



## THE CITY OF SAN DIEGO

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### OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

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Date Issued: January 28, 2025

IBA Report Number: 25-05

Budget & Government Efficiency Meeting Committee Date: February 5, 2025

Item Number: TBD

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# FY 2026 Updated City Council Budget Priorities

## OVERVIEW

Per the City Charter, the first step for the City Council in the City's annual budget process is the development of the annual Budget Priorities Resolution. This annual resolution has been approved by the City Council each year since 2006, and its development is included in the [FY 2026 Budget Development and FY 2025 Budget Monitoring Key Dates \("Key Dates"\)](#), which was approved by the City Council on November 12, 2024.

This report reflects Councilmembers' *updated* priorities for the FY 2026 Budget, and serves as an update to [IBA Report 24-30 REV: FY 2026 City Council Budget Priorities](#), released October 31, 2024.

The City Council's FY 2026 *initial* budget priorities were compiled from individual Councilmember memoranda that outlined their priorities for the upcoming fiscal year. These memoranda were received by the Office of the Independent Budget Analyst (IBA) on September 25, 2024. All Councilmember priorities were reviewed, and those receiving majority support were summarized in IBA Report 24-30. Additionally, IBA Report 24-30 highlighted priorities that were supported by four Councilmembers. As these priorities were not majority-supported in Councilmembers' memoranda, they were not initially contemplated in IBA Report 24-30 as being part of the FY 2026 Budget Priorities Resolution.

However, the Budget and Government Efficiency (B&GE) Committee recommended, and Council approved, inclusion of the identified priorities supported by four Councilmembers in its initial FY 2026 Budget Priorities Resolution, which was formally adopted on October 28, 2024. IBA Report 24-30 REV contains the Council's budget priorities that constitute the initial FY 2026 Budget Priorities Resolution, including the 1¢ Transient Occupancy Tax (TOT) recommendation. The

### OFFICE OF THE INDEPENDENT BUDGET ANALYST

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Budget Priorities Resolution was submitted to the Mayor for consideration in the development of the FY 2026 Proposed Budget.

The Council now has the opportunity to update its initial FY 2026 Budget Priorities Resolution. To begin the update process, on December 12, 2024, then B&GE Committee Chair Kent Lee issued a memorandum requesting that all Councilmembers submit their FY 2026 budget priorities updates to the IBA's Office by January 10, 2025.

### **Next Steps**

This report includes updates to the Council Budget Priorities based on those memoranda. On February 5, 2025, the B&GE Committee will review and discuss the updates highlighted in this report. The B&GE Committee may make modifications to the priorities and/or the 1¢ TOT recommendation that was included in the initial Budget Priorities Resolution in October, before forwarding its updated Budget Priorities Resolution recommendation to the City Council. The IBA's Office will subsequently present the B&GE Committee's actions to the City Council for consideration.

The Council may make further changes and will formally adopt an updated FY 2026 Budget Priorities Resolution at the February 10, 2025 City Council meeting. Following City Council adoption, the Resolution will be submitted to the Mayor for consideration in the development of the FY 2026 Proposed Budget.

## **FISCAL AND POLICY DISCUSSION**

Our Office assessed the Councilmembers' updated priorities memoranda received on January 10<sup>th</sup>. In light of the projected \$258.2 million revenue shortfall shown in the [FY 2026-2030 Five-Year Financial Outlook](#), we first focus on potential resources and deficit mitigation options identified in Councilmembers' memoranda, and then discuss changes in Councilmembers' collective support for expenditure priorities included in the initial Budget Priorities Resolution (IBA Report 24-30 REV). We additionally include a discussion on the potential to update Council's recommendation for use of the 1¢ Council Discretionary portion of TOT.

### **CITY COUNCIL BUDGET RESOURCE AND MITIGATION PRIORITIES**

This section covers potential resources and mitigation options that were included in various priority memoranda, and includes two parts – the first covers resources that were included in a majority of Councilmembers' memoranda; the second includes potential resources and mitigation options that were mentioned in fewer than five memoranda that but could nevertheless be considered and could have an impact on the FY 2026 budget if pursued.

## **Majority-Supported Resources**

### ***Increase Parking Meter Fee Revenue***

Seven Councilmembers supported increasing parking meter fee revenue through fee increases, increasing the number of metered parking spaces, and/or increased hours of enforcement. Concurrent with the release of this report, the City Council approved our Office's proposal to double current parking meter rates Citywide up to a maximum of \$2.50 per hour. This action is anticipated to generate \$4.0 million in new revenue through the remainder of FY 2025, and at least \$9.6 million annually beginning in FY 2026. Other changes to the City parking meter program which may have the potential to impact parking meter revenue, including those mentioned in Councilmembers' priority memoranda, are anticipated to be proposed by the Mayor later this fiscal year.

## **Majority-Supported Resources**

- Increase Parking Meter Fee Revenue
- November 2022 Measure B – Refuse Collection Fee
- March 2020 Measure C – TOT Increase
- Grants (including IRA and IJA)

### ***November 2022 Measure B – Refuse Collection Fee***

Eight Councilmembers supported the adoption of a fee for waste collection services. As authorized in Measure B, the City can now charge a fee to recover costs for solid waste management services (i.e. trash collection), and the majority of these costs are currently borne by the General Fund. Staff from the Environmental Services Department have been preparing a Cost-of-Service study, in compliance with Proposition 218, to determine the appropriate fee. If this fee is adopted by the Council prior to the August recess, revenue can be collected for FY 2026. In our Office's report on the Five-Year Outlook, we estimated that a fee that achieves full cost recovery could provide up to \$78.6 million in General Fund relief.

### ***March 2020 Measure C – TOT Increase***

Five Councilmembers expressed support for starting to collect the voter approved Measure C<sup>1</sup> increase to the Transient Occupancy Tax (TOT) if the current litigation pending an appeals trial is resolved in the City's favor, which is expected in early FY 2026. One additional Councilmember expressed support for collecting the tax increase as soon as possible, retaining the revenue in a "lockbox," and only expending it if the litigation is resolved in the City's favor.

Based on the most recent models from the Department of Finance, the implementation of Measure C would generate \$456.9 million in new revenue in the first five years of implementation with \$187.3 million (41%) going to homeless programs and \$269.6 million (59%) going to the expansion and modernization of the Convention Center.

The City has not yet collected Measure C related TOT due to litigation. In August 2024, a trial court ruled in favor of the City and the validity of the measure as approved by citizens. However,

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<sup>1</sup> In November 2020, 65.2% of voters voted in favor of Measure C which proposed increasing the Transient Occupancy Tax (TOT) between 1.25% to 3.25%, with the exact rate depending on the location of the hotel in different tax zones in the City. Revenue from the tax would be divided into different revenue accounts to fund homeless programs, expansion and modernization of the Convention Center, and street repairs.

three opponents of the measure have appealed the trial court’s decision to an appellate court. The case has been expedited by the court, and it is expected that briefings from all parties will be completed by February 2025, oral arguments will be completed by June 2025, and an opinion from the appeals court would come in early summer 2025.

### ***Grants (including IRA and IIJA)***

Five Councilmembers supported actively pursuing federal and state grant opportunities to fund critical capital infrastructure needs, including facilities, parks, transportation, and stormwater as well as grants supporting housing, climate, and conservation related goals. Two Councilmembers expressed support for pursuing specific federal infrastructure grant programs – the Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA).<sup>2</sup> Thus far, the City has been awarded \$27.0 million in IIJA grants for transportation and mobility projects and \$10.0 million in IRA grants for tree planting.

### **Other Potential Resources (included in 4 or fewer memos)**

#### ***Increased Revenue***

##### **Cannabis Business Tax**

Three Councilmembers supported raising the Cannabis Business Tax (CBT), which applies a gross receipts tax on non-medical cannabis businesses that operate and provide services within the City, with one supporting a 2.0% increase in the CBT rate for retail outlets from the current 8.0% to 10.0%. Our [review of the Mayor’s Five-Year Outlook](#) illustrates a potential \$4.3 million in additional revenue for FY 2026 from this 2.0% CBT rate increase for retail outlets.

Two Councilmembers specifically requested increasing the CBT rate for cannabis production facilities (CPFs) – businesses that cultivate, manufacture, distribute, and/or store cannabis products – from the current 2.0% to 8.0%. Imposition of this tax increase would reverse a reduction made in FY 2022, when the CBT rate was lowered from 8.0% to 2.0% in order to increase CPF operators within the City. Additional information regarding this tax decrease is detailed on [IBA Report 22-02: Analysis of the Proposal to Reduce the Cannabis Business Tax on Production Facilities](#).

Other Potential Resources
<ul style="list-style-type: none"> <li>• Increased Revenue <ul style="list-style-type: none"> <li>– Cannabis Business Tax</li> <li>– Revenue Identified in IBA Report 22-31</li> <li>– Adjusting User Fees for Full Cost-Recovery</li> <li>– Charging Admission Fees to Major City-run Events</li> <li>– Implementing a Fee on Vacant/ Abandoned Commercial Property</li> <li>– Revenue Related to City-Owned Property</li> </ul> </li> <li>• Reduced Expenditures <ul style="list-style-type: none"> <li>– Operational Efficiencies and Reprioritizations</li> </ul> </li> <li>• Other Resources <ul style="list-style-type: none"> <li>– Excess Equity</li> <li>– Cost Sharing with Other Entities &amp; Regional Collaboration</li> </ul> </li> </ul>

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<sup>2</sup> The IIJA will allocate \$1.2 trillion nationwide from FY 2022-32 for transportation and infrastructure spending, with the State of California estimated to receive \$46.6 billion. The IRA provides opportunities to compete for grants for climate, conservation, and energy related infrastructure projects from various federal programs that could provide potential grant funding and loan opportunities.

#### Revenue Identified in IBA Report 22-31

Four Councilmembers supported the implementation of various revenue generating opportunities that were identified in [IBA Report 22-31: Response to Request for Analysis of Revenue Opportunities](#). These included: increasing parking citation fines; charging non-residents for parking and other services at City beaches, bays, and regional parks; increasing advertising revenue; and assessing corporate partnership opportunities at municipal facilities. As discussed in IBA Report 22-31, a majority of these revenue options would require additional legal analysis and/or implementation considerations. An exception to this is increasing parking citation fines which only requires City Council action. It is our understanding that the City Treasurer's Office (CTO) expects to propose increases to current parking citation fine amounts, along with other user fees managed by the CTO, later this fiscal year.

#### Adjusting User Fees for Full Cost-Recovery

Three Councilmembers expressed support for adjusting user fees to ensure full cost recovery for more programs, of which, two Councilmembers expressed support for increasing user fees primarily paid by non-residents for programming and services at City beaches, bays, and reservoirs.

The City's User Fee Policy is guided by [Council Policy 100-05](#). In conjunction with the annual budget process, the Department of Finance will present a draft updated FY 2026 User Fee Schedule for consideration to City Council in March 2025.

#### Charging Admission Fees to Major City-run Events

Two Councilmembers supported charging an admission fee to major City-run events. The City's [FY 2025 User Fee Schedule](#) dictates rates to rent City facilities for events, but does not provide guidance for admissions fees for City-run events.

On January 13, 2025, City Council adopted [Creative City](#), a comprehensive cultural plan to advance arts, culture, and creativity in the City. As a result of their extensive research and community engagement, the Department of Cultural Affairs (DCA) recommended researching and developing an admission fee for public and private arts, entertainment, and sports events to fund arts and culture. They note that the model could draw on successful examples in other U.S. cities like New York, Chicago, and Seattle.

#### Implementing a Fee on Vacant/Abandoned Commercial Property

Two Councilmembers supported charging a vacancy tax or fee on vacant or abandoned commercial property and storefronts.

The City's Development Services Department currently administers a [similar program for residential properties](#) in default or foreclosure per [SDMC §54.11](#) to ensure the "safety, welfare, and property values of neighborhoods."<sup>3</sup>

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<sup>3</sup> San Diego Municipal Code, Chapter 5, Article 4, Division 11: Registration of Defaulted or Foreclosed Residential Properties.

Failure to comply with the registration requirements of SDMC §54.11 may result in an administrative civil penalty in the amount of \$100 per day for each day of non-compliance, not to exceed \$5,000 in a calendar year.

#### Revenue Related to City-Owned Property

Four Councilmembers presented support for different revenue generating opportunities from capitalizing on the City's real estate portfolio. Two Councilmembers supported reassessments or increase of lessee rents on City-owned property, one Councilmember supported the redevelopment or sale of surplus land, and one Councilmember supported increasing concessions and naming rights at City facilities.

#### ***Reduced Expenditures***

##### Operational Efficiencies and Reprioritizations

Several Councilmembers' updated memos included items pertaining to operational efficiencies. Four memos mentioned reducing or eliminating vacant positions, with three specifically supporting the reduction of open managerial positions. Three memos mentioned the reduction of City real estate leases and/or contracts for outside services, with one memo explicitly noting the reduction of outside services that could be performed by the City in-house.

*That said, several Councilmembers also raised issues regarding budget reductions. A majority of memos expressed concerns about “across-the-board” service reductions, which could disproportionately impact vulnerable and underserved communities.* Additionally, a number of memos also requested the City to exhaust all of its revenue options and to implement every cost-saving opportunity it has before considering cuts to major public services and personnel expenditures.

#### ***Other Resources***

##### Excess Equity

Three Councilmembers mentioned utilizing available Excess Equity<sup>4</sup> as a resource for FY 2026. Available Excess Equity at FY 2024 year-end was \$20.6 million, however, as we've noted in our [review of the Five-Year Outlook](#), an updated projection for this one-time resource is not anticipated until the release of the FY 2025 Mid-Year Budget Monitoring Report on January 31, 2025.

One Councilmember memo mentioned building more available Excess Equity by controlling certain expenses and generating funds from new revenue sources this current fiscal year. This memo also conveys that whatever funds are raised through these controlled expenses and new revenue sources should be strictly reserved for FY 2026.

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<sup>4</sup> Excess Equity, is described in the [City's Reserve Policy](#) as “Unassigned Fund Balance that is not otherwise designated as General Fund Reserves and is available for appropriation.” Excess Equity generally results from increases to General Fund revenues and/or General Fund expenditures that come in under-budget during any given fiscal year.

### Cost Sharing with Other Entities & Regional Collaboration

Four Councilmembers mentioned evaluating the current role of City partners and pursuing cost-sharing opportunities with the County and other entities. Three Councilmembers requested County collaboration to fund shared infrastructure and services, including health and human services related to homelessness especially at City shelters that provide on-site behavioral health and drug treatment services. One Councilmember mentioned seeking relief from unfunded State and federal mandates not related to public health and safety.

## **CITY COUNCIL BUDGET EXPENDITURE PRIORITIES**

Because of the FY 2026 revenue shortfall identified in the Outlook, we are focusing mainly on the changes in support for priorities, which are outlined below. This will provide the Mayor an idea of shifts in support as he analyzes programs to be included in the budget. While Councilmembers generally still support the priorities in their original memos – which can be found as an attachment to [IBA Report 24-30 REV](#) – the current funding constraints discussed in priorities memoranda led to a smaller list of majority-supported expenditure priorities. In this section, a list of priorities with reduced support is followed by an updated list of majority-supported priorities. Note that based on updated priorities memoranda, no additional priorities previously included in a minority of memoranda increased to majority-supported status.

The following operating and infrastructure priorities listings contain priorities included in the initial FY 2026 Budget Priorities Resolution that now have support levels *below* majority-support; in the case of four-Councilmember-supported items included in the Resolution, those that have received fewer mentions are also noted. Descriptions of each item can be found in IBA Report 24-30 REV.

#### Operating priorities with *reduced* support:

- Homelessness and Housing
  - Affordable Housing Preservation Fund (from eight to four)
  - Fostering Futures Program (from five to four)
  - Tenant Termination Notice Registry (from five to three)
  - Old Central Library (from four to three)
- Environment and Climate Action
  - Mobility Master Plan (from five to four)
  - Climate Equity Fund (from five to four)
- Public Safety
  - Police Recruitment and Retention (from five to three)
  - Resource Access Program (from five to three)
  - Police Department Vehicles (from four to two)
- Neighborhood Services
  - Library Materials (from six to four; although overall support for maintaining or increasing funding for Library Department operations and maintenance is still majority-supported)



- Other Operating Budget Priorities
  - City Recruitment and Retention (from five to four)
  - Office of the City Clerk (from five to three)
  - Global Sports Event Fund (from four to three)

Infrastructure priorities with *reduced* support:

- Police Facilities (from eight to four) – including Police Plaza and Traffic Division Facility (from six to two and six to three, respectively)
- North Pacific Beach and Ocean Beach Lifeguard Towers (from seven to four and six to three, respectively; although Lifeguard Towers in general are still majority-supported)
- Americans with Disabilities Act (from seven to three)
- Separated Bike Lanes (from six to three)
- Fire-Rescue Facilities (from five to three)
- Unimproved Streets and Alleys (from four to three)

As previously mentioned, no new priorities received majority support, but several priorities maintained support from a majority of Councilmembers. To update majority-supported Council budget priorities, the following list shows priorities included in the initial Resolution that *retained* majority support based on updated priorities memoranda.<sup>5</sup> Note that descriptions and the initial number of mentions for each priority can be found in [IBA Report 24-30 REV](#).

Operating priorities *retaining* majority support:

- Homelessness and Housing
  - Housing Instability Prevention Program (Seven Councilmembers)
  - Eviction Prevention Program (Seven Councilmembers)
  - Homelessness Outreach (Six Councilmembers)
  - Expand Shelter Capacity (Six Councilmembers)
  - Affordable Housing Preservation and Creation (Five Councilmembers)
  - LGBTQ+ Youth Housing and Related Services (Five Councilmembers)
- Environment and Climate Action
  - Climate Action Plan Implementation (Seven Councilmembers)
  - Urban Forestry Program (Five Councilmembers)
- Public Safety
  - No Shots Fired Program (Five Councilmembers)
  - Lifeguard Staffing (Five Councilmembers)
- Neighborhood Services
  - Library Support (Seven Councilmembers)

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<sup>5</sup> Additionally, the initial FY 2026 Budget Priorities Resolution included budget priorities supported by four Councilmembers. The priorities initially supported by four Councilmembers that maintained support from four Councilmembers in the updated priorities memoranda are, as follows: Parks programming, Youth Enrichment Program, Office of Labor Standards and Enforcement, and SD Access4All.



- Weed Abatement (Six Councilmembers)
- Brush Management – Parks & Recreation (Five Councilmembers)
- Arts and Culture
  - Penny for the Arts (Seven Councilmembers)

Infrastructure priorities *retaining* majority support:

- Transportation and Mobility Safety
  - Pedestrian and Bicycle Safety (Eight Councilmembers)
  - Traffic Calming (Eight Councilmembers)
  - Streetlights (Seven Councilmembers)
  - Traffic Signals (Six Councilmembers)
- Streets – Resurfacing and Maintenance (Eight Councilmembers)
- Sidewalks (Eight Councilmembers)
- Stormwater (Seven Councilmembers)
- Facilities
  - Parks & Recreation (Eight Councilmembers)
  - Lifeguard Towers and Facilities (Five Councilmembers)
  - Library (Five Councilmembers)

## **1¢ TRANSIENT OCCUPANCY TAX (TOT) EXPENDITURE RECOMMENDATION**

[Per Municipal Code §35.0101](#) the purpose and intent of the Transient Occupancy Tax (TOT) is to “promot[e] the City of San Diego, including the planning, construction, maintenance and operation of tourist-related cultural, recreational and convention facilities.”

In addition to the Municipal Code, City Council has approved additional guidelines for the use of TOT revenue via [Council Policy 100-03](#) (Transient Occupancy Tax), [Council Policy 100-23](#) (Arts, Culture and Community Festivals), and [Resolution 307760](#) (Penny for the Arts Blueprint).

While the City Council ultimately has budgeting control over all TOT revenue through its authority to adopt an annual budget in Council Policy 100-03, the City Council determined it would provide additional recommendations during budget development on its expenditure priorities for the 1¢ share of TOT revenue considered ‘Council Discretionary TOT.’<sup>6</sup> Council Policy 100-03 states that the City Council will:

*provide the Mayor with a recommendation, via the City Council’s annual budget priorities resolution, regarding the use of the 1¢ TOT. As part of its annual recommendation, the City Council may request to use 1¢ TOT as a mechanism to bridge the funding gap for arts and*

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<sup>6</sup> The TOT rate is currently at 10.5%. Per the municipal code, 5.5% of the tax rate (52.4% of TOT revenue) goes to the General Fund, 4.0% of the tax rate (38.1% of TOT revenue) goes to Special Proportional Programs, and 1.0% of the tax rate (9.5% of TOT revenue) goes to Council discretionary uses.

*culture funding, or for other purposes. Any combination of TOT revenue that meets the Penny for the Arts goal is acceptable.*

Note that the 1¢ of TOT revenue at Council’s discretion is distinct from the Penny for the Arts Blueprint funding goal which also happens to be 1¢ of TOT revenue. For FY 2026, this amount is projected to be \$31.8 million.

In its initial Budget Priorities Resolution, approved in October 2024, Council supported fully funding the arts at that targeted amount. However, in light of the FY 2026 structural budget deficit and the failure of Measure E, several Councilmembers have since updated their priorities to use more of the 1¢ ‘Council Discretionary’ portion of TOT on core City services and to fund the Penny for the Arts in an amount below the Penny for the Arts’ goal of a full 1¢.

Additionally, in their updated memos, five Councilmembers expressed support for using the new Measure C TOT revenue to fund existing eligible core City services, and all nine Councilmembers noted some level of support for arts and culture funding (i.e. Penny for the Arts) as summarized in the table below.

Level of Support	Councilmembers	Notes
Partially Fund Penny for the Arts	6	Three Councilmembers expressed support for funding levels that would be determined later, two Councilmembers expressed support for maintaining Arts and Culture funding at FY 2025 levels, and one Councilmember expressed support for increasing the amount above FY 2025 levels.
Fully Fund Penny for the Arts	3	Three Councilmembers expressed support for fully funding the Penny for the Arts goal of \$31.8 million which would entail \$15.6 million beyond the \$16.1 million included in the FY 2025 Adopted Budget.

## CONCLUSION

This report provides a summary of updated Council budget priorities based on memoranda submitted to our Office on January 10<sup>th</sup>, and it can be used to update Council’s initial FY 2026 Budget Priorities Resolution, which was adopted on October 28, 2024 and is reflected in [IBA Report 24-30 REV](#).

While Council’s initial FY 2026 Budget Priorities Resolution was adopted prior to the narrow defeat of Measure E, the updated priorities memoranda largely reflect the projected \$258.2 million revenue shortfall shown in the FY 2026-2030 Five-Year Financial Outlook, and memoranda generally included both additional potential revenues and resources, and more constrained or limited expenditure priorities. Accordingly, this report focuses on the potential resources and deficit mitigation options identified in Councilmembers’ memoranda, and notes changes in Councilmembers’ collective support for expenditure priorities that were included in the initial Budget Priorities

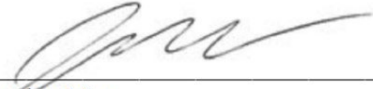
Resolution. Importantly, a majority of Councilmembers also expressed concern at or opposition to the potential for any across-the-board cuts that could disproportionately impact vulnerable communities, as well as concerns regarding potential cuts to major public services and personnel expenditures. Additionally, given that a majority of memoranda included potential updates to Penny for the Arts funding, our report includes a discussion on the potential to update Council's recommendation for use of the 1¢ Council Discretionary portion of TOT.

This report is scheduled to be heard at the B&GE Committee on February 5, 2025. During its review, the B&GE Committee may make modifications to the priorities summarized herein, and/or the 1¢ TOT recommendation that was included in the initial Budget Priorities Resolution in October, before forwarding its updated Budget Priorities Resolution recommendation to the City Council. The IBA's Office will subsequently present the B&GE Committee's actions to the City Council for consideration.

The Council may make further changes and will formally adopt an updated FY 2026 Budget Priorities Resolution at the February 10, 2025 City Council meeting. Following City Council adoption, the Resolution will be submitted to the Mayor for consideration in the development of the FY 2026 Proposed Budget.



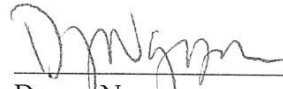
Lisa Byrne  
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Erin Noel  
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Senior Fiscal and Policy Analyst



Noah Fleishman  
Fiscal and Policy Analyst



Sergio Alcalde  
Associate Fiscal and Policy Analyst



APPROVED: Charles Modica  
Independent Budget Analyst

Attachment 1: Councilmembers' FY 2026 Updated Budget Priorities Memoranda




**COUNCIL PRESIDENT JOE LACAVA**  
**FIRST COUNCIL DISTRICT**

**M E M O R A N D U M**

DATE: January 10, 2025

TO: Charles Modica, City of San Diego Independent Budget Analyst

FROM: Council President Joe LaCava 

SUBJECT: Updated Council District 1 Fiscal Year 2026 Budget Priorities  
**Protect the Basics and Balance the Budget**

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The Fiscal Year 2025 (FY2025) Budget was defined by tough conversations and tougher choices. I, along with my Council colleagues, recognized that, without new revenue streams, this would be the new normal. Considering the City's fiscal reality, my final FY2025 budget memo was constrained, with a substantial number of critical priorities on pause, pending new funding.

My September 2024 FY2026 budget memo was submitted prior to the FY2024 Year-End Financial Performance Report, the First Quarter FY2025 Budget Monitoring Report, the Fiscal Year 2026-2030 Five-Year Financial Outlook, and, most importantly, the outcome of Measure E.

Measure E fell short by a handful of votes and no state or federal relief dollars are on the horizon. We must make do with current revenue, a handful of new revenue opportunities, and the necessity to make the city run leaner.

Based on the Five-Year Financial Outlook released in December 2024 and the projected \$258 million deficit for FY2026, delivering the *basics*, at the levels our constituents expect and consistent with best practices, will be difficult to achieve.

As is the case across the city, the needs of District 1 neighborhoods, however, go beyond the *basics* to the reasonable expectations of our constituents. These District 1 specific needs are detailed in my September 2024 memo and, for brevity, are not repeated here. As the City secures grants, low-cost loans, and new revenue streams, District 1 needs deserve serious consideration.

My September memo also highlighted public safety and citywide needs that are within the *basics* but may exceed current expenditures. As new revenue streams are identified and the structural deficit is resolved, these also deserve attention.

Following are my updated proposed actions and priorities:

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### **Start Now**

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- Some of the expense and revenue proposals listed below can be initiated upon Mayoral executive order or City Council action. Building excess equity now in FY2025 will lessen service cuts in FY2026; whatever is achieved must be placed in a “lockbox” and strictly reserved for FY2026.

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### **Controlling Expenses**

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- Our city employees are the backbone of our services.
  - Retain current employees and cut vacant positions.
  - If cuts to filled positions are unavoidable, implement workforce best practices to keep employees whole and with options while creating efficiencies.
- The Council has not yet been provided with programmatic and department metrics to make strategic decisions; therefore, at this time I offer the following:
  - Prioritize Public Safety and Public Health, which includes addressing homelessness.
  - Prioritize Climate Action Plan implementation that is integrated into funded department work plans, especially those that have alternate funding mechanisms such as energy savings performance contracts (ESPCs).
  - Prioritize Vision Zero, funded by new parking meter revenue.
  - Prioritize officers on the ground, explore shifting non-sworn SDPD positions to civilian personnel. Consider similar measures for Fire and Lifeguards.
  - Target programs not meeting Key Performance Indicators or *public benefit* while minimizing harm to vulnerable individuals and communities.
  - Target program reductions based on a community’s ability to absorb decreases in city services.
  - Seek relief from state and federal unfunded mandates that do not address public health and safety.
  - Restructure departments where personnel and programs can be rolled into other departments at a net savings and while minimizing loss of personnel.
  - Do not tap reserves, maximize reserve contributions.
  - Roll back the Council’s Fall 2024 recommendation to fully fund Penny for the Arts.
  - Complete a rigorous assessment of outside contracts, RFPs, and city leases and roll back those that can be delayed, reduced in capacity, or cancelled.

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### **New Revenue Opportunities**

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- **Maximize implementation of Measure B:**  
Ensure all Proposition 218 steps are followed and meet the County of San Diego Tax Collector's timeline for the 2025-2026 property tax billing. I urge management to start information briefings now to ensure the final proposal can achieve broad and timely support.
- **Implementation of Measure C:**  
Initiate systems and start collection of the Measure C TOT increase now. Retain in a "lockbox" until litigation process is resolved and then proceed to fund pavement repair and homelessness services as called for in the ballot measure.
- **Parking Meter Rates and Parking Districts:**  
Immediately increase parking rates and hours as allowed under the Municipal Code and take necessary actions to ensure resulting new revenue flows to the General Fund. Subsequent action should include updating parking meter rates and hours to match those imposed by other comparable jurisdictions.
- **City Fees:**  
Update fees to ensure Full Cost Recovery.
- **Cannabis Taxes:**  
Increase by 2%.
- **Interfund Loans:**  
Explore interfund loans from locked buckets of money, including DIF and FBA.

I look forward to the discussions with the Mayor, my Council colleagues, the Independent Budget Analyst, and our residents on how to fulfill promises made and grapple with our fiscal constraints as we **Protect the Basics** and **Balance the Budget**.

Thank you, Mr. Modica, for your time and attention to my priorities.

CC: Mayor Todd Gloria  
Chief Operating Officer Eric Dargan  
Chief Financial Officer Matt Vespi





**COUNCILMEMBER JENNIFER CAMPBELL  
COUNCIL DISTRICT TWO  
M E M O R A N D U M**

**DATE:** January 10, 2025

**TO:** Charles Modica, Independent Budget Analyst

**FROM:** Office of Councilmember Jennifer Campbell

A handwritten signature in blue ink that reads "Jennifer Campbell".

