



## THE CITY OF SAN DIEGO

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### OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

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Date Issued: June 4, 2024

IBA Report Number: 24-15

Budget Review Committee Date: June 7, 2024

Item Number: 1

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## FY 2025 Councilmember Budget Modification Memoranda

As part of the FY 2025 budget development process, Councilmembers submitted budget modification memoranda to our Office on May 22, 2024, which are included in their entirety as attachments to this report. These memos identify specific expenditure priorities and potential new funding sources not included in the FY 2025 Proposed Budget or the May Revision.

Our Office reviewed the budget modifications recommended by a majority of Councilmembers in their memoranda, and we discuss these prioritized expenditures in [IBA Report 24-14](#), *Recommended City Council Modifications to the Mayor's Proposed FY 2025 Budget and Review of the May Revision*. In that report, we also recommend expenditure modification priorities to be included in the budget, as well as resources that could be used to fund budget modification priorities. The IBA's budget recommendations will be presented to the Budget Review Committee as an informational item on June 7, 2024, and then considered by the City Council at its meeting on June 11, 2024.

Sergio Alcalde  
Associate Fiscal and Policy Analyst

APPROVED: Charles Modica  
Independent Budget Analyst

Attachment 1: Councilmember Budget Modification Memoranda



**COUNCIL PRESIDENT PRO TEM JOE LACAVA**

**FIRST 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 Pro Tem Joe LaCava *Joe LaCava*  
 SUBJECT: District 1 Recommended Final Adjustments to the FY2025 Budget

The May Revise to the FY2025 Proposed Budget reflected the outcome of aggressive cost containment in FY2024. The accumulated Excess Equity and other revenue sources allowed restoration of some critical programs to meet our goal of allocating our limited funding where it will do the greatest good and ensure any cuts to programs will have minimal impacts.

Even with the May Revise, we continue to face the sobering challenge of meeting the everyday, basic needs of residents and preparing the city to meet the needs of tomorrow. We must protect and improve the sustainability and resiliency of our residents, our economy, our infrastructure, and our natural resources.

**The priorities of my office and my constituents as articulated in my January 12<sup>th</sup> memo remain as important as ever.** At this time, there is not the revenue to fund the personnel, programs, and infrastructure to deliver on those priorities. I stand ready to work with my colleagues and the Mayor to find the revenue to meet the needs of all San Diegans.

With all that in mind, I have organized my asks as follows:

- Operational needs that can be accommodated without any new cuts and
- Programs *if there is consensus on cuts to generate needed funding.*

**Operational Needs**

- PUD: San Dieguito River Valley Park JPA  
Adjust allocation to match JPA FY2025 funding request      \$41,455
- E&CP: North PB Lifeguard Station (S10119)  
Fund an important step in this critically needed project      \$120,000

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**Programs if Consensus on New Cuts** *(in alphabetical order by department)*

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- City Attorney: Your Safe Place  
Renew Case Management Software (*May 2025 expiration*)     \$91,000
- City Council: Community Projects, Programs and Services  
Restore in lieu of increasing Penny for the Arts     \$1,350,000
- Parks & Recreation: Southcrest CIP Expansion (B24101)  
Expand Southcrest lighting CIP to support new infrastructure  
and respond to needs of flood victims in this community     \$500,000
- Race & Equity: Youth Care and Development Pilot Program  
(aka Drop-in Centers) Carry forward FY2024 funding     \$1,000,000
- Race & Equity: Community Equity Fund  
Restore FY2024 funding, possible flood victims' resource     \$3,000,000
- SDHC: Housing Instability Program  
Support more families under this successful program     \$2,680,000
- SDHC: Affordable Housing Fund  
Backfill to maximize "gap financing" opportunities     --
- Special Promotions: Arts, Culture, & Community Festivals  
Restore in lieu of increasing Penny for the Arts     \$500,000
- Sustainability & Mobility: Public Power Feasibility Study  
Continue Phase II of feasibility study     \$500,000
- Transportation: "Safe Streets"  
Quick build modifications at 7 intersections city-wide.     \$700,000

I respectfully request the Office of the IBA update "FY 2025 Options for Budget Modifications" as presented in your Review of the Fiscal Year 2025 Proposed Budget (page 27) to facilitate Council's deliberations.

I look forward to a successful conclusion as we forge a budget that meets the many real needs of San Diegans. Thank you, for your time and attention. My staff is available if you have any questions.

cc: Mayor Todd Gloria  
 Eric Dargan, Chief Operating Officer  
 Matt Vespi, Chief Financial Officer  
 Matt Yagyagan, Policy Director, Office of the Mayor



**The City of San Diego  
Office of Councilmember Jennifer Campbell  
Second Council District**

**M E M O R A N D U M**

**DATE:** May 22, 2024

**TO:** Charles Modica, Independent Budget Analyst

**FROM:** Councilmember Jennifer Campbell

A handwritten signature in cursive script that reads "Jennifer Campbell".

**SUBJECT:** May Revise Budget Adjustment Recommendations- Fiscal Year 2025 Budget

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As we face a difficult upcoming budget year, I am grateful to see the inclusion of many District 2 budget priorities, which prioritize investments that create safe, livable neighborhoods while sustaining a resilient and economically prosperous city. While there were significant adjustments made to the Mayor's Fiscal Year 2025 May Revise, there remain several items I would like to emphasize as a continued priority for my constituents and our city at large.

Adjustments to the budget to incorporate these priorities can be supported through various options including the allocation of excess equity, the designation of general fund reserves, or any other possible and appropriate means.

**HOMELESSNESS PROGRAMS AND SERVICES**

- Expand the number of **shelter beds across the City**, including emergency shelter beds. This includes the expansion of beds to address the unique needs of vulnerable populations such as seniors, LGBTQ+, foster children, families, among others.
- **Senior shelter beds**- While the Fiscal Year 2024 Budget provides about \$925K from the General Fund, more is needed. At the moment, only 3% of beds are currently funded out of the 24% total unsheltered seniors (548 beds).
- **Safe Sleeping Sites**- Continued and expanded funding to establish multiple Safe Sleeping Sites across the City. These spaces should include robust wrap-around services such as restrooms, meals, and connections to services.



- **NTC H-Barracks-** Find a use for this building to increase our capacity of intake for our unhoused population.
- **Lot O at Balboa Park operational costs-** Funding will address the ongoing costs of residential services, 24-hour security, supportive services, and rented ancillary services in the site.
- **Expanded Funding for Coordinated Street Outreach Teams-** Continued and increased funding is needed for this program. Holistic, street-based, and continued engagement from service workers is vital to successfully getting San Diegans housed.
- **Old Central Library-** Funding will support predevelopment and project design for redevelopment of the former Central Library (820 E Street) into an innovative, high-density housing development serving persons experiencing or previously experiencing homelessness, low-income and middle-income residents. The site should include affordable housing, on-site system navigation, and shelter services and placement.
- **Promises2Kids-** Support prevention -based homeless programs, specifically the Foster Futures Program: A Bridge to Stability to keep one of the highest risk populations for entering homelessness off the streets. This requests \$600,000 from the city budget to serve 50 former foster youth ages 21-30.

## **HOUSING SOLUTIONS**

- **Housing Instability Prevention Program** – Continue to fund this program at the requested FY2025 level.

## **ENVIRONMENT AND CLIMATE ACTION PLAN**

- **Street Sweeping-** Continue to expand street sweeping capacity and increase the number of posted routes across the city.
- **Storm Water Drains and Channels** - Allocate funding to support storm water infrastructure maintenance activities, channel clearing, and neighborhood projects with attention to our boardwalks and beach areas that experience periodic flooding. Increasing Stormwater staff, PUD staff, and Pure Water engineers and having them work together to be sure that Stormwater is connected to the Pure Water system. This is a critical, preventative measure to decrease erosion of our shores and to stop runoff trash from entering our rivers and ocean.



- **Mission Bay Wetlands Maintenance and Expansion-** Allocate funding for ongoing maintenance and preservation work of existing wetlands. Also, the expansion of the wetlands where Rose Creek enters Mission Bay is crucial.
- **Brush Management and Weed Abatement** - Funding towards brush management and weed abatement in the public right-of-way is extremely important to the quality of life and neighborhood character. Adequate funding is also a public safety necessity to address high priority cases referred to by the Fire Marshall. Staff must include the following District 2 priority areas for regular brush maintenance and abatement: Balboa Avenue, Genesee Avenue, Cannington Drive near I-805, Mission Bay Park and Fiesta Island, among others.

## **PUBLIC SAFETY**

- **Allocation to Engineering and Capital Projects for the North PB Lifeguard Station (\$10119) in the amount of \$120,000.**
- **Addition of 4 FTE Lifeguard III Oceanfront Relief (\$332,000)-** For decades, the Lifeguard Division has relied on overtime to cover operational vacancies due to injury, illness, vacation, and training. Over the past few years, the oceanfront Lifeguards have experienced an unprecedented amount of mandatory overtime and cancelled trainings to make up for daily vacancies. Additionally, time-off requests are denied due to operational vacancies and lack of available oceanfront staff. Relief Lifeguards are needed to cover daily vacancies at various oceanfront stations to keep our beach areas safe and fully staffed.
  - These positions will provide 2 additional lifeguards on duty overnight who work out of the Boating Safety Unit.
  - Currently, the division supports 2 Lifeguards with 1 Lifeguard Sergeant on-duty overnight in La Jolla, and 2 Lifeguards with 1 Lifeguard Sergeant on-duty overnight at Lifeguard Headquarters on Mission Bay. Every night, we also have 1 Lifeguard Lieutenant (second level supervisor) and 1 dedicated Lifeguard Dispatcher, however these positions are primarily in place to support the rescue efforts of the other 6 Lifeguards. In short, *currently our entire City is covered by just 4 primary rescuers, and 2 first level supervisors.*
- **SDPD Recruitment-** Establish a local and national college/university recruitment strategy, with the goal of hiring 700 new officers with associate's and/or bachelor's degrees by the end of FY26, who represent the diverse communities of San Diego.
- **Police Sergeant FTE:** Police Sergeant position needed to supervise and coordinate the Police Cadet Program full time in the recruiting unit.



- **Police Cadet Program-** Funding is needed to support the Police Cadet Program for recruitment, training, purchasing uniforms and equipment.
- **Diversifying Emergency Response** - Diversify and strengthen City response to mental health emergencies and continue to collaborate with County programs. Furthermore, healthcare workers who can handle routine health questions should be incorporated into our system so that citizens who call 911 with that type of question will not impact ambulance availability.
- **SDPD Beach Teams and Foot Patrols**– We need walking patrols to address safety concerns, especially in our beach communities, canyons, and boardwalks.
- **Renovate Fire Stations 25, 27 and 36-** These fire stations are in need of upgrades, including adding improvements to accommodate additional new ladder trucks.

## **NEIGHBORHOOD SERVICES**

### *Access and Equity*

- **ADA Accessibility** – The City faces lawsuits each year based on ADA violations. The budget should include funding to bolster the City’s ADA compliance team with new FTE positions and additional funding to support the implementation of ADA Transition Plan projects and address the unfunded backlog of ADA Compliant projects.

### *Libraries*

- **Library Maintenance Budget-** Our City must invest in a recurring maintenance budget to meet the needs of libraries across the City. Some of these maintenance needs include a plethora of replacements (electric, HVAC, roofs, etc.) and other pressing issues like meeting modern accessibility standards.
- **Books and Materials-** An increased investment in library books and materials is needed to supplement the funding already received and to keep up with inflation and the rising costs of materials and online resources.

### *Parks*

- **Ocean Beach Dog Beach-** The parking lot at the Ocean Beach Dog Beach is in dire need of resurfacing, repaving, painting parking lines, signage and other significant repairs.
- **North Clairemont Community Park-** The park needs replacements of non-compliant paths of travel, curb, ramps, and the comfort station. The flooring at the gym must also be replaced. Additionally, the recreation center and the **Cathy Hopper Clairemont**



**Friendship Center** for seniors need renovations and paint updates to the interiors and exteriors.

#### *Recreation Centers and Spaces*

- **South Clairemont Recreation Center-** This is a joint-use facility with Marston Middle School. The Clairemont Pool's lobby needs renovations to replace its front windows and to build new countertops with plexiglass to create a more welcoming and secure environment. The pool needs to be completely re-surfaced. Also, an upgrade in the changing rooms to be more welcoming, safe and provide more privacy for patrons is necessary. Renovations to the pool deck area overdue.
- **Council Discretionary Portion of Transient Occupancy Tax-** Increase the funding allocated to the Commission for Arts and Culture to move towards our goals for Arts and Culture by Fiscal Year 2026. District 2 is home to Arts District Liberty Station, the Taste of Ocean Beach, the Filipino-American Friendship Festival, the Point Loma and Pacific Beach Concert series, and many more arts and cultural events and programs.

#### *Animal/Pet Welfare*

- **Fiesta Island Foxtail Weed Removal-** We request additional funding to support proactive efforts to eliminate foxtails on Fiesta Island. As the largest dog park in San Diego, the City must strive to control and eliminate dangerous foxtails to protect our dogs.

### **CITYWIDE OPERATIONS and WORKFORCE**

#### *Civic Center Operations*

- **Security Investments at the Civic Center-** After a series of concerning incidents in the City Concourse, the Evan V. Jones Parkade and around Civic Center Plaza regarding the safety of City employees coming to and from work, the City must make security investments. These investments will keep City employees and the public safe as they go about their day, and in the long term, we can continue to responsibly employ and retain workers in our bustling Civic Center.
- **City Attorney's Office-** It is a hard budget year, but what was not included in this May Revise update is the allocation of 92k for software licenses needed by the City Attorney's Office. I would like to work with staff to fulfill this small request.





