

John Stump
2413 Shamrock Street
City Heights, California 92105
619 281 4663 jwstump@cox.net

RECEIVED
CITY CLERK'S OFFICE
16 JUN -7 PM 1:38
SAN DIEGO, CALIF.

Monday, June 6, 2016

Honorable City Council and Mayor Kevin Faulconer
City of San Diego c/o: Ms. Elizabeth Maland, San Diego City Clerk
202 C Street, Second Floor
San Diego, California 92101

RE: Submission of Ballot Proposals for the November 8, 2016 Ballot – Make Housing More Affordable
Reduce Taxes

Dear Honorable Council and Mayor,

I am submitting a ballot proposal for the November 8, 2016 ballot. The proposal, in summary, ends a nearly 100 year old tax that has outlived the crisis that justified its imposition on all San Diego families and businesses. When the voters agreed to be taxed to maintain the San Diego Zoo it was a City park function that needed special money to feed and maintain the animals. Today the San Diego Zoo is one of many global operations of a very private Zoo Global corporation, with hundreds of millions of dollars in reserves and has no difficulties in earning tens of millions of dollars in excess of expenses. Currently, San Diego families struggle to make ends meet and find affordable housing. Continuation of this special tax is no longer necessary and its suspension would provide some relief to family budgets.

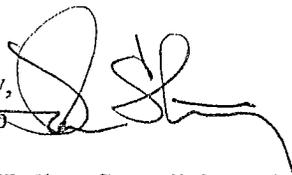
The proposal is: The San Diego City Charter shall be amended to temporarily suspend the imposition of the special Zoo Maintenance tax, unless actually needed to maintain San Diego Zoological exhibits. The Council shall annually make budget findings to determine if the revenues raised by Zoo admissions and other sources are insufficient to maintain the San Diego Zoo and Gardens. If the Council determines that maintenance funding is needed then the tax shall be imposed or if sufficient reserves or revenues exist then the tax shall not be imposed.

All other provisions of Charter section 77a and any agreements with any Zoo maintenance organization shall be unchanged.

Suspension of this special tax would be a good faith expression, by the Council, of its efforts to make housing more affordable for San Diego families. The cost of this special tax is imposed on all housing and has the most adverse impacts on renters. I have attached my letter of May 4, 2016, RE: Budget Review Zoological Exhibits Maintenance Fund, which provided additional background on this special tax. This letter and its attachments are incorporated to this proposal, by reference and is on file in the Office of the City Clerk.

I request the opportunity to be noticed and heard concerning this ballot proposal. Thank you for providing the public with this opportunity to participate in formation of its government, I will accept those reasonable and necessary technical amendments, recommended by the City Attorney, committee and Council.

Respectfully,
John Stump



Copy: Mr. Steven Hadley, Council Committee Consultant, Email: srhadley@sandiego.gov (619) 533-5906

ATTACHMENT: May 4, 2016 Budget Review Zoological Exhibits Maintenance Fund letter, with attachments

JOHN STUMP

2415 Shamrock Street
City Heights, California 92105
619-281-4663 jwstump@cox.net

May 4, 2016 (Revised and corrected)

San Diego Mayor and City Council
VIA San Diego City Clerk
City of San Diego
202 C Street
San Diego, California 92101

RE: Budget Review Zoological Exhibits Maintenance Fund

Dear Honorable Mayor and Council,

I have reviewed the presentation and proposal made by the Mayor's team for the expenditure of some \$12.5+ million dollars of public tax monies for the **Zoological Exhibits Maintenance Fund [Pages 625 – 628]**. I am a San Diego resident, elector, property owner, and taxpayer and I object to the imposition of this tax and the expenditures proposed in this budget.

I appreciate the re-titling of this budget chapter to more closely follow the title and provisions of the San Diego City Charter section 77a. I am concerned that the proposed expenditure of more than \$12.5 million dollars of public funds, with an increase of more than \$800 thousand dollars, contains so little detail or policy direction. The private Zoological Society appears to be handed a \$12.5 million dollar blank check by this proposed budget.

The proposed Budget appears to disregard and violate the specific provisions of the lease between the City of San Diego and the private Zoo Global Corporation for the City real estate asset referred to as the "GARDENS", therein. The GARDENS lease agreement; hereafter "GARDENS LEASE" is on file with the San Diego City Clerk as Document NO. 767195. The GARDENS LEASE and the other documents released under the City of San Diego Public Records Request Record request #16-833 are hereby incorporated into this document by reference. My December 3, 2015, presentation to the Charter Review Committee and the documents submitted to that Committee are incorporated by reference into these comments and are on file with the City Clerk and Committee consultant.

The City Clerk has on file and you have received the troubling report of the United States Department of Agriculture on Animal Maintenance of the City's animals and the property leased to this private contractor, the recent San Diego Auditor concerning the undocumented use of these public tax funds by the private corporation, and the most recent public income tax filing showing that this global institution has huge reserves and receives 10s of millions of revenues in excess of expenses. The zoo corporation has countered these sunshine documents with a fancy marketing puff piece that shows only the economic tourist inputs but does not reveal the net costs to the City for this taxpayer subsidy.

