



## THE CITY OF SAN DIEGO

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### OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

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Date Issued: June 3, 2025

IBA Report Number: 25-19

Budget Review Committee Date: June 6, 2025

Item Number: 1

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## FY 2026 Councilmember Budget Modification Memoranda

As part of the FY 2026 budget development process, Councilmembers submitted budget modification memoranda to our Office on May 21, 2025, 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 2026 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 25-18, Recommended City Council Modifications to the Mayor's Proposed FY 2026 Budget and Review of the May Revision](#). In that report, we also recommend expenditure modifications to be included in the budget, as well as resources that could be used to fund those modifications. The IBA's budget recommendations will be presented to the Budget Review Committee as an informational item on June 6, 2025, and then considered by the City Council at its meeting on June 10, 2025.

Sergio Alcalde  
Associate Fiscal and Policy Analyst

APPROVED: Charles Modica  
Independent Budget Analyst

Attachment 1: Councilmember Budget Modification Memoranda







THE CITY OF SAN DIEGO

M E M O R A N D U M

DATE: May 21, 2025

TO: Charles Modica, Independent Budget Analyst, Office of the Independent Analyst

FROM: Chair, Budget Committee, Councilmember Henry Foster III, District 4   
 Council President Joe LaCava, District 1   
 Council President Pro Tem Kent Lee, District 6   
 Councilmember Sean Elo-Rivera, District 9 

SUBJECT: Fiscal Year 2026 Updated Budget Priorities

Thank you to the Office of the Independent Budget Analyst for the opportunity to provide additional input to inform the final version of the Fiscal Year 2026 (FY26) Budget that will be considered on June 10, 2025. The Independent Budget Analyst plays a critical role in the budget development process by providing ethical, transparent, and accurate financial information so that the City Council and members of the public have the data required to positively shape the final budget.

The May Revision did not provide much-needed relief to many of the City's core neighborhood services, such as parks and libraries. The current Proposed Budget implements across-the-board cuts that impact San Diego's most vulnerable communities the hardest. Residents from our districts have made their voices heard, and it's clear that the FY26 Proposed Budget, as currently proposed, does not adequately account for the diverse needs of San Diego communities and falls significantly short of the professed equity goals outlined in the recently approved Library and Parks Master Plans.

**Budgetary Approach**

The FY26 Budget is now in the hands of the City Council, and the proposed modifications have been informed by the thousands of constituents who have contacted our offices fighting to prevent devastating cuts to the most critical San Diego neighborhood services.

As we approach June 10<sup>th</sup>, the following overarching priorities will drive our budgetary decision-making:

- No across-the-board cuts to programs and services in the Parks and Recreation and Library Departments, particularly those within very low-to-moderate census tracts according to the Climate Equity Index.

- Focus on accelerating the generation of new revenues to sustainably support ongoing City services and mitigate deep cuts to core city programs and services.
- Prevent cuts to personnel that will have long-term negative impacts on the health of the organization.
- For every proposed restoration, identify an efficiency that can support it in maintaining a structurally balanced and responsible budget.

### **Key Restorations**

The current budget presents significant challenges, and we recognize that several difficult decisions must be made to pass a balanced budget, as the Charter requires.

### **Library Department**

Libraries are one of the last gathering spaces that are free to the public and provide San Diegans of all ages a place of refuge, social connection, and educational enrichment and support. The City Council must identify alternatives to the inequitable across-the-board cuts that will lead to full closures on Sunday and Monday for the City's 37 locations.

Further, the administration should propose restorations that align with the equity principles outlined in the recently approved Library Master Plan. The Plan states, "communities throughout San Diego—from the far south to the very farthest north... all have diverse needs and interests in high quality library services, programs, technology, and collections. **Meeting these needs equitably means giving communities the support and assistance they need to achieve equal outcomes, as opposed to giving communities the same, standard resources or opportunities.**"

We encourage the Director, Department of Finance, and the Office of the Mayor to work with the Independent Budget Analyst to analyze user data, socio-economic conditions of adjacent impacted communities, current program offerings, and other relevant information to determine a targeted restoration for Monday hours if a full restoration of Sunday and Mondays cannot be achieved. Communities within very low-to-moderate census tracts according to the Climate Equity Index and those libraries with Sunday hours should be prioritized.

Other key priority restorations include Do Your Homework at the Library and the Donation Match.

### **Library Restorations**

Sunday/Monday Closures	<b>\$8,600,000</b>
Do Your Homework at the Library	<b>\$566,603</b>
Donation Match	<b>\$118,000</b>
<b>Total</b>	<b>\$9,284,603</b>

### **Parks and Recreation Department**

The FY26 Draft Budget places an unreasonable burden on low-income communities that rely on recreation centers for safe, affordable, and family-friendly programming. Additionally, the across-the-board cuts will endanger the longevity and viability of equity programming that has received significant philanthropic support, such as Parks After Dark, Come Play Outside, and the Parks Ambassador Program. During the 2009 recession, the City made similar cuts to

recreation centers; it took more than 7 years to have the hours fully restored and the Assistant Recreation Center Director classification rebuilt.

Additionally, removing access to public restrooms and eliminating beach fire rings will diminish public safety and residents' quality of life from across San Diego who enjoy our iconic beaches and bays. These reductions should be avoided if possible.

#### Parks and Recreation Restorations

Parks & Rec – Reduced recreation center hours and park maintenance	\$7,200,000
Parks & Rec – Comfort Stations including Mission Bay & Shoreline Parks	\$1,660,000
Parks & Rec – Fire Pits	\$135,000
<b>Total</b>	<b>\$8,995,000</b>

#### Targeted District Specific Restorations and Budgetary Priorities

The following restorations are shared priorities yet represent district priorities, and include:

Safe Sleeping at former Central Elementary Site	TBD
Increase Funding for Brush Management	TBD
Community Projects, Programs, and Services Grants	\$900,000
San Diego Humane Society Contractual Restoration	\$900,000
Small Business Enhancement Program	\$1,200,000
Reservoir Recreation	\$889,080
Rosecrans Shelter Wind Down	\$500,000
Intersection Study for Park Blvd, Normal St, and El Cajon Blvd	\$600,000
City Auditor restoration	\$102,000
CIP P24002 City Heights Urban Village/Henwood Park	\$2,500,000
<b>Total</b>	<b>\$7,591,080</b>

#### Non-General Fund Restorations and Budgetary Priorities

CIP B21114 Full Funding Mountain View Sports Courts ADA Walkway (\$1,233,329 Total Cost)	\$787,793
One Time Use of Opioid Settlement Funds to Support Expansion of the UCSD Health Transition Partnership	\$1,100,000
Affordable Housing Preservation Fund	\$5,000,000
Restore Nuisance Abatement Unit (move to cost recovery model)	\$1,799,859
<b>Total</b>	<b>\$8,687,652</b>

#### Budget Mitigations

The Charter requires that the City Council pass a balanced budget. Therefore, our offices remain committed to working closely with the Independent Budget Analyst to identify additional resources and efficiencies to facilitate targeted restorations.

More information and analysis may be required prior to determining feasibility. We thank the Independent Budget Analyst in advance for its assistance to help refine, codify, and implement policy suggestions that require additional vetting.

Reconsideration of User Fees

Raise nonprofit special event fees to full cost recovery (reduction originally driven by CPPT Lee and Council President La Cava.)	\$1,000,000
Raise parking fines for expired meters as recommended by staff (an amendment originally proposed by CM Whitburn.)	\$1,500,000
<b>Total</b>	<b>\$2,500,000</b>

Reduction of Managerial Positions and Targeted Organization Restructuring

Mandatory one-week furlough for all unrepresented, unclassified employees.	\$1,900,000
Restructure of the Communications Department to reflect previous model where Public Information Officers are embedded into Mayoral Departments. Savings identified from reduction of management staff.	TBD
Reduction of vacant unclassified positions.	TBD
Strategic reduction of management positions not delivering critical neighborhood services, including but not limited to Deputy Chief Operating Officers, Assistant Directors, Assistant Deputy Director, Deputy Directors, Program Managers, and Program Coordinators.	TBD
<b>Total</b>	<b>TBD</b>

**Acceleration of Implementing Nonresident Paid Parking in Balboa Park and at the City's Beaches and Bays.**

Balboa Park

Currently, the FY26 Draft Budget projects include \$11 million in annual parking revenue for Balboa Park, with it being implemented by January 1<sup>st</sup>. This estimate does not include projected revenue that could be achieved by charging nonresident zoo patrons for parking. For efficient park management and for the greatest possible revenue, Parks and Recreation management staff needs to accelerate implementation of the Balboa Park parking management plan and a formal revenue-sharing agreement with the Zoo. Parks and Recreation should start with the easiest possible parking solutions, such as valet parking and reserved parking. This should start as soon as possible, and by the Labor Day holiday weekend.

