

City Manager – Office of Economic Development and Cultural Affairs

Nanci Klein, Director

MISSION

Catalyze job creation, private investment, revenue generation, talent development and attraction, and a diverse range of arts, cultural and entertainment offerings

CITY SERVICE AREA

Community and Economic Development

CORE SERVICES

ARTS AND CULTURAL DEVELOPMENT

Support diverse cultural amenities, offerings, and organizations, commission and maintain public art, and authorize and coordinate outdoor special events on public and private property

BUSINESS DEVELOPMENT AND ECONOMIC STRATEGY

Assist business location and expansion, advance San José's Economic Strategy; and support council policy making

REAL ESTATE SERVICES

Manage the City's real estate assets and facilitate real estate-related transactions to support City projects and generate revenue

REGIONAL WORKFORCE DEVELOPMENT

Assist business in hiring a quality workforce through assessment, supportive services, and skills training

Strategic Support: Budget/Fiscal Management and Administrative Support, Emergency Response and Recovery

City Manager – Office of Economic Development and Cultural Affairs

Service Delivery Framework

PROGRAM	DESCRIPTION
Arts and Cultural Development Core Service	
Arts and Cultural Development Administration	Presents an annual arts leadership award event, sets priorities and plans for cultural development, addresses policy issues, manages cultural initiatives and programs, assists external initiatives that affect San José arts and culture, and supports the Arts Commission.
Convention and Visitors Bureau	Provides for the operation of the San José Convention and Visitors Bureau (Visit San José) by Team San Jose, supporting marketing, sales & destination services, media/press and additional CVB functions to attract tourism, special events, and promote commerce in San José.
Cultural Grants	Awards and administers over 100 grants annually for non-profit arts organizations, special events, and creative entrepreneurs with services that include technical assistance to arts organizations and creative entrepreneurs in achieving their goals.
Cultural Facilities Operations and Maintenance	Provides stewardship of city-owned cultural facilities such as the Convention Center, the Hammer Theatre Center, and Mexican Heritage Plaza, including the management of operations and maintenance agreements with non-profit partners and the monitoring of those partners; coordinates with the Public Works Department on maintenance and capital needs of the cultural facilities; and manages legal agreements and the relationship with Team San José.
Outdoor Events	Authorizes and oversees over 500 annual outdoor special events citywide; produces special events such as CityDance series; leads the inter-departmental and inter-agency Special Events Team; provides event information to the public, businesses and neighborhood organizations; builds relationships with regional, national, and international event producers; and creates beneficial event sponsorship opportunities for the San José business community.
Public Art / Placemaking	Supports the commissioning of art for the public realm, City Hall exhibits, and the 250 artworks in the City's collection and encourages street life activation.
Business Development and Economic Strategy Core Service	
Business District Management	Manages relationships, legal agreements, joint projects, and policy changes between the City and major downtown partners, including San José Downtown Association, San José Sports Authority, San José State University, San José Hotels, and Japantown and Downtown Business Improvement Districts; manages the City's free use program and plays a role in public space activation in the Downtown; supports the development of new neighborhood business centers citywide and the strengthening of existing neighborhood commercial districts; and increases retail amenities (in Neighborhood Business Districts and urban villages) including management of the wayfinding banner program.
Business Outreach and Assistance	Works with existing and potential San José businesses and entrepreneurs to encourage business and job attraction, retention, expansion, and creation, including driving industry outreach and small business assistance; administers the Sister City and Foreign Trade Zone programs; provides technical assistance through the BusinessOwnerSpace network and other resources; and assists with business inter-departmental coordination.

