



COUNCILMEMBER VIVIAN MORENO
City of San Diego
Eighth District
MEMORANDUM

DATE: May 22, 2020

TO: Andrea Tevlin, Independent Budget Analyst

FROM: Councilmember Vivian Moreno

SUBJECT: Final Budget Priorities and Revisions to the Fiscal Year 2021 Budget

Over the last few weeks the Council has heard from many San Diegans regarding their priorities in the city's proposed budget. Public testimony and feedback about the city's FY21 budget is critical to ensuring the services and programs that the public is advocating for are included in the final adopted budget. I appreciate the Mayor's revisions to the proposed budget released on May 19, 2020, that included items I strongly advocated for during the City Council's Budget Review Committee hearings, such as restoring Parks and Recreation services and staffing, eliminating general fund spending on the smart streetlights program and the use of the CARES Act funding to pay for services related to COVID-19.

Taking public testimony and staff responses to Council questions into account, I submit this memorandum which contains my priorities for the Fiscal Year 2021 budget. I have proposed \$26 million in new expenditures and suggested \$62 million in budgetary resources.

EXPENDITURES

NEIGHBORHOOD SERVICES

Arts and Culture

The proposed budget includes a \$5.7 million reduction to arts and culture funding (CCSD and OSP). Maintaining arts and culture funding for various organizations that provide outreach and education in underserved communities is critical, especially as the status of how arts education will be achieved through distance learning is being debated within our schools. Reducing the proposed cut by half and directing those funds towards arts and culture activities in underserved

areas of the city will help assist students who may not have other resources at their disposal to be exposed to the arts.

Approximate cost: \$2.85 million

Citywide Broadband Pilot Program

Providing citywide broadband internet access is critical to closing the digital divide and has become an even higher priority as more students are practicing distance learning during the COVID-19 pandemic. A pilot program that provides internet access to all residents should be funded in underserved communities.

Approximate cost: \$250,000

Library Services

The Library Department provides critical services for all members of our communities and they need to be accessible, especially with the probability that distance learning for students could continue into the fall. Library services should be fully restored to ensure the city is providing this essential service to residents during this public health emergency.

Approximate cost: \$6.8 million

Parks and Recreation- Assistant Recreation Center Directors

Although the May Revis restored 65.29 FTE positions and \$3.6 million to restore recreation center hours and pool hours, it did not include restoring 2 FTE Assistant Recreation Center Director positions and 0.50 associated Recreation Leader hourly positions. These positions should be restored to ensure all park and recreation facilities have services fully restored.

Approximate cost: \$202,000

Parks and Recreation- Brush Management

The proposed budget includes a reduction of \$411,000 in non-personnel expenditures which will reduce the frequency of brush management from 21 months (509 acres) to 26 months (412 acres). This reduction could result in more dangerous conditions conducive to wildfire at a time when the city can ill afford to divert first responder resources. This funding should be restored in the FY21 budget.

Approximate cost: \$411,000

Parks and Recreation- Mission Trails Park Ranger

The proposed budget includes a reduction of \$79,000 for 1 FTE Park Ranger position for Mission Trails Park. Restoring this position is important as more San Diegans are utilizing our parks and open spaces during the COVID-19 pandemic. This funding should be restored in the FY21 budget.

Approximate cost: \$79,000

Parks and Recreation- Maintenance Staff

The proposed budget includes a reduction of \$331,000 for 5 FTEs related to various parks maintenance positions. Restoring these positions will ensure that our parks remain well maintained for residents This funding should be restored in the FY21 budget.

Approximate cost: \$331,000

Parks and Recreation- Developed Regional Parks

The proposed budget includes a reduction of \$1 million for 13 FTEs related to developed regional parks positions. Restoring these positions are important as more San Diegans are utilizing our parks and open spaces during the COVID-19 pandemic. This funding should be restored in the FY21 budget.

Approximate cost: \$1 million

PUBLIC SAFETY

Police Department- Domestic Violence Unit Associate Management Analyst

The proposed budget includes reductions in the Police Department to civilian positions. Included in these reductions is 1 FTE Associate Management Analyst position in the Domestic Violence Unit (\$148,565). This position should be restored in the FY21 budget so the Domestic Violence Unit is fully operational.