**SUBJECT:** Council District 2 Budget Priorities – Fiscal Year 2026 Budget

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***Homelessness Services and Housing Solutions***

- *Expand Shelter Beds* – To better serve our diverse population, increase the number of shelter beds citywide and including emergency options. This expansion will address the specific needs of vulnerable groups, such as seniors, LGBTQ+ individuals, foster children, and families.
- *Expanding Funding for Coordinated Street Outreach Teams* – Ongoing and increased funding is essential for this program. A holistic, street-based approach and sustained engagement from service workers are crucial for effectively helping San Diegans secure housing.
- *Eviction Prevention Program (EPP)* – The Eviction Prevention Program provides education and legal services for low-income renters facing eviction. It was initially funded in response to the end of statewide pandemic-related eviction protections. Operated by the Legal Aid Society of San Diego under a contract with the San Diego Housing Commission, the EPP assists renters impacted by COVID-19. Legal support includes full representation throughout the eviction process, settlement negotiations, and limited services through clinics and hotlines.

- *Housing Instability Prevention Program (HIPP)* – I strongly recommend continued funding for this vital program, which plays a crucial role in supporting many San Diego families facing low-income and unstable housing situations, including those at imminent risk of eviction due to nonpayment of rent.
  - HIPP is an essential tool in preventing homelessness by providing rent assistance for up to 24 months, along with support for other housing-related expenses, for low-income households experiencing a housing crisis within the City of San Diego. Given its proven success in preventing homelessness, I urge consideration to increase funding for this program, allowing it to help even more families in need and strengthen our efforts to address housing instability in our community.
- *Multi-Disciplinary Outreach Team (MDOT)* – The Multidisciplinary Outreach Program combines a team of professionals, including a nurse practitioner, outreach specialists, medical assistants, peer support specialists, and a part-time substance abuse counselor. To provide street medicine, medical triage, wound care, assessments, medication-assisted treatment, mental health services, substance abuse counseling, and housing-focused case management.
  - By integrating case management, care coordination, and housing navigation, the program effectively supports individuals experiencing homelessness with complex needs.

## ***Public Safety***

- *Fire and Rescue* – The Resource Access Program (RAP) and Life-Saving Intervention for Treatment (LIFT) teams aim to reduce reliance on emergency medical services by connecting vulnerable residents with essential social, medical, and mental health support. In 2023 alone, these programs contributed to an estimated savings of \$916,000 in emergency response costs. By investing in RAP and LIFT, we can enhance efficiency within the City’s Emergency Medical Services division, alleviate the burden on first responders, and promote the well-being of our community.
- *SDPD Beach Teams and Foot Patrols* – I support the continued use of our beach patrol team, which is essential for ensuring the safety and security of visitors while reducing the risk of accidents and emergencies at our beaches and parks. With increased foot traffic, especially during peak seasons, the patrol teams are vital in providing assistance, enforcing regulations, and responding swiftly to Incidents. This investment not only enhances the experience for residents and tourists, but also helps preserve our natural spaces and promote public safety.

## ***Neighborhood Services***

- ***Parks & Recreation Centers*** –

- ***Cadman Community Park*** – Replace the curb ramp, paths of travel, and playground. Repave the parking lot and adjust ADA parking spaces to include accessible paths. Renovate the comfort station to ensure ADA compliance. Additionally, renovate and repaint the facility.
- ***Mount Etna Park*** – Replace the noncompliant curb ramp, playground, and path of travel from the parking lot to the playground. Repave and restripe the parking lot to add more ADA parking spaces and address pavement deterioration. Build a retaining wall at the park's eastern edge to control erosion. Renovate the comfort station to meet ADA standards and resolve sump tank issues.
- ***North Clairemont Park*** – Replace noncompliant travel paths, curb ramps, and the comfort station. Address deferred maintenance by updating the gym flooring identified by the recreation center manager. Renovate and repaint the recreation center's interior and exterior.
- ***North Clairemont Dog Park*** – Ensure full funding for the construction of the project to create a welcoming space for dogs and their owners. This park will provide a safe and enjoyable environment for community members to gather and engage in outdoor activities together.
- ***NTC Park at Liberty Station*** – Include funding for ongoing maintenance and improvements, such as landscaping, irrigation, vegetation control, and other general needs (i.e. Restroom maintenance).
- ***Sunset Cliffs Natural Park & Linear Section*** – Continue funding to improve and maintain the natural park and its linear section along the shoreline. Address sinkholes and drainage issues to prevent liability and ensure safe access to the coastline. Enhance safety with additional signage, increased ranger patrols, and ongoing park maintenance to preserve the area's safety and the beauty of the area (i.e., Brush Maintenance in the Hillside Section). This initiative is a priority for the Peninsula Community Planning Board (PCPB) and Sunset Cliffs Natural Park Council (SCNPC).

- ***Cathy Hopper Clairemont Friendship Center*** – The property requires renovations, including updates to both interior and exterior paint.
- **Libraries** –
  - ***North Clairemont Public Library*** – Address the leaking roof, which has caused significant water damage to both the ceilings and floors is critical. The damage includes deteriorated ceiling tiles and ruined carpeting, which pose potential health and safety risks.
  - ***Library Maintenance*** – Continuing to fund the library maintenance budget is essential to ensure our libraries remain safe, functional, and accessible to all residents. By investing in repairs and upgrades, we support not only the preservation of crucial infrastructure but also the enhancement of valuable resources that foster community learning and engagement.
  - ***Clairemont Public Library*** – Address deferred maintenance needs by improving the ADA path of travel from the parking lot to the library, repaving the parking lot, and widening the parking spaces.
- **Arts & Culture** –
  - ***Council Discretionary Portion of Transient Occupancy Tax*** – Fund the Commission for Arts and Culture with an allocation of the same amount as last year, FY25.

## ***Street Infrastructure and Mobility***

- **Bicycle Safety** –
  - ***Install Class IV Bikeways (Bike paths completely separated from traffic)*** – Recent bikeway projects in San Diego have predominantly used flexible bollards to separate bike lanes from travel lanes. While these bollards help define bike space, they lack the stopping power needed to prevent collisions with distracted, impaired, or malicious drivers.
    - ***Construction of Morena Blvd. Class IV Bikeways*** – The Transportation Department plans to build bikeways on Morena Blvd. alongside a pipeline replacement project in the coming years. This route is a key link between neighborhoods south of Interstate 8 and communities like Pacific Beach, La Jolla, and University City, Making it highly popular among cyclists despite the lack of safe facilities.

- **Light Improvements** – Ashton St. (Between Goldfield St. to Morena Blvd.), Ute Dr., Voltaire St., Eber St., Saratoga Ave, Monongahela St., Newport Ave., Abbott St. & Bacon St.
- **Resurfacing, Repairs, & Repaving** – Our City should prioritize repaving and repairs.
  - **Clairemont** – Beagle St. (Improvements 4(S)), Clairemont Dr. (South of Balboa Ave.), Moraga Ave. (Before connecting to Balboa Ave.), Glasgow Dr., Marlesta Dr. (Improvements 4(S)), Morena Blvd.
  - **Midway** – Sports Arena Boulevard (Between Rosecrans St. & Pacific Hwy.)
  - **Mission Beach** – Beach parking lots throughout as needed. Strandway, and Bayside Ln.
  - **Old Town** – San Diego Avenue
  - **Point Loma** – Oleander Dr., Oleander Pl., Barnard St., Valeta St. (Between Camulos St. & Famosa Blvd.), Nimitz Blvd. (Between Harbor Dr. & Rosecrans St.)
- **Pedestrian Access** –
  - **Sidewalks** – Congress St. & Wallace St., Congress St. & Conde St., Congress St. & Twiggs St., Erie St., Genesee Ave. (Between Marlesta Dr. & Park Mesa Way), Jefferson St., Lomaland Dr. (Between John St. & Catalina Blvd.), Milton St. (West of Garfield Rd.), Napier St., N. Morena Blvd (Connection to the Blue Line Trolley Station), Morena Blvd. (From Avati Dr. to Costco Dr.).
    - **Ramps** – S. Mt. Ararat Dr. at Mt. Ariane Dr., Mt. Everest Dr. & Mt. Blanca Dr.
  - **General Access** – West Point Loma Blvd. & Cable St.
  - **Pedestrian Crosswalk** – Niagara & Sunset Cliffs, Santa Cruz & Orchard Ave., West Pt Loma Blvd. & Nimitz Blvd., Balboa & Charger, E. Clairemont Mesa Blvd. & Doliva Dr. (Pedestrian Hybrid Beacon HAWK and/ or improve the existing crosswalk at Clairemont Mesa Blvd. and Doliva Drive to enhance bicycle usage and connect bike trails to each other).
- **Street Sweeping** – As a city, we are committed to maintaining our streets, ensuring they remain clean and well-kept. Regular street sweeping not only enhances the city's appearance but also contributes to a healthier environment for all residents. Continued funding for current routes throughout the City.

- **Traffic Calming Measures** – West Point Loma Blvd. & Cable St., Morena Blvd. (at Knoxville St. & Tecolote Dr.), Nimitz Blvd., Evergreen St.
  - **Increased Safety Measures Around Elementary Schools** – Morena Blvd. & Baker St. (Toler Elementary School), Longfellow Elementary School.
  - **Point Loma High School** – Explore the incorporation of various traffic-calming measures, such as speed bumps and signage, along Chatsworth Blvd. near the school. These enhancements will not only improve safety for students and pedestrians but also help foster a more secure and welcoming environment for the entire community.
- **Traffic Signal Optimization** – This process has achieved a travel time reduction of over 20 percent. The City should continue to identify additional strategic locations that could benefit from this technology.
  - Morena Blvd., Clairemont Mesa Blvd., Clairemont Mesa Dr., Rolfe Rd., Genesee Ave., Mesa College Dr., and Balboa Ave.

## ***Capital Improvement Projects***

- **Mission Beach Sea Wall** – In anticipation of ongoing sea-level rise, the maintenance of the Mission Beach Sea Wall—from South Mission Beach Jetty along Ocean Front Walk to Pacific Beach Drive—is long overdue.
- **Old Adobe Chapel** – This capital improvement project (CIP) focuses on restoring and preserving the Old Adobe Chapel to maintain its historical value. The project will address necessary repairs and improvements while respecting the chapel's architecture and cultural significance. We believe that preserving this landmark will enhance our community's historical narrative and provide a space for gatherings and events.
- **Residential Project Block 6K1 (North Clairemont)** – Streetlight installation (6K1 streets include Coconino Way, Luna Avenue, and Moraga Avenue north of Clairemont Mesa Blvd.).
- **Residential Project Block 6K2 (North Clairemont)** – Streetlight installation (6K2 streets include Bannock Avenue, Conrad Avenue east of Merrimac Avenue, Martha Street, and Christine Street).

## ***Environment and Climate Action Plan***

- ***Brush Management and Weed Abatement*** – Funding for brush management and weed abatement in public rights-of-way is crucial for both neighborhood quality and public safety. It is essential for maintaining the character of our communities and addressing high-priority issues flagged by the Fire Marshal. Staff should prioritize regular maintenance and abatement in these key District 2 areas: Balboa Ave., Genesee Ave., and Cannington Dr. near I-805.
- ***Mission Bay Wetlands Maintenance*** – Allocate funding for the ongoing maintenance and preservation of existing wetlands and ensure the expansion of wetlands at the point where Rose Creek enters Mission Bay.
- ***Storm Water Drains and Channels*** – Allocate funding for maintaining stormwater infrastructure, clearing channels, and addressing neighborhood flooding, especially in boardwalk and beach areas. Increase collaboration among Stormwater staff, PUD staff, and Pure Water engineers to ensure stormwater management is integrated into Pure Water plans. This will help prevent shore erosion and reduce trash runoff into rivers and the ocean.
- ***Tree Maintenance, Restoration, and Growth*** – The urban forestry program has faced underfunding for decades. To promote healthy trees, thriving neighborhoods, and effective climate action, the budget must recognize trees as a vital element in achieving climate goals and community resilience. Key priorities include restoring funding for tree maintenance, which was cut in the FY25 budget, and reinstating the Free Street Tree program to boost community engagement.
  - It is crucial to prioritize the care of existing trees and enhance code enforcement to protect urban green spaces, especially on commercial properties. Updating outdated municipal codes and exploring the establishment of Maintenance Assessment Districts will more effectively serve underserved communities. This budget aims to promote a comprehensive approach to urban forestry by emphasizing the monitoring of young trees and the protection of heritage trees, integrating community involvement, economic benefits, and proactive management practices for a greener San Diego.



## ***City Workforce***

- ***Council Administration*** –
  - ***CPPS Restoration*** – Restore CPPS funding for council offices to the original amount of \$150,000, providing each office with the ability to support more community organizations.

## ***Exploring Revenue Enhancement Opportunities***

- ***Mission Bay Beach Bars*** – Action should be taken to review the report from the City Auditor and evaluate raising rental rates, to compare with offerings from other cities with similar programs. The study should also explore improvements to the permitting process to ensure beach bars are fully utilized.
- ***Mission Bay Boat Mooring's*** – The City should look into increasing the fees for Boat Mooring's as well.
- ***Cost Sharing with Regional Entities*** – The City should pursue cost-sharing opportunities with regional entities to allocate resources more efficiently and reduce costs. Partnering on shared infrastructure and services can help ensure fair contributions and effective use of funds.
- ***Increase Parking Fees*** – The City should consider increasing parking fees to generate additional revenue and manage demand while improving parking turnover in commercial areas.
  - Encouraging greater parking turnover can enhance access to local businesses, creating more opportunities for small businesses to welcome customers and build their community presence.
- ***Direct Implementation of Measure B*** – This measure updates the People's Ordinance to allow the City to recover costs for solid waste management services, helping to address immediate budget challenges and reduce pressure on the General Fund. Implementing this change without delay is essential to maintaining critical services like public safety, roads, and libraries.
- ***Increasing Number of Meters in Beach Communities*** – The City should increase the current amount of parking meters in our beach communities as a way to improve parking availability, generate additional revenue for community projects, and support local businesses by ensuring convenient access for visitors.



**COUNCILMEMBER STEPHEN WHITBURN  
THIRD COUNCIL DISTRICT  
M E M O R A N D U M**

DATE: January 10, 2025

TO: Charles Modica, Independent Budget Analyst

FROM: Councilmember Stephen Whitburn, District 3

SUBJECT: Updated Fiscal Year 2026 Budget Priorities

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We begin the Fiscal Year 2026 budget process facing a \$260 million deficit, driven by the lasting economic effects of the pandemic and rising interest rates. With the rejection of Measure E, our focus now shifts to making tough decisions about reducing expenditures while maintaining essential services and planning for a thriving, equitable future.

The core government services that must be maintained include: Homelessness Services, Public Safety, and Infrastructure. To close the deficit, we must carefully evaluate current spending, explore alternative revenue sources, and prioritize programs that deliver the greatest benefit to San Diegans.

I am committed to working with the Mayor, my Council colleagues, and District 3 residents to craft a balanced budget that reflects our shared priorities and invests in our City's future. I deeply appreciate the hundreds of District 3 residents and organizations who have engaged with our office on their community priorities. Based on those conversations, the top three priorities are:

1. **Homelessness Solutions and Affordable Housing**
2. **Clean and Safe Neighborhoods**
3. **Streets, Sidewalks, and Other Infrastructure**

As we navigate this process, I will continue advocating for investments that align with these priorities. I respectfully request the following priorities to be included in the Fiscal Year 2026 budget:

#### I. FY 2026 BUDGET PRIORITIES:

##### **1. Homelessness Solutions and Affordable Housing**

San Diego is grappling with an urgent housing affordability crisis, which is driving an increasing number of residents into homelessness, especially seniors on a fixed income. In October 2024 alone, 1,269 people in San Diego became newly homeless. I am committed to ensuring that the Fiscal Year 2026 Proposed Budget reflects the critical need to address the situation on our streets.

##### **Safe Sleeping**

Fully fund the Safe Sleeping Program (also known as Safe Camping), at the O Lot and 20<sup>th</sup> and B Street. Safe sleeping sites provide a safe place for people to stay in new tents with cots. The sites give people access to restrooms, showers, laundry, meals, healthcare, and connections to supportive services and housing options.

##### **Shelter Options**

Funding for short and long-term options needed to maintain, replace, and expand shelter in the City to address the current crisis. Fully funding current shelters and HSSD plans in the short-term shelter plan.

##### **Safe Parking**

The Safe Parking Program should be expanded into every district of San Diego, while also maintaining current safe parking sites. The program provides safety, security, and support for San Diegans living out of their vehicles, many of whom are experiencing homelessness for the first time.

##### **Harm Reduction and Shelters with Behavioral Health Services**

Solutions for people experiencing homelessness with mental health and substance use disorder continues to be one of the most pressing needs in San Diego. We should build on programs like Community HARM Reduction shelter, the Rosecrans Shelter, and programs like the collaboration with NAMI at the Old Downtown San Diego Library Site.

### **Family Reunification Program**

The Family Reunification program connects people experiencing homelessness in San Diego with family. One of the fastest growing groups of people facing homelessness is seniors. In many cases this program helps people move closer to family in locations where they not only get better care and support, but their social security check can go a lot further. This offers the opportunity for a higher quality of life for many seniors.

### **LGBTQ+ Stay Safe Housing Program**

The LGBTQ+ Safe Stay program creates an affirming space for LGBTQ+ unhoused folks at two locations. The program provides housing and services for 45 people at a time. Services, such as mental and behavioral health services, job placement, and substance abuse recovery services, provide these youth with access to vital resources.

### **Issue RFP for Old Central Library (820 E Street) Redevelopment**

Issue a Request for Proposal for the Old Central Library site, following Surplus Land Act requirements. I would like to see the site used for innovative, high density housing development serving persons experiencing homelessness, low-income and middle-income residents, with onsite system navigation and shelter services. While the property is being developed, it should be used for interim housing.

### **San Diego Unified School District Housing Development Partnership**

In 2023 the City of San Diego began discussions with the San Diego Unified School District to collaborate on developing shelter and housing for families with children in the SDUSD who are experiencing homelessness. SDUSD owns at least two sites which could support services including emergency shelter, safe parking, or safe camping.

## **2. Clean and Safe Neighborhoods**

### **San Diego Police Department**

Continue to fill vacant sworn positions in SDPD. SDPD remains understaffed with over one hundred officers set to retire before the end of FY 2026. Currently SDPD is down 139 sworn positions. The staffing crisis has led to high response times.

### **Enhanced Policing in High Crime Corridors Downtown**

Increase dedicated walking SDPD patrols in high call-volume corridors, including but not limited to 5th Avenue, C Street, Imperial Avenue, and J Street and increase resources to expand the narcotics division.

### **Lifeguards**

Addition of Marine Safety Lieutenants and Captain to provide consistent supervisory

coverage in each Lifeguard district and to improve response times and safety during night operations.

### **Brush and Weed Abatement**

The City canyon brush management backlog represents an immediate danger to our neighborhoods. San Diego has a history of wildfires and the presence of homeless encampments in some areas heighten the risk of fires. It is important that we provide adequate resources needed to take preventative approaches in the following areas throughout the year: regional parks, open space parks and canyon lands.

### **Arts and Culture**

Creativity and the arts play an important role in creating jobs, educational opportunities and help enhance San Diego's neighborhoods. Our region's ability to attract and retain our workforce and tourists to our beautiful city will be increased through our vital arts and culture funding.

### **Fund Mobility Master Plan and Vision Zero Quick Build Projects**

The Mobility Master Plan (MMP) sets the goal of 36% of all trips via walking/rolling, cycling, and public transit by 2030 and 50% by 2035. The City should look to fund the 11 Focus Areas designated in the MMP.

### **Parks and Recreation**

The City of San Diego Park system provides healthy, sustainable, and enriching environments for all its residents and tourists. Funding for facility improvements at Balboa Park, neighborhood parks, and recreation centers are critical to improving the quality of life of our communities. With the increased focus on outdoor activities, it is more important than ever that we maintain adequate funding for the park system.

### **Amici Park**

Amici Park encompasses the Little Italy Dog Park, the Amici Park Amphitheater, and the Bocce Ball Courts, and serves as a staple in the Little Italy community. \$1,000,000 should be dedicated from the FY26 DIF fees for Amici Park security and fencing.

### **Office of Labor Standards and Enforcement**

The City of San Diego must remain competitive in the recruitment, retention and hiring of city employees. The City should also enhance the administration and enforcement of labor standards.

### **3. Streets, Sidewalks, and Other Infrastructure**

#### **Fix San Diego's Most Dangerous Fatal 15 Intersections**

The City should continue its work fixing the most dangerous intersections according to the Systemic Safety Analysis Report Program. These improvements should include effective, low- cost measures like lead pedestrian interval blank-out signs, audible pedestrian signals, countdown timers, and high visibility crosswalks. The City should increase funding and prioritize the most dangerous intersections, including:

- El Cajon Blvd and Park Blvd
- G St and 14<sup>th</sup> St
- Texas St and El Cajon Blvd
- University Ave and Alabama St

#### **Invest in countermeasures along the 6 Critical Corridors in SANDAG's Regional Safety Focus Network**

The Safety Focus Network identifies the most dangerous corridors. 54% of fatal and severe injury crashes occur in just 6% of our region's roadways. Two are in District 3: Broadway from North Harbor to 21st Street and Market from 2<sup>nd</sup> to 26<sup>th</sup>.

### **DISTRICT 3 NEIGHBORHOOD IMPROVEMENTS**

#### **Streetlights**

Repair or install streetlights, including upgrading to LED when appropriate.

#### **Sidewalks**

Sidewalk infrastructure, maintenance and repair projects must be funded in a wide variety of locations. A safe network of sidewalks is essential to walkable neighborhoods and the City should set a goal of a minimum of two miles per year. The current backlog of sidewalks and ADA projects need to be addressed and a proactive program to inspect, evaluate, and notify property owners about needed repairs should be implemented.

#### **Street Improvements**

The City must maintain its focus on resurfacing, slurry sealing, and paving our City streets.

#### **Traffic Calming and Safe Streets**

Fund traffic calming infrastructure improvements where traffic fatalities, speeding, and crashes have taken place. Utilize AB 43 to lower speed limits across the city's business and residential corridors, prioritizing those that have experienced high

levels of traffic fatalities, speeding, crashes, and areas with highly concentrated vulnerable pedestrian groups such as bicyclists, children, seniors, persons with disabilities, users of personal assistive mobility devices, and the unhoused.

## II. POTENTIAL REVENUE/COST RECOVERY OPPORTUNITIES

### **Explore Increasing Parking Meter Revenue and Hours of Operation**

In areas like Downtown where transit is abundant, parking meter updates will be most successful. By ensuring fair use of parking spaces, we make them available to more people throughout the day, prevent long-term parking by a few individuals, and support local businesses by boosting foot traffic.

### **Adjust User Fees To Move Towards Full Cost-Recovery**

Update the user fee schedule to ensure each fee moves towards full cost-recovery, when appropriate.

### **Expedited Measure B Implementation**

During the November 2022 election, voters approved Measure B, amending sections of the Municipal Code, known as the People's Ordinance. This measure allows the City to recover costs for residential solid waste collection services, potentially relieving the General Fund of a \$70 million annual burden.

### **TOT Increase (Measure C) Implementation**

Measure C was a 2020 citizens' initiative that would raise the Transient Occupancy Tax. Implementing Measure C would fund homeless service funding gaps as soon as verified by the court.

### **Suspend Reserve Contributions**

In a budget crisis, we should consider suspending reserve contributions.

Thank you for the opportunity to voice my budget priorities for this upcoming fiscal year.

Should you have any further questions, please free to contact Jordan Latchford in my office at (619) 236-6374 or [JLatchford@saniego.gov](mailto:JLatchford@saniego.gov).





**THE CITY OF SAN DIEGO  
OFFICE OF COUNCILMEMBER HENRY L. FOSTER III  
FOURTH COUNCIL DISTRICT**

**M E M O R A N D U M**

DATE: January 10, 2025

TO: Charles Modica, Independent Budget Analyst

FROM: Henry L. Foster III, Councilmember, City of San Diego, Fourth District

SUBJECT: Fiscal Year 2026 Budget Priorities - UPDATE

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I am pleased to present an update to the Fiscal Year (FY) 2026 Budget Priorities for District Four. The City is facing a highly challenging budget outlook for FY 2026, requiring tough decisions to balance the budget, uphold public safety, and maintain services mandated by the San Diego City Charter. I am deeply concerned about the potential impact of "across-the-board" cuts and the impact to Communities of Concern. Families are navigating unprecedented financial challenges, including inflation, rising housing costs, and systemic pressures. These struggles—amplified by disproportionate rates of Black homelessness, the January 22nd floods, deteriorating infrastructure, and a lack of adequate, balanced, sustainable housing—highlight the critical need for all levels of government to work collaboratively with the community to develop proactive, intentional solutions.

Over the last several budget cycles, equity has been a guiding principle as the City invested in programs, services, and positions to meet the unique needs of under-resourced communities. Equity must remain central to the budget process, even in the face of a significant deficit. Resources must be directed toward emergency response, housing and homelessness prevention, small business and community development, infrastructure, parks and recreation, libraries, public safety, and other essential Citywide services to ensure District 4 has the support it needs to overcome systemic pressures. While this list of priorities is not exhaustive, it serves as a roadmap to advance equity and address key areas of concern.

## **PUBLIC SAFETY**

### San Diego Police Department Recruitment & Retention

The San Diego Police Department remains critically understaffed, with over one hundred officers set to retire before the end of FY 2026. While sustaining recruitment and retention strategies are important, it is equally important that we ensure our methods of recruitment are cost-effective and productive. The City should develop a recruitment strategy that's more cost effective and creates a diverse pipeline of new Officers.

### No Shots Fired Youth Intervention Program

The No Shots Fired Program seeks to reduce violence in collaboration with South Bay Community Services, CAST, Shaphat Outreach, the San Diego Police Department, and other partners. As an innovative restorative justice program to engage justice-involved community members, the program aims to stop violence before it starts, enhance public safety, decrease recidivism, and provide meaningful social services. The City should continue to fund this program.

### Neighborhood Code Compliance

The Neighborhood Code Compliance Division of the Development Services Department administers programs designed to protect the public's health, safety, welfare, and property value through enforcement of the City's ordinances and state/federal laws relating to land use, zoning, housing, public nuisances, graffiti abatement, and vegetation/fire hazard abatement. For too long, the staffing levels in the Division have been low, and enforcement priorities have been negatively impacted. The City should allocate funds for the staffing needed for this department.

### Resource Access Program and Emergency Medical Response

The Resource Access Program (RAP) is the strategic social arm of the San Diego Fire-Rescue Department. Implemented in 2008 within the Emergency Medical Services (EMS) division of the fire department, RAP uses analytics in real-time to identify vulnerable 911 callers experiencing social difficulties such as chronic homelessness, mental illness, substance abuse disorders, or difficult social or medical situations. RAP was highlighted in 2014 as a best practice by the United States Health and Human Services Agency for Healthcare Research and Quality (AHRQ) and has served as a model for other programs across the United States. The City should continue to create a long-term strategy to sustain this program. Furthermore, the County of San Diego should take the lead on fully implementing Senate Bill 43 which expands voluntary behavioral health treatment options.

### San Diego Police Department (SDPD) Wellness Program

The SDPD Wellness Program offers 24/7 assistance to SDPD officers, civilians, retired employees, and their families on many topics. Some of these topics include building resiliency, emotional well-being, alcohol and substance abuse intervention, mental health services, peer support, and more. The City should fund this comprehensive platform that specializes in law enforcement recruitment and officer health and wellness.

### Police Overtime

Police overtime pay continues to exceed budgeted levels. The recent analysis provided by the Department of Finance (DOF) has confirmed that the city is paying a premium when utilizing overtime. Efforts must be focused on staffing positions to reduce police overtime costs.

### Community Emergency Response Team (CERT)

CERT San Diego helps citizens become a part of the solution in their communities. The program took advantage of the outpouring of volunteers who offered to help in disasters, such as the Cedar Fire, earthquakes, 9/11, and the recent January 22nd storm. CERT San Diego instructors teach citizens to take life-saving action to help families, neighbors, businesses, and communities get through the first few hours or days when emergency services are overwhelmed. The City should continue to fund this program.

### Fire-Rescue Department

The Fire-Rescue department plays a critical role in the City's public safety. The department's core services include fire, emergency medical, lifeguard, and emergency management services. The department is committed to providing the highest level of emergency/rescue services, hazard prevention, and safety education, ensuring the protection of life, property, and the environment. The City should fund the following to support the Fire-Rescue Department.

1. Addition of 3.00 FTE Battalion Chiefs and associated pay, overtime, and vehicle for the creation of a new Battalion 8

### Lifeguard Services

San Diego Lifeguards are an indispensable part of the community, safeguarding lives and contributing to the city's attractiveness as a destination. They are responsible for ocean rescue, drownings, medical incidents, coastal cliff rescues, dive team response, Mission Bay Harbor Patrol, and flood/swift water response. Their rapid response can mean the difference between life and death, making them a critical public safety component. Therefore, the City should ensure they have the necessary resources, including equipment and facilities, to carry out their duties effectively. The City should fund the following in support of Lifeguards.

1. Addition of 3 FTE Marine Safety Lieutenants to provide consistent supervisory coverage in each Lifeguard district
2. Addition of 1 FTE one Marine Safety Captain

**CIP PRIORITIES (PUBLIC SAFETY)**

*(Please consider CIPs listed in the appendix)*

**Fire Station No. 51 Skyline Hills (Construction – CIP#: S14017)**

The project involves designing and constructing a new fire station, approximately 10,700-square-foot building, along with offsite improvements. The fire station will accommodate 10 fire crew members. It will include 2 ½ apparatus bays for a fire engine, ambulance, dorm rooms, kitchen, watch room, ready room, station alerting system, Vehicle Exhaust system, Solar PV system, parking lot, and offsite improvement. The City should fund the construction of this fire station.

**Fairmount Avenue Fire Station (Construction – CIP#: S14018)**

The project provides for land acquisition, design, construction, and all the associated discretionary and ministerial permits for a new permanent fire station of approximately 10,500 SF. The City should fund the construction of this fire station.

