



San Diego Unified Port District

3165 Pacific Hwy.
San Diego, CA 92101

File #:2020-0101

DATE: APRIL 08, 2020

SUBJECT:

ACCEPT PRELIMINARY BUDGET INFORMATION AND PROVIDE DIRECTION TO STAFF ON PREPARING THE FISCAL YEAR (FY) 2021 BUDGET INCLUDING DIRECTION ON A STAFF RECOMMENDATION TO PREPARE THE FY 2021 BUDGET PURSUANT TO A BASE CASE SCENARIO; TO REDUCE THE FY 2019-2023 CAPITAL IMPROVEMENT BUDGET BY \$5.7M AND REALLOCATE TO THE FY 2021 OPERATING BUDGET; TO USE CUMULATIVE UNRESTRICTED RESOURCES AND/OR OPERATING RESERVES TO FUND ANY REMAINING BUDGET DEFICIT; AND TO MONITOR THE DISTRICT'S PERFORMANCE AGAINST THE BUDGET FREQUENTLY, REPORTING ANY CHANGES TO THE BOARD AND RECOMMENDING ADJUSTMENTS TO RESPOND TO CHANGING ECONOMIC CONDITIONS IN CONNECTION WITH THE CORONAVIRUS (COVID-19) PANDEMIC

EXECUTIVE SUMMARY:

In accordance with the San Diego Unified Port District Act (Port Act) Sections 46 and 47, by June 15 the District must adopt and publish the FY 2021 preliminary budget and set a date for the Board's adoption of the final budget not less than one month from publication. Staff intends to present the FY 2021 preliminary budget to the Board for adoption on May 19, 2020, and to present the final budget to the Board for adoption on June 23, 2020. Due to the negative impacts to the District's budget caused by the COVID-19 crisis, a special Board meeting will be held on April 8, 2020, for staff to present a draft preliminary budget, receive direction from the Board, and answer any questions the Board may have prior to staff completing a budget. The direction given at the April 8, 2020 special meeting will assist staff in creating the preliminary budget. A copy of the budget PowerPoint presentation is attached (Attachment A), as well as supporting budget documents including Budget in Brief, revenue and expense scenarios, and major capital program expense scenarios (Attachment B). Finally, a copy of an Economic Relief to Seaports from COVID-19 Impacts Letter sent to California State Lands Commissioners is attached (Attachment C).

The District, created by the State of California Legislature, is a self-funded agency. The District collects no tax dollars, instead funding its operations and services through leases and other business agreements with tenants along the waterfront. The services funded by District revenues include, among other items, public safety, economic development activities, and supply chain transportation services that are critical for our region, state, and nation especially in the midst of the current COVID-19 pandemic.

Now, as a direct consequence of COVID-19, the hospitality and tourism industries and maritime trade

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economic activity that generate the revenues necessary for the District's mission-critical work have been significantly and negatively impacted. At the March Board meeting, a 2020 Budget Impact Ad Hoc Committee (Ad Hoc) was created to proactively address the financial impacts of the COVID-19 pandemic. Since the Ad Hoc was established, it has met on two occasions. The first meeting was held on March 20, 2020, and the focus of the discussion was the COVID-19 related impacts to FY 2020. The second meeting was held on April 3, 2020, and the focus of the discussion was on budget scenario planning for FY 2021. Similar to the meetings with the Ad Hoc, the April 8, 2020 special budget meeting is intended to make the Board aware of the most current budget information compiled by staff to inform the District's approach to budgeting in FY 2021, given the unique circumstances. Due to continued uncertainties in the local, state, and national economies, staff will continue to work with the Ad Hoc and the Board to make adjustments to the budget throughout the rest of the calendar and fiscal years.

Staff has developed and worked with the Ad Hoc on three detailed scenarios for FY2021, entitled Worse Case, Base Case, and Better Case. Each case is based on carefully developed revenue projections that differ in the time it will take a variety of impacted business sectors to recover. Once the revenue projections were formulated, staff worked to address expense reductions to match the worse, base, and better revenue projections and identified in general what work will be impacted, and what work can be accomplished for each case. The assumptions with respect to the revenue discounts in each scenario are attached hereto in Attachment B.

Staff has also developed projections for the fourth quarter of FY 2020 that reflect the COVID-19 impact (see Attachment B). Our current estimate is that District revenues will fall short of the expected FY 2020 revenues by approximately \$31 million due to the closure of most tourist-oriented waterfront businesses, including hotels, restaurants, retail, and attractions. A number of measures have been and will be taken to reduce expenses through the remainder of this FY. In addition to cutting expenses, staff recommends that the Board authorize use of some reserve funds to close the gap for FY 2020.

At the April 8, 2020 special meeting, staff will present the above items to the Board and request direction. The proposed budget scenarios will reflect "Unrestricted Sources Over Uses of Funds" (Unrestricted Resources) of \$(13.4M), \$(10.0M), and \$(7.4M) in the "Worse Case," "Base Case," and "Better Case" scenarios, respectively. Staff recommends the following:

- Direct staff to prepare the FY 2021 budget using the Base Case scenario;
- Reduce the FY 2019-2023 CIP budget by \$5.7M and allocate the funds to the FY 2021 Operating Budget;
- Use Cumulative Unrestricted Resources and/or Operating Reserves to fund the deficit; and
- Monitor the District's performance against the budget frequently, reporting any changes to the Board and recommending adjustments to respond to changing economic conditions in connection with the COVID-19 pandemic.

RECOMMENDATION:

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Accept the FY 2021 preliminary budget information and provide direction to staff. In particular, staff recommends the following:

- Direct staff to prepare the FY2021 Budget using the Base Case Scenario
- Reduce the FY 2019-2023 CIP budget by \$5.7M and reallocate to the FY 2021 Operating budget
- Use Cumulative Unrestricted Resources and/or Operating Reserves to fund the deficit of \$10 million
- Monitor the District's performance against the budget frequently, report to the Board any discrepancies, and recommend adjustments as time passes, as the COVID-19 pandemic resolves, and as the economy responds.

FISCAL IMPACT:

The proposed Board actions have no immediate fiscal impact until the Board adopts the FY 2021 final budget on June 23, 2020, and/or takes other action to re-allocate funds.

COMPASS STRATEGIC GOALS:

This agenda item supports the following Strategic Goals:

- A Port that the public understands and trusts.
- A thriving and modern maritime seaport.
- A vibrant waterfront destination where residents and visitors converge.
- A Port with a healthy and sustainable bay and its environment.
- A Port with a comprehensive vision for Port land and water uses integrated to regional plans.
- A Port that is a safe place to visit, work and play.
- A Port with an innovative and motivated workforce.
- A financially sustainable Port that drives job creation and regional economic vitality.

DISCUSSION:

As a direct consequence of COVID-19, the hospitality and maritime trade economic activity that generates the revenues necessary for our mission-critical work has dropped into dramatic decline. Staff currently estimates potential lost revenue across almost every major revenue category for the District, as a result of the pandemic, through the remainder of FY 2020 and expects revenue losses to continue through the rest of calendar year 2020. Unlike many public agencies, the District receives no tax funds to help stabilize revenues in the midst of this crisis. While staff continues to talk to the State of California and the federal government to seek economic relief, the District must take prudent steps to manage our budget in these uncertain economic times (see Attachment C).

This perfect storm has caused projected District revenues to fall in a number of areas. The decreased revenue projections are based in part on industry information, information provided by our tenants and partners, and the number of current District tenants that have temporarily closed. That

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said, it is important to recognize, acknowledge, and be grateful for the position we are in today as an agency. Thanks to the wisdom and leadership of Port Commissioners and executives over the last 50-plus years, we have a very healthy “rainy-day fund.” Due to a strong tradition of budget discipline and prudent policy direction, the District has not only maintained its Operating Reserves, but has also accumulated surplus funds in recent years that provide the District with a variety of tools to weather this storm.

District staff realized the magnitude of the problem and at the March Board meeting after a report out on the magnitude of the coming fiscal emergency due to the pandemic, Chair Moore created the 2020 Budget Impact Ad Hoc Committee (Ad Hoc) that was comprised of the Executive Committee of the Board to proactively address the financial impacts of the COVID-19 crisis. The Executive Committee includes Chair Ann Moore, Vice Chair Michael Zucchet, and Secretary Dan Malcolm.

The District is an economic driver for the greater San Diego region, serving as a jobs creator and a jobs supporter, as well as a critical link in our nation’s supply chain. Even today, the District is very well positioned to continue to serve as that important economic engine; to support jobs, to move goods, and to perform the many essential services that the District provides. The District’s positive outlook was verified by Fitch Ratings Agency just last week, which undertook a review of all US Ports considering the impacts of the COVID-19 pandemic. Fitch downgraded many ports but confirmed the District’s “A+ Stable” rating. The District has an opportunity to demonstrate leadership, now when it is most needed; to lead the way through the current crisis and into the future.

Since the state of the economy is so uncertain, District staff looked at three revenue scenarios for the upcoming fiscal year, including a Worse Case, Base Case, and Better Case. Once the revenue projections were formulated, staff worked to address expense reductions to match the worse, base, and better revenue projections and created three potential budget scenarios - Worse Case, Base Case and Better Case. Staff also identified in general what work will be impacted, and what work can be accomplished for each case. The following is a summary of the three potential scenarios compared to the Adjusted Fiscal Year 2020 Budget (details are also provided in Attachments A and B):

SUMMARY FY 2021 PRELIMINARY BUDGET INFORMATION IN THREE SCENARIOS:

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	ADJUSTED BUDGET FY 2020	WORSE CASE BUDGET FY 2021	BASE CASE BUDGET FY 2021	BETTER CASE BUDGET FY 2021
Revenue				
Operating Revenue	\$ 192.8	\$ 143.0	\$ 152.9	\$ 162.7
Non-Operating Revenue	22.2	12.9	13.3	13.5
Total Revenue	\$ 215.0	\$ 155.9	\$ 166.2	\$ 176.2
Expenses				
Personnel	\$ 103.4	\$ 100.4	\$ 101.7	\$ 103.4
Non-Personnel Expense	75.8	52.8	56.3	59.9
Capitalized Labor	(4.0)	(1.7)	(2.0)	(2.1)
Total Expenses	175.2	151.4	156.1	161.2
Sources & Uses of Funds and Reserves	\$ (37.7)	\$ (17.8)	\$ (20.1)	\$ (22.4)
Unrestricted Sources Over Uses of Funds	\$ 2.0	\$ (13.4)	\$ (10.0)	\$ (7.4)

Revenues:

This COVID-19 pandemic is a perfect storm that caused projected District revenues to fall in several areas. Staff developed revenue forecasts from the ground up, tenant by tenant, and from top down using the best available information based in part on industry information, information provided by our tenants and partners, and the number of current District tenants that have temporarily closed.

Attached as Attachment A are forecast discount tables for three scenarios: Worse Case, Base Case, and Better Case revenue projection. For each case, there are three tables with discount percentages in each column. On the left, the District's portfolio is broken down by industry segment: Convention Hotels, other hotels, and so on for the District's commercial portfolio. Moving to the right are the monthly forecast discounts for the balance of this fiscal year through FY 2021. Each of the percentages listed is a discount against how staff projected each category might perform prior to COVID-19. Although not reflected, a different methodology was used to project revenues for Seaport Village. Staff assumed a vacancy rate at Seaport of 23% in the Better Case, 32% in the Base Case, and 40% in the Worse Case. These projections are not intended to be exact but rather to provide a range of inputs and scenarios in developing a revenue budget.

At the bottom of each table is a shaded bar, which indicates when District staff projects the bottom of the downturn. The projected bottom is different for each of the three cases. Under the Worse Case scenario, staff projected the greatest impacts to Real Estate concession rents through June 2020 followed by a slow recovery. For example, in the first table, the top line, Convention Hotels, a 100% discount to the rents through June means staff is projecting to receive no rental income from that category. Staff projects a similar trend for parking revenues, with a slightly longer period of bottoming out through August 2020. In the Base Case scenario, the bottoming out bar in blue along the bottom of the first table of Real Estate concessions is slightly shorter with a recovery beginning in June 2020 and then ramping up. Also, in the Base Case scenario, a recovery in parking revenues largely mirrors the concession revenue recovery. These forecasts assume some aspects of the tourism industry begin to recover and that travel restrictions begin to ease in early summer. In the optimistic Better Case scenario, April and May 2020 are projected to be the absolute bottom and a recovery is slightly

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more aggressive than the Base Case scenario. For example, in the Better Case scenario, Convention Hotels are projected to ramp up more aggressively in the summer 2020, which has a disproportionately higher impact on our revenues than any other category. Parking revenues also recover sooner in this scenario.

