



**CITY OF SAN DIEGO  
OFFICE OF COUNCILMEMBER RAUL A. CAMPILLO  
SEVENTH DISTRICT**

**MEMORANDUM**

DATE: May 27, 2022

TO: Charles Modica, Independent Budget Analyst

FROM: Councilmember Raul A. Campillo *RAE*

SUBJECT: Final Budget Priorities for Fiscal Year 2023

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Thank you for the opportunity to provide my final budget priorities for the Fiscal Year 2023 (FY23) Budget. The currently Proposed Budget, and the added appropriations made in the May Revision, represent strong investments in our communities. However, with a continued trend of higher than projected revenues, a historic state surplus, and excess equity realized in the current fiscal year, I believe the Council can adopt a budget that fully reflects our priorities. I appreciate you and your team's thoughtful considerations related to using one-time funding wisely, phasing in added positions given high vacancy numbers, and structural underspending on City infrastructure needs. I look forward to reviewing your office's final recommendations for the Council's adoption of the FY23 Budget, and to another fiscal year providing key improvements to District 7 and the City of San Diego.

**NEIGHBORHOOD-SPECIFIC PRIORITIES**

**San Carlos Library:** In March 2022, the "No Further Action" letter was issued to the owner of the land where the future San Carlos Library will be built. As soon as they have resurfaced the lot, the City's Department of Real Estate and Airport Management will be ready to route the previously negotiated purchase agreement to the City Council, and the City can move forward with its plans to build this new flagship branch. In FY23, I ask that the design phase be fully funded to ensure that the project continues making strides while construction dollars are identified. *Approximate Cost: \$1,500,000*

**Navajo Dog Park:** My office has been working closely with Parks & Recreation staff to identify park space suitable for a temporary off-leash dog park in the Navajo community. In order to accommodate this process, and finalize this project in FY23, I ask for preliminary funding to be included for the benefit of District 7 residents that currently have to travel outside Council District boundaries to give their dogs social and recreational opportunities. *Approximate Cost: \$200,000-\$300,000*

**Linda Vista Community Center:** Over the last two decades, a community center has been a priority for the Linda Vista community. This project would provide for the acquisition and construction of a community center that would include meeting space and office space for the community. A site on City-owned land has been identified at the corner of Comstock Street and Linda Vista Road, and is included in the Linda Vista Public Facilities Financing Plan (R-1). Community-specific Development Impact Fees (DIF) and Community Development Block Grants (CDBG) are potential funding sources that could get this project going in FY23. *Approximate Cost: \$1,200,000 for preliminary engineering and design*

**Alvarado Canyon Road Realignment:** This realignment project is a key priority for the Navajo community and would provide much needed congestion relief, traffic calming improvements, pedestrian access to the Grantville Trolley Station, and would address the flooding issues along Alvarado Creek. With the \$4 million in Commercial Paper bond financing that was approved in August 2021, this project has been moved into the design phase. The project consultant is currently preparing the environmental planning documents and determining the preferred design alternative in consultation with the community. Once a design alternative has been selected, I ask that funding be identified to finalize design of this project, based on cost estimates listed in the Project Study Report from 2021. This project would be an excellent candidate for TransNet, SANDAG or federal/state grant funding. *Approximate Cost: \$4,000,000 to complete design*

**Allied Gardens Community Park:** I request preliminary engineering for an upgrade of the current recreation center and park space, to provide a new 17,000 sq.ft. center and upgrades to the play area and associated paths of travel. This project is in conformance with the Navajo Community Plan, and is identified in the Navajo Public Facilities Financing Plan (P-5 and P-6). I ask that in FY23, funding be allocated for an update to the General Development Plan (GDP), to provide updated cost estimates. *Approximate Cost: \$400,000 for an updated GDP*

**Kelly Street Neighborhood Park:** As an update of this park's General Development Plan was funded in the FY22 Budget, I ask that funding for design be identified once the cost estimates are finalized. This project would be eligible for CDGB funding. *Approximate Cost: Unknown*

