

# Strategies to Enhance San Jose's Fiscal Health

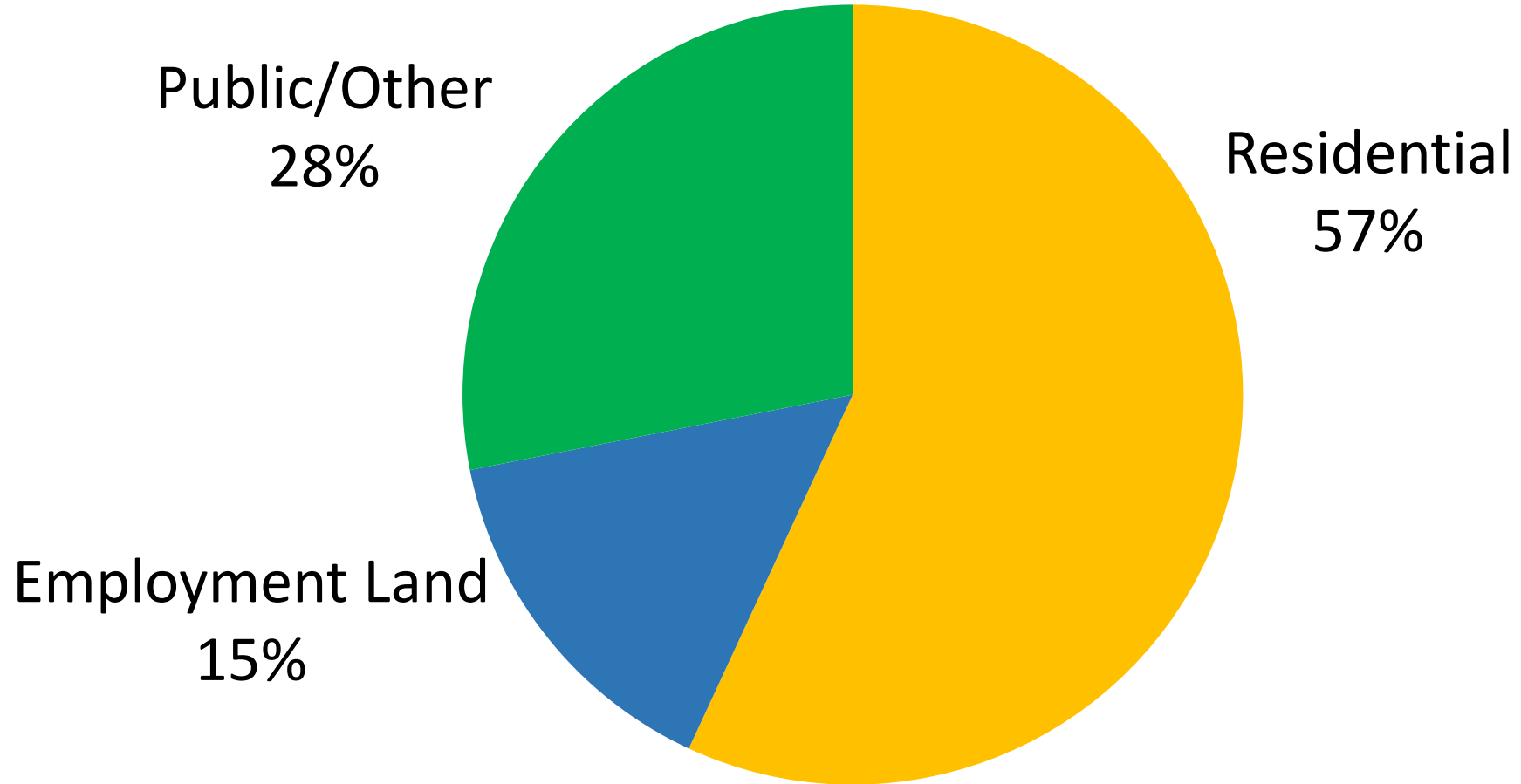
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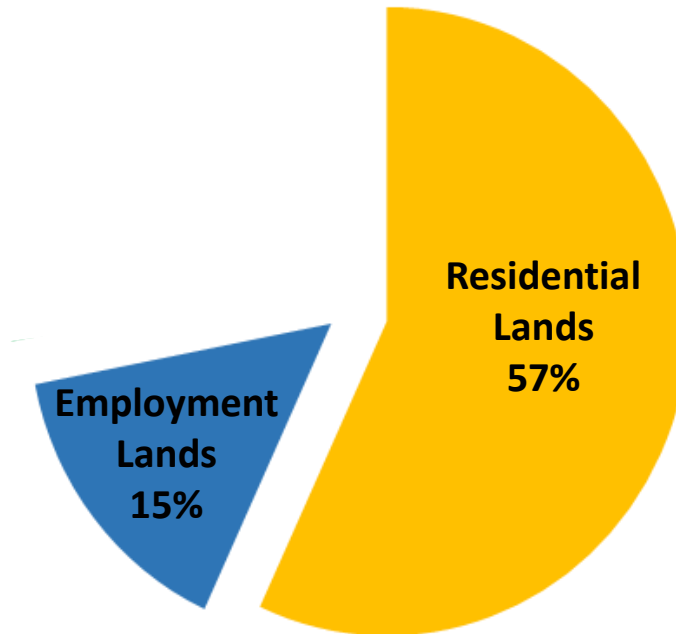


