




**COUNCILMEMBER JOE LACAVA
FIRST COUNCIL DISTRICT**

M E M O R A N D U M

DATE: January 14, 2022

TO: Jeff Kavar, City of San Diego Interim Independent Budget Analyst

FROM: Councilmember Joe LaCava 

SUBJECT: Fiscal Year 2023 Budget Priorities

December 2021 marked just over one year this Council has collaborated with Mayor Gloria amidst some of the most challenging times in the City's history due to the global COVID-19 pandemic, increase in individuals living without shelter, historic levels of inflation, fluctuating unemployment, the ongoing housing crisis, and massive infrastructure needs.

The opportunity for and receipt of consistent, high-quality services is the rational expectation of San Diegans. My role is to answer to my constituents and residents Citywide, including those who have faced decades of underinvestment. While the City is recovering from the pandemic faster than other cities, with much support from the Federal and the State governments, we must spend thoughtfully, judiciously, and with the best interest of our residents, employers, working families, and all who call San Diego home.

I offer my budget priorities below and look forward to an open and robust conversation during the Fiscal Year 2023 (FY23) budget process of City needs and priorities.

Investment in City Staff and Improved Recruitment and Retention

Fill Vacant Positions

The Five-Year Outlook places the General Fund vacancies at 962 full-time equivalent positions, or 12.95 percent. Critical staffing shortages plague numerous City departments hampering City services.

District 1 residents, employers, and businesses submitted 18,500 Get it Done requests in 2021. Requests in the thousands included trash collection, streetlight maintenance, and pothole repair. Most issues raised require no new funding but rather recruiting and hiring the staff to deliver City services. Whether it be public safety, park and recreation services, streets, environmental services, we need already budgeted positions to be fully staffed. The requests from my D1 constituents can be fulfilled not by new funding or positions but by filling the budgeted positions.

I request a FY23 budget allocation to ensure that salary increases, and special salary adjustments are made across multiple departments to help optimize recruitment and retention and fill budgeted positions.

Evaluate and Accelerate the City's Hiring Process

As part of the effort to increase salaries and hire staff, I request the City comprehensively study its hiring process, compare with best practices among peer cities, and develop solutions to improve the process and enhance the City's ability to recruit new employees and fill vacancies in a timely, effective manner. This should be accomplished in partnership with the Independent Budget Analyst (IBA) and/or departmental work plans; if not, fund staffing or outside consultants as needed.

New Positions for Critical Public Safety and Operational Needs

Lifeguard Division

The number of visitors to San Diego has grown steadily year-over-year, and the work of San Diego's Lifeguard Division is critical to ensure safety. In addition, the frequency of calls for cliff and marine rescues increased dramatically in 2021. Lifeguards must be paid commensurate with their requirements and qualifications. Further, additional staffing is needed to continue their high level of service and provide necessary rescue protections as first responders. I request the following changes and additions:

- Special Salary Adjustments for Lifeguard I positions and hiring incentives to ensure we are fully staffed and to increase the diversity of the division (Cost TBD)
- 2 FTE, Marine Safety Lieutenants to ensure a 24/7 on-duty Boating Safety Unit Lieutenant (\$157,080 - \$189,672)
- 5 FTE, Lifeguard Sergeants to work out of the Boating Safety Unit and staff the Northern District during nighttime operations (\$325,680 - \$393,720)
- 3 FTE, Lifeguard III to work out of Boating Safety Unit for nighttime operations (\$173,472 - \$209,790)
- 5 FTE, Lifeguard I for increased seasonal staffing (\$185,220 - \$222,480)
- New Fire Board to replace Marine II (\$1,300,000)
- New locker room trailer at the Boating Safety Unit (\$300,000)
- Replacement of sleeping quarters for La Jolla Lifeguard night staff (\$300,000)

Fire-Rescue Department

Five job classifications make up the backbone of the fire department to provide all-hazard emergency response around the clock in San Diego communities. Additionally, the fire department currently conducts training at the former Naval Training Facility in and around old buildings, many of which have been condemned. A feasibility study is needed to determine the suitability of its identified location and potential for new location as a permanent, safe fire training facility. Specifically, I request the following changes and additions:

- 3 FTEs, to create a dedicated Staffing Unit
- 2 FTEs, to bolster the Department's Professional Standards Unit
- 1 FTE, to improve the operation and efficiency of the Department's Logistics Office
- Funding for a feasibility study to determine suitability of current location or potential for new location as permanent fire training facility

Sustainability & Mobility Department

The 2021 Performance Audit of the City's Climate Action Plan (CAP) by the Office of the City Auditor recommended that the Sustainability Department conduct a staffing analysis to determine whether it needs additional resources to support the City's CAP implementation. I understand this assessment will be completed in December 2022 and I reserve the opportunity for a mid-year adjustment for full funding.