Balboa Park paid parking by end of Q1 FY2026 (Start one quarter sooner than May Revise)	\$5,500,000
<b>Total</b>	<b>\$5,500,000</b>

Mission Bay, Beaches, and Shoreline parks

While this requires Coastal Commission approval, and revenue generated in Mission Bay is subject to Measure J, the Office of the Mayor should accelerate these discussions with the Coastal Commission to prioritize implementation as soon as possible.

Paid parking for non-San Diego residents in Mission Bay, beaches, and shoreline parks (4 <sup>th</sup> Quarter FY2026 estimate)	\$5,750,000
<b>Total</b>	<b>\$5,750,000</b>

### Other Revenue Opportunities

Charge users parking meter credit card transaction fees	<b>\$1,000,000+</b>
Pursue private waste hauler fee update, including if nexus study is required	<b>\$4,000,000</b>
Open East Village Green Underground Parking for paid parking even if the park is delayed.	<b>TBD</b>
Develop User Fee to Reserve Fire Pits (recover costs for Parks and Recreation permitting staff and NPE, and applicable lifeguard services)	<b>TBD</b>
Similar to recent Kiosk Corporate Partnership implement a limited exemption to the sign ordinance to permit digitalization of existing billboards (approx. 15 individual assets)	<b>\$3,000,000</b>
Strategic funding swaps. Any General Fund expenditures that can be replaced by restricted or enterprise funding should be made. This may include using parking meter revenues for Clean SD, swapping general fund debt for Mission Beach lifeguard station with Regional Parks Funds, or making nuisance abatement positions cost recoverable.	<b>TBD</b>
Charge an entry fee at lakes and reservoirs outside of the City of San Diego to generate additional revenue for the recreation program so that tier 1 activities can be restored. Estimated to start on January 1 <sup>st</sup> .	<b>TBD</b>
<b>Total</b>	<b>TBD</b>

### **Important Structural Reforms**

#### **Office of Race and Equity**

The ongoing marginalization of the Office of Race and Equity—most recently reflected in its relocation to the Human Resources Department and the elimination of the Executive Director position—undermines the original intent of the Council when it established the department. The Office was created, through the leadership of then-Councilmember Monica Montgomery Steppe, to serve as a permanent, independent mechanism for embedding equity in every aspect of City operations.

Witnessing the continued deprioritization of the Office has left us convinced that the only way for the Office of Race and Equity to fulfill its intended mission is to move its work to a place where it can operate with true independence and provide Council, City staff, and the public with the unvarnished truth about how the City is prioritizing—and failing in—its pursuit of racial justice and equity.

To that end, we strongly recommend that the Office of Race and Equity be moved under the Office of the Independent Budget Analyst, where it can evaluate department budgets and Tactical Equity Plans with the same level of analytical rigor and transparency as other city expenditures.

We also recommend restoring funding for the office's leadership, including a dedicated director-level position, to ensure the department has the focused direction necessary to drive systemic change across city government.

This realignment would empower the Office to:

- Operate free from political interference or departmental subordination,

Page 6  
Fiscal Year 2026 Updated Budget Priorities  
May 21, 2025

- Provide independent analysis and recommendations directly to the public and City Council
- Ensure equity considerations remain a core component of policy decision-making.

If the City of San Diego is truly committed to advancing equity, it is essential that this work be prioritized. San Diego communities deserve meaningful investment and attention, and without a strong commitment to racial equity at the local level, lasting progress will be difficult to achieve.

We look forward to continued discussions with our City Council colleagues, Department of Finance, the Independent Budget Analyst, and our residents to achieve what we hope is possible. With the new revenue sources and proposed reductions, we feel confident that we can adopt a structurally responsible budget that restores critical services.

Thank you, Mr. Modica, for your time and attention to our priorities.

cc: Daniel Horton, Chief of Staff, Office of Councilmember Henry L. Foster III  
Vicky Joes, Chief of Staff, Office of the Council President Joe LaCava  
Sara Kamiab, Chief of Staff, Office of the Council President Pro Tem Kent Lee  
Molly Weber, Chief of Staff, Office of Councilmember Sean Elo-Rivera





**COUNCILMEMBER JENNIFER CAMPBELL**  
**COUNCIL DISTRICT TWO**  
**M E M O R A N D U M**

**DATE:** May 21, 2025  
**TO:** Charles Modica, Independent Budget Analyst  
**FROM:** Councilmember Jennifer Campbell *J Campbell*  
**SUBJECT:** Final Budget Modification Recommendations – Fiscal Year 2026

This year's budget process presents serious fiscal challenges that require disciplined, values-driven decision-making. As Councilmembers, we must balance financial responsibility with the need to protect core city services and support our most vulnerable residents. Any proposed adjustments should be realistic, sustainable, and paired with thoughtful cuts. This is an opportunity to demonstrate good governance through collaboration, transparency, and a shared commitment to serving our communities.

Considering these constraints, I have made the following recommendations for this budget cycle as balanced and thoughtful proposals that aim to preserve critical services while reflecting our fiscal realities.

***Potential Budget Restorations***

- *Extending Timeline for Rosecrans Shelter* – I am requesting to extend the operational timeline of the Rosecrans Shelter, providing critical support to both the Health and Human Services Department (HSSD) and the San Diego Housing Commission (SDHC). This extension would allow for an additional 60 days of operation, ensuring a more stable and effective transition for the individuals currently residing at the shelter.
  - This funding is critical because the closure of the Rosecrans Shelter was unplanned, leaving HSSD and SDHC without sufficient time to transition residents into appropriate existing services and housing. Extending operations by 60 days will help prevent disruptions for vulnerable individuals who rely on the shelter for stability, safety, and support. Without this extension, there is a heightened risk of rushed transitions, increased homelessness, and added strain on the broader social service system. The additional time will allow the responsible departments to



manage the closure thoughtfully and humanely, ensuring no one is left without a viable path forward.

- SDHC urges the allocation of approximately \$500,000 to responsibly ramp down the site over a 60-day period through August 2025, and support efforts to exit clients to alternative shelter or safe sleeping accommodations.
- Restoration of Public Restrooms in Parks and Recreation – Closures of permanent restrooms and portable toilets in beach areas, Balboa Park, and downtown will severely impact seniors and young children who rely on these facilities to be readily available to the public. These are high-traffic areas that serve not only residents but also millions of visitors each year. For tourists, the availability of clean and accessible public restrooms is a basic expectation and a key part of a positive experience in our city. Lack of access can deter repeat visits, negatively affect our reputation as a welcoming destination, and place additional strain on nearby businesses. These reductions must be reversed in the final FY26 budget out of both public health considerations and a commitment to supporting our tourism economy.
- Restore Mission Beach Second Trash Pick-up - Restoring funding for the second trash collection in Mission Beach during the summer is essential to maintaining public health, cleanliness, and the overall visitor experience. As beach activity surges with thousands of tourists and residents alike, overflowing trash becomes a serious concern, especially in the heat, which attracts insects, rodents, and unpleasant odors. This modest investment has a strong return by protecting one of San Diego’s most iconic public spaces and supporting the local tourism economy. For the Mission Beach community, this is not a luxury—it’s a basic service that ensures safety, environmental stewardship, and quality of life.
- Restore Reservoir and Recreation Funding at Lake Miramar and Lake Murray – The recreational programs at Lake Miramar and Lake Murray are vital parts of the San Diego community, enhancing quality of life, supporting public health, and strengthening community bonds. It provides a safe, accessible, and scenic environment where people of all ages and backgrounds can engage in healthy outdoor activities such as walking, running, cycling, fishing, and kayaking. This requested allocation will restore the proposed budget reduction at Lake Miramar and Lake Murray for FY 2026.
- One Time Use of Opioid Settlement Funds to support the expansion of the UCSD Health Transition Support Team Partnership (Non-General Fund) – The UCSD Health Transition Support Team partnership was established in FY 2025 as a pilot program, using \$350,000 of Opioid Settlement Fund revenue. The pilot programs have demonstrated initial success in engaging patients in the Emergency Room after an overdose emergency occurs. The FY 2026 allocation will continue these efforts by enhancing support for patients leaving the hospital and emergency room through better coordination of existing resources, such as County-funded SD-Relay and CRF’s Mobile Outreach Teams.


