



THE CITY OF SAN DIEGO

MEMORANDUM

OFFICE OF THE INDEPENDENT BUDGET ANALYST

DATE: August 16, 2022

TO: Elizabeth Maland, City Clerk

FROM: Charles Modica, Independent Budget Analyst 

SUBJECT: November 2022 Fiscal Impact Analyses

As part of the preparation of the fiscal impact analysis procedure outlined in Municipal Code section 27.0506, the decision of any two of the three designated parties (the Mayor, or his designee; the Independent Budget Analyst; and the City Auditor) will result in the final fiscal impact analyses.

All four of the fiscal impact analyses were approved by all three designated parties, see Attachment 1. Attachment 2 contains the fiscal impact analyses for the four propositions:

- Measure B – Amends San Diego Municipal Code Section 66.0127 related to solid waste management services
- Measure C – Removing 30-foot height limit in Midway-Pacific Highway Community Plan Area
- Measure D – Contracting Updates. Project Labor Agreements for State Funding Eligibility
- Measure H – Charter Amendment regarding Article V, Section 55

Please let me know if you have any questions or need any further information.

Attachments: 1. Fiscal Impact Language Authorization Form
2. Fiscal Impact Language for November 2022 Ballot Measures

cc: Honorable Mayor Todd Gloria
Honorable Council President Sean Elo-Rivera
Honorable Councilmembers
Mara Elliott, City Attorney
Andy Hanau, City Auditor
Jay Goldstone, Chief Operating Officer
Matt Vespi, Chief Financial Officer



THE CITY OF SAN DIEGO

FISCAL IMPACT LANGUAGE AUTHORIZATION FOR
NOVEMBER 2022 BALLOT MEASURES

As part of the preparation of the fiscal impact analysis procedure outlined in Municipal Code section 27.0506, the decision of any two of the three designated parties (the Mayor, or his designee; the Independent Budget Analyst; and the City Auditor) will result in the final fiscal impact analysis. The undersigned state their agreement or disagreement with the final fiscal impact analyses for the November 2022 election.

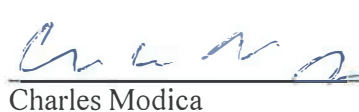
AMENDING SAN DIEGO MUNICIPAL CODE SECTION 66.0127 RELATED TO
SOLID WASTE MANAGEMENT SERVICES

Agree ☒
Disagree ☐

Agree ☒
Disagree ☐

Agree ☒
Disagree ☐


Matt Vespi
Chief Financial Officer
Mayoral Designee


Charles Modica
Independent Budget Analyst

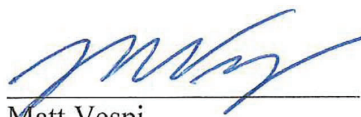
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Andy Hanau
City Auditor

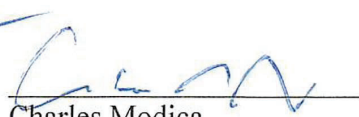
CONTRACTING UPDATES. PROJECT LABOR AGREEMENTS FOR STATE
FUNDING ELIGIBILITY

Agree ☒
Disagree ☐

Agree ☒
Disagree ☐

Agree ☒
Disagree ☐


Matt Vespi
Chief Financial Officer
Mayoral Designee


Charles Modica
Independent Budget Analyst

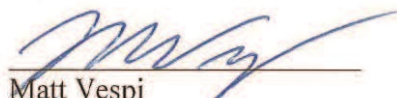
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Andy Hanau
City Auditor


**REMOVING 30-FOOT HEIGHT LIMIT IN MIDWAY-PACIFIC HIGHWAY
COMMUNITY PLAN AREA**

Agree ☒
Disagree ☐

Agree ☒
Disagree ☐

Agree ☒
Disagree ☐


Matt Vespi
Chief Financial Officer
Mayoral Designee


Charles Modica
Independent Budget Analyst

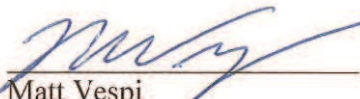
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City Auditor
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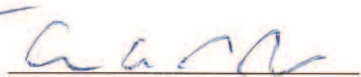
CHARTER AMENDMENT REGARDING ARTICLE V, SECTION 55

Agree ☒
Disagree ☐

Agree ☒
Disagree ☐

Agree ☒
Disagree ☐


Matt Vespi
Chief Financial Officer
Mayoral Designee


Charles Modica
Independent Budget Analyst

Andy Hanau
City Auditor
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FISCAL IMPACT STATEMENT FOR CITY MEASURE ON NOVEMBER 8, 2022 BALLOT

MEASURE B – AMENDS SAN DIEGO MUNICIPAL CODE SECTION 66.0127 RELATED TO SOLID WASTE MANAGEMENT SERVICES

This measure amends San Diego Municipal Code Chapter 6, Article 6, Division 1, Section 66.0127, also known as the People’s Ordinance, to provide the City the option to recover City costs for solid waste management services. This could relieve the City’s General Fund which currently covers the majority of these costs in addition to services like public safety, roads, parks, and libraries. The measure also recodifies the City’s responsibilities for waste management services. Passage of this measure would not immediately change any services or service levels, nor would it expand or shrink the number or types of residences currently receiving solid waste services from the City.

This measure alone will not impose any fees. The measure would only allow the City to charge a fee for solid waste services, as the municipal code currently prohibits this practice. Any fee that the City would levy for solid waste services would be prohibited from exceeding the cost to provide services, and would follow the Proposition 218 process, including development of a Cost of Service Study, public noticing, and a public hearing on the fee prior to approval. This process mirrors the process the City conducts for Water and Wastewater rates.

The Cost of Service Study would ultimately determine what fees could be levied, and would consider current costs as well as potential service level enhancements or other changes. The study would also determine a fee structure, as well as how low income or other discount programs, if any, would be structured. This process is expected to take approximately two years, and may cost the City approximately \$1 million to complete. The study itself would be conducted by a consultant selected through a competitive bidding process.

While the fee is still to be determined, and while this measure does not impose a fee, it is reasonable to assume that at some point residents currently receiving solid waste services from the City would be charged a fee. According to City staff, up to approximately \$79.2 million in costs in the FY 2023 Adopted Budget could be covered by a fee if such a fee were currently allowed. This includes \$58.7 million from the General Fund, which could be redirected to other core services such as public safety, parks and libraries. A best estimate of what this fee would be at this time, assuming the City only recovers costs for services it currently provides and potential costs to bill and collect fee revenue, ranges from \$23 to \$29 per month per customer. This range is similar to the fees charged by other peer cities that offer similar services (see IBA Report 21-23 at <https://www.sandiego.gov/sites/default/files/iba-report-21-23.pdf>). Given that a Cost of Service Study could take several years to complete, and the costs to provide this service may increase over the next several years, the actual fee levied could be higher. Conversely, if the City elects to subsidize some portion of the costs to provide solid waste services, the actual fee levied could be lower.