**Serra Mesa Recreation Center:** The top capital infrastructure priority for the Serra Mesa Planning Group is to upgrade the Serra Mesa Recreation Center. I request that the preliminary engineering be funded in the upcoming fiscal year, to plan for the design and construction of a new 20,000 sq.ft. recreation building that can adequately serve this community that is deficient in population-based park acres and facilities. *Approximate Cost: \$500,000*

**John Baca Park:** An updated General Development Plan was approved unanimously by the Linda Vista Planning Group in August 2020, as well as by the City's Park and Recreation Board in June 2021. In FY23, I request that a CIP be created, and funding be provided for design to finalize elements of the project with the community. This project is eligible for funding through the City's Climate Equity Fund, the CDBG Program, or through Citywide Parks DIF.

*Approximate Cost: \$800,000 for design*

**Mission Valley West Valley Crossing:** This project would provide a bridge connection from Sefton Field to the Mission Valley YMCA, in accordance with the San Diego River Park Master Plan. This project is identified as a priority project by SANDAG as part of its Regional Bike Plan Early Action Program, and cost sharing is possible to implement this key improvement to the Mission Valley community that would increase walkability and recreational opportunities along the San Diego River. *Approximate Cost: Unknown*

**Sunset Cliffs Natural Park and Linear Selection:** Sunset Cliffs Natural Park and Linear Selection has received partial funding for the City to maintain and preserve the park, but more funding is needed to protect the park and linear selection area. In FY23, funds should be appropriated to repair sinkholes and draining issues, in addition to much needed safety signage, patrol, and park maintenance. *Approximate Cost: Unknown*

**Beyer Park Development:** This project provides for the acquisition, design, and construction of approximately eight useable acres, out of approximately 43 total acres, of a community and neighborhood park on Beyer Boulevard. The City has been awarded funds for Beyer Park, but due to rising construction costs associated with the project, more money is needed to provide full funding. I request funding be provided in FY23 to fully fund the development of Beyer Park.

*Approximate Cost: \$2,200,000*

**Sherman Heights Community Center:** This community center serves as a staple in its community, but have maintenance needs that should be urgently addressed. In FY23, I request that the replacement of drain pipes and rain gutters, roof maintenance and reconnection of gutter downspouts to underground drainage system to ensure passthrough of water, be funded to ensure the continued operations of this center. *Approximate Cost: \$400,000*

**North Park Mini Park:** The new North Park Mini Park still needs investment to complete the design goals of this important, and highly utilized community resource. I request that funding be added in FY23 to complete the shade structures at the North Park Mini Park. *Approximate Cost: \$425,000*

**Rancho Bernardo Parks and Recreation CIP Improvements:** The Rancho Bernardo Community Park is the only developed park space serving the community of Rancho Bernardo, which has grown to over 41,000 residents. This project is needed to expand the hours of facility use and its capacity to serve the community's residential growth. *Approximate Cost: \$750,000*

**Beach Access at Camino de la Costa Viewpoint:** Existing handrail and infrastructure at Camino de la Costa Viewpoint is in need of replacement. I request that funding be added in FY23 to address public access issues, including exposed rebar, to improve safety at this viewpoint. *Approximate Cost: \$2,000,000*

**Street resurfacing:** I appreciate the paving work performed along key District 7 corridors in FY22, as well as the Sexy Streets sections that will be implemented in the upcoming year. I request the following stretches be prioritized for repaving in FY23 –

