



THE CITY OF SAN DIEGO

OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

Date Issued: June 3, 2020

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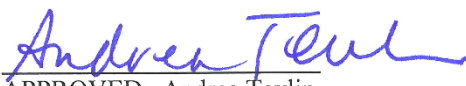
FY 2021 Councilmember Budget Modification Memoranda

As part of the FY 2021 budget development process, Councilmembers submitted budget modification memoranda to our Office on May 22, 2020, which are included in their entirety as attachments to this report. These memos identify specific expenditure priorities and potential new funding sources not included in the FY 2021 Proposed Budget or the May Revision.

Our Office reviewed the budget modifications mentioned by a majority of Councilmembers in their memoranda, and we discuss these prioritized expenditures in IBA Report 20-11 (Recommended City Council Modifications to the Mayor's Proposed FY 2021 Budget and Review of the May Revision). In that report we recommend funding for all of the City Council's majority expenditure priorities, plus several other items that are high priority and/or high impact and can be supported with available funding. The IBA's final budget recommendations will be considered by the City Council at the meeting of June 8, 2020.



Angela Colton
Fiscal & Policy Analyst



APPROVED: Andrea Tevlin
Independent Budget Analyst

Attachment: Councilmember Budget Modification Memoranda



**COUNCIL PRESIDENT PRO TEM BARBARA BRY
CITY OF SAN DIEGO
DISTRICT 1**

MEMORANDUM

DATE: May 22, 2020
TO: Independent Budget Analyst Andrea Tevlin
FROM: Council President Pro Tem Barbara Bry *Barbara Bry*
SUBJECT: Final Budget Priorities for Fiscal Year 2021

The world today is starkly different from when I issued my initial budget priorities for Fiscal Year 2021 (FY21) in January. COVID-19 has upended life in the City of San Diego and across the world. We have had to suddenly adjust to a new reality as we practice social-distancing to stop the spread of the novel coronavirus. Without warning, restaurants, gyms, schools, and hotels, and thousands of our small businesses shuttered their doors. Consequently, unemployment skyrocketed, and our city's revenues plummeted. It is unclear how long it will take to recover from this economic and public health crisis. What is clear is that we, as elected officials, must chart the course for an equitable and inclusive economic recovery. This will require difficult decisions. Through my experience in the business world, I know that tough times create the opportunity for positive change. We now have the opportunity to build an inclusive new San Diego for everyone.

Cognizant of the extraordinary financial hardships facing the City, I have outlined my final budget priorities for FY21. My highest priority is to protect our core services. This is achievable and must include completing the sale of the Mission Valley Stadium site to San Diego State University as soon as possible, extricating the City from the 101 Ash lease, and identifying resources to deliver our core services.

Final FY21 Budget Priorities

Protect our Core Services

As mentioned, my highest priority is to protect our core services from budget cuts. This includes public safety, libraries, parks and recreation (including our lakes and reservoirs,) tree trimming, and code enforcement. I support the restoration of the 16 Full Time Employees (FTEs) to the Code

Enforcement Department, the restoration of funding to open our Recreation Centers, and the allocation of \$1.1 million to fund untested rape kits in the May Revise. Yet, there are still vital programs that did not see funding restored. Therefore, I recommend the following:

- Restore Library Hours (Sunday and Monday) \$6,806,480
- Restore Tree Trimming services to FY 2020 levels \$1,800,000
- Restore Weed Abatement services to FY 2020 levels \$756,000
- Restore funding for Brush Management services to 509 acres from 466 acres \$411,000
- Restore South University City Fast Response Squad \$389,186
- Restore funding to STAR/PAL Unit \$1,400,000
- Restore funding to Domestic Violence unit Civilian support staff \$148,565
- Restore funding to reopen City reservoirs for recreation \$400,000
- Restore funding for Water Contact program at El Capitan Reservoir and the Waterfowl hunting season at Barrett Reservoir \$108,501
- Restore funding for wastewater disposal contractual services at City reservoirs \$140,000
- Restore funding to City Auditor’s Office \$295,000
- Restore funding for Graffiti Abatement to FY 2020 Levels \$268,000
- Restore the 2-person Pothole Crew eliminated \$130,000
- Fund additional refuse pickup in the Mission Beach Community \$70,000
- Total* *\$13,122,732*

Build an Inclusive Recovery

To ensure any economic recovery plan crafted by the City is equitable and inclusive, I recommend the following:

- Close the digital divide and offer citywide broadband internet access to enable all residents the ability to connect with local government, telemedicine, education, and other services. I request \$250,000 be allocated for a pilot program, beginning in our low-income communities. My office will be presenting a long-term strategy in the next month.
- Of the \$12 million allocated to provide financial relief to local small business and non-profits hurt by COVID-19, I request the City set aside 35%, or \$4.2 million, to create a COVID-19 Resurgent Fund for minority businesses and nonprofits. Additionally, \$1.8 million must be allocated for technical assistance. \$1 million must be set aside for small businesses inside the City’s Low-and-Moderate Income Census Tract. The City must also work with its community partners to ensure that language is not a barrier to apply for these funds, and that the funds are distributed equitably.
- Restoration of the Living Wage Program Senior Management Analyst (\$102,887) to continue current levels for compliance and enforcement of Living Wage and Prevailing Wage and violations of wage theft.

Infrastructure

- Initiate the Del Mar Heights Road and Mercado traffic light project
- Allocate funding to begin design of the South University City Library improvements and

expansion

- Fully fund first phase of construction for Marcy Neighborhood Park improvements
- Allocate funding for the Coastal Rail Trail (Gilman Drive from the La Jolla Colony Drive to La Jolla Village Drive)
- Initiate construction of the Village Loop Road
- Fully fund the transportation evaluation of Carmel Valley and Pacific Highlands Ranch as identified in the Carmel Valley Livability Subcommittee Report
- Repair/Replace the railing at the beach overlook at Moss Lane
- Repair cliff subsidence along Coast Walk, focusing on the eroded section encroaching into the trail at the rear of 7981 Prospect Place
- Secure funding to open and close the gate at the parking lot at Kellogg Park to prevent overnight parking
- Initiate construction of sidewalk from Azul Street to Poole Street
- Fully fund Sherman Heights Community Center Playground
- Infrastructure Fund True-Up Payment, as per Prop H \$5,000,000

Reexamine How the City Operates

Many City employees are working from home and delivering high-quality service to our residents. By shifting to a permanent distributed workforce, the City will cut costs, increase savings, and maximize efficiencies. To this end, I recommend:

- Restructure the City’s workforce by offering cost-saving work from home and flex work opportunities
- Terminate and/or renegotiate all real estate leases to align with new work from home and flex work opportunities
- Furthermore, the City should be asking itself these questions:
 - How many city employees can continue to work remotely?
 - Considering how many employees will be working remotely, how much office space does the City need?
- Examine the top-heavy high-salaried management from Assistant Chief Operating Officers to Deputy Directors to streamline efficiencies and create cost savings

FY21 Funding Resources

A fiscally sound and balanced budget requires identifying resources for spending. Therefore, I present the following as alternate resources for both one-time and on-going expenses as appropriate:

One-time Funds

- Sale of Mission Valley site as per Measure G

- General Fund one-time revenue \$20,000,000*
- Elimination of budgeted operating expenses \$4,000,000

On-going Expenses

- Extricate City from 101 Ash Street lease \$10,400,000
- Cease Smart Streetlight spending \$1,300,000
- No new programs, positions, expansions and departments
 - Mobility \$615,000
 - Homeless Services \$486,901
 - Storm Water \$382,000
 - Cultural Affairs \$56,000
 - CleanSD \$6,700,000
- Renegotiate City’s Contract with SWEEP
- Freeze general fund hiring through September 30 except to replace individuals who leave
- Expand use of Commercial Paper

Suspense File

Below are important programs and projects the city should review for implementation after the financial impacts of COVID-19 have become clearer and the City’s Department of Finance has gathered more data to share with the City Council in their quarterly budget monitoring reports and beyond 2020.

- \$250,000 for a Climate Action Campaign Update—re-open the plan to make adjustments that will reflect the new world of a larger remote work force, etc.
- Hire a consultant to conduct a travel survey at least every two years to complement counts,
 - \$400,000 every two years for travel survey;
- Take advantage of low-cost bike and pedestrian counters
 - \$25,000 annually for counters
- Additional funding for tree planting, inspections, maintenance, and other activities included in the Five-Year Urban Forest Management Plan.
- Hiring one more arborist/horticulturalist
- Improvements to the Mission Bay Golf Course

Thank you for your consideration of the priorities I have outlined here. In summary, I have requested funding to be restored to core services, \$13,122,732, \$250,000 for a pilot program for universal broadband internet access, \$102,887 to restore the position cut from the Living Wage Program, \$5,000,000 for the True-Up payment of the Infrastructure Fund, and \$2,000,000 of one-time funding contingent on the timely sale of the Mission Valley Stadium site totaling \$20,475,619. Above, I identified sources of funding totaling \$43,939,901. With the financial uncertainty the City is facing, I request that any unused funding be placed in a COVID-19 Revenue Reserve, to safeguard the City as we navigate through these unprecedented times. If you have any


* I recommend \$2 million be set aside to restore Arts and Culture funding

questions or concerns, please contact Budget Committee Consultant Mauricio Medina at mauriciom@sandiego.gov or (619)-236-6159.



**COUNCILMEMBER JENNIFER CAMPBELL
COUNCIL DISTRICT TWO**

M E M O R A N D U M

DATE: May 22, 2020
TO: Andrea Tevlin, Independent Budget Analyst
FROM: Councilmember Jennifer Campbell 
SUBJECT: Fiscal Year (FY) 2021 Budget Priorities

The FY21 budget is facing a revenue shortfall of \$350 million due to the disruption of one of the City's major revenue sources: tourism. Over the longer term, our city must develop new revenue generating streams to move away from an over-dependence on only a few sectors of our economy.

In the meantime, the City can leverage \$270 million in federal and state relief funding to help with the additional expenses incurred by the COVID-19 pandemic. Additional emergency funding is also being considered but it is not known at the time of this budget formation whether or when these funds will be available.

Forgoing the creation of new departments would be in the city's best interest at this time. This is because of the current economic hardships of our budget and the fact that we must not rely on temporary funding sources, which would only leave the Council with the future decision of eliminating those departments or making cuts to other parts of the budget. This includes Storm Water, Cultural Affairs, Mobility, and Homelessness Strategies Departments.

The City of San Diego must prioritize investment in key areas, ensure basic services are maintained, and strategically leverage all available funding sources.

I am pleased to share my updated budget priorities which fall into the following categories: City Operations and Functions, Housing & Homelessness, Environmental Protection, Economic Development, Public Safety, Infrastructure, and Neighborhood Services.

CITY OPERATIONS AND FUNCTIONS

Given the additional emergency relief funding the City should endeavor to maintain staffing levels, as outlined by the Municipal Employee Association, to avoid service level impacts. To maintain efficiency and transparency, the budget should also avoid cuts to preserve staffing and funding levels for the following:

- **City Auditor**
- **City Attorney**
- **City Clerk's Office**
- **Development Services Department**

ECONOMIC DEVELOPMENT

Small Business Relief Fund – The city should consider ways to improve the processing and distribution of the existing relief fund before adding additional funding into the fund. In addition, any new funds should prioritize under-represented business owners including legal residents who are disqualified from accessing these funds without a social security number.