For maritime revenue, depending on the scenario, the cruise sector reflected the reduction or complete removal of cruise business through January 2021, and a reduced volume of passengers and voyages for the remainder of the 2021 season. A disruption in cargo operations is also expected, with reduced volumes due to manufacturing and supply chain challenges in Asia, Europe, and North America.

Staff will go over in detail the methodologies used in each revenue scenario at the April 8, 2020 Board meeting.

Expenses:

Once the revenue projections were calculated, staff turned to expenses to try to match as closely as possible the revenue projections. Within each scenario, staff looked at a combination of cuts to both personnel and non-personnel line items. Staff discussed a variety of options in both of these categories with the Ad Hoc. Attachment B includes detailed expenses by account for each budget scenario. Staff relied on several philosophies in crafting the three budget scenarios:

Personnel:

With the underlying objective of keeping as many of our regular full-time employees working as possible, for as long as possible, staff developed a range of strategies and measures which can be implemented to reduce expenses in our personnel budget. A number of cost-saving measures can be implemented quickly, and do not require a meet and confer process with our collective bargaining units; others will require meet and confer. It is staff's intent to begin conversations with our labor union partners immediately in order to develop a complete game plan.

Non-Personnel Expenses:

Staff have looked at reductions line-by-line for all our expenses as we do our best job to balance District spending with various revenue reduction scenarios. In general, the source of funding for expenses is from the revenues, therefore for the Worse Case scenario, non-personnel expenses were evaluated only to include the cost of the minimum work and regulatory requirements required to remain in compliance and to advance our top priority projects. For the Base and Better cases, incremental increases were added in expenditures based on increase in revenue to advance the various projects that were originally planned in FY 2021, including strategic and other major projects.

A philosophy was applied in expense-reductions that includes meeting our regulatory requirements, proactively postponing events based on the existing public health directives in place, reducing our dependency on consultants, moving as much work as feasible in-house, extending project schedules or deferring work as a means to reduce costs, while not losing the value we have already invested in

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many of these programs and projects.

Project impacts will be presented in each scenario at the April 8, 2020 Board meeting and are attached hereto in Attachment A.

Other Sources and Uses of Funds:

This section includes other special funding sources and capital expenditures such as Major Maintenance, Technology, Equipment Outlay, and Debt Service. Attachment B includes additional details for each of these categories.

Major Maintenance (MM) Program:

A multi-year Major Maintenance (MM) program was established in FY 2020, which allows for the completion of projects over multiple years. A multi-year MM program provides the capability to move projects forward or backward, depending on the financial situation. Prior to the onset of COVID-19, the District began development of the FY 2021 budget including the FY 2021 MM proposed budget. In conjunction with the District's efforts in developing the three budget scenarios - Worse Case, Base Case, and Better Case - the MM program assessed the multi-year projects to determine potential cost savings. Staff considered the following criteria in determining priority MM projects:

- Projects already under construction;
- Construction-ready projects; and
- The Asset Management Program.

Based on the scenarios, a greatly reduced FY 2021 MM project list was developed. The reductions will not affect our ability to operate the port. Attachment B details the MM expenditures proposed for each Case.

Equipment Outlay and Other Capital Projects

The Equipment Outlay and Other Capital Projects provides another source of funds for the District to potentially reduce. In order to develop the three budget scenarios of Worse Case, Base Case, and Better Case, the following criteria were used in making the selective reductions:

- Safety;
- Need for continuity of operations; and
- Age and usability of equipment.

Equipment Outlay provides for the replacement of items such as vehicles that have exceeded their useful life. Consideration was made to maintain Harbor Police vehicles and General Services work trucks longer than planned without sacrificing safety. A complete list is attached as Attachment B.

Technology Management Program:

Technology Management projects were ranked based on a set of criteria in order to prioritize which projects we would proceed with under each of the three scenarios.

The criteria used were:

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- Security - Including cybersecurity, Harbor Police programs, and general maritime security;
- Regulatory requirements and previous audit findings;
- Grant funding;
- Business Case - looking at both hard and soft positive impacts; and
- Projects already in progress.

For the Worse Case scenario, staff recommends moving forward with only the grant-funded, security-related projects, the regulatory related GASB87 project, and the Document Management Project due to its positive impact of \$150,000 annually in reduced license costs. For the Base and Better Case scenarios, additional projects related to regulatory requirements and projects that drive positive business cases for the District's budget were included. Refer to Attachments A and B for details.

Reserves:

The District has total cash at the end of March 2020 of approximately \$135 million. This balance is made up of Operating Reserves of \$68.1 million, restricted reserves of \$24.1 million, cumulative unrestricted resources of \$16.1 million, Board designated reserves of \$5.8 million, working capital required of \$4.6 million, and Capital Improvement Program reserves of \$16.2 million (see Attachment A for additional details). Board Policy No. 117, the Operating Reserve Policy, establishes the operating reserve balance and defines the calculation of the amount required. The Policy also states that uses of the operating reserve balance can be authorized by the Board if "Temporarily needed as a result of unfavorable financial performance due to the impact of an unfavorable economic environment." Board Policy No. 117 is attached, as Attachment D.

In addition, there is \$5.7 million in the Capital Improvement Program that could be applied to the Reserves. This amount is achievable by delaying construction, transferring out unassigned fund, and budgets for idle projects. Those projects are listed in Attachment A.

Combining the Operating Reserves, the Cumulative Unrestricted Resources, and the CIP inactive projects provides potential funding of approximately \$90 million towards operations.

Staff Proposed Recommendation:

The proposed budget scenarios will generate "Unrestricted Sources Over Uses of Funds" (Unrestricted Resources) of \$(13.4M), \$(10.0M), and \$(7.4M) in the "Worse Case," "Base Case," and "Better Case" scenarios, respectively. Based on input from two meetings with the Ad Hoc and on the best analysis of current data, staff recommends the following:

- Direct staff to prepare the FY2021 Budget using the Base Case Scenario
- Reduce the FY 2019-2023 CIP budget by \$5.7M and reallocate to the FY 2021 Operating budget
- Use Cumulative Unrestricted Resources and/or Operating Reserves to fund the deficit of \$10 million
- Monitor the District's performance against the budget frequently, report to the Board any discrepancies, and recommend adjustments as time passes, as the COVID-19 pandemic resolves, and as the economy responds.

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Due to continued uncertainty with the local, regional, state, and federal economies, staff will continue to work with the Ad Hoc and the Board to continue to refine our fiscal plan in the coming months. The budget is a plan that the Board can amend at any time during the year. While other organizations are only presenting place holder budgets, the District believes that presenting a clear, readable budget will effectively communicate overall the District goals and plans and contribute to the public's knowledge and appreciation of the District's positive impact on the region.

General Counsel's Comments:

The Office of the General Counsel has reviewed the agenda sheet and attachments, as presented to it, and approves the same as to form and legality.

Environmental Review:

The proposed Board action, including without limitation, accepting the FY 2020 preliminary budget information and providing direction to staff do not constitute an "approval" or a "project" under the definitions set forth in California Environmental Quality Act (CEQA) Guidelines Sections 15352 and 15378 because no direct or indirect changes to the physical environment would occur. CEQA requires that the District adequately assess the environmental impacts of projects and reasonably foreseeable activities that may result from projects prior to the approval of the same. Any project developed as a result of Board's action that requires the District or the Board's discretionary approval resulting in a physical change to the environment will be analyzed in accordance with CEQA prior to such approval. CEQA review may result in the District, in its sole and absolute discretion, requiring implementation of mitigation measures, adopting an alternative, including without limitation, a "no project alternative" or adopting a Statement of Overriding Consideration, if required. The current Board direction in no way limits the exercise of this discretion. Therefore, no further CEQA review is required.

In addition, the proposed Board direction or action complies with Sections 20, 21, 35, 46, and 47 of the Port Act, which require the Board to draw up a budget for each fiscal year, to adopt a preliminary budget, to publish a public notice regarding adoption of the preliminary budget, and to hold a public hearing prior to fixing the final budget, and allow the Board to pass resolutions and to do all acts necessary and convenient for the exercise of its powers. The Port Act was enacted by the California Legislature and is consistent with the Public Trust Doctrine. Consequently, the proposed Board action is consistent with the Public Trust Doctrine.

The proposed Board direction or actions do not allow for "development," as defined in Section 30106 of the California Coastal Act, or "new development," pursuant to Section 1.a. of the District's Coastal Development Permit (CDP) Regulations because they will not result in, without limitation, a physical change, change in use or increase the intensity of uses. Therefore, issuance of a Coastal Development Permit or exclusion is not required. However, development within the District requires processing under the District's CDP Regulations. Future development, as defined in Section 30106 of the Coastal Act, will remain subject to its own independent review pursuant to the District's certified CDP Regulations, PMP, and Chapters 3 and 8 of the Coastal Act. The Board's direction or action in

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no way limits the exercise of the District's discretion under the District's CDP Regulations. Therefore, issuance of a CDP or exclusion is not required at this time.

Equal Opportunity Program:

Not applicable.

PREPARED BY:

Attachment(s):

Attachment A: Budget Presentation to the Board of Port Commissioners, April 8, 2020

Attachment B: Supporting Budget Documents

Attachment C: Economic Relief to Seaports from COVID-19 Impacts Letter to California State Lands Commissioners

Attachment D: Board Policy No. 117, the Operating Reserve Policy

Budget Presentation to the Board of Port Commissioners

April 8, 2020



Agenda

- Opening Message – Randa Coniglio
- Overview of Reserves – Robert DeAngelis
- CIP – Cid Tesoro
- Methodology – Shaun Sumner and Mike LeFleur
- FY 2021 Budget – Robert DeAngelis
 - Revenue with Methodology Applied
 - Expense by Account
 - Major Maintenance
 - Equipment and Other Capital Projects
 - Technology Capital Projects
 - Budget Scenarios
 - Personnel Strategies (yellow document) – Randa Coniglio
 - Project Impacts for Each Budget Scenario – Randa Coniglio
- Review Revised Q4 Budget for FY 2020 – Randa Coniglio
- Recommended Path Forward: Base Budget – Randa Coniglio
- Tenant Status and Recommendations – Shaun Sumner
- Federal and State Stimulus Opportunities – Job Nelson
- Next Steps – Randa Coniglio

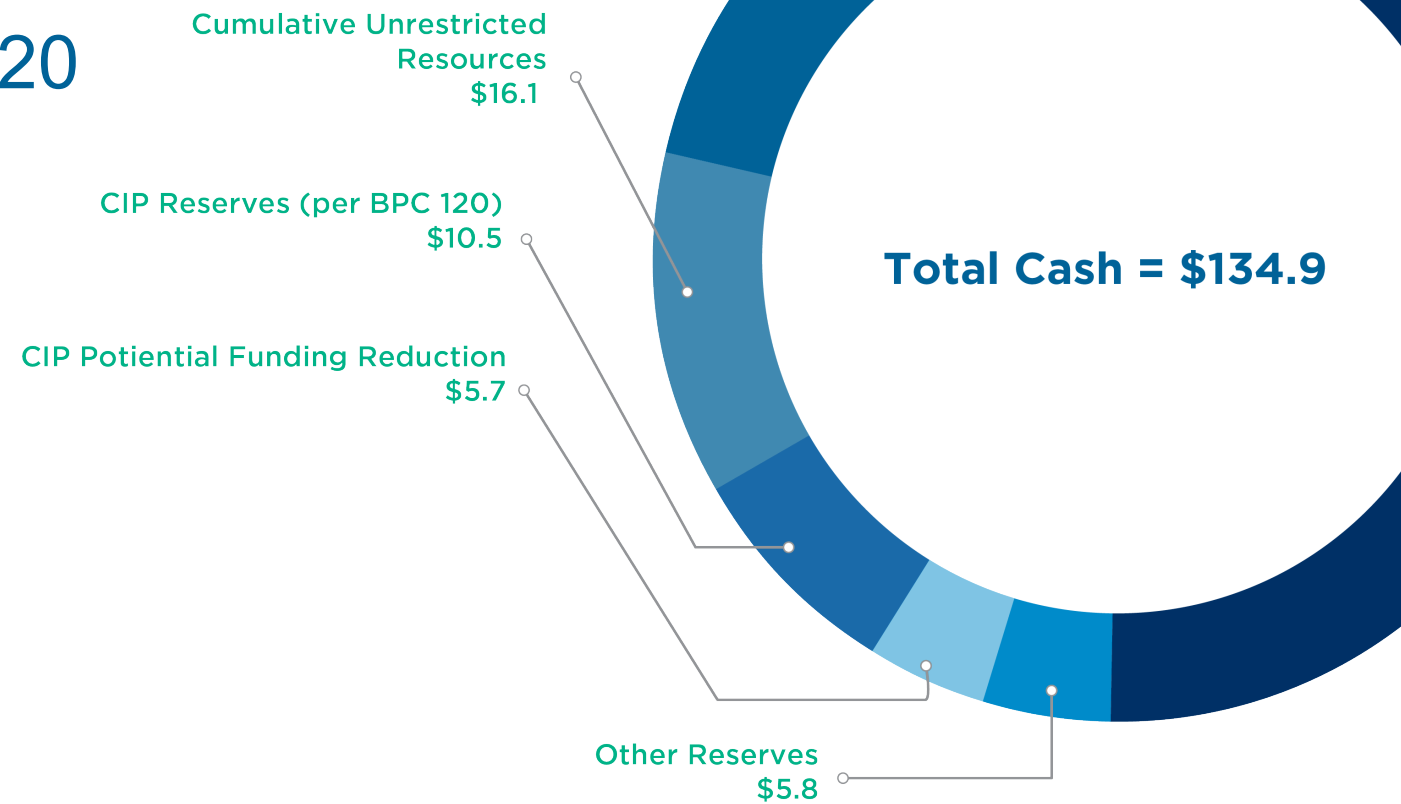
Resilient

We've Navigated Rough Waters Before, We'll Do So Again



San Diego Unified Port District Cash Status As Of March 31, 2020 (Expressed In Millions)

Cumulative Unrestricted Resources	\$16.1M
CIP Potential Funding Reduction	\$5.7M
Operating Reserves	\$68.1M
TOTAL CASH AVAILABLE	\$89.9M



* The Operating Reserves (6 months per BPC 117) for FY 2020 is estimated to be approximately \$68.1M.

