



# **Review of the Proposed FY 2015 Budget for Civic San Diego**

**Office of the Independent Budget Analyst  
June 9, 2014**

# General Fund Allocation for Civic San Diego



- The Proposed Budget provided a total of \$300,000 for Civic San Diego (CivicSD) in the base budget for FY 2015:
  - \$250,000 for economic development activities (Economic Development Department budget)
  - \$50,000 for maintenance of the downtown public restrooms and port-a-potties (Environmental Services Department budget)
- The May Revise provided an additional \$300,000:
  - \$75,000 for development of reuse opportunities for the old Main Library
  - \$225,000 for the formation of a Public-Private Investment Fund

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## GENERAL FUND ALLOCATION FOR CIVICSD

	Base Budget	May Revise	Total
<b>Revenue</b>			
FY 2015 Base Budget - Economic Development Department	\$ 250,000	\$ -	\$ 250,000
FY 2015 Base Budget - Environmental Services Department	50,000	-	\$ 50,000
Added in the May Revise - Economic Development Department	-	300,000	\$ 300,000
<b>Total Revenue from General Fund</b>	<b>\$ 300,000</b>	<b>\$ 300,000</b>	<b>\$ 600,000</b>
<b>Expenditures</b>			
Maintenance of Downtown Restrooms and Port-a-Potties	50,000	-	\$ 50,000
Pursuit of Other Economic Development and Infrastructure Funding Sources	35,000	-	\$ 35,000
Pursuit of New Grant Opportunities	40,000	-	\$ 40,000
Formation of Public-Private Investment Fund	175,000	225,000	\$ 400,000
Development of Reuse Opportunities for Old Main Library	-	75,000	\$ 75,000
<b>Total Expenditures</b>	<b>300,000</b>	<b>300,000</b>	<b>\$ 600,000</b>

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- The FY 2015 funding proposals results in a total of \$400,000 for staff and consultant costs to develop financial modeling and assess the feasibility of Public-Private Investment Funds for Encanto and City Heights.
- CivicSD initially requested \$175,000 to assess the feasibility of the investment fund.
- Establishing such funds can require a significant investment, for example, San Francisco spent \$500,000 to set up a similar fund.
- However, CivicSD is in the early stages of this process and may not require the full \$400,000 in FY 2015, particularly since the concept has not yet been fully developed.

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<b>Programs/Function</b>	<b>Request</b>	<b>Funded</b>
Maintenance of Downtown Restrooms and Port-a-Potties	\$ 25,000	\$ 50,000
Pursuit of Other Economic Development and Infrastructure Funding Sources	35,000	35,000
Pursuit of New Grant Opportunities	40,000	40,000
Formation of Public-Private Investment Fund	175,000	400,000
Development of Reuse Opportunities for Old Main Library	75,000	75,000
Downtown Long-range Planning	100,000	-
Community Engagement and Communications	100,000	-
<b>Total</b>	<b>\$ 550,000</b>	<b>\$ 600,000</b>

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- Additionally, we believe that \$50,000 for maintenance of the downtown public restrooms and port-a-potties, included in ESD's base budget, may have been overlooked and included in the May Revise, as well.
- As a result, we have utilized \$50,000 of the \$400,000 funded in the Proposed Budget and May Revise to fund recommended revisions for the FY 2015 Budget..
- With this reduction, \$350,000 will still be available in CivicSD's budget for the Investment Fund.

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- Although there was confusion regarding how CivicSD would utilize the additional \$225,000 included in the May Revise, staff confirmed that this funding is not being allocated to provide ministerial review in Encanto and City Heights.
- A proposal to revise CivicSD's consulting agreement with the City to expand planning and permitting to these targeted areas is being vetted by the Mayor's office and is subject to meet and confer with labor before going to Council for final approval.
- Staff do not anticipate that additional revenue will be needed to support these functions, since permitting is self-sustaining through charges for services and planning could be supported with grant funding.