Envision San Jose 2040 4-Year Review  
Task Force Meeting #3  
January 28, 2016

# Of Existing Lands, Only 15% are for Employment Uses



# Employment Lands Provide Tax Base For Funding Resident Services



Employment Lands  
Tax Revenue  
- Service Costs

NET BUDGET IMPACT

**+ \$124 million**

Residential Lands  
Tax Revenue  
- Service Costs

NET BUDGET IMPACT

**- \$110 million**

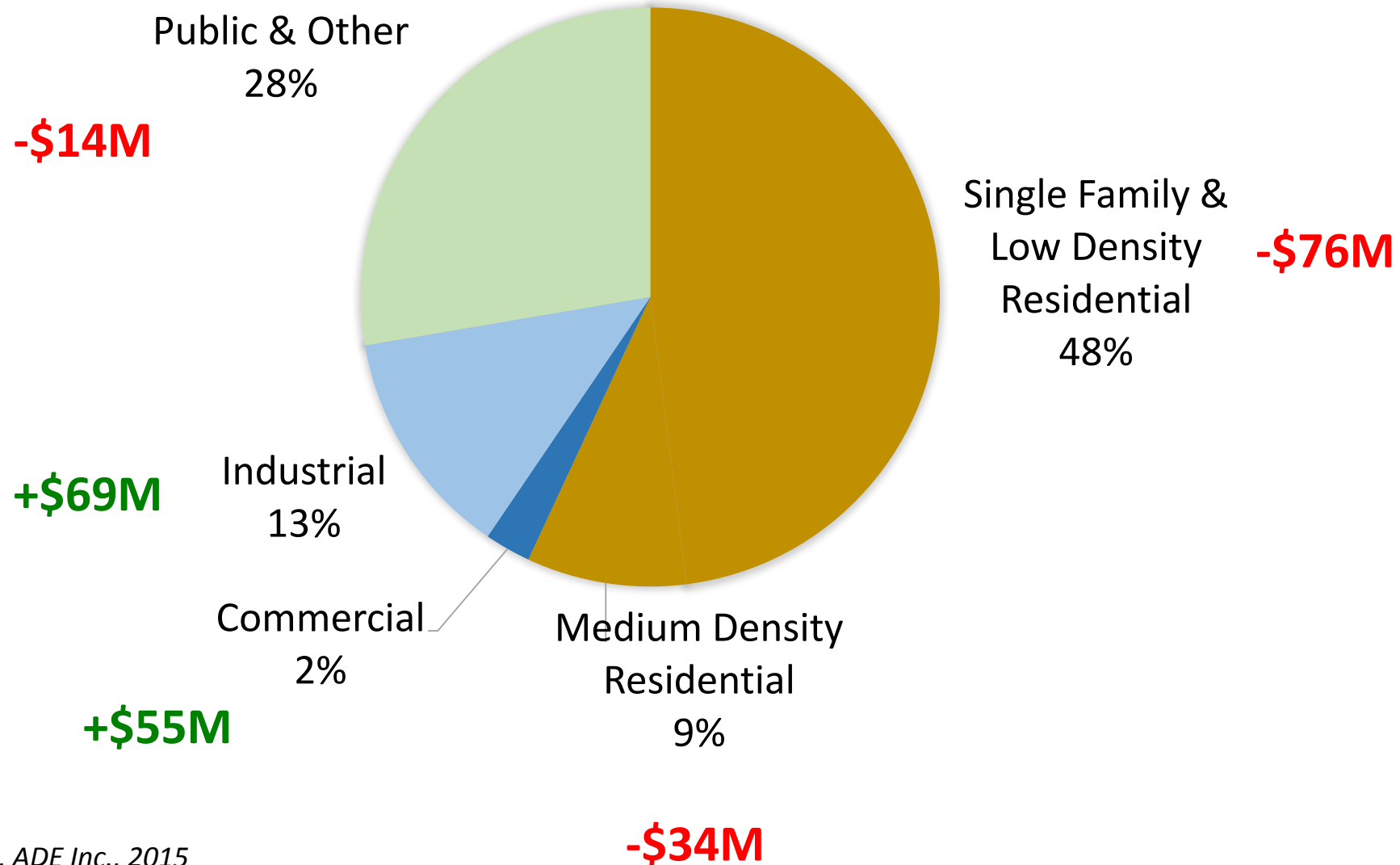
# Fiscal Impacts of San Jose's Existing Land Uses

Employment Lands			Residential Lands		
Commercial	Industrial Park	Light/Heavy Industrial	Single Family	Low Density*	Medium Density*
<b>\$1,064</b>	<b>\$1,321</b>	<b>\$58</b>	<b>(\$255)</b>	<b>(\$681)</b>	<b>(\$421)</b>
<i>Net per 1000 sq.ft.</i>			<i>Net per dwelling unit</i>		

\* Low Density is less than 12 du/acre, Medium Density is greater than 12 du/acre.

Note: The table above shows the fiscal impact of existing stock, not new development. New housing projects at densities greater than 40-45 du/acre are likely to be fiscally neutral or positive due to service efficiencies and current property values of \$400,000 or greater per unit.

# San Jose's Land Uses by Area & Fiscal Impact



# Strategies to Enhance Fiscal Health of the City

**1. Maximize the share of the 120,000 planned new homes developed at densities of 40 du/acre and above**

...to build new housing that has a neutral or positive fiscal impact

**2. Maximize retail development of all types**

...to generate sales tax revenue

**3 Maximize leasing and development of entirely new office, R&D and industrial buildings**

...to generate property and utility tax revenue

**4. Retain industrial land, and maximize leasing and redevelopment of existing buildings**

...to maximize potential for business-to-business sales tax revenue