## **INFRASTRUCTURE AND MOBILITY**

### **Street Improvements**

Streets throughout our city urgently need repairs. In addition, certain alleyways have been overlooked. Below are requests for improvements throughout District 2 that will enhance our roads and promote safety.

#### *Sidewalks*

- Clairemont Mesa Boulevard & Doliva Drive
  - This intersection has been identified as one of the 15 most dangerous intersections in the City.
- Many Clairemont pedestrians utilize **Balboa Avenue** from Clairemont Drive to Mt. Culebra as a means of navigating 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 the safety of pedestrians.
- The community and City staff have identified **Genesee Avenue** between Marlesta Drive and Park Mesa Way as needing a new sidewalk.
- Ramps are needed on the South side of Mt. Ararat Dr. at the Mt. Arjane Dr. Intersection.
  - Ramps are needed at the intersection of Mt. Everest Dr. and Mt. Blanca Dr.
- Build sidewalks to connect to the Blue Line Trolley to connect N. Morena Blvd. to the station.
- Morena Blvd from Avati Dr. to Costco Dr. needs to be cleaned and is overtaken with grass.

#### *Street Light Repairs*

Many streetlights throughout the City need to be repaired which has created a backlog of repairs with lengthy completion timelines. In addition to hiring 10 more FTE Electricians, the budget should include funding to expedite these repairs for the sake of safety in our neighborhoods. The following are streets to prioritize:

- Full analysis of persistent streetlights out in the Mission Beach community
- Streetlights in Mission Bay Park
- Rosecrans Avenue
- Ute Street; Alcott Street
- Voltaire Street
- Ashton St from Goldfield to Morena and on Monongahela Street.
- Ebers St. & Saratoga Ave.
- Loma Portal neighborhood (at large)

#### *Street Resurfacing*

- **Clairemont Street Improvement** – Repaving is needed on the following streets with class IV bike lanes, improved pedestrian crossings, and ADA access:
  - Clairemont Drive



- Clairemont Mesa Blvd.
  - Balboa Avenue
  - Clairemont Drive south of Balboa Avenue
  - Morena Blvd
  - Block of Avati before it connects to Morena Blvd.
  - Last block of Moraga Ave. before it connects with Balboa Ave.
  - Glasgow Drive
- **Point Loma Street Improvements-** Repaving is needed on the following streets with class IV bike lanes, improved pedestrian crossings, and ADA access. In addition, we recommend consideration to place Class IV lanes on side streets to further decrease potential traffic accidents:
    - Oleander Drive and Oleander Place resurfacing
    - Barnard St. Repair
    - Valeta St. between Camulos St. and Famosa Blvd.
    - Nimitz between Harbor Drive and Rosecrans Street
  - **Midway Street Improvements-**
    - Traffic flow improvements, especially as the Midway Rising development in the neighborhood continues.
    - Sports Arena Boulevard between Rosecrans Street and Pacific Highway
  - **Old Town Street Improvements-** Repaving is needed on the following streets with class IV bike lanes, improved pedestrian crossings, and ADA access:
    - Resurfacing Congress St
    - Resurfacing Jefferson St.
    - Resurfacing San Diego Ave
    - Resurfacing Old Town Ave
  - **Ocean Beach**
    - Resurfacing Cable St.
  - **Mission Beach**
    - Resurface beach parking lots throughout where needed.

### **Traffic Control**

- **Increased safety measures around elementary schools-** Crosswalks and signage are needed on Morena and Baker at Toler Elementary School and at Longfellow Elementary.
- Traffic calming measures on Morena Blvd. at Knoxville St. and at Tecolote Rd.
- Pedestrian crossings on Jutland Drive to Morena Blvd



- Roundabout at Congress and San Diego Ave. in Old Town which was proposed and approved in the 2018 Community Plan Update
- Crosswalks for the I-805 walk/bike path at Clairemont Mesa BL and Balboa Ave.
- Crosswalks east of the intersections where the I-805 path crosses Clairemont Mesa Blvd and Balboa Av.

### **Pedestrian & Bicycle Safety**

- **Install Physical Protection for All New Full-build Class IV Bikeways:** Almost all recent bikeway projects in San Diego have used flexible bollards to separate bikeways from travel lanes. While flexible bollards are useful for demarcating space for bicyclists, they do not have any stopping power to prevent distracted, impaired, or malicious drivers from hitting bicyclists. All new full-build Class IV bikeways should use physical barriers for protection for separation from bikeways from traffic lanes. This item would require increasing the Transportation Department's budget for each new Class IV bikeway. Some of the areas of priority in District 2 include:
  - Narragansett Ave., from Catalina Blvd. to Chatsworth Blvd.
  - Mount Acadia Blvd., from Mount Blanca Dr. to Via Carancho
  - Regents Rd, from Clairemont Mesa Blvd. to Pennant Way
  - Voltaire St., from Wabaska Dr. to Chatsworth Blvd.
  - Old Town Avenue, from Jefferson St. to Moore St.
- **Clairemont Drive Station and Blue Line Trolley-** Pedestrian and biking improvements are also necessary here to protect those who are accessing Mission Bay from the Clairemont Drive Trolley Station. Currently, the pedestrian crosswalk conflicts with the exit offramp from I-5 at Clairemont Drive. Also, Clairemont Dr. is located above Morena Blvd., making access, ADA or otherwise, difficult.
- **Construction of Morena Blvd Class IV Bikeways-** The Transportation Department is scheduled to construct bikeways on Morena Boulevard in conjunction with a pipeline replacement within the next several years. This is the most direct connection between neighborhoods South of Interstate 8 and the Pacific Beach, La Jolla, and University City communities, and as such, is an extremely popular route for cyclists despite the total lack of safe bicycle facilities. I urge the city to expedite this project as much as possible, as it has already been approved for Class IV cycle tracks within the Balboa Station Area Specific Plan and the Morena Corridor Specific Plan.




### **CAPITAL IMPROVEMENT PROJECTS (CIP)**

- **Mission Beach Sea Wall-** In preparation of continued sea-level rise maintenance of the Mission Beach Sea Wall from South Mission Beach Jetty along Ocean Front Walk to Pacific Beach Drive is long overdue.
- **Increased safety measures around elementary schools-** We request consideration for a CIP to address crosswalks and signage needed on Morena and Baker at Toler Elementary School and intersection improvements are needed in front of Longfellow Elementary. In the past few years, a woman was killed in the crosswalk in front of Longfellow Elementary and several others were nearly struck at Toler Elementary.
- **Ocean Beach Lifeguard Station–** Planning is needed for a replacement station that would serve as a joint-use facility for SDPD and our Lifeguards serving Ocean Beach. The Ocean Beach Lifeguard Tower is among the oldest stations in use and has fallen into disrepair with visible health and safety concerns throughout the deteriorating structure.
  - In 2021, OB guards performed just shy of 1,000 water rescues (10% increase from 2020) and responded to over 330 medical emergencies, *but the current station has only 1 bathroom, 1 shower, and 1 co-ed locker room for upwards of 16 lifeguards during peak season.*
  - Funding the design and build of a new station would not only allow adequate working conditions for lifeguard personnel, but also provide greatly needed security for lifeguard vehicles, RWC, and equipment that is currently stored in Mobile Minis like those at the North PB station.
  - The tower has a dedicated CIP, and a feasibility study has been completed.



**COUNCILMEMBER  
STEPHEN WHITBURN  
THIRD COUNCIL  
DISTRICT**

**M E M O R A N D U M**

DATE: May 22, 2024  
TO: Charles Modica, Independent Budget Analyst  
FROM: Councilmember Stephen Whitburn   
SUBJECT: Final Budget Modifications Fiscal Year 2025

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On behalf of the residents in District 3, I want to thank the Mayor for his thoughtful consideration of our priorities in the Fiscal Year 2025 Annual Budget. I was pleased to see that many of the items I have championed for the community have been incorporated, including the increased investments in homelessness solutions like Safe Sleeping, Safe Parking, and shelter expansion.

I believe it is particularly important for us to make investments in the following categories:

1. Homelessness Solutions and Affordable Housing
2. Clean and Safe Neighborhoods
3. Streets, Sidewalks, and Other Infrastructure

As we continue to work on the Fiscal Year 2025 budget, I look forward to developing a balanced budget to include the following items which are important to District 3.

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## **Homelessness Solutions and Affordable Housing**

The City must continue to make significant investments in shelter beds, housing creation, subsidies, supportive housing, low-income housing, and rapid re-housing to meet the City's needs. We must focus on our youth, seniors, veterans, LGBTQ residents and families to provide them with consistency, flexibility, and extended wraparound services.

### **Continued Shelter Operations**

We must continue to make progress in supporting our homeless population by continuing to fund our current shelter operations. That includes:

- Bishops Shelter
- Bridge Shelter – 16<sup>th</sup> and Newton
- Bridge Shelter – 17<sup>th</sup> and Imperial
- Bridge Shelter – Golden Hall
- Connections Interim Housing
- Domestic Violence Shelter
- Family Non-Congregate Shelter
- Family/Women's Shelter
- Interim Housing for Homeless Adults
- LGBTQ+ Youth Services and Shelter
- Seniors Landing Non-Congregate Shelter
- Winter Weather Shelter
- Women's Shelter
- Youth Case Management & Shelter

### **1,000 New Shelter Beds: \$1.9 M**

The additional of 1,000 new beds to the City's shelter system will be crucial in supporting our unhoused population. The City has the opportunity to develop thoughtful and intentional programming for our homeless population, a potential we have not had in the past due to crisis and emergency circumstances.

**Safe Sleeping Program: \$11 M**

Maintain allocation of \$11 million for the Safe Sleeping Program (also known as Safe Camping), including both the first site at 20th Street and B Street, as well as the O Lot set to open this year. Safe sleeping sites provide a safe place for people to stay in new tents with cots. The sites give people access to restrooms, showers, laundry, meals, healthcare, and connections to supportive services and housing options.

**Safe Parking and Expansion at H Barracks: \$8.5 M**

Maintain allocation of \$8.5 M towards safe parking, with \$4.3 M dedicated to 200 new Safe Parking spaces at H-Barracks. The Safe Parking Program should be expanded into every district of San Diego, per the precedent set in good faith in the Bloom settlement agreement. The program provides safety, security, and support for San Diegans living out of their vehicles, many of whom are experiencing homelessness for the first time. According to Jewish Family Services the non-profit has verified that more than one-third of clients moved into more stable housing.

**Neil Good Day Center: \$920,000**

Maintain the \$920,000 for the Neil Good Day Center, which provides unhoused individuals with critical services needed throughout the day, including restrooms, laundry, storage, and mail services. While the City continues to fund new shelter operations, the Day Center hours face potential cuts resulting in the reduction of hours and stagnant wages for staff in a competitive hiring market.

**Family Reunification Program: \$750,000**

Maintain the Downtown San Diego Partnership Family Reunification Program, which has helped 420 people in 2022 alone. In many cases this program helps people move closer to family in locations where they not only get better care and support, but their social security check can go a lot further. This offers the opportunity for a higher quality of life for many seniors.

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## **Clean and Safe Neighborhoods**

### **Arts and Culture, CPPS and ACCF Funding**

Creativity and the arts play an important role in creating jobs, educational opportunities and help enhance San Diego's neighborhoods. Our region's ability to attract and retain our workforce and tourists to our beautiful city will be increased through our vital arts and culture funding. I am requesting to fund our CPPS and ACCF program.

### **Small Business Enhancement Program \$1.2 M**

With the large number of applicable small businesses, the program needs funding. I request \$1.2 million in non-personnel expenditures to the Economic Development Department to restore and enhance the Small Business Enhancement Program (SBEP). The SBEP is guided by Council Policy 900-15, which requires that the SBEP receive \$20 per small business (businesses with 12 or fewer employees) registered with the City, and funding for SBEP must not fall below \$1.6 million.

## **Streets, Sidewalks, and Other Infrastructure**

### **Fix San Diego's Most Dangerous Fatal 15 Intersections**

The City should continue its work fixing the most dangerous intersections. Improvements should include effective, low- cost measures like lead pedestrian interval blank-out signs, audible pedestrian signals, countdown timers, and high visibility crosswalks. The City should increase funding and prioritize the most dangerous intersections, including: Clairemont Mesa Blvd & Doliva Dr, Rosecrans St & Moore St, Federal Blvd & Euclid Ave, Mira Mesa Blvd & Black Mountain Rd, Westview Pkwy & Mira Mesa Blvd, Imperial Ave & 26<sup>th</sup> St, and Market St & 19<sup>th</sup> St.

### **Thank you for restoring the following Budget items in the May Revision:**

- Housing Instability Prevention Program
- Day Center Support
- Library Donation Match
- Reading and Education Program Support
- Youth Services Librarians
- After School and Teen Center Program Support
- SD Access 4 All





THE CITY OF SAN DIEGO  
**HENRY L. FOSTER III**  
 COUNCILMEMBER ♦ DISTRICT FOUR

DATE: May 22, 2024 REVISED

TO: Charles Modica, Independent Budget Analyst

FROM: Councilmember Henry L. Foster III, City of San Diego, District Four

SUBJECT: Fiscal Year 2025 Budget Priorities

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Below are my Final Fiscal Year 2025 Budget Priorities. The priorities identified prioritize equity, maintain core services, and are guided by community input. I look forward to an Adopted Budget that represents the needs of our residents in the City of San Diego (City).

