



THE CITY OF SAN DIEGO

OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

Date Issued: January 26, 2018

IBA Report Number: 18-01

Budget and Government Efficiency Committee Date: February 1, 2018

Item Number: 4

FY 2019 City Council Budget Priorities

OVERVIEW

Per the City Charter, the first step for the City Council in the City's annual budget process is the development of the annual Budget Priorities Resolution. This annual resolution has been approved by the City Council each year since 2006, and its development is outlined in the "Fiscal Year 2019 Budget Development and Fiscal Year 2018 Budget Monitoring Key Dates," adopted by the City Council on December 13, 2017. As in prior years, the FY 2019 Budget Priorities Resolution is compiled from individual Councilmember memoranda that outline their budget priorities for the upcoming fiscal year.

On January 5, 2018, Budget and Government Efficiency Committee Chair Barbara Bry issued a memorandum requesting that all Councilmembers submit their budget priorities for the FY 2019 Proposed Budget to the Office of the Independent Budget Analyst by January 22, 2018. All nine Council Districts submitted their priorities and they are represented in this report.

This report identifies the highest priority fiscal and policy items recurring throughout Councilmember memoranda. For FY 2019, Councilmembers unanimously supported three broad priorities:

- The provision of services to San Diego's homeless population;
- Support for programs related to the City's Climate Action Plan (CAP); and
- A wide variety of capital projects.

A majority of Councilmembers also prioritized funding for other categories including public safety programs, storm water infrastructure and maintenance activities, sanitation services, arts and culture funding, the Connect2Careers program, the Earned Sick Leave and Minimum Wage Ordinance, and the Development Services Department Code Compliance Division.

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Additionally, a majority of Councilmembers proposed a number of potential resources that could partially mitigate the deficit projected for FY 2019 as reported in the Mayor's most recent Five-Year Financial Outlook (Outlook). No single resource was mentioned by a majority of Councilmembers, however, we provide a brief overview of potential resource suggestions. All priorities submitted by Councilmembers can be found in their memoranda which are included as Attachment 1 to this report.

This report also includes an overview of the FY 2018 Statement of Budgetary Principles (Principles); Councilmember Gómez requested that Council review these principles at the start of the FY 2019 budget development process, and that the Mayor be provided the Principles as well. IBA Report 17-28 outlined the Principles that were approved by Council on September 12, 2017, and is included as Attachment 2 to this report.

FISCAL/POLICY DISCUSSION

FY 2018 Statement of Budgetary Principles

The FY 2018 Statement of Budgetary Principles was approved by the City Council on September 12, 2017, reaffirming an annual agreement between the City Council and the Mayor on matters of budgetary authority and the communication of budget changes between the two branches of government. The Principles are included in their entirety in Attachment 2 of this report, and include—but are not limited to—the following items:

- The Mayor will provide the Council with quarterly updates regarding the administration of the City;
- The Mayor will provide the Council with written notice regarding any reductions to City services that result in a reduction in service levels or the elimination of a program, and provide a fiscal justification for the reduction;
- A reduction in City services that does **not** result in a reduction in service levels or the elimination of a program may be implemented by the Mayor without prior written notice to the City Council, but the Mayor is requested to provide the Council with an informational memo regarding the reduction, upon implementation;
- The Mayor shall in good faith fulfill the legislative intent reflected in the Adopted Budget, although the Mayor is not obligated to spend all appropriations if legislative intent can be accomplished with less expense;
- Council can make changes to the Adopted Budget only after receiving a funding recommendation from the Mayor;
- If the Council requests that the Mayor put forward a funding recommendation, the Mayor must comply within 30 days, or a later time period if requested by the Council; and
- The City shall maintain a structurally balanced budget.

Upcoming milestones in the City's FY 2018 budget monitoring and FY 2019 budget development processes include the release of the FY 2018 Mid-Year Budget Monitoring Report (January 29, 2018) and the FY 2019 Proposed Budget (April 13, 2018). Part of our Office's review of those and other upcoming budget documents will be a consideration of how well those documents conform

to the FY 2018 Statement of Budgetary Principles as agreed to by the Mayor and approved by the City Council.

City Council Budget Priorities

City Councilmember budget priority memoranda incorporate a wide range of City programs for FY 2019, including three main priority areas: the provision of services related to San Diego's homeless population, support for programs related to the City's CAP, and a wide variety of capital projects. The following sections address Councilmember CAP and homeless services priorities, as well as other items receiving a majority of Councilmember support such as public safety programs, storm water infrastructure and maintenance activities, sanitation services, arts and culture funding, the Connect2Careers program, the Earned Sick Leave and Minimum Wage Ordinance, and the Development Services Department Code Compliance Division. A discussion of Councilmember capital project priorities, supported by specific Councilmember project requests, is included in the "Capital Projects" section at the end of this report.

In Committee Chair Bry's call for priorities, Councilmembers were encouraged to include funding sources for each priority contained in their memoranda, as well as mitigation strategies for the General Fund deficit projected for FY 2019 in the Mayor's FY 2019-2023 Outlook. In developing the resolution for Councilmember priorities, we have included those resources and mitigation strategies that were mentioned in a majority of Councilmember memoranda. Any dollar amounts associated with Councilmembers' proposed FY 2019 resources, or with their priority expenditures, can be found in each Councilmember's budget priority memorandum included in Attachment 1. These amounts will continue to be refined by our Office and the Financial Management Department during the development of the FY 2019 Proposed Budget.

Programs for the Homeless (Council Districts 1, 2, 3, 4, 5, 6, 7, 8, 9)

In their FY 2019 memoranda, Councilmembers unanimously prioritized providing additional funding and resources related to San Diego's homeless population. While all Councilmembers prioritized funding in this area, there was a broad range of program suggestions across individual Councilmember memoranda. Councilmember priorities for addressing the City's homelessness crisis include: the expansion of homeless outreach services, an increase in park ranger and library security services, funding support for the Select Committee on Homelessness, workforce development strategies for homeless individuals, funding support for public restrooms, continued funding for bridge shelters, resources for a homeless navigation center, and additional staff for the Psychiatric Emergency Response Team (PERT).

Climate Action Plan (Council Districts 1, 2, 3, 4, 5, 6, 7, 8, 9)

All Councilmembers indicated that support for the CAP is a priority in FY 2019, although no single-CAP related item was supported by a majority of Councilmembers. Budget priority memoranda included requests for adaptive traffic signals intended to ease congestion; additional staffing for the City's Urban Forestry Program, Vision Zero program, and other CAP-related activities; a Community Choice Energy local buildout study; a mobility monitoring program to measure bicycle, pedestrian, and transit mode share; and the addition of CAP social equity metrics.

Public Safety

A majority of Councilmembers identified two public safety priorities in their memoranda: 1) ongoing or expanded support for Police Department recruitment and retention, and 2) an expansion of the Fire-Rescue Department's Resource Access Program (RAP). Details on these two priorities are included in the sections below.

- Support for Police Department Recruitment and Retention (Council Districts 1, 3, 4, 5, 6, 8, 9)

Seven Councilmember memoranda focused on continuing or enhancing Police Department recruitment and retention efforts included in the FY 2018 Adopted Budget. The broad support among Councilmembers for recruitment and retention efforts range from general statements of support for recruitment and retention efforts to specific suggestions such as support for recruitment of civilian positions, piloting a housing incentive program, and funding an in-depth analysis of officer attrition.

- Additional Resources for the Fire-Rescue Department's Resource Access Program (Council Districts 3, 4, 6, 8, 9)

Five Councilmembers indicated their support for an expansion of the Fire-Rescue Department RAP program. RAP identifies chronic, high-volume users of the City's emergency medical system and works to connect those individuals with appropriate resources for their needs. Councilmembers who prioritized its expansion in their memoranda noted the positive human and cost-benefit outcomes of the program.

Storm Water Infrastructure and Maintenance Activities (Council Districts 1, 2, 3, 7, 8, 9)

Six Councilmembers prioritized increased storm water infrastructure maintenance activities. Priorities noted in memoranda ranged from general support for increased channel clearing to the prioritization of specific neighborhood storm water projects.

Sanitation Services (Council Districts 2, 3, 4, 6, 8, 9)

Sanitation services provided by the City's Environmental Services Department were prioritized in six Councilmember memoranda. These services include ongoing street sanitation, additional Code Compliance Officers, programs to address illegal dumping, community clean-ups, green waste collection, and a second trash pick-up in Mission Beach.

Arts and Culture Funding (Council Districts 1, 2, 3, 4, 8, 9)

A majority of Councilmembers prioritized an increase in arts and culture funding for FY 2019 over the amount included in the Mayor's Outlook. The FY 2018 **Proposed** Budget reduced arts and culture funding from \$15.1 million in FY 2017 to \$10.4 million—a \$4.7 million or 31.3% decrease. When the City Council adopted the FY 2018 budget, they allocated one-time resources to the arts and culture budget, increasing the budget to \$14.7 million. These one-time funds were removed from the arts and culture budget in the Mayor's Outlook, which included an arts and culture funding level of \$10.4 million for FY 2019.

CONNECT2Careers Program (Council Districts 1, 3, 4, 7, 9)

Five Councilmembers expressed support for the continued or increased funding of the CONNECT2Careers Program. This program provides work experiences for young adults, and Councilmembers noted that the program is looking to expand in order to serve more youth in 2019.

Earned Sick Leave and Minimum Wage Ordinance (Council Districts 1, 3, 4, 8, 9)

A majority of Councilmembers prioritized support for the City's Earned Sick Leave and Minimum Wage Ordinance. Councilmembers' requests for support for the program included the addition of staff and/or an increase in the City Treasurer's non-personnel budget in order to increase program outreach activities.

Development Services Department—Code Enforcement (Council Districts 2, 3, 4, 8, 9)

Support for the City's Code Enforcement Program was prioritized in a majority of Councilmember memoranda. Individual Councilmember priorities included requests for additional staffing such as Code Compliance Officers, Combination Inspectors, and Zoning Investigators.

Proposed Funding Sources

A majority of Councilmembers discussed a variety of resources that could be used to address the FY 2019 deficit projected in the Mayor's Outlook. No one suggestion was prioritized by a majority of Councilmembers, although there was a large number of potential resources for consideration including: use of Excess Equity, use of excess Risk Management reserves, an alternate replenishment plan for the Pension Payment Stabilization Reserve, a one-year suspension of the Infrastructure Fund, the addition of staff to pursue grant opportunities, a reevaluation and reduction of City contracting costs, City department budget reductions, and the potential for increasing Cannabis Tax revenue projections.

Our Office notes that many of these suggested resources are one-time in nature, and that one-time resources should only be used to fund one-time expenditures. Estimates and details regarding the implementation of these and other measures continue to be refined.

Capital Projects

All Councilmembers prioritized capital infrastructure investments and improvements in their FY 2019 budget priority memoranda. As in prior years, Councilmembers prioritized the repair, maintenance, and construction of parks, streets, streetlights, and sidewalks, and also included a focus on infrastructure that promotes Vision Zero, pedestrian and cycling safety, and traffic calming projects. A majority of Councilmember priorities aligned on five types of capital work, although no individual project received majority mention in the budget priority memoranda. We also note that some capital projects—such as the installation of adaptive traffic signals—were prioritized as a way to meet the City's greenhouse gas emission reduction goals and so are included in the "Climate Action Plan" section above. Details on the individual projects requested are included in the Councilmember memoranda included as Attachment 1 of this report.

- Park Capital Improvement Program (CIP) Projects (Council Districts 1, 2, 3, 4, 6, 7, 8, 9)

CIP parks projects, including the creation of new parks, park assessments, and improvements to existing Park & Recreation equipment and facilities, were a priority for eight Councilmembers.

- Pedestrian and Cycling Safety (Council Districts 1, 2, 3, 4, 5, 6, 8, 9)

Eight Councilmembers prioritized projects in their memoranda designed to enhance pedestrian and cycling safety. A variety of requests were made as part of this priority including:

- Prioritizing funding for infrastructure improvements in the corridors identified as part of Vision Zero, especially the “Fatal 15” intersections
- Initiating traffic calming measures such as raised delineators or electronic (V-Calm) signs
- Installing rectangular rapid flashing beacons, crosswalks, and constructing Safe Routes to Schools program improvements

- Sidewalk Repair and Installation (Council Districts 1, 3, 4, 5, 6, 8, 9)

The repair, installation, and improvement of sidewalks were prioritized by a majority of Councilmembers in their memoranda, some of whom noted that sidewalks in good condition supported the City’s Climate Action Plan and addressed potential safety issues.

- Street Repair (Council Districts 1, 2, 4, 5, 6, 8)

A majority of Councilmembers prioritized funding for the repaving, resurfacing, and restoring of City streets. Councilmembers listed a number of specific streets CIP projects in their memoranda, while some voiced general support for continued street repair efforts.

- Streetlight Installation (Council Districts 3, 4, 6, 8, 9)

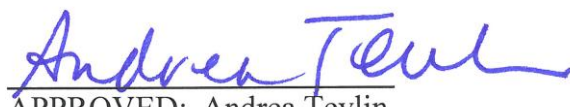
A majority of Councilmembers prioritized the installation or upgrades of streetlights in their memoranda, in some cases characterizing a lack of streetlights as a public safety concern. Requested locations for new or upgraded streetlights are detailed in the Councilmember memoranda included as Attachment 1 to this report.

CONCLUSION

Our Office recommends that the Budget and Government Efficiency Committee review and discuss the budget priorities highlighted in this report, and forward these priorities with any desired modifications to the City Council for formal adoption as the FY 2019 Budget Priorities Resolution.



Christiana Gauger
Fiscal & Policy Analyst



APPROVED: Andrea Tevlin
Independent Budget Analyst

Attachments: 1. Councilmember Memoranda
2. IBA Report 17-28REV: Proposed FY 2018 Statement of Budgetary Principles



**COUNCILMEMBER BARBARA BRY
CITY OF SAN DIEGO**

DISTRICT 1

MEMORANDUM

DATE: January 22, 2018
TO: Andrea Tevlin, Independent Budget Analyst
FROM: Councilmember Barbara Bry, First Council District
SUBJECT: Fiscal Year (FY) 2019 Budget Priorities

Barbara Bry

I look forward to working with the Budget and Government Efficiency Committee, the Independent Budget Analyst (IBA), full City Council, Mayor and staff, and the community to produce a balanced and responsible FY2019 budget. The following are my priorities for the which are in line with my campaign platform to keep San Diego safe, clean, and prosperous.

FY 2018 BUDGET PRIORITIES

As Budget and Government Efficiency Committee Chair, my overarching priority is a balanced and responsible budget complete with deficit mitigation strategies. Further priorities include:

Public Safety

Recruitment and Retention: San Diego has a relatively low crime rate, and our hardworking San Diego Police Department (SDPD) officers deserve much of the credit. I was proud to vote to increase our SDPD salaries. I am committed to keep up the momentum by prioritizing and supporting aggressive outreach efforts to recruit and retain the best officers that reflect the diversity of our community.

Community Policing: Police officers are pillars of our community and need to have direct relationships with the people they serve to be effective at their jobs. I support programs that provide police officers with the resources they need to build relationships with the community. I further support body cameras as a way to protect both citizens and police officers.

Response time reduction: The City must be prepared for the updated Citygate and CIP fire station recommendations and should identify construction resources for the proposed priority fire stations.

Death and Disability benefits: The City must allocate resources for firefighter Death and Disability benefits.

Compliance

Minimum Wage and Earned Sick Leave (MWESL): Continued funding for the current MWESL Program positions, including the current open position of 1.0 FTE Investigator. I support additional funding for outreach contracts with community organizations and 2 Deputy City Attorneys.

Environment

San Diego is known for our beautiful beaches, bays and open spaces, and quality of life is paramount. We must continue to battle the very real effects of climate change on our community, and begin implementing solutions now. I strongly encourage funding for the implementation of the Climate Action Plan (CAP).

Community Choice Energy: The City should include a jobs study and analysis of local clean energy buildout scenarios in its Community Choice Energy (CCE) business plan. As we move CCE forward, we must direct public dollars to support the creation of good jobs and uplift historically disadvantaged communities.

Smart Cities: The City must fund smart city technology for streetlights to develop and implement a mobility monitoring program that allows the City to reliably measure bicycle, pedestrian, and transit mode share in transit priority areas.

Urban Forestry: We must implement the Five-Year Urban Forest Management Plan and progress toward the CAP targets by expanding the City's urban forestry staff and increasing resources for services to include planting, pruning, palm trimming, risk assessments, tree removal in emergencies, and other tree maintenance activities.

Bicycle Improvements Concurrent with Resurfacing: Ensure that bicycle improvements continue to be made concurrently with street resurfacing, and maximize opportunities to implement traffic calming measures that align with CAP and Vision Zero goals.

Infrastructure

Vision Zero: Support the funding of improvements to reach Vision Zero goals prioritizing the "Fatal 15" Intersections.

District 1: As I submitted in my Capital Improvement Program priorities, I support funding the following District 1 priorities:

- Carmel Valley Recreation Center Pool
- Carmel Valley Recreation Center Crosswalk
- La Jolla Azul to Poole Sidewalk
- La Jolla Dunaway Drive
- La Jolla Casa de Manana Street Panels
- La Jolla Neptune Broken Pipe
- Pacific Highlands Village Center Loop
- Torrey Pines Del Mar Heights Rd
- Torrey Pines Los Pen Restoration and Sorrento Channel
- Torrey Pines Carmel Valley Rd Traffic Signage
- University City Lakewood and Governor

Neighborhood Services

San Diego Central Library: Support our Central library and the Mayor's homeless efforts by providing the needed funding for janitorial and security services.

Arts and Culture: It is critical that our City continue to invest in Arts and Culture programs, which pay dividends through enhancing tourism, economic development and overall quality of life for our citizens. I ask that the FY19 budget, at a minimum, maintain the Commission for Arts and Culture funding level from the FY18 adopted budget.

Economic Development

This year I will focus my energies in building a pipeline for future innovators by increasing the number and quality of internships in Science, Technology, and Math (STEM) fields.

Connect to Careers (C2C): Increase funding for C2C to meet the program's increasing demand.


Council Administration

I support the addition of one FTE Council Representative position in Council Administration to support and maintain service levels to the Council Offices.

Thank you for your consideration of the priorities I've outlined here. If you have questions, please contact Victoria Joes at vcjoes@sanidiego.gov or (619) 236-6611.



MEMORANDUM

DATE: January 22, 2018
TO: Andrea Tevlin, Independent Budget Analyst
FROM: Councilmember Lorie Zapf 
SUBJECT: FY 2019 Budget Suggestions

Investing in our streets, our public safety and our communities should be the top priority in our budget. Maintaining current service levels for our local libraries and park and recreation centers is crucial for our neighborhoods.

I propose the following General Fund allocations for Fiscal Year 2019:

Funding to maintain current park and recreation center hours, without cuts for FY 2019.

Funding to retain current library operating hours city-wide.

In order to support youth literacy, I propose keeping current funding for literacy programs at our libraries.

Continued Investment in Infrastructure: The 2015-16 City of San Diego Pavement Condition Report Street Repair Report indicated a 20% improvement in the condition of our roads thanks to a renewed commitment by this Council and Mayor. Street repair and repaving efforts remain a top priority for many of my constituents. I advocate that we continue to keep our street repaving program fully funded as we work to achieve the Mayor's goal of 1,000 miles over 5 years.

Support for Penny for the Arts: Arts funding is imperative for creating a first class city. Local arts nonprofits generate over \$1 billion a year in economic activity and generate over \$116 million in local and state funding for our police, parks, and libraries. Penny for the Arts funding supports these organizations and more through community concerts, cultural parades, arts education for our youth and world-class theater. I urge that we do not cut Penny for the Arts funding in FY 2019 and sustain our funding from FY 2018.

Senior River Park Ranger: 2017 brought more City resources to the San Diego River but issues related to homelessness continue to have a harmful effect on the river's environment and ecosystem. A Senior Park Ranger would help to mitigate these issues and assist in coordinating

and communicating between volunteers, city agencies and nonprofits such as the San Diego River Park Foundation. With a full time presence and by working together, a Senior Park Ranger can ensure that this unique San Diego asset be a safe destination point for all. I am requesting \$135,000 from the Tourism Occupancy Tax Fund to fully fund this position.

Safety at Pacific Beach Library: There has been an increase in safety issues at the Pacific Beach library. Families have stopped attending the library and the programs it offers due to the concerns for personal safety. Additional funds of \$25,000 are necessary for increased security from the Library System Improvement Fund.

Code Enforcement: San Diego beach communities are greatly impacted, especially during the spring and summer months due to an increase in visitors. In order to maintain the quality of life for our residents, I would like to see an increase in code enforcement officers to assist with noise complaints, unpermitted property improvement violations and illegal lodging complaints. Since these high tourist areas receive the largest impacts, I propose using TOT funds and revenues from violation payments to pay for extra code enforcement officers.

Ocean Beach Lifeguard Station: To ensure that the Ocean Beach Lifeguard Station continues to move forward, I am requesting an additional \$500,000 to fund this project into the design phase. The Fiscal Year 2018 Budget included \$200,000 for the Ocean Beach Lifeguard Station. With preliminary engineering expected to finish by late spring, these additional funds will allow the project to continue into design phase. This remains a top priority for my office, the Ocean Beach Town Council, Planning Board and the community. As a funding source, I recommend part of the \$16.9 million from the voter approved Infrastructure Fund established per Section 77.1 of Article VII of the City Charter and if eligible, funding from the Regional Park Improvement Fund.

Clairemont Drive Repaving: The City performed a street condition survey in 2015 assigning an Overall Condition Index (OCI) number to each street. OCI is a considerable factor in determining the order of street repairs. The 2015 OCI survey determined that Clairemont Drive from the I-5 freeway to Balboa Ave. is in poor condition. Considering Clairemont Drive's significant average daily trip count and proximity to major residential and commercial zones, I urge the allocation of TransNet and Prop H monies to assist with repaving this section of road.

Traffic Safety near and around Longfellow School: In order to enhance safety around Longfellow School and reduce speeding, I am requesting an allocation of \$8,000 for a V-Calm sign from the streets department budget.

Protecting health and safety in Mission Beach: The community of Mission Beach endures a significant fly infestation in the summer months. In order to combat the infestation, it is necessary to provide a second trash pick-up during the summer months in order to protect the health and welfare of residents and visitors. I would propose spending \$80,000 from the Environmental Services Department budget to pay for the additional trash pick-up during the summer months in Mission Beach.

Parking lot paving South Mission Beach: Parking is always a premium at our beaches and bays and these parking lots get more than their fair share of use. The condition of the parking lot at South Mission Beach is deplorable and is in need of repaving and re-striping. I would request an allocation of \$210,000 to pave the parking lot at South Mission Beach.

Lock gate at South Mission Beach: For public safety purposes, the parking lots at South Mission Beach have gates that are supposed to be locked at 10:00 PM every night and re-opened at 4:00 AM every morning. Due to limited staffing in the past, funds and personnel were not available to lock the gates. Illegal activities are occurring during the hours in the parking lots since the gates are not locked. I am requesting an allocation of \$7,000 from TOT funds to have personnel lock and unlock the gates on a daily basis.

Pedestrian Activated Flashing Lights: To implement the City of San Diego's Vision Zero goals, I would like to request funding for the installation of Pedestrian Activated Flashing Lights at the intersection of Turquoise St. and La Jolla Blvd. in the Pacific Beach Planning area. Pedestrian Activated Flashing Lights are a proven and effective solution that will help alert unfamiliar motorists to the presence of pedestrians and bicyclists crossing the street. This location has been vetted and approved by the Pacific Beach Planning Group and assessed by the Traffic and Engineering Department as an advisable location.

Flashing Beacon: The mid-block cross walk on Santa Monica Ave adjacent to Ocean Beach Elementary is a prime location to install flashing beacons and improve pedestrian safety. Ocean Beach kindergarten children make over 100 trips a day across this crosswalk to and from class next to Ocean Beach Elementary. An installation of a flashing crosswalk would increase safety and is in line with our plan for Vision Zero. TransNet funding should be consider for this critical improvement.

Ocean Beach Storm Water Infrastructure: In recent years, the streets and intersections along Long Branch, Brighton, Muir, Newport, Santa Monica, Abbott and others, have seen major flooding issues due to a lack of adequate storm water facilities. We need to prioritize low lying areas prone to future flooding with funding from our storm water fee assessment fund, commercial paper, and future deferred capital bonds.


Bermuda Beach: Our City needs to remain focused on ensuring that repair of the Bermuda Beach Staircase is fully funded. I request that Park and Recreation staff use funding from the Regional Park Improvement Fund to ensure this project can continue to move forward expeditiously. This is a very high priority project for my office and the neighborhood as safe coastal access is important to our quality of life.

Additional Smart Signal Installations: In 2017, City staff installed 12 smart signal traffic lights along the middle of the Rosecrans corridor which improved traffic by reducing wait times and giving commuters more green lights. I recommend that we use dedicated State 209 Caltrans funding to fund an expansion of these systems east and west along the Midway and Sports Arena corridors and further south to the intersections of Rosecrans and Talbot, Canon and Shelter Island.



**OFFICE OF COUNCILMEMBER CHRISTOPHER WARD
THIRD COUNCIL DISTRICT**

M E M O R A N D U M

DATE: January 22, 2018
TO: Andrea Tevlin, Independent Budget Analyst
FROM: Councilmember Christopher Ward 
SUBJECT: Budget Priorities for Fiscal Year 2019

I look forward to working with you, San Diego residents, the Mayor and my City Council colleagues to develop a spending plan that balances fiscal responsibility with the need to make bold investments in San Diego's future. My budget priorities are an expression of the values of District Three constituents and illustrate my commitment to making San Diego an equitable city that is growing responsibly and addressing the needs of all neighborhoods and residents.

My priorities include aggressive work and recommendations to address homelessness, create safe and livable neighborhoods, fulfill our Climate Action Plan goals, and expand initiatives to make our roads and sidewalks safer for all residents.

The following are my priorities for funding in the Fiscal Year 2019 budget:

HOMELESSNESS

The City must remain vigilant about expanding our homeless response and build on momentum from 2017 to pursue lasting solutions to the homelessness crisis. As I had outlined in the 2017 work plan for the Select Committee on Homelessness and memos my office released in March, July, and September, storage, increased street outreach, and better front doors to access the coordinated entry system are important first steps to connect homeless individuals with services. However, while focusing on more immediate opportunities, we must remain committed to additional actions that can have a broader impact. Through my work on the Regional Task Force on the Homeless and as Chair of the Select Committee on Homelessness, I hope to see the following prioritized in the FY19 budget:

Establishment of a Flexible Spending Pool (FSP)

The Rapid Rehousing Initiative conducted through the Select Committee on Homelessness this past fall identified delays which underscored the need for system-wide utilization of the Coordinated

Entry System, centralized housing navigation, and the need for additional, flexible financial resources. The City should initiate the development of a flexible spending account that can allocate funding to an expanded range of Housing First opportunities. Through the combined resources of the City, the San Diego Housing Commission, local governmental partners, and philanthropic assistance, this pool can be used to fill gaps in rental payments, security deposits, and other additional services needed to efficiently connect individuals to permanent housing. Successful FSPs like those in Los Angeles or Chicago serve as a stream of funding that is often outside the strict parameters of grants or government housing subsidies. An FSP in San Diego's competitive and challenging housing market would create assurances for landlords and may be used to prevent homelessness for San Diegans having difficulty affording their rent. Additionally, an FSP can ensure that federally supported vouchers are being utilized and funding is not being left on the table. Approximate cost: \$500,000 (start-up).