Capital Improvement Program

Proposed Project Expenditures FY 2021

PROJECT NAME	PROPOSED SCOPE OF WORK	REMAINING FY19-FY23 CIP FUNDS	WORSE CASE PLANNED EXPENDITURES	WORSE CASE REDUCTION
Microgrid Infrastructure at TAMT (Portion grant funded)	Construction	\$4,100,000	\$4,100,000	\$0
Imperial Beach Pier Enhancements	Construction	\$1,800,000	\$350,000	(\$1,450,000)
Chula Vista Bayfront - South Campus Pavement and Foundation Demolition	Construction	\$1,700,000	\$1,700,000	\$0
CIP Contingency	N/A	\$1,583,869	\$0	(\$1,583,869)
Site Preparation at Chula Vista Bayfront (Portion grant funded)	Design/Construction	\$1,200,000	\$1,200,000	\$0
Setback Park/Plaza	On-Hold	\$1,057,000	\$0	(\$1,057,000)
B Street Mooring Dolphin	On-Hold	\$936,800	\$0	(\$936,800)
Capitalized Labor	N/A	\$825,000	\$950,000	\$125,000
National City Balanced Land Use Plan	Design	\$550,000	\$0	(\$550,000)
Security Gate Physical Enhancements at Tenth Avenue Marine Terminal (Portion grant funded)	Design	\$463,980	\$463,980	\$0
Demolition and Site Improvements of Transit Sheds 1 and 2 of TAMT (Portion grant funded)	Construction	\$185,000	\$150,000	(\$35,000)
Cold Ironing Phase 2 at B Street and Broadway Piers	Construction	\$150,000	\$0	(\$150,000)
Security Gate Physical Enhancements at B Street Cruise (Portion grant funded)	Design	\$128,040	\$128,040	\$0
CIP Reserve	N/A	\$61,899	\$0	(\$61,899)
Total		\$14,741,588	\$9,042,020	(\$5,699,568)

Revenue Methodology: Shaun Sumner and Mike LaFleur

Revenue Forecast Assumptions – WORSE CASE

(Discount from original forecast)

Real Estate - Worse Case																	
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Convention Hotels	90%	100%	100%	100%	90%	80%	70%	60%	50%	40%	30%	20%	15%	15%	15%	15%	
Other Hotels	85%	100%	100%	100%	90%	80%	70%	60%	50%	40%	30%	20%	15%	15%	15%	15%	
Restaurants	75%	100%	100%	100%	90%	80%	70%	60%	50%	40%	30%	20%	15%	15%	15%	15%	
Marinas	15%	15%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	15%	15%	15%	15%	
Retail	85%	100%	100%	100%	90%	80%	70%	60%	50%	40%	30%	20%	15%	15%	15%	15%	
Sportfishing	85%	100%	100%	100%	90%	80%	70%	60%	50%	40%	30%	20%	15%	15%	15%	15%	
Yacht Clubs	20%	25%	25%	25%	25%	25%	25%	20%	20%	20%	20%	20%	15%	15%	15%	15%	
Tourism	95%	100%	100%	100%	90%	80%	70%	60%	50%	40%	30%	20%	15%	15%	15%	15%	
Marine Sales & Service	30%	30%	40%	40%	40%	35%	30%	30%	30%	25%	25%	20%	15%	15%	15%	15%	
Other	75%	100%	100%	100%	90%	80%	70%	60%	50%	40%	30%	20%	15%	15%	15%	15%	
FY 20					FY21												

Worse Case Bottom-Out

Parking - Worse Case																	
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Parking Garages	90%	87%	88%	91%	90%	80%	70%	60%	50%	40%	30%	20%	15%	15%	15%	15%	
Parking Lots	47%	60%	60%	69%	77%	70%	61%	54%	49%	40%	36%	25%	24%	28%	35%	35%	
Parking Meters	75%	95%	95%	100%	98%	88%	78%	68%	58%	48%	38%	28%	23%	23%	23%	23%	
FY 20					FY21												

Worse Case Bottom-Out

Maritime - Worse Case																	
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Concession	95%	100%	100%	100%	90%	80%	70%	60%	50%	40%	30%	20%	15%	15%	15%	15%	
Cruise	-	100%	100%	100%	100%	100%	100%	100%	100%	100%	14%	13%	14%	14%	11%	5%	
Pasha	-	50%	50%	50%	31%	31%	31%	31%	31%	31%	31%	31%	31%	31%	31%	31%	
FY 20					FY21												

Worse Case Bottom-Out

Revenue Forecast Assumptions – BASE CASE

(Discount from original forecast)

Real Estate - Base Case																	
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Convention Hotels	90%	100%	100%	90%	80%	65%	50%	35%	20%	15%	15%	15%	15%	10%	10%	10%	10%
Other Hotels	85%	100%	100%	90%	80%	65%	50%	35%	20%	15%	15%	15%	15%	10%	10%	10%	10%
Restaurants	75%	100%	100%	85%	75%	60%	45%	30%	15%	15%	15%	15%	15%	10%	10%	10%	10%
Marinas	10%	10%	15%	15%	15%	15%	15%	15%	15%	10%	10%	10%	10%	10%	10%	10%	10%
Retail	75%	100%	100%	85%	75%	60%	45%	30%	15%	15%	15%	15%	15%	10%	10%	10%	10%
Sportfishing	85%	100%	100%	85%	75%	60%	45%	30%	15%	15%	15%	15%	15%	10%	10%	10%	10%
Yacht Clubs	20%	25%	25%	25%	20%	20%	20%	20%	20%	15%	15%	15%	15%	10%	10%	10%	10%
Tourism	95%	100%	100%	85%	75%	60%	45%	30%	15%	15%	15%	15%	15%	10%	10%	10%	10%
Marine Sales & Service	20%	20%	30%	30%	25%	25%	20%	20%	20%	15%	15%	15%	15%	10%	10%	10%	10%
Other	75%	100%	100%	85%	75%	60%	45%	30%	15%	15%	15%	15%	15%	10%	10%	10%	10%
FY 20									FY21								

Base Case Bottom-Out

Parking - Base Case																	
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Parking Garages	90%	87%	88%	81%	80%	65%	50%	35%	20%	15%	15%	15%	15%	10%	10%	10%	10%
Parking Lots	47%	60%	60%	58%	66%	56%	46%	37%	30%	26%	28%	22%	21%	17%	25%	26%	
Parking Meters	75%	95%	95%	85%	83%	68%	53%	38%	23%	23%	23%	23%	18%	18%	18%	18%	
FY 20									FY21								

Base Case Bottom-Out

Maritime - Base Case																	
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Concession	95%	100%	100%	85%	75%	60%	45%	30%	15%	15%	15%	15%	15%	10%	10%	10%	10%
Cruise	-	100%	100%	100%	-	-	71%	72%	62%	31%	22%	46%	37%	0%	0%	0%	
Pasha	-	50%	50%	50%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	
FY 20									FY21								

Base Case Bottom-Out

Revenue Forecast Assumptions – BETTER CASE

(Discount from original forecast)

Real Estate - Better Case																
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Convention Hotels	90%	100%	100%	85%	65%	45%	35%	25%	15%	15%	15%	15%	10%	10%	10%	10%
Other Hotels	85%	100%	100%	80%	60%	40%	30%	20%	15%	15%	15%	15%	10%	10%	10%	10%
Restaurants	75%	100%	100%	75%	55%	35%	25%	15%	15%	15%	10%	10%	5%	5%	5%	5%
Marinas	10%	10%	15%	15%	10%	10%	10%	10%	10%	10%	10%	10%	5%	5%	5%	0%
Retail	75%	100%	100%	75%	55%	35%	25%	15%	15%	15%	10%	10%	5%	5%	5%	0%
Sportfishing	85%	100%	100%	75%	55%	35%	25%	15%	15%	15%	10%	10%	5%	5%	5%	0%
Yacht Clubs	20%	25%	25%	20%	15%	15%	15%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Tourism	95%	100%	100%	95%	75%	55%	35%	25%	15%	15%	10%	10%	5%	5%	5%	0%
Marine Sales & Service	20%	20%	30%	20%	15%	15%	15%	15%	15%	15%	15%	15%	10%	10%	10%	10%
Other	75%	100%	100%	75%	55%	35%	25%	15%	15%	15%	10%	10%	5%	5%	5%	0%
FY 20					FY21											

Better Case Bottom-Out

Parking - Better Case																
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Parking Garages	90%	87%	88%	76%	65%	45%	35%	25%	15%	15%	15%	15%	10%	10%	10%	10%
Parking Lots	46%	59%	59%	51%	51%	39%	33%	28%	30%	26%	25%	19%	18%	11%	11%	10%
Parking Meters	75%	95%	95%	75%	63%	43%	33%	23%	23%	23%	18%	18%	13%	13%	13%	13%
FY 20					FY21											

Better Case Bottom-Out

Maritime - Better Case																
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Concession	95%	100%	100%	95%	75%	55%	35%	25%	15%	15%	10%	10%	5%	5%	5%	0%
Cruise	-	40%	60%	-	-	-	11%	13%	14%	14%	14%	13%	14%	14%	11%	5%
Pasha	-	12%	12%	12%	2%	2%	6%	6%	6%	6%	8%	8%	8%	8%	8%	8%
FY 20					FY21											

Better Case Bottom-Out

FY 2021 Budget

Budget Scenarios: Robert DeAngelis

Refer to the spreadsheets, printed on white paper

Project Impacts for Each Budget Scenario

Waterfront Development

Major Projects / Programs	Description of Impact to Work	Worse Case	Base Case	Better Case
Port Master Plan Update	<ul style="list-style-type: none"> Drafting and subsequent release of Port Master Plan Update significantly delayed Public engagement delayed Preparation of Environmental Impact Report delayed 	X X X	- X X	- X X
SB507 Trust Lands Plan	<ul style="list-style-type: none"> Drafting of Trust Lands Plan, including surveying completed in-house Public engagement and environmental review deferred to FY22 	X X	X X	X X
National City Balanced Plan	<ul style="list-style-type: none"> Project management to be done in-house, which may result in schedule impacts to EIR completion No 3rd party financial analysis of development submittals (in-house analysis only) 	X X	X -	- -
East Harbor Island Redevelopment (Sunroad and TopGolf)	<ul style="list-style-type: none"> No 3rd party financial analysis of development submittals (in-house analysis only) 	X	-	-
Seaport Village Management	<ul style="list-style-type: none"> Activation or program-based marketing for Seaport Village (excluding Common Area Maintenance and Marketing) Tenant improvement funding for future Seaport Village deals 	X X	- -	- -

Waterfront Development (continued)

Major Projects / Programs	Description of Impact to Work	Worse Case	Base Case	Better Case
Central Embarcadero	<ul style="list-style-type: none"> No 3rd party financial analysis of development submittals (in-house analysis only) 	X	-	-
Chula Vista Bayfront (RIDA)	<ul style="list-style-type: none"> Marketing and outreach for all new solicitations (RFP, RFQ, etc.) 	X	-	-
1220 Pacific Highway	<ul style="list-style-type: none"> No 3rd party financial analysis of development submittals (in-house analysis only) 	X	-	-
Low Cost Overnight Accommodations	<ul style="list-style-type: none"> No 3rd party financial analysis of development submittals (in-house analysis only) 	X	-	-

Waterfront Development (continued)

