corridors, eliminating the Residential Pool Policy and Growth Horizons for Urban Villages, developing objective criteria for the Signature Project policy, removing commercial space requirements for IP-5.12 affordable development projects, reallocating planned jobs to Downtown, updating the Vehicle Miles Traveled (VMT) Tier II Policy, and transitioning the Evergreen-East Hills Development Policy to the VMT Policy. Planning staff further completed Council-directed work from this Major Review period including removing commercial requirements for affordable housing citywide, updating the municipal code for Senate Bill 9 (2021) and neighborhood business districts, and making progress on the Coyote Valley Corridor Study.

The third General Plan Four-Year Review began in October 2025 and is anticipated to go through December 2027. It is led by the 11-member Planning Commission<sup>11</sup> serving as the Task Force. The current Review addresses the following:

- 1) **Increasing Residential Capacity:** Adding residential capacity beyond the General Plan’s current capacity of 120,000 units, through targeted General Plan land use designation changes, including Mixed Use Commercial parcels citywide, Neighborhood/Community Commercial parcels along The Alameda and Winchester Avenue, and parcels requiring land use designation changes to bring them into conformance with SB 1333.
- 2) **Creating Missing Middle Housing Opportunities:** Implementing the “Missing Middle” program from the current 6<sup>th</sup> Cycle Housing Element work plan by increasing density and adding multifamily use to the Residential Neighborhood General Plan land use designation citywide.
- 3) **Modifications to the Urban Village Implementation Strategy:** Updating the Urban Village planning process to reduce the number of overall plans and streamline the planning process and plan

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<sup>11</sup> For the 2025 Four-Year Review, in lieu of reconvening the original General Plan Four-Year Review taskforce, City Council approved a General Plan Amendment that designated the Planning Commission as the Task Force for the upcoming Four-Year Review.

document to more efficiently complete the planning of the remaining Urban Village areas that have not yet been planned.

- 4) **Evaluation of General Plan’s Jobs/Employed Resident (J/ER) Ratio:** Reviewing target job growth and population projections to evaluate any potential modifications to the J/ER ratio.

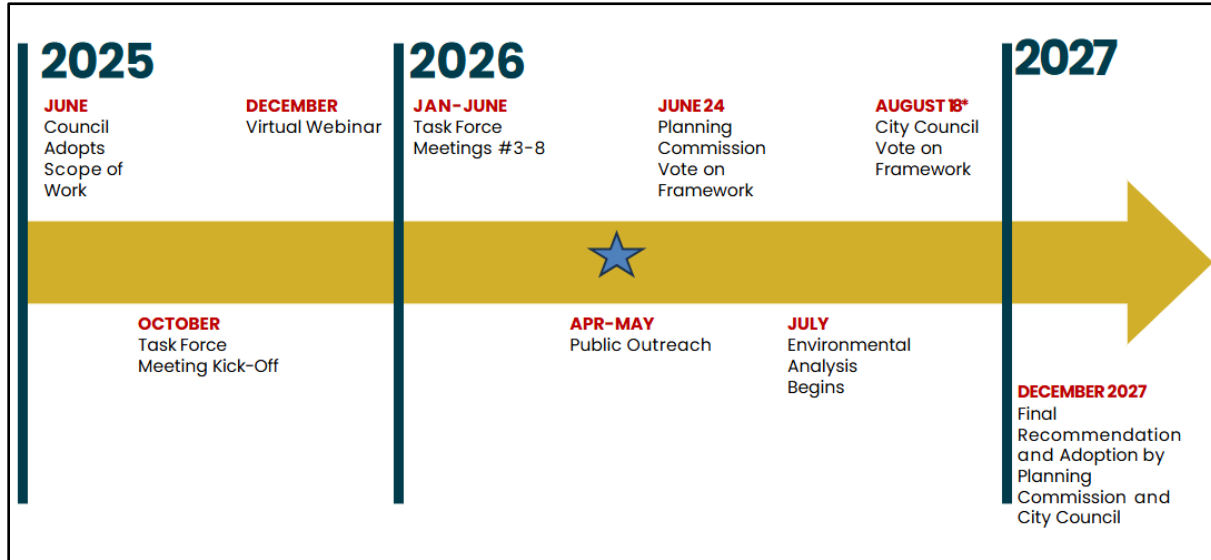


Image 24: Timeline of key dates for General Plan Four-Year Review

The Task Force meetings run through June 2026, after which staff will continue working on required environmental review under the California Environmental Quality Act (CEQA). Staff’s policy recommendations will be presented to the Planning Commission and City Council by December 2027 for approval. The figure below shows the anticipated timeline and milestones of the Four-Year Review.

