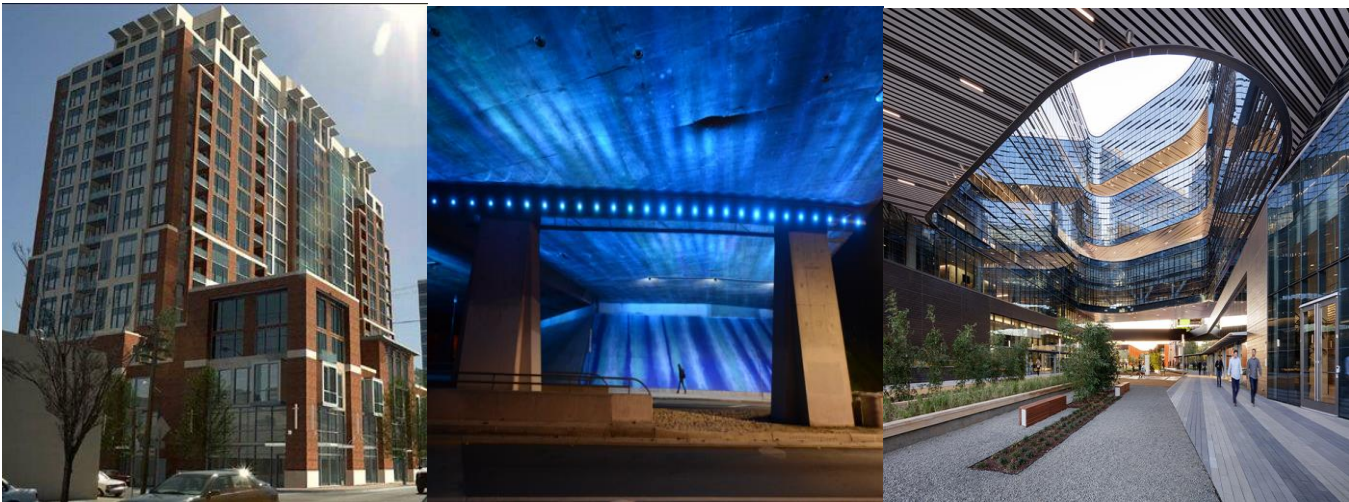


Community and Economic Development



***Mission:** To manage the growth and change of the City of San José in order to encourage a strong economy, create and preserve healthy neighborhoods, ensure a diverse range of employment and housing opportunities, and encourage a diverse range of arts, cultural, and entertainment offerings*

Primary Partners

- Economic Development
- Fire
- Housing
- Planning, Building and Code Enforcement
- Public Works

CSA OUTCOMES

- Strong Economic Base
- Safe, Healthy, Attractive, and Vital Community
- Diverse Range of Housing Options
- Range of Quality Events, Cultural Offerings, and Public Artworks

City Service Area
Community and Economic Development
SERVICE DELIVERY FRAMEWORK

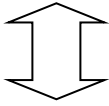
CITY SERVICE AREA
 A cross-departmental collection of core services that form one of the City's 6 key "lines of business"

MISSION STATEMENT
 Why the CSA exists

Community & Economic Development CSA

Mission:

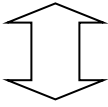
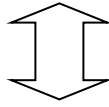
To manage the growth and change of the City of San José in order to encourage a strong economy, create and preserve healthy neighborhoods, ensure a diverse range of employment and housing opportunities, and encourage a diverse range of arts, cultural, and entertainment offerings



CSA OUTCOMES
 The high level results of service delivery sought by the CSA partners

Outcomes:

- Strong Economic Base
- Safe, Healthy, Attractive, and Vital Community
- Diverse Range of Housing Options
- Range of Quality Events, Cultural Offerings, and Public Artworks



PRIMARY PARTNERS
 Departments with Core Services that contribute to achievement of CSA Outcomes

City Manager - Office of Economic Development

Core Services:

Arts and Cultural Development

Business Development and Economic Strategy

Real Estate Services

Regional Workforce Development

CORE SERVICES
 Primary deliverables of the organization

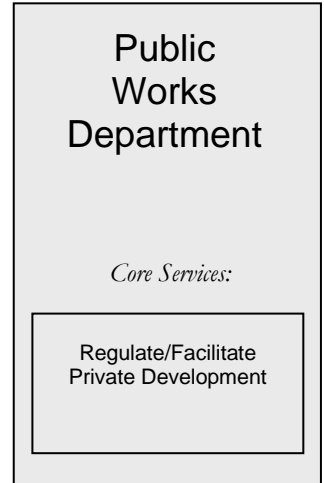
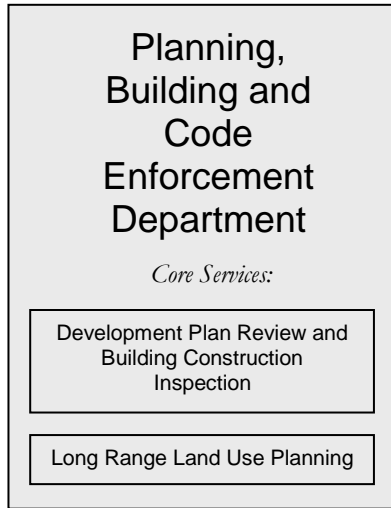
Fire Department

Core Services:

Fire Safety Code Compliance

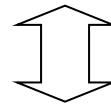
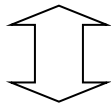
City Service Area
Community and Economic Development
SERVICE DELIVERY FRAMEWORK