Major Projects / Programs	Description of Impact to Work	Worse Case	Base Case	Better Case
Development Services – Tenant Projects	• Project reviews extended due to reduced reliance on project management consultants	X	X	X
	• Delay implementation of process improvements, such as a new Historic Sites Review process for projects on Tidelands in the City of San Diego	X	X	X
Aquaculture (FLUPSY)	• Health testing required for new and existing species (clams, oysters, abalone) interrupted, delaying deployment of new products and commerce.	X	X	X
	• Health testing for OSHV-1 will continue with CDFW and University of North Carolina	X	X	X
Aquaculture (Baywide)	• Postpone aquaculture pilot planning to establish new aquaculture sites on Port tidelands	X	X	X
Blue Economy Incubator	• Continue active Blue Economy Incubator projects including ECOcrete, ecoSPEARS, and Sunken Seaweed.	X	X	X
	• No new partnerships requiring Port investment dollars.	X	X	X

Major Projects / Programs	Description of Impact to Work	Worse Case	Base Case	Better Case
Stormwater	<ul style="list-style-type: none"> All regulatory programs will continue (inspections, enforcement, construction oversight, BMP assessments, education) and significantly reduce discretionary activities Defer installation of trash capture device 	X X	X X	X X
Environmental Investigations	<ul style="list-style-type: none"> Schedule extended to complete studies required to support site specific investigations (e.g. TAMT) and baywide pollution studies High potential to reduce discretionary investigations 	X X	X X	X -
Climate Action Plan	<ul style="list-style-type: none"> Delay completion of an updated Maritime Emissions Inventory Delay Climate Action Plan update 	X X	- X	- X
Maritime Clean Air Strategy	<ul style="list-style-type: none"> Maritime Clean Air Strategy schedule extended due to reduced consultant support and shifting more work to in-house staff 	X	-	-
Mitigation Banking (Pond 20)	<ul style="list-style-type: none"> Continue entitlement work. Reduced funding may impact schedule, especially responding to agency/public comments 	X	-	-
Baywide Ecological Monitoring and Surveys	<ul style="list-style-type: none"> Conduct required monitored and surveys and significantly reduce non-regulatory activities or complete in-house 	X	X	X
California Sea Grant Fellowships	<ul style="list-style-type: none"> Take a hiatus from entering contracts with new fellows 	X	X	-

Maritime

Major Projects / Programs	Description of Impact to Work	Worse Case	Base Case	Better Case
Travel/Business Marketing/Association memberships	<ul style="list-style-type: none"> Trade team will be limited in ability to travel for trade missions and revenue generating business development trips Would have to limit membership in associations, conferences, and trade groups. Reduced networking 	X	X	-
TAMT/NCMT electrification projects	<ul style="list-style-type: none"> Development of design and capacity would be stalled as a consultant was planned for evaluation of electrification needs in response to upcoming CARB regulations 	X	X	-
Maritime security	<ul style="list-style-type: none"> Reduced capacity for surge requirements or increased security measure requirements. 	X	X	-
Cruise optimization	<ul style="list-style-type: none"> Delay in further development of Cruise Terminal upgrades with support of Cruise lines. Consultant services and design will be delayed/postposed 	X	X	-

Experiences

Major Projects / Programs	Description of Impact to Work	Worse Case	Base Case	Better Case
Baywide Signage	<ul style="list-style-type: none"> No new Port-branded signage installed; project put on hold 	X	X	X
Ticket and Table Sponsorships	<ul style="list-style-type: none"> Very select number of ticket and table sponsorships 	X	X	X
Destination Marketing Campaign (Discover Your Wonderfront)	<ul style="list-style-type: none"> No destination marketing campaign 	X	-	-
Destination Marketing Campaign (Discover Your Wonderfront)	<ul style="list-style-type: none"> Very limited destination marketing campaign using existing creative 	-	X	X

Experiences (continued)

Major Projects / Programs	Description of Impact to Work	Worse Case	Base Case	Better Case
Coronado Bridge Lighting	<ul style="list-style-type: none"> Work on Mock-Up Testing is proceeding using funding from donations and pledges If no additional donated funds are received, all work will stop and existing service agreements will pause upon completion of Mock-Up in FY21 	X	X	X
Tidelands Activation Program (TAP)	<ul style="list-style-type: none"> No funding for any FY21 TAP event No funding for existing multi-year Signature events Recommend approving service fee waivers 	X	X	X
IB Pier Enhancements	<ul style="list-style-type: none"> Project progress has slowed Unused equipment outlay dollars from FY20 would need to be reallocated to FY21 to complete work in progress (installation fishing rods holders, placards, markers, painting) Additional project funding is categorized under CIP which is also required to complete purchase of materials 	X	-	-

Public Safety

Major Projects / Programs	Description of Impact to Work	Worse Case	Base Case	Better Case
Special Events Staffing & Equipment (ie- 4 th of July & Wonderfront, et al)	<ul style="list-style-type: none"> •Overtime impacted to deploy staff •Funding to rent/ purchase needed security equipment 	X	X	-
Alpha Project	<ul style="list-style-type: none"> •Suspend or reduce program to give additional options to homeless individuals on Port Tidelands 	X	X	-
NEVP & IB Security Program	<ul style="list-style-type: none"> •Suspend or reduce NEVP & IB Pier Security 	X	X	-
HPD Training	<ul style="list-style-type: none"> •Reduce specialized training (Dive, Firefighting, Tactical, Officer Safety, Leadership) •Conduct only minimum training required by law (Use of Force, Driving, Shooting) 	X	X	-
Travel, Employee Recognition, Professional Education, other services	<ul style="list-style-type: none"> •Suspend all travel, employee recognition, books/periodicals & professional services 	X	X	X

Revised Q4 Budget for FY 2020

Refer to pages 15-19 of budget documents printed on white paper

Recommendation: Base Budget

A Monthly Check-In and Appropriate Pivots

Tenant Status and Recommendations: Shaun Sumner

STATUS UPDATE

**Overview of February 2020 Rent
Due in March 2020**

February 2020 Rent Analysis at a Glance

(includes Real Estate and Maritime Concessions, Seaport Village CAM and Rent)

Total Rent Due	\$10,163,146
Total Rent Paid	\$9,729,146
Total Rent Unpaid / Underpaid	\$434,000
Unpaid Rent as a % of Total Rent Due	4%
Total Number of Agreements w/ Rent Due	323
Agreements Unpaid / Underpaid	39*
Unpaid Agreements as % of Total	12%

OVERVIEW

- February 2020 rent payments which were due and paid in March 2020 were normal, except for Seaport Village.
- 57% of rent due at Seaport Village for February 2020 was unpaid totaling approximately \$347K.

**Note: 33 of the 39 agreements are at Seaport Village*

RENT RELIEF RECOMMENDATION

Option B – Rent Deferral

PRELIMINARY Rent Relief Recommendations

RECOMMENDATION

Scenario B: Rent Deferral Program

- Applies to concession based tenants and Seaport Village tenants only
- 3 months of rent deferral – March, April, and May 2020
- Deferral equals difference between minimum rent owed and percentage rent paid
- In the case of businesses that have closed, there will be no percentage rent generated
- Payback begins January 2021 over six months, no interest
- Fixed rent tenants excluded (to be addressed on a case by case basis only)

QUALIFICATIONS

To qualify for any rent relief from the Port, the following conditions apply. The tenants MUST:

- Be "in good standing" pursuant to BPC 355.
- Provide evidence of financial hardship.
- Apply for state and federal aid.
- Provide proof of application for state and federal aid.
- Diligently pursue application and provide notice of determination.
- Accept state or federal aid if offered.

INTEREST AND LATE FEES

- No interest will be charged on deferred rental payments
- Waive late fees for 30 – 60 days for all eligible tenants
- Addresses non-payment of February 2020 rent
- Addresses the amount of time it may take to implement the program from Board action

TOTAL POTENTIAL* FINANCIAL IMPACT TO THE DISTRICT

FY 20	\$(6,148,854)
FY 21	\$5,908,608
TOTAL	\$(240,246)

- *Assumptions:
- (1) Deductions from the Base Case
 - (2) All eligible tenants participate
 - (3) Some Seaport tenants default

Rent Relief Scenarios

Updated April 2, 2020

			FY20				FY 21				TOTAL (FY20 and FY21)			
Assumptions and Notes			Revenue Impact	Base Case w/o Rent Relief	Base Case with Rent Relief	% Difference	Revenue Impact	Base Case w/o Rent Relief	Base Case with Rent Relief	% Difference	Revenue Impact	Base Case w/o Rent Relief	Base Case with Rent Relief	% Difference
Option A PTA Request Rent Waiver	Concession	(a) Pay percentage rent only for March, April, May 2020. (b) WAIVE minimum rent requirement for those 3 months. (b) No payback of minimum rent to the Port.	\$ (4,917,564)	\$ 63,775,061	\$ 58,857,497	-7.71%	\$ 850,134	\$ 59,439,150	\$ 60,289,284	1.43%	\$ (4,067,430)	\$ 123,214,211	\$ 119,146,781	-3.30%
	Seaport	(a) WAIVE all rent for March, April, and May 2020. (b) Tenants pay CAM and Marketing only for those 3 months. (b) No payback to the Port.	\$ (1,231,291)	\$ 4,979,682	\$ 3,748,391	-24.73%	\$ -	\$ 4,092,573	\$ 4,092,573	0.00%	\$ (1,231,291)	\$ 9,072,255	\$ 7,840,964	-13.57%
	TOTAL		\$ (6,148,855)	\$ 68,754,743	\$ 62,605,888	-8.94%	\$ 850,134	\$ 63,531,723	\$ 64,381,857	1.34%	\$ (5,298,721)	\$ 132,286,466	\$ 126,987,745	-4.01%
Option B Rent Deferral	Hotels	(a) Pay percentage rent only for March, April, May 2020. (b) DEFER minimum rent requirement for those 3 months. (c) Payback over 6 mos starting Jan 2021, no interest.	\$ (3,948,624)	\$ 43,755,855	\$ 39,807,231	-9.02%	\$ 3,948,624	\$ 40,644,216	\$ 44,592,840	9.72%	\$ -	\$ 84,400,071	\$ 84,400,071	0.00%
	Restaurants	Same assumptions and notes for all concession tenants.	\$ (634,411)	\$ 3,454,211	\$ 2,819,800	-18.37%	\$ 634,411	\$ 3,994,828	\$ 4,629,239	15.88%	\$ -	\$ 7,449,039	\$ 7,449,039	0.00%
	Sportfishing		\$ -	\$ 2,227,057	\$ 2,227,057	0.00%	\$ -	\$ 1,752,387	\$ 1,752,387	0.00%	\$ -	\$ 3,979,444	\$ 3,979,444	0.00%
	Tourism		\$ (40,878)	\$ 541,502	\$ 500,624	-7.55%	\$ 40,878	\$ 408,456	\$ 449,334	10.01%	\$ -	\$ 949,958	\$ 949,958	0.00%
	Retail (Excl. Seaport)		\$ (151,895)	\$ 690,212	\$ 538,317	-22.01%	\$ 151,895	\$ 692,198	\$ 844,093	21.94%	\$ -	\$ 1,382,410	\$ 1,382,410	0.00%
	Marine Sales & Service/Other		\$ (140,848)	\$ 1,411,364	\$ 1,270,516	-9.98%	\$ 140,848	\$ 1,137,601	\$ 1,278,449	12.38%	\$ -	\$ 2,548,965	\$ 2,548,965	0.00%
	Marinas/Yacht Clubs		\$ (907)	\$ 11,694,859	\$ 11,693,952	-0.01%	\$ 907	\$ 10,809,464	\$ 10,810,371	0.01%	\$ -	\$ 22,504,323	\$ 22,504,323	0.00%
	Total Concession		\$ (4,917,563)	\$ 63,775,060	\$ 58,857,497	-7.71%	\$ 4,917,563	\$ 59,439,150	\$ 64,356,713	8.27%	\$ -	\$ 123,214,210	\$ 123,214,210	0.00%
	Seaport Village	(a) DEFER all rent for March, April, May 2020. (b) DEFER CAM and Marketing fees. (c) Will result in increased expenses to Port. (d) Payback over 6 mos starting Jan 2021, no interest.	\$ (1,231,291)	\$ 4,979,682	\$ 3,748,391	-24.73%	\$ 991,045	\$ 4,092,573	\$ 5,083,618	24.22%	\$ (240,246)	\$ 9,072,255	\$ 8,832,009	-2.65%
	TOTAL		\$ (6,148,854)	\$ 68,754,742	\$ 62,605,888	-8.94%	\$ 5,908,608	\$ 63,531,723	\$ 69,440,331	9.30%	\$ (240,246)	\$ 132,286,465	\$ 132,046,219	-0.18%



Brief Overview of CARES Act (Stimulus III)

Federal Opportunities for Small Tenant Relief

Small tenants have viable alternatives to rent relief as evidenced by the CARES Act:

- Until June 30, 2020, the Small Business Administration will be authorized to guarantee loans (under a provision called the **Paycheck Protection Program**).
- Any business concern that employs not more than 500 employees per physical location of the business concern (**including hotels, bars, restaurants**) is eligible.
- Borrowers can receive a **loan totaling no more than two-and-a-half times** what they paid each month (on average) for payrolls over the last year with a maximum loan size of \$10,000,000.
- Loans may be used for payrolls, worker healthcare, **payment of rent**, and payment of interest (not principal) on any mortgage.
- **Borrowers may have their loan forgiven** to the extent that it was used to pay rent, pay mortgage interest, and retain employees.

