



THE CITY OF SAN DIEGO

Report to the Mission Bay Park Improvement Fund Oversight Committee

DATE ISSUED: September 10, 2019
TO: Mission Bay Park Improvement Fund Oversight Committee
FROM: Parks and Recreation
SUBJECT: Proposed Fiscal Year 2020 and Fiscal Year 2021 Allocations of the Mission Bay Park Improvement Fund

OVERVIEW:

This item is to approve proposed project allocations for Fiscal Year 2020 and Fiscal Year 2021 of the Mission Bay Park Improvement Fund.

PROPOSED ACTIONS:

- 1. Approve the Fiscal Year 2020 amended allocation schedule for the Mission Bay Park Improvement Fund of \$1,487,491 from Annual Allocation AGF00004, Mission Bay Park Improvements, within Fund 200386, Mission Bay Park Improvement Fund, to various sublet projects identified below:

Table with 2 columns: Project Name, Requested Change FY2020. Lists various park improvement projects and their associated costs, such as Adult Fitness Course East Shore, Beautification of Traffic Islands Group 1, etc.

Project Name	Requested Change FY2020
Robb Field Recreation Center Rehabilitation	\$(700,000)
Rose Marie Starns South Shores Parking Lot	\$(100,000)
San Diego River Trail Improvements - North Bank	\$(1,000,000)
Santa Clara Playground	\$(100,000)
Sustainable Lighting	\$(1,000,000)
Sustainable Lighting Group 1	\$(300,000)
Tecolote North Comfort Station	\$1,351,778
Tecolote North Playground	\$1,964,000
Tecolote South Comfort Station	\$1,317,981
Tecolote South Playground	\$2,027,000
TOTAL	\$1,487,491

2. Approve the proposed Fiscal Year 2021 allocation schedule for the Mission Bay Park Improvement Fund of \$7,900,000 from Annual Allocation AGF00004, Mission Bay Park Improvements, within Fund 200386, Mission Bay Park Improvement Fund, to various sublet projects identified below:

Project Name	Proposed Fiscal Year 2021
Adult Fitness Course East Shore	\$294,271
Crown Point (North) Parking Lot	\$1,157,000
Dusty Rhodes Parking Lots	\$105,000
El Carmel Comfort Station	\$1,282,000
Mission Bay Athletic Comfort Station	\$600,000
Robb Field Comfort Stations	\$200,000
Robb Field Parking Lots and Park Roads	\$350,000
Robb Field Recreation Center Rehabilitation	\$400,000
Santa Clara Comfort Station Upgrade	\$809,500
Santa Clara Parking Lots	\$750,000
Santa Clara Playground	\$509,500
Sunset Point Parking Lot	\$18,000
Tecolote North Parking Lot	\$555,729
Tecolote South Parking Lot	\$228,000
Ventura Comfort Station	\$641,000
TOTAL	\$7,900,000

DISCUSSION OF ITEM:

In September 2017 and again in December 2018, the Oversight Committee approved the Mission Bay Park Improvement Fund 10-Year Plan, and allocated millions of dollars in lease revenues from the Mission Bay Park Improvement Fund aimed at revitalizing Mission Bay Park.

The projects supported by this Committee and broadly delineated in Charter Section 55.2, will tackle a host of deferred maintenance projects through the replacement of playgrounds, comfort stations, parking lots, bike paths, pedestrian walkways, and other assets in need of upgrade. Presently, the City's Public Works Department is actively managing over 40

deferred maintenance projects, including 15 comfort stations, 12 parking lots, and 10 playgrounds.

Beyond deferred maintenance, the Improvement Fund is also funding a series of projects called out in Charter Section 55.2 to create new wetlands, restore failing shorelines and expand endangered species preserves and habitat throughout Mission Bay. Those projects are currently being evaluated by the City's environmental consultant under a Programmatic EIR (PEIR). Due to the expected length of time required to complete the PEIR, these projects do not require immediate funding in the near-term.

Our reports noted that the 10-Year plan will require future review and adjustment, and we pledged to return to the Committee to request approval for such adjustments to ensure adequate funding for projects as they move forward.

The proposed modifications to the allocations from the Ten-Year Plan are designed to spread out and maximize cash flow to complete projects that are not reliant on completion of the PEIR. Based on projections provided by the Public Works Department, these revenues would be allocated to a project's design or construction so that they may continue to progress.

