



COUNCILMEMBER VIVIAN MORENO
City of San Diego
Eighth District
MEMORANDUM

DATE: May 21, 2025

TO: Charles Modica, Independent Budget Analyst

FROM: Councilmember Vivian Moreno

SUBJECT: Final Budget Priorities and Revisions to the Fiscal Year 2026 Budget

Over the last few weeks the Council has heard from many San Diegans regarding their priorities in the city's proposed budget. Public testimony and feedback about the city's Fiscal Year 2026 (FY26) budget is critical to ensuring the services and programs that the public is advocating for are included in the final adopted budget.

Taking public testimony and staff responses to Council questions into account, I submit this memorandum which contains my priorities for the final FY26 budget.

EXPENDITURES

INFRASTRUCTURE

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 \$35.1M which is split into two phases. Funding for Phase I is complete and construction has begun. Any additional funding required to complete phase I should be allocated in FY26.

Estimated cost: TBD

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 \$35.1M which is split into two phases. The FY26 budget should provide funding needed for Phase II, which will allow the city to utilize existing federal grant funding and make a strong case for additional grant

funding from federal and state governments. Not providing ongoing funding will put the city at risk of losing the aforementioned grant funding. This project should continue to move forward in FY26.

Estimated cost: TBD

Grove Neighborhood Park CIP# S22002

Project Description: This project provides for the design of a 11.53-acre neighborhood park to be completed in two construction phases. This CIP will construct Phase 1 of the project which will include children's play areas, picnic area with shelters, new walkways, public art, utilities and landscaping improvements. The project needs \$2.2M in additional funding to complete funding for Phase I construction. The city should aggressively pursue procuring Prop 4 funding and other State resources to ensure Phase I moves forward with full funding in FY26.

Estimated Cost: \$2.2M in State funding.

Paving Failed Streets in District 8

District 8 has a number of streets that are in either serious or failed condition. Work must begin to address these identified streets. The following location should be funded in FY26:

- Willow Road between E. San Ysidro Blvd and Bolton Hall Road is rated as being in serious condition and has a PCI of 16.07.

Estimated cost: \$130k

Future Infrastructure/Commercial Paper/Bond Issuances and/or CDBG Reprogramming

The projects listed in Attachment A are high priority community needs for the FY26 budget. Consideration should be provided to those projects for any additional FY26 funding opportunities via bond issuances, commercial paper, grant funding, CDBG reprogramming or higher than anticipated revenues.

CITY PROGRAMS AND SERVICES

Library Department

- The final FY26 budget should restore \$8.5M in funding to maintain Sunday and Monday branch library operating hours and staffing at FY25 levels.
- The final FY26 budget should restore \$117,624 in ongoing reductions to the annual budget for the City's match for library donations. City matching funds are used to incentivize philanthropic donations and to more equitably provide resources to branch locations that typically do not receive significant donations.

Estimated cost: \$8.7M

Parks & Recreation

The final FY26 budget should restore \$4.8M in funding to maintain park and recreation center operating hours and staffing at FY25 levels.

Estimated cost: \$4.8M

Communications Department

Restore Senior Management Analyst position with corresponding reduction of a recently filled unclassified position in the department.

Estimated cost: N/A

Development Services

The budget reduces 12 positions in the Nuisance Abatement Unit in the Development Services General Fund. These positions should be restored and restructured to be cost recoverable.

Estimated cost: N/A

Performance & Analytics

The FY26 budget eliminates funding of 3-1-1 Dial Code Support. The City Auditor has recommended the City invest in providing a full 3-1-1 service to ensure that communities that have limited access to digital resources (smartphones, laptops, wifi etc) can easily access city services via telephone.

Estimated cost: \$115k

Planning Department

Otay Mesa/Nestor Community Plan Update: The first Otay Mesa-Nestor Community Plan was adopted in 1979 and it was last updated in 1997. The city has applied for grant funding to begin this community plan update. If grant funding is not successfully acquired, funding should be allocated to begin work on this plan update in FY26.