Living, Minimum Wage, and Earned Sick Leave Programs – Preserve funding for this already underfunded, understaffed office to assist low-wage workers navigating through the fallout of COVID-19.

Translation and Interpretation Services – Fund necessary mechanisms to reduce language barriers for city resources and programs by making translation and interpretation services available to all San Diegans.

HOUSING & HOMELESSNESS

Addressing homelessness requires strategic investments aligned with the Community Action Plan. In the face of the COVID-19 pandemic, these resources are evermore critical. Below are key items related to addressing homelessness:

Landlord and Tenant Assistance – Consider utilizing emergency relief funding to support landlord and tenants that have been impacted by COVID-19. This may also include tenant and legal counseling on available assistance programs.

Community Action Plan – Maintain existing funding and utilize emergency relief funding to meet the goals of the Community Action Plan on Homelessness, including outreach, diversion, wrap around services, and permanent supportive housing.

Convention Center Project – Utilize relief funding to support the goals of the Convention Center Project in absorbing existing bridge shelter capacity and include plans for relocating homeless individuals once the distancing orders are lifted.

Homeless Strategies Department – While there may be value in creating this department, given our budget deficit, brought on by COVID-19, and the fact that a new administration is coming in 7 months, this is not the time to form new departments. In addition, using temporary funding sources to fund permanent departments would leave the Council with the future decision of eliminating the department or making cuts to other parts of the budget.

ENVIRONMENTAL PROTECTION

Protecting the environment is vital for sustaining healthy communities and a vibrant economy. Investing in the items below will promote public and environmental health.

Climate Action Plan – Restore funding to meet the goals of the city Climate Action Plan.

Environmental Services Department – Maintain departmental funding to assist with cleanups associated with encampments in and along our canyons, creeks, and rivers.

Brush and Weed Abatement - Restore funding to the Public Works Department to address potential wildfires in canyons and open spaces due to encampments and overgrowth.

Sunset Cliffs Natural Park Linear Section – Funding for improvement and maintenance planning should be included in the budget to preserve and protect the 1.5 mile shoreline that features wildlife, sculpted cliffs, ocean vistas, and historical, geologic treasures.

Tree and Palm Planting and Maintenance – Restore funding to increase tree and palm planting, pruning and maintenance programs that safeguard and increase our urban forest canopy.

Storm Water Drains and Channels - Allocate funding to support storm water infrastructure maintenance activities, channel clearing, and neighborhood projects with attention to our boardwalks and beach areas that experience periodic flooding. Also include funding to address the drainage issues at the Kendall Frost Marsh Preserve on Mission Bay.

PUBLIC SAFETY

Community Resource Access Program – Maintain funding for Community Paramedicine, a community-based healthcare model designed to provide more services at a lower cost.

Lifeguard Positions – Support funding requests for lifeguards including one Sergeant and one Lieutenant Boating Safety Unit.

Ocean Beach Lifeguard Station - Allocate funding for a replacement station that would serve as a joint use facility for SDPD and our Lifeguards serving Ocean Beach. Specifically, include the full design as a top priority.

Police & Fire Dispatchers - Additional safety dispatchers in both Departments to provide optimal services in emergency situations.

Police Technology Upgrades- \$300,000 for ARJIS phones to improve efficiency. In addition, improved emergency communication near the Point Loma Wastewater Treatment Plant.

STAR/PAL Program – Restore funding for this program which helps many San Diego youth.

NEIGHBORHOOD SERVICES

The City budget should support all departmental efforts in becoming more efficient and responsive to the needs of all San Diegans.

Ocean Beach Library Expansion – Commit funding to expedite the completion of the expansion. The FY2021 budget should fully fund the design phase of this long overdue update to the library.

Restore Library Hours – Fully restore library hours to seven days per week to avoid taking this vital resource away from our communities.

Clairemont Library on Burgener Boulevard – New improvements are recommended as follows: New paint, flooring, bathroom remodel, modern energy efficient lighting, upgrade community rooms, replace landscaping and improve outside signage.

Improved Code Enforcement - Support and fund additional inspectors and compliance officers in the Development Services Department. Allocate funding to consider establishing an online system to clearly track the resolution process for reported code violations.

Arts and Culture Programs (Penny for the Arts) - Supporting the Penny for the Arts is essential for our local non-profit organizations that provide arts education programs, cultural festival and fairs, and community events throughout the city.

ADA Compliance and Enforcement – Preserve funding for the Accessibility Advisory Board to ensure equitable access for all San Diegans.

Second Trash Pick-up in Mission Beach- Continued funding to Environmental Services for bi-weekly pick up and additional trash pickup during the summer months.

INFRASTRUCTURE & SUSTAINABILITY

Below are key investment requests for specific street improvements, coastal access, pedestrian and bicycle safety, and recreation center improvements, gathered with community input. These items should be part of the City’s larger goals of investing in sustainable infrastructure.

Coastal Access Points

Many coastal access points have eroded and need maintenance and repairs. Investing in the access points below will ensure that residents and visitors can continue to safely enjoy our beautiful coastline.

Bermuda Avenue Access Point - \$1.2 million for coastal access and seawall repair.

Orchard Avenue Access Point - \$131,331-Orchard Avenue, Capri by the Sea & Old Salt Pool.

Santa Cruz Avenue Access Point - \$3.8 million for Santa Cruz Avenue stairs and walkway.

Ocean Beach Pier – Include funding to evaluate, repair, and maintain the pier.

Silver Spray Alley Access Point – Repair Silver Spray Alley coastal and tide pool access.

Boardwalk Seawall – Repair seawall in Mission and Pacific Beach.

Street Improvements

Maintaining funding for street improvements will enable the City to address maintenance and repair needs so these costs do not balloon into higher expenses in the future.

Street Lighting Repairs – Maintain funds to repair street lights with new bulbs and ensure safety in our communities: Rosecrans Avenue; North Pacific Beach (Crown Point); Ute Street; Alcott Street; Foothill Boulevard & Vickie Drive; Foothill Boulevard & Tourmaline Street; Hornblend Street between Mission Boulevard & Fanuel Street; Voltaire Street; Garnet Avenue between Ingraham Street & Lamont Street. Felspar Street between Mission Boulevard & Ingraham.

Morena District – Modify the transition between 1) Morena Boulevard & West Morena Boulevard and 2) Linda Vista Road & West Morena Avenue to a traditional T-intersection.

Pothole Repair Crew - Restore the 2-person Pothole Crew eliminated in the Mayor's Budget

Roundabouts – Communities in District 2 have called for the installation of roundabouts to improve safety: Foothill Boulevard at Loring Street; Voltaire Street & Poinsettia Drive; Catalina Boulevard; Hill Street; Santa Barbara Street; Rosecrans & Bessemer Street; Foothill Boulevard & Vickie Drive; Foothill Boulevard & Tourmaline Street; Foothill & Loring; Foothill & Vickie. Foothill & Tourmaline; Foothill & Opal; Crown Point Drive & Lamont; La Cima & Moreland; Diamond at Cass; Diamond & Fanuel; Reed & Cass; Reed & Fanuel.

Midway Corridor Quiet Zone – Finalize the establishment of the Train Horn Quiet Zone along the Midway corridor.

Pedestrian & Bicycle Safety

In the areas mentioned below, there are clear pedestrian safety and access issues that need to be addressed to provide safe and convenient access for residents.

Balboa Avenue Station – Project #586601: improve overpass pedestrian and bicycle access.

Clairemont Drive Cycle Tracks – Install cycle tracks on Clairemont Drive between Fairfield Avenue to Balboa Avenue to encourage alternate transportation usage.

Continental Crosswalks - (Countdown Timer where appropriate): On Garnet at Bond, Bayard, Fanuel, Gresham, Haines, Ingraham, Jewell; Kendall, Lamont; Morrell, Noyes, Soledad Mt. Road, and Pendleton. Add pedestrian signal countdown timer at Shelter Island and Rosecrans.

Flashing Beacons - Moorland Drive & Ingraham Street; La Mancha Drive & Crown Point Drive; Soledad Road & Los Altos Way; Voltaire Street & Froude Street; Soledad Mountain Road & Los Altos; Ingraham Street & Fortuna Avenue; Garnet Avenue at Kendall, Morrell, & Noyes streets.

Famosa/Catalina Corridor - Evaluate and dedicate funding for safety recommendations between Voltaire Street and Valeta Street.

Ocean Beach Improvements - Phase 3 of Ocean Beach entryway. Traffic calming measures and protected pedestrian access to bus stop at West Point Loma Boulevard & Cable Street. Pedestrian Crosswalk at Niagara & Sunset Cliffs; Safety improvements where Sunset Cliffs Avenue, Nimitz Boulevard, & I-8 meet. Sunset Cliffs Boulevard at OB Elementary School. Repair the light fixtures on Newport Ave which have compromised bases.

Rose Creek Bike Path – Fund additional safety enhancements to this access way.

Morena Corridor – Project #58260 - Improve overpass pedestrian and bicycle access.

Pacific Beach Sidewalk Improvements - Garnet repairs between Mission Boulevard & Ingraham Street. Flashing crosswalks with countdown signals along Foothill Boulevard near PB Elementary. Pedestrian safety measures on Hancock Street Between Withery & Noel streets; Complete PB Pathways Phase 3; Widen Balboa Avenue I-5 underpass to better accommodate pedestrian and other forms of mobility traffic. Marked crosswalk at Chatsworth & Plumosa.

Recreation Center Improvements

Many of our recreation centers in District 2 are due for upgrades which would underscore the city’s commitment to supporting our growing communities.

South Clairemont Recreation Center - New signage, energy efficient lighting, bathroom and kitchen renovations, and replacement of playground equipment.

Pacific Beach Recreation Center - The roof has significant leaking, which has caused the weight room equipment to be out of commission.

Intersection Modifications at Longfellow Elementary – Improve Milton & Burgener streets for safety concerns not mediated by existing precautions in place.

REVENUE OPPORTUNITIES

To address funding our budget priorities, the following are possible funding sources:

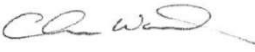
- **Cannabis Tax Revenue:** Utilize increases in this revenue to support priorities.
- **CARES Act Funding:** Utilize the \$250 million in relief funds for one-time needs.
- **Contract Spending:** A 4% reduction in contract spending equals \$9.8 million.
- **Convention Center Long-Term Marketing:** \$2.1 million in savings.
- **Fleet Replacement Fund:** Utilize a portion of the fund for one-time needs.
- **Public Liability Reserve:** Utilize excess \$1.7 million balance for one-time needs.
- **Homeless Housing, Assistance, and Prevention Program (HHAP):** Heed the guidance of the San Diego Housing Commission on the use of this grant funding.
- **Short-Term Vacation Regulations:** Potentially significant revenue generator

- **Signage for Street Sweeping:** Increased signage for street sweeping would generate additional city revenues.
- **VVSD Savings:** \$2.5 million in savings from the VVSD bridge shelter relocation.