**North Pacific Beach Lifeguard Station (CIP#: S10119)**

This project provides for a permanent Lifeguard Station at North Pacific Beach Lifeguard Station located at the foot of Law Street. The remaining design and construction phase is unfunded. The structure will include an observation tower, first aid room, reception area, kitchen, locker room/restroom areas, and a rescue vehicles facility. The City should fund the design of this station.

**Ocean Beach Lifeguard Station (CIP#: P25000)**

The Ocean Beach Lifeguard Tower is among the oldest stations in use and has fallen into disrepair, with visible health and safety concerns throughout the deteriorating structure. The current station has only 1 bathroom, 1 shower, and 1 co-ed locker room for upwards of 16 Lifeguards during peak summer. The City should fund the design of this station.

## **HOUSING & HOMELESSNESS SOLUTIONS**

### Ongoing Support for Flood-Impacted Residents

The Community Equity Fund (CEF) was established in Fiscal Year (FY) 2021, with a \$3.0 million General Fund contribution to empower community-based organizations to deliver equitable outcomes throughout the city. For FY 2025, I requested that the available \$3.0 million from the CEF be allocated to the San Diego Housing Commission to assist with the Flood Recovery Program for Displaced Residents to directly aid flood-impacted City residents transitioning back to permanent housing. Continued funding for this program will ensure residents receive assistance with incurred expenses and help those affected by flooding return to their homes. The City should continue to fund the City of San Diego Flood Recovery Program for Displaced Residents.

### Address Homelessness among Black San Diegans

The 2020 Point-In-Time Count reported that Black people made up 21% of the unsheltered population and 30% of the sheltered population, while they were only 5.5% of the County's general population. Additionally, the National Alliance for Ending Homelessness reported that Black people make up 40% of the homeless population but only 13% of the general population in 2020. The City should allocate funding to implement recommendations in the RTFH report addressing homelessness among Black San Diegans.

### People Assisting the Homeless (PATH)

As part of the City's and the Housing Commission's comprehensive approach to addressing homelessness, People Assisting the Homeless (PATH) has been selected through a competitive Request for Proposal process to operate the City's Coordinated Street Outreach Program. As a result, outreach workers provide tailored outreach to council districts in order to best serve the needs of the community. Unfortunately, the provider often finds that the shelter system is at capacity and additional operational support is needed. The City should prioritize allocating funds to PATH for core homelessness outreach functions instead of the San Diego Police Department.

### Rapid Rehousing Assistance

Rapid Rehousing Assistance has been a major intervention for persons coming into the homeless system or who are at risk of homelessness. It provides short- or medium-term rental assistance (12-24 months) and services designed to rehouse and stabilize individuals and families quickly. Increasing the flexibility of this program is critical for those who may not need the level of services offered through permanent supportive housing. The City should fund this type of assistance.

### Housing Instability Prevention Program (HIPP)

The Housing Instability Prevention Program (HIPP) is a critical program that helps pay rent for up to 24 months and other housing-related expenses for low-income households in the City of San Diego experiencing a housing crisis and at risk of homelessness. The City should continue to fund this important program.

### Eviction Prevention Program (EPP)

The City of San Diego Eviction Prevention Program (EPP) helps renters with low income in the City of San Diego who are facing eviction for not paying their rent due to the financial impacts of the COVID-19 pandemic. EPP is operated by the Legal Aid Society of San Diego through a contract with the San Diego Housing Commission (SDHC). The program also provides education and legal services for legal services for low-income renters facing eviction. The City should continue to fund this program.

#### Middle-Income First-Time Homebuyers Program

Housing prices continue to rise in San Diego, making homeownership out of reach for low-income and middle-income families. The creation of a First Time Homebuyers Program for middle-income residents has been studied by the San Diego Housing Commission (SDHC). In November of 2022, the Land Use and Housing Committee unanimously requested that SDHC finalize the program design for a pilot program to assist first-time homebuyers in the city with middle-income, subject to funding being identified for the proposed program. A pilot program would provide down payment and closing cost assistance to residents earning 80%-150% of the area median income. In the final budget modification memos for the FY24 budget, eight Councilmembers supported funding this program. The City should fund this program.

#### Tenant Termination Notice Registry

The City of San Diego Tenant Protection Ordinance specifies that landlords will be required to notify the Housing Commission of any at-fault and no-fault terminations within three business days of issuing the tenant a termination notice. SDHC will develop and implement an online portal to collect landlord termination notices. The City should fund the creation of the registry.

#### LGBTQ+ Affirming Shelter

According to the San Diego Housing Commission, the LGBTQ+ Affirming Shelter and Outreach Program for Transition Age Youth (Program) interim site(s) will provide up to 21 safe, low-barrier, non-congregate, and congregate shelter beds for any TAY ages 18 to 24 experiencing unsheltered homelessness in the City of San Diego. In its full capacity, it is anticipated that the Program will provide shelter beds for up to 45 youth at any given time. The Program will operate 24 hours a day, seven days a week. Referrals into the Program will be facilitated through the Coordinated Shelter Intake Program, which the Housing Commission administers, as well as by dedicated program outreach staff. The City should fund this program.

#### LGBTQ SAFE STAY Wellness Center

The City should allocate funding for LGBTQ youth housing and wraparound services to support a program that provides non-congregate, safe, and affirming emergency housing and support services that improve the economic, physical, and emotional well-being of unhoused LGBTQ youth. Investing in an existing program with a proven track record is a model of good governance that ensures that taxpayer dollars are used responsibly and to serve our community directly and effectively.

#### The Multidisciplinary Outreach Program

This program would utilize an integrated multidisciplinary team including a nurse practitioner, clinical outreach specialists, a medical assistant/outreach worker, peer support specialists, and a part-time substance abuse counselor. Services to be provided include but are not limited to street medicine services, including medical triage, wound care, bio-psycho-social assessments, medication-assisted treatment, care coordination with primary care, mental or behavioral health services, and substance abuse counseling, housing-focused street-based case management, peer support, system navigation and post-placement stabilization support, basic needs support, referrals to support systems, benefits and services, and transportation assistance. The City should explore additional external funding opportunities for this program.

### Affordable Housing Preservation

Preserving more existing affordable rental housing units in the City of San Diego is essential for a balanced approach that combines preservation and new construction to address the affordable housing and homelessness challenges the City is experiencing. Preservation of both deed-restricted and unrestricted, naturally occurring affordable housing (NOAH) can be more cost-effective than producing new affordable rental housing. As the City of San Diego continues to face affordable housing and homelessness crises, the City must prevent the loss of its existing affordable housing and the displacement it causes for families with low income in our community. The San Diego Housing Commission recommends funding for a consultant and the Affordable Housing Preservation Fund. The consultant would structure the preservation fund and market the fund for preservation partnerships and fund management. The City should allocate funds dedicated to affordable housing preservation.

### Affordable Housing Universal Application & Navigation System

Currently, residents seeking affordable rental housing must undergo a laborious and costly process to navigate affordable rental housing. As a result, SDHC is proposing the development and administration of an online Affordable Rental Housing Navigation Platform, integrated into SDHC's existing affordable housing database, that includes a listing of all affordable rental housing in the City and a universal rental application to be used for all affordable rental housing listings. The City should fund the creation of this system.

### Rent Subsidies for Seniors

In 2020, 27% of San Diego's unsheltered residents were 55 years and older, equating to more than 2,000 seniors living on our streets. The SDHC's housing stability assistance program was pivotal in helping low-income residents during the pandemic. The City should fund a similar program dedicated to low-income seniors.

### Old Central Library

While the library opened this year to provide shelter services, the permit that approved the use of the facility expired this summer and caused the shelter to close. The opportunity remains to repurpose the Old Central Library into an innovative, high-density housing development serving persons experiencing or previously experiencing homelessness. The City should fund predevelopment and project design and seek other resources for the redevelopment of the former Central Library site, including affordable housing, on-site system navigation, and shelter services and housing.



## **INFRASTRUCTURE & MOBILITY**

### Improve Safety in the City's Most Dangerous Intersections

Through the modernization of community infrastructure, residents across the City can live safer, healthier, and more active lives. Reducing traffic fatalities requires more work to make dangerous intersections safer by installing high-visibility crosswalks, repaving streets, filling potholes, widening sidewalks, and adding stop signs and other speed-reducing improvements. City implementation of quick-build projects can remedy some dangerous intersections, while awaiting secure funding for more permanent improvements. However, the City should continue to fund improvements in support of Vision Zero – the City's goal of ending all traffic fatalities and serious injuries – by prioritizing funding for safe street improvements in fatal intersections and corridors, including:

1. Federal Blvd & Euclid Ave.
2. Parkside Ave from Reo Dr to Aegean Dr
3. Paradise Valley Road from S Meadowbrook Dr to Munda Rd
4. Skyline Dr from Valencia Pkwy to S Meadowbrook Dr
5. Imperial Ave from Viewcrest Dr to S 40<sup>th</sup> St
6. Market St from 805 Bridge to Iona Dr
7. Jamacha Rd from Glencoe Dr to Cardiff St
8. Federal Blvd from 60<sup>th</sup> St to MacArthur Dr
9. Hilltop Dr from 44<sup>th</sup> St to Elwood Ave
10. Logan Ave from San Pasqual St to S Euclid Ave
11. National Ave from S 35<sup>th</sup> St to San Pasqual St
12. College Grove Dr from 55<sup>th</sup> St to College Ave
13. College Ave from Meridian Ave to College Grove Dr
14. 54<sup>th</sup> St from Redwood St to Euclid Ave
15. Euclid Ave from 54<sup>th</sup> St to Cervantes Ave (some work has been done, and more is being done)
16. Woodman St from Imperial Ave to Alta View Dr
17. 47<sup>th</sup> St from Federal Blvd to Alpha St
18. Bonsall St from Pala St to San Vicente St
19. South Willie James Jones from Solola Ave to Palin St
20. 63<sup>rd</sup> St and Madrone
21. Bullock Dr from Woodman to Deep Dell Rd
22. Deep Dell Road from S Siena to Paradise Valley Road
23. Palo Alto Lane and 68<sup>th</sup> St
24. Glen Vista Court (full street ending at Glen Vista St)
25. 50<sup>th</sup> Street from Elm Street to Date Place
26. Marilou Road (paper Street) from 48<sup>th</sup> St to Altadena Ave
27. Elm Street from Brookline St to Tilden St
28. Federal Blvd at 48<sup>th</sup> St
29. Koe St to Braddock St
30. Alleyway from Biloxi St to Laurel St

### Pedestrian Master Plan

The City should update the Pedestrian Master Plan to include improvements to pedestrian safety with a focus on complete streets, safe routes to school for students, walkability, accessibility, and connectivity. Issues like potholes, broken pavement, and road debris pose a great risk to these very pedestrians and cyclists. The City should responsibly fund necessary amenities along major corridors and optimize the staffing needed to conduct and respond to requests for service on streets and sidewalks.

As highlighted in the Pedestrian Master Plan, these amenities should include strategically located spaces for secure bike parking, street trees, shaded places to sit (specifically while using alternative transportation), and safe and cool areas to build community. After generations of disinvestment, it is critical to prioritize addressing street improvements in historically low-resourced communities in order to address climate inequities and reach the Climate Action Plan goals.

#### Place Making Activation

There are many underutilized spaces that residents would like to activate to create more habitable, safe, and creative spaces in communities of concern. Securing funding for placemaking projects in communities of concern will empower residents to pursue and complete projects to create more walkable spaces and public safety measures such as crosswalks, bike corrals, and gathering spaces to revitalize business corridors. Therefore, placemaking grants should be restored to the budget.

#### **CIP PRIORITIES (INFRASTRUCTURE & MOBILITY)**

*(Please consider CIPs listed in the appendix)*

#### District 4 specific street overlays

The following streets have been asked by District 4 constituents to be overlaid:

1. Cielo Dr. (Between – Pagel Pl. & 66<sup>th</sup> St.)
2. Bonsall St. (Between – Pala St. & San Vicente St.)
3. Norm St. (Between – San Vicente St. & Leucadia Ave.)
4. Rytke St. (Between – Pala St. & San Vicente St.)
5. San Vicente Ct. (Between – San Vicente St. & End)
6. San Vicente St. (Between – Cardiff St. & Billow Dr.)
7. San Vicente St. (Between – Encinitas Ave. & Cardiff St.)
8. San Vicente St. (Between – Sunnyside Ave. & Encinitas Ave.)
9. San Vicente St. (Between – Sawtelle Ave. & Sunnyside Ave.)
10. San Vicente St. (Between – Norm St. & Sawtelle Ave.)
11. San Vicente St. (Between – Jacumba St. & Norm St.)
12. San Vicente St. (Between – Glencoe Dr. & Jacumba St.)
13. San Vicente St. (Between – Bonsall St. & Glencoe Dr.)
14. San Vicente St. (Between – Rytke St. & Bonsall St.)
15. San Vicente St. (Between – San Vicente Ct. & Rytke St.)
16. San Vicente St. (Between – San Vicente Wy. & San Vicente Ct.)
17. San Vicente St. (Between – Meadowbrook Dr. & San Vicente Wy.)
18. Sawtelle Ave. (Between – San Vicente St. & Sabre St.)
19. Chollas Py. (Between – 47<sup>th</sup> St. & End)
20. Coban St. (Between – S Euclid (E Ftg) Ave. & Reynolds St.)
21. S Euclid Ave. (Between – Trinidad Wy. & Manzanares Wy.)
22. 68<sup>th</sup> St. (Between – Brooklyn Ave. & Wunderlin Ave.)
23. 68<sup>th</sup> St. (Between – Akins Ave. & Brooklyn Ave.)
24. Akins Ave. (Between – 69<sup>th</sup> St. & City Boundary)
25. Akins Ave. (Between – 68<sup>th</sup> St. & 69<sup>th</sup> St.)
26. Akins Ave. (Between – 67<sup>th</sup> St. & 68<sup>th</sup> St.)
27. Brooklyn Ave. (Between – 68<sup>th</sup> St. & 69<sup>th</sup> St.)
28. Madera St. (Between – Hilger St. & 69<sup>th</sup> St.)
29. Plover St. (Between – Gibson St. & Klauber Ave.)
30. Tarbox St. (Between – Hilger St. & 69<sup>th</sup> St.)

**District 4 Unimproved Streets**

The total cost to improve all unimproved streets in District 4 is estimated to be approximately \$146,000,000. Below are some of the streets asked by District 4 constituents to be brought to City Standards:

1. 49<sup>th</sup> St (Charles Lewis Way to End)
2. 69<sup>th</sup> St (Akins Ave to Broadway)
3. 69<sup>th</sup> St (Madera to north of Gibson St, Madera to S/O Gibson, & N/O Gibson Elevate)
4. Broadway (Between – Madera St & 69<sup>th</sup> St)
5. Evelyn St (Broadway to 69<sup>th</sup>)
6. Gibson St (Hilger St to 69<sup>th</sup> St)
7. Hilger St (Madera St to Klauber Ave)
8. Pitta St (South of Market St)
9. Tarbox St (Hilger to 69<sup>th</sup> St)
10. Zeller St (Gibson St to Klauber Ave)
11. Eleanor Dr. (South 65<sup>th</sup> to End of Eleanor)

Safe Intersection Improvements & Traffic Calming Measures

The City must improve intersections with high visibility crosswalks, Lead Pedestrian Intervals and No Right on Red signals throughout the City and dangerous intersections.

1. Encina Dr.
  - Curve Warning signs
  - Rebuild Retaining Wall
2. 47th St & Hartley
  - Install a High Intensity Activated Crosswalk (HAWK)
3. 62nd St & Imperial Avenue
  - Rebuild curb ramp
  - Directional arrowheads
  - Install opposite crosswalk east of the existing crosswalk
4. Fund Lead Pedestrian Intervals (LPIs) with blank-out signs
  - Imperial Av & 45th St
  - Imperial Av & San Jacinto Dr
  - Euclid Av & Market St
  - Euclid Av & Guymon St
  - Euclid Av & Hilltop Dr
  - Imperial Av & 49th St
  - Imperial Av & Willie James Jones Av
  - 65th & Skyline Dr.
  - 54th & Nutmeg St
  - Holly Drive/Manzanares Way & Euclid
5. V-Calming devices
  - Winnett Street between Tooley Street and Radio Drive (x2 both ways)
  - Radio Dr (x2)
  - Intersection of Woodman St & Wattle Dr. Northbound
  - Logan Avenue between Euclid Avenue and Encina Drive
  - Paradise Street from Mallard St to Mulberry St
6. Crosswalk Improvements
  - MLK Jr Way and Charlene Ave
  - MLK Jr Way and Tiffin Ave

#### Council District 4 Sidewalks

Funding and grant opportunities for sidewalk construction in Council District 4 should be pursued. Future sidewalk projects must meet ADA standards while minimizing damage to homeowner property. City staff should utilize the most recent sidewalk assessment, unfunded sidewalk list, and community input to plan construction effectively. Below is a list of sidewalks identified by community members and assessed by the City.

1. 60th Street – Gravity Way to Broadway – (Both Sides)– Install New Sidewalk
2. Geneva Avenue – Winston Dr. – to Beverly (South Side) – Install New Sidewalk
3. Albemarle St – Rachael Ave to Flintridge Dr (both sides)
4. Alta Vista Ave – Between Paradise Rd. And S. 58th Street – Install New Sidewalk
5. Bolivar Street from Rachael Ave to Reo Dr (south side)– install new sidewalk
6. Bolivar Street from Reo Dr to Rachael Ave(North Side)– Install New Sidewalk
7. Calle Aguadulce from Cumberland St to Roanoke (Both Sides)– Install New Sidewalk
8. Calle Cumbre from Sedgewick St to Morningside St (Both Sides)– Install New Sidewalk
9. Calle Serena from Albermarle to Cumberland (Both Sides)– Install New Sidewalk
10. Calle Tocon from Calle Agua Dulce to End of Segment (Both Sides)– Install New Sidewalk
11. Calle Trepadora – Cumberland St to Potomac St (both sides)
12. Calle Tres Lomas – Cumberland to Roanoke (Both Sides)
13. Callejon from Calle Casas Bonitas to Cale Salida del Sol (Both Sides)– Install New Sidewalk
14. Cumberland St from Rancho Dr to Reo Dr(South Side)– Install New Sidewalk
15. Deauville St – Cumberland St to Winchester St (both sides)
16. Edgewater from Rancho Dr to Sea Breeze (Both Sides)– Install New Sidewalk
17. Flintridge Dr – Alleghany St to Albermarle St (both sides)
18. Gables St – Rachael Ave to Flintridge Dr (both sides)
19. Hopkins St from Roanoke to Albermarle (Both Sides)– Install New Sidewalk
20. Lydia St from Hopkins St to End of Lydia (Both Sides)– Install New Sidewalk
21. Market St from Pitta St to Euclid Ave
22. Midwick St – Hopkins St to Morningside St (both sides)
23. Morningside from Rancho Hills Dr to Sedgewick (Both Sides)– Install New Sidewalk
24. Morningside St – Roanoke St to Winchester St (Both sides)
25. Potomac St from Cumberland St to Approx 375' South of Calle Tortuosa ( East Side)– Install New Sidewalk
26. Potomac St from Rachael to Reo (North Side)– Install New Sidewalk
27. Potomac St from Reo to Sea Breeze (North Side)– Install New Sidewalk
28. Potomac Street from Sea Breeze Dr to approximately 150 LF to the east (both sides) – Install new sidewalk
29. Roanoke from Rachael to Reo (Both Sides) – Install New Sidewalk
30. Roanoke St at Sea Breeze (South Side)– Install New Sidewalk
31. Roanoke Street from Calle Tres Lomas to Calle Aguadulce (north side) – Install new sidewalk
32. Schuyler St from Rancho Dr to Sea Breeze Dr (Both Sides)– Install New Sidewalk

33. Sea Breeze from Albermarle to Edgewater (Both Sides)- Install New Sidewalk
34. Sea Breeze from Edgewater to Roanoke (Both Sides)- Install New Sidewalk
35. Sedgewick Street from Calle Cumbre to Morningside St - Install new sidewalk
36. Shaw St from Rachel Ave to Deauville St(North Side)- Install New Sidewalk
37. Shaw St from Rachel Ave to Deauville St(South Side)- Install New Sidewalk
38. Winchester St - Reo Dr to Rachael Ave (both sides)
39. Winchester St - Reo Dr to Seabreeze Dr (South side)
40. Beacon Dr from Jamacha Rd to Borrego St (East Side)-Install New Sidewalk
41. Bus Stops - San Vicente St - Meadowbrook Dr to Cardiff St
42. Calle Casas Bonitas from Morningside to End of Segment (Both Sides)- Install New Sidewalk
43. Calle Sal Si Pudes from Calle Cumbre to aprox. 200' south of the intersection with Calle Felicidad - Install New sidewalk
44. Calle Tortuosa - Potomac St to Calle Pavana (both sides)
45. Calle Tres Lomas - Seascap Dr to Cumberland St (both sides)
46. Cardiff St from Jamacha Rd to Wade St (Both Sides)- Install New Sidewalk
47. Cielo Dr - Woodman St to Skyline Dr (North Side)
48. Cumberland St from Calle Gaviota to Calle Tres Lomas (Both Sides)- Install New Sidewalk
49. Edgewater St from Rancho Dr to Sea Breeze Dr(South Sides)- Install New Sidewalk
50. Flicker St from Lisbon St to Imperial Ave(West Side)-Install New Sidewalk
51. Flicker St from Lisbon St to Jamacha Rd(West Side)- Install New Sidewalk
52. Jamacha Rd from 68th St to Lisbon St - Improve road for sidewalk installation
53. Jamacha Rd from Skyline Dr to Osage Dr - (South Side)
54. Rachael Ave from Albermarle to Gables St (East Side)- Install New Sidewalk
55. Ritchey St - Mezin Way to Benson Ave (both sides)
56. San Vicente St - Encinitas Av to Cardiff Street (Southside)
57. Westwood St from Cumberland St to Albermarle St (Both Sides)- Install New Sidewalk

#### Council District 4 Unfunded Streetlights

Funds should be directed toward installing streetlights in Council District 4, focusing on areas with the most critical public safety needs, as highlighted by the Street Division's unfunded priorities list. Priority installations include locations identified in City traffic studies and areas with high pedestrian activity, such as parks, schools, community centers, business corridors, and transit stations. Streetlights can enhance public safety and reduce crime. Additionally, significant savings can be achieved by installing new fixtures on existing poles where available.

### Storm Water Channel and Storm Drain Maintenance

The City has improved stormwater channels and drains maintenance to protect life and property better. However, much of this work is done through emergency permits. To reduce the need for last-minute emergency measures to prevent flooding, the City should fund an enhanced maintenance program targeting high flood-risk areas. Below are storm drains that need to be expanded and or upgraded in District 4:

1. Ocean View Channel: Ocean View Blvd. & San Miguel Ave.
2. Akins Channel: 65th St. & Herrick St.
3. Jamacha Drain Channel Upgrade
4. Jamacha Channel: Marie Widman Memorial Park Storm Channel
5. 6200 Imperial Ave/Akins: Between 62nd & 69th Streets
6. Klauber Ave
7. Imperial Avenue starting at 47th St. all through Castana St.
8. Storm Drain along Akins Avenue (Encanto/62nd Trolley Station) Creek
9. 51st and Hilltop

### Flood Resilience, Green Infrastructure and Stand Alone Project Costs

1. B14078 Jamacha Drainage Channel Upgrade Chollas 4 Rev & Restore
2. B16094 Jamacha Lomita Storm Drain Chollas 4 CMP
3. B16115 Oak Park Storm Dr Repl & Green Infr (SD) Chollas 4 CMP
4. B17030 Bay Terraces & Skyline South SD Repl Chollas and San Diego Bay
5. B22126 6576 Parkside Ave SD Repl SWD San Diego Bay
6. B23068 Tonawanda Dr and Marmil Wy SD Improv SWD San Diego Bay
7. B24019 San Jacinto Dr SD SWD San Diego Bay
8. NEW-ROY Royal Oak Dr at Sears Ave SD SWD San Diego Bay
9. B15102 Green Infrastructure Group 1024
10. B16111 Green Infrastructure Group 1012
11. B16112 Southcrest Green Infrastructure
12. B16114 Oak Park Storm Dr Repl & Green Infr
13. B19095 Streamview Drive Green Infrastructure
14. S22009 Chollas Creek Restn 54th St & Euclid Ave Chollas
15. S24008 SD East of Rachael Ave SWD San Diego Bay

### Streamview Drive Improvements Phase II (Construction - CIP#: S18000)

This project involves installing roundabouts, a raised median, a new sidewalk with curb and gutter, and traffic circles along Streamview Drive between 54th Street and Michael St. and between Gayle St and College Ave. Funding should be allocated for this project to address safety concerns, incorporate green space within the medians, and incorporate landscaping features within the roundabout, including but not limited to trees to enhance visibility. This will support the City's Climate Action Plan goals by increasing tree canopies and reducing heat generated from large concrete areas.

### 54th-Market to Santa Margarita Sidewalk (Construction - CIP#: B18158)

This project proposes constructing a pedestrian path on the east side of 54th Street between Naranja Street and Santa Margarita Street. Improvements will include new curb ramps, sidewalks, driveways, and curb and gutter. Funding should be allocated for the construction phase of this project.

### Expansion of Bus Pads

Bus Pads are designed to support the size and weight of buses by providing concrete-paved sections at specific stops, reducing wear on asphalt roads. In 2019, a Bus Pad was installed at Euclid Avenue and Market Place Way, improving the bus stop's quality. The noted intersections with road distress due to bus routes should be prioritized in the City of San Diego's budget under its Memorandum of Understanding with the San Diego Metropolitan Transit System:

1. Parkside Avenue and Dusk Drive (Route 961)
2. Paradise Valley Road and Meadowbrook Drive (Route 962)
3. Brooklyn Avenue and Stork Street (Route 917)
4. South Meadowbrook & Skyline Dr. (Route 4 & 12)
5. San Vicente & Meadowbrook (Route 4)
6. 54th St & Pirotte (Route 917 & 955)
7. Near Euclid & Imperial Trolley Station (415 Euclid St)

### Utility Undergrounding

The Utility Undergrounding Program is essential for enhancing the safety, aesthetics, and reliability of San Diego's infrastructure. By placing overhead utility lines underground, the City can significantly reduce the risk of power outages caused by severe weather while also improving the visual appeal of neighborhoods. This initiative contributes to public safety, increases property values, and fosters a more resilient community. Funds should be allocated toward the six implementation phases for Utility Undergrounding Program projects.

1. Ridgeview-Webster / Oak Park (4J1)
2. Jamacha Lomita (4Y)
3. Encanto/Emerald Hills (4R1)
4. Jamacha Lomita (4Y1, joint project)
5. San Vicente Street Phase 1 and Phase 2
6. Hughes Street
7. Valencia Park, Las Alturas Terrace

### San Vicente PH I-II Rd Imp UU505-UU506 (Utility Undergrounding - Construction - CIP #: B17098)

This project consists of curb ramp installations, street resurfacing (overlay and /or slurry seal), and other work as pertinent and necessary to the construction of the San Vicente PH I-II Rd Imp Underground Utility Road Improvements Project UU505-UU506. Funds should be allocated for the construction phase of this project.



## **LIBRARY AND PARKS & RECREATION**

### Library Maintenance and Materials

All communities, specifically communities of concern, should have access to amenities and services provided by libraries so that every San Diegan can benefit from these critical and cherished public assets. It is important to ensure that all buildings are in good condition, safe, well-maintained, adequately stocked with materials, and accessible to the community they serve.

### Accelerate Citywide Park and Recreation Condition Assessment

The City must complete this assessment to direct investment to under-resourced public parks and help address system-wide needs for park equity throughout our City's neighborhoods. Specifically, \$1.5 M should provide full funding to complete the condition assessment at an accelerated pace rather than the scheduled five years.

### Create Chollas Creek Watershed Regional Park Master Plan

In November 2015, the Park and Recreation Board unanimously voted to accept the Chollas Creek Regional Park Designation Feasibility Study and recommended updating and expanding the 2002 Chollas Creek Enhancement Program. The next step would involve the preparation of a Master Plan to be developed under the direction of the City of San Diego Planning Department. Given the January 22<sup>nd</sup> Flood, the need is critical, and lack of funding further exacerbates Chollas Creek challenges, currently in disrepair and unkempt.

### Additional Grounds Maintenance for Encanto Area Parks

Landscape and field maintenance at MLK and Encanto Park is critical to the basic upkeep of these vital community assets. To ensure safety and accessibility in Encanto area parks, current Grounds Maintenance Workers' time should be efficiently optimized to ensure custodial and landscape maintenance.

### Parks After Dark Program

This program is part of the Come Play Outside initiative made possible by the Parks and Recreation Department, the County of San Diego HHSA, the County Board of Supervisors, the San Diego Parks Foundation, and the Price Philanthropies Foundation. Focusing on historically underserved communities, Parks After Dark provides live entertainment, activities for kids and adults, food trucks, and games to reduce crime and create social cohesion. The City should continue to allocate funding to this program and fund any additional staff needed for the success of the program.

### Library Ordinance

The Library Appropriation Ordinance requires the Library Department budget to equal six percent of the General Fund's budget each fiscal year. To strive to achieve compliance with the Ordinance, we request an increased allocation to the Library Department budget beginning with the following items:

1. Technology upgrades: San Diego Public Library supports approximately 3,000 technology devices. The Department of Information Technology does not support most devices and prevents the library from offering state-of-the-art software. Annual investments are recommended.
2. Materials: To keep up with the inflation of library materials, an increase in the San Diego Public Library's materials fund should be enacted.
3. Library Programs: Many library programs are funded via donations, which can vary from year to year. Expansion of the programming budget for the City's branch libraries would allow programs to be consistent year to year and relatively equal across all branch libraries.