See: <https://www.bisnow.com/national/news/economy/massive-stimulus-bill-includes-relief-for-retail-hotels-multifamily-103588>

See also: <https://www.proskauer.com/alert/cares-act-key-provisions-affecting-the-hospitality-industry>

Brief Overview of CARES Act (Stimulus III)

Federal Opportunities for Mid-Sized and Large Tenant Relief

Resources available under the Coronavirus Economic Stabilization Act of 2020 (part of CARES):

- Up to \$454 billion in lending facilities available to provide liquidity.
- Covered mid-sized businesses including **hospitality with between 500 and 10,000 employees.**
- **Deferral of all principal and interest payments** for at least six months and a 2% capped interest rate.

Tax benefits available in certain circumstances:

- Eligible employers with a **refundable payroll tax credit** equal to 50% of certain “qualified wages”.
- Postpone the deadline for payment of the **employer portion of the 6.2% employer share** of the Social Security tax (but not the 1.45% employer share of the Medicare tax) through 2020.
- Businesses can now **expense certain costs for improvements to “qualified improvement property,”** reversing existing provisions of the Tax Cuts and Jobs Act (TCJA) that prevented businesses from expensing these costs and required them to be depreciated over the 39-year life of the building.

Federal and State Stimulus Opportunities: Job Nelson

How does stimulus money differ from emergency operations?

Port as two entities -- Business and Public Agency

1. As a public agency the Port has a duty to respond to emergencies. It can declare an emergency and seek reimbursement for costs from State and Federal Government (if they also declare an emergency) for funding associated with costs of responding to emergency. **This process is highly defined and prescribed**
2. As a business the Port may experience revenue shortfalls due to loss of business caused by an emergency. The Port may appeal to the State and/or Federal government for relief under specially created legislative and budget programs designed to stimulate the economy. **This process is unique to each financial crisis and guidelines are sometimes more ambiguous**

Sampling of State and Federal Stimulus for Tenants

Program	Funder/Agency	Beneficiary	Amount
Economic Injury Disaster Loans & Emergency Economic Injury Grants	Small Business Administration (SBA)	These grants provide an emergency advance of up to \$10,000 to small businesses and private non-profits harmed by COVID-19 within three days of applying for an SBA Economic Injury Disaster Loan (EIDL).	Up to \$10,000
Jump Start Loan Program	California iBank	Loans and loan guarantees via a partnership between the Small Business Finance Center and the Financial Development Corporation	Loans up to \$20M, max guarantee \$1M for up to 7 years, interest rates are negotiable
Small Business Finance Center (SBFC)	iBank	Small Businesses located in California with 1-750 employees, Eligible Nonprofits	Loans up to \$20M, max guarantee \$1M for up to 7 years, interest rates are negotiable
Paycheck Protection Program (PPP) Loans	Small Business Administration (SBA)		\$350B available federally guaranteed loans for employers who maintain their payroll during this emergency. small business loans
Debt Relief for Existing and New SBA Borrowers	Small Business Administration (SBA)	Debt relief for small businesses, allows businesses to extend the duration of existing and new small business loans	\$17B total, including the ability to defer debt payments for existing loans

Sampling of State and Federal Stimulus for Tenants (continued)

Program	Funder/Agency	Beneficiary	Amount
Paid Leave for Government Contractors	Small Business Administration (SBA)	Paid leave for employees working on small business contracts for the federal government	
Resources for Business Counseling Services	Small Business Administration (SBA)		\$275M to Small Business Development Centers, Women's Business Centers and Minority Business Development Centers
California Capital Access Program for Small Business	California Treasurer		Loans via banks and lending institutions to small businesses that have difficulty finding financing.
Rapid Response Services for Business	California Employment Development Department	Resources for employers and employees to access training, unemployment benefits and work sharing opportunities	Early intervention and on-site services based on business and employee needs.
Economic Stabilization Act of 2020	U.S. Treasury	Loan program for mid-sized businesses with between 500 and 10,000 employees. Applicable terms for the mid-sized business loan program include complete deferral of all principal and interest payments for at least six months	\$454B available to provide liquidity to covered businesses, including in the hospitality sector

CARES Act Opportunity for Port of San Diego

Title VI -- State and Local Government



- State and Local Governments to receive \$150 Billion in the form of block grants
- Only local governments eligible are cities with populations over 500,000
- California to get approximately \$10 billion with \$5.5 billion going to state and \$4.5 going to big cities
- Because the state will be getting \$5.5 billion the District has petitioned the Governor through State Lands for \$30 million in relief funding
- Talking to our delegation and our being supported by Teamsters, HPOA and ILWU

CARES Act Opportunity for Port of San Diego

Title IV -- State and Local Government

- \$454 billion in direct lending authority to businesses, states, and municipalities to be run by the Federal Reserve and Department of Treasury
- Port is eligible for this funding. Municipality (A) a political subdivision of a State, and (B) an instrumentality of a municipality, a State, or a political subdivision of a State
- The Secretary is authorized to make loans, loan guarantees, and other investments. At this point in time how those provisions are defined for states and local governments is not defined
- The District has created a coalition of other Tourism Ports including Everglades, Seattle and New Orleans

Stimulus Package #4



- House is already talking about Stimulus 4 with an emphasis on providing more money to states and local governments
- Also potential money for infrastructure
- Could be used to clean up provisions that we feel like need help in the CARES Act
- Partnering with AAPA, CAPA and our Tourism Ports Coalition to help shape the next version
- Questions regarding the appetite of Senate Republicans for such a measure

Next Steps: Randa Coniglio

	A	B	C	D	F	K	L	M	R	S	T	Y	Page 49 of 77	AA
1		Port of San Diego												
2		Revenue by Operating Center												
3														
4			ADJUSTED BUDGET FY 2020	WORSE CASE FY 2021	CHANGE FY 2021-2020 BUDGET	% CHANGE	BASE CASE FY 2021	CHANGE FY 2021-2020 BUDGET	% CHANGE	BETTER CASE FY 2021	CHANGE FY 2021-2020 BUDGET	% CHANGE		
6		REAL ESTATE												
7		Fixed Rent	\$ 19,648,200	\$ 20,054,992	\$ 406,792	2.1%	\$ 20,054,992	\$ 406,792	2.1%	\$ 20,054,992	\$ 406,792	2.1%		
8		Concession Revenue	90,070,100	58,531,878	(31,538,222)	(35.0)%	63,994,243	(26,075,857)	(29.0)%	67,465,284	(22,604,816)	(25.1)%		
9		ACH Parking Facility Funding	222,500	226,252	3,752	1.7%	226,252	3,752	1.7%	226,252	3,752	1.7%		
11		Rents	\$ 109,940,800	\$ 78,813,122	\$ (31,127,678)	(28.3)%	\$ 84,275,487	\$ (25,665,313)	(23.3)%	\$ 87,746,528	\$ (22,194,272)	(20.2)%		
13		Advertising	\$ 170,000	\$ 90,000	\$ (80,000)	(47.1)%	\$ 90,000	\$ (80,000)	(47.1)%	\$ 220,000	\$ 50,000	29.4%		
14		Parking	1,950,300	1,111,248	(839,052)	(43.0)%	1,411,696	(538,604)	(27.6)%	1,626,312	(323,988)	(16.6)%		
15		Park Usage Fees	1,043,400	409,210	(634,190)	(60.8)%	711,669	(331,731)	(31.8)%	1,043,400	-	0.0%		
17		Reimbursed Cost/Cost Recovery	120,000	100,000	(20,000)	(16.7)%	120,000	-	0.0%	140,000	20,000	16.7%		
18		Seaport Village Common Area Maintenance	3,000,900	1,208,218	(1,792,682)	(59.7)%	1,392,799	(1,608,101)	(53.6)%	1,576,781	(1,424,119)	(47.5)%		
19		Seaport Village Marketing Fee	732,200	325,133	(407,067)	(55.6)%	374,619	(357,581)	(48.8)%	424,104	(308,096)	(42.1)%		
21		Waived Fees-Tidelands Activation Program	\$ (682,900)	(233,260)	449,640	(65.8)%	(405,699)	277,201	(40.6)%	(682,900)	-	0.0%		
22		Fees & Service Charges	\$ 6,333,900	\$ 3,010,549	\$ (3,323,351)	(52.5)%	\$ 3,695,084	\$ (2,638,816)	(41.7)%	\$ 4,347,697	\$ (1,986,203)	(31.4)%		
29		TOTAL REAL ESTATE	\$ 116,274,700	\$ 81,823,671	\$ (34,451,029)	(29.6)%	\$ 87,970,571	\$ (28,304,129)	(24.3)%	\$ 92,094,225	\$ (24,180,475)	(20.8)%		
31		PORT AS A SERVICE - PARKING												
32		Fixed Rent	\$ 457,200	\$ 356,400	\$ (100,800)	(22.0)%	\$ 356,400	\$ (100,800)	(22.0)%	\$ 356,400	\$ (100,800)	(22.0)%		
33		Rents	\$ 457,200	\$ 356,400	\$ (100,800)	(22.0)%	\$ 356,400	\$ (100,800)	(22.0)%	\$ 356,400	\$ (100,800)	(22.0)%		
35		Citations	\$ 851,700	\$ 488,601	\$ (363,099)	(42.6)%	\$ 636,234	\$ (215,466)	(25.3)%	\$ 729,692	\$ (122,008)	(14.3)%		
36		Parking	10,209,500	5,943,901	(4,265,599)	(41.8)%	7,367,394	(2,842,106)	(27.8)%	8,162,389	(2,047,111)	(20.1)%		
37		Parking Meters	3,693,900	1,908,052	(1,785,848)	(48.3)%	2,507,406	(1,186,494)	(32.1)%	2,887,835	(806,065)	(21.8)%		
38		Parking-Concession	1,225,900	685,950	(539,950)	(44.0)%	782,438	(443,463)	(36.2)%	907,110	(318,790)	(26.0)%		
41		Waived Fees-Tidelands Activation Program	(158,500)	-	158,500	(100.0)%	-	158,500	(100.0)%	-	158,500	(100.0)%		
42		Fees & Service Charges	\$ 15,822,500	9,026,505	\$ (6,795,995)	(43.0)%	11,293,472	\$ (4,529,028)	(28.6)%	12,687,026	\$ (3,135,474)	(19.8)%		
44		TOTAL PORT AS A SERVICE - PARKING	\$ 16,279,700	\$ 9,382,905	\$ (6,896,795)	(42.4)%	\$ 11,649,872	\$ (4,629,828)	(28.4)%	\$ 13,043,426	\$ (3,236,274)	(19.9)%		
46		MARITIME												
47		Fixed Rent	\$ 16,564,800	\$ 16,000,500	\$ (564,300)	(3.4)%	\$ 16,125,600	\$ (439,200)	(2.7)%	\$ 16,125,600	\$ (439,200)	(2.7)%		
48		Concession Revenue	2,364,600	1,417,967	(946,633)	(40.0)%	1,752,202	(612,398)	(25.9)%	1,883,870	(480,730)	(20.3)%		
49		Storage Space Rental	2,442,500	1,453,800	(988,700)	(40.5)%	1,453,800	(988,700)	(40.5)%	2,187,700	(254,800)	(10.4)%		
50		Other Rental Revenue	856,100	522,667	(333,433)	(38.9)%	645,867	(210,233)	(24.6)%	694,400	(161,700)	(18.9)%		
51		Rents	\$ 22,228,000	\$ 19,394,933	\$ (2,833,067)	(12.7)%	\$ 19,977,468	\$ (2,250,532)	(10.1)%	\$ 20,891,570	\$ (1,336,430)	(6.0)%		
53		Bunkering	\$ 39,300	\$ 34,000	\$ (5,300)	(13.5)%	\$ 22,800	\$ (16,500)	(42.0)%	\$ 57,000	\$ 17,700	45.0%		
54		Cruise Ship Passenger Fees	2,330,200	1,266,500	(1,063,700)	(45.6)%	1,887,500	(442,700)	(19.0)%	2,359,300	29,100	1.2%		
55		Cruise Ship Passenger Security Charges	1,281,800	919,500	(362,300)	(28.3)%	1,049,800	(232,000)	(18.1)%	1,749,600	467,800	36.5%		
56		Dockage	2,305,600	1,682,941	(622,659)	(27.0)%	1,753,890	(551,710)	(23.9)%	2,217,330	(88,270)	(3.8)%		
57		Environmental Surcharge	9,700	21,600	11,900	122.7%	21,600	11,900	122.7%	21,600	11,900	122.7%		