City Manager – Office of Economic Development and Cultural Affairs

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Business Development and Economic Strategy Core Service</i>	
Development Attraction and Facilitation	Serves as a single point of contact for key economic development projects going through the development review process; coordinates with development services partners on initiatives that simplify development regulations and/or accelerate permit processing schedules; meets, develops, and maintains relationships with developers, contractors, investors, and other development stakeholders; and assists in the creation of housing development opportunities and policy in collaboration with internal and external partners.
Economic Policy Analysis / Communications	Leads development of economic development-related strategies (e.g., Downtown Highrise Incentive, Development Fee Framework, and North San José policies), performs economic and data analysis to support policy development, business intelligence activities, and decision-making by numerous departments and City Council; collaborates and coordinates communications strategies with internal and external communications staff around shared projects/initiatives; and manages the development of business and economic development-related public information collateral materials, graphic design and production, and audio-visual production in a variety of media.
<i>Real Estate Services Core Service</i>	
City Lease Administration	Manages leasing with the City as a lessee or lessor for facilities and/or telecommunications, including maintenance of City-owned properties that are being leased to other entities or are vacant.
City Property Acquisition and Sales	Works with real estate brokers, developers, and property owners to encourage new leasing and development activity, including acquisition of temporary or permanent property rights for City projects and initiatives; manages the sale of surplus property.
<i>Regional Workforce Development Core Service</i>	
Workforce Development Services	Provides client assessments, career counseling, workshops, training (e.g. Occupational Skills Training, On-the-Job Training, Incumbent Worker Training, Group Training), supportive services, and job development support to approximately 3,000 youth and adult clients annually, while at the same time supporting hundreds of businesses with recruiting, on-the-job training, layoff avoidance, and technical assistance.
Workforce Innovation and Opportunity Act Board Support and Administration	Supports effective decision-making of the 19-member, federally mandated work2future Board and its committees through the preparation of memos, presentations and updates, and development of board and committee packets; manages recruitment and onboarding of new board members; and ensures compliance with the Workforce Innovation and Opportunity Act Board governance requirements, Brown Act, Sunshine rules, Form 700, etc.
<i>Strategic Support Core Service</i>	
Economic Development Management and Administration	Provides administrative oversight for the office, including executive management, financial management, human resources, and analytical support.
Economic Development and Cultural Affairs Emergency Response and Recovery	Provides for the coordination and delivery of emergency services and recovery.

City Manager – Office of Economic Development and Cultural Affairs

Department Budget Summary

Expected 2024-2025 Service Delivery

- Engage and assist businesses that create jobs and expand the City's tax base, with a focus on small business recovery and resiliency, anchor employers, and revenue-generators. Facilitate development projects that can generate property tax and sales tax revenues.
- Provide a range of training and employment services to residents by creating opportunities to learn job skills and earn credentials.
- Assist arts organizations, cultural facilities, and outdoor event producers to sustain, innovate, and adapt in a changing fiscal environment.
- Manage the City's real estate assets with a focus on revenue generation, cost minimization, and timely transaction services in support of all City Departments.

2024-2025 Key Budget Actions

- Adds one-time funding of \$200,000 for a Neighborhood Economic Grants project and one-time funding of \$150,000 for a Microbusiness Start-Up Grants project.
- Continues 1.0 Senior Executive Analyst position through June 30, 2025 to support East San José business corridors such as Alum Rock and Story Road.
- As directed by the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, provides one-time funding in the General Fund within City-Wide Expenses for the following:
 - \$500,000 for arts and cultural grants administered by OEDCA, supplementing projected allocations from Transient Occupancy Tax revenues for 2024-2025.
 - \$400,000 to support a destination marketing/tourism campaign.
 - \$400,000 to improve downtown San José by beautifying Santa Clara Street and upgrading the San Pedro Street pedestrian mall.
 - \$200,000 to support the City's efforts to promote major sporting events coming to San José in 2026 through the San José Sports Authority and other complimentary initiatives, and \$100,000 for initial planning and coordination efforts related to those events.
 - \$250,000 to develop an incentive program to attract companies focused on artificial intelligence and manufacturing to San José, and incentivize companies in these two industry sectors looking to expand their operations.

Operating Funds Managed

- Business Improvement District Fund
- Convention and Cultural Affairs Fund
- San José Arena Capital Reserve Fund
- Transient Occupancy Tax Fund
- Workforce Development Fund