PRIMARY PARTNERS
 Departments with Core Services that contribute to achievement of CSA Outcomes

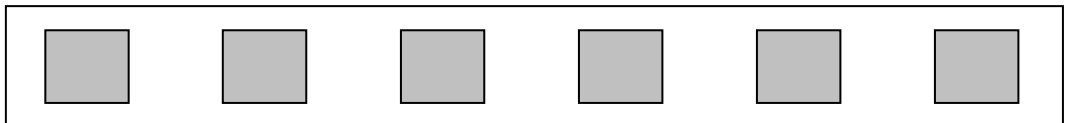


CORE SERVICES
 Primary deliverables of the organization

OPERATIONAL SERVICES
 Elements of Core Services; the "front-line" of service delivery



STRATEGIC SUPPORT
 Organization-wide guidance and support to enable direct service delivery



Community and Economic Development

Expected 2016-2017 Service Delivery

- ❑ Engage and assist companies that can create jobs and expand the City's tax base, with particular focus on emerging growth companies, anchor employers and revenue generators, and attracting foreign investment.
- ❑ Continue to lead and partner with collaborative initiatives such as the Silicon Valley Manufacturing Roundtable and the Chamber of Commerce's Regional Economic Development Initiative.
- ❑ Provide a wide range of re-employment services to residents who remain unemployed by creating opportunities to earn job skills and credentials.
- ❑ Manage the City's land assets with a focus on streamlining the property leasing management of the City's real estate assets and revenue generation.
- ❑ Manage the City's operating agreements for the Convention Center, Cultural Facilities, and SAP Center.
- ❑ Implement city-wide "San José Creates & Connects," a neighborhood creative place making initiative and other city-wide place making activities and strategies, including VivaCalleSJ and Summer in St. James and Plaza de Cesar Chavez parks.
- ❑ Lead the stewardship of cultural facilities in partnership with non-profit partners, including: expansion of the Children's Discovery Museum, incubation of the new Hammer Theatre Center's operating model in partnership with San José State University; expansion of the Tech Museum of Innovation; secure a permanent site for the San José Stage Company theater; and the development of a Levitt Pavilion San José.
- ❑ Continue to support the City's partnership with the San José Sports Authority by managing City services for USA Gymnastics Trials and Major League Soccer All-Star Game.
- ❑ Continue to implement the *Public Art Next!* master plan through high impact public art city-wide.
- ❑ Complete the Four-Year Review of the General Plan process to further the major strategies and vision of the Envision San José 2040 General Plan.
- ❑ Urban Village planning and implementation of project efforts including West San Carlos, Bascom Urban Village, East Santa Clara, Roosevelt Park, Little Portugal, The Alameda, Stevens Creek, Santana Row, and Winchester Urban Village Plans.
- ❑ Initiate planning for the North First Street and Berryessa Bay Area Rapid Transit (BART) Urban Villages.
- ❑ Bring forward for City Council consideration draft updates and Environmental Impact Reports (EIR) for the Downtown Strategy and North San José Area Development Policy.
- ❑ Draft a San José Urban Agricultural Incentive Zone Ordinance for City Council consideration.
- ❑ Draft Sign Ordinance amendments and options for City Council consideration that will allow electronic digital off-site advertising signs or billboards installations, as well as temporary large banner signs/supergraphics in the Downtown Sign Zone.
- ❑ Make use of innovative technology, such as the expansion of pilot electronic plan review process and initiation of a pilot mobile inspection process.
- ❑ Improve and better coordinate Downtown construction activity/outreach as City center redevelops to ensure safe and efficient multi-modal connectivity through construction.

Community and Economic Development

Expected 2016-2017 Service Delivery

- ❑ Provide construction management and inspection services for the Julian Street Realignment project at the northern edge of Downtown (funded by a grant from the State of California).
- ❑ Implement the 2016-2017 Annual Action Plan consistent with the 2015-2020 Consolidated Action Plan to increase and preserve affordable housing, respond to homelessness, strengthen neighborhoods, and promote fair housing. Continue to use available funds to meet the immediate housing needs for homeless populations. Complete rehabilitation of recently purchased Plaza Hotel and the Vermont House.
- ❑ Partner with Destination: Home, a public-private partnership, in its continued implementation of the Community Plan to End Homelessness and the “All the Way Home” campaign – an initiative that aims to end veteran homelessness in Santa Clara County by the 100th Anniversary of Veterans Day in 2018. Implement the pilot rehabilitation loan program to provide housing for homeless veterans.
- ❑ Continue to implement city-wide homelessness response programming through crisis response systems, outreach services and subsidy support, and encampment abatement and deterrent measures.
- ❑ Continue to explore, fund, and implement interim and short-term interventions to provide immediate housing and shelter options for homeless populations. Complete the Assembly Shelter Ordinance and include a safe parking provision.
- ❑ Complete modifications to the Apartment Rent Ordinance. Additionally, bring forward for City Council consideration an Ellis Act Ordinance and an Anti-Retaliation Protection Ordinance.
- ❑ A total of \$75.7 million in Housing Program funds will be available in 2016-2017, as displayed in the following table. Approximately \$55 million will be used to fund future affordable housing developments.

