



COUNCIL AGENDA: 10-18-11
ITEM: 4.2

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Dennis Hawkins, CMC
City Clerk

SUBJECT: SEE BELOW

DATE: 10-06-11

SUBJECT: ECONOMIC STRATEGY 18-MONTH WORKPLAN

RECOMMENDATION

As recommended by the Community and Economic Development Committee on September 26, 2011 and outlined in the attached memo previously submitted to the Community and Economic Development Committee, accept staff's proposed Economic Strategy Workplan.



Memorandum

TO: COMMUNITY AND ECONOMIC
DEVELOPMENT COMMITTEE

FROM: Kim Walesh

SUBJECT: ECONOMIC STRATEGY
18-MONTH WORKPLAN

DATE: September 9, 2011

Approved

Date

9/19/11

COUNCIL DISTRICT: City-Wide

RECOMMENDATION

Accept staff's proposed Economic Strategy Workplan and refer to the full City Council for approval at the October 18 Council meeting.

OUTCOME

The Workplan ensures that Department efforts to implement San Jose's Economic Strategy are focused on the highest priorities the next 18 months, given available staff resources.

BACKGROUND

On April 4, 2010, City Council adopted the Economic Strategy 2010-2015, which was intended to align City staff and other resources in a common direction over a five-year period to:

1. Aggressively regain jobs and revenue as the national economy recovers (Strategic Goals #1-6), and
2. Create an outstanding business and living environment that can compete with the world's best cities over the long-term (Strategic Goals #7-12).

In addition to adopting the five-year Strategy, Council adopted a first 18-month Workplan that identified high-priority action items for the January 2010-June 2011 time period. High-priority action items were defined as those that:

- could achieve a significant milestone or outcome in 18 months, and
- would require significant staff and/or Council time and attention.

Out of the 39 items identified in this initial Workplan, 14 items were completed entirely while another 25 achieved milestones but remain ongoing efforts.

ANALYSIS

Implementation of the Economic Strategy is a collaborative effort that involves 11 City departments and the Redevelopment Agency with overall leadership provided by the Office of Economic Development.

The departments that comprise the "Community and Economic Development" City Service Area have developed a second Implementation Workplan for the period October 2011- December 2012 (Exhibit A). For each of the 12 Strategic Goals, the Workplan identifies a select number of action items that staff believes should be pursued to continue progress toward achieving each Strategic Goal.

The Workplan is a practical approach that takes into account reduced staff and resource levels following adoption of the FY 2011-2012 budget. The Workplan is a responsive approach that incorporates previously identified Mayor/Council priorities and directives.

EVALUATION AND FOLLOW-UP

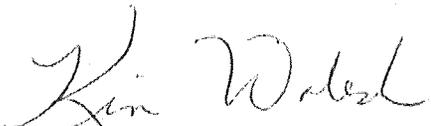
Staff will provide an update on Workplan implementation to the CED Committee and City Council in the Fall of 2012.

COORDINATION

The Workplan has been coordinated with the Department of Planning, Building, and Code Enforcement; Department of Transportation; Public Works; Airport; Environmental Services Department; Housing Department; Mayor's Office and the Redevelopment Agency.

CEQA

CEQA: Not a Project, File No.PP10-066 (a), Staff Report


KIM WALESH
Director of Economic Development
Chief Strategist

For questions, please contact John Lang, Development Officer, at (408) 535-8178.

Attachment:

Economic Strategy 18-Month Implementation Workplan for October 2011-March 2012

Economic Strategy 18-Month Implementation Workplan

(October 2011- March 2012)

| Action | Team |
|---|---------------------------------|
| #1 Encourage Companies and Sectors that Can Drive the San Jose/Silicon Valley Economy and Generate Revenue for City Services and Infrastructure | |
| 1.a – Engage with 250 companies that represent key targets for job and revenue growth. | OED/Agency |
| 1.b – Partner with local companies, associations, and agencies to promote San Jose as a desirable location in Silicon Valley. | OED |
| 1.c – Develop a business plan for the successful launch and operations of the Clean Tech Demonstration Center at the new San Jose Environmental Innovation Center. | OED/ESD |
| 1.d – Make revisions to the Development Agreement Ordinance to improve flexibility and effectiveness. | CAO/OED |
| #2 Develop Retail to Full Potential, Maximizing Revenue Impact and Neighborhood Vitality | |
| 2.a – Advance destination retail projects on existing sites through the planning stage, including Almaden Ranch, Evergreen Arcadia, and Hitachi Cottle Road. | OED/PBCE |
| 2.b – Adopt the new sign code ordinance to improve the marketability of businesses. | PBCE/OED |
| #3 Preserve and Strengthen Manufacturing-Related Activity and Jobs | |
| 3.a – Preserve and promote industrial lands such as Heavy Industrial and Light industrial by aligning land use decisions with the Preservation of Employment Lands Framework and incorporate appropriate protections in the Envision 2040 Plan. | PBCE/OED |
| 3.b - Develop a support program directed at San Jose's comparative advantage in contract manufacturing and manufacturing support industries. | OED |
| #4 Nurture the Success of Local Small Businesses | |
| 4.a – Actively promote BusinessOwnerspace.com (BOS) as the core element of San Jose's small business support strategy. | OED/work2future |
| 4.b – Implement Shop San Jose social media campaign to improve small business success and drive revenue to the City. | OED/work2future |
| 4.c – With the SJSU Research Foundation, prepare a transition plan for the incubator programs that eliminates rental subsidies for the two buildings that are subleased from the Agency by the end of the 2011-2012 fiscal year. | Agency/OED |
| #5 Increase San Jose's Influence in Regional, State and National Forums in Order to Advance City Goals and Secure Resources | |
| 5.a - Increase San Jose's effectiveness in using regional agencies/forums to advance city goals and secure financing from regional, statewide, and national sources. | CMO/OED/Regional Influence Team |
| 5.b – Secure a seat on the Metropolitan Transportation Commission, the Bay Area's federally designated metropolitan planning organization. | DOT/Regional Influence Team |