- Acheson St, from Burton St to Elmore St
- Birchcreek Rd, from Jackson Dr to Rondel Ct
- Boulder Place and Boulder Lake Ave, from Lake Adlon Dr to Jackson Dr
- Clairemont Mesa Blvd, from Repecho Dr to Santo Rd
- Conestoga Way (from Fontaine St to Mission Gorge Rd), Ct and Pl (loop) and Dr (cul-de-sac)
- Cowles Mountain Boulevard, from Navajo Rd to Blue Lake Dr
- Del Cerro Blvd, from College Ave to Madra Ave
- Easton Court, cul-de-sac
- Fontaine St, from Margerum Ave to Princess View Dr
- Forrestal Rd, cul-de-sac
- Golfcrest Dr, from Mission Gorge Rd to Navajo Rd
- Keighley St, from Fontaine St to end
- Lake Adlon Dr, from Lake Murray Blvd to Cowles Mtn Blvd
- Lake Badin Ave, from San Carlos Dr to Lake Adlon Dr
- Marathon Drive, from Success Ave. to Fermi Ave
- Margerum Ave, from Crow Ct to Fontaine St
- Mayita Way, cul-de-sac
- Melbourne Dr, from Fullerton Ave to Shawn Ave
- Murray Park Drive, from Lochmoor Dr to Park Ridge Blvd
- Ocana Place, cul-de-sac
- Oporto Court, cul-de-sac
- Oporto Place, cul-de-sac
- Orcutt Ave, from Carthage St to Estrella Ave
- Park Ridge Blvd, from Jackson Dr to Murray Park Dr
- Princess View Dr, from Mission Gorge Rd to Waring Rd,
- Qualcomm Way, from Camino de la Reina to Friars Rd
- Quito Court, cul-de-sac
- Regner Rd (from Barker Way to Mulvaney Dr) and Regner Ct
- San Carlos Dr, from Cowles Mtn Blvd to Boulder Lake Ave
- Tinasa Way, cul-de-sac
- Tommy Dr, from Turnbridge Way to Bisby Lake Ave
- Turnford Dr, from Bobhird Dr to Acuff Dr

- Twain Ave, from Fairmount Ave to Elsa Rd
- Wenrich Place, from Lance St & Wenrich Dr

### **ECONOMIC DEVELOPMENT**

*Some key investments have been included in the FY23 Proposed Budget and May Revision to-date, including an updated Economic Development Strategy, additional staff in the Office of Child and Youth Success, and workforce development opportunities as part of Connect2Careers. In addition to these, I would like to see the inclusion of the following items in the adopted budget:*

**Disparity study:** I am very excited to see the proposed technical assistance, bonding assistance and additional staff in the EOC program in the FY23 Proposed Budget. Now the work needs to continue to collect more refined data in order for the City of San Diego to address current disparities in contracting. Given the recommendation to conduct periodic disparity studies on a 3–5-year basis, I request funding for a new study to be commissioned in FY23, where the consultant can work with the subcommittee to update availability data on the contracting industry. *Approximate Cost: \$1,000,000, with potentially offsetting revenue*

**Office of Labor Standards Enforcement (OLSE):** I am very supportive of the Compliance Department’s efforts to optimize their staff’s abilities to be flexible in their responsibilities, to meet the needs of our region’s workers. Any reclassifications of current positions, or the establishment of new positions, are therefore important to meet the objective of this office. In order for this office to have sufficient capacity for proactive engagement with workers, I request a few added positions in FY23 as well as a Worker Justice Fund to assist with wage replacement resulting from wage theft or other violations. *Approximate Cost: \$72,000 for 1.00 Investigator, and \$65,000 for a Community Outreach Representative in the Compliance Department, \$240,000 for 2.00 staff attorneys in the City Attorney’s Office to assist workers with claims, and \$500,000 for a Worker Justice Fund*

**Small Business/Non-Profit Recovery:** The City’s Small Business Enhancement Program provides key support to local non-profits and Business Improvement Districts, and I appreciate the FY23 proposed restoration of the Storefront Improvement Program. While \$750,000 is a good start, Council Policy 900-15 targets a much higher appropriation level, and in order to gradually get there, I believe this funding should be doubled in FY23. *Approximate Cost: \$1,500,000*

**Summer Youth Environmental/Recreation Corps Program:** Given the successful implementation of this program in the Parks & Recreation Department in FY22, I maintain that this program should be expanded to other departments to offer increased youth internship and employment opportunities. *Approximate Cost: \$1,000,000*

### **NEIGHBORHOOD SERVICES**

*The added funding to bridge the gap between the arts & culture funding proposed this year, and pre-pandemic levels was an excellent addition in the May Revision. We still need to work to*

