



**COUNCILMEMBER CHRISTOPHER WARD  
COUNCILMEMBER DAVID ALVAREZ  
COUNCILMEMBER GEORGETTE GÓMEZ**

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

DATE: January 20, 2017

TO: Andrea Tevlin, Independent Budget Analyst

FROM: Councilmember Christopher Ward, Third Council District

Councilmember David Alvarez, Eighth Council District

Councilmember Georgette Gómez, Ninth Council District

SUBJECT: Budget Priorities for Fiscal Year 2018

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Our joint budget priorities illustrate our commitment to making San Diego an equitable city that is growing responsibly and addressing the needs of all neighborhoods and residents. The following are our priorities for funding in the Fiscal Year 2018 budget:

*Public Safety*

**Police Department**

Public safety remains our highest budget priority. The City must continue to prioritize the recruitment and retention of police officers. Although the FY17 adopted budget allocated funding towards recruitment and retention efforts, the increased funding has had little to no effect on attrition rates. As such, in FY18, the City should appropriate sufficient funding to conduct an in-depth analysis of attrition to determine how best to modify retention efforts and its recruiting program. According to subject matter experts, the City needs a pool of 5,000 applicants to reach its goal of 200 recruits in the academy annually. Direction for the retention of a third party contractor to anonymously survey sworn and civilian police employees on job satisfaction and organizational commitment and to conduct exit interviews when employees decide to leave was included in the FY17 budget. The information gathered through these interviews should provide valuable insight into how best to retain officers into the future. As such, using the information the department will gather from this service, an appropriate retention and recruitment strategy and robust marketing effort should be developed and implemented over the course of the next year with a corresponding budgetary allocation in the FY18 budget.

### **Funding to Implement AB 953 (Racial and Identity Profiling Act of 2015)**

The regulations are currently out for public comment and expected to be finalized in the next few months. The PS&LN Committee requested that San Diego Police Department (SDPD) implement AB 953 once the regulations were completed and bring information about what it would cost to do so. The funding needs identified by the department should be included in the FY18 budget.

### **Police Performance Measures**

Having adequate performance measures that can be measured from year to year allows the City to be better informed about how to address staffing and operational issues as they arise. The FY18 proposed budget should include the following performance measures for the Police Department, including dispatch division:

- Comparison of actual sworn staffing with the sworn staffing goals remaining in the SDPD five year plan;
- Budgeted and actual sworn officers per 1,000 population (appeared in FY15, FY14, and FY13 adopted budgets) and how they compare with the average of other large cities;
- The percentage of 911 calls answered within 10 seconds;
- The number of 911 calls that were abandoned after waiting longer than 10 seconds;
- The number of 911 calls with wait times less than 10 seconds, between 10 seconds and 1 minute, between 1 minute and 2 minutes, between 2 minutes and five minutes, between 5 minutes and 10 minutes, and surpassing 10 minutes;
- Average non-emergency call wait time.
- The number of non-emergency calls with wait times: 1 minute or less, between 1 minute and 5 minutes, between 5 minutes and 10 minutes, between 10 minutes and 30 minutes, and surpassing 30 minutes;
- The number of abandoned non-emergency calls, and the number of abandoned non-emergency calls that received a call back;
- The number of sworn officer hours dedicated to dispatch, and the cost, including overtime pay;
- Percentage of police dispatcher background checks completed within three months.

### **Community Oriented Policing**

We encourage the Mayor and City Council to invest in a community policing philosophy and program that promotes organizational strategies, partnerships, and problem solving techniques between law enforcement, citizens, and neighborhood groups, to proactively address the immediate conditions that may otherwise give rise to public safety issues, such as crime, social disorder and fear of crime. It is imperative that the Police Department present a community-policing restoration plan to ensure a robust community policing strategy. Specifically, we request that additional Community Relations Officers and multi-lingual Police Officers/Police Service Officers be added as the Police Departments continues to rebuild.

### **Filling of Police Civilian Positions**

The restoration of civilian positions to support our sworn officers, particularly dispatchers, has resulted in numerous cost benefits (i.e. reduced staff turnover and overtime costs) and has greatly improved customer service delivery and employee retention and morale. We request continued effort and resource allocation toward civilian recruitment to allow existing sworn officers to return to patrol duties.

### **Nationwide Search for New Police Chief**

Chief Zimmerman is enrolled in the Deferred Retirement Option Plan and is scheduled to retire on or before March, 2018. It is important that the search for a new Police Chief commence soon and we must ensure that it is an open and transparent process. The public input

component should include town halls/workshops in each district to allow the public to weigh in on what qualities are important in our next Chief, as well as have a committee of community members involved in weighing in on the hiring decision. Approximate cost: \$50,000

### **San Diego Fire Stations**

- **Fire Station No. 02 (Council District 3)—Bayside/S15042**  
The construction of Fire Station No. 02 commenced in Spring 2016 and is expected to open in late 2017, providing much needed public safety services for our growing downtown neighborhoods. Annual operating costs for this station should be programmed into the FY18 budget. Approximate cost: prorated cost of \$1.1 million
- **Home Avenue and College Area Fire Stations (Council District 9)**  
The construction of new fire stations on Home Avenue and College Avenue are a high priority.