Approximate cost: \$148,565

Police Department- Police Investigative Service Officers

The proposed budget includes a number of reductions in the Police Department to civilian positions that provide vital support for sworn officers. Included in these reductions are 6 FTE Police Investigative Service Officers (\$469,048) who perform field work that would now fall to sworn officers if the reductions are included in the FY21 budget. These positions should be restored in the FY21 budget to ensure that our sworn officers are free to provide much needed public safety services to our neighborhoods.

Approximate cost: \$469,048

Police Department- STAR/PAL Program

The proposed budget eliminates the Police Department's STAR/PAL Unit, which consists of 7 FTEs and \$1.4 million in expenditures. This funding should be restored in the FY21 budget.

However, it is critical that other police resources are not impacted with the restoration.

Specifically, closure of the front counters at each of the Police Department's nine patrol commands should be retained in the FY21 budget.

Approximate cost: \$1.4 million

Police Department- Word Processing Operators

The proposed budget includes a reduction of 8 FTE Word Processing Operators positions and total expenditures of \$624,738. These positions provide administrative support in various divisions in the Police Department. This reduction will require existing staff to support work performed by these positions. In order to ensure our sworn officers remain available to provide public safety services to our neighborhoods, these positions should be restored in the FY21 budget.

Approximate Cost: \$624,738

FINANCE BRANCH

City Treasurer

The proposed budget eliminates 1 FTE Delinquent Accounts Collections Investigator position (\$67,354). This position slated for elimination should be preserved due to the fact that each collections investigator position generates revenue for the city in the form of debt collection, which more than pays for the cost of the actual position.

Approximate cost: \$67,354

Purchasing and Contacting

The proposed budget eliminates 2 FTE Department Management and Equal Opportunity Contracting (EOC) Program Administrative staff positions (\$194,671) and 1 FTE Living Wage Program Senior Management Analyst position (\$102,887). The positions slated for elimination should be preserved to ensure the city's living wage enforcement and EOC monitoring is strong.

Approximate cost: \$298,000

PUBLIC UTILITIES BRANCH

Transportation Department- Shade Tree Trimming

The proposed budget would decrease shade tree trimming maintenance by \$1.8 million. This cut negates the city's ability to do all routine maintenance of shade trees and increases the cycle of palm tree maintenance from every 2 years to every 8 years, limiting services to reactive and emergency trimming. This funding should be restored in the FY21 budget. An increased frequency for services will allow for faster response to constituent requests for tree trimming services and help to reduce potential future liability to the city.

Approximate cost: \$1.8 million

Transportation Department- Weed Abatement

The proposed budget includes a reduction of \$756k and 1 FTE for weed abatement. This cut will only allow the Department to respond to the highest priority Fire Marshal requests and right-of-way spraying and leaves no resources for manual removal of weeds on the median or road shoulders. This funding should be restored in the FY21 budget. An increased frequency for services will allow for faster response to constituent requests for weed abatement, reduce fire hazards and keep our communities well maintained.

Approximate cost: \$760,000

Transportation Department- Traffic Installation

The proposed budget includes a reduction of \$430,000 and 1 FTE for traffic installation. This position installs new traffic striping and signs, cross walks, bike lanes, curb painting. Eliminating it will slow the installation of all of these items. Funding should be restored in the FY21 budget to ensure traffic installation work to continue.

Approximate cost: \$430,000

Transportation Department- Graffiti Abatement

The proposed budget includes a reduction of \$268,000 and 2 FTEs for graffiti abatement services, a 25% cut to current staffing levels. This cut will eliminate the city's ability to respond

to all graffiti abatement on private property, as well as increase the average number of days it takes to respond to a graffiti complaint from 8 business days to 10 business days. Funding should be restored in the FY21 budget to ensure graffiti abatement work to continues.

Approximate cost: \$268,000

Transportation Department- Pothole Repair

The proposed budget includes a reduction of \$131,000 and 2 FTEs for pothole repair services. The reduction will cut one of the nine 2-person crews that fill potholes and increase the average response time for pothole repair from 10 business days to 12 business days. Funding should be restored in the FY21 budget to ensure pothole repair services continue unhindered.

