

Offices of Mayor Chuck Reed and City Council
City of San José
200 East Santa Clara Street
San José, California 95113

May 26, 2010

Re: San Jose Neighborhoods Commission – 2010-2011 Budget Recommendations

Dear Mayor Reed and Members of our San José City Council,

The Neighborhoods Commission was established as an advocate for San Jose's neighborhoods, and to integrate the voice of all neighborhoods into the City of San Jose's decision-making processes.

In that consideration, and representing the viewpoints of neighborhoods throughout the city, the Neighborhoods Commission offers the following recommendations regarding the 2010-2011 City Budget, as the current shortfall directly and negatively impacts neighborhood quality of life:

- *2010 Budget Priorities:* Provide highest priority to our City's Community and Youth Centers and Libraries in the budget process, recognizing the essential link between these core community services and public safety.
- *Revenue Growth:* Expand all opportunities to generate additional revenues to preserve neighborhood supporting services that provide value.
- *Alternative Service Delivery:* Utilize neighborhood residents and youth to support programs and services through volunteer opportunities, internships, and other innovative approaches.
- *Address Structural Issues:* Remediate ongoing structural budget deficiencies, which if not addressed will continue to destabilize and undermine the future financial health of San Jose.
- *Implementation:* View the Neighborhoods Commission as a partner in civic engagement with our communities regarding current budget implementation and in working together towards resolving our City's fiscal challenges.

2010 Budget Priorities: At the Community Budget Prioritization Meeting in January 2010, it was established that having a safe city was the highest ranking priority for neighborhoods. It is the belief of the Commission, based on our ongoing discussions within our communities, that a safe city is best supported through effective partnership and investing in the preventative programs that support community stability. In investing now, we can avoid the later high financial and other serious costs of remediating problems. To that end the Commission recommends that the highest funding priority be given to the City's Community and Youth Centers and Libraries as they are of paramount importance to this public safety link from a preventative point of view.

Based on our review of "Attachment E – Recommended General Fund Service Restorations Summary" of the Mayor's 2010-2011 proposed Operating Budget, the Neighborhoods Commission recommends the following service restorations be given priority to support neighborhoods with available funds:

- PRNS - Community Centers
- Library - Branch Library Hours
- Library - Dr. Martin Luther King Library
- PRNS - Anti-Graffiti Program
- Police Crime Prevention and Community Education Consolidation (Neighborhood Watch and related programs)

Revenue Growth: In order to contribute to the funding for Community Centers and Libraries, the Commission recommends that the City and Redevelopment Agency continue to encourage business development to strengthen our City tax base. We also support a number of other sources of revenue already under consideration, including modernizing the business tax, a disposal facility fee increase, and review of city-wide parking lot taxes.

Alternative Service Delivery: To best leverage our limited resources the Neighborhoods Commission recommends that funding resources be strategically deployed to build capacity around expanded volunteer opportunities. Areas which could demonstrate a significant benefit include community-based recreational activities, neighborhood and park beautification, and graffiti eradication services. We also support a thorough review of existing neighborhood-supporting services, such as the Neighborhood Development Center, to determine how these functions may be merged into other departments to save costs while continuing to support the City's neighborhoods.

Structural Issues: Through our ongoing study and analysis of the current budget crisis as well as our conversations with community members, it is clear that there are serious structural deficiencies negatively impacting the financial health and sustainability of our City. As a result, our neighborhoods have experienced ongoing and significant service cuts over recent years, and are now facing dire reductions in services and programs. The Commission believes that addressing such structural issues is required to achieve long-term fiscal stability and sustainability, and recommends that measures be taken including the pursuit of changes to the city charter which would result in remedies to the current "binding arbitration" system which has long been identified as one of the most significant contributors to the City's on-going budget deficit.

Implementation: We realize that this year's budget will include significant cuts, and that our City Departments are currently reviewing operations and creating operational plans to stretch their limited resources. The Neighborhoods Commission requests an ongoing dialogue to both provide input to departments and to assist in communications with our neighborhood groups. In this manner we can be a resource in the implementation process and assure neighborhoods have access to information.

In summary, the Neighborhoods Commission recognizes that this is a very difficult year. However, we believe the lens to view our budget through is one in which our neighborhoods are leveraged as a critical internal resource. Community members are committed to protecting and revitalizing our neighborhoods - financial resources provided in the way of Community/ Youth Centers and Libraries will be well invested. These neighborhood supporting resources will provide our children a safe and healthy environment, and are an essential alternative for at-risk youth to gangs and crime

We thank you again for your support during this past year as a new Commission, and for your strong outreach to the community so it may have meaningful input on this difficult year's budget priorities. We have been greatly impressed by the transparency of the budget discussion process, and appreciate the efforts of City Leadership to make this important information accessible to the public.

Please let us know if we may provide additional input for your deliberations, and how we may further assist. We look forward to a continued dialogue in the hopes of creating lasting partnerships which help mitigate the current budget shortfall's impact on our neighborhoods.

Sincerely,

Beth Shafran-Mukai
Chair, on behalf of the Neighborhoods Commission

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