



# REPORT

## THE CITY OF SAN DIEGO TO THE PARKS AND RECREATION BOARD

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DATE ISSUED: March 8, 2023

REPORT NO.: 102

ATTENTION: Parks and Recreation Board  
Agenda of March 16, 2023

SUBJECT: Opportunity Fund Council Policy

### SUMMARY

Issue – Should the Parks and Recreation Board recommend approval of Opportunity Fund Council Policy?

Department's Recommendation – Recommend approval of the Opportunity Fund Council Policy. The Opportunity Fund Council Policy provides authority for the Mayor, or designee, to allocate and disburse the Opportunity Fund in accordance with the policy for programs, equipment, supplies, projects and other purposes beneficial to the City.

Fiscal Impact – This action will establish a Council Policy to govern the management and allocation of the Opportunity Fund within the Parks and Recreation Department.

Water and Energy Conservation Status – The proposed Opportunity Fund Council Policy will comply with all water and energy conservation guidelines contained in Council Policy 200-14.

Environmental – This activity is not a project as defined by CEQA Section 21065 and CEQA Guidelines Section 15378(b)(4), as it is a government fiscal activity which does not involve any commitment to a specific project that may result in a potentially significant physical impact on the environment; and Section 15378(b)(5), as it is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment. As such, this activity is not subject to CEQA pursuant to CEQA Guidelines Section 15060(c)(3).

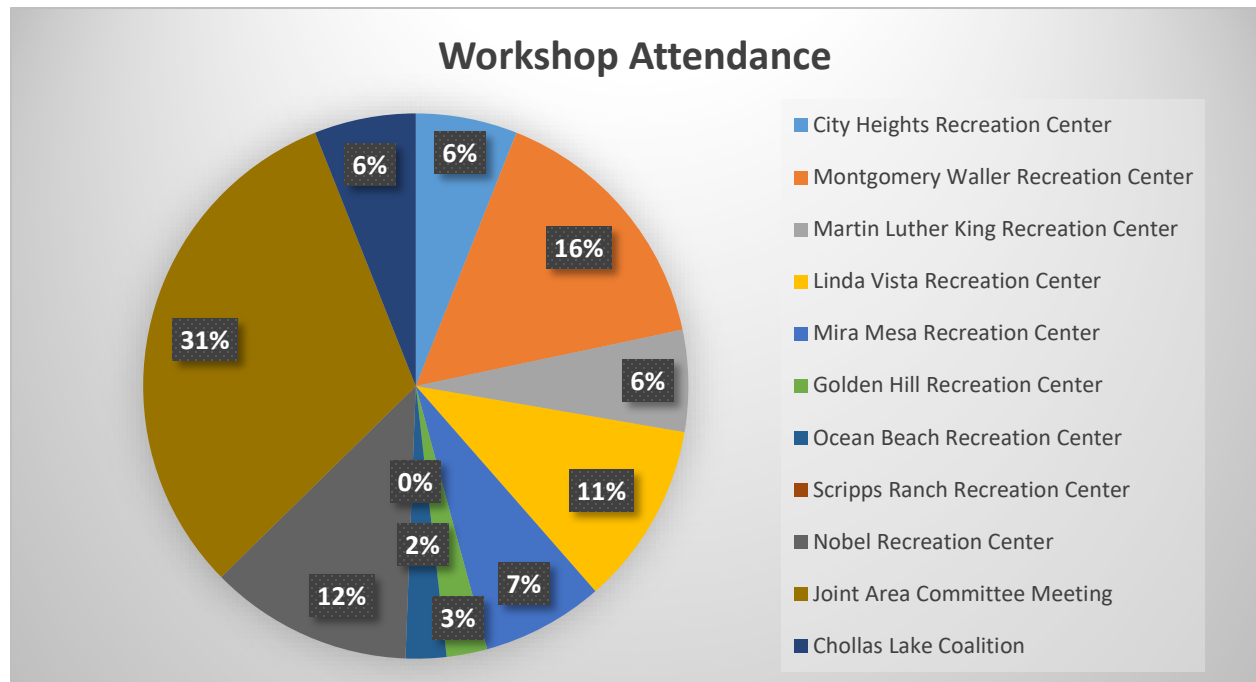
### BACKGROUND

In response to the 2021 Parks Master Plan and the 2021 Audit of Equity in Recreation Programming, the Parks and Recreation Department (Department) developed a user fee, the Opportunity Fund Fee (Fee), as part of the 2022 Department Fee Schedule update. Per Council Resolution R-313898 (Attachment B), a special fund, the Opportunity Fund, was established to collect the Fees. The purpose of the Fund is to provide an on-going resource to support equitable programs and minor projects in Communities of Concern (CoC), as defined by the 2019 Climate Equity Report (Attachment C).

