FY 2023 City Council Budget Priorities

City Council
Item S404
February 7, 2022

Office of the Independent Budget Analyst
Background

Budget Priorities Resolution is Council’s first step in the budget process

• Priority memoranda were submitted to our Office on January 14, 2022

• Report summarizes Council budget priorities

• Budget Priorities Resolution will be submitted to Mayor after approval by City Council
### Operating Budget Priorities

<table>
<thead>
<tr>
<th>Operating Category</th>
<th>Priority Area</th>
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<tbody>
<tr>
<td>Environment and Climate Action</td>
<td>Office of Labor Standards Enforcement</td>
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<tr>
<td>Public Safety</td>
<td>Public Banking Feasibility Study</td>
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<tr>
<td>Neighborhood Services</td>
<td>Technical Support for IBA</td>
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<tr>
<td>Human Capital and Employee Compensation</td>
<td>Office of Race and Equity</td>
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<td>Homelessness and Housing</td>
<td>Commission on Police Practices</td>
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<td>Youth Services</td>
<td>Digital equity</td>
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<tr>
<td>Accessibility</td>
<td>Small Business and Non-Profit Relief</td>
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<td>Arts and Culture Programs</td>
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### Infrastructure Budget Priorities

<table>
<thead>
<tr>
<th>Infrastructure Category</th>
<th>Priority Area</th>
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<tbody>
<tr>
<td>Transportation and Mobility Safety</td>
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<tr>
<td>Streets</td>
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<td>Sidewalks</td>
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<tr>
<td>Stormwater</td>
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<tr>
<td>Facilities</td>
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<td>Americans with Disabilities Act (ADA)</td>
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### Resource and Mitigation Priority

<table>
<thead>
<tr>
<th>Resource and Mitigation Category</th>
<th>Priority Area</th>
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<tr>
<td></td>
<td>Use of Excess Equity</td>
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City Council Operating Budget Priorities

Environment and Climate Action

- Climate Action Plan Implementation (8 Districts)
- Urban Forestry (8)
- Stormwater (8)
- Mobility Master Plan (7)
- Climate Equity Fund (6)
- Grant Writers (6)
- Climate Resilient SD (5)
- Public Power Feasibility Study (5)
City Council Operating Budget Priorities (cont’d)

Public Safety
• Lifeguards \textit{(unanimous)}
• Fire-Rescue Personnel (5)

Neighborhood Services
• Library \textit{(unanimous)}
• Brush and Weed Abatement (8)
• Code Enforcement (5)
• Parks & Recreation (5)
City Council Operating Budget Priorities (cont’d)

Human Capital and Employee Compensation (8)

Homelessness and Housing
• Rental Assistance
  • Housing Stability Fund (5)
  • Pilot Subsidy Program Supporting Older Adults (5)
• Homeless Shelters for LGBTQ and Senior Populations (7)

Youth Services
• Office of Child & Youth Success (7)
• Youth Environmental/Recreation Corps Program (5)
City Council Operating Budget Priorities (cont'd)

Accessibility
• ADA Compliance and Accessibility (8)
• SDAccess4All (6)
• Language Translation Services (5)

Arts and Culture (8)

Office of Labor Standards Enforcement (6)

Public Banking Feasibility Study (6)

Technical Support for IBA (5)
City Council Operating Budget Priorities (cont’d)

Priorities Added at Budget and Government Efficiency Committee

• Office of Race and Equity
• Commission on Police Practices
• Digital Equity
• Small Business and Non-Profit Relief
City Council Infrastructure Budget Priorities

Transportation and Mobility Safety (unanimous)
- Pedestrian & Bicycle Safety (unanimous)
- Traffic Calming (unanimous)
- Traffic Signals (8)
- Streetlights (8)

Streets (unanimous)

Sidewalks (unanimous)

Stormwater (8)
City Council Infrastructure Budget Priorities (cont’d)

Facilities
• Parks & Recreation (8)
• Library (8)
• Fire-Rescue (8)

ADA (8)
City Council Budget Resource and Mitigation Priorities

**FY 2023 Resource with Majority Support:**
- Use of Excess Equity
  - Current estimate: $26.7M (one-time)

**Other Ideas for Consideration for FY 2023, Mentioned by 4 Councilmembers:**
- Federal American Rescue Plan Act
  - Current estimate: $179M remaining for FY 23 - FY 25
- Infrastructure Investment and Jobs Act
  - Fiscal Estimate: Unavailable

**Option for Fiscal Years After FY 2023, Majority Support:**
- Stormwater Revenue Source
  - Staff estimate ranges from $74M to $94M annually
Conclusion

**Recommended City Council Action**

- Review and discuss budget priorities highlighted in report, as modified by Budget and Government Efficiency Committee

- Adopt the FY 2023 Budget Priorities Resolution, with any desired modifications

- Resolution will be submitted to the Mayor for consideration in the FY 2023 Proposed Budget