THE CITY OF SAN DIEGO

M E M O R A N D U M

DATE: October 15, 2026

TO: Regional Park Improvement Fund Oversight Committee

FROM: Andy Field, Director, Parks and Recreation

SUBJECT: Semi-Annual Presentation Format for the Regional Park Improvement Fund Oversight Committee

---

This memorandum provides updated guidance to staff regarding the semi-annual project reporting format used for the Regional Park Improvement Fund (RPIF) Oversight Committees. The format is consistent with the current Capital Improvement Project (CIP) reporting practices presented in July 2026 and is being formalized to meet the requirements of Recommendation 4.1 from the Fiscal Year 2024 Mission Bay and Regional Parks Improvement Funds Audit.

Background
Section 55.2 of the City Charter requires the RPIF oversight committee to review project implementation, expenditures, schedules, and revenues at least quarterly. Attachment 1, "Schedule of Quarterly Meetings of the Mission Bay Park Improvement Fund and Regional Park Improvement Fund Oversight Committees as Required by City Charter Section 55.2(e)" established the City's expectations for annual and semi-annual reporting to the respective Oversight Committees.

On October 31, 2025, the Office of the City Auditor released the results of its audit of the Mission Bay and the San Diego Regional Parks Improvement Funds' financial activity in Fiscal Year 2024 (Attachment 2). As part of the audit, the following recommendation was made:

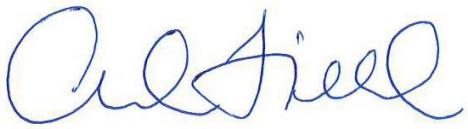
> "The City should provide additional project information to the improvement fund oversight committees to strengthen transparency, ensure expenditures are appropriate, and maximize project delivery."

Action
Beginning in Fiscal Year 2026, Engineering & Capital Projects (E&CP) developed and presented, with input from the Oversight Committee, a standardized project information report format. This format, which will include project scope, current phase and status, updated cost estimates, schedule information, and expenditures quarterly. In addition, E&CP will present to the committees semi-annually with progress on projects that have had major milestones or changes.

This new format (Attachment 3) addresses Recommendation 4.1 by ensuring the RPIF Oversight committee receives complete, consistent, and clear project-level information needed to review compliance with City Charter Section 55.2. These reports will guide the Oversight Committee in the understanding of changes to scope, cost, and schedule, and access detailed expenditure information.

Conclusion
This memorandum memorializes and formalizes the new reporting approach, as agreed upon by the RPIF Oversight Committee, aligning presentation content, format, and frequency with the requirements set forth in the FY2024 Audit Recommendation 4.1.

Sincerely,



Andy Field
Director

AF/rdb

Attachments:

1. Schedule of Quarterly Meetings of the Mission Bay Park Improvement Fund and Regional Park Improvement Fund Oversight Committees as Required by City Charter Section 55.2(e)
2. Performance Audit of the Mission Bay and San Diego Regional Parks Improvement Funds, Fiscal Year 2024
3. Update on Capital Improvement Projects' Progress and Expenditures

cc: Rania Amen, Chief Community Services Officer & City Engineer, Office of the Mayor
Andy Hanau, City Auditor, Office of City Auditor
Elif Cetin, Director, Engineering & Capital Projects
Matthew Helm, Assistant City Auditor, Office of City Auditor
Akram Bassyouni, Assistant Director, Engineering & Capital Projects
Caryn McGriff, Assistant Director, Engineering & Capital Projects
Erika Ferreira, Deputy Director, Parks and Recreation
Patrick Hadley, Deputy Director, Parks and Recreation
Victor Nava, Deputy Director, Parks and Recreation
Jon Richards, Deputy Director, Parks and Recreation
Parita Ammerlahn, Acting Deputy Director, Engineering & Capital Projects
Ryan Barbrick, Program Manager, Parks and Recreation
Megan Jaffery, Performance Auditor, Office of City Auditor
Danielle Kish, Performance Auditor, Office of City Auditor
Octavio Suarez, Performance Auditor, Office of City Auditor

THE CITY OF SAN DIEGO

M E M O R A N D U M

DATE: July 20, 2016

TO: Distribution

FROM: Andrew Field, Assistant Director, Park and Recreation Department

SUBJECT: Schedule of Quarterly Meetings of the Mission Bay Park Improvement Fund and Regional Park Improvement Fund Oversight Committees as Required by City Charter Section 55.2(e)

This memorandum provides guidance to staff in the Park and Recreation Department, Public Works Department, Real Estate Assets Department, the Office of the City Comptroller, and the Office of the City Auditor as related to the required minimum of four oversight committee meetings for both the Mission Bay Park Improvement Fund and the Regional Park Improvement Fund as required by City Charter Section 55.2. While the City Charter identifies and prioritizes projects in the Mission Bay Park Improvement Fund, the Regional Park Improvement Fund Oversight Committee establishes a project list for various regional parks identified in both Section 55.2 and subsequent ordinances.

Background

In November 2008, San Diego voters approved adding Section 55.2 to the City Charter. Section 55.2, entitled "Mission Bay Park and Regional Parks Improvement Funds," provides guidance on the distribution of lease revenues generated within Mission Bay Park. The first $20 million generated transfers to the General Fund, and the two improvement funds receive additional funds beyond this threshold in a prescribed formula.

To ensure public input on the use of these funds, Section 55.2 sets forward two oversight committees, one for each improvement fund. San Diego Municipal Code Section 26.30, "Park and Recreation Advisory Boards," identifies the two oversight committees. Section 26.30(a) calls for the Park and Recreation Board to serve as the Regional Park Improvement Fund Oversight Committee, and Section 26.30(c) calls for the Mission Bay Park Committee to serve as the Mission Bay Park Improvement Fund Oversight Committee.

The Park and Recreation Board and Mission Bay Committee have web pages containing agenda, minutes, and reports. The oversight committees' agenda, minutes, and reports also appear at the same location on the City's web page. These committees generally meet monthly with the typical exception of August and December. In Section 55.2(e)[1], the City

[1] Section 55.2(e) states: "The *Mission Bay Park Improvement Fund Oversight Committee* and the *San Diego Regional Parks Improvement Fund Oversight Committee* shall meet at least quarterly to audit and review the implementation of this Charter Section, to recommend priorities for expenditures and *Capital Improvements* hereunder in accordance with the master plans for each of the *San Diego Regional Parks* or with the *Mission Bay Master Plan* or within the priorities identified in (c)(1)(AG), as applicable; and to verify that the appropriate funds are collected, segregated, retained and allocated according to the intent of this Section, and spent as prioritized in this Section and consistent herewith."

Charter calls for quarterly meetings (four times per year for *each* committee) to discuss various aspects of the funds, including:

- Budget Allocation
- Project implementation
- Expenditures
- Revenues
- Results of Annual Audit

Prior to Fiscal Year 2017, the two oversight committees have met at least four times per year. A review of the current practices of the oversight committees has resulted in staff developing a way of helping the oversight committees conduct its business in a more orderly fashion including the following schedule. This memorandum should also ensure that adequate information is shared with the oversight committees. The May 2016 Audit Report noted that the Mission Bay Park Improvement Fund Oversight Committee did not receive fund expenditure information.[2] This memorandum should help ensure the committees receive appropriate updates as required by Section 55.2(e).

Schedule
To ensure compliance with Section 55.2(e), staff from various departments will present various topics to **both** the Mission Bay Improvement Fund Oversight Committee **and** the Regional Park Improvement Fund Oversight Committee on the following annual schedule starting in Fiscal Year 2017 as follows:

Month	**Topic**	**Responsible Staff**
Summer[3]	Prior Fiscal Year Audit Results	City Auditor
September	Semi-Annual Project Update #1	Public Works
October	Prior Fiscal Year Mission Bay Lease Revenues	City Comptroller Real Estate Assets[4]
November	Upcoming Fiscal Year Budgetary Allocations (Multi-Year Outlook)	Park and Recreation
February	Semi-Annual Project Update #2	Public Works

Park and Recreation staff may bring additional funding allocation actions to the oversight committees during the course of the fiscal year in the interest of cash management or additional project needs.

Logistics
Assigned Park and Recreation staff will facilitate setting the agenda for each oversight committee as follows:

- **Mission Bay Park Improvement Fund Oversight Committee**: Stacy McKenzie, District Manager, slmckenzie@sandiego.gov, (619) 235-1154. The meetings are typically held in Santa Clara Recreation Center.

[2] For the Fiscal Year 2015 Mission Bay Park and Regional Park Improvement Funds Audit Report, see https://www.sandiego.gov/sites/default/files/16-018_mission_bay_regional_parks_improvement_funds_0.pdf. Recommendation #1 states, "The Park and Recreation Department in coordination with the Public Works Department should either modify their quarterly report to include the amount of expenditures by project, or they should modify the PowerPoint presentation that accompanies the report to include this information. This should be done as part of their next project report to the Oversight Committee in the Fall of 2016."

[3] Oversight Committees will receive a report on the prior fiscal year audit results after the Audit Committee, usually in summer.

[4] The Office of the City Comptroller and/or Real Estate Assets Department will prepare the year-end lease revenue reports, which may be presented by those staff or by Park and Recreation Department staff.

- **Regional Park Improvement Fund Oversight Committee**: Bonnie Pearson, Executive Assistant, bpearson@sandiego.gov, (619) 236-6643. The meetings are typically held in the Balboa Park Club, Recital Hall, War Memorial Building, or City Administration Building.

Staff preparing reports should review them with the Park and Recreation Director two weeks prior to the oversight committee and provide final copies to the assigned Park and Recreation staff person approximately one week prior to the oversight committee meeting.

Report Formats
For the five types of reports, staff should prepare the following documentation to the appropriate Park and Recreation staff person in advance of the oversight committee meetings. Attachments 1-5 include copies of sample reports for each item for reference and future use.

Topic	**Format**
Prior Fiscal Year Audit Results	Copy of Report to the Audit Committee and Power Point Presentation
Semi-Annual Project Update #1	Power Point Presentation, which includes: • Project name • Project scope (if necessary to clarify the intent of the project) • Project budget • Project expenditures (project to date and fiscal year to date) • Project schedule and current status • Photos and/or maps as appropriate
Prior Fiscal Year Mission Bay Lease Revenues	Excel Spreadsheets with prior three fiscal years of actual receipts
Upcoming Fiscal Year Budgetary Allocations (Multi-Year Outlook)	Report to Oversight Committee and Power Point Presentation
Semi-Annual Project Update #2	Report to Oversight Committee and Power Point Presentation. Written report provides all information required for Update #1 and includes a summary table of allocations, expenditures, and encumbrances.

Thank you for your assistance and participation to ensure full compliance with City Charter Section 55.2(e). If you have any questions, please contact me at (619) 235-1110 or at afield@sandiego.gov.



Andrew Field
Assistant Director
Park and Recreation Department

Attachments:

1. Audit of Mission Bay and San Diego Regional Parks Improvement Funds, FY 2015
2. Semi-Annual Project Update #1 Power Point
3. Prior Fiscal Year Mission Bay Lease Revenues Spreadsheets
4. Upcoming Fiscal Year Budgetary Allocations (Regional Park Improvement Fund Five-Year Financial Outlook)
5. Semi-Annual Project Update #2 Report and Power Point

Distribution:

Rolando Charvel, City Comptroller, Office of City Comptroller
Eduardo Luna, City Auditor, Office of City Auditor
Tracy McCraner, Director, Financial Management
James Nagelvoort, Director/City Engineer, Public Works
Herman D. Parker, Director, Park and Recreation
Cybele Thompson, Director, Real Estate Assets
Kyle Elser, Assistant City Auditor, Office of City Auditor
Marnell Gibson, Assistant Director, Public Works
Tom Tomlinson, Assistant Director, Planning
Scott Clark, Deputy Director, Office of City Comptroller
Kristi Geitz, Deputy Director, Real Estate Assets
Danielle Knighten, Deputy City Auditor, Office of City Auditor
Bruce Martinez, Deputy Director, Park and Recreation
Caryn McGriff, Deputy Director, Public Works
Mark Nassar, Deputy Director, Public Works
Matthew Vespi, Deputy Director, Financial Management
Elif Cetin, Assistant Deputy Director, Public Works
Michael Clark, Budget Coordinator, Financial Management
Marco Camacho, Program Manager, Planning
Patti Phillips, Asset Manager, Real Estate Assets
Jeff Van Deerlin, Program Manager, Park and Recreation
George Freiha, Senior Civil Engineer, Public Works
Jim Winter, Project Officer II, Park and Recreation
Vladimir Balotsky, Supervising Property Agent, Real Estate Assets
Meredith Dawson, Supervising Management Analyst, Park and Recreation
Christine Logan, Supervising Management Analyst, Public Works
Stacy McKenzie, District Manager, Park and Recreation
Shoshana Aguilar, Performance Auditor, Office of City Auditor
Ryan Barbrick, Senior Management Analyst, Park and Recreation
Gina Springer, Accountant, Office of City Comptroller
Bonnie Pearson, Executive Assistant, Park and Recreation

Attachment 1: Sample Audit of Mission Bay and San Diego Regional Parks Improvement Funds, Fiscal Year 2015

THE CITY OF SAN DIEGO

DATE: May 26, 2016

TO: Audit Committee Members, Honorable Mayor and Members of the City Council

FROM: Eduardo Luna, City Auditor

SUBJECT: Audit of Mission Bay and San Diego Regional Parks Improvement Funds, Fiscal Year 2015

Results in Brief

The City Charter requires that the City Auditor report annually the extent and nature of the Mission Bay and the San Diego Regional Parks Improvement Funds' revenues, expenses, and improvements. To comply with this requirement and in accordance with the City Auditor's Fiscal Year 2016 Annual Audit Work Plan, we have performed an audit of the Mission Bay and the Regional Parks Improvement Funds' financial activity in fiscal year 2015.

Annually, Mission Bay Park lease revenues in excess of $23 million have been distributed to the San Diego Regional Parks and the Mission Bay Improvement Funds for allowable capital improvement projects. Per the City Charter, in fiscal year 2015 and thereafter, revenues in excess of $20 million are transferred. In fiscal year 2015:

- **$2,500,000** was transferred to the Regional Parks Improvement Fund for capital improvements.
- **$7,025,879** was transferred to the Mission Bay Improvement Fund.
- **$1,554,596** was the total post San Diego Regional Parks Improvement Fund expenditures (see Attachment E for a list of expenditures).
- **$171,848** was the total post Charter Mission Bay Improvement Fund expenditures (see Attachment F for a list of expenditures). Allocations to the fund are to support the dredging of Mission Bay.

We found that the expenditures complied with the charter requirements. We also found that a prior year recommendation was fully implemented. However, expenditure information was not provided to the Mission Bay Improvement Fund Oversight Committee during the project to date presentation. It is imperative for the Oversight Committee to have all applicable project information to ensure proper compliance with the Charter and accountability for the fund's activity.

We made one recommendation to address the issue identified and the Administration agrees with the recommendation included in this report. We would like to thank the Office of the City Comptroller, Park and Recreation, City Treasurer, and Real Estate Assets management and staff, as well as representatives from other departments for their assistance and cooperation during this audit. The Audit staff responsible for this audit is Shoshana Aguilar, Judy Zellers, Rod Greek, Danielle Knighten, and Kyle Elser.

Background

The Mission Bay and San Diego Regional Parks Improvement Funds have two sources of revenue; transfers from lease revenue collected from tenants in Mission Bay Park and interest. Mission Bay Park lease revenue is deposited to a separate general fund account during the year and allocated to the improvement funds after the fiscal year-end. Prior to the effective date of Charter Section 55.2 on July 1, 2009, there were already cash balances in Mission Bay and the San Diego Regional Parks Improvement Funds. Given that these funds were collected prior to the effective date of Charter 55.2, they are not subject to the expenditure restrictions in this Charter provision according to the City Attorney's Office. However, all revenues, including interest, earned after the Charter Section 55.2 implementation date of July 1, 2009 are subject to the Charter provisions.

Monies deposited into Mission Bay and San Diego Regional Parks Improvement Funds prior to the implementation of City Charter Section 55.2 are excluded from our audit scope. The audit objectives, scope and methodology used to perform this audit can be found in Attachment B to this memorandum.

Fiscal Year 2015 Financial Activity

The Mission Bay and San Diego Regional Parks Improvement Funds' financial activity for fiscal year 2015 is shown in **Exhibit 1** below. The Mission Bay Improvement Fund (**MBIF**) had revenues, including transfers and interest, totaling $7,100,046 and post Charter expenditures of $171,848. The allocations to the MBIF will support the dredging of Mission Bay as identified as the number one priority per City Charter, Section 55.2. The balance at June 30, 2015 was $19,240,460. San Diego Regional Parks Improvement Fund (**SDRPIF**) had revenues, including transfers and interest, of $2,555,608 and post Charter expenditures of $1,554,596 during fiscal year 2015. The available balance at June 30, 2015 was $10,622,791. Prior years' revenue and interest, as of June 30, 2014, is shown in Attachment C of this memorandum and summarized in Exhibit 1.

EXHIBIT 1

Mission Bay and San Diego Regional Parks Improvement Funds Financial Activity Fiscal Year 2015

	Mission Bay Improvement Fund	Regional Parks Improvement Fund
Charter 55.1 revenues exceeding expenditures as of June 30, 2014	$ 12,312,262	$ 9,621,779
Revenue, excluding unrealized gains and losses	$ 7,100,046	$ 2,555,608
Expenses, net of depreciation	$ <171,848>	$ <1,554,596>
Revenue exceeding expenditures as of June 30, 2015	$ 19,240,460	$ 10,622,791

Source: Auditor analysis of general ledger and Comptroller schedules, amounts rounded to the nearest dollar excluding unrealized gains and losses and depreciation.

Mission Bay Park Lease Revenue

Total adjusted Mission Bay Lease Revenues were $29,525,879[1] . The revenues in excess of the $20,000,000 threshold were distributed to the SDRPIF and MBIF based on the Charter formula for distribution, as shown in Exhibit 2. The fiscal year 2015 distribution from the Mission Bay Lease Revenue was $2,500,000 to the SDRPIF for capital improvements and $7,025,879 to the MBIF. Mission Bay Lease Revenues decreased by $517,808 between fiscal year 2014 and 2015. General increases in lessee revenue were offset by continued decreased rents from Sea World.

EXHIBIT 2

Mission Bay Lease Revenue Allocation to Funds

Fund Name	Allocation Breakdown in excess of the threshold	FY 2015 Allocation Amounts
San Diego Regional Parks Improvement Fund	25% or $2.5 million, whichever is greater, in excess of the $20 million threshold	$2,500,000
Mission Bay Park Improvement Fund	75% of the excess over the $20 million threshold, if less than the 75% then, the remainder after the San Diego Regional Parks allocation	$7,025,879

Source: San Diego City Charter, Article V, Section 55.2(b)

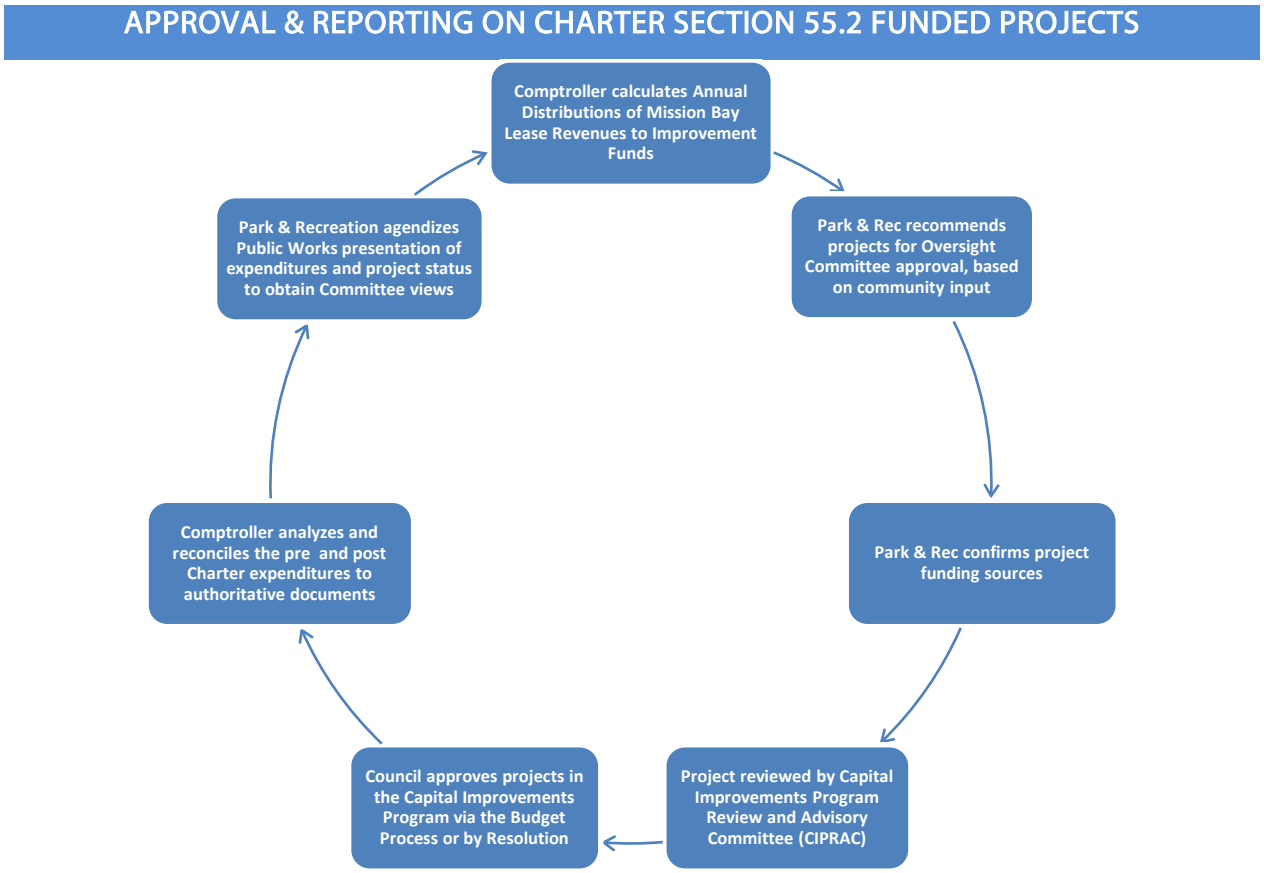
The Mission Bay lease revenues exclude monies paid by the residents of De Anza Cove to a property management company contracted by the City to operate the property. The City Attorney's Office has concluded that rents paid to the City by the homeowners in the De Anza Cove Mobile Home Park do not fit within the City of San Diego Charter definition of "Mission Bay Lease Revenues".

Revenue generated by the Mission Bay RV Resort near the De Anza Cove Mobile Home Park has been excluded from Mission Bay lease revenues in the past. During the course of this audit the Park and Recreation Department issued a Legal Services Request to the City Attorney's Office to determine whether that revenue should be deposited into the Mission Bay Park and San Diego Regional Parks Improvement Funds. If so, the City Attorney also would need to determine whether funds totaling $7,453,863 collected since inception of the Charter moneys have to be repaid. Our office will review any determinations made during the next Mission Bay audit.

[1] See Attachment D for a detailed list of revenues.

The processes to approve, monitor, and report Charter revenues and expenditures are shown in Exhibit 3.

EXHIBIT 3



Source: Auditor's summary of key processes

San Diego Regional Parks Improvement Fund Expenditures

During fiscal year 2015, SDRPIF project expenditures, subject to the provisions of Charter Section 55.2, totaled $1,554,596, of the total $1,610,380 expenditures. The fiscal year 2015 SDRPIF project Charter expenditures[2] by project are listed in Attachment E of this memorandum. We found that the expenditures complied with the charter requirements.

The prior year audit noted that the budget ordinance did not directly state that Council's budget approval incorporates approval of the recommendations for RPIF projects, required by the Charter. We met with the Park & Recreation department and the City Attorney's staff to discuss the approval process and reach a consensus on the issue and the solutions.

[2] Source: City Comptroller analysis of SDRPIF expenditures for fiscal year 2015

The following proposals were made for the fiscal year 2016 budget:

- Modify the appropriation ordinance language to clarify that the RPIF projects incorporated into the budget are approved by Council in accordance with the City Charter.
- Attach the SD Regional Park Oversight Committee approved project list to the budget ordinance.
- Obtain Council resolutions as necessary.
- Minimize the use of annual allocations.

City staff did implement these proposals in the fiscal year 2016 budget. The City Charter requires this audit to be performed annually, and this approval process will be reevaluated. Next year's audit will include detailed testing of expenditures including whether they were incorporated into the budget appropriation ordinance. We made a recommendation in a prior audit report to address the issue of obtaining council approval of the SDRPIF Capital Improvements priority. Now that the proposals above are implemented, the one outstanding recommendation made in fiscal year 2012, as shown in Attachment A, is fully resolved. We appreciate the time and effort of the Park and Recreation Department and the Office of the City Attorney's staff who worked to resolve this issue to ensure clarity and transparency in the approval process.

Mission Bay Improvement Fund Expenditures

Mission Bay Improvement Fund total expenditures were $446,165 for fiscal year 2015, however, MBIF project expenditures, subject to the provisions of Charter Section 55.2, totaled $171,848. The fiscal year 2015 MBIF project Charter expenditures[3] by project are listed in Attachment F of this memorandum.

We found that the fiscal year 2015 MBIF first year post charter expenditures of $171,848 were allowable and appropriate expenditures under the Charter. However, in fiscal year 2015, we found that a presentation made to the Mission Bay Park Improvement Fund Oversight Committee updated the Committee on projects to date and the allocations made but there was no mention of the expenditures either for fiscal year 2015, or for individual projects-to-date. A reporting process was developed for the Regional Parks Improvement Fund Oversight Committee, however, it was never communicated and applied to the Mission Bay Improvement Fund Oversight Committee.

The intent of the Charter is to ensure public accountability by effectively reporting and communicating the extent and nature of revenues, expenses and improvements. By not communicating the expenditures to the Oversight Committee, there is a risk that Mission Bay Improvement (restricted) Funds are spent on unallowable projects and proper oversight and transparency are weakened when expenditures are not reported to the Oversight Committee for review.

[3] Source: City Comptroller analysis of MBIF expenditures for fiscal year 2015

Charter 55.2 requires the Mission Bay Park Improvement Fund Oversight Committee and the San Diego Regional Parks Improvement Fund Oversight Committee meet at least quarterly to audit and review, to recommend priorities for expenditures and Capital Improvements and to verify that the appropriate funds are collected, segregated, retained, allocated and spent as prioritized by the Charter.

Project reports are provided to the Oversight Committee on a quarterly basis. The reports are prepared in coordination of both the Engineering Department and the Park and Recreation Department. The Park and Recreation Department has lead responsibility for ensuring all required information is included in the report as the Park and Rec Director signs the report. As such, the Park and Recreation Department should ensure the expenditures are included in either the Report or as part of a Presentation that is provided to the Oversight Committee at a minimum of once per fiscal year.

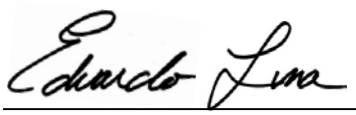
Recommendation #1:

The Park and Recreation Department in coordination with the Public Works Department should either modify their quarterly report to include the amount of expenditures by project, or they should modify the PowerPoint presentation that accompanies the report to include this information. This should be done as part of their next project report to the Oversight Committee in the Fall of 2016. (Priority 3)

Conclusion

We found that $2,500,000 was transferred from Mission Bay Lease Revenue to the Regional Parks Improvement Fund for capital improvements and $7,025,879 was transferred to the Mission Bay Improvement Fund. There were post Charter SDRPIF expenditures of $1,554,596 in fiscal year 2015 and post Charter MBIF expenditures of $171,848. The MBIF Committee was not informed on the total amount of expenditures for the projects they approved. We made one recommendation to ensure proper accountability and reporting of project expenditures to the Oversight Committee to ensure compliance with the Charter provisions.

Respectfully submitted,



Eduardo Luna
City Auditor

cc: Jan Goldsmith, City Attorney
Scott Chadwick, Chief Operating Officer
Mary Lewis, Chief Financial Officer
Stacey LoMedico, Assistant Chief Operating Officer
Andrea Tevlin, Independent Budget Analyst
Cybele Thompson, Director, Real Estate Assets Department
Rolando Charvel, City Comptroller
Tracy McCraner, Director, Financial Management Department
Herman Parker, Park and Recreation Director
Ken So, Deputy City Attorney

ATTACHMENT A: FOLLOW UP ON PRIOR AUDIT RECOMMENDATIONS

We made the following recommendation in the audit report issued August 23, 2013, that was in process and is now fully implemented.

Recommendation #2: The Park and Recreation Director should request clarification from the City Attorney's office to determine if the Council's authorization of general annual allocations in the CIP budget is sufficiently detailed to meet the Charter requirement that Council should approve the SDRPIF Capital Improvements priority. If not, appropriate steps should be taken to obtain the necessary approval.

Status of Recommendation #2 – Implemented: As discussed in the report, the Park and Recreation Department in conjunction with the Office of the City Attorney, has modified the approval process, resolving this recommendation.

ATTACHMENT B: AUDIT OBJECTIVES, SCOPE AND METHODOLOGY

Article V, Section 55.2 of the City Charter requires that the City Auditor perform an annual audit of the distribution of Mission Bay lease revenues. Specifically, we are required to establish and oversee a mechanism to ensure public accountability by effectively reporting and communicating the extent and nature of revenues, expenses and improvements generated and in compliance with City Charter requirements. This shall include, at a minimum, an annual audit report to the Mayor, City Council and public. Each annual report shall, at a minimum, contain the following: 1) a complete accounting of all revenues received; 2) the amount and nature of all expenditures; and, 3) a report as to whether in each committee's view the expenditures have been consistent and compliant City Charter requirements.

The audit's objectives were to verify that fiscal year 2015 collection, allocation, and use of Mission Bay Park lease revenues are properly budgeted, authorized and expended in compliance with City Charter requirements.

To accomplish our objectives we performed the following audit procedures:

- Reviewed pertinent laws, policies and regulations related to Mission Bay Park lease revenues;
- Gathered and analyzed agreements and information related to Mission Bay Park lease revenues;
- Identified, collected, analyzed financial information including transaction adjustments and management reports related to Mission Bay Park lease revenues;
- Made inquiries with management and key staff in charge of managing and monitoring information related to Mission Bay Park lease revenues;
- Reviewed Mission Bay Park and San Diego Regional Parks Improvement Fund Oversight Committee minutes, agendas and related bylaws
- Analyzed the quality and effectiveness of the reporting to the Oversight Committees; and
- Verified the calculation and reporting of project expenditures.
- Followed up on related recommendations still in process as of the last report.

We reviewed data for fiscal year 2015. We performed data reliability testing of the financial data provided to us and which we relied on in this report.

All references in this memorandum to the Mission Bay and San Diego Regional Parks Improvement Funds exclude these pre Charter funds.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

ATTACHMENT C:

Prior Years Mission Bay and San Diego Regional Parks Improvement Funds Financial Activity, As of June 30, 2014

Fiscal Year	Mission Bay Revenues Revenues [1]	Regional Park Revenues Revenues [1]
2010	$ 115,603	$ 1,708,236
2011	$ 62,744	$ 1,747,023
2012	$ 2,452,535	$ 2,553,336
2013	$ 5,378,627	$ 2,539,403
2014	$ 4,302,753	$ 2,538,998
Total as of June 30, 2014	$ 12,312,262	$ 11,086,996
	Expenditures [2]	**Expenditures [2]**
2010	$ -	$ -
2011	$ -	$ -
2012	$ -	$ 313,640
2013	$ -	$ 408,680
2014	$ -	$ 742,897
Total as of June 30, 2014	$ -	$ 1,465,217
Available balance June 30, 2014	$ 12,312,262	$ 9,621,779

[1] Excludes unrealized gains and losses.

[2] Excludes depreciation.

Source: Auditor analysis of prior year City Auditor reports

ATTACHMENT D: Fiscal Year 2015 and 2014 Mission Bay Park Lease Revenue

Lessee	Revenue Amount FY 2015	Revenue Amount FY 2014	Change
Sea World Inc	$11,425,612	$13,506,216	($2,080,604)
LHO Mission Bay Hotel, L.P.	$3,740,519	$3,434,000	$306,519
CHSP Mission Bay	$3,142,412	$2,958,519	$183,893
LHO Mission Bay Rosie Hotel	$2,618,728	$2,396,163	$222,565
BH Partnership	$1,946,075	$1,721,123	$224,952
Campland, LLC	$1,805,775	$1,701,789	$103,986
Bartell Hotels	$1,189,814	$1,233,532	($43,718)
Seaforth Sportfishing Corporation	$981,140	$881,286	$99,854
Marina Village	$709,906	$685,618	$24,288
Driscoll Mission Bay LLC	$435,301	$368,419	$66,882
Mission Bay Sports Center	$411,011	$174,546	$236,465
Mission Bay Yacht Club	$358,504	$347,063	$11,441
Wesco Sales Corp	$327,083	$273,864	$53,219
Mission Bay Boat & Ski Club	$125,698	$113,035	$12,663
Sportsmen's Seafood Co Inc	$110,181	$78,271	$31,910
Braemar Partnership 9th & A LP	$62,542	$50,745	$11,797
Everingham Bros Bait Co	$51,840	$51,840	$0
Associated Students SDSU/Regents Of UCSD	$48,963	$42,262	$6,701
San Diego Rowing Club/Intercollegiate Rowing	$26,102	$21,140	$4,962
Verizon Wireless VAW	$9,866	$9,579	$287
San Diego Parasail Adventures Inc (Note 1)	$8,727		$8,727
Hanohano Outrigger Canoe Club	$3,494	$7,018	($3,524)
Kapolioka' Ehukai Outrigger Canoe Club (Note 2)	$2,605	$775	$1,830
SD Alliance for Asian Pacific	$1,915	$1,395	$520
Kai Elua Outrigger Canoe Club	$1,670	$1,240	$430
Canoe & Kayak Team	$952	$6,122	($5,170)
Sprint PCS Assets LLC (Note 3)	$817		$817
Braemar Partnership/02	$500		$500
Grand Total	$29,547,752	$30,065,560	**($517,808)**
Adjustments to accruals entries	$21,873	($305,118)	$326,990
Total Adjusted lease revenue	**$29,525,879**	**$29,760,442**	**($234,563)**
Threshold per Charter	($20,000,000)	($23,000,000)	$3,000,000
Revenues exceeding the threshold	**$9,525,879**	**$6,760,442**	**$2,765,437**
Transfer to San Diego Regional Park Improvement Fund	**$2,500,000**	**$2,500,000**	**$0**
Transfer to Mission Bay Improvement Fund	**$7,025,879**	**$4,260,442**	**$2,765,437**

Source: Auditor generated based on information from the Office of the City Comptroller

ATTACHMENT E: Regional Park Improvement Fund Project Expenditures for Fiscal Year 2015

Projects	Purpose	Expenditures FY 2015 [1]
New project expenditures:		
Seismic System Upgrade	Seismic retrofit of the historic California Tower within Balboa Park. Phase 1 is the relocation of electrical systems housed in the bottom floor of the tower in order to reinforce the walls of the room. Phase 2 is the seismic upgrade of the tower.	$ 229.25
Demolition of Loma Land Structures	This project provides for the removal of existing houses located on parkland, restoration of natural areas to allow water percolation, and installation of site appropriate drainage devices.	$ 12,401.95
Hillside Drainage Improvements	This project provides for drainage improvements at Sunset Cliffs Natural Park including the removal of existing houses located on parkland, restoration of natural areas to allow water percolation, and installation of site appropriate drainage devices.	$ 11,575.97
Mohnike Adobe & Barn Restore	This project provides for the rehabilitation/restoration of the historic adobe and hay barn located within the 14-acre Rancho Penasquitos Equestrian Center on the eastern end of the Los Penasquitos Canyon Preserve. Additionally, a Treatment Plan and Historic Structure Report are required prior to preparation of Phase II design and construction plans for the rehabilitation due to storm damage which the barn sustained in 2010.	$ 24,849.84
Continuing Projects Expenditures:		
Beach Access - Pescadero & Diamond Street	This project provides for coastal improvements by stabilizing stairways for beach access.	$ 25,319.49
Beach Access - Orchard Avenue, Capri by the Sea and Old Salt Pool	This project provides partial funding for coastal infrastructure improvements at 71 sites, from Sunset Cliffs Park to Torrey Pines State Beach that were identified and prioritized in a 2003 Coastal Erosion Assessment Survey. High priority sites are those that present potential public hazards.	$ 23,644.24
Palisades Park Comfort Station	The project provides for the removal and replacement of the existing comfort station at Palisades Park at the foot of Law Street in Pacific Beach.	$ 228,288.68

Projects	Purpose	Expenditures FY 2015 [1]
Sunset Cliffs Hillside Improvements	This project will complete improvements to the hillside portion of the Sunset Cliffs Natural Park, consisting of final project design documents, environmental review and construction documents.	$ 29,469.89
Trail for All People	This project provides for design and construction of a 1,300 linear foot paved trail to accommodate people of all physical abilities. The trail is located within the Black Mountain Open Space Park off of Miner's Ridge Loop staging area. Associated amenities and support facilities may include a shaded viewing pavilion, wayfinding and interpretive signage/exhibits, information kiosks, and benches.	$ 5,254.30
Chollas Lake Park Playground Improvements	This project provides for the design and construction of two playgrounds at Chollas Lake Park to replace existing playgrounds which have surpassed their life expectancy and do not meet current Americans with Disabilities Act (ADA) and playground safety requirements. The new playgrounds will be fully ADA compliant and meet all safety guidelines for public playgrounds.	$ 32,302.99
Los Penasquitos Canyon Preserve Ranger Station	This project provides for an 800-Square Foot Ranger Station with bathroom facilities at the corner of Mercy Road and Black Mountain Road to serve the communities of Mira Mesa, Black Mountain and Rancho Penasquitos.	$ 823,594.24
California Tower Electric Room	Seismic retrofit of the historic California Tower within Balboa Park. Phase 1 is the relocation of electrical systems housed in the bottom floor of the tower in order to reinforce the walls of the room. Phase 2 is the seismic upgrade of the tower.	$ 296,400.48
Old Mission Dam Dredging Project	This project provides for dredging behind the Old Mission Dam for the purpose of removing silt buildup, the required mitigation and monitoring program, and obtaining the necessary permits for long term preservation measures.	$ 15,162.51
Museum of Man Roof Replacement	Repairs to the interior of the Museum of Man caused by roof leakages. Restoration includes repairs to water damaged walls, domes and the entrance doors.	$ 26,102.13
	Total Fiscal Year 2015 expenditures	**$ 1,554.595.96**

[1] The expenditures are for projects funded by Mission Bay rents collected after June 30, 2009. Monies in the fund collected prior to July 1, 2009 and expended on projects are outside the scope of the audit.