The changes are summarized in Attachment 1, Proposed Fiscal Years 2020 and 2021 Allocations of Mission Bay Park Improvement Fund by Project.

BACKGROUND:

Mission Bay Park Lease Revenues

Charter Section 55.2 requires Mission Bay Park Lease Revenues¹ to be allocated according to the formula in Charter Section 55.2(b). Lease revenues allocated to the Mission Bay Park Improvement Fund may only benefit the Mission Bay Park Improvement Zone. The Improvement Zone includes "those areas encompassed within the boundaries of Mission Bay Park, Oceanfront Walk from the Mission Bay jetty to Crystal Pier and the adjoining seawall, coastal parks, and ocean beaches contiguous thereto" It also includes portions of Rose Creek, Tecolote Creek, and the San Diego River as it passes through the boundaries of Mission Bay Park. The geographical boundaries of Mission Bay Park are defined in Charter Section 55.2(a)(3) based on a 2001 survey by the City of San Diego.

The Real Estate Assets Department has projected anticipated Mission Bay Park Lease Revenues for Fiscal Years 2018 and 2019 as shown in Table 1. Based on prior receipts and assuming no changes in existing or new leases, this Report uses a two percent inflationary factor to the overall lease revenues for each fiscal year thereafter.

For purposes of this Report, Staff applied the allocation formula² established in Charter Section 55.2 against the projected lease revenues to create Tables 1 and 2, which show actual and anticipated Improvement Fund receipts by fiscal year:

¹ Charter Section 55.2(a)(3) defines Mission Bay Park Lease Revenues as "all revenues collected by the City of San Diego from commercial and non-profit sources within Mission Bay Park, including but not limited to all monetary consideration received under leases of city owned property within Mission Bay Park, as well as revenue collected from contracts for concessions or any other revenues collected for the use of city owned property within Mission Bay Park. The term does not include revenue from the Mission Bay Golf Course, unless privately leased; mooring fees; any revenues from taxes including but not limited to Transient Occupancy Taxes, sales taxes, possessory interest taxes, property taxes; or permit fees such as park and recreation fees or special event fees to the extent those fees are levied to recover actual costs incurred by the City of San Diego."

² "Subject to the City of San Diego's State law obligations as a trustee of tidelands within *Mission Bay Park*, *Mission Bay Park Lease Revenues* up to the threshold amount in each fiscal year shall be deposited into the San Diego General

Table 1: Distribution of Mission Bay Park Lease Revenues to the General Fund, Mission Bay Park Improvement Fund, and San Diego Regional Parks Improvement Fund

Fiscal Year Lease Revenues Received:	FY 2018	FY 2019	FY 2020	FY 2021
Projected Mission Bay Park Lease Revenue:	\$31,157,218	\$31,899,671	\$32,153,846	\$32,307,692
Allocation to General Fund:	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000
Amount Available for Charter 55.2 Distribution:	\$11,157,218	\$11,899,671	\$12,153,846	\$12,307,692
SD Regional Parks Improvement Fund - 35%:	\$3,905,026	\$4,164,885	\$4,253,846	\$4,307,692
Mission Bay Park Improvement Fund - 65%:	\$7,252,192	\$7,734,786	\$7,900,000	\$8,000,000

Table 2: Summary of Actual and Projected Allocations of Mission Bay Park Lease Revenues to Mission Bay Park Improvement Fund

Fiscal Year	Funding
2012	\$2.4 million received
2013	\$5.4 million received
2014	\$4.3 million received
2015	\$7.0 million received
2016	\$10.4 million received ³
2017	\$6.5 million received
2018	\$7.3 million received
2019	\$7.7 million received
2020	\$7.9 million anticipated

Fund and may be used for any municipal purpose . . . All *Mission Bay Park Lease Revenues* in excess of the threshold amount shall be allocated in the City of San Diego budget to two distinct funds. Thirty-five percent (35%) of the *Mission Bay Park Lease Revenues* in excess of the threshold amount, or three million five hundred thousand dollars (\$3,500,000) whichever is greater, shall be allocated to the *San Diego Regional Parks Improvement Fund* that solely benefits the *San Diego Regional Parks* and sixty-five percent (65%) of the *Mission Bay Park Lease Revenues* over the threshold amount, or the remainder of those revenues if less than 65% is available after the allocation to the *San Diego Regional Parks Improvement Fund*, shall be allocated to the *Mission Bay Park Improvement Fund* that solely benefits the *Mission Bay Park Improvement Zone*. The threshold amount shall be \$23 million beginning fiscal year 2010 and ending fiscal year 2014. The threshold amount shall be \$20 million beginning fiscal year 2015 and shall remain \$20 million thereafter." [San Diego Charter § 55.2(b)].

