



**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- Traditional City model feels outdated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

**What is City government like today?**

## 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

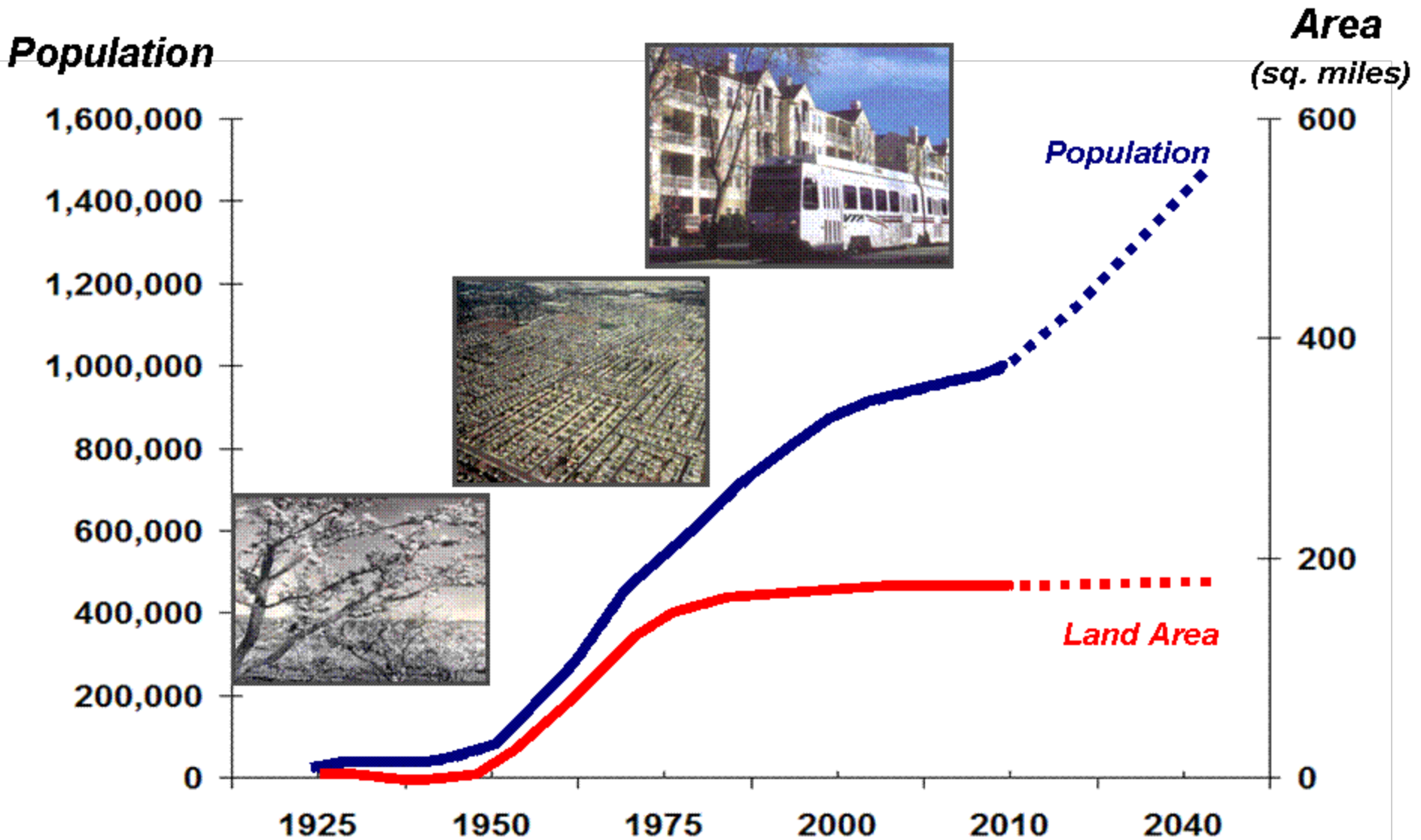
**What must we prioritize to get there?**