ATTACHMENT F: Mission Bay Improvement Fund Project Expenditures for Fiscal Year 2015

Projects	Purpose	Expenditures FY 2015 [1]
New project expenditures:		
Mission Bay Dredging [2]	This project provides for dredging of Mission Bay, which is necessary for boat navigation.	$ 171,848.18
	Total Fiscal Year 2014 expenditures	**$ 171,848.18**
[1] The expenditures are for projects funded by Mission Bay rents collected after June 30, 2009. Monies in the fund collected prior to July 1, 2009 and expended on projects are outside the scope of the audit.		

Attachment 2: Sample Semi-Annual Project Update #1 Power Point

Regional Park Improvement Funds
Projects Allocation & Expenditure
Quarterly Update

Presented to the
Regional Park Improvement Fund Oversight Committee

February 2016

The City of SAN DIEGO

BACKGROUND

- RPIF is derived from Mission Bay Park lease revenue per City Charter Sec 55.2
- Was Amended in FY10 (effective July 1, 2009) to include:
  - In FY15 - Threshold amount is $20M
  - First $2.5M above the threshold goes into the RPIF
  - RPIF can only be used for capital improvements/deferred capital
- *This presentation only covers on-going CIP's funded by the RPIF*

PROJECTS COMPLETED TO DATE

- Ocean Beach Comfort Station Replacement
- Museum of Man Roof Reconstruction
- Diamond Street Stairs Reconstruction
- Pescadero Street Stairs Reconstruction
- Palisades Park Comfort Station
- California Tower Electric Room Relocation
- Los Peñasquitos Ranger Station
- Balboa Park Hall of Nations Foundation Reconstruction

OLD MISSION DAM PRESERVATION

SCOPE

- *Mitigation, Monitoring & Reporting Program*
- *Required for the 2008 dredging of the historic dam*

FINANCIAL

- Total Cost: $0.92M
- RPIF: $0.32M (FY10)

STATUS

- In 5 yr mitigation monitoring
- Approvals for permitting the long-term dredging being sought
- Construction to Complete in FY18





MISSION TRAILS REGIONAL PARK MULTI TRAIL SYSTEM

Managed by P&R Department

SCOPE

- *Construction of ~ 5,000 LF of new (realignment) trail & rehab of ~3,500 LF of existing trail*

FINANCIAL

- Total Cost $0.215M
- RPIF: $0.20M (FY11)

STATUS

- Park Master Plan & Environmental Assessment
- Work will be completed after completion of the Natural Resources MP & MP Update (both ready for public review in FY18)



COWLES MOUNTAIN TRAIL – MISSION TRAILS

Managed by P&R Department

SCOPE

- *Installation of structures & material to re-establish ~2,000 FT of existing trail*

FINANCIAL

- Total Cost: $0.40M
- RPIF: $0.40M (FY11)

STATUS

- Construction will complete in FY17





COASTAL BEACH ACCESS PROJECTS

SCOPE

- Repair and re-construction of 3 coastal access stairs:
  - Old Salt Pool in OB
  - Capri by the Sea in PB
  - Orchard Ave in OB

FINANCIAL

- Total Cost: $0.35M
- RPIF: $0.31M (FY12)

STATUS

- Construction will complete FY17





TRAIL FOR ALL PEOPLE

SCOPE

- *Construction of 1,100 ft of accessible trail within the Black Mountain Open Space Park*

FINANCIAL

- Total Cost: $0.51M
- RPIF: $0.23M (FY12)

STATUS

- In Construction
- Construction complete in FY16



CHOLLAS LAKE PLAYGROUND RENOVATIONS PHASE I

SCOPE

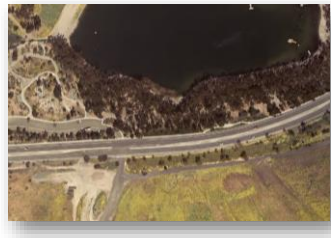
- *Replacement of existing playgrounds at Chollas Lake Park*

FINANCIAL

- Total Cost: $1.74M
- RPIF: $0.99M (FY12)

STATUS

- Construction will start & complete in FY17





CALIFORNIA TOWER SEISMIC RETROFIT

SCOPE

- *Public safety & protection of iconic SD landmark*
  - *Ca Tower & Museum of Man*

FINANCIAL

- Total Cost: $1.650M
- RPIF: $1.50M (FY13)

STATUS

- In the Design phase
- Construction will start in FY18
- Construction will complete in FY19



CHICANO PARK COMFORT STATION

SCOPE

- *Improve/Expand existing aged, undersized and ADA non-compliant comfort station*

FINANCIAL

- Total Cost: $1.16M
- RPIF: $0.2M(FY13)

STATUS

- In Design
- Construction will complete in FY17





MOHNIKE ADOBE & HAY BARN RESTORATION

SCOPE

- *Per Municipal Code, protect historic Mohnike Adobe Cultural Landscape on national register of historic places*
- *Phase 1 of the adobe home rehabilitation was completed in 2005*

FINANCIAL

- Total Cost: $1.5M
- RPIF: $1M (FY13)

STATUS

- In Design
- Construction to complete in FY18





SUNSET CLIFFS NATURAL PARK
HILLSIDE IMPROVEMENTS
PHASE I

SCOPE

- *Construction of trails within the entire park including revegetation and removal of demolished housing.*

FINANCIAL

- Total Cost: $0.27M (Phase IA)
- Total Cost: $4M (Phase 1B)
- RPIF Total: $2.22M
  - $1.22M (FY14)
  - $1.0M (FY17)

STATUS

- Phase 1A
  - Constr complete in FY16 (*)
- Phase 1B
  - Start of Construction in FY17
  - Constr Complete in FY18 (*)
- (*) + 5yr MMRP



SUNSET CLIFFS NATURAL PARK
REMOVAL OF LOMALAND DR. AND LADERA ST. STRUCTURES
PHASE 2

SCOPE

- *The removal of Lomaland Dr. and Ladera St. structures*

FINANCIAL

- Total Cost: $835K
- RPIF: $835K

STATUS

- In Design
- Construction to Complete FY18



SUNSET CLIFFS NATURAL PARK HILLSIDE DRAINAGE IMPROVEMENTS PHASE 3

SCOPE

- *Design drainage solutions to arrest severe soil & coastal bluff erosion*

FINANCIAL

- Total Cost: $4M
- RPIF: $4M total
  - $1M (FY13)
  - $1M (FY15)

STATUS

- In Design
- Construction will complete in FY20



LJ PARKWAY/ MT SOLEDAD EROSION CONTROL

SCOPE

- *Reconstruct the failing brow ditches and stabilize the slope on the east side of La Jolla Parkway.*

FINANCIAL

- Total Cost: $1.617M
- RPIF: $0.54M (FY15)

STATUS

- Planning Phase
  - Will be completed in FY16
  - Evaluating several options
- Design Phase will start in FY17





JUNIPERO SERRA MUSEUM ADA IMPROVEMENTS

SCOPE

- *Assess & improve Junipero Serra Museum ADA deficiencies*

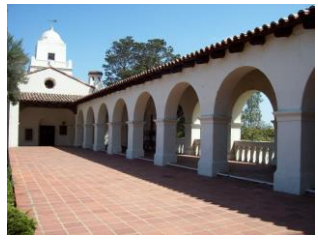
FINANCIAL

- Total Cost: $1.5M
- RPIF Total: $1M
  - $0.5M (FY15)
  - $0.5M (FY16)

STATUS

- Feasibility Study will complete in FY17





BALBOA PARK WEST MESA COMFORT STATION REPLACEMENT

SCOPE

- *Replace two existing comfort stations with new facilities on the West Mesa of Balboa Park.*

FINANCIAL

- Total Cost: $1.18M
- RPIF Total: $1.18M
  - $1.0M (FY14)
  - $0.18M (FY18)

STATUS

- In Design
- Construction to start FY18
- Construction to complete FY19





EB SCRIPPS PARK COMFORT STATION REPLACEMENT

SCOPE

- The replacement of the existing comfort station

FINANCIAL

- Total Cost: $1.3M
- RPIF: $0.250M (FY14)

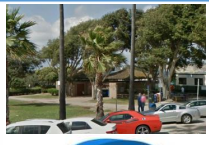
STATUS

- In Design
- Construction to start FY18
- Construction to complete FY20



Public Works

Regional Park Improvement Fund Allocation and Expenditure Quarterly Projects Update






sandiego.gov

Attachment 3: Sample Prior Fiscal Year Mission Bay Lease Revenues Spreadsheets

Schedule of Mission Bay Park Lease Revenue

Prepared by: The Office of the City Comptroller

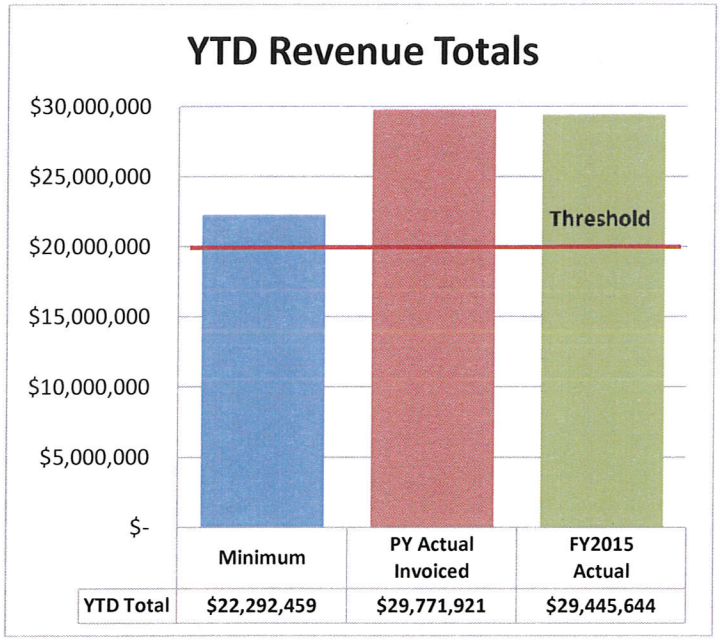
Gina Springer

Account Title: **Mission Bay Park Lease Revenue**

Revenue Account Number: **418108**

	Unaudited Revenue	
Fiscal Year 2015	**Invoiced**	**YTD Cummulative**
Audit/Other	$ 486,100	$ 486,100
July	$ 4,372,938	$ 4,859,037
August	$ 3,852,779	$ 8,711,816
September	$ 2,100,868	$ 10,812,684
October	$ 2,071,846	$ 12,884,531
November	$ 1,652,679	$ 14,537,210
December	$ 1,822,632	$ 16,359,842
January	$ 1,451,444	$ 17,811,286
February	$ 1,761,708	$ 19,572,994
March	$ 2,377,021	$ 21,950,014
April	$ 2,345,219	$ 24,295,233
May	$ 2,276,338	$ 26,571,572
June	$ 2,874,072	$ 29,445,644 *

** Revenues are based on customer invoices subject to year-end audit adjustments*



City Charter Article V, Section 55.2 (a)7

Mission Bay Park Lease Revenues means all revenues collected by the City of San Diego from commercial and non-profit sources within *Mission Bay Park, including but not limited to all monetary consideration received under* leases of city owned property within *Mission Bay Park, as well as revenue* collected from contracts for concessions or any other revenues collected for the use of city owned property within *Mission Bay Park. The term does not* include revenue from the Mission Bay Golf Course, unless privately leased; mooring fees; any revenues from taxes including but not limited to Transient Occupancy Taxes, sales taxes, possessory interest taxes, property taxes; or
permit fees such as park and recreation fees or special event fees to the extent those fees are levied to recover actual costs incurred by the City of San Diego.

Mission Bay Lease Revenue - FY2015

Prepared by: Office of the City Comptroller

				FY2015 Recorded Revenue													Journal Entries		Total
SAP #	Business Name	Legal Lessee Name	Revenue Type	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Audit/Other	Amount	Ref	
R15495	SD Mission Bay Boat & Ski Club	SD Mission Bay Boat & S	Invoiced	-	9,574	9,574	10,655	10,655	10,655	10,655	10,655	10,655	10,655	10,655	21,310	-			$ 125,698
	Ending: 01/26/2017	*Beginning: 5/1/1981*	*PY Actual Inv.*	*-*	*8,648*	*8,648*	*9,574*	*9,574*	*9,574*	*9,574*	*9,574*	*9,574*	*9,574*	*9,574*	*9,574*	*9,574*			*$ 113,036*
	Function: Power Boat Club		*Minimum*	*10,655*	*10,655*	*10,655*	*10,655*	*10,655*	*10,655*	*10,655*	*10,655*	*10,655*	*10,655*	*10,655*	*10,655*				*$ 127,860*
R09896	Mission Bay Yacht Club	Mission Bay Yacht Club	Invoiced	-	26,598	26,598	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601	29,601	21,172			$ 340,772
	Ending: 7/31/2037	*Beginning: 8/1/2012*	*PY Actual Inv.*	*-*	*24,024*	*24,024*	*24,024*	*26,598*	*26,598*	*26,598*	*26,598*	*26,598*	*26,598*	*26,598*	*26,598*	*47,770*			*$ 332,621*
	Function: Yacht Club		*Minimum*	*29,601*	*29,601*	*29,601*	*29,601*	*29,601*	*29,601*	*29,601*	*29,601*	*29,601*	*29,601*	*29,601*	*29,601*				*$ 355,206*
R00061	Dana Inn and Marina	Bartell Hotels	Invoiced	175,867	150,847	99,720	116,726	84,543	73,450	76,312	92,373	113,725	75,318	113,599	128,704	-			$ 1,301,184
	Ending: 11/30/2050	*Beginning: 12/1/2000*	*PY Actual Inv.*	*168,934*	*145,513*	*90,700*	*101,952*	*70,413*	*73,450*	*73,450*	*73,450*	*90,780*	*110,323*	*104,538*	*130,933*				*$ 1,234,436*
	Function: Hotel, Coffee Shop, Marina		*Minimum*	*73,450*	*73,450*	*73,450*	*73,450*	*73,450*	*73,450*	*73,450*	*73,450*	*73,450*	*73,450*	*73,450*	*73,450*				*$ 881,396*
R12496	Bahia Resort Hotel	Bh Partnership	Invoiced	223,966	226,194	137,023	138,578	115,671	112,661	92,851	116,255	151,842	155,768	152,603	188,291	140,750			$ 1,952,452
	Ending: 5/31/2053	*Beginning: 3/17/1966*	*PY Actual Inv.*	*215,368*	*199,098*	*135,185*	*88,273*	*96,250*	*96,250*	*98,732*	*113,124*	*132,308*	*126,053*	*150,602*	*169,260*	*124,088*			*$ 1,744,591*
	Function: Hotel, Restaurant, Marina		*Minimum*	*90,000*	*90,000*	*90,000*	*90,000*	*90,000*	*90,000*	*90,000*	*90,000*	*90,000*	*90,000*	*90,000*	*90,000*				*$ 1,080,000*
R00184	Hilton San Diego Resort	LHO Mission Bay Rosie H	Invoiced	309,298	291,443	198,331	214,916	164,889	137,526	172,750	199,246	237,235	230,761	226,715	251,898	-			$ 2,635,009
	Ending: 12/31/2045	*Beginning: 1/1/1996*	*PY Actual Inv.*	*276,090*	*258,408*	*196,557*	*184,693*	*136,083*	*135,281*	*172,858*	*177,652*	*224,543*	*217,823*	*210,504*	*235,616*	*-*			*$ 2,426,109*
	Function: Hotel, Restaurant, Dock		*Minimum*	*135,281*	*135,281*	*135,281*	*135,281*	*135,281*	*135,281*	*135,281*	*135,281*	*135,281*	*135,281*	*135,281*	*135,281*				*$ 1,623,374*
R00002	Driscoll Mission Bay LLC	Driscoll Mission Bay LLC	Invoiced	42,498	39,042	32,568	31,962	28,938	31,918	31,454	32,449	36,060	35,997	32,697	36,258	20,855			$ 432,694
	Ending: 3/4/2029	*Beginning: 3/5/1979*	*PY Actual Inv.*	*37,260*	*34,085*	*29,501*	*28,748*	*28,267*	*27,496*	*26,523*	*26,515*	*29,795*	*31,470*	*35,804*	*38,866*	*-*			*$ 374,330*
	Function: Boat Repair, Storage, Marina		*Minimum*	*23,553*	*23,553*	*23,553*	*23,553*	*23,553*	*23,553*	*23,553*	*23,553*	*23,553*	*23,553*	*23,553*	*23,553*				*$ 282,641*
R00354	Dana Landing Marina	Wesco Sales Corp	Invoiced	34,640	36,817	31,698	25,590	21,165	21,165	22,637	22,062	29,611	27,034	29,219	35,609	-			$ 337,247
	Ending: 7/31/2020	*Beginning: 3/1/1995*	*PY Actual Inv.*	*27,711*	*27,565*	*23,259*	*21,165*	*21,165*	*21,165*	*21,165*	*21,165*	*21,165*	*21,165*	*23,546*	*25,444*	*-*			*$ 275,681*
	Function: Marina & Related Uses		*Minimum*	*21,165*	*21,165*	*21,165*	*21,165*	*21,165*	*21,165*	*21,165*	*21,165*	*21,165*	*21,165*	*21,165*	*21,165*				*$ 253,981*
R00052	Sea World	Sea World, Inc.	Invoiced	2,098,064	1,658,161	664,041	682,467	558,492	860,349	387,977	503,811	864,055	886,108	847,280	1,272,096	-			$ 11,282,901
	Ending: 6/30/2048	*Beginning: 7/1/1998*	*PY Actual Inv.*	*2,555,496*	*2,066,568*	*910,483*	*805,484*	*628,814*	*937,604*	*468,670*	*468,601*	*879,101*	*1,064,509*	*922,897*	*1,414,807*	*-*			*$ 13,123,034*
	Function: Marine Park		*Minimum*	*866,775*	*866,775*	*866,775*	*866,775*	*866,775*	*866,775*	*866,775*	*866,775*	*866,775*	*866,775*	*866,775*	*866,775*				*$ 10,401,306*
R00139	Everingham Bros Bait Co	Everingham Bros Bait Co	Invoiced	-	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	-			$ 47,520
	Ending: 5/30/2029	*Beginning: 5/20/2009*	*PY Actual Inv.*	*-*	*4,320*	*4,320*	*4,320*	*4,320*	*4,320*	*4,320*	*4,320*	*4,320*	*4,320*	*4,320*	*4,320*	*4,320*			*$ 51,840*
	Function: Retail & Wholesale Live Bait		*Minimum*	*4,320*	*4,320*	*4,320*	*4,320*	*4,320*	*4,320*	*4,320*	*4,320*	*4,320*	*4,320*	*4,320*	*4,320*				*$ 51,840*
R00253	Mission Bay Aquatic Center	Associated Students SDS	Invoiced	-	-	-	-	-	-	-	-	-	-	-	-	48,963			$ 48,963
	Ending: 8/31/2023	*Beginning: 8/20/2008*	*PY Actual Inv.*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*48,963*	*42,262*			*$ 91,225*
	Function: Aquatic Sports Programming		*Minimum*	*25,988*	*25,988*	*25,988*	*25,988*	*25,988*	*25,988*	*25,988*	*25,988*	*25,988*	*25,988*	*25,988*	*25,988*				*$ 311,854*
R00104	Campland On The Bay	Campland, LLC	Invoiced	346,004	284,517	124,183	97,649	98,564	87,884	88,234	95,272	121,260	127,668	134,488	200,825	3,768			$ 1,810,317
	Ending: 11/7/2017	*Beginning: 11/8/1967*	*PY Actual Inv.*	*337,708*	*264,842*	*128,290*	*88,280*	*84,548*	*82,387*	*80,264*	*86,021*	*105,443*	*119,634*	*138,456*	*200,052*	*-*			*$ 1,715,925*
	Function: Campground		*Minimum*	*85,344*	*85,344*	*85,344*	*85,344*	*85,344*	*85,344*	*85,344*	*85,344*	*85,344*	*85,344*	*85,344*	*85,344*				*$ 1,024,132*
R00297	Sportsmen'S Seafood Co Inc	Joseph Busalacchi	Invoiced	-	-	-	-	-	-	-	-	-	-	-	-	-			$ -
	Ending: 4/30/2012	*Beginning: 5/1/1987*	*PY Actual Inv.*	*8,697*	*11,559*	*6,207*	*4,644*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*			*$ 31,108*
	Function: Park Related Restaurant, Etc.		*Minimum*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*				*$ - *
R05898	Mission Bay Sportcenter	Gleason, Richard & Debi	Invoiced	34,132	36,538	10,268	6,879	3,234	3,012	5,120	11,378	15,627	15,670	17,648	24,554	224,619			$ 408,680
	Ending: 07/20/2031	*Beginning: 07/21/2011*	*PY Actual Inv.*	*25,990*	*23,249*	*12,006*	*7,251*	*5,795*	*6,952*	*6,952*	*8,959*	*13,473*	*15,609*	*22,530*	*26,885*	*-*			*$ 175,651*
	Function: Aquatics, Sailing Center		*Minimum*	*5,833*	*5,833*	*5,833*	*5,833*	*5,833*	*5,833*	*5,833*	*5,833*	*5,833*	*5,833*	*5,833*	*5,833*				*$ 70,000*
R00097	Catamaran Pier	Braemar Partnership/9t	Invoiced	16,987	14,003	4,595	2,739	1,657	1,088	1,081	1,713	4,413	4,292	2,576	6,136	-			$ 61,278
	Ending: MTM	*Beginning: 12/1/2004*	*PY Actual Inv.*	*11,543*	*10,597*	*4,181*	*1,901*	*1,023*	*826*	*871*	*998*	*3,284*	*3,538*	*4,446*	*7,400*	*-*			*$ 50,610*
	Function: Dock Facility, Boat Berthing		*Minimum*	*2,523*	*2,523*	*2,523*	*2,523*	*2,523*	*2,523*	*2,523*	*2,523*	*2,523*	*2,523*	*2,523*	*2,523*				*$ 30,272*

				FY2015 Recorded Revenue													Journal Entries		Total
SAP #	Business Name	Legal Lessee Name	Revenue Type	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Audit/Other	Amount	Ref	
R00183	SD Paradise Point Resort	LHO Mission Bay Hotel,	Invoiced	469,939	463,659	294,397	300,301	216,502	174,351	208,713	298,140	361,444	312,292	275,265	208,666	-			$ 3,583,669
	Ending: 5/31/2050	*Beginning: 6/1/2000*	*PY Actual Inv.*	*393,178*	*423,250*	*269,210*	*282,967*	*186,263*	*156,646*	*258,653*	*241,939*	*275,637*	*288,684*	*304,023*	*365,516*	*-*			*$ 3,445,966*
	Function: Hotel & Marina		*Minimum*	*208,666*	*208,666*	*208,666*	*208,666*	*208,666*	*208,666*	*208,666*	*208,666*	*208,666*	*208,666*	*208,666*	*208,666*				*$ 2,503,996*
R02096	Marina Village	Retirement Fund Trust C	Invoiced	60,018	66,674	59,219	63,350	56,628	55,518	54,241	52,676	55,518	57,665	63,391	64,034	3,682			$ 712,616
	Ending: 4/30/2027	*Beginning: 5/1/1977*	*PY Actual Inv.*	*60,855*	*66,086*	*57,725*	*64,149*	*53,645*	*52,445*	*51,170*	*48,801*	*53,521*	*54,727*	*62,364*	*61,325*	*-*			*$ 686,814*
	Function: Marina & Shops		*Minimum*	*39,396*	*39,396*	*39,396*	*39,396*	*39,396*	*39,396*	*39,396*	*39,396*	*39,396*	*39,396*	*39,396*	*39,396*				*$ 472,750*
R00087	William D. Evans	Bahia Sternwheelers Inc	Invoiced	-	-	-	-	-	-	-	-	-	-	-	-	-			$ -
	Ending: 9/11/1991	*Beginning: 9/12/1986*	*PY Actual Inv.*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*209*			*$ 209*
	Function: Sightseeing Boat		*Minimum*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*				*$ -*
R00271	SD Rowing Club/Intercollegiate Row	SD Rowing Club/Interco	Invoiced	-	1,203	1,203	1,339	1,339	1,339	1,339	1,339	1,339	1,339	1,339	1,339	11,173			$ 25,625
	Ending: 7/31/2013	*Beginning: 8/1/1988*	*PY Actual Inv.*	*-*	*1,086*	*1,086*	*1,203*	*1,203*	*1,203*	*1,203*	*1,203*	*1,203*	*1,203*	*1,203*	*1,203*	*11,603*			*$ 24,600*
	Function: Rowing & Storage Facility		*Minimum*	*1,339*	*1,339*	*1,339*	*1,339*	*1,339*	*1,339*	*1,339*	*1,339*	*1,339*	*1,339*	*1,339*	*1,339*				*$ 16,062*
R00096	Catamaran Beach Concession	Braemar Partnership/03	Invoiced	42	42	42	42	42	42	42	42	42	42	42	42	-			$ 500
	Ending: 11/30/2014	*Beginning: 12/1/2004*	*PY Actual Inv.*	*42*	*42*	*42*	*42*	*42*	*42*	*42*	*42*	*42*	*42*	*42*	*42*	*-*			*$ 500*
	Function: Chair, Umbrella, Food Concession		*Minimum*	*42*	*42*	*42*	*42*	*42*	*42*	*42*	*42*	*42*	*42*	*42*	*42*				*$ 500*
R15897	Hanohano Outrigger Canoe Club	Hanohano Outrigger Car	Invoiced	-	-	-	334	371	371	371	371	-	371	371	743	150			$ 3,455
	Ending: 03/31/2015	*Beginning: 04/01/2011*	*PY Actual Inv.*	*-*	*301*	*301*	*301*	*334*	*334*	*334*	*312*	*1,001*	*1,335*	*334*	*334*	*1,115*			*$ 6,337*
	Function: Outrigger Canoes, Equipment Storage		*Minimum*	*371*	*371*	*371*	*371*	*371*	*371*	*371*	*371*	*371*	*371*	*371*	*371*				*$ 4,457*
R10296	Hyatt Regency Islandia	CHSP Mission Bay LLC	Invoiced	363,957	351,006	251,160	248,744	196,733	174,034	212,022	232,926	262,875	299,762	258,039	296,203	-			$ 3,147,461
	Ending: 1/31/2056	*Beginning: 1/9/2006*	*PY Actual Inv.*	*349,516*	*309,011*	*227,576*	*225,692*	*192,020*	*181,563*	*191,621*	*241,862*	*247,354*	*271,159*	*245,820*	*291,154*	*-*			*$ 2,974,348*
	Function: Hotel, Restaurant, Marina, Sportfishing		*Minimum*	*181,563*	*181,563*	*181,563*	*181,563*	*181,563*	*181,563*	*181,563*	*181,563*	*181,563*	*181,563*	*181,563*	*181,563*				*$ 2,178,760*
R11495	Quivera Rd	Verizon Wireless LLC	Invoiced	-	-	-	-	-	-	-	-	-	-	-	-	9,866			$ 9,866
	Ending: 8/31/2022	*Beginning: 8/31/2012*	*PY Actual Inv.*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*			*$ -*
	Function: Equipment enclosure and a light standard		*Minimum*	*822*	*822*	*822*	*822*	*822*	*822*	*822*	*822*	*822*	*822*	*822*	*822*				*$ 9,866*
R00278	Seaforth Sportfishing Corp.	Seaforth Sportfishing Co	Invoiced	179,976	178,715	135,033	86,649	51,867	37,591	45,897	51,520	67,553	59,197	66,747	89,383	-			$ 1,050,128
	Ending: 11/30/2047	*Beginning: 11/8/2007*	*PY Actual Inv.*	*141,109*	*129,290*	*106,484*	*67,716*	*36,402*	*35,721*	*35,986*	*33,406*	*49,142*	*50,804*	*63,210*	*87,142*	*4,103*			*$ 840,513*
	Function: Sportfishing Headquarters		*Minimum*	*45,791*	*45,791*	*45,791*	*45,791*	*45,791*	*45,791*	*45,791*	*45,791*	*45,791*	*45,791*	*45,791*	*45,791*				*$ 549,486*
R15097	SD Canoe & Kayak Team	SD Canoe & Kayak Team	Invoiced	-	-	328	-	-	-	-	-	-	-	-	479	145			$ 952
	Ending: 1/31/2015	*Beginning: 2/1/2014*	*PY Actual Inv.*	*-*	*247*	*740*	*740*	*740*	*740*	*740*	*328*	*328*	*328*	*328*	*328*	*644*			*$ 6,233*
	Function: Storage and Access		*Minimum*	*364*	*364*	*364*	*364*	*364*	*364*	*364*	*364*	*364*	*364*	*364*	*364*				*$ 4,371*
R13995	Kai Elua Outrigger Canoe Club	Kai Elua Outrigger Canoe	Invoiced	-	124	124	180	138	138	138	138	138	138	138	276	-			$ 1,670
	Ending: 09/30/2015	*Beginning: 10/1/2013*	*PY Actual Inv.*	*-*	*-*	*-*	*124*	*124*	*124*	*124*	*124*	*124*	*124*	*124*	*124*	*124*			*$ 1,240*
	Function: Outrigger Canoe Storage		*Minimum*	*138*	*138*	*138*	*138*	*138*	*138*	*138*	*138*	*138*	*138*	*138*	*138*				*$ 1,656*
R14195	SD Alliance for Asian Pacific Islande	SD Alliance for Asian Pa	Invoiced	155	155	155	155	173	173	173	173	173	173	173	345	70			$ 2,243
	Ending: 10/31/2015	*Beginning: 11/01/2013*	*PY Actual Inv.*	*-*	*-*	*-*	*-*	*155*	*155*	*155*	*155*	*155*	*155*	*155*	*155*	*-*			*$ 1,240*
	Function: Boat Storage		*Minimum*	*173*	*173*	*173*	*173*	*173*	*173*	*173*	*173*	*173*	*173*	*173*	*173*				*$ 2,070*
R14895	Sportsmen's Seafood Co Inc.	Sportsmen's Seafood Co	Invoiced	17,396	13,147	16,290	8,672	5,908	4,199	4,267	4,000	8,113	8,151	9,261	12,120	-			$ 111,524
	Ending: 11/30/2016	*Beginning: 11/27/2013*	*PY Actual Inv.*	*-*	*-*	*-*	*-*	*-*	*4,000*	*4,203*	*4,000*	*6,007*	*4,360*	*9,601*	*10,777*	*-*			*$ 42,948*
	Function: Park Related Restaurant, Etc.		*Minimum*	*3,129*	*3,129*	*3,129*	*3,129*	*3,129*	*3,129*	*3,129*	*3,129*	*3,129*	*3,129*	*3,129*	*3,129*				*$ 37,552*
R15796	Rell Sunn Educational Fund, Inc.	Rell Sunn Educational Fu	Invoiced	-	-	-	-	-	-	-	-	173	173	173	345	70			$ 933
	Ending: 02/28/2015	*Beginning: 03/01/2014*	*PY Actual Inv.*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*155*	*155*	*155*	*155*	*155*			*$ 775*
	Function: Boat Storage/Access		*Minimum*	*173*	*173*	*173*	*173*	*173*	*173*	*173*	*173*	*173*	*173*	*173*	*173*				*$ 2,070*
R17895	SD Parasail Adventures, Inc.	SD Parasail Adventures,	Invoiced	-	-	-	-	1,250	1,250	1,250	1,250	1,250	2,725	-	-	-			$ 8,975
	Ending: 10/31/2017	*Beginning: 10/20/2014*	*PY Actual Inv.*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*			*$ -*
	Function: Boat Storage/Access		*Minimum*	*1,250*	*1,250*	*1,250*	*1,250*	*1,250*	*1,250*	*1,250*	*1,250*	*1,250*	*1,250*	*1,250*	*1,250*				*$ 15,000*
N/A	Community Rowing of San Diego	Community Rowing of S	Invoiced	-	-	-	-	-	-	-	-	-	-	-	497	-			$ 497
	Ending: 08/31/2015	*Beginning: 06/01/2015*	*PY Actual Inv.*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*			*$ -*
	Function: Use of Permit Area		*Minimum*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*				*$ -*
R16896	Sprint PCS Assets, Temp South Shor	Sprint PCS Assets, Temp	Invoiced	-	-	-	-	-	-	-	-	-	-	-	-	817			$ 817
	Ending: 10/31/2017	*Beginning: 10/20/2014*	*PY Actual Inv.*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*			*$ -*
	Function: Boat Storage/Access		*Minimum*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*				*$ -*
		TOTAL	CY Invoiced	4,372,938	3,852,779	2,100,868	2,071,846	1,652,679	1,822,632	1,451,444	1,761,708	2,377,021	2,345,219	2,276,338	2,874,072	486,100	-	-	29,445,644
		TOTAL	*PY Actual Inv.*	4,609,499	4,007,789	2,236,526	2,013,242	1,583,779	1,854,877	1,534,208	1,589,148	2,175,053	2,423,692	2,341,173	3,156,970	245,966	-	-	29,771,921
		TOTAL	*Minimum*	1,857,705	1,857,705	1,857,705	1,857,705	1,857,705	1,857,705	1,857,705	1,857,705	1,857,705	1,857,705	1,857,705	1,857,705	-	-	-	22,292,459

Schedule of Mission Bay Park Lease Revenue

Prepared by: The Office of the City Comptroller

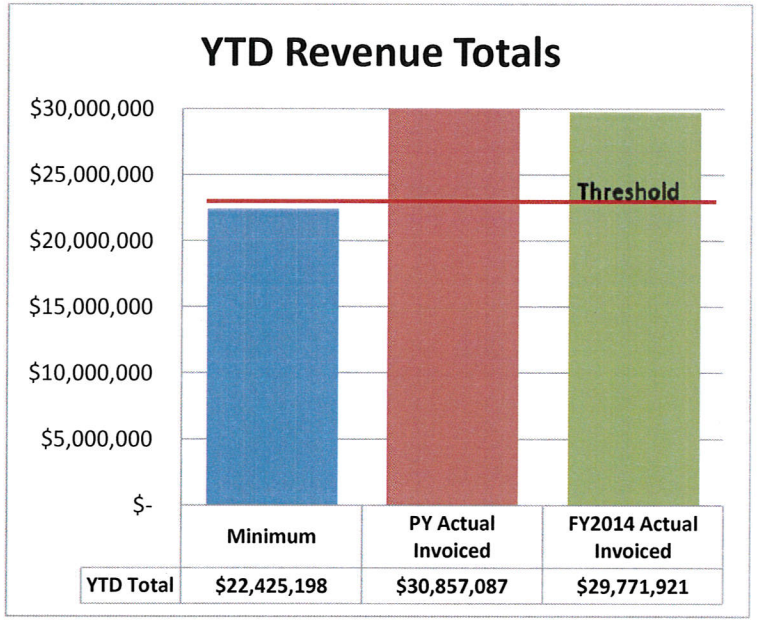
Gina Springer

Account Title: **Mission Bay Park Lease Revenue**

Revenue Account Number: **418108**

	Unaudited Revenue	
Fiscal Year 2014	**Invoiced**	**YTD Cummulative**
Audit/Other	$ 245,966	$ 245,966
July	$ 4,609,499	$ 4,855,465
August	$ 4,007,789	$ 8,863,254
September	$ 2,236,526	$ 11,099,779
October	$ 2,013,242	$ 13,113,021
November	$ 1,583,779	$ 14,696,800
December	$ 1,854,877	$ 16,551,677
January	$ 1,534,208	$ 18,085,885
February	$ 1,589,148	$ 19,675,033
March	$ 2,175,053	$ 21,850,086
April	$ 2,423,692	$ 24,273,778
May	$ 2,341,173	$ 26,614,950
June	$ 3,156,970	$ 29,771,921 *

** Revenues are based on customer invoices subject to year-end audit adjustments*



City Charter Article V, Section 55.2 (a)7

Mission Bay Park Lease Revenues means all revenues collected by the City of San Diego from commercial and non-profit sources within *Mission Bay Park, including but not limited to all monetary consideration received under* leases of city owned property within *Mission Bay Park, as well as revenue* collected from contracts for concessions or any other revenues collected for the use of city owned property within *Mission Bay Park. The term does not* include revenue from the Mission Bay Golf Course, unless privately leased; mooring fees; any revenues from taxes including but not limited to Transient Occupancy Taxes, sales taxes, possessory interest taxes, property taxes; or
permit fees such as park and recreation fees or special event fees to the extent those fees are levied to recover actual costs incurred by the City of San Diego.