Continued Implementation of Homeless Prevention and Diversion Services

Last year, the City Council allocated funding to assist up to 1,450 households which helped to reduce the inflow of newly homeless individuals and families. The City must continue its commitment to funding programs that prevent individuals from becoming homeless. Approximate cost: \$1.0 million.

Increase Capacity of Existing Homeless Services Providers

The three bridge structures were important and significant investments in new locations to provide safe and sanitary conditions for individuals on the street. Now that those are operational, the City should identify opportunities to expand Permanent Supportive Housing beds at existing provider sites and promote the conversion of transitional beds to Permanent Supportive Housing so that those new beds may serve as exit points for clients of the bridge structures or other homeless service programs. I am aware that additional capacity exists for conversion at Father Joe's Villages and Connections Housing operated by PATH. Approximate cost: TBD.

Mobile Showers and Restrooms

The City must establish additional sites for mobile showers and restrooms at key locations throughout the City. These sites will provide reliable sanitation and basic services to homeless individuals, and reduce the likelihood of a future public health emergency. Approximate cost: TBD.

Workforce Development and Job Training Program

The City, in collaboration with the San Diego Workforce Partnership, the Regional Task Force on the Homeless, and other interested parties, should create a pathway to self-sufficiency for homeless and low-income individuals by providing the resources and support needed to find and retain employment. A steady job is often the single most important step in a person's transition out of poverty. Additionally, the City should explore opportunities to partner with its employee groups (and initiate meet and confer) and local non-profit agencies to insource services that are currently provided by third-party contractors and create a workforce development program for the homeless which also may help fulfill needed neighborhood services. Approximate cost: TBD.

Safe Parking

The City's Safe Parking Program should be redirected and expanded to utilize private site locations and additional partnerships. Providing the emergency relief in 2017 on City property was the right decision, however City funding allocations can be more efficiently dispersed to serve even more clients through public private partnerships as is currently experienced by programs operated by Dreams for Change. Approximate cost: TBD – reduction from FY18 allocation due to efficiencies.

Safe Camping

The Transitional Camp Area that operated in the City Operations Yard on 20th & B provided a refuge for individuals and families and served as an entry point into our homeless network of resources and housing. Additional opportunities for temporary safe camping should be explored in Mission Valley (Qualcomm site), Murphy Canyon (Former Chargers Training Facility), the former De Anza Mobile Home Park, or other appropriate locations to redirect individuals from sidewalks, alleys, canyons and floodplains to congregate in areas where services may be directed. Approximate cost: TBD.

Sustainable Bridge Shelter Funding

The City must identify a funding source to sustain the operations of the temporary bridge shelters without drawing from additional permanent housing resources. Additionally, as part of the motion for the approval of the funding for the operations of the bridge shelters on November 14, 2017, the City Council/Housing Authority voted unanimously to also request that the “Mayor and Housing Commission staff identify a schedule for deployment of at least \$6.5 million in Successor Agency funds in FY18 for permanent supportive housing projects or a future Notice of Funding Availability for permanent supportive housing projects and ask that a subsequent item be brought forward to the Housing Authority/Successor Agency for action within 60 days.” The Council must follow-up and ensure that those funds are replaced and actually committed toward permanent supportive housing projects. Approximate cost: \$6.5 million, plus ongoing TBD for FY19.

Homeless Navigation Center

The City must ensure that a funding source is identified so that services will be sustained at the Homeless Navigation Center. Additionally, it is critical that the funding source for operations of this facility not draw from or jeopardize permanent housing resources. Approximate cost: TBD.

Regional Street Outreach Program Expansion

Under the leadership of the Regional Task Force on the Homeless and the San Diego Housing Commission, the City must dedicate additional resources for outreach and work with partner cities throughout the County to ensure we are not addressing homelessness alone. The work we have already done related to storage, safe camping, bridge structures, street outreach workers, and allocation of vouchers should be replicated in other cities. We need a regional effort to address this crisis.

To help our communities, supplementary funds are needed to ensure that year round outreach services are provided by both outside organizations and the Police Department’s Homeless Outreach Team to help address homelessness in various areas throughout the city, including neighborhood canyons, Business Improvement Districts, parks, underpasses and overpasses. Approximate cost: \$250,000.

PUBLIC SAFETY**Fire-Rescue Department Resource Access Program**

The San Diego Emergency Medical Services (EMS) Resource Access Program (RAP) is a paramedic-based surveillance and case management system that intercepts high frequency EMS users. RAP seeks to reduce dependence on EMS and acute care services by linking the individual with appropriate resources for their underlying medical, mental health, and social needs. RAP is coordinated by a San Diego Fire-Rescue paramedic who works under the direction of the EMS Medical Director for the City of San Diego. Currently, there are no community paramedics dedicated

for this program. Since its inception, RAP has saved taxpayers approximately \$2,000,000 in diverted public health costs. I request the addition of 4.0 FTE Community Paramedics for this program. Approximate Cost: \$380,000.

Funding to Implement AB 953 (Racial and Identity Profiling Act of 2015)

An annual independent Racial Impact Report should be funded and presented to the City Council analyzing the data collected under the Racial and Identity Profiling Act. The report should include information about any racial bias complaints and the outcomes of such complaints, as well as any action taken by SDPD to mitigate racial biases. The report should also make recommendations based on the data they collect. The Racial and Identity Profiling Act of 2015 only requires that the data be sent to the State Department of Justice. San Diego residents must have an opportunity to hear from SDPD directly. This will allow for us to see if we are making progress to deal with the disparities identified in the SDSU study, as well as under AB 953, and to ensure that officers are being held accountable for compliance with the law. Approximate Cost: \$75,000.

Police Performance Measures

Having adequate performance measures that can be measured from year to year allows the City to be better informed about how to address staffing and operational issues as they arise. The FY19 proposed budget should include the following performance measures for the Police Department, including dispatch division:

- Comparison of actual sworn staffing with the sworn staffing goals remaining in the SDPD five year plan;
- Budgeted and actual sworn officers per 1,000 population (appeared in FY15, FY14, and FY13 adopted budgets) and how they compare with the average of other large cities;
- The percentage of 911 calls answered within 10 seconds;
- The number of 911 calls that were abandoned after waiting longer than 10 seconds;
- The number of 911 calls with wait times less than 10 seconds, between 10 seconds and 1 minute, between 1 minute and 2 minutes, between 2 minutes and five minutes, between 5 minutes and 10 minutes, and surpassing 10 minutes;
- Average non-emergency call wait time;
- The number of non-emergency calls with wait times: 1 minute or less, between 1 minute and 5 minutes, between 5 minutes and 10 minutes, between 10 minutes and 30 minutes, and surpassing 30 minutes;
- The number of abandoned non-emergency calls, and the number of abandoned non-emergency calls that received a call back;
- The number of sworn officer hours dedicated to dispatch, and the cost, including overtime pay;
- Percentage of police dispatcher background checks completed within three months.

Community Oriented Policing

I encourage the Mayor and City Council to invest in a community policing philosophy and program that promotes organizational strategies, partnerships, and problem solving techniques between law enforcement, citizens, and neighborhood groups in order to proactively address the immediate conditions that may otherwise give rise to public safety issues, such as crime, social disorder and fear of crime. It is imperative that the Police Department present a community-policing restoration plan to ensure a robust community policing strategy. Specifically, we request that additional Community Relations Officers and multi-lingual Police Officers/Police Service Officers be added as the Police Departments continues to rebuild. Approximate Cost: TBD. Rreallocation of existing resources.

Hiring of Police Civilian Positions

The restoration of civilian positions to support our sworn officers, particularly dispatchers, has resulted in numerous cost benefits (i.e. reduced staff turnover) and has greatly improved customer service delivery and employee retention and morale. However, despite these improvements and pay adjustments, vacancies continue to remain a concern. I request continued effort and resource allocation toward civilian recruitment to allow existing sworn officers to return to patrol duties and to end mandatory overtime which has been in place since 2010. Approximate cost: N/A. Fill existing vacancies.

Improvements to San Diego Police Department Non-Emergency Line and Other Communication Channels

While improvements to the non-emergency line are forthcoming, efforts to increase dispatch staffing should continue. Currently, wait times for SDPD's non-emergency phone line is often reported as exceeding 10 minutes or far more. This not only prevents citizens from having an immediate resource to address an active non-emergency criminal situation, but encourages residents to contact 911 for an issue that is not an emergency. Further, it frustrates constituents who want to engage the police department for a non-active or less urgent issue that requires eventual attention; to this end, the City should explore expansion of Get It Done, online services, 3-1-1 implementation or other means to connect to the Police Department where a need may not require a live call to the Non-Emergency Line. Approximate cost: N/A. Expedite efforts.

Rape Kit Testing

I continue to urge the Mayor and Police Department to reduce the backlog of untested rape and sexual assault evidence. Last year, the public was made aware of the over 2,000 untested rape kits. The evidence collection process itself is a personal for victims. How we treat this evidence can either deter from or encourage other victims to come forward. Approximate cost: \$500,000.

San Diego Fire-Rescue Department Paramedic School

The City Council should be provided an update regarding the plan for a city-operated Paramedic School so that the appropriate staffing levels and financial resources can be identified. Approximate cost: TBD.

San Diego Fire-Rescue Department Death & Disability Benefits

The City should prioritize and conclude negotiations regarding the Death & Disability Benefits for members of the Fire-Rescue Department. When voters approved Proposition B, the city vowed that first responders would never face the situation of being without that benefit. Approximate cost: TBD.

Lifeguard Division

In order for our Lifeguard Division to continue to provide exceptional service and safety at our beaches and bays, the following should be included in the FY19 budget:

- Addition of 1.0 FTE Senior Management Analyst to assist lifeguards in tracking special events, operational data, and oversee \$23 million in personnel, contracts, and equipment. Approximate cost: \$125,000.
- Addition of 2.0 FTE Lifeguard III positions for Children's Pool/La Jolla Cove. Approximate cost: \$278,000.
- Re-opening of the lifeguard Vessel Replacement Plan (which was depleted in FY17). The Vessel Replacement Plan prepares for future vessel replacement to keep lifeguards mission-ready. Approximate cost: \$322,000.

Neighborhood Code Compliance

The Neighborhood Code Compliance Division of the Development Services Department administers programs designed to protect the public's health, safety, welfare, and property value through enforcement of the City's ordinances and State/Federal laws relating to land use, zoning, housing, substandard housing, noise, public nuisances, graffiti abatement, and vegetation/fire hazard abatement. I ask that the resource capacity of the division be analyzed, that vacancies be prioritized and filled, and that funding for an additional 2.0 FTE Combination Inspectors (\$64,000 each) and 2.0 FTE Zoning Investigators (\$56,000 each) be included in the FY19 budget, particularly as new city policies and regulations are implemented. Approximate cost: \$240,000. Any additional expenses may be offset by revenue from increased activity (i.e. issuance of permits for compliance, citations, etc.)

Brush Abatement for "Paper Streets"

The Transportation and Stormwater (TSW) Department is responsible for the abatement of brush on so called "paper streets", empty and unimproved lots that are owned by the City of San Diego, that fall within the parameters of our street system. The budget for brush abatement within TSW was reduced from \$400,000 to \$0 from FY17 to FY18, and given the active fire seasons that San Diego has experienced, the lack of funding for abatement of dry brush poses a significant fire danger, especially in areas next to high density residential areas. TSW currently cannot address their backlog of fire risk violations. Approximate cost: \$400,000.

Downtown Park Ranger

As the City's fastest growing neighborhood, Downtown San Diego is continuously adding park space to the multiple City parks currently in place. However, unlike other communities, Downtown parks are not supported by a Park & Recreation Department ranger. In light of ongoing public safety issues at Horton Plaza Park, Fault Line Park, and Children's Park, and in order to meet the standard of activation and support afforded to communities throughout the City, the Downtown neighborhoods of Core, Marina, Gaslamp Quarter, Little Italy, East Village, and Cortez Hill should have a dedicated Ranger. Approximate cost: \$75,000.

INFRASTRUCTURE AND SUSTAINABILITY

Storm Water Channel and Storm Drain Maintenance in vulnerable areas of Golden Hill, Hillcrest, Normal Heights, North Park, and University Heights

The City has engaged in an effort to enhance the maintenance of its storm water channels and storm drains to ensure that life and property are protected during the winter storm season. Much of the work performed by the department has been through emergency permitting. In order to avoid the need to do last minute emergency permits to prevent flooding, the City should continue funding our storm water channel and storm drain maintenance program at an enhanced level that proactively addresses high flood risk locations in FY19 and beyond. Approximate cost: TBD.

Vision Zero

It is imperative that the City fund improvements at 15 of the deadliest intersections to ensure basic, low-cost pedestrian safety infrastructure improvements such as high visibility crosswalks, audible signals, and countdown signals are present at all intersections.

- Construct a safe crossing at Kansas Street and El Cajon Boulevard. City engineers have recommended a two-phase crosswalk for this intersection. Approximate Cost: \$357,000.
- Hire one dedicated Vision Zero/multi-modal staff person to oversee Vision Zero activities and complete streets implementation. This staff person will assist City staff with coordinating

and implementing upcoming education campaigns and engineering safety improvements. Funding is requested to be allocated for this staff position. Approximate Cost: \$75,000.

Sidewalk Maintenance and Repairs

With the completion of the citywide Sidewalk Condition Assessment, the Mayor and City Council must take action to develop policy and a plan to address the findings in the condition assessment and mitigate all tripping hazards to effectively reduce the city's liability and improve the conditions of our sidewalks. If Prop H funds are not suspended (as I have recommended below), at least \$15 million in infrastructure funds should be directed toward repairs and subsidy programs for sidewalks and emphasize repair of the segments in worst conditions as evaluated in the Assessment.

Additionally, the City has an opportunity to reduce liability and expenditures for sidewalk replacement by coordinating construction with appropriate capital improvement projects, particularly ones involving street repaving. Approximate cost: \$15 million.

Urban Forestry Program

I request an increase in urban forestry staff and resources as identified in the Five-Year Urban Forest Management Plan and the Climate Action Plan goals. Insufficient staffing levels for this program limit the full execution of California State grants and Mayoral initiatives. Furthermore, recent extreme weather events have demonstrated the need to adequately mitigate erosion in our urban canyons and parks. The current program, which consists of the City Forester, the Arborist, and two support staff should be increased by at least four employees to meet the needs of the City. Approximate cost: \$200,000. Any additional expenses may be offset by grant opportunities.

Community Choice Energy Local Buildout Study

Community Choice Energy (CCE) program for the City of San Diego will provide local energy choice, local community investment, and sustained local jobs. The recent feasibility study reported that a CCE would achieve these ends in San Diego and now a business plan is being developed for the prospective program. In order to fully maximize the benefits of a CCE program in San Diego, the City should fund a local buildout study that captures the economic value of local clean energy generation and affiliated jobs. The analysis would provide further direction on how best to support communities of concern (top 25% of CalEnviroScreen rankings) through CCE-related investments. Approximate cost: \$75,000.

Transportation Master Plan

The City must complete the development of a comprehensive Transportation Master Plan that includes analysis of mode share and defines the strategies the City will implement to achieve the mode share targets set forth in the Climate Action Plan. The plan should establish a clear vision for how San Diego will become a multi-modal city that supports mobility for healthy citizens in a safe, accessible, and vibrant city, increases affordability, reduces VMT, and protects and enhances the natural environment. It should lay out both high-level policies and specific actions to achieve that vision. Approximate Cost: No cost. In development but prioritization must be elevated.

Environmental Services Department (ESD)/Zero Waste Management Implementation

Staff capacity and resources for neighborhood cleanups should be expanded. Additionally, I request that the Environmental Services Department establish a program or develop a partnership to provide city residents a reasonably priced and accessible outlet for illegal dumping. Currently, far too many City residents are opting to dump items illegally and in the public right of way, rather than haul items to the Miramar landfill.

Green waste collection service, particularly in communities south of Interstate 8, should be expanded inclusive of the provision of green waste collection bins.

Additionally, ESD Code Compliance resources to assist in the street abatements and sanitation efforts as related to Hepatitis A and future disease prevention throughout the city are essential and must continue. Staff workload has increased dramatically and they are overworked. Additional resources should be sought in the form of volunteer efforts and partnerships, homeless workforce development programs, and short-term contracting out opportunities.

Lastly, additional resources are needed for the Landfill Fee Booth to address the increase in traffic into the landfill due to a staff shortages caused by Managed Competition. Corrections to staffing levels have been slow to come and if remain unaddressed, will continue to have unintended environmental and community impacts. Approximate cost: TBD.

Citywide Parks Master Plan

The City's General Plan Recreation Element recommends that a comprehensive Parks Master Plan (PMP) be prepared to inventory and assess all City park lands, recreational uses, facilities and services, set priorities for protection and enhancement of existing park and recreation assets, and develop implementation strategies to meet present and future community needs. It is through the proposed development of a citywide PMP that "equivalencies" will be addressed on a community-by-community basis. This is important to ensuring that there are sufficient recreation opportunities in the urbanized transit-priority areas. According to the City's Request for Proposals for the PMP, the estimated cost to complete the PMP is between \$1 and \$1.4 million, excluding the preparation of the environmental document which is anticipated to total around \$350,000. Approximate cost: \$1.75 million (phased allocation)

Balboa Park Master Plan Project Implementation Plan

Additional funding and staff resources have accelerated the process of many of our community plans. In order to prioritize park improvements requested by the community and stakeholders, it is critical to create a project implementation plan. The 1989 Balboa Park General Plan outlined the projects the community wanted to see completed within the park but a significant number of projects have yet to move forward. Additional projects and facility or infrastructure maintenance needs have also been identified in recent years. Prioritization of the remaining projects and a draft implementation plan will result in updated project costs and provided a comprehensive needs list for new projects in the park, and allow us the opportunity to explore revenue streams to meet and close this funding gap in a reasonable future timeframe. Approximate cost: TBD.

Upcoming Infrastructure/Commercial Paper/Deferred Capital (DC4) Bond

The projects listed in *Addendum A* are high priority community needs for the FY19 budget. Consideration should be provided to those projects eligible for upcoming funding opportunities. In addition to the short-term funding strategies being contemplated, the Mayor and City Council must work to identify a comprehensive infrastructure investment plan. Without a sustainable new revenue source to address our infrastructure needs, San Diego's streets, sidewalks, and public buildings will continue to deteriorate.

NEIGHBORHOOD SERVICES AND PROGRAMS

Balboa Park Maintenance and Public Safety Staffing

The recruitment and hiring for the vacant park rangers and park maintenance staff positions must be prioritized.

Penny for the Arts

The Penny for the Arts Blueprint (Blueprint) adopted by the City Council in 2012 included a goal of restoring annual Arts, Culture, and Community Festivals allocations to 9.5% of the City's transient occupancy tax (TOT) revenues by FY17. In the years since, the City has not met the Blueprint's annual funding targets. Although in FY17 the City Council increased the Penny for the Arts allocation in the Adopted Budget from 6.44% to 7% of TOT, for a total FY17 budget of \$15.1 million, funding was reduced in FY18. The Mayor's 5-year Outlook currently projects 33% growth in general fund TOT revenue over the next five years, and a recent study found that San Diego's non-profit arts and culture industry generates \$1.1 billion in annual economic activity, supports 35,914 full-time equivalent jobs and generates \$116 million in local and state government revenues. In order to continue supporting the growth of this critical economic driver and get closer to our stated commitments in the Blueprint, funding levels for the Commission for Arts and Culture Funding Programs should be increased to at least 7.5% of anticipated TOT receipts.

Placemaking Pilot Program

Resources should be identified to support the creation of intersection murals throughout the diverse neighborhoods of our city. This pilot program will, through a creative and collaborative process, empower communities to reshape public spaces to enhance their overall physical, cultural and social identities. Approximate cost: \$50,000.

Community Development Block Grant (CDBG) Reinvestment Initiative

SB 107, approved in 2015, provided substantial reform of the redevelopment wind-down process and ensures that San Diego will properly receive CDBG repayment/recovery of nearly \$240 million. Last year, the City Council approved a CDBG Reinvestment Initiative which is geared at reinvesting in San Diego's economically disadvantaged communities in the form of infrastructure investment, housing solutions, homeless service, job creation, and economic development. An evaluation of the initiative is warranted to understand outcomes and whether or not changes to the strategy are necessary to address more urgent community needs. Approximate cost: TBD.

Small Business Development and Support

San Diego small businesses are essential to our neighborhoods and economy. \$4.9 million in CDBG Reinvestment funds have been identified for investment in workforce development, support for small business accelerators, and the creation of a loan and investment fund that will also provide consulting services to help small businesses grow and remain competitive. I supported the development of these assistance programs and request a status update regarding the remaining funding available for deployment of resources to support our neighborhood small businesses. Approximate cost: N/A. Expedite efforts.

Youth Services/Youth Workforce Development/Connect2Careers (C2C) Program Expansion

C2C/San Diego Workforce Partnership provides work readiness, job matching, and job placement for 16-24 year-olds in San Diego. With a strong team, deep community connections, best-in class web-portal and IT solution, C2C/San Diego Workforce Partnership have the foundation needed to

dramatically expand the program to rival youth employment programs in other large cities. I request that an additional \$250,000 (current allocation is \$500,000) be allocated to the Workforce Partnership to expand the C2C program. This costs includes a budget for 8 staff (one director, one manager, 3 job developers, and 3 trainers) and 10 paid C2C interns that provide one-to-one job coaching to youth enrolled in the program, as well as IT system support, communications supplies and costs, and event supplies and costs. The C2C goal is to find jobs for at least 3,000 youth; up from 2,000 in 2017. Approximate cost: \$750,000.

Temporary Pool Program

This hugely successful program provides access to pools during hot summer months to communities that do not have the benefit of a pool facility at their local recreation center. The cost of this program is low, while the positive impact on pool users is very high. The following recreation center locations should be funded for a temporary pool in FY19: Adams Avenue and North Park. Approximate cost: \$7,500 per location.

Play All Day Initiative

The Play All Day Parks Program is an initiative put forth by the Mayor and the Superintendent of the San Diego Unified School District to break ground on over 30 new joint-use park sites in the next five to 10 years. Ensure there is adequate staffing and funding is secured to support the planned development of the 30 new City-wide joint-use park sites. Approximate cost: N/A. Expedite efforts.

OPERATIONAL NEEDS

Administration and Enforcement of Earned Sick Leave and Minimum Wage Ordinance

City administration and enforcement of the application of minimum wage and earned sick leave is critical to the stability of the city's workforce and overall economy. As such, it is critical that appropriate staffing be filled immediately and additional resources for proactive outreach and City Attorney assistance be identified to ensure compliance with the law. I urge the Mayor to protect these programs from any budgetary reductions.

City Employee Childcare Services

Finding licensed childcare for many families has become increasingly difficult, including for many parents who work for the City of San Diego. Childcare is a basic infrastructure element that should be pursued for children of city employees that are 2 months to 5 years of age. Staff should explore the costs associated with offering this service, what partnerships could be obtained, and prepare to engage the negotiating units during the reopener period in FY19.

Personnel Department

It is critical to maintain current staff resources and service levels which are all necessary to process and expedite the hiring process. The positions that have been added over the years are particularly critical in making sure that safety sensitive positions are cleared for hire in a timely manner. In addition, I request 1.0 FTE Associate Personnel Analyst to assist in classification and compensation duties. This individual would be responsible for studying and allocating new positions Citywide and would be responsible for evaluating all requests for special salary adjustments in accordance with City Charter Section 130, and in anticipation of the scheduled sunset provision of Proposition B on July 1, 2018. Approximate cost: \$75,000.

Council Administration Department

I request \$38,000 for non-personnel expenditures to support the City Council's Select Committee on Homelessness for the remainder of calendar year 2018/first half of FY19. Additionally, I request 1.0 FTE Council Representative to support the increased operational responsibilities of the department. Approximate cost: \$115,000.

ADDITIONAL REVENUE OPPORTUNITIES

While I acknowledge the very difficult budgetary decisions ahead, I am determined to continue progress and not allow for any reductions in neighborhood services. I am committed to creating opportunities that further expand economic development opportunities and improve public safety and neighborhood quality of life. In doing so, I offer the following revenue opportunities:

Vacancy Savings

The FY18 adopted budget included the addition of approximately 190 new positions, 86 of which remain unfilled as of January 18, 2018. Unanticipated vacancy savings may be redirected toward one-time FY19 expenditures.

Excess Equity

The First Quarter Report estimates Excess Equity will be \$17.9 million at year end which may be budgeted for one-time FY19 expenditures.

Risk Management Reserves in Excess of Policy Targets

Approximately \$17.0 million in one-time revenues in excess of reserve policy targets are anticipated which can be redirected for one-time FY19 expenditures.

- Excess Public Liability Reserve of \$4.1 million
- Excess Workers' Compensation Reserve of \$5.7 million
- Excess Long-Term Disability Reserve of \$7.2 million

Pension Payment Stabilization Reserve Contribution

Since the City is facing near-term deficits and given the healthy General Fund emergency and stabilization reserve levels, I recommend that the City reconsider the need for this unnecessary reserve account and at minimum, I recommend that the replenishment plan for this particular account be delayed until after FY19. \$3.5 million can be redirected for one-time FY19 expenditures.

Use of Redevelopment Property Tax Trust Fund (RPTTF) to Ensure Economic Revitalization and Job Creation

The Five-Year Outlook noted that the adjusted residual RPTTF revenue over the next five years increases from \$18.5 to \$26.1 million, for a total of \$115 million. Using this revenue going forward to invest in San Diego's economically disadvantaged communities, as originally intended, allows areas in the greatest need of economic investment an opportunity to attract new commercial activity, which in turn creates new jobs and greater tax revenue for the City's general fund. The prioritized investment of these residual RPTTF funds could fund many capital projects across the city that currently do not have identified funding sources.

Capital Outlay

The City Council recently authorized the sale of city assets with a combined value of over \$3.25 million. This funding may be directed toward capital needs or can be used to establish a Notice of Funding Availability for development/production of affordable housing on city owned property.

