

Department of Real Estate & Airport Management

# Fiscal Year 2024 Proposed Budget

May 4, 2023

City Council Budget Review Committee Hearing



# Department of Real Estate & Airport Management

## Mission Statement:

To serve the San Diego community and its aviation customers through excellence in stewardship of the City's assets

## Vision:

To be a nationally recognized model for municipal real estate services and serve the City with world renowned general aviation airports



## Real Estate Highlights

### ❖ Accomplishments

- FY23 Revenue for the GF estimated at \$66.3M, \$10.5M over budget
- Created 72 new affordable housing units and preserved 384 existing affordable housing units
- Acquired 22 acres of land to increase our parks and open space system
- Negotiated agreements for two hotels (76 rooms) for senior and family housing for homeless
- Executed lease with Police Officers Association for first-of-its-kind law enforcement childcare facility
- Successful completion of Midway NOA; entered into ENA with Midway Rising

### ❖ Looking Forward

- Complete Acquisition for San Carlos Library
- Disposition of former Serra Mesa Library for affordable housing
- Present updates to Council Policies 700-10, 12 and 32
- Commence CEQA process on Midway Rising and negotiations of long-term lease

## Airport Management Highlights

### ❖ Accomplishments

- FY23 Revenue estimated at \$7.5 million, 500K over budget
- Successful assignment to IRG to further the San Diego Airpark redevelopment at Brown Field (SDM)
- Secured \$250K sweeper for taxiways/runways at Montgomery-Gibbs Executive Airport (MYF) with FAA grant funds
- Installed automated aircraft parking/landing and vehicle pay meter kiosks at both airports
- Refurbished the retail center buildings at MYF to attract new lessees and users

### ❖ Looking Forward

- Continue with priority project to provide retail unleaded fuel at MYF
- Groundbreaking of San Diego Airpark Fixed Based Operator at SDM
- Upgrade of the airport gate access control system at SDM to improve safety and security
- Adopt the MYF and SDM Airport Master Plans

## Department Highlights

### ❖ **Equity Highlights** *(Overall Budget)*

- Midway Rising Redevelopment – Supports increases in affordable housing
- Repair and Maintenance – Provides equitable conditions for Commercial & Retail Center and constituents
- Concourse/Golden Hall – Increases safety, increases janitorial



## Department Highlights

### ❖ **Existing Climate Action Highlights** *(Overall Budget)*

- Staff time dedicated to meet the City's CAP and ZEMBOP goals
- Both airports are currently powered by renewable energy through San Diego Community Power
- DREAM complies with the States SB 1383 Compost Law
- Three lessee electric vehicle charging stations at MYF
- Two lessee electric aircraft tugs at SDM

### ❖ **Future Climate Action Highlights** *(Overall Budget)*

- Design of Unleaded Aviation Fuel Tank at the Montgomery - Gibbs Executive Airport
- Continued staff time dedicated to meet the City's CAP and ZEMBOP goals on City facilities
- ZEMBOP outreach and implementation with lessees
- Midway redevelopment – supports CAP goals for housing, mobility and supporting land uses



# GENERAL FUND EXPENDITURES SUMMARY

Division Name	FY 2023 Adopted		FY 2024 Proposed		Change from FY 2023 Adopted to FY 2024 Proposed	
	FTE	Budget	FTE	Budget	FTE	Budget
Real Estate	39.00	\$8,911,626	38.75	\$7,452,456	(0.25)	(\$1,459,170)
<b>TOTAL</b>	<b>39.00</b>	<b>\$8,911,626</b>	<b>38.75</b>	<b>\$7,452,456</b>	<b>(0.25)</b>	<b>(\$1,459,170)</b>

Footnote: Decrease due to removals of one-time FY23 Budget additions and less overall one-time needs included in the FY24 Proposed Budget.