Purchasing and Contracting

This department has filled unclassified positions, while not filling a critical Program Coordinator position that will help the department meet key performance goals. This position should be filled.

Estimated cost: \$100k

Public Safety:

Fire-Rescue Department

- **Brush Management:** The Office of the City Auditor made a series of recommendations in the Performance Audit of Brush Management on City-Owned Land to improve the city's brush management practices. The Department requested resources to address the audit recommendations, however, this request is not funded in the FY26 Budget. The FY26 Budget should include funding to begin implementation of the Auditor's recommendations with the most impactful positions and resources indicated by the Department.

Estimated cost: TBD

Police Department

The following items should be funded within the Police Department's FY26 budget:

- **Increased SDPD Enforcement of Prostitution Related Crimes in District 8**
Significant prostitution activity continues to exist on Dalbergia Street in District 8. The FY26 budget should ensure all resources SDPD requires to increase enforcement of prostitution related crimes in this area are available to the department.

- **Las Americas Outlets Traffic Enforcement**

Increased traffic enforcement along city streets adjacent to the Las Americas Premium Outlets from November 26th to December 24th.

- **Recruitment and Retention**

The city must continue to prioritize the recruitment and retention of police officers in order to address the large number of vacancies in the department and focus on ensuring the police department is appropriately staffed to provide our communities with the public safety services they need. As such, in FY26, the city should fund recruitment and retention efforts to ensure the San Diego Police Department can maintain needed staffing levels as officers retire or leave the department for other reasons.

Stormwater

The final FY26 Budget should restore the following reductions proposed in the Stormwater Department:

- \$2.3M for Medium Priority Compliance, which would result in decreased activity on future channel clearing, planning to clear overgrown channels in FY27, water quality monitoring related to emerging regulations, watershed planning activities (trash cleanups, consulting services on new regs), consultant work on investigative orders, technical support and comments on new regs, supplies/materials for street sweeping (including parking enforcement) and code compliance teams.
- \$850k for CIP Planning, which stops planning on new CIPs and Master Plan, unless it can be done with existing staff. This lack of planning could impact future WIFIA funding.
- \$757k for Medium Priority Operations, which decreases channel maintenance levels, supplies for Stormwater operations teams, and software that supports asset management.

Estimated cost: \$3.9M

Non-Mayoral Departments

City Auditor

The FY26 budget includes proposed cuts to the Office of the City Auditor (OCA) that total \$287,457 in ongoing reductions, which, if enacted, would degrade the OCA's capacity to provide independent oversight and accountability of City operations. On April 23, 2025, the Audit Committee recommended that cuts to the OCA be limited to one-time reductions of \$184,799 in order to achieve budgetary savings while preserving the OCA's ability to conduct Charter-mandated audit and investigative work. Reducing the City Auditor's budget is counter-productive, as the Auditor routinely identifies ways for the city to either save money by implementing efficiencies identified in performance audits or increasing revenue that was not being fully realized. These items total millions of dollars. A recent example is the Performance Audit of the City's Trash, Recycling, and Organics Collection and Handling, which shows the city has been under charging franchise haulers for years, losing out on \$25 million dollars since 2010 and that the city could recover \$4 million per year by increasing hauler fees to cover city costs. The final FY26 budget should ensure cuts to OCA be limited to one-time reductions of \$184,799 and restore \$102,000 to the OCA budget.

Estimated cost: \$102k

Community Projects, Programs and Services (CPPS)

CPPS funds are provided to departments, public agencies, and non-profit organizations that serve and benefit the City's communities. Funds can support a variety of community serving purposes including capital improvements; materials, equipment, goods, or supplies; community, social, environmental, cultural, or recreational needs; as well as onetime or ongoing operational expenses of a non-profit organization. CPPS Funding should be restored in the FY26 Budget at a level that allows continued support of community projects and organizations.