*increase this support on an annual basis. I will also be requesting the addition of the following key neighborhood services investments in FY23:*

**Digital Equity:** While the addition of 2,000 hotspots, as proposed in the May Revise, will be a great investment toward digital equity, the City needs to do more to bridge the digital equity gap. I support the Department of IT's unfunded requests to expand the current community outreach program to enroll households in the federal emergency broadband benefit program. I also would like the FY23 Budget to include funding for a broadband strategy, as well as a Digital Equity Action Plan. *Approximate Cost: Unknown, with potential offsetting revenue through federal and state grant funding*

**Library Staffing:** I am pleased to see an increase to materials, and to the library donation match in the FY23 Proposed Budget. This match should be increased on an annual basis, at \$200,000 incrementally per year, over a five-year period. Some key positions that are still needed in the FY23 Budget include Tutor Learner Coordinators, as the Department continues to implement a more sustainable staffing model with benefited employees. *Approximate Cost: \$672,243 for 18x 0.5 FTE Tutor Learner Coordinator positions, or 9.00 FTE positions.*

**Menstrual Equity:** The County of San Diego launched their Free4ME pilot in May last year to provide menstrual products to the public at selected facilities, and recently announced an expansion of the program due to high demand. I support implementing a one-year pilot at selected City libraries, recreation centers, and park comfort stations to support menstrual equity. *Approximate Cost: \$100,000 for a one-year pilot program*

**Parks and Recreation:** The proposed increase of 19.00 Park Rangers is largely in response to the Sidewalk Vending Ordinance, and while I appreciate the 6.00 supplemental park ranger positions that will be annualized in FY23, dedicated staff to address the unique needs of the San Diego River Park should be added in this year's budget. I am also supportive of adding funding for preventative maintenance of aquatics facilities, as well as increased striping at recreation center facilities to accommodate pickle ball. *Approximate cost: \$55,000 for 1.00 River Park Ranger, unknown amount for aquatics maintenance and pickle ball striping.*

**Urban Forestry:** Significant investments into urban forestry have been proposed with the additional 2.00 horticulturists. I am supportive of these positions focusing their efforts to support in environmental justice communities that are tree-deficient. While the City's Free Tree SD Program is on track to plant 900 street trees by the end of FY22, these numbers need to be much higher to maximize carbon sequestration and shading opportunities. *Approximate Cost: \$720,000 to increase funding for planting new trees, and \$600,000 to increase pest treatment and tree removal contracts.*

**ENVIRONMENT/INFRASTRUCTURE**

*This Council and Mayor are aligned in their commitment to take aggressive climate action and fund the City's extensive infrastructure backlog. I appreciate to-date appropriations including an*

*unleaded fuel tank at Montgomery Gibbs Executive Airport, the dredging of the Old Mission Dam, as well as key climate investments such as a multi-year funding plan for a public power feasibility study, dedicated staff for the updated Climate Action Plan, as well as a Complete Streets design and the Mobility Master Plan. These investments can be strengthened with the following additions:*

**Chollas Creek Regional Park Master Plan:** I request funding be included in FY23 to prepare a Master Plan for the recently designated Chollas Creek Regional Park, to identify needed improvements and cost estimates for this key City resource. *Approximate Cost: \$250,000*

**Climate Action Plan (CAP) Implementation:** At no additional cost, I ask that grant writing efforts in the Transportation Department and the Office of the COO focus on transportation-disadvantaged communities such as Linda Vista, and focus environmental justice considerations in the communities that have historically been the most impacted by poor air quality, such as Barrio Logan.

**Infrastructure Improvements:** As the City collects fresh data as part of the FY22 funded Streets Condition Assessment, I look forward to working with the Transportation Department on a comprehensive multi-year plan that schedules slurry and overlay for City streets on a rotational basis, and adds or enhances bicycle infrastructure along key corridors. In the interim, the Bicycle Master Plan needs to be updated to account for current engineering standards, and the mandate of the Safe & Sustainable Transportation All Ages & Abilities Team (STAT) should be doubled from 9 miles to 18 miles per year. In addition, I am also supportive of an ADA assessment, so the City can have updated data on ADA unfunded needs to be incorporated into capital projects, and of the Transportation Department's unfunded request for crosswalk maintenance.

