

**CITY COUNCIL STUDY SESSION  
MAYOR'S BUDGET MESSAGE FY2006-2007**

Meeting Minutes  
March 16, 2006

The Council of the City of San José convened at 9:09 a.m. in a Budget Study Session for continued review and discussion of the FY 2006-2007 Mayor's March Budget Message.

Council Members – Present: Campos, Chavez, Chirco, Cortese, LeZotte,  
Nguyen, Pyle, Reed, Williams, Yeager; Gonzales.

Council Members – Absent: None.

Staff: City Manager White, City Attorney Doyle, Budget Director Lisenbee and Mayor's Budget and Policy Director Guerra, Assistant Budget Director Jennifer Maguire, Deputy Director Mayor's Budget Office Meghan Horrigan, and Assistant Lydia Tolles, Assistant City Clerk Nancy Alford, Legislative Secretary Evonne Wilson.

Documents Filed: Memorandum from Mayor Gonzales, dated March 10, 2006, recommending City Council direct the City Manager to submit a proposed balanced budget for Fiscal Year 2006-2007, guided by the policy direction and framework of priorities outlined in the final March Message that will be considered for approval on March 21, 2006, and including in Attachment A, an Alternative Service Delivery Models Idea List, and in Attachment B, Brainstorming Session Comments.

The Council of the City of San Jose convened at 9:09 a.m. in a Budget Study Session for continued review and discussion of the FY 2006-2007 Mayor's March Budget Message.

1. Opening Remark – Mayor Gonzales on:
  - a. Mayor's Preliminary March Budget Message
  - b. Alternative Service Delivery Discussion
  - c. Budget Message Asset Allocation Review and Discussion

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Mayor Gonzales stated the Council will develop the framework for the processes that determine how the City provides vital services to the community, and discuss amendments to his March Budget Message recommendations, and have opportunity to discuss alternative service delivery as a follow-on to discussions begun in January.

Mayor's Budget and Policy Director Guerra noted that Attachment A of the Mayor's March 14, 2006 memorandum lists the top 10 suggestions from the previous study session and the Mayor's recommendation is to expand to more than just initial action and potentially give direction to Staff, and recited additional recommendations from the the Mayor is adding to the list.

City Auditor Silva commented on his top five recommendations involving issues and opportunities worth exploring and suggested measuring outcomes.

City Manager White noted there are no easy alternative service delivery items and suggested the use of volunteers and interns may be useful.

Council discussed options pertaining to service delivery modifications, for consolidating services and purchases, including review of services contracted out; and review means of improvement of grant management, including establishing an oversight committee, to review the current budgeting process, with greater opportunity for employee feedback.

Council discussed options pertaining to recreational services. City Manager White responded to Council queries about workforce training and opportunities for employees to grow in the organization, and budgetary impacts.

Mayor Gonzales requested Council Members make any additions to the priority list on Attachment A of the Mayor's memorandum.

Council Member Reed suggested review of recreational and other services which could be supported by the private sector, establishing lighting and maintenance districts for new parks, and location and acreage issues for new parks, and review of the budget relative to workforce expenses, and focusing on performance measure.

Council Member Williams suggested reevaluation of the mixed use overlay in industrial zoning districts and establishing a process to obtain good data, and partnering with other cities on various issues such as healthcare costs was suggested Council Member Pyle, expanded by Council Member LeZotte to include bulk purchasing, and recommended acquiring an ADA (Americans with Disabilities Act) compliance officer for the City.

Mayor Gonzales stated the results of Council's voting today will be included in a memorandum to be released March 9, 2006, as the final product of the Mayor's March Budget Message.

Council Member LeZotte suggested expanding the Strong Neighborhoods Initiative to a multi-year effort, and discussion ensued on various aspects of the SNI program, such as city-wide efforts and expanded interactions with neighborhoods.

Further Council discussion included youth safety issues such as “cruising” and problems with clubs, utilizing non-profits in new ways such as domestic violence training, on code enforcement issues especially illegal tree removal,

Council discussed the comments on page 6 of the Mayor’s Budget Message relative to the City’s six standing committees.

The Study Session was adjourned at 11:54 a.m.

**ATTEST:**

**LEE PRICE, MMC, CITY CLERK**

EW/dc

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