



THE CITY OF SAN DIEGO

MEMORANDUM

DATE: May 20, 2015

TO: Honorable Council Member Todd Gloria, Budget Review Committee Chair
and Budget Review Committee Members

FROM: Tracy McCraner, Financial Management Director

A handwritten signature in blue ink that reads "Tracy McCraner".

SUBJECT: Fiscal Year 2016 Budget Review Committee Referral Response

This memorandum is in response to questions asked at the Review Committee Meeting held on May 7, 2015. The responses are listed by department in the order that they were reviewed by the Committee.

SAN DIEGO HOUSING COMMISSION

COUNCIL DISTRICT 3

QUESTION:

What is the projected income from Linkage Fees in Fiscal Year 2015 and Fiscal Year 2016?

RESPONSE:

The Fiscal Year 2015 budget for Linkage Fees (New Entitlements) income is \$590,000. The Fiscal Year 2016 budget for Linkage Fees is \$2.0 million.

CIVIC SAN DIEGO

COUNCIL DISTRICT 1

QUESTION:

Please provide a budget and actuals breakdown for Civic San Diego for Fiscal Years 2014 and 2015.

RESPONSE:

Please refer to *Attachment 1* for this breakdown.

COUNCIL DISTRICT 8

QUESTION:

What authority does the City have over Civic San Diego and the San Diego Housing Commission's budget?

RESPONSE:

Regarding the City's authority over Civic San Diego's budget, under Section 6.1 of its Amended and Restated Bylaws, Civic San Diego must prepare an annual budget for the consulting services to be provided in accordance with the two consultant agreements between the City and Civic San Diego. This annual budget must be submitted to the City's Chief Financial Officer for review and comment, then submitted to Civic San Diego's Board of Directors for review and approval, and finally submitted to the City Council for review and approval. The City Council's standard practice has been to adopt a resolution approving each annual consulting services budget of Civic San Diego.

Regarding the City's authority over San Diego Housing Commission's budget, the City Council, sitting as the Housing Authority of the City of San Diego, approves the San Diego Housing Commission's budget, pursuant to state law and the San Diego Municipal Code.

COUNCIL DISTRICT 8

QUESTION:

Please provide a list of redevelopment projects that are being handled by City staff as well as a list of redevelopment projects that are jointly reviewed by City staff and Civic San Diego.

RESPONSE:

The City is currently handling Veterans Village San Diego-Phase V and the Sidewalk and Streetlight improvements on El Cajon Boulevard. Civic San Diego is handling Horton Plaza, Beta Street Green Alley, Southcrest Trails Park, Colina Neighborhood Improvements, and Euclid Avenue Neighborhood Improvements. Other projects are forthcoming.

COUNCIL DISTRICT 8

QUESTION:

Was activity for new market tax credits captured under Economic Development?

RESPONSE:

The New Markets Tax Credit is a separate program and line item by Civic San Diego designed to clearly show its activity separate from the Economic Development fund. However, in the Operating Budget Summary of the Civic San Diego Technical Review, the New Markets Tax Credit activity is reflected in the Economic Development/Outreach line item for Fiscal Year

2016. The Economic Development/Outreach line item will be directly funded by fees earned from New Markets Tax Credit activity, which does not include City allocated funds.

COUNCIL DISTRICT 8

QUESTION:

There appears to be a \$3.6 million contribution from Successor Agency to Civic San Diego, but Civic San Diego's budget states \$3.2 million. Please explain this discrepancy.

RESPONSE:

The Successor Agency Budget is prepared months in advance of the Civic San Diego Budget due to the need to submit it to the Department of Finance. The amounts were estimates and were overestimated by the \$375,000.

COUNCIL DISTRICT 8

QUESTION:

Please provide a cost breakdown of the \$125,000 for the private/public Transit Oriented Development (TOD) and the repurposing of the old main library.

RESPONSE:

This response was provided in the Referral Response memorandum for the May 6, 2015 budget hearing, which was released on May 20, 2015.

SAN DIEGO CONVENTION CENTER

COUNCIL DISTRICT 1

QUESTION:

What are the numbers associated with booked versus actual hotel room nights?

RESPONSE:

Please refer to *Attachment 2* for this information.

COUNCIL DISTRICT 1

QUESTION:

What was the percentage of merit increases?

RESPONSE:

Please refer to *Attachment 2* for this information.

Honorable Council Member Todd Gloria, Budget Review Committee Chair and
Budget Review Committee Members
May 20, 2015

COUNCIL DISTRICT 1

QUESTION:

What percentage of the workforce received merit increases?

RESPONSE:

Please refer to *Attachment 2* for this information.

COUNCIL DISTRICT 3

QUESTION:

How are the merit increases budgeted?

RESPONSE:

Please refer to *Attachment 2* for this information.

Tracy McCraner

Attachments:

1. Civic San Diego Comparison FY14 to FY15
2. San Diego Convention Center Corporation FY16 Budget Review Questions

cc: Honorable Mayor Kevin L. Faulconer
Honorable Council Members
Stephen Puetz, Chief of Staff
Scott Chadwick, Chief Operating Officer
Stacey LoMedico, Assistant Chief Operating Officer
Mary Lewis, Chief Financial Officer
David Graham, Deputy Chief Operating Officer
Ron Villa, Deputy Chief Operating Officer
Brian Pepin, Director of Council Affairs
Andrea Tevlin, Independent Budget Analyst
Richard Gentry, President & Chief Executive Officer of San Diego Housing Commission
Reese Jarrett, President of Civic San Diego
Carol Wallace, President & CEO of San Diego Convention Center Corporation
Financial Management Staff