Mission Bay Lease Revenue - FY2014

Prepared by: Office of the City Comptroller

				FY2014 Recorded Revenue													Total
SAP #	Business Name	Legal Lessee Name	Revenue Type	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Audit/Other	
R00270/R15495	SD Mission Bay Boat & Ski Club	SD Mission Bay Boat & Ski Club	Invoiced	-	8,648	8,648	9,574	9,574	9,574	9,574	9,574	9,574	9,574	9,574	9,574	9,574	$ 113,036
	Ending: 04/30/1988	*Beginning: 5/1/1981*	*PY Actual Inv.*	*8,339*	*8,339*	*8,339*	*8,339*	*8,339*	*8,648*	*8,648*	*8,648*	*8,648*	*8,648*	*8,648*	*8,648*		*$ 102,226*
	Function: Power Boat Club		*Minimum*	*8,339*	*8,339*	*8,339*	*8,339*	*8,339*	*8,339*	*8,339*	*8,339*	*8,339*	*8,340*	*8,341*	*8,342*		*$ 100,070*
R09896	Mission Bay Yacht Club	Mission Bay Yacht Club	Invoiced	-	24,024	24,024	24,024	26,598	26,598	26,598	26,598	26,598	26,598	26,598	26,598	47,770	$ 332,621
	Ending: 7/31/2037	*Beginning: 8/1/2012*	*PY Actual Inv.*	*23,170*	*23,170*	*23,170*	*24,024*	*24,024*	*24,024*	*24,024*	*24,024*	*24,024*	*24,024*	*24,024*	*24,024*		*$ 285,721*
	Function: Yacht Club		*Minimum*	*23,170*	*23,170*	*23,170*	*23,170*	*23,170*	*23,170*	*23,170*	*23,170*	*23,170*	*23,171*	*23,172*	*23,173*		*$ 278,041*
R00061	Dana Inn and Marina	Bartell Hotels	Invoiced	168,934	145,513	90,700	101,952	70,413	73,450	73,450	73,450	90,780	110,323	104,538	130,933	-	$ 1,234,436
	Ending: 11/30/2050	*Beginning: 12/1/2000*	*PY Actual Inv.*	*160,093*	*143,419*	*91,748*	*92,945*	*64,476*	*73,450*	*73,450*	*73,450*	*73,450*	*73,450*	*96,860*	*130,029*		*$ 1,146,820*
	Function: Hotel, Coffee Shop, Marina		*Minimum*	*73,450*	*73,450*	*73,450*	*73,450*	*73,450*	*73,450*	*73,450*	*73,450*	*73,450*	*73,451*	*73,452*	*73,453*		*$ 881,406*
R12496	Bahia Resort Hotel	Bh Partnership	Invoiced	215,368	199,098	135,185	88,273	96,250	96,250	98,732	113,124	132,308	126,053	150,602	169,260	124,088	$ 1,744,591
	Ending: 3/31/2031	*Beginning: 3/17/1966*	*PY Actual Inv.*	*193,004*	*163,231*	*8,715*	*99,310*	*79,488*	*84,241*	*87,968*	*72,235*	*113,217*	*116,024*	*114,891*	*151,988*		*$ 1,284,312*
	Function: Hotel, Restaurant, Marina		*Minimum*	*81,052*	*81,052*	*81,052*	*81,052*	*81,052*	*81,052*	*81,052*	*81,052*	*81,052*	*81,053*	*81,054*	*81,055*		*$ 972,635*
R00184	Hilton San Diego Resort	LHO Mission Bay Rosie Hotel, LP	Invoiced	276,090	258,408	196,557	184,693	136,083	135,281	172,858	177,652	224,543	217,823	210,504	235,616	-	$ 2,426,109
	Ending: 12/31/2045	*Beginning: 1/1/1996*	*PY Actual Inv.*	*255,217*	*237,334*	*283,769*	*215,196*	*135,281*	*135,281*	*150,040*	*146,569*	*175,971*	*182,357*	*186,669*	*205,670*		*$ 2,309,354*
	Function: Hotel, Restaurant, Dock		*Minimum*	*135,281*	*135,281*	*135,281*	*135,281*	*135,281*	*135,281*	*135,281*	*135,281*	*135,281*	*135,282*	*135,283*	*135,284*		*$ 1,623,380*
R00002	Driscoll Mission Bay LLC	Driscoll Mission Bay LLC	Invoiced	37,260	34,085	29,501	28,748	28,267	27,496	26,523	26,515	29,795	31,470	35,804	38,866	-	$ 374,330
	Ending: 3/4/2029	*Beginning: 3/5/1979*	*PY Actual Inv.*	*41,279*	*39,626*	*30,342*	*27,166*	*26,447*	*22,107*	*26,882*	*26,444*	*26,276*	*27,770*	*33,572*	*32,955*		*$ 360,864*
	Function: Boat Repair, Storage, Marina		*Minimum*	*24,503*	*24,503*	*24,503*	*24,503*	*24,503*	*24,503*	*24,503*	*24,503*	*24,503*	*24,504*	*24,505*	*24,506*		*$ 294,037*
R00354	Dana Landing Marina	Wesco Sales Corp	Invoiced	27,711	27,565	23,259	21,165	21,165	21,165	21,165	21,165	21,165	21,165	23,546	25,444	-	$ 275,681
	Ending: 7/31/2020	*Beginning: 8/1/1995*	*PY Actual Inv.*	*22,343*	*32,115*	*23,710*	*21,165*	*21,165*	*21,165*	*21,165*	*21,165*	*21,165*	*21,165*	*21,478*	*23,627*		*$ 271,428*
	Function: Marina & Related Uses		*Minimum*	*21,165*	*21,165*	*21,165*	*21,165*	*21,165*	*21,165*	*21,165*	*21,165*	*21,165*	*21,166*	*21,167*	*21,168*		*$ 253,986*
R00052	Sea World	Sea World, Inc.	Invoiced	2,555,496	2,066,568	910,483	805,484	628,814	937,604	468,670	468,601	879,101	1,064,509	922,897	1,414,807	-	$ 13,123,034
	Ending: 6/30/2048	*Beginning: 7/1/1998*	*PY Actual Inv.*	*2,610,400*	*1,980,653*	*923,013*	*846,436*	*609,788*	*857,247*	*463,934*	*514,353*	*1,169,984*	*1,083,151*	*1,107,983*	*1,797,989*		*$ 13,964,931*
	Function: Marine Park		*Minimum*	*799,514*	*799,514*	*799,514*	*799,514*	*799,514*	*799,514*	*799,514*	*799,514*	*799,514*	*799,515*	*799,516*	*799,517*		*$ 9,594,174*
R00139	Everingham Bros Bait Co	Everingham Bros Bait Co	Invoiced	-	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	4,320	$ 51,840
	Ending: 5/30/2029	*Beginning: 5/20/2009*	*PY Actual Inv.*	*4,000*	*4,000*	*4,000*	*4,000*	*4,000*	*4,000*	*4,000*	*4,000*	*4,000*	*4,000*	*4,000*	*4,000*		*$ 48,000*
	Function: Retail & Wholesale Live Bait		*Minimum*	*4,000*	*4,000*	*4,000*	*4,000*	*4,000*	*4,000*	*4,000*	*4,000*	*4,000*	*4,001*	*4,002*	*4,003*		*$ 48,006*
R00253	Mission Bay Aquatic Center	Associated Students SDSU/Regents Of UCSD	Invoiced	-	-	-	-	-	-	-	-	-	-	-	48,963	42,262	$ 91,225
	Ending: 8/31/2023	*Beginning: 8/20/2008*	*PY Actual Inv.*	*-*	*32,507*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*		*$ 32,507*
	Function: Aquatic Sports Programming		*Minimum*	*-*	*-*	*25,988*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*		*$ 25,988*
R00104	Campland On The Bay	Campland, LLC	Invoiced	337,708	264,842	128,290	88,280	84,548	82,387	80,264	86,021	105,443	119,634	138,456	200,052	-	$ 1,715,925
	Ending: 11/7/2017	*Beginning: 11/8/1967*	*PY Actual Inv.*	*325,811*	*249,150*	*131,992*	*81,241*	*80,121*	*74,515*	*70,358*	*73,616*	*112,425*	*96,323*	*122,554*	*185,915*		*$ 1,604,021*
	Function: Campground		*Minimum*	*74,315*	*74,315*	*74,315*	*74,315*	*74,315*	*74,315*	*74,315*	*74,315*	*74,315*	*74,316*	*74,317*	*74,318*		*$ 891,786*
R00297	Sportsmen'S Seafood Co Inc	Joseph Busalacchi	Invoiced	8,697	11,559	6,207	4,644	-	-	-	-	-	-	-	-	-	$ 31,108
	Ending: 4/30/2012	*Beginning: 5/1/1987*	*PY Actual Inv.*	*6,862*	*9,347*	*9,352*	*7,367*	*3,129*	*3,129*	*3,129*	*3,129*	*4,132*	*4,365*	*5,050*	*5,810*		*$ 64,802*
	Function: Park Related Restaurant, Etc.		*Minimum*	*3,129*	*3,129*	*3,129*	*3,129*	*3,129*	*3,129*	*3,129*	*3,129*	*3,129*	*3,130*	*3,131*	*3,132*		*$ 37,558*
R05898	Mission Bay Sportcenter	Gleason, Richard & Debra	Invoiced	25,990	23,249	12,006	7,251	5,795	6,952	6,952	8,959	13,473	15,609	22,530	26,885	-	$ 175,651
	Ending: 07/20/2031	*Beginning: 07/21/2011*	*PY Actual Inv.*	*20,894*	*18,339*	*10,228*	*4,347*	*5,902*	*4,120*	*4,300*	*4,214*	*7,821*	*7,470*	*11,162*	*15,350*		*$ 114,148*
	Function: Aquatics, Sailing Center		*Minimum*	*5,833*	*5,833*	*5,833*	*5,833*	*5,833*	*5,833*	*5,833*	*5,833*	*5,833*	*5,834*	*5,835*	*5,836*		*$ 70,006*
R00097	Catamaran Pier	Braemar Partnership/9th & A LP	Invoiced	11,543	10,597	4,181	1,901	1,023	826	871	998	3,284	3,538	4,446	7,400	-	$ 50,610
	Ending: 11/30/2014	*Beginning: 12/1/2004*	*PY Actual Inv.*	*10,418*	*9,751*	*4,437*	*1,546*	*798*	*362*	*594*	*709*	*1,616*	*1,772*	*3,054*	*6,285*		*$ 41,340*
	Function: Dock Facility, Boat Berthing		*Minimum*	*1,977*	*1,977*	*1,977*	*1,977*	*1,977*	*1,977*	*1,977*	*1,977*	*1,977*	*1,978*	*1,979*	*1,980*		*$ 23,724*
R00183	SD Paradise Point Resort	LHO Mission Bay Hotel, L.P.	Invoiced	393,178	423,250	269,210	282,967	186,263	156,646	258,653	241,939	275,637	288,684	304,023	365,516	-	$ 3,445,966
	Ending: 5/31/2050	*Beginning: 6/1/2000*	*PY Actual Inv.*	*419,478*	*417,847*	*195,176*	*262,242*	*187,147*	*152,485*	*211,202*	*229,295*	*279,834*	*255,034*	*267,387*	*353,550*		*$ 3,230,677*
	Function: Hotel & Marina		*Minimum*	*208,666*	*208,666*	*208,666*	*208,666*	*208,666*	*208,666*	*208,666*	*208,666*	*208,666*	*208,667*	*208,668*	*208,669*		*$ 2,503,998*
R02096	Marina Village	Retirement Fund Trust Of Plumbing	Invoiced	60,855	66,086	57,725	64,149	53,645	52,445	51,170	48,801	53,521	54,727	62,364	61,325	-	$ 686,814
	Ending: 4/30/2027	*Beginning: 5/1/1977*	*PY Actual Inv.*	*59,113*	*64,909*	*60,107*	*59,762*	*53,493*	*55,343*	*48,828*	*48,502*	*54,565*	*51,584*	*59,963*	*60,128*		*$ 676,297*
	Function: Marina & Shops		*Minimum*	*39,396*	*39,396*	*39,396*	*39,396*	*39,396*	*39,396*	*39,396*	*39,396*	*39,396*	*39,397*	*39,398*	*39,399*		*$ 472,756*

SAP #	Business Name	Legal Lessee Name	Revenue Type	FY2014 Recorded Revenue													Total
				Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Audit/Other	
R00087	William D. Evans	Bahia Sternwheelers Inc/02	Invoiced	-	-	-	-	-	-	-	-	-	-	-	-	209	$ 209
	Ending: 9/11/1991	*Beginning: 9/12/1986*	*PY Actual Inv.*	*5,634*	*7,947*	*10,155*	*7,718*	*5,634*	*9,205*	*5,634*	*5,634*	*9,530*	*2,885*	*-*	*-*		*$ 69,978*
	Function: Sightseeing Boat		*Minimum*	*5,634*	*5,634*	*5,634*	*5,634*	*5,634*	*5,634*	*5,634*	*5,634*	*5,634*	*5,635*	*5,636*	*5,637*		*$ 67,617*
R00271	SD Rowing Club/Intercollegiate Rowing	SD Rowing Club/Intercollegiate Rowing	Invoiced	-	1,086	1,086	1,203	1,203	1,203	1,203	1,203	1,203	1,203	1,203	1,203	11,603	$ 24,600
	Ending: 7/31/2013	*Beginning: 8/1/1988*	*PY Actual Inv.*	*1,048*	*1,048*	*1,048*	*1,086*	*1,086*	*1,086*	*1,086*	*1,086*	*1,086*	*1,086*	*1,086*	*1,086*		*$ 12,919*
	Function: Rowing & Storage Facility		*Minimum*	*1,048*	*1,048*	*1,048*	*1,048*	*1,048*	*1,048*	*1,048*	*1,048*	*1,048*	*1,049*	*1,050*	*1,051*		*$ 12,576*
R00096	Catamaran Beach Concession	Braemar Partnership/03	Invoiced	42	42	42	42	42	42	42	42	42	42	42	42	-	$ 500
	Ending: 11/30/2014	*Beginning: 12/1/2004*	*PY Actual Inv.*	*42*	*42*	*42*	*42*	*42*	*42*	*42*	*42*	*42*	*42*	*42*	*42*		*$ 500*
	Function: Chair, Umbrella, Food Concession		*Minimum*	*42*	*42*	*42*	*42*	*42*	*42*	*42*	*42*	*42*	*43*	*44*	*45*		*$ 510*
R04996/R15897	Hanohano Outrigger Canoe Club	Hanohano Outrigger Canoe Club	Invoiced	-	301	301	301	334	334	334	312	1,001	1,335	334	334	1,115	$ 6,337
	Ending: 12/31/2012	*Beginning: 04/01/2011*	*PY Actual Inv.*	*291*	*291*	*291*	*301*	*301*	*301*	*301*	*301*	*301*	*301*	*301*	*301*		*$ 3,585*
	Function: Outrigger Canoes, Equipment Storage		*Minimum*	*274*	*274*	*274*	*274*	*274*	*274*	*274*	*274*	*274*	*275*	*276*	*277*		*$ 3,294*
R10296	Hyatt Regency Islandia	CHSP Mission Bay LLC	Invoiced	349,516	309,011	227,576	225,692	192,020	181,563	191,621	241,862	247,354	271,159	245,820	291,154	-	$ 2,974,348
	Ending: 1/31/2056	*Beginning: 1/9/2006*	*PY Actual Inv.*	*360,736*	*324,005*	*220,377*	*268,336*	*182,312*	*165,394*	*195,967*	*206,208*	*247,259*	*264,163*	*240,489*	*275,325*		*$ 2,950,571*
	Function: Hotel, Restaurant, Marina, Sportfishing		*Minimum*	*165,394*	*165,394*	*165,394*	*165,394*	*165,394*	*165,394*	*165,394*	*165,394*	*165,394*	*165,395*	*165,396*	*165,397*		*$ 1,984,738*
R11495	Quivera Rd	Verizon Wireless LLC	Invoiced	-	-	-	-	-	-	-	-	-	-	-	-	-	$ -
	Ending: 8/31/2022	*Beginning: 8/31/2012*	*PY Actual Inv.*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*		*$ -*
	Function: Equipment enclosure and a light standard		*Minimum*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*		*$ -*
R00278	Seaforth Sportfishing Corp.	Seaforth Sportfishing Corp.	Invoiced	141,109	129,290	106,484	67,716	36,402	35,721	35,986	33,406	49,142	50,804	63,210	87,142	4,103	$ 840,513
	Ending: 11/30/2047	*Beginning: 11/8/2007*	*PY Actual Inv.*	*102,229*	*131,082*	*107,788*	*71,075*	*36,463*	*31,498*	*32,902*	*28,371*	*47,532*	*47,213*	*53,334*	*74,580*		*$ 764,068*
	Function: Sportfishing Headquarters		*Minimum*	*44,314*	*44,314*	*44,314*	*44,314*	*44,314*	*44,314*	*44,314*	*44,314*	*44,314*	*44,314*	*44,314*	*44,314*		*$ 531,768*
R03495/R15097	SD Canoe & Kayak Team	SD Canoe & Kayak Team	Invoiced	-	247	740	740	740	740	740	328	328	328	328	328	644	$ 6,233
	Ending: 1/30/2015	*Beginning: 2/1/2014*	*PY Actual Inv.*	*238*	*238*	*238*	*247*	*247*	*247*	*247*	*247*	*247*	*247*	*247*	*247*		*$ 2,935*
	Function: Storage and Access		*Minimum*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*328*	*328*	*328*	*328*	*328*		*$ 1,640*
R12598	Catamaran Beach Concession	Braemar Partnership	Invoiced	-	-	-	-	-	-	-	-	-	-	-	-	-	$ -
	Ending: 11/30/2014	*Beginning: 8/15/2013*	*PY Actual Inv.*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*		*$ -*
	Function: Beach chairs, umbrellas and movies		*Minimum*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*		*$ -*
R13995	Kai Elua Outrigger Canoe Club	Kai Elua Outrigger Canoe Club	Invoiced	-	-	-	124	124	124	124	124	124	124	124	124	124	$ 1,240
	Ending: 09/30/2014	*Beginning: 10/1/2013*	*PY Actual Inv.*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*		*$ -*
	Function: Outrigger Canoe Storage		*Minimum*	*-*	*-*	*-*	*124*	*124*	*124*	*124*	*124*	*124*	*124*	*124*	*124*		*$ 1,116*
R14195	SD Alliance for Asian Pacific Islanders	SD Alliance for Asian Pacific Islanders	Invoiced	-	-	-	-	155	155	155	155	155	155	155	155	-	$ 1,240
	Ending: 10/31/2014	*Beginning: 11/01/2013*	*PY Actual Inv.*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*		*$ -*
	Function: Boat Storage		*Minimum*	*-*	*-*	*-*	*-*	*155*	*155*	*155*	*155*	*155*	*155*	*155*	*155*		*$ 1,240*
R14895	Sportsmen's Seafood Co Inc.	Sportsmen's Seafood Co Inc.	Invoiced	-	-	-	-	-	4,000	4,203	4,000	6,007	4,360	9,601	10,777	-	$ 42,948
	Ending: 11/20/2016	*Beginning: 11/27/2013*	*PY Actual Inv.*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*		*$ -*
	Function: Park Related Restaurant, Etc.		*Minimum*	*-*	*-*	*-*	*-*	*3,129*	*3,129*	*3,129*	*3,129*	*3,129*	*3,129*	*3,129*	*3,129*		*$ 25,034*
R15796	Rell Sunn Educational Fund, Inc.	Rell Sunn Educational Fund, Inc.	Invoiced	-	-	-	-	-	-	-	-	155	155	155	155	155	$ 775
	Ending: 02/28/2015	*Beginning: 03/01/2014*	*PY Actual Inv.*	*#N/A*	*#N/A*	*#N/A*	*#N/A*	*#N/A*	*#N/A*	*#N/A*	*#N/A*	*#N/A*	*#N/A*	*#N/A*	*#N/A*		*#N/A*
	Function: Boat Storage/Access		*Minimum*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*		*$ -*
		TOTAL	**CY Invoiced**	**4,609,499**	**4,007,789**	**2,236,526**	**2,013,242**	**1,583,779**	**1,854,877**	**1,534,208**	**1,589,148**	**2,175,053**	**2,423,692**	**2,341,173**	**3,156,970**	**245,966**	**29,771,921**
		TOTAL	***PY Actual Inv.***	**4,630,637**	**3,898,389**	**2,148,034**	**2,103,890**	**1,529,683**	**1,727,891**	**1,434,701**	**1,492,242**	**2,383,125**	**2,273,074**	**2,362,793**	**3,357,547**	**-**	**29,342,005**
		TOTAL	*Minimum*	**1,720,496**	**1,720,496**	**1,746,483**	**1,720,620**	**1,723,904**	**1,723,904**	**1,723,904**	**1,724,232**	**1,724,232**	**1,724,252**	**1,724,272**	**1,724,292**	**-**	**20,701,086**

Calculation Formula for the San Diego Regional Parks Improvement Fund

Prepared by: Gina Springer
January 29, 2010

	Example 1	Example 2	Example 3
Mission Bay Park Lease Revenues	$ 27,000,000	$ 24,000,000	$ 35,000,000
Threshold Amount for FY 2010 through 2014	$ 23,000,000	$ 23,000,000	$ 23,000,000
MBP Lease Revenues in Excess of the Threshold	$ 4,000,000	$ 1,000,000	$ 12,000,000
Allocation to San Diego Regional Parks Improvement Fund *25% of MBP Lease Revenues in Excess of Threshold or $2,500,000 or MBP Lease Revenue in Excess of the Threshold if that amount is less than $2,500,000*	$ 2,500,000	$ 1,000,000	$ 3,000,000
Allocation to Mission Bay Park Improvement Fund *75% of MBP Lease Revenues in Excess of the Threshold or the remainder of the funds if less than 75% is available after the Allocation to the San Diego Regional Parks Improvement Fund*	$ 1,500,000	$ -	$ 9,000,000

City Charter Article V, Section 55.2 (b)

Mission Bay Park Lease Revenues up to the threshold amount in each fiscal year shall be deposited into the San Diego General Fund and may be used for any municipal purpose, including but not limited to, police, fire, streets, sewers, water delivery, roads, bridges, and operation of parks. All *Mission Bay Park Lease Revenues in excess of the threshold amount shall be allocated in the City of San* Diego budget to two distinct funds. Twenty-five percent (25%) of the *Mission Bay Park Lease Revenues in excess of the threshold amount, or two million five* hundred thousand dollars ($2,500,000) whichever is greater, shall be allocated to the *San Diego Regional Parks Improvement Fund that solely benefits the San Diego Regional Parks and seventy-five percent (75%) of the Mission Bay Park Lease Revenues over the threshold amount, or the remainder of those revenues if* less than 75% is available after the allocation to the *San Diego Regional Parks Improvement Fund, shall be allocated to the Mission Bay Park Improvement Fund* that solely benefits the *Mission Bay Park Improvement Zone. The threshold* amount shall be $23 million beginning fiscal year 2010 and ending fiscal year 2014. The threshold amount shall be $20 million beginning fiscal year 2015 and shall remain $20 million thereafter.

Points of Clarification regarding the Calculation for the Regional Parks Improvement Fund

The new Regional Parks Improvement Fund was established effective July 1, 2009 to satisfy the new language in City Charter Article V, Section 55.2 *Mission Bay Park and Regional Parks Improvement Funds.* The accounting code string for the Regional Parks Improvement Fund in the City accounting system is 200391.

Mission Bay Park Lease Revenues must exceed the threshold of $23,000,000 for FY2014 in order for there to be money available for a possible funding. The definition of Mission Bay Park Lease Revenue is coded in City Charter Article V, Section 55.2 (a)7.

The funding of the San Diego Regional Parks Improvement Fund is funded first before money is available for the Mission Bay Park Improvement Fund. There must be more than $2,500,000 available in excess revenue over the threshold before funding will begin for the Mission Bay Park Improvement Fund (see examples above).

Funding is done once a year on August 15th, based on the prior year fiscal year Mission Bay Park Lease Revenues. For FY2014, the year is July 1, 2013 to June 30, 2014. The next funding, if earned, will be on August 15, 2014. Funding is subject to audit adjustment if discovered after August 15th. Revenue audit adjustments for Leasees (performed by the Treasury Department) are considered earned in the period that an audit adjustment is invoiced(credited).

Calculation Formula for Mission Bay Park Improvement Fund

Prepared by: Gina Springer
January 29, 2010

	Example 1	Example 2	Example 3
Mission Bay Park Lease Revenues	$ 27,000,000	$ 24,000,000	$ 35,000,000
Threshold Amount for FY 2010 through 2014	$ 23,000,000	$ 23,000,000	$ 23,000,000
MBP Lease Revenues in Excess of the Threshold	$ 4,000,000	$ 1,000,000	$ 12,000,000
Allocation to San Diego Regional Parks Improvement Fund *25% of MBP Lease Revenues in Excess of Threshold or $2,500,000 or MBP Lease Revenue in Excess of the Threshold if that amount is less than $2,500,000*	$ 2,500,000	$ 1,000,000	$ 3,000,000
Allocation to Mission Bay Park Improvement Fund *75% of MBP Lease Revenues in Excess of the Threshold or the remainder of the funds if less than 75% is available after the Allocation to the San Diego Regional Parks Improvement Fund*	$ 1,500,000	$ -	$ 9,000,000

City Charter Article V, Section 55.2 (b)

Mission Bay Park Lease Revenues up to the threshold amount in each fiscal year shall be deposited into the San Diego General Fund and may be used for any municipal purpose, including but not limited to, police, fire, streets, sewers, water delivery, roads, bridges, and operation of parks. All *Mission Bay Park Lease Revenues in excess of the threshold amount shall be allocated in the City of San* Diego budget to two distinct funds. Twenty-five percent (25%) of the *Mission Bay Park Lease Revenues in excess of the threshold amount, or two million five* hundred thousand dollars ($2,500,000) whichever is greater, shall be allocated to the *San Diego Regional Parks Improvement Fund that solely benefits the San Diego Regional Parks and seventy-five percent (75%) of the Mission Bay Park Lease Revenues over the threshold amount, or the remainder of those revenues if* less than 75% is available after the allocation to the *San Diego Regional Parks Improvement Fund, shall be allocated to the Mission Bay Park Improvement Fund* that solely benefits the *Mission Bay Park Improvement Zone. The threshold* amount shall be $23 million beginning fiscal year 2010 and ending fiscal year 2014. The threshold amount shall be $20 million beginning fiscal year 2015 and shall remain $20 million thereafter.

Points of Clarification regarding the Calculation for the Mission Bay Park Improvement Fund

The new Mission Bay Park Improvement Fund was established effective July 1, 2009 to satisfy the new language in City Charter Article V, Section 55.2 *Mission Bay Park and Regional Parks Improvement Funds*. The new accounting code string for the Mission Bay Park Improvement Fund in the City accounting system is 200386.

Mission Bay Park Lease Revenues must exceed the threshold of $23,000,000 for FY2014 in order for there to be money available for a possible funding. The definition of Mission Bay Park Lease Revenue is coded in City Charter Article V, Section 55.2 (a)7.

The funding of the San Diego Regional Parks Improvement Fund is funded first before money is available for the Mission Bay Park Improvement Fund. There must be more than $2,500,000 available in excess revenue over the threshold before funding will begin for the Mission Bay Park Improvement Fund (see examples above).

Funding is done once a year on August 15th, based on the prior year fiscal year Mission Bay Park Lease Revenues. For FY2014, the year is July 1, 2013 to June 30, 2014. The next funding, if earned, will be on August 15, 2014. Funding is subject to audit adjustment if discovered after August 15th. Revenue audit adjustments for Leasees (performed by the Treasury Department) are considered earned in the period that an audit adjustment is invoiced(credited).

Attachment 4: Sample Upcoming Fiscal Year Budgetary Allocations (Regional Park Improvement Fund Five-Year Financial Outlook)

REPORT

THE CITY OF SAN DIEGO
TO THE PARK AND RECREATION BOARD

DATE ISSUED: November 12, 2015 REPORT NO. 101

ATTENTION: San Diego Regional Park Improvement Fund Oversight Committee
Agenda of November 19, 2015

SUBJECT: Recommended Allocations of Fiscal Year 2016 Regional Park Improvement Funds (RPIF)

SUMMARY

Issue – Should the San Diego Regional Park Improvement Fund Oversight Committee approve the recommendation to allocate $2.5 million of anticipated funding from Fiscal Year 2016 Mission Bay lease revenue to the following four (4) regional park improvement projects:

- Sunset Cliffs Natural Park Hillside Improvements, Phase 2, S-10091
- EB Scripps Park Comfort Station Replacement, S-15035
- Balboa Park West Mesa Comfort Station Replacements, S-15036
- Balboa Park Bud Kearns Aquatic Complex Improvements, new project

Director's Recommendation – Approve the recommendation to allocate $2.5 million of anticipated funding from Fiscal Year 2016 Mission Bay lease revenue to the following four (4) regional park improvement projects:

- Sunset Cliffs Natural Park Hillside Improvements, Phase 2, S-10091
- EB Scripps Park Comfort Station Replacement, S-15035
- Balboa Park West Mesa Comfort Station Replacements, S-15036
- Balboa Park Bud Kearns Aquatic Complex Improvements, new project

Other Recommendations – None

Fiscal Impact –It is anticipated the RPIF will receive $2.5 million from the lease revenue generated in Mission Bay Park during Fiscal Year 2016. The Fiscal Year 2016 allocations will be budgeted to specific projects in the Mayor's Proposed Fiscal Year 2017 Budget.

Water and Energy Conservation Status – Not applicable.

Environmental – This activity will not result in a direct or reasonably foreseeable indirect physical change in the environment, and is therefore not subject to CEQA pursuant to State CEQA Guidelines Section 15060(c) (2). The individual projects recommended to be funded will comply with CEQA requirements.

BACKGROUND

The San Diego Regional Park Improvement Fund (RPIF) is one of two capital improvement project funds to receive Mission Bay Park lease revenues from leaseholds in Mission Bay Park. The other fund is the Mission Bay Park Improvement Fund. The two funds were established by voter approval of revisions to the City Charter, Article V, Section 55.2 and became effective July 1, 2009, with the start of Fiscal Year 2010.

Per the Charter, the RPIF is derived from the first $2.5 million available or 25%, whichever is greater, of the excess revenue received over a threshold amount of $20 million in Mission Bay leasehold revenues. The first $20 million of Mission Bay leasehold revenues goes into the City's General Fund and may be used for any municipal purpose. Based on recent history and the lowering of the threshold to $20 million in fiscal year 2015, it is anticipated the RPIF will receive $2.5 million from the Fiscal Year 2016 revenues. The $2.5 million will be allocated to specific projects in the Mayor's Proposed Fiscal Year 2017 Budget.