*Approximate cost: \$2,700,000 for STAT, an unknown amount to update the Bicycle Master Plan, \$500,000 for an updated ADA assessment, and \$1,700,000 for 11.00 FTEs to support crosswalk maintenance*

**Reservoir Facilities:** My request that the FY23 Budget accommodate an investment toward improving facilities, in particular, repairing and upgrading public restrooms along the Lake Murray Community Park walkway, still stands. Prioritized amenities should include, but not be limited to, trash cans, recycling bins, water fountains for trails, and safe needle disposal.

*Approximate Cost: \$500,000*

### **PUBLIC SAFETY**

*I appreciate how strong advocacy from the public during the budget process has helped nuance issues of public safety in our communities. In FY23, we need to provide resources for our first responders, as well as invest in key programs for City of San Diego youth. The proposed public safety budget is currently strong, including added lifeguard sergeant positions and improved facilities, firefighter wellness, a public safety training facility feasibility study, increased person-centered homeless outreach by service providers, and maintained brush management goals as well as the No Shots Fired Program. I further propose the addition of:*

**Fire-Rescue Staffing:** I am very much in support of the added 1.00 Fire Captain for the Professional Standards Unit, the 2.00 Firefighter 2 positions, as well as the 3 academies planned for FY23. As the Fire-Rescue Department has been unable to establish a relief pool due to vacancies, I ask that recruitment incentives, including compensation increases, be considered to help the City keep pace with industry standard. I also request the addition of positions that are necessary in order to reduce overtime spending. *Approximate Cost: an unknown amount for 3.00 FTEs for a dedicated staffing unit, 1.00 FTEs for the Professional Standards Unit, and 1.00 FTE for the Logistics Office. Also, an unknown amount for six peak hour engine teams, including 2.00 Fire Captains, 2.00 Fire Engineers, and 2.00 Firefighter II/PM positions.*

**Safe Syringe Exchange Program:** Safe syringe exchange programs have been proven to be safe and effective in promoting public health outcomes among those who inject drugs. Needles used for opiates, methamphetamine, or other drug consumption can be found scattered across entrances of various City trails and parks, posing a clear risk to public health and safety. In FY23, I request that the City work with the current safe syringe program service provider, Family Health Centers, in coordination with the County's needle exchange program, to identify opportunities in City of San Diego parks and along the riverbed of the San Diego River, particularly in places with family amenities, such as Sefton Field and behind the Mission Valley Library. *Approximate Cost: \$350,000*

**San Diego Police Department (SDPD) Funding:** A key improvement that was discussed during last year's budget negotiations was the County's Mobile Crisis Response Team (MCRT). I am pleased that this team has now been expanded to 16 teams, and that all ten police departments in the County of San Diego, as well as the Sheriff's Department, can now refer 911 calls to the MCRT. Additional key investments in FY23 should include:

- Establishing a local college/university recruitment strategy, with the goal of hiring 600 new officers with associate's and/or bachelor's degrees by the end of FY26, who represent the diverse communities of San Diego. *Approximate Cost: \$350,000 per year for four years.*
- Providing funding for new SDPD storefronts that can help improve the slower response times noted by the Office of the City Auditor's report *Performance Audit of SDPD's Crime Analysis (OCA-21-004)* in the Eastern Division.
- Creating community youth care and development programs in underserved communities to provide violence prevention, case management, internship opportunities, mental health services etc.