Approximate cost: \$131,000

Transportation Department- Street Engineering

The proposed budget includes a reduction of \$88,000 and 1 FTE for street engineering services. This position improved the efficiency of the planning process for repaving projects by doing mark out and other work that would typically have to be contracted out. This process will slow down as a result of the proposed cut. Funding should be restored in the FY21 budget to restore this position.

Approximate cost: \$88,000

Transportation Department- Heavy Truck Driver

The proposed budget includes a reduction of \$71,000 and 1 FTE for a Heavy Truck Driver position. The elimination of this position will result in slower and less efficient city paving activity. Funding should be restored in the FY21 budget to restore this position.

Approximate cost: \$71,000

SMART & SUSTAINABLE COMMUNITIES BRANCH

Planning Department- Environmental Planning and Community Planning

The proposed budget includes a reduction of 6 FTE positions related to environmental planning and community planning activity. The work these employees do to advance our community planning efforts is invaluable and we need to make sure we are moving forward with our community plan updates and efforts to alleviate the housing crisis. These positions should be restored in the FY21 budget.

Approximate cost: \$733,000

Planning Department- Otay Mesa/Nestor Community Plan Update

Include the Otay Mesa-Nestor Community Plan Update in the FY21 community plan update work plan. The first Otay Mesa-Nestor Community Plan was adopted in 1979 and it was last updated in 1997.

Planning Department- Barrio Logan Community Plan Update

Include adequate funding to continue work on the Barrio Logan Community Plan Update. If possible, this plan update should be completed in FY21.

Real Estate Assets Department (READ)- Facilities Services

The proposed budget includes a reduction of \$881,000 and 10 FTEs for a variety of positions related to facilities maintenance, including Electrician Supervisor, Electrician Apprentices Plasterer, Administrative Aide, Construction Estimators, Painter, and HVACR Technician Apprentices. Retaining these positions would allow the city to perform more preventative maintenance, which reduces costs for future repair, and mitigates growth of the city's deferred capital backlog. Funding should be restored in the FY21 budget to restore these positions. Approximate cost: \$881,000

INDEPENDENT DEPARTMENTS

Office of the City Auditor

The proposed budget includes a reduction of \$295,000 to the City Auditor's office which will result in a decrease in staff or salary reductions. Ensuring the City Auditor has the resources needed to conduct the audits suggested by the City Council and members of the public is critical to the Auditor's independence and ability to complete the annual work plan. Approximate cost: \$295,000

Office of the City Clerk

The proposed budget includes a reduction of \$240,000 to the City Clerk's office which will have a significant impact on service levels. The Clerk has indicated that this cut would restrict the department's ability to accommodate emergency Council meetings, meet legal requirements, and support elections related work including additional city ballot measures and initiatives submitted by the public. This funding should be restored in the FY21 budget. Approximate cost: \$240,000

OTHER DEPARTMENTS

Communications Department

The proposed budget includes a reduction of a Senior Public Information Officer FTE. This is the fourth consecutive fiscal year a Public Information Officer position has been reduced. This reduction will impact response times and reduces staff's ability to effectively perform public outreach and engagement. If the Communications Department is dissolved, this position would be a vital addition to one of the many departments that would require communications staff. Approximate cost: \$102,000

RESERVES

Creation of a COVID-19 Revenue Reserve

The Independent Budget Analyst has suggested the creation of a COVID-19 Revenue Reserve with any available funds that remain after restoring critical public services. This special purpose reserve would serve as a buffer against revenue shortfalls in FY21 and FY22. If it is not used by FY22, the funds could be used to fund the General Fund Reserve or fund other priority services. This fund could be funded with proceeds from the sale of the stadium site (\$14.5 million) and any savings in excess of FY21 service restorations identified in this memo (\$36 million). Approximate cost: \$50.5 million

INFRASTRUCTURE

Infrastructure Fund

In FY19 the Infrastructure Fund was short by \$5 million. The FY21 budget should allocate this funding to the Infrastructure Fund so that the infrastructure projects our residents deserve can be funded this fiscal year.

Approximate cost: \$5 million.

Sherman Heights Community Center Playground CIP# B18006

Project Description: Removal of existing playground equipment, picnic tables, and safety surfacing. The existing ADA ramp is to be evaluated and necessary modifications made to make the playground area accessible from the public way. Some grading may be necessary to accommodate the installation of a concrete base for the new poured in place rubberized safety surfacing. This project requires \$470,000 for construction in FY21.