³ In Fiscal Year 2016, the Improvement Fund received \$7.2 million in Lease Revenues per the Charter Section 55.2 formula and an additional \$3.2 million allocation associated with a retroactive, one-time correction to reallocate Mission Bay Park Lease Revenues associated with the Mission Bay RV Resort and Campland on the Bay.

Programmatic Environmental Impact Report

On December 4, 2017, the City Council approved the Mission Bay Park Improvement Fund Ten-Year Plan (hereafter referred to as the Ten-Year Plan) per Resolution R-311429. Following this approval, the City retained a consultant to complete the PEIR.

Per the Ten-Year Plan recommendation, \$7.0 million in funding has been allocated to the PEIR. The PEIR will examine most large-scale projects contained in the Ten-Year Plan that require significant permitting and approval from regulatory agencies. The Public Works Department hired Dudek under a five-year agreement per City Council Resolution R-311788 on June 12, 2018, and Dudek received the Notice to Proceed on July 3, 2018.

Under direction from Public Works with consultation from Parks and Recreation and the Planning Department, Dudek has initiated efforts to analyze, engineer, and perform technical analysis for several priority projects. The results will be reported to the MB Park Improvement Fund Oversight Committee on a regular basis.

The projects being analyzed are many of the environmental initiatives called for in Charter Section 55.2, including but not limited to:

- Rose Creek Wetlands
- Wetlands within the De Anza Special Study Area
- North Fiesta Island Wetlands
- Tecolote Creek Wetlands/Tidal Culverts at Fiesta Island Causeway
- Cudahy Creek Wetlands
- Restoration of Shoreline Treatments
- Expansion of Endangered or Threatened Species Preserves and Habitats
- San Diego River Trail Improvements (Estuary Trail Enhancement Plan)
- Other projects that may require significant permitting and regulatory agency input

Dudek will examine these projects holistically and determine how efficiencies between projects can be maximized, such as sharing mitigation amongst the various locations for wetland/biological impacts. The technical analysis will take additional time because the consultant is assessing not just these sites, but other locations throughout Mission Bay. The PEIR will bring time and cost savings, since staff will seek one Site Development Permit (SDP) for all the affected projects rather than obtaining individual permits. The goal is to use the existing PEIR for future CEQA approval.

Deferred Maintenance Projects

As noted, staff proposes additional funding for projects that are not dependent on the completion of the PEIR and that are furthering design or construction. We also recommend the reprogramming of funds from projects that require completion of the PEIR.

Comfort Stations

Several comfort station projects are poised to proceed to design or construction and require added funding in Fiscal Years 2020 and 2021. They include El Carmel (\$1.282 million), Mission Bay Athletic Field (\$600,000), Robb Field (\$200,000), Santa Clara (\$809,500), Tecolote North (\$1.35 million), Tecolote South (\$1.3 million) and Ventura Cove (\$641,000).

Playgrounds

The following playground projects are poised to proceed to design or construction and require added funding in Fiscal Years 2020 and 2021. They include Bonita Cove Maruta Gardner (\$2.7 million), Crown Point North (\$960,000), Santa Clara (\$509,500), Tecolote North (\$1.964 million) and Tecolote South (\$2.027 million).

Parking Lots

Several parking lot projects have been completed by our Transportation & Stormwater Department. They include North Cove, Santa Clara North, Old Sea World Drive and De Anza South.

Additional parking lot resurfacing projects are poised to proceed to design or construction and require added funding in Fiscal Years 2020 and 2021. They include Crown Point North (\$1.157 million), De Anza North (\$414,000), Dusty Rhodes (\$105,000), Robb Field (\$700,000), Santa Clara (\$750,000), Sunset Point (\$18,000), Tecolote North (\$555,729) and Tecolote South (\$228,000).

Adult Fitness Course (East Shore)

The current course equipment has reached the end of its useful life. Funding already exists to develop the design effort. Therefore, staff recommends reprogramming \$1.35 million to other eligible projects. After reprogramming, approximately \$939,000 remains in the project budget.

Crown Point Park Missing Walkways

This allocation completes funding for a capital project to install pedestrian walkways from Crown Point Drive into Crown Point Park at La Cima Drive, Moorland Drive and Lamont Street.

