



THE CITY OF SAN DIEGO

Report to the Mission Bay Park Improvement Fund Oversight Committee

DATE ISSUED: May 12, 2026
TO: Mission Bay Park Improvement Fund Oversight Committee
FROM: Parks and Recreation Department
SUBJECT: Allocation of Fiscal Year 2027 Mission Bay Park Improvement Funds

SUMMARY

Should the Mission Bay Park Improvement Fund Oversight Committee approve the recommendation to allocate \$11,158,117 of Mission Bay Park Improvement Funds to the following projects:

- Cudahy Creek Wetland Expansion and Water Quality Improvements, CIP# TBD, \$2,651,386
- DeAnza Natural General Development Plan, CIP# TBD, \$3,000,000
- Expansion of endangered or threatened species preserves and upland habitats on North Fiesta Island and along the levee of the San Diego River floodway as identified in the MBPMP, CIP# TBD, \$1,000,000
- Mission Beach Lifeguard Tower, Comfort Station, and ADA Storage, CIP# L25001, \$2,000,000
- North Fiesta Island Wetland Expansion, Water Quality Improvements, Upland Habitat Expansion, and Restoration Improvements, CIP# TBD, \$1,006,731
- Restoration of Shoreline Treatments- Bonita Cove, CIP# TBD, \$1,500,000

Director's Recommendation – Approve the recommendations of Mission Bay Park Improvement Fund (MBPIF) for the projects listed in this report.

Fiscal Impact – The MBPIF allocated in this report will allow for each identified project to continue in its current phase or shift into the next phase of work.

Water and Energy Conservation Status – Not applicable.

Environmental – The allocation of funds will not result in any direct or reasonably foreseeable indirect physical changes in the environment and is therefore not subject to CEQA pursuant to State CEQA Guidelines Section 15060(c)(2).

BACKGROUND

The Mission Bay Park Improvement Fund (MBPIF) is one of two capital improvement project funds to receive revenues from leaseholds in Mission Bay Park. The other fund is the San Diego Regional Park Improvement Fund (RPIF).

The two funds were established by voter approval of revisions to the City Charter, Article V, Section 55.2 (Charter Section 55.2). The initial Charter 55.2 became effective on July 1, 2009

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under Proposition C, and a subsequent amendment to Charter 55.2 became effective after voters approved Measure J on November 8, 2016, with those amendments going into effect on December 19, 2016.

Mission Bay lease revenues are allocated by a formula based on Charter Section 55.2 as follows:

- Initial \$20 million of Mission Bay lease revenues goes into the City's General Fund and may be used for any municipal purpose
- Next \$3.5 million goes to RPIF (total lease revenue is \$23.5 million)
- Next \$6.5 million goes to MBPIF (total lease revenue is \$30 million)
- Revenue received thereafter is split at a ratio of 35% to RPIF and 65% to MBPIF

Based on current projections for lease revenues in Fiscal Year 2023, MBPIF is anticipated to receive an additional \$5,719,721.15 million in Fiscal Year 2024 per the Charter Section 55.2 distribution thresholds.

The purpose of the MBPIF is to support capital improvement projects within the City's Capital Improvement Program (CIP) for Mission Bay, as identified in the City Charter or by City Council Ordinance.

RECOMMENDED BUDGET ALLOCATIONS

City staff is projecting \$11,158,117 of MBPIF available to allocate in Fiscal Year 2027. The allocation is based on historical data and audited revenue funds. The projects listed below are initial recommendations based on current needs, the five-year plan objectives, and our understanding of project costs. The Department may suggest adjustments to future year allocation recommendations depending on the successful completion of projects that were previously funded by MBPIF. The recommended allocations will be added to the City's CIP through the annual City budget process.

- ***Cudahy Creek Wetland Expansion and Water Quality Improvements, CIP# TBD, \$2,651,386***
Scope: This project provides for the restoration of Cudahy Creek Cove wetlands in Mission Bay by creating new salt marsh areas, improving water quality, and stabilizing the shoreline. Work includes building a berm, adding subtidal channels to direct stormwater flows, and installing oyster bags and riprap to prevent erosion. The project is expected to create about 5.2 acres of new salt marsh habitat. The restored marsh will enhance habitat for plants and wildlife, improve water quality for recreation, and provide public education opportunities.
Financial: This is the first allocation of funding to this project. The total project cost is estimated to be \$17,300,000.
Status: 30 percent design was completed through the Programmatic Environmental Impact Report (PEIR). Further scheduling will be identified as the project progresses.
- ***DeAnza Natural General Development Plan, CIP# TBD, \$3,000,000***
Scope: This project provides for a general development plan that sets the park's future design and layout based on the approved DeAnza Natural Amendment to the Mission

Bay Park Master Plan. With public input, the plan will refine early concepts into a preferred design that balances recreation and habitat areas and will include cost estimates and schedules. The span of this project will include Rose Creek and Campland. Once approved, the plan will guide the preparation of detailed construction documents for future park improvements.

