




COUNCILMEMBER VIVIAN MORENO
City of San Diego
Council District Eight
MEMORANDUM

DATE: January 18, 2019

TO: Council President Pro Tem Barbara Bry, Chair, Budget and Government Efficiency Committee

FROM: Councilmember Vivian Moreno 

SUBJECT: 2019 Budget and Government Efficiency Committee Priorities

In response to your memorandum soliciting priorities for the Budget and Government Efficiency Committee, I urge your careful consideration of the following:

Discussion of Policy Directing Redevelopment Property Tax Trust Fund (RPTTF) Towards Projects in Economically Disadvantaged Areas:

RPTTF monies are disbursed property tax revenue associated with former redevelopment areas to local governments. This funding is now allocated to the General Fund. The Five-Year Outlook noted that the adjusted residual RPTTF revenue over the next five years increases from \$21 million to \$29.4 million, for a total of \$127.7 million. Using this revenue going forward to invest in San Diego's economically disadvantaged communities, as originally intended, allows areas in the greatest need of economic investment an opportunity to attract new commercial activity, which in turn creates new jobs and greater tax revenue for the City's general fund. The prioritized investment of these residual RPTTF funds could fund many capital projects across the City that currently do not have identified funding sources.

Review of Costs Related to City Contracts and Outside Consultants:

Each year the City utilizes contracts for various services, ranging from consultants to engineering services. The 5-year outlook projects annual increases in these contracts totaling \$6.9M per year. The City should review strategies to reduce reliance on outside contracts and decrease the projected annual increase related to such contracts.

Review City's Vacancy Factor:

Each year the City's budget anticipates a certain amount of budgeted positions to remain vacant. As each fiscal year progresses, additional positions often remain unfilled due to various reasons, ranging from an inability to hire qualified employees to fill them, to unexpected resignations/terminations. As the vacancy factor fluctuates throughout the year, the Committee should remain updated and begin discussing how best to utilize vacancy savings in advance of the mid-year and end of year budget updates.

Analyze Potential Cost Savings of Insourcing Street Slurry Sealing:

The City currently contracts out all slurry seal work. Staff should provide analysis of whether City employees could perform this work more efficiently and at a reduced overall cost.

Thank you for the opportunity to submit priorities for the 2019 Budget and Government Efficiency Committee. For additional details concerning my FY20 budget priorities, please reference my FY20 Budget Priority memorandum.