



**COUNCILMEMBER CHRIS CATE
CITY OF SAN DIEGO
SIXTH DISTRICT**

M E M O R A N D U M

DATE: May 26, 2021
TO: Andrea Tevlin, Independent Budget Analyst
FROM: Councilmember Chris Cate 
SUBJECT: Recommended Fiscal Year 2022 Budget Revisions

In response to the public hearings and feedback from Council District 6 residents regarding the Fiscal Year (FY) 2022 Proposed Budget and the Mayor's May Revision, I respectfully submit the following revisions:

Proposed Additional Funding Resources:

2020 Election Registrar of Voters (ROV) Refund (\$3 million)

City Clerk Elizabeth Maland recently informed the Mayor and the City Council that the City will be receiving a refund of \$3 million from the ROV for the City's share of the 2020 Election. This refund was made possible because the ROV was able to offset some of the election costs using other resources. This \$3 million refund was not factored into the Mayor's May Revision. As a result, this represents an additional \$3 million back to the City's General Fund that can be used for FY22.

Additional Gas & Electric Franchise Minimum Bid Year 1 Contribution (\$1.7 million)

The Mayor's Proposed Budget assumes the City will be receiving \$8.8 million in FY22 from the minimum bid associated with the new gas and electric franchise agreements. However, the franchise agreement that was ultimately negotiated by the Mayor's office and approved by the City Council would result in a \$10.5 million contribution to the City in FY22 from the franchise minimum bid. As such, this represents \$1.7 million in additional resources that was not included in the Mayor's Proposed Budget or the May Revision.

Proposed Budget Allocations:

Restore Proposed Cuts to Weed Abatement (\$327,503)

Weed abatement is a critical City service that keeps our neighborhoods clean and ensures the quality of life of our residents. The cuts in the Mayor's Proposed Budget to weed abatement services should be restored. The restoration of these funds would allow the City to maintain weed abatement at current FY21 services levels.

Increase Funding for Graffiti Abatement (\$100,000)

The Transportation Department currently does not have enough resources to abate all residential graffiti requests. The Department receives, on average, 2,500 to 3,000 requests annually. In order for the Department to adequately address these requests, I propose that we allocate an additional \$100,000 towards the City's graffiti abatement program.

Increase Funding for Tree Trimming (\$900,000)

The current tree trimming funding level proposed for FY22 does not support tree trimming at recommended service levels. Tree trimming standards recommend that all shade trees are trimmed once every seven years. The current proposed funding level only allows for shade trees to be trimmed every 24 years. The Transportation Department and the Independent Budget Analyst (IBA) have concluded that an additional \$900,000 is needed to increase tree trimming service levels to adequately maintain shade trees every seven years instead of 24. I propose that we allocate the additional \$900,000 towards this purpose.

Addition of Two (2) Deputy City Attorneys (DCA) (\$336,000/\$168,000 per DCA)

City Attorney Mara Elliott has made a request for additional DCA positions, specifically for the Civil Litigation and Vulnerable Victims Units. The City Attorney has indicated that the Civil Litigation Division has been understaffed and is handling extremely large caseloads. Specifically, more than 500 civil cases are assigned to 43 attorneys due to a 37% increase over a four-year period in civil lawsuits handled by the City Attorney's office. Without additional positions, hiring outside counsel is the only alternative option but would cost the City significantly more money as opposed to hiring additional DCAs.

The City Attorney has also indicated that an additional DCA position is required for the Vulnerable Victim Program within the Criminal Division. A DCA within this Division would help prosecute crimes against elders, adults with mental and physical disabilities, which often lead to charges of things like theft, domestic violence, and sex trafficking.

I propose to allocate one additional DCA position for the Civil Litigation Division and one additional DCA position for the Vulnerable Victims Unit, for a total of two additional DCA positions for the City Attorney's office.

Addition of Two (2) Clerical Assistants for the San Diego Family Justice Center (FJC) (\$106,492/\$53,246 each)

City Attorney Mara Elliott has requested the addition of two clerical assistant positions for the San Diego FJC. The FJC is an extremely important resource for domestic violence, sex crimes, and sex trafficking victims for the City and the entire San Diego region. The FJC

currently does not have enough positions to be able to welcome in and begin the process of assessing and assisting victims that come into the FJC for victim services and resources. Due to the growing number of clients that the FJC serves, it needs additional clerical assistant positions to help provide the lifesaving resources and services that domestic violence and sex trafficking victims desperately need. I propose to allocate these two positions for the FJC.

Funding for an Updated Street Overall Condition Index (OCI) (\$500,000)

The last time the City of San Diego conducted an assessment of street conditions was in 2016. Meanwhile, this assessment is recommended to be completed every four years. The most updated street OCI data the City currently relies on to make recommendations and decisions regarding street resurfacing, overlay, and slurry seal projects is now over six years old. Many streets have continued to deteriorate over that period of time and a new street condition assessment must be done City-wide in order for the City to better allocate funding towards street projects based on updated data. As such, I propose we allocate funding to conduct a new street condition assessment.