#### **DEPARTMENT OF RACE & EQUITY**

##### Community Equity Fund

On January 22, 2024, San Diego, CA, experienced a significant flooding event that resulted in extensive property damage and the displacement of residents. In response, the County of San Diego established the Emergency Temporary Lodging (ETL) program to provide temporary housing assistance to flood-impacted City residents. As of May 20, 2024, 83% (439 out of 530) of San Diego city households were placed in this program.<sup>1</sup> This program terminates June 21, 2024.

The Community Equity Fund was established in Fiscal Year (FY) 2021, with a \$3.0 million General Fund contribution to this new fund. The intent of the fund is to allocate funding to community-based organizations to deliver equitable outcomes to the structurally excluded. However, despite being available for the past four years, the Community Equity Fund remains untouched and underutilized for its intended purpose. Therefore, I request that the entire FY 2024 budgeted Community Equity Fund (\$3 million) be carried forward to the FY 2025 Budget and be allocated to the SDHC to assist with the Flood Recovery Program for Displaced Residents to directly aid flood-impacted City residents transitioning back to permanent housing.

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<sup>1</sup> 2024 Winter Storm Emergency - Weekly Temporary Lodging Summary - City of San Diego: [City EOC Exec Brief Report\\_05202024.pdf \(alertsandiego.org\)](#)

Page 2  
Charles Modica, Independent Budget Analyst  
May 22, 2024

*Approximate Cost: \$3,000,000*

**Cannabis Social Equity and Economic Development Program**

Following the completion of the Cannabis Equity Study by the City's Cannabis Business Division, it is crucial for the City to support individuals harmed by the racially biased criminalization of cannabis. This program aims to use cannabis tax revenue to repair the damage done to those unjustly criminalized during the War on Drugs. However, the proposed budget reduction of \$417,139 will cut three (3) Full Time Employees (FTEs) from the Cannabis Social Equity and Economic Development Program, which would have provided eligible equity applicants with technical support, regulatory compliance assistance, and help securing capital to start their businesses. I request that the three FTEs and associated funding be restored.

*Approximate Cost: \$417,139*

**Youth Care and Development Program (Drop-Ins)**

For the FY 2024 Budget, the council unanimously supported funding to provide a safe space for youth to access critical resources. In San Diego, youth experiences vary widely depending on the availability and accessibility of opportunities and resources in their neighborhoods, including education, after-school programs, youth development initiatives, and mental health resources. A Pilot Community-Led Youth Care and Development Program would benefit youth by offering mental health counseling, job skills training, and trauma-informed care. Restoring funding to Drop-In centers for youth care and development is critical because they provide a safe and supportive environment for young people to receive guidance, resources, and mentorship.

*Approximate Cost: \$1,000,000*

**HOUSING & HOMELESSNESS SOLUTIONS**

**Restoring the San Diego Housing Commission (SDHC)**

The SDHC cannot use its reserves or alternative funding sources to fill budget gaps. The revised mayor's budget asks that the SDHC use the Affordable Housing Fund to fund the \$8,000,000 gap. This would result in \$6,000,000 from the Affordable Housing Notice of Available Funds, \$1,500,000 from the Accessory Dwelling Unit Loans, and \$500,000 from the First Time Homebuyers Program being cut from the FY 25 Budget. The City should not cut these programs and funding should be fully restored.

*Approximate Cost: \$8,000,000*

**Eviction Notice Registry**

This allocation will assist with start-up costs and staffing to support the Eviction Notice Registry for the Just Cause Notice administration within the Tenant Protection Ordinance. The ordinance includes a website and portal to collect landlord information and copies of

Page 3  
Charles Modica, Independent Budget Analyst  
May 22, 2024

termination notices, customer service, and quarterly and annual reporting to the City of San Diego.

*Approximate Cost: \$500,000*

## **ECONOMIC DEVELOPMENT**

### **Small Business Enhancement Program (SBEP)**

The SBEP is governed by Council Policy 900-15, which mandates a funding of \$20 per small business (those with 12 or fewer employees) registered with the City, with a minimum funding level of \$1.6 million. As of March 2024, over 91,000 small businesses require an appropriation of approximately \$1.8 million. Furthermore, the Small Business Enhancement Program (SBEP) needs funding to aid businesses impacted by the storms on January 22nd. Plus, SBEP funds support affordable childcare alongside the Office of Child and Youth Success and the YMCA, cybersecurity, and equal opportunity contracting training for small businesses. Small business support will be limited without proper funding.

*Approximate cost: \$1,200,000*

## **INFRASTRUCTURE & MOBILITY**

### **Climate Equity Fund**

The City Council established the Climate Equity Fund (CEF) in March 2021 to provide targeted infrastructure and other CAP related improvements to communities of concern, including those identified in the Climate Equity Index. The resolution adopting the CEF requires that the Mayor and Council, at a minimum, provide CEF funding equal to 10% of the General Fund distribution of franchise fees from gas and electric franchise agreements, and 1% of the total annual revenue received through each of the TransNet and Gas Tax distributions. Projects eligible for CEF should meet one of the following requirements: have an impact on reducing greenhouse gas emissions; increase green spaces; enhance safety in the public right of way; relieve congestion; or achieve other climate equity concerns. However, the annual allocation to the fund will be waived this year. Funding should be made available for communities of concern. I recommend that funding be fully restored per the City Council policy.

*Approximately \$8,500,000*

### **Capital Improvement Projects in Communities of Concern**

Neighborhoods in communities of concern have historically received underinvestment. Our residents deserve the same quality of life that other neighborhoods experience. Recommended projects are as follows:

- Hardcourt Improvements (B22045): Improving the tennis and basketball

hardcourts will enhance the quality of life and park space in our districts. This project provides for resurfacing existing courts, repaving existing courts, re-coasting existing courts with an acrylic coat, restriping to regulation court dimensions, and upgrading accessible travel paths to the court as required by ADA/Title 24. The cost estimate for improving a hardcourt is \$400,000 each. Funding should be allocated to courts that have recently been closed or inaccessible to the public due to their conditions. We recommend allocating funding to Emerald Hills and Encanto Tennis and Basketball Hardcourts.  
 Approximately \$800,000

- Southcrest Infrastructure CIP Expansion (B24101): Infrastructure upgrades are needed at the Southcrest Recreation Center, Southcrest Trails Park, and Beta Street to address drainage issues. A current project is funded to address lighting improvements only. This project must also consider the proximity of the Chollas Creek Watershed and the impact of storm channel improvements. The expansion of the project requires an additional \$500,000.  
 Approximately \$500,000
- Henwood Park (P24002): Henwood Park is a popular destination among City Heights residents and hosts numerous events yearly. The park needs new playground structures, seating areas, shading, lighting, and accessibility for park visitors. City Council approved \$750,000 in Fiscal Year 2024 to fund the initial design phase, and the project now needs additional funding to move to the next phase.  
 Approximately \$1,000,000

#### Public Power Feasibility Study

The City is actively investigating options to expand public utility services to include electric delivery. To achieve this, a Public Power Feasibility Study was recommended to evaluate the processes, costs, risks, and opportunities associated with municipalizing San Diego Gas & Electric (SDG&E) energy infrastructure assets within the City. However, the proposed budget leaves the Public Power Feasibility Study unfunded in FY 2025. The Study should be fully funded to maintain progress in researching energy independence.  
*Approximate cost: \$500,000*

#### Vision Zero Support – Seven Deadly Left Overs

With the goal of Zero Traffic-related fatalities and severe injuries by 2025, the City must invest in infrastructure to ensure safer streets. Based on Circulate San Diego's planning department, estimates from prior years, work of the Independent Budget Analyst, and information from the Transportation Department, recent fixes like those proposed

Page 5  
 Charles Modica, Independent Budget Analyst  
 May 22, 2024

here have cost an estimated \$100,000 per intersection. In District Four, Euclid Avenue, and Federal Boulevard must be prioritized for traffic calming mitigations.

*Approximately: \$700,000*

<b><u>The Seven Deadly Leftovers</u></b>	
<b>Intersection</b>	<b>District</b>
Clairemont Mesa Blvd & Doliva Dr	2
Rosecrans St & Moore St	2
Federal Blvd & Euclid Ave	4
Mira Mesa Blvd & Black Mountain Rd	6
Westview Pkwy & Mira Mesa Blvd	6
Imperial Av & 26th St	8
Market St & 19th St	8

## **LIBRARY AND PARKS & RECREATION**

### **After School and Teen Center Programs**

The After School and Teen Center Programs primarily serve youth in the communities of Council Districts 3, 4, 8, and 9. The original proposed budget reduction of 13.03 hourly positions and expenditures totaled \$902,429. The May revision did provide a partial restoration of 11.53 FTE positions and total expenditures of \$760,000. However, funding the After School and Teen Center Program is important because it provides support and enrichment for young people during crucial developmental stages. The After School and Teen Center Program should be fully funded.

*Approximate cost: \$142,429*

## **CITYWIDE SERVICES & OPERATIONAL NEEDS**

### **City Council – Community Projects, Programs, and Services (CPPS)**

Historically, each Council Office receives an annual allocation of CPPS grant funding. Council Policy 100-06 governs the allocation of CPPS funding. It allows Councilmembers to award CPPS funding to City departments, public agencies, and non-profit organizations serving lawful public purposes. These funds can support various community needs, including capital improvements, materials, equipment, and operational expenses. The Proposed Budget does not provide for CPPS funding for Council Offices. The City should allocate funds to CPPS to bolster our communities in need.

*Approximate cost: \$900,000*

City Council – Arts, Culture, and Community Festivals (ACCF)

Historically, each Council Office receives an annual allocation of Transient Occupancy Tax-supported ACCF grant funding. The Proposed Budget does not provide for ACCF funding for Council Offices. This program is important as it plays a major role in strengthening the City's diverse cultural ecosystem. This allocation should be dedicated to contracts with local arts, culture, and design organizations. Allocating grant funding to the Transient Occupancy Tax-supported Arts, Culture, and Community Festivals program is essential because it promotes local arts, culture, and community engagement, enhancing the vibrancy and attractiveness of the area to residents and visitors.

*Approximate cost: \$450,000*

**REVENUE SOURCES**

Table (1) illustrates the potential revenue sources for the FY2025 adopted budget.

Table 1

Potential Revenue Sources	Description	Approximate Amount (\$)
Kettner/Vine Non-General Fund Sources Proposed for Tenant Improvements	FY25 CDBG - HUD Plan - Restore Homeless Set-Aside	9,889,623
	Unobligated CDBG CARES Act (CDBG-CV)	2,700,000
	Permanent Local Housing Allocation (PLHA)	5,200,000
	Citywide Homeless Shelters w/in GFCIP Contr.	400,000
	Low & Moderate Income Housing (LMIHAF)	250,000
Transportation	Mill and Pave Team Delay	895,202
Sustainability & Mobility	Zero Emission Vehicle Position	30,000
City Planning	Revised Revenue Projections	346,445
Homeless Strategies & Solutions	1,000 New Shelter Beds at Ketter/Vine	1,914,634
Development Services	Street Vendor Ordinance Staff Reduction	743,000
	Contracts Between City & private Sector (Admin. Serves)	976,000
	Additional Transfer from Civil Penalty Fund	44,136
Parks and Recreation	Delay Addition of SD River Park Rangers	734,521
	Water Expenditure Reduction	724,415
	New Open Space Areas	2,487,451

Page 7  
Charles Modica, Independent Budget Analyst  
May 22, 2024

Economic Development	Contractual Services for Downtown Office Space Analysis	250,000
City Clerk	County Voter Registrar Rebate	500,000
<b>Total</b>		<b>28,085,427</b>

HLFIII/dh

cc: Daniel R. Horton, Chief of Staff, Office of Councilmember Henry L. Foster III



**Councilmember Marni von Wilpert**

*City of San Diego • District 5*

**MEMORANDUM**

**DATE:** May 22, 2024

**TO:** Charles Modica, Independent Budget Analyst

**FROM:** Councilmember Marni von Wilpert

**SUBJECT:** Final Budget Modifications for Fiscal Year 2025

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I appreciate the opportunity to submit my final budget modifications for the Fiscal Year 2025 budget. I would like to thank our IBA, Charles Modica, for the assistance and critical analysis you and your office have provided throughout the budget process. I am also appreciative of the Mayor and our Department of Finance staff for all your efforts in the past few months to control operational expenditures leading into this challenging fiscal year. These efforts yielded the critical excess equity that allowed for the substantial improvement to the proposed budget that we saw in the Mayor's May Revision.

I was pleased to see so many critical programs that had been proposed to be cut get restored, including: the Eviction Prevention Program, the Housing Instability Prevention Program, San Pasqual Valley Fire Rescue staffing, restoration of the "No Shots Fired" Program, the SDPD Juvenile Services Team and officers for our Police Station front counters, SD Access for all, and after school programs and teen centers in underserved areas. This revised budget proposal has addressed many of the major concerns I raised during the Budget Review Committee hearings. I am pleased with the current proposal given the substantial budget challenges that continue to impact our City.

Given the economic challenges this year, I am largely supportive of the current proposal given the improvements seen in the May Revision. I have included a few priorities and a budget mitigation opportunity that I would like to see concluded to generate savings. I will note that this is an abbreviated list of priorities given our current financial challenges. I would like to request that the IBA work closely with the Department of Finance, during the upcoming fiscal year, to ensure the Council is engaged should the economic outlook and revenue circumstances change. If additional revenue is identified, I would request that the priorities listed below, as well as the priorities included in my original FY2025 Budget Priority Memo and January Addendum.