The following table provides a list of previous years' allocations approved by the RPIF Oversight Committee:

Fiscal Year	Project	Amount Allocated
2010	Old Mission Dam Preservation – Mission Trails	$315,000
2010	Diamond Street Coastal Access	$100,000
2010	Pescadero Street Coastal Access	$91,000
2010	Ocean Beach Comfort Station Replacement	$250,000
2011	California Tower Seismic Retrofit Electrical Room	$750,000
2011	Museum of Man Roof Reconstruction	$150,000
2011	Mission Trails Reg. Park Multi Trail System	$200,000
2011	Cowles Mountain Trail – Mission Trails	$377,000
2011	Los Peñasquitos Ranger Station	$200,000
2012	Los Peñasquitos Ranger Station	$800,000
2012	Sunset Cliffs Natural Park Hillside Improvements	$270,000
2012	Palisades Park Comfort Station	$400,000
2012	Coastal Beach Access Projects	$310,000
2012	Trail for All People	$231,000
2012	Chollas Lake Playground Renovations	$989,000
2013	California Tower Seismic Retrofit	$750,000
2013	Chicano Park Comfort Station Replacement	$200,000

Fiscal Year	Project	Amount Allocated
2013	Mohnike Adobe and Hay Barn Restoration	$500,000
2013	Sunset Cliffs Natural Park Drainage Improvements	$1,000,000
2014	Junipero Serra Museum ADA Improvements	$500,000
2104	Sunset Cliffs Natural Park Hillside Improvements	$1,100,000
2104	Balboa Park West Mesa Comfort Station Replacement	$1,000,000
2014	Balboa Park Hall of Nations Structural Foundation	$250,000
2104	EB Scripps Park Comfort Station Replacement	$250,000
2015	Junipero Serra Museum ADA Improvements	$500,000
2015	Mohnike Adobe and Hay Barn Restoration	$500,000
2015	Sunset Cliffs Natural Park Drainage Improvements	$1,000,000
2015	La Jolla Parkway Erosion Control and Brow Ditch	$500,000

DISCUSSION

In order to move higher dollar projects forward, the Department developed a five-year funding strategy for the RPIF. The advantages of planning the allocation of the RPIF over a five-year period include:

- It allows higher dollar projects to be initiated while still leaving funds for smaller projects with shorter timelines.
    - Large projects can take an average of two to three years to complete the design and environmental documents, depending upon the complexity of the project and/or environmental issues presented. By assigning future funding to large projects to complete at least a first phase of construction, the design and environmental review can be initiated while still meeting the Charter requirements.
    - Completing the design and environmental documentation also makes the capital project attractive for outside funds, such as grants and private donations which in turn release the financial burden of the RPIF as the only fund source.
    - Flexibility is built into a five-year plan to accommodate changes in a project such as receiving grant funding or unexpected expenses.
- It provides stability and openness on the RPIF allocations by:
    - Looking at long-range funding needs rather than just year to year where higher dollar projects may be neglected due to yearly funding constraints.
    - Providing an overview of where RPIF funding may be allocated over time.
    - Providing a guiding document for audits, reports to the Advisory Groups, and the Oversight Committee.
- Provides clarity on project priorities and sound reasons for allocation recommendations.
    - First priority is to complete existing CIP projects.

- Helps to ensure distribution of funding is proportionate with public use, asset condition and other funding sources available. Facilities with high public use and no other source of funding are a higher priority for RPIF.
- Provides flexibility on when project phases are funded. Although a project initially funded for design must continue to move forward to a Capital Improvement, a five-year outlook allows for funding adjustments to meet a changing environment.
- Provides Advisory Groups with a clear indication of priority projects, thus informing Advisory Groups whether projects they may be interested in are in the queue to receive RPIF or if alternative funding sources must be sought.

The RPIF cannot be expected to address all the needs within our regional and open space parks. It can be used to move high priority projects forward and will most certainly be use to leverage funding from other sources.

The RPIF recommended allocations for the Fiscal Year 2016 funds, to be used in the Fiscal Year 2017 CIP, are such to take advantage of a five-year outlook to initiate high priority projects with a commitment to see those projects through to the completion of a capital improvement as required by the Charter. The projects recommended were prioritized using Council Policy 800-14, Prioritizing CIP Projects, completing the funding for existing CIP projects, the desire to address needs within various regional parks, support of community or non-profit organizations, need to address environmental concerns, and the probability of receiving grant funding or other outside funding to offset or supplement the RPIF.

RECOMMENDED ALLOCATIONS

The Park and Recreation Department is recommending $2,590,000 be allocated to existing CIP projects and to allow the initiation of new a CIP project. The $2,590,000 represents the $2.5 million anticipated to be received in Fiscal Year 2016. The Department may adjust future year allocation recommendations for the Oversight Committee's review and approval depending on the successful completion of projects that were previously funded by RPIF or other urgent/emergency project needs. Future recommended allocations per the current five-year plan are also shown for each project.

- **Sunset Cliffs Natural Park Hillside Improvements, Phase 2, CIP# S-10091**

  $1,000,000 for FY17 CIP Budget

  The design and environmental documentation for this project is complete and phase 1 construction is scheduled to begin in the fall of 2015. The recommended funding will initiate phase 2 construction of this project which will include trail re-alignments, trail improvements, and storm water and erosion control measures to protect newly constructed trails. It will also re-vegetate disturbed areas within the park utilizing native coastal plants. It is anticipated phase 2 construction will begin in the summer of 2016 and be substantially completed by the middle of 2017. Plant establishment within the re-vegetated areas will continue to be closely monitored for a minimum of five years after planting operations are complete. This proposed allocation has encouraged the California Coastal Conservancy to

consider awarding the City an $800,000 grant to help complete the funding needed for the implementation of the project.

- **EB Scripps Park Comfort Station Replacement, CIP# S-15035**

  $700,000 for the FY17 CIP Budget

  In 2010 the Park and Recreation Board approved a revised General Development Plan (GDP) for E.B. Scripps Park adjacent to La Jolla Cove. The revised GDP included a number of enhancements to the park, including relocating the comfort station to allow better visual access to the ocean from within the park. The existing comfort station was constructed in the 1960's and is beginning to exhibit significant damage to its metal components due to the salt air. In some areas, the block walls are beginning to fail because the steel reinforcement is beginning to corrode. La Jolla Parks and Beaches, Inc., the recreation council responsible for overseeing the use of the park, has partnered with community members to begin to raise funds to remove the existing comfort station and construct a new one per the approved GDP. The $700,000 of FY16 RPIF funding will move the project closer to construction and assist the community efforts in achieving this long-term goal of the park.

- **Balboa Park West Mesa Comfort Station Replacement, CIP# S-15036**

  $300,000 for the FY17 CIP Budget

  The City of San Diego settled an accessibility related lawsuit by agreeing to upgrade two existing comfort stations located on the west mesa of Balboa Park along 6th Ave. One is located near the children's playground and the other is near the intersection of 6th Ave. and Nutmeg St. Both comfort stations were originally constructed in 1969 and were rated poor by a facilities condition assessment performed in 2008. The proposed project is to remove the existing comfort stations and bring in new, prefabricated comfort station buildings designed to complement Balboa Park. An accessible path of travel to the new comfort stations will also be provided. Based on preliminary design studies, it is anticipated the replacement of these comfort stations will need the additional $300,000 in funding to implement the design and construction of the project.

- **Balboa Park Bud Kearns Aquatic Complex Improvements, New CIP**

  $500,000 for the FY17 CIP Budget

  The Bud Kearns aquatic complex located within the Morley Field area of Balboa Park recently reopened after being closed since Fall 2014 due to needing a main drain and some mechanical equipment replacement. However, during the process of replacing the main drain, the San Diego County Department of Environmental Health identified a number of other improvements which need to be completed as soon as possible to bring the complex into conformance with State health code requirements. The City has committed to making these improvements as soon as funding can be identified. The recommended allocation of $500,000 of RPIF will initiate the preparation of construction documents for these improvements.

The recommendations for the Fiscal Year 2016 revenues have been presented to the appropriate regional park advisory groups via memorandum and, when requested, presentation and discussion. Staff last brought the five-year allocation plan forward to the Oversight Committee in

January 2014. The five-year allocation plan is a living document and will be update each year based on new project priorities, updated project cost estimates, identification of alternative funding sources, and updated amounts of RPIF available for allocation to projects.

Attached is an updated five-year allocation plan which lists a number of RPIF eligible projects within our regional and open space parks. This list of projects is by no means an exhaustive list. Some projects such as "Trail Improvements" are very generic in nature and need to be fleshed out to identify the specific improvements needed. Other projects such as the "Sunset Cliffs Park Drainage Improvements, Phase 1" have had technical studies completed with more clearly defined scopes of work.

ALTERNATIVES

1. Approve the recommended allocation of $2.5 million of Fiscal Year 2016 Regional Park Improvement Funds with modifications.

2. Do not approve the recommended allocation of $2.5 million of Fiscal Year 2016 Regional Park Improvement Funds.

Respectfully submitted,

Herman D. Parker, Director
Park and Recreation Department

Prepared by:
Jim Winter, Project Officer II
Park and Recreation Department

Regional Park Improvement Fund Five-Year Recommended Allocations

Park and Recreation Department

Oct-15

Project	CP 800-14 Priority Score	WBS No.	Est. Cost**	Previous RPIF Allocations	FY 16 Funding FY 17 CIP	% of FY16	FY 17 Funding FY 18 CIP	% of FY17	FY 18 Funding FY 19 CIP	% of FY18	FY 19 Funding FY 20 CIP	% of FY19	FY 20 Funding FY 21 CIP	% of FY19	Subtotal by Area	% of Total By Area
Balboa Park															**$800,000**	**32%**
*California Tower Seismic Retrofit**	68	L12003	$2,500,000	$1,500,000	*Other funding identified*											
Hall of Nations Structural Repair and ADA Upgrades	58	B-15068	$250,000	$250,000												
ADA Settlement West Mesa Comfort Stations	63	S-15036	$1,000,000	$1,000,000	$300,000	12%	Const.									
Bud Kearns Aquatic Improvements			$1,500,000		$500,000	20%	Design				$700,000	28%	Const.			
Museum of Man Seismic Retrofit	47		$2,000,000						$600,000	24%	Design		$1,400,000	56%	Const.	
Park Admin. Bldg. Frontispiece	28		$1,500,000													
West Arcade Moorish Arch	28		$1,500,000													
Auto Museum Historic Restoration	28		$1,000,000													
Muni Gym Historic Restoration	28		$1,500,000													
Federal Bldg. Entry Historic Restoration	28		$100,000													
Palm Canyon Bridge Reconstruction	28		$2,000,000													
Alcazar Garden Arbor Reconstruction	28		$600,000													
Plaza De Balboa E. Entry Historic Restor.	28		$400,000													
Sixth Ave. Playground*	44	S00616	TBD													
Golf Course Drive walkway	30		TBD													
Golden Hill Fountain Restoration	28		TBD													
Cabrillo Bridge and Mall Lighting			TBD													
Chicano Park															**$0**	**0%**
*Chicano Park Comfort Station**	72	S13003	$900,000	$200,000	*Other funding identified*											
Chollas Lake Park															**$0**	**0%**
*Chollas Lake Playground Phase 2**	65	S14002	$1,500,000	$989,000	*Other funding identified*											
Chollas Lake Improvements			TBD													
Coastal Parks & Beaches															**$1,700,000**	**68%**
Sunset Cliffs Park Hillside Improvements*	61	S10091	$2,900,000	$2,370,000	$1,000,000	40%	Const.									
Sunset Cliffs Park Drainage Phase 1	66	L14005	$4,000,000	$2,000,000			$2,000,000	80%	Const.							
Sunset Cliffs Park Drainage Future phases	64		$4,000,000										$1,100,000	44%	Design	
Sunset Cliffs Park Master Plan Implem.	46		TBD													
Coastal Access Improvements	54	AGF00006	$2,400,000	$401,000					$500,000	20%	$800,000	32%	Design & Const.			
Ocean Beach Fishing Pier	46		$7,000,000													
Crystal Pier *	56	S11014	$8,500,000													
Repair and resurface beach parking lots	46		TBD													
South Mission Beach Comfort Station	43		$900,000						$900,000	36%	Design					
EB Scripps Park Comfort Station	43		$950,000	$250,000	$700,000	28%	Design &Const.									
Mission Trails Regional Park															**$0**	**0%**
MTRP Administrative Building*	44	S14016	TBD								$1,000,000	40%	Const.			

Regional Park Improvement Fund Five-Year Recommended Allocations

Park and Recreation Department

Oct-15

Project	CP 800-14 Priority Score	WBS No.	Est. Cost**	Previous RPIF Allocations	FY 16 Funding FY 17 CIP	% of FY16	FY 17 Funding FY 18 CIP	% of FY17	FY 18 Funding FY 19 CIP	% of FY18	FY 19 Funding FY 20 CIP	% of FY19	FY 20 Funding FY 21 CIP	% of FY19	Subtotal by Area	% of Total By Area
Open Space Parks															**$0**	**0%**
Mohnike Adobe and Hay Barn Restor.*	67	S13008	$1,500,000	$1,000,000												
Trail improvements	45		$5,000,000													
Repair OS park entry and parking lots	42		TBD													
Revegetation	43		TBD													
La Jolla Parkway Erosion	50		$1,100,000	$500,000					$500,000	20%	Const.					
Otay Valley River Park															**$0**	**0%**
Otay Valley River Park Improvements	43		TBD													
Presidio Park															**$0**	**0%**
Junipero Serra Museum ADA Improvements	60		$1,500,000	$1,000,000			$500,000	20%	Const.							
San Diego River															**$0**	**0%**
San Diego River MP Implementation	43		TBD													
Torrey Pines City Park															**$0**	**0%**
Implementation of GDP	47		$15,000,000													
Recommended Allocations per year					**$2,500,000**		**$2,500,000**		**$2,500,000**		**$2,500,000**		**$2,500,000**			
									Total over 5 years		**$12,500,000**					

*** Denotes existing CIP Projects**

**** Cost estimates indicated come from a variety of sources and are to provide a general guide for planning purposes only. Estimates are shown in 2014 dollars. They are subject to change as project information is more clearly defined.**

Color Key

Parks identified in Charter as eligible for funds

Design - funding to initiate design

Const. - funding for construction



Park and Recreation Department

Regional Park Improvement Fund

FY16 Recommended Funding Allocations



- Regional Park Improvement Fund (RPIF) is derived from Mission Bay Park lease revenue per City Charter Section 55.2
  - Charter amendment became effective July 1, 2009 (FY10)
  - Amendments to the Charter included:
    - Current threshold is $20 million
    - First $2.5 million above the threshold goes into the RPIF
    - Funds can only be used for capital improvements/deferred capital

"physical assets, constructed or purchased, or the restoration of some aspect of a physical or natural asset that will increase its useful life by one year or more or which constitutes an environmental improvement of a natural asset."



Prior Year Approved Allocations

- FY10 $1.7M available - $750k allocated
- FY11 $2.6 M available - $1.67M allocated
- FY 12 $3.4M available - $3.0M allocated
- FY13 $2.9M available - $2.45M allocated
- FY14 $3.1M available - $3.1M allocated
- FY15 $2.5M available - $2.5M allocated

Current Year Recommended Allocations

- FY16 $2.5M available - $2.5M recommended for allocations



- **Five-Year Plan Advantages**
  - Allows design to be initiated on higher dollar projects
    - Average 1 to 2 years for project initiation, design, and environmental documentation
    - Design and environmental completion makes projects more attractive for other funding sources
    - Provides flexibility to adjust five-year plan to accommodate project changes
  - Provides stability and openness on RPIF allocations
    - Long-range funding needs and recommendations
    - Overview of where RPIF funding will be allocated over time
    - Guiding document for audits, reports to Park Advisory Groups, and the Oversight Committee



- **Project Prioritization**
  - Project recommendations were prioritized based on:
    - Council Policy 800-14, Prioritizing CIP Projects
      1. Risk to health, safety and the environment
      2. Asset condition
      3. Community investment
      4. Level and quality of service
      5. Sustainability and conservation
      6. Funding availability
      7. Project readiness
      8. Bundling opportunities
    - Funding existing CIP projects for completion
    - Address the needs of various regional parks
    - Support of community or non-profit organizations
    - Probability of receiving grant and donation funding



Fiscal Year 2016 Recommendations

The City of San Diego

Regional Park Improvement Fund
FY16 Recommendations

Sunset Cliffs Natural Park Hillside Improvements, Phase 2

Recommended allocation $1 Million

- An existing CIP in which design and environmental are complete
- Phase 1 expected to begin construction in fall of 2015
- Phase 2 to include trail improvements, revegetation of disturbed areas, and some erosion control
- Phase 2 construction to begin in summer 2016
- California Coastal Conservancy is considering our $800,000 grant application
- This recommendation is consistent with the five-year plan presented last year.



The City of San Diego

Regional Park Improvement Fund
FY16 Recommendations

EB Scripps Park Comfort Station Replacement

Recommended allocation $700,000

- Building constructed in 1960's experiencing failure to metal components due to salt air exposure.
- La Jolla Parks and Beaches, Inc. partnering with other organizations and citizens to raise funds for comfort station preliminary designs.
- Recommended funding will help move the project toward construction
- This recommendation is consistent with the five-year plan presented last year.





The City of San Diego

Regional Park Improvement Fund
FY16 Recommendations

Balboa Park West Mesa Comfort Station Replacements

Recommended allocation $300,000

- Lawsuit settlement requires accessibility upgrades at two comfort stations (6th Ave. at Nutmeg St. and Thorn St.)
- Existing comfort stations were constructed in early 1970's and are beyond their useful life.
- New comfort stations will increase capacity
- Preliminary studies indicate additional funding is needed for construction
- The five-year plan was adjusted to accommodate this funding need





The City of San Diego

Regional Park Improvement Fund
FY16 Recommendations

Balboa Park Bud Kearns Aquatic Complex Improvements

Recommended allocation $500,000

- Pool closed for an extended time for main drain replacement
- San Diego County Department of Environmental Health identified other necessary improvements
- Environmental Health agreed to allow pool to reopen with understanding necessary improvements would be made in timely manner
- Funding would initiate design of the improvements and show a good-faith effort to Environmental Health
- Project added to the five-year plan



The City of San Diego

Regional Park Improvement Fund
FY16 Recommendations

Summary of FY16 Recommendations (FY17 CIP)

- **Sunset Cliffs Natural Park Hillside Improvements, Phase 2**
  - Recommending $1M for construction
- **EB Scripps Park Comfort Station Replacement**
  - Recommending $700,000 for construction
- **Balboa Park West Mesa Comfort Station Replacements**
  - Recommending $300,000 for construction
- **Balboa Park Bud Kearns Aquatic Complex Improvements**
  - Recommending $500,000 to initiate design

The City of San Diego

Park and Recreation Department

Regional Park Improvement Fund

FY16 Recommended Funding Allocations

Attachment 5: Sample Semi-Annual Project Update #2 Report

REPORT

THE CITY OF SAN DIEGO
TO THE PARK AND RECREATION BOARD

DATE ISSUED: February 10, 2016 REPORT NO. 201

ATTENTION: San Diego Regional Park Improvement Fund Oversight Committee
Agenda of February 15, 2016

SUBJECT: Quarterly Projects Update - Allocation and Expenditure of Regional Park Improvement Funds

SUMMARY

This report provides an update on the projects with Regional Park Improvement Funds from revenues received for the Fiscal Years 2010 through Fiscal Year 2016 2ND Qtr. This is an information item only. There are no actions required for this item.

BACKGROUND

The San Diego Regional Park Improvement Fund (Regional Park Fund) is one of two Capital Improvements Program funds to receive Mission Bay Park lease revenues from leaseholds in Mission Bay Park. The other fund is the Mission Bay Park Improvement Fund. The two funds were established by voter approval of revisions to the City Charter, Article V, Section 55.2 and became effective July 1, 2009, Fiscal Year (FY) 2010.

Per the Charter, the Regional Park Fund is derived from the first $2.5 million available or 25%, whichever is greater, of the excess revenue received over a threshold amount of $20 million in Mission Bay leasehold revenues. The first $20 million of Mission Bay leasehold revenues goes into the City's General Fund and may be used for any municipal purpose.

The purpose of the Regional Park Fund is to support capital improvements projects in San Diego Regional Parks, as identified in the City Charter or by City Council Ordinance. San Diego Regional Parks include Chollas Lake Park, Balboa Park, Mission Trails Regional Park, Otay Valley River Park, Presidio Park, San Diego River Park, Torrey Pines City Park (City Council Ordinance O-20088), Chicano Park (Ordinance O-20311), open space parks and coastal beaches along with contiguous coastal parks.

Fund allocations were made at the recommendation of the Park and Recreation Department pursuant to the Oversight Committee approval as a means to address funding needs for ongoing regional park CIP projects to cover changes in project scope and construction change orders, develop a long-range funding strategy for future multi-million dollar projects and have funding available for grant match opportunities

From Fiscal Year 2010 through Fiscal Year 2013, 19 projects received a total of $8,406,675 in Regional Park Funds. In November 2014 the Oversight Committee approved the allocation of $3,100,000 to new and existing CIP projects; the City Council approved these allocations on May 12, 2015. The $3,100,000 included $2,500,000 of lease revenue received during Fiscal Year 2014 plus $600,000 of carry over fund balance which included accrued interest. The Oversight Committee also approved the allocation of $2,500,000 of lease revenue made available from the Fiscal Year 2015 lease revenue. These allocations were included in the Fiscal Year 2016 Capital Improvements Program budget per the appropriation ordinance.

Fiscal Year 2016 Fund Allocations

- Junípero Serra Museum ADA Improvements - $500,000
- Mohnike Adobe and Hay Barn Restoration - $500,000
- Sunset Cliffs Natural Park Drainage Improvements, Phase 1 - $1,000,000
- La Jolla Parkway/Mt Soledad Erosion Control - $500,000

Fiscal Year 2016 Fund Allocations (Proposed/Unapproved)

The Fiscal Year 2016 fund allocations were approved by the Oversight Committee on November 19, 2015 and will be incorporated into the City's Fiscal Year 2017 Capital Improvement Program Budget for approval by the City Council in June 2016.

- Balboa Park West Mesa Comfort Stations Replacement - $300,000
- Bud Kearns Aquatic Complex Improvements Phase II - $500,000
- Sunset Cliffs Hillside Improvements - $1,000,000
- E.B. Scripps Park Comfort Station (La Jolla Cove Pavilion) - $700,000

On the following page, Table 1 summarizes the amount of funds received per City Charter Section 55.2 distribution thresholds, allocated to CIP Projects as per prior Oversight Committee approvals and available to date (Carry-Over Balance) by fiscal year. The Carry-Over Balance shown below does not include interest earned by the fund over the years. The funds indicated below for Fiscal Year 2016 are anticipated and will be certified by the Comptroller's Department later in October 2016.

City Charter Article V, Section 55.2(a)(1) states Capital Improvement means "physical assets, constructed or purchased, or the restoration of some aspect of a physical or natural asset that will increase its useful life by one year or more or which constitutes an environmental *'improvement'* of a natural asset." To that end, the Oversight Committee approved allocations of Regional Park Funds in the Capital Improvement projects summarized below by Fiscal Year.

Table 1: Regional Park Fund Revenue, Allocation and Carry-Over by Fiscal Year

Fiscal Year	Fund Balance	Mission Bay Park Lease Revenue	Interest Earnings	Project Allocations + Balances	Total
2011	$4,543,759.00	$1,695,825.00	$51,198.00	$(2,236,051.00)	$8,526,833.00
2012	$5,717,790.00	$2,500,000.00	$53,336.00	$1,416,726.00	$6,854,400.00
2013	$6,854,567.00	$2,500,000.00	$39,403.00	$1,061,636.00	$8,332,334.00
2014	$8,560,201.00	$2,500,000.00	$38,998.00	$843,552.00	$10,255,647.00
2015	$10,582,780.00	$2,500,000.00	$55,608.00	$5,600,000.00	$7,538,388.00
2016*	$11,214,938.00	$2,500,000.00	-	$5,068,414.00	$8,646,524.00
Total	$47,474,035.00	$14,195,825.00	$238,543.00	$11,754,277.00	$50,154,126.00

* Adopted Budget unaudited numbers

DISCUSSION

The status of projects partially or wholly funded by the Regional Park Improvement Fund is described below:

***Old Mission Dam Preservation**, WBS # S00611 – City Council District 7*

Total Project Cost: $ 917,933

The project received a Fiscal Year 2010 Regional Park Improvement Fund allocation in the amount of $315,000 to complete the Mitigation, Monitoring, and Reporting Program requirements associated with the 2008 dredging of the historic dam and approvals for permitting the long-term dredging.

This project is in its five-year mitigation monitoring stage which is expected to be completed in Fiscal Year 2018. The 5-year MMRP was extended due to default by the maintenance contractor and time to obtain a new contractor through the bonding agency.

***Mission Trails Regional Park Multi Trail System**, WBS # S10066 – City Council District 7*

Total Project Cost: $215,000

The project received Regional Park Improvement Fund allocation of $300,000 in Fy10. In FY 2011 the allocation was reduced to $200,000 to provide for design, engineering and construction of approximately 5,000 linear feet of new (realignment) trail and rehabilitation of approximately 3,500 linear feet of existing trail. Project is currently going through park master plan and environmental assessment which is anticipated to take approximately one year to complete. This project is managed by Park and Recreation Department.

Construction is scheduled to be completed in Fiscal Year 2018.

***Cowles Mountain Trail – Mission Trails**, WBS # S10065 – City Council District 7*

Total Project Cost: $400,000

The project received a Fiscal Year 2011 Regional Park Improvement Fund allocation in the amount of $377,000 to provide for design, engineering, construction, and installation of structures, as well as the rehabilitation and installation of appropriate material to re-establish approximately 2,000 linear feet of existing trail. This project is managed by Park and Recreation Department.

Construction is scheduled to be completed in Fiscal Year 2017.

***Los Peñasquitos Canyon Preserve Ranger Station**, WBS # B00619 – City Council District 5*

Total Project Cost: $2,053,988

The project received Fiscal Year 2011 and Fiscal Year 2012 Regional Park Improvement Fund allocations in the amount of $200,000 and $800,000, respectively, for construction of a new ranger station for the Los Peñasquitos and Black Mountain open space preserves.

This project is complete and is open to public. This project has been added to the completed project list, Attachment B, and will no longer be reported on.

***Coastal Beach Access**, WBS # B14073 – City Council District 2*

Total Project Cost: $350,000

This project received a Fiscal Year 2012 Regional Park Improvement Fund allocation in the amount of $310,000 in the approved Fiscal Year 2014 budget. The Regional Park Improvement Fund in combination with other funding sources will be utilized for the repair and re-construction of three coastal access stairs at Old Salt Pool in Ocean Beach just south of the OB pier, Capri by the Sea in Pacific Beach, and Orchard Avenue in Ocean Beach.

The project is presently in design. Construction is scheduled to start and complete in FY17.

***Trail for All People**, WBS # S13001 – City Council District 1*

Total Project Cost: $511,000

The project received a Fiscal Year 2012 Regional Park Improvement Fund allocation in the amount of $231,000 in the approved Fiscal Year 2014 budget. The Regional Park Improvement Fund in combination with other funding sources will be utilized for the design and construction of approximately 1,100 linear feet of accessible trail within the Black Mountain Open Space Park.

Construction is expected to be complete and the trails opened to the public in Fiscal Year 2016.

***Chollas Lake Park Playground Renovations**, WBS # S14002 – City Council District 4*

Total Project Cost: $1,739,000

The project received FY 2012 Regional Park Funds of $989,000. The Regional Park Improvement Fund in combination with other funding sources will be utilized for the design and construction of two playgrounds at Chollas Lake Park to replace existing playgrounds. The playground renovations are in the design phase.

Design is scheduled to be completed in Fiscal Year 2016. Construction is scheduled to be completed in Fiscal Year 2017.

***California Tower Seismic Retrofit**, WBS # L12003.2 – City Council District 3*

Total Project Cost: $1,650,000

This Project received a Fiscal Year 2013 Regional Park Improvement Fund allocation in the amount of $750,000 in Fiscal Year 2015 and an additional $750,000 in Fiscal Year 2016. The Regional Park Improvement Fund in combination with other funding sources will be utilized for the design and construction of seismic enhancements of the tower.

Design will complete in Fiscal Year 2016. Construction is expected to start in Fiscal year 2018 and complete in Fiscal Year 2019.

***Chicano Park Comfort Station Replacement**, WBS # S13003 – City Council District 4*

Total Project Cost: $1,160,000

The project received Fiscal Year 2013 Regional Park Improvement Fund allocation in the amount of $200,000. The Regional Park Improvement Fund in combination with other funding sources will be utilized for the design and construction of the comfort station.

This project is currently in the design phase. Construction will complete in FY17.

***Mohnike Adobe and Hay Barn Restoration**, S13008 – City Council District 5*

Total Project Cost: $1,500,000

This project received a Fiscal Year 2013 Regional Park Improvement Fund allocation in the amount of $500,000 in Fiscal Year 2014 and an additional $500,000 in Fiscal Year 2015. This project is currently in the design phase. The Regional Park Improvement Funds have not yet been expended. Additional Environmental Growth Fund allocations are also planned for this project. This funding will ensure the highest priority renovations to protect these historic structures.

This project is currently in the design phase. Construction will complete in FY18.

***Sunset Cliffs Natural Park Hillside Improvements – Phase 1**, WBS # S10091 – City Council District 2*

Total Project Cost: $270,000 (Phase IA); $4,000,000 (Phase IB)

The project received a Fiscal Year 2012 Regional Park Improvement Fund allocation in the amount of $270,000 in the approved Fiscal Year 2014 budget and an additional $1,100,000 of Fiscal Year 2014 funds in the amended Fiscal Year 2015 for the construction of the project. Construction of phase I improvements is expected to complete in Fiscal Year 2016.

Phase 1A is in construction and will complete in FY16 (*). Phase 1B will start construction in FY17 and complete in FY18. Both will require an additional 5 years of mitigation monitoring.

Sunset Cliffs Natural Park – Phase 2 - Removal of Lomaland Dr. & Ladera St Structures, *WBS # L14005.1 - City Council District 2*

Total Project Cost: $835,000

This project received Fiscal Year 2015 Regional Park Improvement Fund allocations in the amount of $456,000. The scope of Phase I will address the removal of the estate houses; re-grading and re-vegetating the affected areas; and the construction of needed drainage facilities.

Design began in Fiscal Year 2016. Construction is estimated to complete in Fiscal Year 2018.

Sunset Cliffs Natural Park Drainage Improvements – Phase 3*, WBS # L14005.2 - City Council District 2*

Total Project Cost: $4,000,000

This project received Regional Park Improvement Fund allocations in the amount of $1,000,000 in Fiscal year 2013 and 1,000,000 in Fiscal Year 2015. The scope of the Phase II will address the overall drainage issues and the current erosion within the park.

Design began in Fiscal Year 2016. Construction is estimated to complete in Fiscal Year 2020.

Balboa Park Hall of Nations Foundation Reconstruction*, WBS # B15068 - City Council District 3*

Total Project Cost: $501,710

This project received a Fiscal Year 2014 Regional Park Improvement Fund allocation in the amount of $250,000 to repair the failing foundation of the building. In addition to $400,000 were added to address additional unanticipated work includes addressing the failing suspended ceiling with the building.

This project has been added to the completed project list, Attachment B, and will no longer be reported on.

La Jolla Parkway/Mt Soledad Erosion Control*, WBS # B10089 - City Council District 1*

Total Project Cost: $1,617,258

This project received a Fiscal Year 2015 Regional Park Improvement Fund allocation in the amount of $543K to prepare an alternative analysis study to address the repair of the failing brow ditches and stabilize the slope on the east side of La Jolla Parkway.

This project is in the planning phase evaluating several options. The design phase for the selected option will commence in FY 2017.

Junipero Serra Museum Accessibility Improvements, *WBS # S15034 - City Council District 3*

Total Project Cost: $1,500,000

The project received a Fiscal Year 2015 and Fiscal Year 2016 Regional Park Improvement Fund allocation in the amount of $500,000 each year to address accessibility needs at the museum. An additional $500,000 of Regional Park Funds is indicated in the five-year plan to be added to the project in Fiscal Year 2018.

The project is presently in the feasibility study phase. Feasibility study phase is estimated to complete in Fiscal Year 2017.

Balboa Park West Mesa Comfort Stations Replacement*, WBS # S15036 - City Council District 3*

Total Project Cost: $1,000,000

This project received Fiscal Year 2014 Regional Park Funds in the amount of $1,000,000 to replace two existing comfort stations with new facilities on the west mesa of Balboa Park.

The design phase started in Fiscal Year 2016. Construction is estimated to complete in Fiscal Year 2019.

EB Scripps Park Comfort Station Replacement*, WBS # S15035 - City Council* District 1

Total Project Cost: $1,300,000

This project received Fiscal Year 2014 Regional Park Funds in the amount of $250K for the preparation of construction documents for the replacement of the existing comfort station located at the EB Scripps Park.

The design phase started in Fiscal year 2016. Construction is estimated to complete in Fiscal Year 2020.

Attachment A shows a summary of active projects with Regional Park Fund allocations and their expenditures/encumbrances to date. Attachment B shows a summary of completed projects.

Respectfully submitted,

Mark Nassar, Deputy Director
Public Works Department

Prepared by: George Freiha
Senior Civil Engineer
Public Works Department

Attachments: Attachment A - Summary of Active Projects

Attachment B - Summary of Completed Projects

Attachment A – Summary of Active Projects (As of December 31, 2015)

PROJECT TITLE	WBS #	TOTAL RPIF ALLOCATION	EXPENDITURE & ENCUMBRANCE	OTHER AVAILABLE FUNDING	PHASE
Old Mission Dam Preservation Project	S00611	$315,000	$315,000	$170,000	Mitigation Monitoring
Mission Trails Regional Park Multi Trail System	S10066	$200,000	$200	N/A	Park Master Plan & Environmental Assessment
Cowles Mountain Trails - Mission Trails	S10065	$400,000	$210,000	N/A	Construction
Sunset Cliffs Natural Park Hillside Improvements – Phase IA	S10091	$1,490,000	$115,000	N/A	Construction
Sunset Cliffs Natural Park Hillside Improvements – Phase IB	S10091	$1,220,000	$425,000	$525,000	Grant Application
Coastal Beach Access Projects	B14073	$308,862	$96,000	$47,000	Design
Trail For All People	S13001	$231,000	$206,000	$43,212	Construction
Chollas Lake Park Playground Improvements	S14002	$989,000	$239,000	$750,000	Design
California Tower Seismic Retrofit	L12003.2	$1,043,000	$8,499	N/A	Design

PROJECT TITLE	WBS #	TOTAL RPIF ALLOCATION	EXPENDITURE & ENCUMBRANCE	OTHER AVAILABLE FUNDING	PHASE
Chicano Park Comfort Station Replacement	S13003	$200,000	$195,426	$1,504,449	Design
Mohnike Adobe and Hey Barn Restoration	S13008	$500,000	$83,743	$1,450,000	Design
Sunset Cliffs Natural Park Removal of Lomaland Dr. and ladera St. Structures	L14005.1	$456,000	$11,855	N/A	Design
Sunset Cliffs Natural Park Drainage Improvements	L14005.2	$1,000,000	$26,576	$456,000	Design
La Jolla Parkway/Mt Soledad Erosion Control	B10089	$543,848	$0	$543,848	Design
Junipero Serra Museum ADA Improvements	S15034	$1,000,000	$36,961	N/A	Planning
Balboa Park West Mesa Comfort Station Replacements	S15036	$1,000,000	$37,441	N/A	Design
EB Scripps Park Comfort Station Replacement	S15035	$250,000 FY14	$13,000	$35,379	Design

Attachment B – Summary of Completed Projects

COMPLETED PROJECT TITLE	WBS #	TOTAL RPIF ALLOCATION	EXPENDITURE & ENCUMBRANCE	OTHER FUNDING
Ocean Beach Comfort Station Replacement	B10130	$250,000	$250,000	N/A
Museum of Man Roof Repair	S11101	$150,000	$150,000	N/A
Diamond Street Stairs Repair	B12106	$100,000	$100,000	$40,000
Palisades Park Comfort Station	S10026	$400,000	$400,000	$1,700
Pescadero Avenue Stairs Repair	B12106	$91,000	$91,000	$18,000
California Tower Electrical Room Relocation	L12003.1	$750,000	$430,000*	N/A
Los Peñasquitos Canyon Preserve Ranger Station	B00619	$1,000,000	$1,000,000	$475,000
Balboa Park Hall of Nations Foundation Repair	B15068	$250,000	$250,000	$400,000

* Excess funds will be transferred to the California Tower Seismic Retrofit Project (L-12003.2)

Performance Audit of the Mission Bay and San Diego Regional Parks Improvement Funds, Fiscal Year 2024

NOVEMBER 2025 | OCA-26-04

Audit Results

A payment application issue impacted our review of Mission Bay revenue for FY2024; however, Economic Development appears to have taken steps to subsequently resolve the issue.