I look forward to working with my council colleagues, Mayor's Office, Independent Budget Analyst Office, and San Diego residents to produce a budget that is balanced and sound while meeting the needs of communities throughout San Diego, especially as we begin to recover from the impacts of the COVID-19 pandemic.



COUNCILMEMBER CHRISTOPHER WARD
THIRD COUNCIL DISTRICT
M E M O R A N D U M

DATE: May 22, 2020
TO: Andrea Tevlin, Independent Budget Analyst
FROM: Councilmember Chris Ward 
SUBJECT: Budget Priorities for Fiscal Year 2021

The impacts of the global COVID-19 pandemic have been significant. More than 1 in 4 San Diegans face unemployment, families are struggling to pay rent, and businesses are fighting to remain open. Drafting the City's Fiscal Year 2021 budget at this time is unlike anything in our City's history. I appreciate important restorations to City services made in the May Revision to the FY21 Budget that reflect community needs. However, I believe that a much larger investment in direct support to San Diegans impacted by COVID-19 is critically necessary.

Upon review of the Mayor's May Revision, this memorandum outlines my priority recommendations for the Fiscal Year 2021 budget including much needed investments in San Diegans, additional restorations of key personnel and core City services, and support for the Mayor's proposed departmental restructuring. I propose that achievement of these goals should be made possible through the use of funding in the City's Public Liability Funds and Pension Payment Stabilization Reserve. These funds should maintain healthy reserves, yet I believe the City has a responsibility to utilize a small portion of these reserves to maintain key personnel and continue to provide excellent services to San Diegans.

CARES ACT FUNDING

Federal CARES Act funding will provide much needed relief to the City's budget, and I recognize the City's ability to use these funds to recover costs incurred due to COVID pandemic is an important part of maintaining core services. However, a larger percentage of this funding should go towards providing direct assistance to San Diegans. Where the City has extended financial assistance to small businesses and will continue to do so, we have not offered commensurate assistance to renters.

I propose the use of \$61,900,000 of the City's CARES Act Funding to create an Emergency COVID-19 Rental Assistance Program. Such a fund will offer a critical lifeline to both renters and landlords to

prevent evictions, put money into landlords' pockets to help them pay their own mortgage, and provide direct support to our local economy. Such a program should include direct assistance for renters, as well as funds for administration and assistance to qualifying non-profit organizations to help with tenant counseling, outreach and education to ensure program success.

Specifically, I propose to repurpose \$21,100,000 of the CARES Act funding from the San Diego Police Department payroll, \$21,100,000 from the Fire-Rescue Department payroll, and \$19,700,000 from Operation Shelter to Home, to ensure a \$61,900,000 for rental assistance. This recommendation is underscored by the urgent need to provide direct cash assistance to San Diego's families hardest hit by the COVID-19 pandemic to help pay rent in a time of crisis. Without this type of assistance, these families run the risk of losing their homes, through no fault of their own. In contrast, while financial support for payroll is laudable, and eligible for CARES Act funding assistance, the same assistance can be provided through the City's General Fund Reserve. Maintaining \$20,000,000 in Operation Shelter to Home allows for this valuable program to continue operating through August, when the convention center should start to transition back to normal bookings. Further, additional Operation Shelter to Home expenses can be reimbursed via funding disbursed via the Federal Emergency Management Agency.

Police Payroll, Staffing and Supplies

May Revision to the FY21 Budget: \$42.2 million

*Proposed Revision: (-\$21.1 million) to new total of \$21.1 million

Fire-Rescue Payroll, Staffing and Supplies

May Revision to the FY21 Budget: \$38.9 million

*Proposed Revision (-\$21.1 million) to new total of \$17.8 million

Operation Shelter to Home

May Revision to the FY21 Budget: \$39.7 million

Proposed Revision: (-\$19.7 million) to new total of \$20.0 million

*Funding to be offset through General Fund Reserve and Pension Payment Stabilization Reserve

INVESTMENT IN CORE CITY SERVICES

Public Liability Funds, which support costs to the City related to claims against the General Fund, were increased \$6,000,000 in the FY21 budget when compared to the FY20 Adopted Budget. Maintaining a healthy reserve of these funds is recommended. However, it should not come at the expense of eliminating core City services that could lead to greater liability. The FY21 budget proposes dramatically cutting or reducing numerous core services provided by the Transportation Department. I propose to restore some of these core services such as tree trimming, sidewalk repair, and pothole repair through the use of Public Liability Funds. Investments made to improve sidewalk conditions, maintain streets and trim trees will further protect the City from incidents related to their upkeep, or lack thereof.

Approximate cost: \$1,817,000 to restore shade tree trimming service levels

\$600,000 to support sidewalk repair

\$130,000 to restore pothole repair service levels

INVESTMENT IN CITY STAFF

The May Revision to the FY21 Budget restores a net of 96.82 positions, which is an important start to maintaining a stable workforce and stable service levels. Yet, 45 permanent, filled positions remain as proposed cuts. With relief provided by CARES Act Funding to offset other expenses, it is possible and necessary to maintain these positions. Continuing the proposed layoffs will negatively impact the City's already understaffed workforce. The cost of restoring these positions is approximately \$4,000,000. These should be restored and maintained using funding from the City's Pension Payment Stabilization Reserve.

Approximate cost: \$4,000,000

CITY DEPARTMENT RESTRUCTURING

Homelessness Strategies Department

I remain supportive of the creation of a Homelessness Strategies Department to offer comprehensive management of the City's programs and services for our unsheltered neighbors. The City, in partnership with the San Diego Housing Commission, has taken great strides to expand funding and programs for unsheltered individuals. This department will help to centralize efforts and offer more oversight, including grant funding and programming.

Mobility Department

I remain supportive of the creation of a standalone Mobility Department in the City and appreciate the Mayor's efforts to successfully create this department as a budget-neutral action within next year's fiscal budget. San Diego is one of the few major U.S. cities not to have its own mobility department, and creation of this department should remain a priority.

Approximate cost: Budget neutral

Storm Water Department

The City has accumulated a historically large backlog of both storm water and infrastructure needs. Creating this department and hiring a new director can and should help the City focus on the complexities of existing and future stormwater needs and regulations, on the successful continuation of the Pure Water program, and on the development of a comprehensive funding and operations strategy that meets storm water quality requirements and which are critical to protect our communities.

Department of Cultural Affairs

I support the creation of this new department by merging Arts and Culture Commission program staff with the Office of Special Events and Filming to centralize the City's engagement with the arts, culture and creative industries. I recommend eliminating the 1.0 FTE Program Manager position as proposed to provide some cost savings.

Approximate savings: \$116,560

PUBLIC SAFETY

Clean SD

The FY21 budget includes \$3,200,000 in one-time funding to continue the program at FY20 levels. At least half of this money should be made up through the expenditure of CARES Act funds, reducing the budget expenditure to \$1,600,000 to maintain FY20 funding levels.

Approximate savings: \$1,600,000

San Diego Family Justice Center

San Diego's Family Justice Center plays a critically unique role in the City to support clients who are fleeing abusive situations. The City Attorney's Office requested a security guard and clerical support for the Center but it is not included in the FY21 proposed budget. The City should restore the security and administrative costs to the budget to offer an additional layer of security for the individuals served. Specifically, I request the restoration of an armed security guard and 2.0 FTE clerical assistants to better serve their clients.

Approximate cost: \$56,600, 1.0 FTE Security Guard
\$115,000, 2.0 FTE Clerical Assistant 2

NEIGHBORHOOD SERVICES

Library Department

Libraries are critically important community resources which San Diegans have come to depend on, and keeping their doors open can offer an important source of communication and community cohesion. The City has worked to restore library hours in recent years and maintaining a high level of service should be a priority. I recommend that the City restore approximately 2/3 of the proposed cut of \$6,400,000 funding to library operations to restore 10 of the 15 hours of operation to be cut.

Approximate cost: \$4,262,000 for library hours

ECONOMIC DEVELOPMENT

Arts & Culture Programs

The arts and culture community of San Diego is one of our City's unique assets and valuable economic engine. The FY21 proposed budget would decrease the program by \$6,300,000, a 44.3% decrease from FY20. The non-profit organizations that lead this community have suffered enormously during the Coronavirus pandemic, similar to small businesses. Just as the City has extended financial assistance to small businesses via the Small Business Relief Fund, it should also support these non-profit institutions. I propose that 50% of the proposed cuts be restored.

Approximate cost: \$3,150,000

Living Wage Program Manager

The City's Living Wage Program helps to advance the interests of the City by creating jobs that keep workers and their families out of poverty. As families across the City struggle with significant pay losses due to the coronavirus, it is more important now than ever to maintain the City's Living Wage Program in tact to ensure that people who do have jobs are being paid a fair wage. I urge the City to not make any personnel reductions in the Living Wage Program, specifically to maintain the Living Wage Program Senior Management Analyst position.

Approximate cost: \$102,887

Small Business Enhancement Program

The City's Small Business Enhancement Program (SBEP) provides much needed revenue to support small businesses, including Business Improvement Districts (BIDs), in San Diego. Yet the program reflects the largest non-personnel reduction in the FY21 budget. This potential cut will have disproportionate impacts on BIDs as those funds help BIDs host special events which are their economic lifeblood. These unique economic and cultural events also contribute to major economic Citywide benefits. The City should fully restore the SBEP in the FY21 budget.

Approximate cost: \$485,000

SUSTAINABILITY and PLANNING

Climate Action Plan (CAP) Implementation and Monitoring

San Diego has taken great strides to achieve its 2020 GHG reduction targets established in the City's 2015 Climate Action Plan (CAP). Five years after the Plan's adoption, it is time to ensure that monitoring and reporting of progress towards these goals continues. As called for in the Plan, it is also time to begin a 2020 Plan update to include new best practices and strategies for further GHG reduction.

Approximate cost: \$250,000 for monitoring and 2020 CAP Update

Urban Forestry

Planting trees brings economic, environmental and social benefits. The proposed FY21 budget would cut tree planting significantly. Tree planting should continue to implement the City's climate action plan and not increase the already existing backlog. I propose to restore \$300,000 to allow the City to increase the number of trees planted from 600 to 1,800.

Approximate cost: \$300,000

Mission Bay Golf Course Clubhouse Capital Improvement Program

The City's May Revise to the FY21 Budget adds \$936,184 to the Mission Bay Golf Course Clubhouse CIP. This project should be evaluated with the ongoing long-term planning and environmental review of DeAnza Cove Revitalization before future expenditures or actions are taken.

Mobility Action Plan 2.0

The City's Mobility Action Plan was completed in Fiscal Year 2020. The Plan sets a vision for the City's mobility programs and funding establishing high level goals and some recommended actions. Where the plan offers a strong vision, a 2.0 version is critical to outline actionable items, responsibilities, and funding sources to be provided in the future. This 2.0 version can also guide the new Mobility Department in its comprehensive actions.

