



## FY21 Clean & Safe Budget Summary

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### **Downtown San Diego Partnership**

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D O W N T O W N  
**SAN DIEGO**  
 P A R T N E R S H I P  
 C L E A N & S A F E

Date: April 28, 2020

**Budget Big Picture**

The FY21 budgeting process has required a new set of assumptions due to COVID-19 impacts. Fortunately, the Clean & Safe (C&S) budget has remained relatively solid due to our primary income generator being property taxes. The collection of property taxes has been positive for April 2020, but the December due date may pose concern and financial impact. We are accommodating this potential loss of revenue by increasing our overall contingency and decreasing expenses by \$331,000.

Our assessment revenue of \$9,959,186 was derived through examining the average delinquency rate for the most impactful fiscal years of property tax assessments (FY08, FY09 & FY10). The average delinquency rate during this time was 3.8%, so we are budgeting 4.7% to anticipate COVID-19 impacts appropriately.

The total revenue increase from FY20 to FY21 is 3.5% versus our average increase of 5%. This represents an approximately 3.2% mandatory living wage increase for our staff as well as a small percentage for general inflation. We felt increasing at a modest 3.5% was prudent given our current environment.

**Overall Budget Summary**

<b>Overall Budget Summary</b>	FY 21 Budget	FY 20 Budget	FY20 Forecasted Actuals	FY21 \$ Fav/(Unfav) Against Actuals	% Variance
Assessments	\$ 9,793,808.26	\$ 9,385,115.72	\$ 9,273,841.89	\$ 519,966.37	5%
Other Revenue	\$ 45,434.00	\$ 81,254.00	\$ 73,696.78	\$ (28,262.78)	-62%
Maintenance	\$ 4,430,417.03	\$ 4,712,785.90	\$ 4,541,471.98	\$ (111,054.95)	-3%
Beautification	\$ 745,796.17	\$ 558,757.87	\$ 560,522.15	\$ 185,274.02	25%
Safety & Homeless Outreach	\$ 2,773,684.71	\$ 2,599,676.99	\$ 2,179,519.91	\$ 594,164.80	21%
Admin	\$ 942,898.67	\$ 819,549.98	\$ 814,076.28	\$ 128,822.39	14%
CEP	\$ 333,210.14	\$ 344,045.84	\$ 354,066.20	\$ (20,856.06)	-6%
Other	\$ 610,308.99	\$ 431,553.14	\$ 431,553.14	\$ 178,755.85	29%
<b>Total Expenses</b>	<b>\$ 9,836,315.71</b>	<b>\$ 9,466,369.72</b>	<b>\$ 8,881,209.66</b>	<b>\$ 955,106.05</b>	<b>10%</b>
<b>Net Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 466,329.01</b>	<b>\$ (466,329.01)</b>	

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**Expense Details & Impacts**

*Service Levels*

The following represent the FY21 service levels versus FY20:

- Pressure washing: 14% increase
- Security: 8% increase
- Maintenance: 0% increase/decrease
- Tree trimming: 15% decrease

**Our proactive steps for financial & operational stability include:**

- We anticipate a carry forward balance of \$466,329.01 \*\*We will not see this until Jan FY21 and it may change due to delinquencies.\*\*
- DSDP is proactively engaging the City to discuss a reduction in the FY21 Admin Fee
- We are in the process of securing a line of credit for emergency purposes only
- We are working with Economic Development to identify a date and process for requesting FY19 and FY20 carryforward, providing additional capital so we can build a modest cash reserve
- Salaries: Reduction in leadership salaries and pay freeze for all employees not within the City’s living wage
- In March, we adjusted FY20 services in the event of a high delinquency rate in FY21 to slowly build cash reserves