Expenditures appeared to be in compliance with Charter Section 55.2, although the City should provide additional project information to the improvement fund oversight committees to strengthen transparency and maximize project delivery, as discussed in Finding 4.

Finding 1

The Office of the City Treasurer could not formally issue potential audit findings from the required percentage lease revenue audits for FY2024 due to a City Management-directed moratorium on revenue audits, which increases the risk of loss of revenue and reduces transparency and oversight for the City.

Finding 2

The Economic Development Department did not impose lease penalty fees for Mission Bay rental accounts for FY2024.

Finding 3

Of 31 Mission Bay rental agreements, 11 (or 35 percent) are in "holdover" status, which may be leading to foregone revenue for the City and potential or perceived favoritism amongst lessees.

Finding 4

The City should provide additional project information to the improvement fund oversight committees to strengthen transparency, ensure expenditures are appropriate, and maximize project delivery.

Andy Hanau, City Auditor
Matthew Helm, Assistant City Auditor
Nathan Otto, Principal Performance Auditor
Danielle Kish, Senior Performance Auditor
Jermaine Brooks, Performance Auditor

CITY OF SAN DIEGO
OCA
OFFICE *of the* CITY AUDITOR

independent. objective. accurate.

The Office of the City Auditor is an independent office that reports to the City's Audit Committee. Our mission is to advance open and accountable government through independent, objective, and accurate audits and investigations that seek to improve the efficiency, effectiveness, and equity of City government.

The Office of the City Auditor would like to thank staff from the following departments and committees for their assistance during this audit:

- Economic Development Department Real Estate Assets Division
- Office of the City Treasurer
- Department of Finance
- Parks & Recreation Department
- Engineering & Capital Projects Department
- Mission Bay Park Improvement Fund Oversight Committee
- San Diego Regional Park Improvement Fund Oversight Committee

CONTACT US:

Find past audit reports—and sign up to get future reports delivered to your inbox—on our website: sandiego.gov/auditor

@SDCityAuditor

The City of San Diego Office of the City Auditor

City of San Diego Office of the City Auditor

@sdcityauditor

cityauditor@sandiego.gov

619-533-3165

Report fraud, waste, or abuse in City operations through our fraud hotline: **866-809-3500**

600 B Street, Suite 1350, San Diego, CA 92101

Performance Audit of the Mission Bay and San Diego Regional Parks Improvement Funds, Fiscal Year 2024

This audit is conducted annually in accordance with the requirements of City of San Diego Charter Section 55.2

Why OCA Did This Study

The City Charter requires that the City Auditor report annually the extent and nature of the Mission Bay and the San Diego Regional Parks Improvement Funds' revenues, expenses, and improvements and compliance with the requirements of Section 55.2. To comply with the Charter and in accordance with the City Auditor's Fiscal Year 2025 Annual Audit Work Plan, we have performed an audit of the Mission Bay and the Regional Parks Improvement Funds' financial activity in fiscal year 2024.

What OCA Found

A payment application issue impacted our review of the Mission Bay revenue for FY2024, however, the Economic Development Department (EDD) appears to have taken steps to subsequently resolve the issue. Expenditures appeared to be in compliance with the requirements of Charter Section 55.2.

Fiscal Year 2024 Financial Activity:

We found that the $20 million assigned to the General Fund was made as required by City Charter, and the revenues in excess of the $20 million threshold were distributed to the San Diego Regional Parks Improvement Fund (SDRPIF) and Mission Bay Improvement Fund (MBIF) based on the Charter formula for distribution, as shown in Exhibit 2.

We found that $5,944,964 was transferred from Mission Bay Lease Revenue to the SDRPIFfor capital improvements and $11,040,647 was transferred to the MBIF.

During the course of this audit, the City's Annual Report on Internal Controls for 2024 stated there were issues with EDD's lease invoicing and payment processing, which resulted in a large backlog of unresolved lease payment discrepancies.

Therefore, at the time of this audit, we could not confirm that all Mission Bay Lease Revenue payments in FY2024 have been applied appropriately and the correct amount of funds were transferred to the MBIF and SDRPIF.

Exhibit 2: FY2024 Mission Bay Lease Revenue Allocation to the Mission Bay and San Diego Regional Parks Improvement Funds

Mission Bay Lease Revenue Allocation to Fund	Allocation Breakdown in Excess of Threshold	FY2024 Allocation Amounts	FY2023 Allocation Amounts
San Diego Regional Parks Improvement Fund	35% or 3.5 million, whichever is greater, of the amount in excess of the $20 million threshold	**$5,944,964**	**$6,608,581**
Mission Bay Park Improvement Fund	65% of the excess over the $20 million threshold, if less than the 65%, then the remainder after the San Diego Regional Parks allocation	**$11,040,647**	**$12,273,079**

Source: OCA generated based on San Diego City Charter, Article V, Section 55.2(b)

We also included 4 findings in our report detailing other issues we encountered:

Finding 1: The Office of the City Treasurer could not formally issue potential audit findings from the required percentage lease revenue audits for FY2024 due to a City Management-directed moratorium on revenue audits, which increases the risk of loss of revenue and reduces transparency and oversight for the City.

- City Council Policy 700-10 requires the Office of the City Treasurer to conduct revenue audits of each percentage lease every five years.
- During FY2025, the Office of the City Treasurer could not complete and formally close all planned audits, which included lease revenue for FY2024, due to a lease audit moratorium that City Management stated was implemented to improve business processes.
- According to the EDD, the department is in process of resolving these issues, and we will review the department's resolution of this matter further during our FY2025 audit of the funds.

Finding 2: The Economic Development Department did not impose lease penalty fees for Mission Bay rental accounts for FY2024.

- The City did not assess any late penalty fees for FY2024 due to a large backlog of unapplied payments of $8 million for all City lease revenue —including Mission Bay lease revenue.
- While no late fees were assessed on Mission Bay leases, late fees were assessed for some non-Mission Bay leases, and the funds were incorrectly transferred to the Improvement Funds.
- As a result, we were unable to determine if revenue from the late payments were accurately included in the split of revenue and complied with City Charter Section 55.2.

Finding 3: Of 31 Mission Bay rental agreements, 11 (or 35 percent) are in "holdover" status, which may be leading to foregone revenue for the City and potential or perceived favoritism amongst lessees.

- Of Mission Bay's 31 leases, 11 (or 35 percent) are expired and are currently in "holdover" status, as of July 2025.
- While in holdover status, leases and permit agreements require appraisals to be conducted. These appraisals are to ensure the lease rate is of fair market value and to seek Council approval to extend the lease beyond the agreement terms.
- Allowing leases to remain in holdover, the City may be losing out on potential revenue that could be generated from appraising a property and renewing a lease with the current market value, or entering into a new tenancy under a competitive bidding process.

Finding 4: The City should provide additional project information to the improvement fund oversight committees to strengthen transparency and maximize project delivery.

- In FY2024 City staff provided high level project status reports to the both the Mission Bay Park and San Diego Regional Park Improvement Fund Oversight Committees (Oversight Committees), however both Oversight Committees stated the information was insufficient to execute their responsibilities.
- There is no guidance document stating which project information the departments should provide the Oversight Committees regularly. This guidance would ensure project status reports are comprehensive and standardized to allow the Oversight Committees to more easily analyze the project information against previous reporting periods.

Recommendation Follow Up: We found that the two remaining audit recommendations from the FY2021 Performance Audit of Mission Bay and San Diego Regional Parks Improvement Funds have been implemented.

What OCA Recommends

We made five recommendations and City Management agreed to all five. Key recommendation elements include:

- City Management should issue a memorandum or other written guidance that discourages future audit moratoria and which requires promptly informing the Office of the City Auditor and Audit Committee if the ability to perform lease revenue audit functions is restricted in the future;
- EDD should develop and utilize a lease management process that includes annual verification of lease terms and agreements;
- EDD should document department procedures to reconcile system payment data with SAP in accordance with existing City policy;
- EDD should ensure that leases that are in holdover status receive the required City Council approval and property appraisals; and
- The Parks and Recreation and Engineering and Capital Projects Departments should work with the Oversight Committees to reach an agreement on which project elements should be shared regularly.

For more information, contact Andy Hanau, City Auditor, at (619) 533-3165 or cityauditor@sandiego.gov.

Table of Contents

Background 1

Audit Results

Expenditures appeared to be in compliance with Charter Section 55.2, although the City should provide additional project information to the improvement fund oversight committees to strengthen transparency and maximize project delivery, as discussed in Finding 4. 2

Finding 1 The Office of the City Treasurer could not formally issue potential audit findings from the required percentage lease revenue audits for FY2024 due to a City Management-directed moratorium on revenue audits, which increases the risk of loss of revenue and reduces transparency and oversight for the City. 6

Recommendation 9

Finding 2 The Economic Development Department did not impose lease penalty fees for Mission Bay rental accounts for FY2024. 10

Recommendations 14

Finding 3 Of 31 Mission Bay rental agreements, 11 (or 35 percent) are in "holdover" status, which may be leading to foregone revenue for the City and potential or perceived favoritism amongst lessees. 16

Recommendation 19

Finding 4 The City should provide additional project information to the improvement fund oversight committees to strengthen transparency and maximize project delivery. 20

Recommendation 23

Recommendation Follow-Up 24

Table of Contents Continued

Appendix A Definition of Audit Recommendation Priorities 25

Appendix B Audit Objectives, Scope, and Methodology 26

Appendix C Prior Year's Mission Bay and San Diego Regional Parks Improvement Funds Financial Activity, As of June 30, 2023 28

Appendix D Fiscal Years 2024 and 2023 Mission Bay Park Lease Revenue and Location Map 29

Mission Bay Park Land Boundary – Lease Location Map 30

Appendix E San Diego Regional Park Improvement Fund Project Expenditures for Fiscal Year 2024 31

Appendix F Mission Bay Improvement Fund Project Expenditures for Fiscal Year 2024 33

Appendix G Management Response 35

Background

The City Charter requires that the City Auditor report annually the extent and nature of the Mission Bay and San Diego Regional Parks Improvement Funds' revenues, expenses, and improvements, and compliance with the requirements of Charter Section 55.2. To comply with the Charter, and in accordance with the City Auditor's Fiscal Year 2025 Audit Work Plan, we performed an audit of the Mission Bay and San Diego Regional Parks Improvement Funds' financial activity in fiscal year (FY) 2024.

The Mission Bay and San Diego Regional Parks Improvement Funds have two sources of revenue: (1) transfers from lease revenue collected from tenants in Mission Bay Park; and (2) interest. Mission Bay Park lease revenue is deposited to a separate General Fund account during the year and allocated to the improvement funds after the fiscal year-end.

Annually, beginning in FY2010, Mission Bay Park lease revenues in excess of $23 million have been distributed to the Mission Bay and San Diego Regional Parks Improvement Funds for allowable capital improvement projects. Per the City Charter, in FY2015 and thereafter, revenues in excess of $20 million are transferred. A minimum of $3.5 million, or 35 percent, of revenues in excess of $20 million (whichever is greater) is transferred to the San Diego Regional Parks Improvement Fund (SDRPIF), with the remainder of the excess going to the Mission Bay Improvement Fund (MBIF).

The Mission Bay Park Improvement Fund's Oversight Committee and the San Diego Regional Parks Improvement Fund's Oversight Committee are responsible for carrying out oversight responsibilities on the revenues and expenditures associated with leases and capital projects within the boundaries of Mission Bay Park and San Diego Regional Parks. They use information presented to them to make recommendations to City Council on projects to be funded and any concerns that they believe need further scrutiny. They are also responsible for verifying that the appropriate funds are collected, segregated, retained, allocated, and prioritized in compliance with the City Charter. The audit objectives, scope, and methodology used to perform this audit can be found in **Appendix B** of this report.

Audit Results

A payment application issue impacted our review of Mission Bay revenue for FY2024; however, Economic Development appears to have taken steps to subsequently resolve the issue.

Expenditures appeared to be in compliance with Charter Section 55.2, although the City should provide additional project information to the improvement fund oversight committees to strengthen transparency and maximize project delivery, as discussed in Finding 4.

Fiscal Year 2024 Financial Activity

The recorded fiscal year (FY) 2024 activities of the Mission Bay Improvement Fund (MBIF) and San Diego Regional Parks Improvement Fund (SDRPIF) are shown in **Exhibit 1**.

Exhibit 1

The FY2024 Ending Balances of the Mission Bay Improvement Fund and San Diego Regional Parks Improvement Fund Were Higher Than the Ending Balances for FY2023

	Mission Bay Improvement Fund	Regional Parks Improvement Fund
Charter 55.2 Beginning Balance as of June 30, 2023	$ 41,227,040	$ 18,221,553
Revenue, excluding unrealized gains and losses	$ 12,126,627	$ 6,409,543
Expenditures, net of depreciation	$ (9,526,261)	$ (6,373,720)
Ending Balance as of June 30, 2024	$ 43,827,406	$ 18,257,376

Source: OCA generated based on general ledger and Department of Finance schedules, amounts rounded to the nearest dollar, excluding unrealized gains and losses and depreciation.

The MBIF had revenues, including transfers and interest, of $12.1 million and expenditures of $9.5 million, as shown in **Exhibit 1**. The MBIF balance on June 30, 2024, was $43.8 million, which is an increase of $2.6 million.

SDRPIF had revenues, including transfers and interest, of $6.4 million, and expenditures of almost $6.4 million. The available SDRPIF balance on June 30, 2023, was $18.3 million. Prior fiscal years' financial activity through June 30, 2024, is shown in **Appendix C** of this report.

Mission Bay Park Lease Revenue

The total adjusted Mission Bay Lease Revenues were approximately $36.2 million. Adjusted lease revenue decreased 7 percent from FY2023 to FY2024. Revenue decreased by $2.6 million and totaled $36.2 million. The first $20 million remains in the General Fund, which left an initial $16.3 million to be distributed to the Improvement Funds. The amounts allocated to MBIF and SDRPIF in FY2024 and FY2023 are presented in **Exhibit 2**.

We did find that the $20 million assigned to the General Fund was made as required by City Charter, and the revenues in excess of the $20 million threshold were distributed to the SDRPIF and MBIF based on the Charter formula for distribution, as shown in **Exhibit 2**.

Of note, during the course of this audit, the City's Annual Report on Internal Controls for 2024 stated there were issues with the Economic Development Department's (EDD) lease management as well as invoicing and payment processing, which resulted in a large backlog of unresolved lease payment discrepancies and an understatement of City lease revenue.[1] Due to this understatement of lease revenue, at the time of this audit, we could not confirm that all Mission Bay Lease Revenue payments in FY2024 have been applied appropriately and the correct amount of funds were transferred to the MBIF and SDRPIF. Our primary reservation is that the lease revenue collection process issues identified and detailed in Findings 1 (lease revenue audit moratorium) and 2 (late fee accounting issues) may have contributed to a lower revenue distribution to the SDRPIF and MBIF funds. Those findings summarize related issues and provide recommendations for the City to be able to provide assurance in future fiscal years.

1 Annual Report on Internal Financial Control, Calendar Year 2024: https://www.sandiego.gov/sites/default/files/2025-02/2024-annual-report-on-internal-financial-control-march-1-2025.pdf#page=18

Notably, the City's Annual Report on Internal Financial Control, published in March 2025, noted that EDD has worked to resolve a backlog of lease payment discrepancies and we found they appear to have made significant progress. According to EDD, the payments will be applied to the appropriate funds as the backlog is reconciled and will be reflected in the next reporting period of FY2025. OCA will continue to monitor this situation as part of our Charter-mandated annual audit of these fund activities.

The FY2024 distribution from the Mission Bay Lease Revenue was $5,944,964 to the SDRPIF and $11,040,647 to the MBIF. Mission Bay adjusted total Lease Revenues decreased by approximately $2.6 million between FY2023 and FY2024. The revenue shown in **Exhibit 1** is slightly higher due to interest income.

Exhibit 2

FY2024 Mission Bay Lease Revenue Allocation to the MBIF and SDRPIF Decreased Compared to FY2023 Allocations

Mission Bay Lease Revenue Allocation to Fund	Allocation Breakdown in Excess of Threshold	FY2024 Allocation Amounts	FY2023 Allocation Amounts
San Diego Regional Parks Improvement Fund	35% or 3.5 million, whichever is greater, of the amount in excess of the $20 million threshold	**$5,944,964**	**$6,608,581**
Mission Bay Park Improvement Fund	65% of the excess over the $20 million threshold, if less than the 65%, then the remainder after the San Diego Regional Parks allocation	**$11,040,647**	**$12,273,079**

Source: OCA generated based on San Diego City Charter, Article V, Section 55.2(b).

Deferred Revenue Amounts in FY2024

We reviewed the annual Mission Bay revenue allocations and identified $933,834 in deferred revenue to the City for FY2024.[2] OCA will continue to monitor the deferred revenue amounts as part of the Mission Bay performance audit for FY2025. This issue is discussed further in Finding 2.

2 "Deferred revenue" is revenue that the City has not received for lease agreements for the FY2024 reporting period.

Mission Bay Improvement Fund and San Diego Regional Park Improvement Fund Expenditures

The expenditures charged to both the MBIF and SDRPIF appear to be appropriate and in accordance with the provisions of Charter Section 55.2. The majority of the MBIF expenditures continue to be for improvements to playgrounds, comfort stations, and parking lots at various Mission Bay Parks. The largest group of SDRPIF expenditures were for the Balboa Park Botanical Building Improvements. The FY2024 SDRPIF Charter expenditures by project are listed in **Appendix E** of this report. The FY2024 MBIF Charter expenditures by project are listed in **Appendix F** of this report.

Finding 1

The Office of the City Treasurer could not formally issue potential audit findings from the required percentage lease revenue audits for FY2024 due to a City Management–directed moratorium on revenue audits, which increases the risk of loss of revenue and reduces transparency and oversight for the City.

The Office of the City Treasurer is required to conduct revenue audits of each percentage lease.

City of San Diego Council Policy 700-10 requires the Office of the City Treasurer to conduct an audit of each percentage lease for the first year of operation and at least once every five years. The Office of the City Treasurer may conduct more frequent audits if deemed necessary.[3]

The Treasurer's revenue auditing role was hindered by a moratorium implemented by City Management.

The Office of the City Treasurer noted that during FY2025 it had been unable to complete, formally close, and issue all planned lease revenue audits, which would have reviewed some revenue received in FY2024, to the Economic Development Department (EDD). The lease audit moratorium began July 2024; and the City Treasurer's access to the revenue reporting software, REPortfolio, was removed as of December 2024. Therefore, many planned audits could not begin and completed audits by the Treasurer could not be issued. According to EDD, a moratorium was necessary to allow for a true opportunity to improve business processes for accurate reporting, improve customer experience, and improve resource allocation of affected City staff.

The Office of the City Treasurer made an inquiry to EDD in December 2024 to determine why access to REPortfolio was removed and to emphasize the importance of completing the audits in progress.

3 "Percentage lease" means a lease of a City property requiring the lessee's payment to the City of both: (a) established minimum rent; and (b) rent based on specified percentages of gross revenues derived by the lessee and sublessees from all revenue-producing activities conducted on the leased City property.

The Office of the City Treasurer continued efforts to obtain access to the REPortfolio lease revenue tracking system during the FY2025 fiscal year.

The lease audit moratorium for FY2024 ended as of April 2025, but the Treasurer's REPortfolio access and revenue auditing function was not restored until August 2025. Restricting access and the revenue auditing function, such as with this moratorium, can potentially create a backlog of future audits from being completed and create additional strain on City staff to complete audits for upcoming fiscal years. Additionally, the City can potentially lose revenue if the Treasurer is unable to review revenue for accuracy.

Additionally, at the time of audit fieldwork, EDD declined to provide the Office of the City Auditor access to REPortfolio due to the cost of additional licenses. This impacted our ability to verify the reliability of the billing terms and revenue received for the annual review of Mission Bay revenue. The Performance Audit of the Mission Bay Improvement Fund must be completed annually. We and Office of the City Treasurer relied on data from SAP and reports provided by EDD to support our analysis. However, without direct access to the system, both we and the Office of the City Treasurer could not determine if the billing terms agreed to in the Mission Bay agreements reflect what has been used in the REPortfolio system to ensure that revenue that the City received was accurate and in compliance with the lease agreement payment terms and Charter Section 55.2.

According to City Management, the lease audit moratorium was implemented because of the need to improve business processes, perform accurate financial reporting, improve the customer experience, and allocate City staff resources.

EDD limited REPortfolio access to only its staff and removed access from the Office of the City Treasurer. EDD believed it was counterproductive to allow access to leasing management software containing inaccurate information while it was actively working to reconcile accounts so that accurate payments could be applied and correct revenue could be realized. According to EDD, it provided all data and information to the City Treasurer upon request to continue revenue audits, despite not providing access to the software. However, the City Treasurer indicated that its ability to complete revenue audits was limited by the moratorium, which explicitly instructed the City Treasurer to pause audits and restrict contact with EDD.

Such restriction hinders oversight and transparency. It also prevents the Office of the City Treasurer and Office of the City Auditor from performing an accurate analysis of revenue to the City during revenue audits and from ensuring that unapplied payments are applied to the correct accounts.

EDD stated that providing a license to the external departments would be too costly. Additionally, the Office of the City Treasurer indicated that it was at the request of the Director of EDD to pause most audits so that the department could correctly apply revenue to the correct accounts from the large backlog of unapplied payments, conduct process improvements to prevent reoccurring issues from an aging software system, and make staffing changes.

Limiting the Treasurer's revenue auditing role weakens an important financial control, and can result in lost revenue to the City, as well as the City not identifying money it may owe to tenants.

The City can experience a loss in revenue if EDD revokes access and impairs the revenue auditing function performed by the Office of the City Treasurer. Revenue audits are an important internal control for oversight, transparency, and maintaining the City's financial strength. Limiting an important internal control hinders oversight and transparency, and could damage the City's reputation and credibility for billing practices and financial reporting.

Additionally, Section 39.1 of the City Charter mandates the Audit Committee to provide oversight of City internal controls—which includes revenue audits.[4] The City's Annual Report on Internal Controls for 2024 was presented to Audit Committee in March 2025, and included information about the revenue audit moratorium. However, the report issuance and presentation took place approximately 8 months after the issue happened.

Notably, the revenue audits performed by the City Treasurer can uncover discrepancies in revenue received by the City in terms of money owed to the City, as well as money the City owes to tenants. As shown in **Exhibit 3** below, the Office of the City Treasurer identified payment variances in audit reports from recent fiscal years.

4 Section 26.1704 (b) of the San Diego Municipal Code also requires departments to provide results of significant investigations that Audit Committee should be aware of: "Directors and heads of mayoral departments, non-mayoral departments, and City component units shall notify the Committee chair and City Auditor of the results of any significant investigations, examinations, or reviews performed by government and regulatory authorities of all City departments, related entities, and City component units within the Committee's purview and any management response thereto."

Exhibit 3

Revenue Audits Performed by the Office of the City Treasurer for Audit Reports from Recent Fiscal Years Identified Numerous Instances of Money Owed Both to and by the City for Inaccurate Billing and Reporting Practices

Fiscal Year	No. of Mission Bay Audits	City Owed	Owed to City
2022	3	$ (163,756)	$19,586
2023	6	—	$10,889,262*
Total	**9**	**$ (163,756)**	**$10,908,848**

* $9,717,778.39 of this was from the City's rent dispute with SeaWorld over COVID-related restrictions.

Source: OCA generated based on documentation provided by the Office of the City Treasurer.

Recommendation

Recommendation 1.1 (Priority 1)

The Chief Financial Officer or other City Executive leadership should issue a memorandum or other written guidance that discourages future audit moratoria and requires promptly informing the Office of the City Auditor and the Chair of the Audit Committee if the ability to perform lease revenue audit functions is restricted in the future.

Management Response: Agree [See full response beginning on page 35.]

Target Implementation Date: December 2025

Finding 2

The Economic Development Department did not impose lease penalty fees for Mission Bay rental accounts for FY2024.

Tenant leases generally require timely payment of rent to the City, with late payments subject to penalty.

City of San Diego City Charter Article V section 55.2 (e) requires the Office of the City Auditor to ensure public accountability and effective reporting by producing an annual report of complete accounting of all revenues received for Mission Bay. Additionally, individual rental agreements for Mission Bay property contain terms and agreements for payment terms and the collection of lease penalty fees.

Apart from the Office of the City Treasurer's (City Treasurer) audits, Process Narrative #1 PN-0446 (Use of an Alternate Billing or Interfacing System) includes a post process review section that requires an alternate billing or interfacing system (REPortfolio) to be reconciled by the Economic Development Department (EDD) to the general ledger and collections system (SAP) monthly to ensure lease revenues are received and recorded accurately. EDD creates invoices for lease payments and lease payments are monitored by the City Treasurer and posted to SAP. Since EDD uses an alternate system to invoice and record revenue and SAP is the City's general revenue collection system, the two systems' invoice and payment data must be reconciled to ensure the correct amounts for lease payments have been received by the City.

Additionally, Process Narrative PN-0404 Record Mission Bay Park Lease Revenue process review requires the Department of Finance to reconcile a report detailing the revenue received to the City to a report of deferred revenue that indicates the remaining lessees who have not paid for the fiscal year. Furthermore, the process narrative indicates how revenue from late payments must be recorded using a specific accounting code that helps ensure the revenue from the late payments is correctly allocated in the annual split of revenue to the San Diego Regional Parks Improvement Fund (SDRPIF) and Mission Bay Improvement Fund (MBIF).

The City did not assess any late fees for Mission Bay lease agreements in FY2024.

EDD is responsible for ensuring revenue from Mission Bay agreements and lease penalties have been received accurately and timely to the City. The Department of Finance verifies and ensures all revenue is received by reconciling revenue reports from SAP and REPortfolio and identifying any discrepancies and deferred revenue to the City. City revenue that has been received within the available reported period is recognized as revenue for the City's financial statement.[5] When anticipated revenue is not received or recognized within the available reporting period, the revenue is recognized as deferred revenue to the City. The unreceived revenue can be related to payments not received for rental agreements, or from payments that were not correctly applied to invoices before the reporting period end. However, when revenue has not been received to the City timely, late fees should be imposed for late payments.

We reviewed the annual Mission Bay revenue allocations and identified $933,834 in deferred revenue to the City for FY2024. OCA will continue to monitor the deferred revenue amounts as part of the Mission Bay performance audit for FY2025.

The City's rental revenue recording process requires accurate information from the customer and review by the City.

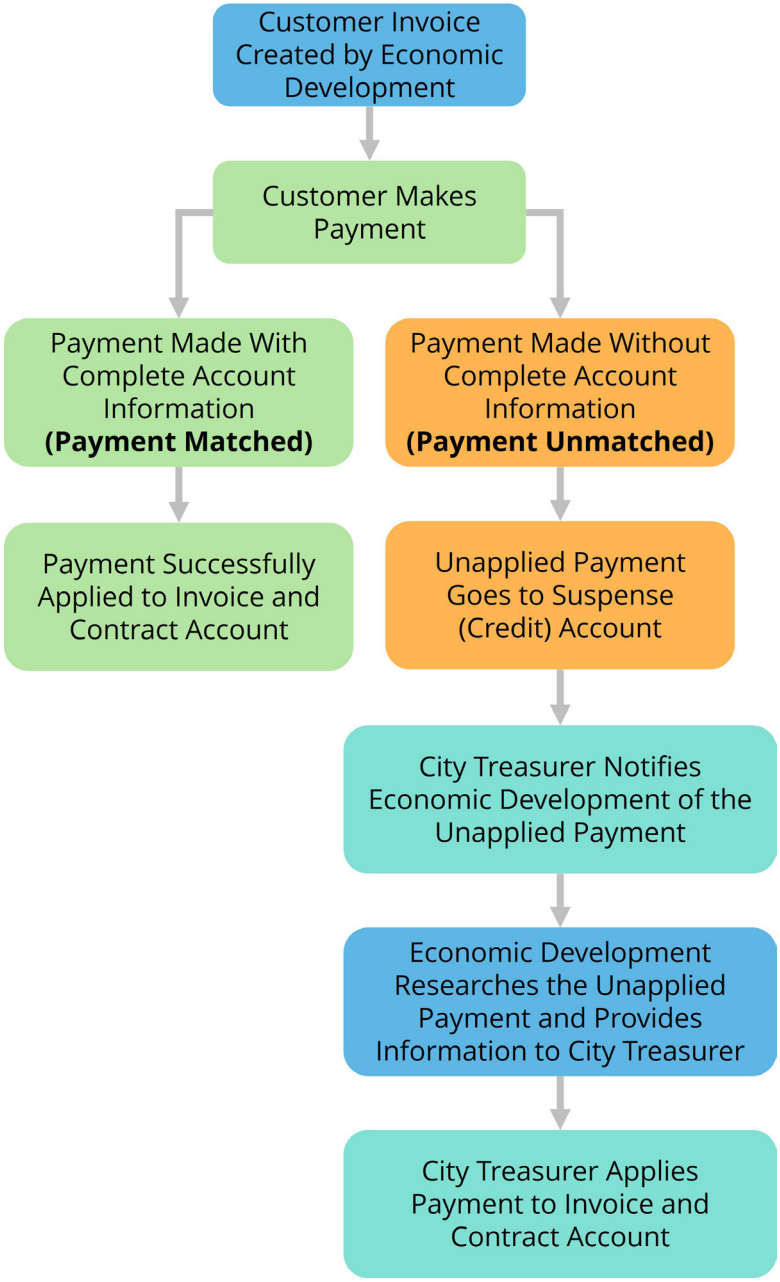
Payments made by lessees that do not have an invoice generated by EDD to support the payment post to an SAP credit account until an invoice is created by EDD and matched to the unapplied payment to apply to the correct account. According to EDD, it did not assess lease penalty fees for FY2024 due to a large backlog of unapplied payments totaling $8 million for all City lease revenue, including Mission Bay lease revenue for FY2024.

According to EDD, when a lessee makes a rental payment, the rental payment must note the accurate contract invoice number to ensure the payments are applied to the correct contract account. When these lease payments do not include or do not have accurate contract invoice numbers, the payments post to a credit account. The credit account is reviewed by the City Treasurer and EDD. The review is conducted to research and apply the payments timely to the correct invoices that were posted to the credit account. **Exhibit 4** below provides a high-level overview of the lease payment process.

5 "Availability period" is 60 days immediately following the close of the fiscal period, during which cash must be collected for revenue recognition purposes.

Exhibit 4

The City's Rental Revenue Recording Process for Various Fund Splits Requires Accurate Customer Information and Both Internal and External Review



Source: OCA generated based on documentation provided by EDD and the Office of the City Treasurer.

EDD stated that costs prevented the department from providing an additional software license for us to directly verify the accuracy of billing terms noted in the lease agreements within REPortfolio. However, we reviewed REPortfolio payment data to identify potential late payments that may have warranted late fees and identified up to $71,478 in potential late fees for FY2024.

While no late fees were reported for Mission Bay lease agreements, we found that $58,121 in lease penalties were included in the split of revenue to the SDRPIF and MBIF using an incorrect accounting code. Late fees were assessed for some non-Mission Bay leases, and the funds were incorrectly transferred to the MBIF and SDRPIF. Revenue received from Mission Bay agreements have specific accounting codes to track and separate revenue from other Citywide lease revenue to ensure that all revenue generated from Mission Bay lease agreements is accurately included in the annual revenue split amongst the SDRPIF, MBIF, and General Fund. When the incorrect accounting codes are used to complete the revenue split, revenue may be unintentionally pulled from the General Fund or incorrectly added to the SDRPIF and MBIF. Additionally, if payments are made late and late payment revenue is not collected, late payment revenue will not be included in the annual split of revenue. As a result, we were unable to determine if revenue from late payments were accurately included in the split of revenue and complied with City Charter Section 55.2.

EDD cited a variety of reasons for why no late fees were assessed, including payments received with incomplete information, staffing changes, and software limitations.

EDD did not have a documented procedure to ensure staff were routinely reviewing unapplied payments or applying late fees. However, EDD created policies and procedures for researching and applying unapplied payments as of June 2025.

Due to customer clerical errors, staffing changes, and a software system that has not been updated in eight years, EDD was unable to apply payments timely, creating the backlog of unapplied lease payments. EDD indicated that a lessee could have made a payment, but if the payment did not reference the account number or the invoice number, the payment could have been deemed late. When this occurs, it often results in significant staff time to investigate and apply the payment to the proper account and invoice.

In such cases, EDD would not issue a late fee, as doing so would have amounted to penalizing tenants who had, in good faith, made the payment but fell short on documentation. Other instances where late fees were not charged included when the check was en route, there was an audit dispute, or there were misapplied payments.

As of September 2025, according to EDD, a backlog of unapplied lease payments has been significantly decreased from around $8 million to around $1 million, with Mission Bay properties accounting for just $12,134. However, EDD indicated that this $12,134 lease payment was a payment made in advance by one tenant and it will be applied during the applicable payment period.

Not assessing late fees when warranted results in a potential loss in revenue for the City and undermines the importance of timely payment.

The City can lose revenue by not collecting late fees for late rental payments or ensuring lease agreements are billing at the accurate rate—for example, up to $71,478 in late fees may have been warranted for late payment in FY2024. Though a relatively modest dollar figure, not assessing late fees when payments are past due also sends a message that undermines the importance of timely payment and prudent property management. If payments are not applied timely, accounts can become delinquent in error; City revenue may not be recorded timely, accurately, or in the correct period; and credits can be improperly refunded.

Recommendations

Recommendation 2.1 (Priority 1)

The Economic Development Department should develop and utilize a lease management process narrative that includes the verification of lease terms and agreements at least annually and a process for lease renewal. Additionally, a process narrative should be developed and utilized that includes a periodic quality control check of revenue received from lease concessions to ensure the revenue received is complete, accurate, and timely. The process narrative(s) should include, but not be limited to, the following lease agreement areas:

- Lease Terms;
- Payment Terms;
- Holdover Terms; and
- Late Fee Assessments.