	A	B	C	D	F	K	L	M	R	S	T	Y	Page 40 of 77	AA
2	Revenue by Operating Center													
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	A	B	C	D	E	F	G	H	I	J	K	L	Page 52 of 71	M	N
1	Port of San Diego Expense by Account														
2															
4		FY 2020		Worse	CHANGE			Base	CHANGE			Better	CHANGE		
5		ADJUSTED		Case	FY 2021-2020			Case	FY 2021-2020			Case	FY 2021-2020		
6	LINE ITEM	BUDGET		FY 2021	BUDGET	% CHANGE		FY 2021	BUDGET	% CHANGE		FY 2021	BUDGET	% CHANGE	
8	Awards - Service	5,200		-	(5,200)	-100%		\$705	(4,495)	-86%		\$1,304	(3,896)	-75%	
9	Books & Periodicals	66,400		6,520	(59,880)	-90%		15,322	(51,078)	-77%		22,804	(43,596)	-66%	
10	Employee Recognition	46,700		-	(46,700)	-100%		5,385	(41,315)	-88%		9,962	(36,738)	-79%	
11	Memberships & Dues	309,300		92,400	(216,900)	-70%		133,980	(175,320)	-57%		169,323	(139,977)	-45%	
12	Health & Wellness	1,500		-	(1,500)	-100%		225	(1,275)	-85%		416	(1,084)	-72%	
13	Recruiting	36,000		7,600	(28,400)	-79%		12,160	(23,840)	-66%		16,036	(19,964)	-55%	
14	Seminars & Training	742,100		159,560	(582,540)	-78%		255,296	(486,804)	-66%		336,672	(405,428)	-55%	
15	Tuition Reimbursement Program	55,000		27,500	(27,500)	-50%		31,625	(23,375)	-43%		35,131	(19,869)	-36%	
16	STAFF DEVELOPMENT	1,262,200		293,580	(968,620)	-77%		\$454,698	(807,502)	-64%		\$591,648	(670,552)	-53%	
18	Mileage Reimbursement	227,800		113,850	(113,950)	-50%		\$130,928	(96,873)	-43%		\$145,443	(82,357)	-36%	
19	Travel	666,900		170,100	(496,800)	-74%		246,645	(420,255)	-63%		311,708	(355,192)	-53%	
20	TRAVEL	894,700		283,950	(610,750)	-68%		\$377,573	(517,128)	-58%		\$457,152	(437,548)	-49%	
22	Services - Professional & Other	11,474,381		5,453,900	(6,020,481)	-52%		\$6,271,985	(5,202,396)	-45%		\$6,967,357	(4,507,024)	-39%	
23	Services - Legal - Port Attorney	2,931,400		1,405,650	(1,525,750)	-52%		1,616,498	(1,314,903)	-45%		1,795,718	(1,135,682)	-39%	
24	Services - Security	2,252,200		2,776,800	524,600	23%		2,776,800	524,600	23%		2,776,800	524,600	23%	
25	Services - Operator Retention	2,780,500		1,938,192	(842,308)	-30%		1,970,350	(810,150)	-29%		2,631,300	(149,200)	-5%	
26	Aquaculture & Blue Technology	450,000		90,000	(360,000)	-80%		106,500	(343,500)	-76%		120,525	(329,475)	-73%	
27	CONTRACTUAL SERVICES	19,888,481		11,664,542	(8,223,939)	-41%		\$12,742,132	(7,146,349)	-36%		\$14,291,700	(5,596,781)	-28%	
29	Equipment & Systems	2,342,700		1,940,100	(402,600)	-17%		2,037,105	(305,595)	-13%		2,119,559	(223,141)	-10%	
30	Equipment Rental/Leasing	337,900		233,625	(104,275)	-31%		245,306	(92,594)	-27%		255,235	(82,665)	-24%	
31	Office & Operating Supplies	319,400		204,960	(114,440)	-36%		225,456	(93,944)	-29%		242,878	(76,522)	-24%	
32	Postage & Shipping	37,600		40,900	3,300	9%		40,900	3,300	9%		40,900	3,300	9%	
33	Safety Equipment & Supplies	438,500		210,300	(228,200)	-52%		241,845	(196,655)	-45%		268,658	(169,842)	-39%	
34	Small Tools	34,000		20,280	(13,720)	-40%		22,308	(11,692)	-34%		24,032	(9,968)	-29%	
35	Fuel & Lubricants	638,500		668,900	30,400	5%		668,900	30,400	5%		668,900	30,400	5%	
36	Parking Meter Supplies	12,000		12,000	-	0%		12,000	-	0%		12,000	-	0%	
37	Blueprints	500		500	-	0%		500	-	0%		500	-	0%	
38	Uniforms	307,700		301,600	(6,100)	-2%		301,600	(6,100)	-2%		301,600	(6,100)	-2%	
39	SUPPLIES & EQUIPMENT	4,468,800		3,633,165	(835,635)	-19%		\$3,795,920	(672,880)	-15%		\$3,934,262	(534,538)	-12%	
41	Space Rental	836,000		1,488,300	652,300	78%		\$1,488,300	652,300	78%		\$1,488,300	652,300	78%	
42	Telephone & Communications	1,254,400		997,800	(256,600)	-20%		1,047,690	(206,710)	-16%		1,090,097	(164,304)	-13%	
43	Utilities - Gas & Electric	1,696,300		1,781,100	84,800	5%		1,781,100	84,800	5%		1,781,100	84,800	5%	
44	Utilities - Water	1,427,800		1,498,200	70,400	5%		1,498,200	70,400	5%		1,498,200	70,400	5%	
45	Facility Management Services	3,054,200		2,333,952	(720,248)	-24%		2,913,301	(140,899)	-5%		3,268,700	214,500	7%	
46	FACILITIES EXPENSE	8,268,700		8,099,352	(169,348)	-2%		\$8,728,591	459,891	6%		\$9,126,397	857,697	10%	

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
2	Expense by Account													
4		FY 2020		Worse	CHANGE			Base	CHANGE			Better	CHANGE	
5		ADJUSTED		Case	FY 2021-2020	% CHANGE		Case	FY 2021-2020	% CHANGE		Case	FY 2021-2020	% CHANGE
6	LINE ITEM	BUDGET		FY 2021	BUDGET			FY 2021	BUDGET			FY 2021	BUDGET	
48	Common Area Maintenance	3,187,500		2,315,700	(871,800)	-27%		\$2,315,700	(871,800)	-27%		\$2,315,700	(871,800)	-27%
49	Facilities Maintenance - Supplies	807,000		458,500	(348,500)	-43%		527,275	(279,725)	-35%		585,734	(221,266)	-27%
50	Facilities Maintenance - Outside Services	3,748,800		1,795,500	(1,953,300)	-52%		2,064,825	(1,683,975)	-45%		2,293,751	(1,455,049)	-39%
51	Equipment Maintenance - Supplies	279,500		209,625	(69,875)	-25%		220,106	(59,394)	-21%		229,015	(50,485)	-18%
52	Equipment Maintenance - Outside Services	2,113,200		946,650	(1,166,550)	-55%		1,088,648	(1,024,553)	-48%		1,209,345	(903,855)	-43%
53	As - Needed Maintenance	970,600		646,000	(324,600)	-33%		742,900	(227,700)	-23%		825,265	(145,335)	-15%
54	Software Maintenance	992,400		987,040	(5,360)	-1%		1,024,054	31,654	3%		1,055,516	63,116	6%
55	Tenant Improvements	1,537,200		-	(1,537,200)	-100%		0	(1,537,200)	-100%		0	(1,537,200)	-100%
56	MAINTENANCE & REPAIRS	13,636,200		7,359,015	(6,277,185)	-46%		\$7,983,508	(5,652,692)	-41%		\$8,514,327	(5,121,873)	-38%
58	Advertising	55,300		53,800	(1,500)	-3%		\$53,800	(1,500)	-3%		\$53,800	(1,500)	-3%
59	Marketing Fees	788,600		580,400	(208,200)	-26%		580,400	(208,200)	-26%		580,400	(208,200)	-26%
60	Marketing/Outreach	2,579,500		606,075	(1,973,425)	-77%		878,809	(1,700,691)	-66%		1,110,632	(1,468,868)	-57%
61	Promotional Services	467,600		58,830	(408,770)	-87%		138,251	(329,350)	-70%		205,758	(261,842)	-56%
62	Promotional Materials	172,000		22,750	(149,250)	-87%		53,463	(118,538)	-69%		79,568	(92,432)	-54%
63	Svcs - Fire, Police, Rescue, Emergency	8,143,400		8,329,800	186,400	2%		8,329,800	186,400	2%		8,329,800	186,400	2%
64	Eligible Environmental Fund Expenditures	1,321,800		691,800	(630,000)	-48%		773,300	(548,500)	-41%		876,945	(444,855)	-34%
65	Grant Funded Expenditures	500,545		586,400	85,855	17%		586,400	85,855	17%		586,400	85,855	17%
66	Public Art Fund Expenditures	820,000		-	(820,000)	-100%		133,800	(686,200)	-84%		247,530	(572,470)	-70%
67	Remediation	50,000		300,000	250,000	500%		300,000	250,000	500%		300,000	250,000	500%
68	Refuse & Hazardous Waste Disposal	159,000		154,000	(5,000)	-3%		154,000	(5,000)	-3%		154,000	(5,000)	-3%
69	Joint Programs/Studies Assistance	1,272,400		778,000	(494,400)	-39%		778,000	(494,400)	-39%		778,000	(494,400)	-39%
70	Public Art Program	175,000		-	(175,000)	-100%		29,415	(145,585)	-83%		54,418	(120,582)	-69%
71	COMMUNITY & ENVIRONMENTAL SUPPORT	16,505,145		12,161,855	(4,343,290)	-26%		\$12,789,437	(3,715,709)	-23%		\$13,357,251	(3,147,894)	-19%
73	Bank & Credit Card Fees	382,900		286,800	(96,100)	-25%		\$301,140	(81,760)	-21%		\$313,329	(69,571)	-18%
74	Insurance	1,401,500		1,701,500	300,000	21%		1,701,500	300,000	21%		1,701,500	300,000	21%
75	Insurance Claims	5,000		-	(5,000)	-100%		750	(4,250)	-85%		1,388	(3,613)	-72%
76	Permits/Certificates/License	62,100		58,400	(3,700)	-6%		58,400	(3,700)	-6%		58,400	(3,700)	-6%
77	Retiree Health Benefits (Paid)	3,322,300		3,642,000	319,700	10%		3,642,000	319,700	10%		3,642,000	319,700	10%
78	Preservation of Benefits Plan (POB)	265,000		265,000	-	0%		265,000	-	0%		265,000	-	0%
79	Other Miscellaneous Operating Expenses	1,060,700		-	(1,060,700)	-100%		159,015	(901,685)	-85%		294,178	(766,522)	-72%
80	RISK MGMT, RETIREE HEALTH & OTHER	6,499,500		5,953,700	(545,800)	-8%		\$6,127,805	(371,695)	-6%		\$6,275,794	(223,706)	-3%
82	SUBTOTAL OPERATING NON-PERSONNEL	71,423,726		49,449,159	(21,974,567)	-31%		\$52,999,663	(18,424,063)	-26%		\$56,548,531	(14,875,195)	-21%
84	Financial Assistance/Grants/Contributions	1,078,165		855,000	(223,165)	-21%		869,250	(208,915)	-19%		881,363	(196,803)	-18%
85	FINANCIAL ASSISTANCE	1,078,165		855,000	(223,165)	-21%		\$869,250	(208,915)	-19%		\$881,363	(196,803)	-18%
87	Interest-SDCRAA, NEVP, & Other Misc	1,718,700		1,560,700	(158,000)	-9%		1,560,700	(158,000)	-9%		1,560,700	(158,000)	-9%
88	Interest Expense - Series A 2004 Bonds	9,800		-	(9,800)	-100%		0	(9,800)	-100%		0	(9,800)	-100%
89	Interest Expense - Series A 2013 Bonds	963,900		890,100	(73,800)	-8%		890,100	(73,800)	-8%		890,100	(73,800)	-8%
90	MISCELLANEOUS INTEREST	2,692,400		2,450,800	(241,600)	-9%		\$2,450,800	(241,600)	-9%		\$2,450,800	(241,600)	-9%
92	SUBTOTAL NON-OPERATING	3,770,565		3,305,800	(464,765)	-12%		\$3,320,050	(450,515)	-12%		\$3,332,163	(438,403)	-12%
94	TOTAL	75,194,291		52,754,959	(22,439,332)	-30%		\$56,319,713	(18,874,578)	-25%		\$59,880,693	(15,313,598)	-20%