2016-2017 Housing Program Funds	
31,383,742	Housing Loans and Grants
26,544,934	Loan Repayment
8,389,991	Community Development Block Grant (CDBG) Program
2,455,000	BEGIN
1,129,456	Fees and Charges
1,110,250	Rental Rights and Referrals Program
1,100,000	Bond Administration Fee
936,661	Housing Opportunities for People with AIDS (HOPWA)
780,000	Interest
767,998	Emergency Shelter Grant (ESG)
437,524	HOPWA Special Projects
289,789	CalHome
200,000	Tenant Based Rental Assistance
125,000	Miscellaneous
\$75,650,345	Total 2016-2017 Housing Program Funds

Community and Economic Development

2016-2017 Key Budget Actions

- ❑ Adds one-time funding of \$1.47 million to continue the San José Works Youth Jobs Initiative.
- ❑ Adds one-time funding of \$200,000 to support business communications, small business support, and other programmatic needs to support core economic development services.
- ❑ Adds one-time funding of \$200,000 to continue the Manufacturing Jobs Initiative by covering the cost of permit approvals, as directed in the Mayor's March Budget Message for 2016-2017, as approved by City Council.
- ❑ To ensure the successful implementation of the new integrated permit system, adds resources to provide project management services, lead the technical aspects of designing and testing the new system, and backfill the subject-matter-experts in Development Services to keep up with the ongoing workload.
- ❑ Adds an Analyst II position to support recruitment and employee retention for the Building and Planning Development Fee Programs to help address a continuing high vacancy rate for those programs.
- ❑ In the Planning Development Fee Program, adds two limit-dated Planner IV positions to provide needed oversight in the Permit Center and for Development Review; adds two limit-dated Planner II positions to support the planning application review team.
- ❑ In the Building Development Fee Program, adds four positions to the Permit Center to improve target cycle times and customer service levels. Additionally, adds funding for peak staffing contractual services, to purchase tablets for mobile inspections, to purchase subscriptions for Plan Grid software, and to replace vehicles.
- ❑ In the Public Works Development Fee Program, adds 1.0 Senior Construction Inspector to address increased activity and workload.
- ❑ In the Fire Development Fee Program, adds 1.0 Associate Engineer and 1.0 Senior Permit Specialist to address the increasing demand for services in the Development Fee Program. Additionally, adds one-time funding of \$100,000 for temporary staffing to meet peak workload volume and provide support for express plan reviews, allowing permanent staff to focus on more complex/larger projects.
- ❑ To address the ongoing need to respond to homelessness in the community, adds 1.0 Development Officer for two years to provide the capacity to address additional workload arising from new homelessness programs to support the more immediate crisis facing unsheltered individuals. The new programs include: safe parking; warming centers; temporary church shelters; mobile hygiene services; and other interim housing solutions.
- ❑ Adds two positions and one-time funding of \$100,000 for contractual services for the development and implementation of the new Apartment Rent and Anti-Retaliation and Protection Ordinances.
- ❑ Adds one-time funding of \$250,000 to help draft proposed Municipal Code and policy changes, such as those identified in the work program of the General Plan's Housing Element (as certified by the State), the phases of the Council-adopted Sign Code Update strategy adopted by Council in 2010 as part of the Comprehensive Sign Code Update, and various Council-directed policy priorities, including electronic billboards, supergraphics signs, downtown sign district, and an urban agriculture ordinance.
- ❑ Adds one-time funding of \$330,000 to combat blight in highly effected neighborhoods. This pilot program will fully fund the place-based neighborhoods, continue work on Monterey Highway, and expand the program into the Canoas Garden/Evans Lane area, which is close to Monterey Highway.
- ❑ Provides \$425,000 for an International Air Service Destination Marketing Program to promote San José as a travel destination in foreign markets. With recent growth in long-haul flights, these funds will be used to launch a concerted effort to promote San José in key markets that have international air service ties to the airport.

City Service Area
Community and Economic Development
BUDGET SUMMARY

City Service Area Budget Summary

	2014-2015 Actual 1	2015-2016 Adopted 2	2016-2017 Forecast 3	2016-2017 Adopted 4	% Change (2 to 4)
Dollars by Core Service					
<i>Economic Development</i>					
Arts & Cultural Development	\$ 2,046,931	\$ 2,442,322	\$ 2,368,207	\$ 2,615,621	7.1%
Business Development & Economic Strategy	2,545,846	3,745,663	3,548,376	4,114,737	9.9%
Real Estate Services	1,176,955	1,480,962	1,440,481	1,640,481	10.8%
Regional Workforce Development	2,598,632	2,676,326	2,773,134	2,773,134	3.6%
Strategic Support	899,292	606,388	699,720	699,720	15.4%
<i>Fire</i>					
Fire Safety Code Compliance	4,358,879	4,469,425	4,895,746	4,995,746	11.8%
Strategic Support	612,361	569,750	594,502	915,688	60.7%
<i>Housing</i>					
Community Develop & Investment	59,199	348,416	192,910	157,305	(54.9%)
Housing Development & Preservation	631,804	1,113,785	1,194,390	1,249,799	12.2%
Neighborhood Development & Stabilization	2,614,637	3,216,512	3,136,639	3,974,020	23.6%
Strategic Support	4,757,407	5,553,021	5,158,381	5,406,442	(2.6%)
<i>Planning, Bldg & Code Enforcement</i>					
Development Plan Review & Building Construction Inspection	24,643,723	28,751,658	28,882,548	31,956,996	11.1%
Long Range Land Use Planning	3,635,564	5,934,087	4,761,902	6,202,661	4.5%
Strategic Support	1,778,367	2,464,816	2,609,391	2,753,692	11.7%
<i>Public Works</i>					
Regulate/Facilitate Private Dev	9,269,353	9,897,083	10,330,984	10,585,506	7.0%
Dollars by Core Service Subtotal	\$ 61,628,950	\$ 73,270,214	\$ 72,587,311	\$ 80,041,548	9.2%
Other Programs					
City-Wide Expenses	\$ 26,693,991	\$ 31,286,089	\$ 25,637,217	\$ 34,586,419	10.5%
General Fund Capital, Transfers and Reserves	3,454,673	40,670,334	1,000,000	28,422,963	(30.1%)
Other Programs Subtotal	\$ 30,148,664	\$ 71,956,423	\$ 26,637,217	\$ 63,009,382	(12.4%)
CSA Total	\$ 91,777,614	\$ 145,226,637	\$ 99,224,528	\$ 143,050,930	(1.5%)
Authorized Positions	418.03	437.04	432.17	461.98	5.7%