### **San Diego Fire-Rescue Department Paramedic School**

The City Council should be provided an update regarding the plan for a city-operated Paramedic School so that the appropriate staffing levels and financial resources can be identified.

### **Lifeguard Division**

In order for our Lifeguard Division to continue to provide exceptional service and safety at our beaches and bays, the following positions should be included in the FY18 budget:

- Marine Safety Lieutenant: Position would oversee training, hiring, purchasing, facilities, communications, homeland security, special events and beach concessions. The current staffing for these is inadequate and the additional position is required to comply with stated goals and avoid overtime costs. The reduction in overtime costs will partially offset the cost of this position. Approximate cost: \$143,581.
- Clerical Assistant II: Position will support Lifeguard Division front office operations, such as processing misdemeanor citations, special event billing, invoicing, purchase requisitions, payment transactions, process PRA requests, track division statistics, answer phones. Approximate cost: \$66,848

### **Homeless Services and Outreach Program Expansion**

- In addition to CPPS funds identified for homeless outreach efforts and money raised by community groups, supplementary general funds are needed to ensure that year round outreach services are provided by both outside organizations and the Police Department's Homeless Outreach Team to help address homelessness in various areas throughout the city, including neighborhood canyons, Business Improvement Districts, park, underpasses and overpasses.
- In Downtown alone, we have seen a staggering 70% increase over the last three years in unsheltered homeless. Specific to the Police Department's Homeless Outreach Team, we request that an additional HOT Team be added and dedicated to East Village where the need is greatest and allow the other team to focus on neighborhoods throughout the city.
- We request that funding be identified for substance abuse programs. The current City budget increased the Serial Inebriate Program (SIP) bed capacity from 32 to 56. This partnership with law enforcement, emergency medical services, hospitals, and courts provides chronic homeless alcohol abuse treatment in lieu of custody—relieving strain on our hospitals and court system. Not only could we continue to increase this program, but we can further expand it to allow those suffering from narcotics abuse similar opportunities.

### **Homeless Check-in Center**

In order to ensure that the City is providing a solution to the ever growing homeless population camping on the streets, an 800 bed check-in center/shelter should be funded via a combination of city, county, state, federal funding, as well as soliciting private donations.

### **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 law relating to land use, zoning, housing, noise, public nuisances, graffiti abatement, and vegetation/fire hazard abatement. We ask that the resource capacity of the division be analyzed, that vacancies be prioritized and filled, and that funding for additional Code Enforcement Officers be considered in FY18, particularly as new city policies and regulations are implemented. Any additional expenses may be offset by revenue from increased activity (i.e. issuance of permits for compliance, citations, etc.).

### **Expansion of SMART Pilot Program/Office of the City Attorney**

The SMART Program is an innovative program to help address the ongoing challenge of low-level misdemeanor offenders who cycle through the system without access to services, coordination of care, or meaningful incentives to engage with social service providers. Many are arrested, taken into custody and released, only to be arrested again before the original charge comes to trial. Many live on the streets without access to housing. SMART provides access to drug treatment services while providing housing, the elements necessary for a successful recovery. The program prioritizes the provision of services and works to ensure that the homeless are not criminalized. We request expansion of the SMART Program to increase capacity, effectively link misdemeanants to community services and housing, and reduce the rate of recidivism.

### *Infrastructure and Sustainability*

#### **Storm Water Channel and Storm Drain Maintenance**

The City has engaged in an effort to enhance the maintenance of its storm water channels and storm drains to ensure that life and property are protected during the winter storm season. Much of the work performed in the last 18 months by the department has been through emergency permitting. In order to avoid the need to do last minute emergency permits to prevent flooding, the City should continue funding our storm water channel and storm drain maintenance program at an enhanced level that proactively addresses high flood risk locations in FY18 and beyond.

#### **Vision Zero**

It is imperative that the City fund improvements at 15 of the deadliest intersections to ensure basic, low-cost pedestrian safety infrastructure improvements such as high visibility crosswalks, audible signals, and countdown signals are present at all intersections.

- Construct new medians, sidewalk improvements, curb extensions, and safe crossings on El Cajon Boulevard in front of Hoover High School at the intersections of El Cajon Boulevard and Highland Avenue, and El Cajon Boulevard and 45th Street as outlined in the Complete Boulevard Study. A full cost estimate is not available at this time. Funding should be allocated to create the CIP project and begin design and construction drawings.
- Construct new medians, sidewalk improvements, curb extensions, and safe crossings at the intersections of El Cajon Boulevard and Menlo Avenue, and El Cajon Boulevard and Euclid Avenue as outlined in the Complete Boulevard Study. A full cost estimate is

not available at this time. Funding should be allocated to create the CIP project and begin design and construction drawings.

- Construct a safe crossing at Kansas Street and El Cajon Boulevard. \$50,000 is requested to be allocated for this project.
- Allocate staff time to continue comprehensive corridor planning with neighborhood stakeholder groups on University Avenue and El Cajon Boulevard, specifically in the neighborhoods of City Heights and North Park.
- Create and hire one dedicated Vision Zero/multi-modal staff person to oversee Vision Zero activities and complete streets implementation. This staff person can assist City with coordinating and implementing upcoming education campaigns and engineering safety improvements. Funding is requested to be allocated for this staff position.