Increase Grant Opportunities/Citywide Grants Writer

The City must be more aggressive in pursuing grant opportunities to support new and existing projects. I recommend that a position be established to write grant applications, continually research grants and ensure that the City remains competitive. Examples of grant opportunities include:

- Caltrans Active Transportation Program: The Safe Routes to School program will educate parents, students, and teachers about road safety and can fund planning and infrastructure to increase safety. The City could fund this effort by applying for Caltrans' Active Transportation Program. It is anticipated that approximately \$440 million in ATP funding will be available.
- SANDAG Smart Growth Incentive Program (SGIP): This grant provides an opportunity to support projects in sites identified by SANDAG as "Smart Growth Opportunity Areas" including capital, non-capital, planning, and programmatic interventions that support Smart Growth objectives. Cities need to have adopted a Complete Streets Policy and a Climate Action Plan to be eligible. Approximately \$27 million is anticipated to be available.
- SANDAG Active Transportation Program: Approximately \$3.6 million is anticipated to be available for cities which have adopted a Complete Streets Policy and a Climate Action Plan to support capital, non-capital, planning, and programs that support walking and biking as well as traffic calming interventions.

Contracts

The City utilizes outside contractors for a variety of services totaling \$245 million. The City should utilize the appropriate termination clause language within each contract to more aggressively renegotiate the cost of each contract. Additionally, it must be more cautious about the frequency of change orders and the inclusion of automatic cost escalators. A 10% overall reduction in contracts for outside services would provide the City with \$24 million for more immediate General Fund purposes.

Ongoing CIP Cash Management

Ongoing review of CIP cash management activities will ensure the appropriate alignment of the timing and use of funding for CIP projects.

Cannabis Tax Revenue

On November 8, 2016, the voters of San Diego approved Measure N, which established a Cannabis Business Tax (CBT) on non-medical cannabis (marijuana) businesses in the City of San Diego to raise revenue for general governmental purposes of the City, contingent upon the passage of Proposition 64, the Adult Use of Marijuana Act, which was also approved by voters on the November 2016 ballot. The fiscal impact statement prepared for Measure N estimated potential future CBT revenue of \$22 to \$35 million annually. Considering the City Council's adoption of land use and business regulations, the industry has quickly developed. The City should reevaluate revenue assumptions related to the cannabis industry.

Reallocation of Costs Associated with the Deputy Chief Operating Officer (DCOO) Special Projects Position

Given the recent announcement of the promotion of the current DCOO of Special Projects to Chief Operating Officer, the costs associated with funding the position can be redirected for ongoing FY19 expenditures.

Potential Revenue from Short-Term Vacation Rentals

The City Council must take immediate action and adopt sound policy regarding short-term vacation rentals to reduce neighborhood nuisances, deter investor motive in housing supply, and provide code enforcement monitors. In doing so, the city will be better suited to track business activity and will create opportunities to generate revenue in the form of permit fees and Transient Occupancy Tax that can support enforcement to ensure compliance of applicable laws.

Proposition H – Infrastructure Fund

In 2016, San Diego voters approved Proposition H, a ballot measure that requires the dedication of General Fund revenue growth to an Infrastructure Fund. The Outlook recognizes these allocations to the Infrastructure Fund as a General Fund expense, but does not include projections for any expenditures paid for by the Infrastructure Fund. Allocations to the Infrastructure Fund could be used to support certain strategic expenditures, potentially including the City's Infrastructure Asset Management Program, street repair, and storm water permit compliance projects, thereby addressing critical needs while mitigating the projected deficit. Additionally, Proposition H included a provision that allows a one-year suspension of the requirement to allocate General Fund revenue growth to the Infrastructure Fund upon a two-thirds vote of the City Council. If funding for non-infrastructure critical expenditures is needed, Council could consider suspending the measure upon recommendation of the Mayor, which would allow the revenue to flow to the General Fund for other City uses.

Thank you for your consideration of these priorities. This memo reflects my top priorities and will serve as the basis for my support of the upcoming budget.

Addendum A

Balboa Park Restroom Rehabilitation/Modernization

Improvements are critically needed to the restrooms in Balboa Park near the Organ Pavilion/International Cottages and other key locations. Self-cleaning, single-use style restrooms should be considered in addition to the use of the streamlined design/bulk purchase and installation to reduce the cost per unit. Approximate cost: TBD.

Downtown Cycle Track Network

It is essential to fully fund the construction of the cycle track network in the Downtown Mobility Plan to ensure completion in FY19. These protected bike lanes will serve as the central node of San Diego's bike network and an essential component of any effort to increase bicycle mode share. The total cost is \$15 million, of which approximately \$3.5 million remains unfunded.

Golden Hill Recreation Center

The outdoor surface courts at the recreation center must undergo underlying structural repairs to prevent the need for frequent repairs/resurfacing. Approximate cost: TBD.

Golf Course Drive Improvements/CIP S-15040

This project provides for the design and construction of a paved pedestrian pathway and bike facility along Golf Course Drive, connecting the existing Golden Hill Recreation Center to 28th Street. A feasibility study was scheduled to be completed in FY17. Funding is requested to initiate the design phase. Approximate cost: \$1.8 million (phased).

North Park Community Park Recreation and Adult Center Facility Upgrades and Park Maintenance

We request a park assessment to improve the safety and condition of the North Park Community Park, including the active park space, recreation center and adult center. Additional programmatic and maintenance resources are requested to activate and upkeep the park, thereby deterring nuisance activity. Approximate cost: TBD.

Open Space Parks/CIP AGE-00001

There are over 150 canyons throughout urban San Diego. We request that this CIP be amended to incorporate and properly fund the Canyon Enhancement Planning (CEP) Program produced by San Diego Canyonlands. The CEP identifies green infrastructure needs and opportunities which provide valuable ecosystem services, including work to clean and filter our urban runoff. The CEP also identifies trail restoration area and recommends wetland and habitat restoration in Juniper, Maple, Mission Hills, and Switzer Canyons, among others, helping to create valuable recreational opportunities in otherwise paved and urbanized environments.

Additionally, I request that the Mission Valley trail connections through Buchanan Canyon (University Heights) and the 33rd Street Mini-Park (Normal Heights) be considered for restoration. Approximate cost: TBD.

Presidio Community Park Sidewalk Repair and Replacement

As identified in the Unfunded Park Improvement List, root-damaged sidewalks throughout the park should be repaired or replaced. Approximate cost: \$100,000-\$250,000.

Reynard Way Neighborhood Park: Mission Hills

I request that funding be identified to initiate a General Development Plan for the long awaited Reynard Way Neighborhood Park. Few opportunities exist in Uptown for the development of park space. The City must capitalize on this opportunity.

Sidewalk Installation to Enhance Pedestrian Safety

- Richmond Street Sidewalks: Richmond Street in Hillcrest/Marston Hills
- Upas Street Sidewalk: 28th to Alabama Street, south side in Balboa Park.

Street Light Requests

- Meade and Texas Streets
- Washington and Cleveland Streets
- 26th and Broadway
- F Street between 21st & 24th Streets

Trolley Barn Park Comfort Station

As identified in the Unfunded Park Improvement List, a comfort station should be added to the heavily utilized park. Approximate cost: \$500,000 to \$1.0 million.

Ward Canyon Neighborhood Park Phase II Completion

Ward Canyon Neighborhood Park: The temporary dog park at Ward Canyon Neighborhood Park was an important step toward realizing this long awaited and significant community asset. We would like to see the construction of these permanent park improvements included in the next bond/funding opportunity. Ward Canyon Park Phase II also called for the demolition of the Mock Building/Storefront located in the northwest corner of the park, as well as the construction of a new Mid-City police building on the western end, with windows facing the park for increased visibility and public safety. Approximate cost: \$7.5 million (per Facilities Finance Program Estimation)

Position ID	Job Title	Department	Status
30001241	Clerical Assistant II	Police	Filled
30001244	Clerical Assistant II	Police	Filled
30001684	Fire Fighter 2	Fire-Rescue	Filled
30001685	Fire Fighter 2	Fire-Rescue	Vacant
30001686	Fire Fighter 2	Fire-Rescue	Vacant
30001687	Fire Fighter 2	Fire-Rescue	Vacant
30001688	Fire Fighter 2	Fire-Rescue	Vacant
30001689	Fire Fighter 2	Fire-Rescue	Vacant
30001690	Fire Fighter 2	Fire-Rescue	Vacant
30001691	Fire Fighter 2	Fire-Rescue	Vacant
30001692	Fire Fighter 2	Fire-Rescue	Vacant
30003305	Info Sys Anlyst 4	Fleet Operations	Filled
31004152	Police Dispatch Admnstr	Police	Filled
31008702	Info Sys Anlyst 3	Risk Management	Filled
31008777	Claims Rep 2(Liability)	Risk Management	Filled
31008986	Word Processing Oper	Police	Filled
31009100	Police Invstgtv Serv Ofcr 2(Lt Pn Ex Ad)	Police	Vacant
31009251	Program Coordinator	Performance & Analytics	Filled
31009252	Program Coordinator	Performance & Analytics	Filled
31009253	Program Coordinator	Performance & Analytics	Filled
31009281	Police Captain	Police	Filled
31009300	Police Invstgtv Serv Ofcr 2(Lt Pn Ex Ad)	Police	Filled
31009457	Program Manager	City Attorney	Filled
31009475	Program Coordinator	Risk Management	Filled
31009476	Program Coordinator	Risk Management	Filled
31009477	Program Coordinator	Risk Management	Filled
31009564	Administrative Aide 2	Police	Filled
31009666	Program Manager	Performance & Analytics	Filled
31009754	Disposal Site Rep	Environmental Services	Filled
31009755	Disposal Site Rep	Environmental Services	Filled
31009816	Sr Clerk/Typist	Police	Filled
31009817	Program Manager	City Treasurer	Filled
31009843	Program Manager	Economic Development	Filled
31009936	Asoc Mgmt Analyst	City Treasurer	Filled
31010252	Accountant 3	City Comptroller	Filled
31010276	Program Coordinator	City Treasurer	Filled
31010277	Program Coordinator	City Treasurer	Filled
31010278	Program Coordinator	Purchasing & Contracting	Filled
31010400	Word Processing Oper	Police	Filled
31010750	Program Coordinator	Fire-Rescue	Filled
31011075	Accountant 4	City Comptroller	Filled
31011176	Landfill Equip Oper	Environmental Services	Vacant
31011305	Asst Chemist	Public Utilities	Vacant
31011306	Asst Chemist	Public Utilities	Vacant
31011307	Code Compliance Ofcr	Environmental Services	Filled
31011308	Code Compliance Ofcr	Environmental Services	Filled

31011309	Program Manager	Information Technology	Filled
31011310	Program Manager	Engineering & Capital Projects	Filled
31011311	Program Coordinator	Information Technology	Vacant
31011312	Program Coordinator	Information Technology	Vacant
31011325	Deputy City Atty	City Attorney	Filled
31011326	Deputy City Atty	City Attorney	Vacant
31011327	Deputy City Atty	City Attorney	Filled
31011334	Accountant 4	City Treasurer	Filled
31011335	Accountant 2	City Treasurer	Vacant
31011336	Accountant 2	City Treasurer	Filled
31011337	Accountant 2	City Treasurer	Filled
31011338	Accountant 2	City Treasurer	Vacant
31011339	Accountant 3	City Comptroller	Vacant
31011341	Program Manager	Transportation & Storm Water	Filled
31011342	Program Coordinator	Office of Homeland Security	Filled
31011343	Deputy Director	Public Utilities	Vacant
31011344	Asst Deputy Director	Public Utilities	Vacant
31011346	Program Coordinator	Office of Homeland Security	Filled
31011347	Program Manager	Planning	Vacant
31011348	Program Coordinator	Risk Management	Filled
31011353	Sr Mgmt Anlyst	Public Utilities	Vacant
31011354	Asoc Chemist	Public Utilities	Filled
31011355	Asoc Chemist	Public Utilities	Vacant
31011378	Employee Benefits Specialist 2	Risk Management	Filled
31011379	Employee Benefits Specialist 2	Risk Management	Filled
31011387	Grounds Maint Wrkr 2	Park & Recreation	Vacant
31011388	Grounds Maint Wrkr 2	Park & Recreation	Vacant
31011389	Fire Captain	Fire-Rescue	Filled
31011390	Fire Captain	Fire-Rescue	Filled
31011391	Fire Captain	Fire-Rescue	Filled
31011392	Fire Captain	Fire-Rescue	Filled
31011393	Fire Captain	Fire-Rescue	Vacant
31011394	Fire Captain	Fire-Rescue	Vacant
31011395	Fire Dispatch Supv	Fire-Rescue	Vacant
31011396	Fire Engineer	Fire-Rescue	Vacant
31011397	Fire Engineer	Fire-Rescue	Vacant
31011398	Fire Engineer	Fire-Rescue	Vacant
31011399	Program Manager	Economic Development	Vacant
31011412	Fire Dispatcher	Fire-Rescue	Filled
31011413	Fire Dispatcher	Fire-Rescue	Filled
31011414	Fire Dispatcher	Fire-Rescue	Filled
31011415	Fire Dispatcher	Fire-Rescue	Filled
31011425	Program Coordinator	Human Resources	Filled
31011426	Program Coordinator	Human Resources	Filled
31011427	Heavy Truck Drvr 1	Environmental Services	Vacant
31011428	Heavy Truck Drvr 2	Environmental Services	Filled
31011450	Cmnty Dev Spec 4	Economic Development	Filled

31011451	Cmnty Dev Spec 3	Economic Development	Filled
31011452	Asst Eng-Civil	Transportation & Storm Water	Filled
31011453	Asst Eng-Civil	Transportation & Storm Water	Filled
31011454	Project Assistant	Transportation & Storm Water	Vacant
31011455	Project Ofcr 1	Transportation & Storm Water	Filled
31011478	Biologist 2(Environ Biolgst)	Park & Recreation	Vacant
31011479	Asst Eng-Civil	Engineering & Capital Projects	Filled
31011480	Asst Eng-Civil	Engineering & Capital Projects	Filled
31011481	Asst Eng-Civil	Engineering & Capital Projects	Filled
31011482	Asst Eng-Civil	Engineering & Capital Projects	Vacant
31011483	Asst Eng-Civil	Engineering & Capital Projects	Vacant
31011484	Asst Eng-Civil	Engineering & Capital Projects	Filled
31011485	Asst Eng-Civil	Engineering & Capital Projects	Filled
31011486	Asst Eng-Civil	Engineering & Capital Projects	Filled
31011487	Asst Eng-Civil	Engineering & Capital Projects	Filled
31011488	Area Manager 2	Park & Recreation	Filled
31011489	Asst Eng-Civil	Engineering & Capital Projects	Filled
31011490	Asst Eng-Civil	Engineering & Capital Projects	Filled
31011491	Asst Eng-Civil	Engineering & Capital Projects	Vacant
31011492	Asst Eng-Civil	Engineering & Capital Projects	Filled
31011493	Asst Eng-Civil	Engineering & Capital Projects	Vacant
31011494	Asst Eng-Civil	Engineering & Capital Projects	Vacant
31011495	Asst Eng-Civil	Engineering & Capital Projects	Vacant
31011496	Asst Eng-Civil	Engineering & Capital Projects	Filled
31011497	Asst Eng-Civil	Engineering & Capital Projects	Filled
31011498	Asst Eng-Civil	Engineering & Capital Projects	Filled
31011499	Asst Eng-Civil	Engineering & Capital Projects	Filled
31011500	Cmnty Dev Spec 3	Economic Development	Filled
31011525	Recycling Spec 2	Environmental Services	Filled
31011526	Recycling Spec 2	Environmental Services	Filled
31011527	Sr Mgmt Anlyst(Hland Secur Coord)	Office of Homeland Security	Filled
31011550	Asst Eng-Civil	Engineering & Capital Projects	Vacant
31011551	Asst Eng-Civil	Engineering & Capital Projects	Vacant
31011584	Administrative Aide 1	Engineering & Capital Projects	Filled
31011585	Administrative Aide 1	Engineering & Capital Projects	Filled
31011588	Asst Eng-Civil	Engineering & Capital Projects	Filled
31011589	Asst Eng-Civil	Engineering & Capital Projects	Vacant
31011590	Asst Eng-Civil	Engineering & Capital Projects	Filled
31011591	Asst Eng-Civil	Engineering & Capital Projects	Filled
31011592	Sr Civil Engineer	Engineering & Capital Projects	Filled
31011593	Sr Civil Engineer	Engineering & Capital Projects	Vacant
31011594	Principal Engrng Aide	Transportation & Storm Water	Vacant
31011700	Sr Mgmt Anlyst	Economic Development	Filled
31011702	Principal Engrng Aide	Engineering & Capital Projects	Vacant
31011703	Principal Engrng Aide	Engineering & Capital Projects	Vacant
31011704	Principal Engrng Aide	Engineering & Capital Projects	Vacant
31011725	Fleet Manager	Fleet Operations	Vacant

31011751	Program Coordinator	Risk Management	Vacant
31011800	Principal Engrng Aide	Engineering & Capital Projects	Filled
31011801	Principal Engrng Aide	Engineering & Capital Projects	Filled
31011802	Principal Engrng Aide	Engineering & Capital Projects	Filled
31011803	Principal Engrng Aide	Engineering & Capital Projects	Vacant
31011804	Principal Engrng Aide	Engineering & Capital Projects	Filled
31011805	Principal Engrng Aide	Engineering & Capital Projects	Vacant
31011806	Principal Engrng Aide	Engineering & Capital Projects	Vacant
31011807	Principal Engrng Aide	Engineering & Capital Projects	Vacant
31011808	Principal Engrng Aide	Engineering & Capital Projects	Vacant
31011825	Grounds Maint Mgr	Park & Recreation	Vacant
31011828	Sr Plant Tech Supv	Public Utilities	Vacant
31011829	Sr Electrical Engineer	Engineering & Capital Projects	Vacant
31011830	Asoc Planner	Engineering & Capital Projects	Filled
31011831	Asoc Eng-Electrical	Engineering & Capital Projects	Vacant
31011875	Cmnty Dev Spec 2	Economic Development	Filled
31011876	Grounds Maint Wrkr 2	Park & Recreation	Vacant
31011925	Asoc Eng-Traffic	Engineering & Capital Projects	Vacant
31011926	Asoc Eng-Civil	Environmental Services	Vacant
31011950	Sr Mgmt Anlyst	Engineering & Capital Projects	Filled
31011951	Sr Engineering Aide	Engineering & Capital Projects	Vacant
31011952	Sr Engineering Aide	Engineering & Capital Projects	Vacant
31011975	Asst Eng-Civil(Cntrct Spec)	Engineering & Capital Projects	Vacant
31011976	Water Production Superintendent	Public Utilities	Vacant
31011977	Water Production Superintendent	Public Utilities	Vacant
31012002	Development Project Manager 3	Planning	Vacant
31012025	Project Ofcr 2	Engineering & Capital Projects	Vacant
31012026	Project Ofcr 1	Engineering & Capital Projects	Vacant
31012027	Project Assistant	Engineering & Capital Projects	Vacant
31012028	Project Assistant	Engineering & Capital Projects	Vacant
31012029	Project Ofcr 2	Engineering & Capital Projects	Vacant
31012030	Project Ofcr 1	Engineering & Capital Projects	Vacant
31012031	Project Ofcr 2	Engineering & Capital Projects	Vacant
31012032	Project Ofcr 1	Engineering & Capital Projects	Vacant
31012033	Project Ofcr 1	Engineering & Capital Projects	Vacant
31012034	Project Assistant	Engineering & Capital Projects	Vacant
31012035	Project Assistant	Engineering & Capital Projects	Vacant
31012075	Asst Eng-Civil	Engineering & Capital Projects	Filled
31012076	Asoc Eng-Civil	Engineering & Capital Projects	Filled
31012077	Asoc Eng-Civil	Engineering & Capital Projects	Filled
31012078	Asoc Eng-Civil	Engineering & Capital Projects	Filled
31012079	Asoc Eng-Civil	Engineering & Capital Projects	Vacant
31012080	Asoc Eng-Civil	Engineering & Capital Projects	Vacant
31012081	Asoc Eng-Civil	Engineering & Capital Projects	Vacant
31012082	Asoc Eng-Civil	Engineering & Capital Projects	Vacant
31012275	Program Coordinator	Engineering & Capital Projects	Vacant
31012303	Program Coordinator	Purchasing & Contracting	Vacant



**CITY OF SAN DIEGO
OFFICE OF COUNCIL PRESIDENT MYRTLE COLE
FOURTH COUNCIL DISTRICT**

MEMORANDUM

DATE: January 22, 2018
TO: Andrea Tevlin, Independent Budget Analyst
FROM: Council President Myrtle Cole *Myrtle Cole*
SUBJECT: FY 2019 Budget Priorities

The following are my priorities for the FY 2019 City budget. These budget priorities are in line with my policy priorities, which continue to advocate for public safety, neighborhood services, infrastructure, job creation/economic development, homelessness and the environment.

Public Safety:

Police Recruitment and Retention

In order to address the understaffing in both sworn and non-sworn positions, it is critical that the City develop a comprehensive, nationwide recruitment and retention strategy including developing a program to allow recruits to apply online, streamlining the process. Because recruits apply at multiple agencies, the department needs to move **expeditiously** to recruit the top candidates. Deferred maintenance has plagued many of neighborhood police divisions that serve our city. Police divisions including Southwestern, Western, Mid City and Northern that have been neglected over the years and are in dire need of improvements. Although officers received a pay raise, police officer job satisfaction is also tied to the work environment. A good physical work environment increases police officer well-being, satisfaction with work and increases performance.

Implementation of AB 953: Identify and allocate appropriate funding to implement AB 953 including what system(s) will be needed to collect, store and share information with the Department of Justice. On November 15, 2017 the AB 953 regulations were finalized. Beginning July 1, 2018 the larger law enforcement agencies including SDPD will be required to start collecting data. In April 2019 SDPD will be required to report on the data collected.

Identify and allocate funding to implement AB 2298 (Gang Database Act)

which is intended to overhaul the state's CalGang system. AB 2298 creates a requirement that law enforcement inform a person before they add them to state's CalGang database. The law allows the person the opportunity to challenge their inclusion in CalGang system via a court process. Starting in January 2018, law enforcement agencies will be required to produce detailed transparency reports on each of their shared gang databases.

Identify and allocate funding to implement AB 90 (Fair and Accurate Gang Database Act of 2017) which is intended to increase accountability and transparency within the various shared gang databases maintained by the state. AB 90 transfers oversight of the CalGang database from law enforcement to the Department of Justice. Under AB 90, SDPD will be required to implement regulations regarding the use, operation and oversight of shared gang databases. In addition, AB 90 may also modify the criteria designating a person as a gang member.

Fire

Identify and allocate funding for Death and Disability benefits for

Firefighters as required by City Charter Section 151 and authorized by Proposition B. Firefighters hired after July 20, 2012 do not have a defined Death and Disability benefit if permanently disabled or killed in the line of duty. The Cheiron CPR Analysis dated March 7, 2012 provided a summary of benefits and cost intended to replace the previous Death and Disability benefit with a like benefit. The previous plan was closed to firefighters due to pension system changes under Proposition B. Fortunately, no permanent disabilities or deaths have occurred to post-Prop B new hires to date. As such, the City has incurred no cost in the last 5 ½ years. Funding must be allocated to provide for Death and Disability benefits moving forward to prevent an unfunded liability to the City in the event a firefighter is permanently disabled or killed.

Identify and allocate funding for a Permanent Skyline Hills Fire Station (FS 51). Identify funding to construct a permanent facility for the health and safety of our fire-rescue personnel **and the communities surrounding Skyline Hills.*

Identify and allocate funding for a Permanent Home Avenue Fire Station (FS 1). This project will provide for the much needed Fire Station to meet emergency response times in the community.

Lifeguard

Identify and allocation funding for:

- Addition of one FTE Senior Management Analyst
- Addition of one (two FTE) Lifeguard III at the Children's Pool/La Jolla Cove.
- Reopen the Lifeguard Vessel Replacement Plan that was closed and emptied in 2017

Support and Fund the Neighborhood Code Compliance Division of the Development Services Department to administer programs designed to protect the public's health, safety, welfare, and property value through enforcement.

Identify and allocate appropriate funding for additional Psychiatric Emergency Response Team staff to address expanding homeless populations in communities throughout San Diego.

Identify funding for Resource Access Program (RAP). The RAP program is an important component in addressing the needs of our homeless. RAP, a paramedic based surveillance and case management system, manages frequent users of the 911/EMS system. RAP paramedics connect homeless individuals with resources for their underlying medical, mental health, and social needs. The RAP program has many benefits including reducing calls to the 911/EMS system, thus freeing up time for serious emergencies and reducing the costs.

Climate Action Plan:

Allocate transportation capital funding to be consistent with the Climate Action Plan 2020 mode share goals to incrementally increase transit, bicycling and walking mode share.

Transportation Master Plan:

Development and implementation of a comprehensive Transportation Master Plan that includes analysis of mode share and defines the strategies the City will implement to achieve the mode share targets set forth in the Climate Action Plan.

Minimum Wage and Earned Sick Days Enforcement:

Continued funding for the current Minimum Wage and Earned Sick Days Program positions.

Infrastructure:

Fund complete construction of Bay Terraces "Tooma Park" Senior Center/Recreation Building.

Identify and allocate funding for completion of the Streamview Drive Improvements. Including traffic calming measures, installation of roundabouts, medians, angled parking, resurfacing of streets and construction of new sidewalks.

Identify and allocate funding for construction of MLK Promenade in Broadway Heights, which includes the widening of sidewalks and installation of medians.

Identify and allocate funding for Emerald Hills Community Park Renovations. Funding for improvements include, repainting of its tennis courts, resurfacing of basketball courts, and upgrading playground equipment of the two tot-lots.

Identify and allocate funding for design completion and construction of the Rolando Park joint use fields.

Continued funding for MLK Recreation Center renovations and repairs.

Identify funding for additional sidewalks and street lights in District 4 including, Paradise Hills, Community-Wide Pedestrian Improvements for North Encanto, and Northside of Market Street.

Identify funding for Oak Park Library

Identify and allocate additional funding for the Chollas Lake Community Park comfort station and electrical infrastructure.

Homelessness:

Increase funding for the San Diego Police Department's Homeless Outreach Team and Quality of Life Team: Team would support outreach efforts to homeless individuals living on city sidewalks and neighborhood canyons.

Fund the operation of a housing navigation/intake center which will serve as the central point of access for homeless individuals seeking assistance on their path towards permanent supportive housing.

Fully fund the committee consultant position for the Select Committee on Homelessness.

Ensure continued funding for the operation of the temporary bridge shelters.

Continue funding for temporary public restrooms and washstands to continue to combat the recent Hep A outbreak.

Additional funding to Environmental Services Department: For community clean-ups associated with homeless camps in canyons and creeks in the communities outside of downtown.

Economic Development and Neighborhood Services:

Identify and allocate additional funding for the Penny for the Arts Blueprint.

Identify and allocate funding for a Small Business Bonding Assistance Program. The Small Business Bonding Assistance Program can serve as a supplement to the City's existing SLBE/ELBE program, and as an alternative to addressing the bonding needs of small construction firms.

