February 5, 2010 NEIGHBORHOOD EMPOWERMENT NEWS Message From General Manager BongHwan Kim

Many of you are aware by now of the CAO recommendations to drastically cut the NC funding program and restructure our department.

I wanted to provide you with an update about what has happened this week:

. The Mayor issued an executive order yesterday pushing forward with the layoffs, which City Council had delayed for 30 days. As a result, our department will be reduced to 17 positions over the next quarter to service the 90 NC's.

. On Tuesday, February 9, 2010, at 10 a.m., the City Council will be reviewing the 3 year Plan for Fiscal Sustainability, which recommends that the Department and/or the NC Funding Program be transferred to another City department. It also recommended the elimination of the NC rollover funds and a 50% cut in next year's allocation.

My recommendations to Council will be:

. Keep Neighborhood Empowerment as an independent City agency and do not consolidate us with a larger City department - the independence of the Department is key to raising the leadership profile of the NC system within government.

. Keep the Funding Program with the Department - we are currently restructuring the Funding Program to make more timely payments while working with the City Controller's office to automate the system and improve ease of use.

. Maintain the NC rollover funds with minimal cuts - the City allocated these funds to use for neighborhood improvements. Suddenly sweeping all of these funds would leave community projects unfinished and could open up the City to liability issues due to outstanding contractual agreements.

. Return the NC elections to the Department with appropriate funding and staff - the Department can operate elections with less funds, more flexibility, and increased grassroots participation.

On February 9th, you will have an opportunity to provide your input to Council and help define the future of the Neighborhood Council system. Please bring concrete examples of the funding impact your NC has had in the community and how important the Department and NCs working in partnership are to the future vitality of the NC