## **CIP PRIORITIES (LIBRARY AND PARKS & RECREATION)**

*(Please consider CIPs listed in the appendix)*

### Oak Park Library (CIP#: S22011)

This project will provide the design and construction of a new library of approximately 20,000 sq. ft. in the Oak Park neighborhood. The library building will consist of entry/community services, computer lab, reader service area, informal reading/special feature area, reference area, multipurpose room, adult/young adult area, children's area, and staff support areas. The state delegation has provided the majority of funds for the construction of this library. The City should also provide funding to supplement future construction needs, including an observatory.

### Marie Widman Memorial (CIP#: P20003)

With the Marie Widman Memorial Park General Development Plan coming to completion, the City must move forward in investing in the next phase of improvements at Marie Widman Memorial Park. The designation of the formal Black Arts and Culture District is not only a place to focus on the contributions, history, and culture of the Black community, but it is also a tremendous opportunity to revitalize and energize Imperial Avenue, a major corridor located in District 4. Enhancements will increase the usage of Marie Widman Park and activity along the corridor, spurring economic development and sustainability for a historically under-resourced community. Enhancement requests include but are not limited to upgrading the tot lot to meet state and federal requirements, repurposing the gymnasium as a cultural center for exhibits/events, hardscape/landscape, foot trails and gardens, park playground equipment upgrades, new comfort stations, lighting and electrical/wi-fi upgrades, outdoor amphitheater/stage, crosswalk upgrades with specific design, streetscape and signage, bus shelter upgrades, and public artwork. The City should allocate funds and support any efforts to build the Black Arts & Culture District.

### Emerald Hills Public Park Improvements (CIP#: P20003)

The Emerald Hills Community Park is one of the few outdoor public spaces in District 4. This park was built over 50 years ago and has had no significant upgrades. The FY 2020 adopted budget allocated funds for a General Development Plan. With that, the next step in the park's improvement process is to allocate funds for its design/construction, including a recreation center and comfort station.

### Emerald Hills Park Tennis Courts

The Tennis Courts in Emerald Hills Park are in poor shape, causing a safety hazard. As a result, the courts are inaccessible to the community to engage in exercise and recreation. The City should fund the repair of the tennis courts.

### Willie Henderson Lighting Upgrades (CIP#: B23011)

This project will provide for the design and installation of upgrades and new security lighting replacement throughout the Willie Henderson Sports Complex and its parking lots. The additional security lighting will be installed with vandal-proofing measures. Additionally, this project will include infrastructure for future surveillance cameras (conduit) and associated electrical upgrades. The City should provide funding to fund this project fully.

#### Willie Henderson Sports Complex Improvements (CIP# B20096)

This project will provide for the design and construction of improvements to the Willie Henderson Sports Complex and the adjacent Park that include the following: additional security lighting, futsal court, indoor/outdoor soccer area, new water fountains with options for dogs, replacement playground, new fencing, picnic tables, community garden, and improvements to the turf, parking lots, sidewalks, and irrigation. The design is estimated to be completed mid-calendar year 2025, and the funding gap for construction is estimated to be in 2025. The City should provide funding to complete the construction of this project.

#### Mountain View Park Improvements

Mountain View Park has been culturally significant for the Black community. More recently, the Mountain View Community Center Advisory Group voted to adopt park improvements compiled by a coalition of community members dedicated to the park's beautification and activation. Improvements to the park include the installation of community-oriented murals, landscaping repair, improved night illumination, the addition of an outdoor gym, renovation of the basketball/tennis courts, renovation of the old recreation center, improvements to the restroom, and addition of a gazebo. The City should fund improvements to this park.

#### Paradise Hills Park and Recreation Center

Improvements are needed to enhance public safety and to add park amenities to increase park usage and activity. The Park has an existing General Development Plan that either must be revisited or implemented. The City should allocate funds towards its improvement.

#### Paradise Hills Public Library Improvements

The Paradise Hills Public Library has not undergone any substantial improvements for more than 40 years. Improvements must be made to this aged library to maintain equity in the library system.

#### Castana Street East of 47th Street Along Chollas Creek

This project provides for acquiring, designing, and constructing a Mini-Park. Improvements could include picnic facilities, children's play areas, walkways, landscaping, and security lighting. Improvements to Chollas Creek, storm drains, and the abutting street will be needed. This project is in conformance with the Encanto Neighborhoods Community Plan. It is consistent with the City's General Plan Guidelines for population-based park and recreation facilities and is needed to serve the community at full buildout. The City should allocate funds to this project.

#### Lomita Park General Improvement

As highlighted in the 2003 Skyline Paradise Hills Public Facilities Plan, Lomita Park should include a comfort station and be updated to meet ADA compliance standards. Improvements include improved security lighting and upgrading the tot lot to meet state and federal requirements.

### Encanto Open Space Trails Improvements

This project will provide the design and construction of park amenities for the Encanto Neighborhoods open space trail system. Park improvements could include the construction of 2,330 linear feet of new trail, trail kiosks, interpretive signage, native landscaping, benches, picnic tables, and the closure of 11,400 linear feet of trails.

1. Emerald Hills--1,570 linear FT of new trail
2. Chollas Radio--550 linear FT of new trail
3. Valencia Canyon--210 linear FT of new trail

### Encanto Community Park General Development Plan

The Encanto Neighborhoods Community Plan (2015) provides several proposed actions on recreation components and amenities. The City should allocate funds for an updated General Development Plan for the park. Some of the suggestions for Encanto Park include:

1. Repairing the basketball court
2. Upgrading the park facilities to meet safety requirements
3. Increase the concession stand square footage to expand park usage
4. Invest in the improvement of Vera Quinn's field
5. Gopher abatement, storage, and field lighting
6. Upgrade the Teen Center

### Paradise Canyon and Jamacha Canyon Open Space Improvements

This project is referenced from the Skyline-Paradise Hills Community Plan (1987) under its implementation plan for the landscape element. Like the Encanto open space trails proposal, the construction of feasible walking trails within the site is desired. Signage, native landscaping, and benches are also requested. These two project sites could be funded under open-space bonds.

### Chollas Triangle Park (Design - CIP#: P20005)

This project is listed in the Mid-City Public Facilities Financing Plan as Project P-26 and provides for the development, design, and construction of a 5-acre neighborhood park. Potential amenities could include picnic areas, children's play areas, multi-purpose courts, multi-purpose turf areas, bike paths, comfort stations, walkways, overlooks with the interpretation of Chollas Creek, and landscaping. Funds should be allocated for the design phase of this project.

### Council District 4 Unfunded Park Improvements

The following items are specific park improvements identified by District 4 Recreation Councils/Community Planning Groups and Parks and Recreation staff.

1. Bay Terrace Community Park
  - Upgrade tot lot to meet State and Federal accessibility and safety guidelines
  - Install ball field lighting
  - Add sidewalk from Zamorano Elementary School to the front parking lot
  - Design and install artificial turf
2. Boone Neighborhood Park
  - Upgrade tot lot to meet State and Federal accessibility and safety guidelines
3. Chollas Lake Community Park
  - Construct a 10,000-square-foot multi-generational recreation building
  - Construct two (2) additional 250' ballfields (includes one multi-purpose field)

- Replace generator at office
  - Provide security lights around lake
  - Upgrade tot lot to meet State and Federal accessibility and safety guidelines – northeast side of lake
  - Bridge connecting North Chollas fields to Chollas Station
  - Prepare a General Development Plan for Chollas Lake
  - Add a comfort station at North Chollas
  - Additional modules for fishing pier
4. Encanto Community Park
    - Convert security lighting from low-pressure sodium to LED
    - Design and install upgrades to the existing irrigation system
    - Security camera system
    - Replace fixtures and electrical equipment for basketball and tennis court lighting
    - Replace basketball courts
    - Replace tennis courts to include drainage measure
    - Design and construct a new gazebo
    - Design and remodel main center office to include new cabinetry and desktop for registration purposes
    - Repaint the teen center and replace the roof
  5. Gompers Neighborhood Park
    - Design and install security lighting on the walkways throughout the park
  6. Keiller Neighborhood Park
    - Upgrade tot lot to meet State and Federal accessibility and safety guidelines
    - Improve security lighting in the park. Upgrade to LED lighting
  7. MLK Memorial Community Park
    - Update General Development Plan
    - Lights on softball field
    - Refinish gym floor
    - Modify existing security lights throughout front parking lot and exterior of the building
    - Upgrade southern tot lot to meet State and Federal accessibility and safety guidelines
    - Design and construct at least 3 new gazebos
    - Install ballfield lighting and security lighting for turfed areas
    - The pool needs fencing, a deck, floor renovations, landscaping, a pooling heater, and windows
  8. Martin Ave Mini Park
    - Prepare a General Development Plan for the park
  9. Oak Park Neighborhood Park
    - Provide new comfort station and tot lot
    - Provide a gazebo at Oak Park
    - Add security lighting to Oak Park, 4 additional poles
  10. Ocean View Mini Park
    - Prepare a General Development Plan for the park
  11. Paradise Hills Community Park
    - Upgrade tot lot to meet State and Federal accessibility and safety guidelines
    - Install an electronic marquee on the recreation center
    - Install lights in the upper back part of the park behind the tot lots
    - Convert current skateboard wooden ramps to steel ramps
    - Extend current jogging path to Munda Road. Widen the existing jogging path
    - Repaint exterior and interior of the Recreation Center
    - Replace cabinets in the office, kitchen, and craft room

- Replace blinds throughout the building
  - Parkside Neighborhood Park
  - Develop a jogging path around the park
12. Santa Isabel Mini Park
- Prepare a General Development Plan for park site
13. Skyline Hills Community Park
- Upgrade ball court lighting
  - Repaving of back parking lot
  - Replace asphalt basketball courts with concrete courts
  - Upgrade the electrical wiring in the comfort station
  - Replace cabinets and floor tiles in the kitchen, craft room, and main office of the recreation center
  - Install security cameras in the back-parking lot
  - Paint interior and exterior walls, replace cabinet, floor tiles, sink, security door, and countertops of the concession stand
  - Upgrade tot lot to meet State and Federal accessibility and safety guidelines
  - Upgrade 2 parking lots to meet State and Federal accessibility guidelines
  - Purchase and install new blinds throughout the Recreation Center
  - Replace turf fields with synthetic turf
  - Design and construct a gazebo, including accessible paths of travel
14. Valencia Mini Park
- Prepare a General Development Plan
15. Zena Mini Park
- Prepare a General Development Plan

## **CITYWIDE SERVICES & OPERATIONAL NEEDS**

### Office of Race and Equity, Community Equity Fund

This year, the Office of Race and Equity Community Equity Fund was utilized to support flood-impacted residents of the Jan 22, 2024 storm. However, the intent of the Community Equity Fund was to invest in community organizations that are creating systemic change through their work. To ensure the success of this office, the City should fully fund the Community Equity Fund and allocate necessary staffing resources.

### Cannabis Social Equity and Economic Development (SEED) Program Implementation

With the completion of the Cannabis Equity Study by the then City's Cannabis Business Division, it is critical the City take steps to assist individuals who have been victimized by the historically racially charged criminalization of cannabis. Funding should be designated to assist with technical assistance and additional items identified in the study. The City should allocate funds to implement the recommendations of the Cannabis Equity Study.

### Small Business Enhancement Program

With the substantial growth in small business activity across San Diego, the City must allocate funding for the Small Business Enhancement Program (SBEP) in the proposed FY 2026 budget to meet the needs of our expanding small business community, especially for communities of concern. Established under Council Policy 900-15, the SBEP reinvests general fund revenue generated by small businesses to support their development, enhance commercial neighborhoods, and foster partnerships with nonprofits. Critical programs, including the Storefront Improvement Program, Business Improvement District support, citywide enhancement grants, and public sector contracting initiatives, depend on this funding to provide tangible benefits to small businesses and the broader community. By funding SBEP, the City can support innovative programs, sustain existing initiatives, and empower small businesses to thrive, ensuring equitable economic development throughout San Diego.

### 6395-6397 Imperial Avenue Properties

The City previously purchased the properties at 6395-6397 Imperial Avenue from Civic San Diego with funds used from the sale of the Tubman Chavez Center. After further discussions with the Economic Development Department (EDD), it has been determined that the properties are insufficient for use in its current condition. In addition, the properties have been flagged as unsafe and are prone to vandalism. The City should work with community organizations such as the Black Arts & Cultural District as the City prepares for the Notice of Availability. Thus, the properties should be demolished in preparation for release of advertisement of the Notice of Availability.

### Youth Enrichment Program

The Youth Enrichment Program component of the San Diego Strong Start Initiative reduces the cost of living for families while offering support to school-aged children and pre-high school teenagers by providing no-cost after-school programs that combine sports, recreation, academic tutoring, and creative arts. This program focuses on older children and ensures access to a safe, enriching environment that fosters physical, educational, and social development. This pilot program will partner with local elementary and middle schools to provide access to facilities in Districts 4, 6, 7, 8, and 9. Some activities include sports, recreation, academic support, music, and art integration.

### Graffiti Abatement

Graffiti remains an ongoing issue in District 4, particularly in communities of concern where it poses a public safety issue. Prioritizing funding for graffiti abatement is crucial to addressing this problem effectively.

### Weed Abatement

Weeds and vegetation on the public right of way have been a constant issue in District 4. Overgrown weeds create an eyesore and present a public safety risk. Funding should be allocated for the comprehensive and regular removal of overgrown weeds and vegetation.

### Brush Abatement

The City continues to face significant delays in brush abatement efforts. With California experiencing devastating wildfires, adequate resources must be allocated for year-round proactive and preventative measures in regional parks, open spaces, and canyon lands. Additionally, the City should increase funding for the Fire-Rescue Department to support community education programs on proper brush management and methods to prevent conditions that could lead to large-scale fires.

### Tree Trimming

Street trees are trimmed to meet public safety requirements and maintain clear public rights-of-way. This service should be funded to ensure proper tree maintenance in District Four and across the City, preventing any potential safety hazards.

### Penny for the Arts

Arts and culture programs foster jobs, education, and community identity. City funding is crucial, as it supports non-revenue-generating programs for all communities in San Diego. Fully funding the Penny for the Arts program is key to enhancing the City's diverse cultural ecosystem. The City should fully fund the Penny for the Arts Program.

### Implement Results from the Disparity Study.

The City of San Diego commissioned BBC Research & Consulting to conduct a Disparity Study to assess whether minority-, woman- and disabled veteran-owned businesses face barriers in the City's contracting processes. This includes the need to hire five associates and one senior compliance officer for the Equal Opportunity Contracting Department. The City should allocate funds to implement the results of the study, including but not limited to \$2.0–4.0 million for the bonding assistance and technical assistance program, and \$1 million for a new disparity study.

### Urban Forestry Program

A key element of the Climate Action Plan (CAP) is expanding the City's urban forest, as trees are essential to creating sustainable, livable neighborhoods. By 2035, the goal is to ensure a 35% tree canopy in census tracts with very low or low access to opportunity, as identified in the San Diego Climate Equity Index. To meet this goal, the city must continue to support the Ready, Set, Grow program. Funding should continue to support necessary operations to proactively purchase, plant, and maintain trees in collaboration with the community. Funds should continue to support planting trees in areas that have low Climate Equity scores (few trees) but are not eligible for CalFire grants and for tree care contracts to inspect, protect, water, and care for street trees, including funds for pest treatments and removal of park and street palms.



#### SD Access4 All – Youth and Digital Equity

In 2020, the City Council allocated \$500,000 to provide free Wi-Fi to address the digital divide. There is still a need to ensure Wi-Fi access is accessible in low to moderate-income communities. Continued funding is necessary to maintain free computer labs with internet access and to potentially expand Wi-Fi coverage throughout the Promise Zone.

#### Americans with Disabilities ACT (ADA) – backlog

The city has approximately \$45 million in unfunded Americans with Disabilities Act (ADA) Transition Plan projects to remove accessibility barriers at City facilities like libraries, recreation centers, and playgrounds. To address this, the City should allocate annual funding to the ADA work unit in the Sustainability and Mobility Department. Funding should prioritize the highest-need projects on the unfunded ADA Transition Plan list, which should align with ADA regulations, bringing the city further into compliance.

#### Refining City Human Capital Management Strategies

The City Auditor's April 2020 report on Strategic Human Capital Management noted that the City can strengthen its efforts to monitor core workforce metrics in order to achieve more strategic objectives and provide a wide range of public services. The report also highlights that in addition to having a strategy, forecasting procedures would result in more accurate expenditure projections as well. To achieve this, the City should implement the Auditor's recommendations for improving the monitoring and reporting of workforce data and retention strategies.

#### Climate Action Plan (CAP) Implementation

Implementing the City's Climate Action Plan needs to remain a priority. The recommendations for funding the implementation of the San Diego Heat Action Plan, capital projects of the Mobility Master Plan, and implementation of the Climate Action Plan should be reviewed and strongly considered when planning funding allocations. Additionally, the cost of capital improvement projects will continue to rise if we waive contributions to the Climate Equity Fund to mitigate budget constraints. The City should fully fund the Climate Action Plan and the Climate Equity Fund.

#### Office of the City Clerk

The City Clerk's office is the primary repository of information for the City. Therefore, the City must provide adequate space to store records and funding for staff to manage records appropriately. The City should allocate funds for the City Clerk's office to request records storage solutions, an addition of 1.00 FTE program coordinator- records management, and repatriation of Native American artifacts.

#### Office of the City Auditor (OCA)

The Office of the City Auditor (OCA) is an independent City department that delivers Charter-mandated core City services. The OCA requests \$100,000 to replace its outdated core audit management software, MKInsight. This system is crucial for creating, tracking, and finalizing audit reports, securing documentation, and updating recommendations. The current software no longer meets the requirements of OCA or the City departments relying on it. Without this funding, inefficiencies and increased administrative burdens will hinder audit processes. The City should fund the purchase of this software.

**Global Sports Event Fund**

Tourism is the second largest contributor to San Diego's economy, providing jobs for approximately 194,000 individuals. Sports-related tourism is nearly back to pre-pandemic levels, lagging only 2-3% behind 2019 figures. Over the next decade, the City is set to become a hub for major global sports events. The recent opening of Snapdragon Stadium, San Diego's first new major stadium in over 50 years, alongside plans to redevelop the Sports Arena and Terminal 1 of the San Diego International Airport, will enhance the City's capacity to host new events. To remain nationally and internationally competitive and boost Transient Occupancy Tax, sales tax revenues, and high-quality job creation for the local workforce, the City should endorse the establishment of a Global Sports Event Fund and make an initial investment in it.

## **MITIGATION MEASURES**

### General Fund Excess Equity

The City should consider using these funds for possible one-time FY2026 expenditures.

### Grants/State or Federal Funding

The City has opportunities to receive revenues or grant funding for various programs and projects. Due to the many crises constituents have endured this past year, the City should proactively identify and achieve grant funding from the State or Federal levels to address homelessness, lack of affordable housing, and flood.

### Infrastructure Investment and Jobs Act (IIJA)

The Infrastructure Investment and Jobs Act (IIJA) (also known as the Bipartisan Infrastructure Law) became federal law in November 2021. It will allocate about \$1.2 trillion nationwide over ten years for transportation and infrastructure spending. The State of California is estimated to receive \$46.6 billion over ten years. The City should diligently achieve the available competitive and formula grants to allocate funds to address the City's capital needs funding gap.

### Inflation Reduction Act (IRA)

The federal Inflation Reduction Act (IRA) was signed into law in August 2022 and will provide \$385 billion (over ten years) in new energy and climate-related programs will cut nationwide carbon emissions by an estimated 40% by 2030. The City should be diligent in achieving both the available competitive and formula grants to allocate funds to address the City's climate action needs.

### Measure B Implementation

Approved by the voters in 1919, the People's Ordinance made it the responsibility of the City to collect and dispose of refuse. However, with the voter approved Measure B, the City can now charge a fee for city-provided waste. As the City implements the measure, all neighborhoods should have equitable service delivery per week. Additionally, cost recovery for City-provided waste management services should be implemented immediately following the required Proposition 218 process.

### Measure C Implementation

In 2020, voters were presented with Measure C, which proposed increasing the Transient Occupancy Tax (TOT) to fund key initiatives, including expanding the convention center, homelessness solutions, and road repairs. Litigation around Measure C is expected to be resolved this calendar year, and the resulting increase in TOT revenue should be used, to the greatest extent possible, to support core City services.

### Transient Occupancy Tax Reallocation per SDMC 35.0128

Municipal Code Section §35.0128 allows the City Manager (i.e., the Mayor) to request the City Council to reallocate transient occupancy tax (TOT) revenue if anticipated revenues are insufficient to maintain existing services. The Code specifies that two-thirds of TOT revenue must typically fund City promotion efforts. However, if revenues fall short, the City Manager may ask the Council to temporarily suspend this requirement for the upcoming fiscal year. The Administration should consider leveraging this provision in the FY26 proposed budget to address potential revenue challenges.

### Increase City Rental Unit Tax

Per Municipal Code section §31.0305, the City charges a tax upon anyone who owns, operates, or manages the rental of any residential real estate. This tax rate should be increased to help balance the FY26 budget.

### Raising Cannabis Business Tax

In 2022, the City Council reduced the cannabis cultivation tax, despite projections that this would decrease revenue. This decline has since been realized. To address this shortfall, the cultivation tax on growers should be restored to its original level, while leaving the retail component unchanged.

### Revenue Opportunities Identified in IBA Report 22-31

In 2022, the IBA analyzed various revenue opportunities in IBA Report 22-31, including options aimed at non-residents. The following opportunities should be prioritized immediately, especially those that focus on generating revenue from non-residents:

- Increasing metered parking rates and parking citations.
- Charging non-residents for parking and services at our beaches, bays, and regional parks.
- Charging and increasing user fees for non-residents, particularly recreational programming and services at our beaches, bays, and reservoirs.

Our constituents bear a disproportionate burden in funding the maintenance of our world-renowned beaches, bays, and parks—an increasingly unsustainable situation given our fiscal constraints. Furthermore, our constituents face many transportation and economic disparities that limit their access to these invaluable resources. To ensure equity and sustainability, it is imperative that non-residents contribute their fair share toward the upkeep of these City assets, following the successful model established by the golf enterprise fund.

### Operational Efficiencies

These should be maximized in the current fiscal year to improve the fiscal outlook of FY26.

### No “Across the Board” Cuts

As previously discussed, “across the board” cuts are inequitable and are not representative of who is willing to invest in the City. These cuts are particularly devastating in the Parks and Recreation and Library Departments. Closed libraries and a lack of services can impact opportunity and life outcomes for generations.

### Impacts on Workers

Pay and benefit reductions, furloughs, and layoffs should be considered a last resort and only after every revenue opportunity and every other cost-saving opportunity have been explored or implemented. At the same time, the FY26 budget should eliminate open positions, particularly those that are unrepresented and at the managerial level.

### Council District Priorities

Finally, the budget priorities that each of our offices submitted in September remain priorities and should be used to develop the FY26 budget.

#### City Boat Storage Program

The City's boat storage program generates approximately \$30,000 in annual revenue due to below-market fees and the failure to issue over 100 available permits. A November 2024 City Auditor investigation identified opportunities to significantly increase revenue by benchmarking fees with other jurisdictions and addressing clerical errors to ensure all permits are issued. Implementing these changes could increase annual revenue to approximately \$108,000 annually. The City should prioritize increasing boat fees and implementing the necessary adjustments and administrative improvements required to maximize the program's revenue potential.

#### City Owned Property Leases

The City's management of leases for City-owned property presents an opportunity for improved revenue generation. A 2022 City audit revealed that 25% of the City's property leases were in holdover, and renewal of these leases could result in an average rent increase of 11%. With annual lease revenue at approximately \$80 million, addressing holdover leases could generate an estimated \$2.2 million in additional annual revenue. The City should prioritize updating these leases to maximize revenue and ensure efficient management of its property portfolio.

#### Geographically Grouping Pothole Requests

A 2024 audit by the City Auditor highlighted an opportunity to improve the efficiency of pothole repairs by grouping assignments geographically. This approach could increase productivity by addressing backlogs more effectively while conserving resources. Furthermore, it would provide a balanced and proactive approach to maintaining City infrastructure. The City should prioritize funding and implementing this strategy to enhance service delivery and optimize resource allocation.

#### Other Revenue Opportunities

The Administration should also consider amending the municipal code to allow for more advertising revenue, implement a fee on vacant storefronts, and charge admission to major City-run events.

This memo reflects our top priorities and will inform the basis for our support of the upcoming budget. We will only support an equitable and responsive budget that identifies and seizes opportunities to improve the quality of life of all communities.

HLFIII: cyc

cc: Daniel Horton, Chief of Staff, Office of Councilmember Henry L. Foster III Attachments:

Appendix - Council District 4 Capital Improvement Project Priorities

### **Council District 4 Capital Improvement Project Priorities**

*Below are the District Four specific Capital Improvement Projects Priorities and the priorities listed throughout the memo that need to be considered.*

<b>Asset Type</b>	<b>Project Name</b>	<b>CIP Number</b>	<b>Project Phase</b>
Buildings	Fire Station No. 51 Skyline Hills	S14017	Design
Buildings	Fairmount Avenue Fire Station	S14018	Design
Buildings	Willie Henderson Sports Complex Imp	B20096	Design
Buildings	Solar Implementation @ Chollas Bldg A&B	B21068	Construction
Buildings	Paradise Hills Library HVAC Repl	B23104	Construction
Buildings	Chollas Paint Booth	L14002.5	Construction
Buildings	Chollas Crane Replacement	L14002.4	Post Construction
Parks	Sunshine Berardini Field GDP	P22006	Planning
Parks	Marie Widman Memorial Park GDP	P23005	Planning
Parks	Chollas Creek Oak Park Trail	S20012	Design
Parks	Emerald Hills Park GDP	P20003	Planning
Parks	North Chollas CP Improvements Phase I	L22004.1	Design
Parks	Mt View Sports Courts ADA Improvements	B21114	Design
Parks	Willie Henderson Lighting Upgrades	B23011	Design
Parks	Oak Park Library	S22011	Bid / Award
Parks	John F Kennedy Neighborhood Park Improve	B18005	Construction
Parks	MLK Rec Center Moisture Intrusion	B19001	Construction
Parks	MLK CP MV Racquet Club W&S Connection	B23029	Construction
Parks	Mountain View Sports Courts	B18192	Construction
Parks	Chollas Lake Electrical Service	L18001.1	Construction
Sewer	Oak Park Improv 3 (S)	B24037	Planning
Sewer	Valencia Park Improv 6 (S)	B24070	Planning
Sewer	Ridgeview Webster Improv 1 (S)	B24056	Planning
Sewer	Valencia Park Improv 1 (S)	B20131	Design
Sewer	Jamacha Lomita Improv 2 (S)	B23009	Design
Sewer	Skyline Improv 2 (S)	B22113	Design
Sewer	Citywide Referral Replace 3 (S)	B24047	Design
Sewer	Valencia Park Improv 2 (S)	B20132	Design
Sewer	Chollas View Improv 1 (S)	B22008	Design
Sewer	Encanto Improv 3 (S)	B22007	Bid/Award
Sewer	Valencia Park Improv 5 (s)	B21098	Design
Sewer	AC Water and Sewer Group 1054 (S)	B18108	Design
Sewer	Valencia Park Improv 3 (s)	B21075	Design
Sewer	Mount Hope Improv 2 (s)	B21073	Design
Sewer	Accelerated Sewer Referral Group 847	B18183	Design
Sewer	Chollas Creek Improv 1 (S)	B20038	Design
Sewer	Lincoln Park Improv 1 (S)	B18211	Design
Sewer	AC Water & Sewer Group 1054A (S)	B19121	Design
Sewer	Accelerated Sewer Referral Group 852	B19064	Design

Sewer	Valencia Park Improv 4 (S)	B21096	Bid/Award
Sewer	Encanto Improv 2 (S)	B19035	Construction
Sewer	Encanto Improv 1 (S)	B18206	Construction
Sewer	Sewer & AC Water Group 765A (S)	B18073	Construction
Sewer	Sewer Group 836	B13232	Construction
Sewer	Paradise Hills Improv 1 (S)	B20024	Construction
Sewer	AC Water & Sewer Group 1053 (S)	B18099	Construction
Sewer	Jamacha Lomita Improv 1 (S)	B22011	Construction
Sewer	Bay Terraces Improv 1 (S)	B20027	Construction
Sewer	Market Street Sewer Pipe Replacement	B17054	Construction
Sewer	AC Water & Sewer Group 1024 (S)	B16083	Construction
Sewer	AC Water and Sewer Group 1029 (S)	B15172	Post-Construction
Sewer	Skyline Improv 1 (S)	B22006	Construction
Sewer	AC Water & Sewer Group 1052A (S)	B19169	Construction
Sewer	Sewer and AC Water GJ 778 (S)	B00388	Construction
Sewer	PIPELINE REHABILITATION AX-1	B18203	Construction
Sewer	AC Water & Sewer Group 1052 (S)	B18096	Construction
Sewer	Accelerated Pipeline Rehab Ref Group 846	B18185	Post Construction
Sewer	Sewer and AC Water Group 765 (S)	B00369	Post Construction
Sewer	Sewer & AC Water Group Job 776 (S)	B00387	Post Construction
Sewer	Priority Sewer Main Replacement Group 16	B16018	Post Construction
Sewer	PIPELINE REHABILITATION AV-1	B18062	Post Construction
Sewer	Sewer Group 776A	B16034	Post Construction
Sewer	Sewer & AC Water Group 841(S)	B16037	Post Construction
Storm Water Drainage	SD East of Rachael Ave SWD	S24008	Design
Storm Water Drainage	Jamacha Drainage Channel Upgrade	B14078	Design
Storm Water Drainage	Chollas Creek Restn 54th St & Euclid Ave	S22009	Design
Storm Water Drainage	Oak Park (SD)	B16115	Design
Storm Water Drainage	Bay Terraces & Skyline South SD Repl	B17030	Design
Storm Water Drainage	Streamview Drive Green Infrastructure	B19095	Design
Storm Water Drainage	Green Infrastructure Group 1012	B16111	Design
Storm Water Drainage	Jamacha Lomita Storm Drain	B16094	Design
Storm Water Drainage	Oak Park Storm Dr Repl & Green Infr (GI)	B16114	Design
Storm Water Drainage	Green Infrastructure Group 1024	B15102	Design
Storm Water Drainage	6576 Parkside Ave SD Repl SWD	B22126	Design
Storm Water Drainage	Lobrico Ct (615) Storm Drain	B13116	Construction
Storm Water Drainage	1391 Ava Street SD Emergency	B24068	Construction
Storm Water Drainage	Southcrest Green Infrastructure (GI)	B16112	Construction
Storm Water Drainage	Manzana Storm Drain Replacement	B17079	Post Construction
Storm Water Drainage	Prairie Mound Way CMP SD Emergency	B21063	Post Construction
Transportation	47th St & Hartley St HAWK	B23145	Planning
Transportation	College-Meridian to Judy McCarty Sidwalk	B22005	Design
Transportation	Gompers Prep 47th St Safety Enhancements	B23146	Design