Identify and allocate funding to expand the Youth Services/Youth Workforce Development/Connect2Careers: Funding would provide work readiness, job matching, and job placement for 16-24 year olds in San Diego.

Support Services for Planning Groups and Neighborhood Councils.

Allocate and Restore Services for Weed Abatement and Tree Trimming: These services are designed to protect the public's health, safety and welfare through abatement.

Restoration of CPPS dollars for Council District 1 & 3.

Identify and allocate funding for addition of 1 FTE Council Rep position in Council Administration to support and maintain service levels to support the Council Offices.

Revenue Opportunities:

In an effort to address funding for our FY 2019 budget priorities, following are some possible actions:

Excess Equity: There is an estimated \$17.9 million available for a one time use.

Excess Risk Management Reserves: There is an estimated \$17 million for a one time use.

Infrastructure Fund: There is an estimated \$17 million allocation.

Pension Payment Stabilization Reserve Contribution: One time use of \$3.5 million.


We look forward to the collaborative work ahead and thank you for your consideration of our budget priorities.



COUNCILMEMBER MARK KERSEY

DATE: January 22, 2018

TO: Andrea Tevlin, Independent Budget Analyst

FROM: Councilmember Mark Kersey 

RE: Fiscal Year 2019 Budget Priorities

This is in response to Budget & Government Efficiency Committee Chair Barbara Bry's January 5, 2018 memorandum requesting Councilmember input in the development of the Fiscal Year 2019 Budget. In this lean budget time, my top priority is continued investment in our neighborhood infrastructure. City leaders must avoid the mistakes of the past and resist the temptation to neglect our asset network in deficit years. To the extent funds are available, I put forward the following requests:

Restore Transportation in the San Pasqual Valley. Ysabel Creek Road is the main thoroughfare between Bandy Canyon Road, where farmers package their products, and San Pasqual Valley Road, where the Zoo Safari Park and the Archaeological Society are located. Severe storms have moved much of the asphalt off Ysabel Creek Road, leaving the road dangerous and inconsistent with the City's Street Design Manual. I request an engineering analysis to determine options for restoring Ysabel Creek Road and establishment of a CIP.

Sustain Fire-Rescue Response Times in Northeastern San Diego. The Fast Response Squad in San Pasqual Valley was made permanent after the adoption of the Fiscal Year 2018 Budget. In October 2017, a fire sparked in San Pasqual Valley, and the FRS helped contain the fire to 12-acres. The San Pasqual Valley is otherwise served by Station 33 in Rancho Bernardo, which has the largest territory of any station in the department. The San Pasqual Valley FRS must continue to operate on a permanent basis to ensure appropriate Fire-Rescue response times throughout northeastern San Diego.

Invest in SDPD Recruitment and Retention. For years the City of San Diego has struggled to recruit and retain police officers. Last month we took the aggressive steps necessary to tackle the issue, by approving an agreement with SDPOA that will increase pay up to 30% for our police officers. I am confident this will greatly boost our recruitment and retention efforts.

Expand Homeless Outreach Services and Housing. Under Mayor Faulconer's leadership, as outlined in his State of the City Address, this Council must continue to prioritize our homelessness crisis.

Improve Customer Service Through 311. An integrated 311 program, as recommended in the City Auditor's March 2015 *Performance Audit of the City's Public Right-of-Way Maintenance Activities*, has the potential to not only enhance customer service, but also streamline operations, reduce unnecessary 911 calls, and support open data. The *FY 2019-2023 Five-Year Financial Outlook* identifies the need for a 311 Customer Experience Program Coordinator to further build upon the success of the Get It Done pilot program. Any outstanding resources needed to fully implement the next phase of Get It Done, which will incorporate Environmental Services and Code Enforcement intake into Get It Done, as well as the FTE for a Customer Experience Coordinator should be prioritized.

Establish Consistency Across Council Office Budgets. In the time that I have served on the Council, the discrepancy between council office budgets has been as great as 34% in a single fiscal year. It is my continued belief that all nine council office budgets should be equal and not formulated based on a spending snapshot.

Utilize Measure N Proceeds for Enforcement. The overwhelming voter approval of Measure N, a local tax on recreational marijuana, ensures the City has the resources to cover costs associated with the legalization of cannabis without hurting our investment in other city services. Enforcement of marijuana laws, including proactively cracking down on illegal operators, should be a prioritized use of Measure N proceeds.

Prioritize Core Transportation Projects within the Infrastructure Fund. During Fiscal Year 2019, it is estimated that the Infrastructure Fund contribution will be approximately \$16.9 million. This fund was created to be flexible in addressing priority infrastructure needs. As we work to reduce the City's backlog of infrastructure projects, I request that the FY19 Infrastructure Fund contribution be distributed among:

- Sidewalk repairs
- Street repaving and slurry seal
- Vision Zero infrastructure and intelligent traffic signals



**COUNCILMEMBER CHRIS CATE
CITY OF SAN DIEGO
SIXTH DISTRICT**

M E M O R A N D U M

DATE: January 22, 2018
TO: Andrea Tevlin, Independent Budget Analyst
FROM: Councilmember Chris Cate 
SUBJECT: Fiscal Year 2019 Budget Priority Memo

The City of San Diego (City) will face many challenges in the coming fiscal year. San Diego residents are expecting City leadership to address the key issues of homelessness and public safety, while maintaining world class neighborhood services. The Council needs to be prepared to evaluate competing priorities as more resources are needed to address public safety needs and homelessness projects, such as recruiting and retaining personnel, filling coverage gaps, developing storage and housing navigation centers, and maintaining library and recreation center hours.

Per the City Charter, the City is mandated to produce a balanced budget. However, reaching these goals will not come without sacrifice. This upcoming budget year will prove to be difficult as the City prepares to face a nearly \$20 million deficit in Fiscal Year (FY) 2019, and \$64 million over the next three years. We must respond to this financial challenge by exercising strong fiscal discipline and appropriately prioritizing critical citywide issues, particularly homelessness.

I appreciate the opportunity to share my budget priorities for FY19. I look forward to approving a balanced budget that continues to address San Diego's most pressing challenges and issues. The Neighborhood Services outlined below should be funded with ongoing reductions as these reflect increases in ongoing expenditures (unless noted otherwise).

The following are my priorities for FY19:

Neighborhood Services

Homelessness - (\$1,279,800)

- The City should explore expanding Homeless Outreach Team (HOT) hours of operation in order to reach more homeless individuals and respond to calls for service across all neighborhoods. San Diego's homeless crisis is a citywide issue that requires more resources and services – at all hours. Currently, the HOT team does not incorporate a

second watch on Fridays and a third watch is not at all used during the week. To add one additional second watch shift per week, the approximate total annual cost for two sergeants and six officers is \$520,000. An additional annual cost of \$80,000 would be needed to add a Psychiatric Emergency Response Team (PERT) clinician to this shift. The Council should work with the Mayor's office to identify funding for the addition of one second watch shift per week and review options for staffing a third watch shift with an alternative, streamlined team structure to reduce costs.

- The City should also identify opportunities to expand and bolster the Serial Inebriate Program (SIP). This initiative has seen a steady growth in graduation rates since its first year of implementation and deserves to be considered for expansion. With only one officer currently staffing the program during first watch, the Council should work with SDPD to review the feasibility of adding at least one (1) additional officer and, eventually, additional shifts to the program. The average total pay for one police officer is \$111,000. Furthermore, the City should work with Mental Health Services, Inc. and other service providers to identify opportunities to expand the number of beds and potential clients that may be assisted by this landmark program.
- Although the Resource Access Program (RAP) has proven to be an effective program, the City of San Diego currently does not have a reliable team of community paramedic staff to execute the program. The City's contracted ambulance provider, American Medical Response (AMR), has not been able to provide the program with the necessary paramedic staff due to their own staffing issues. In addition, funding was not secured during the FY18 budget process to add Full Time Equivalent (FTE) positions to the program. The cost of a paramedic position, including salary and fringe benefits, is approximately \$94,800. The Department has indicated that in order to run a successful program, it would need at least six (6) community paramedic positions, in addition to the existing RAP Program Manager. The City Council and Mayor should work together to identify and secure \$568,800 for six (6) community paramedic FTEs, or discuss a potential partnership with AMR to maintain the staffing of this program.

Library & Park and Recreation – (Maintain Current Funding Level)

- Over the past five years, the Mayor and City Council have maintained a concerted effort to increase hours at branch libraries and parks and recreation centers. Due to this investment, we have seen an increase in usage at District 6 libraries by 13 percent. In 2016, District 6 recreation centers were reserved for activities an average of 33 hours each week. As we go into the next few years of projected budget deficits, we need to work toward maintaining the same or near the same levels of service at these facilities.
- Collecting library fines is an inefficient and expensive process that costs the City more money to administer than it collects. Per Library Department staff, the amount of overdue fines collected every year is approximately \$675,000. A conservative estimate of the costs to collect library fines is \$1,054,576. Fines should be waived and alternative methods to recover late or missing books and materials should be reviewed. In the meantime, the savings from waiving fines should be programmed back into the Department to address other priorities, or used to offset the projected deficit.

San Diego Police Department (SDPD) – (One-Time Funding of \$500,000)

- With the passing of Proposition 64 by California voters, the City has the responsibility of closely monitoring marijuana retail establishments to ensure compliance with State law and the City's Municipal Code. In 2018, the City should designate these establishments as Vice-regulated businesses and institute a fee to cover the costs associated with the enforcement and monitoring of such regulated businesses, as well as cover the cost of the closure of illegal businesses. Bringing marijuana storefronts under the purview of Vice Operations will bolster compliance actions and mitigate any potential negative impact to surrounding communities.
- Last year, the City Council allocated \$350,000 to SDPD to begin marketing the department to boost recruitment and retention efforts. The City should begin building on these efforts by offering additional incentives to police officers who locate to San Diego to meet the Mayor's goal of full staffing. One approach is by providing a housing incentive program that assists officers with their down payment or closing costs when purchasing a home within City limits. The City should allocate \$500,000 to administer a pilot program in FY19, and work with other stakeholders and financial institutions to request matching funds.

San Diego Fire-Rescue Department – (\$1,052,650)

- The most recent Citygate Report identified the need to add six additional Peak Hour Engines (PHE) in addition to the currently planned six fire stations to address coverage gaps throughout the City. The FY19-23 Five Year Financial Outlook identified funding of 24 FTEs in FY20 to begin filling these coverage gaps. The City should begin this process in FY19 by adding 8 FTEs to staff one (1) PHE to resolve the largest priority gap as determined by the Fire Chief.

Alternative Transportation Program - (\$616,673)

- The City currently offers a subsidy for public transportation, but only to employees who do not purchase a monthly parking pass and commute at least three days per week. Further, the City offers mileage reimbursement for work travel, but does not reimburse for work travel taken by public transportation. The increase of public transportation is critical for the City to achieve its greenhouse gas reduction targets. The City should revise its alternative transportation policy to further incentivize employees to take public transportation by reimbursing work travel and daily commuting by public transportation. The program should be funded by revenue generated by monthly parking passes from the City's concourse. The projected revenue for FY18 is \$616,673. In addition, department budgets should be amended to absorb work travel reimbursements similar to the process of mileage reimbursement.

Street Cleanliness Assessment Pilot Program – (One-Time Funding of \$500,000)

- Since taking office in 2014, my office has consistently received concerns regarding the cleanliness of streets and neighborhoods in the City of San Diego. These community concerns often involve illegal dumping, graffiti, and litter. In light of the recent creation of the "Clean SD" program, the City should move forward with a data-driven pilot program that utilizes technology to better map and monitor areas prone to the

aforementioned public nuisance issues. This information should be utilized to create a robust citywide abatement program that operates on a proactive basis.

Infrastructure

In 2016, voters approved Proposition H, which requires the City to place various General Fund revenues into an Infrastructure Fund. In FY18, the City allocated \$6.4 million of the Fund for the slurry sealing of streets and \$11.4 million into various Capital projects. In FY19, it is expected that \$16.9 million will be available for these same needs. Based on the Five-Year Financial Outlook, no funding from Proposition H is needed to address slurry seal improvements due to the passage of Senate Bill 1. The projected \$16.9 million should be used for other capital needs throughout the City, including the following which total \$10,633,581:

Park and Recreation - (\$870,900)

- The City's Park and Recreation center facilities are vital to maintaining and promoting vibrant San Diego neighborhoods. The following Park projects should be funded with FY19 Capital Improvement Program Annual Allocations:
 - Olive Grove Community Park is an open Capital Improvement Project (CIP) in vital need of American with Disabilities Act (ADA) improvements to its existing comfort station, enhancements to the existing children's play areas, and upgrades to the associated paths of travel. Funding will be needed to provide for the design, project approvals, and its construction. (\$750,000)
 - The safety of residents who visit City parks is paramount. Funding should be identified for the installation of new pour-in-place fall mats for the playground at the North Clairemont Recreation Center. (\$65,000)
 - Given the high volume of patrons visiting the North Clairemont Recreation Center and Clairemont Senior Center, the parking lot that services both facilities is in need of resurfacing. (\$10,000)
 - Funding should be allocated for replacement trees at the North Clairemont Recreation Center that were lost due to the drought. (\$7,500)
 - Given the high volume of patrons who are 65 years and older who go to the Mira Mesa Senior Center, the parking lot is in need of restriping and resurfacing. (\$10,000)
 - The Mira Mesa Senior Center is a neighborhood landmark where many of its patrons who attend and enjoy its many programs and services are 65 years and older. The facility is in need of an Americans with Disabilities Act (ADA) ramp at the front entrance of the building for safe access by its patrons. (\$2,000)
 - The Gil Johnson Recreation Center at the Mira Mesa Community Park is heavily utilized by patrons of all ages. As such, the basketball courts are in need of new backboards, rims, and poles. (\$10,000)
 - The Mira Mesa Recreation Center is in need of proper air conditioning and ventilation. Three (3) new wall-mounted AC units would resolve this issue. (\$4,500)
 - Lopez Ridge Park in the community of Mira Mesa is in need of a new storage shed to adequately house maintenance equipment and supplies. (\$5,000)

- The gymnasium at Hourglass Field in Mira Mesa is in need of four (4) plastic portable dividers, allowing patrons and staff to maximize the use of this facility. (\$3,700)
- The North Clairemont Recreation Center is in need of a new drinking fountain with a water bottle refilling station to reduce the amount of recyclables collected at this facility. (\$3,200)
- Many park patrons utilize the Peñasquitos Creek Park for organized soccer activities. A large portion of the field does not have sufficient grass covering, causing players to fall and hurt themselves. Field renovation is necessary to improve the safety and aesthetics of this public park.

Libraries – (\$287,781.22)

- The City's library system has provided tools, resources, and programs that enrich the lives of San Diegan families every day. It is imperative to make sure these neighborhood assets are protected and maintained for the enjoyment of future generations.

The following Library projects should be funded with FY18 Capital Improvement Program Annual Allocations:

- Balboa Library
 - Replace the existing carpet and flooring at the Balboa Branch Library. (\$12,600.11)
 - Replace tile flooring in restrooms. (\$4,600)
- Mira Mesa Library
 - Repaint and restripe the parking lot of the Mira Mesa Branch Library. (\$2,780)
 - Replace damaged and stained restroom countertop after receiving many complaints from patrons. (\$5,600)
 - Replace a nearly 20-year old carpet that has extensive flood damage. (\$150,000)
 - Install a new surveillance security system to keep patrons and staff safe. (\$30,000)
- North Clairemont Library
 - Provide twenty (20) new lightweight folding tables for North Clairemont. (\$1,600)
 - Replace old flooring throughout the facility. (~\$55,000)
- Rancho Peñasquitos Library
 - Replace thirty (30) chairs for patrons. (\$12,601.11)
- Serra Mesa – Kearny Mesa Library
 - Replace ninety (90) community room chairs for patrons. (\$7,000)
 - Replace twenty one (21) public internet computer monitors for adults with adjustable height features. (\$6,000)

San Diego Police Department – (\$708,000)

- SDPD's Traffic and Special Events Divisions currently utilize a trailer stationed in the rear lot of the Eastern Division that is in severe disrepair and no longer meets the needs of the Department. A new facility is needed to house 350 full- and part time employees and volunteers who serve on a citywide basis. Funding should be allocated for design, and the

beginning of construction for a new Traffic and Special Events Divisions facility. (\$700,000)

- Across all police precincts, officers utilize speed trailers to alert motorists of the posted speed limit and their current rate of speed, particularly in areas with high traffic incidents. This technology has been proven effective in reducing travel speeds and keeping drivers and pedestrians safe. The Northern Division is in need of one (1) speed trailer that is equipped with traffic analysis software capabilities for the Clairemont neighborhood. (\$8,000)

Street Lights – (\$1,188,000)

- Many older San Diego neighborhoods are in need of additional street light infrastructure to ensure traffic visibility and the safety of residents and pedestrians. The following locations have been identified as priority areas by the community, Streets Division, and SDPD. These lights should be funded through the FY19 Capital Improvement Program Annual Allocations:
 - Streetlight at 10442 Baywood Avenue
 - (\$18,000)
 - Add two (2) streetlights on the 3900 and 4000 blocks of Antiem Street
 - (\$36,000)
 - Add sixteen (16) streetlights on Beadnell Way between Mount Abernathy and Charger Blvd
 - (\$288,000)
 - Add one (1) streetlight on Mt. Acadia Boulevard between Mt. Alifan Drive and Mt. Blanca Drive
 - (\$15,000)
 - 9055 Balboa Avenue west of Ponderosa Avenue 300', south side streetlight
 - (\$15,000)
 - Balboa Avenue east of Kearny Villa Road 700', north side streetlight
 - (\$15,000)
 - Balboa Avenue west of Ruffin Road 580', north side at driveway streetlight
 - (\$15,000)
 - Camino Santa Fe north of top Gun Street 1150', east side streetlight
 - (\$15,000)
 - Camino Santa Fe north of top Gun Street 1750', east side streetlight
 - (\$15,000)
 - Farnham Street east of Ruffin Road 264', north side streetlight
 - (\$15,000)
 - Farnham Street east of Ruffin Road 381', south side streetlight
 - (\$15,000)
 - Farnham Street east of Ruffin Road 506', north side streetlight
 - (\$15,000)
 - Viewridge Avenue north of Balboa Avenue 145', east side streetlight
 - (\$18,000)
 - Viewridge Avenue north of Balboa Avenue 290', east side streetlight
 - (\$18,000)

- Mercury Street south of Engineer Road 170', west side streetlight
 - (\$15,000)
- Engineer Road west of Mercury Street 160', south side streetlight
 - (\$15,000)
- Mount Durban Drive north of Mount Casas Court 120', west side streetlight
 - (\$15,000)
- Mount Durban Drivewest of Mount Culebra Avenue 640', north side streetlight
 - (\$15,000)
- Mount Durban Drive west of Mount Culebra Avenue 150', south side streetlight
 - (\$15,000)
- Kearny Mesa Road and Magnatron Boulevard, southwest corner
 - (\$15,000)
- 9055 Balboa Avenue west of Ponderosa Avenue 300', south side streetlight
 - (\$15,000)
- Balboa Avenue east of Kearny Villa Road 700', north side streetlight
 - (\$15,000)
- Balboa Avenue west of Ponderosa Avenue 1,765', south side, at bus stop streetlight
 - (\$15,000)
- Balboa Avenue west of Ponderosa Avenue 1050', south side, at bus stop streetlight
 - (\$15,000)
- Balboa Avenue west of Ruffin Road 380', south side, at bus stop streetlight
 - (\$15,000)
- Balboa Avenue west of Ruffin Road 580', north side, at driveway streetlight
 - (\$15,000)
- Caldby Place east of Kirkcaldy Drive 208', end of cul-de-sac streetlight
 - (\$15,000)
- Magnatron Boulevard north of Kearny Mesa Road 1160', east side streetlight
 - (\$15,000)
- Kearny Mesa Road east of Magnatron Boulevard 1375', north side streetlight
 - (\$15,000)
- Farnham Street east of Ruffin Road 506', north side streetlight
 - (\$15,000)
- Clairemont Mesa Boulevard east of Overland Avenue 300', north side streetlight
 - (\$15,000)
- Clairemont Mesa Boulevard west of Overland Avenue 200', north side streetlight
 - (\$15,000)
- Clairemont Mesa Boulevard west of Ruffin Road 300', north side streetlight
 - (\$15,000)
- Clairemont Mesa Boulevard west of Ruffin Road 300', south side streetlight
 - (\$15,000)

- Farnham Street east of Ruffin Road 264', north side streetlight
 - (\$15,000)
- Farnham Street east of Ruffin Road 381', south side streetlight
 - (\$15,000)
- Vickers Street west of Convoy Street 180', north side street light
 - (\$15,000)
- Viewridge Avenue north of Balboa Avenue 145', east side streetlight
 - (\$15,000)
- Viewridge Avenue north of Balboa Avenue 290', east side streetlight
 - (\$15,000)
- Mercury Street south of Engineer Road 170', west side streetlight
 - (\$15,000)
- Engineer Road west of Mercury Street 160', south side streetlight
 - (\$15,000)
- Magnatron Boulevard north of Kearny Mesa Road 990', east side streetlight
 - (\$15,000)
- Magnatron Boulevard north of Kearny Mesa Road 835', east side streetlight
 - (\$15,000)
- Magnatron Boulevard north of Kearny Mesa Road 640', east side streetlight
 - (\$15,000)
- Magnatron Boulevard north of Kearny Mesa Road 280', east side streetlight
 - (\$15,000)
- Magnatron Boulevard north of Kearny Mesa Road 125', east side streetlight
 - (\$15,000)
- Kearny Mesa Road east of Magnatron Boulevard 235', north side streetlight
 - (\$15,000)
- Kearny Mesa Road east of Magnatron Boulevard 410', north side streetlight
 - (\$15,000)
- Kearny Mesa Road east of Magnatron Boulevard 555', north side streetlight
 - (\$15,000)
- Kearny Mesa Road east of Magnatron Boulevard 730', north side streetlight
 - (\$15,000)
- Kearny Mesa Road east of Magnatron Boulevard 870', north side streetlight
 - (\$15,000)
- Kearny Mesa Road east of Magnatron Boulevard 1040', north side streetlight
 - (\$15,000)
- Kearny Mesa Road east of Magnatron Boulevard 1205', north side streetlight
 - (\$15,000)
- Aero Drive east of Aero Court 300', north side streetlight
 - (\$15,000)
- Aero Drive east of Aero Court 300', south side streetlight
 - (\$15,000)

- Aero Drive east of Aero Court 600', north side streetlight
 - (\$15,000)
- Aero Drive east of Aero Court 600', south side streetlight
 - (\$15,000)
- Engineer Road east of Mercury Street 600', north side streetlight
 - (\$15,000)
- Engineer Road west of Kearny Mesa Road 300', north side streetlight
 - (\$15,000)

Street Resurfacing

- As the City strives to reach the Mayor's goal of resurfacing 1,000 miles of roads by 2020, the following streets should be considered in conjunction with future group jobs funded via the allocation of gas-tax revenues, or the \$75 million commercial paper program expected prior to the end of FY18:
 - Pegasus Avenue from Gemini Avenue to Polaris Drive, OCI-29
 - Lehrer Drive from Limerick Avenue to Arvinels Avenue, OCI-38
 - 4400 block of Conrad Avenue, OCI-33
 - Limerick Avenue north of Peyton Place, OCI-31
 - Glasgow Drive, OCI-16
 - Miramar Road, OCI-34
 - Convoy Street, OCI-16
 - As a part of the Convoy Street resurfacing, the stormwater drainage issues at Dagget Street should be resolved.

Traffic Control – (\$1,346,900)

- Traffic Signal Optimization has demonstrated a reduction in travel time by over 20 percent. The City should continue identifying additional strategic locations that seek to benefit from this technology, including the entirety of Mira Mesa Blvd., Miramar Road, Kearny Villa Road, Clairemont Mesa Blvd., Rolfe Road, Genesee Avenue, Mesa College Drive, and Balboa Avenue. This project should receive funding from the Regional Transportation Congestion Improvement (RTCI) Fee, which has thus far received \$3,615,723 in FY18.
- The Clairemont community has identified Beadnell Way as a problematic street in terms of traffic and pedestrian safety. Utilizing FY19 CIP Annual Allocations, Transportation and Stormwater should work with the community to install traffic calming measures, protected bike lanes, and pedestrian crossing safety improvements.
- The Mira Mesa community has identified Westview Parkway between Mira Mesa Blvd. and Black Mountain Road as dangerous for pedestrians and drivers. Utilizing FY19 CIP Annual Allocations, Transportation and Stormwater should work with the community to install traffic calming measures, protected bike lanes, and pedestrian crossing safety improvements.
- V-Calm Signs are highly effective traffic calming assets that directly result in the improvement of safety and travel conditions for both motorists and pedestrians by posting the speed of passing vehicles. The following locations have been identified as unfunded needs by the Traffic Engineering Operations Division and should be funded with Utilizing FY19 CIP Annual Allocations:

- Mercy Road near Black Mountain Road
 - One (1) electronic V-Calm sign
 - (\$15,000)
- Traffic signal improvements are critical to ensuring the proper flow of traffic and safety of pedestrians. The following locations have been identified as priority locations by the community and city staff to receive upgrades in terms of countdown timers, new signal components, curb ramps, crosswalks, and median upgrades:
 - Balboa Avenue and Viewridge Avenue
 - (\$140,000)
 - Balboa Avenue and Kearny Villa Road
 - (\$550,000)
 - Clairemont Mesa Boulevard and Convoy Street
 - (\$84,000)
 - Convoy Street and Othello Avenue
 - (\$102,000)
 - Convoy Court and Convoy Street
 - (\$5,200)
 - Balboa Avenue and Ruffin Road
 - (\$55,000)
 - Balboa Avenue and Viewridge Avenue
 - (\$60,000)
 - Balboa Avenue and Convoy Street
 - (\$53,000)
 - 8500 block of Balboa Avenue
 - (\$40,000)
 - Montgomery Drive and Sandrock Road
 - (\$16,700)
 - Balboa Avenue and Kearny Villa Road
 - (\$60,000)
 - Convoy Street and Ronson Road
 - (\$51,000)
 - Balboa Avenue and Convoy Street
 - (\$10,000)
- Rectangular Rapid Flashing Beacons (RRFB) is a cost-effective traffic improvement that enhances pedestrian safety and maintains traffic flow while avoiding unnecessary traffic signal installations. The following locations have been identified by the community and should be funded with Utilizing FY19 CIP Annual Allocations:
 - Challenger Middle School (\$10,000)
 - Sandburg Elementary (\$10,000)
 - Salk Elementary School (\$10,000)
 - Intersection of Armstrong Street and Armstrong Place (\$10,000)
 - Farnham Street between Overland Avenue and Ruffin Road with curb ramps (~\$25,000)
 - Dagget Street and Convoy Street (\$10,000)
 - Opportunity Road and Convoy Street (\$10,000)
 - Raytheon Road and Convoy Street (\$10,000)

- Convoy Street between Armour Street and Othello Avenue (\$10,000)

Sidewalks – (\$6,217,000)

- Many Clairemont pedestrians utilize Balboa Avenue from Clairemont Drive to Mount Culebra as a means to navigate across Tecolote Canyon. As the City works to implement the goals of the Climate Action Plan by incentivizing alternative modes of transportation, it is vital to ensure pedestrians are safe and secure. Last year, this project received \$500,000 for the design phase from the RTCI Fee. The City should consider this revenue source to help fund the remainder of the project. (\$4,640,000)
- As Phase I of the Hickman Fields project navigates through its design and construction in FY19, it is important to ensure that park patrons have safe access to the new facilities. TSW staff have identified a new sidewalk on Convoy Court/Hickman Field Drive to Convoy Street as a priority. The total project cost is \$850,000. Staff has requested \$100,000 from the RTCI Fee to initiate pre-design. (\$100,000)
- Balboa Avenue in Kearny Mesa is a heavily traveled arterial that feeds into many commercial and industrial businesses. Currently, there are missing sections of the sidewalk on both sides of Balboa Avenue from Kearny Villa Road to Ruffin Road. To encourage the safe utilization of this facility for pedestrians, new sidewalks need to be installed. (\$1,477,000)

CC:ic



City of San Diego
Councilmember Scott Sherman
Seventh District

MEMORANDUM

DATE: January 22, 2018
TO: Andrea Tevlin, Independent Budget Analyst
FROM: Councilmember Scott Sherman
RE: FY19 Budget Priorities

As anticipated the City will be facing another year of deciding what services are a priority to provide to San Diegan's. As responsible stewards of taxpayer dollars, I feel it is prudent to focus on finding ways to maintain essential city services at their current levels while reducing spending in certain departments to meet our budgetary needs.

