



THE CITY OF SAN DIEGO

MEMORANDUM

DATE: May 15, 2026

TO: Honorable Councilmember Henry Foster III, Budget Review Committee Chair,
and Honorable Budget Review Committee Members

FROM: Benjamin Battaglia, Director of Finance and City Comptroller, Department of
Finance

SUBJECT: Fiscal Year 2027 Budget Review Committee Referral Responses for May 7, 2026

This memorandum provides responses and/or follow up information to unanswered questions asked at the Budget Review Committee meeting held on May 7, 2026. The responses are listed by department in numerical Council District order.

Homelessness Strategies and Solutions (HSSD)

COUNCIL DISTRICT 1

QUESTION: Have we received all the dollars we are eligible for from the State? Is there anything outstanding?

RESPONSE: The FY27 Draft Budget reflects all the State funds we expect to receive. As stated during the Budget Review Committee, it is unlikely that the City would receive any additional funding in HHAP 7 or any portion thereof before the fourth quarter of FY27. Since there is no known amount of funding available, nor a notice of funding or applications, we cannot responsibly assume those funds will be available for programs in FY27 at this time. If that changes, the department will update the City Council.

COUNCIL DISTRICT 3

QUESTION: What would the implications to 16th and Newton be if the \$2.9 million reduction were increased to \$3.1 million and we kept the \$200,000 in the Eviction Prevention Program?

RESPONSE: HSSD will collaborate with the San Diego Housing Commission and analyze this option to determine specific impacts. Based on Council feedback thus far, reducing programming elsewhere to accommodate full Eviction Prevention Program funding, while not further decreasing 16th and Newton shelter capacity, is suggested.

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COUNCIL DISTRICT 6

QUESTION: Regarding the options for Neil Good Day Center and 16th & Newton, what would the timing be to shut both down?

RESPONSE: The closure of the Neil Good Day Center could occur as early as July 1, 2026, though the implementation timeline would depend on the scope of services identified for transition planning and operational coordination. Certain functions, such as mail forwarding, could transition relatively quickly once a receiving location and process are identified.

Should the site close, restroom access, laundry, storage, device charging, and other daytime support amenities currently available at Neil Good Day Center would no longer be available at that location. Some individuals utilizing the Day Center are also enrolled in shelter programs and may continue to access certain amenities and supportive services through their shelter placement.

It is important to note that shower services are not currently provided directly at 299 17th Street. Father Joe's Villages provides shower access through its main campus at 1501 Imperial Avenue, which requires participant registration and issuance of an identification badge for service access. Closure of the 299 17th Street location may require adjustments to current intake and registration operations associated with the main campus, should they continue to offer shower services there.

Additional community-based resources currently provide limited hygiene and supportive services. Third Avenue Charitable Organization (TACO), in partnership with Think Dignity, currently offers shower access twice monthly through the Fresh Start program and provides charging stations Tuesday through Friday from 9:00 a.m. to 1:00 p.m. Rachel's Women's Center also operates downtown and provides showers, meals, mail services, and daytime support services for women and individuals who identify as female. Registration and volunteer chores are required for participation. Other active shower services include Shower Ministry and Humanity Showers outside of accessing shelter services.

Storage services at the Neil Good Day Center are currently limited to day-use storage for participants with a service badge. Additional City-funded storage resources exist nearby through Think Dignity Impact Services on 16th Street, which provides secure storage services, and through Storage Connect located on 19th Street.

Housing navigation, outreach engagement, and shelter connections for individuals experiencing unsheltered homelessness would continue through the City's coordinated outreach system, including City-funded outreach teams and access points such as the Hub, Rachel's, Serving Seniors, and County HHSA Centre City location.

It's important to acknowledge that many of the alternative service locations identified operate within structured program models that require participant registration, adherence to site rules, and behavioral expectations necessary to maintain safe operations for both participants and staff. Depending on the severity and frequency of behavioral health-related incidents, disruptive conduct, safety concerns, or open substance use, participants may experience temporary suspension or restricted access to services.

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This may present challenges for some high-acuity unsheltered individuals who historically accessed lower-barrier daytime services through the Neil Good Day Center. Careful messaging and transition planning will be important to avoid unintentionally overstating equivalent service accessibility across providers, while still recognizing the operational realities and safety requirements maintained by community-based organizations.

With regard to mail services, additional transition planning would be necessary to ensure continuity of access to vital documents, benefit communications, and housing-related correspondence, particularly as certain programs, including Lifeline phone enrollment, already cannot utilize 299 17th Street as a mailing address. There are existing community-based resources that may support continuity planning, and HSSD will work with them should the Neil Good Day Center be cut from the budget. This coordination could start prior to July 1 to ensure continuity of mail service and communication with impacted individuals, while achieving the greatest possible savings in FY27.

San Diego Convention Center Corporation

COUNCIL DISTRICT 7

QUESTION: What is the industry standard for the amount of funding that should be invested in maintenance for convention centers each year?

RESPONSE: There does not appear to be a single national standard specific to convention centers regarding annual maintenance funding. However, research from the Building Research Board of the National Research Council and the Association of Physical Plant Administrators is commonly cited in public facility management. It recommends annual funding for routine maintenance and capital renewal in the range of 2% to 4% of Current Replacement Value (CRV). This benchmark includes both routine maintenance and lifecycle capital renewal, but does not include any existing deferred maintenance backlogs.

Applying this benchmark to the San Diego Convention Center's estimated CRV, a 3% midpoint, or approximately \$35 million annually, provides a reasonable recurring investment benchmark for routine maintenance and capital renewal. Deferred renewal would need to be addressed separately through either a one-time catch-up investment or a supplemental ongoing investment. The immediate deferred backlog is estimated at approximately \$50 million, which could be addressed over time through a supplemental investment of roughly 0.5% of CRV annually over 10 years.

Sincerely,

Benjamin Battaglia

Benjamin Battaglia
Director of Finance and City Comptroller

BB/ff

cc: Honorable Mayor Todd Gloria
Honorable City Attorney Heather Ferbert

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Honorable Councilmember Henry Foster III, Budget Review Committee Chair, and Honorable
Budget Review Committee Members

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cc continued:

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