

## Community offers input in solving San Jose budget crisis

Meeting sponsored by Working Partnerships USA

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A grass-roots effort to help San Jose leaders solve the city's multimillion budget deficit attracted dozens of residents Saturday, with many offering ideas ranging from the easy to the complex.

About 75 people attended the first of several meetings organized by Working Partnerships USA, a local non-profit comprised of community, clergy and labor groups.

The goal? Begin developing a community proposal that city leaders might use as they contemplate ways to boost revenue and trim costs as they deal with a shortfall that's projected to reach \$137 million by 2011.

"It's extremely important that we gather as much community input as possible because the consequences are too significant," said Bob Brownstein, the non-profit's policy and research director. He also worked as the city's budget director for eight years.

For the past six years, the city has experienced multimillion dollar losses to its \$1 billion budget with leaders patching it mostly by not filling jobs

left open as employees left.

At Saturday's meeting, city employees, labor representatives and neighborhood association leaders - strongly suggested the city better use its existing funds, but also steer clear of tax increases that could drive businesses away.

One participant, Chris Block, said community members and leaders needed to step back before looking forward.

"We need to have a broader discussion on what we want the city to become," said Block, executive director of Charities Housing. He added that leaders could then build the budget around the ideal city model. "We want San Jose to be great."

The effort was in response to Mayor Chuck Reed's plan to review all aspects of the city's budget and to find new ways to generate revenue while ultimately solving the overall budget crisis.

Reed has been working with a consultant and an advisory team on possible solutions that could be introduced to council members within the next few months before they begin next year's budget planning.

He didn't attend Saturday's meeting, but later said he welcomes such input, which would likely be folded into recommendations made to council members.

At this point, those possible recommendations include levying a parcel tax to raise up to \$14 million for police and emergency paramedic response - something consultants said other cities, including Fremont, Oakland, already have done.

Consultants have told city officials that San

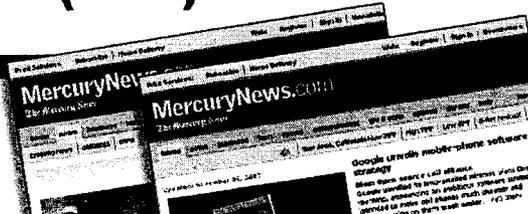
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Jose's current parcel tax, which pays for libraries, comes to about \$7 a resident, about a fourth of the rate in other cities. They suggested an additional \$15 a resident - the tax actually is assessed per household - could raise \$14 million for public safety services.

"We're looking at a long-term problem and there's no end in sight," Reed said. "We have to take it up sooner rather than later. Everything is on the table."

Other revenue measures under consideration include raising the business tax, utility tax, hotel room tax and planning fees, which consultants said were below levels in other big cities.

Working Partnerships also recently hired a consultant to review possible solutions, which also included increasing hotel stay taxes from 10 percent to 12 percent.

Group leaders will use the information from Saturday's meeting to begin developing their proposal for city leaders, with more meetings likely within the next few months (dates haven't been set).

"We have a lot of work to do," Brownstein said. "There is no magic wand."

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