## 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 should our City government be like in 4 years?**

# A City of Growth and Change



# ENVISION SAN JOSE 2040 GENERAL PLAN

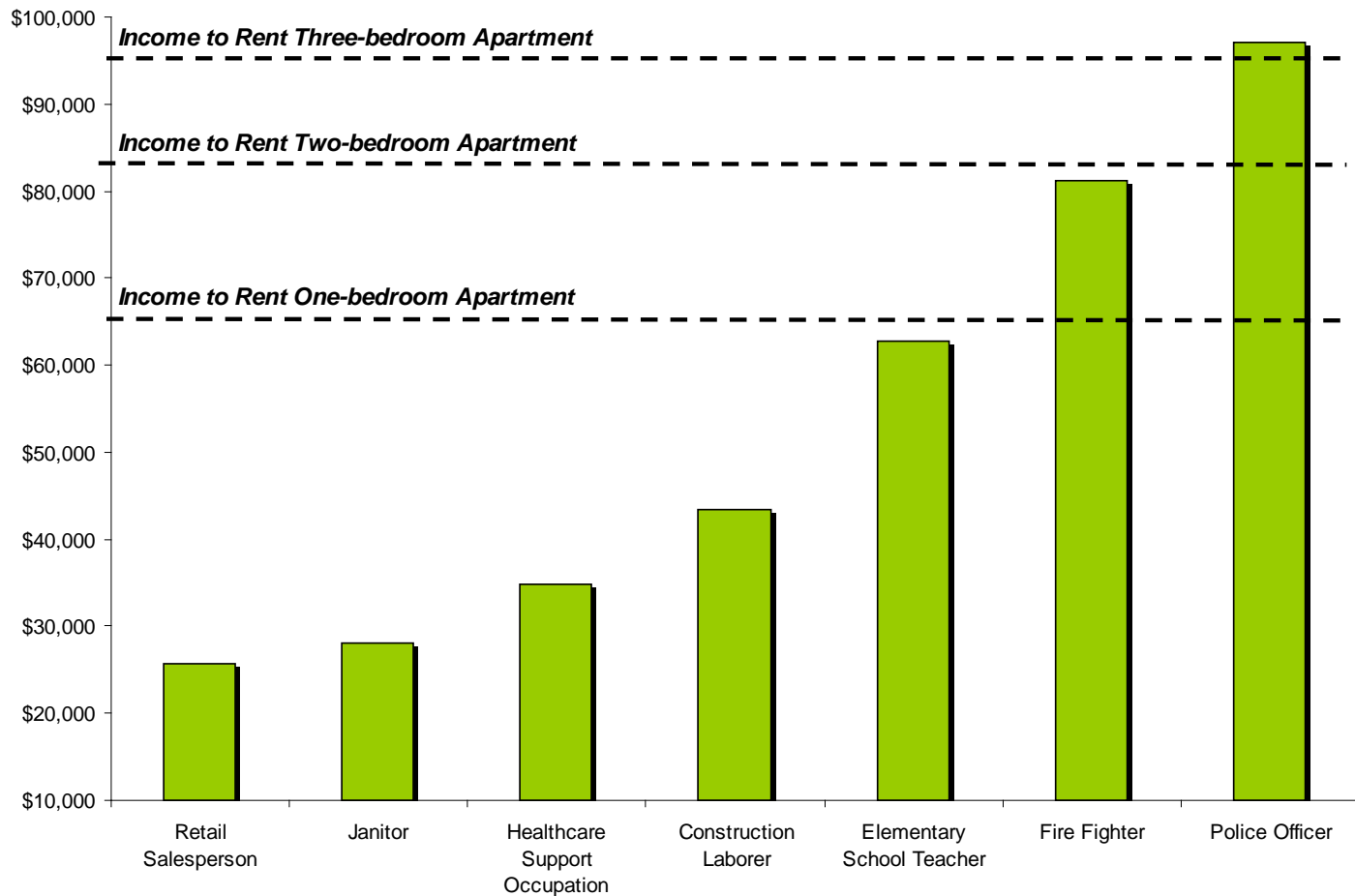


Building a City of Great Places



# Rents Remain Unaffordable for Many Workers

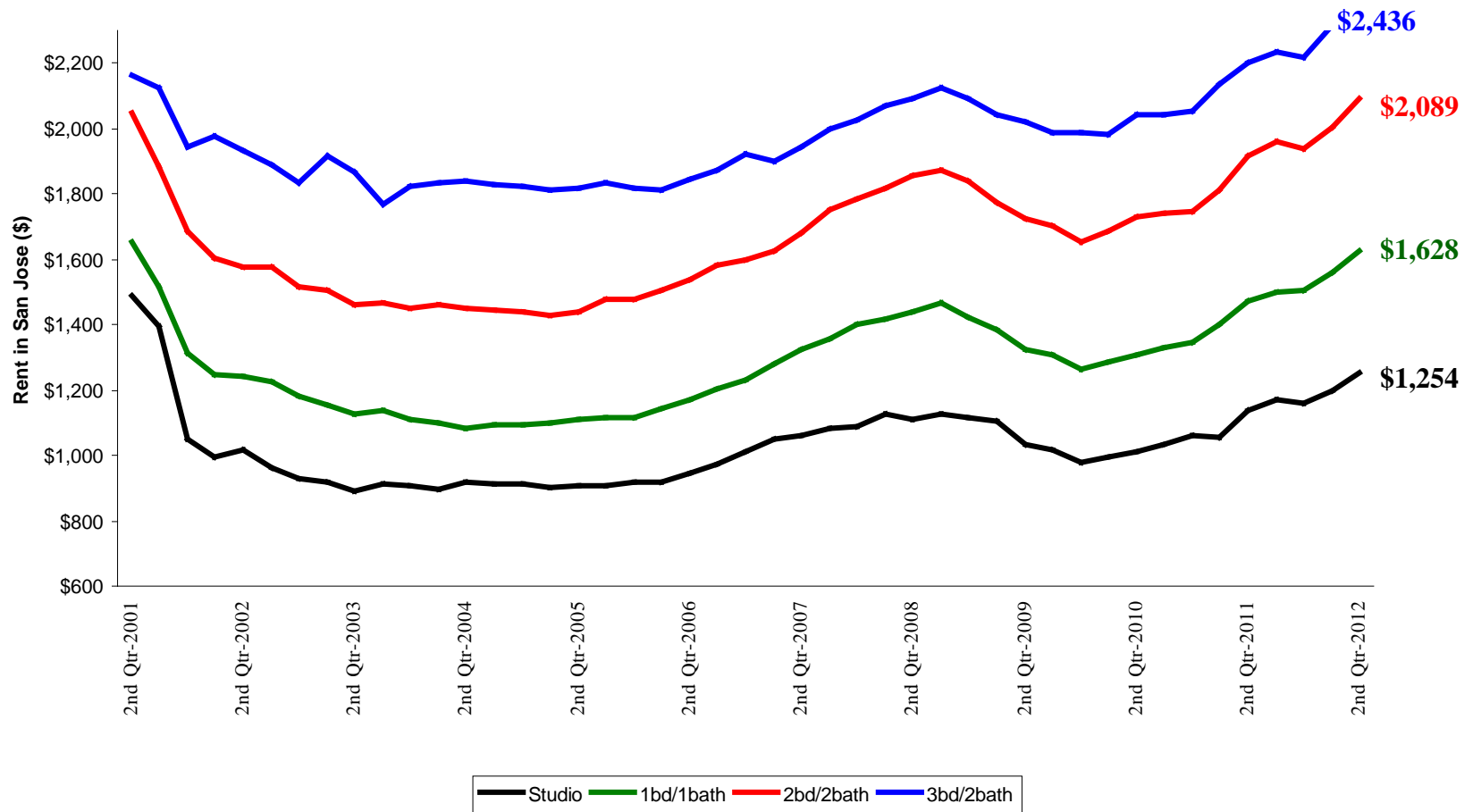
## Mean Annual Wages for San José Service Workers



SOURCE: Employment Development Department (EDD) – 2012 1<sup>st</sup> 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



# **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**
- 6. Improve the Speed, Consistency, and Predictability of the Development Review Process, and Reduce Costs of Operating a Business in San Jose**

# 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*



*What*



*How*



*Who*



SAN JOSE'S GREEN VISION

**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**