I am committed to working closely with my Council colleagues, the Mayor, the IBA, city staff, and members of the public to finalize a budget that is balanced and addresses the needs of our communities. I request the following final budget modifications to be included in the Fiscal Year 2025 Budget:



**Budget Mitigations:**

- **Defund the JLL Downtown Office Space Study** – Est. Savings: \$250,000

**Budget Priorities:**

- **Fire Station 48 - Black Mountain Ranch Fire Station (CIP#S15015) - \$2.0M**
  - This is a critical Fire Station facility to support emergency response coverage for residents in District 5. The project has experienced significant delays in recent years, due to issues with an underground pipeline and a failed bid process. The project has \$2.0 million in unidentified funding needed to be fully funded through construction.
- **CPPS and ACCF Funding**– approximately \$1.5 million
  - The Council's Community Projects, Programs, and Services (CPPS) Funding as well as its Arts, Cultural, and Cultural Festivals Funding (ACCF) are incredible tools for Council offices to help bolster City services on every front. From giving parents the tools to teach their children to read to assisting with the purchase of vital equipment to support a local cultural festival, CPPS and ACCF provide important 'last mile' funding that can make the difference for a community focused organization. The level of accountability and qualifications required in the application process as overseen by Council Administration goes a long way in ensuring each dollar spent is spent for the public benefit. Maintaining this funding is not only important to supporting causes that align with the City's mission, but are an important ingredient in supporting each community's unique identity.
- **\$60k Lakes Recreation Program** (Enterprise funded based on increased security benefit at PUD facilities)
  - Outdoor recreation is essential for physical and mental health, providing opportunities for exercise and reducing the risk of chronic diseases. Additionally, engaging in outdoor activities fosters social connections and community bonding, enhancing overall quality of life. Public Utilities data revealed that in previous years, thousands of individuals utilized these facilities during the proposed closure periods. Eliminating access during these times will significantly and adversely affect all these users. I believe that our recreational users provide an additional level of security at our lake facilities with additional eyes monitoring these critical assets. I request that the City Attorney's office evaluate use of Water Enterprise funds for the purpose of the lakes recreation program, given this additional security benefit our recreational users provide. I believe that this change is reasonable and would ensure that our lakes recreation program is not at risk should the General Fund face economic challenges.
- **Vision Zero Infrastructure Improvements and Funding**
  - With tragic bike accidents on the rise, the safety of residents on our roads, bike paths, and sidewalks is paramount. The city must continue to allocate the funding necessary to implement traffic improvements on our most dangerous intersections to reach our Vision Zero goals and ensure the city is delivering complete street improvements for a multimodal transportation system.

- **Tot Funding for Penny for the Arts**
  - We must work towards attaining the goal of the promise of the Penny for the Arts. With a higher than anticipated TOT revenue projection in the 3<sup>rd</sup> Quarter Budget Monitoring Report, I request that funding from additional TOT revenue be allocated to increase funding for Arts & Culture.
- **Increased funding for Brush Management and weed abatement program in FY 2025**
  - With the historic rainfall the past two winters, we are seeing a substantial increase in brush and weeds in our open space and along our streets. These additional fuel loads lead to an increased danger during our prolonged fire season. I request funding for implementing the City Auditor's brush management recommendations from the 2024 audit. Brush management is a critical service our resident count on to ensure the safety of communities within high fire threat communities.
- **Increased Police Patrols in Northeastern Division**
  - Over the past year, my office has seen a significant increase in calls from District 5 residents reporting incidents of property crime, slow police response times, and general safety concerns. The limited number of SDPD Officers in Northeast Division have done an exceptional job and have gone above and beyond with the tools and the staffing available, but SDPD's Northeastern Division has been consistently understaffed, under resourced, and facilities are in much needed repair. I request funding in the FY 2025 budget for increased staffing at SDPD Northeastern Division.

#### **Additional District 5 Infrastructure Priorities**

- **Storm Drains Installation – Intersections: Pomerado Road x Mirasol Drive and Pomerado Road x Pomerado Place.**
  - Requesting the installation of storm drains where significant ponding occurs during rain events, creating a road hazard for residents.
- **Rancho Bernardo Community Park GDP Funding (CIP# L20000.1, L2000.2) - \$500,000**
  - The Rancho Bernardo Community Park is the only city developed park serving the approximately 40,000 residents of Rancho Bernardo. This request is for \$500,000 to help fund a General Development Plan to identify future park amenities and improvements for this heavily utilized park.
- **Spring Canyon Neighborhood Park Playground Equipment Replacement Upgrade & ADA Improvements– 10907 Scripps Poway Pkwy, San Diego, CA**
  - The original park playground equipment was removed for public safety reasons and has not been replaced. I am requesting funding to replace the Spring Canyon Neighborhood Park playground equipment including needed ADA improvements.




THE CITY OF SAN DIEGO

## M E M O R A N D U M

DATE: May 22, 2024

TO: Charles Modica, Independent Budget Analyst

FROM: Councilmember Kent Lee, Chair, Budget Review Committee



SUBJECT: Final Priorities for Fiscal Year 2025 Budget

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Thank you for the opportunity to provide budgetary priorities. I remain committed to working with Mayor Gloria and my City Council colleagues to pass a fiscally responsible budget that continues to invest in programs focused on supporting San Diego's most vulnerable communities.

This memorandum reflects the City's current fiscal reality and the limited resources currently presented as part of the Proposed Fiscal Year 2025 Budget and May Revision; it is not an exhaustive list and does include many of the significant programmatic and operational needs of the City that I believe are needed.

**1. Housing and Homelessness Programs**

The housing affordability crisis is the most urgent public policy issue impacting San Diegans. Too many San Diegans are rent burdened and struggling to find affordable housing. The San Diego Housing Commission (SDHC) has reported that the waiting list for Section 8 housing continues to grow, and the federal government is not providing sufficient resources to serve the number of San Diegans who are in critical need of rental assistance. Protecting our investments in affordable housing production, rental assistance, and homelessness and eviction prevention programs needs to be prioritized.

**Affordable Housing Notice of Funding Availability**

Currently, SDHC has recommended the utilization of \$6 million as part of its City of San Diego Fiscal Year 2025 Affordable Housing Fund Annual Plan; this recommendation was approved by the Land Use and Housing Committee unanimously on April 18, 2024. I strongly support reserving \$4 million in Inclusionary Fees and \$2 million in Housing Impact Fees for a Fiscal Year 2025 Notice of Funding Availability (NOFA). These funds are one of the only local sources for affordable housing production and need to be protected to ensure we can continue to make progress on our affordable housing goals.

Page 2  
 Charles Modica, Independent Budget Analyst  
 May 22, 2024

### Housing Instability Prevention Program

The Housing Instability Prevention Program (HIPP) is a critical program that helps pay rent and other housing-related expenses for families in the City of San Diego with low-income and unstable housing situations, such as facing eviction for nonpayment of rent. Programs such as HIPP are critical in the efforts to prevent San Diegans from becoming homeless when interventions can become less effective and more costly. SDHC requires an additional \$2,600,000 to effectively continue operations; without additional resources, SDHC will not be able to enroll any new program participants, effectively sunsetting the program. Additionally, without resources, the program will not be able to adjust rent standards for the 260 participating households at the current subsidy tiers of \$250, \$500, and \$750 per month, effectively increasing the rent burden of families at high-risk of becoming homeless. This April, the Regional Task Force on Homelessness reported that roughly 1300 individuals became homeless for the first time, and 967 were housed.<sup>1</sup> To continue to make progress on reducing the numbers of individuals experiencing homelessness we must also focus on prevention programs and reduce the number of individuals experiencing homelessness for the first time.

### SDHC Administered Homeless Programs

SDHC is the City's partner in administering critical programs. It has come to my attention that SDHC requires an additional \$6 million to effectively manage the City's homelessness programs and to ensure there is no reduction in services and/or current shelter bed operations. The programs that currently have been budgeted below the SDHC's recommended funded level include: 1) Serial Inebriate Program; 2) Homelessness Response Center; 3) Paul Mirable Center 4) Interim Shelter; 5) Midway Sprung Shelter; 6) 17<sup>th</sup> and Imperial Interim Shelter; and the Interim Family Shelter. It is my understanding these cuts impact food service at many of the interim shelters, including at the shelter that provides lunch service for young children and families, and could lead to a reduction in the number of available shelter beds. I am hopeful that alternative state and federal resources being analyzed by the Office of the Independent Analyst can be identified to address this important funding gap.

As part of the IBA's final recommendations on the Fiscal Year 2025 budget, I encourage the Independent Budget Analyst to review the eligibility of state and federal funds that could be used to support the programs outlined here.<sup>2</sup>

## **2. Restoration of Equity Programs**

### Restoration of the Community Equity Fund to Support Flood Victims

In 2020, the San Diego City Council unanimously established the Community Equity Fund in the amount of \$3.0 million alongside the Department of Race and Equity for the Fiscal Year (FY) 2021 budget. However, despite being available for the past four years, the Community Equity Fund has not been utilized for its intended purpose. The January 22, 2024, flood event resulted in extensive property damage and the displacement of residents. The Community Equity Fund (\$3 million) should be restored and allocated to the SDHC to assist with the Housing Support Supplement Program to directly aid flood impacted City residents transitioning back to permanent housing.

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<sup>1</sup> HMIS Data Newsletter, April 2024

<sup>2</sup> May 20, 2024 Memorandum from the Office of the Independent Analyst, *Allowable Uses for Non-General Fund Sources Proposed for Kettner/Vine Tenant Improvements*.

#### Restoration to the Youth Care and Development Program (Drop-In Center)

As part of the Adopted Fiscal Year 2024 budget, the City Council approved \$1 million for a pilot program to implement a youth drop-in center. Through this program, the City, in partnership with community-based organizations, would support adolescents and young adults in Southeast San Diego with education, after-school programs, youth development programs, and access to mental health and trauma informed-care. It was reported in the Independent Budget Analyst's review of the FY 2024 Mid-Year Budget Monitoring Report<sup>3</sup>, that organizations had been identified to contract with, and contract execution was anticipated in April 2024. However, the FY24 funding was identified as a budget mitigation measure. I strongly support reinstating this pilot program.

#### Restoration of the Cannabis Equity Program

The Cannabis Social Equity and Economic Development (SEED) Program that would have offered eligible equity applicants technical support, regulatory compliance assistance, and assistance with securing capital necessary to begin a business should be restored.

### **3. Climate, Energy, and Mobility Restorations**

#### Low-Cost Pedestrian Safety Upgrades at Dangerous Intersections

Mira Mesa Blvd. continues to present significant safety challenges for pedestrians. The following locations have been identified as some of the City's most dangerous intersections and should be further analyzed by City transportation staff to ensure the safety of Mira Mesa residents: Mira Mesa Blvd & Black Mountain Rd. and Westview Pkwy & Mira Mesa Blvd.

#### Restoration of the Climate Equity Fund

The Climate Equity Fund was established in 2021 to provide additional funding for City infrastructure projects to enable Communities of Concern to better respond to the impacts of climate change. Disadvantaged communities have experienced a lack of infrastructure such as, deficient park acreage, unimproved streets lacking pedestrian and bicycle improvements, and insufficient street lighting which have caused these communities to be more susceptible to the impacts of climate change. To meet the commitment the City made as part of its development of the Climate Equity Fund, I recommend funding capital projects that are eligible under the parameters outlined in City Council Resolution 2021-313454. Options for consideration include:

<b>Project Title</b>	<b>Project Description</b>
Southcrest Recreation Center \$500,000	The Southcrest Recreation Center is located in a community in City Council District 8 that was significantly impacted by the January 2022 flood event. The center provides critical recreational services to the community and played a critical role in storm response. The center is in desperate need of upgraded outdoor basketball courts; outdoor playgrounds; and youth ball fields. Additionally, the center is located adjacent to the Chollas Creek watershed and many of

<sup>3</sup> IBA Report Number 24-04, *IBA Review of the FY2024 Mid-Year Budget Monitoring Report*

	the nature trails were damaged during the flooding. At least \$500,000 should be set assign to conduct preliminary analysis on what upgrades are required and a process for revitalizing this critical neighborhood asset.
Jeremy Henwood Park \$1,000,000	The Officer Jeremy Henwood Park renovations project will revitalize a park located in the heart of the Mid-City/City Heights neighborhood in City Council District 9. It will provide the opportunity to upgrade playground structures while adding shading, seating, and lighting amenities, enhancing the safety and enjoyment of the park.
Fatal Fifteen (Eligible Locations) and Safe Street Investments \$TBD	To meet the City's climate goals it is imperative to invest in infrastructure that increases pedestrian and mobility choices. Currently, three of the "Fatal Fifteen" are in communities of concern and would be an eligible expenditure under City Council Resolution 2021-313454. Funding should be allocated to improve these locations and make them safe for pedestrians. Additionally, other locations that are unsafe should be further analyzed such as 47 <sup>th</sup> and Market Street ("collusion corridor") in City Council District 4.
City Council District 4 Park Improvements	City Council District 4 lacks quality park space to support the needs of residents. Various eligible park improvements should be considered such as investments to basketball courts and other critical park improvements that will mitigate the impact of climate change and support equitable access to green space.

#### Public Power Feasibility Study

The Energy Independence Fund (EIF) was established by resolution in April 2022 resolution to protect the City from unanticipated costs if the SDGE franchise was terminated, and to support the City in its efforts to better understand the environmental and fiscal benefits and costs associated with the municipalization of gas and electric services. While the budget deficit makes it necessary to utilize some of these funds, sufficient resources should be restored to complete Phase II of the Public Power Feasibility Study so that the City is adequately prepared for the future.