## DISCUSSION

### **Public Input Process/Summary**

A Communication Plan was presented to Parks and Recreation Board in July 2022 outlining the public input workshop timeline for the development of the Opportunity Fund Council Policy. In October 2022 the Department distributed a letter to all Community Recreation Groups, Planning Groups, non-profit organizations, and various other stakeholders with an invitation to participate in several Opportunity Fund Council Policy development workshops (Attachment D). Eleven (11) workshops were held across the city, one (1) in each Council District, a Joint Area Committee meeting and a meeting with Groundwork San Diego-Chollas Lake Coalition. Members of the public were welcomed to participate in the workshops by attending in-person or virtually to view the presentation, ask questions and provide recommendations. Spanish translation was available at each meeting.

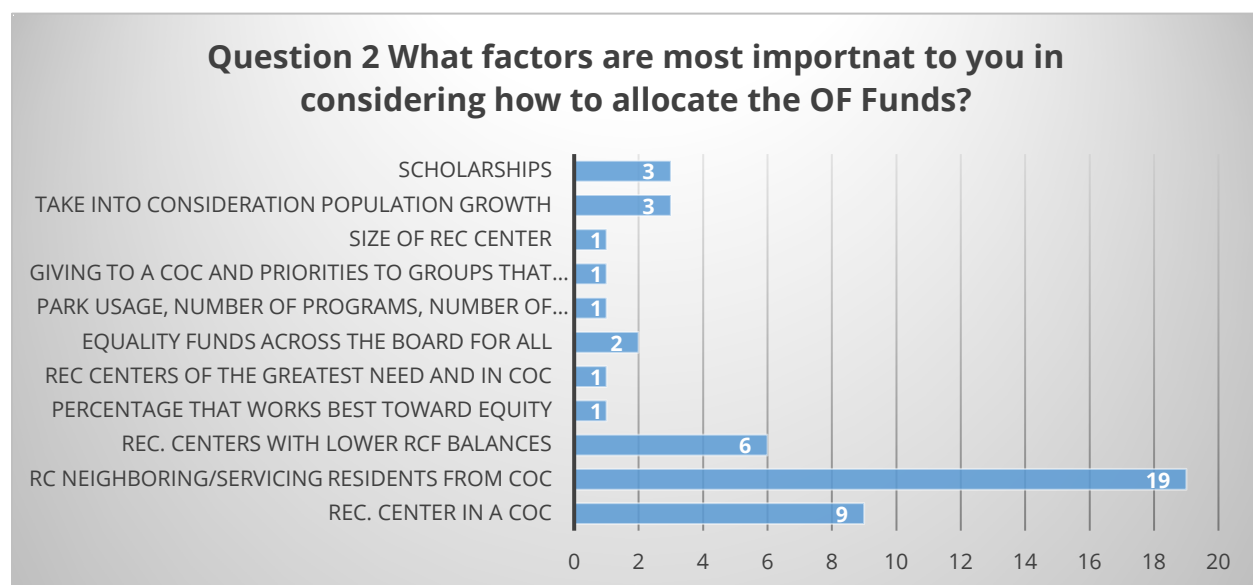
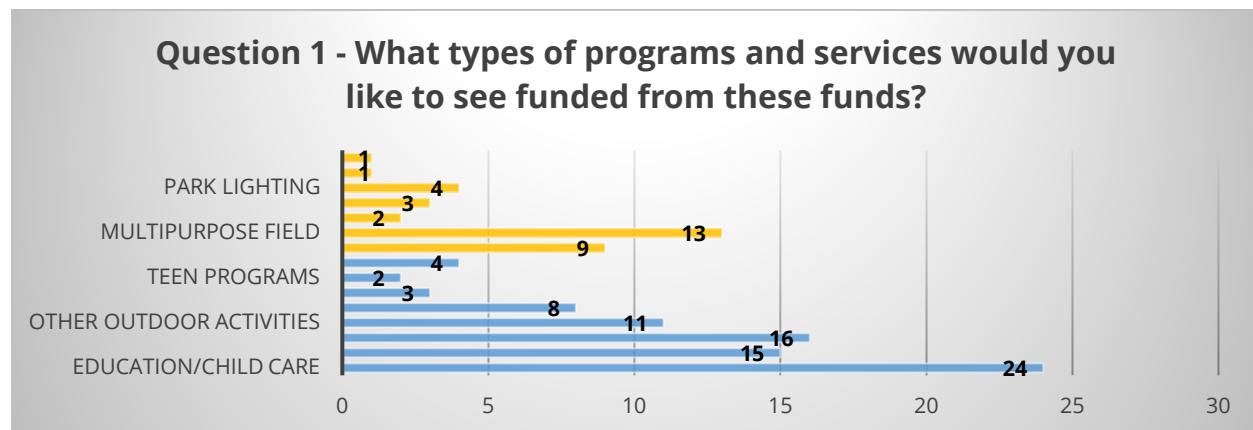


In total, 83 people attended the Opportunity Fund workshops with the greatest attendance taking place at the Joint Area Committee meeting followed by Montgomery Waller in Council District 8. Members of the audience were asked to participate in two surveys regarding how and where the Fees should be allocated. While most attendees expressed interest in various recreation programs such as STEAM activities, gymnastics, early education, intervention programs and sports, many saw an opportunity to use the Fees for field and court renovations, equipment, park furnishing, and community gardens.