Office of Labor Standards Enforcement

I celebrate the City's creation of a new Office of Labor Standards Enforcement (OLSE) as part of the FY22 budget process. Successful implementation of OLSE depends on effectively and proactively enforcing labor laws and providing public education and public service. To move San Diego closer to best practices in this field, I request additional staffing be added to the office:

- 2 FTE, City staff lawyers to assist work claims (\$240,000)
- 1 FTE, Field Investigator position modeled after the State Labor Commissioner's Bureau of Field Enforcement (\$72,000)

Office of the IBA

The IBA provides invaluable support to the Council on budgetary and legislative matters with their current staffing levels. However, on occasion the IBA may need to refer to outside expert consultants to provide the best, most robust analysis, and advice for the City Council to do its due diligence and make sound decisions. Following Recommendation 9 from the City Auditor's *Performance Audit of the City's Major Building Acquisition Process*, **I request that \$50,000 be funded for IBA technical support through an as-needed consultant contract.**

Code Enforcement

The City and its residents rely on Code Enforcement to uphold the law. The majority of constituent calls to District 1 are complaints of failure to enforce what is on the books. In calendar year 2021, we added more laws with the promise of strict and timely enforcement to include the Short-Term Residential Occupancy Ordinance, Spaces as Places, ADU and SB9 implementation, and in 2022, a street vendor ordinance is pending. **Prior to adoption of the FY23 budget, I respectfully request a complete evaluation of code enforcement activities provided across multiple departments to include:**

- How many full-time code enforcement staff positions are filled by department
- What code(s) fall under their jurisdiction
- Number and percentage of open requests/cases
- Duration of open requests/cases
- Amount of denied requests or requests not followed up on and reason for no action

Office of City Treasurer

Companies outside of San Diego are operating cannabis delivery services within City boundaries yet are not paying local taxes, adding to the sizeable market that is unregulated. New staff within the Office of City Treasurer should be added to help track these services and ensure appropriate taxes are collected.

- 1 FTE, to track outside cannabis delivery companies and collect appropriate taxes (Cost TBD)

Penny for the Arts Funding

The City's Penny for the Arts Program provides critical funding to our arts and culture programs that enhance San Diegans quality of life. Like other businesses, these mostly non-profit organizations in San Diego suffered enormous economic loss during the pandemic. The City must deliver on the promise of Penny for the Arts, working to restore funding and achieve the full 9.52 percent allocation in 5 years. This should be coupled with a commitment to work with the City's Commission for Arts and Culture to ensure that access, equity, and diversity remain a priority for all neighborhoods. **I request that the FY22 allocation of approximately \$7,000,000, equating to 4.0 percent of Citywide Transient Occupancy Tax (TOT) be increased to 5.25 percent of TOT in FY23.**

Office of Child and Youth Success

The FY22 budget included one year of funding to support a new Office of Child and Youth Success and the hiring of a new director is underway. I request continued funding for this position as well as additional funding in the FY23 budget to supply a Child Care Coordinator position. Any FY22 allocations for this Office not yet used should be poured back into the FY23 budget for continued support of the Office.

- 1 FTE, to continue FY22 allocation for Executive Director
- 1 FTE, to hire new Child Care Coordinator position

Library Materials Budget

The Mayor and Council increased the City's library materials budget in FY22, the first such increase in over a decade. Yet San Diego remains among the lowest in materials funding per capita when compared to peer cities with similarly sized library systems. I request the City increase the allocation for library materials to stay current in providing much needed books, electronic resources, system-wide databases, and other educational tools. **I request a \$250,000 increase from the FY22 budget.**

Funding for SDAccess4All

SDAccess4All has been a critical program to help bridge the digital divide throughout the pandemic. Since 2020, the program has provided free public Wi-Fi for residents at libraries, recreation centers, and over 240 hotspot locations throughout neighborhoods within the City's Promise Zone. **I request that \$510,000 allocated in FY22 be continued in FY23 for this successful program.**

