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Mayor Gonzales Proposes Balanced San José Budget

***Budget to restore branch library hours, funding for at-risk youth,
and maintain neighborhood improvements***



*Councilmember Forrest Williams, Mayor Ron Gonzales
City Manager Del Borgsdorf*

and

San José --- San José Mayor Ron Gonzales has recommended a balanced budget to the City Council that addresses a \$77 million projected deficit with an aggressive approach to reduce costs, minimize layoffs, and protect vital public services.

The mayor emphasized in his annual June budget message released today that San José must continue its firm commitment to the conservative fiscal strategies that have ensured balanced budgets and high quality services in the past several years.

Despite the severe budget challenges resulting from the prolonged local and state recession, Gonzales recommended that San José branch libraries continue to stay open for regular hours. He also recommended opening some branch libraries on Sundays to provide full weekend service

“Reducing branch library hours is not an acceptable solution to balancing our budget,” said Gonzales. “Our residents place a high value on quality library services, and the library plays a key role to promote reading, family literacy, lifelong learning, school and job readiness, and economic development in our community.”

The mayor outlined his six budget priorities, which include building stronger neighborhoods; remaining the safest big city in America; helping all children achieve; building better transportation; driving a strong economy; and making city government work better.



“This balanced budget focuses on protecting quality of life for the people in San Jose. Because of our conservative fiscal management over the past several years we can continue to provide the services that matter most to our residents.”he said.

“Even in these challenging times as we cut costs and make extremely tough choices this year, we also must continue to make smart investments that will keep our neighborhoods strong, our city safe, and help us return to prosperity.”

The mayor noted that:

- Police, fire and emergency medical services and response times remain unchanged, which will help San José remain the safest big city in America.
- Graffiti will continue to be eliminated within 48 hours, and graffiti criminals will continue to be apprehended and prosecuted.
- Children in San José will continue to have access to quality, affordable health care with the city’s ongoing contribution to the Children’s Health Initiative.
- Improvements to Mineta San Jose Airport are moving forward, which will help stimulate the economy while creating an airport that will keep San Jose economically competitive.
- Maintenance of streets, pothole repairs, and traffic calming projects to improve neighborhood safety will continue by shifting funds that had been allocated to capital project analysis.
- Funding is restored to school community partnerships working with for at-risk youth through the city’s “Blueprint to Close the Digital Divide.”

In addition, the mayor pointed out that the budget does not call for employee layoffs. “We should consider layoffs as a last resort because we must remember this is about people and their families – not just numbers on a budget ledger, “ he said.

“Our decisions will affect the lives of real people, whether they are city workers or the families they serve in our community.”



Complicating the city’s budget decisions this year is the ongoing uncertainty caused by the severe state budget crisis and its potential negative impacts on communities throughout California. Until the Legislature and Governor approve a state budget, the city council will not be able to determine how much of an impact, if any, there will be for San José.

The city’s budget also identifies potential cuts that would be made if needed after the state adopts its budget.

The Governor has also proposed shifting redevelopment tax revenues away from local investments throughout California to replace statewide education funding.

The impact of this proposal could eliminate the ability of the San José Redevelopment Agency to invest in economic stimulus and job creation, thousands of affordable homes for families, and neighborhood improvements identified by the city’s Strong Neighborhood Initiative.

“Because of the magnitude and duration of the state’s fiscal crisis, we must continue to be as prepared as possible for potential proposals that try to balance the state’s budget by increasing burdens on local government and the residents we serve,” the mayor said.

The proposed combined operating and capital budgets for both the City of San José and the San José Redevelopment Agency total more than \$4 billion. The total City budget is approximately \$2.5 billion, which is about 24 percent less than last year’s total for operating and capital budgets combined.

The City Council will consider the mayor’s budget proposals next Tuesday, June 10, following a public hearing starting at 7:00 p.m., Monday, June 9.

The City of San José budget may be seen online at www.ci.san-jose.ca.us, and the mayor’s budget message is at www.sjmayor.org.

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