Page 5  
Charles Modica, Independent Budget Analyst  
May 22, 2024

## **Priority Restorations to Support Community-Based Organizations**

### Restoration of CPPS and Arts, Culture and Community Festivals (ACCF) Grants

For small organizations, a little goes a long way. CPPS and ACCF allow small, community-based organizations deliver critical, targeted, and impactful services and programs in every council district. Often these programs help the City achieve greater equity by distributing resources to grassroots nonprofits that our constituents know and trust.

### Small Business Enhancement Program

The Small Business Enhancement Program supports minority-owned and under-resourced businesses to overcome challenges and survive during challenging economic times. These resources permit City Economic Development staff to work closely with small businesses to support innovative economic partnerships that create jobs and thriving local small businesses. I recommend the full restoration of this valuable program.

## **4. City Council District 6 Neighborhood Priorities**

In the January 12, 2024, District 6 Budget Priority Memorandum submitted to the Independent Budget Analyst, Appendix I provided an extensive list of priority District 6 transportation projects. This detailed project list should be prioritized in the Street and Right of Way Division of the Transportation Department annual work plan. Recognizing the severity of the budget deficit, we respectfully request that the installation of the following streetlights be prioritized:

Priority Streetlights: January Place and Excalibur Way (TR338717), January Place and Sherlock Court (TR338717), and Montrose Way and Excalibur Way (TR338997)

### Reallocation: Convoy District Gateway Sign Project (S23007) to Convoy Parking District

In Fiscal Year 2024, an allocation of \$500,000 in General Fund was appropriated to support the Convoy District Gateway Sign / S23007 CIP. However, based on the conversations with the Asian Business Association, the organization that is managing the project, \$500,000 may not be required for the actual construction and installation of the sign. However, these resources should stay within the Convoy area to support current economic development initiatives contemplated by the newly established parking district in Convoy District and/or initiatives to support economic growth or infrastructure investment in the Convoy area.

## **5. Potential Modifications for Restorations**

The IBA has been diligent in preparing potential modifications or budgetary adjustments that could provide potential options for funding these vital programs. In the final recommendations report issued on June 4, 2024, I request that the IBA prepare an updated table of potential modification options that incorporates updates from the May Revision.

These should include all non-General Fund resources available for the City Council to allocate.

Thank you for your consideration and I look forward to working with my colleagues to finalize the Fiscal Year 2025 Budget.

KL/kmj



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

**MEMORANDUM**

DATE: May 22, 2024

TO: Charles Modica, Independent Budget Analyst

FROM: Councilmember Raul A. Campillo *Raul A. Campillo*

**SUBJECT: Final Budget Priorities for Fiscal Year 2025**

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In a very challenging budget year with the City facing a \$172 million deficit, I appreciate the Mayor's efforts to present a balanced budget that minimizes impacts to core City operations. I was also pleased to see a revised budget that reflects restorations that the City Council and public expressed their strong support for during the FY25 Budget Review Committee Hearings.

These restorations include critical public safety staff to support the Juvenile Services Team, front counter operations and the San Pasqual Response Team, as well as continued funding for the successful No Shots Fired Program. At a time when the number of individuals entering homelessness continue to outpace those becoming housed, key homelessness programs such as the Eviction Prevention Program and the Housing Instability Prevention Program are now being maintained in FY25, and the Neil Good Day Center daytime program has been restored to continue to meet the extensive needs of the communities they serve. Finally, I am happy to inform District 7 residents who contacted me about key programs and services for youth at our parks and recreation and library facilities, and infrastructure improvements such as finalizing the design of the San Carlos Library, that these were added as part of the May Revise.

The currently proposed budget is a concerted effort to fairly and equitably balance the needs of communities across the City. *Should your office be able to identify additional revenues that do not impact currently proposed programs and staffing*, I have provided additional priorities below for your consideration:



**ACCF/CPPS:** These programs support smaller organizations across all Council Districts that rely heavily on this funding for operations, programs and events. A zeroing-out of these funds would have significant impacts on their abilities to support communities Citywide, and a full or partial restoration could be considered to ensure these programs continue in FY25. I also encourage a discussion about increasing the portion of TOT funding to better align with the City Council's FY25 recommendation on its discretionary 1%, in conjunction with the FY25 Mid-Year Monitoring Report.

**After-School/Teen Center Programs:** I was very pleased to see the restoration of 15 out of the 17 Parks and Recreation sites that host these programs in the May Revise. Restoring programming at the final two sites in FY25 would ensure full access for all communities Citywide. *Approximate Cost: \$144,000*

**Cannabis Social Equity Program:** The City Council allocated funding in FY24 to match a \$883,000 State grant awarded to the City of San Diego intended to support the creation of this program. Restoring the 3.00 FTEs in the Department of Race and Equity, would allow program development to continue in FY25. If restored, any program should require licensees to meet elevated worker standards, guaranteeing competitive wages, benefits, and working conditions, and ensuring that new market participants do not compromise worker standards across the industry. *Approximate Cost: \$417,000*

**Climate Equity Fund:** This dedicated fund has provided funding for key projects in Communities of Concern since its establishment in 2021. It provides the opportunity to move parks and infrastructure projects forward into their next phase, and this momentum should be maintained in FY25. *Approximate Cost: \$7.4 million*

**Community Equity Fund:** This funding was programmed to be disbursed to community-based organizations in structurally excluded communities. The restoration of this funding would enable the Department of Race and Equity to work with organizations to address disparities related to employment, childcare and education. *Approximate Cost: \$3.1 million*

**Convention Center:** The Convention Center is estimating a record-breaking \$1.7 billion regional impact in FY25, with an estimated \$40.2 million in local TOT and sales tax revenues generated. In order to continue to serve as a key economic driver for San Diego, end-of-life infrastructure needs to be replaced and upgraded in FY25. Operational support funding for capital improvements should supplement the \$2.8 million currently proposed as a sales and marketing services passthrough to the San Diego Tourism Authority. *Approximate Cost: \$5 million*

**Eviction Notice Registry:** This Registry will be needed to implement the City's Tenant Protections Ordinance by allowing the San Diego Housing Commission to receive just-cause eviction notices from landlords. Restoration of these funds would allow the development and implementation of this Registry to continue in FY25. *Approximate Cost: \$400,000*

**Fix the Fatal 15 Intersections:** I appreciate seeing an increased commitment in the FY25 Proposed Budget to projects that make strides toward meeting the City's Vision Zero goal. Last

year, City Council added funding to upgrade the City's most dangerous intersections, and this work should continue in FY25 as many locations are still unsafe for pedestrians and bicyclists. Upgrades should be prioritized at the locations listed below. *Approximate Cost: \$1.5 million*

- Clairemont Mesa Blvd & Doliva Dr
- Rosecrans St & Moore St
- University Ave & Alabama St
- Federal Blvd & Euclid Ave
- Mira Mesa Blvd & Black Mountain Rd
- Westview Pkwy & Mira Mesa Blvd
- Palm Ave & 16<sup>th</sup> St
- Imperial Ave & 26<sup>th</sup> St
- Market St & 19<sup>th</sup> St
- University Ave & 44<sup>th</sup> St
- University Ave & College Ave
- El Cajon Blvd & 46<sup>th</sup> St
- El Cajon Blvd & Altadena Ave
- El Cajon Blvd & 60<sup>th</sup> St

**North Pacific Beach Lifeguard Station:** This critically needed project has experienced a nine-year delay, and funding is needed to ensure work proceeds uninterrupted in FY25. *Approximate Cost: \$120,000*

**Office of Child and Youth Success:** As a budget mitigation in FY25, this Office had to reduce funding for certain youth programs. The restoration of this funding would ensure that community outreach, focus groups and workshops that assist youth with college and career readiness can continue uninterrupted in FY25. *Approximate Cost: \$50,000*

**Promises2Kids Guaranteed Income Pilot:** An estimated 30% of foster youth become homeless within the first two years after turning 21. The investment needed to provide a diversion program for 50 former foster youth at a high risk of becoming homeless, would be half the cost of sheltering that same number of individuals.<sup>1</sup> This program would also provide the participants with support services, case management, mentorship, career development resources etc. *Approximate Cost: \$600,000, with a \$400,000 match from Promises2Kids to administer the program and provide \$1,000 monthly guaranteed income per individual and other support services*

**Youth Care and Development Program:** Organizations that would be contracting with the City have been identified, and the Office of Child and Youth Success has created a nonprofit agreement that could be executed in the months ahead, should this funding be restored in FY25.

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<sup>1</sup> Per Corporation for Supportive Housing's report entitled "Community Action Plan on Homelessness for the City of San Diego: 2023 Need and Financial Projections Update"

Councilmember Raul A. Campillo  
Final FY25 Budget Priorities Memo

These youth drop-in centers would provide counseling, trauma-informed care and workforce development programs to youth in need. *Approximate Cost: \$1 million*

cc: Michael Simonsen, Chief of Staff, Office of Councilmember Raul A. Campillo

RAC/sl



**COUNCILMEMBER VIVIAN MORENO**  
**City of San Diego**  
**Eighth District**  
**MEMORANDUM**

**DATE:** May 22, 2024

**TO:** Charles Modica, Independent Budget Analyst

**FROM:** Councilmember Vivian Moreno

**SUBJECT:** Final Budget Priorities and Revisions to the Fiscal Year 2025 Budget

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Over the last few weeks the Council has heard from many San Diegans regarding their priorities in the city's proposed budget. Public testimony and feedback about the city's FY25 budget is critical to ensuring the services and programs that the public is advocating for are included in the final adopted budget.

Taking public testimony and staff responses to Council questions into account, I submit this memorandum which contains my priorities for the final Fiscal Year 2025 budget. I have proposed \$30.5 million in new or restored expenditures and suggested over \$33.4 million in budgetary resources.

**EXPENDITURES**

**INFRASTRUCTURE**

**Beyer Park Development (Phase I) CIP# S00752**

**Project Description:** The project, located at Beyer Boulevard and Enright Drive, consists of the design and construction of Beyer Park. Full construction of the project requires \$35.1M which is split into two phases. Funding for Phase I is complete and construction was anticipated to begin in FY24, but it has been projected that the project will require an additional \$1.1 million in funding for full construction. This additional funding should be included in the FY25 budget to ensure Phase I remains on schedule.

Estimated cost: \$1.1M

**Beyer Park Development (Phase II) CIP# S23008**

**Project Description:** The project, located at Beyer Boulevard and Enright Drive, consists of the design and construction of Beyer Park. Full construction of the project requires \$35.1M which is split into two phases. The FY25 budget should provide funding needed for Phase II, which will allow the city to utilize existing grant funding and make a strong case for additional grant funding from federal and state governments. Not providing ongoing funding will put the city at risk of losing the aforementioned grant funding. This project should continue to move forward in FY25.

#### **Emerald Hills and Encanto Parks Hardcourt Improvements**

**Project Description:** The FY25 Budget should include funding to improve the hardcourts at Emerald Hills Park and Encanto Park.

Estimated cost: \$800k

#### **Jeremy Henwood Memorial Park Improvements CIP# P24002**

**Project Description:** The FY25 Budget should include funding to continue to move the Officer Jeremy Henwood Memorial Park Improvements forward.

Estimated cost: \$1M

#### **Otay Mesa Road Pedestrian Crosswalk**

**Project Description:** In 2022, the Transportation Department completed an evaluation for a marked crosswalk at the entrance to San Ysidro Middle School located at 4350 Otay Mesa Road. The location qualifies for a marked crosswalk with pedestrian activated flashing beacons and a streetlight, two curb ramps, and a small length of sidewalk are required for the safety of students, parents, and staff members. \$250k was previously budgeted for this project. It is currently in the design stage, which will include an environmental assessment, ADA review, and a survey of the site. This project was approved for creation at CIPRAC in March 2023, however the current estimate for project completion is \$350k and requires additional funding. The FY25 budget should allocate an additional \$100k to complete the project.

Estimated cost: \$100k

#### **Southcrest Infrastructure CIP# B24101 Expansion**

**Project Description:** There is a dire need to address various infrastructure upgrades at the Southcrest Recreation Center, Southcrest Trails Park and inadequate drainage issues on Beta Street. These long-term maintenance and improvement concerns have been shared with City Hall by residents and community members for decades. It is critical that the city now actively invest in these facilities to ensure the Southcrest community continues to recover from the January flooding event and receives equitable treatment. This project should be expanded to include, but not limited to, new lighting, rehab/rebuild/expansion of existing recreation center, addition of a playground, trail realignment, and evaluation of re-location of various picnic areas and exercise stations. This project must also take into account the proximity of the Chollas Creek watershed and ongoing storm channels improvements. The existing sublet project (B24101) under Annual Allocation (AGF00007) should be expanded to address these interconnected issues and renamed “Southcrest Accessibility and Lighting Improvements.”

Estimated cost: \$500k

### **Future Infrastructure/Commercial Paper/Bond Issuances and/or CDBG Reprogramming**

The projects listed in Attachment A are high priority community needs for the FY25 budget. Consideration should be provided to those projects for any additional FY25 funding opportunities via bond issuances, commercial paper, grant funding, CDBG reprogramming or higher than anticipated revenues.