| | |
|--|---|
| 5.c - Provide a one voice approach on SB 375 implementation by actively influencing and shaping implementation of the Sustainable Communities Strategy and Regional Housing Needs Allocation. | Planning/Housing/ Regional Influence Team |
| #6 Improve the Speed, Consistency, and Predictability of the Development Review Process, and Reduce Costs of Operating a Business in San Jose | |
| 6.a –Improve San Jose’s competitiveness for commercial/industrial leasing and new development through realignment of impact fees and taxes. | PBCE/OED/Budget/DOT |
| 6.b - Retain and improve the Expedited Planning Permit and continue to reorganize and streamline the development review process. | PBCE |
| 6.c – Initiate the Enhanced Development Plan Check submittal process to provide customers with clear guidance about how to obtain the necessary development services permit. | Development Services |
| 6.d - Continue aggressive promotion of the Enterprise Zone and Foreign Trade Zone to reduce business operations costs, and pursue other state and federal assistance programs to support new development and business attraction and expansion. | OED/Agency |
| #7 Prepare Residents to Participate in the Economy Through Training, Education, and Career Support | |
| 7.a - Through <i>San Jose 2020</i> , 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/work2future |
| 7.b - Create partnerships between employers, 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 |
| 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 |
| #8 Advance the Diridon Station Area as Key Transportation Center for Northern California | |
| 8.a – Develop an Implementation plan around the adopted Diridon Station Area Plan, including preparation for a potential master developer. | DOT/OED/Planning |
| 8.b – Support Valley Transportation Authority to extend BART service to Berryessa, Downtown San Jose and Diridon Station. | DOT |
| 8.c – Facilitate planning and future development of the California High Speed Rail project with service to Downtown San Jose. | DOT/OED/Planning |
| #9 Keep Developing a Competitive, World Class Airport, and Attract New Air Service | |
| 9.a – Maintain a cost-competitive, efficient and attractive airport that can successfully compete with airports in the Bay Area and across the nation in recruiting carriers and flights to serve Silicon Valley. | Airport |
| 9.b - Execute strategy to recruit new international and domestic air service, in partnership with the Silicon Valley business community. | Airport/OED |
| 9.c - Pursue private-sector development of the Airport’s west-side property to support projected Silicon Valley business general aviation demand. | Airport |

| #10 Continue to Position Downtown as Silicon Valley's City Center | |
|---|---------------------------|
| 10.a - Continue to create a vibrant and safe environment that attracts a diverse range of residents and visitors. | Public Works/OED |
| 10.b - Position Downtown San Jose as an easy-to-access, competitive work environment for start-ups, scaling businesses, and freelancers by highlighting our innovation and creativity. | OED/Agency |
| 10.c - RETENTION- Maintain a dialogue with existing downtown businesses and build relationships and information base through in-person visits. | OED/DOT/PD/OCA |
| 10.d – Provide oversight and enhance competitiveness and success of the San Jose Convention Center, Convention and Visitors Bureau and the City's Downtown Cultural Facilities. | OED/PD/CAO/Housing |
| #11 Create More Walkable, Vibrant, Mixed-Use Environments to Spur Interaction and Attract Talent | |
| 11.a - Complete the General Plan Update, which locates new employment and housing in pedestrian and bicycle friendly, mixed-use villages and transit corridors and villages supported by parks and other amenities. | PBCE |
| 11.b – Develop an Implementation Plan to catalyze development in target mixed-use growth areas under the Envision 2040 General Plan and attract developers and resources. | PBCE/OED/PRNS/DOT/Housing |
| 11.c – Encourage neighborhood-serving retail that supports a diverse set of needs, including access to healthy foods. | PBCE/OED/PRNS/DOT/Housing |
| #12 Develop a Distinctive Set of Sports, Arts, and Entertainment, Offerings Aligned With San Jose's Diverse, Growing Population | |
| 12.a - Enable construction of the San Jose Earthquakes major league Soccer Stadium on the Airport West property. | OED/PBCE |
| 12.b - Continue planning for Major League Baseball facility in the Diridon station area. | Agency/OED/DOT/PBCE |
| 12.c – Support production of high-profile events and performances in San Jose in partnership with the San Jose Sports Authority, Team San Jose, and other private and non-profit sponsors. | OED/DOT/PD |