When asked what factors are important to consider in allocating the Fees, the majority of attendees selected allocating Fees to recreation centers located in CoC's or servicing a CoC. Other factors recommended were allocating Fees to recreation centers with lower access to funding and consideration of funding scholarships city-wide.

Additional recommendations provided for the evaluation process included 1) removal of the size of a recreation center as part of the scoring matrix, 2) factoring population size and

growth, 3) Parks Master Plan scoring criteria, 4) only using Fees for programs and not maintenance, 5) public participation on the evaluation committee, and 6) looking at budgetary expenses in the upcoming fiscal year for projects that will impact the Recreation Center Fund budget. Various resources were analyzed as part of final draft of the policy development, including Census Tract data, Climate Equity Index, Parks Master Plan as well as the Departments' Tactical Equity Plan.



### Overview of Proposed Policy & Matrix

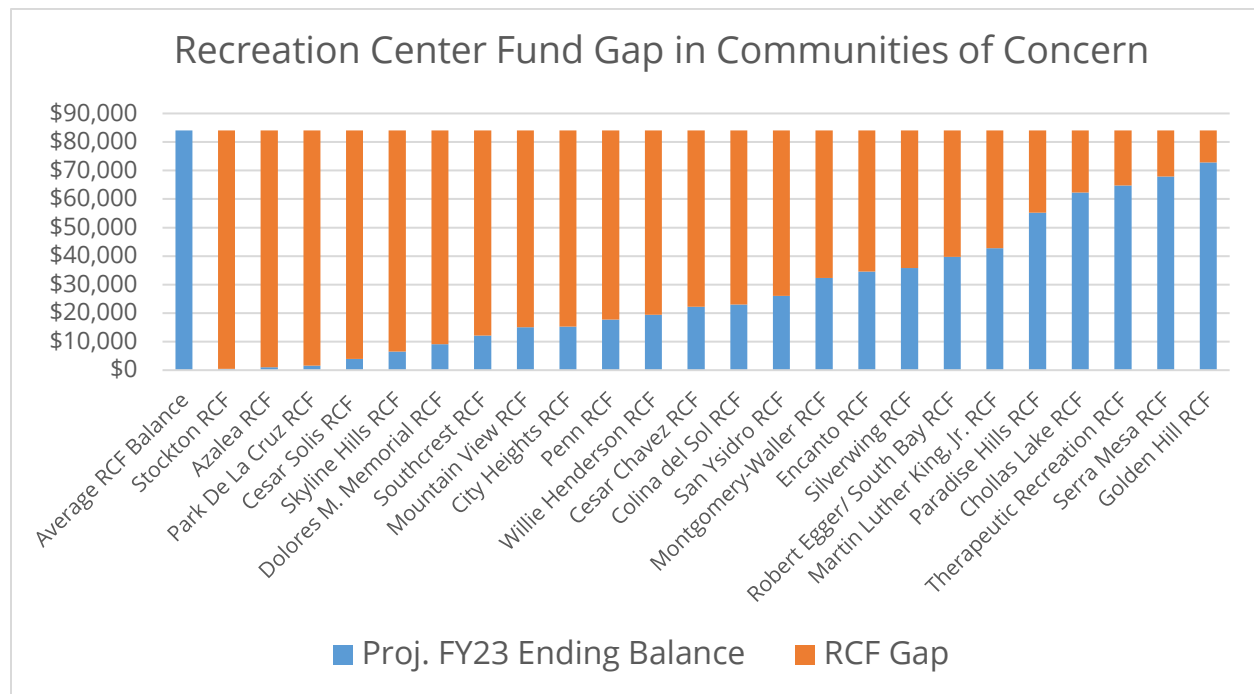
The proposed Opportunity Fund Council Policy provides authority for the Mayor, or designee, to allocate and disburse the Fees in accordance with the policy for programs, equipment, supplies, projects and other purposes beneficial to the City. The policy ensures compliance with Council Policy 000-02 related to budget policies and acknowledges that 100% of the projected available Fees will be allocated annually to support equitable programs and services in the Department.

