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Gonzales Announces Economic Goals for San José ***Mayor: “We’ve done well, but much room for improvement,”*** ***proposes moving pension fund investments from New York to San Jose***

San José --- Citing good progress to boost the San José economy over the past twelve months, Mayor Ron Gonzales announced long-term goals today to keep the city focused working with employers to create jobs, opportunity and prosperity for businesses and residents.

To jump-start these goals the mayor also proposed moving the City of San José pension funds from a bank in New York banking institutions into a local San José bank. Locating the fund holdings of approximately \$5.5 billion to San José would help create more local opportunities for using capital resources for start-up companies and aid venture capitalists and other major investors to contribute to local job creation.

Standing with city leaders, business people, labor organizations and community members, Gonzales released his progress report of City Hall’s economic efforts since last summer. The mayor gave city efforts an overall grade of “B,” and noted that unemployment rate has fallen from nearly 9 percent a year ago to 6.4% now.

"Our economy is showing promise, but we still have a lot of room for improvement and too many people are still looking for work," he said. "For the sake of San José families, we can't relax our efforts to help create jobs and keep our competitive edge for businesses to locate, grow, and succeed in our city."

To this end the mayor proposed specific economic goals for the city over the next five years. These include increasing convention center annual bookings by \$4 million, adding six new international flights to Mineta San José International Airport, building three high rise residential towers in downtown, and doubling the number of fast growing “gazelle” companies. Gazelle companies are those which are growing at a rate of 20% or more annually.

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“We should be looking ahead to the next five years because we are still a long way from a full economic recovery,” he said. “For the sake of San José families, we can’t relax our efforts.”

Last August Gonzales convened the city council for a special weeklong economic summit to listen to business leaders and develop strategies to create jobs, attract and retain businesses, and restore economic opportunity for residents and businesses in the face of the prolonged Silicon Valley and national recession.

Citing successful efforts to keep major businesses such as eBay and BEA systems in San José along with positive indicators showing a seven percent increase in news business licenses issued, the mayor rated business retention and growth with a grade of B+.

Efforts over the past year at Mineta San José International Airport received an “A” grade from the mayor, reflecting the start of construction on long-awaited terminal improvements, start of new service by JetBlue Airways providing non-stop flights from San José to New York, and the selection of San José’s airport as a federal test site for airfield security technology innovations.

“Although we have made real progress cutting red tape and making it easier for business to do business with City Hall, we still have a lot more work to do,” he said. Gonzales praised the opening of the San José One-Start Center that streamlines review and approval of development permits as an example of making government work better as a partner for employers.

An all-day city council study session is scheduled for Friday, August 27, at the 4th Street Garage Summit Center in downtown San José. The city council will review progress the city has made to help employers create jobs in the past year and will consider future actions to ensure continuing economic recovery.

For more information on San José’s economy, go to **www.sjeconomy.com**. For more information on the Mayor’s economic goals, go to **www.sjmayor.org**.

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