Financial: This is the first allocation of funding to this project. The total project cost is estimated to be \$4,000,000.

Status: 30 percent design was completed through the Programmatic Environmental Impact Report (PEIR). Further scheduling will be identified as the project progresses.

- *Expansion of endangered or threatened species preserves and upland habitats on North Fiesta Island and along the levee of the San Diego River floodway as identified in the MBPMP, CIP# TBD, \$1,000,000*

Scope: This project provides for the expansion of endangered or threatened species preserves and upland habitats on North Fiesta Island and along the levee of the San Diego River floodway as identified in the MBPMP. Project locations include: Fiesta Island South, Fiesta Island North Central, Fiesta Island near Youth Camping, Fiesta Island North California Least Tern Preserve Area, Cloverleaf Enhancement Area, Triangle Enhancement Area, and South Shores Restoration and Enhancement Area.

Financial: This is the first allocation of funding to this project. The total project cost is to be determined.

Status: 30 percent design was completed through the Programmatic Environmental Impact Report (PEIR). Further scheduling will be identified as the project progresses.

- *Mission Beach Lifeguard Tower, Comfort Station, and ADA Storage, CIP# L25001, \$2,000,000*

Scope: This project provides a phased approach to replacing the Mission Beach Lifeguard Station, located at 3141 Ocean Front Walk. Phase 1 provides for emergency action to conduct a structural assessment, evaluate repair options, and implement repairs for the lifeguard station to allow time to plan for replacing the station. Phase 2 provides for temporary facilities to provide necessary public services prior to and during construction of a permanent replacement for the existing lifeguard station. Phase 3 will provide for the design and construction of a new lifeguard station, including demolition of existing facilities.

Financial: \$2,500,000 has been allocated to this project to date, all of that MBPIF. The total project cost is estimated to be \$29,300,000.

Status: Engineering and Capital Projects is currently working on bridging documents for a Progressive Design Build selection.

- *North Fiesta Island Wetland Expansion, Water Quality Improvements, Upland Habitat Expansion, and Restoration Improvements, CIP# TBD, \$1,006,731*

Scope: The project includes implementation of a portion of the North Fiesta Island Conceptual Habitat Restoration and Monitoring Plan. It is consistent with the Mission Bay Park Master Plan and Mission Bay Park Improvements Program. The project will remove disturbed areas that may include: perimeter roadway, regrade disturbed landforms and establish native upland plant communities, design of approximately 1.6 miles of pedestrian and bicycle pathway. Implementation tasks include finalizing

technical designs, conducting biological assessments and hydrologic modeling, and securing required environmental permits and agency approvals. Restoration construction will include the upland native plant.

Financial: This is the first allocation of funding to this project. The total project cost is estimated to be \$89,600,000.

Status: 30 percent design was completed through the Programmatic Environmental Impact Report (PEIR). Further scheduling will be identified as the project progresses.

- **Restoration of Shoreline Treatments- Bonita Cove, CIP# TBD, \$1,500,000**

Scope: The concept for Bonita Cove proposes to relocate the sidewalk and nourish the beach at the headland off San Fernando Place. Relocating the sidewalk up to 30 feet inland will alleviate the immediate coastal erosion threats of undermining infrastructure. A 100-ft-wide dry beach is proposed to advance the land at the San Fernando Place headland. If a large (i.e., coarse) sand grain size can be identified for use in this project, the beach would be anticipated to resist erosion for a longer period of time. This beach is anticipated to protect infrastructure and public access for years but will erode over time. In order to curb such erosion, a cobble berm is proposed at the toe of the beach nourishment. With the use of soft engineering materials, the berm is intended to lessen wave energy in a similar manner to a breakwater and hold the shoreline position in a similar manner to a revetment.

Financial: This is the first allocation of funding to this project. The total project cost is estimated to be \$1,910,876.

Status: 30 percent design was completed through the Programmatic Environmental Impact Report (PEIR). Further scheduling will be identified as the project progresses.

RECOMMENDATIONS


The Department recommends approval of the recommended allocations of Mission Bay Park Improvement Fund to the projects listed in this report.

ALTERNATIVES

1. Approve the recommendations of anticipated Mission Bay Park Improvement Funds allocations for the Proposed Fiscal Year 2026 Budget.
2. Do not approve the recommendations of anticipated Mission Bay Park Improvement Funds allocations for the Proposed Fiscal Year 2026 Budget.
3. Recommend alternative allocations to specific eligible capital projects.

Respectfully submitted,

Approved by:
Andy Field
Director
Parks and Recreation Department



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Parks and Recreation Department