Climate Action and Resilient SD

Implement Climate Action Plan Goals with a Focus on Environmental Justice

The recently released draft CAP 2.0 leads with the ambitious goal of reaching net zero emissions by 2035. The goal is futile without timely action and efficient funding. Targets and actions must be prioritized for implementation, beginning with fund allocation through the FY23 budget. As the CAP acknowledges, implementation must begin in communities that have suffered historic and systemic lack of investment and borne the brunt of poor air quality, lack of access to green space, and safe mobility choices.

I offer the following recommendations as priorities and await the City's implementation framework, as well as a robust public discussion and community engagement, to finalize:

- Hire a Chief Resiliency Officer who reports directly to the mayor and leads coordination across the City's multiple departments to implement the City's Climate Resilient SD Plan and related CAP actions (\$175,000)
- Fund the next phase of the public power feasibility study that was initiated in FY22 (Cost TBD)
- Complete the Citywide Mobility Master Plan to include specific projects, costs, and implementation timelines and demonstrate how the City's proposed network of sustainable transportation projects will reach the projected CAP emissions reductions (\$230,000 plus remaining FY22 funds for total of \$350,000)
- Continue funding for a Quick Build program with a goal of building out 10 miles of projects (\$10,000,000)
- Prioritize a portfolio of actions necessary to reach the City's tree canopy and equity goals including:
 - The completion of a Street Tree Master Plan to identify areas in need of additional tree canopy (Cost TBD)

- Creation of 1 FTE Urban Forest Program Manager position to focus on buying, planting, and maintaining trees in historically under-invested communities to ensure 35 percent tree canopy (\$150,000)
 - Reformation and expansion of City's Free Tree program (Cost TBD)
 - Continued funding allocation as FY22 to maintain the City's existing tree canopy and ensure public safety, tree health, and community benefits (\$3,170,000)
- Continue funding for Youth Environmental Recreation Corps Program (\$1,000,000)
 - Create and fund one new FTE for Citywide grant writer focused on Climate Mitigation and Resiliency (\$100,000)
 - Allocate funding to begin planning efforts for the draft CAP's most critical strategies, including:
 - Decarbonization Roadmap Plan to decarbonize existing buildings
 - City Fleet Vehicle Replacement and Electrification Strategy
 - City-wide Electric Vehicle strategy
 - Update to the City's 2015 Zero Waste Plan

Climate Resilient SD Implementation Plan

Like the CAP, San Diego's resiliency plan requires prioritization of actions and funding. City staff should lead the Adaptation Working Group to develop an implementation plan, including a precise estimate of associated costs for each proposed strategy, information on funding/financing sources, and identification of funding gaps. (\$300,000)

Integrated Water Management

The budget should prioritize a meaningful investment in stormwater infrastructure projects, the continued investigation into additional short- and long-term funding avenues for addressing existing deficits, and a holistic, efficient, and cost-effective exploration of solutions for regional water and climate issues. To advance these goals I request the following:

- Increased funding for the exploration of integrated water management solutions and necessary revenue, including a robust joint Public Utilities Department (PUD) and Stormwater Department stormwater harvesting analysis.
- Funding to ensure the Stormwater Department can meet and exceed the goals of the December 2018 Audit Committee report. This includes exploring and securing additional short- and long-term funding for stormwater-related operations and capital projects.

Open Space and Habitat Area Preservation

One of my priorities in supporting the City's Parks Master Plan (PMP) was to ensure a needs assessment of the City's Multiple Habitat Planning Areas (MHPA) within the Multiple Species Conservation Program (MSCP). Decades after program adoption, the City has not completed comprehensive habitat management planning for the MHPA nor conducted a budget assessment for optimal resource management. Completing the assessment will clarify how we are meeting our obligations, inform budget discussions, and advance CAP goals through the preservation of Open Space, wetlands, trees, and chaparral habitats. **I request that \$150,000 be allocated to an MHPA assessment as first step of the Trails Master Plan, as called for in PMP.**

Efforts to Prevent and Address Homelessness

Community Action Plan on Homelessness

I propose that the City continue to utilize recent reports by experts to build City capacity and expertise, as well as strengthen partnerships with external agencies and jurisdictions to reach the goals of the Community Action Plan that includes:

- 765 additional diversion interventions
- 350-500 additional crisis beds
- 800 additional Rapid Rehousing opportunities with one-year subsidies and services and 345 additional Rapid Rehousing Opportunities with three years of subsidies and services
- 3,500 additional Permanent Supportive Housing units / subsidies

Pilot Subsidy Program Supporting Older Adults

San Diego's last Point-In-Time Count reported that one in four of San Diego's residents experiencing homelessness were 55 years of age or older. Forty-three percent of homeless older adults reported this was their first-time experiencing homelessness and 88 percent became homeless in this City. A 2021 needs assessment conducted by Serving Seniors found that 56 percent of older adults surveyed needed \$300 or less to feel rent secure. This is a small investment to keep some of our most vulnerable residents in their home. **I request the City partner with other agencies to create a pilot program with an allocation of up to \$2,000,000.**

Seed Funding for Affordable Housing Preservation Fund

The 2020 *Preserving Affordable Housing in the City of San Diego* study identified an inventory of 70,000 affordable homes in the City and noted that 2,600 deed-restricted and 66,000 naturally occurring affordable homes (NOAH) had been lost in the City since 2000. Further, the study warned an additional 4,200 deed-restricted and 32,000 NOAH units could be lost by 2040. The City receives Redevelopment Property Tax Trust Funds (RPTTF) each year that go directly into the General Fund, even though redevelopment projects when active required 20 percent of funds to be set aside for affordable housing. I request that 20 percent of the City's FY23 RPTTF be dedicated as seed funding for a public/ private Affordable Housing Preservation Fund. The City received approximately \$40,000,000 in RPTTF in FY22, and **I request approximately \$8,000,000 be dedicated from the RPTTF to housing preservation as part of the FY23 budget.**

Community Outreach

Standardized Community Outreach for City Led Initiatives

The City is increasingly collaborating with Community Based Organizations (CBOs) to tap into their community knowledge and relationships, especially for some of our most vulnerable communities not engaged by the City previously. I applaud this work and urge the City to allocate \$500,000 to contract with CBOs this next fiscal year on City-led planning efforts such as the CAP, Climate Resilient SD, digital equity, and Parks Master Plan to advance authentic partnerships and greater trust with hard to reach and vulnerable populations. Further, I request the City produce equitable engagement principles and baseline engagement standards to maintain consistency and success across multiple departments. **I request a minimum of \$500,000 to contract with CBOs for outreach and input on City-led initiatives, programs, and planning efforts.**

Community Planning Group Support

Community Planning Groups (CPGs) are a 60-year tradition in the City. As we transition their role in updating Council Policy 600-24, **I request the City continue to provide the annual \$500 stipend for the 42 existing CPGs and provide a first-time annual stipend of \$1,000 for the Community Planners Committee.** (\$22,000)

Creation of a Citywide Language Access Program

The 2018 American Community Survey reported that thirteen percent or 96,559 of San Diegans over the age of 18 do not speak English well or do not speak English at all. The City Clerk introduced a new program last year for individuals to call into City Council meetings and provide comments in 200 languages. This initiative is a significant first step, however, this work should progress to ensure meeting materials are available in other languages and language translation services are provided. **I request funding in the FY23 budget to provide these services, starting with a linguistic diversity study to guide City decision-making and budgeting.** (Cost TBD)

Additional Priorities

Pilot Program: Increase Feminine Health Access

Nearly two-thirds of low-income women with periods in the US reported last year they were unable to afford menstrual products, frequently being forced to decide between purchasing food or other necessities and menstrual products. The County of San Diego successfully launched a pilot Free4ME program in 2020 to promote menstrual equity by increasing access to free feminine hygiene products in County facilities. The County installed 58 menstrual product dispensers in 24 County-owned public facing facilities and found success in the program. **I request the City initiate a similar Free4ME program to place feminine hygiene products in 92 city-owned facilities, targeting libraries, recreation centers, and beach comfort stations, especially within Communities of Concern (COCs).** (\$83,000)

Municipal Code Modernization

It has been more than two decades since the City's Municipal Code received a major update. Limited funds will continue to delay that much needed update. As an initial step, to make the Code more accessible and contribute to streamlining the permit process, **I request that the City modernize the format of the Code to make it easier to navigate and cross-reference.** (\$250,000)