## NON-GENERAL FUNDS EXPENDITURES SUMMARY

Fund Name	FY 2023 Adopted		FY 2024 Proposed		Change from FY 2023 Adopted to FY 2024 Proposed	
	FTE	Budget	FTE	Budget	FTE	Budget
Airport Management Fund	24.00	\$9,485,826	28.25	\$8,899,812	4.25	\$(586,014)
Concourse & Parking Garages Fund	2.00	2,724,454	2.00	2,963,909	0.00	239,455
PETCO Park Fund	1.00	17,402,909	1.00	17,797,794	0.00	394,885
<b>TOTAL</b>	<b>27.00</b>	<b>\$29,613,189</b>	<b>31.25</b>	<b>\$29,661,515</b>	<b>4.25</b>	<b>\$48,326</b>

Note: Decrease in Airports due to removals of one-time FY23 Budget additions and less overall one-time needs included in the FY24 Proposed Budget.





# GENERAL FUND

## Significant Budget Adjustments

Significant Budget Adjustments	Does this Address a Disparity?	FTE	Expenditures	Revenue
<b>Downtown Office Space Analysis:</b> Addition of non-personnel expenditures to continue consultant services for Office Space Optimization.	Y	0.00	\$250,000	-
<b>Sports Arena Development and Lease Support:</b> Addition of non-personnel expenditures to continue consultant services for the Midway Rising Negotiations.	Y	0.00	200,000	-
<b>Civic Center Plaza Security Services:</b> Addition of non-personnel expenditures for increased security services at Civic Center Plaza.	Y	0.00	102,000	-
<b>Reallocation of Program Manager:</b> Reallocation of 0.25 Program Manager from the General Fund to the Airports Fund.	Y	(0.25)	(47,748)	-
<b>Revised Revenue (Various):</b> Adjustment to reflect an increase in base revenue projections for Mission Bay, Pueblo Lands, and other rents and concessions.	N	0.00	-	\$12,459,846



# Airport Management Fund

## Significant Budget Adjustments

Significant Budget Adjustments	Does this Address a Disparity?	FTE	Expenditures	Revenue
<b>Commercial/Retail Center Repair and Maintenance:</b> Addition of one-time non-personnel expenditure for repairs and maintenance to the Commercial and Retail Center.	Y	0.00	\$914,950	-
<b>Repair and Maintenance:</b> Addition of non-personnel expenditures for repairs and maintenance at Montgomery Gibbs and Brown Field airports.	Y	0.00	500,000	-
<b>Airport Operations Support:</b> Addition of 3.00 Airport Operations Assistants to support Montgomery Gibbs and Brown Field airports.	Y	3.00	215,832	-
<b>Airport Management Support:</b> Addition of 1.00 Program Coordinator to coordinate airport projects at Montgomery Gibbs and Brown Field airports.	Y	1.00	141,266	-
<b>Lease Management Software:</b> Addition of one-time non-personnel expenditures to update the lease management software for real estate administration.	Y	0.00	125,000	-
<b>Reallocation of Program Manager:</b> Reallocation of 0.25 Program Manager from the General Fund to the Airports Fund.	N	0.25	47,748	-
<b>Revised Revenue (Various):</b> Adjustment to reflect an increase in base revenue projections for rent, flowage fees, and parking revenue.	N	0.00	-	\$1,788,261



# Concourse & Parking Garages Fund

## Significant Budget Adjustments

Significant Budget Adjustments	Does this Address a Disparity?	FTE	Expenditures	Revenue
<b>Security Services:</b> Addition of non-personnel expenditures for additional security to address incidents around Golden Hall and the Concourse Parkade.	Y	0.00	\$160,000	-
<b>Maintenance and Janitorial Services:</b> Addition of non-personnel expenditures to support the maintenance and cleaning of the homeless shelter at Golden Hall.	Y	0.00	15,000	-
<b>Revised Revenue (Various):</b> Adjustment to reflect an increase in revenue projections for parking revenue, lease revenue and Homeless Shelter reimbursements.	N	0.00	-	\$729,355



# PETCO Park Fund

## Significant Budget Adjustments

Significant Budget Adjustments	Does this Address a Disparity?	FTE	Expenditures	Revenue
<b>Transient Occupancy Tax Fund Support:</b> Adjustment to reflect revised revenue for safety and maintenance of tourism-related facilities from the Transient Occupancy Tax Fund.	N	0.00	-	\$(298,152)

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