Management Response: Agree [See full response beginning on page 36.]

Target Implementation Date: June 2026

Recommendation 2.2 (Priority 1)

The Economic Development Department should create and document procedures to reconcile REPortfolio payment data to SAP in accordance with the City policy process narrative #1 PN-0446 Use of an Alternate Billing or Interfacing System to strengthen internal controls and ensure revenue is accurately accounted for and received timely.

Management Response: Agree [See full response beginning on page 37.]

Target Implementation Date: October 2025

Finding 3

Of 31 Mission Bay rental agreements, 11 (or 35 percent) are in "holdover" status, which may be leading to foregone revenue for the City and potential or perceived favoritism amongst lessees.

Leases with tenants should be active and reflect market rental conditions.

The City of San Diego City Charter Article V section 55.2 (e) requires the Office of the City Auditor to ensure public accountability and effective reporting by producing an annual report of complete accounting of all revenues received for Mission Bay. Additionally, individual lease agreements for leases within Mission Bay contain terms and agreements for lease compliance (e.g., lease terms, payment terms, holdover status, use of permits, and land use). However, many of them require Council approval for leases that exceed the terms of their permit after a certain number of years.

Additionally, Council Policy 700-10 requires each revenue-generating lease of a City property, whether the lease is a percentage or flat lease, to:

- Reflect the terms and conditions consistent with prevailing trends in the lease market;
- Require the lessee to pay initial rent equal to or greater than current market rent; and
- Ensure the City's receives a market rate of return throughout the lease term.

Of 31 Mission Bay leases, 11 are expired and are currently in "holdover" status.

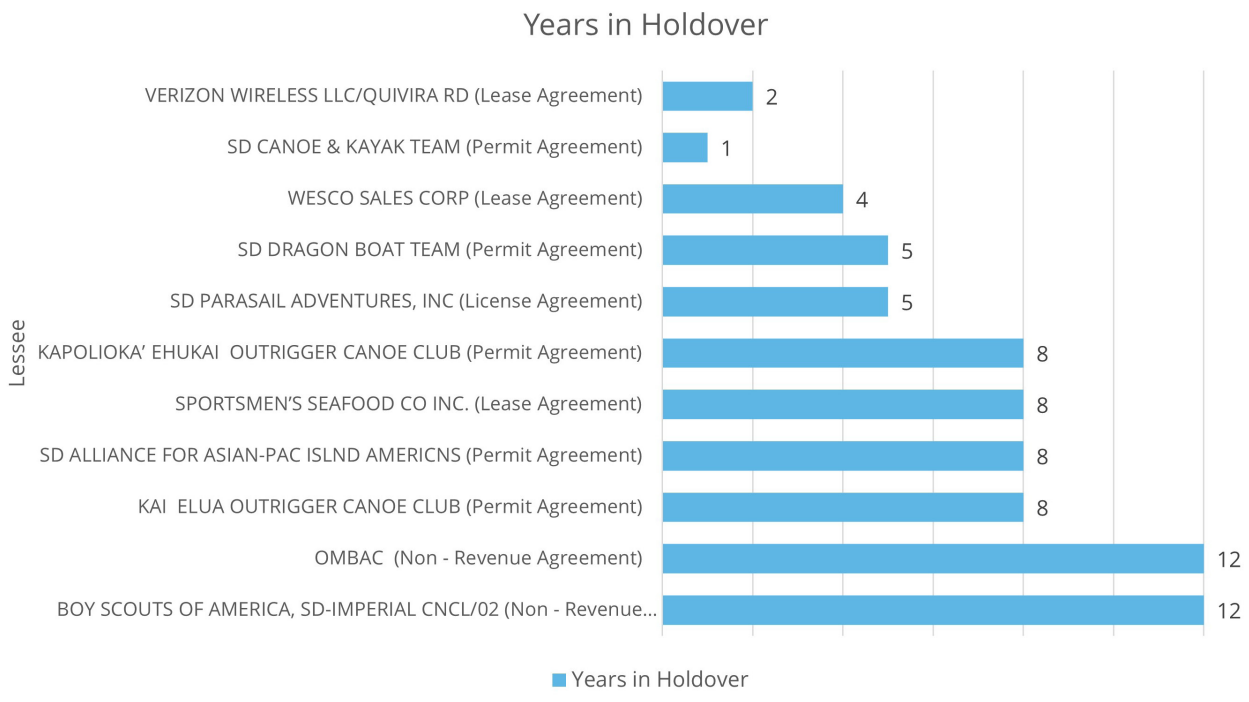
The Economic Development Department (EDD) is responsible for managing 31 lease agreements that contribute revenue to the Mission Bay Park and Regional Parks Improvement Funds.

Of Mission Bay's 31 leases, 11 (or 35 percent) are expired and are currently in "holdover" status, as of July 2025. A holdover tenant is a tenant who continues to pay rent by the agreement terms after the lease has expired.

Mission Bay agreements have differing requirements for holdover clauses. Some of the agreements allow holdover while others specifically indicate that holdover is not allowed. Additionally, some agreements call for the assessment of two-times fair market rent. Holdover clauses generally indicate that tenants are month-to-month with the ability of the City to terminate the agreement at will. Some of the lease agreements have a maximum number of years the lease can be renewed or can be placed in a holdover status unless Council approval has been granted to continue leasing to the tenant. Economic Development and the benefitting department of the land asset should proactively prevent agreements from entering holdover to ensure fair market rent is correctly received for all agreements. **Exhibit 5** below identifies the expired agreements and the number of years that have occurred between the last formal approval for holdover status and the current review period.

Exhibit 5

The 11 Mission Bay Lease Agreements in Holdover Status Have Been in Holdover for 1–12 Years, With Most in Holdover for 8 Years or More



Source: OCA generated based on documentation provided by the Economic Development Department.

While in holdover status, leases and permit agreements require appraisals to be conducted. These appraisals are to ensure the lease rate is of fair market value and to seek Council approval to extend the lease beyond the agreement terms.

However, EDD has not renewed the expired leases, sought Council approval, or conducted site appraisals to ensure the expired lease agreements have provided revenue to the City at fair market rent rate. As a result, the City is potentially receiving less than fair market rent rate for Mission Bay properties, which could result in less overall revenue for the annual split for the San Diego Regional Parks Improvement Fund (SDRPIF) and Mission Bay Improvement Fund (MBIF).

EDD currently has a Valuation Team that is responsible for creating and managing appraisals. When an appraisal is required, the Valuation Team must first determine if a City-approved appraiser can complete the process or if the appraisal can be done by City staff. Additionally, the appraisal process should take approximately 90 days. EDD indicated that efforts have been conducted to ensure the Mission Bay agreements are currently leased at fair market rate. However, evidence was not provided to the Office of the City Auditor that all leases currently in holdover had appraisals completed by the Valuation Team to reflect fair market rent.

Additionally, some agreements state that the City can assess two-times fair market rent if a property enters holdover status. EDD did not provide evidence that all agreements in holdover aligned with the varying holdover agreement terms to ensure all revenue due to the City was received as defined in the agreements.

Multiple factors appear to be contributing to the share of leases in holdover, including not having a well-defined renewal prioritization process for lease agreements.

EDD does not have a well-defined or documented prioritization process to ensure lease agreement terms are routinely reviewed for accurate lease management and billing, and does not have a documented process for renewing an expired lease. However, EDD does have a documented process for creating a new lease agreement. EDD indicated that tenants in holdover have indefinite month-to-month tenancy, which allows the City to increase rental fees and revoke tenancy at any moment. However, EDD has not increased fees

for month-to-month tenancy for most lessees. EDD is currently seeking to renew lease agreements, seek new operators, and monitor tenants in holdover with past due accounts until their lease payment balances are settled. However, EDD added that the Parks and Recreation Department has not wanted to pursue new agreements for non-revenue leases.

Notably, a 2022 audit from OCA found that in the City's total portfolio, including properties beyond Mission Bay, 101 of 421 (24 percent) of active leases as of July 15, 2021 were in holdover, including many for over a decade.[6]

A high share of leases in holdover may be leading to foregone revenue for the City and potential or perceived favoritism.

By allowing leases to fall into and remain in holdover, the City may be losing out on potential revenue that could be generated from appraising a property and renewing or entering into a new lease with the current tenant at current market value, or by entering into new tenancies using a competitive bidding process.

Additionally, the City may potentially be conferring an unfair benefit to the current tenant, creating unnecessary uncertainty for both the City and lessees, and limiting the City's ability to enact and enforce updated contract provisions.

Recommendation

Recommendation 3.1 (Priority 2)

The Economic Development Department should ensure that leases in holdover status receive the required Council approval and appraisal to ensure lease agreements are binding and fair market rental rate is received for the leased property.

Management Response: Agree [See full response beginning on page 37.]

Target Implementation Date: October 2025

6 Performance Audit of the City's Lease Management and Renewal Process. February 2022. Available at: https://www.sandiego.gov/sites/default/files/22-007_lease_mgmt_renewal_process.pdf. As of October 2025, approximately 24 percent remain in holdover according to EDD.

Finding 4

The City should provide additional project information to the improvement fund oversight committees to strengthen transparency and maximize project delivery.

The City Charter requires two committees to oversee the use of the improvement funds on capital projects.

The City Charter states that the Mission Bay Park Improvement Fund (MBIF) Oversight Committee and the San Diego Regional Parks Improvement Fund (SDRPIF) Oversight Committee are responsible for auditing and reviewing the implementation of the use of the improvement funds for capital projects and verifying that the appropriate funds are allocated in compliance with the City Charter guidelines.

Both Committees expressed that they do not receive sufficient information on the prioritization of projects and project expenditures.

Both the MBIF Oversight Committee and the SDRPIF Oversight Committee expressed that they do not receive sufficient information on the prioritization of projects and project expenditures to execute their responsibilities. Specifically, the MBIF Oversight Committee stated it needs to see specific project expenses, including contractors' costs, material costs, and department overhead in order to fulfill its Charter-mandated responsibilities. The SDRPIF Oversight Committee stated it needs to see line-item breakdowns that include planned versus actual expenditures. Additionally, the SDRPIF Oversight Committee requested more specific information on project status and the risks for cost overruns or delays.

A previous Mission Bay Performance Audit found more detailed project information would benefit the oversight committees' decision making. In response to that audit's recommendation, in FY2024, City staff provided both oversight committees with project update presentations, which included high-level information on project scope, status, total funding allocated to date, and improvement fund allocated to date. However, we found the presentations did not include the detailed expenditure elements the oversight committees stated they need to execute their responsibilities.

Notably, in the middle of FY2024, both oversight committees received staff reports that included proposed FY2025 allocations for specific projects, including the project scopes, the total allocations to date, the improvement fund allocations to date, and more detailed project statuses. Additionally, the staff reports included recommended allocations for the next five years (FY2025–FY2029), as well as the City Charter Priority ranking (for MBIF projects), the Council Policy 800-14 CIP project ranking, the estimated project cost, the total MBIF allocations to date, other funding allocations, FY2025 proposed funding allocations, and funding projections for FY2026 through FY2029. This additional project information allows the oversight committees to better understand the progress of each project. We also found that at the FY2024 MBIF and SDRPIF oversight committee meetings, City staff were available to answer committee members' questions on project expenditures and status. However, these reports did not include the comprehensive expenditure information the oversight committees stated they need to ensure projects have the appropriate funding to move forward and to question why certain projects have not progressed.

There is no guidance stating which project information departments should provide to the committees.

Project information provided by the Parks and Recreation Department (Parks & Rec) and the Engineering and Capital Projects Department (E&CP) has often not aligned with the oversight committees' requests because there is no guidance document stating which project information the departments should provide regularly to ensure the committees can effectively oversee project expenditures and outcomes. The Government Finance Officers Association of the United States and Canada (GFOA) states that meaningful capital project reports include, at a minimum, project information, such as a specific project scope, project budget, current expenditure activity, and progress on project milestones (such as project phases). GFOA also states that reports should include significant changes to project scope, costs, or schedules.

A formal agreement between the oversight committees and Parks & Rec would help ensure that the committees receive the information that is needed to fulfill their responsibilities. Such an agreement should be updated periodically to reflect changes in oversight committee preferences. For example, we found that information requested by the oversight committees has changed when oversight committees'

board membership changed. At times, the departments provided more detailed project information at the request of the oversight committees, while at other times, the committees requested less project information from the departments.

Regularly reporting comprehensive project budget allocation and expenditure information allows the oversight committees to ensure improvement funding is spent in compliance with the City Charter.

Additional project allocation information will also allow the oversight committees to ensure projects effectively progress towards completion. Also, a standardized report would allow both oversight committees to more easily analyze project information against previous reporting periods.

Additionally, with each changing project information request, Parks & Rec and E&CP must use staff time and resources to collect and add the new information as well remove project information that is no longer desired. Therefore, a standardized report for both oversight committees would allow Parks & Rec and E&CP to more efficiently generate and share project expenses and status.

Recommendation

Recommendation 4.1 (Priority 3)

To ensure that the oversight committees have sufficient information to execute their responsibilities per City Charter, and that they are able to review and verify the allocation and use of improvement funds in compliance with City Charter, the Parks and Recreation Department and Engineering and Capital Projects Department should work with both the Mission Bay Improvement Fund and San Diego Regional Parks Improvement Fund Oversight Committees to reach an agreement and mechanism to specify which specific project elements should be provided and the frequency that the departments should generate and share the reports. For example:

a. A well-defined project scope and, when a project scope has changed since the previous reporting cycle, an explanation on why the project scope changed;

b. Project cost estimates and, when a project cost estimate has materially changed since the previous reporting cycle, an explanation on why the cost estimate changed;

c. Estimated timelines for the current project phase completion and the final project completion and, when current project phase and final project completion timelines have been significantly extended, an explanation on why timelines were extended;

d. Project expenditures to date, specifying total contractor, overhead, City personnel, and relevant permit or inspection expenditures; and

e. Project expenditures by project phase (i.e., Bid/Award, Construction, Design, Planning, Post-Construction).

Management Response: Agree [See full response beginning on page 37.]

Target Implementation Date: June 2026

Recommendation Follow-Up

We reviewed the status of the two outstanding recommendations from the FY2021 Performance Audit of Mission Bay and San Diego Regional Parks Improvement Funds report issued August 2, 2022. **We found that all two remaining audit recommendations have been implemented:**

Recommendation 5 (Priority 2)

The Department of Real Estate and Airport Management should include a Facility Condition Inspection clause in future leases involving in-water improvements to ensure that docks, piers, or marinas are being properly maintained.

Implemented

This recommendation is implemented. The Economic Development Department Real Estate Division is now including the following lease language requiring facility condition inspections for in-water improvements to ensure that docks, piers, or marinas are being properly maintained: In Lease Year 2, Tenant will cause the In-Water Improvements to be inspected by a consultant with the qualifications described in ASCE Manual 130 Waterfront Facilities Inspection and Assessment ("Inspector") selected by Tenant and approved by Landlord in writing and cause the Inspector to prepare a written report containing all of the Inspector's findings about the conditions of the In-Water Improvements ("Inspection Report"), all at Tenant's sole cost and expense. Tenant will deliver the Inspection Report to Landlord within ninety (90) days after the first day of Lease Year 2, along with a letter addressed to Landlord from the Inspector that prepared the Inspection Report authorizing Landlord to rely on the Inspection Report as though Landlord contracted with the Inspector for preparation of the Inspection Report.

Recommendation 7 (Priority 3)

To ensure Committees are properly staffed in compliance with the City Charter, we recommend: The Office of Boards and Commissions should bring appointment and reappointment resolutions to City Council on a routine basis and in a timely manner to maintain proper active standing of the members on both the Mission Bay Park Committee and the Park and Recreation Board.

Implemented

This recommendation is implemented. The committees that oversee the Mission Bay and San Diego Regional Parks Improvement Funds are both fully staffed. As of February 2025, all 11 members of the Parks and Recreation Board are serving under active terms, and the Mission Bay Park Committee has 10 members with active terms with only 1 serving under an expired term. The Director of Appointments is currently vetting candidates to replace the one member with an expired term.

Appendix A

Definition of Audit Recommendation Priorities

The Office of the City Auditor maintains a priority classification scheme for audit recommendations based on the importance of each recommendation to the City, as described in the table below.

While the City Auditor is responsible for providing a priority classification for recommendations, it is the City Administration's responsibility to establish a target date to implement each recommendation, taking into consideration its priority. The City Auditor requests that target dates be included in the Administration's official response to the audit findings and recommendations.

PRIORITY CLASS*	DESCRIPTION
1	Fraud or serious violations are being committed. Significant fiscal and/or equivalent non-fiscal losses are occurring. Costly and/or detrimental operational inefficiencies are taking place. A significant internal control weakness has been identified.
2	The potential for incurring significant fiscal and/or equivalent nonfiscal losses exists. The potential for costly and/or detrimental operational inefficiencies exists. The potential for strengthening or improving internal controls exists.
3	Operation or administrative process will be improved.

* The City Auditor is responsible for assigning audit recommendation priority class numbers. A recommendation that clearly fits the description for more than one priority class shall be assigned the higher priority.

Appendix B

Audit Objectives, Scope, and Methodology

Objective

In accordance with the Office of the City Auditor's Fiscal Year 2025 Audit Work Plan, we conducted a performance audit of the Mission Bay and San Diego Regional Parks Improvement Funds for fiscal year (FY) 2024. Our audit objectives were:

1. Determine whether the Oversight Committees are being properly informed consistent with the criteria in Charter Section 55.2 and municipal code requirements.

2. Determine whether the revenues subject to Charter Section 55.2 are being properly recorded and accounted for in the financial records of the City of San Diego.

3. Determine whether the expenditures charged against the Mission Bay Park and San Diego Regional Parks Improvement Funds are consistent with the requirements of Charter Section 55.2.

Scope

Our scope included lease revenues received during FY2024 from properties located on Mission Bay Park lands, and expenditures recorded during FY2024 to capital projects charged to the Mission Bay Improvement Fund and the San Diego Regional Parks Improvement Fund. In addition, we reviewed the composition and communications during FY2024 of the Mission Bay Improvement Fund Oversight Committee and the San Diego Regional Parks Improvement Fund Oversight Committee. We also reviewed each committee member's Form 700 (Statement of Economic Interest) in order to identify any potential for a conflict of interest.

Methodology

To accomplish our objectives and test internal controls to determine if they are functioning as intended, we performed the following audit procedures:

- Reviewed pertinent laws, policies, and regulations related to Mission Bay Park lease revenues;
- Gathered and analyzed agreements and information related to Mission Bay Park lease revenues;
- Identified, collected, and analyzed financial information including transaction adjustments and management reports related to Mission Bay Park lease revenues;
- Made inquiries with management and key staff in charge of managing and monitoring information related to Mission Bay Park lease revenues;

- Reviewed Mission Bay Park and San Diego Regional Parks Improvement Fund Oversight Committee minutes and Form 700's;
- Analyzed the quality and sufficiency of the reporting to the Oversight Committees;
- Verified the calculation and reporting of project expenditures; and
- Followed up on any outstanding recommendations from prior reports.

Data Reliability

We did not test the reliability of the City's financial reporting system as it is the system of record for preparation of the Annual Comprehensive Financial Report and is therefore audited each year by the independent audit firm for those annual statements.

Internal Controls Statement

Our review of internal controls was limited to those controls relevant to the audit objectives described above. Specifically, we reviewed City Charter and Municipal Code requirements; reviewed policies and procedures documents; interviewed department management; reviewed financial reports and exported data from City systems; and reviewed minutes from Oversight Committees to ensure compliance with laws and procedures.

Compliance Statement

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix C

Prior Year's Mission Bay and San Diego Regional Parks Improvement Funds Financial Activity, As of June 30, 2023

Fiscal Year	Mission Bay Revenues Revenues [1]	Regional Park Revenues Revenues [1]
2010	$115,603	$1,708,236
2011	40,859	1,753,292
2012	2,449,130	2,534,109
2013	5,373,254	2,525,338
2014	4,302,753	2,538,998
2015	7,100,046	2,555,608
2016	10,531,043	3,511,501
2017	6,622,302	3,595,326
2018	8,654,483	4,604,147
2019	8,176,992	4,315,001
2020	3,333,430	3,831,994
2021	646,377	2,000,841
2022	10,843,520	5,774,310
2023	12,801,956	6,814,165
Total as of June 30, 2023	$80,991,748	$48,062,866
	Expenditures [2]	**Expenditures [2]**
2010	$ -	$ -
2011	-	-
2012	-	313,640
2013	-	408,680
2014	-	742,897
2015	171,848	1,554,596
2016	73,479	1,250,638
2017	472,168	1,040,585
2018	6,266,591	2,756,468
2019	3,596,424	3,363,902
2020	7,346,290	7,487,376
2021	4,844,552	6,413,688
2022	9,314,621	3,001,231
2023	7,678,735	1,507,612
Total as of June 30, 2023	$39,764,708	$29,841,313
Available balance June 30, 2023	$41,227,040	$18,221,553

[1] Excludes unrealized gains and losses.
[2] Excludes depreciation.

Source: OCA generated based on SAP financial data

Appendix D

Fiscal Years 2024 and 2023 Mission Bay Park Lease Revenue and Location Map

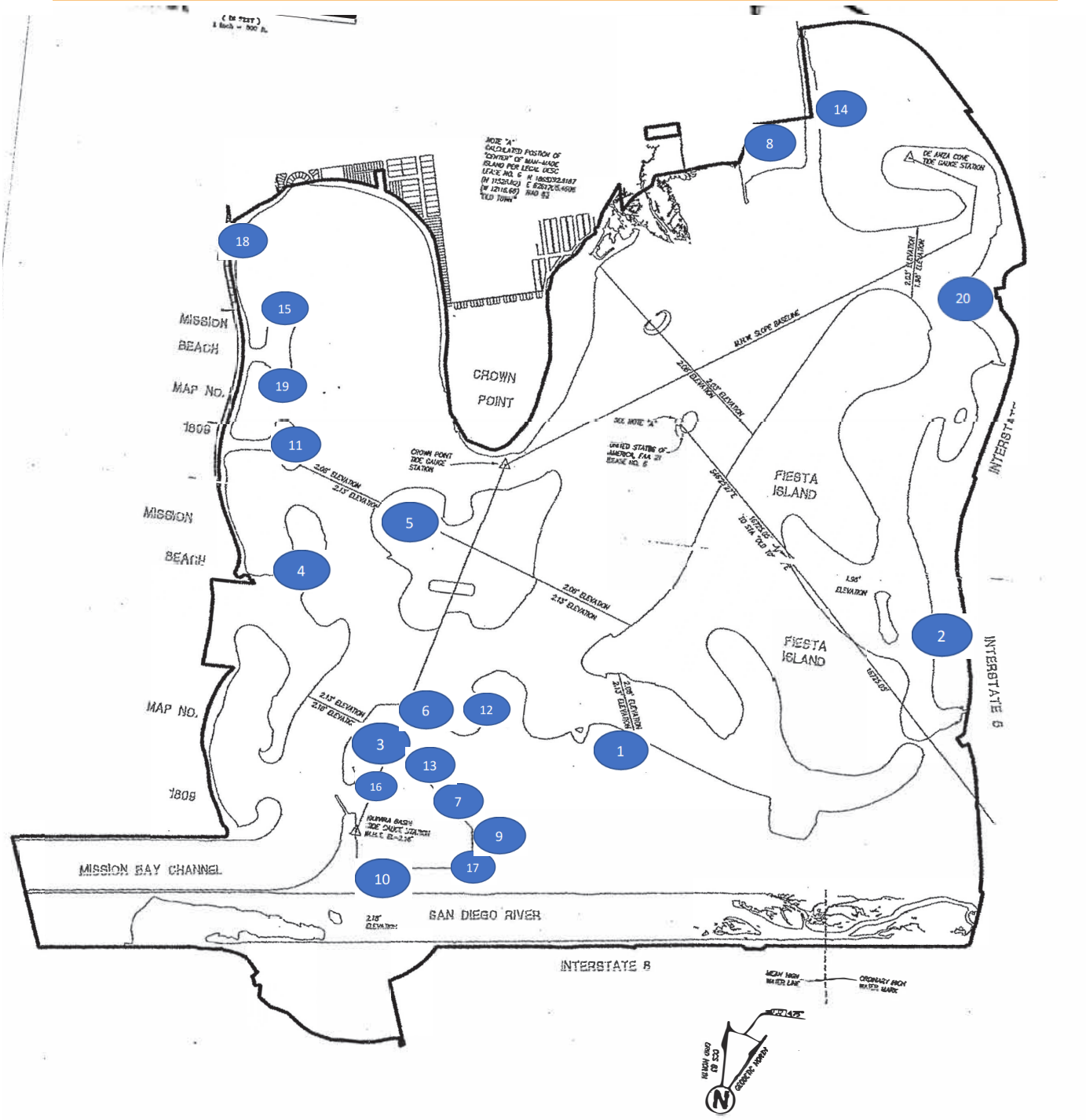
Lessee	Revenue Amount FY2024	Revenue Amount FY2023	Change
SEA WORLD LLC	$ 13,301,239.20	$ 24,831,407.33	$ (11,530,168.13)
LHO MISSION BAY ROSIE HOTEL LP	$ 4,567,294.28	$ 5,149,384.22	$ (582,089.94)
DBA CHESAPEAKE LODGING TRUST	$ 4,493,560.00	$ 4,556,077.21	$ (62,517.21)
PEBBLEBROOK HOTEL TRUST	$ 3,233,716.07	$ 3,327,135.55	$ (93,419.48)
BAHIA STERNWHEELERS INC	$ 2,859,082.16	$ 3,379,330.46	$ (520,248.30)
BARTELL HOTELS	$ 1,892,060.94	$ 2,022,447.15	$ (130,386.21)
CAMPLAND LLC	$ 1,597,534.30	$ 1,588,734.64	$ 8,799.66
SEAFORTH SPORTFISHING CORP	$ 1,566,217.50	$ 1,661,551.24	$ (95,333.74)
MISSION BAY SPORTS CENTER	$ 1,284,209.06	$ 151,092.57	$ 1,133,116.49
SCPT MARINA VILLAGE LLC	$ 1,000,508.88	$ 973,570.97	$ 26,937.91
DRISCOLL MISSION BAY LLC	$ 971,129.03	$ 713,944.96	$ 257,184.07
MISSION BAY YACHT CLUB	$ 592,591.12	$ 571,141.46	$ 21,449.66
WESCO SALES CORP	$ 526,988.98	$ 548,045.58	$ (21,056.60)
SPORTSMENS SEAFOOD CO INC	$ 246,577.10	$ 275,737.76	$ (29,160.66)
SD MISSION BAY BOAT & SKI CLUB	$ 222,828.32	$ 197,966.68	$ 24,861.64
EVERINGHAM BROS BAIT CO	$ 98,954.40	$ 98,954.40	$ -
SAN DIEGO PARASAIL ADVENTURES INC	$ 97,620.28	$ 80,501.82	$ 17,118.46
SAN DIEGO STATE UNIVERSITY ASSOCIATED ST	$ 61,330.45	$ 63,786.10	$ (2,455.65)
SHORLINE MISSION BAY LLC	$ 60,000.00	$ 60,000.00	$ -
EVANS HOTELS	$ 54,129.01	$ 63,810.38	$ (9,681.37)
SD ROWING CLUB/INTERCOLLEGIATE ROWING	$ 53,852.70	$ 49,965.64	$ 3,887.06
VERIZON WIRELESS VAW LLC	$ 50,038.74	$ 48,346.61	$ 1,692.13
SPRINT PCS ASSETS LLC		$ 47,653.20	$ (47,653.20)
VERIZON WIRELESS VAW LLC ROW	$ 12,498.42	$ 12,498.42	$ -
SD DRAGON BOAT RACING TEAM	$ 7,170.60	$ 6,842.21	$ 328.39
SAN DIEGO CANOE & KAYAK TEAM	$ 5,967.22	$ 6,772.48	$ (805.26)
KAPOLIOKA EHUKAI OUTRIGGER CANOE	$ 3,330.00	$ 3,142.50	$ 187.50
SD ALLIANCE FOR ASIAN PACIFIC	$ 3,330.00	$ 3,392.50	$ (62.50)
KAI ELUA OUTRIGGER CANOE CLUB	$ 2,664.00	$ 2,714.00	$ (50.00)
Credit Adjustments		$ (1,542.21)	
Grand Total	**$ 38,866,422.76**	**$ 50,494,405.83**	**$ (11,629,525.28)**
Adjustments to Accrual Entries & Penalties	$ (2,615,363.86)	$ (11,612,745.54)	$ 8,997,381.68
Adjusted Total Lease Revenue	**$ 36,251,058.90**	**$ 38,881,660.29**	**$ (2,630,601.39)**
General Fund Thresold	$ (20,000,000.00)	$ (20,000,000.00)	
Revenues Exceeding the Threshold	**$ 16,251,058.90**	**$ 18,881,660.29**	**$ (2,630,601.39)**
Transfer to San Diego Regional Park Improvement Fund	**$ 5,687,870.62**	**$ 6,608,581.10**	**$ (920,710.49)**
Transfer to Mission Bay Improvement Fund	**$ 10,563,188.29**	**$ 12,273,079.19**	**$ (1,709,890.90)**

Source: OCA generated based on information from the Department of Finance.

Appendix D Continued

Mission Bay Park Land Boundary – Lease Location Map

(Numbers correspond with numbering of leases from the table on previous page)



Source: OCA generated based on google map search of lease locations.

Appendix E

San Diego Regional Park Improvement Fund Project Expenditures for Fiscal Year 2024

Projects	Purpose	Expenditures FY2024
New project expenditures:		
Balboa Park International Cottages Study	This project is to provide a survey and system upgrade design of the electrical service to the older international cottages in Balboa Park.	$ 55,918.51
Crystal Pier Improvements	This project is to replace damaged wooden pier piles at Crystal Pier.	$ -
Ongoing project expenditures:		
Kellog Comfort Station Improvements	Scope consists of installing a trench drain to prevent water from running across the boardwalk and extending the roof line by 3.5 feet.	$ 10,069.87
Camino De La Costa Stairs	This original project was to provide for the replacement of concrete sidewalls, handrails, and patching lower steps to restore function and safety to existing stairs. Also includes ADA and adjacent parking improvements. During FY24 this project changed to a feasibility study to replace the beach access stairway.	$ 62,868.20
Ocean Beach Full Pier Replacement	This project includes the design and construction for the demolition and replacement of the Ocean Beach Pier.	$ 188,604.50
Old Salt Pool Access Stairs	This project is to provide a safe and compliant access to the beach. The scope of work of this project includes the design and construction of a new set of access stairs that generally follows the footprint of the previous design.	$ 66,708.67
Air & Space Museum Roof Replacement	This project provides for Comic-Con building roof replacement and the replacement of the Air & Space Museum Roof. Air & Space Museum Building is located in Palisades area of Balboa Park.	$ 188,340.00
Demolition of Loma Land Structures and Hillside Drainage Improvements	This project provides for the removal of existing houses located on parkland.	$ 201,410.26
Chollas Lake Electrical Service Improvements	The first priority project is to provide electrical service to the park which will allow extended use of the park and provide a higher level of security.	$ 123,965.08
Narragansett Avenue Access	This project is for repairing Narragansett Avenue Beach Access.	$ 101,611.36
Santa Cruz Avenue Access Stairs and Walkway	This project is for Santa Cruz Avenue Beach Access stairs and walkway.	$ 27,209.55
Mohnike Adobe & Barn Restore	This project provides for the rehabilitation/restoration of the historic adobe and hay barn located within the 14-acre Rancho Penasquitos Equestrian Center on the eastern end of the Los Penasquitos Canyon Preserve.	$ 70,284.19
Bermuda Ave Coastal Access Replacement	This project provides reconstruction of stairway and seawall.	$ 318,172.12
Junipero Serra Museum ADA Improvements	This project provides ADA access to the Junipero Serra Museum within Presidio Park.	$ 114,103.39

Projects	Purpose	Expenditures FY2024
EB Scripps Park Comfort Station Replacement	This project provides for a replacement comfort station located in EB Scripps Park adjacent to La Jolla Cove.	$ -
Sunset Cliffs Natural Park Ph II Trail & Revegetation	This project will complete improvements to the hillside portion of the Sunset Cliffs Natural Park, consisting of construction of trails, habitat restoration, erosion control, removal of houses within the park, and the removal and return to natural vegetation of the softball field.	$ 42,327.33
Balboa Park Club Renovations	This project provides for improvements at Balboa Park Club, including stucco repairs, and replacement of damaged wood windows and peeler logs.	$ 12,992.38
Black Mountain Mine Remediation	Closure and remediation of mine.	$ -
West Sycamore Staging Area	This project provides for improvements including a prefab comfort station, shade structure, ADA accessible parking, and new portable office trailer.	$ 88,467.08
Chicano Park Improvements Phase III	The project provides for improvements for storm drains, lighting, paths of travel at Chicano Park.	$ 32,510.42
Quince Dr. Runoff and Erosion Control	The project provides roadway and storm drain replacement as well as repair of the eroded slope.	$ 1,727,000.00
Spindrift Dr Walkway	The project provides improvements to walkway.	$ 58,431.60
Cowles Mountain Comfort Station Accessibility Upgrades	The project provides for the replacement of a comfort station and the addition of a sewer lateral to eliminate an existing sewer pump.	$ 93,716.50
Balboa Park Botanical	The project provides for the restoration of the existing building to the original design as much as possible.	$ 2,789,009.07
	Total Fiscal Year 2024 expenditures	**$ 6,373,720.08**

Appendix F

Mission Bay Improvement Fund Project Expenditures for Fiscal Year 2024

Projects	Purpose	Expenditures FY2024
Ongoing project expenditures:		
Bahia Parking Lot and Comfort Station	This project will provide for the slurry seal of Bahia Point and Ventura Cove parking Lots. Existing Restrooms will be replaced with new single family stall comfort station. ADA Path to a fire ring, ADA accessible Table and a path to travel to Bahia Parking Lot.	$ -
Mission Bay Navigational Safety Dredging	This project provides for dredging of Mission Bay.	$ 2,715.94
Mission Bay Projects EIR	This project is for the Environmental Impact Report for Mission Bay Projects.	$ 219,516.62
Hospitality Point Parking Lot Improvement	Parking lot improvements	$ 1,723,355.34
Robb Field Parking Lot Improvements	Parking lot improvements	$ 35,250.64
Dusty Rhodes Parking Lot Improvements	Parking lot improvements	$ 34,757.27
Mission Bay Athletic - Comfort Station	Replacement and upgrade of comfort station.	$ 947,477.01
DeAnza North Parking Lot Imp	Parking lot improvements	$ 139,713.46
Robb Field Turf & Irrigation Improvement	Turf & Irrigation Improvements	$ 143,192.00
Adult Fitness Course East Shore	Construct the fitness course improvements.	$ 116,201.70
El Carmel Comfort Station Imp	Replacement and upgrade of comfort station.	$ 293,558.95
Ventura Comfort Station Imp	Replacement and upgrade of comfort station.	$ 183,029.55
Tecolote North Parking Lot Imp	Parking lot improvements	$ 41,334.69
Tecolote North Playground Imp	Improvements and Replacement of playground equipment	$ 132,349.54
Tecolote North Comfort Station Imp	Replacement and upgrade of comfort station.	$ 61,632.06
North Cove Comfort Station Imp	Replacement and upgrade of comfort station.	$ 191,560.78
Tecolote South Comfort Station Imp	Replacement and upgrade of comfort station.	$ 280,344.37
Tecolote South Playground Improvements	Improvements and Replacement of playground equipment	$ 938,904.77
Tecolote South Parking Lot Improvements	Parking lot improvements	$ 281,786.09
Crown Point Playground Improvements	Improvements and Replacement of playground equipment	$ 87,562.55
Crown Point Parking Lot Improvements	Parking lot improvements	$ 59,068.74
Santa Clara Playground Improvements	Improvements and Replacement of playground equipment	$ 115,639.70
Santa Clara Comfort Station Improvements	Replacement and upgrade of comfort station.	$ 91,998.97
Beautification of Traffic Island Group 1	This project provides for the study of signage (monument and wayfinding) and associated landscaping for Mission Bay Park.	$ 83,684.56

Projects	Purpose	Expenditures FY2024
Ongoing project expenditures:		
Sunset Point Parking Lot Improvements	Parking lot improvements	$ 92,369.10
Santa Clara Pt South Parking Lot Improvements	Parking lot improvements	$ -
S De Anza Parking Lot	Parking lot improvements	$ 74,907.37
Rose Marie Starns Parking Lot Improvements	Parking lot improvements	$ -
S De Anza Comfort Station Imp	Replacement and upgrade of comfort station.	$ 191,008.16
Sunset Point Comfort Station Imp	Replacement and upgrade of comfort station.	$ 111,179.73
Bonita Cove East Comfort Station Imp	Replacement and upgrade of comfort station.	$ -
Bonita Cove East Playground	Improvements and Replacement of playground equipment	$ -
Hospitality Point Comfort Station Imp	Replacement and upgrade of comfort station.	$ 266,644.04
Dusty Rhodes Comfort Station Improvement	Replacement and upgrade of comfort station.	$ 39,558.36
Dusty Rhodes Playground	Improvements and Replacement of playground equipment	$ 46,034.38
S De Anza Basketball Courts and Play Ar	Playground and Basketball Court Improvements	$ 214,173.30
Robb Field Comfort Station Imp	Replacement and upgrade of comfort station.	$ 48,985.58
Robb Field Playground	Playground Improvements	$ 7,908.30
Robb Field Recreation Center	Upgrade and replacement of the Recreation Center	$ 60,570.15
Robb Field Gateway Path	Complete walkway	$ 153,492.59
DeAnza North East Parking Lot	Parking lot improvements	$ 2,014,794.90
	Total Fiscal Year 2024 expenditures:	**$ 9,526,261.26**

THE CITY OF SAN DIEGO

MEMORANDUM

DATE: November 7, 2025

TO: Andy Hanau, City Auditor, Office of the City Auditor

FROM: Mayor Todd Gloria

SUBJECT: Management Response to the Office of the City Auditor's Performance Audit of the Mission Bay and San Diego Regional Parks Improvement Funds, Fiscal Year 2024

This memorandum serves as the management response to the Performance Audit of the Mission Bay and San Diego Regional Parks Improvement Funds, Fiscal Year 2024 (Performance Audit). At the time this response was written, the draft Performance Audit provided to management contained four findings and five recommendations. Department staff and management appreciate the Performance Audit prepared by the Office of the City Auditor and thank the staff involved.