### Upcoming Activities Related to the General Plan Update

California state law requires each city and county to adopt a general plan to guide the physical development of the county or city. It must include eight required “elements.” (Gov. Code § 65300). Depending on the element and other state laws (for example, Housing Element law), the General Plan must be updated from time to time. In 2024, Planning staff began work on the Tri-Element Update, updates to the Safety and Open Space elements, and the development of a new Environmental Justice element to comply with state law.

However, this work was paused to focus on the third General Plan Four-Year Review. Staff anticipate reinitiating work on the Tri-Element Update in fiscal year 2026-2027. Specific work will include the following:

- **Safety Element:** This Element will be updated by incorporating the latest safety standards, risk assessment processes, and emergency preparedness measures based on the adopted Santa Clara County Multi-Jurisdictional Hazard Mitigation Plan in 2023.
- **Open Space Element:** This Element will be updated by focusing on improving parks and open spaces and enhancing environmental sustainability consistent with the Safety and Environmental Justice Elements. Pursuant to state law, the Open Space Element will be updated to address issues related to equitable access to open space, climate resilience, and rewilding opportunities.
- **Environmental Justice Element:** This Element will identify disadvantaged communities and address environmental justice concerns through the development of strategies and policies that

facilitate public engagement, reduce health risks in environmental justice communities, and promote equitable access to recreation and other public facilities.

### **2025 General Plan Land Use/Transportation Diagram Amendments**

Per General Plan Policy IP-3.I, privately initiated General Plan Amendments are heard only during the Annual Review hearing to facilitate a comprehensive review of the cumulative implications of proposed amendments. There was no General Plan Amendment Hearing for privately-initiated General Plan Amendments in 2025 because there were no General Plan Amendments ready for hearing.

However, General Plan Policy IP-3.I also allows for one additional hearing per year for privately-initiated General Plan Amendments for 100% affordable housing projects. A General Plan Amendment Hearing for an affordable housing project was held on April 9, 2025 and May 6, 2025; the amendment approved at this hearing:

**File Number GP23-001:** A privately-initiated General Plan Amendment to change the Envision San José 2040 General Plan land use designation from Mixed Use Commercial to Urban Village on a 0.90-gross-acre site on the corner of West San Carlos Street and Cleveland Avenue.

## HOUSING

While not a Major Strategy, housing plays an integral role in the General Plan through the Housing Element, as a component of multiple Major Strategies, and through General Plan goals and policies to provide housing throughout the City to address the needs of an economically, demographically, and culturally diverse population. The following section provides a summary of progress over the last year in achieving the General Plan's housing goals.

### Housing Goals and Regional Housing Allocation

On January 29, 2024, the State's Department of Housing and Community Development (HCD) certified the City of San José's [2023-2031 Housing Element \(6<sup>th</sup> Cycle\)](#). This Housing Element covers the planning period from January 31, 2023 to January 31, 2031. By State law, every eight years, every city, town, and county must update its Housing Element and have it certified by the California Department of Housing and Community Development (HCD). At its core, a Housing Element is an opportunity for a community conversation about how to address local housing challenges and find solutions. While the Housing Element addresses a range of housing issues such as affordability, design, housing types, density, and location, it also establishes goals, policies, and programs to address existing and projected housing needs. Statewide housing needs are calculated by HCD, and the California Department of Finance (DOF) based on regional population forecasts. The Association of Bay Area Governments (ABAG) assigns the region's housing allocation to each jurisdiction, known as the Regional Housing Needs Allocation (RHNA).



Image 25: The Charles project (99 affordable units) at 551 Keyes St (under construction)

The 6<sup>th</sup> Cycle Housing Element includes goals and policies that provide direction to help the City meet its housing goals. The Housing Element includes a work plan that outlines the objectives, policies, and implementation programs that support the City in its quest to meet its residents' housing needs and promote fair housing. The work plan can be found in Chapter 3 of the Housing Element. Since Housing Element adoption, staff have been working to implement work plan items, achieving the goals, and following the timelines described in Chapter 3.

### Housing Catalyst Team & Work Plan

The Housing Catalyst Team is an interdepartmental team that meets on a biweekly basis to coordinate implementation of Housing Catalyst Work Plan items, including the housing production, preservation, and protection work across multiple departments. The team is composed of staff from the Business Development Team of the Office of Economic Development and Cultural Affairs (OED), the Citywide Planning Division of the Department of Planning, Building, and Code Enforcement (PBCE), the Policy and Planning Team and the Residential Development Team of the Housing Department, and the Planning Team of the Department of Parks, Recreation, and Neighborhood Services (PRNS).