City Service Area
Community and Economic Development
OVERVIEW

Service Delivery Accomplishments

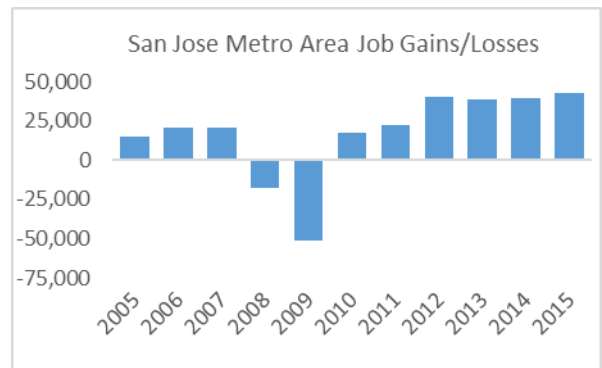
- Successful efforts facilitated the attraction, relocation and expansion of numerous major corporate and retail facilities including Bass Pro Shops, Cogswell College, ABB, NextEV, Quanta Cloud Technology, Bestronics, BenteK, BD Biosciences, and Le Eco. The work of prior years' business development activity bore fruit as Samsung moved in to a 1.1 million square foot campus in September 2015. Recently-facilitated corporate locations that will open in ensuing fiscal years include Apple, Google, Splunk, Forescout, and Space Systems Loral.
- Engaged 350 companies in business outreach visits.
- Real Estate Services generated over \$2.6 million in real estate transactions by disposing of underutilized City properties, the sale of temporary and permanent rights, and the leasing of City-owned facilities.
- The Special Tenant Improvement (STI) program issued permits for 303 projects with a valuation of over \$355 million and 3.9 million in square feet of construction space. Large projects included: Casa Del Pueblo, Amkor, Cisco, Ariosa, Adobe, BD Biosciences, and Xilinx.
- The Industrial Tool Designation (ITD) program issued permits for 87 projects with a total valuation over \$21 million and 4 million square feet of construction space. Large projects included: Cisco, Equinix, HGST, AT&T, Brocade, IBM Data Center, and Comerica Bank.
- Completed the Task Force process for the Four-Year Review of the General Plan. Developed proposed City Council Policy and Zoning Code amendments to preserve mobile home parks.
- Applied for and was awarded grants from Valley Transportation Authority (VTA) for the preparation of the North First Street and Berryessa BART Urban Villages.
- Continue to update zoning code provisions with respect to riparian setbacks and development of bird-safe buildings.
- Continue modification of the Municipal Code to facilitate the building of secondary detached residential units on residential parcels.
- Completed the development of multiple new ordinances including medical marijuana, hotel supportive housing, and short-term rentals in residential districts.
- Developed and implemented an inclement weather shelter program that provided approximately 150 beds of nightly emergency shelter and refuge at religious assemblies and city-owned facilities during extreme weather conditions.
- Worked with Destination: Home and other partners to launch the "All the Way Home" campaign, focused on ending veteran's homelessness in Santa Clara County by 2018.
- Conducted over 200 encampment clean-ups with Santa Clara Valley Water District removing 1,200 tons of trash.
- Adopted the Affordable Housing Investment Plan (2015-2016 through 2016-2017) that established the spending plan for \$103.5 million in affordable housing resources.
- Committed \$35 million in funding for 373 units of supportive housing for homeless and vulnerable populations.
- Completed the acquisition of three sites for future affordable housing developments including the Plaza Hotel, 226 Balbach Street, and the Mesa/Gallup Housing Project.
- Transitioned the Hammer Theatre upon the closure of the Repertory Theatre, the previous facility operator, to San José State University. After critical maintenance was completed in March 2016, the 540 seat theater was reopened to the public.