### **Sidewalk Condition Assessment**

With the completion of the citywide Sidewalk Condition Assessment, the Mayor and City Council must take action to develop policy and a plan to address the findings in the condition assessment and mitigate all tripping hazards to effectively reduce the city's liability and improve the conditions of our sidewalks.

### **Maintenance and Repair of Streets Classified as "Unimproved Roads"**

The City must either develop a process to provide for the repair and maintenance of "Unimproved Roads" or develop a plan to upgrade or construct these roads into complete streets. Residents throughout the City, particularly in parts of Otay Mesa, Logan Heights, Stockton, Mission Hills and University Heights, are unable to request common street improvements due to this technicality.

### **Urban Forestry Program**

The City Council will soon discuss the proposed Urban Forestry Program 5-Year Plan. A critical part of the Climate Action Plan is growing the City's urban forest. Trees make vital contributions to livable neighborhoods, resilient and prosperous communities, environmental quality, and public health as they sequester carbon, reduce energy use, and make neighborhoods cooler and more walkable. As such it is important that the City increase resources to plant and maintain trees throughout our communities. The following FY18 budget allocations are vital to meeting the CAP goals related to growing our urban forest:

- Fund additional Horticulturalist position for street tree planting, as the lone street tree Horticulturalist position cannot manage both tree care and planting: \$100,000;
- Plant 2,000 additional trees City-wide in FY18. This would allocate enough resources for the initial planting and three years of watering, monitoring and pruning: \$1,000,000;
- Increase shade tree pruning: \$300,000;
- Funding to complete an updated tree inventory to obtain a definitive understanding of the urban forest, as indicated in the 5-year plan;
- For Capital Improvement Projects funded in FY18, incorporate trees as a street element (just as pavement, signage) not an amenity. This includes sidewalk replacements, street improvements, and new and upgraded parks.
- Expedite filling four vacant positions, some of which have been vacant for six months: City Forester, Horticulturalist for code compliance (Development Services), Parks arborist, and Landscape architect (Public Works). The code compliance officer would generate offsetting fees and deter tree damage and loss.
- Transfer the urban forestry program responsibilities to an operational department, consistent with organizational structure in other large cities.
- Accelerate Enterprise Asset Management for inventory and monitoring of trees.

### **Climate Action Plan**

The implementation of the City's Climate Action Plan is critical to ensuring that the goals outlined in the plan are achieved. As such it is critical that the FY18 budget fully fund the implementation efforts needed for Phase I and prepare for Phase II goals. This includes:

- Provide funding for the development of the Climate Adaptation Plan.
- Provide funding to purchase monitors to track commute mode share, especially for people walking and bicycling.
- **Social Equity Compliance:** An important part of CAP implementation is ensuring social equity is monitored and protected in each goal. Consideration of a new staff position, or enhancement of a current staff position to ensure compliance is critical.
- **Community Choice Aggregation:** Sufficient funding to conduct a study that will allow the City to explore and potentially implement a CCA in Phase II of the Climate Action Plan.
- Increase staffing needed to accelerate the implementation of bicycle projects in the city with the highest priority given to the protected bikeways in the Downtown Mobility Plan. Funding sources to consider and prioritize for this purpose should include Parking District funds, Development Impact Fees, General Fund monies, TransNet, and SANDAG and Caltrans grant funding.
- **Urban Forest:** See above.
- Hold a minimum of three CicloSDias events within the city to raise awareness of and support the goals of the Bicycle Program and the Climate Action Plan.
- It is important to obtain alternate funding sources through local, state and federal grants in order to obtain and leverage funding for CAP implementation. Funding is requested to fund one (FTE) position for a CAP implementation grant writer.
- Allocate transportation capital funding to be consistent with the Climate Action Plan 2020 mode share goals to incrementally increase transit, bicycling and walking mode share. This funding should be prioritized for improvements along Vision Zero corridors and in environmental justice communities as listed by the state tool, CalEnviroScreen, in an amount sufficient to achieve the following transportation mode share targets:
  - o Bicycle commute share, 6% by 2020; 18% by 2035
  - o Walking commute share, 4% by 2020; 7% by 2035
  - o Transit commute share, 12% by 2020; 25% by 2035

### **Zero Waste Management Implementation**

In order to obtain a 75% diversion rate as cited in the Zero Waste Management Plan, we request that the Environmental Services Department consider increasing blue bin collection service from biweekly to weekly. The additional expense could be offset by the additional revenue generated by increasing the recycling rate. We also request green waste collection service, particularly in communities south of Interstate 8. Both programs, which we suggest be piloted to determine feasibility and effectiveness, could provide ancillary benefits due to the potential to extend the lifespan of the Miramar Landfill.