Approximate cost: \$140,000



THE CITY OF SAN DIEGO
OFFICE OF COUNCILMEMBER MONICA MONTGOMERY

MEMORANDUM

DATE: May 22, 2020
TO: Andrea Tevlin, Independent Budget Analyst, IBA
FROM: Councilmember Monica Montgomery, Fourth Council District
SUBJECT: Final Fiscal Year 2021 Budget Priorities

With a reported decrease of \$133.1 million¹ in General Fund revenues and City departmental budget reductions of over 260 Full Time Equivalents (FTEs), the largest mitigation action across the entire City budget, there are budgetary actions that are warranted in the FY2021 budget. I commend the Mayor in responding to community concerns through the reduction of the Smart Street lights program, full restoration of recreation center hours, restoration of Mountain View/Beckwourth library hours, and the significant expansion of the Small Business Relief Fund (SBRF) through federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funding. However, the proposed budget reductions of the STAR/PAL program, systemwide library hours, graffiti abatement, weed abatement, pothole repair and tree-trimming must be restored to current levels as these programs and services are critical in contributing to an overall positive quality of life for communities of concern.

My Fiscal Year 2021 Budget Priorities take into serious consideration the City's current fiscal crisis, while addressing the needs of the most vulnerable populations. We must maintain a balanced budget and instill a fiscally prudent, equitable budget that does not sacrifice core services to low and moderate income (LMI) communities.

PUBLIC SAFETY

Restoration of the STAR/PAL Program

The STAR/PAL program provide resources and mentoring to schools that are at high risk of gang activity. STAR/PAL affects change in LMI communities by providing youth free tutoring, basketball and soccer teams, mentoring, educational field trips, and bridging the gap for youth between Police, Juvenile court, and Community Schools. This restorative program will produce long-term positive impacts to the community as potential justice-involved youth will engage with positive influences from the City. Funding for this program should not be at the expense of Independent Budget Analyst (IBA) office's recommendation of the closure of front counters at the Police Department's nine patrol commands.

Approximate Cost: \$1,400,000

¹FY 2020 Third Quarter Budget Monitoring Report
https://www.sandiego.gov/sites/default/files/fy2020_third_quarter_budget_monitoring_report.pdf

CARES Act Funding for the San Diego City Attorney Criminal Division

City staff's duties have been heavily impacted by the COVID-19 pandemic, and this includes the work of the City Attorney's Criminal Division. This division helps to protect some of our most vulnerable populations through assisting with domestic violence claims, gun restraining orders and through their work at the Family Justice Center. A lack of funding could negatively impact these services.

Approximate Cost: TBD

ECONOMIC RELIEF & ADDRESSING THE DIGITAL DIVIDE

Small Business Relief

The Mayor's proposed additional allocation to the small business relief fund is warranted. We must also ensure that the funding reaches businesses that are most impacted and may not have access to other governmental resources, and this can be done by partnering with organizations that are closest to those businesses. The Strategic Alliance of Ethnic Chambers of Commerce (SAECC) is comprised of the Central San Diego Black Chamber of Commerce, Asian Business Association of San Diego County, San Diego County Hispanic Chamber of Commerce and was formed to promote, coordinate, and collaborate at the regional and community levels to help grow and empower the disadvantaged business community in the San Diego County region. This alliance has submitted a proposal to the city. Their goal is to represent the interests of disadvantaged businesses in the City and County of San Diego, ensuring small businesses are equipped with the resources and technical assistance necessary to be successful. Funding must be provided to their COVID-19 Resurgent Fund and Task Force to assist with helping small business in underserved communities.

Approximate Cost: TBD

Creation of a Rent/Mortgage Relief Fund

With some communities reaching unemployment's rates as high as 30% due to the economic impacts of the COVID-19 pandemic, rent and mortgage payments are becoming increasingly difficult for both tenant and landlords. A rent/mortgage relief fund must be created to service both documented and undocumented struggling tenants and landlords impacted by the COVID-19 pandemic. Specifically, along with rent and mortgage relief, a percentage of the funding should be dedicated to tenant counseling and legal services. Ultimately, measures should be in place to prioritize rent and mortgage payment to tenants and landlords who are in desperate need of relief.

Approximate Cost: TBD

No-Cost Broadband Internet Access

Millions of people have been mandated to work, learn, and function at home as part of a statewide effort to protect the most vulnerable populations from the impacts of the COVID-19 pandemic. The need for equitable access to the internet is critical more than ever as LMI community members will potentially suffer from a lack of resources due to a lack of internet access. The City of San Diego should provide free public hot spots for the community to successfully access the internet.

Approximate Cost: \$250,000

HOMELESSNESS SERVICES

Operation Shelter-to-Home

In the beginning of April 2020, the City restructured its homeless shelter system to respond to the COVID-19 pandemic under “Operation Shelter-to-Home.” The current capacity at the Convention Center is 1500 individuals. Monthly expenditures for 1500 clients are projected at \$4.97 million per month. In order to incur cost savings, the operation should cease by October 2020.

Approximate Cost: (\$9,940,000)

Homeless Outreach Framework

A comprehensive outreach framework that moves from a contact-based approach to housing-focused outreach should be implemented in Citywide homelessness outreach efforts. Service providers with expertise in homelessness outreach must be at the crux to coordinate and carry out core outreach functions rather than SDPD. Similarly, according to the recommendation made in the Performance Audit of the of the City’s Efforts to Address Homelessness², the City must have the funding necessary to implement the new City of San Diego Community Action Plan on Homelessness³.

Approximate Cost: TBD

PARKS & RECREATION

Emerald Hills Public Park Improvements

The Emerald Hills Community Park is one of the few outdoor public spaces in Council District 4. This park was built over 50 years ago and has had no significant upgrades since then. The FY 2020 Adopted Budget allocated funds for the development of a General Development Plan (GDP) for the park. With that, the next phase in the park’s improvement process is to allocate funds towards its design.

Approximate Cost: \$500,000

Oak Park Library

The neighborhood of Oak Park needs a library as the existing library is aging. On the FY 2020 Adopted Budget, funds were allocated for a feasibility study of a new library and the study is scheduled to be completed June 2020. With that, the next phase for the new Oak Park library’s development is to allocate funds towards its design.

Approximate Cost: \$500,000

Potomac Park Temporary Improvement Project

Potomac Park, located in Paradise Hills, has been an empty and barren space yet to be activated for more than 30 years. A nonprofit organization, based in Paradise Hills, is currently working with the Parks and Recreation department to transform Potomac Park from a landfill to a native plant garden that is readily accessible to the community. Funding is needed to support the creation of the native plant garden as this project’s intention is to beautify the Paradise Hills community.

Approximate Cost: \$10,000

²Performance Audit of the of the City’s Efforts to Address Homelessness
https://www.sandiego.gov/sites/default/files/20-009_homelessness_o.pdf

³City of San Diego Community Action Plan on Homelessness
https://www.sdhc.org/wp-content/uploads/2019/10/SD_Homeless_CSH_report_final_10-2019.pdf

Sherman Heights Community Center Playground

Improvements are needed for the construction of the Sherman Heights Community Center Playground.

Approximate Cost: \$470,000

CITYWIDE SERVICES & OPERATIONAL NEEDS

Restoration of Library Hours Systemwide

It is critical the libraries remain open for community members during the COVID-19 pandemic as it serves as a safe space for youth and also serves as the only accessible resource center for LMI community members. A significant reduction of hours will negatively impact the overall quality of life for the community.

Approximate Cost: \$6,371,317

Restoration of Graffiti Abatement

Graffiti has been a continuous issue in Council District 4. Graffiti abatement should be restored in this budget cycle to assist in not only quelling the violence, but to also assist in beautifying the community.

Approximate Cost: \$267,917

Restoration of Weed Abatement

The lack of weed maintenance on the public right-of-way has been a constant issue in Council District 4 and the City in general. Moreover, overgrown weeds are a known safety hazard to the community. Funding should be restored to weed abatement, specifically to contribute to the comprehensive and routine clearing efforts of the public right-of-way.

Approximate Cost: \$756,228

Restoration of Pothole Repair

Currently the City possesses a backlog of unimproved streets that are in need of overlay. In the meantime, as we plan to address the backlog of overlays, potholes need to be addressed, especially in older neighborhoods with crumbling streets.

Approximate Cost: \$130,649

Restoration of Tree Trimming

Tree trimming is necessary to save the City from any potential litigation. With the proposed reduction to tree trimming there is an overall service level reduction from 2 years to 8 years to address palm tree trimming. The proposed 6-year service level delay time could result in serious hazards to the community.

Approximate Cost: \$1,817,193

Restoration of Brush Management

In recent years, the City has experienced numerous delays in brush abatement. As California has seen devastating wildfires across the state, it is imperative that we provide the adequate resources needed to take proactive and preventative approaches in the following areas throughout the year: regional parks, open space parks, canyon lands, etc. Funding is needed to restore brush management to its currently levels to mitigate potential brush hazards.

Approximate Cost: \$411,473

Translation and Interpretation Services

The City has the responsibility to honor diversity and translate information in multiple languages so that all community members are able to comfortably engage with the City as well as get access to services with dignity. Specifically, the City must ensure that our diverse families have access to government documents, press releases, press conferences and official websites in multiple languages. Additionally, the City should provide interpretation services in multiple languages for any City-ran event to ensure all members of the community can engage in overall City functions.

Approximate Cost: TBD

Restoration of Living Wage Program Senior Management Analyst

According to the San Diego Municipal Code Living Wage Ordinance⁴ “Paying services employees a living wage is intended to improve the quality of services provided to the City and to the public by reducing high turnover, absenteeism, and instability in the workplace.” The City must restore the Living Wage Program Senior Management Analyst to ensure community members are making the sufficient income to meet minimum standards given the local cost of living.

Approximate Cost: \$102,887

Fund City Mentorship Program

The CONNECT-2-Careers City Mentorship program was an effective program administered through the City of San Diego that provided a pathway for young people to be trained and employed by the City. This is an important program as it provides youth the necessary skills to work and develop a successful career in a local municipality. This program must be funded to continue the long-term positive impacts of producing capable young city employees for the future.

Approximate Cost: \$350,000

Fully Fund the Office of the City Clerk

The role of the City Clerk’s office is extremely important as the office provides technical and procedural support to the Council ensuring the timely posting and distribution of the Council docket, as well as the record keeping and preservation of the legislative proceedings. These functions are critical for the efficiency and effectiveness of the City and as a result the office should be fully funded to current levels.

Approximate Cost: \$239,660

Fully fund the Office of the City Auditor

The role of the City Auditors office is extremely important as the office provides performance audits, financial audits, and special investigations all essential information to assist the City Council in its decision-making process. The Office of the City Auditor also provides valuable information to City management and the general public. For these reasons the office should be fully funded to current levels

Approximate Cost: \$295,000

⁴Division 42: City of San Diego Living Wage Ordinance
<https://docs.sandiego.gov/municode/MuniCodeChapter02/Ch02Art02Division42.pdf>

Infrastructure Fund

At the conclusion of each fiscal year, staff conducts an analysis of year-end actuals to ensure that the Charter-mandated Infrastructure Fund allocation was made in full. This analysis determined the Fiscal Year 2019 payment was short by between \$5 and \$6 million. Consistent with the will of the voters who overwhelmingly approved Proposition H in 2016, at a minimum, the Infrastructure Fund must retain this fund true-up as part of the Fiscal Year 2021 Budget to help pay for critical infrastructure projects.

