



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

**DATE:** September 24, 2025

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

**FROM:** Councilmember Sean Elo-Rivera, District Nine

**SUBJECT:** Fiscal Year 2027 Budget Priorities

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Last year we fought strongly against budget proposals that reduced access to core City services, especially in underserved communities. We worked with community to preserve access to libraries and Park and Recreation programming to keep our residents safe and help our youth thrive. We recognize the difficult budget forecast and the longstanding need to implement changes that will solve our structural budget deficit. While doing so, we continue to prioritize safety and opportunity for all, clean and healthy neighborhoods, and world-class services in our budget priorities for District 9 and the City as a whole. We look forward to working with you, Mayor Gloria, and my City Council colleagues to develop a balanced and equitable FY27 budget.

Our region is facing significant financial uncertainty driven by unpredictable federal funding and service support. This year's budget must clearly reflect our values as a City, uplifting and protecting our communities, prioritizing essential services, and investing in the people and neighborhoods that are what make San Diego so special. Our office surveyed District 9 constituents and, with 670 responses, their top priorities are: maintaining streets and roads, addressing homelessness, and clean neighborhoods. Those priorities are reflected in our priorities below.

**Right Size Non-Resident Revenue – Make San Diego Work for San Diegans**

For decades, the City has struggled with a structural budget issue stemming from insufficient revenue to support maintenance, improvement, and critical services and programs. Previous Councils and Mayoral administrations kicked the can down the road rather than reckon with reality. We must increase revenue or accept the consequences of austerity - deteriorating infrastructure and City facilities, reduced safety, and slashes to beloved programming. Meanwhile, tourists and visitors from nearby cities have continued to come in droves without paying their fair share.

In November, 2022, your office issued Report 22-31 in response to a request from our office seeking revenue opportunities from non-residents. Unfortunately, despite our advocacy, the Mayor's ensuing budget proposals have failed to incorporate any of the potential non-resident revenue streams your office identified. Meanwhile our budget deficit has worsened, and San Diego residents have been left feeling the impact of budget cuts and increased costs. This year's budget must shift the burden away from residents and toward non-residents. To be clear, we will not support a budget that continues to allow tourists to treat our City as a free playground while San Diegans suffer the consequences.

#### Mission Bay Park Vehicle Non-Resident Entrance Fees

Mission Bay Park is the fourth-most visited municipal park in the United States and a wildly popular destination for visitors to San Diego from neighboring cities and tourists from across the country. It is time to ask those visitors to pay their fair share for the safety, maintenance, and enhancement of the park.

A vehicle entrance fee for non-residents could generate the revenue projected from a non-resident parking fee with additional, more appropriate fees for large vehicles, such as RVs. Additionally, boat launch fees could be collected upon entry, securing a fair payment from visitors while addressing some of the implementation complications identified in Report 22-31.

#### Non-Resident Parking Fees at Beach Lots

Tourists from around the world and non-residents from across the region visit our beaches, enjoying the beauty and safety that the City provides. And, as in too many cases, San Diego residents foot the bill for almost all of it. San Diego must begin to charge **non-residents** for parking at a rate like other cities throughout the region and state.

#### Rental Car Business Tax

Report 22-31 also mentions a Rental Car Business Tax "could be a significant revenue generating option" **borne by tourists**. We request your office work with the Department of Finance and Treasurer to update projections for what such a tax could generate to support infrastructure costs associated with tourism. Tourists who choose to drive while visiting San Diego should pay their fair share for their wear-and-tear of city roads and public safety impacts.

#### Housing Preservation Tax on Vacation Homes

A tax on Short-Term Vacation Rentals and luxury vacation homes not being used as long-term housing can raise significant revenue from **non-residents**. The revenue would address our budget shortfall, preserve housing for San Diego residents, and provide a regular source of funding for housing priorities.