The Housing Catalyst Work Plan contains the strategies, programs, and policies from the City's 2023-2031 Housing Element, certified by HCD on January 29, 2024, that are currently underway or that staff anticipates initiating in the next two years. As part of the work plan, the team provides an annual update to the Community and Economic Development Committee and City Council in the spring. The update includes reporting on housing production and coincides with the Housing Element Annual Progress Report. Staff also provide an update on the individual items within the workplan.

### Work Plan Dashboard

The [Work Plan Dashboard](#), which can be found on the City's website, visualizes the strategies, programs, and policies that are currently underway or that staff anticipates initiating in the next two years. The dashboard is updated semi-annually to provide ongoing updates for work plan items. The dashboard also identifies the status of work plan items by department and breaks down each strategy, program, and policy by impact and level of effort. Impact on housing production, preservation, and protection is measured by Low (red), Moderate (yellow), or High (green). Level of effort in regard to staff hours and resources is measured by Low (green), Moderate (yellow), or High (red).

The full list of completed and in-progress work plan items can be found on the City's [Housing Catalyst webpage](#). Detailed descriptions of each work plan item, as well as their geographic areas of impact, timeline, potential barriers, and goals to be achieved can be found in Chapter 3 of the 2023-2031 Housing Element.

### Strategies, Programs, and Policies: 2025 Highlights

- **City Ministerial Ordinance** - Work on this item was completed in December 2024 when the City Council approved the City streamlined ministerial review process for projects in identified growth areas. One project with 540 residential units at 3896 Stevens Creek Boulevard was approved in 2025 and a second project consisting of 272 affordable housing units is currently under review. Staff is now working on an expansion of the ministerial review process to cover Downtown, which is part of the Building More Housing City Council Focus Area. This will allow more projects to utilize this ministerial review pathway.
- **Small Multifamily Housing** - Pursuant to this item and as part of the General Plan Four-Year Review, the Planning Division is exploring General Plan and Zoning Code changes to expand the areas of the city, particularly in single-family zoning districts, where small multifamily housing (4-10 units, also known as "missing middle") could be allowed. This work is taking place within an evolving state legislative context that has already greatly expanded opportunities for small multifamily development on single-family lots and streamlined project review through Senate Bills 9, 684/1123, and 79. Staff's analysis of potential changes to San José's General Plan and Zoning Code includes approaches that would complement state laws and regulatory measures to facilitate more units at a scale compatible with single-family neighborhoods. Staff presented potential regulatory approaches to encourage missing middle housing at the General Plan Four-Year Review Task Force meeting in March 2026. Recent adjustments made to the Inclusionary Housing Ordinance will now exempt projects with 20 units or below.
- **Evaluate Urban Village Planning Process** - While 16 of the 60 urban village plans have been adopted and two are in progress, 42 villages remain without a plan, inhibiting housing production in those areas. In the fall of 2025, as part of the General Plan Four-Year Review process, staff evaluated the urban village planning process and developed a set of streamlining recommendations. In November, staff presented those recommendations to the Four-Year Review Task Force and members of the public. The recommendations would reduce the number of urban village plans that remain to be developed from 42 to 15 and would streamline other aspects of the planning process, by: 1) consolidating multiple urban villages along transit corridors into a single plan, rather than an

individual plan for each one; 2) implementing targeted land use and zoning changes in the 17 Neighborhood Urban Villages, rather than preparing individual plans for each one; 3) simplifying urban village plan documents; and 4) establishing a standard outreach program for the planning process. The Task Force and members of the public in attendance expressed support for the proposed changes, and staff are currently drafting the General Plan text amendments required to implement them.

- **Development Incentives for Residential Construction** - The City is operating two programs that provide development incentives for residential construction. In 2025, progress included the following:
  - **Downtown Residential Incentive Program:** The Downtown Residential High-Rise Incentive Program was established in 2012 to catalyze high-density residential development in the Downtown Planned Growth Area. On January 27, 2026, City Council renamed the program to the Downtown Residential Incentive Program and expanded eligibility to include commercial-to-residential conversion projects for mid-rise and high-rise buildings. Three pipeline conversion projects—Bank of Italy, CityView Plaza, and Security Building—represent approximately 477 potential units. The Council also extended Phase I benefits to 7,000 units and Phase 2 benefits to 3,000 units for the overall program.
  - **Multifamily Housing Incentive Program:** In December 2024, City Council approved the Multifamily Housing Incentive Program targeting high-density developments in strategic growth areas. On January 27, 2026, Council extended Phase I benefits through February 28, 2027, and expanded capacity from 1,800 to 3,600 units to accommodate robust developer interest. Five projects totaling 1,444 units are currently under construction, with seven additional projects representing 2,225 units seeking inclusion in the extended program. Phase II commences on March 1, 2027, or upon exhaustion of Phase I capacity.