	A	C	J	O	T
1	Port of San Diego				
2	Major Maintenance Capital and Expense Program				
3					
4		Planned	Worse Case	Base Case	Better Case
5	PROJECT NAME	FY 2021	Total	Total	Total
6	Major Maintenance Capital Projects				
7	Curtain Wall Repairs and Backfilling at B Street Pier	2,655,000	245,000	245,000	245,000
8	Concrete Repairs at San Diego Hilton Bayfront Deck 7	785,000	785,000	785,000	785,000
9	Railroad Tie Repairs at TAMT	625,000	-	-	625,000
10	Pavement Improvements at National City	600,000	-	-	-
11	Structural Repairs at NCMT Berth 24-3	450,000	100,000	200,000	210,000
12	Electrical Improvements at TAMT Phase 3	450,000	-	450,000	450,000
13	Roof Replacement at Harbor Police Headquarters Administration Building	300,000	-	300,000	300,000
14	HVAC Replacement at HPD Administration Building	300,000	50,000	50,000	150,000
15	Vertical Pile Repairs to Navy Pier	250,000	100,000	250,000	250,000
16	Major Maintenance Capital Contingency	250,000	250,000	250,000	250,000
17	Switchboard and Transformer Replacement at National City Marine Terminal	250,000	-	-	-
18	Retaining Wall at Centennial Park	210,000	210,000	210,000	210,000
19	Wave Attenuation Panel Replacement at Crosby Street Pier	175,000	-	-	-
20	Roof Replacement at NCMT Warehouse 24-B	150,000	25,000	50,000	50,000
21	Substation Electrical Improvements at TAMT	75,000	-	-	75,000
22	Elevator Car Improvements at San Diego Hilton Bayfront Parking Garage	60,000	-	-	-
23	Utility Piping Repairs at Imperial Beach	50,000	-	-	-
24	Structural Repairs at NCMT Berth 24-11	-	-	-	-
25	Timber Fender System Replacement at Broadway Pier	-	-	-	-
26	18 & 22 Inch Pile Repairs at B Street Pier	-	-	-	-
27	Structural Repairs at NCMT Berth 24-1, 24-2, and 24-4	-	-	-	-
28	Dock Replacement & Repairs at Tuna Harbor Docks 2 & 3	-	-	-	-
29	Pavement Improvements at Shelter Island Parking Lots	-	-	-	-
30	Deferred Maintenance - Seaport Village	-	-	-	-
31	Capitalized Labor	1,150,000	750,000	750,000	900,000

	A	C	J	O	T
4		Planned	Worse Case	Base Case	Better Case
5	PROJECT NAME	FY 2021	Total	Total	Total
32	Total Major Maintenance Capital	8,785,000	2,515,000	3,540,000	4,500,000
33					
34	Major Maintenance Expense Projects				
35	Carpet Replacement at Port Admin FY 2021	250,000	-	-	250,000
36	Pavement Maintenance at National City	225,000	-	-	225,000
37	Fire Service Repairs at TAMT Warehouse C	140,000	140,000	140,000	140,000
38	Sand Replenishment at Kellogg Beach	-	-	-	-
39	Electrical Upgrades to NCMT Berths 24-10 & 24-11	-	-	-	-
40	Pavement Maintenance at Chula Vista Boat Launch	-	-	-	-
41	Carpet Replacement at Port Admin FY 2022	-	-	-	-
42	Carpet Replacement at Port Admin FY 2023	-	-	-	-
43	Total Major Maintenance Expense	615,000	140,000	140,000	615,000
44					
45	Total Major Maintenance Program	9,400,000	2,655,000	3,680,000	5,115,000
46					
47	NOTE: CARRY OVER FUNDS ARE NOT INCLUDED IN THESE SCENARIOS. THIS IS JUST NEW FUNDING REQUESTS				

	A	B	C	D	E	J	Page 56 of 57 C	T
1	Port of San Diego Equipment Outlay and Other Capital Projects							
2								
3								
4					Planned FY 2021	Worse Case Total	Base Case Total	Better Case Total
5			Sub Items	Qty				
6	124	Information Technology	THERMAL CAMERAS-MARINE SECURITY OPS	3	75,000	-	75,000	75,000
7	124	Information Technology	Result	3	75,000	-	75,000	75,000
8	138	Port as a Service-Parking	EMBARCADERO MARINA PARK NORTH PARKING	1	100,000	-	-	-
9	138	Port as a Service-Parking	Result	1	100,000	-	-	-
10	140	Engineering - Construction	BREAKWATER AT TUNA HARBOR	1	250,000	-	-	250,000
11	140	Engineering - Construction	Result	1	250,000	-	-	250,000
12	141	Energy	DESIGN OF ENERGY EFFICIENCY PROJECTS	1	100,000	-	-	-
13	141	Energy	EV CHARGING STATION IN PUBLIC PARK	1	90,000	25,000	25,000	25,000
14	141	Energy	LIGHTING EFFICIENCY IMPROVEMENTS HPD	1	100,000	-	-	-
15	141	Energy	Result	3	290,000	-	-	-
16	144	Planning	STORM WATER MEDIA FILTERS	1	25,000	-	-	-
17	144	Planning	TRASH BMP FOR STORM DRAIN	1	90,000	-	-	-
18	144	Planning	Result	2	115,000	-	-	-
19	146	Environmental Protection	TRASH SYSTEM	1	75,000	-	-	-
20	146	Environmental Protection	Result	1	75,000	-	-	-
21	152	Harbor Police	911 CALL TAKING POSITION	1	10,000	10,000	10,000	10,000
22	152	Harbor Police	ADMINISTRATIVE VEHICLES	2	80,000	-	80,000	80,000
23	152	Harbor Police	COASTAL SURVEILLANCE VIDEO STORAGE (IB)	1	25,000	-	25,000	25,000
24	152	Harbor Police	COMMAND STAFF VEHICLES	2	94,000	-	94,000	94,000
25	152	Harbor Police	COMMAND VEH BUILDOUT (IB)	1	20,000	-	20,000	20,000
26	152	Harbor Police	EVIDENCE LOCKER	1	7,600	-	-	7,600
27	152	Harbor Police	FORCED ENTRY TRAINING DOOR	1	8,900	-	-	8,900
28	152	Harbor Police	FULL SIZED PICK UP TRUCK	1	40,000	-	-	40,000
29	152	Harbor Police	MARTAC ENTRY SHIELD	1	8,300	-	-	8,300
30	152	Harbor Police	MESH NETWORK FOR PORT-WIDE UNIFIED COMMAND (PSGP FY 18)	1	60,000	60,000	60,000	60,000
31	152	Harbor Police	MOBILE DIGITAL COMPUTERS	3	15,000	-	-	15,000
32	152	Harbor Police	MOTOROLA RADIO CONSOLES	2	20,000	20,000	20,000	20,000
33	152	Harbor Police	PATROL VEHICLE BUILDOUT	5	175,000	-	105,000	105,000
34	152	Harbor Police	PICK UP TRUCK BUILDOUT	1	15,000	-	-	15,000
35	152	Harbor Police	POLICE PATROL VEHICLE	5	240,000	-	120,000	120,000
36	152	Harbor Police	PORTABLE APX RADIOS	10	70,000	-	21,000	70,000
37	152	Harbor Police	REBS GIRAFFE PNEUMATIC POLE	1	61,400	-	-	61,400
38	152	Harbor Police	SECURITY IMPROVEMENTS AT HPD	1	75,000	-	75,000	75,000
39	152	Harbor Police	SUV (INVESTIGATIONS)	1	40,000	-	40,000	40,000
40	152	Harbor Police	UTILITY TERRAIN VEHICLES (CITY OF IB)	2	37,800	-	-	-

	A	B	C	D	E	J	Page 57 of 57 C	T
2			Equipment Outlay and Other Capital Projects					
4					Planned FY 2021	Worse Case Total	Base Case Total	Better Case Total
5			Sub Items	Qty				
41	152	Harbor Police	Result	43	1,103,000	90,000	670,000	875,200
42	153	Maritime	6' X 20' YOKOHAMA FENDERS	4	72,000	36,000	36,000	72,000
43	153	Maritime	7' X 14' YOKOHAMA FENDERS	2	44,000	22,000	22,000	22,000
44	153	Maritime	CSS SUPER CELL FENDER 1000	1	10,000	-	-	10,000
45	153	Maritime	CSS SUPER CELL FENDER 800	1	6,000	6,000	6,000	6,000
46	153	Maritime	GOLF CART	2	20,000	-	-	10,000
47	153	Maritime	LED LIGHT FIXTURES (NCMT)	1	40,000	20,000	40,000	40,000
48	153	Maritime	LED LIGHT FIXTURES (TAMT)	1	108,000	-	-	-
49	153	Maritime	ROLL UP DOOR (CST)	1	21,000	-	-	21,000
50	153	Maritime	SECURITY CAMERA	1	25,000	-	-	25,000
51	153	Maritime	Result	14	346,000	84,000	104,000	206,000
52	160	Marketing & Communications	BAYWIDE SIGNAGE	1	380,000	-	-	-
53	160	Marketing & Communications	Result	1	380,000	-	-	-
54	182	General Services Administration	1 TON DIESEL TRUCK	1	61,000	-	-	-
55	182	General Services Administration	1 TON TRUCK DIESEL	4	336,000	-	252,000	252,000
56	182	General Services Administration	12 FOOT VESSEL W/TRAILER	1	40,000	-	40,000	40,000
57	182	General Services Administration	3/4 TON TRUCK HYBRID	5	375,000	-	150,000	150,000
58	182	General Services Administration	COMPACT VAN HYBRID	1	53,000	-	53,000	53,000
59	182	General Services Administration	FULL SIZE SERVICE VAN HYBRID	1	80,000	-	-	-
60	182	General Services Administration	HIGH VOLTAGE MAIN SWITCHBOARD	1	30,000	30,000	30,000	30,000
61	182	General Services Administration	VESSEL PUMP OUT STATION	5	72,000	72,000	72,000	72,000
62	182	General Services Administration	Result	19	1,047,000	102,000	597,000	597,000
63	Result			88	3,781,000	276,000	1,446,000	2,003,200

**Port of San Diego
Technology Capital Projects**

			Worse Case	Base Case	Better Case
FY 21	Project Name	Total			
<i>Grant</i>	PSGP FY19 Thermal Find & Follow	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
<i>Grant</i>	UASI Mesh Data Communications	\$ 364,000	\$ 364,000	\$ 364,000	\$ 364,000
<i>Grant</i>	PSGP FY17 Cyber Threat Intelligence	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
<i>Grant</i>	Emergency Operations Center (AMSC MUC)	\$ 138,000	\$ 138,000	\$ 138,000	\$ 138,000
<i>Grant</i>	PSGPFY17 Multi Factor Authentication	\$ 192,000	\$ 192,000	\$ 192,000	\$ 192,000
<i>Grant</i>	PSGP FY18 HPD Maritime Domain Awareness	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
<i>Grant</i>	PSGP FY18 Fiber Phase 4B	\$ 457,800	\$ -		
<i>In Flight</i>	Enterprise Asset Management	\$ 350,000			
<i>In Flight</i>	SalesForce Phase II-Maritime, HR	\$ 600,000			\$ 270,000
<i>In Flight</i>	Document Management System Front End Rep	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
<i>In Flight</i>	Wireless Refresh	\$ 350,000			\$ 250,000
	Digital Transformation Phase II	\$ 500,000			\$ 200,000
	GASB87	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
	Implement Network Segmentation	\$ 150,000			\$ 150,000
	Implement Vmware Monitoring Solution	\$ -			
	Improve Physical Data Center	\$ 20,000		\$ 20,000	\$ 20,000
	Install HVAC for UPS Room-Admin 4	\$ 20,000		\$ 20,000	\$ 20,000

Technology Capital Projects

FY 21	Project Name	Total	Worse Case	Base Case	Better Case
	Migrate SAP to Hana	\$ -			
	Move HPHQ Data Center	\$ 50,000			\$ 15,000
	Replace HVAC at HPHQ Data Center	\$ 30,000		\$ 30,000	\$ 30,000
	SalesForce Phase III-Real Estate	\$ 600,000			
	Upgrade Cisco Data Center 5k Switches	\$ 50,000		\$ 50,000	\$ 183,000
	Upgrade Cisco UCS	\$ 400,000		\$ 205,000	\$ 205,000
	Migrate Telephony System	\$ 200,000	\$ -	\$ -	\$ -
	Capital Labor	\$ 800,000			
		\$ 6,321,800	\$ 1,744,000	\$ 2,069,000	\$ 3,087,000