District 7 Community Projects

Morley Green Mini-ADA Park (\$1,250,000*) cost in FY13

This project has been a top priority for the Linda Vista community for over a decade. Morley Green is centrally located in Linda Vista with a large number of families overlooking the space. Using a ¼ mile radius from the center of the park as the service area, it is estimated that 91% (4,119) of the 4,527 residents who will use the park are in the Low to Moderate Income bracket. The parks adjacent census tracts (86 & 88) have populations of under 18 year olds of 31.8% and 38.7% respectively, the city average is 24%. The average household size for these two census tracts is 3.67 and 3.47, the county average is 2.73. The two closest parks to these census tracts do not contain any equipment or facilities that cater to young children nor are they ADA accessible.

Finally after years of redevelopment wind down, the DOF has relinquished control of the land to the City in October of 2015. Investing in the Linda Vista community by building a park at this site not only illustrates the City's commitment to this underserved community, but would also achieve the City's goal of increasing total park acreage. This project would be eligible for CDBG funds to help the community with their plans for the site to include an ADA tot-lot, a shade structure, and picnic tables.

San Carlos Library (\$20,598,000) – CIP 35-088.0

The San Carlos Branch Library has been a community staple for the last forty years. Initially planned as the flagship branch for the surrounding neighborhoods, the San Carlos Library has been in planning stages for a new library for almost twenty years. The DC-3 bond identified \$1 million in

FY 2015 to finalize the design documents for the new San Carlos Library which will complete the last steps in preparation for construction. A financing plan needs to be put into place setting funding aside on an annual basis to build the San Carlos library residents have been patiently waiting for. Conversations with the County regarding the sale of the land are ongoing as we are in the final stages of receiving the “no further action” letter.

Adaptive Traffic Signals in Mission Valley

Adaptive traffic signal control systems have been found to improve efficiency by up to 20% and have been recently recognized by the State to have positive climate benefits as a result of the reduction of idling of cars. The City recently installed three signals and an adaptive traffic signal control system along Friars Road in Fashion Valley resulting in a tremendous improvement to the flow of traffic through this heavily congested corridor. With the success of these new adaptive signals expanding the number of signals along this corridor will provide considerable benefit to alleviating congestion and would assist the City with meeting our CAP goals. Friars Road is the ideal candidate for the expansion of the adaptive traffic signal project given the pre-existing fiber optic cables, an established control system, and three traffic signals already in place allowing for a longer chain of reduced wait times and traffic efficiency.

Senior River Park Ranger FTE (\$135,163)

The homeless crisis along the San Diego river has reached critical levels. The creation of a full FTE for a Senior Park Ranger would be the best possible step in helping to mitigate this crisis from further escalation. The position will be responsible for collaborating and managing operations of a Ranger work unit along the San Diego River within the City of San Diego. This includes developing and monitoring of the Ranger section budget; developing, collaborating, maintaining and monitoring various projects along the San Diego River including habitat restoration, interpretation and enforcement; liaison for the Department and San Diego River to various advisory groups, City departments, non-profit groups, media, land owners and public; performing outreach and interpretive programs for the areas of responsibility; assisting in the technical aspects of education, interpretation, and enforcement; and supervising various supervisory, volunteers and staff.

Citywide

Phase Out City's Publishing Services

In a fiscal year where decisions of what our priorities for the City of San Diego are we must find ways to save taxpayer dollars. Currently, the City spends \$3.9 million supplying City Departments with their requested printed and electronic materials. While this service is necessary for City Departments to function, the City itself does not need to be in the printing business and instead should contract this service out and focus on continuing to fund core city services with the savings from eliminating this division.

Maintain Storm Channels and Drainage Areas and Removal of Invasive Non-native Plants

Over the past two years the City has gone to great lengths to restore our storm channels to acceptable and safe standards. The magnitude of permitting and planning required to get to this stage must not be forgotten which is why we must continue regular maintenance of these channels. Allowing these channels to return back to their dangerous previous condition is not only unacceptable from a public safety concern, but will inevitably be a costly mistake. Removal of

nonnative plants is imperative to the health and safety of the River. These plants disrupt the flow of water through the river and would aid SDPD in monitoring the area for homeless encampments.

Homeless Outreach Services

There is no denying the City of San Diego is in a homeless crisis, but with the hard work of City staff and the direction of the Mayor we are seeing the tide turn. Funding and creativity are needed to make sure a solution is found to this crisis as soon as possible. I encourage all City staff to work together to find a way to ensure our transient population can find a way to live a safe and healthy life.

Connect 2 Careers (\$750,000)

Connect 2 Careers provides San Diego youth with essential skills for the workplace environment including work readiness, job matching, and job placement for 16-24 year olds in San Diego. This year Connect 2 Careers has a goal of 9,000 youth trained through C2C work-readiness curriculum, 9,000 youth enrolled in our program online at c2csd.org, and 3,000 youth placed in jobs and internships. Ensuring the success of Connect 2 Careers provides a Citywide benefit and is necessary for the health of San Diego.

Companion Unit Fee Waiver

As housing costs continue to increase monthly within the City of San Diego, affordable housing becomes challenging to find. In San Diego, the rental price of a standard unit is \$1,700 per month and the median home ownership cost is \$2,100 per month, well in line with the Housing Commissions report that half of all San Diegans cannot find market-rate rental housing they can afford and 60 percent cannot afford home ownership. Companion Units provide one of many solutions to our housing crisis. Companion Units are currently cost prohibiting to construct due to excessive fees tacked onto these smaller units. During the hearings regarding Companion Units over the last year, significant public testimony has been given in support of Companion Units, however cost remains a significant factor. All costs included, regulatory fees can total over \$30,000 for a single companion unit. The recent state mandate to encourage the construction of Companion Units must be implemented, but to do so there must be a reduction of fees. Without it, San Diegans will continue to be unable to afford to permit their units. Estimates stemming from a recent San Diego Housing Commission Report suggest that 2,000 to 6,000 new Companion Units may be built in San Diego over the next 20 years—a step in the right direction to adequately provide naturally affordable housing. In the upcoming fiscal year, the City Council should seek to find a permanent funding source to cover sewer and water capacity fees for Companion Units.

Additional Planning FTE for Code Writing

In order to prioritize housing affordability the City Council should consider staffing increases for code writers in the Planning Department. Municipal code changes will be at the forefront of tackling housing affordability this upcoming Fiscal Year. Fortunately, the recently passed SB2 will provide the City with additional funding that may be used for the City of San Diego's Planning Department. The City should apply these funds toward creating the FTEs necessary to ensure San Diego's Housing Crisis is solved.

cc: Honorable Mayor, Kevin L. Faulconer



COUNCILMEMBER DAVID ALVAREZ
City of San Diego
Eighth District
MEMORANDUM

DATE: January 22, 2018
TO: Andrea Tevlin, Independent Budget Analyst
FROM: Councilmember David Alvarez
SUBJECT: FY 2019 Budget Priorities

Please see my budget priorities for the Fiscal Year 2019 budget listed below

Citywide:

Accessory Dwelling Unit Permit Fee Waiver Cost Recovery

In an effort to help address the housing crisis in San Diego County, the City Council last year adopted regulations for both companion and junior units that would ease the requirements for their construction. While the regulations are less restrictive, the cost for permitting companion units continues to be a great obstacle in fostering their construction. It is estimated that a single companion unit can have a total permitting cost of \$30,000. Last year, the SG&LU Committee made an effort to reduce permitting cost by giving direction to waive the cost of the Water and Sewer Capacity Fees for companion units (estimated cost per unit is \$1,524 for a water capacity fee on new construction only and is \$2,062 for the sewer capacity fees). Assuming these fees would be waived for 100 new companion units, this would have an estimated cost of about \$359,000. Given that DSD is an enterprise fund, these fees are meant to cover the cost of staff time to review these permits. The FY19 budget should account for these costs.

Approximate cost: \$359,000.

City Council Budgets

During the FY18 budget process, the Mayor reduced some City Council office budgets. Those Council office budgets should be fully restored in the FY19 budget.

Climate Action Plan Related Funding Needs

- **Bicycle Improvements Concurrent with Resurfacing**
Ensure that bicycle improvements continue to be made concurrently with street resurfacing, and maximize opportunities to implement traffic calming measures that align with CAP and Vision Zero goals (which will require the resurfacing team to be equipped to incorporate best practices for Complete Streets.)
- **Bike and Pedestrian Improvements: Market St, between 22nd St & Euclid Avenue**
Implement safety improvements conceptualized in Southeastern and Encanto Community Plans, and the Pedestrian Master Plan. Improvements include curb extensions, high visibility crosswalks, and protected bicycle lanes. Improvements will encourage increased pedestrian and bicycle mobility.
Approximate Cost: \$1,200,000
- **Bike Counters and Monitoring Program**
Using smart streetlights or other technology, develop and implement a monitoring program that ensures the City is reliably tracking bicycle, pedestrian, and transit mode share. This will allow the City to have real data that tracks progress on mode share goals.
- **Community Choice Energy Jobs Study**
San Diego demonstrated leadership when it adopted the Climate Action Plan with the ambitious goal of 100% renewable energy. Mayor Faulconer has recently recommended that the City Council move forward on developing a business plan for Community Choice Energy (CCE), also known as Community Choice Aggregation (CCA) that would enable the City to meet the legally binding targets set forth in the Climate Action Plan. The CBA requests funding for an analysis of local clean energy buildout scenarios and attendant jobs and economic development created by implementation of Community Choice Energy in the City of San Diego. The CBA believes that public dollars must support the creation of good jobs and uplift historically disadvantaged communities.
Approximate Cost: \$75,000
- **Climate Action Plan Implementation Staffing**
Requesting an additional 5.0 FTEs dedicated to implementation of the Climate Action Plan. We request that 1.0 of the proposed FTEs be dedicated to ensuring equity for all communities in implementation of the Climate Action Plan.
Approximate Cost: \$500,000

- **Fatal 15 Intersections**

The Fatal Fifteen are the intersections with the highest rate of injuries and fatalities in the City of San Diego. We recommend the following three improvements be installed at all fifteen intersections: Stripes, paint ladder or zebra stripes across crosswalks for increased visibility. Countdown Signals, install countdown signals at all intersections. Sound, ensure these signals have audible prompts to let people know when it is safe to cross.

Approximate Cost: \$200,000

- **Social Equity- Staff Resources to Draft Social Equity Metrics**

Develop social equity criteria for CIP expenditures that support CAP implementation, and develop a monitoring program that accounts for capital improvement and grant fund expenditures in underserved communities, as described in the CAP. The focus of this position would be on the nexus of sustainability and equity, and it would include extensive research and stakeholder outreach to ensure the meaningful participation members of community members, especially those living in neighborhoods that score high on CalEnviroScreen.

Estimated Cost: 1 FTE

- **Transportation Master Plan**

Development of a comprehensive Transportation Master Plan that includes analysis of mode share and defines the strategies the City will implement to achieve the mode share targets set forth in the Climate Action Plan. The plan should establish a clear vision for how San Diego will become a multi-modal city that supports mobility for healthy citizens in a safe, accessible, and vibrant city, increases affordability, reduces VMT, and protects and enhances the natural environment. It should lay out both high-level policies and specific actions to achieve that vision.

- **Urban Forest Funding**

An important part of the Climate Action Plan is growing and maintaining our urban forest throughout the City. In order to have a robust urban forestry program, four additional FTEs (Tree Maintenance Supervisor, Tree Planting Arborist, Tree Protection Arborist and Tree Inventory Arborist) should be funded in the FY19 budget to ensure our urban forest continues to grow. Additionally, tree care contracts are funded at \$2.7M in the FY18 budget and it is critical that those activities- ranging from tree planting and pruning to trimming and emergency removal- are funded at the same level in FY19.

- **Zero Waste Management Implementation**

In order to obtain a 75% diversion rate as cited in the Zero Waste Management Plan, the Environmental Services Department should consider increasing blue bin collection service from biweekly to weekly. The additional expense could be offset by the additional revenue generated by increasing the recycling rate. Additionally, the City should provide green waste collection service, particularly in communities south of Interstate 8. To determine the feasibility of such a change, the City should fund a pilot study in the FY19 budget.

Code Compliance for Substandard Housing

Funding for additional Code Enforcement Officers in Development Services, Code Enforcement Division. Additional officers should be dedicated to addressing substandard housing conditions for existing rental housing. Costs for new positions could be offset by collections of fines that result from increased enforcement.

Approximate Cost: \$200,000

Commercial & 20th Storage Facility

The area around this facility should receive an increased level of streets and sidewalk cleaning/sanitization. Additionally, increased code enforcement staffing is critical to ensure the area around the facility remains clean and free of debris.

Council Administration

- Addition of one position in order to maintain daily operational service needs (one FTE Council Rep 1).
- Fully fund the Committee Consultant position for the Select Committee on Homelessness.

Firefighter Death and Disability Benefits

The FY19 budget should prioritize and fund a death and disability benefit program for city fire fighters.

Fire-Rescue Department Resource Access Program

The San Diego Emergency Medical Services (EMS) Resource Access Program (RAP) is a paramedic-based surveillance and case management system that intercepts high EMS users. RAP seeks to reduce dependence on EMS and acute care services by linking the individual with appropriate resources for their underlying medical, mental health, and social needs. Currently, there are no community paramedics dedicated for this program. Since its inception, RAP has saved taxpayers approximately \$2,000,000 in diverted public health costs. The addition of 4.0 FTE Community Paramedics for this program is requested for the FY19 budget

Approximate Cost: \$380,000

Fire Station Construction: Skyline-Paradise Hills and Fairmount Avenue Fire Stations

The construction of new fire stations for Skyline-Paradise Hills and Fairmount Avenue are a high priority, as noted in the latest version of the Citygate Report. Funding for the design and construction of these stations should be allocated in the FY19 budget.

Independent Rate Consultant

The Council passed a resolution of intent that allows the IBA to retain the services of an independent rate consultant that can be utilized during Cost of Service Studies and associated

reviews. If the IBA determines a need for these services in FY19, the FY19 PUD budget should provide the resources to retain the desired services.

Library Budget

- Community members rely on our libraries not just for access to books and reference materials, but also for critical activities like children's reading programs, youth and adult programming and community meetings. It is critical that the City maintain current hours and service levels at all libraries in FY19.
- The Library programming budget provides free educational and cultural programming to hundreds of thousands of people throughout the City. This programming was cut in FY18 to \$100,000. The programming budget should be fully restored in FY19 at \$500,000.
- Books and Materials Budget: Increasing a stagnant books and materials budget is also urgently needed to make sure each library keeps pace with circulation needs and allows for adequate access to books, electronic resources and databases. In order to be on par with other benchmarked library systems the books and materials budget should be increased in the FY19 budget.

Lifeguard Division

- Addition of 1 Senior Management Analyst (1 FTE) to allow division to adequately collect operational data and public feedback.
Approximate Cost: \$124,120
- Addition of 1 Lifeguard III at Children's Pool and La Jolla Cove (2 FTE). Position will allow more frequent vehicle patrols to out-of-sight areas to improve water safety and emergency response, as well as increased public education regarding marine life and enforcement of the Marine Mammal Protection Act.
Approximate Cost: \$277,406
- Re-opening of Lifeguard Vessel Replacement Plan in order to fund critical rescue and patrol boats. The FY19 budget should include year-one funding.
Approximate Cost: \$321,944

Minimum Wage and Earned Sick Days Program Staffing and Outreach

The City Treasurer's office manages the Minimum Wage and Earned Sick Days (MWESD) Program which is tasked with enforcement of the ordinance. The FY19 budget should include continued funding for the current MWESD Program positions, including the current open position of 1.0 FTE for a MWESD Investigator position to ensure the MWESD Program effectively enforces the Minimum Wage. Additional funding for outreach contracts with community organizations and 2 Deputy City Attorneys, with an additional estimated cost of \$500,000 should also be included.

Approximate Cost: \$500,000

Penny for the Arts

Currently, the IBA's analysis of the Mayor's 5-year Outlook shows projected revenue budgeted to support the Penny for the Arts Blueprint dropping from \$14.6M to \$10.3M, falling short of the Blueprint's stated 9.5% goal for FY19 and beyond. This means that for the next five years, Arts and Culture funding will continue to be millions of dollars short of the Blueprint's commitment. Increasing arts funding in the FY19 budget to match FY18 levels would allow our arts and culture programming, a vital part of our economy, to continue to grow.

Approximate cost: \$4.3 million.

Police Department

Public safety remains a high budget priority. The City must continue to prioritize the recruitment and retention of police officers. Although the FY18 adopted budget allocated funding towards recruitment and retention efforts, and a salary increase for officers was recently approved, thus far this increased funding has not slowed attrition rates. As such, in FY19, the City should appropriate sufficient funding to conduct an in-depth analysis of attrition to determine how best to modify retention efforts and its recruiting program, including retention of a third party contractor to anonymously survey sworn and civilian police employees on job satisfaction and organizational commitment and to conduct exit interviews when employees decide to leave. The information gathered through these interviews will provide valuable insight into how best to retain officers into the future.

Additionally, the Council requested that San Diego Police Department (SDPD) implement AB 953 once the regulations were completed and bring information about what it would cost to do so. The funding needs identified by the department should be included in the FY19 budget.

Police Officer Restorative Justice Funding

Restorative Justice prioritizes mediation, counseling and communication for certain youth offenses with the goal of putting students on a successful path and out of prison. Often a path that youth of color disproportionately find themselves on because they face harsher punishments and are more heavily prosecuted for minor offenses. Requesting training for 125 police officers in Restorative Justice practices.

Approximate Cost: \$300,000

Police Department Rape Kit Test Backlog: There is an estimated backlog of approximately 2,000 rape kits that have not been tested. Sufficient funding to begin addressing this backlog should be included in the FY19 budget.

Sidewalk Maintenance and Repair

The City must take action to develop policy and a funding plan to address the findings in the sidewalk condition assessment and mitigate all tripping hazards to effectively reduce the city's liability and improve the conditions of our sidewalks. The FY19 budget should include increased funding for sidewalk repair and construction of new sidewalks.

Storm Water Channel and Storm Drain Maintenance

The City has engaged in an effort to enhance the maintenance of its storm water channels and storm drains to ensure that life and property are protected during the winter storm season. In order to avoid the need to do last minute emergency permits to prevent flooding, the City should continue funding our storm water channel and storm drain maintenance program at an enhanced level that proactively addresses high flood risk locations in FY19 and beyond.

Temporary Pool Program

This hugely successful program provides access to pools during hot summer months to communities that do not have the benefit of a pool facility at their local recreation center. The cost of this program is low, while the positive impact on pool users is very high. The following locations recreation center locations should be funded for a temporary pool in FY18: Robert Egger, Montgomery Waller, San Ysidro.

Approximate cost: \$7,500 per location.

Transformative Climate Communities Program

The FY19 budget should include funding for the Planning Department to add staff to dedicate time to pursue this grant funding opportunity. The Transformative Climate Communities program is governed by the California Strategic Growth Council and is a result of the passage of AB2722. The planning grant guidelines outlines that only local governments can apply for funding. The amount of funds available for implementation and planning grants are determined annually by the legislature, California Air Resources Board, and the Strategic Growth Council and can range up to the millions. In the City of San Diego, Barrio Logan is the only community that would qualify for this program because it's the only area with a majority of census tracts in the top 5% of CalEnviroScreen (CES).

Translation Services for Community Planning Groups

Community planning groups are recognized as formal mechanisms for community input in the land use decision-making processes. Planning groups provide citizens with an opportunity for involvement in advising the City Council, the Planning Commission on development projects, general or community plan amendments, and public facilities. As such funding for interpretation services to make CPG meetings more inclusive and accessible for residents with limited English language proficiency should be included in the FY19 budget. Estimated cost for any one meeting should not exceed \$300.

Approximate Cost: \$25,000

Tree Trimming and Weed Abatement

The FY19 budget should increase funding for tree trimming and weed abatement to ensure the city is taking proactive measures to reduce fire risk during Fiscal Year 2019.

District 8 Infrastructure Projects

The projects listed below are high priority community needs for the FY19 budget. Consideration should be provided to those projects eligible for upcoming funding opportunities, including deferred capital bonds or the commercial paper program. In addition to the short-term funding strategies being contemplated, the Mayor and City Council must work to identify a comprehensive infrastructure investment plan. Without a sustainable new revenue source to address infrastructure needs, our streets, sidewalks, and buildings will continue to deteriorate.

Baybridge Community Center Roof

The Baybridge Community Center is a single story 9,890 gross square foot building located adjacent to Chicano Park. The facility was originally built in 1971 and is part of the Parks and Recreation Department. The building is in very poor condition with many pressing needs to be move-in ready for the next tenant. The current roof needs replacement and is identified as a critical need in the City's most recent facilities assessment report.

Approximate cost: \$500,000.

Beyer Community Park

This project would create a 12.6 acre community park serving the San Ysidro and Otay Mesa communities. The General Development Plan and design of the project will soon be complete. The next step would be to fund the project's initial construction phase.

Approximate cost: \$400,000.

Bus Stop Upgrades on City Property: Otay Mesa

There are currently a total of 43 bus stops in Otay Mesa, ten stops are in need of City funded capital improvements, such as ADA loading pad and sidewalks in order to receive upgrades such as benches and shelters. The locations below should be prioritized to be eligible to receive much-needed upgrades from MTS: Airway Rd./Dublin Dr., La Media Rd./Airway Rd., Siempre Viva Rd/Paseo De Las Americas, Siempre Viva Rd/Sarnen St., Siempre Viva Rd/Avenida Costa Brava, La Media Rd./Airway Rd., Otay Mesa Rd./Otay Mesa Center, Otay Mesa Rd./Gailes Blvd., Otay Mesa Rd./Cactus Rd., Otay Mesa Rd./Heritage Rd.

Chollas Creek Master Plan Restoration and Active Transportation Improvement Project

Chollas Creek is a significant asset that traverses the City Heights, Eastern, Encanto, Southeastern San Diego, and Barrio Logan communities. Planning work has been completed as part of the 2015 Southeastern and Encanto Community Plans; Chollas Triangle Plan amendment; Southcrest Trails Park General Development Plan; and improvements from private development projects along the creek that implement the 2002 Chollas Creek Enhancement Plan. The total cost of the Master Plan is estimated to be \$1.0 million based on the costs of the San Diego River Park Master Plan/CEQA document. However, Park Planning staff reports that the Master Plan could be funded in phases over a three year time period.

Commercial Truck Routes in Barrio Logan

Funding should be provided in the FY19 budget for an analysis on environmental impacts of commercial truck routes that travel through Barrio Logan. Barrio Logan has long been subjected

to higher levels of pollution than most San Diego neighborhoods, exacerbated by its proximity to industrial uses. Commercial trucks driving through, idling, and parking in the community have contributed to poor air quality and have negatively impacted the health of its residents. An analysis of the environmental impacts caused by these trucks would inform and recommend safer truck routes. Approximate Cost: \$75,000

La Media Road CIP

Completion of this CIP is critical to our cross-border economy. \$9.7 million in Transnet funding should be allocated to it in FY19.

Pedestrian/Safe Routes to School Improvement Projects

- Picador Boulevard and Majestic Drive Crosswalk/Rectangular Rapid Flash Beacon (RRFB): There is a crosswalk at the intersection of Picador Boulevard and Majestic Drive, located in front of Montgomery Middle School. This crosswalk is heavily used by students and families walking to and from Montgomery Middle School. The crosswalk was recently upgraded. Among the improvements made were: converting the crosswalk to a new yellow continental crosswalk and the installation of new "slow school xing" pavement markings for northbound traffic. Furthermore, this location has qualified for the installation of Rectangular Rapid Flashing Beacon lights (RRFBs). Funding should be provided to install these much needed RRFBs.

Approximate cost: \$10,000.

Sidewalks

Sidewalks throughout District 8 are in disrepair and need immediate attention. The list below should be considered priority locations in the FY19 budget.

- Egger Highlands Missing Sidewalk: Installation of a missing sidewalk on the west side of Saturn Boulevard between Palm Avenue and Boundary Street. This sidewalk is located next to the mobile home park across the street of the shopping center. The scope of project would include the design and construction of the sidewalk. Design will cost approximately \$100,000 with the entire project costing approximately \$350,000.

- Imperial Ave. & 25th St. Sidewalk Repairs: The condition of the sidewalks at the following stretches are riddled with potholes, the concrete blocks are broken, missing and protruding. These conditions are dangerous for pedestrians and pose a liability risk to the City.

- Imperial Avenue from 19th St. to 30th St.
- 25th St. from Imperial Ave. to G St.

-San Ysidro locations:

- -Howard Ave. (east side) between Village Pine Dr. and Iris Ave. (50/50 cost share – \$22,500 San Ysidro & \$22,500 Otay Mesa-Nestor)
- -Smythe Ave. (both sides) between Beyer Blvd. and SR-905.
- -Cottonwood Rd. (both sides) between W. San Ysidro Blvd. and Vista Ln.
- -Seaward Ave. (south side) between Cottonwood Rd. and West Park Ave.
- -Border Village Rd. (both sides) between the north and south connections to E. San Ysidro Blvd.
- -Calle Primera (north side) between Via De San Ysidro and Willow Rd.
- -Cottonwood Rd. (west side) Beyer Blvd. to Foothill Rd.