I am requesting that during your review of the **Zoological Exhibits Maintenance Fund** you consider and inquire of both Zoo Global and the managing City Department(s) how they plan to expend these new funds, under the very specific terms of the Charter and the referenced lease agreement for the GARDENS. [References are to GARDENS Lease by section and page]

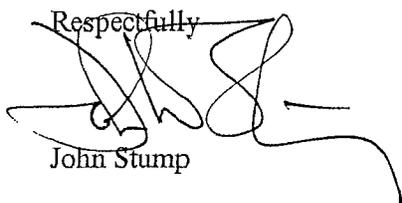
Specifically, I request inquiry into the following, before approval of this budget: that the proposed contractor and department staff identify their planned steps in the areas that follow:

1. How City shall retain funds from the 77a tax fund until requisitioned by Zoo Global and the City Manager (sic Mayor) shall approve requisition of these funds by Zoo Global [Article V, Paragraph 1. Page -4-];
2. How the admission fees charged under the lease and the proposed Budget are "reasonable" given the specific limitations and restrictions of Lease Article V, Paragraph 6, pages -5- thru -6-?;
3. How the proposed City Budget implements or takes into consideration the "proposed budget" for all expected revenues and expenses for the upcoming year, as submitted by Zoo Global on or before January 1st, of each and every year, and required by Article V, paragraph 11, page -7- of the GARDENS lease?
4. How the proposed budget reconciles with the annual statement showing Zoo Global's "...assets and liabilities, profit and loss statement, and a statement of surplus..." submitted to the City under the GARDENS lease? Particularity in regards to the reasonableness of admission fees proposed, given its large surpluses and profits and other obligations for maintenance. See lease Article V, paragraphs 11-12, page -7-;.
5. How has the Zoo Global corporation accomplished its required performance "... to improve employment opportunities of minorities and women." Under the lease at Article V, paragraph 33, page -23-. When was the last time the Council received a report on the employment of San Diegans at the Zoo and its sub-contractors? The Council should give particular consideration to progress that Zoo Global has made, given the nearly 36 years it has had to accomplish these obligation. By 2017, the Zoo's workforce should be completely integrated and reflect the City's workforce of women and minorities
6. How Zoo Global has taken remedial and corrective actions to respond to the recent loss of animals and the referenced USDA evaluation of its operations consistent with Article v, paragraph 15, page -8- of the GARDENS lease. Specifically, does the managing City department(s) intend to take the needed corrective actions and back charge Zoo Global as provided in the lease?
7. How has Zoo Global "... maintain separate accounts on its books with respect to any 77a moneys.' Given the adverse Audit findings by the City Auditor in his "Performance Audit of the Zoological Exhibits Fund, CHANGES ARE NEEDED TO IMPROVE FUND BUDGETING, OPERATIONS, AND TRANSPARENCY, MAY 2013" [<http://tinyurl.com/j2smgmg>], as on file with the City Clerk and incorporated herein by reference.
8. How has Zoo Global complied with Climate Action plans, the Municipal Storm Water permit, Water Conservation and other policy and environmental regulations of the City and other governmental regulatory agencies, under the provisions of Article v, paragraph 21, pages 116-through -17- of the lease? Particular attention should be made of Zoo Global's operation of the leased parking lot, given the lease's restrictions on fees and if it operation "... adversely affects the parking and traffic situation in Balboa Park.." as expressed in Article V, paragraph 7., page -6-, of the lease.
9. How has Zoo Global taken and proposes to take, under this budget, actions to "...take proper corrective action, to the satisfaction of City, to prevent the infestation of noxious weeds, pests and erosion throughout the entire leased premises." [Article V, paragraph 27, page -21-] This obligation is of particular concern, given the storm water pollution n of the San Diego Bay resulting from storm water that runs off the leased premise, including but not limited to its parking lot.
10. The lease provides. in several places, authority of the "City manager" to approve debt instruments, animal sales and transfers, building permits and improvements. The Council as part

of its budget review and direction should refer these sections to the appropriate staff and committee for analysis, consideration, and review; so as to insure that the strong Council's legislative and policy rights are preserved under the transition to our new system of strong Council and Mayor. The lease identifies the point of oversight for this asset as the City's Property Agent and not the Financial Management department.

I found the very limited budget presentation disturbingly inadequate given the value of this asset, the scale of taxpayer resources dedicated to it, and the numerous scandals and concerns regarding Zoo Global's secretive operations. The public has routinely expressed concerns that Balboa Park is deteriorating and this operation is not contributing to its improvement. I object to the imposition of this tax and the expenditures proposed in this budget.

I recommend that the Council consider a treatment and presentation concerning this asset similar to the budget presentations for other mayor and expensive City assets. The presentations on Mission Bay Park, PETCO and QUALCOMM are superior and give the Council real facts and options for consideration. The expenditure of more than \$12.5 million dollars of hard earned taxpayer's monies should receive more attention than "We collected so much money and gave it away."

Respectfully

John Stump


USDA Inspection
Report Zoo Global 201


Zoo_Funds_Audit.pdf


Zoo2012-951648219-
09b3b2ac-9.pdf

RECEIVED
PROPERTY CLERKS OFFICE
SAN DIEGO, CALIF.
16 JUN -7 PM 1:38