Translation Services (\$100,000)

The City of San Diego is extremely diverse, and that diversity is reflected in the various languages spoken by residents in District 6 and throughout the City. In order to ensure that residents, regardless of what language they speak, can have equal access to City resources and equal participation in official City meetings, the City should start exploring a program to provide translation services. A translation services program can provide language support for all City Departments and will create better access for all residents throughout the City. As such, I propose the allocation of \$100,000 for the City to start the development of a robust translation services program.

Addition of 1 Position: Coordinator of Child and Youth Success with Emphasis on Child Care (\$150,000)

In FY20, the City Council approved the establishment of a childcare coordinator position, but the position was eliminated in FY21 due to COVID-19 related budget challenges. According to recent data from Community Care Licensing, due to the COVID-19 pandemic, 15% of childcare centers and 10% of family childcare homes are still currently closed in San Diego County as of May 2021. The loss of these providers will have a detrimental impact on working families, while thousands of families are on a waitlist for state subsidies to afford childcare services. The addition of a Coordinator position that has a particular emphasis on working with regional partners to increase childcare access and availability would help start to address the severe lack of childcare access and affordability in San Diego. The scope of work for this position would include focusing on efforts to connect, grow, and integrate programs and functions in the City that serves children, youth, and families. This position would also help the City pursue much needed grant funding that could help fund programs specifically for childcare, children, youth, and families.

Fully Fund the Small Business Enhancement Program (\$1,250,000)

The Small Business Enhancement Program (SBEP) as outlined in Council Policy 900-15 was established in 1995, with a funding formula that includes a General Fund appropriation of \$20 per small business in the City of San Diego (businesses with 12 or fewer employees).

According to a 2019 IBA report, an appropriation of nearly \$2.0 million should be allocated based on the current number of small businesses in the City of San Diego. The FY19 and FY20 Budgets both funded the SBEP at \$1.2 million. The proposed FY 2022 budget currently allocates \$750,000 to the SBEP. I propose that the FY22 Budget funds the SBEP to the recommended amount of \$2.0 million in order to better assist our small businesses. The SBEP is a vital resource for small businesses, especially as they begin the post pandemic recovery process. The SBEP also funds the popular Storefront Improvement Program which provides grants to eligible small businesses to invest in and improve their storefronts to help attract additional business.

Additional Allocation to Support the Neil Good Day Center Operated by Father Joe's Villages (\$315,000)

The Neil Good Day Center has been operated by Father Joe's Villages over the past six years. The Day Center is a vital resource for thousands of people experiencing homelessness. The staff at the Day Center helps provide individuals with access to showers, restrooms, laundry, mail, storage, and phone charging, as well as establish relationships with individuals to connect them into shelter services and ultimately into permanent housing. Due to a number of different factors, including the significant increase of the number of clients served at the Day Center, Father Joe's Villages is seeking a \$315,000 increase in financial contributions from the City in order to help them cover current operating costs.

Restoration of Office of the City Auditor Cuts (\$91,000)

The City Auditor's office received a Budget reduction of \$91,000 in the Proposed Budget in the Personnel Expenditures category. According to the IBA report, cuts to personnel expenditures could reduce the size of the City Auditor's office, which would impact the number of audits and investigations. These audits often help identify cost savings and operational efficiencies that could help the City's Budget and overall financial health. I recommend that we restore the \$91,000 in proposed cuts.

Funding to Subsidize City Fees for Special Events (\$524,005)

The San Diego event industry is one sector that was hit especially hard during the pandemic. The industry was one of the first to close and will be one of the last to be allowed to re-open. Countless small businesses and non-profits that specialize in events have either closed or will be on the verge of closing, if they do not receive additional support. City fees and specifically police & fire fees will often make up roughly 30% of an operating budget for a special event. Due to the direct and indirect economic benefit of holding special events in the City, I recommend allocating funds to subsidize police and fire fees for special events.

Summary of Proposed Reductions and Additions

New Sources of Revenue	Amount	Additions	Amount
2020 Election ROV Refund	\$3,000,000	Restore Weed Abatement to FY21 Service Levels	\$327,503
Additional Gas & Electric Franchise Minimum Bid Year 1 Contribution	\$1,700,000	Additional Deputy City Attorney in the Civil Litigation Division	\$168,000
		Additional Deputy City Attorney in the Vulnerable Victim Unit of the Criminal Division	\$168,000
		2 Additional FTE positions: Clerical Assistants for the Family Justice Center (\$53,246 each)	\$106,492
		Funding for a New Street Condition Index	\$500,000
		Translation Services	\$100,000
		1 Coordinator Position for Children, Youth, and Family Affairs with Emphasis on Child Care	\$150,000
		Fully Fund the Small Business Enhancement Program	\$1,250,000
		Increased Funding for Neil Good Day Center	\$315,000
		Increased Graffiti Abatement Services	\$100,000
		Increased Tree Trimming Services	\$900,000
		Restore Cuts to City Auditor's Office	\$91,000
		Funding to Subsidize City Fees for Special Events	\$524,005
Total	\$4,700,000	Total	\$4,700,000