Transportation	Installation of City Owned SL 2202 (NSG)	B22154	Design
Transportation	Installation of City Owned SL 2201 (NSG)	B22149	Design
Transportation	Streetlight Installations in CD4	B23127	Design
Transportation	Traffic Signal Mods Grp 20-01	B20075	Bid/Award
Transportation	AC Overlay Group 2404	B24148	Bid/Award
Transportation	Asphalt Overlay Group 2503	B25003	Construction
Transportation	AC Overlay Group 2401	B24011	Construction
Transportation	AC Water & Sewer Group 1029 (P)	B22062	Bid / Award
Transportation	AC Overlay Group 2305	B24003	Construction
Transportation	New Sidewalks in CD4	B22089	Construction
Transportation	Asphalt Overlay Group 2110	B21089	Construction
Transportation	54th-Market to Santa Margarita Sidewalk	B18158	Construction
Transportation	AC Water & Sewer Group 1052 (P)	B24092	Construction
Transportation	Citywide Street Lights 1950	B19125	Construction
Transportation	Citywide Street Lights Group 1601	B16007	Post-Construction
Transportation	Reo Drive New Streetlights	B19079	Construction
Transportation	AC Water & Sewer Group 1052A (P)	B24059	Construction
Transportation	Sidewalk Replacement Group 1903-SE & CH	B19014	Construction
Transportation	Citywide Street Lights Group 1701	B17050	Construction
Transportation	47th St @ Solola Ave T/Signal	B20141	Construction
Transportation	Citywide Street Lights Group 1602	B16008	Post-Construction
Transportation	Mid-City & Eastern Area Signal Mods	B17128	Construction
Transportation	Citywide Street Lights 1901	B19052	Construction
Transportation	National Avenue Complete Street	B19137	Construction
Transportation	Otay 2nd Pipeline Phase 1 (P)	B21084	Construction
Transportation	Sewer and AC Water GJ 778 (BL)	B21123	Construction
Transportation	AC Water & Sewer Group 1024 (P)	B22108	Construction
Transportation	Asphalt Overlay Group 2110 (SS)	B22116	Construction
Transportation	Remaining Small Diameter CI Water Ph2(P)	B22143	Construction
Transportation	Paradise Hills Improv 1 (P)	B24028	Construction
Transportation	Sewer & AC Water Group 765A (P)	B24061	Construction
Transportation	Market St-47th St to Euclid Complete St	S16061	Construction
Transportation	Asphalt Overlay 2202 (SS)	B23019	Construction
Transportation	Sewer and AC Water GJ 778 (P)	B23060	Construction
Transportation	AC Overlay 2202 Phase 2 (SS)	B24014	Construction
Transportation	ADA S/W Group 4E College	B16107	Post Construction
Transportation	Sewer and AC Water Group 765 (P)	B22110	Post Construction
Utility Undergrounding	San Vicente PH I-II Rd Imp UU505-UU506	B17098	Construction
Utility Undergrounding	Block 4Y UUP - CIP	B15087	Construction
Utility Undergrounding	Block 4-J1 UUD (Mid City)	B13152	Construction
Water	Cielo & Woodman Pump Station	S12012	Planning
Water	Oak Park Improv 3 (W)	B24038	Planning



Water	Pressure Reducing Stations Upgrades 3	B24105	Planning
Water	Ridgeview Webster Improv 1 (W)	B24057	Planning
Water	Paradise Hills Improv 3 (W)	B24046	Design
Water	Valencia Park Improv 6 (W)	B24071	Planning
Water	Otay 2nd Pipeline St Replacement Ph 5	S21000	Design
Water	AC Water Group 1039	B18013	Design
Water	Paradise Hills Improv 2 (W)	B24044	Bid/Award
Water	Skyline Improv 2 (W)	B22114	Design
Water	Chollas Creek Improv 1 (W)	B20039	Design
Water	Valencia Park Improv 2 (W)	B20135	Design
Water	Valencia Park Improv 1 (W)	B20127	Design
Water	AC Water & Sewer Group 1054 (W)	B18107	Design
Water	Jamacha Lomita Improv 2 (W)	B23010	Design
Water	Water Group 972 CI	B18077	Design
Water	Paradise Hills Pipeline Replacement	B22151	Design
Water	Lincoln Park Improv 1 (W)	B18210	Design
Water	AC Water & Sewer Group 1054A (W)	B19119	Design
Water	Valencia Park Improv 4 (W)	B21097	Bid/Award
Water	Oak Park Improv 2 (W)	B22023	Construction
Water	Redwood Village/Rolando Park Improv 2(W)	B19194	Construction
Water	Encanto Improv 2 (W)	B19065	Construction
Water	Encanto Improv 1 (W)	B18209	Construction
Water	Sewer & AC Water Group 765A (W)	B18071	Construction
Water	AC Water and Sewer Group 1029 (W)	B15174	Post-Construction
Water	Remaining Small Diameter CI Water Ph2	B16023	Construction
Water	69th & Mohawk Pump Station	S12011	Construction
Water	Bay Terraces Improv 1 (W)	B20029	Construction
Water	AC Water & Sewer Group 1053 (W)	B18093	Construction
Water	AC Water & Sewer Group 1052 (W)	B18092	Construction
Water	Paradise Hills Improv 1 (W)	B20025	Construction
Water	AC Water & Sewer Group 1024 (W)	B16082	Construction
Water	Sewer and AC Water GJ 778 (W)	B15069	Construction
Water	Water Group 968	B14099	Construction
Water	Otay 2nd Pipeline Phase 1	B14092	Construction
Water	AC Water and Sewer Group 1052A (W)	B19166	Construction
Water	Paradise Mesa Crosstie PL CP Improv	B21110	Construction
Water	Market Street Water Pipe Replacement	B17052	Construction
Water	Water Group Job 940 (W)	B11036	Post Construction
Water	Sewer and AC Water Group 765 (W)	B17167	Post Construction
Water	Sewer & AC Water Group 776 (W)	B13197	Post Construction
Water	Water Group 969	B14100	Post Construction
Water	Oak Park Improvements 1 (W)	B21024	Post Construction
Water	Remaining Small Diameter CI Water Ph 3	B17091	Post Construction



**Councilmember Marni von Wilpert**

*City of San Diego • District 5*

**MEMORANDUM**

**DATE:** January 10, 2025

**TO:** Charles Modica, Independent Budget Analyst

**FROM:** Councilmember Marni von Wilpert

**SUBJECT:** Addendum to Budget Priorities for Fiscal Year 2026

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Given the recent failure of Measure E, our City faces significant economic challenges, which were highlighted in the City's FY 2026-2030 Five-Year Financial Outlook. The current fire emergencies taking place in Los Angeles serve as a tragic reminder of the importance maintaining our Fire-Rescue and Police Department service levels. In the face of these budgetary challenges, maintaining core city services and public safety service levels remain my top priority.

I am committed to working with the Mayor, my Council colleagues, the Independent Budget Analyst, City Departments, and the public to identify efficiencies and strategic reductions that maintain core General Fund Department service levels, while ensuring a balanced budget. The City must increase our efforts to obtain federal and state grants, with particular focus on grants that support Public Safety Department Facilities and Operations, infrastructure, and the Climate Action and Resilience Plans.

Moreover, the City must continue implementing budget mitigation actions now – not wait until the next fiscal year. I support the Mayor's proposed budget mitigation actions, including:

- **Suspension of non-essential spending.** This means ending unnecessary contracts for outside consulting and professional services, especially those that could be done in-house.
- **Ending or reducing outside city real estate leases.** This mitigation action includes not entering into new long-term leases we do not need to provide a core city service at this time.
- **Evaluation of revenue-generating measures.** The City must evaluate all opportunities to increase revenue, including obtaining state and federal grants for infrastructure projects.
- **Evaluate the role of the County of San Diego.** The County should be funding a core County service: health and human services for assisting unsheltered individuals.

I continue to support the priorities listed in my September budget priority memo (attached). However, given the City's significant budget deficit crisis, I do not have any additional budget priorities at this time. The City must continue immediate implementation of significant budget mitigations including those listed above and seek other sources of revenue in order to achieve a balanced budget with the fewest impacts to our hardworking personnel and the residents of San Diego.

**DATE:** September 25, 2024

**TO:** Charles Modica, Independent Budget Analyst

**FROM:** Councilmember Marni von Wilpert



**SUBJECT:** Budget Priorities for Fiscal Year 2026

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Thank you for the opportunity to submit my budget priorities as we begin the process of developing the Fiscal Year 2026 budget.

As I reflect on the recent budget cycle, combined with the economic uncertainty that the City currently faces, I believe it is important to take a reserved approach to this initial budget priority memorandum. My budget priorities included in this memorandum will be further developed as we gain more clarity about the City's financial outlook in the coming months. My priority at this time is to ensure that we maintain adequate funding to support core City services, especially public safety services, provided by our General Fund Departments.

We must support for our Police, Firefighters, and Lifeguards at a level that allows our departments to continue to improve emergency response times and maintain critical public safety programs such as brush management and employee wellness. The budget must maintain Library and Park and Recreation facility hours and access, and ensuring adequate funding to continue right-of-way maintenance efforts, including pothole repair, sidewalk maintenance, complete street implementation, and street resurfacing. The City must prioritize critical deferred maintenance of our City facilities, and focus and prioritize funding for existing Capital Improvement Projects that allow the project to proceed to the next milestone in the process of design and construction.

We must also continue to prioritize funding for our homelessness response efforts, including shelters, homelessness prevention, the Fire-Rescue Resource Access Program, and improve the coordination with the County Health and Human Services to ensure our region is leveraging every available dollar to address this crisis. We need to continue to do what we can to support the development of affordable housing in our region, while also ensuring development of essential missing middle housing.

I am committed to working closely with my Council colleagues, the Mayor, the IBA, city staff, and members of the public to develop a budget that is balanced, addresses the needs of our communities, and is fiscally responsible. The City must be more efficient with every dollar as we navigate the economic challenges ahead. In addition to the priorities mentioned above, I would like to submit the following budget priority requests:

**Public Safety:**

- **Fire-Rescue and Police Recruitment and Retention**
  - Ensuring our Police, Firefighters, and Lifeguards have adequate staffing and resources to answer 911 calls is essential. The FY 2026 budget must ensure those who protect and

serve us are properly staffed and have the resources they need to keep us safe, including investments to recruit and retain high-quality first responders.

- I request funding for the Fire/Rescue and Police Department to develop a local college/university recruitment strategy to improve local recruitment, to create a pipeline of new Officers, Firefighter/Paramedics, and Lifeguards with associate's and/or bachelor's degrees who represent San Diego's diverse communities.
- I also request funding to continue our Fire/Rescue Department's successful "Women's Fire Prep Academy" which has enhanced equity and diversity and successfully increased the number of women in our fire department ranks.

- **Permanent Fire-Rescue Training Facility**

- San Diego City lacks a permanent fire training facility. Training is currently conducted at the former Naval Training Facility in and around old buildings, many of which have been condemned or will be demolished to make way for the Pure Water project construction. The FY 2026 budget should include the necessary funding to site, plan, and design a permanent fire training facility. Additionally, staff should explore construction funding/financing opportunities to ensure the project can quickly move through the design and construction process.

- **Funding for Facilities Improvements for San Pasqual Valley Fast Response Squad.**

- This Fast Response Squad is essential to ensure adequate emergency response times and wildfire mitigation to San Diego's northern most community. I request that funding be provided for facility improvements, equipment, and the appropriate fire apparatus to support the ongoing operations of the 4-person Fast Response Squad in San Pasqual Valley.

- **Gun Violence Prevention Initiatives**

- While San Diego remains one of the safest large metro areas in the United States, we must budget adequate resources for implementing effective means of proactively intervening to prevent tragic gun-related violence. These efforts include, but are not limited to:
  - Continued funding for enforcement of the Eliminate Non-serialized, Untraceable Firearms ("ENUF") ordinance. The San Diego Police Department's Ghost Gun task force must be allocated the funding it needs to continue this essential work.
  - Continued funding to maintain the City Attorney's and SDPD's effective gun violence restraining order program.
  - Continued funding for the Police Department's "No Shots Fired" program.

- **Continued Funding to support SDPD Street Racing and Car Sideshow Enforcement**

- During the pandemic our region saw a significant increase in illegal street racing, intersection takeovers, and illegal car sideshows that impacted every community. Over the past few years, SDPD has increased enforcement with their DRAGNET Team, which has reduced the frequency of these dangerous events. It is critical that the City continue these efforts in FY 2026 to reduce this high risk illegal activity.

- **Continued Funding for SDPD Narcotics Team**

- With the ongoing rise of opioid and fentanyl related deaths in our region, the SDPD Narcotics Team must be given the resources it needs to prevent illicit drugs, including fentanyl, from flooding into our communities.
- **Funding for additional Fire-Rescue and Police Department Civilian Support Staff**
  - I request additional civilian administrative support staff and Police Investigative Service Officers (PISO) to help increase operational efficiency and reduce the administrative workload on our first responders.
- **Full funding for Fire-Rescue Air Operations**
  - Given the current state of worsening wildfires driven by climate change in California, the City must remain vigilant in our efforts to reduce the fire dangers that our communities face. I request that the necessary funding is provided in FY 2026 budget to ensure the entire Fire-Rescue Air Operations fleet are fully maintained and operational.
- **Increased funding for Brush Management and Right-of-Way Weed Abatement Programs**
  - The FY 2026 budget must increase funding and personnel to fully implement the City Auditor's Performance Audit of the City's Brush Management on City Owned Land recommendations.
  - Regular brush management is one of the most effective ways of protecting and hardening both private and public structures from wildfire risk. This request for increased brush management services applies to Park and Recreation Department, the Public Utilities Department, and the Transportation Department's weed abatement program along our rights-of-way.
- **Fire-Rescue and Police Department funding for Employee Mental Health Services**
  - The pandemic, staffing shortages, and mandatory overtime have all taken an enormous toll on our emergency responders and their families. We must continue to provide adequate resources to support the wellness of our first responders, including mental health support.
- **Funding and implementation of the Commission on Police Practices (Measure B)**
  - In August of 2023, the new members of the Commission on Police Practices were sworn in, beginning the long-awaited transition to the new Commission. The new commissioners must now approve guiding documents, including standard operating procedures. The FY 2026 budget must prioritize funding to ensure the new Commission is fully supported and operates as envisioned.
- **Increased Police Patrols in Northeastern Division**
  - The limited number of SDPD Officers in Northeast Division have done an exceptional job with the tools and the staffing available. However, SDPD's Northeastern Division has been consistently understaffed, under resourced, and their facilities are in need of significant repair.
  - I request funding in the FY 2026 budget for increased patrol staff and facilities maintenance at SDPD Northeastern Division.

### **Climate Change and the Environment:**

- **Funding for Climate Action Plan 2.0 (CAP 2.0) Implementation**
  - The City's efforts to implement the Climate Action Plan must continue with appropriate funding levels to achieve our carbon emission reduction and zero waste goals. The FY 2026 budget should prioritize funding for personnel and programs to continue implementation of CAP 2.0.
- **Full allocation for the Climate Equity Fund**
- **Funding for Implementation of Climate Resilient SD Plan, Municipal Energy Implementation Plan (MEIP), and Zero Emission Municipal Buildings and Operations Policy (ZEMBOP)**
  - The City must continue to strive to meet our Climate Action and Climate Resiliency goals by allocating sufficient funding to achieve these milestones.
  - In the past few years, the City adopted new planning and policy documents with ambitious goals and actions to prepare our communities for the impacts of climate change (Climate Resilient SD Plan) and to reduce greenhouse gas emissions generated by the City (MEIP and ZEMBOP). The FY 2026 budget should prioritize funding for implementation of these important documents.

### **Homelessness Services and Affordable Housing:**

- **Homelessness Housing and Services:**
  - Senior citizens are the fastest growing segment of our homeless population, we must expand homeless shelters and housing solutions that include services specifically to support senior citizens. I request funding for senior specific housing solutions and services to be expanded to meet the unique support needs of our homeless seniors.
  - I request funding to maintain and create additional LGBTQ+ affirming shelter beds with wrap-around services through the San Diego Housing Commission. Of the youth currently experiencing homelessness, 40% identify as part of the LGBTQ+ community, yet in the entire City there are not enough shelters specifically serving this community. I request continued funding to support the LGBTQ+ affirming shelter and outreach program in the FY 2026 budget.
- **Maintain and Expand Substance Use and Mental Health Treatment Funding**
  - In recent years, the City and County partnered to establish a new Community Harm Reduction Team (C-HRT) facility for unsheltered residents who struggle with substance abuse and often co-occurring mental illness. With the ongoing opioid and fentanyl epidemics, the need for more substance abuse treatment options is growing and continues to be a large gap in services for individuals experiencing homelessness. The City and County must continue to prioritize substance abuse and behavioral health treatment opportunities if we are going to effectively assist our unsheltered community.
  - Increased funding for the Resource Access Program and the Conservatorship and Treatment Unit within the City Attorney's Office. These programs utilize nurse practitioners, clinical outreach specialists, medical assistant/outreach workers, peer support specialists, and substance abuse counselors to assist gravely ill unsheltered individuals by providing connections to mental and behavioral health care, outpatient

treatment, group housing, the serial inebriate program, or medicated-assisted treatment program to overcome an addiction.

- **Affordable Housing**
  - The lack of affordable housing continues to be a significant challenge for the City. Among other things, we must continue to ensure that San Diego is competitive in leveraging any available state and federal funding to support the development of more affordable housing opportunities throughout the City.
- **Housing Instability Prevention Program (HIPP) for low-income families and senior citizens**
  - The COVID-19 pandemic illustrated the value of providing short-term rental assistance to keep families and senior citizens in their homes and out of the cycle of homelessness. This relatively new program has shown early success in assisting vulnerable residents and preventing homelessness and should be prioritized in the FY 2026 budget.
- **Continued Funding for Eviction Prevention Program (EPP)**
  - The City of San Diego Eviction Prevention Program helps renters with low income in the City of San Diego who are facing eviction. EPP is operated by Legal Aid Society of San Diego through a contract with the San Diego Housing Commission (SDHC).

### **Infrastructure:**

- **Fixing our Streets (Increased Overlay)**
  - Street repair remains the top concern of residents in Council District 5. With the recent development of the City's first Pavement Management Plan, which will ensure current and accurate data is used to guide the City's street maintenance and paving program, I request that the budget prioritize increased investment in street maintenance and overlay in FY 2026.
  - Listed below, are some, but not all, priority District 5 streets in need of overlay (additional priority streets in District 5 will be submitted to appropriate departments for consideration):
    - Handrich Drive, Riesling Drive, Negley Drive, Wild Grape Drive, Arboretum Place, Forestview Lane, Brooktree Terrace, Calle de las Rosas, Salmon River Road, Paseo Cardiel, Carnton Way, Acebo Drive, Bellota Drive, Obispo Road, Pastoral Road, Pinata Drive, Lomica Drive, Francisco Drive.
- **Full Allocation to the City's Infrastructure Fund**
  - When the citizens of San Diego voted overwhelmingly in support of Proposition H in 2016, establishing the Infrastructure Fund, there was clear direction from our residents that the Council must prioritize infrastructure investments in our annual budget process. The FY 2026 budget must appropriate the full allocation to the Infrastructure Fund and show our residents that we take their direction, and our infrastructure needs seriously.
- **Vision Zero/Complete Streets Infrastructure Improvements and Funding**

- With tragic bike accidents on the rise, the safety of residents on our roads, bike paths, and sidewalks is paramount. The City must continue to allocate the funding necessary to implement traffic improvements on our most dangerous corridors to reach our Vision Zero goals and ensure the City is delivering complete street improvements through our street repair program for a multimodal transportation system.
- **Increase Funding for Safe and Sustainable Transportation for All Ages and Abilities Team (STAT)**
  - The City’s STAT team has done impressive work over the past few years delivering “quick build” transportation safety improvements across our City. These improvements such as road restriping and flex-post installations to create safer corridors for cyclists, have allowed the City to be more responsive to transportation safety concerns citywide. The FY 2026 budget should include additional funding for the City’s STAT Team, to continue the City’s effort to make bicycle safety improvements along our most dangerous rights-of-way.
- **Funding for Police Facilities**
  - Deferred maintenance at City facilities often leads to more significant and costly repairs. Like many City facilities, Police Department Facilities, need significant Operation and Maintenance (O&M) and Capital investment. I request the FY 2026 budget include additional funding for Police Department O&M and Capital facility improvements.
  - I request specific funding to address the facility deficiencies at the Traffic Division.
- **Funding for Lifeguard Facilities**
  - The City’s oceanfront lifeguard stations are critical public safety facilities that allow our lifeguards to perform their essential services for the public. The Ocean Beach and North Pacific Beach Lifeguard Stations have been in need of replacement for many years. I request funding be allocated to these important projects to allow the City to move forward with their replacement.
- **Support for Americans with Disabilities Act (ADA) Compliance and Accessibility**
  - Ensuring our City is accessible for all residents and visitors is essential. I request the creation of a dedicated Capital Improvement Project (CIP) and funding focused on implementing City’s ADA Transition Plan and responding to ADA complaints submitted to the City.
- **Sidewalk Program Funding**
  - The City’s sidewalk program has struggled to keep pace with service requests due to inconsistent funding year over year. It is critical that we make consistent investments in the maintenance of sidewalks citywide. I request that the FY 2026 budget include additional funding to support our sidewalk program and request staff analyze the annual level of funding necessary to reduce the City’s sidewalk maintenance backlog. This investment is essential to reduce injuries to pedestrians, accompanying liability pay-outs, and address the considerable backlog our sidewalk program faces.
- **Traffic Reduction Improvements**



- We must continue to invest in improving our transportation network and transit system, by, among other things, making traffic signal modifications to improve traffic flow and by working with our transit partners on right-of-way improvements to make our transit system more efficient.

### **Additional Priorities:**

- **Continued investment in Employee Recruitment and Retention**
  - The past few years have demonstrated how much we rely on our City workforce to provide core public safety, environmental, and other services to our residents. With the passage of the City's Compensation Philosophy, the FY 2026 budget should include continued investment in competitive employee compensation to avoid detrimental turnover and costly vacancies.
- **Prioritize Arts and Culture Funding**
  - I continue to support the goal of fully funding the "Penny for the Arts." The pandemic has had a devastating impact on San Diego's Arts and Culture community and this funding is essential to ensure world class Arts and Cultural opportunities throughout our City. I request additional funding in the FY 2026 budget to ensure that we continue to make progress towards reaching the goal of a "Penny for the Arts."
- **Funding for the Office of Labor Standards Enforcement**
  - Too often, hard-working San Diegans cannot make ends meet because of wage theft or other labor law violations and law-abiding businesses are disadvantaged when forced to compete with businesses that break the law and cut corners. To combat these problems, the creation of an Office of Labor Standards Enforcement was called for in the FY 2023 budget.
  - I request additional funding and staff support for this Office to allow it to grow into a self-sustaining program going forward. The fines and civil penalties obtained from businesses that break the law should be used to self-fund the Office of Labor Standards and Enforcement future work and investigations.
- **Library Department Funding**
  - Due to inflation and general cost escalations in recent years, the Library Department has seen a significant decline in their purchasing power for library materials. I request an increase in the Library Department's materials budget to ensure the Department can invest in and improve access to materials at every city library facility.
  - Growing maintenance needs at our Library facilities must be addressed to avoid higher deferred maintenance costs in the future. I request an increase in the Library Departments O&M budget to address the deferred maintenance needs in our libraries.
- **Records Management Support for the Office of the City Clerk**
  - It is essential that we continue to prioritize where and how we store the City's critical records. Due to the deteriorating conditions of the Office of the City Clerk Records Center, I request additional funding for the Office of the City Clerk to support the City's Record Management responsibilities.
- **California Public Records Act Streamlining**

- I request funding in the FY 2026 budget to increase efficiencies, reduce exposure to litigation, and to improve the coordination and speed of information released by the City in response to public record requests.
- **Funding to Increase Recreational Access at Lake Hodges**
  - I request additional funding for the City Lakes Program in order to improve safe and reliable access for recreational users at Lake Hodges. The California Division of Safety of Dams has placed a water-level restriction until the Lake Hodges dam can be replaced, which is not estimated to occur until 2034. Current recreational facilities were not designed to operate at this low water level and improvements are necessary to expand safe access for all recreational users.

#### **District 5 Infrastructure Priorities for Fiscal Year 2026**

- **Rancho Bernardo Community Park (CIP# L20000.1, L2000.2)**
  - The Rancho Bernardo Community Park is the only city developed park serving the approximately 40,000 residents of Rancho Bernardo. I request additional funding be allocated to this CIP for implementation of phase 1 construction and to perform a General Development Plan to identify future improvements to this heavily utilized facility.
- **Outdoor Lighting Upgrade and Gazebo Shade Structure at the Scripps Ranch Community Center**
  - I request funding for the replacement of broken lighting and installation of a new gazebo shade structure at the Scripps Ranch Community Center.
- **Penasquitos Creek Park Restrooms**
  - Penasquitos Creek Neighborhood Park serves the residents of Park Village, as well as a major access point for the Los Penasquitos Canyon Preserve Open Space Park. Currently, the Penasquitos Creek Park is without any restroom facilities, which has an additional impact on residents visiting the Los Penasquitos Canyon Preserve, where restrooms cannot be located. Adding a restroom facility at this location would serve a significant number of residents and visitors to these recreational assets.
- **Storm Drains Installation – Intersections: Pomerado Road and Mirasol Drive and Pomerado Road and Pomerado Place.**
  - Requesting the installation of storm drains where significant ponding occurs during rain events, creating a road hazard for residents.
- **Spring Canyon Neighborhood Park Playground Equipment Replacement Upgrade & ADA Improvements– 10907 Scripps Poway Pkwy, San Diego, CA**
  - The original park playground equipment was removed for public safety reasons and has not been replaced. I am requesting funding to replace the Spring Canyon Neighborhood Park playground equipment including needed ADA improvements.
- **Traffic Calming Improvements on Spring Canyon Road, between Blue Cypress Drive and Scripps Ranch Blvd.**

- I request traffic calming improvements on Spring Canyon Road to include additional solar LEED speed indicator, a dead-end indicator sign on Scripps Ranch Blvd. & Spring Canyon Road. This request can be funded through the Miramar Ranch North Planning Committee, Development Agreement Fund.
- **Sidewalk Installation - Escala Drive between Devereux Road and Voisin Ct.**
  - I request funding for the installation of a sidewalk on the east side of Escala Drive between Devereux Road and Voisin Court.
- **Sidewalk Installation – Bernardo Center Drive between Interstate-15 and Cloudcrest Drive**
  - I request funding for the installation of a sidewalk on the north side of Bernardo Center Drive between Interstate-15 and Cloudcrest Drive. This missing segment of sidewalk represents the most direct pedestrian path of travel, for many residents, to the Rancho Bernardo transit station
- **Sidewalk Installation – Sun Devil Way**
  - I request funding for the installation of sidewalks along Sun Devil Way adjacent to Mt. Carmel High School.
- **Traffic Calming on Park Village Road – Park Village Road and Rumex Lane**
  - I request funding for a VCalm sign and traffic calming improvement on Park Village Road in the area around Park Village Elementary School.




## THE CITY OF SAN DIEGO

## M E M O R A N D U M

DATE: January 10, 2025

TO: Charles Modica, Independent Budget Analyst, Office of the Independent Analyst

FROM: Council President Pro Tem Kent Lee, District 6 

SUBJECT: Fiscal Year 2026 Updated Budget Priorities

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I am grateful for the opportunity to provide recommendations for consideration as the Fiscal Year 2026 (FY26) Proposed Budget is developed. Due to a reduction in major tax revenues and the narrow failure of Measure E in November 2022, the current and upcoming fiscal year presents significant and ongoing financial challenges that will require the Office of the Mayor and City Council to work collaboratively to identify long-term solutions to repair the City's structural budget.

As reported in the Fiscal Year 2026-2030 Five-Year Financial Outlook, the City is projecting a revenue shortfall of \$258 million. Closing the budget deficit will require identification of both new resources and operational efficiencies to reduce current expenditures and will likely require difficult fiscal and policy decisions in the upcoming year.

The District 6 and citywide programmatic priorities outlined in my September 25, 2024, FY26 Budget Priorities Memorandum (published in the October 31, 2024, IBA Report Number: 24-30) remain top priorities for my constituents and my office. The priorities outlined in my previous memorandum will guide my decision-making process as the City Council deliberates and considers the development of the Mayor's FY26 Proposed Budget.

**Priority Mitigation Measures**

The following issues should be expedited and resolved as quickly as possible to ensure inclusion in FY26 Proposed Budget:

- The resolution of Measure C litigation will ensure \$33.9 million in new Transient Occupancy Taxes (TOT) can be utilized for core City services such as streets and homelessness services.
- Measure B implementation to recover costs for waste management by summer 2026 to ensure full cost recovery by FY26. Cost recovery for City-provided waste management services should be implemented immediately following the required Proposition 218 process.