**Year-Over-Year Budget History**

<b>C&amp;S Revenue and Expenses</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20 (projected)</b>
Total Expenses	\$ 7,287,191.61	\$ 8,166,380.72	\$ 8,026,653.02	\$ 8,449,656.46
% Growth YOY	5.80%	12.1%	-1.7%	5.3%
Total Revenue	\$ 7,444,058.00	\$ 7,790,971.00	\$ 8,213,112.00	\$ 8,696,676.00
% Growth YOY	8.6%	4.7%	5.4%	5.9%

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**Summary**

Monitoring this budget on a monthly or bi-monthly basis will be crucial for us to be able to enforce accountability related to spending and the potential impact of December's property tax deadline. This process will allow us to understand trends and other deviations that may impact future operations and demonstrate transparency by sharing findings from this regular monitoring. We will continue to use our Clean & Safe Board for reporting this information as well as the finance committee of the DSDP Board.

**Downtown San Diego Clean and Safe  
FY21 Budget**

	CEP 4.90%	City Center 18.76%	Columbia 7.49%	Gaslamp 17.02%	East Village 33.24%	Cortez 8.98%	Marina 9.61%	TOTAL* 100.00%
<b>Revenue</b>								
Assessments	\$ 487,685.06	\$ 1,868,258.27	\$ 746,335.55	\$ 1,694,728.23	\$ 3,310,246.14	\$ 894,686.78	\$ 957,246.39	\$ 9,959,186.42
Decrease Federal Assessment		\$ (128,075.51)			\$ (17,781.56)		\$ (19,521.09)	\$ (165,378.16)
Interest	\$ -	\$ 35.51	\$ 14.18	\$ 32.21	\$ 62.91	\$ 17.00	\$ 18.19	\$ 180.00
Water Feature Reimbursement (50%)	\$ -	\$ 1,820.70	\$ 2,135.27	\$ 2,486.45	\$ 3,076.26	\$ 1,426.65	\$ 4,054.66	\$ 15,000.00
Median Maintenance Reimbursement	\$ -	\$ 3,916.84	\$ 5,602.76		\$ 6,445.72		\$ 7,288.68	\$ 23,254.00
Program Management					\$ 7,000.00			\$ 7,000.00
<b>Total:</b>	<b>\$ 487,685.06</b>	<b>\$ 1,745,955.81</b>	<b>\$ 754,087.77</b>	<b>\$ 1,697,246.89</b>	<b>\$ 3,309,049.47</b>	<b>\$ 896,130.43</b>	<b>\$ 949,086.84</b>	<b>\$ 9,839,242.26</b>