City Manager – Office of Economic Development and Cultural Affairs

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
Arts and Cultural Development	33,501,703	36,849,735	40,770,498	41,270,498
Business Development and Economic Strategy	8,094,175	10,419,329	8,328,442	10,218,810
Real Estate Services	2,799,254	3,047,238	3,119,396	3,119,396
Regional Workforce Development	9,615,901	12,022,082	10,663,055	10,585,980
Strategic Support - Community & Economic Development	6,873,039	7,462,328	2,585,263	2,648,202
Strategic Support - Other - Community & Economic Development	4,686,796	5,029,523	547,440	1,347,440
Total	\$65,570,868	\$74,830,235	\$66,014,094	\$69,190,326
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	10,820,981	12,242,345	12,344,299	12,309,398
Overtime	1,011	0	0	0
Subtotal Personal Services	\$10,821,992	\$12,242,345	\$12,344,299	\$12,309,398
Non-Personal/Equipment	1,118,622	959,690	763,690	1,163,690
Total Personal Services & Non-Personal/Equipment	\$11,940,614	\$13,202,035	\$13,107,989	\$13,473,088
Other Costs *				
City-Wide Expenses	19,976,459	21,157,102	9,243,905	12,017,905
General Fund Capital	27,489	0	0	0
Gifts	2,352	28,000	28,000	28,000
Housing Loans and Grants	0	0	0	0
Other	33,284,781	40,219,411	43,390,262	43,427,395
Other - Capital	0	0	0	0
Overhead Costs	339,171	173,687	193,938	193,938
Workers' Compensation	0	50,000	50,000	50,000
Total Other Costs	\$53,630,254	\$61,628,200	\$52,906,105	\$55,717,238
Total	\$65,570,868	\$74,830,235	\$66,014,094	\$69,190,326

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

City Manager – Office of Economic Development and Cultural Affairs

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	25,876,077	27,566,848	15,679,451	18,932,758
Airport Maintenance And Operation Fund (523)	0	5	0	0
American Rescue Plan Fund (402)	0	0	0	0
Building Development Fee Program Fund (237)	109,462	156,033	65,971	65,971
Business Improvement District Fund (351)	3,156,676	3,927,078	4,182,789	4,182,789
Convention and Cultural Affairs Fund (536)	11,435,295	13,893,000	14,766,000	14,766,000
Coronavirus Relief Fund (401)	0	0	0	0
Fire Development Fee Program Fund (240)	23,169	27,234	0	0
Gift Trust Fund (139)	5,001	28,000	28,000	28,000
Low And Moderate Income Housing Asset Fund (346)	226,044	452,950	0	0
Planning Development Fee Program Fund (238)	79,611	93,812	0	0
Public Works Development Fee Program Fund (241)	120,307	140,541	90,245	90,245
San José Arena Capital Reserve Fund (459)	5,190,076	3,720,000	6,885,000	6,885,000
Transient Occupancy Tax Fund (461)	10,612,094	13,922,636	14,647,636	14,647,636
Workforce Development Fund (290)	7,943,129	10,296,557	8,828,604	8,751,529
Capital Funds	793,928	605,541	840,398	840,398
Total	\$65,570,868	\$74,830,235	\$66,014,094	\$69,190,326
Positions by Core Service **				
Arts and Cultural Development	12.00	12.00	12.00	12.00
Business Development and Economic Strategy	16.00	17.00	13.00	14.00
Real Estate Services	4.00	4.00	4.00	4.00
Regional Workforce Development	20.45	20.45	20.55	19.75
Strategic Support - Community & Economic Development	7.55	7.55	7.45	7.25
Total	60.00	61.00	57.00	57.00

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City Manager – Office of Economic Development and Cultural Affairs

Department Budget Summary

	2022-2023	2023-2024	2024-2025	2024-2025	2024-2025
	Actuals **	Adopted	Forecast	Proposed	Proposed Positions

Dollars by Program*

Arts and Cultural Development

Arts and Cultural Development Administration	1,274,136	936,431	1,000,084	962,951	2.75
Convention and Visitors Bureau	6,259,324	6,072,000	6,072,000	6,072,000	0.00
Cultural Grants	6,262,239	6,439,105	5,967,367	6,504,500	0.00
Cultural Facilities Operations and Maintenance	17,735,452	21,746,022	25,929,751	25,929,751	1.25
Outdoor Events	974,732	786,039	843,465	843,465	4.00
Public Art/Placemaking	995,819	870,138	957,831	957,831	4.00
Sub-Total	33,501,703	36,849,735	40,770,498	41,270,498	12.00

Business Development and Economic Strategy

Business District Management	406,519	1,236,964	1,606,809	2,054,809	5.20
Business Outreach and Assistance	5,799,299	7,538,637	6,098,291	7,542,659	6.37
Development Attraction and Facilitation	491,572	638,869	71,334	71,334	0.20
Downtown Management	791,584	333,000	0	0	0.00
Economic Policy Analysis/Communications	605,200	671,859	552,008	550,008	2.23
Sub-Total	8,094,175	10,419,329	8,328,442	10,218,810	14.00

