

Strategic Initiative #1:
Encourage Companies and Sectors that Can Drive the San Jose/Silicon Valley Economy and Generate Revenue for City Services and Infrastructure *

	Implementation Actions	Team	Progress Update
1.a	<i>Retain local incentive funds and develop new financial tools to improve San Jose's competitiveness at attracting driving industry companies.</i>	OED/Agency Budget Office	On 6/15/10, the Redevelopment Agency provided \$600k to Solfocus and on 6/22/10 \$400k to Intermolecular for the acquisition of capital equipment. The Agency and City will be bringing forward capital equipment acquisition agreements for Maxim Integrated Products and Sunpower in February 2011. The City provided assistance to SunPower in securing a \$30 million Recovery Zone Facility Bond. In March 2010, Council adopted two financial tools to assist local businesses including: the suspension of business tax for small businesses, and offering free parking to downtown tenants that sign new leases. In addition, agreements for Maxim and Sunpower will also have two new types of sales and utility tax sharing agreements as part of an incentive package (refer to item. 2.b)
1.b	Develop the Clean Tech Demonstration Center (at the new San Jose Environmental Innovation Center-EIC) to provide a setting, equipment, and support for new environmental technologies, from pilot to demonstration to commercialization.	OED/ESD	Update. Mayor's Office received letter in November notifying City's application for a \$4 million Economic Development Administration grant was moved to Washington D.C. for further review. Application submitted to Global Climate Change Mitigation Incentive Fund in December for \$3.5 million. Council approved the selection of New Market Tax Credit financial consultant in December to pursue \$5 million for EIC construction hard and soft costs. The bid documents for the EIC were approved by Public Works and released on January January 11, 2011.
1.c	Undertake targeted efforts to attract foreign companies planning to establish operations in the United States, especially in cleantech, life sciences, and information technology/services.	OED	Through a collaboration with OCO Global, OED has targeted 10 companies which has resulted in 5 leads of companies looking to locate to San Jose. Successful efforts include a new office location for Certicon software company from Prague Czechoslovakia. In addition the City collaborated with the City of Osaka to produce a Clean Tech Innovation Partnership seminar in October 2010.

Strategic Initiative #2:
Develop Retail to Full Potential, Maximizing Revenue Impact and Neighborhood Vitality

	Implementation Actions	Team	Progress Update
2.a	<i>Expediently advance current retail projects on existing sites through the planning stage, including Evergreen, Arcadia, Almaden/85, and Hitachi Cottle Road.</i>	OED/PBCE	Successful retail openings include: Target@First, Whole Foods@Blossom Hill, Fresh 'N Easy@Bird and Big Lots@Parkmoor. In addition, plans have been submitted for Acradia at Evergreen which includes 300,000 sq ft of retail. Site Development plans for Almaden Ranch are anticipated to be submitted in March 2011 which will include 350,000 sq ft of retail. Westfield Oakridge Mall added an additional 20,000 sq ft of additional retail capacity.
2.b	Develop new tools like sales-tax sharing agreements to fund necessary predevelopment and transportation improvements to move current and future retail projects forward.	OED/Budget Office	OED will be bringing forward sales and utility tax sharing agreements for Maxim Integrated Products and Sunpower to be able to fund predevelopment costs.
2.c	Work to retain car sales companies and car sales sites for sales-tax generating use.	OED/PBCE	Recent Expansions and relocations by Capitol Honda, Capital Mazda and Capital Subaru have lowered commercial vacancy rates along Capitol Auto Row. Tesla auto recently added a showroom to Santana Row.

Strategic Initiative #3:			
Preserve and Strengthen Manufacturing-Related Activity and Jobs *			
	Implementation Actions	Team	Progress Update
3.a	<i>Preserve industrial lands by aligning land use decisions with the Preservation of Employment Lands Framework and incorporate appropriate protections in the Envision 2040 Plan.</i>	PBCE/OED	<i>Draft Envision 2040 General Plan contains goals and policies to protect employment land. Until the Update is approved, Council's decisions are guided by the Framework for the Preservation of Employment Lands.</i>
3.b	Protect and improve trucking and freight transportation access to the City's key employment areas; develop a longer-term access plan that could be pursued in collaboration with the State when funding is available (incorporate into General Plan Update)	OED/PBCE	Draft Envision 2040 General Plan contains goals and policies to protect strategic trucking and freight transportation.