## CONCLUSION

The City of San José has made significant progress in achieving the Major Strategies of the Envision San José 2040 General Plan. This progress is evident through new dense, mixed-use development in the Growth Areas, adoption of Urban Village Plans, implementation of multi-modal Capital Improvement Projects, and implementation of sustainability goals and policies.

However, there are still some challenges that the city needs to overcome to implement the General Plan effectively. These challenges include increasing the jobs-to-employed resident ratio, meeting desired service-level standards for City services, increasing the percentage of affordable housing, and improving the distribution of commute mode shares. The City will need to continue to strive to achieve these goals.

In addition, short- and long-term impacts of the COVID-19 pandemic are evident, and it may take years to see the full extent of its impact. However, the introduction of policies during the previous two Major Review cycles, as well as the adoption of the 6th Cycle Housing Element, will help to adjust the direction of the General Plan towards achieving our long-term goals.

Despite the challenges, we remain optimistic about our ability to reach these long-term goals.

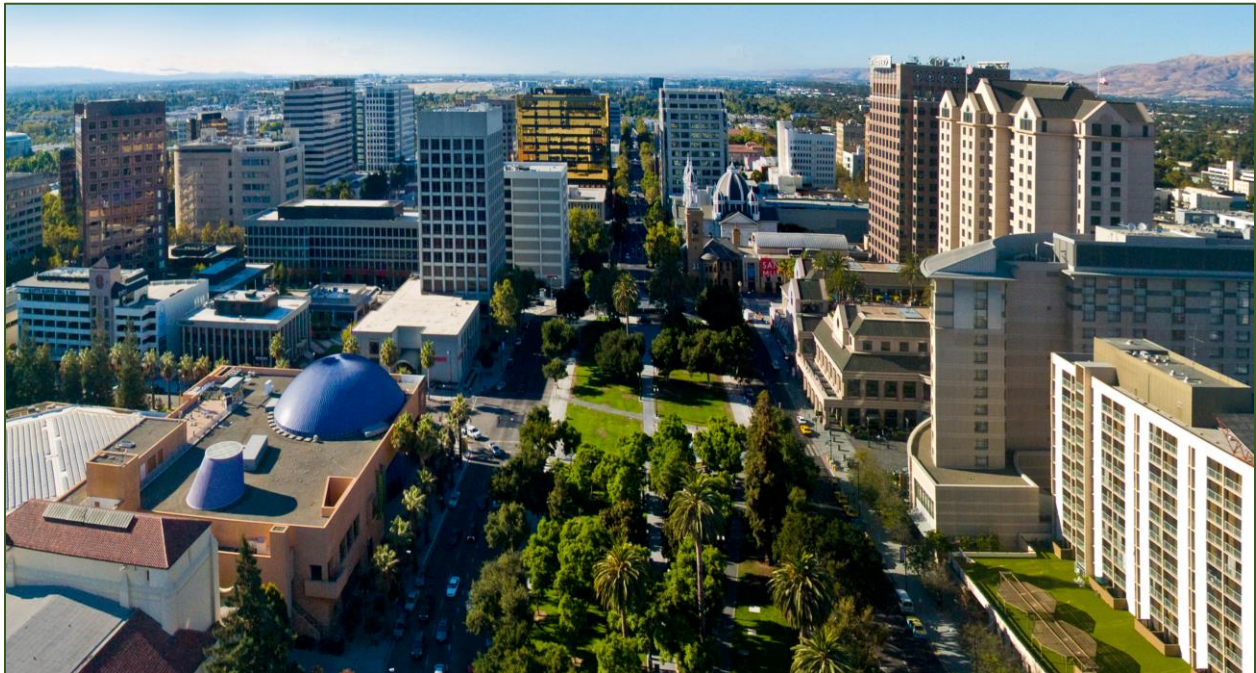


Image 26: Aerial view of Plaza de Cesar Chavez, San José

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*Photo acknowledgement:  
 All photos taken by City of San José staff, unless otherwise noted.*