## **CITY PROGRAMS AND SERVICES**

### **Equity Focused Programs and Services**

#### **Arts Culture and Community Festival Funding**

The FY25 budget should restore funding for the Arts Culture and Community Festival fund. Estimated cost: \$500k

#### **Cannabis Social Equity and Economic Development**

The FY25 Proposed Budget cut \$417k and 3.00 FTE associated with the Cannabis Social Equity and Economic Development (SEED). This program would offer equity applicants technical support, regulatory guidance, and assistance with securing capital necessary to begin a business. This program should be funded in FY25. Estimated cost: \$417k

#### **Climate Equity Fund**

The Proposed FY25 Budget waived the minimum Climate Equity Fund contribution of \$8.5M. \$1.5M was in FY25 allocated to one stormwater project, however there are a number of other critical CIP projects in underserved areas that should be funded in FY25. The FY25 Budget should restore the minimum contribution for the FY25. Qualifying CIP projects, such as the Southcrest Infrastructure CIP# B24101 Expansion, that need funding in the FY25 Budget can be funded via the Climate Equity Fund in FY25. Estimated Cost: \$7M

#### **Community Equity Fund**

The Proposed FY25 Budget eliminated the Community Equity Fund and transferred the unused FY24 funds to balance the General Fund. This fund should be restored in the FY25 budget for the purposes of assisting flood victims. The San Diego Housing Commission should manage the fund. Estimated Cost: \$3.1M

#### **Community Projects, Programs and Services Funding**

The FY25 budget should restore funding for the Community Projects, Programs and Services fund. Estimated cost: \$900k

#### **Office of Child & Youth Success Outreach**

The FY25 Proposed Budget cuts \$50k for the Office of Child and Youth Success to conduct community outreach, focus groups and workshops. This funding should be restored in FY25.

Estimated cost: \$50k

### **Small Business Enhancement Program (SBEP)**

The purpose of the SBEP is to provide continuing support to small businesses in recognition of their vital economic, employment, service, and cultural roles, and their importance in sustaining and revitalizing older commercial neighborhoods and adjoining residential area. Total funding in the budget is less than mandated by Council Policy 900-15, which states that the SBEP receive an annual General Fund appropriation equivalent to \$20 for each small business registered in the City with 12 or fewer employees. The FY25 Budget should include additional funding for the SBEP.

Estimated cost: \$1.2M

### **Teen Centers After School and Teen Center Program Support**

The May Revise included the restoration of 11.53 FTE positions associated with the After School and Teen Center Programs at 15 sites. Full funding of the program would require filling an additional 1.5 FTE and \$142k. These FTEs should be filled in the final FY25 Budget.

Estimated cost: \$142k

### **Youth Care and Development Program Restoration**

The FY25 budget should include funding for the Youth Care and Development program. This program was funded by the City Council in the FY24 Budget, but it was never started. The program supports adolescents and young adults in Southeast San Diego with education, after-school programs, youth development programs, and access to mental health and trauma-informed care.

Estimated cost: \$1M

## **Housing Programs and Services**

### **San Diego Housing Commission Budget**

The Proposed FY25 Budget included a reduction of \$15M in expenditures in homelessness programs and services and assumed the use of SDHC resources to fill that reduction. The May Revise added \$7M in expenditures to support homelessness programs support. This would still result in a reduction in the amount of funding to build affordable housing and support other housing related programs. The cost to restore the proposed reduction to SDHC in FY25 would be \$8M. This cut should be restored in the FY25 Budget.

Estimated cost: \$8M

### **Housing Instability Prevention Program**

The Housing Instability Prevention Program helps pay rent and other housing-related expenses for families in the City with low income and unstable housing situations, such as facing eviction for nonpayment of rent. The program should be fully funded in FY25.

Estimated cost: \$2M

### **Affordable Housing Preservation Fund Creation**

Creation of an Affordable Housing Preservation Fund is needed to begin to fulfill the city's commitment to preserving existing affordable housing throughout the city. The Housing Commission's Preservation Study and IBA Report 20-15 outline a 20% annual set-aside, plus future growth, of the city's RPTTF. This funding would also help establish a dedicated funding source so crucial to starting these affordable housing preservation programs. Although less than the recommended amount, a \$1 million allocation in FY25 would begin much needed work to ensure the city is retaining existing sources of affordable housing.

Estimated cost: \$1M

### **Eviction Notice Registry**

Funding is needed for start-up costs and staffing to support the administration of the Eviction Notice Registry for the Just Cause Notice within the Tenant Protection Ordinance. The ordinance includes a website and portal to collect landlord information and copies of termination notices, customer service, and quarterly and annual reporting to the City of San Diego.

Estimated cost: \$400k

### **Former Foster Care Youth Homelessness Prevention**

Foster care has been found to be a predictor of homelessness and former foster youth are one of the highest groups at risk of homelessness, with approximately 30% of them becoming homeless within 18-24 months of leaving foster care at the age of 21. Although over 83% have completed their education, their basic income levels, lack of a support network, coupled with San Diego's rising cost of living has many of these young adults struggling daily to meet their basic needs of food and shelter. To address this problem, the city should partner with a local non-profit, Promises2Kids, in their existing intensive prevention-based diversion program for 50 of the highest risk adults, former foster youth, with guaranteed income support. This support increases the ability to earn higher wages, secure career focused jobs, increase financial literacy, access community resources, and develop a strong support system through mentoring. A commitment of \$600,000 from the City for the first-year pilot serving 50 adults who were once in foster care would be met with a commitment of an additional \$350,000-\$400,000 in support from Promises2Kids to provide intensive case management, financial literacy, and provision of a volunteer mentor for each participant. The creation of a Former Foster Care Youth Homelessness Prevention Program should be funded in the FY25 Budget in the form of matching funds. SDHC could administer the funding and coordinate with Promises2Kids to ensure the pilot program is successful.

Estimated cost: \$600k

### **Arts & Culture**

The Penny for the Arts Blueprint calls for the city to dedicate 9.5% of total TOT revenue (1% of the 10.5% total TOT rate) to arts and cultural programs. The FY25 proposed Arts and Culture funding is a decrease over FY24 and falls far short of the goals of the Penny for the Arts Blueprint, which is \$31.2M (9.52% of TOT). The city needs to reaffirm its commitment to arts programming throughout the city and the FY25 budget should include additional funding towards arts and culture programming. City arts funding in the FY25 budget should, at the very least, remain at the same as was provided in FY24.

Estimated cost: \$2.5M



**Public Safety:****Lifeguards: North Pacific Beach Lifeguard Station**

The FY25 Budget should provide funding to ensure the North Pacific Beach Lifeguard Station project can acquire the land needed to allow it to proceed.

Estimated cost: \$120k

**Police Department**

The following items should be funded within the Police Department's FY25 budget:

- **Las Americas Outlets Traffic Enforcement**

Increased traffic enforcement along city streets adjacent to the Las Americas Premium Outlets from November 27th to December 24th.

- **Recruitment and Retention**

The city must continue to prioritize the recruitment and retention of police officers in order to address the large number of vacancies in the department and focus on ensuring the police department is appropriately staffed to provide our communities with the public safety services they need. As such, in FY25, the city should fund recruitment and retention efforts at a higher level than proposed in the FY25 budget.

**Stormwater**

The FY25 Budget should include 2.00 FTEs and \$288,000 for individuals that would develop a re-inspection fee, as was suggested in a City Audit of the Stormwater Department and as were requested by the Stormwater Department in the FY25 Budget. Once the Department develops a cost recoverable fee for re-inspections, it could potentially generate up to \$700,000 in annual revenue. The positions that were requested for FY25 are needed to develop the fee program, but will not be covered by revenue until the program is developed and implemented over the next year, so revenue would not be realized until FY26. However, once in place, these positions would result in additional city revenue for stormwater activities.

Estimated cost: \$288k

**Other****Planning Department: Otay Mesa/Nestor Community Plan Update**

Include the Otay Mesa-Nestor Community Plan Update in the FY25 community plan update work plan. The first Otay Mesa-Nestor Community Plan was adopted in 1979 and it was last updated in 1997. Funding should be allocated to begin work on this plan update in FY25.

**Public Utilities Department: San Dieguito River Valley Park JPA Contribution**

The FY25 Budget should be adjusted to match the JPA FY25 funding request.

Estimated cost: \$41,455

**SUGGESTED REVENUE SOURCES**

The cost of the expenditures/reallocations listed above is approximately \$30.5 million. In order to ensure the FY25 budget is balanced, I am offering up potential alternative resources that total over \$33.4 million.

### **Unobligated Community Development Block Grant CARES Act (CDBG-CV)**

The city has unobligated Community Development Block Grant CARES Act (CDBG-CV) funds. Activities that CDBG-CV can be spent on include eviction prevention services and rental assistance for low-income households, on a limited basis not to exceed 3-6 months. The FY25 Budget should utilize this funding to support qualifying existing programs or facilities at risk of not receiving funding in FY25.

Available resource: \$2.7M

### **Permanent Local Housing Allocation**

The city has unobligated Permanent Local Housing Allocation (PLHA) funds. These funds can be used for affordable housing development or rehabilitation, affordable rental and ownership housing that meets the needs of a growing workforce earning up to 120% AMI or 150% AMI of in high-cost areas, developing permanent supportive housing, and home ownership opportunity programs. In approving a City PLHA Plan, the City Council took action in 2020 to prohibit the funds from being spent on navigation centers and emergency shelters. The FY25 Budget should utilize this funding to develop affordable housing in FY25.

Available resource: \$5.2M

### **Citywide Homeless Shelters within General Fund CIP Contributions**

Any general fund dollars allocated from the CIP program to support a new shelter should be utilized in the FY25 Proposed Budget to either build CIP projects in underserved areas or transferred to support programs that are proposed to be eliminated in the FY25 Budget.

Available resource: \$400k

### **Low and Moderate Income Housing Asset (LMIFA) Fund**

This fund can be utilized for affordable housing and homeless services. Any LMIFA funds allocated to new projects should be utilized to support existing homeless programs in the FY25 Budget.

Available resource: \$250k

### **FY25 Community Development Block Grants (CDBG)**

The city will receive an allocation of \$9.9M in CDBG funding in FY25. This funding should be utilized to fund eligible programming at the San Diego Housing Commission and/or much needed CIP projects in CDBG eligible areas.

Available resource: \$9.9M

### **Registrar of Voters Refund**

The city is likely to receive a refund from the Registrar of Voters for an overpayment related to the March 2024 primary election. This funding should be utilized in the FY25 Budget.

Available Resource: \$500k-\$1M

### **Park and Recreation Personnel Expenditures**

The FY25 Proposed Budget includes the addition of 9.00 FTEs and \$2.5M in expenses to operate and maintain new open space areas. It also includes the addition of 3.00 Park Rangers and \$735k to support the expanded River Park area by addressing homeless encampments in

Mission Valley near SDSU's Snapdragon Stadium, as well as other locations along the river. These positions should not be added in FY25, unless they are grant funded or mandated by a regulatory agency.

Available resource: \$3.24M

### **Cancellation of Kearny Mesa Repair Facility Lease**

Cancelling the lease for the Kearny Mesa Repair facility would save \$1.5M in FY25.

The lease's initial term is 15 years with three 5-year options. The rent increases by 3% annually and if other operating expenses also increase by 3% annually, the total cost through October 2032 is \$14M.

Available resource: \$1.5M (FY25), \$14M (FY25-FY32)

### **Outside Contracts Reduction**

The city estimates spending \$387.4M, an increase of \$11.8M, or 3.2% over FY24. Approximately \$48.8M is allocated to outside contracts for external services in FY25 under the categories of 'professional/technical services' and 'consulting services.' A 2% reduction in these categories in the FY25 budget results in a savings of \$976k. The funding realized from this ongoing reduction could be used for ongoing general fund costs. Greater savings could be realized in the future by in-sourcing various jobs that are currently outsourced.

Available resource: \$976k

### **Reduction of Staffing Dedicated to Street Vendor Ordinance Enforcement**

The FY25 budget includes \$2.97M million to fund 32 positions and other non-personal costs dedicated to enforcing the street vendor ordinance. This is far too much allocated to this activity. The FY25 budget should reduce the positions and associated non-personnel costs by 25%.

Available resource: \$743k

### **Safe Parking Delay**

The FY25 budget should delay the New Safe parking Program.

Available resource: \$2.5M

### **1,000 New Shelter Bed Delay**

The FY25 budget should delay the New 1,000 Bed Shelter.

Available resource: \$1.9M

### **Parks and Recreation Department Water Expenditure Reduction**

The FY25 budget should reduce the amount allocated for Park and Rec. facilities water expenditures.

Available resource: \$724k

### **Packer RFID Install - Shift Funding or Delay**

The FY25 budget should delay the ESD Packer RFID Install

Available resource: \$379k

**Contractual Services for Downtown Office Space Analysis**

The FY25 budget should discontinue the contractual services for Downtown office space analysis.

Available resource: \$250k

**Additional Transfer from the Civil Penalty Fund**

The FY25 budget should utilize an additional transfer from the Civil Penalty Fund.

Available resource: \$44k

**Use of TOT Fund Balance**

The FY25 budget should utilize an additional transfer from TOT Fund Balance.

Available resource: \$530k

**Reimbursement of Costs Related to Emergency Water Rescue Activities**

Every year, the city expends staffing resources on rescuing people attempting to enter the United States via vessels along the San Diego coast. San Diego public safety personnel must respond when vessels experience failure and passengers lives are at risk. The costs related to activity by city employees, especially lifeguards, concerning federal immigration enforcement and rescues should be reimbursed by the federal government. The Government Affairs Department should pursue reimbursement for these costs that have fallen to the city and explore the potential to request the federal government for pro-active funding to ensure the city has proper resources to respond to future events along the coast as well and to rescue those in need.

Available Resource: \$1.5M

**Transportation Department- Assistant Deputy Director for Street Division**

This position was added supplementally after the FY24 budget was adopted. It was included in the FY25 Proposed Budget as a permanent position. The city should not be adding additional upper management positions that are not essential in FY25 when programs and services in underserved communities are proposed to be cut or reduced.