<b>Expenses</b>								
<b>Maintenance</b>	CEP	City Center	Columbia	Gaslamp	East Village	Cortez	Marina	Total
Maintenance Salaries & Wages	\$ -	\$ 473,200.78	\$ 229,905.09	\$ 588,024.42	\$ 861,079.91	\$ 252,846.20	\$ 198,929.13	\$ 2,603,985.52
Vehicle Insurance	\$ -	\$ 4,142.26	\$ 1,654.76	\$ 3,757.51	\$ 7,339.40	\$ 1,983.68	\$ 2,122.39	\$ 21,000.00
Cleaning & Janitorial Supplies	\$ -	\$ 31,560.08	\$ 12,607.68	\$ 28,628.67	\$ 55,919.26	\$ 15,113.75	\$ 16,170.55	\$ 160,000.00
Vehicle Repair & Maintenance	\$ -	\$ 12,821.28	\$ 5,121.87	\$ 11,630.40	\$ 22,717.20	\$ 6,139.96	\$ 6,569.29	\$ 65,000.00
Vehicle Fuel	\$ -	\$ 16,569.04	\$ 6,619.03	\$ 15,030.05	\$ 29,357.61	\$ 7,934.72	\$ 8,489.54	\$ 84,000.00
Waste Removal	\$ -	\$ 16,746.29	\$ 6,697.83	\$ 15,208.98	\$ 29,707.11	\$ 8,029.18	\$ 8,590.61	\$ 85,000.00
Uniforms	\$ 900.00	\$ 2,847.76	\$ 1,497.16	\$ 3,399.65	\$ 6,640.41	\$ 1,794.76	\$ 1,920.25	\$ 19,000.00
Equipment Leasing / Purchasing	\$ -	\$ 17,752.54	\$ 7,091.82	\$ 16,103.63	\$ 31,454.59	\$ 8,501.48	\$ 9,095.94	\$ 90,000.00
Electric Services	\$ -	\$ 7,495.52	\$ 2,994.32	\$ 6,799.31	\$ 13,280.83	\$ 3,589.52	\$ 3,840.51	\$ 38,000.00
Water Services	\$ -	\$ 6,509.27	\$ 2,600.33	\$ 5,904.66	\$ 11,533.35	\$ 3,117.21	\$ 3,335.18	\$ 33,000.00
Maintenance and Safety Phone Services	\$ -	\$ 8,876.27	\$ 3,545.91	\$ 8,051.81	\$ 15,727.29	\$ 4,250.74	\$ 4,547.97	\$ 45,000.00
Data Tracking	\$ -	\$ 7,890.02	\$ 3,151.92	\$ 7,157.17	\$ 13,979.82	\$ 3,778.44	\$ 4,042.64	\$ 40,000.00
Powerwashing	\$ -	\$ 167,612.30	\$ 56,180.30	\$ 170,100.00	\$ 400,134.90	\$ 95,667.20	\$ 71,939.84	\$ 961,634.54
Streetscape + Landscaping	\$ -	\$ 11,991.57	\$ 8,650.05	\$ 26,203.72	\$ 10,940.04	\$ 13,734.72	\$ 8,500.00	\$ 80,020.10
Tree Trimming MTS	\$ -	\$ 5,602.13	\$ 1,257.62	\$ -	\$ 4,390.25	\$ -	\$ -	\$ 11,250.00
Tree Trimming Neighborhood	\$ -	\$ 11,926.77	\$ 6,929.52	\$ 6,663.00	\$ 19,189.44	\$ 10,394.28	\$ 14,791.86	\$ 69,894.87
Tree Trimming Palm Trees	\$ -	\$ 1,200.00	\$ 1,200.00	\$ 612.00	\$ 1,200.00	\$ 2,210.00	\$ 2,210.00	\$ 8,632.00
Water Feature Maintenance + Utilities	\$ -	\$ 1,820.70	\$ 2,135.27	\$ 2,486.45	\$ 3,076.26	\$ 1,426.65	\$ 4,054.66	\$ 15,000.00
Wayfinding Signage Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total:</b>	<b>\$ 900.00</b>	<b>\$ 806,584.58</b>	<b>\$ 359,840.51</b>	<b>\$ 915,761.45</b>	<b>\$ 1,537,667.67</b>	<b>\$ 440,512.47</b>	<b>\$ 369,150.35</b>	<b>\$ 4,430,417.03</b>

<b>Installations / Beautification</b>	CEP	City Center	Columbia	Gaslamp	East Village	Cortez	Marina	Total
Capital Improvement Placemaking Projects and Activations	\$ -	\$ 14,103.28	\$ 13,000.00	\$ 22,000.00	\$ 13,031.92	\$ 19,050.00	\$ 32,000.43	\$ 113,185.63
Installations/Beautification Salaries & Wages	\$ -	\$ 74,963.47	\$ 30,489.19	\$ 68,501.62	\$ 133,794.86	\$ 36,113.40	\$ 38,747.99	\$ 382,610.54
Midblock Lighting	\$ -	\$ 49,312.62	\$ 19,699.50	\$ 44,732.30	\$ 87,373.85	\$ 23,615.23	\$ 25,266.49	\$ 250,000.00
<b>Total</b>	<b>\$ -</b>	<b>\$ 138,379.37</b>	<b>\$ 63,188.70</b>	<b>\$ 135,233.92</b>	<b>\$ 234,200.63</b>	<b>\$ 78,778.63</b>	<b>\$ 96,014.91</b>	<b>\$ 745,796.17</b>