### **Citywide Parks Master Plan**

The City's General Plan Recreation Element recommends that a comprehensive Parks Master Plan (PMP) be prepared to inventory and assess all City park lands, recreational uses, facilities and services, set priorities for protection and enhancement of existing park and recreation assets, and develop implementation strategies to meet present and future community needs. It is through the proposed development of a citywide PMP that "equivalencies" will be addressed on a community-by-community basis which is important to ensuring that there are sufficient recreation opportunities in the urbanized transit-priority areas. According to the City's Request for Proposals for the PMP, the estimated cost is between \$1 and \$1.4 Million to

complete the PMP, excluding the preparation of the environmental document which is anticipated to total around \$350,000. Approximate cost: \$1.75 million (phased allocation)

### **Balboa Park Master Plan Update**

Additional funding and staff resources have accelerated the process of many of our community plans. The master plan for Balboa Park is also more than 20 years out of date. In order to prioritize park improvements requested by the community and stakeholders, it is critical to have an updated master plan that envisions the future of the entire park. We request funding for a Balboa Park Master Plan update.

### **Chollas Creek Master Plan Restoration and Active Transportation Improvement Project**

Chollas Creek is a significant asset that traverses the City Heights, Eastern, Encanto, Southeastern San Diego, and Barrio Logan communities. Planning work has been completed as part of the 2015 Southeastern and Encanto Community Plans; Chollas Triangle Plan amendment; Southcrest Trails Park General Development Plan; and improvements from private development projects along the creek that implement the 2002 Chollas Creek Enhancement Plan. The total cost of the Master Plan is estimated to be \$1.0 million based on the costs of the San Diego River Park Master Plan/CEQA document. However, Park Planning staff reports that the Master Plan could be funded in phases over a three year time period.

### **Upcoming Infrastructure/Commercial Paper/DC4 Bond**

The projects listed in *Addendum A* are our high priority community needs for the FY18 budget. Consideration should be provided to those projects eligible for upcoming funding opportunities. In addition to the short-term funding strategies being contemplated, the Mayor and City Council must work to identify a comprehensive infrastructure investment plan. Without a sustainable new revenue source to address our infrastructure needs, San Diego's streets, sidewalks, and public buildings will continue to deteriorate.

### *Neighborhood Services and Programs*

#### **Library Budget**

- Youth Services Librarians: Library services are critical to all communities across the City, especially in relation to the programs utilized by children. As such, we must ensure there is equity in the services provided at each branch library by ensuring that each branch library has a full-time Youth Services Librarian. Approximate cost: \$950,000
- Books and Materials Budget: Increasing a stagnant books and materials budget is also urgently needed to make sure each library keeps pace with circulation needs and allows for adequate access to books, electronic resources and databases. In order to be on par with the County's Library services the book budget would need to increase by \$2.1 million

#### **Penny for the Arts**

Currently, the Mayor's 5-year Outlook shows 6.60% of projected TOT revenue budgeted to support the Penny for the Arts Blueprint, falling short of the Blueprint's stated 9.5% goal for FY18. This means that for the next five years, Arts and Culture funding will continue to be millions of dollars short of the Blueprint's commitment. Increasing arts funding to 7.25% percent would allow our arts and culture programming, a vital part of our economy, to continue to grow. Approximate cost: \$1.5 million

### **Community Development Block Grant (CDBG) Reinvestment Initiative**

SB 107, approved in 2015, provided substantial reform of the redevelopment wind-down process and ensures that San Diego will properly receive CDBG repayment/recovery of nearly \$240 million. Beginning in FY18, the City Council must ensure that the CDBG Reinvestment Initiative funds are reinvested in San Diego's economically disadvantaged communities in the form of infrastructure investment, housing solutions, homeless service, job creation, and economic development.

### **Small Business Development and Support**

San Diego small businesses are the backbone of our neighborhoods and economy. A projected \$4.9 million in CDBG Reinvestment funds have been identified for investment in FY18 for workforce development, support for small business accelerators, and the creation of a loan and investment fund that will also provide consulting services to help small businesses grow and remain competitive. We look forward to supporting the development of these assistance programs and the deployment of resources to our neighborhood small businesses.

### **Youth Services/Youth Workforce Development/Connect2Careers (C2C) Program Expansion**

C2C/San Diego Workforce Partnership provides work readiness, job matching, and job placement for 16-24 year-olds in San Diego. The program has grown from placing 202 youth in 2013, 334 in 2014, and 447 in 2015. With a strong team, deep community connections, best-in class web-portal and IT solution, C2C/San Diego Workforce Partnership have the foundation needed to dramatically expand the program in FY17 to rival youth employment programs in other large cities. It is requested that \$750,000 be allocated to the Workforce Partnership to expand the C2C program. This costs includes a budget for 7 staff (one manager, 3 job developers, and 3 trainers) and 10 paid C2C interns that provide one-to-one job coaching to youth enrolled in the program, as well as IT system support, communications supplies and costs, and event supplies and costs.

### **Temporary Pool Program**

This hugely successful program provides access to pools during hot summer months to communities that do not have the benefit of a pool facility at their local recreation center. The cost of this program is low, while the positive impact on pool users is very high. The following locations recreation center locations should be funded for a temporary pool in FY18: Robert Egger, Montgomery Waller, San Ysidro, Southcrest, Adams Avenue, North Park. Approximate cost: \$7,500 per location.

