

October 18, 2021

The Honorable Mayor and City Council  
City of San José  
200 East Santa Clara Street  
San Jose, CA 95113

**RE: Workers' Recovery: Centering Equity in the City Budget**

Dear Mayor Liccardo, Vice Mayor Jones, and Honorable Councilmembers Jimenez, Peralez, Cohen, Carrasco, Davis, Esparza, Arenas, Foley and Mahan:

As the Essential Workers Council, we collectively urge the City of San José to pursue an equitable economic recovery by centering the voices and needs of essential workers and our families and communities.

The Essential Workers Council was formed from among people across Santa Clara County who are leaders in our jobs and champions for our communities, who have joined together across industries to set the agenda for our recovery and our future, paving a path forward where everyone has the things we all need: jobs that pay enough to meet our needs, homes we can afford, and the power to shape decisions in our workplaces and democracy.

In the last year and a half, we, the essential workers, have sacrificed to provide for our communities amid the devastation of a pandemic which brought the loss of not only livelihoods but loved ones to too many of our families. Our neighborhoods, particularly in communities of color in East San Jose and South County, were ground zero for the hardest impacts of the pandemic, from unemployment, to lack of broadband, to exclusion from the safety net, to COVID infections and even deaths. The pain so many of us have felt is the direct result, not only of COVID, but of inequities driven by decades of austerity, under-investment and structural racism embedded in our public policies.

As City Councilmembers, you have a unique opportunity before you now: the City of San José is receiving \$213 million in American Rescue Plan State & Local funds, of which about \$78 million is not yet allocated, plus \$55 million from the FAA for San Jose Airport. On top of that, the City now has a \$61.6 million “excess fund balance” in the General Fund for this year’s budget.

These are more than just numbers. This is a rare opening to come together collectively and build a budget that expresses the values and vision of our community. Will you use these funds to begin bold shifts towards racial equity, worker justice, and community inclusion? Or will the City double down on pursuing “business as usual”?

In its framework for American Rescue Plan funding, the excess funds balance, and future revenues, **we call on the City to pursue an equitable economic recovery through the following strategies and actions:**

*EWC Strategy #1: **Invest in frontline workers and strengthening public services for working families.** Social services play a vital role in the lives of our families and the broader economy. We need a budget that makes our services better, and more accessible for everyone in the South Bay. This includes expanding services like childcare, parks and recreation, elder care, public health and broadband services we know we need to address inequities. It also requires that we ensure our frontline workers have safe working conditions and fair pay instead of pay cuts and understaffing.*

**City of San Jose actions:**

**1.a. Keep libraries open and community centers; fully restore service hours, and expand funding for childcare and afterschool programs.** Library hours were cut at 23 branch libraries and at the main Martin Luther King Jr. Library in 2020-2021. The 2021-2022 budget includes only \$900,000 to temporarily restore service hours at some libraries, and no funding to keep those service hours past this year.

**1.b. Ensure equitable access to public services by prioritizing hiring for the 700+ vacant City positions, focusing on hiring a diverse, culturally competent workforce who come from the communities they serve.** The persistent high number of vacancies at the City means that vital services are often understaffed, reducing our communities' access to services. Providing additional funding for the human resources department (estimated 3 to 5 analysts) dedicated to recruitment and hiring, with an explicit focus on hiring and retaining a diverse, culturally competent workforce from the communities being served, as well as re-hiring opportunities for longtime City workers whose jobs were eliminated due to COVID.

**1.c. Focus first on restoring and fully staffing core community services across all neighborhoods, before committing to significant expansions of programs that will contribute to a structural General Fund deficit.** Many of the neighborhoods where working-class, communities of color and immigrant communities live have for years suffered from inequity in basic community services. The current budget projects that, once ARP funds are gone, in future years we will have inadequate General Fund revenues to restore or even maintain current levels of public services. An equity budget should focus on fully funding core community services across all districts and neighborhoods.

**1.d. To address the projected ongoing General Fund shortfall, fund a study on potential revenue sources that could help us preserve and expand community services** without placing an additional tax burden on residents.