Real Estate Services

City Lease Administration	1,977,765	2,019,243	2,041,695	2,041,695	0.00
City Property Acquisition and Sales	821,489	1,027,995	1,077,701	1,077,701	4.00
Sub-Total	2,799,254	3,047,238	3,119,396	3,119,396	4.00

Regional Workforce Development

Workforce Development Services	9,214,554	11,529,660	10,183,171	10,033,858	16.55
Workforce Innovation and Opportunity Act Board Support and Administration	401,346	492,422	479,884	552,122	3.20
Sub-Total	9,615,901	12,022,082	10,663,055	10,585,980	19.75

Strategic Support - Community & Economic Development

Economic Development Emergency Response and Recovery	5,084,391	4,197,500	0	0	0.00
Economic Development Management and Administration	1,788,649	3,264,828	2,585,263	2,648,202	7.25
Sub-Total	6,873,039	7,462,328	2,585,263	2,648,202	7.25

Strategic Support - Other - Community & Economic Development

Economic Development Capital	190,079	0	0	0	0.00
Economic Development Gifts	2,350	28,000	28,000	28,000	0.00
Economic Development Other Departmental - City-Wide	4,484,522	4,622,836	275,502	1,075,502	0.00

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City Manager – Office of Economic Development and Cultural Affairs

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Economic Development Other Departmental - Grants	0	155,000	0	0	0.00
Economic Development Other Operational - Administration	(583)	0	0	0	0.00
Economic Development Overhead	10,428	173,687	193,938	193,938	0.00
Economic Development Workers' Compensation	0	50,000	50,000	50,000	0.00
Sub-Total	4,686,796	5,029,523	547,440	1,347,440	0.00
Total	\$65,570,868	\$74,830,235	\$66,014,094	\$69,190,326	57.00

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City Manager - Office of Economic Development and Cultural Affairs

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2023-2024):	61.00	13,202,035	6,409,746
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• East San José Small Business Corridor Support Manager (1.0 Senior Executive Analyst)	(1.00)	(172,727)	(172,727)
• El Corazón de Mi Familia		(50,000)	(50,000)
• Latina Economic Advancement Program		(50,000)	(50,000)
• Small Business Marketing Pilot		(30,000)	(30,000)
• Little Italy San José Cultural Center & Museum		(25,000)	(25,000)
• Amigos de Guadalupe Center for Justice and Empowerment		(10,000)	(10,000)
• Latino Business Foundation Silicon Valley (LBFSV) Mujeres Imparables Program		(10,000)	(10,000)
• LGBTQ+ Youth Space		(10,000)	(10,000)
• San José Downtown Perception Survey		(10,000)	(10,000)
One-time Prior Year Expenditures Subtotal:	(1.00)	(367,727)	(367,727)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocations:		913,550	394,527
• Shift to Housing Department for Housing Catalyst Staffing (1.0 Senior Executive Analyst)	(1.00)	(230,284)	0
• Shift to Planning, Building and Code Enforcement Department for Housing Navigator Staffing (1.0 Senior Executive Analyst)	(1.00)	(178,159)	0
• Shift to Planning, Building and Code Enforcement Department for Development Services Facilitation Staffing (1.0 Senior Executive Analyst)	(1.00)	(230,426)	0
• Utilities: Gas, Electricity, Water		(1,000)	(1,000)
Technical Adjustments Subtotal:	(3.00)	273,681	393,527
2024-2025 Forecast Base Budget:	57.00	13,107,989	6,435,546
Budget Proposals Recommended			
1. Neighborhood Economic Grants		200,000	200,000
2. East San José Small Business Corridor Support Manager	1.00	175,368	175,368
3. Microbusiness Start-Up Grants		150,000	150,000
4. Downtown Peddler Mitigation Pilot Program		100,000	100,000
5. Workforce Development Staffing	0.00	6	(96,061)
6. Office of Cultural Affairs Staffing	0.00	(37,133)	0
7. Non-Personal/Equipment Savings		(50,000)	(50,000)
8. work2future Staffing	(1.00)	(173,142)	0
Total Budget Proposals Recommended	0.00	365,099	479,307
2024-2025 Proposed Budget Total	57.00	13,473,088	6,914,853

City Manager – Office of Economic Development and Cultural Affairs

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Neighborhood Economic Grants		200,000	200,000

***Community and Economic Development CSA
Business Development and Economic Strategy Core Service
Business Outreach and Assistance Program***

