



1

San Jose: The Fun Facts



2

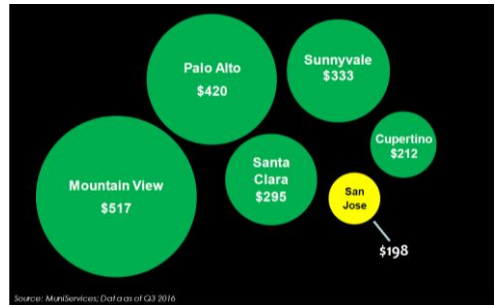
San Jose's Economic Picture: The Context

- ✓ Only big-city bedroom community
- ✓ Lower property tax per capita than neighbors
- ✓ Lower sales tax per capita
- ✓ History of industrial land conversions



3

Lower Property Tax Per Capita



4

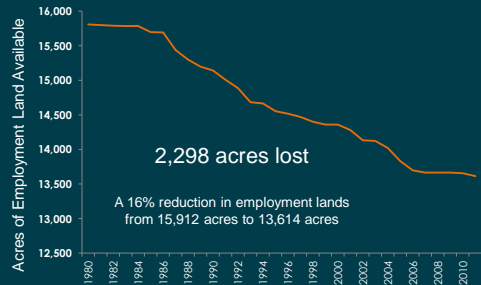
Lower Sales Tax Per Capita



5

5

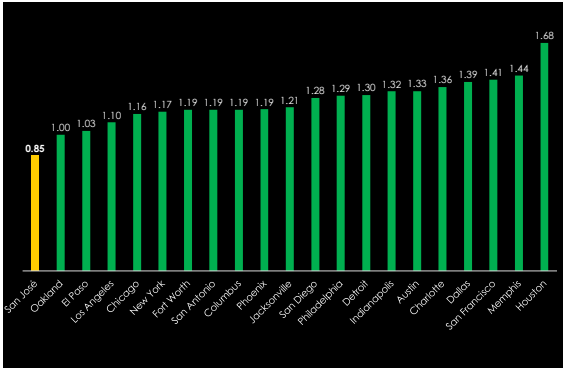
Employment Land Eliminated Through Conversions Since 1980: 2,298 acres



6

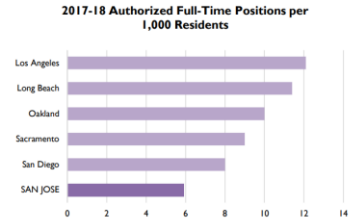
6

Jobs Per Employed Resident: Top 20 Cities



7

Serving Residents: Getting Better But Still Behind Big-City Peers



Source: City Auditor's Report, 2017-18

8

8

Incentives: The Past

- Business Support through SJ Redevelopment Agency:
 - Largest in the State
 - Incubators
 - Cleantech/Emerging Tech Funds
 - Infrastructure investment
- Enterprise Zones
- Manufacturing Incentive
- Equipment Reimbursement



9

Incentives: Today

- ✓ Less political appetite for direct business support
- ✓ Fewer tools available
- ✓ Some *new* tools available
- ✓ Referrals to state resources
- ✓ Focus on project certainty and due diligence



10

Storefronts Grants Program



11

Storefronts Grants Program

2 types:

Vacant Storefronts

- Vacant longer than 3 months
- Up to \$15,000 for City fees, permits, taxes

Existing Storefronts

- Any ground-floor retail space
- Up to \$10,000 for exterior improvements that enhance/enliven storefront

12

Business Cooperation Program

Rebate on % of Use Tax for Big Ticket Purchases	Not pitched as an "incentive"; city, company both come out ahead
Company can receive 20%-30% of the 1%	Company works with City to designate SJ as first functional use for Big Ticket Purchase from out of state
Not huge dollars: \$10,000 potential return on \$5M widget	



13



Foreign Trade Zone (FTZ)

Designated site in U.S. where foreign merchandise is considered outside U.S. territory

Foreign merchandise can be brought into FTZ without payment of federal import duties & w/streamlined customs procedures

Allows for deferral, reducing, or eliminating duty payments on items entering the FTZ

14



15



16

Focus on State Resources

California Competes Tax Credit

APPLY NOW

Recent SJ Cal Competes Awardees

	\$250,000
	\$125,000
	\$2.5M
	\$400,000



17

Focus on Project Certainty and Due Diligence

Development Services

STI/ITI Expedited Plan Review

FBI OFFICE, R&D, AND INDUSTRIAL USES

- SPECIAL TENANT IMPROVEMENTS (STI)** - INDUSTRIAL TOOL INSTALLATIONS (ITI)
- Speed and a design team in touch with local building processes are invaluable in a development project as a timeline for the opening process, the City of San Jose offers an expedient plan review that facilitates work efficiency and cost-savings. Applications are a 30% surcharge over the regular plan review fee, based in San Jose Building Fee Schedule. Benefits include:
- ONE-STOP REVIEW PROCESS:** Expedited plan review brings the applicant's design professionals together with the City's full development services team, which is comprised of staff from Planning, Building, Fire Prevention, and Public Works departments. The full review process results in the spot creation resolution of questions and issues concerning the project's design and compliance.
- COORDINATED INSPECTION SERVICES:** Expedited plan review includes coordination for the efficient scheduling of project inspections.
- FINANCIAL INCENTIVES:** Industrial projects, including high-tech offices, qualify for reduced construction taxes. For all qualifying questions, project phasing and payment options may be available.
- REGULATORY CONSULTATION SERVICES:** Upon request, we provide preliminary review assistance for design consultants to discuss code and process issues specific to your project.

UNLIMITED REVIEW SCOPES: There are no limits on size or complexity for qualifying projects.

CONTACTS

Program Manager: Lisa Janner, S.E. CAGI, 408-253-7757 | ljanner@sjbusiness.gov
Development Coordinator: Emily Loponis, 408-253-7903 | emily@sjbusiness.gov
Economic Development: Chris Burson, 408-253-8114 | chris.burson@sjbusiness.gov

For project inquiries and submittals, email to regulationreview@sjbusiness.gov

Find the necessary forms at www.sjbusiness.gov/forms-approval-2018

Visit www.sjbusiness.gov for more information or call us at +1 408-535-8180

- Expedited Review Options
- Predevelopment Meetings
- Development Facilitation Officer
- Housing Catalyst Officer (upcoming)
- Retail Facilitation Officer (upcoming)

18

Connections to Community, Customers and Workforce



19

Connections to Community, Customers and Workforce



20

Connections to Community, Customers and Workforce



21

Connections to Community, Customers and Workforce



22

Connections to Community, Customers and Workforce



23

Questions?

Nathan Donato-Weinstein
 Business Development Officer
 Office of Economic Development
 City of San Jose
nathan.donato-weinstein@sanjoseca.gov

SAN JOSE

24