Approximate Cost: \$6,000,000

Climate Action Plan Update

The City of San Diego's 2015 Climate Action Plan was a groundbreaking document when it was adopted, but it must be updated to align with the latest climate science. The City's Climate Action Plan calls for an update by 2020 and it highly recommend funds must be allocated to start the CAP update process to be amended to include new best practices and strategies.

Approximate Cost: \$250,000

REVENUE SOURCES

Fleet Fund Balances

The General Fund's Fleet Replacement Fund is projected to have a \$23.5 million fund balance at the end of FY 2020. If Council chooses to do so the IBA recommends the use of 15.2 million for one-time relief.

Approximate Revenue: \$15,200,000

Public Liability (PL) Reserve

After speaking with Risk Management, the IBA learned that there is an estimated \$1.7 million in further excess PL funds available for use as a resource in the FY 2021 Adopted Budget. This resource can be included among any actions the Council takes as part of the FY 2021 Budget approval process.

Approximate Revenue: \$1,700,000

Reduction to Operation Shelter-to-Home

The current capacity at the Convention Center is 1500 individuals. Monthly expenditures for 1500 clients are projected at \$4.97 million per month. In order to incur cost savings, the operation must cease by October 2020.

Approximate Revenue: \$9,940,000

Pension Payment Stabilization Reserve (PPSR)

According the IBA \$7.9 million in PPSR is included on the Mayor May Revision. Additionally, the Mayor also determined that it was not necessary to use the \$7.9 million to balance the FY 2020 budget. The Council could potentially consider all or a portion of the PPSR as a onetime funding resource.

Approximate Revenue: \$7,900,000

This memorandum reflects my top priorities and will serve as the basis for my Council Office's support of the FY2021 Adopted Budget. We will support a budget that is equitable and responsive and that identifies and seizes opportunities to improve the quality of life of all communities.

MM/me



COUNCILMEMBER MARK KERSEY

DATE: May 22, 2020

TO: Andrea Tevlin, Independent Budget Analyst

FROM: Councilmember Mark Kersey

RE: Fiscal Year 2021 Final Budget Priorities

This is in response to Budget & Government Efficiency Committee Chair Barbara Bry's May 1, 2020 memorandum requesting Councilmember's final input in the development of the Fiscal Year 2021 Budget. In this lean budget time, my top priority is continued investment in our neighborhood infrastructure. City leaders must avoid the mistakes of the past and resist the temptation to neglect our asset network in deficit years. To the extent that funds are available, I put forward the following requests:

Infrastructure Fund Fiscal Year 2019 True-Up Payment: \$5-6 million. At the conclusion of each fiscal year, staff conducts an analysis of year-end actuals to ensure that the Charter-mandated Infrastructure Fund allocation was made in full. This analysis determined the Fiscal Year 2019 payment was short by between \$5 and \$6 million. Consistent with the will of the voters who overwhelmingly approved Proposition H in 2016, at a minimum, the Infrastructure Fund must retain this fund true-up as part of the Fiscal Year 2021 Budget to help pay for critical infrastructure projects.

Brush Management: \$411,473. The threat of wildfires is year-round in San Diego. It is imperative that we do our part to reduce that risk by maintaining our open space and responsibly managing brush. Brush management funding should be restored to our target level of 509 acres per year.

Tree Trimming: \$1,817,193. The City of San Diego's tree inventory is one of our largest assets, but when left unmaintained, it poses a great liability to taxpayers. Fulling funding our palm and shade tree trimming contracts is necessary to improve quality of life in our neighborhoods, keep the public safe, and reduce our liability.

Reservoir Access: \$700,000. City-owned reservoirs offer family friendly recreational opportunities that include running, walking, biking, fishing, and hunting. Now more than ever,

due to social distancing restrictions, we should prioritize funding to fully open our reservoirs to the public.

Library Hours: \$6.8 million. Having libraries open and available is a critical function of the City, as it provides our residents with access to the internet and other valuable resources for all age groups in every community.

Sherman Heights Community Center Playground: \$470,000. The Sherman Heights Community Center Playground is a heavily-used and highly-beneficial City asset. Due to its age and current condition, this playground is in critical need of important safety and ADA upgrades.

STAR/PAL: \$1.4 million. STAR/PAL is a successful program with a mission of empowering underserved youth to build a safer and more prosperous community by engaging with law enforcement and collaborative partners. Funding for the Police Department's STAR/PAL Unit should be restored.

Citywide Street OCI Assessment: \$560,000. Comprehensive street OCI assessments are an invaluable tool that allows City leaders to appropriately prioritize limited resources for street repairs. The last time the City conducted such an assessment of our street network was in 2015. This data should be updated in FY21 through another citywide assessment.

Pothole Crew: \$130,649. Filling potholes is a fast and relatively-inexpensive repair to help ensure our roads are safe and reliable for residents. The modest savings from the proposed reduction of a two-man crew for this core service is outweighed by the significant corresponding reduction in value for San Diegans. This funding should be restored.

Convention Center Marketing: \$2.1 million. Due to the current economic reality, as a result of the COVID-19 pandemic, it is more important than ever to fund Convention Center marketing. Once our region returns to business as usual, we will need previously-held conventions and tourists to return to San Diego. I fully support the funding of their future marketing campaigns.

I agree with the utilization of Fleet Fund Balances as outlined in IBA Report 20-10 in order to support the General Fund in Fiscal Year 2021.



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

M E M O R A N D U M

DATE: May 22, 2020

TO: Andrea Tevlin, Independent Budget Analyst

FROM: Councilmember Chris Cate

SUBJECT: Recommended Fiscal Year 2021 Budget Revisions

In response to the public hearings and feedback received from Council District 6 residents regarding the Fiscal Year (FY) 2021 Proposed Budget and the Mayor's May Revision, I respectfully submit the following revisions:

Proposed Budget Reductions and Additional Funding Resources:

December 1, 2020 Re-Opening of Convention Center (\$3.2 million in TOT and Sale Tax Revenue)

Currently, the San Diego Convention Center is scheduled to be reopened for hosting conventions in January 2021. Each month that reopening is delayed results in the significant loss of Transient Occupancy Tax (TOT) revenues and Sales Tax revenue. If the Convention Center is prepared to be opened by December 2020 (utilizing the month of November for cleaning and restoration), that would generate an additional \$3.2 million in TOT and Sales Tax revenue.

Additionally, CARES Act funding is projected to be used for the duration of the closure of the Convention Center towards COVID-19 related homeless services and programs, totaling \$5 million each month. A December opening, preceded by cleaning and restoring in November, would release \$10 million in CARES Act funding.

Reduce Remainder of Arts and Culture Grant Funding (\$5.8 million)

The Proposed FY21 budget includes a reduction of funding for Arts and Culture grant programs by 50 percent to \$5.8 million. I recommend reducing the remaining \$5.8 million in Arts and Culture grant funding for the reallocation of these funds towards the restoration of more essential City programs.

General Fund Fleet Replacement Fund Balance (\$8,273,000)

The Fleet Replacement Fund is anticipated to carry a \$16.9 million fund balance at the end of FY21. This is after accounting for a transfer of \$4.8 million to the General Fund already included in the FY21 Proposed Budget and planned vehicle replacements in FY21. The Independent Budget Analyst identified this balance as a potential additional funding source to cover FY21 General Fund expenditures. I recommend transferring \$8,273,000 of the \$16.9 million fund balance to the General Fund to restore essential City programs and services in FY21.

Excess Public Liability Reserve Funds (\$1.7 million)

Risk Management has completed their analysis for the Public Liability operating projections for FY20 year-end. Expenditures are expected to be less than the anticipated resources. Risk Management now projects an anticipated \$1.7 million in further excess Public Liability funds available for FY21. I recommend this be used to restore essential City programs and services as outlined below.

Proposed Budget Allocations/Additions:

Maintaining Sunday and Monday Library Hours at all Branches (\$7 million)

The Proposed FY21 budget includes the closure of all libraries on Sundays and Mondays. However, providing adequate library services is part of the basic functions of municipal governments. Maintaining library hours is especially important once operations are restored following the COVID-19 pandemic, when individuals out of work will need access to libraries to assist in searching for jobs and resume building, and children engaging in distance learning need access to library resources. I recommend restoring Sunday and Monday library hours at all library branches.

Restore Proposed Cuts to Weed Abatement (\$756,000)

Weed abatement is a critical City service that keeps our neighborhoods clean and ensures a quality of life for our residents. I propose the restoration of 1 full-time equivalent (FTE) position and associated non-personnel expenditures so that weed abatement services can continue to cover medians, road shoulders, and priority locations identified by the Fire Marshall.

Restore 2 FTE for Pothole Crew (\$130,000)

Maintaining the quality of City streets is one of the top priorities for District 6 residents. Filling potholes in a timely manner is a basic City service that residents expect. I propose the restoration of the proposed reduction of 2 FTE pothole crew positions to maintain the current nine 2-person crews that conduct pothole repairs. This would maintain response times to 10 instead of 12 business days.

Maintain Graffiti Abatement Service Levels (\$268,000)

Graffiti abatement is a core City service that helps maintain a quality of life in our neighborhoods while reducing overall crime. I propose the restoration of 2 FTE positions and other non-personnel expenditures allowing the City to maintain its ability to respond to graffiti abatement on private property and maintain the average response time of 8 business days.

Maintain Brush Management Service Levels within Parks and Recreation Department (\$411,000)

Our residents expect adequate brush management service levels within our Parks and Recreation Department, especially in areas of significant fire risk. I recommend the restoration of non-personnel expenditures to ensure that Parks and Recreation brush management is maintained at current levels, including brush management services at a frequency of 21 months, servicing 509 acres.

Maintain Tree Trimming Levels (\$1.8 million)

Adequate tree trimming services is important to the quality of life for residents and in ensuring public safety. The Proposed FY21 Budget includes a \$1.8 million cut to tree trimming services, eliminating the City's ability to do all routine maintenance of shade trees and increase the cycle of routine palm tree maintenance from 2 to 8 years. I propose that these cuts be restored in order to maintain current FY20 tree trimming levels.

Expansion of the Fire-Rescue Dispatch Center Floor (\$120,000)

In FY20, the Fire-Rescue Department requested \$320,000 for expanding the dispatch center floor to accommodate additional dispatchers. However, only \$120,000 was allocated for this purpose in the Adopted FY20 Budget. This expansion is crucial to ensuring the City has enough workspace for the growing number of dispatchers needed to maintain public safety until a new merged dispatch center comes to fruition. I recommend allocating the remaining \$120,000, as requested by the Fire-Rescue Department in FY20, toward this purpose in FY21.