#### Non-Resident Advance Booking Fees

Torrey Pines Golf Course is one of the most attractive municipal golf courses in the country and attracts visitors from around the world. Currently, the City imposes a \$50 **non-resident**

advance booking fee for tee times at Torrey. This fee is separate from greens fees and applies to non-residents who book tee times within a designated advance window. The City should consider increasing this fee, varying it by course and booking window, and redirecting the new revenue from this surcharge to support the Parks and Recreation Department.

### Cost of Living Consideration

By many metrics, San Diego is one the most expensive cities in the United States. This injustice cannot persist if we want San Diegans and the local economy to thrive. Our budget priorities are focused on the key drivers of cost of living, especially housing costs. Housing costs are often a household's greatest monthly expense, and research shows that homelessness is driven by housing costs. Our office is committed to address the cost of living through the City Budget.

### EXPENDITURE PRIORITIES

#### Safety and opportunity for all: Housing and homelessness

Budget priority	Amount
Eviction Prevention Program	\$3,000,000
Housing Instability Prevention Program	\$5,800,000
Affordable Housing Preservation Fund	SDHC-identified funds
Expansion of Diversion and Prevention Resources	\$2,106,614
Homelessness Prevention for Foster Youth  <i>1 in 4 foster youth becomes homeless within 4 years of aging out of foster care. This is unacceptable. Lucky Duck is currently partially funding the Fosters Future Program, aimed at providing the financial and wraparound support necessary to prevent foster youth from the added trauma of experiencing homelessness. The City should provide supplemental support to provide housing support for foster youth.</i>	\$400,000
Tenant termination notice registry	\$500,000
Continued funding for safe parking sites with one meal per day	IBA-identified amount

<p>Funding to maintain non-congregate and City-funded shelters, including SafeSTAY Wellness Center Shelter</p> <p><i>While it is vital to maintain funding to help our homeless community move towards permanent housing, the IBA, SDHC, and HSSD should conduct a thorough analysis of impact of transferring some shelter funds towards other solutions, such as prevention, diversion, or a flexible financial assistance program instead of maintaining funding at current levels of service for shelters.</i></p>	IBA-identified amount
<p>Additional Veterans Village of San Diego (VVSD) Shelter Beds</p> <p><i>Fund expansion of existing program, which benefits from economies of scale at existing veteran shelter with 72 unoccupied beds</i></p>	\$2,347,738
<p>Ensure shelter contracts honor workers</p> <p><i>The City should adjust its contracted bed rates to match other existing City shelter programs to ensure that our homeless service providers are well-equipped to effectively address homelessness while reducing turn over and increasing continuity of care.</i></p>	As determined by contract administrators

#### Safety and opportunity for all: Public safety

Budget priority	Amount
Fund City Attorney's Office's Housing Protection Unit	As determined by CAO
Maintain funding for No Shots Fired	\$250,000
Maintain funding for parks and recreation programming - Parks After Dark and Come Play Outside	\$500,000
Gun buyback program	\$100,000
<p>Weed abatement and fire prevention</p> <p><i>This is particularly important in the District 9 neighborhoods whose canyons and hillsides present unique fire risks to homes.</i></p>	In accordance with agreed upon audit recommendations

## Safety and opportunity for all: Economic and community development

Budget priority	Amount
Small business enhancement program	Fully fund in accordance with CP 900-15
SD Access for All	\$1,000,000
Arts and culture funding - Penny for the Arts	9.52% of TOT revenue
Establish the City's Cannabis Social Equity and Economic Development (SEED) Program	IBA-identified amount
City Heights and El Cajon Activation Transit Plazas <i>Maintain and activate the City Heights and El Cajon Boulevard Transit Plazas through continued leases with Caltrans.</i>	As determined by staff