- Normal St./ Park Blvd/ El Cajon Blvd Intersection Feasibility Study – Allocate funding from parking meter revenue to open a Capital Improvements Project (CIP) for a traffic feasibility study at the intersection of Normal Street, Park Boulevard, and El Cajon Boulevard. This intersection is one of the most dangerous in the City, with a long history of crashes, near-misses, and fatalities. Despite recent low-cost safety enhancements, the intersection remains confusing, high-speed, and hostile to pedestrians, cyclists, and transit riders. With new housing, growing foot traffic, and nearby transit stops, the urgency for a long-term fix has only increased. State law requires that parking meter revenue be spent in the area where it is collected; using these funds for a study at this location is legally appropriate and critically needed to prevent further loss of life.

### ***Potential Budget Mitigation***

- Elimination of the Multidisciplinary Outreach Team - While intended to provide coordinated support to individuals experiencing homelessness, the program has faced ongoing challenges with limited measurable outcomes, duplication of efforts with existing outreach services, and difficulty sustaining engagement with high-needs populations. Resources can be redirected to more targeted or better-performing programs with a clearer impact.



**COUNCILMEMBER STEPHEN WHITBURN  
THIRD COUNCIL DISTRICT  
M E M O R A N D U M**

DATE: May 21, 2025  
TO: Charles Modica, Independent Budget Analyst  
FROM: Councilmember Stephen Whitburn, District 3   
SUBJECT: Final Fiscal Year 2026 Budget Priorities and Modifications

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In support of my constituents in District 3, and in view of the City's budget constraints, I offer a final, limited set of funding priorities for the Fiscal Year 2026 Annual Budget. Even with the restorations in the May Revise, we continue to face the sobering challenge of meeting the everyday needs of residents and preparing the city to meet the needs of tomorrow.

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 City.

I believe it is particularly important 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 2026 budget, I look forward to developing a balanced budget to include the following items:

## I. FY 2026 FINAL BUDGET PRIORITIES:

### **1. Homelessness Solutions and Affordable Housing**

San Diego is grappling with an urgent housing affordability crisis, which is driving an increasing number of residents into homelessness, especially seniors on a fixed income. In March 2025 alone, nearly 1,000 people in San Diego became newly homeless. I am committed to ensuring that the Fiscal Year 2026 Proposed Budget reflects the critical need to address the situation on our streets.

#### **Maintain Funding for Homelessness Services**

The City has made meaningful progress in supporting our unsheltered population with housing and services, crisis response and stabilization in the form of shelters, and engagement services. In fact, the most recent Regional Task Force on Homelessness Point in Time Count found homelessness in the City of San Diego dropped by 13.5 percent. The City's comprehensive strategy to reduce homelessness by building more affordable housing and offering a variety of shelter options and funding homelessness prevention programs is working. We must continue this progress and continue our commitment to prioritizing resources for our unhoused population, particularly to address street and chronic homelessness. This means maintaining our shelters, safe sleeping, and safe parking.

#### **One Time Use of Opioid Settlement Funds to support the expansion of the UCSD Health Transition Support Team Partnership – Non-General Fund**

The UCSD Health Transition Support team partnership was established in FY 2025 as a pilot program using \$350,000 of Opioid Settlement Fund revenue. The pilot program has demonstrated initial success in engaging patients in the Emergency Room after an overdose emergency occurs. The FY 2026 allocation will continue these efforts by enhancing support for patients leaving the hospital and emergency room through better coordination to existing resources, such as City shelters.

### **2. Clean and Safe Neighborhoods**

#### **Restore Parks & Recreation Funding**

Ensure the City's Parks and Recreation Centers are funded at a sustainable and appropriate level by collaborating with the Independent Budget Analyst, Parks and Recreation Department, and AFSCME 127 to identify the most effective path forward.

#### **Restore Library Funding**

Ensure the City's Libraries are funded at a sustainable and appropriate level by collaborating with the Independent Budget Analyst, Library Department, and MEA to

identify the most effective path forward.

### **Restore Reservoir and Recreation Funding at Lake Miramar and Lake Murray**

The recreational programs at Lake Miramar and Lake Murray are vital parts of the San Diego community, enhancing quality of life, supporting public health, and strengthening community bonds. They provide a safe, accessible, and scenic environment where people of all ages and backgrounds can engage in healthy outdoor activities such as walking, running, cycling, fishing, and kayaking.

### **Restoration of Public Restrooms in Parks and Recreation**

Closures of permanent restrooms and portable toilets in beach areas and Balboa Park, will severely impact seniors and young children who rely on these facilities to be readily available to the public. These are high-traffic areas that serve not only residents but also millions of visitors each year. For tourists, the availability of clean and accessible public restrooms is a basic expectation and a key part of a positive experience in our city. Lack of access can deter repeat visits, negatively affect our reputation as a welcoming destination, and place additional strain on nearby businesses. These reductions must be reversed in the final FY26 budget out of public health considerations and a commitment to supporting our tourism economy.

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

### **Normal St/Park Blvd/El Cajon Blvd Intersection Feasibility Study, \$600,000**

Allocate \$600,000 from parking meter revenue to open a Capital Improvements Project (CIP) for a traffic feasibility study at the intersection of Normal Street, Park Boulevard, and El Cajon Boulevard. This intersection is one of the most dangerous in the City, with a long history of crashes, near-misses, and fatalities—including the tragic death of Josh Gilliland in 2023. Despite recent low-cost safety enhancements, the intersection remains confusing, high-speed, and hostile to pedestrians, cyclists, and transit riders. With new housing, growing foot traffic, and nearby transit stops, the urgency for a long-term fix has only increased. State law requires that parking meter revenue be spent in the area where it is raised; using these funds for a study at this location is both legally appropriate and critically needed to prevent further loss of life.

### **Small Business Enhancement Program, \$1,200,000**

Fund 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.

## **Vision Zero**

To advance the City's Vision Zero goals and protect the lives of our most vulnerable road users, I am requesting funding for three critical street safety investments. First, we must fix the Fatal Fifteen, which are the 15 most dangerous intersections in San Diego for pedestrians and cyclists, by installing proven and cost-effective safety measures such as high-visibility striping, pedestrian countdown signals, and audible crossing prompts. Second, invest in improvements along the six most dangerous corridors identified in SANDAG's Regional Safety Focus Network, which are heavily used by students and families. These improvements may include flashing beacons, curb extensions, and enhanced crosswalks. Third, fully implement AB 43 by lowering speed limits around schools, where even a small reduction in speed can significantly increase a pedestrian's chance of survival. These life-saving investments can be funded using existing transportation revenues such as TransNet and SB 1, with no additional impact to the General Fund.

## **II. POTENTIAL REVENUE/COST RECOVERY OPPORTUNITIES**

### **Digital Advertising/Signage, \$1,000,000+**

IBA Report 22-31 identified digital advertising/signage as a potential revenue opportunity. The City should consider converting existing static billboard signage on private property to digital billboards, while removing some existing billboards in residential neighborhoods. The City's Sign Ordinance is currently restrictive and does not allow upgrading previously conforming static billboards to digital billboards. Many other cities have used digital signage to generate annual revenue.

### **Eliminate Poverty Tows, \$1,500,000**

Poverty tows, such as those for expired registrations, disproportionately harm low-income and unhoused residents, even when there is no risk to public safety. A 2022 audit found these tows are among the most common and are three to five times more likely to result in lien sales, where the owner permanently loses the vehicle. These tows contribute significantly to the City's \$1.5 million annual towing program deficit, as lien sales often fail to recover the City costs. Eliminating poverty tows could reduce financial losses and relieve vulnerable residents of a policy that often causes job loss, housing instability, and other lasting harm.

### **Updated Sales Tax Projection, \$5,800,000**

The City's sales tax consultant provided the City with a FY26 forecast of \$376.6 million, which they deemed the 'most likely scenario'. The May Revise projects \$370.8 million, which is \$5.8 million less than the consultant's. Given a recent uptick in sales tax receipts, the City should consider using the consultant's forecast.

Thank you for taking into consideration my final budget priorities for this upcoming fiscal year.

Should you have any further questions, please free to contact Jordan Latchford in my office at (619) 236-6374 or [JLatchford@sanidiego.gov](mailto:JLatchford@sanidiego.gov).





**Councilmember Marni von Wilpert**

*City of San Diego • District 5*

**MEMORANDUM**

**DATE:** May 21, 2025

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

**FROM:** Councilmember Marni von Wilpert

**SUBJECT:** Final Budget Modifications Recommendations

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Given the challenging budget circumstances we are faced with, I have compiled several potential budget mitigations and restorations that are a priority for the FY 2026 Budget. I would like to thank you and all the IBA staff for their engagement and assistance in this year's Budget process. Although we face significant financial challenges, I believe that the Mayor's May Revisions to the proposed budget and the revenue actions taken by the City Council, have created a good starting point that now can be refined prior to ultimate adoption. I have included in this memorandum my priorities for restoration as well as potential reductions that I think should be prioritized for inclusion in the final FY 2026 Budget.