Management agrees with the recommendations within the Performance Audit and this management response highlights those recommendations that need additional resources to implement.

Implementation of several recommendations require additional resources within both the Economic Development Department's Real Estate and Business Operations and Support Services (BOSS) Divisions. Additional staffing, technical support, and system enhancements are needed to strengthen project tracking and coordination, ensure timely fund utilization, and maintain accurate reporting of capital improvement and land management activities funded through the Mission Bay and Regional Parks allocations. In particular, the Real Estate Division will require support to manage the volume and complexity of lease compliance, revenue reconciliation, and reporting functions identified in the Performance Audit. Likewise, BOSS will require enhanced data management tools, improved integration between financial systems, and dedicated analytical capacity to meet the recommended reporting and oversight requirements. Without these additional resources, implementation of certain audit recommendations may be constrained or delayed, limiting the City's ability to achieve the full intended benefits of the audit.

RECOMMENDATION 1.1: The Chief Financial Officer or other City Executive leadership should issue a memorandum or other written guidance discouraging future moratoria and which requires promptly informing the Office of the City Auditor and the Chair of the Audit Committee if the ability to perform lease revenue audit functions is restricted in the future.

Management Response: Agree with the recommendation. Formal direction will be issued in writing to the Economic Development Department to continue implementing internal control improvements associated with this audit, as well as any additional enhancements needed identified through the Office of the City Treasurer's lease revenue audits. These actions will further strengthen the internal control framework established under Council Policy 700-10 *Disposition of City-Owned Real Property* to prevent the need for any future moratoriums on lease audits.

Management recognizes that in rare circumstances, it may be necessary to temporarily suspend or defer lease audit activity when doing so is in the City's overall best interest. However, should a moratorium or suspension be required in the future, City Management will promptly notify both the Office of the City Auditor and the Chair of the Audit Committee, consistent with the governance expectations established under Council Policy 700-10.

Target Implementation Date: December 31, 2025

RECOMMENDATION 2.1: The Economic Development Department should develop and utilize a lease management process narrative that includes the verification of lease terms and agreements at least annually and a process for lease renewal. Additionally, a process narrative should be developed and utilized that includes a periodic quality control check of revenue received from lease concessions to ensure the revenue received is complete, accurate, and timely. The process narrative(s) should include, but not be limited to, the following lease agreement areas:

- Lease Terms;
- Payment Terms;
- Hold Over Terms; and
- Late Fee Assessments.

Management Response: Agree with the recommendation. EDD recognizes the importance of maintaining comprehensive lease management documentation and strong internal controls to ensure accurate and timely revenue collection. Lease terms generally remain unchanged unless amended or renewed; therefore, EDD considers targeted reviews at key points in the lease lifecycle, such as rent adjustment dates, extension options, and terminations to be a more effective and efficient control than conducting annual verifications when no changes have occurred. EDD currently utilizes the real estate management system to track these key dates and generate advance notifications for upcoming renewals or rent adjustments. The Department also maintains established procedures to ensure accurate entry of lease information during contract set-up.

EDD has implemented periodic reviews of revenue received from lessees, along with documented follow up and escalation protocols, and will continue to strengthen these practices. EDD is committed to diligently monitoring tenant accounts and enforcing lease terms and concurs with the recommendation to further formalize the processes for lease renewal in accordance with adopted Council Policies and late fee assessments pursuant to lease terms.

The Department agrees with the recommendation to develop a process for lease renewal and late fee assessments.

Target Implementation Date: June 30, 2026

RECOMMENDATION 2.2: The Economic Development Department should create and document procedures to reconcile REPortfolio payment data to SAP in accordance with the City policy process narrative #1 PN-0446 *Use of an Alternate Billing or Interfacing System* to strengthen internal controls and ensure revenue is accurately accounted for and received timely.

Management Response: Agree with the recommendation. In a concerted effort to strengthen internal controls, EDD has developed and implemented documented procedures to reconcile REportfolio payment data to SAP in alignment with City policy process narrative PN-0446. These reconciliations are performed daily and include a review of system interfaces, open FI-CA items and depository transactions to ensure prompt resolution and accurate accounting. With the implementation of these documented procedures and the support of a consultant, EDD has made substantial progress in clearing prior reconciliation backlogs and strengthening overall internal controls.

Target Implementation Date: Implemented as of October 2025.

RECOMMENDATION 3.1: The Economic Development Department should ensure that lease agreements which have extended beyond lease agreement terms receive the required Council approval and appraisal to ensure lease agreements are binding and fair market rental rate is received for the leased property.

Management Response: Agree with the recommendation. EDD is committed to ensuring compliance with all applicable Council Policies and City procedures governing lease renewals and new agreements requiring Council approval. The Department will continue to obtain Council approval as required to ensure that lease agreements remain binding and that fair market rental rates are achieved.

EDD also maintains due diligence in monitoring leases that have been extended beyond their original terms to ensure that fair market rates are applied, consistent with holdover provisions. In some cases, a holdover period may be appropriate and mutually beneficial—for example, when it allows uninterrupted occupancy while new terms are being negotiated or Council action is pending. In these instances, EDD ensures that the City's financial interests are protected through rent adjustments and termination rights consistent with lease.

Target Implementation Date: Implemented as of October 2025.

RECOMMENDATION 4.1: To ensure that the oversight committees have sufficient information to execute their responsibilities per City Charter, and that they are able to review and verify the allocation and use of improvement funds in compliance with City Charter, the Parks and Recreation Department and Engineering and Capital Projects Department should work with both the Mission Bay Park Improvement Fund and San Diego Regional Park Improvement Fund Oversight Committees to reach an agreement and mechanism to specify which specific project elements should be provided and the frequency that the departments should generate and share the reports. For example:

a. A well-defined project scope and, when a project scope has changed since the previous reporting cycle, an explanation on why the project scope changed;

b. Project cost estimates and, when a project cost estimate has materially changed since the previous reporting cycle, an explanation on why the cost estimate changed;
c. Estimated timelines for the current project phase completion and the final project completion and, when current project phase and final project completion timelines have been significantly extended, an explanation on why timelines were extended;
d. Project expenditures to date, specifying total contractor, overhead, City personnel, and relevant permit or inspection expenditures; and
e. Project expenditures by project phase (i.e., Bid/Award, Construction, Design, Planning, Post-Construction).

Management Response: Agree with the recommendation. The Engineering & Capital Projects Department will develop and present project status reports on a quarterly basis to the Oversight Committees. These reports will include information on:

- A well-defined project scope and, when a project scope has changed since the previous reporting cycle, an explanation on why the project scope changed;
- Project cost estimates showing estimated construction (hard) costs and estimated soft costs. When a project cost estimate has materially changed since the previous reporting cycle, an explanation on why the cost estimate changed will be provided;
- Estimated timelines for the current project phase completion and the final project completion and, when current project phase and final project completion timelines have been significantly extended, an explanation on why timelines were extended;
- Project expenditures to date, specifying both hard (contractor construction) and soft (personnel, permits, inspection) costs; and
- Project expenditures by project phase (i.e., Bid/Award, Construction, Design, Planning, Post-Construction).

Target Implementation Date: June 30, 2026

Thank you for the opportunity to provide responses to these recommendations. Management appreciates your team's professionalism throughout this review.

Thank you,

TODD GLORIA
Mayor

cc: Honorable City Attorney Heather Ferbert
Paola Avila, Chief of Staff, Office of the Mayor
Charles Modica, Independent Budget Analyst
Rolando Charvel, Chief Financial Officer
Alia Khouri, Deputy Chief Operating Officer
Kris McFadden, Deputy Chief Operating Officer
Kristina Peralta, Deputy Chief Operating Officer
Casey Smith, Deputy Chief Operating Officer
Robert Logan, Chief, Fire-Rescue Department

Scott Wahl, Chief, Police Department
Jeff Peelle, Assistant Director, Department of Finance
Matt Yagyagan, Director of Policy, Office of the Mayor
Emily Piatanesi, Policy Advisor, Office of the Mayor
Trisha Tacke, Program Manager, Compliance Department



sandiego.gov/auditor

Engineering & Capital Projects Department



Update on Capital Improvement Projects' Progress and Expenditures

Regional Park Improvement Fund Oversight Committee
July 16, 2026

The City of SAN DIEGO

Agenda

- Overview of Handout - Regional Park Improvement Fund CIPs
- Project Cost Estimation and Statewide Benchmarking
- Reporting Criteria and Frequency
- Projects Status
- Update on Strategies to Improve Efficiency

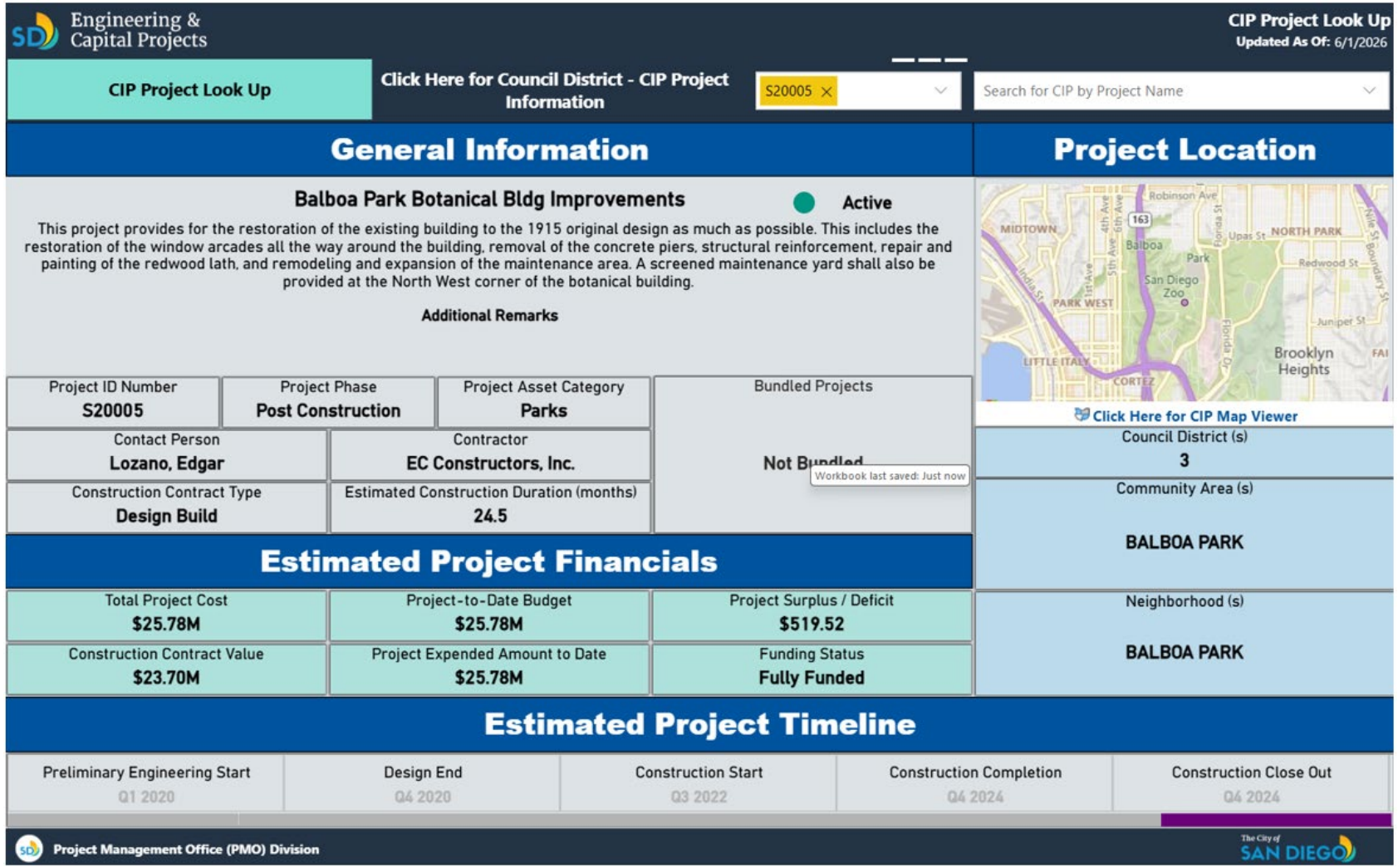


Regional Park Improvement Fund Projects

- B18026 Narragansett Avenue Access
- B18236 Black Mountain Mine Remediation
- B20054 West Sycamore Staging Area
- B20060 Chicano Park Improvements Phase III
- B20116 Air & Space Museum Roof Replacement
- B21114 Mt View Sports Courts ADA Improvements
- B22012 Old Salt Pool Access Stairs
- B22047 Dr. Bertha O. Pendleton Park Improvements
- B23122 Quince Dr. Runoff & Erosion Control
- B24101 Southcrest CP Lighting Improvements
- L14005.1 Demolition of Loma Land Structures
- L14005.2 Hillside Drainage Improvements
- L16001.2 Sunset Cliffs Natural Park Ph2 Trail & Reveg
- L18001.1 Chollas Lake Electrical Service
- L22001.1 Full Pier Replacement (OB Pier)
- L22004.1 North Chollas CP Improvements Ph 1
- L25000.2 Organ Pavillion Comfort Station
- L25000.3 Morley Field Comfort Station
- L26001.1 Casa Del Prado HVAC Control
- L26001.2 Casa Del Prado Theater HVAC
- P23002 Old Mission Dam Dredging
- P24000 Balboa Park International Cottages Study
- P24011 Spindrift Drive Beach Access Walkway
- P24012 Camino de la Costa Stairs
- P24017 Crystal Pier Improvements
- S13008 Mohnike Adobe and Barn Restoration
- S14006 El Cuervo Adobe Improvements
- S15034 Junipero Serra Museum ADA Improvements
- S15035 EB Scripps Park Comfort Station Replacement
- S15040 Golf Course Drive Improvements
- S20005 Balboa Park Botanical Bldg Improvements
- S25002 Emerald Hills Neighborhood Park Ph 1

Engineering & Capital Projects Department

Completed Project Example: Balboa Park Botanical Building



Engineering & Capital Projects

CIP Project Look Up
Updated As Of: 6/1/2026

CIP Project Look Up | Click Here for Council District - CIP Project Information | S20005 | Search for CIP by Project Name

General Information

Balboa Park Botanical Bldg Improvements — Active

This project provides for the restoration of the existing building to the 1915 original design as much as possible. This includes the restoration of the window arcades all the way around the building, removal of the concrete piers, structural reinforcement, repair and painting of the redwood lath, and remodeling and expansion of the maintenance area. A screened maintenance yard shall also be provided at the North West corner of the botanical building.

Additional Remarks

Project ID Number	Project Phase	Project Asset Category	Bundled Projects
S20005	Post Construction	Parks	Not Bundled

Contact Person	Contractor
Lozano, Edgar	EC Constructors, Inc.

Construction Contract Type	Estimated Construction Duration (months)
Design Build	24.5

Workbook last saved: Just now

Project Location

Click Here for CIP Map Viewer

Council District (s)
3

Community Area (s)
BALBOA PARK

Neighborhood (s)
BALBOA PARK

Estimated Project Financials

Total Project Cost	Project-to-Date Budget	Project Surplus / Deficit
$25.78M	$25.78M	$519.52

Construction Contract Value	Project Expended Amount to Date	Funding Status
$23.70M	$25.78M	Fully Funded

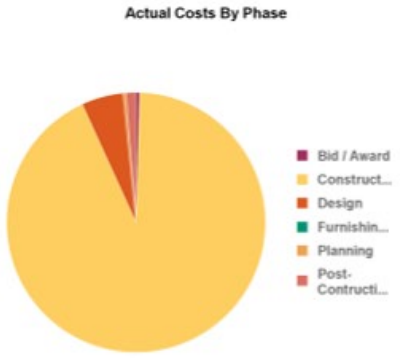
Estimated Project Timeline

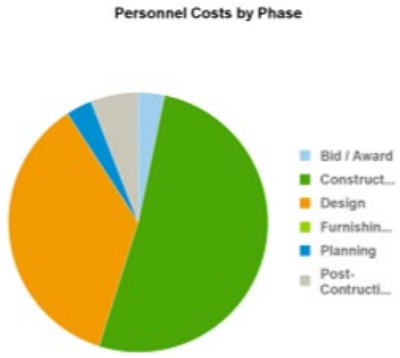
Preliminary Engineering Start	Design End	Construction Start	Construction Completion	Construction Close Out
Q1 2020	Q4 2020	Q3 2022	Q4 2024	Q4 2024

Project Management Office (PMO) Division

The City of SAN DIEGO

Balboa Park Botanical Building: Actual Expenditures





Phase	Actuals
Bid / Award	$107,887
Construction	$23,916,736
Design	$1,338,968
Furnishings, Fixtures, & Equipment	$209
Planning	$106,995
Post-Contruction	$313,479
Grand Total	**$25,784,275**

Phase	Personnel Cost
Bid / Award	$107,887
Construction	$1,690,534
Design	$1,176,789
Furnishings, Fixtures, & Equipment	$209
Planning	$106,824
Post-Contruction	$194,384
Grand Total	**$3,276,627**

Fund	Fund Name	Grant - Key	Project-to-Date Budget	Project to Date Actuals
200391	SAN DIEGO REGIONAL PARKS IMPROVEMENTS	NOT_RELEVANT_GRANT	$5,482,078.28	$5,482,078.28
400000	CAPITAL OUTLAY-SALES TAX	NOT_RELEVANT_GRANT	$29,820.46	$29,820.46
400881	DEBT FUNDED GENERAL FUND CIP PROJECTS	NOT_RELEVANT_GRANT	$12,272,376.34	$12,272,376.34
600001	GRANT FUND - STATE	1000577-2020	$8,000,000.00	$8,000,000.00
Total:			**$25,784,275.08**	**$25,784,275.08**

Engineering & Capital Projects Department

Project in Design Example: North Chollas Community Park Phase 1

Engineering & Capital Projects

CIP Project Look Up

Updated As Of: 6/1/2026

CIP Project Look Up | Click Here for Council District - CIP Project Information | L22004.1 | Search for CIP by Project Name

General Information

North Chollas CP Improvements Phase I — Active

The improvements will include all as needed ADA upgrades, electrical upgrades, site furnishings, landscape, planting and irrigation, existing trail improvements, hardscape and all other improvements as identified on the General Development Plan (GDP) during the community input process. The design will cover the entire improvements; however, the construction shall be broken down into different phases as funding becomes available.

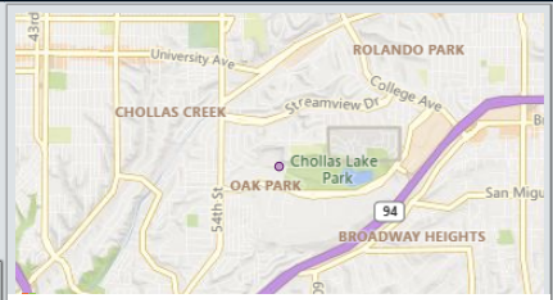
Additional Remarks

Project ID Number	Project Phase	Project Asset Category	Bundled Projects
L22004.1	Design	Parks	Not Bundled

Contact Person	Contractor
Schroth-Nichols, Elizabeth	Null

Construction Contract Type	Estimated Construction Duration (months)
Design Bid Build	8.5

Project Location



Click Here for CIP Map Viewer

Council District (s)
4

Community Area (s)
MID-CITY:EASTERN AREA

Neighborhood (s)
OAK PARK

Estimated Project Financials

Total Project Cost	Project-to-Date Budget	Project Surplus / Deficit
$12.00M	$2.23M	($9.77M)

Construction Contract Value	Project Expended Amount to Date	Funding Status
TBD	$655.74K	Partially Funded

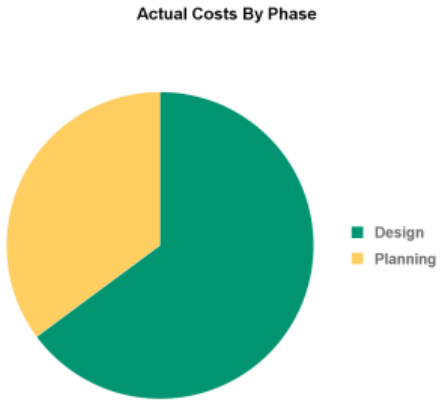
Estimated Project Timeline

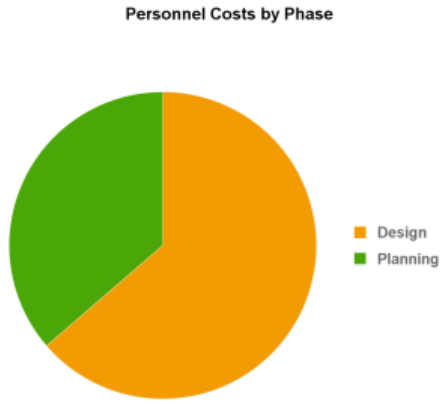
Preliminary Engineering Start	Design End	Construction Start	Construction Completion	Construction Close Out
Q1 2022	Q4 2027	Q3 2028	Q1 2029	Q2 2029

Project Management Office (PMO) Division

The City of SAN DIEGO

North Chollas Community Park Phase 1: Actual Expenditures





Phase	Actuals
Design	$425,226
Planning	$230,513
Grand Total	**$655,739**

Phase	Personnel Cost
Design	$403,649
Planning	$230,513
Grand Total	**$634,162**

Fund	Fund Name	Project-to-Date Budget	Project to Date Actuals
200391	SAN DIEGO REGIONAL PARKS IMPROVEMENTS	$450,000.00	
400109	MID-CITY - PARK DEV FUND	$18,000.00	
400114	MID CITY URBAN COMM	$794,251.15	$444,446.02
400696	CR-TAB 2010A (TE) PROCEEDS	$165,748.85	$118,377.66
400891	CITYWIDE PARK DIF-PARK DEF. COC	$800,000.00	$92,914.89
Total:		**$2,228,000.00**	**$655,738.57**

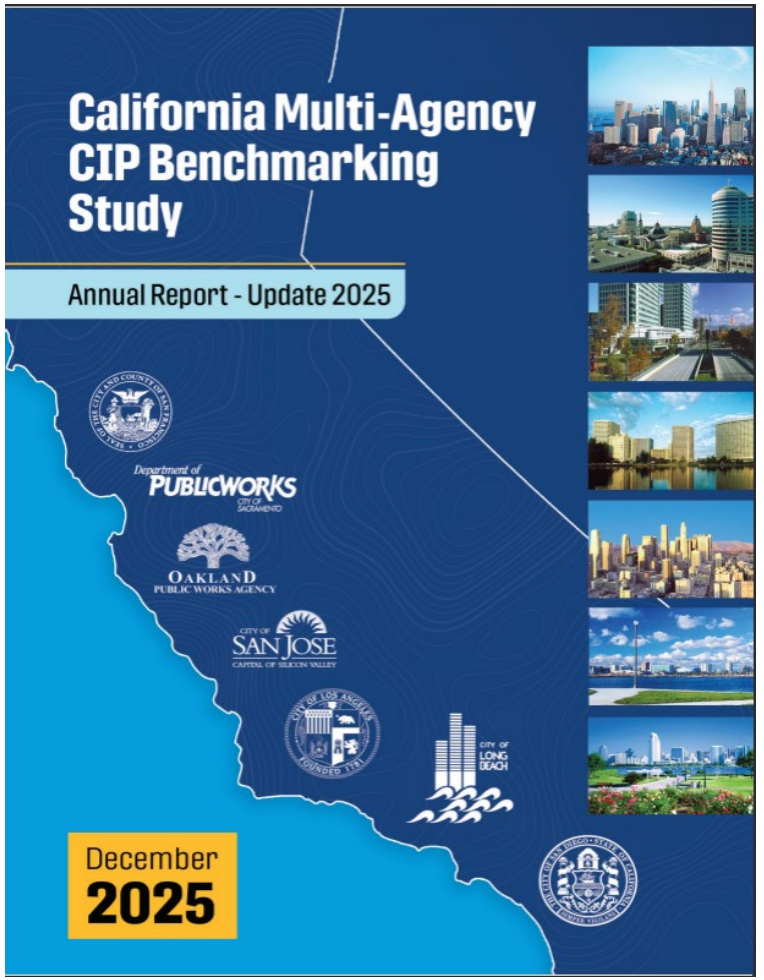
Project Cost Estimation

Annual Report Update 2025
California Multi-Agency CIP Benchmarking Study

Table 1-1
Average Project Delivery Costs by Project Type (% of TCC)
(TCC > $100,000)

Type	Design[1,2]	Construction Management[1,2]	Total Project Delivery[1,2]	Median Total Construction Cost ($MM)	Number of Projects[3]
Municipal Facilities	23%	16%	39%	1.11	89
Parks	29%	24%	53%	1.34	53
Pipe Systems	19%	23%	43%	1.42	191
Streets	28%	27%	56%	1.50	164
Water/Wastewater Facilities	22%	21%	43%	2.89	71
All Types	**24%**	**23%**	**47%**	**1.58**	**568**

Key:
TCC = Total Construction Cost, MM = million
Notes:
1. Project delivery percentages represent arithmetic averages of the individual projects and do not represent the results from the regression analyses.
2. Project delivery percentages vary from year to year based on the selection and the composition of the projects in the database.
3. Total excludes projects delivered by alternative delivery mechanisms such as design-build, oncall construction services, job order contracting (JOC), and construction management at risk (CM@Risk). Projects delivered by alternative techniques are retained in the database but not analyzed. These projects are not included in the projects selected for analysis in the Study.



[California Multi-Agency CIP Benchmarking Study | Bureau of Engineering]

Project Administration Costs as a Percentage of Total Project Cost (TPC) and Total Construction cost (TCC)

Annual Report Update 2024
California Multi-Agency CIP Benchmarking Study

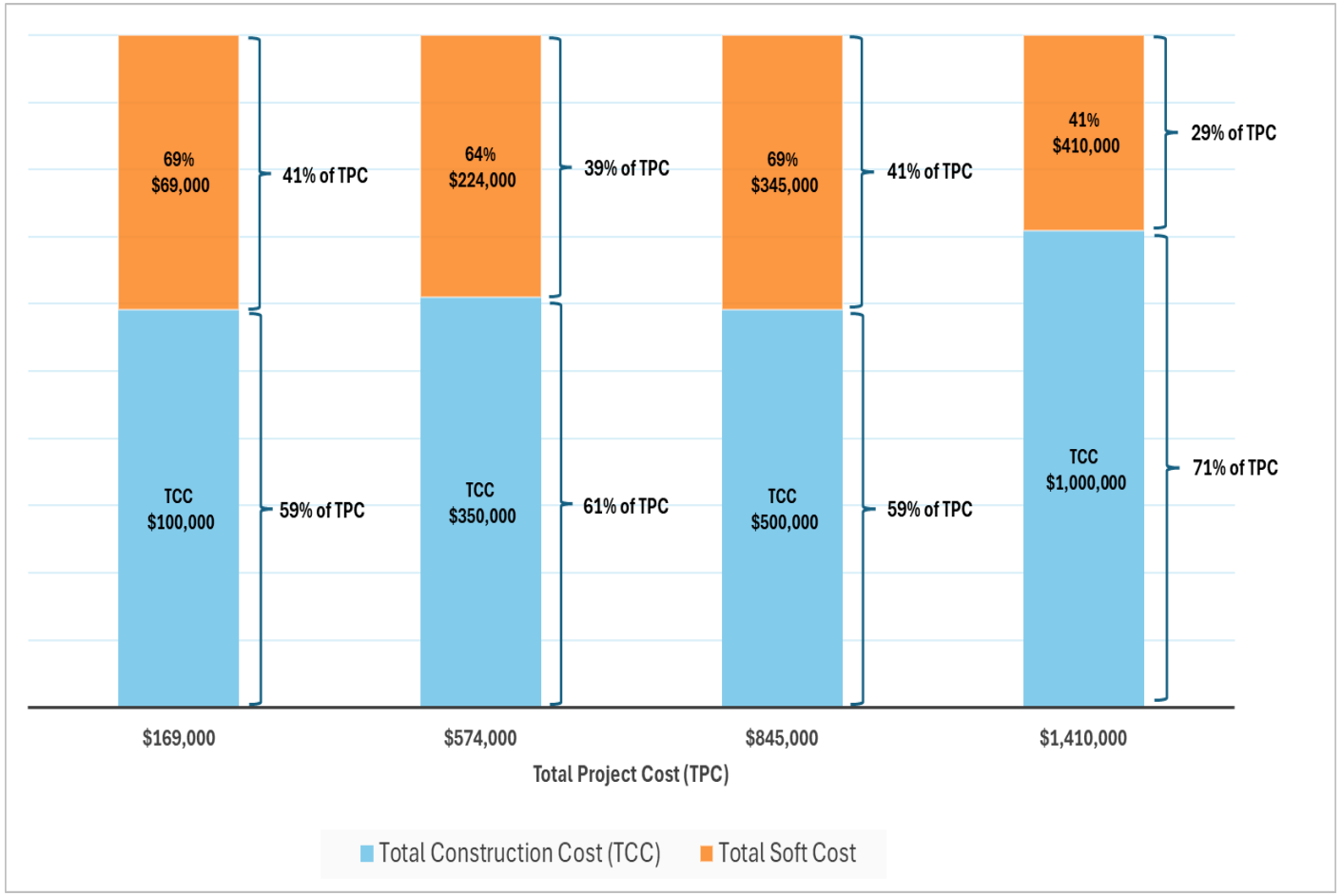
Table 1-1
Average Project Delivery Costs by Project Type (% of TCC)
(TCC > $100,000)

Type	Design[1,2]	Construction	Total Project Delivery[1,2]	Median Total Construction Cost ($MM)	Number of Projects[3]
Municipal Facilities	23%	16%	39%	1.22	88
Parks	30%	23%	54%	1.15	50
Pipe Systems	18%	22%	40%	1.52	182
Streets	27%	27%	55%	1.59	172
Water/Wastewater Facilities	22%	22%	44%	2.81	66
All Types	**23%**	**23%**	**46%**	**1.58**	**558**

Key: TCC = Total Construction Cost, MM = million
Notes:
1. Project delivery percentages represent arithmetic averages of the individual projects and do not represent the results from the regression analyses.
2. Project delivery percentages vary from year to year based on the selection and the composition of the projects in the database.
3. Total excludes projects delivered by alternative delivery mechanisms such as design-build, oncall construction services, job order contracting (JOC), and construction management at risk (CM@Risk). Projects delivered by alternative techniques are retained in the database but not analyzed. These projects are not included in the projects selected for analysis in the *Study*.

Parks (2019-2023) Project Delivery Percentage based on Cost Ranges of TCC

Dollar Ranges of Projects based on TCC		Number of Projects	AVERAGE of projects between Cost X and Cost Y, % TCC		
$X	$Y		Design %	Const Mang %	Project Delivery %
100,000	350,000	11	41%	28%	69%
350,000	500,000	6	40%	24%	64%
500,000	1,000,000	7	33%	35%	69%
1,000,000	20,000,000	26	23%	18%	41%



Agenda

- Overview of Handout - Regional Park Improvement Fund CIPs
- Project Cost Estimation and Statewide Benchmarking
- Reporting Criteria and Frequency
- Project Status



Regional Park Improvement Fund Projects

- B18026 Narragansett Avenue Access
- B18236 Black Mountain Mine Remediation
- B20054 West Sycamore Staging Area
- B20060 Chicano Park Improvements Phase III
- B20116 Air & Space Museum Roof Replacement
- B21114 Mt View Sports Courts ADA Improvements
- B22012 Old Salt Pool Access Stairs
- B22047 Dr. Bertha O. Pendleton Park Improvements
- B23122 Quince Dr. Runoff & Erosion Control
- B24101 Southcrest CP Lighting Improvements
- L14005.1 Demolition of Loma Land Structures
- L14005.2 Hillside Drainage Improvements
- L16001.2 Sunset Cliffs Natural Park Ph2 Trail & Reveg
- L18001.1 Chollas Lake Electrical Service
- L22001.1 Full Pier Replacement (OB Pier)
- L22004.1 North Chollas CP Improvements Ph 1
- L25000.2 Organ Pavillion Comfort Station
- L25000.3 Morley Field Comfort Station
- L26001.1 Casa Del Prado HVAC Control
- L26001.2 Casa Del Prado Theater HVAC
- P23002 Old Mission Dam Dredging
- P24000 Balboa Park International Cottages Study
- P24011 Spindrift Drive Beach Access Walkway
- P24012 Camino de la Costa Stairs
- P24017 Crystal Pier Improvements
- S13008 Mohnike Adobe and Barn Restoration
- S14006 El Cuervo Adobe Improvements
- S15034 Junipero Serra Museum ADA Improvements
- S15035 EB Scripps Park Comfort Station Replacement
- S15040 Golf Course Drive Improvements
- S20005 Balboa Park Botanical Bldg Improvements
- S25002 Emerald Hills Neighborhood Park Ph 1

Southcrest Community Park Lighting Improvements

Scope:

- Install new security lighting and associated lighting infrastructure along existing walkways and parking lots.