**Funding for SDPD Street Racing and Sideshow Enforcement Operation:** The San Diego Police Department received 1,136 calls for reckless driving or street racing in 2018 citywide – that number increased to 1,605 calls in 2021 with 146 calls by February 2022 alone. SDPD's Traffic Division indicated dragnet operations cost \$3,300, therefore we are requesting \$200,000 to help provide up to 60 operations to combat street racing and loud exhaust issues citywide. *Approximate Cost: \$200,000*



## **HOUSING AND HOMELESSNESS**

*Since the pandemic, San Diego has seen strong regional coordination on the complex issue of homelessness, and I am proud that the City of San Diego is continuing to expand affordable housing opportunities. In the FY23 Proposed Budget, I am excited to see the Safe Camping Pilot Program for seniors implemented, as well as an increase to the City's person-centered outreach program. To ensure an all hands-on-deck approach, however, the Budget should add the following appropriations:*

**Homelessness and Housing Programming:** The recent report released by the Regional Task Force on Homelessness revealed a 10% increase in homelessness countywide since January of 2020. It also noted an increase in families experiencing homelessness up 56% from 2020. I am pleased that additional shelter beds serving vulnerable populations such as women, families, youth and seniors will come online in early FY23. Unfunded high priority needs still include:

- The adopted San Diego Community Action Plan on Homelessness sets the goal to prevent and end youth homelessness, and I ask that shelter beds and wrap-around services be dedicated to LGBTQ+ youth, which currently makes up 40% of homeless youth in San Diego. These efforts should include emergency shelter capacity for our LGBTQ+ youth. *Approximate Cost: \$2,000,000*
- San Diego's last Point-In-Time Count reported one in four of San Diego's residents experiencing homelessness were 55 years of age or older. Our shelter system should serve the unique needs of this population by offering a shallow subsidy program that provides monthly financial assistance to housing insecure, low-income seniors; age-appropriate facilities, resources and care; as well as gerontological training for providers. *Approximate Cost: \$8,000-\$10,000 annually per individual for a shallow subsidy program, \$250,000-\$500,000 for reconfiguration of emergency centers, and \$60,000 for a Community Education Specialist*
- Last year the City began contracting with organizations such as People Assisting the Homeless (PATH) to provide person-centered outreach. I request these types of efforts continue to be prioritized in this upcoming fiscal year and the years that follow. I request that additional funding be added in the FY23 budget for a new RFP to provide these types of services to the Downtown area and the City's urban core. *Approximate Cost: \$1,000,000*

**Housing Stability Fund:** The City should prioritize a pilot program to establish a local flexible subsidy pool for up to 24 months of assistance for seniors, families with children, people with disabilities, and transitional age youth up to 25-years-old. This pilot program should use ARPA money available in the FY23 budget. This pool of funds, administered by the San Diego Housing Commission, will support around 300 vulnerable households by covering up to a \$500 rental subsidy each month for those who otherwise would not be able to meet their rent obligations. To continue this program in future years, the City should explore using State and/or Federal funds, such as HHAP, to ensure program stabilization. *Approximate Cost: \$3,570,000*

**Rental Assistance:** As the City of San Diego and the San Diego Housing Commission have demonstrated its success in distributing previously allocated rental assistance funds received from the federal government, I ask that American Rescue Plan Act funding be allocated to continue to provide this support in FY23. *Approximate Cost: \$15,000,000*

**Safe Parking Lots:** I request that the City explore the potential to repeal its current Vehicle Habitation Ordinance, and instead consider expanding the Safe Parking Program. While three safe parking sites are currently proposed in the FY23 Budget, this should be expanded to four sites to ensure that additional hundreds of individuals can park in a safe area and be connected with services. *Approximate Cost: \$300,000 for an additional lot, for a total \$1,500,000 appropriation through HHAP funding*

**Safe Villages Program:** The goal of Safe Villages is to provide a safe camping location for unsheltered individuals that are traditionally more hesitant to engage in/accept services. The safe village would provide unsheltered individuals and/or cohorts of individuals throughout the urban core a safe, short-term, low-barrier and non-congregate alternative to the existing array of shelters. A safe village would provide living accommodations, access to sanitation resources, meals, and connection to supportive services in an environment that is safer than street homelessness. Onsite services would foster connections to, or placements into, the broader community system of care, such as community resources, shelters, behavioral health and primary care resources, and when available, permanent or longer-term housing. I request funding for an additional Safe Village in the Downtown area, administered by the San Diego Housing Commission. *Approximate Cost: \$2,600,000 for an additional Safe Village.*