### **Expenditure Reductions**

The FY26 Budget will require difficult financial decisions. I plan to consider the following principles when deliberating future budgetary and policy decisions and make the following recommendations:

- To mitigate the FY26 budget, I urge the Office of the Mayor and Department of Finance to identify organizational efficiencies that can be applied in FY25, so that the overall deficit in FY26 is more manageable. **If the City acts now, with half of FY25 still in front of us, it will make the required cuts in FY26 less severe and allow for a longer path to structural balance.**
- Recognizing the magnitude of the financial challenges facing the City, I urge the Department of Finance and the Office of the Mayor to fully consider this disproportionate impact across-the-board service reductions may have on vulnerable communities. Panda should be consulted to analyze data relating to programmatic utilization across different communities so that cuts to neighborhood services are as narrow as possible to mitigate negative community impacts. **Communities that rely more heavily on City facilities and programs because of significant economic or health disparities should be prioritized where possible.**
- As part of the City's effort to protect impactful community programs, the City should prioritize reducing vacant managerial positions. **City's personnel growth in management has outpaced growth in the organization and should be evaluated further by the Independent Budget Analyst to determine a cost/benefit analysis.**
- The City's independent departments such as the City Attorney, City Clerk, Auditor, and Ethics Commission must have sufficient resources to perform their legal obligations outlined in the City's Charter. **A focus should be made to protect operations that are legally mandated by the City's Charter.**

### **Exploration of Additional Revenue**

Prior to reducing core City services such as recreation center hours and aquatic operations; library hours and programs; and street repair and homelessness services, the City must comprehensively examine opportunities to increase revenue in addition to achieving organizational efficiencies. To improve the City's financial position, the Department of Finance should work with the Office of the Independent Budget Analyst (IBA) to consider and analyze the potential for new revenue. **Options for consideration for new revenue could include:**

- An update to the User Fee Schedule to move towards full cost recoverability when possible.
- An analysis of all revenue opportunities identified in IBA Report 22-31.<sup>1</sup> These opportunities should be implemented in Fiscal Year 2025 as soon as operationally feasible. Additionally, the Office of the Mayor and Department of Finance should

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<sup>1</sup> November 25, 2022, Office of the Independent Budget Analyst Report 22-31 *Response to Request for Revenue Opportunities*

- extend the analysis to include an expansion of paid parking hours; dynamic pricing that reflects special event demand; and pricing scenarios and operations that will increase revenue while improving circulation, decreasing congestion, and supporting small business growth. Revenue collected from these parking programs could be used to support critical transportation and mobility improvements and activities that create a more sustainable and livable community. Additional analysis should be conducted to determine if its feasible to create a different fee structure that could provide discounts to residents.
- Conducting an analysis of creating Special Assessment Districts such as Community Facilities Financing Districts to support the development of critical infrastructure. Funding can used be to debt finance capital projects and support maintenance and operations that provide a special benefit to district participants.<sup>2</sup>
- An analysis of possible amendments to City Council Policy 900-20 on *Naming of City Assets* and the current sign ordinance should be conducted to assess the revenue potential from strategic corporate partnerships at municipal facilities where appropriate.
- A feasibility analysis of increasing concessions at municipal facilities such as parks and libraries through strategic hospitality partnerships. This could not only increase revenue to the City but will also improve the visitor experience. A successful example of a thriving concession is Superbloom, a café and restaurant located in Mission Bay Park at the former Mission Bay Visitor's Center. This model should be expanded where feasible.

These suggestions are not fully vetted and will require additional analysis. I stand ready to work collaboratively with your office, my colleagues, and the Office of the Mayor to identify creative solutions to San Diego's most challenging fiscal issues.

#### **Additional Considerations**

Per City Council Policy 100-03, the Council must "provide the Mayor with a recommendation, via the City Council's annual budget priorities resolution, regarding the use of the 1¢ TOT." As part of its October 16, 2024, action, the B&GE Committee accepted the ED&IR Committee's 1¢ TOT recommendation and forwarded it to Council for approval as part of the recommended Budget Priorities Resolution. Due to the failure Measure E, the current recommendation should be reevaluated by the IBA, and an updated recommendation should be brought forward for City Council consideration.

Thank you for the opportunity to provide my FY26 budget priorities, I look forward to working with the Mayor, Office of the IBA, and my City Council colleagues to solve the City's ongoing fiscal challenges.

Councilmember Kent Lee

KL/kmj

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<sup>2</sup> David Bort, Orrick and Harrington, [An Introduction to California Mello-Roos Community Facility Financing Districts](#)



**CITY OF SAN DIEGO  
OFFICE OF COUNCILMEMBER RAUL CAMPILLO  
DISTRICT SEVEN**

**MEMORANDUM**

DATE: January 10, 2025  
TO: Charles Modica, Independent Budget Analyst  
FROM: Councilmember Raul A. Campillo

*Raul A. Campillo*

**SUBJECT: Budget Priorities for Fiscal Year 2026**

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This memorandum serves as an addendum to my [initial budget priorities](#) for Fiscal Year 2026 (FY26), submitted in September 2024.

The failure of Measure E and the missed opportunity to address San Diego's structural budget deficit have placed the City in a stark fiscal position. Moving forward, we must focus on what the City does best: delivering essential public safety services, maintaining and enhancing neighborhood infrastructure, and fostering economic development.

Given our budgetary constraints, it is crucial that we collaborate effectively with public and private partners to address urgent regional challenges, particularly in homelessness and behavioral health service delivery. As the budget process continues, we must proactively identify and quantify anticipated service gaps to allow for better coordination as we call on partners to leverage resources towards shared responsibilities.

Despite the complexity of the financial challenges we face, I remain confident in your office, this Council, and our administration's ability to provide diligent, transparent, and innovative solutions that prioritize the needs of our residents.

### **Potential Resource and Mitigation Options:**

As the City works to minimize budgetary impacts to core services, I support pursuing the following budget mitigation measures identified within [IBA Report 25-01](#). These include aligning City fees with market rates, considering alternative financing mechanisms and potential resources to offset General Fund costs, and identifying opportunities to achieve full cost recovery for City-provided services.

- Measure B Implementation – *Estimated \$78.6 million*
- Measure C Implementation – *Estimated \$33.9 million*
- Parking Meter Rate Adjustment – *Estimated \$9.6 million*
- Strategic Use of Infrastructure Fund Contributions – *Estimated \$8.8 million*

### **Opportunities for Regional Collaboration:**

While homelessness prevention, diversion, and maintenance of our existing shelter system remain a priority of mine for FY26, I have included estimated funding needs that are best addressed by the County and external partners. These amounts are provided to support coordinated resource requests among the Council, regional partners, and advocates. Any additional expenditures and planned commitments related to homelessness services should be considered pending results of Measure C or the identification of any additional resources.

### **County of San Diego:**

**Community Harm Reduction Shelter:** In conjunction with the County of San Diego's Behavioral Health Services, the Harm Reduction Interim Shelter program provides safe, low-barrier interim shelter and supportive services for up to 44 adults experiencing unsheltered homelessness in the City of San Diego who are also experiencing co-occurring substance use and mental health conditions.

*Approximate Cost: \$2,178,735*

**Rosecrans Shelter:** The Rosecrans Shelter provides up to 150 shelter beds for people experiencing homelessness through collaboration among the City, the County of San Diego, San Diego Housing Commission, the Lucky Duck Foundation, and Alpha Project. The shelter is operated on County-owned land and provides unique on-site behavioral health services funded by the County of San Diego.

*Approximate Cost: \$4,659,272*

**On-site Behavioral Health and Substance Use Disorder Services:** The City of San Diego's contracted homelessness service providers face significant challenges related to the opioid and substance use epidemic. Addressing the needs of program participants who are experiencing a substance use disorder (SUD) has become an increasing challenge for homelessness services staff. The resources necessary to address this growing reality are reliant on support systems that are not fully integrated into the homelessness crisis response system and are either limited or difficult to access. County support to fund a dedicated team of SUD counselors available on-site



Councilmember Raul A. Campillo  
FY26 Budget Priorities Memo

across shelter programs and alongside street outreach programs would help address a critical gap in services for persons experiencing homelessness and struggling with substance abuse.

*Approximate Cost: \$1,600,0000*

**Women and Family Shelter:** The Rachel's Women Center provides critical behavioral health services in partnership with the County of San Diego as well as several other co-located services that will be accessible to shelter residents. Expansion of the existing shelter would allow the program to grow from 40 to 175 beds for single women, including seniors and families led by single women. In FY 2024, 577 requests for family shelter through the Coordinated Shelter Outreach Program went unfulfilled due to a lack of capacity to serve families with children. In addition, 5,141 referrals for individuals who identified as women were unable to be completed because of limited shelter bed availability. The data supports an increased need for these resources. This new program will also support feedback received through stakeholder group sessions by providing non-congregate and semi-congregate shelter options.

*Approximate Cost: \$5,100,000*

cc: Michael Simonsen, Chief of Staff, Office of Councilmember Raul A. Campillo

RAC/syp




**COUNCILMEMBER VIVIAN MORENO**

**City of San Diego  
Eighth District**

**MEMORANDUM**

**DATE:** January 10, 2025

**TO:** Charles Modica, Independent Budget Analyst

**FROM:** Councilmember Vivian Moreno 

**SUBJECT:** Fiscal Year 2026 Amended Budget Priorities

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On September 25, 2024, I submitted a memorandum to you reflecting a full accounting of my budget priorities for the Fiscal Year 2026 budget (attached). The following amends my September 25, 2024, budget priority memorandum.

**NEW LINE ITEMS**

**City Services**

**Continued Investment in Underserved Communities**


In light of the projected budget deficit outlined in the FY26-FY30 Five-Year Outlook, the city will need to take steps to balance the budget. The city must strive to achieve operational efficiencies and utilize available revenue options, such as implementing Measure B, before considering any reduction in major public services. However, it is critical that the burden of potential budget reductions not fall on the backs of underserved communities. For decades, even in years without a major budget deficit, the city neglected to invest in communities south of Interstate 8 with funding to build and maintain infrastructure like parks, libraries, sidewalks and storm channels. The city has also failed to invest proper levels of funding for programming at parks and recreation facilities in underserved communities as highlighted in the City Auditor's 2022 Performance Audit of Equity in Recreation Programming. Park and library capital improvement projects in underserved areas that have previously received funding must continue to move towards construction. Additionally, city efforts to increase programming at existing facilities that do not receive the same programming as more affluent communities must be a priority in the upcoming budget.

Continuing to upgrade and properly maintain stormwater channels and drains during the upcoming fiscal year, and into the future, is absolutely essential because such investment protects communities from devastating flooding events. The city must remain dedicated to funding projects and maintenance efforts in Chollas Creek that will prevent the type of flooding that has occurred in adjacent communities to this watershed, including upgrades to the Southcrest recreation center area and the Beta Street Drainage Project, which are both directly impacted by flood waters from Chollas Creek. Stormwater channel maintenance needs in other areas, such as the Tijuana River Valley, Otay Mesa and Nestor, should also be prioritized to prevent future flooding disasters.

The FY26 budget should prioritize and protect the aforementioned infrastructure and programming investment in underserved communities and not rely on across the board cuts to city departments because such reductions will have a negative impact on underserved communities, where the impact on reduced city services will be felt the hardest. The city has made great strides investing in equity by providing programs, projects and services in communities that have been neglected for generations and those investments must continue in FY26 and beyond.



**COUNCILMEMBER VIVIAN MORENO**  
**City of San Diego**  
**Eighth District**  
**MEMORANDUM**

**DATE:** September 25, 2024  
**TO:** Charles Modica, Independent Budget Analyst  
**FROM:** Councilmember Vivian Moreno   
**SUBJECT:** Fiscal Year 2026 Budget Priorities

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Please see my budget priorities for the Fiscal Year 2026 budget listed below.

**District 8 Capital Improvement Projects and Services**

Below are the CIP projects in District 8 that should be funded in the FY26 budget.

**Barrio Logan Truck Route Traffic Calming Infrastructure CIP# L24005**

**Project Description:** This is a multi-phased project to install street-calming infrastructure on Beardsley St. (from Logan Ave. to Harbor Dr.) and Boston Ave. (from 28<sup>th</sup> St. to 32<sup>nd</sup> St.) to divert toxic air from Barrio Logan and enforce the Barrio Logan Truck Route. These traffic calming measures are greatly needed to prevent large semi-trucks from driving through residential neighborhoods, which impacts air quality. The scope of Phase 1 is to install a roundabout at the intersection of Beardsley St. and Newton Ave. Phase 2 provides the installation of a roundabout at the intersection of Boston Ave. and South 30<sup>th</sup> St. Phases 1 and 2 were initiated in FY24. Phase 1 design is completed. Phase 1 construction will begin contingent upon the identification of funding. Phase 2 design is anticipated to begin and be completed in FY25. Phase 2 construction is anticipated to begin and be completed in FY26.

Currently, the City anticipates utilizing TransNet Extension Congestion Relief funding in FY26 to construct the roundabouts. The FY26 budget should include this funding as well as any additional funding required to fully fund both phases.

Estimated cost: \$1.8M

### **Beta Street Storm Channel and Storm Drain Improvement**

**Project Description:** This project aims to alleviate flooding in the Southcrest community by enhancing the drainage capacity of Chollas Creek and improving the drainage system to contain the 100-year storm event, safeguarding the community from potential flood risks. The existing flooding condition poses significant health and safety concerns for area residents, making the improvement crucial for the well-being of the community. The project consists of several components including a pump station, channel widening, a berm, flap gates, regrading, a concrete V-ditch, new storm drains, new inlets, and a new trail. These improvements are critical to ensure that the devastating flooding that took place on January 22nd, 2024, are prevented from happening again. The project is currently in the preliminary engineering phase, e.g., evaluating different design alternatives and performing feasibility analysis. This phase of the project is fully funded. This project recently received \$1.1M in federal grant funding, will receive WIFIA funding in future years and may receive FEMA funds as well. However, these funding sources do not fully fund the \$60M cost of the project. Funding to complete the project in future years should be a high priority.

Estimated cost: TBD

### **Beyer Park Development (Phase I) CIP# S00752**

**Project Description:** The project, located at Beyer Boulevard and Enright Drive, consists of the design and construction of Beyer Park. Full construction of the project requires \$36.1M which is split into two phases. The project broke ground in September 2024, however \$1M is still required for full funding of Phase I. If this is not provided over the course of FY25, it should be included in the FY26 budget to ensure Phase I remains on schedule.

Estimated cost: \$1M

### **Beyer Park Development (Phase II) CIP# S23008**

**Project Description:** The project, located at Beyer Boulevard and Enright Drive, consists of the design and construction of Beyer Park. Full construction of the project requires \$36.1M which is split into two phases. Phase II is estimated to cost \$18M. The project has received \$4.7M in city funding and it is anticipated that it will receive an additional \$8M in grant funding in FY25. This leaves a funding gap of \$5.3M. The FY26 budget should provide the final amount of funding needed for Phase II, which will allow the city to fully utilize the grant funding. It would also allow Phase II to immediately begin construction upon the completion of Phase I, which broke ground in September 2024. Not providing funding will put the city at risk of losing the aforementioned grant funding.

Estimated cost: \$5.3M

### **Boston Avenue Linear Park CIP# P22005**

\$2M was included in the FY24 Budget from the Climate Equity Fund to support land acquisition and GDP scoping for the creation of Boston Linear Park. This project will likely be eligible for state grant funds, which makes continued investment by the city critical. This project should receive funding in the FY26 budget to ensure it continues to move forward.

Estimated Cost: TBD

**Chicano Park Improvements Phase III (B20060)**

**Project Description:** This project includes storm drain improvements and ADA improvements in Chicano Park as well as path of travel improvements to two playgrounds and the Kiosko (bandstage) area. This project is funded. Any additions to the scope of this project should be funded in the FY26 budget.

Total estimated cost: TBD

**Citrus Avenue & Conifer Avenue Improvements**

**Project Description:** This project will design a full right-of-way surface improvement of Citrus Avenue and Conifer Avenue, within the Otay Mesa-Nestor Community. A feasibility study has been completed and it concluded that a project to install curbs, gutters, sidewalks, driveway entrances, streetlights, parkways, and new pavement along these two street segments would cost approximately \$2.3M. The streets have received surface improvements, but no other improvements have been made. This project is consistent with the community plan guidelines for Otay Mesa-Nestor and should be funded in the FY26 budget.

Total estimated cost: \$2.3M

**Coral Gate Neighborhood Park Playground Improvements CIP# B-20057**

**Project Description:** The project provides for the design and construction of playground improvements at Coral Gate Neighborhood Park. The project is fully funded, however, any additional or unexpected costs that would prevent the project from being completed should be funded in the FY26 budget.

Total estimated cost: TBD

**Cypress Drive Cultural Corridor CIP# S23011**

**Project Description:** This project is the creation of a cultural corridor on Cypress Drive from the Blue Line Trolley Tracks to San Ysidro Boulevard. This project is in accordance with the San Ysidro Community Plan Update as defined in section 3.2.8 and 4.9.16 - 4.9.20 to improve existing alleys and implement innovative walkability improvements within the San Ysidro Historic Village area in order to connect the commercial area along West San Ysidro Boulevard and the transit-oriented development around the Beyer Trolley Station. The FY24 Budget allocated \$2M to support project construction, which includes roadway widening and drainage improvements. The project also received a \$1.5M grant in July 2024. Any additional funding required for completion of the project should be included in the FY26 budget.

Estimated cost: TBD

**Dennery Ranch Neighborhood Park CIP# S00636**

**Project Description:** The project, located at Dennery Road and Ballast Lane, consists of the design and construction of Dennery Ranch Neighborhood Park in the Otay Mesa Community. This project is estimated to cost a total of \$22 million. The total amount appropriated to date is \$19 million. It will receive \$2M in funding from the Otay Mesa Enhanced Infrastructure Financing District in FY25. The project is in design and construction could begin as early as 2026. This project should be prioritized in the FY26 budget if additional funds are needed to move forward with construction.

Estimated cost: TBD

**Egger South Bay Recreation Center CIP# S15301**

**Project Description:** This project provides for the design and construction of ADA improvements for the children's play areas, parking lot resurfacing and associated paths of travel to comply with accessibility requirements. The FY23 budget included \$2.85M in funding, which completed funding for the project. Construction is anticipated to be completed in FY25. If completion of the project is delayed or requires any additional funding in FY26 the funds should be allocated to allow the project to be completed.

Estimated cost: TBD

#### **Grove Neighborhood Park CIP# P18010**

**Project Description:** This project provides for design and construction of a new neighborhood park located east of I-5 and bounded by 25<sup>th</sup> Street, 27<sup>th</sup> Street, and Grove Avenue. The proposed neighborhood park will provide approximately 11.5 acres of population-based park land. Building this project is vital to ensure residents in Otay Mesa-Nestor have equity in access to park land that wealthier communities enjoy. Total project cost is \$26.8M. Design is anticipated to be completed in FY25. Construction is anticipated to begin in FY26 and be completed in FY27, contingent upon the identification of funding. This project could be phase funded and should receive additional funding in the FY26 budget to ensure Phase I this critical park project moves forward. Additionally, state and federal grants should be pursued to pay towards the total cost of the project.

Estimated cost: The total cost of the full project is \$24.9M, however the cost of Phase I is TBD.

#### **Hidden Trails Neighborhood Park CIP# S00995**

**Project Description:** This project, located east of Parson's Landing and north of Westport View Dr. in the Ocean View Hills Neighborhood, provides for the acquisition, design and construction of an approximately 3.7-acre Neighborhood Park and includes sport fields, children's play areas, walking paths and other amenities. The General Development Plan was completed in FY21. Design was completed in FY23. The project received \$1.15M in funding from the Otay Mesa Enhanced Infrastructure Financing District and \$6M in Otay Mesa FBA funds in the FY24 budget. Due to increased project costs, the EIFD will contribute \$850,000 to the project in FY25. This current funding fully funds the project based on current engineer's estimates, however, if there are any unexpected cost increases, the FY26 Budget should allocate funding to ensure the project is constructed.

Total estimated cost: TBD

#### **La Media Road CIP #S15018**

**Project Description:** This project will widen La Media Road between SR-905 to Siempre Viva Road. La Media Road will be widened to a six-lane primary arterial from SR-905 to Airway Road, a five-lane major between Airway Road and Siempre Viva Road with three southbound lanes and two northbound lanes. Improvements from Siempre Viva Road to Otay Truck Route will be constructed under a different project. It will also improve drainage at the intersection of La Media Road and Airway Road. This project is estimated to cost \$60M. Completion of this project is critical to the local and regional economy. It is anticipated that the Otay Mesa EIFD will contribute the final \$4M required for the project in FY25. Any cost increases experienced during construction of the project should be addressed in the FY26 budget.

Estimated cost: TBD

**La Media Road Phase II (La Media Improvements- Siempre Viva to Truck Route) CIP #S22006**

**Project Description:** This project represents phase 2 of the La Media Road Improvements Project. It will improve La Media Road from Siempre Viva to the Otay Truck Route to a three-lane facility with two southbound truck route lanes as well as one northbound lane for Customs and Border Protection vehicles. Additional project improvements include sidewalk, curb and gutters, streetlights, and curb ramps. Total project cost is \$17.6M. Design began in FY20 and is anticipated to be completed in FY25. The environmental and right-of-way phases began in FY23 and are anticipated to be completed in FY26. With full funding, construction could begin in FY26.

Estimated cost: \$14.8M

**Logan Avenue Traffic Calming Infrastructure**

**Project Description:** The FY26 budget should include additional funding to install street-calming infrastructure on Logan Avenue. The street has qualified for the installation of additional traffic lights at intersection and crosswalk installation on all legs of the intersection. The installation of angled parking could also be included in this project. The project is currently on the Transportation Department's unfunded needs list. Staff should explore applying for grant funding to begin work on this project.

Estimated cost: TBD

**Memorial Community Park Sports Field, Security and Pedestrian Lighting Project CIP# B23028**

This project will install much needed sports field and security/pathway lighting upgrades at Memorial Community Park, located at 2975 Ocean View Boulevard in the Logan Heights community. The project would install lighting to accommodate all park users and meet public health and safety standards. It would include the upgrade and installation of necessary lighting infrastructure and the removal and replacement of existing surfaces such as concrete, turf, walkways, fences and any required ADA upgrades and improvements. In 2023, this project was chosen to receive \$3.5M in State grant funding and is eligible for Citywide Park DIF. The FY26 budget should provide any needed funding for this project to begin construction and the city should continue to pursue any available state or federal grant funding intended for park related projects in communities of concern.

Estimated cost: TBD

**Montgomery-Waller Lighting Installation**

**Project Description:** A CIP project needs to be created to install additional security lighting for the park, with six additional poles and fixtures along west perimeter of the park grounds. This park improvement has been on the unfunded needs list since 1997. This project should be funded in the FY26 budget.

Estimated cost: TBD

**Fire Station No. 30 Upgrades**

**Project Description:** A CIP Project needs to be created in the FY26 budget to address deferred maintenance issues at the Fire Station No. 30. Deferred maintenance needs total \$2.05 million and include:



- Complete remodel similar to FS33 with new kitchen, office and dorm expansion, bathrooms, HVAC, exhaust extraction, flooring, paint interior and exterior, window and landscaping. Cost estimate: \$2M
- New flooring in kitchen, Ready Room, dorms. Cost estimate: \$10k
- Six ready chairs. Cost estimate: \$6k
- Programmable PPE washer. Cost estimate: \$2k
- Exhaust extraction system replacement. Cost estimate: \$25k

Estimated cost: \$2.1M

### **Old Logan Heights Library Renovation (CIP# S22010)**

**Project Description:** This project will renovate the Historic Logan Heights Library site into a resource for the Logan Heights community. The project has received State grant funds, as well as EDCO funds. Rehabilitation design began in FY23 and is anticipated to be completed in FY25. Rehabilitation construction is anticipated to begin in FY25 and be completed in FY26, however \$1.3M in needed funding remains in unidentified. The FY26 budget should include funding to move the project forward.

Total estimated cost: \$1.3M

### **Otay Mesa Fire Station No. 49**

**Project Description:** This project provides for a 13,000 square foot double-house fire station to serve the Otay Mesa and Otay Mesa/Nestor Communities. The fire station will be located across the intersection of Ocean View Hills Parkway and Sea Fire Point and will serve the community in addition to Fire Station 6 located at 693 Twining Avenue. The fire station will accommodate 3 apparatus bays and will also have a training room. This project will also include the cost for the purchase of one fire engine. The new fire station will comply with Fire's current station design & construction standards & specifications. A second fire station is needed to serve the Otay Mesa and neighboring communities and it will ensure consistency with the recommendations in the Citygate Report. Annual operating costs to staff this station are \$1.7M for personnel and non-personnel expenditures once construction is complete. Total costs for this project are approximately \$36M. The FY25 Budget provided \$2M to support project predesign. Funding for this project should be included in the FY26 budget so it can continue to move forward.

Total estimated cost: \$30M

### **Palm Avenue Revitalization Plan**

**Project Description:** The Palm Avenue Revitalization Plan includes strategies to promote economic development and improve vehicle, transit, pedestrian, and bicycle mobility along Palm Avenue between 13<sup>th</sup> Street and Hollister Street. As part of the relinquishment of Palm Avenue, which was approved this May, Caltrans worked with the city's Transportation & Storm Water Department to assess the condition of infrastructure within the relinquishment limit. At the end of the evaluation, Caltrans and the city agreed that \$5M is sufficient to bring the roadway and related infrastructure into compliance with current city standards. Caltrans provided the city with the \$5M to improve the identified infrastructure. Proposed improvements to be allocated with the \$5M include Traffic Signal Modifications (Pre-design), Sidewalk Repair and Reconstruction (design), Street Repair and Reconstruction (to begin after signal modification completion), and maintenance needs. Utilizing the funding provided by Caltrans, the Palm Avenue improvements should be its own CIP in the FY26 Budget.

**Palm Avenue Traffic Signal Modification CIP# B-21120:** The FY22 budget included \$600,000 for a CIP that will provide signal upgrades at Palm Avenue and 16<sup>th</sup> Street, Palm Avenue and Saturn Boulevard, and install signal interconnect from the intersection of Palm Avenue and Saturn Boulevard to the intersection of Coronado Avenue and Saturn Boulevard. The project is currently in the design phase. The design began in 2022 and it is anticipated to be completed in 2024. Staff is in the process of procuring a consultant to complete the design and anticipates advertising for the projects late next summer, with construction starting in 2026. Additional funding may be required to complete the project. Other revitalizing projects for Palm Avenue such as street resurfacing have to wait until the traffic signal modification is complete in order to move forward. This project should be prioritized to allow for its completion and the completion of subsequent projects on Palm Avenue.

**Riviera Del Sol Neighborhood Park CIP# S00999**

**Project Description:** This project provides for the design and construction of a 4.9-acre neighborhood park, within the Otay Mesa Community, near Del Sol Blvd. and Dennery Road. The total project cost is \$9,570,838 and is fully funded. The project is anticipated to be completed in FY25. In the event construction for this project is delayed or needs additional funding, it should be funded in the FY26 budget. Total estimated cost: \$1.3M

**San Ysidro Activity Center Parking Lot & ADA Improvements CIP#B20097**

**Project Description:** This project provides for the design and construction of parking lot and accessibility improvements, including the addition of accessible parking spots and curb ramps as well as improvements in security lighting. Total project costs are estimated at \$4.3M. The project is fully funded and expected to be completed in FY25, however, if there are any unexpected cost increases, the FY26 budget should allocate funding to ensure the project is constructed. Estimated cost: TBD

**Otay Mesa Road Pedestrian Crosswalk**

In 2022, the Transportation Department completed an evaluation for a marked crosswalk at the entrance to San Ysidro Middle School located at 4350 Otay Mesa Road. The location qualifies for a marked crosswalk with pedestrian activated flashing beacons and a streetlight, two curb ramps, and a small length of sidewalk are required for the safety of students, parents, and staff members. The FY23 Budget allocated \$250k for this project. It is currently in the design stage, which will include an environmental assessment, ADA review, and a survey of the site. This project was approved for creation at CIPRAC in March 2023, however the current estimate for project completion is \$661k. Design is expected to be completed by December 2024. Construction is projected to begin by Spring 2026. The FY26 budget should allocate an additional \$411k to complete the project. Estimated cost: \$411k

**Sherman Heights Community Center**

The Sherman Heights Community Center (SHCC), located at 2258 Island Avenue, was founded in 1984 and serves about 40,000 residents a year who live in Sherman Heights and the nearby communities of Grant Hill, Logan Heights, Barrio Logan, San Ysidro and other South Bay

communities. Residents depend on it for educational, health, personal development, and cultural programs that enhance the well-being of individuals and families in District 8. However, the SHCC building, which is owned by the city, has a number of deferred maintenance issues that need to be addressed in order for the facility to continue being used by the community, including tenting the facility for termites, repairing the wood deck and repairing the siding. These improvements will ensure the building is safe for use by the public. The FY26 budget should provide funding to address any identified deferred maintenance issues.