### **Play All Day Initiative**

The Play All Day Parks Program is an initiative put forth by the Mayor and the superintendent of the San Diego Unified School District to break ground on over 30 new joint-use park sites in the next five to 10 years. Ensure there is adequate staffing and funding is secured to support the planned development of the 30 new City-wide joint-use park sites.

### *Operational Needs*

### **Independent Rate Consultant**

The Environment Committee is currently considering the possibility of allowing for the IBA to retain the services of an independent rate consultant that can be utilized during Cost of Service Studies and associated reviews. If the Committee recommends that the IBA retain an Independent Rate Consultant, the FY18 budget should provide the resources to retain the services. Approximate cost: Up to \$300,000

### **Administration and Enforcement of Earned Sick Leave and Minimum Wage Ordinance**

City administration and enforcement of the application of minimum wage and earned sick leave is critical to the stability of the city's workforce and overall economy. As such, it is critical that appropriate staffing be filled immediately and additional resources be identified to ensure compliance with the law. We urge the Mayor to protect these programs from any budgetary reductions.

### **Equal Opportunity Contracting (EOC) Improvements/City of San Diego Disparity Study**

The City's EOC Program is intended to ensure diversity and to safeguard against discrimination in City contracts. Its purpose is to ensure fairness in the expenditure of taxpayer dollars. In order for the City to improve its EOC program goals and in order to adopt a race or gender-conscious preference program to remedy any perceived discrimination, the City must first commission a disparity study specific to the San Diego marketplace. A cost sharing partnership on a disparity study with SANDAG or any other regional agency should be explored.

### **City Employee Childcare Services**

Finding licensed childcare for many families has become increasingly difficult including for many parents who work for the City of San Diego. Childcare is a basic infrastructural element that should be pursued for children of city employees that are 2 months to 5 years of age. Staff should explore the costs associated with offering this service, what partnerships could be obtained and prepare to engage the negotiating units during the reopener period in FY19.

### *Additional Revenue Opportunities*

While we acknowledge the difficult budgetary decisions ahead, we are determined to continue progress and not allow for any reductions in neighborhood services. We are committed to creating opportunities that further expand economic development opportunities and improve public safety and neighborhood quality of life. In doing so, we offer the following revenue opportunities:

### **City Reserve Policy Changes and Use of Pension Payment Stabilization Reserve**

We recommend the use of the \$16 million in Pension Payment Stabilization Reserve funds (General Fund portion) "to mitigate service delivery risk due to the unanticipated increases in the annual pension payment, the Actuarially Determined Contribution (ADC)." Additionally, we look forward to considering City Reserve Policy changes, such as modifying the Worker's Compensation Reserve target funding level as well as the timeframe to reach our General Fund Reserve level targets. Lastly, we also support the allocation of amounts in excess of target levels in the Public Liability (\$2.7 million) and Long-Term Disability Reserves (\$2.5 million). Revenue opportunities in excess of \$21.2 million.

### **Use of 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 \$18.5 to \$26.1 million, for a total of \$115 million. 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.

### **Contracts**

The City utilizes outside contractors for a variety of services totaling \$240 million. The City should utilize the appropriate termination clause language within each contract to renegotiate the cost of each contract. A 10% overall reduction in contracts for outside services would provide the City with \$24 million for more immediate General Fund purposes.

### **Chargers Termination Fee**

Currently, Qualcomm Stadium does not generate enough annual revenue to cover its operating and maintenance costs and receives a transfer of TOT funds each year to fully fund its expenditures. In FY17, the TOT transfer was approximately \$12.9 million, of that \$4.8 million was used to pay for debt service on bonds. The San Diego Chargers will pay a termination fee to the City for opting out of their lease to play games at Qualcomm Stadium. We acknowledge that the City will pay debt service until FY26 to retire the bond debt, but this payment from the Chargers may offer immediate relief and an ability to protect public safety and neighborhood services in a difficult budget year. Revenue opportunities from approximately \$12.5-\$15.0 million.

### **Ongoing CIP Cash Management**

Ongoing review of CIP cash management activities will ensure the appropriate alignment of the timing and use of funding for CIP projects.

### **Cannabis Tax Revenue**

On November 8, 2016, the voters of San Diego approved Measure N, which established a Cannabis Business Tax (CBT) on non-medical cannabis (marijuana) businesses in the City of San Diego to raise revenue for general governmental purposes of the City, contingent upon the passage of Proposition 64, the Adult Use of Marijuana Act, which was also approved by voters on the November 2016 ballot. The fiscal impact statement prepared for Measure N estimated potential future CBT revenue of \$22 to \$35 million annually. The City Council must consider land use and business regulations expeditiously so that the industry develops responsibly and potential revenue is captured.

### **Potential Revenue from Short-Term Vacation Rentals**

The City Council must take immediate action and adopt sound policy regarding short-term vacation rentals. In doing so, the city will be better suited to track business activity and will create opportunities to generate revenue in the form of permit fees and Transient Occupancy Tax that can support enforcement to ensure compliance of applicable laws.

