

RESOLUTION NUMBER R- 316263

DATE OF FINAL PASSAGE JUN 23 2025

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO ADOPTING THE FISCAL YEAR 2026 BUDGET, INCLUDING APPROVING THE MAYOR'S FISCAL YEAR 2026 PROPOSED BUDGET, THE MAY REVISION TO THE PROPOSED BUDGET, THE INDEPENDENT BUDGET ANALYST'S RECOMMENDED REVISIONS TO THE PROPOSED BUDGET, AND OTHER CHANGES AS APPROVED BY THE CITY COUNCIL.

RECITALS

A. The Council of the City of San Diego (Council) adopts this Resolution under San Diego Charter (Charter) section 69, which requires that the Council adopt a budget resolution for the coming fiscal year prior to June 15 and after holding a at least one public hearing.

B. The Mayor released the proposed budget (Proposed Budget) on April 15, 2025, and presented it to the Council on April 21, 2025.

C. The Mayor released the May revision to the Proposed Budget (May Revision) on May 14, 2025, and presented it to the Council on May 19, 2025.

D. The Independent Budget Analyst (IBA) issued Report No. 25-18 titled "Recommended City Council Modifications to the Mayor's Proposed FY 2026 Budget and Review of the May Revision" (IBA FY 2026 Budget Report) on June 3, 2025.

E. Between April 15 and June 6, 2025, the Council held more than one public hearing to consider the City's Fiscal Year 2026 Budget in accordance with Charter section 69.

F. On June 10, 2025, the Council approved the City's Fiscal Year (FY) 2026 Budget, including the Proposed Budget, as modified by the May Revision and including certain recommendations contained in the IBA FY 2026 Budget Report, as well as certain additional modifications made by the Council (Council's Budget).

G. On June 18, 2025, the Mayor vetoed several line items and made additional revisions to the Council's Budget (Mayoral Veto Budget).

H. On June 23, 2025, the Council held a meeting to consider overriding some or all of the vetoed line items in the Mayoral Veto Budget pursuant to the Council's authority under Charter section 69(h). At the meeting, the Council voted to successfully override many line items of the Mayoral Veto Budget, resulting in a final budget (Final FY 2026 Budget).

I. The Office of the City Attorney drafted this resolution based on the information provided by City staff, with the understanding that this information is complete, true, and accurate.

ACTION ITEMS

Be it resolved by the Council of the City of San Diego:

1. The Council approves the Final FY 2026 Budget as presented below.
2. Approve the recommended final budget expenditure modifications included in the IBA FY 2026 Budget Report, as summarized in Table 3 (Recommended Expenditure Modifications; page 16) and supported by recommended resources identified in Table 1 (Recommended Resources for Modifications; page 4) as modified and described below:
 - A. Approve the General Fund resource adjustments identified in Table 1 of the IBA FY 2026 Budget Report, with the addition of \$830,000 in Residual RPTTF revenue, the reduction of \$2,106,000 in Public Safety Special Event Fees for Non-Profits, the removal of \$239,000 for the vacant Transportation Deputy Director position, the reduction of Fines for Expired Parking Meters from \$2,000,000 to \$1,000,000, and the removal of

\$282,000 for Department of Finance Office Consolidation. The resulting \$8,281,000 in General Fund resource adjustments are listed below:

- Solid Waste Fund Debt Repayment - \$6,458,000
- Revised Sales Tax Projection - \$3,728,000
- Reconsideration of Fines for Expired Parking Meters - \$1,000,000
- Daylighting Citation Revenue - \$850,000
- Residual RPTTF - \$830,000
- Remove Vacant Council Rep 1 in Council Administration - \$136,000
- Civil Penalty Fund Balance Transfer - \$91,000
- City Auditor: Available Independent Legal Counsel Resources - \$60,000
- Reduced Revenue from Measure C TOT Homelessness Fund - \$(526,000)
- Cannabis Business Tax Revenue Decrease - \$(900,000)
- Revised TOT Projection (includes Special Promo Reimbursements) - \$(3,446,000)

B. Approve General Fund expenditure modifications identified in Table 3 of the IBA FY 2026 Budget Report, totaling \$4,563,000 (rounded up), as listed below:

- Animal Services Contract - \$2,097,000
- Fleet Fee Adjustments - \$1,410,000
- City Attorney's Office - \$500,000
- Office of the City Auditor - \$163,000
- Independent Budget Analyst's Office - \$143,000
- Parks and Recreation 1.00 FTE Electrician (May Revision Correction) - \$136,000
- Department of Finance Office Consolidation - \$114,000

C. Approve non-general fund expenditure and resource modifications identified in Tables 1 and 3 of the IBA FY 2026 Budget Report, totaling \$7,942,000 as listed below:

- Affordable Housing Preservation Fund, supported by Neighborhood Enhancement Fee Revenue - \$5,000,000
- Expansion of the UCSD Health Transition Partnership, supported by Opioid Settlement Fund Balance - \$1,104,000
- Small Business Enhancement Program, supported by Economic Workforce Development Funds - \$750,000

- Feasibility Study for Park Blvd, Normal St, and El Cajon Blvd Intersection, supported by Community Based DIF - \$600,000 (\$530,000 from North Park DIF and \$70,000 from Uptown DIF)
- Rosecrans Shelter Wind-Down, General Fund expenditures offset via transfer from Opioid Settlement Fund - \$488,000

3. Allocate the remaining amounts in identified resources to the Council's other selected budget modifications identified in the IBA FY 2026 Budget Report.

4. To effectuate Actions Items 2 and 3 above, the following recommendations in the IBA FY 2026 Budget Report are approved:

- A. \$6.5 million be transferred from the Solid Waste Management Fund to the General Fund for debt repayment in FY 2026.
- B. FY 2026 Transient Occupancy Tax Fund revenues and expenditures be decreased by \$1.2 million and \$2.1 million, respectively. Of the \$2.1 million expenditure reduction, \$1.9 million is decreased reimbursements to the General Fund and \$239,000 is a reduced transfer of the 1 cent TOT to the General Fund.
- C. \$91,000 be transferred from the Civil Penalty Fund to the General Fund in support of eligible activities in FY 2026.
- D. General Fund expenditures to be increased by \$488,000 for the Rosecrans Shelter Wind-Down, and \$488,000 be transferred from the Opioid Settlement Fund to the General Fund to reimburse eligible expenses for the Harm Reduction and Safe Haven Shelters.
- E. 0.75 FTE Electrician and \$102,000 in personnel expenditures from the Maintenance Assessment District Management Fund and 0.25 FTE Electrician and \$34,000 in personnel expenditures from the Golf Course

Fund be moved to the General Fund to support 1.00 FTE Parks and Recreation Electrician at \$136,000.

5. Approve the below Expenditure Modifications:

<i>Additional Expenditure</i>	<i>Amount</i>
<u><i>Library Restorations</i></u>	
Full-Day Mondays at 14 Branches; see IBA Report 25-18, p. 22	\$3,101,000
Remove San Carlos Library Restoration (included in line above)	(\$198,236)
Monday hours at the Allied Gardens Library	\$143,163
Library Matching Funds Restoration	\$118,000
North Park Library Branch	\$107,841
University Heights Library Branch	\$180,697
<u><i>Parks & Recreation Restorations</i></u>	
Full Restoration Rec Center Hours; see IBA Report 25-18, p. 21	\$4,834,000
Mission Bay Restrooms; see IBA Report 25-18, p. 24	\$517,000
Fiesta Island Restrooms; see IBA Report 25-18, p. 24	\$18,000
Shoreline Beach Restrooms; see IBA Report 25-18, p. 24	\$148,000
Balboa Park Restrooms; see IBA Report 25-18, p. 24	\$481,000
Beach Fire Rings Restoration	\$135,000
<u><i>Additional Operating Expenditures</i></u>	
All Reservoir Restoration (expenditures net of revenues)	\$622,000
Restore CPPS	\$900,000
Fire-Rescue - Brush Management	\$335,299
Stormwater - Restore NPE Cut to Operating Activities	\$175,309
Restore Office of Race & Equity (Director)	\$250,000
Central Elementary Safe Parking	\$250,000
Short-term Rental Occupancy Nexus Study	\$45,000
Total	\$12,136,073

6. To effectuate Action Item 5, allocate new identified resources:

<i>Additional Revenue/Resource</i>	<i>Amount</i>
County Community Enhancement Grant (Beach Fire Rings)	\$135,000
Accelerate Balboa Park Parking for Non-Residents	\$1,500,000
Execute Zoo Parking Agreement for Non-Residents	\$3,000,000
Credit Card Transaction Fees	\$1,000,000
Unclassified Position Reductions (rounded up)	\$2,692,168
Reduction of Police Department Program Coordinator	\$196,452
Total	\$8,523,620

7. Allocate \$300,000 from the City's Opioid Settlement Fund to support the San Diego LGBT Community Center's Substance Use Disorder Treatment Services.