Estimated cost: TBD

### **Sidewalk Installations**

**Project Description:** The FY26 budget should include funding for the construction of sidewalks at the following locations:

- **Thermal Avenue-Donax Avenue to Palm Avenue Sidewalk CIP# B18157**  
**Project Description:** Installation of sidewalk on east side of Thermal Avenue between Palm Avenue and Donax Avenue and the west side of Thermal Avenue from Dahlia Avenue to Donax Avenue. The project is currently in design and will require \$1.1M to be constructed. This project should be funded in the FY26 budget.  
 Estimated cost: \$1.1M
- **Saturn Boulevard Sidewalk Project**  
**Project Description:** This project is the construction of a sidewalk on the west side of Saturn Boulevard between Dahlia Avenue and Elm Avenue. In 2016, the Transportation and Storm Water Department determined that this location qualifies for sidewalks under City Council Policy No. 200-03. The project number is Saturn Boulevard (SN 15-770299) and has been added to the City's "Sidewalk Needs List" competing with other similar projects to receive funding for construction. \$1.5M has been allocated to construct the sidewalk. Any additional funding this project requires to be completed should be included in the FY26 Budget.  
 Estimated Cost: TBD

### **Egger Highlands**

- Citrus Avenue between Coronado Avenue and the end of Citrus Avenue
- Conifer Avenue between Coronado Avenue and the end of Conifer Avenue
- Donax Court (1500 block)

### **Logan Heights**

- 29<sup>th</sup> Street from Imperial Avenue to Commercial Street

### **Otay Mesa-Nestor**

- 24<sup>th</sup> Street, from Palm Avenue to Harris Avenue
- North Side of Elder Avenue, from 16<sup>th</sup> Street to Thermal Avenue
- East Side of 16<sup>th</sup> Street, from Elder Avenue to Elm Avenue
- West Side of 16<sup>th</sup> Street, from Evergreen Avenue to Elm Avenue
- South Side of Elm Avenue, from Hardwood Street to 16<sup>th</sup> Street
- Evergreen Avenue, from Thermal Avenue to 16<sup>th</sup> Street

- Atwater Street, from Fern Avenue to Coronado Avenue
- North Side of Donax Avenue, from 15<sup>th</sup> Street to 16<sup>th</sup> Street

### **San Ysidro**

- West San Ysidro Boulevard, from 156 West San Ysidro Boulevard, to 198 West San Ysidro Boulevard (Fire Station 29)
- West Side of Otay Mesa Road between Beyer Boulevard and Otay Mesa Place (SYSD)
- North Side of East Calle Primera between Sycamore Road and Willow Road
- West side of Alaquinas Drive north of Mount Carmel Drive

### **Sidewalk Repairs**

The FY26 budget should include funding for the repair of sidewalks at the following locations, if they were not repaired in FY25:

- 21<sup>st</sup> Street from Imperial Avenue to Commercial Street (this sidewalk is on a slope and the curb/ sidewalk is not built to drain the water when it rains, resulting in rainwater flowing into the buildings along this stretch.
- Cottonwood Road
- Imperial Ave from 22<sup>nd</sup> Street to 24<sup>th</sup> Street
- Iris Avenue going to Beyer (Highly used transit center, no sidewalks to reach it on Iris)
- Willow Road to Calle Primera (next to Willow Bridge)

### **Stormwater**

**Stormwater Channel and Drainage Improvements:** The FY26 budget should include increased funding for the maintenance, repair and replacement of stormwater facilities throughout the city. In particular, stormwater channels and drainage located in communities of concerns should be prioritized, as long ignored channel sections that have experienced a build-up of plant growth and/or obstructions caused by illegal dumping are at risk for flooding during large storm events. In addition to work being performed in Chollas Creek to address the Beta Street channel, the city must also focus on the nearby Cottonwood Creek section, which is also at risk of flooding which could cause significant damage. Increasing funding for stormwater projects throughout the city should be an extremely high priority in FY26.

**Stormwater Reinspection Team:** The FY26 Budget should include 2.00 FTEs and \$288,000 for individuals that would develop a re-inspection fee, as was suggested in a City Audit of the Stormwater Department and as were requested by the Stormwater Department in the FY25 Budget. Once the Department develops a cost recoverable fee for re-inspections, it could potentially generate up to \$700,000 in annual revenue. The positions that were requested for FY25 are needed to develop the fee program, but will not be covered by revenue until the program is developed and implemented over the next year. However, once in place, these positions would result in additional city revenue for stormwater activities. The FY26 budget should include these positions, with the goal of having the program in place by FY27. Estimated cost: \$288k

### **Streetlight Installations**

The FY26 budget should include funding within the annual allocation for the installation of new streetlights at the following locations:

- Arey Drive from Darwin Place to Churrituck Drive.
- Athey Avenue southwest of Smythe Avenue, west side
- Beyer Way from Palm Avenue to the Borderline with the City of Chula Vista
- Beyer Way from Palm Avenue to Picador Boulevard
- Beyer Boulevard, west of Otay Mesa Road (South corner)
- Citrus Avenue from Hollister Street to I-5. This will complement/finish the recent street asphalt project.
- Conifer Avenue from Hollister Street to I-5. This will complement/finish the recent street asphalt project.
- Del Sur Boulevard north of Caithness Drive 185', west side
- Diza Road between Blando Lane and Alaquinas Drive
- East Beyer Boulevard northwest of Center Street 600', west side
- East Beyer Boulevard southeast of Center Street 600', east side
- Elm avenue from Saturn Boulevard to 18th Street
- Howard (SB) Avenue south of Iris Avenue 130', east side
- Logan Avenue from Evans Street to 26th Street and National Avenue
- Logan Avenue from Evans Street to Samson Street
  - This location has been approved and could be funded with Climate Equity funds previously allocated.
- Main Street from Cesar E. Chavez Pkwy to S 28<sup>th</sup> Street
- Otay Mesa Road south of Otay Mesa Place 540', east side
- Sampson Street and Logan Avenue (corner)
- Tennie Street west of Sanger Place 260', north side
- Via Encantadoras between Vista Lane and Tequila Way
- W. Hall Avenue west of Cypress Drive 150', south side
- Willow Road south of Calle Primera 400', west side

### **Streetlight Upgrades**

The FY26 budget should include funding within the annual allocation for the upgrade or reappear of streetlights at the following locations if they were not repaired or upgraded in FY25:

1. 923 South 26<sup>th</sup> Street and across from 923 South 26<sup>th</sup> Street
2. Boston Avenue from 29th Street to 32nd Street
3. Calle De La Alianza
  - a. City staff evaluation determined that both streetlights on Calle De La Alianza should be upgraded to LED lights.
4. Diza Road
  - a. City staff evaluation determined the existing streetlight at the intersection of Blando Lane & Diza Road can be upgraded to an LED light.
5. Evans Street and Logan Avenue (next to the VFW).
6. Imperial Avenue between 32<sup>nd</sup> and 33<sup>rd</sup> Streets alongside the 32<sup>nd</sup> Street trolley bridge some lights are out.
7. Lonja Way at 1751 Lonja Way

8. Ocean View Boulevard and 28<sup>th</sup> Street (located right next to LMEC school)- all four are out.
9. Vista lane and Via las tonadas

### **Street Resurfacing**

The FY26 budget should include funding for street resurfacing for the following street and alley segments in if they were not resurfaced in FY25:

Streets:

- 22<sup>nd</sup> Street between G Street and Market Street
- 24<sup>th</sup> Street between Palm Avenue and Harris Avenue
- 25<sup>th</sup> Avenue between Coronado Blvd. and Grove Ave.
- 27<sup>th</sup> Street between Coronado Blvd. and Grove Ave.
- 35<sup>th</sup> Street from National Avenue to Boston Avenue
- Beardsley Street and Logan Avenue to National Avenue
- Boston Avenue from 28<sup>th</sup> Street to 29<sup>th</sup> Street
- Carnell Avenue between Beyer Boulevard and Clavelita Street
- Cornet Place between Carnell Avenue and Cornet Place
- Carnell Court from Carnell Avenue to the end of Carnell Court.
- Coronado Avenue between 15<sup>th</sup> Street and 17<sup>th</sup> Street
- Coronado Avenue between 15<sup>th</sup> Street and Gaywood Street
- Coronado Avenue between 17<sup>th</sup> Street and Saturn Boulevard
- Coronado Avenue between Atwater Street and 16<sup>th</sup> Street
- Coronado Avenue between Saturn Boulevard and Hollister Street
- Coronado Avenue I-5 overpass between Hollister Street and Outer Road
- Coronado Avenue between Outer Road and 27<sup>th</sup> Street
- Cottonwood Road from South Vista Avenue to West San Ysidro Boulevard
- Debenmark Place from Carnell Avenue to end of Debemark Place.
- Donax Avenue between 14<sup>th</sup> Street and 18<sup>th</sup> Street
- Donax Avenue between 16<sup>th</sup> Street and Saturn Boulevard
- E Street between 33<sup>rd</sup> Street and 34<sup>th</sup> Street
- Eboe Avenue between Granger Street and the end of Eboe Avenue
- Elm Avenue between 18<sup>th</sup> Street and Saturn Boulevard
- Evans Street (south) & Main Street intersection
- Granger Street between Imperial Beach Boulevard and the end of Granger Street
- Granger Street from Coronado Avenue to the end of Granger Street.
- Hensley Street and L Street to Imperial Avenue
- Hermes Street between Thermal Avenue and Triton Avenue
- Hermes Street between Triton Avenue to end
- Irving Avenue between Commercial Street and Cesar E Chavez Pkwy
- L Street between 22<sup>nd</sup> Street and 24<sup>th</sup> Street
- Martin Avenue and 31<sup>st</sup> Street intersection
- National Avenue & S 26<sup>th</sup> Street intersection
- Newton Avenue (east of S 27<sup>th</sup> Street)
- Palm Avenue between 16<sup>th</sup> Street and Georgia Street

- Picador Boulevard between Arruza Street and Arey Drive
- Sampson Street from National Avenue to the Sampson Street bridge that crosses over Logan Avenue
- Saturn Boulevard between Dahlia Avenue and Palm Avenue
- Saturn Boulevard between Palm Avenue and Home Depot entrance
- Seward Avenue (east and west)
- Signal Avenue between Hermes Street and the end of Signal Avenue
- Sigsbee Street between Main Street and Harbor Drive
- S. Bancroft Street by Greely Avenue
- S. 42<sup>nd</sup> Street between Nordica and Eta Street
- Willow Road between Calle Primera and Camino de la Plaza
- West Hall Avenue from Cottonwood Road to West Park Avenue

#### **Alley Improvements:**

- Alley behind La Bon Way and Martin Avenue
- Anthony Drive is paved but the alley that branches off of this street is not paved.
- Alley off of K Street between Langley Street and 28<sup>th</sup> Street
- Alley directly behind intersection of Boston Avenue and Rigel Street

#### **Southcrest Infrastructure CIP**

**Project Description:** There is a dire need to address various infrastructure upgrades at the Southcrest Recreation Center, Southcrest Trails Park and inadequate drainage issues on Beta Street. These long-term maintenance and improvement concerns have been shared with City Hall by residents and community members for decades. It is critical that the city now actively invest in these facilities to ensure the Southcrest community receives equitable treatment. In FY25, \$500k was allocated to conduct community outreach and perform initial design work. The CIP should be funded in FY26 with sufficient funds to move the identified improvements forward. Estimated cost: TBD

#### **Unimproved Streets Infrastructure**

Design for the following unimproved street or alley locations to be built to city standards should be funded in the FY26 budget:

- The unimproved street located at South Bancroft Street at the intersection of Greely Avenue in the community of Stockton has received preliminary review by Transportation Department staff. Total costs related to this project are estimated to be \$2M. To continue work on this project additional funding is required in FY26.
  - Estimated cost: \$1.5M
- Unimproved street located at 24<sup>th</sup> Street from Palm Avenue to Drucella Street
  - Estimated cost: \$250k
- Unimproved alley behind 603 South Bancroft Street, which is La Bon Way
  - Estimated cost: \$250k
- Unimproved street connecting Vista Santo Domingo to Exposition Way (700 ft.)
- Residents have been requesting a secondary entry/exit point to their Vista Pacifica community as the current single access point on Avenida de las Vistas gets regularly

congested by the traffic to/from the North Island Credit Union Amphitheater (Chula Vista) – residents are already de facto using that dirt road.

- Estimated cost: TBD
- Unpaved alley located between Granger and 15th Street
  - Estimated cost: TBD
- Unpaved alley located between 14<sup>th</sup> Street and Granger
  - Estimated cost: TBD

### **Non-General Fund CIP**

#### **Hollister and Monument Pipe Replacement - AC Water & Sewer Group 1040 (W) CIP#B18068**

**Project Description:** This project replaces approximately 18,178 feet (3.44 mi) of 4-, 6-, 8-, 12-, 16- inch AC, DI and CI Water Mains with new PVC Water Mains on Hollister Street and Monument Road in the Tijuana River Valley. It also includes resurfacing of Hollister Street from Sunset Avenue to Intersection with Monument Road, and Monument Road from Dairy Mart Bridge to County Park Entrance. The project requires \$6.8M to complete design and construction. The design will be finalized in FY25, environmental clearances are being processed and CalTrans permits are being obtained. This project should be fully funded in the FY26 Public Utilities Department budget to ensure the city's water and sewer infrastructure in the Tijuana River Valley is up to date and does not risk any pipe failures from contributing to the crisis in the Tijuana River Valley.

Estimated Cost: \$6.5M

### **Climate Equity Fund**

For decades, the city has consistently failed to equitably invest in the economic development and infrastructure in low-income neighborhoods where much of the city's people of color and immigrant population reside. This failure to commit to investment in economic development programs and to build projects that help support healthy, walkable neighborhoods, such as parks, open space, pedestrian pathways, bike lanes, and paving unimproved streets have resulted in these communities being disproportionately affected by the effects of climate change. As a result, communities have incompatible zoning, higher rates of pollution, less green space, a lack of infrastructure to support transit alternatives, and less opportunity for economic development. In March of 2021, the City Council approved my proposal to create a Climate Equity Fund to allocate the resources necessary to build infrastructure projects in these neighborhoods that will allow them to better adapt to the effects of climate change. The projects described above that are located in eligible areas should be considered for allocations from the Climate Equity Fund in FY26. I will also provide these projects in a separate memorandum specifically focused on Climate Equity Fund allocations in FY26.

### **Citywide Projects and Services:**

#### **Arts and Culture**

The Penny for the Arts Blueprint calls for the city to dedicate 9.5% of total TOT revenue (1% of the 10.5% total TOT rate) to arts and cultural programs. The FY25 budget, fell short of the goals of the Penny for the Arts Blueprint, which is 9.52% of TOT, which is projected to be \$32.4M in



FY26. The city needs to reaffirm its commitment to arts programming. The FY26 budget should fully fund the Penny for the Arts Blueprint at 9.52% of the projected TOT for FY26.  
Estimated cost: \$32.4M

### **City Council Discretionary 1% Transient Occupancy Tax**

The City's Municipal Code states that 1% of the Transient Occupancy Tax (TOT) is to be allocated in the city budget through discretion of the City Council. In the FY26 Budget, this 1% allocation should be used to achieve 9.52% funding of the Penny for the Arts obligation made by the Council over a decade ago.  
Estimated cost: \$32.4M

### **Cannabis Social Equity and Economic Development**

The Cannabis Social Equity and Economic Development (SEED) program would assist individuals that have been victimized by the criminalization of cannabis. This program would offer equity applicants technical support, regulatory guidance, and assistance with securing capital necessary to begin a business. This program and the recommendations of the Cannabis Equity Study should be funded in FY26.  
Estimated cost: TBD

### **Climate Action Plan (CAP)**

The goals within CAP 2.0 must be met to ensure a sustainable city for future generations of San Diegans. The city has much ground to make up in implementing the CAP. The following items should be prioritized in the FY26 Budget to allow the city to make progress in implementing the CAP.

- **Increase Investment into the Climate Equity Fund:** There are many projects in underfunded communities that require significant funding to be designed and built. Investing the bare minimum required by the Climate Equity Fund is not enough to build these projects fast enough. To ensure equitable infrastructure and resilience investments, the CEF budget should be increased to \$15M for FY26.  
Estimated cost: \$15M
- **Mobility Master Plan and Vision Zero Quick Build Projects:** The CAP commits to a goal of 50% citywide mode shift by 2035. The Mobility Master Plan (MMP) must be implemented and funded to ensure there is a roadmap to meeting the city's mode shift goals. It is critical to ensure funding the modernization of community infrastructure. To begin working on utilizing the MMP for funding immediate safety improvements, the Council should fund the six Focus Areas designated in the MMP that are located in communities of concern (areas 1, 2, 3, 6, 9 and 10). Allocating \$150,000 to those focus areas for quick-build projects that add and enhance the local community by providing safer ways for residents to walk/roll, bike, and connect to public transit will help move forward the implementation of the MMP. Missing mid-block crossings and separated bikeways can help the City reach its climate goals and its 2025 Vision Zero goal. This investment will spur action on the MMP and Vision Zero in 2026 and for years to come.  
Estimated cost: \$900k

- **Vision Zero Dangerous Corridor Improvements in District 8:** The corridor that exists along Palm Avenue from Georgia Street to Manning Way is dangerous and in need of safety upgrades. It is in close proximity to schools and is an essential walking route for pedestrians, particularly students and families. The FY26 budget should include funding for these improvements:  
Estimated cost: TBD
- **Expansion of Tree Canopy in Communities of Concern:** The updated CAP “Measure 5.2: Tree Canopy,” includes specific goals for the planting of trees throughout the city, with a goal of 28% canopy cover by 2028. It has a specific goal to plant 40,000 in communities of concern by 2030. The FY26 budget should allocate:
  - Increased tree maintenance: The FY25 budget reduced tree maintenance contract work and this needs to be restored and increased, to bring shade tree monitoring and pruning within industry guidelines and to pay for the removal of infested palms. Estimated cost: \$50k
  - Restore the Free Street Tree program: This program was suspended for a year and not funded in the FY25 budget. Estimated cost: TBD
  - Ready, Set, Grow San Diego grant: The \$10M grant from the USDA Forest Service in the Inflation Reduction Act funds is one of the largest awards in the Federal program and by far the largest urban forestry grant ever to the City. This complements the \$1M added to the FY25 budget for urban forestry, from a settlement agreement, known as the Trees for Communities program. There is still a shortfall of about \$3.5M for planting 8,000 trees per year for the CAP goals.  
Estimated cost: \$3.5M

Total Estimated Cost: \$3.55M, plus additional costs for the free street tree program.

### **Employee Recruitment/Retention for Critical Positions and Filling Vacant Positions**

There are critical staffing shortages in departments throughout the city, including Library, Police and Fire Communications, Parks and Recreation, Public Utilities, Risk Management, Purchasing and Contracting, and Engineering. Many job classifications need increased employment incentives to help attract candidates to fill vacancies and to retain existing employees. There are over 1,800 vacant budgeted standard hour positions across all departments and funds.

Additionally, the city’s hiring process is slow and it is not uncommon for positions funded in the budget to sit vacant all year because it takes 5-6 months to hire a new employee. The FY26 budget should allocate funds to accelerate the city’s current hiring process and enhance the city’s ability to recruit new employees and fill vacancies.

Estimated cost: TBD

### **City Administration Building Family Friendly Upgrades**

The City Administration Building (CAB) should be a welcoming place for families and employees who have children. Floors utilized by the public regularly (2, 3, 10, 11 and 12) in the City Administration Building should have identified lactation areas for employees who may need to pump breastmilk or for members of the public who may need to breastfeed while visiting City Hall. Additionally, restrooms on these floors should have a changing table installed to accommodate visitors and employees who may need to utilize the restroom to address their children’s needs.

Estimated cost: TBD

### **SDAccess4All Program (Digital Equity/Public Wi-Fi)**

Enabling public wi-fi hotspots throughout our communities is critical to ensure the city is taking positive steps towards closing the digital divide. The SDAccess4All program, funded since FY21, has resulted in wi-fi hotspots being available at public libraries and most recreation centers. The program was targeted for reduction in the proposed FY25 budget, but was funded in the final passage of the budget. This program should be maintained and be further expanded with an additional \$1M in funding in the FY26 budget to ensure that the city has the resources to cover all park and recreation centers and be available to enter into agreements with eligible entities, including all school districts in the South Bay to provide free wi-fi at their facilities.

Estimated Cost: \$1M

### **Homelessness Services and Housing Solutions**

#### **Commercial & 20th Storage Facility Cleaning, Sanitization and Code Enforcement**

The area around this facility should continue to receive an increased level of streets and sidewalk cleaning/sanitization. Additionally, increased code enforcement staffing is critical to ensure the area around the facility remains clean and free of debris. Funding for these activities is critical and should be included in the FY26 budget. Additionally, the FY26 budget should include funding to expand to other storage locations throughout the city in order to relieve pressure off of this location.

Estimated cost: TBD

#### **District 8 Homeless Outreach and Sidewalk Sanitization**

District 8 has been impacted heavily by the increase in the unsheltered population. The FY26 budget should build upon resources allocated in previous budgets to expand homeless outreach services to communities such as Barrio Logan, Grant Hill, Logan Heights, Memorial, Shelltown, Sherman Heights and Stockton.

- Sidewalk sanitization needs to be scheduled on a monthly basis in the business corridor along Logan Avenue and Imperial Avenue in Logan Heights. Specifically, the following sidewalk locations have a great need for regular sanitization. These areas should also receive regular outreach and enforcement services. The FY26 budget should allocate sufficient resources to account for increased sanitization.
  - Commercial Street and 16<sup>th</sup> Street to 28<sup>th</sup> Street and Commercial Street
  - 16<sup>th</sup> Street from Logan Avenue to Beardsley Street
  - 16<sup>th</sup> Street from National Avenue to Beardsley Street
  - 16<sup>th</sup> Street from Newton Avenue to Beardsley Street
  - Triangle between Commercial Street, 16<sup>th</sup> Street and National Avenue
  - Memorial Park

Estimated cost: TBD

- **Public Forums:** In order for staff to have direct communication with District 8 residents, the city should schedule regular public forums throughout the year that can provide staff the opportunity to present to residents the city's current outreach efforts and provides

residents with access to key outreach staff to inform them of any specific areas that need additional outreach. The FY26 budget should include sufficient funding for this activity.  
Estimated cost: TBD

- **Get It Done Prioritization:** Prioritize responses to Get It Done requests related to homeless activity and encampments in communities of concern. The FY26 budget should include sufficient funding for this activity, if required.

Estimated cost: TBD

### **Eviction Prevention Program**

The creation of an Eviction Prevention Program in 2021 was an important step in helping San Diegans from being wrongfully evicted. The program has reached thousands of low-income tenants and educated residents in workshops conducted in 12 different languages. The Eviction Prevention Program was funded in the FY25 budget. The FY26 budget should continue funding to ensure the program remains available to San Diegans who need it.

Estimated cost: \$3M

### **Expanded Shelter Options**

San Diego's unsheltered population has continued to increase, despite millions of dollars in additional spending the last few years. The city needs to make a major investment to expand the number of shelter beds and daytime facilities available to ensure that the city can always offer unsheltered individuals a bed to sleep in at night or a place to go during the day when they are approached by a city officer or contracted service provider. The current number of beds available within the city's shelter system is not nearly enough to serve the existing homeless population. Underutilized city sites should be used as shelters, increasing the amount of beds available on a daily basis and, thus, reducing the amount of unsheltered individuals living on the streets. Facilities that require capital upgrades should also be prioritized. Additionally, more shelter sites outside of the downtown and urban core areas should be built to ensure that homeless shelter services are equitably dispersed throughout San Diego. The FY26 budget should fund an expansion of beds and facilities available to homeless individuals throughout all areas of the city prioritizing areas where no shelters or services are available or extremely limited.

Estimated cost: TBD

### **Housing Instability Prevention Program (HIPP)**

The Housing Instability Prevention Program (HIPP) helps pay rent and other housing-related expenses for families in the city with low income and unstable housing situations, such as facing eviction for nonpayment of rent. As many San Diegans continue to experience unemployment or sporadic income due to the ongoing effects of COVID-19 variants, it is important that the city continue providing financial assistance to people who do not have the means to pay their rent. It is critical that the FY26 budget continue funding to help San Diegans pay their rent while unemployment in neighborhoods like Logan Heights and San Ysidro remain high due. This program requires \$5.8M in FY26 to support up to 300 households; rent arrears for any new households enrolled; utility assistance; anticipated rent increases. This budget includes 8 housing specialists, 1 SPA, and .5 of SPM. It also includes 134 new enrollments to account for those households currently scheduled to exit the program during FY26. This includes 3 subsidy tiers

(\$500, \$750, and \$1,000). For every additional 75 households served, an additional \$1.7M in funding is needed for program and support staffing. The FY26 budget should fund an additional 75 households.

Estimated cost: \$7.5M

### **Middle-Income First-Time Homebuyers Program**

Housing prices continue to rise in San Diego, making homeownership out of reach for low-income and middle-income families. The creation of a First Time Homebuyers Program for middle income residents has been studied by the San Diego Housing Commission (SDHC). In November of 2022, the Land Use and Housing Committee unanimously requested that SDHC finalize the program design for a pilot program to assist first-time homebuyers in the city with middle income subject to funding being identified for the proposed program. A pilot program would provide down payment and closing cost assistance to residents earning 80%-150% of the area median income. The program may be funded with a variety of sources, including regional, state and federal grant funds, city general fund, RPTTF or bond financing. The FY26 budget should include funding for a pilot program that would serve 30 households. In the final budget modification memos for the FY24 budget, eight Councilmembers supported funding this program.

Estimated cost: \$6M

### **Multidisciplinary Outreach Team**

The Multidisciplinary Outreach Program utilizes an integrated multidisciplinary team to provide outreach to individuals experiencing homelessness. It will include a nurse practitioner, clinical outreach specialists, a medical assistant/outreach worker, peer support specialists, and a part-time substance abuse counselor. Services to be provided include, but are not limited to: street medicine services, including medical triage, wound care, bio-psycho-social assessments, medication assisted treatment, care coordination with primary care, mental or behavioral health services and substance abuse counseling, housing-focused street-based case management, peer support, system navigation and post-placement stabilization support, basic needs support, referrals to support systems, benefits and services, and transportation assistance. The FY26 budget should include \$1.1M in funding for this program.

Estimated cost: \$1.1M

### **Naturally Occurring Affordable Housing Preservation Fund and Consultant**

Trend analysis from SDHC's 2020 Preservation Study found that San Diego is projected to lose 682 units per year between 2020 and 2040; 210 deed-restricted affordable housing units, and 472 naturally occurring affordable housing (NOAH) units. This equates to \$86M in local gap financing per year needed to attract the state and federal affordable housing finance programs to acquire and rehabilitate the units (total development cost of \$400M annually). Without intervention, it is estimated that 35% of all new production will simply replace units whose affordability status was lost, severely limiting gains made by new production. The FY26 budget should allocate the following to this program:

- \$300k for a consultant to structure a preservation fund, market the fund for preservation partnerships and fund management; and
- \$3M to provide seed funding for a 1:1 match to a State request.

Estimated cost: \$3.3M

### **Former Foster Care Youth Homelessness Prevention**

Foster care has been found to be a predictor of homelessness and former foster youth are one of the highest groups at risk of homelessness, with approximately 30% of them becoming homeless within 18-24 months of leaving foster care at the age of 21. Although over 83% have completed their education, their basic income levels, lack of a support network, coupled with San Diego's rising cost of living has many of these young adults struggling daily to meet their basic needs of food and shelter. To address this problem, the city should partner with a local non-profit, Promises2Kids, in their existing intensive prevention-based diversion program for 50 of the highest risk adults, former foster youth, with guaranteed income support. This support increases the ability to earn higher wages, secure career focused jobs, increase financial literacy, access community resources, and develop a strong support system through mentoring. A commitment of \$200,000 from the City for the first-year pilot serving 50 adults who were once in foster care would provide intensive case management, financial literacy, and provision of a volunteer mentor for each participant. The creation of a Former Foster Care Youth Homelessness Prevention Program should be funded in the FY26 Budget in the form of matching funds. The San Diego Housing Commission could administer the funding and coordinate with Promises2Kids to ensure the pilot program is successful.

Estimated cost: \$200k

### **Library Budget**

#### **Protection of Library Hours and Service Levels**

Community members rely on our libraries not just for access to books and reference materials, but also for critical activities like children's reading programs, youth and adult programming and community meetings. It is critical that the FY26 budget fully fund operating hours and service levels at all libraries.

#### **Increase the Library Materials Budget**

The Library Department's materials budget lags behind other major cities and is less than 70% of the state average. With declining purchasing power and the high cost of online materials, the Library Department will be forced to reduce access to popular digital databases, online tutoring programs, and eBooks without continued investment into the materials budget. The Library Department's materials budget should be increased in the FY26 budget.

Estimated cost: \$250k

#### **Library Maintenance**

The 2016 Facilities Condition Assessment found \$50M in deferred maintenance needs at city libraries. Since then, needs at branches have deepened and deferred maintenance needs have grown. To meet the ever-growing list of basic deferred maintenance needs, the FY26 budget should increase library maintenance funding. Older library facilities located in Climate Equity Index areas should be prioritized.

Estimated cost: \$500k

### **Parks & Recreation Department**

### **Preservation of Current Hours and Service Levels**

Community members rely on our parks and recreation centers for adult and youth athletic leagues, youth and adult programming, senior programming, summer camps and community meetings, as well as enjoying passive activities within our many parks. It is critical that the city maintain FY25 hours and service levels at all park and recreation centers in FY26.

### **Chicano Park Maintenance Needs**

**Project Description:** The FY26 Parks and Recreation budget should include funding to install the following general improvements and increased maintenance at Chicano Park:

- New irrigation system that does not impact the murals.
- Increased maintenance throughout the park.
  - Upkeep of bathrooms
  - Upkeep of the lawns

### **Memorial Park Maintenance Needs**

**Project Description:** The FY26 Parks and Recreation budget should include funding to install the following general improvements at Memorial Park:

- Scoreboard replacement
- Snack bar light fixtures and bulbs
- Dugouts tarps
- Pool Security cameras: While there are security cameras at the pool but they do not work.