### **Proposition H – Infrastructure Fund**

Earlier this year, San Diego voters approved Proposition H, a ballot measure that requires the dedication of General Fund revenue growth to an Infrastructure Fund. The Outlook recognizes these allocations to the Infrastructure Fund as a General Fund expense, but does not include projections for any expenditures paid for by the Infrastructure Fund. Allocations to the Infrastructure Fund could be used to support certain strategic expenditures, potentially including the City's Infrastructure Asset Management Program, street repair, and storm water permit compliance projects, thereby addressing critical needs while mitigating the projected deficit. Additionally, Proposition H included a provision that allows a one-year suspension of the requirement to allocate General Fund revenue growth to the Infrastructure Fund upon a two-thirds vote of the City Council. If funding for non-infrastructure critical expenditures is needed, Council could consider suspending the measure, which would allow the revenue to flow to the General Fund for other City uses.

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

### ***Addendum A***

#### **Aldine Drive Road Improvements (Council District 9)**

The storm drains at the specified location continue to fail during seasonal rains. In addition to repairing and maintain the current storm drains at the area, we are requesting an initial pre design study for road improvements at the location in order to begin to implement Facilities Financing Project T-1. Based on recommendation from city staff, road improvements are needed to fully address the issue of flooding at the area during rains. The full cost to implement Project T-1: \$6,000,000. Approximate cost: \$250,000 to begin evaluating the project.

#### **Aquatic Facility: Balboa Park Bud Kearns Aquatic Complex Improvements/CIP S-17000 (Council District 3)**

This project began design in FY17 to improve/upgrade the mechanical systems, fencing, ADA accessibility, pool decking and pool coping. Approximate cost: \$1.2 million (\$700,000 unfunded).

#### **Aquatic Facility: Robert Egger Sr. South Bay Community Park (Council District 8)**

This project, in the 2016 Unfunded Park Improvement list, provides for the design and construction of an aquatic facility. Approximate cost: \$1 million.

#### **Averil Road and W. San Ysidro Boulevard New Traffic Signal (Council District 8)**

This project will replace the temporary stripping and safety barriers that were installed in the area. The permanent traffic signal will include traffic signal poles, vehicle and pedestrian indications, audible pedestrian signals, pedestrian countdown timers, vehicle detectors, video detection, ADA pedestrian push buttons. Approximate cost: \$320,000.

#### **Baybridge Community Center Roof (Council District 8)**

The Baybridge Community Center is a single story 9,890 gross square foot building located adjacent to Chicano Park. The facility was originally built in 1971 and is part of the Parks and Recreation Department. The building is in very poor condition with many pressing needs to be move-in ready for the next tenant. The current roof needs replacement and is identified as a critical need in the City's facilities assessment report. Approximate cost: \$483,000.

#### **Beyer Community Park (Council District 8)**

The General Development Plan will be updated after the completion of the environmental review. The next step would be to fund the project's design phase. This project would create a 12.6 acre community park serving the San Ysidro and Otay Mesa communities. Approximate cost: \$400,000.

#### **Bus Stop Upgrades on City Property: Otay Mesa (Council District 8)**

There are currently a total of 43 bus stops in Otay Mesa, ten stops are in need of City funded capital improvements, such as ADA loading pad and sidewalks in order to receive upgrades such as benches and shelters. The locations below should be prioritized to be eligible to receive much-needed upgrades from MTS: Airway Rd./Dublin Dr., La Media Rd./Airway Rd., Siempre Viva Rd/Paseo De Las Americas, Siempre Viva Rd/Sarnen St., Siempre Viva Rd/Avenida Costa Brava, La Media Rd./Airway Rd., Otay Mesa Rd./Otay Mesa Center, Otay Mesa Rd./Gailles Blvd., Otay Mesa Rd./Cactus Rd., Otay Mesa Rd./Heritage Rd.

#### **Children's Park (Council District 3)**

Civic San Diego initiated the General Development Plan and design phase for Children's Park, but the completion of the project is contingent upon additional funding being identified for construction. The next bond issuance and/or other funding opportunities should be considered

as a funding source for the construction of the park, along with Development Impact Fees and any funding leftover from the design.

**Chollas Parkway: Lea Street Improvements (Council District 9)**

This high priority project (Mid-City Communities Plan Facilities Financing Project T-22) would evaluate either reducing the width or closing all or part of Chollas Parkway between 54th street and University Avenue.

**Chollas Triangle Park Development (Council District 9)**

This high priority project (Southeastern San Diego Impact Fee Study Project P-26) provides for the design and construction of approximately 5 acres as a neighborhood park. Amenities could include picnic areas, children's play areas, multi-purpose courts, multi-purpose turf areas, Comfort station, walkways, overlooks with interpretation of Chollas Creek, and landscaping.

**Clay Park Neighborhood Park (Council District 9)**

Clay Park is an important community recreation asset that is heavily used by the neighborhood. Improvements are needed to maintain use of the park. The current play surface at the park is in very poor condition and needs to be replaced (\$22,300); and for staff safety, crime prevention and assisting the San Diego Police Department with investigating crimes a security camera is requested (\$22,307). In addition, \$674,852 in matching funds is requested by the community for improvements to Clay Park. The Centrepointe/Blvd 63 litigation settlement included \$150,000 for Clay Park.

