Welcome to San Jose
City of San Jose
Managers / Supervisors discuss challenging questions about City government’s future

**TODAY**
- Security and certainty gone: all is in flux
- Unrelenting annual budget pressure
- Fiscal sustainability threatened
- Antiquated systems: revenue, civil service, IT
- Now doing less with less
- Some “traumatized” workforce
- Public-private is blurring
- Open government is way of life
- Boomer retirements coming; looming loss
- Public resentment towards pension benefits
- Civil service rules prevent sustainable workforce and succession planning
- Traditional City model feels outdated
- Uneven approach: regulating vs. facilitating

**LEADERSHIP PRIORITIES**
- Align expectations to reduced organizational capacity
- Deal with financial challenges head on
- Take smart risks, reinforce safety net
- Reform retirement benefits
- Reform compensation structure
- Reform civil service system
- Innovation / new models / outsourcing
- Succession planning
- More partnership with community
- Cost control for public safety
- "Green" infrastructure replacements
- Revenue generation
- Embrace technology solutions; make IT investments
- Consolidate services across departments

**FUTURE LEGACY**
- Enable outside partners to deliver services, rather than delivering them ourselves
- Smaller, highly skilled core staff
- Skilled line staff work in self-managing teams
- Residents are citizen-partners, not just customers “buying services”
- More focused; more capacity to prioritize work
- Employee costs aligned; but “Tier 1” talent retained / attracted
- IT fosters more efficiency, reliability
- Smooth transition to next-generation leadership
- Willing to take risks to get rewards
- Many alternate hybrid service models
- No silos within or across departments

**What is City government like today?**

**What must we prioritize to get there?**

**What should our City government be like in 4 years?**
A City of Growth and Change

Population

Area (sq. miles)

Population

Land Area

Graph showing population and land area growth from 1925 to 2040.
Rents Remain Unaffordable for Many Workers

Mean Annual Wages for San José Service Workers

SOURCE: Employment Development Department (EDD) – 2012 1st Quarter Wages, Income required to rent assumes rent is 30% of income
Average Rents Continue Upward Trend, Up 4% from Q1, 2012

Average Rental Rates for Units in San José

SOURCE: RealFacts – Second Quarter 2012 - Data only includes rental projects with 50 units or more
Economic Strategy Goals 2010-2015

**Regain Jobs and Revenue**

1. Encourage Companies and Sectors that Can Drive the San Jose/Silicon Valley Economy and Generate Revenue for City Services and Infrastructure

2. Develop Retail to Full Potential, Maximizing Revenue Impact and Neighborhood Vitality

3. Preserve and Strengthen Manufacturing-Related Activity and Jobs

4. Nurture the Success of Local Small Businesses

5. Increase San Jose’s Influence in Regional, State, and National Forums in Order to Advance City Goals and Secure Resources

Strategic Goals 2010-2015

Invest for Future Success

7. Prepare Residents to Participate in the Economy Through Training, Education, and Career Support

8. Advance the Diridon Station Area as Key Transportation Center for Northern California

9. Keep Developing a Competitive, World Class Airport, and Attract New Air Service

10. Continue to Position Downtown as Silicon Valley’s City Center

11. Create More Walkable, Vibrant, Mixed-Use Environments to Spur Interaction and Attract Talent

12. Develop a Distinctive Set of Sports, Arts, and Entertainment Offerings, Aligned With San Jose’s Diverse, Growing Population
Business Outreach Framework

**Why**
- Jobs
- Revenues
- Investment

**What**
- Outreach
- Retention
- Expansion
- Attraction
- Facilitation

**How**
- Business Assistance
- Workforce Development
- Networks and Introductions
- Community Connection
- Joint Marketing

**Who**
- 250 companies including:
  - Anchors
  - Emerging Growth Companies
  - Incoming Investment
  - Key Sectors
A measurable vision for green innovation
10 bold goals in 15 years, including

• 25,000 clean tech jobs
• Reduce per capita energy use by 50%
• Receive 100% of power from clean, renewable sources
• Divert 100% of waste from landfill; convert waste to energy
• Recycle or reuse 100% of wastewater
• 50 million square feet of green buildings
• 100 miles of interconnected trails