Restoration of Water Contact Program, Waterfowl Hunting Season, and Recreation Days at City Reservoirs (\$703,000)

Ensuring adequate access to the City's public lands and recreation programs is a core City service. The Proposed FY21 Budget includes non-personnel expenditure reductions to the Public Utilities Department that would result in the elimination of the Water Contact Program at El Capitan Reservoir, the waterfowl hunting season at Barrett Reservoir, and all recreation activities at the Sutherland and Barrett Reservoirs year-round. I propose the restoration of these programs.

Restoration of Infrastructure Fund (\$5 million)

Due to the ongoing COVID-19 pandemic, the Proposed Budget and May Revision included reductions in the Infrastructure Fund, Gas Tax, and TransNet funds that pay for capital projects and street resurfacing and reconstruction projects. These are critical funds the City relies on as a significant funding source for infrastructure needs and repairing and maintaining San Diego streets. I recommend we allocate \$5 million to the Infrastructure Fund to address these needs, with a portion of the funds to be allocated toward the Olive Grove Park and Hickman Field Improvement projects. Funds from these projects were used to close the FY20 budget deficit.

Restore STAR/PAL Program (\$1.4 million)

The STAR/PAL program led by the San Diego Police Department is a vital program providing over 10,000 youth services annually to underserved communities throughout the City. STAR/PAL offers free educational, athletic, and recreational programs for youth. The program also helps bring youth and law enforcement officers together to promote better community relations. The FY21 Proposed Budget eliminates the STAR/PAL program by removing 7 FTE positions and \$1.4

million in expenditures. I recommend restoring these positions and expenditures in order to maintain this all too important program.

San Diego Tourism Authority Long-Term Marketing (\$1,050,000)

The San Diego Tourism Authority is charged with providing long-term marketing for Convention Center events beyond 18 months. These events bring in TOT revenue to the City, which is our third largest source of revenue. Due to the closure of the Convention Center, the City will experience tens of millions of dollars in lost revenue. As we proceed through the pandemic, it is more important than ever that San Diego be prepared to compete for conventions in order to generate the revenues needed to provide core services for residents. I propose we reinstate half of the funding for the marketing contract with the Tourism Authority.

Restore City Auditor Budget Reductions (\$295,000)

The Office of the City Auditor plays an important oversight and watchdog role for the City. It completes a wide variety of audits and investigations that ensure the City is accountable to taxpayers. The FY21 Proposed Budget makes reductions to the City Auditor’s budget that would leave critical positions vacant and may result in layoffs and furloughs. I propose that we restore these reductions.

Maintaining City Attorney Staffing Levels (\$5 million in CARES Act Funding)

As mentioned above, a December opening of the Convention Center would release \$10 million in CARES Act funding. I propose utilizing \$5 million of this amount to maintain the service levels provided by the Office of the City Attorney, as requested, in order to cover COVID-19 related expenditures.

Establishing a Rental Assistance Program (\$5 million in CARES Act Funding)

The COVID-19 pandemic has resulted in unprecedented levels of unemployment throughout the City. This has led many renters to find themselves unable to pay their rent on time. While the City has implemented an eviction moratorium, we should also establish a rental assistance program for tenants who face financial hardship so that renters may apply for relief while also ensuring landlords continue receiving the much needed rental income. I propose using the remaining \$5 million in repurposed CARES Act funding toward this purpose.

Summary of Proposed Reductions and Additions

Reductions/New Funding Resources	Amount	Additions	Amount
Arts & Culture	\$5,800,000	Library Hours Restoration	\$7,000,000
Fleet Replacement Fund Balance	\$8,273,000	Weed Abatement	\$756,000
Excess Public Liability Reserve	\$1,700,000	Pothole Crew	\$130,000

Increase in TOT and Sales Tax Revenue Assuming December 1st Convention Center Re-Opening	\$3,200,000	Graffiti Abatement	\$268,000
Repurposing CARES Act Funding	\$10,000,000	Brush Management	\$411,000
		Tree Trimming	\$1,800,000
		Expansion of Fire Dispatch Center	\$160,000
		Restoration of Reservoir Recreation Programs	\$703,000
		Restoration of Infrastructure Fund	\$5,000,000
		Restore STAR/PAL	\$1,400,000
		SDTA Long-Term Marketing Contract	\$1,050,000
		Restore City Auditor Cuts	\$295,000
		Maintaining City Attorney Services	\$5,000,000 (CARES)
		Rental Assistance Program	\$5,000,000 (CARES)
Total	\$28,973,000	Total	\$28,973,000

CC:ay



City of San Diego
Councilmember Scott Sherman
Seventh District

MEMORANDUM

DATE: May 22, 2020
TO: Andrea Tevlin, Independent Budget Analyst
FROM: Councilmember Scott Sherman
RE: Updated FY 2021 Budget Priorities

Updated Budget Priorities

Restore Tree Trimming (\$1,700,000 from Public Liability Operating Fund)

Payouts from the Public Liability Fund for damage caused by City maintained trees are common, and any reduction in tree trimming service levels will only increase the amount of such payouts. Use of the \$1.7 million in excess Public Liability funds to restore tree trimming will keep our tree trimming schedule on target and save costs from future liability pay outs.

Restore Reservoir Access (\$700,000)

Recreation at our City reservoirs is a very affordable and family friendly opportunity to enjoy nature and all the beautiful scenery San Diego has to offer. Now more than ever, social distancing compliant recreation opportunities are critical and we can't allow any hard closures of our City-operated lakes as is proposed in the Mayor's budget. While long term solutions to create a sustainable lakes recreation program are in progress, funding should be restored to allow access at our lakes through FY2021.

Infrastructure Fund Sales Tax True-Up (\$5,000,000-\$6,000,000)

At the May 21 Budget Review Committee hearing, Councilmember Kersey brought up the issue of FY19-FY20 Sales Tax true-up with the Infrastructure fund and I ask that be included in the FY 2021 budget for neighborhood infrastructure projects.

Restore Library Hours (\$1,830,000)

The cost to operate all neighborhood library branches with the exception of Central library on Sundays is \$1.83 million. This is the most cost-effective option to preserve maximum library access. I urge the administration to explore utilizing volunteers to further restore library hours.

Restore Office of the City Auditor (\$295,000)

We need the office of the Auditor now more than ever as we just saw with the fraud hotline investigation of a City employee allegedly involved in a pay to play scheme with a contractor. The work performed by our City Auditors actually saves the City substantial amounts of money when they uncover inefficiencies, waste, fraud, or abuse of taxpayer dollars. The Auditor is tasked with providing independent oversight of our City spending and operations, and inflicting over 7% in cuts and forcing them to lay off two auditors is pennywise and pound-foolish.

Convention Center Marketing Budget (\$1,050,000)

At the May 21 budget hearing, Convention Center CEO Rip Rippetoe mentioned that they could partially fund some marketing to promote Convention Center bookings to begin to revitalize our tourism revenue. The City should contribute to boost their marketing capacity and bring much needed business to our hotels, restaurants, and attractions which in turn brings needed revenue to the City to provide public services to our residents.

Rental Assistance Fund (\$5,000,000 CARES act)

There has been significant discussions among Councilmembers regarding the establishment of a Rental Assistance Fund to help City residents unable to pay their rent due to COVID-19 related financial hardships. I identified some potential funding sources in my May 18th memorandum however the fund should be made up of multiple funding streams and philanthropy. A \$5,000,000 CARES act contribution to the fund will help get to the necessary funding level to have an impact for renters facing hardships.

Homeless Strategies Division (Preserve current proposed funding levels)

The May revision continues to fund the Homelessness strategies division in accordance with the City of San Diego Community Action Plan on Homelessness. There should be no reductions in the final budget to any of the following programs:

- *Clean SD.* Clean SD has proved to be extremely successful citywide. Particularly in District 7, Clean SD has been instrumental along the San Diego River. We have seen a dramatic decline in the number of homeless encampments due to the persistence work by SDPD and ESD.
- *3 FTE for Homeless Strategies.* During Budget deliberations last year 3 positions were transferred from the City to the San Diego Housing Commission by direction of the City Council. To meet our goals, it is essential these 3 positions are restored in the FY 2021 Budget. Compared to similar cities our Homeless Strategies Division is understaffed and underfunded. For instance, when you look at comparable municipalities, Denver's Road Home Program has 7 FTEs and is still viewed as understaffed and Dallas' Office of Homeless Solutions has a budget of \$11.5 million. To achieve our goals, it is essential that we have the necessary staff and resources.
- *Bridge Shelters.* Bridge shelters are essential for providing temporary relief from the streets for individuals experiencing homelessness. At these shelters individuals are not only provided with a place to sleep and meals, but they are connected to services to assist them with finding permanent housing. It is important that we continue funding our current 4 shelters while also looking for other locations.

- *Storage Connect Centers.* Our Storage Centers provide the ability for homeless individuals to securely store their belongings so they can be independent giving them the ability to go to work and meet with social workers. We must continue to fund and expand the program if we are at capacity.
- *Safe Parking Lots.* Safe Parking lots provide a protected and secure environment for our unsheltered population living out of their own vehicles. At these locations individuals are provided with support and tools to help stabilize and transition back into permanent housing.

2-1-1 San Diego (\$275,000)

In the midst of our COVID-19 public health crisis, the City and all surrounding local governments have relied on the services of 2-1-1 more than ever to connect our residents to vital resources. Our City departments have also relied on 2-1-1 to serve as a central clearing housing for reports of violations of our local public health orders. Due to the work load generated from our residents and our reliance on them for enforcement of our life saving public health measures, we should dedicate a modest investment in supporting 2-1-1's ongoing operations. Possible funding sources include CDBG-CV funds or CARES Act funding.

Protected Bike Lanes from Old Town Transit Station to Stalmer Street (\$400,000)

The Linda Vista Planning Group's Traffic and Transportation Subcommittee has been working with the City's Transportation and Stormwater Department to evaluate the implantation of a safe, comfortable, and protected bike and micro-mobility lane along Linda Vista Road to access one of the major employment destinations in Kearny Mesa. The City evaluated the location and concluded that a protected buffered bike lane would be beneficial in that region. The installation of this improvement would not require the removal of car lanes or parking.

Please prioritize the installation of a safe and protected bicycle facility, per Vision Zero guidelines for strategic solutions for safety, from Old Town Transit to Stalmer. This improvement would also encompass a pedestrian safe crossing at USD.

Serra Mesa Storm Drain & GI (SD) PIN: B15099 (\$2,558,000)

This project will upgrade various deteriorated storm drain (SD) at several locations in the Serra Mesa Community. Corrugated metal pipes (CMP) SD in the canyons near Monarch St., Shawn Ave, Palace Dr., Larabee Ave., Walker Dr., and Mobley St are in poor condition and need to be replaced. The work will include slope restorations impacted from the proposed construction work. The design is nearly complete, environmental permitting and land acquisition still need to be complete and funding for construction needs to be allocated before the subject project can be put out for construction bids. Due to numerous storm water emergencies this fiscal year caused by heavy rains funding and resources had to be reallocated from this project to other storm drain emergencies. If funded this project could be put out for construction bids in fall of 2021.