<b>Safety and Homeless Outreach Services</b>	CEP	City Center	Columbia	Gaslamp	East Village	Cortez	Marina	Total
Safety and Homeless Outreach Services - Salaries & Wages	\$ 50,677.00	\$ 66,222.74	\$ 123,934.20	\$ 71,332.36	\$ 117,852.88	\$ 130,986.18	\$ 130,055.60	\$ 691,060.95
Safety Contracted Services	\$ -	\$ 453,522.50	\$ 92,444.90	\$ 312,397.10	\$ 910,349.26	\$ 107,773.70	\$ 206,136.30	\$ 2,082,623.76
<b>Total</b>	<b>\$ 50,677.00</b>	<b>\$ 519,745.24</b>	<b>\$ 216,379.10</b>	<b>\$ 383,729.46</b>	<b>\$ 1,028,202.14</b>	<b>\$ 238,759.88</b>	<b>\$ 336,191.90</b>	<b>\$ 2,773,684.71</b>

<b>Admin</b>	CEP	City Center	Columbia	Gaslamp	East Village	Cortez	Marina	Total
Audit & Accounting Services	\$ 636.59	\$ 2,438.69	\$ 974.21	\$ 2,212.18	\$ 4,320.96	\$ 1,167.86	\$ 1,249.52	\$ 13,000.00
Program Management & CEP	\$ 61,325.50	\$ 30,973.46	\$ 12,373.34	\$ 28,096.54	\$ 54,879.86	\$ 14,832.82	\$ 15,869.98	\$ 218,351.50
General Liability Ins.	\$ 5,000.00	\$ 26,954.58	\$ 12,765.28	\$ 28,986.53	\$ 56,618.25	\$ 15,302.67	\$ 16,372.69	\$ 162,000.00
Office Supplies	\$ -	\$ 3,353.26	\$ 1,339.57	\$ 3,041.80	\$ 5,941.42	\$ 1,605.84	\$ 1,718.12	\$ 17,000.00
Payroll Services / Web Services	\$ 600.00	\$ 1,076.63	\$ 669.78	\$ 1,520.90	\$ 2,970.71	\$ 802.92	\$ 859.06	\$ 8,500.00
Parking	\$ -	\$ 4,734.01	\$ 1,891.15	\$ 4,294.30	\$ 8,387.89	\$ 2,267.06	\$ 2,425.58	\$ 24,000.00
Community/Board Meetings / Misc.	\$ 373.45	\$ 281.39	\$ 112.41	\$ 255.25	\$ 198.57	\$ 134.75	\$ 144.18	\$ 1,500.00
Travel/Conferences	\$ -	\$ 1,479.38	\$ 590.99	\$ 1,341.97	\$ 2,621.22	\$ 708.46	\$ 757.99	\$ 7,500.00
Training	\$ -	\$ 1,965.63	\$ 484.98	\$ 3,236.62	\$ 4,368.69	\$ 1,180.76	\$ 1,263.32	\$ 12,500.00
Rents / Leases	\$ -	\$ 24,656.31	\$ 9,849.75	\$ 22,366.15	\$ 43,686.92	\$ 11,807.62	\$ 12,633.25	\$ 125,000.00
Office Space Electric Services	\$ -	\$ 1,380.75	\$ 551.59	\$ 1,252.50	\$ 2,446.47	\$ 661.23	\$ 707.46	\$ 7,000.00
Legal Expense	\$ 150.00	\$ 836.25	\$ 393.99	\$ 894.65	\$ 1,747.48	\$ 472.30	\$ 505.33	\$ 5,000.00
IT Support	\$ 2,000.00	\$ 3,050.51	\$ 1,418.36	\$ 3,220.73	\$ 4,790.92	\$ 1,700.30	\$ 1,819.19	\$ 18,000.00
Admin - Salaries & Wages	\$ -	\$ 63,577.02	\$ 25,527.87	\$ 57,947.30	\$ 113,144.45	\$ 30,607.56	\$ 32,742.97	\$ 323,547.17
<b>Total</b>	<b>\$ 70,085.54</b>	<b>\$ 166,757.86</b>	<b>\$ 68,943.27</b>	<b>\$ 158,667.40</b>	<b>\$ 306,123.81</b>	<b>\$ 83,252.14</b>	<b>\$ 89,068.65</b>	<b>\$ 942,898.67</b>