This action adds one-time non-personal/equipment funding of \$200,000 for a Neighborhood Economic Grants project focused on larger investments than what is typically covered in the Storefront Grants program. As recommended by the City's Small Business Advisory Committee, this action repurposes funding previously supplied by the American Rescue Plan, since reallocated to the General Fund, to encourage business corridors with active business associations to tackle blighted sites and bigger economic projects by leveraging private and philanthropic capital, to achieve business attraction and job creation within the local area. Currently, the City lacks a grant-based tool to catalyze investment across multiple partners and investors for medium-scale projects with greater potential returns in underserved neighborhoods. This project will award approximately four grants up to \$50,000 each to encourage business corridors with active business associations to improve blighted sites with more significant economic projects that would also leverage private and philanthropic capital, with the ultimate goal of business attraction and job creation within traditionally lower resourced areas. The City anticipates requesting proposals for this funding approximately every six months for two years to encourage neighborhoods to pitch ideas, fundraise with partners and have a credible implementation plan that effectively leverage public dollars for broader neighborhood and local economic benefit. (Ongoing costs: \$0)

City Manager – Office of Economic Development and Cultural Affairs

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
2. East San José Small Business Corridor Support Manager	1.00	175,368	175,368

*Community and Economic Development CSA
 Business Development and Economic Strategy Core Service
 Business Outreach and Assistance Program*

This action continues 1.0 Senior Executive Analyst position through June 30, 2025 to support the East San José Business Corridor. As previously directed by the City Council, two-year funding for this position was included in the 2022-2023 Adopted Budget. However, the position was not filled until July 2023. This funding will ensure the position continues work for the full two-year period. The addition of an East San José Manager will continue to support business corridors such as Alum Rock and Story Road. The position has been responsible for supporting the creation and growth of business associations and assisting small business owners and entrepreneurs to access technical assistance services. San Jose’s Eastside is one of the City’s most diverse neighborhoods containing census tracts with some of the lowest household income, lowest educational attainment, and lowest life expectancy in Silicon Valley. The Eastside has a strong entrepreneurial tradition and retained a significant small business community. Over the next 10 years the area will witness the impact of major investment with construction of BART Phase II, major residential development including revised Urban Village plans, and large affordable housing projects along Alum Rock Avenue. The focus for this position will continue to be identifying and working to secure new resources to the Eastside; organizing and delivering business outreach, hosting business education events and making referrals for service; strengthening partnerships and engagement between business leaders/groups, CBOs and the City; monitoring the economic impact of planned major physical developments including BART Phase II and affordable housing projects; and promoting access to city services relevant to the business community. (Ongoing costs: \$0)

City Manager – Office of Economic Development and Cultural Affairs

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
3. Microbusiness Start-Up Grants		150,000	150,000
<p><i>Community and Economic Development CSA Business Development and Economic Strategy Core Service Business Outreach and Assistance Program</i></p>			

This action adds one-time non-personal/equipment funding of \$150,000 for a Microbusiness Start-Up Grants project focused on entrepreneurs, particularly immigrants and low-income residents, who lack collateral to secure small sums of startup capital at low rates of interest. While a home to 20,000 active home-based businesses that provide jobs and economic benefits to their community, San José is also the most unbanked city in the country per head of population. As recommended by the City’s Small Business Advisory Committee, this action repurposes funding previously supplied by the American Rescue Plan, since reallocated to the General Fund, to offer grants between \$1,000 to \$3,000 targeting specific neighborhoods and industry sectors that would benefit from a small-scale grant, such as a new food business, and each grantee would have a business mentor. A minimum of 50 grants would be awarded over a two-year, with the baseline goal of 50 jobs created, each with new business licenses, that can provide a foundation for future investment. (Ongoing costs: \$0)

4. Downtown Peddler Mitigation Pilot Program		100,000	100,000
<p><i>Community and Economic Development CSA Business Development and Economic Strategy Core Service Business Outreach and Assistance Program</i></p>			

As directed by the Mayor’s March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action adds one-time non-personal/equipment funding of \$100,000 for the continuation of a pilot program to implement and enforce unpermitted vendors in alignment with City municipal code to promote the health and safety of patrons and vendors in downtown San José in time for the 2024 holiday season. The funding will provide for proactive outreach to the vendor community, enhanced signage to maintain clear passage of certain public right of way areas, and enforcement by Police Department and Code Enforcement overtime staffing, and other City staff as needed. (Ongoing costs: \$0)