Strategic Initiative #4:			
Nurture the Success of Local Small Businesses *			
	Implementation Actions	Team	Progress Update
4.a	<i>Integrate oversight of citywide small business strategy, services, and evaluation into the responsibilities of the work2future board, which oversees BOS and work2future small business outreach and services.</i>	OED	<i>OED/work2future staff currently provide support to the small business commission. In addition a joint small business study and strategy is being conducted by work2future and NOVA workforce board and will be completed in February 2011.</i>
4.b	Actively recognize and promote BOS as the core element of San Jose's small business support strategy.	OED/Agency	BOS' website and general information was promoted to the Neighborhood Business Districts and the Neighborhood Business Clusters as a resource for their members.
4.c	Develop a new on-line forum to connect businesses to resource providers in real time, new on-line job and procurement fairs, and a new on-line "how green is your business" self assessment tool.	OED	An RFP was issued and a consultant was selected to develop the self assessment tool. The web based tool is expected to be completed in February 2011.
4.d	Develop a new master permit program for small retail leases in large shopping complexes.	OED/PBCE	Streamlined tenant improvement processing is being implemented.

Strategic Initiative #5:			
Increase San Jose's Influence in Regional, State and National Forums in Order to Advance City Goals and Secure Resources			
	Implementation Actions	Team	Progress Update
5.a	Secure a seat on the Metropolitan Transportation Commission, the Bay Area's federally designated metropolitan planning organization.	DOT/OED/Regional Influence Team	MTC has drafted language and is awaiting an author to carry the legislation forward to add an additional seat for San Jose.
5.b	Secure staff voting rights on ABAG in the Mayor's absence, similar to the provision made for San Francisco.	PBCE/Regional Influence Team	Conversation underway to verify that San Jose already has the same voting provisions as San Francisco.

Strategic Initiative #6: Improve the Speed, Consistency, and Predictability of the Development Review Process, and Reduce Costs of Operating a Business in San Jose *			
	Implementation Actions	Team	Progress Update
6.a	<i>Retain and improve the Special Tenant Improvement Program and the Industrial Tools Installation Program to expedite permit review for expanding companies, and continue to reorganize and streamline the development review process.</i>	<i>PBCE/OED</i>	<i>Council through the adoption of the FY 10-11 budget retained staffing for the Special Tenant Improvement Program and the Industrial Tools Installation Program to continue to expedite permit review for expanding companies, and continue to reorganize and streamline the development review process. In addition, Council established funding to implement the Development Services Project Manager Pilot program.</i>
6.b	Complete and adopt enhanced development plan check submittal process to provide customers with clear guidance about how to obtain the necessary Public Works permit.	Public Works	Public works has completed the enhanced plan check submittal process which outlines clearly how to obtain Public Works permits.
6.c	Continue aggressive promotion of the Enterprise Zone Tax Credits as a tool to reduce business operations costs, and pursue other state and federal assistance programs to support new development and business attraction and expansion.	Agency/OED	The Redevelopment agency reached out to 262 businesses in the Enterprise Zone and issued 1,674 hiring tax credit vouchers to companies that hired Enterprise Zone eligible employees. Staff participated in four workshops to promote the Enterprise Zone program.