<b>Other</b>	CEP	City Center	Columbia	Gaslamp	East Village	Cortez	Marina	Total
City Fee	\$ 7,345.25	\$ 28,138.72	\$ 11,240.91	\$ 25,525.10	\$ 49,857.18	\$ 13,475.30	\$ 14,417.54	\$ 150,000.00
Contingency	\$ 22,540.58	\$ 86,350.03	\$ 34,495.28	\$ 78,329.55	\$ 152,998.04	\$ 41,352.01	\$ 44,243.49	\$ 460,308.99
<b>Total</b>	<b>\$ 29,885.83</b>	<b>\$ 114,488.75</b>	<b>\$ 45,736.20</b>	<b>\$ 103,854.66</b>	<b>\$ 202,855.22</b>	<b>\$ 54,827.31</b>	<b>\$ 58,661.02</b>	<b>\$ 610,308.99</b>

<b>CEP Exclusive</b>	CEP
Business Attraction & Retention	\$ 168,068.34
Property Marketing	\$ 168,068.34
<b>Total</b>	<b>\$ 336,136.68</b>

<b>Total Expenses</b>	CEP	City Center	Columbia	Gaslamp	East Village	Cortez	Marina	Total
Subtotal	\$ 487,685.05	\$ 1,745,955.81	\$ 754,087.77	\$ 1,697,246.89	\$ 3,309,049.47	\$ 896,130.43	\$ 949,086.84	\$ 9,839,242.26
General Benefit (Non-Assessment)**	\$ 15,167.01	\$ 54,299.23	\$ 23,452.13	\$ 52,784.38	\$ 102,911.44	\$ 27,869.66	\$ 29,516.60	\$ 306,000.43
<b>Total</b>	<b>\$ 502,852.06</b>	<b>\$ 1,800,255.03</b>	<b>\$ 777,539.89</b>	<b>\$ 1,750,031.26</b>	<b>\$ 3,411,960.91</b>	<b>\$ 924,000.09</b>	<b>\$ 978,603.44</b>	<b>\$ 10,145,242.69</b>

	CEP	City Center	Columbia	Gaslamp	East Village	Cortez	Marina	Total
FY21 Revenue	\$ 487,685.06	\$ 1,745,955.81	\$ 754,087.77	\$ 1,697,246.89	\$ 3,309,049.47	\$ 896,130.43	\$ 949,086.84	\$ 9,839,242.26
FY21 Expenses:	\$ 487,685.05	\$ 1,745,955.81	\$ 754,087.77	\$ 1,697,246.89	\$ 3,309,049.47	\$ 896,130.43	\$ 949,086.84	\$ 9,839,242.26
<b>Variance</b>	<b>\$ (0.0)</b>	<b>\$ 0.00</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ 0.00</b>	<b>\$ (0.00)</b>	<b>\$ 0.00</b>	<b>\$ (0.0)</b>

East Village Green Park Maintenance is not reflected in this budget and will not be assessed for until the Park is open  
 \* Neighborhood percentage is based off of Assessment Revenue only  
 \*\* General Benefit is 3.11% of Budgeted Amount and is based on value and not accrual cash  
 The broader budget categories may be adjusted by up to fifteen percent (15%) of the total. There is no limitation on the reallocation of funds between individual line budget.