City Manager – Office of Economic Development and Cultural Affairs

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
5. Workforce Development Staffing	0.00	6	(96,061)

*Community and Economic Development CSA
 Regional Workforce Development Core Service
 Strategic Support - Community & Economic Development Core Service
 Workforce Development Services and Economic Development Management and Administration Programs*

As a cost reduction to help bring the General Fund into structural alignment, this action reallocates 20% of the funding for an Assistant Director position in the Office of Economic Development and Cultural Affairs from the General Fund to the Workforce Development Fund, and provides savings to the General Fund of approximately \$96,000. Currently, the position is funded 70% by the General Fund and 30% by the Workforce Development Fund. This action will result in the position being funded 50% by the General Fund and 50% by WIOA funds and better aligns funding with the actual work performed by the Assistant Director. Based on an annual cost per client of approximately \$5,000, the reallocation of costs to WIOA funds will potentially result in a decrease in funding availability to service approximately 15-20 WIOA clients. (Ongoing costs: \$0)

6. Office of Cultural Affairs Staffing	0.00	(37,133)	0
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*Community and Economic Development CSA
 Arts and Cultural Development Core Service
 Arts and Cultural Development Administration Program*

This action adds 1.0 Executive Analyst I/II position and eliminates 1.0 Arts Programs Coordinator position to support the administration of art programming in the Office of Cultural Affairs. The Executive Analyst position will support contract execution and monitoring; budget and fiscal planning, management and compliance; performance measure tracking; serve as Arts Commission Secretary; and provide other administrative/program support needs. Annually, the Office of Cultural Affairs executes over 100 grant agreements as well as manages eight City-wide multi-year agreements with seven nonprofit partners that operate 11 City-owned facilities. There is a regular ongoing need to manage payments and compliance with all contracts. This position will allow the Assistant Director to focus more on arts programming by delegating more of the administrative functions such as fiscal, budget, and contract administration. (Ongoing savings: \$35,471)

City Manager – Office of Economic Development and Cultural Affairs

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
7. Non-Personal/Equipment Savings		(50,000)	(50,000)
<p><i>Community and Economic Development CSA Business Development and Economic Strategy Core Service Strategic Support - Community & Economic Development Core Service Business Outreach and Assistance, Economic Policy Analysis/Communications, Business District Management, and Economic Development Management and Administration Programs</i></p> <p>As a cost reduction to help bring the General Fund into structural alignment, this action decreases non-personal/equipment funding in the General Fund by \$50,000, primarily related to training and travel. Staff will attend less training classes and seek alternative training providers. (Ongoing savings: \$50,000)</p>			
8. work2future Staffing	(1.00)	(173,142)	0
<p><i>Community and Economic Development CSA Regional Workforce Development Core Service Workforce Development Services and Workforce Innovation and Opportunity Act Board Support and Administration Programs</i></p> <p>This action realigns work2future staffing levels by: adding 1.0 Senior Accountant position and eliminating 1.0 vacant Senior Account Clerk position in the Fiscal Unit; adding 1.0 Analyst I/II position and eliminating 1.0 vacant Staff Specialist position in the Management Information Systems (MIS) Unit; and eliminating 1.0 vacant Staff Specialist position supporting the MIS and Contracts Units. This realignment will improve the financial management and organizational reporting structure within the accounting group, provide a dedicated full-time MIS administrator to better ensure compliance with all Workforce Innovation and Opportunity Act (WIOA) regulations, and track WIOA metrics in real time to identify the extent to which the provider is effectively and efficiently meeting contractual obligations and goals. The MIS administrator position will also assist in implementing work2future’s plan for a more holistic approach to its programmatic oversight of its subrecipients and contractors. (Ongoing savings: \$95,671)</p>			
2024-2025 Proposed Budget Changes Total	0.00	365,099	479,307

Performance Summary

Four Key Budget Performance Measure Measurement Areas



Access - How well does a service enable access, participation, visitation, and usage? How well does the service lead to its intended outcome or opportunity pathway?

Customer Satisfaction - How well does a service meet customer needs? How well does a service resolve a customer's problem? How well does a service deliver its intended experience for a customer?

Reliability and Responsiveness - How well does a service meet response time targets? How well does a service deliver resolution? How well does a service meet its efficiency goals?

Cost Effectiveness - How well does a service resource deliver its intended outcome? How well does a service resource deliver its intended output?