8. De-appropriate \$4,572,000 of General Fund Notes/Bonds for Capital Equipment and reappropriate those funds to the following capital projects:

<i>Project</i>	<i>Amount</i>
Jeremy Henwood Park – P24002	\$2,500,000
Marie Widman Comfort Station (project number TBD)	\$1,700,000
University City Streetlights – AIH00001	\$300,000

9. As part of the restoration of the Office of Race and Equity, transfer 5.00 FTE positions that were consolidated into the Department of Human Resources and transfer funded positions and related expenditures to the Office of the Independent Budget Analyst, in addition to the restored Department Director at \$250,000.

10. Contractual non-personnel expenditures associated with Smart Streetlights and Automated License Plate Readers shall be contingent upon the City Council conducting a review of the 2024 Annual Surveillance Report and granting approval for continued use of the technology via the City's Surveillance Use Policy.

11. The table presented in Action Item 5 reflects:

- A. \$518,000 not being allocated for Downtown Restrooms.
- B. Allocation of \$289,000 to restore Monday hours at the North Park (\$107,841) and University Heights (\$180,697) Libraries.

12. The table presented in Action Item 5 also reflects the restoration of Monday hours at the Allied Gardens Library (\$143,163) instead of the San Carlos Library (-\$198,236).

13. Eliminated funding and positions within Action Item 6 resources as follows:

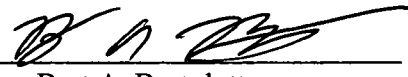
Department	Position	Vacant	On-Going Cost
Communications	Media Svcs Coord	No	\$160,000
Communications	Media Svcs Manager	No	\$167,000
Compliance	Deputy Director	Yes	\$238,713
Department of Finance	Principal Accountant	Yes	\$258,170
Homelessness Strats & Solutions	Program Coordinator	Yes	\$208,670
Mayor	DCOO 1	No	400,000
Mayor	DCOO 2	No	400,000
Mayor	Confid. Sec. to Mayor	Yes	\$132,794
Parks and Recreation	Deputy Director	Yes	\$312,890
Performance & Analytics	Program Coordinator	Yes	\$229,459
Purchasing & Contracting	Deputy Director (rounded up)	No	\$184,472
		Total	\$2,692,168

14. The table presented in Action Item 13 reflects that the Assistant Deputy Director position in the Transportation Department is not being used as a resource.

15. The Mayor is directed to present to the Council the Fiscal Year 2026 First Quarter Budget Monitoring Report, along with the Five Year Financial Outlook, no later than November 30, 2025.

16. Since the Council approved the Final FY 2026 Budget by overriding the Mayoral Veto Budget pursuant to Charter section 69(h), the Mayor's approval is not required and the City Clerk is directed to process this Resolution as soon as practicable.

APPROVED: HEATHER FERBERT, City Attorney

By 
 Bret A. Bartolotta
 Chief Deputy City Attorney


BAB:jdf
 05/28/2025
 06/11/2025 REV.
 06/23/2025 REV.2
 Or.Dept: IBA
 Doc. No.: 4076115_3

I certify that the Council of the City of San Diego adopted this Resolution at a meeting held on
JUN 23 2025.

DIANA J.S. FUENTES

City Clerk

By



Deputy City Clerk

Passed by the Council of The City of San Diego on JUN 23 2025, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Joe LaCava	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jennifer Campbell	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stephen Whitburn	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Henry L. Foster III	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marni von Wilpert	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kent Lee	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Raul A. Campillo	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vivian Moreno	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sean Elo-Rivera	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage JUN 23 2025.

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

TODD GLORIA
Mayor of The City of San Diego, California.

DIANA J.S. FUENTES
City Clerk of The City of San Diego, California.

(Seal)

By Kyrrael Medina, Deputy

Office of the City Clerk, San Diego, California

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