Estimated cost: TBD

Independent Budget Analyst

The FY26 budget includes an ongoing \$142,532 reduction to personnel expenditures in the Office of the IBA. This cut would result in staffing reductions to an office with limited personnel. The IBA provides critical reporting, analysis and information to the public and City Council regarding the city budget and various policy proposals throughout the year. A reduction in funding to this office will have a direct impact on the public's access to information at City Hall, and thus should be funded in the FY26 budget.

Estimated cost: \$142k

Personnel Department

Restoration of the following positions in the Personnel Department is critical to ensure the city can fill classified positions that provide services to San Diegans.

- Payroll Audit Specialist (\$79,872)
- Recruiting Section positions (\$377,223)
 - 1.00 Program Coordinator
 - 1.00 Associate Personnel Analyst

Estimated cost: \$457k

Affordable Housing

Affordable Housing Preservation Fund

The San Diego Housing Commission (SDHC) has identified fund balances within the Neighborhood Enhancement Fund to fund an Affordable Housing Preservation Fund. These funds were meant to be used for preservation activities. SDHC is working with the City Attorney's Office to facilitate an agreement to disburse the funds for use by SDHC within an affordable housing preservation fund. SDHC will request Council approval for disbursement and use of these funds for the affordable housing preservation fund. Creation of this fund is a critical tool to go alongside the Affordable Housing Preservation Ordinance in the city's efforts to retain all existing deed restricted housing and naturally occurring affordable housing. The FY26 Budget should anticipate utilizing unused funds intended for preservation efforts to initiate an Affordable Housing Preservation Fund.

Estimated cost: TBD

SUGGESTED REVENUE SOURCES

Performance Audit of the City's Trash, Recycling, and Organics Collection and Handling

On May 2, 2025, the City Auditor released a Performance Audit of the City's Trash, Recycling, and Organics Collection and Handling. The Audit states that the city has been under charging franchise haulers for many years- losing out on \$25 million dollars since 2010. Additionally, the

Auditor specifically found that “*the City could recover at least \$4 million more per year by increasing hauler fees to cover City costs.*” This recommendation should be pursued with urgency and the FY26 budget should utilize this additional revenue.

Available resource: \$4M

Reduction of Communications Department Spending

The Communications Department is staffed with 42.50 FTE and is budgeted in FY26 for \$9.8M, of which \$7.9M is related to personnel costs. The Communications Department should be reduced in order to provide funding for critical services in FY26. Employees within the department specializing in a specific skillset (public safety, engineering, etc.) could be placed in existing vacant positions in departments that match their expertise.

Available resource: TBD

Cancellation of Kearny Mesa Repair Facility Lease

The lease's initial term is 15 years with three 5-year options. The rent increases by 3% annually and if other operating expenses also increase by 3% annually, the total cost through October 2032 is \$8.9M. Cancelling the lease for the Kearny Mesa Repair facility would save approximately \$1.5M in FY26.

Available resource: \$1.5M in FY26, \$8.9M (FY26-FY32)

Street Vendor Ordinance Enforcement

The FY26 budget includes \$2.9M to fund 32 positions and other non-personal costs dedicated to enforcing the street vendor ordinance. This is far too much allocated to this activity when the city is considering reduced access to basic city services. The FY26 budget should eliminate spending on this program.

Available resource: \$2.9M

Reimbursement of Costs Related to Emergency Water Rescue Activities

Every year, the city expends 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. The costs related to activity by city employees, especially lifeguards, concerning federal immigration enforcement and rescues should be reimbursed by the federal government. The city should pursue reimbursement for these costs 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: \$1.5M

Community Enhancement Fee

During the LU&H Committee's recent discussion of reforms to the city's ADU Bonus Density Program, the Planning Department suggested creation of a Community Enhancement Fee that would be charged to units built through the ADU Density Bonus program. If this fee is approved in FY25, anticipated funding should be included in FY26 program revenue projections and utilized to fund infrastructure projects in communities most impacted by climate change.