Arts and Cultural Development

Performance Measures

			2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
	PM 1	% of public art works that are in the City's permanent collection that are in "good" to "excellent" condition based on their physical and operational condition	80%	80%	80%	80%
	PM 2	% of responding funded cultural organizations rating the arts grants program "good" to "excellent" based on responsiveness and timelines	95%	90%	90%	90%

City Manager - Office of Economic Development and Cultural Affairs

Performance Summary

Arts and Cultural Development

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Forecast
	Arts and cultural grants:				
AWH 1	- # of awarded grants	96	100	100	114
	- Grant funding for special events (\$)	\$510K	\$716K	\$795K	\$830K
	- Total Office of Cultural Affairs grant awards (\$)	\$5.5M	\$5.5M	\$5.1M	\$5.5M
AWH 2	# of public art works in the City's permanent collection	417	466	466	474
	Outdoor special events coordinated by Office of Cultural Affairs:				
AWH 3	- # of events	127	145 ¹	140	130
	- # of event days	401	380	350	355
	- # of reported attendees	2.2M	2.3M	1.9M	2.0M
	Economic Impact of Convention Center, San José Civic, Center for the Performing Arts, California Theater, and Montgomery Theater (attendance by type):				
AWH 4	- # of Local/Social visitors	732,892	688,800	777,036	795,620
	- # of Out-of-Town visitors	32,847	38,260	42,707	46,175
	- # of Exhibitors	4,777	5,020	4,403	4,830

¹ The 2023-2024 Target is higher since a new Downtown Vibrancy Event Pilot was implemented, which is expected to bring in additional small-scale events with smaller attendance. Also, Event Days are lower as there were a couple of combined events and activations during the winter holidays.

Data Sources: Arts and Cultural Development




Number	Data Source
PM 1	City of San José Community Survey
PM 2	2022-2023 Grants Survey sent to all grantees via Survey Monkey
AWH 1	Office of Cultural Affairs Grants Tracking Database; Manager's Budget Addendum #23 dated May 27, 2022
AWH 2	Office of Cultural Affairs Public Art Database
AWH 3	Office of Cultural Affairs Events Database
AWH 4	Team San Jose

City Manager - Office of Economic Development and Cultural Affairs

Performance Summary

Business Development and Economic Strategy

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target	
	<i>PM 1</i>	Estimated % change in jobs by type of business receiving Business Development assistance:				
		- From attracted or expanded companies	20%	(21%)	(1%)	10%
		- From retained companies	5%	85%	(51%)	33%
	<i>PM 2</i>	Ratio of Business Development outreach expenditures to generated sales and business tax revenues	1:2	1:3	1:3	
	<i>PM 3</i>	% of Business Development grants distributed to woman or minority-owned businesses	85%	80%	92%	

City Manager - Office of Economic Development and Cultural Affairs

Performance Summary

Business Development and Economic Strategy

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Forecast
AWH 1	# of companies receiving Office of Economic Development permitting assistance	100	90	90	90
AWH 2	Estimated \$ change in sales and business tax revenue from businesses receiving Business Development assistance:				
	- Taxes from attracted or expanded companies	\$740,000	\$1M	\$1.4M	\$1.5M
	- Taxes from retained companies	\$1.2M	\$2M	\$946,000	\$1M
AWH 3	Estimated # of jobs from businesses receiving Business Development assistance:				
	- New jobs from attracted or expanded companies	3,658	2,000	3,621	3,985
	- Jobs from retained companies	1,233	2,000	602	800
AWH 4	# of Business Owner Space participants receiving assistance (access to capital, technical or human resources support, or information)	19,662	13,000	19,600	15,000
AWH 5	# of meetings held with businesses receiving Business Development support	534	524	550	575

Data Sources: Business Development and Economic Strategy


Number	Data Source
PM 1	Business Development outreach tracker
PM 2	Business Development outreach tracker
PM 3	Grants tracking database
AWH 1	Business Development team tracking
AWH 2	Business Development analysis of sales and business tax
AWH 3	Annual BOS survey of service providers
AWH 4	Business Development team tracking

City Manager - Office of Economic Development and Cultural Affairs

Performance Summary

Real Estate Services

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
Revenue generated by type (%):					
 <i>PM 1</i>	- Facility Leases	33%	35%	31%	34%
	- Telecommunication Leases	46%	48%	44%	50%
	- Surplus Property Sales	21%	17%	25%	16%