## Clean and Healthy Neighborhoods

Budget priority	Amount
Restoring Energy Independence Fund allocation, including funds for continuing the public power feasibility study	20% of gas and electric franchise bid payments
Fully fund the Climate Action Plan (CAP) <i>Prioritization should adhere to Council Policy 900-22</i>	IBA-identified amount
Climate Equity Fund	As determined by designated formula
Increase funding for stormwater needs <i>Prioritize funding in communities vulnerable to flooding</i>	As determined by departmental staff
Street sweeping <i>Recent operational changes to street sweeping affected services in many District 9 communities. Our office requests that service is increased and appropriate signage is posted in the Castle and Teralta neighborhoods.</i>	As determined by departmental staff

Sidewalk installations <ul style="list-style-type: none"> <li>• Broadway from 40th St to 41st St</li> <li>• Toyne St from F St to Hilltop Dr</li> <li>• Delta St from 43rd St to Delta Park Ln</li> </ul>	As determined by departmental staff
Crosswalk at 41st Street and Market Street  <i>An evaluation determined that this location meets the criteria established in Council Policy 20007 for a marked crosswalk. We request high visibility continental crosswalk markings with pedestrian activated flashing beacons and a horizontal deflection treatment.</i>	As determined by departmental staff
Tree planting and urban greening for District 9	As determined by departmental staff
Left turn signals on El Cajon Boulevard at Rolando Boulevard	As determined by departmental staff
Mt. Hope community sign	TBD
Security for Restrooms at Clay Park	Consistent with contracting standards

### World Class Services

Budget priority	Amount
Maintain current departmental funding, particularly in Parks and Recreation, Library, and the Office of Child and Youth Success	No less than FY26 funding levels
Lifeguard FTEs – One marine safety captain	\$141,545-\$170,832
North Pacific Beach, Ocean Beach, and Mission Beach Lifeguard Stations	As determined by departmental staff
Wellness Program for all full-time Lifeguards	\$200,000-\$300,000
Fund the Office of Race and Equity within the Independent Budget Analyst Office	As determined by IBA staff

<p>Procedural equity</p> <p><i>This City should continue compensating organizations and residents who assist in outreach efforts and seek additional opportunity to compensate the community for their engagement with the City.</i></p>	As determined by departmental staff
<p>Job-related benefits and policies for working parents</p> <p><i>The City should make permanent its childcare assistance pilot program and pursue other opportunities to better support our workers.</i></p>	As determined by departmental staff
<p>Code Compliance Officers</p> <p><i>Development Services Department should be provided full code enforcement staffing to meet the needs of our city, including addressing illegal dumping, brush management, and graffiti abatement.</i></p>	As determined by departmental staff
<p>Expand and fully staff the Office of Labor Standards and Enforcement (OLSE)</p>	As determined by departmental staff
<p>Continue contracting with organizations who provide restorative employment opportunities</p> <p><i>The City should increase investment in partnerships with organizations such as Center for Employment Opportunities and Urban Corps that provide employment opportunities for Opportunity Youth and our justice-Impacted community. Funding should support partnership with AFSCME Local 127 to make it easier for program participants to transition to unionized City careers.</i></p>	N/A
<p>Invest in the Chollas yard maintenance and repairs</p>	As determined by departmental staff
<p>Right size the Transportation Department fleet through vehicle purchases and rental budgets to address emergency infrastructure repairs</p>	As determined by departmental staff
<p>Deputy City Clerk II (DCC2) position within the Office of the City Clerk</p>	As determined by departmental staff