**Colina Del Sol Community Park (Council District 9)**

Colina Del Sol Park is an important community recreation asset that is heavily used by the neighborhood. Improvements are needed to maintain use of the park, in particular during the evening hours. The current ballfield and basketball lights as well as the basketball courts need to be upgraded.

**Complete Boulevard Study Phase II (Council District 9)**

Construct new medians, sidewalk improvements, curb extensions, and safe crossings at the intersections of El Cajon Boulevard and Menlo Avenue, and El Cajon Boulevard and Euclid Avenue as outlined in the Complete Boulevard Study. A full cost estimate is not available at this time. Approximate cost: \$250,000 to establish CIP and begin design and construction drawings.

**Corridor Planning (Council District 9)**

Allocate staff time to continue comprehensive corridor planning with neighborhood stakeholder groups on University Avenue and El Cajon Boulevard, specifically in the neighborhoods of City Heights and North Park.

**Grant K-8 Joint-Use Recreation Field (Council District 3)**

In partnership with the San Diego Unified School District, identify funding for the completion of this joint-use recreation opportunity in Mission Hills.

**Golf Course Drive Improvements/CIP S-15040 (Council District 3)**

This project provides for the design and construction of a paved pedestrian pathway and bike facility along Golf Course Drive, connecting the existing Golden Hill Recreation Center to 28<sup>th</sup> Street. A feasibility study is scheduled to be completed in FY17. Funding is requested to initiate the design phase. Approximate cost: \$1.8 million (phased).

### **Lighting (Council Districts 8 and 9)**

Our communities are seriously deficient in sufficient street and parks lighting. It is imperative that we provide and repair lighting in our neighborhoods and public facilities. The following are priorities to provide and repair lighting:

- City Circuit Upgrades annual allocation (AIH-00002) to modernize the lighting system in Kensington. Approximate cost: \$300,000.
- Lighting in Gamma Mini-Park in Southcrest. If traditional lighting is not an option, consider installing solar lighting. Approximate cost: \$250,000
- Dahlia Street between Saturn Boulevard and 18th Street qualifies for three additional street lights. Their proposed locations are as followed: Dahlia Avenue west of Saturn Blvd 305' south side, Dahlia Avenue west of Saturn Blvd 105' south side, and Dahlia Avenue east of 18th Street 160' south side. Approximate cost: \$7,500

### **Memorial Community Park Playground ADA Upgrades (Council District 8)**

Project consist of new playground, ADA improvements and pre-fab new comfort station (4 unisex stalls), with water fountain. Approximate cost: \$700,000.

### **North Park Community Park Recreation and Adult Center Facility Upgrades and Park Maintenance (Council District 3)**

We request a park assessment to improve the safety and condition of the North Park Community Park, including the active park space, recreation center and adult center. Additional programmatic and maintenance resources are requested to activate and upkeep the park, thereby deterring nuisance activity.

### **Old San Ysidro Fire Station Pocket Park (Council District 8)**

This project would create a pocket park at the Old San Ysidro Fire Sation, approximately 0.32 useable acres, and may include a plaza, public gathering areas, a stage/amphitheater, picnic facilities, security lighting, and landscaping. The project is located on the north side of West San Ysidro Boulevard, between Cottonwood Road and Cypress Drive. The old fire station building is schedule to be demolished by March 2017. Approximate cost: \$638,881

### **Open Space Parks/CIP AGE-00001 (Council Districts 3 and 9)**

There are over 150 canyons throughout urban San Diego. We request that this CIP be amended to incorporate and properly fund the Canyon Enhancement Planning (CEP) Program produced by San Diego Canyonlands. The CEP identifies green infrastructure needs and opportunities which provide valuable ecosystem services, including work to clean and filter our urban runoff. The CEP also identifies trail restoration area and recommends wetland and habitat restoration in Auburn, Juniper, Maple, Manzanita, Mission Hills, and Switzer Canyons, among others, helping to create valuable recreational opportunities in otherwise paved and urbanized environments.

### **Pedestrian/Safe Routes to School Improvement Projects (Council Districts 3, 8 and 9)**

- Kansas Street and El Cajon Boulevard: Construct a safe crossing at Kansas Street and El Cajon Boulevard. Approximate cost: \$50,000.
- Hoover High School Safe Routes to School: This High Priority project (Mid-City Communities Plan Facilities Financing Project T-31) provides for pedestrian improvements in the vicinity of Hoover High School. Proposed improvements could include enhanced paved crosswalks, new pedestrian signals, and new sidewalk. See Mid-City Facilities Financing Plan T-31 for details. Approximate cost: \$1,000,000.
- Picador Boulevard and Majestic Drive Crosswalk/Rectangular Rapid Flash Beacon (RRFB): There is a crosswalk at the intersection of Picador Boulevard and Majestic Drive, located in front of Montgomery Middle School. This crosswalk is heavily used by

students and families walking to and from Montgomery Middle School. The crosswalk was recently upgraded. Among the improvements made were: converting the crosswalk to a new yellow continental crosswalk and the installation of new "slow school xing" pavement markings for northbound traffic. Furthermore, this location has qualified for the installation of Rectangular Rapid Flashing Beacon lights (RRFBs). Funding should be provided to install these much needed RRFBs. Approximate cost: \$10,000.