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Forecast
Revenue generated by type (\$):					
<i>AWH 1</i>	- Facility Leases	1,096,967	1,000,000	1,060,941	1,100,000
	- Telecommunication Leases	1,524,973	1,400,000	1,524,973	1,600,000
	- Surplus Property Sales	722,969	500,000	846,783	500,000
- # of leased properties managed (sq.ft.):					
<i>AWH 2</i>	- City as landlord (sq.ft.)	N/A ¹	N/A ¹	96,151	96,151
	- City as tenant (sq.ft.)	N/A ¹	N/A ¹	131,503	131,503
	- Macro telecommunication leases	N/A ¹	N/A ¹	35	35
<i>AWH 3</i>	# of other managed properties	N/A ¹	N/A ¹	12	12
# of real estate transactions executed:					
<i>AWH 4</i>	- Acquisitions/ Dispositions	N/A ¹	N/A ¹	12	12
	- Easements	N/A ¹	N/A ¹	6	6
	- Leases	N/A ¹	N/A ¹	20	20
	- Other real estate requests	N/A ¹	N/A ¹	57	57
	- Access and license agreements	N/A ¹	N/A ¹	12	12

¹ New performance measure and does not have 2023-2024 Target or prior year data.

Data Sources: Real Estate Services



Number	Data Source
<i>PM 1</i>	Budget tracking, Internal tracking. Includes General Fund and other funds
<i>AWH 1</i>	Budget tracking, Internal tracking. Includes General Fund and other funds
<i>AWH 2</i>	Internal tracking; new performance metric does not have 23-24 target or prior year history
<i>AWH 3</i>	Internal tracking; new performance metric does not have 23-24 target or prior year history
<i>AWH 4</i>	Internal tracking; new performance metric does not have 23-24 target or prior year history

City Manager - Office of Economic Development and Cultural Affairs

Performance Summary

Regional Workforce Development

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target	
	PM 1	Estimated % of clients employed 6 months after initial placement.				
		- Adults	74.3	65	70	TBD ¹
		- Dislocated Workers	74.3	68	70	TBD ¹
		- Youth	81.2	71	71	TBD ¹
	PM 2	Estimated % of clients employed 12 months after initial placement				
		- Adults	70	62	65	TBD ¹
		- Dislocated workers	73.3	67	67	TBD ¹

¹ Targets for 2024-2025 will be available in Fall 2024 and will be included in the 2025-2026 Operating Budget.

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Forecast	
AWH 1	# of work2future clients receiving discrete services (counseling, job placement, and occupational training)		1228	1150	1250	1250 ¹
	- Adults	704	700	735	700 ¹	
	- Dislocated Workers	309	200	300	300 ¹	
	- Youth	215	250	250	250 ¹	
AWH 2	# of business clients served by the Business Services Unit		337	300	300	300
AWH 3	# of San Jose Works (work2future clients)		829	775	775	775

¹ 2024-2025 Forecast assumes no more than 5% reduction in the Workforce Innovation and Opportunity Act allocation, which is determined by the State in the May-June timeframe.

Data Sources: Regional Workforce Development

Number	Data Source
PM 1	CalJOBS
PM 2	CalJOBS
AWH 1	CalJOBS
AWH 2	CalJOBS
AWH 3	San José Works Enrollment Report

City Manager - Office of Economic Development and Cultural Affairs

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Accountant I/II	2.00	2.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	8.00	9.00	1.00
Arts Programs Coordinator	1.00	0.00	(1.00)
Assistant Director	2.00	2.00	-
Assistant to the City Manager	4.00	4.00	-
Deputy Director	1.00	1.00	-
Director of Economic Development	1.00	1.00	-
Division Manager	1.00	1.00	-
Economic Development Manager	1.00	1.00	-
Events Coordinator I/II	1.00	1.00	-
Executive Analyst I/II	3.00	4.00	1.00
Executive Assistant	1.00	1.00	-
Public Information Manager	1.00	1.00	-
Senior Account Clerk	1.00	0.00	(1.00)
Senior Accountant	0.00	1.00	1.00
Senior Analyst	1.00	1.00	-
Senior Arts Program Coordinator	4.00	4.00	-
Senior Events Coordinator	2.00	2.00	-
Senior Executive Analyst	19.00	16.00	(3.00)
Staff Specialist	6.00	4.00	(2.00)
Total Positions	61.00	57.00	(4.00)