Budget Neutral Addition (Non-General Fund):

- 1) One Time Use of Opioid Settlement Funds to support the expansion of the UCSD Health Transition Support Team Partnership (\$1,110,000 from Opioid Settlement Fund)
  - a) The UCSD Health Transition Support Team partnership was established in FY 2025 as a pilot program using \$350,000 of Opioid Settlement Fund revenue. The pilot program has demonstrated initial success in engaging patients in the Emergency Room after an overdose emergency occurs. The FY 2026 allocation will continue these efforts by enhancing addiction treatment support for patients leaving the hospital and emergency room through direct coordination to existing resources, such as County-funded SD-Relay and CRF's Mobile Outreach Teams.

Priority Additions:

- 1) Restore Reservoir and Recreation Funding at Lake Miramar and Lake Murray (\$414,176 from GF)
  - a. The recreational programs at Lake Miramar and Lake Murray are vital parts of the San Diego community, enhancing quality of life, supporting public health, and

strengthening community bonds. It provides a safe, accessible, and scenic environment where people of all ages and backgrounds can engage in healthy outdoor activities such as walking, running, cycling, fishing, and kayaking. This requested allocation will restore the proposed budget reductions at Lake Miramar and Lake Murray for FY 2026.

- 2) Fund feasibility study and initial design work at the intersection of Normal Street/Park Boulevard/El Cajon Boulevard to address pedestrian and bicyclist safety concerns. (\$600,000 from Area Parking Meter Revenues)
  - a. The intersection of Normal St./Park Blvd./El Cajon Blvd. is one of the most dangerous in the City in its current configuration. I am requesting the use of area Parking District Revenue to begin a feasibility study to address the safety concerns at this intersection. Staff have quoted an initial cost for this Vision Zero endeavor to be \$600,000, however I believe that this estimate is unnecessarily high for the study and could be accomplished with a lesser contribution of area parking meter revenue to address the safety concerns.

Additional Priorities if funding is available:

- 1) Fire-Rescue Department
  - a) Restoration of Brush Management Personnel – 5.00 FTE \$1.1M
- 2) Parks and Recreation and Library Department
  - a) Restoration of Comfort Station Facility access - \$1,681,673
  - b) Restoration of Beach Fire Pit access - \$135,439
  - c) Restoration of Park and Recreation and Library Hours in Communities of Concern.
- 3) Transportation Department
  - a) Restoration of Full Weed Abatement funding - \$814,000
  - b) Pothole Crew Overtime - \$1.0M
- 4) Restoration of remaining Reservoir and Recreation funding - \$208,009

Revenue Opportunities and Budget Reductions to consider:

- Consider implementing an Unclassified/Unrepresented Employee mandatory furlough – 1 week – Est. \$2.5M
- Reconsideration of User Fees \$2.5-\$3.5M
  - o Reconsideration of parking citation fines for expired meters - Approx. \$1.5M
  - o Reconsideration of Police and Fire-Rescue cost recovery of special event fees for non-profit organizations – Approx. \$1.0M
- Reduction of Unclassified positions or reorganization of Communications Department.
  - o Consider moving Department support PIOs to assigned Departments.
- Homelessness Strategies and Solutions –
  - o Elimination of Multidisciplinary Outreach Team - \$1.1M

- Many of the services provided by the multi-disciplinary outreach team are either redundant to the Fire-Rescue Resource Access Program or fall under the responsibilities of the County of San Diego Behavioral Health Services.
    - Proactively request the County take financial responsibility for mental health and substance use related services and contracts.
- Reconsideration of any new FTE positions added to General Fund Departments in Proposed Budget.
  - Consider reductions to Unclassified supervisory positions that have proposed reductions to subordinate classified staff in the proposed budget.
- Consider Department Reorganization/Consolidation to achieve budget savings:
  - Consolidate Compliance Department into the Office of the City Attorney
  - Consolidate Performance and Analytics Department into the Department of Information Technology
  - Any other consolidations that result in budget savings, including the elimination of vacant unclassified positions that are not essential to operations.
- Further consideration of outside contract reductions or eliminations.
- Review Humane Society related fees and bring forward action for consideration of more cost recoverable fee schedule.
- Eliminate/Defer pay increases for Executive level category and above of Unclassified/Unrepresented employees.

I appreciate your consideration of these priorities and recommendations.

Cc: Jillian Andolina, Deputy Director, Office of the IBA



**CITY OF SAN DIEGO  
OFFICE OF COUNCILMEMBER RAUL CAMPILLO  
DISTRICT SEVEN**

**MEMORANDUM**

DATE: May 21, 2025  
TO: Charles Modica, Independent Budget Analyst  
FROM: Councilmember Raul A. Campillo

*Raul A. Campillo*

**SUBJECT: Final Budget Priorities for FY2026**

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Thank you for your continued guidance to the City Council as we navigate the difficult task of balancing the upcoming FY26 budget. I want to begin by emphasizing that collaboration with the San Diego Municipal Employees Association (MEA) and their ideas from their letter of May 19, 2025, can result in preserving core services for residents and preserving quality jobs for city workers while balancing the budget responsibly. I appreciate the efforts that will bring the City's finances much closer to being structurally balanced, and the creative strategies offered by your Office to stretch limited dollars to minimize reductions to core neighborhood services. The Mayor's Revised Proposed Budget met a few of my key priorities, but not all. Progress achieved to-date in key programs must not be reversed in FY26, including continued implementation of the Youth Master Plan, and by using AB43 authorities to continue to reduce speed limits in safety corridors as well as school zones. Similarly, the third mill-and-pave team that was budgeted in FY25, should be hired as soon as it is feasible, to ensure the progress in repairing roads in poor condition does not slow down in FY26. My short list of additional priorities for FY26 is provided below, supported by multiple potential revenue sources for your Office to consider:

**Priority Restorations**

- **Lake Murray and Lake Miramar Recreational Programming:** Restore Monday through Friday parking lot, restroom, and boating access. Reducing access to these two reservoirs would be detrimental not only to the public's ability to enjoy and recreate at the lakes, but the parking lot and restroom closures would disproportionately impact

families with small children, older adults, and individuals with mobility issues. Limiting access to the lakes to only the weekends is inconsistent with the City's Strategic Plan vision that San Diegans should benefit from accessible, convenient, safe, and comfortable recreational spaces in their communities. Similarly, it contradicts the part of the Strategic Plan that prioritizes every San Diegan's connection to neighborhood assets that anchor community life, foster interaction, and promote well-being. This access should be restored to seven days/week while PUD and the City Attorney finalize legal review of a long-term revenue option for the recreational program. *Approximate Cost: \$414,176*

- **Libraries:** Restore Monday hours to the greatest extent for the library network as a whole, to ensure youth and public access during the school week. Consideration should be given to strategies that maximize budget savings, and that ensure realistic staff schedules. *Approximate Cost: \$6 million, 47.00 FTEs*
- **Parks and Recreation:** Restore hours and staffing to operate Recreation Centers at their original service levels Citywide. *Approximate Cost: \$4.8 million, 53.70 FTEs*
- **Public Restrooms in Balboa Park, beach communities, and Downtown:** Reverse these reductions. Closures will severely impact seniors and young children that rely on these facilities to be readily available to the public, exposing the City to serious public health risks that will far exceed the \$1.7 million cost. These reductions must be reversed in the final FY26 budget. *Approximate Cost: \$1.7 million, 13.00 FTEs*
- **Small Business Enhancement Program:** In FY26, an appropriation equivalent to \$20 per the approximately 91,000 small businesses registered with the City should be budgeted to ensure compliance with Council Policy 900-15. *Approximate Cost: \$1.8 million*
- **One-Time Use of Opioid Settlement Funds:** The partnership with UCSD Health to support patients in the Emergency Room after an overdose emergency has been in place since FY25. Given the success of the pilot program, this support should be expanded in FY26 to build upon this momentum and maximize the resources offered to vulnerable individuals. *Approximate Cost: \$1,110,000 from Opioid Settlement Fund*
- **Affordable Housing Preservation Fund:** Given identified fund balance in the Neighborhood Enhancement Fund, this funding should be allocated to the San Diego Housing Commission to establish an Affordable Housing Preservation Fund, to be brought forward to City Council for approval later in FY26. *Approximate Cost: \$5 million*
- **Convention Center:** The infrastructure issues at the Convention Center are extremely urgent, as they have been deferred for many years due to the limited funding provided by the City. Recognizing the fiscal challenges the City is facing in FY26, their Board has approved a multi-year outlook that will require the majority of the funding in FY27 and beyond, and has approved the use of reserves in FY26. The request of the City in FY26 to

fill the gap after the use of reserves, is minimal and should be prioritized as part of final budget adjustments. *Approximate Cost: \$1.3 million*