Strategic Initiative #7: Prepare Residents to Participate in the Economy Through Training, Education, and Career Support			
	Implementation Actions	Team	Progress Update
7.a	Through San Jose 2020, convene education, business, and nonprofit leaders to develop a plan to better align existing resources around shared goals to increase the rate of high school graduation in San Jose, the share of high school graduates prepared for college, and the share of graduates that enter and complete post-secondary education.	Mayor's Office/OED work2future	The Office of the Mayor and the Santa Clara County Office of Education (SCCOE) have developed committees and advisory councils to address the achievement gap in San Jose. The collaborative has hosted community forums, recruited additional educational institutions and community organizations to assist in the initiative. The collaborative has been working on a resource mapping effort to highlight mismatches between the supply and demand for support programs. Additional efforts include the creation of a baseline report card and greater collaboration with STRIVE and Living Cities.
7.b	Create partnerships between K-12, community colleges, pre-apprenticeship and apprenticeship programs, and institutions of higher learning. Examples include a system that can steer low-income people towards careers in the green economy.	work2future	work2future has established a Green Cadre program that works with low-income, at risk youth to expose them to careers in the Green Economy. In addition, work2future has established a pre-apprenticeship training program with Evergreen Community College and the South Bay Labor Council to prepared youth and adults for careers in the constructions and trades.
7.c	Through work2future, provide occupational assessment and counseling services to people that advance to middle-income jobs through identification of both career ladders (sequential positions) and career lattices (transferable skills).	work2future	work2future was part of a pilot program called the Statewide Integration Initiative. As a key component of the initiative every client that now enrolls with work2future will as a matter of course receive occupational assessments and job coaching. A key focus of these assessment and coaching is to provide work2future job seeking clients with insights into their transferable skills and identify for them in the process career ladders and lattices.
7.d	Help reform the Workforce Investment Act to a) provide more opportunity to serve at-risk youth and reduce federal barriers, and b) support summer work experience programs.	work2future	work2future is working closely with the City lobbyist and through the California Workforce Investment Board, California Workforce Association and other regional, state and national bodies to provide more opportunity to serve at-risk youth and reduce federal barriers.

<i>Strategic Initiative #8:</i>			
Advance the Diridon Station Area as Key Transportation Center for Northern California			
	Implementation Actions	Team	Progress Update
8.a	Complete the Diridon Station Area Plan to identify the most effective strategies for expansion of Diridon Station and for development of station area.	DOT/Agency/OED/PBCE/Housing	Preferred alternative along with Framework for Implementation (Item 8.b) will be presented to Council on January 25, 2011
8.b	Continue working with Diridon Area Good Neighbor Committee to sensitively integrate Diridon Station area development with HP Pavilion and surrounding neighborhoods.	OED/Agency	Good Neighbor Committee unanimously adopted the Diridon Station Area Framework for Implementation The Framework for Implementation will be presented to the Mayor and City Council for their acceptance on January , 25, 2011.
8.c	Support California High Speed Rail Authority to secure approvals and funding to complete the San Jose to San Francisco segment by 2016, and the San Jose to Los Angeles/Anaheim segment by 2020.	DOT	City Council directed staff to negotiate a Cooperative Agreement between the City of San Jose and the California High Speed Rail Authority to address the visual, urban design and aesthetic elements of the High Speed Rail project through the City. A community meeting was held on November 4th to discuss the agreement and other High Speed Rail issues with interested community members.
8.d	Support Valley Transportation Authority (VTA) to extend BART service to Downtown San Jose and Diridon Station by 2020.	DOT	VTA's planning and design of the BART extension to Berryessa is progressing on schedule. VTA and City staff are currently engaged in development of cooperative agreements outlining jointly acceptable design and construction procedures for key infrastructure development. In addition, staff is working with VTA to develop and release the Request for Qualifications (RFQ) for the Design Build selection by early 2011.

<i>Strategic Initiative #9:</i>			
Keep Developing a Competitive, World Class Airport, and Attract New Air Service			
	Implementation Actions	Team	Progress Update
9.a	<i>Maintain a cost-conscious, competitive operating environment to successfully compete with the other major airports in the Bay Area and across the nation in retaining and attracting air service.</i>	<i>Airport</i>	<i>Council approved Airport Competitiveness Strategy in May 2010 that provides a comprehensive framework to keep Airport operating costs to airlines at levels that are competitive with airports in the region and across the nation. The Airport has achieved significant cost reductions including aggressive expenditure control, outsourcing custodial services, and relocating administrative offices into the airport to eliminate rent costs. Additional measures for contracting out public safety services will be brought to the City Council in 2011.</i>
9.b	Explore issuing an RFP to develop the property on the west side of the airport to support general aviation demand by Silicon Valley companies.	Airport	Amendment to the Airport Master Plan was approved by Council in June 2010 that allows potential development of the west side of the airport for General Aviation uses. Preparation of an RFP is under way, and it is scheduled to be released in 2011.
9.c	Engage Silicon Valley community and corporate leadership to assist the airport and its partners to secure additional air service.	Airport/OED	During 2009 a series of "business in-reach" meetings were held at the airport during construction to introduce more than 700 business, community, and travel industry leaders to the air service opportunities at the airport. Outreach to airline executives and Silicon Valley corporate community to recruit air service in collaboration with the Mayor's Office, Office of Economic Development, Airport, and Silicon Valley business organizations. The Mayor has established an ad hoc Council Committee to address air service and competitiveness issues that will support ongoing business engagement activities and air service opportunities in 2011 and beyond.