As part of the allocation process, each fiscal year distribution of the Fees will be determined according to the Objective Scoring System (OSS) (Attachment E), or at the discretion of the

Director of the Parks and Recreation Department (Director). Fees will be distributed into that year's approved Recreation Center Funds (RCF) during the first quarter of the subsequent fiscal year.

Furthermore, the policy provides guidelines for distribution of the Fees which will include an OSS to identify which recreation center funds are eligible for consideration. The scoring system applies points to a recreation center based on the RCF balance (the lower the balance the more point received), proposed fiscal year budget (the lower the budget the more point received), and geographical location (point for being located in a CoC or adjacent to a CoC.) Recreation centers with the largest score each year are prioritized for Fee allocations. Fee funding each year will be allocated to RCFs up to the annual average for RCF balances across the Department until all funds are exhausted.

Each Recreation Center Director (RCD), with community input, will identify funding needs for the recreation center and neighborhood parks. Funding needs will be based on multiple factors, including analysis of data for individual recreation center priorities and geographic service areas. Based on results of the analysis, the RCD will submit a preliminary budget proposal to the Director for use of the Fees (Attachment F). The Department will create an evaluation committee responsible for reviewing all Opportunity Fund proposals using the OSS and will provide recommendations of allocations to the Director or designated appointing authority. Special considerations will be taken into account by the evaluation committee when reviewing the OSS results such as projects impacting RCF budgets and changes to RCF accounts, such as merging or splitting funds. Upon distribution of the Opportunity Fund, along with projected General Fund budget, grants and donations, RCF balances will have a minimum average balance across the Department, if not more to allocate toward programs and services (Attachment G).



To maintain and further develop the OSS, the Department will update current and historical information for all Recreation Center service areas, and may consider information from the

United States Census Bureau, San Diego Association of Governments (SANDAG), GALE – Analytics on Demand and other resources deemed relevant by the Director. Allocation of the Opportunity Fund may be reassessed as conditions change to ensure that the Department is capturing the most relevant data and need across the city for programs and services.

### **Identifying Community Needs**

To ensure a formalized approach for obtaining recreation programming feedback from the community at-large, the Department is preparing to conduct a community needs assessment that includes identifying the types of programs communities need, satisfaction levels, effectiveness, recreation priorities, and demographic information such as race, income, education level, age, etc. This assessment will be conducted in two phases, with phase one prioritizing CoCs, with the remaining community assessments taking place in phase two.

Once the Department completes the community needs assessment, a strategic plan will be developed to address recreational equity that defines a vision for equitable recreational programming. The plan will include objectives and goals with performance measures to gauge progress and identify resource needs to implement the goals and objectives of the strategic plan. The Department will establish equal standards for programming at all recreation centers and provide Department staff with training and resources to implement a diverse schedule of activities that meet the community's needs.

In developing the Opportunity Fund budget proposal, RCDs will seek input on programs and services at public meetings and through surveying community members. Opportunity Fund budget proposals will be unique to meet each community's' needs while still achieving the minimum program standards previously identified. Proposals may include services such as culturally relevant programming, special events, maintenance of fields and courts, facility furnishings, and other services desired by the community. Due to the limited amount of Fees available, Capital Improvement Projects will not be considered as an approved use of the Fees and will continue to be supported through the Parks Master Plan, Development Impact Fees and other appropriate funding sources.


### **Conclusion**

The intended outcomes in developing a policy to manage and allocate the Opportunity Fund is to increase recreation opportunities in CoCs, reduce barriers to recreation programs, improve program offerings, reduce costs to participants, and make equitable investments in all communities. As data and resources continue to evolve, the Department will have the ability to continuously re-evaluate the most equitable distribution of the Fees, providing access to new recreation programs to our most underserved communities.

### **ALTERNATIVES**

Do not approve the Opportunity Fund Council Policy.

Respectfully submitted,

  
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Sarah Erazo  
Deputy Director  
City-wide Recreation Services Division

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Attachment(s):    Attachments:

- A. Proposed Opportunity Fund Council Policy
- B. Council Resolution R-313898
- C. Climate Equity Index Map identifying recreation center locations
- D. Letter to Community Recreation Groups re: Opportunity Fund Policy Development
- E. Proposed OF Objective Scoring System
- F. Draft Opportunity Fund Budget Proposal Form
- G. Projected Fiscal Year 2024 RCF Budget Outlook

Resources:            Council Policy 000-02, Budget Policies  
                             Council Policy 100-05, User Fee Policy  
                             Performance Audit of Equity in Recreation Programming  
                             Parks Master Plan  
                             2019 Climate Equity Index  
                             United States Census Bureau  
                             San Diego Association of Governments (SANDAG)

cc:                      All Council District Offices