De Anza Mobile Home Removal

Due to the short-term lease agreement between the City and Campland on the Bay, the funding allocated for mobile home removals at De Anza is no longer required. Staff recommends reprogramming the \$2.0 million to other eligible projects.

Beautification of Traffic Islands Group I

This project provides for the study of signage (monument and wayfinding) and associated landscaping for Mission Bay Park. Staff recommends certain beautification projects take place prior to completion of the PEIR, principally for the center medians on Sea World Drive. Current allocations to this project total \$2.2 million.

Staff recommends a reduction of \$100,000 in FY2020 funding, which brings the total project allocation to \$2.1 million.

Oceanfront Walk Seawall and Bulkhead

In Fiscal Year 2018, the Ten-Year Plan allocated \$1.5 million for the design and construction of the seawall and bulkhead. The design phase will include an assessment of the entire length of the seawall from its southerly terminus near the Mission Bay Channel Jetty to Crystal Pier.

Project design of 30% is being conducted under the PEIR, however, construction may not commence until after the PEIR is completed. Therefore, staff recommends reprogramming \$1.5 million to other eligible projects.

Robb Field-North Ocean Beach Gateway Path:

This project will complete a walking path between Robb Field and the North Ocean Beach Gateway. Staff recommends adding \$100,000 to the project in Fiscal Year 2020, which brings the total project allocation to \$600,000.

Robb Field Recreation Center Rehabilitation

This project would address deficiencies in the current recreation center located at Robb Field. The most recent facility condition assessment indicated several building systems need replacement, which necessitates the proposed rehabilitation of the facility.

Funding already exists to develop the project scope and commence the design effort. Therefore, staff recommends reprogramming \$700,000. After reprogramming, \$1.0 million remains in the project budget.

Robb Field Turf and Irrigation Improvements

This project would replace the irrigation system at Robb Field and plant new natural turf. Funding exists to complete the design. Therefore, staff recommends no net change in funding.

San Diego River Trail North Improvements:

This proposed project would address deficiencies in the current pathway along the north bank of the San Diego River. The project may not commence until after the PEIR is completed. Therefore, staff recommends reprogramming \$1.0 million to other eligible projects.

Sustainable Lighting

This project provides for the study, design, and installation of sustainable lighting in Mission Bay. The study will identify where to convert lights to energy-saving technology, where to replace lights to improve illumination, and where to install new lighting. In Fiscal Year 2018, \$300,000 was allocated to this project, and \$1.0 million in FY2020

This project may not commence until after the PEIR is completed. Therefore, staff recommends reprogramming \$1.3 million to other eligible projects.

Fiscal Considerations:

Staff recommends the Mission Bay Park Improvement Fund Oversight Committee approve the proposed Fiscal Year 2020 and Fiscal Year 2021 allocation schedules for the Mission Bay Park Improvement Fund as presented above. If approved by the Oversight Committee, the requested funding actions will be taken to the City Council for approval in accordance with Charter Section 55.2.

Environmental Impact:

This activity is not a “project” and is not subject to CEQA pursuant to CEQA Guidelines Section CEQA §15060(c)(2) and §15378(c), and does not constitute approval of a Project [CEQA §15352(a)], because this action only involves the allocation of funds for future Mission Bay Park Improvements, which on its own accord will not cause a significant effect on the environment.

Approval of the projects for which these funds and consultant contract are targeted will occur once the project is submitted for permit and environmental review in accordance with the City’s LDC, and CEQA §15004 which provides direction to lead agencies on the appropriate timing for environmental review. This action will not foreclose review of alternatives or mitigation measures by the public as part of the CEQA process.

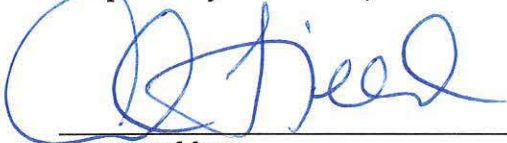
Equal Opportunity Contracting Information:

This agreement is subject to the City’s Equal Employment Opportunity Outreach Program (San Diego Ordinance No. 18173, Section 22.2701 through 22.2708) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517).

Conclusion

The proposed changes listed above will allow multiple deferred maintenance projects within the Mission Bay Park Improvement Zone to move forward with design and construction.

Respectfully submitted,



Approved by:
Andy Field
Interim Director
Parks and Recreation Department



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