



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Norberto Dueñas
Jennifer A. Maguire

**SUBJECT: STRONG NEIGHBORHOODS
INITIATIVE**

DATE: May 26, 2011

Approved

Date

5/27/11

RECOMMENDATION

1. Approve the following amendments to the 2011-2012 Proposed Operating Budget in the General Fund:
 - a. Increase the City Manager's Office Personal Services appropriation in the amount of \$610,368;
 - b. Increase the City Manager's Office Non-Personal/Equipment appropriation in the amount of \$60,353;
 - c. Decrease the Housing Department's Personal Services appropriation in the amount of \$585,721; and,
 - d. Decrease the City-Wide Expenses Strong Neighborhoods Initiative (Expanded) appropriation in the amount of \$85,000.
2. Approve the following amendments to the 2011-2012 Proposed Operating Budget in the Low and Moderate Income Housing Fund:
 - a. Decrease the Housing Department's Personal Services appropriation in the amount of \$24,647; and,
 - b. Increase the Ending Fund Balance in the amount of \$24,647.
3. Approve the following position amendments to the 2011-2012 Proposed Operating Budget:
 - a. Eliminate 1 Program Manager II position in the Housing Department;
 - b. Add 1 Assistant to the City Manager position in the City Manager's Office; and,
 - c. Shift 3.75 Community Activity Worker PT positions, 1 Community Coordinator position, and 1 Community Services Supervisor position from the Housing Department to the City Manager's Office.

BACKGROUND

The Mayor and City Council's unanimous adoption of the Strong Neighborhoods Business Plan Update in August 2010 with broad support from community leaders refocused the Strong

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Neighborhoods Initiative (SNI) program's limited resources and much smaller staff on a "high touch" approach to stabilizing hard hit neighborhoods in crisis and a "high tech" approach supporting resident leaders across the city to take action to improve their communities.

This refocus has already begun to yield results; using tools like NeighborWalk that get neighbors walking together and working together. We have seen neighborhoods become cleaner, safer, and more engaged. Neighborhoods within the Redevelopment area have become less dependent on City staff and more capable of taking action on their own behalf. Grant funding has been secured for the entire city to deploy a technology platform to connect volunteers and neighbors to each other and to service projects in their community.

ANALYSIS

The continuing fiscal crisis affecting both the Redevelopment Agency and the City has resulted in the recommendation of a significant reduction in resources available to support the SNI Program. The Proposed 2011-2012 Operating Budget includes the transfer of the SNI Program from the City Manager's Office to the Housing Department and the elimination of 6 positions in the program for ongoing savings in the General Fund of \$870,000. In addition, the program's Neighborhood Capital Improvements Fund in the amount of \$1.3 million was also eliminated in order to address this year's General Fund shortfall. These cuts will again require a shift in approach in order to implement the City Council's direction in the approved SNI Business Plan Update. The shift to the Housing Department was to better align the SNI program efforts with Housing Department provided services such as housing rehabilitation, rental rights, and homeless services. Upon further review, it was determined that in order to implement strategic initiatives, enhance organizational effectiveness and establish outside funding relationships, it was best for the City Manager's Office to coordinate these efforts. The Housing Department will, as they have in the past, continue to play a key role in our ongoing efforts to improve the quality of life in our neighborhoods.

What is required in this critical transition moment is a comprehensive approach to build upon our community engagement efforts and establish new and stronger community partnerships for the well being of our residents in close coordination with the Mayor and City Council. The City Council approved SNI Business Plan Update will continue to be the guiding policy document for a cross-departmental effort to continue to engage our residents in improving their neighborhoods.

This Manager's Budget Addendum proposes the end of Strong Neighborhoods as a separate stand alone program and the creation of a position in the City Manager's Office for community engagement responsible for coordinating and leading a cross-departmental team to implement this effort. In accordance with the SNI Business Plan Update, the focus of this effort will be to develop a community action network that creates opportunities for anyone in San Jose to volunteer to take action in their community, and supports residents in our most fragile communities in bringing their strengths together in service.

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The return on investment of this approach will be to fill gaps in service with resident involvement across the city and through prevention efforts in more fragile neighborhoods thereby reducing the need for more costly law enforcement response services.

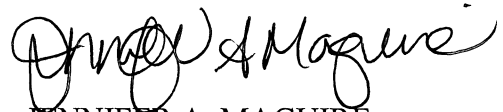
Leading this effort from the City Manager's Office will allow for the effective coordination of multiple departments and send a clear message to partners and donors that we value neighborhoods. It will also provide the opportunity to enhance organizational effectiveness by taking a holistic look at how we organize our work with the community, which may require reorganization across department lines, or even new non-profit partners to deliver effective services.

This recommendation recognizes that this next year will be one of continued cuts, and great change. The good news is that we have a range of proven tools and successful approaches for engaging our communities: the Mayor's Gang Prevention Task Force, Schools/City Collaborative, Community Development Block Grant (CDBG), anti-graffiti, housing rehabilitation, rental rights, code enforcement, community policing, and a strong network of committed and engaged community leaders and volunteers.

We need to ensure that our limited resources along with our range of tools and approaches are leveraged and coordinated to the highest level possible. The magnitude and complexity of the change at this time requires that our community engagement work be led from the City Manager's Office in close coordination with the Mayor and City Council offices.



NORBERTO DUENAS
Deputy City Manager/
Acting Director, Parks and Recreation
and Neighborhood Services



JENNIFER A. MAGUIRE
Budget Director