*EWC Strategy #2: **Stabilize housing for working families.** Our local governments should be ensuring our low and modest income tenants impacted by COVID-19 have access to the rent and utility relief they need and access to legal services if they are facing an eviction or health and safety issues. We should be investing in improving the habitability of our rental housing, improving code enforcement strategies and empowering tenants, preserving affordable housing and supporting community ownership.*

**City of San Jose actions:**

**2.a. Fund a Right to Counsel Program so that tenants facing eviction are provided with legal representation.** With the state moratorium officially expired, evictions are going to take place at a rapid rate. At the majority of these proceedings, tenants have no legal representation while landlords almost always have an attorney which makes for a blatant imbalance of power in court. A Right to Counsel program would restore that balance and give tenants necessary support.

**3.b. Support Berryessa Flea Market vendors** by providing funding for their self-directed efforts to maintain and support their businesses.

*EWC Strategy #3: **Support excluded workers.** Far too many workers are excluded from our safety net because of their immigration or employment status. Our local governments should target direct assistance and prioritize removing barriers in programs to serving these workers and putting the resources and community partnerships needed in place to reach these families. Investments should also try to overcome occupational segregation by prioritizing excluded workers not limited to those who are Black, immigrant, undocumented, formerly incarcerated, and women.*

**City of San Jose actions:**

**3.a. Fund community organizations to provide focused outreach and support for residents to access new or newly expanded State/Federal resources such as CalEITC, the Child Tax Credit, CalFRESH, Medi-Cal, etc., with an explicit focused on undocumented residents, gig workers, and other communities that are disproportionately excluded.** Consider piloting a promotores model that can help people access these resources, leveraging more funding to our communities that will go directly to the people who need it more, and help communities organize and empower themselves. Include funding for new or expanded VITA programs specifically serving undocumented immigrants and gig workers, and for VITA programs to become Certifying Acceptance Agents who can assist people in obtaining ITINs.

*EWC Strategy #4: **Create pathways to high quality jobs.** Investments should promote high quality, sustainable job creation that lifts under-resourced communities out of poverty and builds resilience, while honoring and respecting the assets, skills, and experience that our diverse community members bring to the workforce. We propose that any workforce development program is serious about addressing equity and excludes employers that violate labor rights.*

**City of San Jose actions:**

**4.a. Re-envision the Resilience Corps to support living-wage career pathways for workers of all ages and backgrounds, including undocumented residents, and laid-off workers in sectors hardest hit by COVID.** One of the largest new expenditures in the current year budget is \$20 million for a program to provide temporary, entry-level

jobs for youth. We propose expanding eligibility and the type of jobs targeted to include our many community members who are working to support their families and who need a career pathway where they can apply their assets and skills to benefit the community while earning a family-supporting wage. For example:

- Leverage the Resilience Corps with Dislocated Worker funding at work2future to provide living-wage jobs, supportive services, occupational training, and skills upgrade training (such as new certifications in sanitation) to laid-off workers in hospitality, airport, events and related sectors that are expected to take the longest to recover from COVID.

- Explore whether a portion of Resilience Corps funding could be used to expand Dislocated Worker services and training to laid-off workers who are currently ineligible due to immigration status, or to other documentation barriers such as Selective Service.

**4.b. “Share-a-raise”:** Support small businesses to invest in low-wage workers. Use a portion of the City’s business incentive and/or workforce development funds to support businesses that are raising their wages to increase job quality and worker retention. For any small or medium business willing to provide raises of at least 10% to its low-wage workers (those making less than twice the local minimum wage), the City will pay for half that raise for a 2 year period, if the worker is retained.

*EWC Strategy #5: **Champion workers’ rights, worker voice and enforcement.** Support programs that ensure workers’ rights to dignified wages and safe working conditions, and work with worker organizations and unions to engage workers in high risk communities and industries on how to realize their rights. Local governments should invest in programs and policies engaging and empower workers, tenants and working families in enforcing protections and realizing their rights.*

**City of San Jose actions:**

**5.a. Move towards stronger collaboration between the City’s Office of Equality Assurance and the County’s Office of Labor Standards Enforcement.** Leverage the County’s model of community-based outreach and education on workers’ rights to complement and augment OEA’s complaint-based enforcement.

- Fund a joint pilot project for OEA to work together with OLSE to provide workers’ rights outreach and education to targeted sectors and/or populations. Include a report back to Council at the conclusion of the pilot to review models developed, lessons learned, and potential next steps for further collaboration.

As we strive to move towards recovery and rebuilding, it is critical that San José lead in making public investments that move our community and working families, not back to the way things were, but towards a worker- and community-led vision of a more equitable and prosperous future.

We look forward to working with you to shape that vision and help make it real.

Sincerely,  
**The Essential Workers Council**

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Child Care Provider, SEIU521

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