



**COUNCIL PRESIDENT SEAN ELO-RIVERA
NINTH COUNCIL DISTRICT
M E M O R A N D U M**

DATE: May 22, 2024

TO: Charles Modica, Independent Budget Analyst

FROM: Council President Sean Elo-Rivera, District Nine

SUBJECT: Final Fiscal Year 2025 Budget Priorities

The budget modification priorities listed below are informed by the values and diverse voices of the District 9 community. Our office appreciates the Office of the Independent Budget Analyst (IBA) and its vital work to democratize our City's budget, and we look forward to working together to finalize the Fiscal Year 2025 budget.

Our overarching budget priorities are:

- Restoration of funding to programs and services that advance equity
- Restoration of funding to the eviction notice registry
- Restoration of funding to Arts, Culture, and Community Festivals (ACCF) and Community Projects, Programs, and Services (CPPS)
- Direct assistance to victims of January 22 flooding

The sections below provide detail on our budget priorities and proposed mitigation and revenues to support these priorities.

Restorations to proposed budget cuts

Our office seeks the restoration of proposed cuts to equity programs and services, as delineated below.

Budget priority	Proposed allocation
<i>Housing and homelessness</i>	
Maintain funding to San Diego Housing Commission (SDHC) programs	\$8,000,000
Homelessness prevention for 300 low-income seniors through the Housing Instability Prevention Program (HIPP)	\$5,300,000
Maintain services and honor workers with a cost-of-living adjustment (COLA) increase at the 16 th and Newton, 17 th and Imperial, and Golden Hall bridge shelters	\$2,100,000
Maintain services and honor workers with a COLA increase at the Midway sprung shelter	\$520,000
Maintain lunch service for families experiencing homelessness	\$665,783
Maintain lunch services for San Diegans at the Emergency Harm Reduction Shelter	\$357,914
Maintain support for the PEER program that trains workers for the homelessness services sector	\$250,000
<i>Community and Neighborhood Services</i>	
Restore the Cannabis Social Equity and Economic Development (SEED) Program	\$414,000
Fully restore the After School and Teen Centers Programs	\$144,000
Restore support for youth empowerment through the Office of Youth and Child Success	\$50,000
Youth Care and Development Program (drop-in centers) <i>Funded through Council Administration as a grant</i>	\$1,000,000
Small Business Enhancement Program (SBEP) <i>Fully fund in accordance with Council Policy 900-15</i>	\$1,200,000
<i>Climate Equity and Sustainability</i>	
Maintain funding for the Climate Equity Fund	

<ul style="list-style-type: none"> • CIP P24002, Officer Jeremy Henwood Memorial Park improvements – \$1,000,000 • CIP 24101, Southcrest Infrastructure CIP expansion – \$500,000 • Investments at the ‘Fatal 15’ intersections in eligible census tracts – \$700,000 	
Maintain funding for the public power feasibility study	\$500,000

Restoration of funding for eviction notice registry

Funded in FY24, the eviction notice registry was never implemented and is now proposed to be defunded. The eviction notice registry is a key piece of the Tenant Protection Ordinance, and the data collected by the registry can inform further policymaking to bring about more secure housing tenure and a more affordable housing market.

- \$400,000

Restoration of funding for ACCF and CPPS

ACCF and CPPS provide vital resources to small, community-based organizations. Funding for these grant programs should be continued.

- ACCF – \$50,000 per City Council office; \$450,000 total
- CPPS – \$100,000 per City Council office; \$900,000 total

Direct assistance to victims of January 22 flooding

It is imperative that the City provide direct assistance to residents impacted by the January 22 flooding. Funding for the Community Equity Fund should be restored at FY24 levels, and the administration of the Fund should be transferred to the San Diego Housing Commission.

- Community Equity Fund – \$3,100,000

Stormwater reinspection team

Funding the requested two FTEs for a reinspection team would result in at least \$700,000 in new revenue. The City needs to fund these revenue-generating positions.

- \$288,000

CIP 10119 North Pacific Beach Lifeguard Station

A long-stalled project, the North Pacific Beach Lifeguard Station should receive funding to advance a critical piece of public safety infrastructure.

- \$120,000

Mitigation / revenue

The following should be considered as sources for funding the City Council's budget priorities:

- Reallocation of discretionary additions to the proposed FY25 budget
- Delay of discretionary additions that are not operationally critical
- Overbudgeted expenditures for utilities (water and energy)
- Reimbursement of election expenses
- Federal funding, including the City's HUD entitlement funding
- State funding, including those for housing and homelessness services
- Raising the Cannabis Business Tax to pre-2022 levels

Additionally, our office requests that the IBA identify all discretionary additions to the proposed FY25 budget and analyze the operational impacts if those proposed additions are reallocated or delayed. This information will help the City Council finalize the FY25 budget, as well as provide transparency to the public.