Future Infrastructure/Commercial Paper/Bond Issuances and/or CDBG Reprogramming:

The projects listed in Attachment A are high priority community needs for the FY21 budget. Consideration should be provided to those projects eligible for any additional FY21 funding opportunities.

SUGGESTED REVENUE SOURCES

The cost of restoring the services listed above is approximately \$26 million. In order to ensure the FY21 budget is balanced, I am offering up potential alternative revenue sources that total over \$62 million.

Outside Contracts Reduction

The FY21 proposed budget includes \$245 million in general funds for outside contracts. A 4% reduction in outside contracts results in a savings of \$9.8 million.

Available resource: \$9.8 million

Cancellation of City Leases

If the City could cancel the lease for the 101 Ash Street building, it could potentially save up to \$10.4 million for FY21. Additionally, cancelling the lease for the Kearny Mesa Repair facility could save up to \$13.8 million.

Available resource: \$24.2 million

Suspend CleanSD Program for FY21

Suspension of the CleanSD Program would result in a savings of \$6.7 million.

Available resource: \$6.7 million.

Dissolution of the Communications Department

Dissolving Communications as a standalone department and returning Public Information Officers to individual departments would allow the city to realize at least \$481,000 in savings related to the elimination of two management positions.

Available resource: \$481,000

Management/Unclassified/Unrepresented Reductions

Savings can be realized from the following reductions to management positions and benefits:

- Elimination of half of the existing ACOO/DCOO positions: \$950,000
- One-Week Furlough for all unrepresented management positions: \$1.4 million

Available resource: \$2.35 million

Elimination of Proposed New Departments

Four new departments are proposed in the FY21 budget. Each one has increased costs largely related to management positions. The following savings can be realized by eliminating the creation of these new departments:

- Cultural Affairs: \$56,000
- Homeless Strategies: \$487,000 related to the creation of three positions. In FY21 the positions are cost neutral because they are paid for with grant funding, but that cost would become General Fund cost in FY22. This grant funding could be used as a resource for other city homeless programs, such as Operation Shelter to Home.
- Mobility: \$551,000 cost for 2.5 additional FTEs. A large portion of the transferred revenue to support the additional requested positions is the General Plan Maintenance Fund, which is typically used for long-range planning policy documents. The Planning Department greatly relies on this fund to ensure various community planning activity is funded. Using these funds to create new management positions decreases critical resources for our Planning Department in a year when Community Planning and Environmental Planning positions are being cut.
- Storm Water: \$382,000 related to the cost of a new Department Director. The Mayor covered this cost by reducing a contract which will delay an investigative order work plan until FY22 at which time funding will need to be restored. If the department has identified this funding as not critical in FY21 then it should be used to cover costs related to service cuts in the Transportation and Storm Water Department, such as pothole repair and graffiti abatement- not a new management position.

Available resource: \$1.47 million

Fleet Department Fund Balance

The Independent Budget Analyst has identified \$15.2 million available in fund balance in the Fleet Department. This fund balance should be used to support general fund expenditures or reserve funding in FY21.

Available resource: \$15.2 million

Public Liability Reserve

The Independent Budget Analyst has identified an estimated \$1.7 million in excess Public liability reserve funds available for use as a resource in the FY21 budget. This excess in Public Liability Reserve funding should be used to support general fund expenditures.

Available Resource: \$1.7 million

Thank you for your consideration of restorations and reductions outlined above. This memo reflects my top priorities and will serve as the basis for my support of the budget.

As previously submitted via my Capital Improvement Program (CIP) Priorities for Fiscal Year 2021 through 2025, below are the CIP projects in District 8 that should be funded in the FY21 budget.

Beyer Park Development CIP# S00752

Project Description: The project, located at Beyer Boulevard and Enright Drive, consists of the design and construction of Beyer Park and is working towards approval of the General Development Plan with a target of going to the Park and Rec Board for approval in Fall 2019. The project is currently in the environmental review process and are working with the Development Services Department towards preparation a draft CEQA document. The design phase will be completed in Fall 2020. Construction could begin in Fall 2020 if funding is allocated in FY21. Full construction of the project requires \$17 million.

Boston Linear Park

Creation of a Capital Improvement Project for creation of Boston Linear Park and identification of funding for a General Development Plan.

