

FY 2024 City Council Budget Priorities

IBA Report 22-28

Budget and Government Efficiency Committee

Item 7

October 19, 2022



Office of the Independent Budget Analyst



Background

Budget Priorities Resolution is Council's first step in the budget process

- Priority memoranda were submitted to our Office on September 30, 2022
- IBA Report 22-28 summarizes Council budget priorities
- Budget Priorities Resolution will be submitted to Mayor after approval by City Council

Background

Budget Priorities Resolution is Council's first step in the budget process *(con't)*

- This is the first time the Resolution has been prepared in Sept/Oct.
- This change in the budget process was implemented by City Council action on June 27, 2022.
 - Typically, Budget Priorities Resolution was adopted by Council in February, after a significant portion of the Mayor's Proposed Budget had been finalized.
- This change is intended to better position Councilmember priorities for consideration in the Mayor's Proposed Budget.
- There is additional opportunity for priorities update - January 2023.

FY 2024 Priorities Receiving Majority Support

Operating Budget Priorities

- Homelessness and Housing
- Environment and Climate Action
- Public Safety
- Neighborhood Services
- Youth Services
- Arts and Culture
- Human Capital and Employee Compensation
- Office of the City Auditor
- Office of Labor Standards and Enforcement

Infrastructure Budget Priorities

- Transportation and Mobility Safety
- Streets
- Sidewalks
- Facilities
- Stormwater
- Americans with Disabilities Act
- Security-Related Infrastructure

Resource and Mitigation Priorities

- Federal American Rescue Plan Act (ARPA)

City Council Operating Budget Priorities

Homelessness and Housing

- San Diego (Neil Good) Day Center *(8 Districts)*
- Rental Assistance - Housing Stability Fund *(8)*
- Homeless Shelters for LGBTQ+ and Senior Populations *(7)/(5)*
- Homelessness Outreach *(7)*
- Affordable Housing *(6)*
- Eviction Prevention Program *(5)*

City Council Operating Budget Priorities *(cont'd)*

Environment and Climate Action

- Climate Action Plan Implementation (7)
- Urban Forestry Program (7)
- Climate Equity Fund (5)
- Bicycle Master Plan (5)

Public Safety

- Lifeguards (8)
- Security Measures (7)

City Council Operating Budget Priorities *(cont'd)*

Neighborhood Services

- Brush and Weed Abatement *(unanimous)*
- Library Support *(8)*
- Code Enforcement – Development Services Department *(5)*

Youth Services

- Childcare Facilities/Facilities Assessments *(5)*
- Youth Services Librarians *(5)*

City Council Operating Budget Priorities *(cont'd)*

Arts and Culture (8)

Human Capital and Employee Compensation (8)

Office of the City Auditor (7)

Office of Labor Standards and Enforcement (6)

City Council Infrastructure Budget Priorities

Transportation and Mobility Safety

- Pedestrian & Bicycle Safety (*unanimous*)
- Traffic Calming (*unanimous*)
- Traffic Signals (8)
- Streetlights (8)

Streets (*unanimous*)

Sidewalks (*unanimous*)

City Council Infrastructure Budget Priorities *(cont'd)*

Facilities

- Fire-Rescue *(unanimous)*
- Library *(unanimous)*
- Parks & Recreation *(8)*
- Police *(5)*

Stormwater *(8)*

Americans with Disabilities Act *(8)*

Security-Related Infrastructure *(8)*

City Council Budget Resource and Mitigation Priorities

FY 2024 Resources Mentions:

- Federal American Rescue Plan Act (ARPA) (*one-time resource*)
 - Current estimate: \$52.1M available for FY 24
- Use of Excess Equity or General Fund Reserve (*one-time resource*)
 - Current Excess Equity estimate: \$69.1M
- Grant opportunities being monitored (*fiscal estimates unavailable*)
 - Federal Infrastructure Investment and Jobs Act (IIJA)
 - California Child Care and Development Infrastructure Grant Program
 - Federal Inflation Reduction Act (IRA)

Conclusion

Recommended Budget and Government Efficiency Committee Action

- Review and discuss budget priorities highlighted in report
- Recommend to the City Council the priorities to be included in the FY 2024 Budget Priorities Resolution, with any desired modifications
- Final Council Resolution will be submitted to the Mayor for consideration in the FY 2024 Proposed Budget