

MINUTES

City of San Diego Park and Recreation Board MISSION BAY PARK IMPROVEMENT FUND OVERSIGHT COMMITTEE

July 9, 2019

Meeting Location:

Santa Clara Recreation Center
1008 Santa Clara Place
San Diego, CA 92109

Mailing Address:

Balboa Park
Administration Building
2125 Park Boulevard
San Diego, CA 92101-
4792

ATTENDANCE:

Members Present

David Potter
Darlene Walter
Ron Anderson
Paul Robinson
James McGuirk
Jeff Johnson

Members Absent

Giovanni Ingolia
Kari Logan
Chris Redfern

Staff Present

Jeff Van Deerlin
Bill Overstreet
Rodney Greek

CALL TO ORDER – Chairperson Robinson called the meeting to order at 6:30 PM.

APPROVAL OF THE MINUTES OF May 7, 2019

MOTION: MOVED/SECONDED

A motion was made by Potter and seconded by McGuirk to approve the May 7, 2019 meeting minutes as read. The motion was carried (6-0-0)

REQUEST FOR CONTINUANCE

None

NON-AGENDA PUBLIC COMMENT / COMMUNICATIONS

- I have a lot of interest in the Ocean Beach area especially the dog parks and other projects that are going on there like the Sunset Cliffs Natural Park. I have extensive background knowledge of Stormwater management and development through my career in development. I have a lot of experience in wetlands development from Florida. I was on a company where we donated 4800 acres of waterfront land to the state of Florida, and really understand the value of those projects. There are a lot of things that you guys include, and we didn't realize until last year that some of the funding for improvements in our Park came from Mission Bay Park Improvement Fund.

CHAIRPERSONS REPORT

None

STAFF REPORT

None

ACTION ITEM

Consent (These items are adopted without discussion; they can be moved to adoption by any committee member.)

101. None

Adoption (Each adoption item requires individual action; they can be moved to consent by action of the committee.)

201. FY 2018 Mission Bay Park Improvement Fund Audit, presented by Rodney Greek, Performance Auditor. This is a performance audit of the Mission Bay Improvement Fund and San Diego Regional Park Improvement Funds. This audit is for 2018 and is required annually per Charter section 55.2. We look at all the lease revenues that are received from the properties on Mission Bay and any amounts over \$20 million dollars per year get allocated into the Mission Bay Park Improvement Fund and the Regional Park Improvement Fund. The charter has specifics on how much goes into each fund. The objective of the audit is to ensure those revenues are properly recorded and that the monies are only spent on expenditures that were

allowed and properly approved through this committee as well as the Regional Park Improvement Fund Committee. These expenditures are capital in nature for capital improvement projects in Mission Bay Park and the other Regional Parks. We want to make sure all this is being done appropriately and we are required to present to your Committee as well as Regional Park Improvement Fund Committee the results of our audit.

For the fiscal year 2018 audit the adjusted lease revenues were \$32.6 million dollars and that means \$12.6 million dollars were available to be allocated into the two funds. 35% or \$3.5 million whichever is greater goes to the Regional Park Improvement Fund and 65% goes to the Mission Bay Park Improvement Fund. The amounts were, \$4.4 million went into the Regional Park Improvement Fund and \$8.2 million dollars went into the Mission Bay Park Improvement Fund. We started fiscal year 2018 with \$35.8 million dollars in excess revenue and we added the \$8.2 million dollars to Mission Bay Park, there were expenditures of \$6.3 million dollars for the dredging, and we ended the year with \$38.2 million dollars in the Mission Bay Park Improvement Fund.

We did note a couple items of pertinent information that we want to make sure we are tracking. One of them was looking at the committee members for Mission Bay Park Committee, in the municipal code and this is the only committee that has this phrasing, there is a maximum of eight years a committee member can serve on the committee. The City Attorney has found that even if you reach the maximum number of years you are allowed to stay on the committee until a replacement member can be found. There has to be a four-year gap in between service before a committee member can come back to the committee. Even though the two folks on this committee have served beyond eight years until you are replaced you can stay on.

There is one other issue that we wanted to report on. At the beginning of this last audit we were asked to look at how does Real Estate Assets know that all of the properties that are leasing on Mission Bay lands are probably being allocated to this fund. There is a GIS tracking system to show where all the rental leases are coming from. We looked at that and we did see there is a significant amount of holdover leases, but on Mission Bay area lands there is only eight holdover leases. Many of those have been remedied, for example Campland at the time was a holdover lease. OMBAC has requested a three-year extension and the Boy Scouts are currently drafting a new agreement. Rainier partnership actually had three separate leases and they have rolled

them into one so it is easier for the City. Newport capital which manages the De Anza RV park has ended their obligations as of June 30, 2019 and Campland will take over managing that. We will continue to track these and do a separate audit unrelated to this to see how the Real Estate Assets is managing holdover leases and making sure they are staying on top of it.

Mission Bay rents were accounted for and appropriately allocated with respect to the funds. The expenditures, we only look at expenditures that are using post-Charter 55.2 monies, \$6.3 million dollars in Mission Bay and \$2.8 million dollars in Regional Parks. There was a prior recommendation for the City Treasurer to audit the De Anza RV Park. They did that and found a discrepancy so an invoice was sent out and they made good on that.

MOTION: MOVED/SECONDED

A motion was made by Potter and seconded by Johnson to approve the FY 2018 Mission Bay Park Improvement Fund Audit as presented. The motion was carried (6-0-0)

INFORMATION ITEMS

301. None

WORKSHOP ITEMS

401. None

ADJOURNMENT - Chairperson Robinson adjourned the meeting at 6:47 PM

Notice of Next Regularly Scheduled Meeting: TBA

Santa Clara Recreation Center
1008 Santa Clara Place
San Diego, CA 92109

Respectfully Submitted,

Bill Overstreet

Bill Overstreet, Grounds Maintenance Manager, Mission Bay Park

Please Note: This information is available in alternative formats upon request. To request an agenda in Braille, large print or cassette or to request a sign language or oral interpreter for the meeting, call Bill Overstreet @ 858.581.9979 at least five working days prior to the meeting to ensure availability. Alternative Listening Devices (ALD's) are also available for the meeting, if requested at least five working days prior to the meeting, to ensure availability.