- **Normal St/Park Blvd/El Cajon Blvd Intersection Feasibility Study:** This is one of the most dangerous intersections in the City, and very confusing to navigate for drivers due to the complex configuration of three main corridors converging. A traffic feasibility study should be established in FY26, using Parking Meter Revenue. *Approximate Cost: \$600,000*

### **Potential Resource and Mitigation Options:**

- **Maximize vacancy reductions among FY25 held positions:** Per a memo from DCOO Alia Khouri dated April 21, the hiring freeze resulted in 486 positions being held, totaling \$25 million in savings. It is unclear what these positions are, and to what extent they overlap with the proposed reductions to personnel expenditures. I ask that the IBA work to identify opportunities to reduce vacant positions that were added in FY25 but have yet to be hired, to offset reductions to existing City staff. *Approximate revenue: Unknown*
- **Positions hired during hiring freeze:** Per the MEA, 28.00 unclassified positions have been filled since the hiring freeze went into effect. I request that the IBA review these positions and determine to what extent they are essential to City operations, or whether they can be reduced in FY26 and be reconsidered in FY27. *Approximate revenue: Unknown*
- **Delayed hiring:** Given the potential extension of the hiring freeze into FY26, opportunities to assume certain personnel costs only for half a fiscal year should be explored. *Approximate revenue: Unknown*
- **Non-sworn, unclassified, unrepresented positions:** Any vacant unclassified and unrepresented positions should be considered for cost savings. I also request that the IBA work with MEA to explore opportunities to minimize service level cuts at public-facing facilities by reducing unclassified instead of classified positions. *Approximate revenue: Unknown*
- **Communications:** The draft budget reduced 2.00 filled Supervising PIOs and 1.00 vacant PIO position. The May Revise restored 1.00 Supervising PIO, and instead reduced a Senior Management Analyst position. Even if the Supervising PIO position was reduced, the Department would still have 3.00 of these positions to oversee the PIOs., so the restoration should be reversed. PIOs and Senior PIOs supporting non-public facing departments should be reduced as a budget mitigation, including those overseeing Compliance, Department of IT, Department of Finance, General Services, Performance and Analytics, Purchasing and Contracting, Risk Management. In order to reduce the workload of the remaining PIOs, the staff currently covering Media Services per the

existing organizational chart can prioritize the PIO tasks, and transfer media tasks to the Mayor's communications team. *Approximate revenue: \$1 million*

- **Purchasing and Contracting:** The Department has 23.00 vacant positions, and opportunities to reduce a number of these should be prioritized based on the duration of the vacancy. In addition, the EOC Program Coordinator position that was restored in the May Revision can be reduced, and the Assistant Department Director that was added supplementally in FY25 and was reclassified to a Deputy Director in the May Revision can support the work this Program Coordinator was intended to do. *Approximate revenue: \$1 million*
- **Parks & Recreation:** Per MEA, 1.00 Program Coordinator and 1.00 Deputy Director recently became vacant in the Department, and can be reduced for cost savings. Additionally, a total of 3.00 Deputy Directors were proposed in the FY26 budget, and while these are filled positions and City employees have already assumed the Deputy Director roles, this was not approved by the City Council during FY25. The classifications those employees were budgeted for in FY25 can be maintained over FY26, and the Deputy Director positions can be reduced. *Approximate revenue: \$1 million*
- **City Attorney:** Per the City Attorney's comments at the May 9 Budget Review Committee hearing, the sixth Assistant City Attorney position being added in the FY26 proposed budget is transitional in nature. Given the uncertainty of the future of this position, and that the position does not provide a core service in the supervision of Deputy City Attorneys, the staff intended to be promoted into this position can be maintained in their FY25 budgeted position, to realize cost savings in FY26. *Approximate revenue: \$300,000*
- **Homelessness:** Opportunities for reductions and/or cost savings that would free up the General Fund should be explored within the Outreach and Storage categories listed on p. 181 of the IBA's Review of the FY26 Proposed Budget, especially where there are service area overlaps with other partner organizations. Additionally, the proposed approximately \$47 million in external contracts should be reviewed and analyzed for cost saving opportunities. *Approximate revenue: Unknown*
- **Interest Earnings:** Should there be reasonable expectations that there will be additional General Fund interest earnings for the remainder of FY25, this should primarily be prioritized for filling the potential FY25 General Fund Reserve gap, and secondarily for revenue opportunities in FY26. *Approximate revenue: Unknown*
- **Fund Balances:** If any Funds are on track to close out FY25 with a fund balance, this should primarily be prioritized for filling the potential FY25 General Fund Reserve gap, and secondarily for revenue opportunities in FY26. These include, but are not limited to



Councilmember Raul A. Campillo  
FY26 Budget Priorities Memo

the TransNet Maintenance Fund, TOT Fund, Gas Tax Fund, Civil Penalty Fund, EMS Fund and the Energy Conservation Program Fund. *Approximate Cost: Unknown*

- **Residual Redevelopment Property Tax Trust Fund (RPTTF):** Actuals from distributions from the RPTTF coming in at the beginning of June 2025 should primarily be prioritized for filling the potential FY25 General Fund Reserve gap, and secondarily for revenue opportunities in FY26. *Approximate revenue: Unknown*
- **Library maintenance:** Reducing maintenance related to tree trimming, pest control and other services on a temporary basis in FY26 should be considered in order to free up funding to retain library positions. *Approximate revenue: \$221,000*
- **General Services:** The proposed 3.00 FTEs that would support vehicle acquisition support can be reduced by 2.00 FTE, delaying these positions to FY27. *Approximate revenue: \$290,000*
- **Updated sales tax projection:** The May Revise projects \$370.8 million, which is \$5.8 million less than the consultant's \$376.6 million 'most likely scenario'. Given a recent uptick in sales tax receipts, the City should use the consultant's forecast. *Approximate revenue: \$5.8 million*
- **City Treasurer:** The Department currently has 9.00 vacant Collections Investigator positions. Per the IBA, the Department intends to fill 4.00 of these positions in FY26, which will generate additional revenue to the City. The IBA also notes that leaving the remaining 5.00 positions vacant will not impact operations until PUD starts referring accounts to delinquent accounts program. Since 4.00 out of the 5.00 have been vacant since 2022-2023, and PUD has not been referring delinquent accounts since March 2018, these positions can be reduced in FY26, and be added in FY27. *Approximate revenue: \$400,000*
- **Digital advertising/Signage:** IBA Report 22-31 identified digital advertising/signage as a potential revenue opportunity. The City should consider converting existing static billboard signage on private property to digital billboards, while removing some existing billboards in residential neighborhoods. Many other cities have used digital signage to generate annual revenue. *Approximate Revenue: \$1 million*
- **HHAP-5:** Per the FY25 Third Quarter Report, \$3.7 million in HHAP-5 funding will be carried forward to FY26. This should be used for eligible homelessness expenses, freeing up General Fund dollars. *Approximate revenue: \$3.7 million*

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

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

**DATE:** May 21, 2025

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

**FROM:** Councilmember Vivian Moreno 

**SUBJECT:** Final Budget Priorities and Revisions to the Fiscal Year 2026 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 Fiscal Year 2026 (FY26) 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 FY26 budget.

**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 has begun. Any additional funding required to complete phase I should be allocated in FY26.

Estimated cost: TBD

**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 FY26 budget should provide funding needed for Phase II, which will allow the city to utilize existing federal 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 FY26.

Estimated cost: TBD

### **Grove Neighborhood Park CIP# S22002**

**Project Description:** This project provides for the design of a 11.53-acre neighborhood park to be completed in two construction phases. This CIP will construct Phase 1 of the project which will include children's play areas, picnic area with shelters, new walkways, public art, utilities and landscaping improvements. The project needs \$2.2M in additional funding to complete funding for Phase I construction. The city should aggressively pursue procuring Prop 4 funding and other State resources to ensure Phase I moves forward with full funding in FY26.

Estimated Cost: \$2.2M in State funding.

### **Paving Failed Streets in District 8**

District 8 has a number of streets that are in either serious or failed condition. Work must begin to address these identified streets. The following location should be funded in FY26:

- Willow Road between E. San Ysidro Blvd and Bolton Hall Road is rated as being in serious condition and has a PCI of 16.07.

Estimated cost: \$130k

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

The projects listed in Attachment A are high priority community needs for the FY26 budget. Consideration should be provided to those projects for any additional FY26 funding opportunities via bond issuances, commercial paper, grant funding, CDBG reprogramming or higher than anticipated revenues.