Service Delivery Accomplishments

- In 2015-2016, the City’s Office of Cultural Affairs Special Events staff coordinated an estimated 371 events city-wide, including signature sporting events, neighborhood street festivals, farmers markets, and fun runs.
- Completed design for a sculptural shade structure for Parque de los Pobladores, as part of *SoFA Creates & Connects*.
- Permitted, coordinated, and supported the production of Super Bowl 50 placemaking efforts including six special events, space activations, and public art installations; conducted Special Event Zone outreach and administration.
- Launched Phase 1 of Illuminating Downtown, an initiative aimed at animating Downtown through interactive, artist designed lighting projects at Santa Clara Street and Route 87, San Fernando Street and Route 87, San Carlos Avenue, The 88 residential high rise, and in the SoFA district.
- Stewarded approximately \$3.5 million in investments of Transient Occupancy Tax (TOT) funding through the Cultural Funding Portfolio, awarding approximately 100 grants to nonprofit organizations providing arts and cultural programming.
- Work2future's HIRE program assisted 125 homeless individuals with training and employment opportunities and supportive services.
- San José Works, in partnership with Parks, Recreation and Neighborhood Services Department, provided over 235 youth living in gang hot spots neighborhoods with summer work experience.

Service Delivery Environment

- Job Growth and Employment: 2015 and 2016 saw continued job gains in the San José metro area and the City of San José specifically. As of June 2016, the total number of metro area jobs was 1,091,500, representing 3.9% annual growth or an increase of 40,900 jobs since June 2015. The City of San José’s unemployment rate decreased from 4.6% in June 2015 to 4.5% in June 2016. As of June 2016, the City is home to a labor force of 554,400 of whom 529,200 are employed. An estimated 25,200 San José residents are unemployed.
- Housing Affordability: The median sales price of a single family home in San José as of June 2016 was \$920,000, an increase of 6.4% from June 2015’s median sales price of \$865,000. Median sales prices for condominiums/townhomes for the same period increased by 9.6%, from \$550,000 to \$603,000.
- Rental Market: Rents in San José continue to remain among the highest in the nation and, therefore, unaffordable to lower-income residents. The average rent for a one-bedroom for the second quarter 2016 was \$2,258, which is an increase of 3.3% from the second quarter in 2015. The average rent for a two-bedroom in the second quarter of 2016 was \$2,847, an increase of approximately 4% from the prior year. Assuming that no more than 30% of income goes to housing costs, a household would need to earn \$90,320 annually to afford a one-bedroom apartment and \$113,880 for a two-bedroom apartment in San José. San José’s overall vacancy rate is 5.1%, which indicates a balance between supply and demand for luxury and market rate apartments. However, the demand for affordable housing far exceeds the supply and the vacancy rate for affordable housing is nearly 0% as evidenced by long wait lists at most developments.
- Homelessness: According to the City’s most recent Homeless Census and Survey, conducted in January 2015, there were 4,063 homeless individuals residing in San José, 69% of whom were unsheltered and 31% were sheltered. There were 778 homeless individuals in homeless encampments throughout the city.



City Service Area
Community and Economic Development
OVERVIEW

CSA Priorities/Key Services

- Engage driving industry and revenue-generating companies to help facilitate their retention and growth in San José.
- Support the start-up and growth of new businesses.
- Continue to provide high quality land-use development and permitting services for all customers.
- Continue to manage the City’s real estate assets.
- Continue to invest in development process improvements in coordination with stakeholders to improve the speed, consistency, predictability, and customer experience.
- Ensure that the City speaks with “one voice” on development issues while improving the speed, consistency, and predictability of the development review process.
- Continue to offer re-employment services to residents and businesses through work2future.
- Support the provision of a range of quality arts, cultural, sports, and entertainment offerings that appeal to San José’s diverse community.
- Identify strategies to fund affordable and permanent supportive housing, transportation, and Urban Village infrastructure needs.
- Ensure that residents have a diverse range of housing options by increasing housing opportunities for people of all income levels and household types.
- Increase housing and service opportunities for the City’s homeless residents, including those living in encampments.

City Service Area
Community and Economic Development
OVERVIEW

Development Services Budget Summary

	Revenue	Cost	% Cost Recovery*	Positions	Works-in-Progress Reserves**
2015-2016 Modified					
Building	\$ 29,500,000	\$ 33,963,892	86.9%	167.92	\$ 24,396,405
Fire	6,900,000	7,521,966	91.7%	33.59	6,365,282
Planning	5,902,000	5,944,296	99.3%	32.45	3,821,860
Public Works	10,315,000	11,179,867	92.3%	60.19	5,474,454
Total	\$ 52,617,000	\$ 58,610,021	89.8%	294.15	\$ 40,058,001
2016-2017 Adopted***					
Building	\$ 27,500,000	\$ 36,476,848	75.4%	173.92	\$ 15,419,557
Fire	6,911,000	8,109,801	85.2%	37.22	5,166,481
Planning	4,500,000	6,437,435	69.9%	37.18	1,884,425
Public Works	9,815,000	11,568,786	84.8%	62.19	3,720,668
Total	\$ 48,726,000	\$ 62,592,870	77.8%	310.51	\$ 26,191,131

* Excludes the development fee program reserves. In 2015-2016 and in 2016-2017, all programs reach 100% cost recovery once the use of Works-in-Progress reserves is incorporated.

** The Works-in-Progress Reserves for 2016-2017 are the estimated reserve levels once 2015-2016 revenues and expenditures are reconciled and 2015-2016 balancing actions are included.

*** Excludes carry-over rebudgets.

Development Services is a \$62.6 million business for the City of San José, providing integrated technical plan review and inspection services across Planning, Building, Public Works, and Fire (Development Services Partners). Businesses, homeowners, and other customers use Development Services when remodeling, building new structures, or making other investments to their properties. These investments bring tax revenue, jobs, and other direct benefits to the City. Development Services are provided in an efficient, thorough, and quality-driven manner. While each partner's budget is discussed within their particular Department section, all partners are committed to working closely together to provide "one voice" to Development Services customers.