- -Smythe Ave. (both sides) between Sunset Ln. and W. San Ysidro Blvd.
- -Alverson Rd. (both sides) between Sunset Ln. and W. San Ysidro Blvd.
- W. San Ysidro Blvd between Dairy Mart Rd. and I-805; E. San Ysidro Blvd between I-805 & San Ysidro border crossing.

Approximate cost \$1.1 million

Streetlights

District 8 communities are deficient in sufficient street and parks lighting. It is imperative that we provide and repair lighting in our neighborhoods and public facilities. The following are priorities to provide and repair lighting:

○ Dahlia Avenue between Saturn Boulevard and 18th Street qualifies for three additional street lights. Their proposed locations are as follows:	
○ Dahlia Avenue west of Saturn Blvd 305' south side	\$ 2,500
○ Dahlia Avenue west of Saturn Blvd 105' south side	\$ 2,500
○ Dahlia Avenue east of 18th Street 160' south side	\$ 2,500
○ East Beyer Boulevard north west of Center Street 600', west side	\$ 15,000
○ G Street east of 30th Place 150', south side	\$ 10,000
○ Antares Drive east of Caithness Drive 190', south side	\$ 18,000
○ Beyer Boulevard west of East Beyer Boulevard 300', south side	\$ 20,000
○ 28th Street south of Imperial Avenue 153', west side streetlight	\$ 2,000
○ 34th Street (South) north of Spring Garden Place 120', east side streetlight	\$ 2,000
○ Logan Avenue northwest of Sigsbee Street 184', south side streetlight	\$ 2,000
○ Acacia St at Delta Street, southeast corner	\$ 1,000
○ Spring Garden Place west of 34TH Street 180', in cul-de-sac streetlight	\$ 2,000
○ Pickwick Street east of 34th Street 495', south side	\$ 2,000
○ 33rd Street north of Imperial Avenue 130', west side at alley streetlight	\$ 2,000
○ Clay Avenue at Sampson Street, at alley, northwest corner streetlight	\$ 1,000
○ Franklin Avenue east of 29th Street 183', south side streetlight	\$ 2,000
○ Sampson Street west of Kearney Avenue 60' south side	\$ 8,000
○ 28th Street south of Imperial Avenue 153', west side	\$ 8,000
○ Gamma Street east of South 42nd Street 160', north side	\$ 8,000
○ 24th Street, 135' north of Imperial Av, east side	\$ 10,000
○ F Street east of 31st Street 265', south side	\$ 10,000
○ Irving Avenue east of Sicard Street 155', south side	\$ 10,000
○ Harrison Avenue north of Sicard Street 310', west side	\$ 10,000
○ G Street west of 31th Street 150', north side	\$ 10,000
○ Harrison Avenue west of Evans Street (south) 300', south side	\$ 10,000
○ Harrison Avenue east of S Evans Street 325', north side	\$ 10,000
○ Everett Avenue east of S Evans Street 205', south side	\$ 10,000
○ Everett Avenue west of S 28th Street 140', north side	\$ 10,000
○ Birch Street northeast of Vesta Street 210', northeast side	\$ 15,000
○ Irving Avenue east of Dewey Street 300', south side	\$ 15,000
○ Irving Avenue west of Sicard Street 155', south side	\$ 15,000
○ F Street west of 33rd Street 130', south side	\$ 18,000
Total	\$ 264,000

Southeast Mini-Parks 4 mini-parks are included in CIP L16000:

- Gamma Street Mini-Park ADA Improvements: This project provides for the design and construction of ADA improvements at the existing Gamma Street Mini-Park in the Southeastern Community. Improvements include upgrades to the children's play area and associated path of travel. Design is in its final phase and the project is ready to begin the construction award process once funding has been added to the project.

Approximate cost: \$1.3 million

- Clay Avenue (CD8): Play structure ages 5-12, installation of tables and BBQ grills and ADA improvements.

Approximate Cost: \$1 million

- Island Ave: Complete design and construction, including ADA improvements, playground and amenities.

Approximate Cost: \$1 million

- J St: ADA improvements and playground upgrade.

Approximate Cost: \$1 million

Southwest Neighborhood Park

This project is P-13 in the Otay Mesa/Nestor Community Plan Update's Public Facilities Financing Plan. The project would provide for the design and construction of 11.54 gross / 6.82 useable acres on city owned dedicated parkland, and will include a new comfort station and play area. The total estimated cost of the project is \$8.8M. At this time a CIP needs to be created for this project and funding allocated to allow a General Development Plan (GDP) to move forward.

Approximate cost \$350,000.

Villa Montezuma

This historic City facility requires immediate attention for the following deficiencies:

1. Plumbing upgrades, which will allow for functional and ADA compliant restrooms and a new hot water heater. Approximate cost: \$150,000
2. Exterior painting prep, such as tenting for termites and rodents, and fixing deteriorating/termite damaged exterior wood boards: Approximate cost: \$150,000
3. Replacement of carpet for third story: Approximate cost: \$10,000

REVENUE OPTIONS

The following revenue opportunities should be explored to fund budget priority items outlined in this memorandum:

Department Budget Reductions

A 1% reduction in department budgets would result in a projected \$7M in additional funding that could be utilized in the FY19 budget.

Excess Equity

The first quarter budget report projected \$17.9M in excess equity at year end that could be used in the FY19 budget.

Excess Risk Management Reserves

\$17M in excess risk management reserves at year end could be used in the FY19 budget.

Pension Payment Stabilization Reserve Contribution

Use of the \$3.5M in Pension Payment Stabilization Reserve funds (General Fund portion).

Use of Redevelopment Property Tax Trust Fund (RPTTF) to Ensure Economic Revitalization and Job Creation

The Five-Year Outlook noted that the adjusted residual RPTTF revenue over the next five years increases from \$19.4 to \$30.6 million, for a total of \$126 million. Using this revenue going forward to invest in San Diego's economically disadvantaged communities, as originally intended allows areas in the greatest need of economic investment an opportunity to attract new commercial activity, which in turn creates new jobs and greater tax revenue for the City's general fund. The prioritized investment of these residual RPTTF funds could fund many capital projects across the city that currently do not have identified funding sources.

Ongoing CIP Cash Management

Ongoing review of CIP cash management activities will ensure the appropriate alignment of the timing and use of funding for CIP projects.

Contracts

The City utilizes outside contractors for a variety of services totaling \$240 million. The City should utilize the appropriate termination clause language within each contract to renegotiate the cost of each contract. A 10% overall reduction in contracts for outside services would provide the City with \$24 million for more immediate General Fund purposes.

Potential Revenue from Short-Term Vacation Rentals

The City Council must take immediate action and adopt sound policy regarding short-term vacation rentals. In doing so, the City will be better suited to track business activity and will create opportunities to generate revenue in the form of permit fees and Transient Occupancy Tax that can support enforcement to ensure compliance of applicable laws.

Infrastructure Fund Suspension

The Outlook recognizes allocations to the Infrastructure Fund as a General Fund expense. Allocations to the Infrastructure Fund could be used to support certain strategic expenditures, potentially including the City's Infrastructure Asset Management Program, street repair, and storm water permit compliance projects, thereby addressing critical needs while mitigating the projected deficit. Additionally, Proposition H included a provision that allows a one-year suspension of the requirement to allocate General Fund revenue growth to the Infrastructure Fund upon a two-thirds vote of the City Council. If funding for non-infrastructure critical expenditures is needed, Council could consider suspending the measure, which would allow \$16.9 M to flow to the General Fund for other City uses.

Thank you for your consideration of these priorities. This memo reflects my top priorities and will serve as the basis for my support of the upcoming budget.

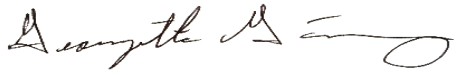


**CITY OF SAN DIEGO
OFFICE OF COUNCILMEMBER GEORGETTE GÓMEZ
NINTH DISTRICT**

M E M O R A N D U M

DATE: January 22, 2018

TO: Andrea Tevlin, Independent Budget Analyst

FROM: Councilmember Georgette Gómez, Ninth Council District 

SUBJECT: Budget Priorities for Fiscal Year 2019

This memorandum contains my priorities for the City of San Diego's Fiscal Year 2019 (FY19) Budget. The City's *Fiscal Year 2019-2023 Five-Year Financial Outlook* (Outlook) forecasts that the City will experience the softening of revenue growth and a steady increase in both baseline and critical strategic expenditures. This will likely result in some challenging financial years beginning with FY19.

As a Councilmember, it is my duty to advocate for a balanced and responsible budget that provides quality neighborhood services and responds to the needs of all San Diegans no matter what community they call home. As our City faces some tough challenges in regards to homelessness, housing, public safety, transportation, and infrastructure, I hope to partner with hardworking San Diegans to improve the quality of life for our neighborhoods and create a San Diego where all people can achieve their full potential.

While the Outlook projects a \$10.1 million budget shortfall in the next fiscal year, I am confident that we can mitigate the deficit while still providing high quality levels of service to San Diegans.

Thank you for the opportunity to share my FY19 expenditure priorities and suggest revenue sources. They are listed below in alphabetical order:

EXPENDITURES

CLIMATE ACTION PLAN (CAP)

- **Addition of Staff and Resources to Implement the Urban Forestry Five-Year Plan:** The maintenance and management of our urban tree canopy is necessary to implement the CAP. Trees are a significant piece in improving the quality of life for our neighborhoods by providing benefits towards public health, air and water quality, shade, and reduction of the

heat-island effect. To continue implementing the Urban Forestry Five-Year Plan and the CAP, we should make an addition of 4.0 FTE and maintain tree care contracts at FY18 levels to ensure healthy trees in every council district. Additional staff would fill positions of Tree Maintenance Supervisor, Tree Planting Arborist, Tree Protection Arborist, and Tree Inventory Arborist. Further, by maintaining FY18 contract levels, we would continue offering a neighborhood service to San Diegans that would improve their quality of life. *Approximate cost: Additional \$400,000 for 4.0 FTEs.*

- **Addition of Staff to Implement Social Equity Metrics:** The CAP is a landmark and legally-binding document that aims to reduce the City's carbon footprint and contribute to making San Diego a thriving, sustainable, and safe city with a high quality of life. However, some of our communities have experienced the negative impact of pollution and high cost of living at a much higher rate than others for generations. For the CAP to be implemented in a way that acknowledges this inequity, we must implement social equity metrics to measure expenditures that support CAP implementation, especially with our Capital Improvements Program (CIP). I recommend that the City add 1.0 FTE to implement social equity metrics and develop a monitoring program that accounts for CIP and grant fund expenditures in underserved communities, as described in the CAP. *Approximate cost: \$100,000 for 1.0 FTE.*
- **Community Choice Energy (CCE) Local Buildout Study:** While the City of San Diego is making progress on exploring the possibility of a 100% clean energy future, I recommend that we allocate funds for an analysis of local clean energy buildout scenarios and how they impact economic development in our region. The City must ensure that public dollars are invested in the creation of good jobs to grow our changing economy, especially in underserved communities. *Approximate cost: \$75,000 in addition to secured NREL funds.*

ECONOMIC DEVELOPMENT

- **Business Cooperation Program:** The Business Cooperation Program (BCP) was created to capture additional sales and use tax revenues from large research, manufacturing, or construction projects. Program revenues have decreased significantly in recent years and only two companies are currently enrolled in the program. I request that the City invest in 1.0 FTE to support this program, especially in the midst of a construction boom where numerous projects of \$50 million or more have been developed in recent years. Given this, the City has likely missed out on additional revenues – potentially hundreds of thousands to more than \$1 million in recent years. *Approximate cost: \$160,000 for 1.0 FTE.*
- **CONNECT2Careers:** This is a youth employment program operated by the San Diego Workforce Partnership that provides work-readiness training, exposure to career pathways, and job placement for 16-24 year olds. I request that we maintain FY18 funding levels for this important program. *Approximate cost: \$500,000.*

GOVERNMENT EFFICIENCY

- **Addition of a Cross-Department Grants Coordinator:** While the City is forecasted to experience three straight years of deficit per the Outlook, we have an opportunity to be

more creative in the ways we fund neighborhood services and capital projects. The City should hire a dedicated Cross-Department Grants Coordinator that would seek grant opportunities, write grants to fund some of our most critical programs, and manage the reporting of grants. Through the addition of this position, the City's return on investment could be immense, as grant opportunities could bring millions of dollars to San Diego. *Approximate cost: \$100,000 for 1.0 FTE.*

- **City Employee Childcare Services:** Finding licensed childcare for many families has become increasingly difficult including for many parents who work for the City of San Diego. Childcare is a need that should be addressed for children of city employees that are 2 months to 5 years of age. Staff should explore the costs associated with offering this service. *Approximate cost: Unknown.*
- **Earned Sick Leave & Minimum Wage Program Staffing & Outreach:** The City Treasurer's pivot towards full enforcement of the Earned Sick Leave & Minimum Wage Ordinance has been encouraging. However, more can be done to ensure that we are protecting low-wage workers from predatory employers. The City Council should maintain FY18 funding for current staffing levels in the enforcement program and allocate additional funds for community outreach contracts and public service announcements. With this money, the City can broaden outreach for the ordinance and educate more people in vulnerable communities, many of whom are going to nonprofit service providers (instead of the City Treasurer) to receiving information on combating predatory employers. *Approximate cost: \$200,000 for contracts.*
- **Equal Opportunity Contracting (EOC) Disparity Study:** The City's EOC Program implements programs to support small and local businesses by working to ensure diversity and inclusion in City purchasing and contracting. Recent reports have showcased discouraging statistics in City procurement, particularly for firms from disadvantaged communities. In order to better understand how to reform EOC, a disparity study must first be commissioned to remedy any perceived discrimination in City contracting. I highly recommend the funding of an EOC disparity study. *Approximate cost: \$1.0 million.*

HOMELESSNESS & HOUSING AFFORDABILITY

- **Companion Unit Fee Waivers:** A recent San Diego Housing Commission report noted that half of all San Diegans cannot find market-rate rental housing that is affordable, or at less than 30% of their income. Companion units (CUs) provide one of many solutions to our housing crisis, and have been documented at both the State and Federal level as an important tool in the housing toolbox. The City recently loosened regulatory barriers to encourage the development of CUs, however there is still a cost prohibiting factor for homeowners, with permitting fees often totaling over \$30,000 for a single CU. These fees often include water and sewer capacity charges of \$3,586 per unit. The Smart Growth and Land Use Committee voted unanimously in November 2017 to recommend that Council consider encumbering General Fund dollars to cover CU sewer and water fee waivers. *Assuming an average of 100 new detached and 100 attached/converted units processed for FY19, the fee waiver amount needed has an approximate cost of \$360,000.*

- **Expand Homeless Outreach in Streets and Open Spaces:** The City needs to have dedicated outreach workers to expand outreach in the public right-of-way and in our open spaces. The City should contract 5.0 FTE to provide outreach services and connect homeless individuals with services, permanent supportive housing, and other programs that will assist with their transition out of extreme poverty. These outreach workers would not be connected to any specific homeless service provider, but rather, would be knowledgeable of all programs that serve the homeless. *Approximate cost: \$200,000 contract for 5.0 FTEs.*
- **Fire-Rescue Department Resource Access Program:** The San Diego Emergency Medical Services (EMS) Resource Access Program (RAP) is a paramedic-based surveillance and case management system that intercepts high EMS users. RAP seeks to reduce dependence on EMS and acute care services by linking the individual with appropriate resources for their underlying medical, mental health, and social needs. Currently, there are no community paramedics dedicated for this program. Since its inception, RAP has saved taxpayers approximately \$2 million in diverted public health costs. I request the addition of 4.0 FTE Community Paramedics for this program. *Approximate cost: \$380,000.*
- **Tiny Home Bridge Community Pilot:** The homeless population in San Diego is growing year by year, with the greatest increases seen in the number of unsheltered individuals living on the street. Cities such as Seattle and Portland have developed programs through offering public land and funding to support temporary “tiny home communities” for people experiencing homelessness. The bridge communities can provide a safer environment than sleeping on the street, improve access to services, and help individuals transition to permanent housing. The City should identify a minimum of one City-owned parcel for a two-year pilot program, with funding provided to support services, security, and operations at the bridge community. The community could contain approximately 15 temporary “tiny home” sleeping cabins under 120 square feet to provide safe and temporary shelter for these vulnerable individuals. *Approximate cost: \$400,000.*
- **Workforce Development for Homeless Individuals:** Some of our most vulnerable San Diegans are in need of job and skills training to help transition out of poverty and homelessness. The City should fund workforce development programs to lift homeless and low-income San Diegans onto a pathway of self-sufficiency. We should partner with employers, apprenticeship programs, and local non-profit service agencies to coordinate a strategy to prepare them for the workforce. *Approximate cost: Unknown.*

NEIGHBORHOOD SERVICES

- **Code Compliance Officers in the Development Services Department:** The Neighborhood Code Compliance Division in the Development Services Department enforces the City's ordinances and other laws pertaining to land use. They address issues in our neighborhoods such as land use, zoning, housing, noise complaints, public nuisances, and vegetation/fire hazard abatement. I believe that we must continue to work to uplift the quality of life in our neighborhoods, an effort where the Neighborhood Code Compliance Division plays a large role. I recommend an addition of 2.0 FTE Code Compliance Officers in the Neighborhood

Code Compliance Division to further address neighborhood nuisances. *Cost: \$200,000 for 2.0 FTEs.*

- Code Enforcement Officers in the Environmental Services Department:** Code Enforcement Officers are on the front line of keeping our neighborhoods clean. They partner with civic organizations to schedule community clean-ups, work to abate homeless encampments around the City, and serve as a valuable resource in improving the quality of life for San Diegans. In order to better address the proliferation of homeless encampments across the City and coordinate litter collection in canyons and open space, I recommend an addition of 2.0 FTE Code Enforcement Officers in the Environmental Services Department. *Approximate cost: \$200,000 for 2.0 FTEs.*
- Library Programming Budget:** In the FY18 budget proposal, the Library's \$500,000 programming budget was eliminated but was restored by \$100,000 during the May Revise. This item serves as a tool to ensure equity across the Library system by helping to sustain programming for branches in underserved and less affluent neighborhoods that don't have access to private support. I request a partial restoration of the Library programming budget to ensure greater equity in our communities. *Approximate cost: \$250,000.*
- Penny for the Arts:** Last year, Mayor Faulconer proposed a \$4.7 million cut to the arts only to be partially restored with one-time funding after pressure from arts advocates and the City Council. However, the restoration of funding will expire in FY19, leaving a wide range of programs that positively impact our schools and our neighborhoods in jeopardy. In FY19, I propose that the City take the FY18 adopted budget, as opposed to the FY18 base budget, and apply a 2% reduction. *Approximate cost: \$4.2 million.*

PLANNING

- College Area Community Plan Update:** The College Area Community Plan was last updated in 1989 and has been experiencing serious development pressures that have resulted in significant adverse impacts to the low-density neighborhoods that surround San Diego State University. This plan has not provided transit-supportive regulations to stimulate pedestrian-oriented growth along the major corridors. It's important that a complete update to this plan be funded and commence in FY19 to address the issues associated with Residential High Occupancy Permits (RHOP) and to proactively plan for future growth along major transit corridors. *Approximate cost: \$1.0 million.*

PUBLIC SAFETY

- Expansion of the San Diego Misdemeanants At Risk Track (S.M.A.R.T.) Program:** The S.M.A.R.T. Program addresses the challenge of low-level misdemeanor offenders who cycle through the justice system without access to services, coordination of care, or meaningful incentives to engage with social service providers. This program safely diverts chronic misdemeanor offenders, particularly those who are otherwise resistant to intervention, to a case manager and are offered individualized treatment and community-based supportive housing. While the City acquired a property on Palm Avenue in FY18 and is rehabilitating it

for the purpose of becoming a S.M.A.R.T. facility, I believe that the program can be expanded to further expand service in other parts of the City. *Approximate cost: Unknown.*

- **Lifeguard Division Management:** Last year, San Diego Lifeguards made approximately 7,000 water rescues, cliff rescues, river rescues, boat rescues, medical aids, and enforcement calls. In order to continue providing an adequate level of service, I request the addition of a 1.0 FTE Senior Management Analyst to help manage the Lifeguard Division's \$23 million budget and assist with the operational work that supports a consistent level of service. *Approximate cost: \$125,000 for 1.0 FTE.*
- **San Diego Police Department (SDPD) Funding Reprioritization:** Considering the upcoming transition to new leadership at the head of the department, I request that SDPD consider reprioritizing existing funding to accommodate new strategies for recruitment and retention, community-oriented policing, and other projects/program that would improve relationships between SDPD and our local neighborhoods. Echoing my Public Safety & Livable Neighborhoods (PS&LN) priority memo, I request consideration of the following:
 - **Community-Oriented Policing:** I request additional Community Relations Officers and multi-lingual Police Officers/Police Service Officers be added as the Police Department continues to rebuild under the new Police Officers Association agreement. I also request investments in training for officers in community-oriented police practices. *Approximate cost: Unknown.*
 - **Minority Recruitment Pilot Project:** I request that SDPD explore a Minority Recruitment Pilot Project to diversify our police force so it reflects the same communities that are being policed on a daily basis. *Approximate cost: Unknown.*
 - **Racial Impact Report:** I request the funding of a report analyzing racial profiling data collected under the Racial Identity and Profiling Act (RIPA), including any relevant recommendations to improve relationships between SDPD and the community. *Approximate cost: \$75,000.*
 - **Restorative Justice Training for SDPD Officers:** I suggest that the City should fund the training of SDPD officers in restorative justice practices, which would include mediation, counseling, and communication for certain youth offenses. *Approximate cost: \$300,000.*
 - **San Diego Resident Recruitment Incentives:** While the new Police Officers Association contract will certainly play a large role in recruiting new officers, I request that SDPD explore incentives for San Diego residents to join our police force. *Approximate cost: Unknown.*

TRANSPORTATION & INFRASTRUCTURE

- **Pedestrian & Bike Projects:** Please consider the following projects to construct sidewalks and bike facilities within District 9:

- **70th St. Sidewalk Construction:** In the College East area, 70th Street is a heavily trafficked corridor filled with motorists traveling to/from the I-8 during peak hours. The west side of 70th Street from Saranac Street to Alvarado Road lacks adequate sidewalks for pedestrians, which forces them to walk on the street or bike lane. This is especially dangerous considering the volume of motorist traffic during peak hours. The design phase for this project is fully funded in the CIP through the New Walkways annual project allocation (AIK-00001), but no funding has been identified for construction. *Approximate cost: Unknown. However, it is recommended that the City utilize TransNet funding for the construction phase of this project through the AIK-00001 annual allocation.*
- **Altadena Avenue Sidewalk Construction:** Construct sidewalks and plant shade-producing street trees along the east side of Altadena Avenue from Wightman Street to Landis Street. Many children walk to City Heights Prep Charter School and the newly constructed Wightman Neighborhood Park and walk in the roadway due to a lack of sidewalk construction. *Approximate cost: Unknown.*
- **City Heights Urban Greening Plan Pilot Project No. 3:** The FY15 City Heights Urban Greening Plan identified this project to define a Green Streets System and construct multi-modal improvements that would facilitate the quality of life for motorists, bicyclists, and pedestrians in City Heights. Pilot project No. 3 focuses on University Avenue between Euclid Avenue and Winona Avenue and would improve the identity of University Avenue as a main street area by improving bicycle and pedestrian access and incorporating a new plaza into the University Avenue and Reno Drive area. A mini-park could be created in the vacant lot at Euclid Avenue and Auburn Drive. The project would also enhance the pedestrian environment by planting shade-producing canopy trees along University Avenue. *Approximate cost: \$620,000.*
- **Delta Street Sidewalk Construction:** Construct sidewalks and shade-producing street trees along the north side of Delta Street from 43rd Street/North Highland Avenue to Delta Park Lane. Many children walk to school along this roadway in this Southcrest neighborhood due to a lack of sidewalk construction. This project is currently on the unfunded needs list and has been given a priority score of 51 by City engineers. *Approximate cost: Unknown.*
- **Safe Routes to School Program:** This program is part of a national movement to encourage safety for more walking and bicycling around schools. Our City must do better in providing safe and pedestrian-friendly facilities to ensure that students can get to school on foot or by bike. Committing to a Safe Routes to School program will keep kids safe, and provide co-benefits to the Climate Action Plan and Vision Zero commitments. I propose that the City seek Caltrans' Active Transportation Program funds to fund this program for 40 schools in San Diego's most dangerous corridors, two of which are in my district (El Cajon Boulevard and University Avenue). *Approximate cost: \$500,000 to be funded by an available Caltrans Active Transportation Program grant that the City should seek.*

- **Vision Zero Projects:** The City has already implemented some measures in Vision Zero, which is a strategy to eliminate all traffic fatalities and severe injuries in San Diego. To accomplish this vision, the City must invest in pedestrian and bike-friendly facilities that would encourage a safe roadway for pedestrians, bicyclists, transit riders, and motorists. I believe that the following investments would facilitate further implementation of Vision Zero in District 9:
 - **El Cajon Boulevard, Altadena Avenue Pedestrian Safety Phase II:** A High Intensity Activated Crosswalk (HAWK) pedestrian crossing is approved for predesign and design. I request that funding for the construction of the HAWK lights and for an education campaign that teaches drivers and pedestrians how to use the HAWK lights safely. *Approximate cost: \$500,000.*
 - **El Cajon Boulevard, between Highland Avenue and 45th Street (Hoover High):** As outlined in the Complete Boulevard Study, I request that the City construct new medians, sidewalk improvements, curb extensions, and safe crossings. *Approximate cost: \$500,000.*
 - **Fix the Fatal Fifteen Intersections:** These are unimproved intersections with the highest rate of injuries and fatalities in the City. Some improvements were made for intersections in 2017, but more improvements are necessary including continental crosswalks, countdown signals, and audible prompts to let pedestrians know when it is safe to cross. Some of these intersections are in District 9, including University Avenue & 52nd Street; El Cajon Boulevard & 36th Street; and El Cajon Boulevard & 33rd Street. *Approximate Cost: \$200,000.*
 - **University Avenue, Estrella Avenue Pedestrian Safety Upgrade:** I believe that the City should fund design and construction of a HAWK pedestrian crossing, pedestrian crossing refuge, and road diet at this location. This plan is approved in the City Heights Urban Greening Plan. *Approximate cost: \$500,000.*

SUGGESTED DISTRICT-SPECIFIC PRIORITIES

- **Aldine Drive Stormwater Study:** The storm drains along Aldine Dr. in Kensington and Talmadge continue to fail during seasonal rains. While the City has engaged in efforts to repair and replace storm drains, there is still much work to do. In addition to repairing and maintaining the current storm drains in the area, I am requesting an initial pre-design study for road improvements at the location in order to begin to implement Facilities Financing Project T-1. Based on recommendation from city staff, road improvements are needed to fully address the issue of flooding at the area during rains. The full cost to implement Project T-1 is \$6,000,000. It is estimated that \$250,000 would be needed to begin evaluating the project through a commissioned storm water study. This project was also listed in my FY18 budget priority memo from January 2017 and CIP prioritization memo from November 2017. *Approximate cost: \$250,000.*