Estimated cost: TBD

### **Montgomery Waller Park**

FY26 needs at Montgomery Waller Park include funding for park upgrades and potential park activities:

- Karaoke Equipment- \$1,000
- Toys for Tots: \$1,000
- Halloween Carnival- \$1,200
- Snow Day - \$6,000
- Spring Egg Hunt - \$1,000
- Day of Child- \$5,000
- Movie in the Park- \$2,000
- Irrigation Pump - \$15,000
- Event staging - \$6,000

Estimated cost: \$38,200

### **Silverwing Recreation Center**

FY26 needs at Silverwing Park include funding upgrades and tools necessary to assist park activities:

- Canopies (6-8)- \$2,000
- 22 Rectangular Tables w/cart - \$2,000
- 15 Round Tables- \$2,000
- Inflatable jumper w/ generator- \$3,500
- Inflatable movie screen and projector- \$9,000

- Outdoor Exercise Stations- \$10,000
- Concrete replacement for all concrete in front of the rec center- \$30,000

Estimated cost: \$58,500

### **Equity in Parks Programming**

The City Auditor made a number of recommendations to the Parks and Recreation Department to achieve equity in parks programming between Community Parks I and Community Parks II areas. Previous budgets have included some increased staffing and resources to begin implementation of those recommendations. However additional resources required for full implementation were not added included in the FY25 budget. To continue implementation of the City Auditor's recommendations, additional resources must be included in the FY26 budget, which include the following:

- 1.00 Program Coordinator, 1.00 Supervising Management Analyst, 1.00 Associate Management Analyst, 1.00 Recreation Specialist, 1.00 Administrative Aide II, 1.00 ISA II, Needs Assessment Consultant: Funding is needed for consultant and supply expenses related to the needs assessment and marketing plan for bringing equity to park programming.

Estimated cost: \$1.6M

**Interim Park Programming Equity:** In order to increase park programming equity while the Park and Recreation Department develops a Needs Assessment, there is a need to begin funding additional programming at Recreation Centers in communities of concern that have not received the same level of programming as other recreation centers in wealthier areas of the city. Funding should be transferred to the Opportunity Fund and distributed equally to fund needed programming at all the following recreation centers in communities of concern.

Estimated cost: TBD

### **Planning Department**

#### **Otay Mesa-Nestor Community Plan Update**

The first Otay Mesa-Nestor was adopted in 1979 and it was last updated in 1997. An Otay Mesa-Nestor Community Plan Update should be included in the community plan update work plan and FY26 budget.

#### **Public Safety**

Public safety is a high budget priority. The following items should be considered for inclusion in the FY26 budget.

#### **Fire-Rescue Department**

##### **Firefighter Compensation, Recruitment and Retention**

The Fire-Rescue Department has had difficulty recruiting and retaining firefighters due to uncompetitive salary and benefits. 90% of firefighter classifications rank last, or next to last, in total compensation out of 22 agencies surveyed in the city's most recent compensation study. The city should continue to explore employment incentives that would improve recruitment and retention efforts and include appropriate funding in the FY26 budget.



Estimated cost: TBD

### **Equitable Recruitment**

The Fire-Rescue Department established a committee to address diversity within the department. The FY26 budget should provide adequate funding to allow for the department to prioritize the recruitment of more employees of different ethnic, racial and gender backgrounds.

Estimated cost: TBD

### **Fire Station Landscaping**

The Fire-Rescue Department has 42 fire stations throughout the city. Many require some level of landscaping. However, landscaping has been neglected at some locations. This neglect causes a local fire station, which should be a source of community pride, to become an eyesore.

Approximately \$210k per year would be required to provide landscaping services at the 42 fire stations that have landscaping. The FY26 budget should include this funding.

Estimated cost: \$210k

### **Lifeguard Division**

**Lifeguard Staffing:** The FY26 Budget should include funding for the following Lifeguard positions:

- **Addition of one Marine Safety Captain (1 FTE):** Adding a Marine Safety Captain to oversee and coordinate business operations and logistics is a much-needed position within the Lifeguard Division. Currently, there is only one Marine Safety Captain who must manage both emergency operations and the business operations that take place within the Lifeguard Division. Logistical needs include managing supplies and emergency equipment, replacing and maintaining vehicles and vessels, coordinating facility maintenance and repairs, and managing emergency dispatch and communications equipment. An additional Marine Safety Captain position would streamline these processes and make the Lifeguard division more effective at performing their primary mission. (Cost estimate for a Marine Safety Captain FTE: \$113,458 - \$136,923).  
Estimated cost: \$113,458 - \$136,923).
- **Addition of three Marine Safety Lieutenants to provide consistent supervisory coverage in each Lifeguard district (3 FTE):** Increasing Lieutenant coverage in each Lifeguard District allows there to be second level supervisor coverage each day. Currently, Lieutenants are expected to respond to emergencies outside of their district when there is no Lieutenant in a neighboring district. Adding these positions allows each Lieutenant to focus on their district's specific needs and gives them the ability to complete the necessary administrative tasks that take place when Lifeguards are not actively involved with emergency response (Cost estimate for each Marine Safety Lieutenant FTE: \$92,456-\$111,613).  
Estimated cost: \$277k– \$335k

### **Lifeguard Capital Improvements**

- **Funding to upgrade and/or Build Lifeguard Towers:** The FY26 budget should include funding for upgrades to existing and/or construction of new lifeguard towers to ensure

San Diego lifeguards have the facilities and resources needed to provide water related safety services residents and visitors at all San Diego beaches.  
Estimated cost: TBD

### **Police Department**

#### **Community Service Officer Assignment for Sweetwater School District**

The Sweetwater School District serves thousands of District 8 families. It is critical that the city work closely with the school district to ensure that each student has a safe learning environment within their school. With many active shooter incidents in recent months across the United States it is imperative that law enforcement is actively engaged with each school district in the city. The FY26 budget should include a Police Service Officer position assigned to Montgomery, San Ysidro and Southwest High Schools in the Sweetwater School District.  
Estimated cost: \$100k

#### **Dairy Mart Road and Camino de la Plaza Traffic Enforcement**

Funding for increased traffic enforcement along city streets (Dairy Mart Road and Camino de la Plaza) adjacent to the Las Americas Premium Outlets from November 24<sup>th</sup> to December 24<sup>th</sup> should be included in the FY26 budget.  
Estimated cost: TBD

#### **Enforcement of the Barrio Logan Truck Route**

In some cases, large trucks are still utilizing residential streets in the community of Barrio Logan. This is an extreme danger for the residents of Barrio Logan. The Police Department should increase enforcement activity in Barrio Logan to ensure truck drivers do not deviate from the identified truck route by using residential streets. The FY26 Budget should ensure there is sufficient funding for enforcement of the truck route.  
Estimated cost: TBD

#### **Recruitment and Retention, Civilian Staffing and Improved Response Times**

The city must continue to prioritize the recruitment and retention of police officers. Due to a lack of officers, the department is understaffed and response times to calls from residents have suffered, causing long waits for an officer to arrive on the scene. Recent budgets allocated funding towards recruitment and retention efforts, including a salary increase. These are positive steps in the right direction, but more must be done. SDPD retirements are expected to increase in the next few years and over 100 officers are set to retire in FY26, but academies have not been full and are graduating less cadets than will be required to replace officers retiring or departing from the department. Current employees need incentives to remain with city before they leave in mass over the next few years. The FY26 budget should include resources to ensure SDPD retention efforts and recruiting program are effective so the city can ensure a robust community policing program that is responsive to the needs of San Diegans.

Part of the city's efforts to retain sworn officers should be a focus on hiring more civilian support staff. With response times increasing, more Police Service Investigative Officers (PISO) need to be hired and assigned to the Patrol Division to assist with report calls and other tasks. Before budget cuts drastically reduced the number of PISO positions in 2011, there were nearly 40

department wide positions to assist in low level patrol duties. The need for PISO positions was recently highlighted by the City Auditor in his “Performance Audit of SDPD Overtime.”  
Estimated cost: TBD

### **Police Facilities Improvements**

Providing clean, safe and well-maintained facilities for our police officers to work from is critical to ensure officers can do their job. Many Police Department facilities need upgrades and/or replacement. In addition, the Traffic Division has been working in temporary trailers for far too long. The refurbishment of Police Plaza and the relocation of the Traffic Division out of trailers is needed in the Capital Improvement Program.

Estimated cost: TBD

### **SDPD Vehicles**

SDPD vehicles in many cases are being utilized well beyond their safe lifespan, which are used for regular patrols and responding to emergency calls. Officers in special units have been utilizing personal vehicles against policy in some cases because no city vehicles are present. In addition to lowering morale this creates liability for the city when personal vehicles are used. SDPD requires \$10M for new police vehicles to replace the outdated vehicles currently in use.

Estimated cost: \$10M

### **Increased Policing to Prevent Prostitution Activity**

Increased enforcement and deterrent measures are needed from the San Diego Police Department along Dalbergia Street, specifically between Wooden Street and Una Street, due to the persistent and blatant prostitution occurring in the area. The issue has become especially severe during Friday and Saturday nights, but the activity continues at all hours of the day and night. Reports of drug use, alcohol consumption, exposure of women and physical altercations have become commonplace, creating an unsafe environment for both residents and business owners who have been heavily impacted by this ongoing issue.

The presence of prostitution in this area affects not only the local families but also the women who are often forced into this dangerous line of work and are likely victims of human trafficking. This situation requires urgent attention, as it brings numerous safety risks and disrupts the quality of life in the neighborhood. The FY26 budget should include sufficient funding that will allow the Police Department to increase patrols, enforce existing laws, and implement deterrents to reduce these activities and restore safety to our community.

Estimated cost: TBD

### **No Shots Fired**

The No Shots Fired program is a restorative justice program to engage justice involved community members. It aims to stop violence before it starts and to enhance public safety, decrease recidivism, and provide needed social services. The FY26 budget should include funding for this program.

Estimated cost: TBD

### **Storm Water Department**

### **Increased Street Sweeping in San Diego Bay-Chollas Creek Watershed and Tijuana River Valley**

In a Performance Audit of the city's street sweeping program, the Auditor found that enhanced sweeping is recommended in the Tijuana River Valley, and San Diego Bay-Chollas Creek watershed areas. The FY26 budget should include funding to support increased street sweeping frequencies in these areas, which have high pollutant loadings. The cost of increased sweeping in these areas can be partially mitigated by decreasing street sweeping in areas that do not require high frequency sweeping, but currently receives it.

Estimated Cost: \$585k

### **Increased Street Sweeping in Nestor and Palm City**

Street sweeping route 801 in Nestor and street sweeping route 803 in Palm City are both currently swept every other month (6 times per year). The frequency with which the city sweeps these routes should be increased to once per month (12 times per year), which will result in cleaner streets and a higher rate of removal of pollutants from the street. The FY26 budget should include funding to support increased street sweeping frequencies in these areas.

Estimated Cost: \$585k

### **Storm Water Department Grant Writer**

To take advantage of regional, state and federal funding opportunities for storm water projects, the city should hire a grant writer solely focused on securing funding for these activities and projects.

Estimated cost: \$100k

### **Storm Water Department and Public Utilities Department Joint Storm Water Capture and Reuse Analysis**

A report by the City Auditor highlighted significant deficiencies in funding for storm water infrastructure. As the city moves forward to address those deficiencies, it is critical that the amount budgeted for Operations and Management of our storm water system be increased, including the possibility of an integrated water management solution. This should include a storm water harvesting system funded jointly by the Public Utilities Department (PUD) and the Storm Water Department. Construction of a storm water capture facility in Otay Mesa could serve as a pilot program. Half the cost of this study would be paid for by the General Fund and the other half by Non-General Fund (PUD). The FY26 budget should include funding for this purpose.

Estimated Cost: \$400k

### **Storm Water Department Infrastructure Solutions**

In the past few fiscal years, the Storm Water Department has made major strides in locating funding for critical storm water projects. In FY23 and FY24, the department received budgetary resources to begin preparing to ramp-up storm water CIPs in anticipation of \$733M in financing for projects (\$359M in a low-interest WIFIA federal loan and \$374M in city funds). The FY26 budget should allocate additional funding for the Storm Water Department to ensure it can meet the goals contained in the 2018 "Performance Audit of the Storm Water Division" to explore and secure additional short and long-term adequate funding for stormwater-related operations and

capital projects. Storm water channel locations in communities of concerns that require maintenance, repair and upgrades should be prioritized in the FY26 budget.  
Estimated cost: TBD

## **Transportation Department**

### **Graffiti Abatement**

Past budgets have proposed reducing graffiti abatement services, which severely reduces or eliminates the city's ability to respond to all graffiti abatement on private property, and it increases the average number of days it takes to respond to a graffiti complaint. The FY23 budget expanded graffiti services in Council Districts 4, 8, and 9 due to longer than average response times in those districts. The FY26 budget should fully fund graffiti abatement services, including code enforcement staffing for graffiti abatement response on private property, and further expand services if the city is not meeting response time metrics. There should be no decrease in graffiti abatement services.

Estimated cost: TBD

### **Harbor Drive 2.0 Project**

The Harbor Drive 2.0 Project redesigns the industrial area of Harbor Drive and smartly manages the truck traffic passing through Barrio Logan and integrates multiple modes of transportation – bicycle lanes, mass transit, and separation of cargo and regular vehicle traffic – using intelligent transportation systems instead of widening the footprint of the existing roadway. There is an MOU for this project between the San Diego Unified Port District, the San Diego Association of Governments, and the California Department of Transportation. The improvements will greatly benefit the city and the FY26 budget should allocate resources to assist the Port in implementing the identified improvements and applying for all available grant funding.

Estimated cost: TBD

### **Sidewalk Installations**

Communities of Concern throughout the city have stretches of missing sidewalks located in areas where pedestrian usage is high. This is due to years of neglect by the city of simply not building the needed infrastructure that would promote safe pedestrian access to schools, businesses and residential areas. The FY26 budget should prioritize the construction of new sidewalks in Communities of Concern with a commitment to build 2 miles of new sidewalks in areas identified in the Climate Equity Index. Please see the item titled "Sidewalk Installations" in the CIP priorities section earlier in this memorandum for a list of District 8 locations that are in need of sidewalk installations.

Estimated cost: \$13M

### **Sidewalk Maintenance and Repair**

The city must act to develop a funding plan to address the findings in the sidewalk condition assessment and mitigate tripping hazards to effectively reduce the city's liability and improve the conditions of our sidewalks. This risk factor was highlighted in the 2020 "Performance Audit of the city's Public Liability Management." The Auditor made a number of recommendations including prioritizing sidewalk repairs in high pedestrian usage areas. The FY26 budget should include funding to implement all of the City Auditor's recommendations and allow for the

Transportation Department to meet or exceed its sidewalk construction KPI of 170,000 Square Feet of Sidewalks Replaced/Repaired annually. This would include both increased contract capacity for sidewalk slicing and the construction of new sidewalks. Investments should be prioritized in communities of concern first to account for the historical lack of sidewalk infrastructure investment by the city.

Estimated cost: \$2M

### **Streetlight Installation and Repair**

The city must act to develop a funding plan to address the enormous backlog of streetlights installations and repairs requested by communities throughout the city. Many communities in District 8 have large amounts of broken streetlights or areas where streetlights were never installed. The FY26 budget should include increased funding to the annual allocation dedicated to streetlight installations. Installation and repair of streetlights should be prioritized in communities of concern first to account for the historical lack of investment by the city.

Estimated cost: \$1M

### **Transportation Department Grant Writers**

To take advantage of regional, state and federal funding opportunities for transportation projects, the city should hire a grant writer solely focused on securing funding for these activities and projects. This position should be funded in the FY26 budget.

Estimated cost: \$100k

### **Tree Trimming**

Past budgets have proposed cutting back on tree trimming services for our communities. This negates the city's ability to do all routine maintenance of shade trees and increases the cycle of palm tree maintenance from every 2 years to every 8 years, limiting services to reactive and emergency trimming. The FY26 budget should maintain tree trimming services. An increased frequency for services will allow for faster response to constituent requests for tree trimming services and help to reduce potential future liability to the city.

### **Weed Abatement**

Past budgets have proposed cutting back on weed abatement services for our communities, leaving no resources for manual removal of weeds on the median or road shoulders. An increased frequency for services will allow for faster response to constituent requests for weed abatement, reduce fire hazards and keep our communities well maintained. Weed abatement and vegetation removal services in the public right of way have been taking too long to be addressed. Additionally, weed abatement on private properties through code compliance enforcement has also experienced long periods of time to be addressed. The FY26 budget should expand funding for weed abatement services to ensure the public does not experience long wait times for the city to respond to requests for vegetation removal or weed abatement.

Estimated cost: TBD

### **Youth Services**

**San Diego Strong Start Initiative:** The San Diego Strong Start Initiative would create a city-funded program that supports families by providing affordable childcare and after-school activities for children. This initiative is meant to reduce the cost of living for working families

while investing also fostering academic, physical, and creative development. The initiative consists of two programs: the Childcare Assistance Program and Youth Enrichment Program.

- Child Care Assistance Network (SD-CCAN): This program would provide financial assistance for childcare to low and middle-income families. Estimated cost: \$5M
- Youth Enrichment Program: This program reduces cost-of-living for families while supporting school-aged children and pre-high school teenagers by providing no-cost after-school programs that combine sports, recreation, academic tutoring, and creative arts. This program focuses on older children and ensures they have access to a safe, enriching environment that fosters their physical, academic, and social development. Estimated cost: \$2.5M

Total estimated cost: \$7.5M

### **Independent City Departments**

#### **ACCF / CPPS Funding**

Return funding allocation to City Council offices for the Arts, Culture & Community Festivals (ACCF) Funding Program and Community Projects, Programs & Services (CPPS) Funding Program for FY26 to FY24 levels. Many organizations benefit from this funding which allows for events and services to be brought to their communities.

#### **Office of the City Auditor**

The Office of the City Auditor provides a critical function in city government. The Auditor produces performance audits each year that not only shed light on problems and inefficiencies that the city should address, but also result in cost saving strategies that save taxpayer dollars. Any reduction in funding within the City Auditor's Office would result in a less efficient and less transparent city government. The following items should be funded in FY26:

- **Independent Legal Counsel:** In March 2024 voters overwhelmingly supported a ballot measure that provides the City Auditor with access to independent legal counsel. It is important that the funding be allocated in the FY26 budget to retain independent legal counsel. The City Auditor estimates the cost to be approximately \$180,000. This funding should be provided in the FY26 budget.
- **Audit Management IT System Upgrades:** The City is moving to a new IT platform and the current IT system the Auditor's Office uses to securely manage audit workpapers and recommendation tracking will not be compatible. Additionally, the current system in use now, MK Insight is at the end of its useful life. A new system will incur a one-time cost of approximately \$100k, as well as about \$25k a year in ongoing support costs.

Estimated cost: \$305k

#### **Office of the City Clerk**

The Office of the City Clerk is the gateway to the public for accessing its city government. In the past two years, the City Clerk's Office has played a pivotal role in ensuring the City Council has been able to continue holding public meetings and that the public has had meaningful ways to access Council meetings and provide their comments, perspectives and opinions. That level of

public access must be maintained, or if necessary, enhanced in the next fiscal year. In the FY26 budget the City Clerk's Office will require funding for the following:

- **Storage:** Funding for outside storage sites for long term/deep storage boxes approximately 20,000 boxes. Estimated cost: \$50,000
- **Repatriation of Native American Artifacts:** Start-up costs related to the Repatriation of Native American Artifacts to local tribes, including a Records Management Analyst, an anthropologist consultant. Estimated staffing and associated on-going costs are \$180,379
- **Program Coordinator- Records Management:** Addition of one full-time Program Coordinator to assist with developing the City's Records Management framework and standards, such as the Master Records Schedule developing procedures, creating training resources for City-wide Records Coordinators, fulfilling public record act requests (PRA), internal research requests, and operating the City's Records Center, which holds over 40,000 boxes from City departments, more than nine miles of boxes if measured in linear feet. This position was requested in FY25, but was not funded in the FY25 budget. It should be funded in the FY26 budget FY26. Estimated cost of this position and associated non-personnel costs is \$125k.

Total Estimated cost: \$355,379

### **Office of the Independent Budget Analyst**

The Office of the Independent Budget Analyst (IBA) is a critical source of information for the public regarding city budgeting and policy issues. Ensuring the IBA has the resources needed to provide clear, objective and unbiased analysis and advice to the City Council and the public regarding all legislative items bearing financial and policy impacts to the City is vital. The FY26 budget should fund the following items in the Office of the IBA:

- Fully restoring the 4% budget cut that was implemented in in FY21; half of this (2%) was restored in FY23. The remaining amount to reach full restoration is \$44k. Estimated cost: \$44k
- Increasing allotted budget for real estate consultant services from \$50k/year to \$100k/year, as the city is encountering larger real estate proposals that require third party analysis. Estimated cost: \$50k

Total estimated cost: \$94k

## **REVENUE OPTIONS**

The following revenue opportunities should be explored to fund budget priority items outlined in this memorandum:

### **Excess Equity**

Any projected excess equity at year end could be utilized in the FY26 budget.

Available resource: TBD

### **Infrastructure Investment and Jobs Act Funding**

The Infrastructure Investment and Jobs Act allocates \$1.2 trillion nationwide over ten years. The city should be able to utilize this funding for a variety of capital projects. As the city's share of



this funding becomes clearer, the FY26 budget should utilize the funding to build critical infrastructure, such as storm water and transportation related projects.

Available resource: TBD

### **Inflation Reduction Act of 2022 Funding**

The Inflation Reduction Act of 2022 allocates \$739 billion reconciliation package includes tax, healthcare, and climate provisions. Any grant funding within this legislation that can be used to support city programs, such as the \$60B available for environmental justice priorities to drive investments into disadvantaged communities and the \$1B grant program to make affordable housing more energy efficient. The FY26 budget should include all funding opportunities available through the Inflation Reduction Act of 2022.

Available resource: TBD

**Lifeguard related staffing, equipment and CIP projects Revenue:** The city could realize ongoing revenues to support FTE and NPE through non-resident fees at beach and bay parking lots and non-resident fees for uses of boating facilities and infrastructure on Mission Bay.

Available resource: TBD

### **Outside Contracts**

The city utilizes outside contractors for a variety of services. According to the Five-Year Outlook, the projected cost of all outside contracts in FY26 is \$393.7M. The city should utilize the appropriate termination clause language within each contract to renegotiate the cost of each contract for outside services. The Five-Year Outlook reflects a \$76.6M increase in costs for contracts from FY25-FY29. As the city continues to search for resources to fund city services, a further reduction in outside contract spending should be considered. The city spends millions on outside contracts for consultant related contracts not associated with critical city services like CIPs, city elections, or Homelessness. A 5% reduction in consultant and miscellaneous contracts for external services not falling into the above categories in the FY26 budget would result in budgetary savings. Alternatively, not applying a 2.8% assumed growth rate in the contracts category in FY26 would also provide savings for other priorities. The funding realized from this ongoing reduction could be used for ongoing general fund costs. The yet to be released FY26-FY30 Five-Year Outlook will provide updated estimates on contract costs and the savings from taking these actions can better be determined at that time.

Available resource: TBD

### **Redevelopment Property Tax Trust Fund (RPTTF) to Ensure Economic Revitalization and Job Creation**

The Five-Year Outlook noted that the adjusted residual RPTTF revenue over the next five years increases from \$38.9M to \$49.5M, for a total of \$222M. Using this revenue going forward to invest in San Diego's economically disadvantaged communities, as originally intended, allows areas in the greatest need of economic investment an opportunity to attract new commercial activity, which in turn creates new jobs and greater tax revenue for the city's general fund. The prioritized investment of these residual RPTTF funds could fund many capital projects across the city that currently do not have identified funding sources.

Available resource: \$38.9M for projects and services in communities of concern.

**Reduction of Staffing Dedicated to Street Vendor Ordinance Enforcement**

The FY25 budget includes \$2.9M to fund 32 positions and other non-personal costs dedicated to enforcing and supporting the street vendor ordinance. This is far too much allocated to this activity. The FY26 budget should reduce the positions and associated non-personnel costs related to enforcement outside of high impact areas.

Available resource: TBD

**Reimbursement of Costs Related to Emergency Water Rescue Activities**

In the past few years, the city has expended staffing resources on rescuing people attempting to enter the United States via vessels along the San Diego coast. San Diego public safety personnel must respond when vessels experience failure and passengers lives are at risk. In March 2023, San Diego experienced one of the deadliest maritime migrant smuggling disasters in U.S. history, when eight people died at Blacks Beach in the middle of the night. City Lifeguards were the first on scene, but first responders were overwhelmed and understaffed during this emergency. The costs related to activity by city employees concerning federal immigration enforcement and rescues should be reimbursed by the federal government. The Government Affairs Department should pursue reimbursement for these costs that have fallen to the city and explore the potential to request the federal government for pro-active funding to ensure the city has proper resources to respond to future events along the coast as well and to rescue those in need.

Available resource: TBD

Thank you for your consideration of these priorities. This memo reflects my top priorities and will serve as the basis for my support for the FY26 budget.




**COUNCILMEMBER SEAN ELO-RIVERA  
NINTH COUNCIL DISTRICT**

**M E M O R A N D U M**

**DATE:** January 13, 2025

**TO:** Charles Modica, Independent Budget Analyst

**FROM:** Councilmember Sean Elo-Rivera 

**SUBJECT:** Updated Fiscal Year (FY) 2026 Budget Priorities

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The City faces an extremely challenging budget outlook for FY 2026. I understand this will necessitate many difficult decisions to balance the FY26 budget, maintain public safety, and preserve core neighborhood services. I look forward to working with you and the Gloria Administration (Administration) in the coming months to achieve that.

However, I am deeply concerned about how “across the board” cuts will impact the urban and diverse communities that I represent. Reducing disparities has been at the forefront in the last several budget cycles, when the City added many programs, services, and positions to meet constituents’ needs. The same approach must be at the forefront now, when the City faces a significant deficit. This memo expresses my concerns and priorities for developing the FY26 budget.

**Discussion**

Measure B in 2022 passed largely because voters we represent value public investment, and they know the only way to address disparities is for the whole city to invest. That includes those communities themselves—those who have the least were the most willing to support Measure B.

Such was the case for Measure E this year. Urban and diverse communities voted heavily in favor of the measure. Again, those with the least and those who proportionally would have been most impacted by a sales tax increase were those who were most willing to support it.

With the failure of Measure E, I am concerned that, as was initially proposed for FY 2025, programs and services that impact Council District 9 will be reduced or cut to balance the

budget. This was and remains unacceptable.

Further, there are several revenue opportunities, discussed below, that the City can take in the current and next fiscal years to address the projected FY26 deficit. We will not consider reducing or eliminating services or impacting worker pay and benefits until these opportunities have been explored and, if feasible, implemented.

With this in mind, we respectfully request the following for the remainder of FY25 and for the development of the FY26 budget:

### Revenue

#### *Measure C (2020) revenue*

Litigation around Measure C is expected to be resolved this calendar year, and the resulting increase in TOT revenue should be used, to the greatest extent possible, to support core City services.

#### *Measure B (2022) implementation*

Cost recovery for City-provided waste management services should be implemented immediately following the required Proposition 218 process, with additional trash services to be halted pending the implementation of fees as a cost recovery measure for the City.

#### *All revenue opportunities identified in IBA Report 22-31*

In 2022, the IBA analyzed various revenue opportunities in [IBA Report 22-31](#). These opportunities, listed below, should be acted on immediately, especially those that impact non-residents:

- Increasing metered parking rates and parking citations.
- Charging non-residents for parking and services at our beaches, bays, and regional parks.
- Charging and increasing user fees for non-residents, particularly recreational programming and services at our beaches, bays, and reservoirs.

Residents are saddled with the costs of maintaining our world-famous beaches, bays, and parks. This is untenable considering our fiscal outlook. Additionally, transportation and economic inequities make it difficult for many of our constituents to access our waterways and regional parks. It is time for non-residents to pay their fair share toward our City assets, a model which has been implemented to great success in the golf enterprise fund.

#### *Raising cannabis business tax*

In 2022, the City Council lowered the cannabis business tax, despite projections that such an action would decrease revenue. That has proven true. The cannabis business tax should be raised to its original level, specifically the growers rather than retailers.

#### *Increase City rental unit tax*

Per Municipal Code section §31.0305, the City charges a tax upon anyone who owns, operates, or manages the rental of any residential real estate. This tax rate should be increased to help balance the FY26 budget. Further consider a trash collection fees specific to short-term residential occupancy (STROs).

*Transient Occupancy Tax Reallocation*

Continue to examine all opportunities to utilize TOT and TMD revenues for maintenance of core city services, including continue to use TOT to reimburse the General Fund for safety and maintenance of visitor-related facilities.

*Other revenue opportunities*

The Administration should also consider amending the municipal code to allow for more advertising revenue, implement a fee on vacant and/or abandoned commercial properties, including storefronts, and charge admission to major City-run events.

Expenditures

*Operational efficiencies*

These should be maximized in the current fiscal year to improve the fiscal outlook of FY26.

*No “across the board” cuts*

As previously discussed, “across the board” cuts are inequitable and are not representative of who is willing to invest in the City. These cuts are particularly devastating in the Parks and Recreation and Library Departments. Closed libraries and a lack of services can impact opportunity and life outcomes for generations.

*Impacts on workers*

Pay and benefit reductions, furloughs, and layoffs should be considered a last resort and only after every revenue opportunity and every other cost-saving opportunity have been explored or implemented. At the same time, the FY26 budget should eliminate open positions, particularly those that are unrepresented and at the managerial level.

*Maintain funding for Charter-mandated departments*

The City Attorney’s Office, the Ethics Commission, and the City Auditor should be adequately funded so that they can carry out the responsibilities voters have entrusted them with.

*Council District priorities*

Finally, the budget priorities that our office submitted in September remain priorities and should be used to develop the FY26 budget.

**Conclusion**

We must ensure San Diego works for San Diegans. This means taking care of our City employees, preserving services in urban communities, and building infrastructure that enhances neighborhoods. These investments should not come at the expense of serving non-residents, tourists, conventioners, and corporate interests, and the budget should not be balanced on the backs of the constituents who are willing to invest in the City. Acting on these concerns and requests will help ensure the FY26 is both balanced and equitable.

Thank you for your consideration. Please let us know if you have any questions regarding these concerns and requests.

CC: Honorable Mayor Todd Gloria  
Eric Dargan, Chief Operating Officer  
Matt Vespi, Chief Financial Officer  
Matt Yagyagan, Director of Policy, Office of Mayor Gloria