Chollas Creek Trail

Project Description: The FY21 budget should include funding to implement a Class 1 multi-use trail along Chollas Creek from Southcrest Trails to the Bayshore Bikeway. This project requires \$7 million.

Commercial & 20th Storage Facility Cleaning, Sanitization and Code Enforcement

Project Description: The area around this facility should continue to receive an increased level of streets and sidewalk cleaning/sanitization. Additionally, increased code enforcement staffing is critical to ensure the area around the facility remains clean and free of debris. Funding for these activities is critical and should be included in the FY21 budget.

Dennery Ranch Neighborhood Park CIP# S00636

Project Description: The project, located at Dennery Road and Ballast Lane, consists of the design and construction of Dennery Ranch Neighborhood Park in the Otay Mesa Community. This project was estimated to cost \$15.1 million, however recent bids for construction came back over budget. If staff can develop a strategy to bridge the funding gap, this project can begin construction in FY21.

Hidden Trails Neighborhood Park CIP# S00995

Project Description: This project, located east of Parson's Landing and north of Westport View Dr. in the Ocean View Hills Neighborhood, provides for the acquisition, design and construction of an approximately 3.7-acre Neighborhood Park. The project could include sport fields, children's play areas, walking paths and other amenities. The General Development Plan (GDP)

is anticipated to be complete by Summer 2020. The project will require \$340,000 to begin the construction phase in FY21.

Howard Avenue-Village Pine to Iris Avenue Sidewalk CIP# B18019

Project Description: This project will install new concrete sidewalk on the east side of Howard Avenue between Iris Avenue and Village Pine Drive. The project also includes installation of a new retaining wall, curb ramps, traffic signal relocation, and other associated improvements for the installation of the sidewalk. This project is in design and requires \$893,000 for construction in FY21.

La Media Road CIP #S15018

Project Description: This project will widen La Media Road between SR-905 to Siempre Viva Road. La Media Road will be widened to a six-lane primary arterial from SR-905 to Airway Road, a five-lane major between Airway Road and Siempre Viva Road with three southbound lanes and two northbound lanes. Improvements from Siempre Viva Road to Otay Truck Route will be constructed under a different project. This project will also improve drainage at the intersection of La Media Road and Airway Road. This project has \$11.8 million in unidentified funding needs. The design phase will be complete in December 2019. It should be prioritized to ensure it moves towards construction as swiftly as possible.

Nestor Fire Station No. 30 Upgrades

Project Description: A CIP Project needs to be created to address deferred maintenance issues at the Nestor Fire Station (Station No. 30). Deferred maintenance needs total \$2.05 million and include:

- Complete remodel similar to FS33 with new kitchen, office and dorm expansion, bathrooms, HVAC, exhaust extraction, flooring, paint interior and exterior, window and landscaping. Cost estimate: \$2 million
- New flooring in kitchen, Ready Room, dorms. Cost estimate: \$10,000
- Six ready chairs. Cost estimate: \$6,000
- Programmable PPE washer. Cost estimate: \$2,000
- Exhaust extraction system replacement. Cost estimate: \$25,000

Otay Mesa-Nestor Fire Station No. 6 Upgrades

Project Description: Fire Station No. 6 is one of the city's oldest stations and requires several deferred maintenance and living condition improvements. A remodel of current bathrooms, kitchen, individual dorm rooms and replacement of the HVAC system should be included in the FY21 budget. Estimated cost is \$250,000.

Repurposing of Historic San Ysidro Library Building (101 West San Ysidro Boulevard) into a Teen Center

Project Description: The repurposing of this facility into a teen center would provide critical services such as youth programming and a meeting space for youth. The historic San Ysidro Library served the community from 1924 until September 2019 when the new San Ysidro branch

library opened. This building is centrally located and easily accessible. Repurposing the building into a Teen Center would ensure the community would continue receiving valuable services. Funding in FY21 should be allocated to allow for the preliminary design of the repurposing of the current building.