**Downtown San Diego Clean and Safe  
FY21 Proposed Budget Review  
FY21 General Benefit Breakdown**

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<b>FY21 General Benefit</b>	<b>Amount</b>
Gas Tax	\$23,254.00
Water Feature	\$15,000.00
Grants (County, Bank of America, Housing Commission)	\$1,126,000.00
In-Kind Work (Pro-bono Legal, Public Service Announcements)	\$81,000.00
Meeting Room Rental Value	\$2,000.00
<b>Total Projected General Benefit Funding</b>	<b>\$1,247,254.00</b>
<b>Required 3.11% General Benefit Funding</b>	<b>\$309,730.70</b>
<b>Variance</b>	<b>\$937,523.30</b>



# Clean & Safe FY21 Contract Services

Following is a summary of our negotiated rates with the Clean & Safe contractors for FY21. Negotiated rates are provided for review and approval by the Downtown San Diego Partnership's Clean & Safe Board, and Board of Directors.

## **Tree Trimming - neighborhoods**

Aztec Landscaping provides Tree trimming services in all six neighborhoods, excluding the trees along the MTS line. Aztec Landscaping increased the per-tree cost from \$65 to \$66.63 due to the projected increase of 2.3% living wage.

***Action Item 1: Staff recommendation is to offer Aztec Landscaping the FY21 tree trimming contract for the neighborhoods with the requested increase rate. Service levels will be decreased 15% compared to FY20.***

Service	FY20	FY21
Tree Trimming	\$80,340	\$69,894
Trees Trimmed	1,236	1,049

## **Water Feature Maintenance**

California Aquatics provides general maintenance services to Children's Pond five days a week. California Aquatics contract contemplates no change in cost for the same level of service.

***Action Item 3: Staff recommendation is to offer California Aquatics the FY21 water feature maintenance contract.***

Service	FY20	FY21
Water Feature Maintenance	\$15,000	\$15,000
Service Level	5 days per week	2-3 days per week

## **Pressure Washing**

Aztec Landscaping provides services in five neighborhoods. Aztec Landscaping contract contemplates an increase of 2.3% in service rates for FY21 due to the anticipated increase in living wage as well as additional services. FY20 rate \$45.30-\$47.00 a sidewalk to FY21 rate of \$46.43-\$48.18 a sidewalk.

***Action Item 4: Staff recommendation is to offer AZTEC Landscaping the FY21 pressuring washing contract with the requested increase. Service levels will be increased by 13% compared to FY20.***

Service	FY20	FY21
Pressure Washing	\$683,020	\$791,534
Sidewalks	14,740	16,664

**Pressure Washing**

South Bay Pressure Washing provide services to the Gaslamp neighborhood. South Bay Pressure Washing contract does not contemplates an increase in service rates for FY21, however we will be adding deep cleaning to 48 sidewalks at \$200 a sidewalk. FY21 rate of \$50.00 a sidewalk.

***Action Item 4: Staff recommendation is to offer South Bay the FY21 pressuring washing contract with the requested increase. Service levels will be increased by 1% compared to FY20.***

<b>Service</b>	<b>FY20</b>	<b>FY21</b>
Pressure Washing	\$161,200	\$170,100
Sidewalks	3,224	3,258

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**Safety/Security**

Allied Universal Service provides security patrols of all six neighborhoods. We plan to decrease the level of service, due to bringing six security positions in-house, however our overall security patrol hours are increasing 8% to 90,245 hours. The cost per hour of service from Allied has increased by 2.8% to accommodate the projected living wage increase, equipment repairs and increase to insurance claims.

***Action Item 5: Staff recommendation is to offer Universal Protection Service the FY21 security contract with the requested increase. Service levels for security will be the same compared to FY20. Contracted amount will decrease by 8%.***

<b>Service</b>	<b>FY20</b>	<b>FY21</b>
Safety Services	\$1,987,552	\$1,850,495
Annual Hours	83,616	75,685

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**\*\*Contract Amount including oversight from Account Manager, and 2.5 FTE Supervisors is a total of: \$2,082,623.76 vs \$2,267,480 FY20 Contract**