## Existing Capital Improvements Program (CIP) project priorities

### Parks and Recreation

- P20005 / Chollas Triangle Park

- P23003 / Mt. Hope Rec Ctr @ Dennis V. Allen Park

#### *Transportation*

- AIH00001 / Installation of City Owned Street Lights
  - 800 block of 42nd Street in Mt. Hope
  - Central Avenue in Castle
- AID00005 / Street resurfacing and reconstruction
  - 33<sup>rd</sup> Street from K to Market Streets
  - 33<sup>rd</sup> Street from Lincoln Avenue to University Avenue
  - 34<sup>th</sup> Street at Spring Garden Place
  - 36<sup>th</sup> Street from El Cajon Boulevard to Orange Avenue
  - Edgeware Road from E. Canterbury Street to Adams Avenue
  - Home Avenue from Spillman Drive to I-805
  - J Street from 30<sup>th</sup> and 31<sup>st</sup> Streets
  - Mansfield Street between Copley Avenue and Adams Avenue
  - Menlo Avenue between University Avenue and Wightman Street
  - Orange Avenue from Winona Avenue to 52nd Street
  - Raven Street from Hilltop and Market Streets
  - Redwood Street from Chamoune and Menlo Avenues
- AIA00001 / Bicycle Facilities
- AID00007 / Bus stop improvements

#### *Stormwater*

- B16174 / Kensington North Storm Drain Replacement
- S22008 / Upper Auburn Creek Revitalization

#### *Public Utilities Department*



- B19152 / College West Improv 1 (S)
- B19148 / College West Improv 1 (W)
- B19153 / College West Improv 2 (S)
- B19149 / College West Improv 2 (W)
- B20085 / College West Improv 3 (S)
- B20084 / College West Improv 3 (W)
- S15019 / Alvarado Trunk Sewer Phase IV

## **New Capital Improvements Program (CIP) project requests**

### *Parks and Recreation*

#### Colina Park Pool

Parks and Recreation Department is addressing the material condition of the Colina Park Pool through its operational budget, but should the repairs warrant capital investments a CIP should be created to support this crucial community asset.

#### Mt. Hope to City Heights Trail

The SR-94 reduces multi-modal community mobility by acting as a physical barrier. Caltrans has longer term plans for a bike path from Federal/Home to Market St. In the near term, we support a trail along an existing canyon, connecting 39th St (Mt. Hope) and Home Ave (City Heights).

#### Mt. Hope Recreation Center

This project would allocate funds to a new CIP Project, that would transform Dennis V Allen Park's open space to a Rec Center. Currently, the GDP is about to be finalized in the next few months. This vibrant space will be home to a long overdue Rec Center for Mt Hope neighbors.

### *Transportation*

#### El Cajon Permanent & Extended Rapid Transit Lanes

The El Cajon Boulevard Rapid Bus Lane has been successful in decreasing commute times for MTS riders, slowing vehicles on a historically deadly corridor, and has not significantly impacted traffic flow. This project should be made permanent with red paint and extended to San Diego State University.

### Extend Market Street Complete Street project west to I-5

The Market St, 47th St to Euclid Complete Street Project (CIP #S16061) is currently under construction, and will provide widened sidewalks, a concrete median, and separated bikeways when complete. To provide continuity through this corridor, we request a new CIP to continue this design through the full length of Market Street to provide a safe active transportation route connecting Chollas View, Mt. Hope, Stockton, Grant Hill, Sherman Heights, and Downtown San Diego.

### Poplar/Pepper/Tulip/Midvale/Gateway Traffic Calming

The roads connecting Home Avenue to Fairmount Avenue through Fairmount Park and Azalea Park are heavily trafficked and often experience unsafe driving. We ask that traffic circles and Class II bike lanes or Class IV protected bikeways be installed along this corridor.

### Rosa Parks Elementary Pedestrian Beacon Lights

This improvement was identified by Rosa Parks parents, who addressed unsafe pedestrian access for students and partners during pick up and drop-off hours. A traffic study was conducted and identified the need for Rectangular Rapid Flashing Beacons (Transportation Unfunded Needs List #12512) at 45th Street & Landis Street.

### Cherokee Street and University Ave Improvements

Invest in upgrades to enhance pedestrian walkability and address safety concerns along Cherokee Street and University Avenue. Improvements such upgraded crosswalks and traffic-calming measure to create a safer, more accessible corridor for residents, students, and local businesses.