Over the last year, the Development Services Partners have continued to experience a high level of activity. After adjusting for base changes that result in a net decrease of 2.91 positions to the program, new Development Fee Program positions are included in this budget (7.91 in Building Development Fee Program, 6.41 in Planning Development Fee Program, 3.01 in Fire Development Fee Program, and 1.94 positions in Public Works Development and Utility Fee Programs) in order to continue to operate efficiently and attract further development to the City. These positions will help improve target cycle times and increase customer service.

Improved staffing, training, and updated technology will be the priorities for the Development Services Partners in 2016-2017 in order to close the gap between customer expectations and service delivery. As a result of continued strong activity, this budget includes additional staffing to support Development Services: the addition of Permit Center staff to allow the department to have the needed staff resources for improved customer service, decreased wait times, enhanced training, quality control and standardization of process and procedures; additional limit-dated Planners to provide oversight, coordination, and support of environmental review and project implementation needs; the addition of an Analyst II position to support recruitment and employee retention for the Building and Planning Development Fee Programs; and new positions to address increased activity and workload anticipated for the Fire and Public Works Development Fee Programs.

City Service Area
Community and Economic Development
OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 1: STRONG ECONOMIC BASE

Strategic Goals	CSA Performance Measures	2014-2015 Actuals	2015-2016 Target	2015-2016 Estimate	2016-2017 Target	5-Year Goal
Facilitate Major Corporate Development	1. Estimated jobs generated/retained by companies that received OED assistance by:					
	Type of Company:					
	- Industrial	5,080	4,000	5,100	4,000	16,000
	- Commercial/Retail	287	500	1,300	500	2,000
	Type of Job:					
	- New	883	1,000	1,000	1,000	5,000
	- Retained	4,484	3,500	5,400	3,500	9,500
	2. # of Clean Tech Jobs generated/retained from City efforts	51	100	129	100	800
Stimulate Revenue for City Services	1. Economic Impact of Convention Center (attendance by visitor type)					
	- Local/Social	1,256,472	1,177,000	1,264,737	980,000	N/A ¹
	- Out of Town	133,633	70,000	68,241	83,800	N/A ¹
	- Exhibitors	9,925	7,400	8,285	11,300	N/A ¹
	2. Estimated increases in sales and business taxes from attracted or expanding businesses which previously received assistance from the City (excludes property and utility taxes):					
	- Taxes from new companies	\$1,134,000	\$1.5 M	\$300,000	\$1.5 M	\$4.5 M
	- Taxes from retained companies	\$2,088,000	\$1.0 M	\$2.0 M	\$1.0 M	\$3.0 M
Total	\$3,222,000	\$2.5 M	\$2.3 M	\$2.5 M	\$7.5 M	

¹ The 5-Year Goal does not have a performance measure because the City is currently working with Team San José, the operator of the City's Convention and Cultural Facilities, and the City's hospitality industry advisor to modify the methodology to reflect changing industry best practices.

City Service Area
Community and Economic Development
OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 1: STRONG ECONOMIC BASE

Strategic Goals	CSA Performance Measures	2014-2015 Actual	2015-2016 Target	2015-2016 Estimate	2016-2017 Target	5-Year Goal
Retain Industrial Jobs, Suppliers and Industrial Land Uses	1. Jobs gained/(lost) in areas with "heavy" and "light" Industrial General Plan land designation (acres converted in parenthesis)	0 jobs (0 acres)	(609) jobs (4.2 acres)	82 jobs ¹ 4.48 acres	(35) jobs ¹ (1.9 acres)	0 jobs (0 acres)
	2. Jobs gained/(lost) in areas with "Industrial Park" and "Campus Industrial," and other R&D General Plan land designation (acres converted in parenthesis)	0 jobs (0 acres)	(1,321) jobs (9.1 acres)	(210) jobs ¹ (4.48 acres)	0 jobs ¹ (0 acres)	0 jobs (0 acres)
	3. Estimated ratio of San José jobs to employed residents	0.88	0.88	0.84	0.88	0.90
Facilitate Small Business Expansion	1. # of Business Owner Space participants receiving assistance, access to capital, technical or human resources support or information	71,260	30,000	60,000	40,000	100,000
	2. Unique website visitors to businessownerspace.com	28,803	10,000	10,000	10,000	50,000
Be Active Partner in Developing a Skilled Workforce	1. Number of work2future clients receiving discrete services (counseling, job placement, and occupational training)	4,460	3,200	2,460	1,680	TBD ²
	- Adults	3,014	2,000	1,900	1,250	TBD ²
	- Dislocated Workers	1,174	1,000	350	250	TBD ²
	- Youth	272	200	190	180	TBD ²
	2. Estimated % of clients employed six months after initial placement					
	- Adults	83.2%	79%	79%	79%	TBD ²
	(% of target met)	(105.3%)	(100%)	(100%)	(100%)	(100%)
	- Dislocated Workers	86.9%	83%	83%	83%	TBD ²
	(% of target met)	(104.7%)	(100%)	(100%)	(100%)	(100%)
	3. Estimated % of clients placed in jobs					
- Adults	58.1%	51.5%	51.5%	51.5%	TBD ²	
(% of target met)	(112.7%)	(100%)	(100%)	(100%)	(100%)	
- Dislocated Workers	66.7%	58.5%	58.5%	58.5%	TBD ²	
(% of target met)	(114%)	(100%)	(100%)	(100%)	(100%)	
- Youth	77.7%	60.0%	60.0%	60.0%	TBD ²	
(% of target met)	(129.5%)	(100%)	(100%)	(100%)	(100%)	

¹ For the 2015 General Plan annual review cycle, hearings took place in October 2015 and November 2015 with the Planning Commission and December 2015 with the City Council. In the 2015 General Plan annual review cycle, there were four Director/City initiated and one privately initiated General Plan text amendments, and four privately initiated land use amendments. For 2016, there are currently 12 privately initiated and two Director/City initiated General Plan land use amendments, and two privately initiated text amendments on file.