## **CITY PROGRAMS AND SERVICES**

### **Library Department**

- The final FY26 budget should restore \$8.5M in funding to maintain Sunday and Monday branch library operating hours and staffing at FY25 levels.
- The final FY26 budget should restore \$117,624 in ongoing reductions to the annual budget for the City's match for library donations. City matching funds are used to incentivize philanthropic donations and to more equitably provide resources to branch locations that typically do not receive significant donations.

Estimated cost: \$8.7M

### **Parks & Recreation**

The final FY26 budget should restore \$4.8M in funding to maintain park and recreation center operating hours and staffing at FY25 levels.

Estimated cost: \$4.8M

### **Communications Department**

Restore Senior Management Analyst position with corresponding reduction of a recently filled unclassified position in the department.

Estimated cost: N/A

### **Development Services**

The budget reduces 12 positions in the Nuisance Abatement Unit in the Development Services General Fund. These positions should be restored and restructured to be cost recoverable.

Estimated cost: N/A

### **Performance & Analytics**

The FY26 budget eliminates funding of 3-1-1 Dial Code Support. The City Auditor has recommended the City invest in providing a full 3-1-1 service to ensure that communities that have limited access to digital resources (smartphones, laptops, wifi etc) can easily access city services via telephone.

Estimated cost: \$115k

### **Planning Department**

**Otay Mesa/Nestor Community Plan Update:** The first Otay Mesa-Nestor Community Plan was adopted in 1979 and it was last updated in 1997. The city has applied for grant funding to begin this community plan update. If grant funding is not successfully acquired, funding should be allocated to begin work on this plan update in FY26.

### **Purchasing and Contracting**

This department has filled unclassified positions, while not filling a critical Program Coordinator position that will help the department meet key performance goals. This position should be filled.

Estimated cost: \$100k

### **Public Safety:**

#### **Fire-Rescue Department**

- **Brush Management:** The Office of the City Auditor made a series of recommendations in the Performance Audit of Brush Management on City-Owned Land to improve the city's brush management practices. The Department requested resources to address the audit recommendations, however, this request is not funded in the FY26 Budget. The FY26 Budget should include funding to begin implementation of the Auditor's recommendations with the most impactful positions and resources indicated by the Department.

Estimated cost: TBD

### **Police Department**

The following items should be funded within the Police Department's FY26 budget:

- **Increased SDPD Enforcement of Prostitution Related Crimes in District 8**  
Significant prostitution activity continues to exist on Dalbergia Street in District 8. The FY26 budget should ensure all resources SDPD requires to increase enforcement of prostitution related crimes in this area are available to the department.

- **Las Americas Outlets Traffic Enforcement**

Increased traffic enforcement along city streets adjacent to the Las Americas Premium Outlets from November 26th 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 FY26, the city should fund recruitment and retention efforts to ensure the San Diego Police Department can maintain needed staffing levels as officers retire or leave the department for other reasons.

## **Stormwater**

The final FY26 Budget should restore the following reductions proposed in the Stormwater Department:

- \$2.3M for Medium Priority Compliance, which would result in decreased activity on future channel clearing, planning to clear overgrown channels in FY27, water quality monitoring related to emerging regulations, watershed planning activities (trash cleanups, consulting services on new regs), consultant work on investigative orders, technical support and comments on new regs, supplies/materials for street sweeping (including parking enforcement) and code compliance teams.
- \$850k for CIP Planning, which stops planning on new CIPs and Master Plan, unless it can be done with existing staff. This lack of planning could impact future WIFIA funding.
- \$757k for Medium Priority Operations, which decreases channel maintenance levels, supplies for Stormwater operations teams, and software that supports asset management.

Estimated cost: \$3.9M

## **Non-Mayoral Departments**

### **City Auditor**

The FY26 budget includes proposed cuts to the Office of the City Auditor (OCA) that total \$287,457 in ongoing reductions, which, if enacted, would degrade the OCA's capacity to provide independent oversight and accountability of City operations. On April 23, 2025, the Audit Committee recommended that cuts to the OCA be limited to one-time reductions of \$184,799 in order to achieve budgetary savings while preserving the OCA's ability to conduct Charter-mandated audit and investigative work. Reducing the City Auditor's budget is counter-productive, as the Auditor routinely identifies ways for the city to either save money by implementing efficiencies identified in performance audits or increasing revenue that was not being fully realized. These items total millions of dollars. A recent example is the Performance Audit of the City's Trash, Recycling, and Organics Collection and Handling, which shows the city has been under charging franchise haulers for years, losing out on \$25 million dollars since 2010 and that the city could recover \$4 million per year by increasing hauler fees to cover city costs. The final FY26 budget should ensure cuts to OCA be limited to one-time reductions of \$184,799 and restore \$102,000 to the OCA budget.

Estimated cost: \$102k

### **Community Projects, Programs and Services (CPPS)**

CPPS funds are provided to departments, public agencies, and non-profit organizations that serve and benefit the City's communities. Funds can support a variety of community serving purposes including capital improvements; materials, equipment, goods, or supplies; community, social, environmental, cultural, or recreational needs; as well as onetime or ongoing operational expenses of a non-profit organization. CPPS Funding should be restored in the FY26 Budget at a level that allows continued support of community projects and organizations.

Estimated cost: TBD

### **Independent Budget Analyst**

The FY26 budget includes an ongoing \$142,532 reduction to personnel expenditures in the Office of the IBA. This cut would result in staffing reductions to an office with limited personnel. The IBA provides critical reporting, analysis and information to the public and City Council regarding the city budget and various policy proposals throughout the year. A reduction in funding to this office will have a direct impact on the public's access to information at City Hall, and thus should be funded in the FY26 budget.

Estimated cost: \$142k

### **Personnel Department**

Restoration of the following positions in the Personnel Department is critical to ensure the city can fill classified positions that provide services to San Diegans.

- Payroll Audit Specialist (\$79,872)
- Recruiting Section positions (\$377,223)
  - 1.00 Program Coordinator
  - 1.00 Associate Personnel Analyst

Estimated cost: \$457k

### **Affordable Housing**

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

The San Diego Housing Commission (SDHC) has identified fund balances within the Neighborhood Enhancement Fund to fund an Affordable Housing Preservation Fund. These funds were meant to be used for preservation activities. SDHC is working with the City Attorney's Office to facilitate an agreement to disburse the funds for use by SDHC within an affordable housing preservation fund. SDHC will request Council approval for disbursement and use of these funds for the affordable housing preservation fund. Creation of this fund is a critical tool to go alongside the Affordable Housing Preservation Ordinance in the city's efforts to retain all existing deed restricted housing and naturally occurring affordable housing. The FY26 Budget should anticipate utilizing unused funds intended for preservation efforts to initiate an Affordable Housing Preservation Fund.

Estimated cost: TBD

### **SUGGESTED REVENUE SOURCES**

#### **Performance Audit of the City's Trash, Recycling, and Organics Collection and Handling**

On May 2, 2025, the City Auditor released a Performance Audit of the City's Trash, Recycling, and Organics Collection and Handling. The Audit states that the city has been under charging franchise haulers for many years- losing out on \$25 million dollars since 2010. Additionally, the

Auditor specifically found that “*the City could recover at least \$4 million more per year by increasing hauler fees to cover City costs.*” This recommendation should be pursued with urgency and the FY26 budget should utilize this additional revenue.

Available resource: \$4M

### **Reduction of Communications Department Spending**

The Communications Department is staffed with 42.50 FTE and is budgeted in FY26 for \$9.8M, of which \$7.9M is related to personnel costs. The Communications Department should be reduced in order to provide funding for critical services in FY26. Employees within the department specializing in a specific skillset (public safety, engineering, etc.) could be placed in existing vacant positions in departments that match their expertise.

Available resource: TBD

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

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 \$8.9M. Cancelling the lease for the Kearny Mesa Repair facility would save approximately \$1.5M in FY26.

Available resource: \$1.5M in FY26, \$8.9M (FY26-FY32)

### **Street Vendor Ordinance Enforcement**

The FY26 budget includes \$2.9M 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 when the city is considering reduced access to basic city services. The FY26 budget should eliminate spending on this program.

Available resource: \$2.9M

### **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 city should pursue reimbursement for these costs 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

### **Community Enhancement Fee**

During the LU&H Committee’s recent discussion of reforms to the city’s ADU Bonus Density Program, the Planning Department suggested creation of a Community Enhancement Fee that would be charged to units built through the ADU Density Bonus program. If this fee is approved in FY25, anticipated funding should be included in FY26 program revenue projections and utilized to fund infrastructure projects in communities most impacted by climate change.

Available resource: TBD



### **Enterprise Fund/General Fund Expenses**

As the IBA conducts final analysis of the revised FY26 budget, attention should be paid to any services and program costs covered by the General Fund that would be more appropriately paid for with enterprise department funds.