### Teralta Park Capital Improvements

Engineering documents from 2005 show the designs for Teralta Park included a clock tower. We request that a CIP is created to improve Teralta Park and implement its original vision, including the construction of a clock tower.

### Adams Avenue Complete Streets

Adams Avenue from I-805 to I-15 is a perfect location to implement a Complete Streets project. Constituents regularly request pedestrian enhancements, and cyclists must share the roadway with high-speed traffic. This project would also better connect the communities of North Park, Normal Heights, and Kensington.

### Alley repaving

Paving unimproved alleys is among the most requested infrastructure investments from our constituents. We understand the City's resources are limited and priority should be given to regular streets, but the City should develop funding and maintenance plans to begin addressing the many unimproved alleys in our communities.

## *Stormwater*

### Drainage improvements at 47th Street and Dwight Street

This project would address drainage issues that often affect private property in an area badly needing improve stormwater infrastructure.

### Green Infrastructure Project next to Harriet Tubman Joint Use Park

This new green infrastructure project would serve as both traffic calming and water recapture for the areas next to the Joint Use Park at Harriet Tubman Village Charter School. This should include bulb-outs at the corner of 68th and Saranac.

## ADDITIONAL SAVINGS AND REVENUE OPPORTUNITIES

### **Stop Digging an Expenditure Hole**

#### Address overtime spending

We must develop a more fiscally responsible system for the utilization of overtime and ensure that best practices are utilized consistently throughout the City.

#### In-housing services, especially in the Transportation Department

In recent reports, the IBA and City Auditor recently considered “in-housing” certain public services and no longer relying on contractors. The City should pursue in-housing opportunities when the benefits outweigh the costs.

#### Address inefficiencies in department personnel management

Department staff perform an invaluable service to the public. The City should reexamine and consider consolidating managerial positions in order to invest in the City’s workforce. This will allow the City of San Diego to maximize the services that can be provided.

#### Vacant Commercial Property Charge

Vacant and abandoned property burdens neighborhoods with blight and the City with significant costs to mitigate harm. Last year, the City of Escondido established a fee to be paid by the owners of abandoned buildings and vacant lots. The City of San Diego should develop a similar fee for vacant commercial storefronts that can help maintain clean and healthy neighborhoods and incentivize putting unutilized storefronts into use.

#### Redevelopment of surplus land

The City is soliciting proposals for several surplus properties, and the revenues from such redevelopment should support public services and programs.

#### Reallocating Surplus Golf Revenue to Support Park and Recreation Facilities

Currently, revenue from the City’s public golf courses, which are a part of the Parks and Recreation department’s portfolio, are solely utilized to maintain those golf courses. The City

should analyze how to expand eligible uses of the Golf Course Funds, including revenue from the aforementioned Advanced Booking Fee, to fund maintenance of other Parks and Recreation facilities.

#### Payments relating to gas and electric franchises

City staff should ensure the City receive all payments required by SDG&E under the gas and electric franchises.

#### Budget Resilience

The City should explore additional revenue streams for ongoing grant funded expenditures to ensure Capital and Programmatic resiliency in the face of uncertain federal support.

#### ZERO-BASED BUDGETING (ZBB)

In response to the call for budget priorities' request for potential departments to analyze for inclusion in a ZBB pilot program in the City's budget process, we preliminarily suggest the following for analysis and consideration:

##### Homelessness Strategies and Solutions Department (HSSD)

HSSD's vital work is filtered through a complex array of grant requirements and maintaining legacy and new shelter programs. ZBB could allow for the opportunity to re-examine the purpose and goals of HSSD and ensure that the department's budget is funding the most effective solutions to homelessness within a constrained budget.

##### Transportation

The Transportation department also performs vital work, and we want to maximize their impact within their capacity. Given the continued concerns resulting from outsourcing work incurring a greater expense than City staff, ZBB could help continue the work that Transportation has already begun to prioritize fixing streets based on need and capacity.