### **Reynard Way Neighborhood Park: Mission Hills (Council District 3)**

We request that funding be identified to initiate a General Development Plan for the long awaited Reynard Way Neighborhood Park. Few opportunities exist in Uptown for the development of park space. The City must capitalize on this opportunity.

### **San Ysidro Civic Center Improvements (Council District 8)**

This project is located at the San Ysidro Civic Center, 212 West Park Avenue. It is identified in the Facilities Plan Impact Fee Study for San Ysidro as Park Project P-18 - Gym Floor Refurbishing. It includes the design and construction to refurbish the gym floor at the Community Center. Approximate cost: \$25,000.

### **San Ysidro Skate Park (Council District 8)**

Initiation of planning and design for a skate park at the City-owned property on the southwest corner of the intersection of Beyer Blvd. and Beyer Way adjacent to 325 Mesa Ave. The City's Public Works department should begin planning and design to determine the funding and time needed to construct a skateboard park on this property. Approximate cost: \$100,000.

### **Sidewalks (Council Districts 3 and 8)**

- Egger Highlands Missing Sidewalk: Installation of a missing sidewalk on the west side of Saturn Boulevard between Palm Avenue and Boundary Street. This sidewalk is located next to the mobile home park across the street of the shopping center. The scope of project would include the design and construction of the sidewalk. Design will cost approximately \$100,000 with the entire project costing approximately \$350,000.
- Imperial Ave. & 25<sup>th</sup> St. Sidewalk Repairs: The condition of the sidewalks at the following stretches are riddled with potholes, the concrete blocks are broken, missing and protruding. These conditions present dangerous conditions for pedestrians and pose a liability risk to the City. Funding for repairs should be included in the FY18 budget for the following areas: Imperial Avenue from 19<sup>th</sup> St. to 30<sup>th</sup> St. and 25<sup>th</sup> St. from Imperial Ave. to G St.
- Richmond Street Sidewalks: evaluate Richmond Street in Hillcrest/Marston Hills for sidewalk installation to enhance pedestrian safety.
- San Ysidro New Sidewalks/Curb ramps: Funding is needed to construct critical sidewalk and curb ramp improvements in the San Ysidro Community. The Community planning group has identified the following top priority locations:
  - o West San Ysidro Boulevard between Dairy Mart and I-805; East San Ysidro Boulevard between I-805 & San Ysidro border crossing.
  - o Howard Avenue (east side) between Village Pine Drive and Iris Avenue. (50/50 cost share – \$22,500 San Ysidro & \$22,500 Otay Mesa–Nestor)
  - o Smythe Avenue (both sides) between Beyer Boulevard and SR-905.
  - o Cottonwood Road (both sides) between West San Ysidro Boulevard and Vista Lane.
  - o Seaward Avenue (south side) between Cottonwood Road and West Park Avenue.
  - o Border Village Road (both sides) between the north and south connections to East San Ysidro Boulevard.
  - o Calle Primera (north side) between Via De San Ysidro and Willow Road.

- Cottonwood Road (west side) Beyer Boulevard to Foothill Road.
- Smythe Avenue (both sides) between Sunset Lane and West San Ysidro Boulevard.
- Alverson Road (both sides) between Sunset Lane and West San Ysidro Boulevard.  
Approximate cost \$1.1 million

**Southeast Mini-Parks (Council District 8 and 9)**

4 mini-parks are included in CIP L16000:

- Clay Avenue (CD8): Play structure ages 5-12, installation of tables and BBQ grills and ADA improvements. Approximate Cost: \$1 million
- Gamma Street Mini-Park ADA Improvements: This project provides for the design and construction of ADA improvements at the existing Gamma Street Mini-Park in the Southeastern Community. Improvements include upgrades to the children's play area and associated path of travel. Approximate cost: \$1.75 million
- Island Ave: Complete design and construction, including ADA improvements, playground and amenities. Approximate Cost: \$1.5 million
- J St: ADA improvements and playground upgrade. Approximate Cost: \$1 million

**Tubman Charter School Joint Use Park (Council District 9)**

A General Development Plan has been completed for the 1.72-acre Tubman Joint-Use Park located at 6880 Mohawk Street in the College Area Community. In order to create additional parkland in this park deficient community, a total cost of \$2.7 million is estimated to complete the project. A developer contribution of \$1,430,000 has been programmed for FY18 which will assist in funding the park. However, there is a \$395,050 funding deficit according to CIP S-13000. Approximate cost: \$395,050.

**Villa Montezuma (Council District 8)**

This historic city facility requires some immediate attention including toilet replacement, ADA improvements to the backdoor and grab bars, electrical panel, graffiti resistance fence treatment. Approximate cost: \$20,000.

**Ward Canyon Neighborhood Park (Council District 3)**

Ward Canyon Neighborhood Park: The temporary dog park at Ward Canyon Neighborhood Park was an important step toward realizing this long awaited and significant community asset. We would like to see the construction of these permanent park improvements included in the next bond/funding opportunity.