Available resource: TBD

### **Vacant Positions**

Remaining vacant general fund unclassified/unrepresented positions should be reduced.

Additional general fund unclassified/unrepresented positions that are filled should be relocated to vacant positions within non-general fund departments where possible. Additionally, if any classified vacant positions can be cut in order to restore classified positions set to be cut, those positions should be eliminated.

Available resource: TBD

### **Balancing Management and Classified Position Reductions**

The FY26 budget includes reductions of classified and unclassified staff. However, recent public testimony has indicated that the level of position reductions for classified positions is not proportionate with the number of unclassified positions in place that supervise the classified positions being reduced. This is a significant problem, as unclassified/managerial staff are typically hired to ensure that there is proper management of employees within any given department or division. The IBA should provide the City Council with an analysis that highlights where significant classified employees are being reduced and management intended to oversee that group of employees is not being reduced at the same level. Corresponding reductions and cost savings should be included in the analysis. Staffing levels for unrepresented/unclassified employees could be adjusted to mirror past levels when the number of classified employees matched what is proposed in the FY26 Budget.

Available resource: TBD

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 FY26 budget. Consideration should be provided to those projects eligible for any additional FY26 funding opportunities via bond issuances, commercial paper, grant funding, CDBG reprogramming or higher than anticipated revenues.

**Barrio Logan Truck Route Traffic Calming Infrastructure CIP# L24005**

**Project Description:** This is a multi-phased project to install street-calming infrastructure on Beardsley St. (from Logan Ave. to Harbor Dr.) and Boston Ave. (from 28<sup>th</sup> St. to 32<sup>nd</sup> 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. The scope of Phase 1 is to install a roundabout at the intersection of Beardsley St. and Newton Ave. Phase 2 provides the installation of a roundabout at the intersection of Boston Ave. and South 30<sup>th</sup> St. Phases 1 and 2 were initiated in Fiscal Year 2024. Phase 1 design is anticipated to be completed in FY26. Phase 2 design is anticipated to begin and be completed in FY26. Phases 1 and 2 construction are anticipated to begin in Fiscal Year 2027 and be completed in Fiscal Year 2028. Currently, the City anticipates utilizing TransNet Extension Congestion Relief funding in FY27 to construct the roundabouts. The FY26 budget should include any additional funding required to ensure design is complete in FY26 and both projects can be constructed in FY27.

**Beta Street Storm Channel and Storm Drain Improvement**

**Project Description:** This project aims to alleviate flooding in the Southcrest community by enhancing the drainage capacity of Chollas Creek and improving the drainage system to contain the 100-year storm event, safeguarding the community from potential flood risks. The existing flooding condition poses significant health and safety concerns for area residents, making the improvement crucial for the well-being of the community. The project consists of several components including a pump station, channel widening, a berm, flap gates, regrading, a concrete V-ditch, new storm drains, new inlets, and a new trail. These improvements are critical to ensure that the devastating flooding that took place in January 2024, are prevented from happening again. The planning phase was completed in Fiscal Year 2024. Design began in Fiscal Year 2025 and is anticipated to be completed in Fiscal Year 2028. Construction will be scheduled contingent upon the identification of the remainder of funding. The FY26 budget includes a \$7M allocation of General Fund WIFIA Loan-Construction funds and another \$16.8M in FY27, however the project will still require \$83.5M in future years. Any additional funding needed in FY26 to ensure this project stays on schedule should be allocated.  
Estimated cost: TBD

**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 has begun. Any additional funding required to complete phase I should be allocated in FY26.  
Estimated cost: TBD

**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 FY26 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 FY26.

Estimated cost: TBD

**Boston Avenue Linear Park CIP# P22005**

This project costs \$7.7M and received \$2M was in previous budgets from the Climate Equity Fund to support land acquisition and GDP scoping for the creation of Boston Linear Park. This project may be at risk of losing funding due to anticipated grant funding no longer being available, which makes continued investment by the city critical. This project should receive funding in the FY26 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 (bandstage) area. This project is funded. Any additions to the scope of this project should be funded in the FY26 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. The streets have received surface improvements, but no other improvements have been made. This project is consistent with the community plan guidelines for Otay Mesa-Nestor and should be funded in the FY26 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 Gate Neighborhood Park. The project is fully funded, however, any additional or unexpected costs that would prevent the project from being completed should be funded in the FY26 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. The project also received a \$1.5M grant in July 2024. Any additional funding required for completion of the project should be included in the FY26 budget.  
Estimated cost: TBD

#### **Dennerly Ranch Neighborhood Park CIP# S00636**

**Project Description:** The project, located at Dennerly Road and Ballast Lane, consists of the design and construction of Dennerly Ranch Neighborhood Park in the Otay Mesa Community. This project is estimated to cost a total of \$22 million. The total amount appropriated to date is \$19 million. It will receive \$2M in funding from the Otay Mesa Enhanced Infrastructure Financing District in FY25. The project is in design and construction could begin as early as 2026. This project should be prioritized in the FY26 budget if additional funds are needed to move forward with construction.  
Estimated cost: TBD

#### **Grove Neighborhood Park CIP# S22002**

**Project Description:** This project provides for the design of a 11.53-acre neighborhood park to be completed in two construction phases. This CIP will construct Phase 1 of the project which will include children's play areas, picnic area with shelters, new walkways, public art, utilities and landscaping improvements. The project needs \$2.2M in additional funding to complete funding for Phase I construction. The city should aggressively pursue procuring Prop 4 funding from the State to ensure Phase I moves forward with full funding in FY26.  
Estimated Cost: \$2.2M in state grant funding.

#### **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 and includes sport fields, children's play areas, walking paths and other amenities. Design began in Fiscal Year 2022 and will be completed in Fiscal Year 2025. Construction is anticipated to begin in Fiscal Year 2026 and be completed in Fiscal Year 2027. The total project cost has increased by \$1.3M due to a revised scope and updated final cost estimates. the FY26 Budget should allocate funding to ensure the project is constructed.  
Total estimated cost: \$1.3M

#### **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. It will also improve drainage at the intersection of La Media Road and Airway Road. This project is estimated to cost \$57.5M. Completion of this project is critical to the local and regional economy. This project is complete, but there will be a

minimum five-year wetland and vernal pool monitoring period after construction completion. Any needed funding to address final project completion should be funded in FY26  
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 Fiscal Year 2020 and is anticipated to be completed in Fiscal Year 2027. The environmental and right-of-way phases began in Fiscal Year 2023 and are anticipated to be completed in Fiscal Year 2027. Construction phase schedule will be determined once design is completed, and funding is identified. FY26 budget should allocate funding to allow this project to move forward on schedule.

Estimated cost: \$14.8M

**Logan Avenue Traffic Calming Infrastructure**

**Project Description:** The FY26 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. Staff should explore applying for grant funding to begin work on this project.

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. The FY26 budget should provide any needed funding for this project to begin construction and the city should continue to pursue any available state or federal grant funding intended for park related projects in communities of concern.

Estimated cost: TBD

**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 FY26 budget.

Estimated cost: TBD

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

**Project Description:** A CIP Project needs to be created in the FY26 budget to address deferred maintenance issues at the Fire Station No. 30. Deferred maintenance needs total at least \$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: \$2.1M

### **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. Design began in Fiscal Year 2023 and was completed in Fiscal Year 2025. Construction contract was awarded in Fiscal Year 2025 and construction is anticipated to be completed in Fiscal Year 2027. The FY26 budget should include any needed funding to ensure the project stays on schedule.

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. Land acquisition was completed in Fiscal Year 2022. The project was re-initiated in Fiscal Year 2024. Design and construction will be determined after environmental permits are obtained, which is anticipated to be completed in Fiscal Year 2026. 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 \$36M. The FY25 Budget provided \$2M to support project predesign. Funding for this project should be included in the FY26 budget so it can continue to move forward.

Total estimated cost: \$30M

### **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 FY26 Budget.

**Palm Avenue Traffic Signal Modification CIP# B-21120:** The FY22 budget included 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. Construction is anticipated to start in 2026. Additional funding may be required to complete the project. 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.