Available resource: \$217k

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

## ATTACHMENT A

The projects listed in Attachment A are high priority community needs for the FY25 budget. Consideration should be provided to those projects eligible for any additional FY25 funding opportunities via bond issuances, commercial paper, grant funding, CDBG reprogramming or higher than anticipated revenues.

**Barrio Logan Truck Route Traffic Calming Infrastructure CIP# P22003**

**Project Description:** The FY25 budget should include additional funding to install street-calming infrastructure on Beardsley St. (from Logan Ave. to Harbor Dr.) and Boston Ave. (from 28th St. to 32nd St.) to divert toxic air from Barrio Logan and enforce the Barrio Logan Truck Route. These traffic calming measures are greatly needed to prevent large semi-trucks from driving through residential neighborhoods, which impacts air quality. Staff has identified roundabouts at Newton Ave. & Beardsley St., and Boston Ave. & South 30th Street as appropriate traffic calming measures and is in the process of creating some conceptual drawings to share with the community. The FY24 Budget allocated \$1.2M for this project, however additional funding is required to fully fund the design and construction of both roundabouts. The FY25 budget should include funding to design, conduct community outreach and build the proposed traffic calming measures.

Estimated cost: \$2.2M

**Beyer Park Development (Phase I) CIP# S00752**

**Project Description:** The project, located at Beyer Boulevard and Enright Drive, consists of the design and construction of Beyer Park. Full construction of the project requires \$35.1M which is split into two phases. Funding for Phase I is complete and construction is anticipated to begin in FY24. The total project cost increased due to increase in construction costs. Additional funding should be included in the FY25 budget to ensure Phase I remains on schedule.

Estimated cost: \$1.1M

**Beyer Park Development (Phase II) CIP# S23008**

**Project Description:** The project, located at Beyer Boulevard and Enright Drive, consists of the design and construction of Beyer Park. Full construction of the project requires \$35.1M which is split into two phases. The FY25 budget should provide the final amount of funding needed for Phase II, which will allow the city to utilize existing grant funding and make a strong case for grant funding from federal and state governments. Not providing funding will put the city at risk of losing the aforementioned grant funding.

Estimated cost: \$5.3M

**Boston Avenue Linear Park CIP# P22005**

\$500,000 was included in the FY22 budget for a General Development Plan to be developed for creation of Boston Linear Park. \$1.5M was included in the FY24 Budget from the Climate Equity Fund to support land acquisition and GDP scoping. This project will likely be eligible for state grant funds, which makes early investment by the city critical. This project should receive funding in the FY25 budget to ensure it continues to move forward.

Estimated Cost: TBD

**Chicano Park Improvements Phase III (B20060)**

**Project Description:** This project includes storm drain improvements and ADA improvements in Chicano Park as well as path of travel improvements to two playgrounds and the Kiosko (band/stage) area. This project is funded. Any additions to the scope of this project should be funded in the FY25 budget.

Total estimated cost: TBD

**Citrus Avenue & Conifer Avenue Improvements**

**Project Description:** This project will design a full right-of-way surface improvement of Citrus Avenue and Conifer Avenue, within the Otay Mesa-Nestor Community. A feasibility study has been completed and it concluded that a project to install curbs, gutters, sidewalks, driveway entrances, streetlights, parkways, and new pavement along these two street segments would cost approximately \$2.3M. This Project is consistent with the community plan guidelines for Otay Mesa-Nestor. This project should be funded in the FY25 budget.

Total estimated cost: \$2.3M

**Coral Gate Neighborhood Park Playground Improvements CIP# B-20057**

**Project Description:** The project provides for the design and construction of playground improvements at Coral Gates Neighborhood Park. The project is fully funded. Any additional or unexpected costs that would prevent the project from being completed should be funded in the FY25 budget.

Total estimated cost: TBD

**Cypress Drive Cultural Corridor CIP# S23011**

**Project Description:** This project is the creation of a cultural corridor on Cypress Drive from the Blue Line Trolley Tracks to San Ysidro Boulevard. This project is in accordance with the San Ysidro Community Plan Update as defined in section 3.2.8 and 4.9.16 - 4.9.20 to improve existing alleys and implement innovative walkability improvements within the San Ysidro Historic Village area in order to connect the commercial area along West San Ysidro Boulevard and the transit-oriented development around the Beyer Trolley Station. The FY24 Budget allocated \$2M to support project construction, which includes roadway widening and drainage improvements. Any additional funding required for completion of the project should be included in the FY25 budget.

Estimated cost: TBD

**Dennery Ranch Neighborhood Park CIP# S00636**

**Project Description:** The project, located at Dennery Road and Ballast Lane, consists of the design and construction of Dennery Ranch Neighborhood Park in the Otay Mesa Community. This project is estimated to cost a total of \$22 million. The current funding gap is \$15 million. The project site was acquired by the city in 2021. The project is in design and construction could begin in 2024. This project should be prioritized in the FY25 budget and available funding through Commercial Paper Program and FBA funds should be utilized to move forward with construction.

Estimated cost: \$15M

**Egger South Bay Recreation Center CIP# S15301**

**Project Description:** This project provides for the design and construction of ADA improvements for the children's play areas, parking lot resurfacing and associated paths of travel to comply with accessibility requirements. The FY23 budget included \$2.85M in funding, which completes funding for the project. Construction is anticipated to begin in FY23 and be completed in FY24. If completion of the project is delayed and requires any additional funding in FY25 the funds should be allocated to allow the project to be completed.

Estimated cost: TBD

**Grove Neighborhood Park (formerly named Southwest Neighborhood Park) CIP# P18010**

**Project Description:** This project provides for design and construction of a new neighborhood park located east of I-5 and bounded by 25th Street, 27th Street, and Grove Avenue. The proposed neighborhood park will provide approximately 11.5 acres of population-based park land. Building this project is vital to ensure residents in Otay Mesa-Nestor have equity in access to park land that wealthier communities enjoy. Construction documents have been completed and the remaining unidentified funding for this project is \$25.6M. This project should receive additional funding in the FY25 budget to ensure this critical park project moves forward and to demonstrate to state and federal agencies considering the park for grant funding that the city is planning to move forward with the project.

Estimated Cost: \$25.6M

**Hidden Trails Neighborhood Park CIP# S00995**

**Project Description:** This project, located east of Parson's Landing and north of Westport View Dr. in the Ocean View Hills Neighborhood, provides for the acquisition, design and construction of an approximately 3.7-acre Neighborhood Park. The project could include sport fields, children's play areas, walking paths and other amenities. This project's General Development Plan was completed in FY21. Design was completed in FY23. The project received \$1.15M in funding from the Otay Mesa Enhanced Infrastructure Financing District and \$6M in Otay Mesa FBA funds in the FY24 budget. Current funding fully funds the project based on current engineer's estimates, however, if there are any unexpected cost increases, the FY25 Budget should allocate funding to ensure the project is constructed.

Total estimated cost: TBD

**La Media Road CIP #S15018**

**Project Description:** This project will widen La Media Road between SR-905 to Siempre Viva Road. La Media Road will be widened to a six-lane primary arterial from SR-905 to Airway Road, a five-lane major between Airway Road and Siempre Viva Road with three southbound lanes and two northbound lanes. Improvements from Siempre Viva Road to Otay Truck Route will be constructed under a different project. This project will also improve drainage at the intersection of La Media Road and Airway Road. This project is estimated to cost \$54M. Completion of this project is critical to the local and regional economy and any cost increases experienced during construction of the project should be addressed in the FY25 budget.

Estimated cost: TBD

**La Media Road Phase II (La Media Improvements- Siempre Viva to Truck Route) CIP #S22006**

**Project Description:** This project represents phase 2 of the La Media Road Improvements Project. It will improve La Media Road from Siempre Viva to the Otay Truck Route to a three-lane facility with two southbound truck route lanes as well as one northbound lane for Customs and Border Protection vehicles. Additional project improvements include sidewalk, curb and gutters, streetlights, and curb ramps. Total project cost is \$17.6M. Design began in FY20 and is anticipated to be completed in FY25. The environmental and right-of-way phases began in FY23 and are anticipated to be completed in FY25. With full funding, construction could begin in FY25.

Estimated cost: \$15M

### **Logan Avenue Traffic Calming Infrastructure**

**Project Description:** The FY25 budget should include additional funding to install street-calming infrastructure on Logan Avenue. The street has qualified for the installation of additional traffic lights at intersection and crosswalk installation on all legs of the intersection. The installation of angled parking could also be included in this project. The project is currently on the Transportation Department's unfunded needs list.

Estimated cost: TBD

### **Logan Heights LID South CIP# B15051**

**Project Description:** This project will install Low Impact Design (LID) measures in order to treat surface runoff to improve the water quality within Chollas Creek. Specific LIDs to be installed include bioretention BMP's (Best Management Practice), biofiltration BMP's, and a proprietary biofiltration BMP's (Modular Wetlands or approved equal) along the following streets within the Logan Heights Community: Newton Avenue, 29th Street, 30th Street, and 32nd Street. Total project cost is \$3.7M and it is fully funded. Any unanticipated costs to this project that would cause a delay in completion should be included in the FY25 budget.

Estimated cost: TBD

### **Memorial Community Park Sports Field, Security and Pedestrian Lighting Project CIP# B23028**

This project will install much needed sports field and security/pathway lighting upgrades at Memorial Community Park, located at 2975 Ocean View Boulevard in the Logan Heights community. The project would install lighting to accommodate all park users and meet public health and safety standards. It would include the upgrade and installation of necessary lighting infrastructure and the removal and replacement of existing surfaces such as concrete, turf, walkways, fences and any required ADA upgrades and improvements. In 2023, this project was chosen to receive \$3.5M in State grant funding and is eligible for Citywide Park DIF. Initial estimates indicate the project may cost \$6M. The FY25 budget should provide funding for this project and the city should continue to pursue any available state or federal grant funding intended for park related projects in communities of concern.

### **Montgomery-Waller Lighting Installation**

**Project Description:** A CIP project needs to be created to install additional security lighting for the park, with six additional poles and fixtures along west perimeter of the park grounds. This park improvement has been on the unfunded needs list since 1997. This project should be funded in the FY25 budget.



Estimated cost: TBD

### **Nestor Fire Station No. 30 Upgrades**

**Project Description:** A CIP Project needs to be created in the FY25 budget to address deferred maintenance issues at the Nestor Fire Station (No. 30). Deferred maintenance needs total \$2.05 million and include:

- Complete remodel similar to FS33 with new kitchen, office and dorm expansion, bathrooms, HVAC, exhaust extraction, flooring, paint interior and exterior, window and landscaping. Cost estimate: \$2M
- New flooring in kitchen, Ready Room, dorms. Cost estimate: \$10k
- Six ready chairs. Cost estimate: \$6k
- Programmable PPE washer. Cost estimate: \$2k
- Exhaust extraction system replacement. Cost estimate: \$25k

Estimated cost: \$2.05M

### **Old Logan Heights Library Renovation (CIP# S22010)**

**Project Description:** This project will renovate the Historic Logan Heights Library site into a resource for the Logan Heights community. The project has received State grant funds, as well as EDCO funds. The FY25 budget should include funding to move the project forward.

Total estimated cost: TBD

### **Otay Mesa Fire Station No. 49**

**Project Description:** This project provides for a 13,000 square foot double-house fire station to serve the Otay Mesa and Otay Mesa/Nestor Communities. The fire station will be located across the intersection of Ocean View Hills Parkway and Sea Fire Point and will serve the community in addition to Fire Station 6 located at 693 Twining Avenue. The fire station will accommodate 3 apparatus bays and will also have a training room. This project will also include the cost for the purchase of one fire engine. The new fire station will comply with Fire's current station design & construction standards & specifications. A second fire station is needed to serve the Otay Mesa and neighboring communities and it will ensure consistency with the recommendations in the Citygate Report. Annual operating costs to staff this station are \$1.7M for personnel and non-personnel expenditures once construction is complete. Total costs for this project are approximately \$22.5M. The FY24 Budget provided \$250,000 in Otay Mesa FBA funds to support project predesign. Funding for this project should be included in the FY25 budget so it can continue to move forward.

Total estimated cost: \$22.5M

### **Palm Avenue Revitalization Plan**

**Project Description:** The Palm Avenue Revitalization Plan includes strategies to promote economic development and improve vehicle, transit, pedestrian, and bicycle mobility along Palm Avenue between 13<sup>th</sup> Street and Hollister Street. As part of the relinquishment of Palm Avenue, which was approved this May, Caltrans worked with the city's Transportation & Storm Water Department to assess the condition of infrastructure within the relinquishment limit. At the end of the evaluation, Caltrans and the city agreed that \$5M is sufficient to bring the roadway and related infrastructure into compliance with current city standards. Caltrans provided the city with the \$5M to improve the identified infrastructure. Proposed improvements to be allocated with the

\$5M include Traffic Signal Modifications (Pre-design), Sidewalk Repair and Reconstruction (design), Street Repair and Reconstruction (to begin after signal modification completion), and maintenance needs. Utilizing the funding provided by Caltrans, the Palm Avenue improvements should be its own CIP in the FY25 Budget.