Status:

- Project is at 100% design milestone, and the plans are currently routing for Citywide Plan check and DSD permit review.

- Construction is scheduled to begin Spring 2027.



B24101 – Southcrest CP Lighting Improvements

Engineering & Capital Projects

CIP Project Look Up
Updated As Of: 6/1/2026

CIP Project Look Up | Click Here for Council District - CIP Project Information | B24101 | Search for CIP by Project Name

General Information

Southcrest CP Lighting Improvements

Active

Upgrade and enhance security lighting to Parks and Recreation standards for all parking lot areas and walkways.

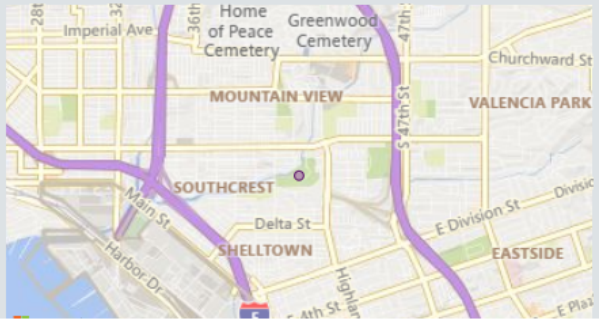
Additional Remarks

Project ID Number	Project Phase	Project Asset Category	Bundled Projects
B24101	Design	Parks	Not Bundled

Contact Person	Contractor
Genova, Darren	To Be Selected

Construction Contract Type	Estimated Construction Duration (months)
Design Bid Build	9.0

Project Location



Click Here for CIP Map Viewer

Council District (s): 8

Community Area (s): SOUTHEASTERN SAN DIEGO

Neighborhood (s): SOUTHCREST

Estimated Project Financials

Total Project Cost	Project-to-Date Budget	Project Surplus / Deficit
$2.99M	$1.75M	($1.24M)

Construction Contract Value	Project Expended Amount to Date	Funding Status
TBD	$407.25K	Partially Funded

Estimated Project Timeline

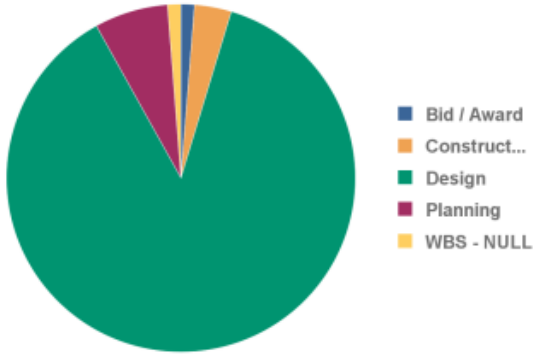
Preliminary Engineering Start	Design End	Construction Start	Construction Completion	Construction Close Out
Q2 2024	Q3 2026	Q2 2027	Q4 2027	Q1 2028

Project Management Office (PMO) Division

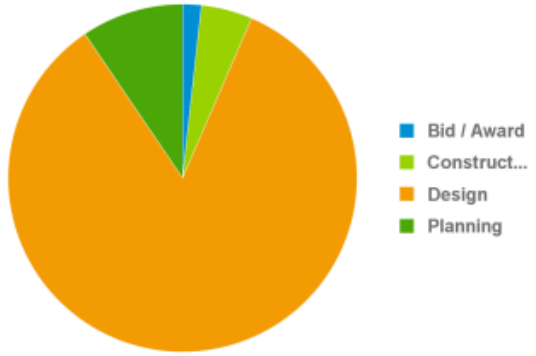
The City of SAN DIEGO

B24101 – Southcrest CP Lighting Improvements

Actual Costs By Phase



Personnel Costs by Phase



Phase	Actuals
Bid / Award	$5,136
Construction	$14,018
Design	$358,115
Planning	$27,989
WBS - NULL	$5,073
Grand Total	**$410,330**

Phase	Personnel Cost
Bid / Award	$5,136
Construction	$14,018
Design	$248,702
Planning	$27,989
Grand Total	**$295,844**

Fund	Fund Name	Project-to-Date Budget	Project to Date Actuals
200391	SAN DIEGO REGIONAL PARKS IMPROVEMENTS	$1,989,031.00	
400883	CITYWIDE PARK DIF-UNRESTRICTED	$0.00	
400891	CITYWIDE PARK DIF-PARK DEF. COC	$949,148.16	$391,661.28
400892	CITYWIDE PARK DIF-PARK DEF. UNRSTD	$52,215.15	$18,669.12
Total:		**$2,990,394.31**	**$410,330.40**

Sunset Cliffs Natural Park Demolition of Lomaland Structures

Scope:

- Demolition of three houses along Lomaland Drive, which are located on park land within Sunset Cliffs Natural Park
- Restoration of natural areas including installation of connector trails and native planting

Status:

- Currently at 90% design with SDP/CDP/CEQA documents in progress
- Evaluating recent scope changes including removal of scope around Ladera House and the historical designation of two structures along Lomaland Drive





L14005.1 – Demolition of Loma Land Structures

Engineering & Capital Projects

CIP Project Look Up
Updated As Of: 6/1/2026

CIP Project Look Up | Click Here for Council District - CIP Project Information | L14005.1 | Search for CIP by Project Name

General Information

Demolition of Loma Land Structures

Active

This project provides for the removal of three houses along Lomaland Drive and a house at 4515 Ladera Street which are located on park land, restoration of natural areas to allow water percolation, and installation of site appropriate drainage devices.

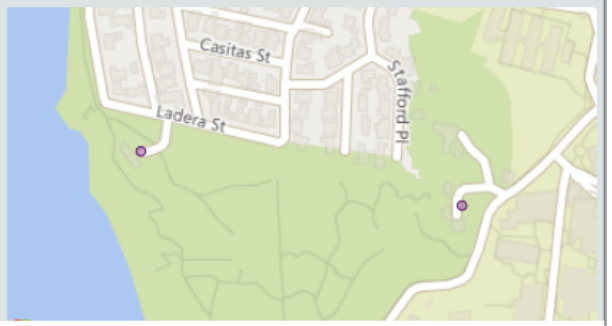
Additional Remarks

Project ID Number	Project Phase	Project Asset Category	Bundled Projects
L14005.1	Design	Parks	Not Bundled

Contact Person	Contractor
Ammerlahn, Parita	To Be Selected

Construction Contract Type	Estimated Construction Duration (months)
Design Bid Build	9.5

Project Location



Click Here for CIP Map Viewer

Council District (s)	Community Area (s)	Neighborhood (s)
2	PENINSULA	WOODED AREA

Estimated Project Financials

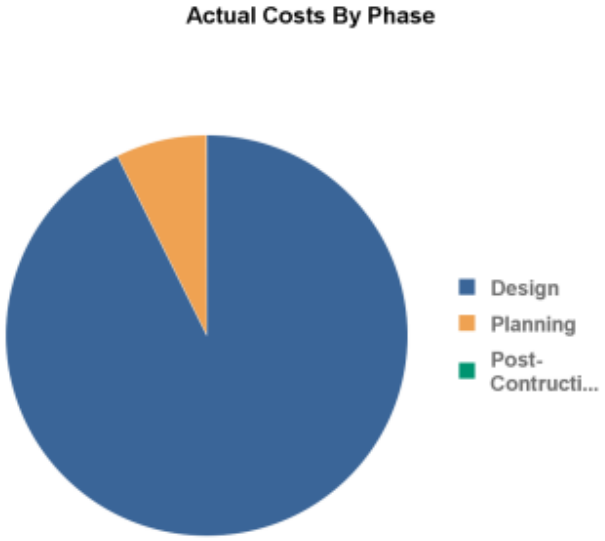
Total Project Cost	Project-to-Date Budget	Project Surplus / Deficit
$3.16M	$1.26M	($1.91M)

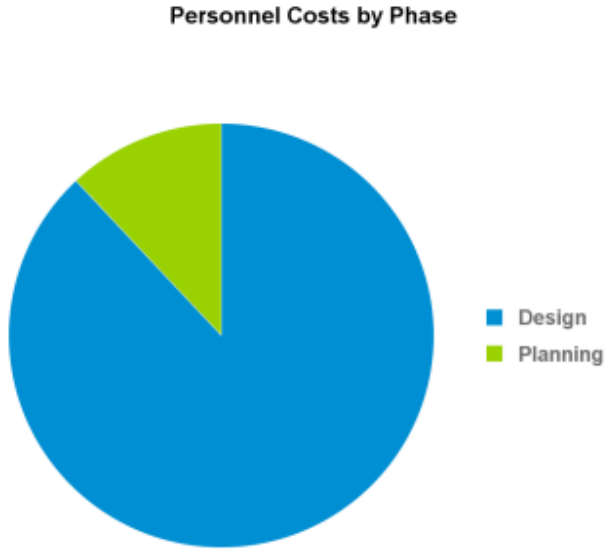
Construction Contract Value	Project Expended Amount to Date	Funding Status
TBD	$958.06K	Partially Funded

Estimated Project Timeline

Preliminary Engineering Start	Design End	Construction Start	Construction Completion	Construction Close Out
Q1 2015	Q4 2026	Q3 2027	Q1 2028	Q2 2028

L14005.1 – Demolition of Loma Land Structures





Phase	Actuals
Design	$887,739
Planning	$70,014
Post-Contruction	$308
Grand Total	**$958,061**

Phase	Personnel Cost
Design	$514,068
Planning	$70,014
Grand Total	**$584,083**

Fund	Fund Name	Project-to-Date Budget	Project to Date Actuals
200391	SAN DIEGO REGIONAL PARKS IMPROVEMENTS	$871,000.03	$853,547.53
200463	SUNSET CLIFFS NATURAL PARK	$384,173.04	$104,513.10
Total:		**$1,255,173.07**	**$958,060.63**

Sunset Cliffs Natural Park Hillside Drainage Improvements

Scope:

- Design and construction of a comprehensive drainage system within the hillside portion of Sunset Cliffs Natural Park to address ongoing erosion issues

Status:

- Currently at 90% design with SDP/CDP/CEQA documents in progress
- Evaluating recent design changes at future parking lots based on CCC and community comments



L14005.2 – Hillside Drainage Improvements

Engineering & Capital Projects

CIP Project Look Up
Updated As Of: 6/1/2026

CIP Project Look Up | Click Here for Council District - CIP Project Information | L14005.2 | Search for CIP by Project Name

General Information

Hillside Drainage Improvements

Active

This project provides for design and construction of the hillside are southerly outfall drainage system improvements at Sunset Cliffs Natural Park.

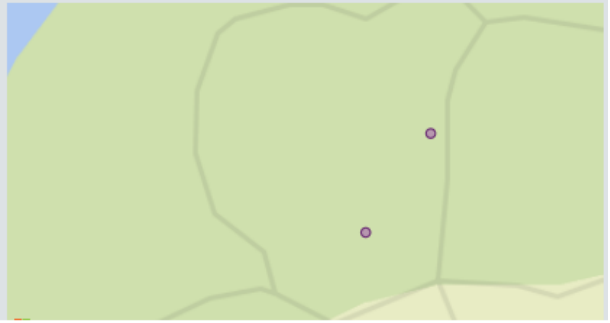
Additional Remarks

Project ID Number	Project Phase	Project Asset Category	Bundled Projects
L14005.2	Design	Parks	Not Bundled

Contact Person	Contractor
Ammerlahn, Parita	To Be Selected

Construction Contract Type	Estimated Construction Duration (months)
Design Bid Build	13.0

Project Location



Click Here for CIP Map Viewer

Council District (s)	Community Area (s)	Neighborhood (s)
2	PENINSULA	WOODED AREA

Estimated Project Financials

Total Project Cost	Project-to-Date Budget	Project Surplus / Deficit
$9.53M	$3.18M	($6.35M)

Construction Contract Value	Project Expended Amount to Date	Funding Status
TBD	$1.45M	Partially Funded

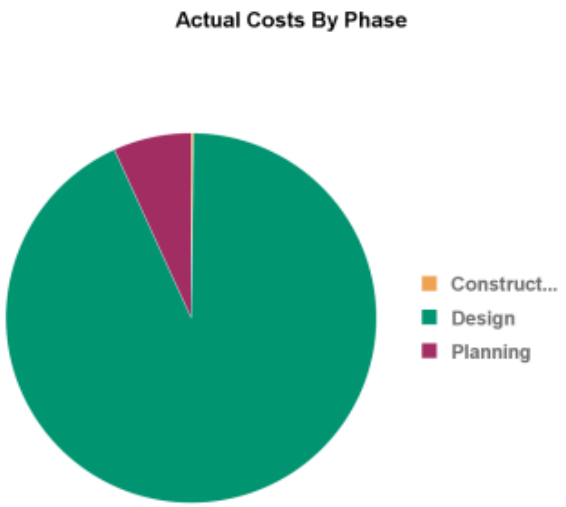
Estimated Project Timeline

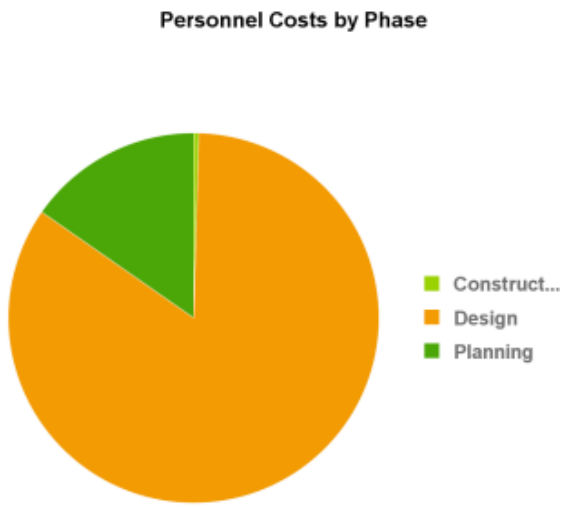
Preliminary Engineering Start	Design End	Construction Start	Construction Completion	Construction Close Out
Q1 2015	Q1 2027	Q4 2027	Q4 2028	Q4 2028

Project Management Office (PMO) Division

The City of SAN DIEGO

L14005.2 – Hillside Drainage Improvements





Phase	Actuals
Construction	$2,911
Design	$1,349,425
Planning	$98,894
Grand Total	**$1,451,230**

Phase	Personnel Cost
Construction	$2,911
Design	$544,536
Planning	$98,894
Grand Total	**$646,341**

Fund	Fund Name	Project-to-Date Budget	Project to Date Actuals
200391	SAN DIEGO REGIONAL PARKS IMPROVEMENTS	$2,490,735.61	$760,801.07
200463	SUNSET CLIFFS NATURAL PARK	$690,429.01	$690,429.01
Total:		**$3,181,164.62**	**$1,451,230.08**

Sunset Cliffs Natural Park Ph2 Trail & Reveg

Scope:

- Trail system reconfiguration and revegetation to the hillside portion of Sunset Cliffs Natural Park
- Trail improvements with accessibility upgrades, installation of varies site furnishings, closure of tertiary trails, regrading and revegetation of the old ball field, installation of a pedestrian bridge to cross Cretaceous Canyon, removal of non-native and invasive plan species, and the replanting of disturbed habitants with native species.

Status:

- Construction completed in 2020
- 5-year long term maintenance period for revegetation completed in 2025
- Currently in closeout phase



L16001.2 – Sunset Cliffs Nat Pk Ph 2 Trail & Reveg

Engineering & Capital Projects

CIP Project Look Up
Updated As Of: 6/1/2026

CIP Project Look Up | Click Here for Council District - CIP Project Information | L16001.2 | Search for CIP by Project Name

General Information

Sunset Cliffs Nat Pk Ph 2 Trail & Reveg

Active

This project includes trail system reconfiguration and revegetation to the hillside portion of Sunset Cliffs Natural Park. This project proposes improvements including: trail improvements with accessibility upgrades; installation of varies site furnishings; closure of tertiary trails; regrading of the old ball field; installation of a pedestrian bridge to cross Cretaceous Canyon; removal of non-native and invasive plant species and the replanting of disturbed habitats with native species.

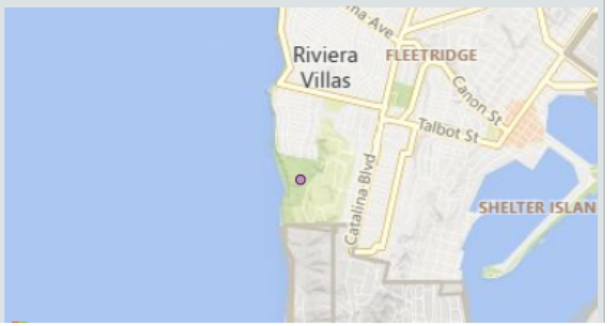
Additional Remarks

Project ID Number	Project Phase	Project Asset Category	Bundled Projects
L16001.2	Construction	Parks	Not Bundled

Contact Person	Contractor
Ammerlahn, Parita	Ral Investment Corp

Construction Contract Type	Estimated Construction Duration (months)
Design Bid Build	31.0

Project Location



Click Here for CIP Map Viewer

Council District (s): 2

Community Area (s): PENINSULA

Neighborhood (s): SUNSET CLIFFS, WOODED AREA

Estimated Project Financials

Total Project Cost	Project-to-Date Budget	Project Surplus / Deficit
$3.51M	$4.40M	$887.78K

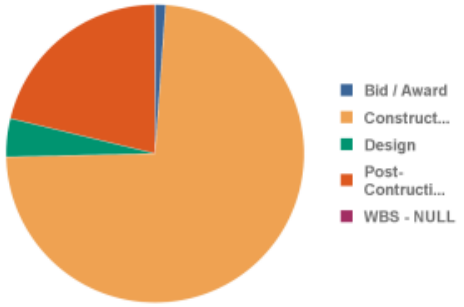
Construction Contract Value	Project Expended Amount to Date	Funding Status
$3.03M	$4.34M	Fully Funded

Estimated Project Timeline

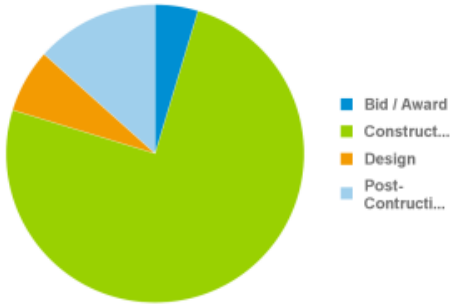
Preliminary Engineering Start	Design End	Construction Start	Construction Completion	Construction Close Out
Q3 2009	Q3 2017	Q1 2018	Q3 2020	Q4 2020

L16001.2 – Sunset Cliffs Nat Pk Ph 2 Trail & Reveg

Actual Costs By Phase



Personnel Costs by Phase



Phase	Actuals
Bid / Award	$49,205
Construction	$3,187,742
Design	$180,307
Post-Contruction	$916,951
WBS - NULL	$2,924
Grand Total	**$4,337,130**

Phase	Personnel Cost
Bid / Award	$49,156
Construction	$791,608
Design	$72,744
Post-Contruction	$141,178
Grand Total	**$1,054,687**

Fund	Fund Name	Grant - Key	Project-to-Date Budget	Project to Date Actuals
200391	SAN DIEGO REGIONAL PARKS IMPROVEMENTS	NOT_RELEVANT_GRANT	$3,063,182.56	$3,063,182.56
200463	SUNSET CLIFFS NATURAL PARK	NOT_RELEVANT_GRANT	$439,613.04	$375,741.62
400206	FY09 SUNSET CLIFFS NATURAL PAR	NOT_RELEVANT_GRANT	$98,205.55	$98,205.55
600001	GRANT FUND - STATE	1000459-2016	$800,000.00	$800,000.00
720057	ENGINEERING & CAPITAL PROJECTS	NOT_RELEVANT_GRANT		$0.00
Total:			**$4,401,001.15**	**$4,337,129.73**

Chollas Lake Electrical Improvements

Scope:

- Deliver new electrical service to the east side of Chollas Lake
- Provide electrical service to the two-staff building on the park site and electrical service to the comfort station
- Parking lot lighting

Status:

- Lighting and electrical services completed
- Remaining minor traffic striping to be completed this month





L18001.1 – Chollas Lake Electrical Service

Engineering & Capital Projects

CIP Project Look Up
Updated As Of: 6/1/2026

CIP Project Look Up | Click Here for Council District - CIP Project Information | L18001.1 | Search for CIP by Project Name

General Information

Chollas Lake Electrical Service

Active

The project scope is to provide design and engineering services to deliver electrical service to the east side of Chollas Lake from the nearest electrical service connection. The primary focus shall be providing electrical service to two staff buildings on the park site.

Additional Remarks

Project ID Number	Project Phase	Project Asset Category	Bundled Projects
L18001.1	Construction	Parks	Not Bundled

Contact Person	Contractor
Lewis, Nikki	CTE, Inc

Construction Contract Type	Estimated Construction Duration (months)
Job Order Contract	43.5

Project Location



Click Here for CIP Map Viewer

Council District (s)
4

Community Area (s)
MID-CITY:EASTERN AREA

Neighborhood (s)
OAK PARK

Estimated Project Financials

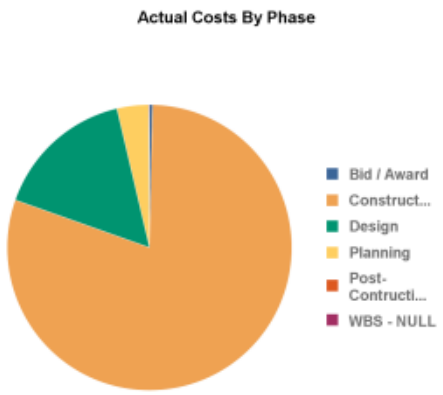
Total Project Cost	Project-to-Date Budget	Project Surplus / Deficit
$1.95M	$1.95M	$0.00

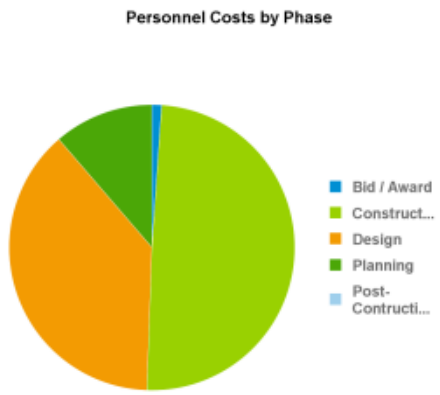
Construction Contract Value	Project Expended Amount to Date	Funding Status
$1.21M	$1.89M	Fully Funded

Estimated Project Timeline

Preliminary Engineering Start	Design End	Construction Start	Construction Completion	Construction Close Out
Q4 2017	Q1 2022	Q4 2022	Q2 2026	Q3 2026

L18001.1 – Chollas Lake Electrical Service





Phase	Actuals
Bid / Award	$6,562
Construction	$1,511,618
Design	$300,310
Planning	$67,894
Post-Contruction	$121
WBS - NULL	$1,731
Grand Total	**$1,888,237**

Phase	Personnel Cost
Bid / Award	$6,562
Construction	$297,326
Design	$229,088
Planning	$67,894
Post-Contruction	$121
Grand Total	**$600,991**

Fund	Fund Name	Grant - Key	Project-to-Date Budget	Project to Date Actuals
100012	INFRASTRUCTURE FUND (PROPOSITION H)	NOT_RELEVANT_GRANT		
200391	SAN DIEGO REGIONAL PARKS IMPROVEMENTS	NOT_RELEVANT_GRANT	$1,167,508.86	$1,136,236.52
400881	DEBT FUNDED GENERAL FUND CIP PROJECTS	NOT_RELEVANT_GRANT	$30,000.00	
600001	GRANT FUND - STATE	1000708-2022	$752,000.00	$752,000.00
Total:			**$1,949,508.86**	**$1,888,236.52**

North Chollas Community Park Phase 1

Scope:

- New sports fields, a new playground, and a new off-leash dog area
- Accessibility upgrades
- Site lighting
- Associated landscaping, irrigation and electrical upgrades

Status:

- Currently at design initiation with site survey and conceptual design in progress.
- The first playground design workshop was conducted in June 2026. A conceptual playground design is anticipated to be presented to the CRG this fall.





L22004.1 – North Chollas CP Improvements Phase I

Engineering & Capital Projects

CIP Project Look Up
Updated As Of: 6/1/2026

CIP Project Look Up | Click Here for Council District - CIP Project Information | L22004.1 | Search for CIP by Project Name

General Information

North Chollas CP Improvements Phase I

Active

The improvements will include all as needed ADA upgrades, electrical upgrades, site furnishings, landscape, planting and irrigation, existing trail improvements, hardscape and all other improvements as identified on the General Development Plan (GDP) during the community input process. The design will cover the entire improvements; however, the construction shall be broken down into different phases as funding becomes available.

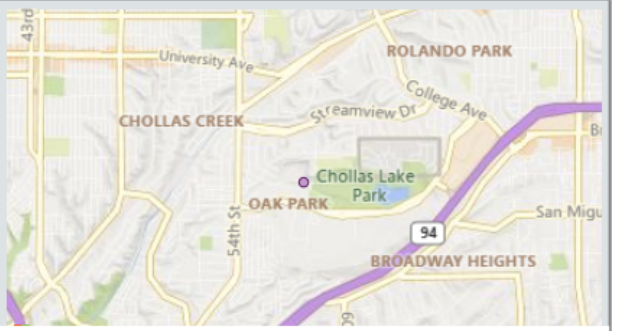
Additional Remarks

Project ID Number	Project Phase	Project Asset Category	Bundled Projects
L22004.1	Design	Parks	Not Bundled

Contact Person	Contractor
Schroth-Nichols, Elizabeth	Null

Construction Contract Type	Estimated Construction Duration (months)
Design Bid Build	8.5

Project Location



Click Here for CIP Map Viewer

Council District (s)	Community Area (s)	Neighborhood (s)
4	MID-CITY:EASTERN AREA	OAK PARK

Estimated Project Financials

Total Project Cost	Project-to-Date Budget	Project Surplus / Deficit
$12.00M	$2.23M	($9.77M)

Construction Contract Value	Project Expended Amount to Date	Funding Status
TBD	$655.74K	Partially Funded

Estimated Project Timeline

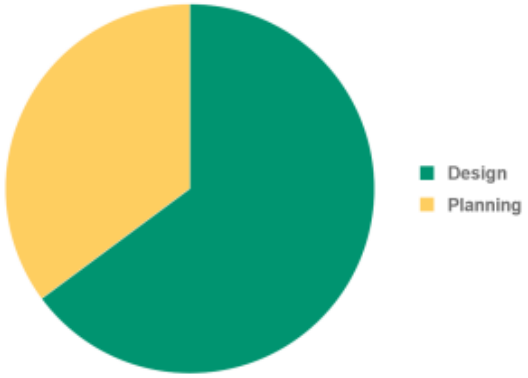
Preliminary Engineering Start	Design End	Construction Start	Construction Completion	Construction Close Out
Q1 2022	Q4 2027	Q3 2028	Q1 2029	Q2 2029

Project Management Office (PMO) Division

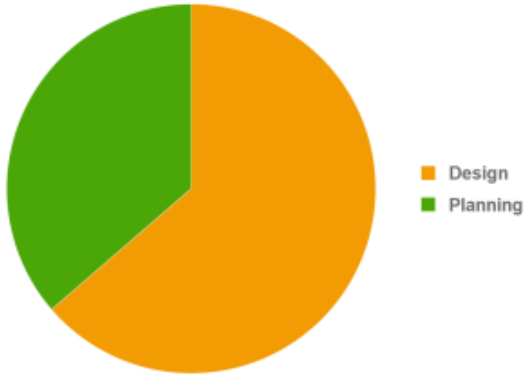
The City of SAN DIEGO

L22004.1 – North Chollas CP Improvements Phase I

Actual Costs By Phase



Personnel Costs by Phase



Phase	Actuals
Design	$425,226
Planning	$230,513
Grand Total	**$655,739**

Phase	Personnel Cost
Design	$403,649
Planning	$230,513
Grand Total	**$634,162**

Fund	Fund Name	Project-to-Date Budget	Project to Date Actuals
200391	SAN DIEGO REGIONAL PARKS IMPROVEMENTS	$450,000.00	
400109	MID-CITY - PARK DEV FUND	$18,000.00	
400114	MID CITY URBAN COMM	$794,251.15	$444,446.02
400696	CR-TAB 2010A (TE) PROCEEDS	$165,748.85	$118,377.66
400891	CITYWIDE PARK DIF-PARK DEF. COC	$800,000.00	$92,914.89
Total:		**$2,228,000.00**	**$655,738.57**

Emerald Hills Neighborhood Park Phase 1



Scope:

- Install New children's play equipment, shade structures, picnic areas, and park furnishings (benches, tables, trash cans).
- Upgraded existing comfort station, accessible parking spaces, and new concrete walkways.
- Renovated irrigation, new plants and drainage, stormwater basins, and electrical work.
- Public art installation.



Status:

- 30% design layout scheduled to be submitted in September.
- Construction advertisement is estimated to be in Fall 2027.

S25002 – Emerald Hills Neighborhood Park Phase 1

Engineering & Capital Projects

CIP Project Look Up
Updated As Of: 6/1/2026

CIP Project Look Up | Click Here for Council District - CIP Project Information | S25002 | Search for CIP by Project Name

General Information

Emerald Hills Neighborhood Park Phase 1

Active

Design and Construction of the first phase of improvements to the Emerald Hills Neighborhood Park to include: renovations of the comfort station, replacement of children's play area, shade structures, picnic areas, assorted park furnishings, concrete path/sidewalk, ADA parking improvements, and stormwater basins.

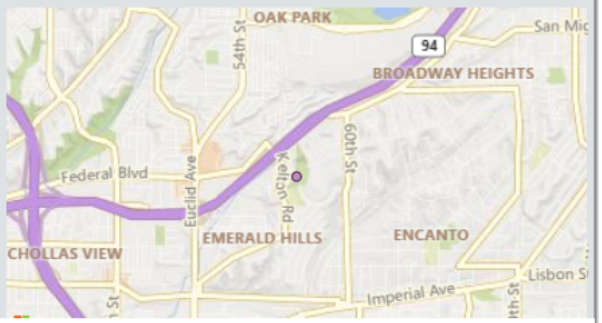
Additional Remarks

Project ID Number	Project Phase	Project Asset Category	Bundled Projects
S25002	Design	Parks	Not Bundled

Contact Person	Contractor
Genova, Darren	To Be Selected

Construction Contract Type	Estimated Construction Duration (months)
Design Bid Build	14.5

Project Location



Click Here for CIP Map Viewer

Council District (s): 4

Community Area (s): ENCANTO NEIGHBORHOODS

Neighborhood (s): EMERALD HILLS

Estimated Project Financials

Total Project Cost	Project-to-Date Budget	Project Surplus / Deficit
$6.46M	$3.80M	($2.66M)

Construction Contract Value	Project Expended Amount to Date	Funding Status
TBD	$262.74K	Partially Funded

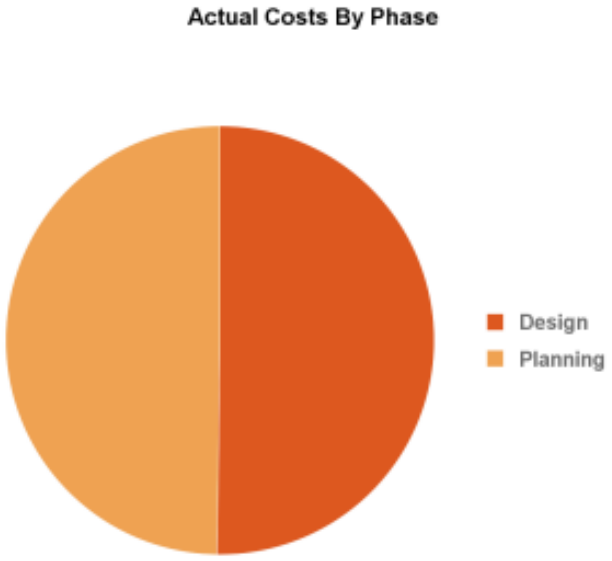
Estimated Project Timeline

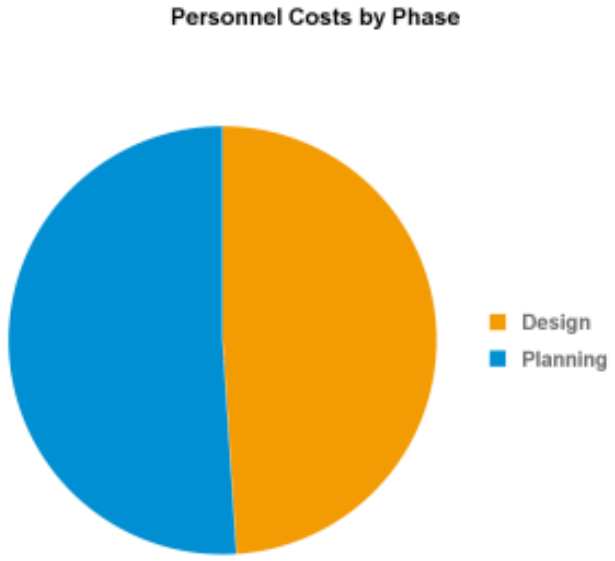
Preliminary Engineering Start	Design End	Construction Start	Construction Completion	Construction Close Out
Q2 2025	Q4 2027	Q3 2028	Q3 2029	Q4 2029

Project Management Office (PMO) Division

The City of SAN DIEGO

S25002 – Emerald Hills Neighborhood Park Phase 1





Phase	Actuals
Design	$143,420
Planning	$142,191
Grand Total	**$285,611**

Phase	Personnel Cost
Design	$136,438
Planning	$142,191
Grand Total	**$278,629**

Fund	Fund Name	Grant - Key	Project-to-Date Budget	Project to Date Actuals
100015	CLIMATE EQUITY FUND	NOT_RELEVANT_GRANT	$621,798.51	$232,864.09
200391	SAN DIEGO REGIONAL PARKS IMPROVEMENTS	NOT_RELEVANT_GRANT	$1,264,160.00	
400265	CIP CONTRIBUTIONS FROM THE GENERAL FUND	NOT_RELEVANT_GRANT	$0.00	
400864	ENCANTO NEIGHBORHOODS DIF	NOT_RELEVANT_GRANT	$126,660.44	$46,323.46
400881	DEBT FUNDED GENERAL FUND CIP PROJECTS	NOT_RELEVANT_GRANT	$61,938.53	
400891	CITYWIDE PARK DIF-PARK DEF. COC	NOT_RELEVANT_GRANT	$225,869.42	$6,423.35
600001	GRANT FUND - STATE	1000846-2024	$2,500,000.00	
Total:			**$4,800,426.90**	**$285,610.90**

Project Streamlining and Strategies to Improve Efficiency

- Choosing the right delivery method
- In-house design vs. consultant contracts
- Utilization of City forces
- Standardization and templates
- Pre-purchasing materials







Thank You