Potential Funding Sources

Preserve Pension Payment Stabilization Reserves

Use of the PPSR in the FY 2021 budget would be very shortsighted. The Council should keep this reserve intact until next year's ADC payment is determined. The market volatility due to COVID-

19 combined with the City's severely curtailed revenues could make it necessary to utilize the full PPSR next year in order to honor our commitment to our retirees and mitigate service delivery impacts to our residents. I do not support any use of this fund for FY2021.

Utilization of Fleet Replacement Fund

I support use of the Fleet Replacement Fund as proposed in your May 20 report number 20-10.

Reduction in Arts and Culture Grant Funding (\$5,800,000)

I support utilizing Arts & Culture Grant funding for other essential City services.

Elimination of Proposed Cultural Affairs Department & Imposition of 4% Cuts

Your IBA report 20-10 notes that the creation of this new department adds \$56,000 in new costs. As it is not truly a budget neutral move the creation of this department should be postponed at this time. Furthermore, the remaining Arts & Culture Commission and Office of Special Events and Filming should strive to achieve the 4% cuts imposed on most General Fund departments.



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.



**CITY OF SAN DIEGO
OFFICE OF COUNCIL PRESIDENT GEORGETTE GÓMEZ
NINTH DISTRICT**

M E M O R A N D U M

DATE: May 22, 2020

TO: Andrea Tevlin, Independent Budget Analyst

FROM: Council President Georgette Gómez, Ninth Council District

SUBJECT: Final Budget Priorities for Fiscal Year 2021

Thank you for the opportunity to provide my final budget priorities for the upcoming fiscal year. Throughout the budget hearings, I had an opportunity to hear from City staff about the economic impacts as a result of the COVID-19 crisis as well as hear from residents and community groups about their top priorities for the upcoming fiscal year. Having listened to all the information and the public's priorities, it is clear to me that while we have a challenging fiscal year ahead, now more than ever, it is critical that we prioritize and support our most vulnerable and underserved communities in the City.

It is with this sentiment in mind, that my final budget priorities, outlined below, center around maintaining the current city departmental structure, maintaining key city services, and restoring proposed reductions to personnel positions to ensure the city's ability to maintain service levels. It is of utmost importance that we provide further relief services and programs to support our communities during this challenging time.

EXPENDITURES:

- **Maintain Current City Department Structure:** The proposed budget calls for the creation of several new departments including: Cultural Affairs, Homelessness Strategies, Mobility and the Storm Water Department. While the Mayor has indicated that these departments are cost neutral, there are costs associated with the creation of these departments that we need to be mindful of. Some of these new departments are relying on grant funding or one-time revenue to support personnel costs for FY21, leaving uncertainty about some of these costs for future years. Additionally, the proposed department structure diverts resources from critically needed service as noted below in the revenue section. With the current situation, now is not the time to restructure and

create new departments in the City. Therefore, I request that the FY21 budget maintain the current departmental structure from the adopted FY20 budget.

RELIEF PROGRAMS AND SERVICES

- **Provide Free Wi-Fi to Underserved Communities:** The pandemic has highlighted the great digital divide that exists in our City. I request that the City develop a partnership with internet service providers and school districts throughout the City to provide free Wi-Fi access to our underserved communities. A number of cities throughout the United States have established internet access for their residents, which the City can use as a guidance when establishing our own program. Potential funding for this program could be utilization of CARES Act funding to establish this essential service. *Approximate cost: \$1.2 million.*
- **Outreach for Unsheltered Individuals:** Outreach is critical to reach our unsheltered residents and connect them to housing opportunities and services. Over the past two years, the People Assisting the Homeless (PATH) Program in the Mid-City area has proven to be an effective model for reaching out and extending services to this vulnerable population. I request that this program be expanded to all nine council districts and that funding be allocated to further support the PATH-method of outreach services. I request that funding for this initiative be derived from using a portion of the Neighborhood Policing for SDPD of the CleanSD program. *Approximate cost: \$2 million.*
- **Rent Relief Program:** As a result of the COVID-19 crisis, many of our working families have experienced great economic hardship, resulting in the inability to pay a portion or all of their rent. In an effort to assist and support tenants throughout the City, I request that funding be dedicated to a rent relief program administered by the San Diego Housing Commission that is designed to assist both residents and landlords that have been impacted by the current crisis. *Approximate cost: Unknown*

CLIMATE ACTION PLAN (CAP)

- **Urban Forestry Program Funding:** In order to fully implement the Urban Forestry Five-Year Plan, including staffing, contracts, plantings, and maintenance to ensure healthy trees in every council district and to help meet our Climate Action Plan goals, the city needs to provide sufficient funds. This request includes \$500,000 for planting 2,500 additional street trees, and \$500,000 in contracts for inspections and scheduled street tree care. *Approximate cost: \$1 million*
- **Equitable Funding for Complete Streets:** It is anticipated that the current COVID-19 crisis will negatively impact both TransNet and Gas Tax, resulting in lower funding amounts. I request that TransNet and Gas Tax funding be equitably distributed across all nine Council Districts and be utilized to advance Complete Streets to help meet our Climate Action Plan (CAP) goals. *Approximate cost: Unknown.*

NEIGHBORHOOD SERVICES / QUALITY OF LIFE IMPROVEMENTS

- **Restoration of Library Hours:** Libraries are a vital resource to our communities, therefore, it is critical that the current operation hours for every library be restored for the upcoming fiscal year. The 2 days a week closure as proposed in the budget is simply not acceptable. *Approximate cost: \$6.8 million.*
- **Restoration of Star/PAL Program:** The Mayor is proposing the elimination of the STAR/PAL Unit impacting 17 programs for more than 3,000 inner-city and at-risk youth annually. STAR/PAL has proven to be a positive program in fostering and creating positive relationships with our youth and local law enforcement department. Therefore, I request the City preserve this program in the proposed budget. *Approximate cost: \$1.38 million and 7 FTE (1.00 Police Sergeant, 5.00 Police Officers and 1.00 Word Processing Operator)*
- **Restoration of Tree Trimming:** The Mayor's proposed budget includes a reduction of \$1.8 million in funding for street tree trimming services. This reduction will result in the City being unable to conduct maintenance work on shade trees and will decrease the frequency of cycle routine palm tree maintenance from 2 years to 8 years. I request that this funding be fully restored to continue these services. *Approximate cost: \$1.8 million.*
- **Restoration of Weed Abatement:** As proposed, the budget calls for the reduction of \$700,000 for weed abatement and \$56,000 for the reduction of 1.00 FTE to conduct this work. This reduction will only allow the City to respond to the most crucial Fire Marshal requests, as well as right-of-way spraying. Additionally, it will leave no resources for manual removal of weeds on the median or road shoulders. Because of the safety hazard that overgrown vegetation poses to the community, especially in and around our canyons, I request that funding be restored to allow for routine clearance efforts throughout the City. *Approximate cost: \$756,000 and 1.00 FTE.*
- **Restoration of Brush Management:** The proposed budget makes a reduction of \$411,000 in non-personnel expenditures for brush management in the Parks and Recreation Department. This will result in a reduced frequency of brush abatement from 21 months to 26 months and reduce the maintenance of sites from 509 acres to 412 acres. *Approximate cost: \$411,000.*
- **Restoration of Graffiti Abatement:** The proposed reduction along with the removal of one-time funding provided in FY 2020, will eliminate the City's ability to respond to all graffiti abatement on private property. Moreover, the average number of days for the City to respond to a graffiti complaint is expected to increase from 8 business days to 10 business days. I request the restoration of the 2.00 FTE reduced positions, as well as the restoration of the \$150,000 one-time funding provided in FY2020. *Approximate cost: 2.00 FTEs and \$268,000*
- **Restoration of Pothole Repair Crew:** It is critical that the City restore the 2.00 FTE positions to ensure that potholes continue to be filled in a timely matter. As proposed, this reduction will increase the average response time for pothole repair from 10 business days to 12 business days. *Approximate cost: \$131,000 and 2.00 FTEs*

- **Minimize Cuts to Storm Water:** As proposed, the FY21 budget reduces funding for a number of storm water related tasks such as water quality monitoring, among other efforts. Given the vital public health function of storm water, I request that the City ensure minimal cuts to this area so that we protect the public and the environment and that we continue to support the work of creating a long-term funding strategy.
Approximate cost: Unknown.

INFRASTRUCTURE IMPROVEMENTS

- **Street Resurfacing:** There are a series of streets in Council District Nine that are in dire need be slurry sealed or resurfaced. Below is a list of locations that I request to be included in the annual allocation Street Resurfacing and Reconstruction – AID00005:
 - Redwood St. from Menlo Ave to 38th St.
 - Catoctin Dr. between Montezuma Rd. and Cleo St.
 - Collier Ave between 54th St and Austin Dr.
 - 54th St between Adams Ave and Collwood Blvd.
 - 68th St cul-de-sac north of Saranac St.
 - Biona Dr. between Adams Ave. and Madison Ave.
 - Van Dyke Ave between Madison Ave. and Monroe Ave.
 - 38th St. between Redwood St. and Quince St.
 - Home Avenue between Fairmount Ave and Spillman Dr.
 - Redland Dr. between Redland Pl. and 55th St.
 - Redland Pl.
 - 55th St. between Redland Pl. and Redland Dr.

Approximate cost: Unknown

- **Street Lighting:** There are neighborhoods in District 9 that are lacking adequate street lights. While some neighborhoods are lacking street lights altogether, there are some that are in dire need of maintenance and replacement. See Attachment 1 and 2 for specific locations that I request be considered as part of the Street Light annual allocation – AIH00001.

OTHER PRIORITIES

- **Operation Shelter to Home:** The May Revise proposes to use \$10 million in CARES Act funding to support successful exits from the Convention Center in order to ensure that individuals have the opportunity to obtain shelter and housing when the City transitions the Convention Center back to its normal operations. Potential solutions to use this funding include leasing or purchasing hotels for long-term use, among other things. I believe that it is of the utmost importance for the City Council to be involved and provide direction in how this \$10 million will be spent to ensure that we are effectively serving our most vulnerable individuals. For this reason, I request that an item be brought forward in June to the City Council by City staff for consideration about proposed uses for this funding. *Approximate cost: \$10 million*