### **GOVERNMENT EFFICIENCY**

*In FY23, strong investments will be made to make City government more transparent, inclusive and efficient. Increased resources for translation services, and additional staff in the Office of the Independent Budget Analyst, City Clerk's office, Office of Immigrant Affairs and the Department of Real Estate and Airport Management, will help streamline key City services. To provide our City Departments with the best opportunity to provide excellent service to our residents, I propose the following additions:*

**City Attorney:** This office has been severely understaffed in FY22, and its staff has been going above and beyond to address high workloads. In FY23, I request the addition of 4.00 positions and the establishment of a Central Transparency Office to improve this office's capacity to meet service level needs. *Approximate Cost: \$90,000 for 1.00 Attorney and \$65,000 for 1.00 Service Coordinator in Your Safe Place – A Family Justice Center; \$90,000 for 1.00 Attorney and \$65,000 for 1.00 Service Coordinator in the Gun Violence Unit.*

**Council Administration:** I appreciate the robust appropriation added in the May Revision to adjust salaries for the committee consultants and various staff. On the equalization of Council office budgets, I am supportive of the proposed important step to strengthen Councilmembers' ability to provide consistent services to constituents regardless of changes in administration.

With this equalization, however, an equalization of the **Community Projects, Programs, and Services (CPPS)** funding must follow. The FY23 Proposed Budget should include adequate funding to implement option one outlined in the *IBA Review of the FY 2023 Proposed Budget*, to allocate \$1 million equally among the nine Council offices ensuring a minimum of at least \$100,000 for each office. *Approximate Cost: \$1,000,000*

**Development Services:** The local Life Sciences industry is a crucial part of the regional economy, and delays to issue City permits necessary to move forward with key construction projects is holding up important growth in San Diego. I appreciate the Development Services Department flexibility to have proposed staff in the Housing Section support the Life Sciences community, but I would like to maintain the 44.00 FTEs added support for housing permitting, and add 10.00 FTEs in FY23 specifically to meet Life Sciences demand. *Approximate Cost: Unknown*

**Human Capital Plan:** The past year have seen long overdue investments in human capital, including increased compensation levels, targeted reclassifications and salary adjustments, and a compensation philosophy. These efforts will no doubt be strengthened by the proposed second pay equity study, additional positions to support recruiting in departments, an outstation section coupled with other personnel investments, a comprehensive employee compensation survey, and positions for the California for All Program. A staggering number of positions are also being added in FY23, and filling them must be done strategically. Adequate support must be provided to the Departments with the highest vacancies and corresponding workload levels. Managerial positions are indeed important for efficiency, but classifications where current staff has been working extensive overtime to meet service level expectations, should be prioritized. Two key front-line positions that were reduced in the Proposed Budget should also be restored. *Approximate Cost: \$46,820 - \$56,576 to restore 1.00 Collections Investigator in the Office of the City Treasurer, and \$47,258-56,950 to restore 1.00 Administrative Aide in the Risk Management Department.*

**Office of ADA Compliance and Accessibility:** In order for the City of San Diego to comply with state and federal mandates, the Office of ADA Compliance and Accessibility needs to be adequately staffed. Reductions in recent fiscal years have resulted in the inability of the office to fully assist individuals with their reports, and to provide monitoring and coordination of ADA improvements. In FY23, I request that 1.00 FTE Associate Engineer be added to their personnel budget. *Approximate Cost: \$77,000-93,000*

**Public Bank Study:** In FY23, I request funding for the second year in a row to study the viability of a potential City of San Diego Public Bank by creating a business plan to determine long-term cost savings. *Approximate Cost: \$250,000-\$350,000*

## **SUGGESTED REVENUES**

**American Rescue Plan Act (ARPA):** After the revised FY22 allocation of \$100 million, the City still has \$199.7 million in available ARPA funding to expend on priority line items in FY23 and FY24. While \$147.6 million of this is being proposed for FY23, considerations should be made as to the one-time versus ongoing nature of certain expenditures, and ARPA funding should be prioritized for urgent one-time needs.