**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. The project is fully funded and expected to be completed in FY25, however, if there are any unexpected cost increases, the FY26 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 \$661k. Design is expected to be completed by December 2024. Construction is projected to begin by Spring 2026. The FY26 budget should allocate funding to ensure the project is completed. Estimated cost: TBD

**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 FY26 budget should provide funding to address any identified deferred maintenance issues.  
Estimated cost: TBD

### **Sidewalk Installations**

**Project Description:** The FY26 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 FY26 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. \$1.5M has been allocated to construct the sidewalk. Any additional funding this project requires to be completed should be included in the FY26 Budget.  
Estimated Cost: TBD

### **Egger Highlands**

- Citrus Avenue between Coronado Avenue and the end of Citrus Avenue
- Conifer Avenue between Coronado Avenue and the end of Conifer Avenue
- Donax Court (1500 block)

### **Logan Heights**

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

### **Otay Mesa-Nestor**

- 24<sup>th</sup> Street, from Palm Avenue to Harris Avenue
- North Side of Elder Avenue, from 16<sup>th</sup> Street to Thermal Avenue
- East Side of 16<sup>th</sup> Street, from Elder Avenue to Elm Avenue
- West Side of 16<sup>th</sup> Street, from Evergreen Avenue to Elm Avenue
- South Side of Elm Avenue, from Hardwood Street to 16<sup>th</sup> Street
- Evergreen Avenue, from Thermal Avenue to 16<sup>th</sup> Street
- Atwater Street, from Fern Avenue to Coronado Avenue
- North Side of Donax Avenue, from 15<sup>th</sup> Street 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

### **Sidewalk Repairs**

The FY26 budget should include funding for the repair of sidewalks at the following locations, if they were not repaired in FY25:

- 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.
- Cottonwood Road
- Imperial Ave from 22<sup>nd</sup> Street to 24<sup>th</sup> Street
- Iris Avenue going to Beyer (Highly used transit center, no sidewalks to reach it on Iris)
- Willow Road to Calle Primera (next to Willow Bridge)

### **Stormwater**

**Stormwater Channel and Drainage Improvements:** The FY26 budget should include increased funding for the maintenance, repair and replacement of stormwater facilities throughout the city. In particular, stormwater channels and drainage located in communities of concerns should be prioritized, as long ignored channel sections that have experienced a build-up of plant growth and/or obstructions caused by illegal dumping are at risk for flooding during large storm events. In addition to work being performed in Chollas Creek to address the Beta Street channel, the city must also focus on the nearby Cottonwood Creek section, which is also at risk of flooding which could cause significant damage. Increasing funding for stormwater projects throughout the city should be an extremely high priority in FY26.

### **Streetlight Installations**

The FY26 budget should include funding within the annual allocation for the installation of new streetlights at the following locations:

- Arey Drive from Darwin Place to Churrituck Drive.
- Athey Avenue southwest of Smythe Avenue, west side
- Beyer Way from Palm Avenue to the Borderline with the City of Chula Vista
- Beyer Way from Palm Avenue to Picador Boulevard
- Beyer Boulevard, west of Otay Mesa Road (South corner)
- Citrus Avenue from Hollister Street to I-5. This will complement/finish the recent street asphalt project.
- Conifer Avenue from Hollister Street to I-5. This will complement/finish the recent street asphalt project.
- Del Sur Boulevard north of Caithness Drive 185', west side
- Diza Road between Blando Lane and Alaquinas Drive
- East Beyer Boulevard northwest of Center Street 600', west side

- East Beyer Boulevard southeast of Center Street 600', east side
- Elm avenue from Saturn Boulevard to 18th Street
- Howard (SB) Avenue south of Iris Avenue 130', east side
- Logan Avenue from Evans Street to 26th Street and National Avenue
- Logan Avenue from Evans Street to Samson Street
  - This location has been approved and could be funded with Climate Equity funds previously allocated.
- Main Street from Cesar E. Chavez Pkwy to S 28<sup>th</sup> Street
- Otay Mesa Road south of Otay Mesa Place 540', east side
- Sampson Street and Logan Avenue (corner)
- Tennie Street west of Sanger Place 260', north side
- Via Encantadoras between Vista Lane and Tequila Way
- W. Hall Avenue west of Cypress Drive 150', south side
- Willow Road south of Calle Primera 400', west side

### **Streetlight Upgrades**

The FY26 budget should include funding within the annual allocation for the upgrade or reappear of streetlights at the following locations if they were not repaired or upgraded in FY25:

1. 923 South 26<sup>th</sup> Street and across from 923 South 26<sup>th</sup> Street
2. Boston Avenue from 29th Street to 32nd Street
3. Calle De La Alianza
  - a. City staff evaluation determined that both streetlights on Calle De La Alianza should be upgraded to LED lights.
4. 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.
5. Evans Street and Logan Avenue (next to the VFW).
6. Imperial Avenue between 32<sup>nd</sup> and 33<sup>rd</sup> Streets alongside the 32<sup>nd</sup> Street trolley bridge some lights are out.
7. Lonja Way at 1751 Lonja Way
8. Ocean View Boulevard and 28<sup>th</sup> Street (located right next to LMEC school)- all four are out.
9. Vista Lane and Via Las Tonadas

### **Street Resurfacing**

The FY26 budget should include funding for street resurfacing for the following street and alley segments in if they were not resurfaced in FY25:

Streets:

- 22<sup>nd</sup> Street between G Street and Market Street
- 24<sup>th</sup> Street between Palm Avenue and Harris Avenue
- 25<sup>th</sup> Avenue between Coronado Blvd. and Grove Ave.
- 27<sup>th</sup> Street between Coronado Blvd. and Grove Ave.
- 35<sup>th</sup> Street from National Avenue to Boston Avenue
- Beardsley Street and Logan Avenue to National Avenue
- 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
- Carnell Court from Carnell Avenue to the end of Carnell Court.
- 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
- Cottonwood Road from South Vista Avenue to West San Ysidro Boulevard
- Debenmark Place from Carnell Avenue to end of Debemark Place.
- 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
- Evans Street (south) & Main Street intersection
- Granger Street between Imperial Beach Boulevard and the end of Granger Street
- Granger Street from Coronado Avenue to the end of Granger Street.
- Hensley Street and L Street to Imperial Avenue
- Hermes Street between Thermal Avenue and Triton Avenue
- Hermes Street between Triton Avenue to end
- Irving Avenue between Commercial Street and Cesar E Chavez Pkwy
- L Street between 22<sup>nd</sup> Street and 24<sup>th</sup> Street
- Martin Avenue and 31<sup>st</sup> Street intersection
- National Avenue & S 26<sup>th</sup> Street intersection
- Newton Avenue (east of S 27<sup>th</sup> Street)
- Palm Avenue between 16<sup>th</sup> Street and Georgia Street
- Picador Boulevard between Arruza Street and Arey Drive
- Sampson Street from National Avenue to the Sampson Street bridge that crosses over Logan Avenue
- Saturn Boulevard between Dahlia Avenue and Palm Avenue
- Saturn Boulevard between Palm Avenue and Home Depot entrance
- Seward Avenue (east and west)
- Signal Avenue between Hermes Street and the end of Signal Avenue
- Sigsbee Street between Main Street and Harbor Drive
- S. Bancroft Street by Greely Avenue
- S. 42<sup>nd</sup> Street between Nordica and Eta Street
- Willow Road between Calle Primera and Camino de la Plaza
- Willow Road between E San Ysidro Blvd and Bolton Hall Road
- West Hall Avenue from Cottonwood Road to West Park Avenue

### **Alley Improvements:**

- 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
- Alley directly behind intersection of Boston Avenue and Rigel Street

### **Southcrest Infrastructure CIP**

**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 receives equitable treatment. In FY25, \$500k was allocated to conduct community outreach and perform initial design work. The CIP should be funded in FY26 with sufficient funds to move the identified improvements forward. Estimated cost: TBD

### **Unimproved Streets Infrastructure**

Design for the following unimproved street or alley locations to be built to city standards should be funded in the FY26 budget:

- The unimproved street located at South Bancroft Street at the intersection of Greely Avenue in the community of Stockton has completed a feasibility study. Total costs related to this project are estimated to be \$2M. To continue work on this project additional funding is required in FY26.
  - Estimated cost: \$2M
- 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
- Unimproved street connecting Vista Santo Domingo to Exposition Way (700 ft.)
- Residents have been requesting a secondary entry/exit point to their Vista Pacifica community as the current single access point on Avenida de las Vistas gets regularly congested by the traffic to/from the North Island Credit Union Amphitheater (Chula Vista) – residents are already de facto using that dirt road.
  - Estimated cost: TBD
- Unpaved alley located between Granger and 15th Street
  - Estimated cost: TBD
- Unpaved alley located between 14<sup>th</sup> Street and Granger
  - Estimated cost: TBD

### **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. The design will be finalized in FY25, environmental clearances are being processed and CalTrans permits are being obtained. This project should be fully funded in the FY26 Public Utilities Department budget to ensure the city's water and sewer infrastructure in the Tijuana River Valley is up to date and does not risk any pipe failures from contributing to the crisis in the Tijuana River Valley.

Estimated Cost: \$6.5M