San Ysidro Traffic Signals

Project Description: The CIP budget should allocate sufficient funding for the installation of new traffic signals at the following locations, as identified within the San Ysidro Impact Fee Study:

- Dairy Mart Road and Vista Lane. Cost estimate: \$275,000
- Dairy Mart Road and Servando Avenue. Cost estimate: \$275,000
- Dairy Mart Road and Camino De La Plaza. Cost estimate: \$275,000
- West San Ysidro Boulevard and Alverson Road. Cost estimate: \$275,000
- Camino De La Plaza and Sipes Lane. Cost estimate: \$275,000
- East San Ysidro Boulevard and Center Street. Cost estimate: \$275,000

Sherman Heights Community Center Playground CIP# B18006

Project Description: Removal of existing playground equipment, picnic tables, and safety surfacing. The existing ADA ramp is to be evaluated and necessary modifications made to make the playground area accessible from the public way. Some grading may be necessary to accommodate the installation of a concrete base for the new poured in place rubberized safety surfacing. This project requires \$470,000 for construction in FY21.

Sidewalk Installations

- Thermal Ave.-Donax Avenue to Palm Avenue Sidewalk CIP# B18157
 - **Project Description:** Installation of sidewalk on east side of Thermal Avenue between Palm Avenue and Donax Avenue and the west side of Thermal Avenue from Dahlia Avenue to Donax Avenue. The project is currently in design and will require \$1.1 million in funding in FY21 to be constructed.
- Create CIP for Saturn Boulevard Sidewalk Project
 - **Project Description:** Creation of a CIP Project for the construction of a sidewalk on the west side of Saturn Boulevard between Dahlia Avenue and Elm Avenue. In 2016, the Transportation and Storm Water Department determined that this location qualifies for sidewalks under City Council Policy No. 200-03. The project number is Saturn Boulevard (SN 15-770299) and has been added to the City's "Sidewalk Needs List" competing with other similar projects to receive funding for construction.
- Create CIP for the installation of new sidewalks in San Ysidro
 - **Project Description:** Creation of a CIP Project for the construction of sidewalks at the following locations:

1. West San Ysidro Boulevard, from 156 West San Ysidro Boulevard, to 198 West San Ysidro Boulevard (Fire Station 29).
 2. West Side of Otay Mesa Road between Beyer Boulevard and Otay Mesa Place (SYSD).
- Create CIP for the installation of new sidewalks in Nestor
 - **Project Description:** Creation of a CIP Project for the construction of sidewalks at the following locations:
 1. Elm Street, from west 16th Street to Harwood Street.
 2. Elm Street, from 15th Street to 14th Street.
 3. Donax Avenue, from 15th Street to 16th Street.
 4. Donax Avenue, from 16th Street to Thermal Avenue.
 5. Donax Avenue, from Thermal Avenue to Saturn Avenue.
 6. Thermal Avenue, from south Palm Avenue to Donax Avenue.
 7. Saturn Avenue, from Dahlia Avenue to Elm Street.
 8. 16th Street, from Elder Avenue to Elm Avenue.
 9. Elder Avenue, from 16th Street to Thermal Avenue.
 10. 951 Granger Street (no existing sidewalk at this address).
 11. Granger Street between Elm Street and Donax Avenue.
 12. Southwest corner of Elm Avenue and 14th Street.
 13. Atwater Street, from Fern Avenue to Coronado Avenue (Missing sections of sidewalk).
 14. Grove Avenue, between Saturn Boulevard and Switzerland Drive
 15. North side of Avenida Del Mexico, between Saturn Boulevard and Elm Avenue.
 16. East side of Hollister Street between Flower Avenue and Starburst Lane (sidewalk is temporary and needs to be built to city standards)

Southwest Neighborhood Park CIP# P18010

Project Description: The project scope is to prepare a General Development Plan (GDP) for an approximately 11.5-acre neighborhood park including a draft environmental document as required for submittal to the Parks and Recreation Board for review. A construction cost estimate based on the final GDP shall be prepared. Improvements may include a children’s play area, picnic areas, and comfort station. The GDP and environmental document are expected to be complete in Fall of 2020. The next phase will require funding for construction documents in FY21. The total project cost estimate is \$8.8 million.

Unpaved Roads in Stockton

Project Description: Create a CIP to pave the following unpaved roads in Stockton.

1. South Bancroft Street at the intersection of Greely Avenue.
2. Durant Street at the intersection of Payne Street.
3. Alley between K and L Street, east of 33rd Street.
4. 34th Street between Spring Garden Place and Island Avenue.