² Targets have not been negotiated with the Employment Development Department for the 5-Year Goal and are expected to be established in fall 2016.

City Service Area
Community and Economic Development
OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 2: SAFE, HEALTHY, ATTRACTIVE, AND VITAL COMMUNITY

Strategic Goals	CSA Performance Measures	2014-2015 Actual	2015-2016 Target	2015-2016 Estimate	2016-2017 Target	5-Year Goal
Quality Living and Working Environment	1. % of residents surveyed who rate the quality of architecture and landscaping design/maintenance in new development in their neighborhood as good or better	N/A ¹	70%	N/A ¹	70%	70%
Increase the City's Housing Unit Capacity	1. # of dwelling units added to the General Plan holding capacity annually	53 ²	3,226 ²	410 ²	550 ²	0 ²
	2. San José housing production compared to regional fair share number target (in parenthesis)	3,600 units (3,750)	3,400 units (3,750)	2,000 units (3,750)	3,250 units (3,750)	16,700 units (18,750)
	3. % of units receiving development permit approval compared to target (actuals in parenthesis)	120% (3,000 units)	113% (3,000 units)	66% (3,000 units)	108% (3,000 units)	128% (13,000 units)
Provide Seamless and Effective Development Review Including Implementation of Environmental Regulations, in a Customer Friendly Fashion	1. % of projects receiving consistent feedback from staff throughout the course of the project review:					
	- Planning Permit Plan Review	68%	70%	68%	70%	80%
	- Public Works Permit Plan Review	77%	80%	81%	80%	85%
	- Building Permit Plan Check	76%	80%	81%	80%	85%
	- Fire Permit Plan Check	86%	88%	85%	88%	90%
	2. Ratio of current year fee revenue to fee program cost	100%	100%	100%	100%	100%
	3. Development projects completed within processing time targets:					
	- Entitlement Process	85%	85%	84%	85%	85%
	- Construction Process:					
	- Plan Check	90%	85%	83%	85%	85%
	- Inspections in 24 hours	44% ³	75%	35% ³	75%	80%
	- Inspections in 48 hours	59% ³	92%	57% ³	92%	95%
	4. % of development services walk-in customers served in less than 30 minutes (wait time)	63%	75%	75%	75%	75%
5. % of customers surveyed rating service as good or better						
- Discretionary ⁴	74%	70%	71%	70%	80%	
- Ministerial ⁵	76%	75%	77%	70%	80%	
6. % of customers surveyed who indicate the City has improved customer service in the past 12 months						
- Discretionary ⁴	70%	60%	66%	68%	80%	
- Ministerial ⁵	70%	65%	73%	75%	80%	

¹ Staffing vacancies have reduced capacity for soliciting feedback on new development projects.

² For the 2015 General Plan annual review cycle, hearings took place in October 2015 and November 2015 with the Planning Commission and December 2015 with the City Council. In the 2015 General Plan annual review cycle, there were 19 text and land use amendments considered. For the 2016 annual review cycle, staff anticipate working on 15 privately initiated and Director/City initiated land use amendments.

³ Three (3) additional building inspection positions were added in 2015-2016 and some positions were filled; however, vacancies still remain as a result of the difficulties in filling the positions quickly with qualified candidates. The Administration continues to recruit for a wide range of development services positions.

⁴ Discretionary projects are those that require a public hearing (e.g. zoning change, General Plan amendment).

⁵ Ministerial projects are administrative in nature and do not require a public hearing (e.g. water heater replacement).

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Community and Economic Development
OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 3: DIVERSE RANGE OF HOUSING OPTIONS

5 Year Strategic Goals	CSA Performance Measures	2014-2015 Actual	2015-2016 Target	2015-2016 Estimate	2016-2017 Target	5-Year Goal
Increase the Supply of Affordable Housing	1. % of annual target achieved for completion of affordable housing (housing units)	70.0% (397)	100% (70)	179% (168)	100% (70)	100% (2,157)
Direct Significant Affordable Housing Resources to Lower-Income Households	2. % of Housing Department funds reserved by income levels over 5 years: - Very Low (<=50% of median) - Extremely Low (<=30% of median) - Very Low (31-50% of median) - Low (51-80% of median) - Moderate (81-120% of median)	22% 7% 15% 40% 38%	60% 30% 30% 25% 15%	91% 23% 68% 2% 7%	60% 30% 30% 25% 15%	60% 30% 30% 25% 15%

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Budget Dollars at Work: Performance Goals