- **Restoration of FTEs to Support the Living Wage Program:** The Living Wage Program, Equal Opportunity Contracting Program, and the Minimum Wage & Earned Sick Leave Program all play an important role in protecting workers. Especially with the current crisis, it is crucial that we protect our workers by ensuring that the department has the necessary staffing levels. The Mayor is proposing cuts to a program that is already understaffed, while the workload has been increasing significantly. I request that the current proposed 5.00 FTE reductions in the Purchasing and Contracting Department be restored. *Approximate cost: \$500,000 and 5.00 FTE (1.00 Living Wage Program Sr. Management Analyst, 2.00 Administrative staff, 1.00 Senior Procurement Contracting Officer and 1.00 Associate Procurement Contracting Officer)*
- **Restore the City Attorney's Budget:** During the budget hearings, it was stated that the Office of the City Attorney has been engaged in assisting on public safety priorities for the City during COVID-19. As such, the Office of the City Attorney should receive CARES Act funds. Furthermore, a 4% cut to the office will result in a service level impact and the potential inability to meet Charter obligations with this proposed reduction to their budget. Therefore, I respectfully request the City Attorney's office be exempt from any personnel reductions during the FY21 budget cycle. *Approximate cost: \$2.4 million.*
- **Restore the City Auditor's Budget:** The Office of the City Auditor works diligently to identify cost savings and increased revenues in order to make the City more effective in achieving its goals. This year's cuts to the City Auditor's budget would remove three or more fundamental positions, impacting the department's ability to complete the audits and investigations that have proved to be extremely valuable for the City. These audits help reduce the risk for fraud, waste and abuse, which is prevalent during the economic crisis that we are currently facing. In addition to these investigations, the department also takes hotline investigation recommendations from our residents, making their services available to the public. Considering the valuable task that the City Auditor conducts, I respectfully request that the \$295,000 cut from the Office of the City Auditor be restored for the upcoming fiscal year to fund their personnel expenditures. I advise the City to use the services provided by the Office of the City Auditor to implement solutions and increase efficiency. *Approximate cost: \$295,000*
- **Restore the Office of the City Clerk's Budget:** The 4% reduction to this office equates to a reduction of \$239,660. This reduction could result in service level impacts to support elections, preparation of meetings and support for the Redistricting Commission. Given the important work that this office provides, I request for their budget to be restored and offer my CPPS allocation of \$75,347 as a funding source to partially cover their budget. *Approximate cost: \$239,600.*

SUGGESTED REVENUE SOURCES:

- **Smart Street Light Program - \$875,000:** While the May Revision proposes to remove the \$1.4 million General Fund allocation from the smart street light program, there is still a \$875,000 allocation from the Community Parking Districts to support this program for FY21. Given the numerous concerns with this program, I request that this funding not be utilized for this purpose. Instead, I request for the funding to be redirected to support other infrastructure projects within the community parking districts area such as enhanced bicycle facilities, pedestrian accessibility, etc. These funds could support projects that could further help us meet our CAP goals. *Approximate cost: \$875,000*
- **CleanSD Program - \$2 million:** The FY21 budget proposes a total of \$6.7 million in General Fund expenditures to support this program of which approximately \$3.2 million is allocated to the Environmental Services Department and approximately \$3.6 million is allocated to the Neighborhood Policing for the San Diego Police Department. I request to maintain the Environmental Service Department funding to support litter abatement and defund a portion of the Neighborhood Policing for SDPD. Approximately \$2 million of the \$3.6 million funding in Neighborhood Policing for SDPD should be used to support the development of a new regional outreach strategy (PATH Mid-City Model) that is consistent with the RTFH Outreach Guidelines.
- **Fleet Fund Balance - \$15.2 million:** The IBA points out that the General Fund's Fleet Replacement Fund is projected to have a fund balance of \$16.9 million, after a \$4.8 million allocation is proposed to be returned to the General Fund in the FY 2021 Proposed Budget. This remaining \$16.9 million of fund balance is planned to be returned to the General Fund as rate relief of \$4.8 million in each of the next four fiscal years. Of this fund balance, the Council should consider using \$15.2 million to help fund the most critical services in the City this budget cycle.
- **Public Liability Reserves - \$1.7 million:** There is an estimated \$1.7 million in further excess Public Liability funds available for use that can help support critical expenditures for this budget.
- **Pension Payment Stabilization Reserves - \$7.9 million:** The IBA notes in their report that \$7.9 million remain in the Pension Payment Stabilization Reserves. A portion of this fund balance could be utilized to support critical priorities.
- **Maintain Current City Departments:** The current department structure for the City should be maintained for the upcoming fiscal year. The creation of these new departments rely on the use of one-time funds and revenue sources that do not make them cost neutral, but instead take away resources from other priorities. By maintaining the current department structure, the City can utilize the funding from the sources listed below to support other critical priorities:
 - Community Parking Districts
 - General Plan Maintenance Fund
 - Shared Mobility Device Fund
 - Funding set aside for consulting services

Thank you for your time and consideration on my final budget priorities.

ATTACHMENT 1 STREET LIGHT LOCATIONS

- **Azalea Park Lighting:** There is currently a lack of lighting throughout the Azalea Park community. Staff has estimated that the community is currently deficient in about 40 street lights. Please refer to the attached map for a complete overview of the locations.
- **Kensington-Talmadge Lighting:** In the communities of Kensington and Talmadge the following locations have been identified as lacking sufficient lighting:
 - Terrace Drive cul-de-sac between Park Place and Madison Avenue
 - Aldine Drive, north side, approximately 650 ft. west of Monroe Avenue
 - 4600 and 4800 blocks of Biona Drive and Biona Place
- **Kensington Street Light Circuit Modernization:** I request that the City fully fund the Kensington Heights #2 Series Circuit Upgrade Project (B17146) and establish a similar CIP for circuit modernization in Talmadge Park – North through the City Circuit Upgrades annual allocation (AIH-00002). To date, there is an approximate \$2.5 million funding gap to complete this project. *Approximate cost: \$2,500,000.*
- **Mountain View and Willie Henderson Sports Complex Lighting:** I propose that we install street lights in the following areas:
 - S 39th Street north of Superior Street at alley 120', west side streetlight
 - S 39th Street south of Imperial Avenue at alley 120', west side streetlight
 - 44th Street, north of K Street, at the end of cul-de-sac, west side
 - 44th Street, north of K Street, at the end of cul-de-sac, west side
 - 44th Street, north of K Street ~380', west side
 - 44th Street, north of K Street ~172', west side

Approximate cost: \$10,000 through the annual allocation dedicated to the Installation of City Owned Street Lights (AIH-00001).

- **Mt. Hope Lighting:** The community of Mt. Hope lacks sufficient street and parks lighting. It is imperative that we provide adequate lighting in Mount Hope due to the high crime in the neighborhood. I propose that we install street lights in the following areas:
 - Federal Boulevard west of Home Avenue 940', at end of cul-de-sac
 - Southlook Avenue south of Gilmore Street 165', west side streetlight
 - Southlook Avenue south of Imperial Avenue 110', west side streetlight
 - Gavin Street, south of J Street ~175', east side
 - Carlos Street, north of J Street ~195', east side

Approximate cost: \$46,000 through the annual allocation dedicated to the Installation of City Owned Street Lights (AIH-00001).

- **Reservoir Drive Lighting:** I recommend the installation of street lights along Reservoir Dr. from Montezuma Rd. to Alvarado Rd. to mitigate the public safety concerns in the College Area. *Approximate cost: Unknown, but efforts to install on Reservoir Drive could*

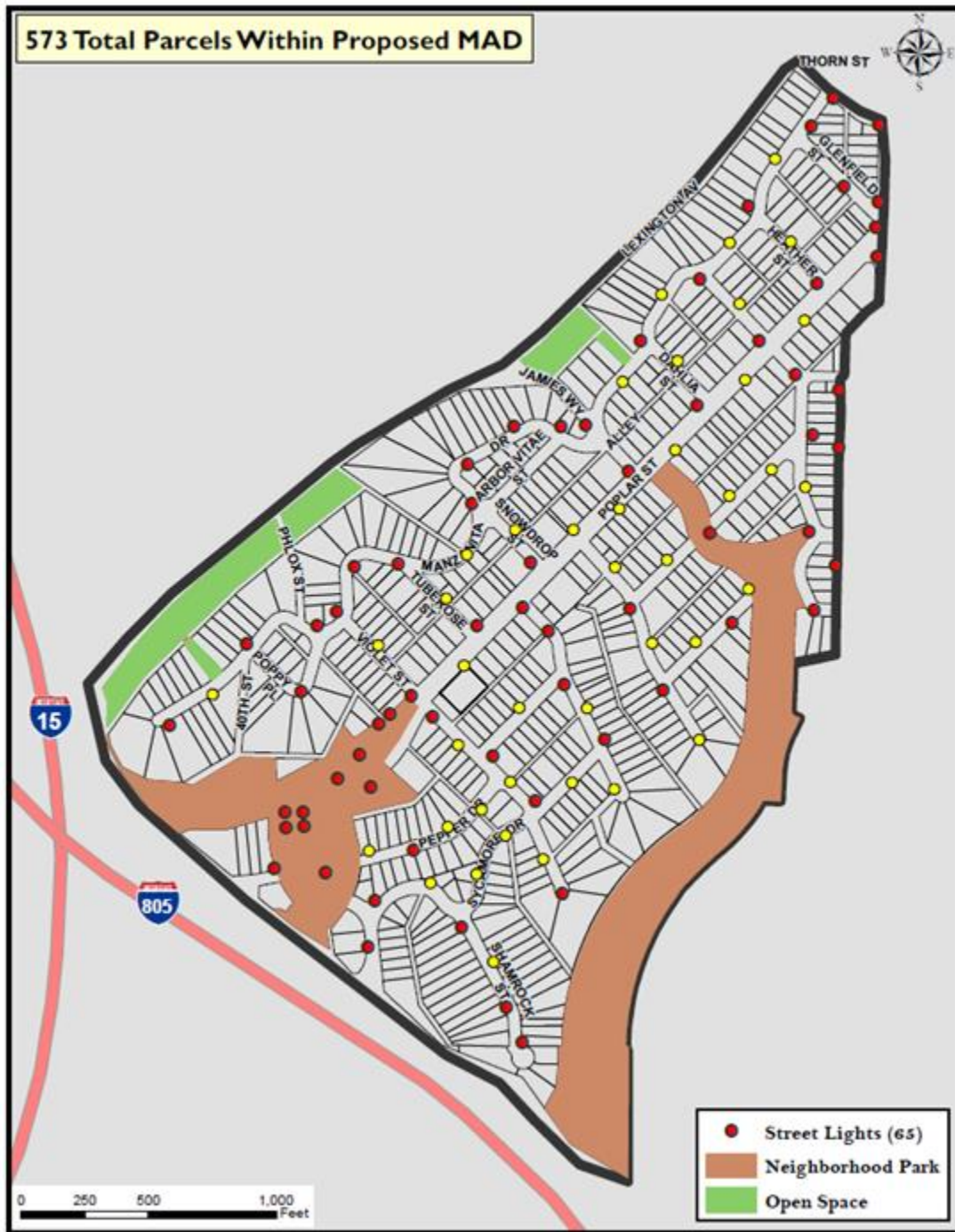
be funded through the annual allocation dedicated to the Installation of City Owned Street Lights (AIH-00001).

- **Southcrest Lighting**

- Acacia Street west of South 35th Street 140', north side streetlight
- Delta Street east of Acacia Street 150', south side
- Delta Street east of Acacia Street 150', south side
- 35th Street north of Tompkins Street 135', west side
- S 38th Street south of Superior Street 160', east side
- S 39th Street south of T Street 150', east side
- 39th Street north of F Street 170', west side
- 39th Street south of Hilltop Drive 130', west side
- 42nd Street north of F Street 120', west side
- 42nd Street south of Hilltop Drive 170', west side

Approximate cost: \$67,500 through the annual allocation dedicated to the Installation of City Owned Street Lights (AIH-00001).

ATTACHMENT 2
AZALEA PARK STREET LIGHT LOCATIONS



Approximate cost: Unknown.