Available resource: TBD

Enterprise Fund/General Fund Expenses

As the IBA conducts final analysis of the revised FY26 budget, attention should be paid to any services and program costs covered by the General Fund that would be more appropriately paid for with enterprise department funds.

Available resource: TBD

Vacant Positions

Remaining vacant general fund unclassified/unrepresented positions should be reduced.

Additional general fund unclassified/unrepresented positions that are filled should be relocated to vacant positions within non-general fund departments where possible. Additionally, if any classified vacant positions can be cut in order to restore classified positions set to be cut, those positions should be eliminated.

Available resource: TBD

Balancing Management and Classified Position Reductions

The FY26 budget includes reductions of classified and unclassified staff. However, recent public testimony has indicated that the level of position reductions for classified positions is not proportionate with the number of unclassified positions in place that supervise the classified positions being reduced. This is a significant problem, as unclassified/managerial staff are typically hired to ensure that there is proper management of employees within any given department or division. The IBA should provide the City Council with an analysis that highlights where significant classified employees are being reduced and management intended to oversee that group of employees is not being reduced at the same level. Corresponding reductions and cost savings should be included in the analysis. Staffing levels for unrepresented/unclassified employees could be adjusted to mirror past levels when the number of classified employees matched what is proposed in the FY26 Budget.

Available resource: TBD

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

The projects listed in Attachment A are high priority community needs for the FY26 budget. Consideration should be provided to those projects eligible for any additional FY26 funding opportunities via bond issuances, commercial paper, grant funding, CDBG reprogramming or higher than anticipated revenues.

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 28th St. to 32nd 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 30th St. Phases 1 and 2 were initiated in Fiscal Year 2024. Phase 1 design is anticipated to be completed in FY26. Phase 2 design is anticipated to begin and be completed in FY26. Phases 1 and 2 construction are anticipated to begin in Fiscal Year 2027 and be completed in Fiscal Year 2028. Currently, the City anticipates utilizing TransNet Extension Congestion Relief funding in FY27 to construct the roundabouts. The FY26 budget should include any additional funding required to ensure design is complete in FY26 and both projects can be constructed in FY27.

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 in January 2024, are prevented from happening again. The planning phase was completed in Fiscal Year 2024. Design began in Fiscal Year 2025 and is anticipated to be completed in Fiscal Year 2028. Construction will be scheduled contingent upon the identification of the remainder of funding. The FY26 budget includes a \$7M allocation of General Fund WIFIA Loan-Construction funds and another \$16.8M in FY27, however the project will still require \$83.5M in future years. Any additional funding needed in FY26 to ensure this project stays on schedule should be allocated.
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 \$35.1M which is split into two phases. Funding for Phase I is complete and construction has begun. Any additional funding required to complete phase I should be allocated in FY26.
Estimated cost: TBD

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 \$35.1M which is split into two phases. The FY26 budget should provide funding needed for Phase II, which will allow the city to utilize existing grant funding and make a strong case for additional grant funding from federal and state governments. Not providing ongoing funding will put the city at risk of losing the aforementioned grant funding. This project should continue to move forward in FY26.

Estimated cost: TBD

Boston Avenue Linear Park CIP# P22005

This project costs \$7.7M and received \$2M was in previous budgets from the Climate Equity Fund to support land acquisition and GDP scoping for the creation of Boston Linear Park. This project may be at risk of losing funding due to anticipated grant funding no longer being available, 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

Grove Neighborhood Park CIP# S22002

Project Description: This project provides for the design of a 11.53-acre neighborhood park to be completed in two construction phases. This CIP will construct Phase 1 of the project which will include children's play areas, picnic area with shelters, new walkways, public art, utilities and landscaping improvements. The project needs \$2.2M in additional funding to complete funding for Phase I construction. The city should aggressively pursue procuring Prop 4 funding from the State to ensure Phase I moves forward with full funding in FY26.
Estimated Cost: \$2.2M in state grant funding.