OUTCOME 4: RANGE OF QUALITY EVENTS, CULTURAL OFFERINGS, AND PUBLIC ARTWORKS

5 Year Strategic Goals	CSA Performance Measures	2014-2015 Actual	2015-2016 Target	2015-2016 Estimate	2016-2017 Target	5-Year Goal
Provide a diverse range of arts and cultural offerings for residents and visitors	1. % of residents rating the availability of a diverse range of quality arts and cultural activities in the City as good or excellent	42%	50%	40%	50%	55%
Encourage a full range of outdoor special events that serve diverse communities and visitors	1. % of residents rating the City's efforts at providing an adequate number and variety of outdoor special events as good or excellent	38%	50%	N/A ¹	41%	40%
	2. Estimated City revenue from signature events (events and festivals solicited and supported by the City)	\$1.6M	\$1.0M	\$1.0M	\$1.0M	\$4.5M

¹ Data for this measure is collected through the biennial City-Wide Community Survey. The next community survey will be conducted in fall 2016, and those results will be reported in the 2017-2018 Proposed Budget.

City Service Area
Community and Economic Development
ADOPTED BUDGET CHANGES

Adopted Changes	Positions	All Funds (\$)	General Fund (\$)
ECONOMIC DEVELOPMENT			
• Business Development and Economic Strategy Activities		200,000	200,000
• Office of Cultural Affairs Arts Staffing	1.00	95,914	0
• Workforce Development Administrative Support Staffing	1.00	84,361	0
• Airport Public Art Oversight		32,000	0
• Rebudget: Document Imaging and Records Management System		200,000	200,000
• Rebudget: City Council District #06 Public Art Projects		151,500	151,500
• Rebudget: Branding and Marketing Campaign		150,000	150,000
• Rebudget: Business Ally Website		50,000	50,000
• Rebudget: Business Circle Improvements		50,000	50,000
<i>Subtotal</i>	2.00	1,013,775	801,500
FIRE			
• Fire Development Fee Program	3.00	421,186	421,186
<i>Subtotal</i>	3.00	421,186	421,186
HOUSING			
• Modified Apartment Rent Ordinance Implementation	2.00	276,956	0
• Housing Loan Portfolio Management		190,000	0
• Housing Department Management Realignment	1.00	187,684	0
• Single Family and Mobilehome Rehabilitation Program	1.00	111,512	0
• Affordable Housing Impact Fee Program	1.00	104,098	0
• Santee Neighborhood Community Services		80,000	0
• Santee Neighborhood Code Legal Support		60,000	60,000
• Homelessness Program Support	1.00	0	0
• Homelessness Encampment Service Coordination and Bio Waste Staffing	1.00	0	0
• Low and Moderate Income Housing Asset Fund Staffing Realignment		(4)	0
• Rebudget: Outreach Materials and Technology Needs		95,000	0
<i>Subtotal</i>	7.00	1,105,246	60,000
PLANNING, BUILDING AND CODE ENFORCEMENT			
• Building Development Fee Program	8.10	1,865,962	1,865,962
• Planning Development Fee Program	6.47	806,641	806,641
• Medical Marijuana Program CEQA Review		250,000	250,000
• Policy and Ordinance Assistance		250,000	250,000
• Fire and Public Works Development Fee Programs and Other Programs	0.24	127,067	98,527
• Environmental Review Staffing	1.00	102,238	0
• Rebudget: Geographic Information System Implementation		381,000	381,000
• Rebudget: North San José Area Development Policy and Environmental Impact Report		310,000	310,000
• Rebudget: Urban Village Master Planning		180,000	180,000

City Service Area
Community and Economic Development
ADOPTED BUDGET CHANGES

Adopted Changes	Positions	All Funds (\$)	General Fund (\$)
PLANNING, BUILDING AND CODE ENFORCEMENT			
• Rebudget: Workspace Improvement Project		157,700	157,700
• Rebudget: Update Downtown Environmental Impact Report		120,000	120,000
• Rebudget: Metropolitan Transportation Commission Planning Grant		68,700	68,700
• Rebudget: Envision San José 2040 General Plan Four-Year Major Review		31,900	31,900
• Rebudget: Library Digital File Conversion		8,300	8,300
<i>Subtotal</i>	15.81	4,659,508	4,528,730
PUBLIC WORKS			
• Public Works Development Fee Program	2.00	254,522	254,522
<i>Subtotal</i>	2.00	254,522	254,522
Subtotal Departments	29.81	7,454,237	6,065,938
CITY-WIDE EXPENSES			
• Arena Authority		48,000	48,000
• Business Improvement District Creation		100,000	100,000
• Diridon Project Management		351,500	351,500
• Downtown Signs		50,000	50,000
• Economic Development Pre-Development Activities		200,000	200,000
• Homeless Rapid Rehousing		2,000,000	2,000,000
• Homeless Response Team		355,000	355,000
• Independence Day Celebrations		65,000	65,000
• International Air Service Destination Marketing Program		425,000	425,000
• Manufacturing Jobs Initiative		200,000	200,000
• Neighborhood Blight Eradication		430,400	430,400
• San José Works: Youth Jobs Initiative		1,470,000	1,470,000
• Sports Authority		350,000	350,000
• Miscellaneous Rebudgets		2,904,302	2,904,302
GENERAL FUND CAPITAL, TRANSFERS AND RESERVES			
• Earmarked Reserves: Airport Attraction Reserve		425,000	425,000
• Miscellaneous Rebudgets		26,997,963	26,997,963
Subtotal Other Changes	0.00	36,372,165	36,372,165
Total Adopted Budget Changes	29.81	43,826,402	42,438,103