**Palm Avenue Traffic Signal Modification CIP# B-21120:** The FY22 budget included \$600,000 for a CIP that will provide signal upgrades at Palm Avenue and 16<sup>th</sup> Street, Palm Avenue and Saturn Boulevard, and install signal interconnect from the intersection of Palm Avenue and Saturn Boulevard to the intersection of Coronado Avenue and Saturn Boulevard. The project is currently in the design phase. The design began in 2022 and it is anticipated to be completed in 2024. Other revitalizing projects for Palm Avenue such as street resurfacing have to wait until the traffic signal modification is complete in order to move forward. This project should be prioritized to allow for its completion and the completion of subsequent projects on Palm Avenue.

**Riviera Del Sol Neighborhood Park CIP# S00999**

**Project Description:** This project provides for the design and construction of a 4.9-acre neighborhood park, within the Otay Mesa Community, near Del Sol Blvd. and Dennery Road. The total project cost is \$9,570,838 and is fully funded. In the event construction for this project is delayed or needs additional funding, it should be funded in the FY25 budget. Estimated cost: TBD

**San Ysidro Activity Center Parking Lot & ADA Improvements CIP#B20097**

**Project Description:** This project provides for the design and construction of parking lot and accessibility improvements, including the addition of accessible parking spots and curb ramps as well as improvements in security lighting. Total project costs are estimated at \$4.3M. If there are any unexpected cost increases, the FY25 budget should allocate funding to ensure the project is constructed. Estimated cost: TBD

**Otay Mesa Road Pedestrian Crosswalk**

In 2022, the Transportation Department completed an evaluation for a marked crosswalk at the entrance to San Ysidro Middle School located at 4350 Otay Mesa Road. The location qualifies for a marked crosswalk with pedestrian activated flashing beacons and a streetlight, two curb ramps, and a small length of sidewalk are required for the safety of students, parents, and staff members. The FY23 Budget allocated \$250k for this project. It is currently in the design stage, which will include an environmental assessment, ADA review, and a survey of the site. This project was approved for creation at CIPRAC in March 2023, however the current estimate for project completion is \$350k. The FY25 budget should allocate an additional \$100k to complete the project. Estimated cost: \$100k

**Sherman Heights Community Center**

The Sherman Heights Community Center (SHCC), located at 2258 Island Avenue, was founded in 1984 and serves about 40,000 residents a year who live in Sherman Heights and the nearby

communities of Grant Hill, Logan Heights, Barrio Logan, San Ysidro and other South Bay communities. Residents depend on it for educational, health, personal development, and cultural programs that enhance the well-being of individuals and families in District 8. However, the SHCC building, which is owned by the city, has a number of deferred maintenance issues that need to be addressed in order for the facility to continue being used by the community, including tenting the facility for termites, repairing the wood deck and repairing the siding. These improvements will ensure the building is safe for use by the public. The FY25 budget should provide funding to address the identified deferred maintenance issues.

Estimated cost: TBD

### **Sidewalk Installations**

**Project Description:** The FY25 budget should include funding for the construction of sidewalks at the following locations:

- **Thermal Avenue-Donax Avenue to Palm Avenue Sidewalk CIP# B18157**  
**Project Description:** Installation of sidewalk on east side of Thermal Avenue between Palm Avenue and Donax Avenue and the west side of Thermal Avenue from Dahlia Avenue to Donax Avenue. The project is currently in design and will require \$1.1M to be constructed. This project should be funded in the FY25 budget.  
 Estimated cost: \$1.1M
- **Saturn Boulevard Sidewalk Project**  
**Project Description:** This project is the construction of a sidewalk on the west side of Saturn Boulevard between Dahlia Avenue and Elm Avenue. In 2016, the Transportation and Storm Water Department determined that this location qualifies for sidewalks under City Council Policy No. 200-03. The project number is Saturn Boulevard (SN 15-770299) and has been added to the City's "Sidewalk Needs List" competing with other similar projects to receive funding for construction. The FY24 Budget allocated \$1.5M to construct the sidewalk. Any additional funding this projects requires to be completed should be included in the FY25 Budget.  
 Estimated Cost: TBD

### **Otay Mesa-Nestor**

- 16<sup>th</sup> Street (east side), from Elder Avenue to Elm Avenue
- 16<sup>th</sup> Street (west side), from Evergreen Avenue to Elm Avenue
- 24<sup>th</sup> Street, from Palm Avenue to Harris Avenue
- Atwater Street, from Fern Avenue to Coronado Avenue
- Citrus Avenue between Coronado Avenue and the end of Citrus Avenue
- Conifer Avenue between Coronado Avenue and the end of Conifer Avenue
- Donax Avenue (north side), from 15<sup>th</sup> Street to 16<sup>th</sup> Street
- Elder Avenue (north side), from 16<sup>th</sup> Street to Thermal Avenue
- Elm Avenue (south side), from Hardwood Street to 16<sup>th</sup> Street
- Evergreen Avenue, from Thermal Avenue to 16<sup>th</sup> Street

### **San Ysidro**

- West San Ysidro Boulevard, from 156 West San Ysidro Boulevard, to 198 West San Ysidro Boulevard (Fire Station 29)
- West Side of Otay Mesa Road between Beyer Boulevard and Otay Mesa Place (SYSD)
- North Side of East Calle Primera between Sycamore Road and Willow Road
- West side of Alaquinas Drive north of Mount Carmel Drive
- 29<sup>th</sup> Street from Imperial Avenue to Commercial Street

### **Logan Heights**

- 29<sup>th</sup> Street from Imperial Avenue to Commercial Street

### **Sidewalk Repairs**

The FY25 budget should include funding for the repair of sidewalks at the following locations, if they were not repaired in FY24:

- Imperial Ave from 30<sup>th</sup> Street to 31<sup>st</sup> Street
- Imperial Ave from 22<sup>nd</sup> Street to 24<sup>th</sup> Street
- 21<sup>st</sup> Street from Imperial Avenue to Commercial Street (this sidewalk is on a slope and the curb/ sidewalk is not built to drain the water when it rains, resulting in rainwater flowing into the buildings along this stretch.
- 220 North 30<sup>th</sup> Street

### **Streetlight Installations**

The FY25 budget should include funding within the annual allocation for the installation of new streetlights at the following locations:

- East Beyer Boulevard northwest of Center Street 600', west side
- East Beyer Boulevard southeast of Center Street 600', east side
- Athey Avenue southwest of Smythe Avenue, west side
- Del Sur Boulevard north of Caithness Drive 185', west side
- Corner south of Beyer Boulevard, west of Otay Mesa Road
- Otay Mesa Road south of Otay Mesa Place 540', east side
- W Hall Avenue west of Cypress Drive 150', south side
- Willow Road south of Calle Primera 400', west side
- Tennie Street west of Sanger Place 260', north side
- Howard (SB) Avenue south of Iris Avenue 130', east side
- Via Encantadoras between Vista Lane and Tequila Way
- Diza Road between Blando Lane and Alaquinas Drive
- Logan Avenue from Evans Street to 26<sup>th</sup> Street and National Avenue
- Corner of Sampson Street and Logan Avenue
- Boston Avenue from 29<sup>th</sup> Street to 32<sup>nd</sup> Street

### **Streetlight Upgrades**

The FY25 budget should include funding within the annual allocation for the upgrade of streetlights at the following locations if they were not repaired or upgraded in FY24:

1. Streetlights on Calle De La Alianza
  - a. City staff evaluation determined that both streetlights on Calle De La Alianza can be upgraded to LED lights.

2. Streetlight on Diza Road
  - a. City staff evaluation determined the existing streetlight at the intersection of Blando Lane & Diza Road can be upgraded to an LED light.
3. All streetlights on Imperial Avenue between 32<sup>nd</sup> and 33<sup>rd</sup> Streets alongside the 32<sup>nd</sup> Street trolley bridge are out and require repair or upgrades.
4. All four streetlights at the corner of Ocean View Boulevard and 28<sup>th</sup> Street (located right next to LMEC school)- are out and require repair or upgrades.
5. Streetlight at the corner of Evans Street and Logan Avenue (next to the VFW).
6. 923 South 26<sup>th</sup> Street
7. Across from 923 South 26<sup>th</sup> Street
8. 25<sup>th</sup> Street and Imperial Avenue (Corner located next to the Central Police Station)

### **Street Resurfacing**

The FY25 budget should include funding for street resurfacing for the following street and alley segments in if they were not resurfaced in FY24:

Streets:

- 22<sup>nd</sup> Street between G Street and Market Street
- 24<sup>th</sup> Street between Palm Avenue and Harris Avenue
- 31<sup>st</sup> Street between Market Street and Island Avenue
- 35<sup>th</sup> Street from National Avenue to Boston Avenue
- Beardsley Street and Logan Avenue to National Avenue
- Beyer Way between Palm Avenue and the borderline of City of Chula Vista
- Boston Avenue from 28<sup>th</sup> Street to 29<sup>th</sup> Street
- Carnell Avenue between Beyer Boulevard and Clavelita Street
- Cornet Place between Carnell Avenue and Cornet Place
- Coronado Avenue between 15<sup>th</sup> Street and 17<sup>th</sup> Street
- Coronado Avenue between 15<sup>th</sup> Street and Gaywood Street
- Coronado Avenue between 17<sup>th</sup> Street and Saturn Boulevard
- Coronado Avenue between Atwater Street and 16<sup>th</sup> Street
- Coronado Avenue between Saturn Boulevard and Hollister Street
- Coronado Avenue I-5 overpass between Hollister Street and Outer Road
- Coronado Avenue between Outer Road and 27<sup>th</sup> Street
- Donax Avenue between 14<sup>th</sup> Street and 18<sup>th</sup> Street
- Donax Avenue between 16<sup>th</sup> Street and Saturn Boulevard
- E Street between 33<sup>rd</sup> Street and 34<sup>th</sup> Street
- Eboe Avenue between Granger Street and the end of Eboe Avenue
- Elm Avenue between 18<sup>th</sup> Street and Saturn Boulevard
- Granger Street between Imperial Beach Boulevard and the end of Granger Street
- Hermes Street between Thermal Avenue and Triton Avenue
- Hermes Street between Triton Avenue to end
- Hensley Street and L Street to Imperial Avenue
- Irving Avenue between Commercial Street and Cesar E Chavez Pkwy
- L Street between 22<sup>nd</sup> Street and 24<sup>th</sup> Street
- Market Street to Island Avenue on 31<sup>st</sup> Street

- Martin Avenue and 31<sup>st</sup> Street intersection
- Palm Avenue between 16th Street and Georgia Street
- Picador Boulevard between Arruza Street and Arey Drive
- Saturn Boulevard between Dahlia Avenue and Palm Avenue
- Saturn Boulevard between Palm Avenue and Home Depot entrance
- Sigsbee Street between Main Street and Harbor Drive
- Signal Avenue between Hermes Street and the end of Signal Avenue
- S. Bancroft Street by Greely
- S. 42<sup>nd</sup> Street between Nordica and Eta Street
- Willow Road between Calle Primera and Camino de la Plaza

#### **Alleys:**

- Alley behind La Bon Way and Martin Avenue
- Anthony Drive is paved but the alley that branches off of this street is not paved.
- Alley off of K Street between Langley Street and 28<sup>th</sup> Street

#### **Southcrest Infrastructure CIP Expansion**

**Project Description:** There is a dire need to address various infrastructure upgrades at the Southcrest Recreation Center, Southcrest Trails Park and inadequate drainage issues on Beta Street. These long-term maintenance and improvement concerns have been shared with City Hall by residents and community members for decades. It is critical that the city now actively invest in these facilities to ensure the Southcrest community continues to recover from the January flooding event and receives equitable treatment. This project should be expanded to include, but not limited to, new lighting, rehab/rebuild/expansion of existing recreation center, addition of a playground, trail realignment, and evaluation of re-location of various picnic areas and exercise stations. This project must also take into account the proximity of the Chollas Creek watershed and ongoing storm channels improvements. The existing sublet project (B24101) under Annual Allocation (AGF00007) should be expanded to address these interconnected issues and renamed “Southcrest Accessibility and Lighting Improvements.”

Estimated cost: \$500k

#### **Unimproved Streets Infrastructure**

Design for the following unimproved street or alley locations to be built to city standards should be funded in the FY25 budget:

- The unimproved street located at South Bancroft Street at the intersection of Greely Avenue in the community of Stockton has received preliminary review by Transportation Department staff in FY23. Design work on this project will continue in FY25, however funding will be required for construction in future years.
  - Estimated cost: \$250k
- Unimproved street located at 24<sup>th</sup> Street from Palm Avenue to Drucella Street
  - Estimated cost: \$250k
- Unimproved alley behind 603 South Bancroft Street, which is La Bon Way
  - Estimated cost: \$250k

#### **Non-General Fund CIP**

**Hollister and Monument Pipe Replacement - AC Water & Sewer Group 1040 (W)**  
**CIP#B18068**

**Project Description:** This project replaces approximately 18,178 feet (3.44 mi) of 4-, 6-, 8-, 12-, 16- inch AC, DI and CI Water Mains with new PVC Water Mains on Hollister Street and Monument Road in the Tijuana River Valley. It also includes resurfacing of Hollister Street from Sunset Avenue to Intersection with Monument Road, and Monument Road from Dairy Mart Bridge to County Park Entrance. The project requires \$6.8M to complete design and construction. This project should be funded in the FY25 Public Utilities Department budget. Estimated Cost: \$6.8M



**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

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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 <sup>th</sup> and Newton, 17 <sup>th</sup> 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"> <li>• <i>CIP P24002, Officer Jeremy Henwood Memorial Park improvements – \$1,000,000</i></li> <li>• <i>CIP 24101, Southcrest Infrastructure CIP expansion – \$500,000</i></li> <li>• <i>Investments at the ‘Fatal 15’ intersections in eligible census tracts – \$700,000</i></li> </ul>	
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.