Strategic Initiative #10: Continue to Position Downtown as Silicon Valley's City Center			
	Implementation Actions	Team	Progress Update
10.a	Expand and upgrade the Convention Center to increase its capabilities as a modern meeting venue.	DPW/OED/Agency	Contractor procurement completed December 14, 2010. Financing scheduled to yield proceeds in early March 2011. Gap financing to Council on February 18, 2011.
10.b	Complete the San Pedro Square Urban Market project, integrating historic resources and new shopping experiences into a cohesive, unique destination.	Agency/OED	Grading permits have been issued as well as several building permits. Developers are currently marketing site to potential tenants
10.c	With partners, promote Downtown San Jose to major office users to lease existing space and develop interest in new properties.	Agency/OED	November 2010, PricewaterhouseCoopers signed a lease relocating 1,200 jobs to occupy 209,000 sq ft in the former Sobrato Building located on Almaden Avenue. Agency/OED/Mayor's Office collaborated to create a new web portal – www.ChooseSanJose.com – that highlights the competitive advantages of doing business in San Jose. A soft launch has been initiated with the official launch and promotional campaign to take place in January 2011.
10.d	Retain capacity to coordinate and support special events Downtown.	OED	With the adoption of the FY2010-2011 Budget Council retained minimum special events staff as well as funding for the San Jose Sports Authority. Transition of Christmas in the Park underway.
10.e	Proactively coordinate Downtown policy, operational issues, and stakeholder communication, including efforts to achieve a stronger mix of evening entertainment and live music offering aimed at broader audiences.	OED/PD/CAO/Agency	2010 accomplishments include passage of Entertainment Zone Policy Model, Downtown Zoning Overlay and City Manager's Downtown Advisory Committee

Strategic Initiative #11 Create More Walkable, Vibrant, Mixed-Use Environments to Spur Interaction and Attract Talent			
	Implementation Actions	Team	Progress Update
11.a	Complete the General Plan Update, locating new employment and housing in pedestrian and bicycle friendly, mixed use transit corridors and villages supported by parks and other amenities.	PBCE	Draft Envision San Jose 2040 is circulating for public comment with these and other provisions.
11.b	Foster implementation of the North San Jose Vision, encouraging the development of new housing and recreation within an intensified job center.	Agency/OED/PBCE/PRNS/DOT/Housing	The Irvine Company and Fairfax Residential have signed their Satisfaction Agreements providing them certainty that they comply with the City's suspension of Inclusionary Housing requirements in Redevelopment Areas for rental housing.

Strategic Initiative #12 Develop a Distinctive Set of Sports, Arts, and Entertainment, Offerings Aligned With San Jose's Diverse, Growing Population			
	Implementation Actions	Team	Progress Update
12.a	Enable construction of the San Jose Earthquakes/Major League Soccer Stadium on the Airport West property.	OED	Council approved revised business terms for the Developer in December 2010. The revised business terms allow additional time for the developer to identify potential tenants and secure the necessary private financing to build the stadium in light of economic downturn.
12.b	Continue planning for Major League Baseball facility in the Diridon station area, working toward a 2010 successful public ballot.	Agency/OED	Project is currently awaiting a response from the Commissioner's Office for Major League Baseball.

Exhibit A
2010 Strategy Workplan Update

12.c	Encourage ongoing production of national/international events and performances in San Jose, including Rock N Roll Half Marathon, NCAA, national and Olympic championship events, Cirque Du Soleil, Broadway Touring Shows, and national concert tours in partnership with the San Jose Sports Authority, Team San Jose, and other appropriate private and non-profit sponsors.	OED	Thus far in FY 2010-2011 over 13,000 runners participated in the 2010 Rock N Roll Half Marathon and efforts are underway for the 2011 Tour of California in May 2011. Staff has been working to insure the successful production of the Rock N Roll Half Marathon and Cirque Du Soleil in 2012.
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