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. Design began in Fiscal Year 2022 and will be completed in Fiscal Year 2025. Construction is anticipated to begin in Fiscal Year 2026 and be completed in Fiscal Year 2027. The total project cost has increased by \$1.3M due to a revised scope and updated final cost estimates. the FY26 Budget should allocate funding to ensure the project is constructed.
Total estimated cost: \$1.3M

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 \$57.5M. Completion of this project is critical to the local and regional economy. This project is complete, but there will be a

minimum five-year wetland and vernal pool monitoring period after construction completion. Any needed funding to address final project completion should be funded in FY26
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 Fiscal Year 2020 and is anticipated to be completed in Fiscal Year 2027. The environmental and right-of-way phases began in Fiscal Year 2023 and are anticipated to be completed in Fiscal Year 2027. Construction phase schedule will be determined once design is completed, and funding is identified. FY26 budget should allocate funding to allow this project to move forward on schedule.

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 at least \$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. Design began in Fiscal Year 2023 and was completed in Fiscal Year 2025. Construction contract was awarded in Fiscal Year 2025 and construction is anticipated to be completed in Fiscal Year 2027. The FY26 budget should include any needed funding to ensure the project stays on schedule.

Total estimated cost: TBD

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. Land acquisition was completed in Fiscal Year 2022. The project was re-initiated in Fiscal Year 2024. Design and construction will be determined after environmental permits are obtained, which is anticipated to be completed in Fiscal Year 2026. 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 13th 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 a CIP that will provide signal upgrades at Palm Avenue and 16th 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. Construction is anticipated to start 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.

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 funding to ensure the project is completed. Estimated cost: TBD

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

- 29th Street from Imperial Avenue to Commercial Street

Otay Mesa-Nestor

- 24th Street, from Palm Avenue to Harris Avenue
- North Side of Elder Avenue, from 16th Street to Thermal Avenue
- East Side of 16th Street, from Elder Avenue to Elm Avenue
- West Side of 16th Street, from Evergreen Avenue to Elm Avenue
- South Side of Elm Avenue, from Hardwood Street to 16th Street
- Evergreen Avenue, from Thermal Avenue to 16th Street
- Atwater Street, from Fern Avenue to Coronado Avenue
- North Side of Donax Avenue, from 15th Street to 16th 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:

- 21st 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 22nd Street to 24th 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.

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 28th 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 26th Street and across from 923 South 26th 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 32nd and 33rd Streets alongside the 32nd Street trolley bridge some lights are out.
7. Lonja Way at 1751 Lonja Way
8. Ocean View Boulevard and 28th 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:

- 22nd Street between G Street and Market Street
- 24th Street between Palm Avenue and Harris Avenue
- 25th Avenue between Coronado Blvd. and Grove Ave.
- 27th Street between Coronado Blvd. and Grove Ave.
- 35th Street from National Avenue to Boston Avenue
- Beardsley Street and Logan Avenue to National Avenue
- Boston Avenue from 28th Street to 29th 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 15th Street and 17th Street
- Coronado Avenue between 15th Street and Gaywood Street
- Coronado Avenue between 17th Street and Saturn Boulevard
- Coronado Avenue between Atwater Street and 16th 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 27th 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 14th Street and 18th Street
- Donax Avenue between 16th Street and Saturn Boulevard
- E Street between 33rd Street and 34th Street
- Eboe Avenue between Granger Street and the end of Eboe Avenue
- Elm Avenue between 18th 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 22nd Street and 24th Street
- Martin Avenue and 31st Street intersection
- National Avenue & S 26th Street intersection
- Newton Avenue (east of S 27th Street)
- Palm Avenue between 16th 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. 42nd Street between Nordica and Eta Street
- Willow Road between Calle Primera and Camino de la Plaza
- Willow Road between E San Ysidro Blvd and Bolton Hall Road
- 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 28th 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 completed a feasibility study. 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: \$2M
- Unimproved street located at 24th 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 14th 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