**Cannabis Business Tax Revenue:** In late 2021, I introduced a proposal to reduce the tax rate for Cannabis Production Facilities (CPFs) in the City of San Diego from 8% to 2%. Given that only 19 out of the 40 approved permits for CPFs in the City are currently operational, and industry members cite high tax rates as a main barrier to operation, changing the tax rate presents a large opportunity to increase revenue. While a lower tax rate collection may likely result in a slight decrease to the City's General Fund initially, the potential revenue to be collected from the additional CPF businesses who hold a permit without currently operating, should surpass historic revenue levels.

**Communications Department:** The important work of the Public Information Officers hired in the Communications Department in FY22, coupled with a strengthened commitment to translation services in all City Departments and expanded Get It Done functions in FY23, are all key steps in making City services more accessible to our residents. I therefore believe that the proposed \$200,000 to support citywide marketing, and the \$143,000 for 1.00 Program Coordinator to support this marketing, can be reduced and be revisited in the next budget cycle.

**County Homelessness Funding:** On May 24, 2022, the County of San Diego Board of Supervisors voted to approve a \$10 million grant program to distribute to local jurisdictions to fund new shelters, safe parking lots, safe camping sites and emergency cabins or tiny homes. The City of San Diego should leverage this funding for its key homelessness priorities not currently funded in the Proposed Budget.

**Excess Equity:** Per the *Fiscal Year 2022 Third Quarter Budget Monitoring Report*, excess equity is projected to be \$40 million, which can be used for one-time priority needs to better support our communities, and potentially a partial reserve contribution in FY23.

**Homelessness-Related Overtime:** The overtime historically budgeted in the Neighborhood Policing Division, and as part of CleanSD to perform homeless outreach, or to clean up homeless encampments, should be reduced or fully eliminated in FY23. Given that the Neighborhood Policing overtime shifted its funding source from the Seized Assets Fund to the General Fund in FY22, an already strained General Fund should not absorb these costs in FY23.

**Infrastructure Investments and Jobs Act:** This legislation was signed into law on November 15, 2021, and will provide an estimated \$1.2 trillion nationwide over the next ten years, or \$550 billion over the next five years. Per the presentation from the City's Government Affairs team on

January 10, the State of California is estimated to receive \$46.6 billion over the next ten years, and the City will be able to apply for competitive grants. This can serve as an important funding mechanism to help address both the large CIP backlog, as well as other transportation needs.

**Parking Enforcement:** I am supportive of adding some positions for parking enforcement in FY23, to improve Get It Done response times for reports on parking violations. However, out of the 20.00 proposed positions for increased parking enforcement, 12.00 of them can be repurposed to fund 4.00 Sergeants, including one dedicated to the Eastern Division to help run a C-squad, as well as 4.00 officers for a bicycle squad in downtown.

**Sales Tax:** Sales tax collected in excess of baseline levels will be deposited into the Infrastructure Fund, and can be used for high-priority infrastructure needs, such as parks, libraries, vision zero projects etc.

**Sidewalk Vending Ordinance:** The budget proposed to-date includes 44.00 FTEs for education and enforcement of the new sidewalk vending ordinance. These investments should be strong from the start to ensure consistency in complying with the code updates, but 3.00 out of the 13.00 proposed Park Rangers, and 5.00 out of the 11.00 proposed Grounds Maintenance Worker 2's could be reduced to free up roughly \$350,000 in revenue needed for the Council's priorities.

**State Funding:** Governor Newsom announced in his May Revision that the State of California is estimated to have a \$97.5 billion surplus in its upcoming FY23 budget. Dedicated funding for climate action, homelessness and other regional priorities can be leveraged through the State's budgetary allocations, but this surplus can also be reinvested into San Diego communities.