- **Chollas Triangle Street Closure & Park Development:** In the neighborhood of El Cerrito, the Chollas Triangle section of the Eastern Area Neighborhoods Element is a high priority project. Listed in the Mid-City Public Facilities Financing Plan as Project P-26, this development provides for the design and construction of a 5-acre neighborhood park. In addition to this effort, Mid-City Public Facilities Financing Plan Project T-22 would begin by evaluating either the reduction in the width or closure of all or part of Chollas Parkway between 54th street and University Avenue in order to construct the Chollas Triangle neighborhood park. I would like to request that the initial assessment for the street closure be included along with funding for a General Development Plan for the future park. This project was also listed in my FY18 budget priority memo from January 2017 and CIP prioritization memo from November 2017. *Approximate cost: \$5.0 million for design and construction.*
- **Clay Park Improvements:** In Rolando Village, improvements are needed to address park deficiencies in Clay Park as well as the accommodation of the additional use by the CentrepoinTE/Blvd 63 project, which is a 332 unit multi-unit housing complex adjacent to the park. Proposed improvements include installing a comfort station, installing a shade structure for the playground equipment, upgrading sidewalks to meet ADA standards, installing a security camera to address crime prevention, and the addition of an off-leash dog park. There is no CIP established for this project. This project was also listed in my FY18 budget priority memo from January 2017 and CIP prioritization memo from November 2017. *Approximate cost: \$800,000.*
- **College Fire Station:** The construction of a new fire station on College Avenue is a priority for the College Area, especially with anticipated neighborhood growth due to expansions by San Diego State University. *Approximate cost: Unknown.*
- **Complete Boulevard Study Phase II:** Construct new medians, sidewalk improvements, curb extensions, and safe crossings at the intersections of El Cajon Boulevard and Menlo Avenue, and El Cajon Boulevard and Euclid Avenue as outlined in the Complete Boulevard Study. This includes pedestrian improvements in the vicinity of Hoover High School such as enhanced paved crosswalks, new pedestrian signals, and new sidewalk. This project was also listed in my FY18 budget priority memo from January 2017 and CIP prioritization memo from November 2017. *Approximate cost: \$250,000 to establish CIP and begin design and construction drawings. If funding cannot be identified for this project, I respectfully request that staff apply for a grant from SANDAG's Active Transportation Program.*
- **Eastern Area Mobility Study:** The eastern section of El Cajon Boulevard includes College Area, El Cerrito, and Rolando Village. These neighborhoods are in dire need of improvements in the public Right-of-Way to facilitate pedestrian, bicyclist, and motorist traffic. I request that the City commission a mobility study for El Cajon Boulevard from 54th Street to Keeney Street and implement recommended sidewalk improvements, bike facilities, streetscape improvements, and signal coordination to improve the mobility of pedestrians and bicyclists on El Cajon Boulevard. A full cost estimate is not available at this time. *Approximate cost: \$250,000 to establish a CIP and begin design and construction drawings.*

- **Fairmount Fire Station:** Residents in City Heights have been advocating for a new fire station in the district for several years. This is a high priority, as the design and construction of this new fire station will help to meet faster emergency response times for the community. In fact, the February 22, 2017 Citygate Associates report determined that this fire station was a top priority. As a result, a CIP was established (Home Ave. Fire Station / S14018) and land was acquired in FY17 for this project. Design is anticipated to be completed in FY19, while funding for construction has not yet been identified. This project was also listed in my FY18 budget priority memo from January 2017 and CIP prioritization memo from November 2017. *Approximate cost: \$10.5 million.*
- **Lorca Drive Catwalk and Storm Drain:** The Rolando Village catwalks are paved pathways connecting the streets, allowing neighbors to quickly traverse the canyons that separate different parts of the community. The westernmost catwalk between Cartagena and Lorca Drives has a wooden stairwell in deteriorated condition that has been a concern of the community for quite some time. The original concrete stairway has been unusable for many years due to being undermined by the damaged storm drain located directly beneath the stairs. A wooden stairway was subsequently installed, and repaired, however this is an interim solution. Our office would like to request a CIP evaluation to permanently repair the storm drain and restore the concrete stairs, improving the safety and walkability of the catwalk. *Approximate cost: Unknown.*
- **Streetlights:** There are neighborhoods in District 9 that are lacking adequate street lights. While some neighborhoods are lacking street lights altogether, there are some that are in dire need of maintenance and replacement. Below are my street light requests:
 - **City Heights:** The communities of Castle and Cherokee Point in City Heights lack sufficient street lighting and residents are often left in the dark. There are several streets in these neighborhoods that lack street lighting and serve as hubs for crime and illicit activity. It is imperative that we provide adequate lighting in the Castle and Cherokee Point neighborhoods. *Approximate cost: Unknown. However, this project could be funded through the annual allocation dedicated to the Installation of City Owned Street Lights (AIH-00001).*
 - **Kensington:** The historic street lights in Kensington are attached to circuits that are deteriorating because they are neither wired through a conduit nor trenched deep enough to meet modern standards. In fact, these circuits are often shorted with the slightest bit moisture in the ground, causing the entire neighborhood to go pitch black for periods as long as 3 months. I request that the circuits in the Kensington Heights and Talmadge Park – North Lighting Maintenance Assessment Districts be modernized this fiscal year. This project was also listed in my FY18 budget priority memo from January 2017 and CIP prioritization memo from November 2017. *Approximate cost: \$2.0 million out of the City Circuit Upgrades annual allocation (AIH-00002).*
 - **Southcrest:** This community lacks sufficient street and parks lighting. There are several streets in this neighborhood that are serviced by a single light. Often times these lights are out of commission, leaving entire blocks in the dark. We should

provide adequate lighting in Southcrest, particularly around the Willie Henderson Sports Complex. *Approximate cost: Unknown. However, this project could be funded through the annual allocation dedicated to the Installation of City Owned Street Lights (AIH-00001).*

SUGGESTED REVENUE SOURCES

- **Cannabis Tax Revenue – Unknown revenue:** According to the Outlook, the projected Cannabis Tax revenues in FY19 amount to \$5.5 million. This is a conservative figure. With the increased permitting of cultivation, production, and distribution of non-medical cannabis facilities in the City, this projection is certain to increase. I look forward to receiving a more accurate projection of Cannabis Tax Revenue as the FY19 budget is proposed.
- **Charter Section 77.1 – Infrastructure Fund - \$16.9 million:** There is a provision in Charter Section 77.1 that allows for a one year suspension of the requirement to allocate General Fund revenue growth the Infrastructure fund with a 2/3 vote of the City Council. If this happens, then an estimated \$16.9 million would be available. Through the successful passage of SB 1 in the California State Legislature, an estimated \$23.6 million could be available for street maintenance, freeing up money for other projects and programs in the General Fund.
- **Commercial Paper - \$75.0 million:** Per the outlook, the Commercial Paper Program is estimated to come to Council before the beginning of FY19 and will entail lower cost borrowing based on short-term interest rates instead of issuing a large long-term bond. I look forward to seeing Commercial Paper utilized as a resource to fund projects in my District.
- **Excess Equity - \$17.9 million:** Per the FY18 First Quarter Monitoring Report, an estimated \$17.9 million of Excess Equity is expected to be available for one-time expenditures in FY19.
- **Excess Risk Management Reserves - \$17.0 million:** Per Independent Budget Analyst (IBA) Report 17-39, there is a projected \$17.0 million in excess resources across the Public Liability Reserve, Workers' Compensation Reserve, and Long-Term Disability Reserve. These resources would be available for one-time expenditures in FY19.
- **Pension Stabilization Reserve Contribution - \$3.5 million:** The IBA also recommends the exploration of an alternative replenishment plan to the Pension Stabilization Reserve after FY19. If the Council was to take this suggestion, an estimated \$3.5 million in contributions to the Pension Stabilization Reserve would be available for other one-time expenditures in FY19.
- **Potential Revenue from Short-Term Vacation Rentals – Unknown revenue:** The City Council must take immediate action and adopt sound policy regarding short-term vacation rentals. In doing so, the city will be better suited to track business activity and will create opportunities to generate revenue in the form of permit fees and Transient Occupancy Tax that can support code enforcement to ensure compliance of applicable laws.

- **SB 2 Revenue – Unknown revenue:** California Senate President pro Tempore Toni Atkins spearheaded the Building Homes and Jobs Act (SB 2) to create a source of revenue for affordable housing, planning, and homelessness by imposing a \$75 fee on real estate transaction documents. In FY19, this revenue could be utilized to update planning documents and zoning ordinances.
- **TransNet Extension Cash Balance - \$9.1 million:** Per the *FY18 CIP Mid-Year Budget Monitoring Report*, a \$30.6 million fund balance is estimated to be carried over to FY19. This is approximately one year's worth of TransNet revenue remaining on deposit. Considering our current financial climate, I request that the City spend down 30% of the fund balance, or \$9.1 million, to fund improvements in the City right-of-way.

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THE CITY OF SAN DIEGO

OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

Date Issued: August 9, 2017**IBA Report Number:** 17-28REV**City Council Docket Date:** September 12, 2017**Item Number:** TBD

Proposed FY 2018 Statement of Budgetary Principles

OVERVIEW

The Statement of Budgetary Principles (Principles) was first put into place in FY 2008 to address issues of budgetary authority and to provide a means to communicate budget changes between the Executive and Legislative branches following budget adoption each year. For the past ten fiscal years, the Principles have been adopted by the City Council as a companion resolution to the Appropriation Ordinance (AO), which was approved by the City Council on June 26, 2017. The purpose of the Principles is to preserve the intent of the AO as a true appropriation setting document rather than a policy document. The Principles represent an annual agreement between the City Council and the Mayor, which we recommend be continued in FY 2018.

The proposed FY 2018 Principles closely mirrors the FY 2017 Principles with only minor revisions reflecting voter-approved changes to the City Charter that took effect July 18, 2016 (Attachments 1 and 2).

This draft of the Principles is provided for the August 2, 2017 Budget and Government Efficiency Committee for review, and to forward to the full City Council for review and adoption. Since this is an agreement between the two branches, any proposed revisions will need to be agreed to by the Mayor.

BACKGROUND

In 2004, the voters approved a Strong Mayor/Strong Council form of government for the City of San Diego. The change from a City Manager to a Strong Mayor/Strong Council form of government necessitated clarifications of the roles and responsibilities of the Executive and Legislative branches of City government. The Principles were enacted in part as a means to designate areas of Mayoral and Council authority, and the processes by which budget and administrative information would be communicated between the two branches in order to support

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the effective and efficient governance of the City.¹ Specifically, concerns were raised by the City Council at that time that significant budget decisions—such as the elimination of department programs²—were being made by the Executive branch outside of the budget adoption process and without communicating the changes to the Legislative branch. The City Council also raised concerns about the lack of department/program performance measures available for review, especially when reductions to department budgets were made as a result of revenue reductions during the last recession, or as part of the City’s efficiency programs. Without robust performance measures, Council did not feel that they were able to ascertain whether, or how, reductions in department or program budgets might have a corresponding reduction in service levels.

The three original stated goals of the Principles were:

1. To set budgetary operating principles;
2. To establish budget authorities regarding service levels; and
3. To enhance communication on management issues between the Executive and Legislative branches.

These goals informed the first Principles released by our Office as IBA Report 07-64. This report also included other items that remain in the current version of the Principles: the provision of quarterly budget monitoring reports to the Council by the Mayor and the requirement that the Mayor provide prior written notification to the City Council of reductions to programs or services affecting the community. Other significant Council-adopted budget documents that have been included in the Principles over the years include:

- Guiding Principles of a Structural Budget Deficit Elimination Plan (Attachment 4);
- O-20084: Mid-Year Adjustments to the Adopted Budget of the City and Reporting of Significant Reductions in City Services or Programs; and O-20551: Amending Section 22.0229 Relating to Mid-Year Adjustment to the Adopted Budget;
- R-307737: Ten Fundamental Principles for an Effective, Cooperative, and Transparent Mayor-Council Form of Government in the City of San Diego (Attachment 5); and
- A requirement for quarterly updates on the City’s performance measures.

DISCUSSION

As noted above, the Principles have changed over the years in order to reflect prior year budget practices and policies, or to address any areas of concern relating to Executive and Legislative branch communications. Over the years the Principles have become an important part of the budget process, as they provide clarity regarding budget authority following budget adoption in June of

¹ The Principles were part of a larger movement that has, over time, codified areas of authority and practice in relation to budget and administrative City governance after the Strong Mayor/Strong Council form of government was put in place. Other documents that have clarified the roles of the Executive and Legislative branches include the City’s Budget Policy (Council Policy 000-02) and the addition of the ability of the Mayor (and subsequently the City Council) to make changes to the Adopted Budget via the Mid-Year Budget Monitoring Report, to the City’s Municipal Code (Section 22.0229, amended by O-20551, Attachment 3).

² This Council concern stemmed from the Mayor’s reduction of a popular swim program in FY 2007 after the Council had adopted the Budget. Council subsequently reinstated the program, but a concern remained about the Mayor’s ability to significantly modify services and programs outside of the budget process without Council input or approval.

each year. Additionally the Principles captures in a single document numerous other important budget documents approved by the Council since the change to a Strong Mayor/Strong Council form of government.


Over the past year our Office raised two issues relative to the Principles. First, Council's review of performance measures on a quarterly basis, which was added to the FY 2014 Principles but was not put into practice. In FY 2017 new department tactical plans resulted in the replacement of a number of established measures with new measures that lacked associated data. Additional data becomes available each year the measures are in place, and the Performance & Analytics Department has now included 20% of City Key Performance Indicators (KPIs) on the City's Performance Dashboard (Dashboard) with a goal of providing 40% for FY 2018.

Second, during our Office's review of the FY 2017 Mid-Year Monitoring Report, we noted that the Mayor had implemented a new San Pasqual Valley Fast Response Squad (FRS) shortly after the FY 2017 Budget was adopted by Council. While some Councilmembers were apprised of the budget revision, the Council as a whole was not provided an informational memorandum on this service addition as agreed to in the Principles. The FY 2018 Principles continues to contain language, agreed to by the Mayor, noting that Council should be informed of any changes to programs or services.

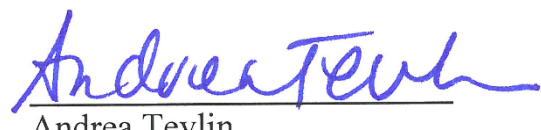
RECOMMENDATION

The Principles have been agreed to by the Executive and Legislative branches of City government each year since FY 2008, in order to clearly define the roles of each branch as they relate to the City's budget development and budget monitoring processes, as well as to set expectations for communication about budget matters. The Principles were presented to the Budget and Government Efficiency Committee on August 2, 2017. The Committee approved the Principles without any revisions, and forwarded them to the City Council for review and adoption. The Committee also made two requests: that the Performance & Analytics Department return to Committee to discuss and review departmental Key Performance Indicators, and that the IBA return to Council early in the FY 2019 budget development process with a review of the Budgetary Principles.

Our Office recommends that the City Council review and adopt the FY 2018 Statement of Budgetary Principles.



Christiana Gauger
Fiscal & Policy Analyst



Andrea Tevlin
Independent Budget Analyst

- Attachments: 1. FY 2018 Statement of Budgetary Principles – Clean Copy
2. FY 2018 Statement of Budgetary Principles – Redline Copy

3. O-20551: An Ordinance Amending Chapter 2, Article 2, Division 2 of the San Diego Municipal Code by Amending Section 22.0229 Relating to Mid-Year Adjustments to the Adopted Budget of the City
4. R-305615: A Resolution of the City of San Diego Adopting the Structural Budget Deficit Elimination Plan Presented by Independent Budget Analyst (IBA)
5. R-307737: A Resolution of the Council of the City of San Diego Establishing Ten Fundamental Principles for an Effective, Cooperative and Transparent Mayor-Council Form of Government in the City of San Diego

FY 2018 STATEMENT OF BUDGETARY PRINCIPLES

WHEREAS, pursuant to sections 69(c) and 265(b)(14) of the City Charter the Mayor is required to propose a budget to the Council and make it available for public view no later than April 15 of each year; and

WHEREAS, on April 13, 2017, the Mayor released the Fiscal Year 2018 Proposed Budget to the Council and to the public; and

WHEREAS, the Council has duly considered the Mayor's Fiscal Year 2018 Budget; and

WHEREAS, between April 17 and June 5, 2017 the City Council held more than one public hearings to consider the City's Fiscal Year 2018 Budget in accordance with City Charter section 69(d), and at such meetings members of the public were invited to comment on and ask questions about the Fiscal Year 2018 Budget; and

WHEREAS, on May 16, 2017, the Financial Management Director provided the City Council with their May Revision to the Fiscal Year 2018 Proposed Budget (May Revision) in accordance with City Charter Section 69(e); and

WHEREAS, on May 18, 2017, the May Revision was presented to the City Council sitting as the Budget Review Committee; and

WHEREAS, Councilmembers submitted their budget priorities to the Independent Budget Analyst on May 22, 2017 to assist with the development of final budget recommendations; and

WHEREAS, on May 31, 2017, the Independent Budget Analyst's Final Budget Report and Recommendations on the FY 2018 Budget (IBA Report # 17-23 *Review of the FY 2017 Year-End Budget Monitoring Report, FY 2018 May Revision, and Recommended Revisions to the Mayor's FY 2018 Budget*) was issued; and

WHEREAS, on June 5, 2017, the City Council approved the City's Fiscal Year 2018 Budget, including the Mayor's Proposed Budget, as modified by the May Revision, and including the recommendations in the IBA Final Report on the FY 2018 Budget, dated May 31, 2017, with revisions proposed by the City Council, and directed the City Clerk to return the same to the Mayor for his consideration under Charter section 69(f)(2); and

WHEREAS, on June 9, 2017 the Mayor modified and signed Budget Resolution R-311158 which is the Fiscal Year 2018 Adopted Budget, in accordance with Charter section 69(g) ; and

WHEREAS, in accordance with Charter section 69(h), on June 13, 2017 the Fiscal Year 2018 Budget became a controlling document for purposes of preparing the annual appropriation ordinance; and

WHEREAS, pursuant to Charter section 69(k), the Council is required to adopt an appropriation ordinance no later than June 30, to establish budgetary appropriations for the Fiscal Year 2018 Budget; and

WHEREAS, the Mayor and the Council acknowledge that the Fiscal Year 2018 Budget reflects the best estimate of the Mayor and the Council regarding projected revenues and expenditures and that such estimate is simply a financial plan that may require adjustments in view of the available resources; and

WHEREAS, in accordance with Chapter 2, Article 2, Division 2 of the Municipal Code, mid-year budget adjustments shall be reported to address any projected surplus or deficit in addition to reporting significant reductions in programs or services; and

WHEREAS, this Statement of Budgetary Principles is intended to facilitate better communication on fiscal matters between the Council and the Mayor and to establish a framework for the administration by the Mayor of the Fiscal Year 2018 Budget in light of the respective duties of the Mayor as Chief Executive Officer and Chief Budget Officer of the City, and the duties of the Council as the legislative and policy setting body of the City, and in light of the obligation of public officials to keep the public apprised of the conduct of the City's financial affairs; and

WHEREAS, the City Council adopted Resolution 307737 on October 15, 2012, subsequently signed by the Mayor, establishing ten fundamental principles for an effective, cooperative and transparent Mayor-Council form of government in the City of San Diego ("Ten Fundamental Principles").

Accordingly, the Mayor and the Council hereby agree to adhere to the following budgetary principles for the Fiscal Year 2018 Budget:

Fiscal Year 2018 Budget—Communication on Proposed Program/Service Changes

1. The Mayor, or his designee, will provide reports to the Council on a quarterly basis regarding the administration of the affairs of the City. These reports can be given verbally, and are intended to improve the flow of information between the Mayor, Council, and public.
2. The Council President will provide time on the Council's agenda for the Report of the Mayor.
3. Consistent with Chapter 2, Article 2, Division 2 of the Municipal Code, prior to any reduction in service levels or elimination of programs or services as represented and funded in the FY 2018 Adopted Budget, the

Mayor, or designee, shall provide written notice to the City Council regarding such reductions and provide a fiscal justification thereof and a description of expected service levels impacts.

4. Notwithstanding the forgoing, the Mayor need not provide prior written notice of any change or modification that results in a more efficient delivery of public services and that accomplishes the legislative intent. However, in these circumstances the Mayor is requested to provide the Council with an informational memo upon implementation.

Fiscal Year 2018 Budget—Appropriation Ordinance

1. Neither the Mayor nor the Council has unilateral authority to make changes to the spending authority contained in the Fiscal Year 2018 Budget.
2. The Mayor shall in good faith fulfill the legislative intent reflected in the adopted Fiscal Year 2018 Budget, including the appropriations reflected in the Fiscal Year 2018 Appropriation Ordinance. However, the Mayor has discretion to effectively and efficiently spend public monies, and shall not be obligated to spend all the money the Council has appropriated if there is a less costly means of accomplishing the Council's stated purposes.
3. The Council shall have no authority to make or adopt changes to the Fiscal Year 2018 Budget without first receiving a funding recommendation of the Mayor. The Mayor will provide such funding recommendation within 30 calendar days of the Council request, or such later period as contained in the request of the Council.
4. In accordance with Charter section 28, the Mayor has the authority to allocate Fiscal Year 2018 Budget appropriations within departments in order to best carry out the Council's legislative intent.
5. The Appropriation Ordinance implements the Fiscal Year 2018 Budget, as approved by the Council. The Appropriation Ordinance shall specify the spending authority by Department and by Fund, and all other conditions, authorizations, and requirements appropriate therefore. The Appropriation Ordinance will include necessary budget delegation to carry out the business of the City; provided however, the Appropriation Ordinance will not include Policy directions.
6. The Statement of Budgetary Principles applies to departments and programs that are under the direction and authority of the Mayor. These Principles shall also apply to those offices that are independent of the Mayor. This Statement of Budgetary Principles is subject in all respects to the provisions of the City Charter.

Fiscal Year 2018 Budget—“Budget-Related Fundamental Principles for an Effective, Cooperative, and Transparent Mayor-Council Form of Government” applying to budget implementation

1. The “Structural Budget Deficit Principles” adopted by Council on February 22, 2010 and outlined in Resolution 305615 should be continually adhered to ensuring a structurally balanced budget.
2. The Mayor will update the City’s Five-Year Financial Outlook (Outlook) in November 2017 and present the results to the Budget and Government Efficiency Committee and City Council.
3. In FY 2018 the City’s performance dashboard, PerformSD, will display historical information and targets for performance measures in the following areas: civic engagement, communication, customer satisfaction, economy and finance, infrastructure, public safety, recreation and culture, sustainability, and transportation and mobility. The performance measure data available as part of the performance dashboard will be discussed and reviewed by the Budget and Government Efficiency Committee by the end of the first quarter of FY 2018. The data will be evaluated for updates quarterly in FY 2018, and will be a subset of the performance measures included in the Proposed and Adopted Budgets. Additional performance measures may be evaluated and added to the performance dashboard in FY 2018.
4. The Mayor will address the City's deferred capital backlog by implementing funded projects in a timely and cost effective manner and working with the Council to identify resources necessary to address remaining unfunded deferred capital as well as new infrastructure needs.

FY ~~2017-2018~~ STATEMENT OF BUDGETARY PRINCIPLES

WHEREAS, pursuant to sections ~~69(c) and~~ 265(b)(~~1514~~) of the City Charter the Mayor is required to propose a budget to the Council and make it available for public view no later than April 15 of each year; and

WHEREAS, on April ~~1413, 2016~~2017, the Mayor released the Fiscal Year ~~2017~~2018 Proposed Budget to the Council and to the public; and

WHEREAS, the Council has duly considered the Mayor's Fiscal Year ~~2017-2018~~ Budget; and

WHEREAS, between ~~May-April 417~~ and June ~~135, 2016~~2017 the City Council held more than ~~two-one~~ public hearings to consider the City's Fiscal Year ~~2017-2018~~ Budget in accordance with ~~San Diego City~~ Charter sections ~~29069(bd) and 74~~, and at such meetings members of the public were invited to comment on and ask questions about the Fiscal Year ~~2017-2018~~ Budget; and

WHEREAS, on May ~~1716, 2016~~2017, the Financial Management Director provided the City Council with their May Revision to the Fiscal Year ~~2017-2018~~ Proposed Budget (May ~~Revise~~Revision) in accordance with City Charter Section 69(e); and

WHEREAS, on May ~~1918, 2016~~2017, the May ~~Revise-Revision~~ was presented to the City Council sitting as the Budget Review Committee; and

WHEREAS, Councilmembers submitted their budget priorities to the Independent Budget Analyst on May ~~2722, 2016~~2017 to assist with the development of final budget recommendations; and

WHEREAS, on ~~June-8May 31, 2016~~2017, the Independent Budget Analyst's Final Budget Report and Recommendations on the FY ~~2017-2018~~ Budget (IBA Report # ~~1617-11-23~~ *Review of the FY 2017 Year-End Budget Monitoring Report, FY 2018 May Revision, and Recommended Revisions to the Mayor's FY 2017-2018 Budget*) was issued; and

WHEREAS, on June ~~135, 2016~~2017, the City Council approved the City's Fiscal Year ~~2017-2018~~ Budget, including the Mayor's Proposed Budget, as modified by the May ~~Revision~~Revision, and including the recommendations in the IBA Final Report on the FY ~~2017-2018~~ Budget, dated ~~June-8May 31, 2016~~7, with revisions proposed by the City Council, and directed the City Clerk to return the same to the Mayor for his consideration under Charter section ~~29069(bf)~~(2); and

WHEREAS, on June ~~149, 2016~~2017 the Mayor ~~approved-modified and signed~~ Budget Resolution R-311158 which is the Fiscal Year ~~2017-2018~~ Adopted Budget, in accordance with Charter section ~~29069(bg)-(2)(A)~~; and

WHEREAS, in accordance with Charter section ~~29069(b)(2)~~, on June ~~44~~13, ~~2016-2017~~ the Fiscal Year ~~2017-2018~~ Budget became a controlling document for purposes of preparing the annual appropriation ordinance; and

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WHEREAS, pursuant to Charter section ~~71 and 29069(ek)~~, the Council is required to adopt an appropriation ordinance ~~during the month of July~~ no later than June 30, to establish budgetary appropriations for the Fiscal Year ~~2017-2018~~ Budget; and

WHEREAS, the Mayor and the Council acknowledge that the Fiscal Year ~~2017~~ 2018 Budget reflects the best estimate of the Mayor and the Council regarding projected revenues and expenditures and that such estimate is simply a financial plan that may require adjustments in view of the available resources; and

WHEREAS, in accordance with Chapter 2, Article 2, Division 2 of the Municipal Code, mid-year budget adjustments shall be reported to address any projected surplus or deficit in addition to reporting significant reductions in programs or services; and

WHEREAS, this Statement of Budgetary Principles is intended to facilitate better communication on fiscal matters between the Council and the Mayor and to establish a framework for the administration by the Mayor of the Fiscal Year ~~2017-2018~~ Budget in light of the respective duties of the Mayor as Chief Executive Officer and Chief Budget Officer of the City, and the duties of the Council as the legislative and policy setting body of the City, and in light of the obligation of public officials to keep the public apprised of the conduct of the City's financial affairs; and

WHEREAS, the City Council adopted Resolution 307737 on October 15, 2012, subsequently signed by the Mayor, establishing ten fundamental principles for an effective, cooperative and transparent Mayor-Council form of government in the City of San Diego ("Ten Fundamental Principles").

