



REPORT

THE CITY OF SAN DIEGO TO THE PARKS AND RECREATION BOARD

DATE ISSUED: July 11, 2022

REPORT NO.: 203

ATTENTION: Parks and Recreation Board
Agenda of July 21, 2022

SUBJECT: Opportunity Fund Policy Development Strategic Plan

SUMMARY

This item provides an update on the efforts of the Parks and Recreation Department (Department) to develop a policy to manage the new Opportunity Fund that was approved by City Council on February 14, 2022. The Opportunity Fund was established as a mechanism to increase recreation opportunities in communities of concern as identified in the Climate Equity Index. As part of the establishing the Opportunity Fund, City Council requested a formal policy be developed with community input.

The Department will bring forward an action to the Parks and Recreation Board in the fall of 2022, followed by the Public Services and Livable Neighborhoods Committee and City Council to request approval of the Opportunity Fund Policy and immediate implementation to develop budgetary requests for distribution in Fiscal Year 2024.

BACKGROUND

In August 2021, the Parks Master Plan was approved which provides a mechanism for the Department to identify and address inequities in the park system so that everyone has equal access to save, clean and thriving parks. With recommendations from City Council and the Parks Master Plan, the Department recognized a need to determine a funding source to support equitable programming across the City.

In addition to the Parks Master Plan, the Office of the City Auditor released the Performance Audit of Equity in Recreation Programs in November 2021. The audit contains five core findings that resulted in 16 recommendations for the Department to pursue (Attachment A). The findings of the audit discovered that the Department lacks resources to adequately support a strategic data driven approach to identify and evaluate community recreation needs, existing programs, marketing, language and financial barriers, thus limiting the Department's ability to effectively allocate resources and provide recreation programs more equitably across the City. The Department agreed with the findings and agreed to implement all recommendations.

Between 2019 and 2021, the Department retained a consultant and established a fee committee comprised of Department employees to evaluate the Department Fee Schedule (Attachment B) and provide recommendations for changes which were approved by City Council on February 14, 2022, R-313898 (Attachment C). A notable recommendation in the revised Fee Schedule was the implementation of new fees to support creation of the Opportunity Fund, which is intended to support the Department's efforts in offering equity-based programs in communities of concern. The Opportunity Fund fees are applied to permitted events, facility use by sports leagues, room and pool rentals, and on-going recreation-based business operations by commercial and non-profit entities. Fees collected for the Opportunity Fund are retained in a special fund for future allocation.

To ensure proper management, transparency, and equitable use of the Opportunity Fund, the Department has drafted some preliminary concepts for a proposed policy. The concepts will be shared with community stakeholders via notices and public input workshops in an effort to develop a policy that encompasses the priorities of our communities.

DISCUSSION

As part of R-313898, a special fund was established by the Department of Finance to begin collecting revenue for the Opportunity Fund effective July 1, 2022. The Department estimates that the Opportunity Fund will collect roughly \$1 million annually with the first round of allocations available for distribution on July 1, 2024, pending approval of the new policy.

During the first year of fund establishment the Department will be developing a policy to outline management and allocation processes to allow for fair and equitable distribution of the Opportunity Fund. To initiate the development of the policy, the Department strategized some preliminary concepts for this proposed policy as well as an evaluation matrix (Attachment D) for consideration. Some of these concepts include:

- Opportunity Fund proceeds would transfer into each Recreation Center Fund (RCF) located in communities of concern as defined by the Climate Equity Index
- As noted in the Recreation Equity Audit (Recommendation #1), staff should conduct a needs assessment for recreation programming for each community of concern; the Fiscal Year 2023 adopted budget contains initial resources to hire a consultant to conduct a needs assessment for some communities of concern
- As community needs data becomes available and staff receives feedback from each Community Recreation Group (CRG), each Recreation Center Director will prepare preliminary program proposals that can be funded by the Opportunity Fund and supported by the CRG
- The Recreation Services Program Manager will consolidate all requests for the Opportunity Fund each fall and determine whether requests can be accommodated with anticipated fund revenue

- The Department will create a diverse Program Evaluation Committee to include job classifications such as Recreation Specialists and Management Analysts
- Through the workshop process, the Department will create an objective scoring process that can help determine which proposals may be funded. Potential scoring criteria may include:
 - Available room at the site to conduct the program
 - Uniqueness of program as compared to existing programs at the site
 - Demand by the community for the program
 - Target service group served by the program (youth, older adults, therapeutic recreation, etc.)
 - Number of participants served by the program
 - Uniqueness of program to avoid duplication of similar programs in adjacent recreation centers

The intended outcomes in developing a policy to manage and allocate the Opportunity Fund is to increase recreation opportunities in communities of concern, reducing barriers to recreation programs, improving program offerings, and reducing costs to participants and make equitable investments in all communities.

As part of the public input process, the Department will initiate outreach via a letter to the following community stakeholders, including presentations, workshops, and/or letters requesting input. A list of organizations for outreach include:

- User groups including sports leagues
- San Diego Parks Foundation and other park-advocate nonprofit organizations
- Community Recreation Groups
- Area Committee I and II
- Park and Recreation Board

The Department will host a series of public input meetings to present the proposed policy and request input. Workshops will be scheduled in August and September 2022 with one workshop per Council District. The location, date and time will be noticed in the outreach letter, posted at City facilities, and shared via various communication channels.

Once notified, each community stakeholder group can consider the proposed Opportunity Fund Policy and shall notify the Department in writing of its recommendations. A final draft of the policy will be presented to the Area Committee and Park and Recreation Board in October 2022 for consideration.

If the City Council approves the proposed policy to manage the Opportunity Fund, the Department will proceed with the implementation of the policy, budgeting disbursements from the fund in Fiscal Year 2024 for use beginning July 1, 2023.

CONCLUSION

The Department will initiate the community outreach plan (Attachment E) in July 2022 and host public input workshops in August and September 2022. The Department will bring an action request forward to the Area Committees, Park Board, Public Services and Livable Neighborhoods Committee, and City Council in the fall and winter months for consideration of the proposed policy.

Respectfully submitted,

Tom Tomlinson

Tom Tomlinson
Assistant Director

Sarah Erazo

Prepared by: Sarah Erazo
Program Manager, Recreation Services

se

Attachments:

- A. Audit of Equity in Recreation Programming
- B. Council Resolution 313898
- C. Department Fee Schedule effective July 1, 2022
- D. Proposed Opportunity Fund Allocation Matrix
- E. Opportunity Fund Policy Development Outreach and Communication Plan