Public Banking

AB 857 was signed into law in 2019, creating the opportunity for local governments to charter a municipal bank. The act lays out specific requirements to prove viability, which would be addressed through a feasibility study that meets the requirements of the California Department of Business Oversight and the stipulations in the act itself. I request funding to complete a feasibility study for public banking following the examples of Los Angeles and San Francisco. (\$250,000)

Neighborhood Improvements

Carmel Valley

- Complete traffic and pedestrian evaluation of Carmel Valley and Pacific Highlands Ranch as identified in the Carmel Valley Livability Subcommittee Report (FBA)
- McGonigle Canyon Park GDP (FBA)
- Repave Del Mar Heights Road between Carmel Country Road and Landsdale, especially in front of Torrey Pines High School
- Repave High Bluff Drive between Del Mar Heights Road and El Camino Real
- Repave Carmel Creek Road between Carmel Country Road and SR-56
- Carmel Mountain Road Roundabout at Carmel Country Road (FBA, CIP B21102)
- Complete Village Center Loop Road to connect with Carmel Valley Road (partial FBA)

Northerly Areas

- Repave Via De La Valle between I-5 and San Andreas Drive once the utility undergrounding work is complete. Interim attention to pothole repair in the unmarked bicycle lanes is needed now.
- El Camino Real realignment (CIP S00856)

Del Mar Mesa

- Construction of additional parking at Elizabeth Rabbit Park per recommendation of the Transportation Department
- Update and amend the Del Mar Mesa Specific Plan to reclassify the Camino Santa Fe (Little McGonigle Ranch Road) 2 Lane Collector to the proposed Emergency Access Road and Public Trails Project connecting Carmel Valley Road with Del Mar Mesa which can be used by Fire Station 47 to access the Del Mar Mesa community and meet recommended response times
- Connect Del Mar Mesa to the existing recycled water/purple pipe at Carmel Country Road and Del Mar Mesa Road, including water meters and a circulation loop connecting at Carmel Mountain Road for appropriate redundancy

Del Mar Heights

- Construct traffic signal at Del Mar Heights Road and Mercado Drive
- Expedite street resurfacing and expand scope of the delayed project to include deteriorating roads including, Racetrack View Drive.
- Add protected bikeways on Torrey Pines Road as part of City's Quick Build initiative.
- Secure State Funds for Los Pen Lagoon Restoration Ph 1, habitat restoration and flood prevention of the Los Peñasquitos Lagoon and surrounding low-lying areas of the community. (CIP B17033)

University City

- Complete design and fully fund first phase of construction for Marcy Neighborhood Park (CIP B19188, Estimated Project Cost \$1,546,000, partially funded)
- Begin design of the South University City Library improvement and expansion (\$500,000)
- Three streetlights in Vista La Jolla Subdivision
- Construct Coastal Rail Trail (CIP S00951)

La Jolla

- Torrey Pines Fire Station (CIP S19003, UCSD funded)
- Coastal Access/Viewing
 - Add handrail to Ocean Access south of the Marine Room
 - Repair/replace the railing at the beach overlook at Moss Lane
 - Repair cliff subsidence along Coast Walk Trail, focusing on the eroded section encroaching into the trail at the rear of 7981 Prospect Place.
 - Complete parking realignment and vehicular turnaround at the terminus of Coast Walk
 - Replace Ocean access stairs at Sun Gold Point/ Camino de la Costa
- Shoreline Parks
 - Repair drainage at Northern Restroom, Kellogg Park (CIP B20120, private funding)
 - Widen existing sidewalk along Coast Boulevard at Ellen Browning Scripps Park
 - Secure parking lot at Kellogg Park to prevent overnight parking (\$6,000 contracted services)
- Roads and Sidewalks
 - Update the traffic evaluation of the La Jolla Parkway/Torrey Pines Road intersection (aka the "Throat") and surrounding streets, to re-synchronize the traffic signals and identify any needed surface improvements.
 - Construct sidewalk from Azul Street to Poole Street
 - Complete the next phase of the Torrey Pines Corridor Improvement Project
 - Prospect Ave Roundabout at Silverado Street and Draper Avenue
 - Repave/replace Neptune Place from Nautilus Street to Palomar Avenue