Accordingly, the Mayor and the Council hereby agree to adhere to the following budgetary principles for the Fiscal Year ~~2017-2018~~ Budget:

Fiscal Year ~~2017-2018~~ Budget—Communication on Proposed Program/Service Changes

1. The Mayor, or his designee, will provide reports to the Council on a quarterly basis regarding the administration of the affairs of the City. These reports can be given verbally, and are intended to improve the flow of information between the Mayor, Council, and public.
2. The Council President will provide time on the Council's agenda for the Report of the Mayor.
3. Consistent with Chapter 2, Article 2, Division 2 of the Municipal Code, prior to any reduction in service levels or elimination of programs or

services as represented and funded in the FY ~~2017-2018~~ Adopted Budget, the Mayor, or designee, shall provide written notice to the City Council regarding such reductions and provide a fiscal justification thereof and a description of expected service levels impacts.

4. Notwithstanding the forgoing, the Mayor need not provide prior written notice of any change or modification that results in a more efficient delivery of public services and that accomplishes the legislative intent. However, in these circumstances the Mayor is requested to provide the Council with an informational memo upon implementation.

Fiscal Year ~~2017-2018~~ Budget—Appropriation Ordinance

1. Neither the Mayor nor the Council has unilateral authority to make changes to the spending authority contained in the Fiscal Year ~~2017-2018~~ Budget.
2. The Mayor shall in good faith fulfill the legislative intent reflected in the adopted Fiscal Year ~~2017-2018~~ Budget, including the appropriations reflected in the Fiscal Year ~~2017-2018~~ Appropriation Ordinance. However, the Mayor has discretion to effectively and efficiently spend public monies, and shall not be obligated to spend all the money the Council has appropriated if there is a less costly means of accomplishing the Council's stated purposes.
3. The Council shall have no authority to make or adopt changes to the Fiscal Year ~~2017-2018~~ Budget without first receiving a funding recommendation of the Mayor. The Mayor will provide such funding recommendation within 30 calendar days of the Council request, or such later period as contained in the request of the Council.
4. In accordance with Charter sections ~~28 and 81~~, the Mayor has the authority to allocate Fiscal Year ~~2017-2018~~ Budget appropriations within departments in order to best carry out the Council's legislative intent.
5. The Appropriation Ordinance implements the Fiscal Year ~~2017-2018~~ Budget, as approved by the Council. The Appropriation Ordinance shall specify the spending authority by Department and by Fund, and all other conditions, authorizations, and requirements appropriate therefore. The Appropriation Ordinance will include necessary budget delegation to carry out the business of the City; provided however, the Appropriation Ordinance will not include Policy directions.
6. The Statement of Budgetary Principles applies to departments and programs that are under the direction and authority of the Mayor. These Principles shall also apply to those offices that are independent of the

Mayor. This Statement of Budgetary Principles is subject in all respects to the provisions of the City Charter.

Fiscal Year ~~2017-2018~~ Budget—"Budget-Related Fundamental Principles for an Effective, Cooperative, and Transparent Mayor-Council Form of Government" applying to budget implementation

1. The "Structural Budget Deficit Principles" adopted by Council on February 22, 2010 and outlined in Resolution 305615 should be continually adhered to ensuring a structurally balanced budget.
2. The Mayor will update the City's Five-Year Financial Outlook (Outlook) in November ~~2016-2017~~ and present the results to the Budget and Government Efficiency Committee and City Council.
3. ~~In FY 2017, the Mayor will launch a public, performance dashboard available online at PerformSD.~~ In FY ~~2017-2018~~ the City's performance dashboard, PerformSD, will display historical information and targets for performance measures in the following areas: civic engagement, communication, customer satisfaction, economy and finance, infrastructure, public safety, recreation and culture, sustainability, and transportation and mobility. The performance measure data available as part of the performance dashboard will be discussed and reviewed by the Budget and Government Efficiency Committee by the end of the first quarter of FY ~~2017-2018~~. The data will be ~~updated-evaluated for updates at least~~ quarterly in FY ~~2017-2018~~, and will be a subset of the performance measures included in the Proposed and Adopted Budgets. Additional performance measures may be evaluated and added to the performance dashboard in FY ~~2017-2018~~.
4. The Mayor will address the City's deferred capital backlog by implementing funded projects in a timely and cost effective manner and working with the Council to identify resources necessary to address remaining unfunded deferred capital as well as new infrastructure needs.

(O-2015-141)
(COR. COPY)

ORDINANCE NUMBER O- 20551 (NEW SERIES)

DATE OF FINAL PASSAGE AUG 03 2015

AN ORDINANCE AMENDING CHAPTER 2, ARTICLE 2,
DIVISION 2 OF THE SAN DIEGO MUNICIPAL CODE BY
AMENDING SECTION 22.0229 RELATING TO MID-YEAR
ADJUSTMENTS TO THE ADOPTED BUDGET OF THE CITY.

WHEREAS, on August 4, 2011, the City Council adopted Ordinance No. O-20084, codified as Municipal Code §22.0229, to set forth a process to amend the City's adopted budget in accordance with the Mayor's responsibilities as Chief Budget Officer of the City and the City Council's non-delegable legislative power and authority regarding the spending of public money; and

WHEREAS, section 22.0229, "Mid-Year Amendments to the Adopted General Fund Budget," as currently drafted, contains ambiguous language with respect to the City Council's authority to make changes to the Mayor's proposed budget amendments in an amount up to the full amount proposed by the Mayor; and

WHEREAS, the Municipal Code amendment removes such ambiguity and provides greater clarity with respect to the roles of the Mayor and City Council in approving amendments to the City's adopted General Fund budget; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. That Chapter 2, Article 2, Division 2 of the San Diego Municipal Code is amended by amending section 22.0229 to read as follows:

§ 22.0229 Mid-Year Amendments to the Adopted General Fund Budget

- (a) In the month of February or at such time during any fiscal year after the City has six months of actual budgetary data and the Mid-Year Budget Monitoring Report is projecting a surplus or a deficit relative to the adopted General Fund budget, the Mayor shall report such deficit or surplus to the City Council and provide a recommendation to the City Council, and accompanying budget amendment resolution, to address the reported deficit or surplus. The Mayor may recommend budgeting all, none, or any portion of any projected surplus.
- (b) The City Council may approve the Mayor's recommendation or modify such recommendation in whole or in part, up to the total amount recommended by the Mayor, in accordance with Charter section 290(b).
- (c) Notwithstanding any other provision in this section, transfers of appropriations recommended by the Mayor pursuant to Charter section 73 shall not be considered budget amendments and shall not be subject to the provisions herein.
- (d) Notwithstanding any other provisions in this section, other modifications to the budget proposed by the Mayor shall not be subject to the provisions herein.

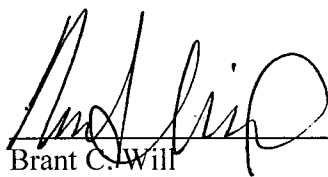
Section 2. That a full reading of this ordinance is dispensed with prior to its passage, a written or printed copy having been made available to the City Council and the public prior to the day of its passage.

(O-2015-141)

(COR. COPY)

Section 3. That this ordinance shall take effect and be in force on the thirtieth day from and after its final passage.


APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Brant C. Will
Deputy City Attorney

BCW:jdf
06/12/15
07/07/15 COR. COPY
Or.Dept:IBA
Document No.: 976516

I hereby certify that the foregoing Ordinance was passed by the Council of the City of San Diego, at this meeting of JUL 28 2015

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 8/3/15
(date)


KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

STRIKEOUT ORDINANCE

OLD LANGUAGE: ~~Struck Out~~

NEW LANGUAGE: Double Underline

ORDINANCE NUMBER O-_____ (NEW SERIES)

DATE OF FINAL PASSAGE _____

AN ORDINANCE AMENDING CHAPTER 2, ARTICLE 2,
DIVISION 2 OF THE SAN DIEGO MUNICIPAL CODE BY
AMENDING SECTION 22.0229 RELATING TO MID-YEAR
ADJUSTMENTS TO THE ADOPTED BUDGET OF THE CITY.

Section 1. That Chapter 2, Article 2, Division 2 of the San Diego Municipal Code is amended by amending section 22.0229 to read as follows:

§ 22.0229 Mid-Year Amendments to the Adopted General Fund Budget

- (a) In the month of February or at such time during any fiscal year after the City has six months of actual budgetary data and the Mid-Year Budget Monitoring Report is projecting a surplus or a deficit relative to the adopted General Fund budget, the Mayor shall report such deficit or surplus to the City Council and provide a recommendation to the City Council, and accompanying budget amendment resolution, to address the reported deficit or surplus. The Mayor may recommend budgeting all, none, or any portion of any projected surplus.
- (b) The City Council may approve the Mayor's recommendation or modify such recommendation in whole or in part, up to the total amount

(O-2015-141)

(COR. COPY)

recommended by the Mayor, in accordance with Charter section 290(b),

~~provided, however, that:~~

- ~~1. The City Council may budget and appropriate up to the total amount recommended by the Mayor; or~~
- ~~2. If the mayor recommends budgeting less than \$5 million of the projected surplus amount, the City Council may only increase the adopted General Fund budget by up to \$5 million or not more than 50% of any projected surplus, whichever total dollar amount is less.~~

- (c) Notwithstanding any other provision in this section, transfers of appropriations recommended by the Mayor pursuant to Charter section 73 shall not be considered budget amendments and shall not be subject to the provisions herein.
- (d) Notwithstanding any other provisions in this section, other modifications to the budget proposed by the Mayor shall not be subject to the provisions herein.

BCW:jdf
06/12/15
07/07/15 COR. COPY
Or.Dept: IBA
Doc. No.: 1043176_2

Passed by the Council of The City of San Diego on JUL 28 2015, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Sherri Lightner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Todd Gloria	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marti Emerald	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage AUG 03 2015.

AUTHENTICATED BY:

KEVIN L. FAULCONER

Mayor of The City of San Diego, California.

(Seal)

ELIZABETH S. MALAND

City Clerk of The City of San Diego, California.

By Mary Stenrod, Deputy

I HEREBY CERTIFY that the foregoing ordinance was not finally passed until twelve calendar days had elapsed between the day of its introduction and the day of its final passage, to wit, on

JUL 14 2015

AUG 03 2015

, and on _____.

I FURTHER CERTIFY that said ordinance was read in full prior to passage or that such reading was dispensed with by a vote of five members of the Council, and that a written copy of the ordinance was made available to each member of the Council and the public prior to the day of its passage.

(Seal)

ELIZABETH S. MALAND

City Clerk of The City of San Diego, California.

By Mary Stenrod, Deputy

Office of the City Clerk, San Diego, California

Ordinance Number O- 20551

150
2/22/10

RESOLUTION NUMBER R- 305615

DATE OF FINAL PASSAGE MAR 02 2010

A RESOLUTION OF THE CITY OF SAN DIEGO ADOPTING
THE STRUCTURAL BUDGET DEFICIT ELIMINATION PLAN
PRESENTED BY INDEPENDENT BUDGET ANALYST [IBA].

WHEREAS, at the Budget and Finance Committee meeting of January 6, 2010, the IBA presented IBA Report No. 10-01, "Developing a Structural Budget Deficient Elimination Plan;" and,

WHEREAS, IBA Report No. 10-01 compiled guiding principles and key elements of recommendations from varied sources to identify common elements deemed necessary to effectively address a structural budget deficit; and,

WHEREAS, the IBA suggested eleven guiding principles as a starting point for consideration by the Mayor and City Council; and,

WHEREAS, Councilmembers were requested to submit their ideas on the Structural Budget Deficit Elimination Plan to the Budget and Finance Committee by January 25, 2010; and,

WHEREAS, on January 27, 2010, the Budget and Finance Committee discussed the ideas submitted by the Councilmembers, IBA Report 10-08, and "Kroll Recommendations Related to the Proposed Guiding Principles for a Structural Budget Deficit Elimination Plan" and discussed in general the Proposed Guiding Principles on the Structural Elimination Plan; and

WHEREAS, the Budget and Finance Committee voted unanimously to forward the Guiding Principles to the full City Council with changes in the following language:

1) Principle 10 “in a manner compliant with City Charter;” and 2) Principle 3 “including managed competition;” and

WHEREAS, on February 1, 2010, IBA Report No. 10-9, “Implementation of Recommendations identified in the October 26, 2009 Performance Audit of the Streets Division” was discussed by the Audit Committee; and,

WHEREAS, after a discussion, the committee voted unanimously to recommend that the City Council adopt IBA Structural Budget Deficit Elimination Principle Number Eleven; and

WHEREAS, on February 22, 2010, the City Council discussed the Guiding Principles and changes to the language of the Guiding Principles which had been forwarded to them by the Budget and Finance Committee; NOW, THEREFORE,

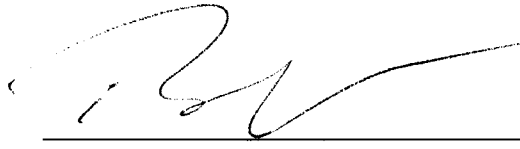
BE IT RESOLVED, by the City Council of the City of San Diego that the following eleven Structural Budget Deficit Elimination Principles be adopted:

1. Eliminate the General Fund structural budget deficit through a balanced approach of ongoing expenditure reductions and revenue generation, including identifying new revenue sources.
2. Until the City achieves its targeted General Fund reserve level of eight percent, the City should not consider using reserve balances to balance any budget shortfall and should ensure that it does not drop below the current level of seven percent.
3. Actively pursue alternative service delivery methods, including managed competition, efficiency improvements and elimination of service duplications.

4. Prepare a Five-Year Outlook each year and provide numeric values for alternative budget balancing options based on input from City Council, Mayor, and the Independent Budget Analyst; and to be prepared each year to discuss alternative budget balancing options with the Budget Committee or City Council should the Outlook suggest an ongoing structural deficit.
5. One-time resources should be matched to one-time expenditures.
6. Achieve 100 percent cost recovery for programs and services that are intended to be fully cost recoverable through fees.
7. Reduce pension and retiree health care liability and annual City costs through the meet and confer process.
8. When deciding to construct new facilities or establish new programs, the City must take into consideration ongoing operation expenses and should identify ongoing funding to cover these expenses unless necessary to meet high priority needs.
9. Prioritize City services expenditures based on the City Charter requirements, Citizen Survey and other means of public input, benchmarking studies and departmental goals and performance data.
10. Maintain funding of full annual required contributions (ARC) for the City's pension obligations in a manner compliant with City Charter and develop a plan to fully funding of the Retiree Health Care ARC.
11. Develop a plan to fund deferred capital infrastructure and maintenance needs to reduce the current backlog, identify the level of funding necessary to prevent the problem from growing larger, and to reduce the potential of increasing costs to identify the level of funding;

and to discuss at the Budget and Finance Committee, a policy to calculate and identify the level
of funding to deferred maintenance budget needs.

APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Paul F. Prather
Deputy City Attorney

PFP:als
02/09/10
02/24/10 REV.COPY
Or.Dept:IBA
R-2010-558

I hereby certify that the foregoing Resolution was passed by the Council of the City of San
Diego, at this meeting of ~~FEB 22 2010~~.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 3.2.10
(date)


JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

150
10/15

RESOLUTION NUMBER R- 307737

DATE OF FINAL PASSAGE OCT 23 2012

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO ESTABLISHING TEN FUNDAMENTAL
PRINCIPLES FOR AN EFFECTIVE, COOPERATIVE AND
TRANSPARENT MAYOR-COUNCIL FORM OF
GOVERNMENT IN THE CITY OF SAN DIEGO.

WHEREAS, since 1931, pursuant to the City Charter of the City of San Diego (Charter), the City of San Diego has operated under a governance structure known as the City Manager form of government; and

WHEREAS, on November 2, 2004, the voters of the City of San Diego voted to amend the Charter by adding Article XV which modified the City Manager form of governance for a trial period of five years to test implementation of a form of governance commonly referred to as a Mayor-Council form of government; and

WHEREAS, on June 8, 2010, the voters of the City of San Diego voted to continue the form of governance commonly referred to as the Mayor-Council form of government; and

WHEREAS, with the Mayor-Council form of government the voters of the City of San Diego also created the position of Independent Budget Analyst; and

WHEREAS, the Office of the Independent Budget Analyst reviews and provides budgetary and policy analysis for the Council, independent of the Mayor; and

WHEREAS, the Charter sets forth certain rights, powers, duties and responsibilities of the Mayor under the Mayor-Council form of government; and

WHEREAS, the Mayor is the chief executive officer of the City; and

WHEREAS, the Mayor supervises the administration of the affairs of the City except as otherwise specifically provided in the Charter and makes such recommendations to the Council concerning the affairs of the City as may seem to him desirable; and

WHEREAS, with the Mayor-Council form of government the voters of the City of San Diego did not add or subtract from the powers conferred upon the City Attorney in Charter sections 40 and 40.1, including the City Attorney's sole authority to prepare and approve all ordinances, resolutions, and contracts and that such ordinances, resolutions and contracts are not valid without City Attorney approval; and

WHEREAS, the Mayor shall keep the Council advised of the financial condition and future needs of the City; and

WHEREAS, the Council must approve a Salary Ordinance each year, fixing the salaries of all officers and employees of the City; and

WHEREAS, it is the role of the Mayor to propose to the Council the terms in the Salary Ordinance, which must be consistent with any existing Memoranda of Understanding between the City and its recognized employee organizations or otherwise in conformance with the Meyers-Milias-Brown Act (MMBA), City Council Policy 300-06, or any other legal requirements governing labor relations binding upon the City; and

WHEREAS, the MMBA provides that the legislative body of a public agency employer – like the City, or the agency's administrative officers or other representatives as designated by the legislative body or by law – must meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of the agency's recognized employee organizations, in an endeavor to reach agreement on matters within the scope of bargaining prior to arriving at a determination of policy or course of action; and

WHEREAS, it is the role of the Council to approve any memoranda of understanding with the City's recognized employee organizations concerning wages, hours, and other terms and conditions of employment; and

WHEREAS, each year, the Mayor must submit a proposed budget for the next fiscal year to the Council, which must approve the budget as submitted by the Mayor or modify the budget in whole or in part; and

WHEREAS, the Mayor shall cooperate fully with the Council and Office of the Independent Budget Analyst, including, but not limited to, supplying requested information concerning the budget process and fiscal condition of the City to the Council and the Office of Independent Budget Analyst; and

WHEREAS, the Mayor may prescribe such general rules and regulations as he may deem necessary or expedient for the general conduct of the administrative Departments; and

WHEREAS, on or before the 15th day of January of each year, the Mayor shall communicate by message to the Council a statement of the conditions and affairs of the City, including a report of the City's affairs for the previous fiscal year and make recommendations on such matters as he or she may deem expedient and proper; and

WHEREAS, subject to the Civil Service provisions of the Charter and except as otherwise provided in the Charter, the Mayor shall be responsible to the Council for the proper administration of all affairs of the City placed in his charge; and

WHEREAS, the Mayor and non-Mayoral officers of the City shall inform the Council of all material facts or significant developments relating to all matters under the jurisdiction of the Council as provided under the Charter except as may be otherwise controlled by the laws and regulations of the United States or the State of California; and

WHEREAS, the Mayor and all non-Mayoral officers shall comply promptly with all lawful requests for information by the Council; and

WHEREAS, the Council desires that the Mayor work in a timely, efficient and effective manner to carry out Council-initiated services, which include those services that are for the benefit of the City's constituents; and

WHEREAS, the Council or any Council committee may summon any city official or department head to provide information or answer a question of the Council or Council committee; and

WHEREAS, the Charter provides that all legislative powers of the City are vested, subject to the terms of the Charter and the Constitution of the State of California, in the Council, except for those legislative powers reserved by the Charter and the Constitution of the State; and

WHEREAS, subject to certain exceptions, the Mayor must approve or veto Council actions; and

WHEREAS, the Council may override a Mayoral veto with five votes until such time as a ninth Councilmember is seated at which time six votes of the Council would override a Mayoral veto; and

WHEREAS, the Council is empowered by the Charter to adopt an administrative code providing for the detailed powers and duties of the administrative offices and departments of the City Government, based upon the provisions of the Charter; and

WHEREAS, except as established by the provisions of the Charter, the Council may change, abolish, combine, and rearrange the departments, divisions and boards of the City Government provided for in said administrative code, but such ordinance creating, combining,

abolishing or decreasing the powers of any department, division or board shall require a vote of two-thirds of the members elected to the Council; and

WHEREAS, the Council may, by ordinance or resolution, require the Mayor to perform such other duties; and

WHEREAS, in recognition of the respective duties of the Mayor as the Chief Executive Officer of the City and the Council as the legislative and policy-setting body of the City under the City's Charter, the Council has identified certain principles that would ensure an effective, cooperative and transparent working environment between the executive and legislative branches; and

WHEREAS, the Statement of Budgetary Principles clarifies respective roles and sets guiding principles regarding budgetary authority, implementation and communication between the two branches following adoption of the City's annual budget; and

WHEREAS, the Structural Budget Deficit Principles, adopted by Council on February 22, 2010, by San Diego Resolution R-305615 (Mar. 2, 2010), are a compilation of best financial practices that have guided the executive and legislative branches over the last several years as the City worked to eliminate the City's structural budget deficit; and

WHEREAS, the Mid-Year Budget Authority Ordinance," adopted by Council on August 2, 2011, as San Diego Ordinance O-20084 (Aug. 4, 2011), establishes spending priorities while respecting the Mayor's obligation to balance City-wide priorities with available resources; requires the Mayor, in the event of a projected budget deficit or surplus at mid-year, to recommend changes to the City's adopted General Fund budget which the Council can adopt or revise; and requires the Mayor to provide written notification to the Council prior to making any significant reductions to programs or services provided to the community; and

WHEREAS, publicly reporting performance results for core City services periodically throughout the fiscal year assist in monitoring how tax dollars are being spent, determining whether goals are being achieved as originally intended, help identify if programmatic or policy changes are necessary, and communicating expectations and results of City programs and services to the public; and

WHEREAS, the Council desires that the Mayor effectively communicate with the Council, the IBA, and the City Attorney to ensure the Council has the information necessary to make well-informed decisions; and

WHEREAS, effective communication includes presentations by the Mayor or designated staff at Council or committee meetings, providing written reports and/or memoranda, and participating in briefings; and

Whereas, Council expects the Mayor himself or herself to personally participate in monthly Council meetings; and

WHEREAS, multi-year financial planning allows policymakers to make decisions within the greater context of the annual budget process and facilitates understanding whether the funding priorities in the Mayor's Proposed Budget are consistent with the City's short and long term priorities, funding obligations, and projected available resources; and

WHEREAS, if Council chooses to designate the Mayor as the City's Chief Labor Negotiator in negotiating with the City's labor organizations as required by the MMBA, it is vital the Mayor take direction from the Council, communicate and work cooperatively with the City Attorney, Independent Budget Analyst and Council, and include the Independent Budget Analyst and City Attorney in all labor negotiation processes; and

WHEREAS, adherence to these principles will facilitate the Mayor and Council carrying out its mandates under the Charter and more effectively meeting the needs of the City of San Diego residents; NOW, THEREFORE,

BE IT RESOLVED, that the Council of the City of San Diego adopts the following Ten Fundamental Principles for an Effective, Cooperative and Transparent Mayor-Council Form of Government in the City of San Diego:

1. Cooperate with the Council to create annually a “Statement of Budgetary Principles.”
2. Adhere to the “Structural Budget Deficit Principles” adopted by Council on February 22, 2010, by San Diego Resolution R-305615 (Mar. 2, 2010), to ensure the City maintains a structurally balanced budget.
3. Adhere to the “Mid-Year Budget Authority Ordinance” adopted by Council on August 2, 2011, as San Diego Ordinance O-20084 (Aug. 4, 2011).
4. Publicly report performance results and future goals for core City services. This information will be published annually in the Mayor’s Proposed and Final Budget; and beginning fiscal year 2015, annual performance reporting will be supplemented with quarterly reporting through the issuance of a stand-alone “City of San Diego Quarterly Performance Report” to the City Council, to also be made available on the City’s website.
5. Present to Council no later than November of each fiscal year a financial outlook that includes projected revenues and committed expenditures for a five-year outlook period.

6. Address the City's deferred capital backlog by implementing funded projects in a timely and cost effective manner and working with the Council to identify resources necessary to address remaining unfunded deferred capital as well as new infrastructure needs.
7. Work cooperatively and timely with the City Attorney, Independent Budget Analyst and Council to effectively carry out the City's labor relations policies and duties under State and local law if the Council chooses to designate the Mayor as the City's Chief Labor Negotiator.
8. Participate with Council in developing a Comprehensive City of San Diego Economic Development Strategy to ensure continued economic growth and prosperity for our community.
9. Communicate in a timely and effective manner with the Independent Budget Analyst, City Attorney and Council, including the Mayor personally participating in monthly Council meetings, to ensure that Council has the information it needs to make well-informed decisions and that City contracts conform to Charter and Municipal Code requirements.

10. Work cooperatively with Independent Budget Analyst, City Attorney Council

Committees, and Council to efficiently carry out Council-initiated policy directives, services, including constituent services, and programs that have been included in the annual adopted budget.

APPROVED: JAN I. GOLDSMITH, City Attorney

By


Mary Jo Lanzafame
Assistant City Attorney

MJL:ccm
09/12/2012
10/16/2012 REV.
Or.Dept: Council District 4
456616.doc

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of OCT 15 2012.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 10-23-12
(date)


JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

Passed by the Council of The City of San Diego on OCT 15 2012, by the following vote:

Council Members	Yeas	Nays	Not Present	Ineligible
Sherri Lighter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kevin Faulconer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Todd Gloria	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Anthony Young	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carl DeMaio	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marti Emerald	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage OCT 23 2012.

AUTHENTICATED BY:

JERRY SANDERS

Mayor of The City of San Diego, California.

ELIZABETH S. MALAND

City Clerk of The City of San Diego, California.

(Seal)

By

Hevenson Cruz Deputy

Office of the City Clerk, San Diego, California

Resolution Number 307737