	B	D	I	J	K	P	Q	R	W	Page 60 of 77 C	Y
1	Budget in Brief										
2											
3	OVERVIEW OF REVENUES, EXPENSES, CAPITAL REQUIREMENTS & FUND ACTIVITIES										
4		ADJUSTED BUDGET FY 2020	WORSE CASE BUDGET FY 2021	CHANGE FY 2021-2020 BUDGET	% CHANGE	BASE CASE BUDGET FY 2021	CHANGE FY 2021-2020 BUDGET	% CHANGE	BETTER CASE BUDGET FY 2021	CHANGE FY 2021-2020 BUDGET	% CHANGE
6	Operating Revenue										
7	Real Estate	\$ 116,274,700	\$ 81,823,671	\$ (34,451,029)	(29.6)%	\$ 87,970,571	\$ (28,304,129)	(24.3)%	\$ 92,094,225	\$ (24,180,475)	(20.8)%
8	Port as a Service - Parking	16,279,700	9,382,905	(6,896,795)	(42.4)%	11,649,872	(4,629,828)	(28.4)%	13,043,426	(3,236,274)	(19.9)%
9	Maritime	40,175,700	31,924,944	(8,250,756)	(20.5)%	33,415,218	(6,760,482)	(16.8)%	37,713,718	(2,461,982)	(6.1)%
10	Harbor Police Department	16,619,600	16,659,600	40,000	0.2%	16,659,600	40,000	0.2%	16,659,600	40,000	0.2%
12	Miscellaneous (G&A for HPD services to SDCRAA, Cost Recovery, etc.)	3,430,800	3,208,300	(222,500)	(6.5)%	3,208,300	(222,500)	(6.5)%	3,208,300	(222,500)	(6.5)%
13	Total Operating Revenue	\$ 192,780,500	\$ 142,999,420	\$ (49,781,080)	(25.8)%	\$ 152,903,560	\$ (39,876,940)	(20.7)%	\$ 162,719,269	\$ (30,061,231)	(15.6)%
15	Non-Operating Revenue										
16	Grants - Capital Project Reimbursement	\$ 15,084,195	\$ 6,047,515	\$ (9,036,680)	(59.9)%	\$ 6,047,515	\$ (9,036,680)	(59.9)%	\$ 6,047,515	\$ (9,036,680)	(59.9)%
17	Grant Revenue - Other	1,213,300	1,102,000	(111,300)	(9.2)%	1,102,000	(111,300)	(9.2)%	1,102,000	(111,300)	(9.2)%
18	Investment Revenue	1,700,000	400,000	(1,300,000)	(76.5)%	800,000	(900,000)	(52.9)%	1,000,000	(700,000)	(41.2)%
19	Other (Legal Settlements, Car Rental Fees, Donated Revenue, etc.)	4,200,000	5,303,000	1,103,000	26.3%	5,303,000	1,103,000	26.3%	5,303,000	1,103,000	26.3%
20	Total Non-Operating Revenue	\$ 22,197,495	\$ 12,852,515	\$ (9,344,980)	(42.1)%	\$ 13,252,515	\$ (8,944,980)	(40.3)%	\$ 13,452,515	\$ (8,744,980)	(39.4)%
21	Total Revenue	\$ 214,977,995	\$ 155,851,935	\$ (59,126,060)	(27.5)%	\$ 166,156,075	\$ (48,821,920)	(22.7)%	\$ 176,171,784	\$ (38,806,211)	(18.1)%
23	Expenses										
24	Personnel	\$ 103,381,100	\$ 100,381,100	\$ (3,000,000)	(2.9)%	\$ 101,681,100	\$ (1,700,000)	(1.6)%	\$ 103,381,100	\$ -	0.0%
25	Non-Personnel Expense (NPE)	63,280,326	40,884,359	(22,395,967)	(35.4)%	44,449,113	(18,831,213)	(29.8)%	47,535,093	(15,745,233)	(24.9)%
26	Municipal Service Agreements (MSA) with Member Cities	8,143,400	8,329,800	186,400	2.3%	8,329,800	186,400	2.3%	8,329,800	186,400	2.3%
27	Major Maintenance - Expense	650,000	140,000	(510,000)	(78.5)%	140,000	(510,000)	(78.5)%	615,000	(35,000)	(5.4)%
28	Non-Operating NPE	3,770,565	3,400,800	(369,765)	(9.8)%	3,400,800	(369,765)	(9.8)%	3,400,800	(369,765)	(9.8)%
29	Capitalized Labor	(3,989,500)	(1,700,000)	2,289,500	(57.4)%	(1,950,000)	2,039,500	(51.1)%	(2,100,000)	1,889,500	(47.4)%
30	Total Expenses	\$ 175,235,891	\$ 151,436,059	\$ (23,799,832)	(13.6)%	\$ 156,050,813	\$ (19,185,078)	(10.9)%	\$ 161,161,793	\$ (14,074,098)	(8.0)%
32	Earnings Before Depreciation and GASB 68, 73, and 75 Accounting Adjustments	\$ 39,742,104	\$ 4,415,876	\$ (35,326,228)	(88.9)%	\$ 10,105,262	\$ (29,636,842)	(74.6)%	\$ 15,009,991	\$ (24,732,113)	(62.2)%
34	Sources & Uses of Funds and Reserves	\$ (37,707,104)	\$ (17,771,148)	\$ 19,935,956	(52.9)%	\$ (20,075,848)	\$ 17,631,256	(46.8)%	\$ (22,393,673)	\$ 15,313,431	(40.6)%
35	(see detail on following page)										
36	Unrestricted Sources Over Uses of Funds	\$ 2,035,000	\$ (13,355,272)	\$ (15,390,272)	(756.3)%	\$ (9,970,586)	\$ (12,005,586)	(590.0)%	\$ (7,383,682)	\$ (9,418,682)	(462.8)%

	B	D	I	J	K	P	Q	R	W	X	Y
39	Budget in Brief										
40											
41	OTHER SOURCES & USES OF FUNDS AND RESERVES DETAIL										
42		ADJUSTED BUDGET FY 2020	WORSE CASE BUDGET FY 2021	CHANGE FY 2021-2020 BUDGET	% CHANGE	BASE CASE BUDGET FY 2021	CHANGE FY 2021-2020 BUDGET	% CHANGE	BETTER CASE BUDGET FY 2021	CHANGE FY 2021-2020 BUDGET	% CHANGE
43											
44	SOURCES OF FUNDS										
45											
46	Other Sources of Funds and Reserves										
47	Grant Funded TMP, CIP, and Equipment Outlay and Other Capital Projects	\$ 15,084,195	\$ 6,047,515	\$ (9,036,680)	(59.9)%	\$ 6,047,515	\$ (9,036,680)	(59.9)%	\$ 6,047,515	\$ (9,036,680)	(59.9)%
48	Public Art, Environmental, Asset Forfeiture, NEVP, and Maritime Industrial Impact Fund	4,345,065	2,281,800	(2,063,265)	(47.5)%	2,497,100	(1,847,965)	(42.5)%	2,714,475	(1,630,590)	(37.5)%
49	Capital Improvement Program Reserve	16,075,000	4,248,004	(11,826,996)	(73.6)%	9,947,572	(6,127,428)	(38.1)%	9,947,572	(6,127,428)	(38.1)%
50	Investment Fund	50,000	-	(50,000)	(100.0)%	-	(50,000)	(100.0)%	-	(50,000)	(100.0)%
51	Funds From Prior Year Surplus	8,122,831	-	(8,122,831)	(100.0)%	-	(8,122,831)	(100.0)%	-	(8,122,831)	(100.0)%
52	Total Other Sources of Funds and Reserves	\$ 43,677,091	\$ 12,577,319	\$ (31,099,772)	(71.2)%	\$ 18,492,187	\$ (25,184,904)	(57.7)%	\$ 18,709,562	\$ (24,967,529)	(57.2)%
53											
54	USES OF FUNDS										
55											
56	Other Uses of Funds and Reserves										
57	Capital Improvement Program	\$ 30,500,000	\$ 9,042,020	\$ (21,457,980)	(70.4)%	\$ 14,741,588	\$ (15,758,412)	(51.7)%	\$ 14,741,588	\$ (15,758,412)	(51.7)%
58	Technology Capital Projects	5,623,400	1,744,000	(3,879,400)	(69.0)%	2,069,000	(3,554,400)	(63.2)%	3,087,000	(2,536,400)	(45.1)%
59	Capital Major Maintenance (MM) Projects	9,150,000	2,515,000	(6,635,000)	(72.5)%	3,540,000	(5,610,000)	(61.3)%	4,500,000	(4,650,000)	(50.8)%
60	Equipment Outlay and Other Capital Projects	8,381,500	301,000	(8,080,500)	(96.4)%	1,471,000	(6,910,500)	(82.4)%	2,028,200	(6,353,300)	(75.8)%
61	Debt Service (Principal Only)	4,855,800	4,784,500	(71,300)	(1.5)%	4,784,500	(71,300)	(1.5)%	4,784,500	(71,300)	(1.5)%
62	Coronado Bridge Lighting Project	820,000	892,000	72,000	8.8%	892,000	72,000	8.8%	892,000	72,000	8.8%
63	Environmental Fund Set-Aside	844,800	-	(844,800)	(100.0)%	-	(844,800)	(100.0)%	-	(844,800)	(100.0)%
64	Maritime Industrial Impact Fund Set-Aside	157,900	-	(157,900)	(100.0)%	-	(157,900)	(100.0)%	-	(157,900)	(100.0)%
65	NEVP Maintenance Fund Set-Aside	1,005,400	-	(1,005,400)	(100.0)%	-	(1,005,400)	(100.0)%	-	(1,005,400)	(100.0)%
66	Capital Grants	15,084,195	6,047,515	(9,036,680)	(59.9)%	6,047,515	(9,036,680)	(59.9)%	6,047,515	(9,036,680)	(59.9)%
67	Low Carbon Fuel Standard (LCFS)	-	386,000	386,000	N/A	386,000	386,000	N/A	386,000	386,000	N/A
68	RIDA Set-Aside	1,738,700	1,410,180	(328,520)	(18.9)%	1,410,180	(328,520)	(18.9)%	1,410,180	(328,520)	(18.9)%
69	Car Rental Transaction Fees	3,000,000	3,000,000	-	0.0%	3,000,000	-	0.0%	3,000,000	-	0.0%
70	ACH Parking Facility Fund Set-Aside	222,500	226,252	3,752	1.7%	226,252	3,752	1.7%	226,252	3,752	1.7%
71	Total Other Uses of Funds and Reserves	\$ 81,384,195	\$ 30,348,467	\$ (51,035,728)	(62.7)%	\$ 38,568,035	\$ (42,816,160)	(52.6)%	\$ 41,103,235	\$ (40,280,960)	(49.5)%
72											
73	Total Other Sources & Uses of Funds and Reserves	\$ (37,707,104)	\$ (17,771,148)	\$ 19,935,956	(52.9)%	\$ (20,075,848)	\$ 17,631,256	(46.8)%	\$ (22,393,673)	\$ 15,313,431	(40.6)%
74											

	B	D	E	F	G	H	I	J	K
1	Budget in Brief								
2									
3	OVERVIEW OF REVENUES, EXPENSES, CAPITAL REQUIREMENTS & FUND ACTIVITIES								
4		ADJUSTED BUDGET FY 2020	Q1 BUDGET FY 2021	Q2 BUDGET FY 2021	Q3 BUDGET FY 2021	Q4 BUDGET FY 2021	WORSE CASE BUDGET FY 2021	CHANGE FY 2021-2020 BUDGET	% CHANGE
6	Operating Revenue								
7	Real Estate	\$ 116,274,700	\$ 18,448,578	\$ 18,815,773	\$ 20,976,334	\$ 23,582,986	\$ 81,823,671	\$ (34,451,029)	(29.6)%
8	Port as a Service - Parking	16,279,700	1,077,947	1,612,205	2,988,956	3,703,797	9,382,905	(6,896,795)	(42.4)%
9	Maritime	40,175,700	6,779,561	7,010,566	9,522,833	8,611,984	31,924,944	(8,250,756)	(20.5)%
10	Harbor Police Department	16,619,600	4,164,900	4,164,900	4,164,900	4,164,900	16,659,600	40,000	0.2%
12	Miscellaneous (G&A for HPD services to SDCRAA, Cost Recovery, etc.)	3,430,800	802,075	802,075	802,075	802,075	3,208,300	(222,500)	(6.5)%
13	Total Operating Revenue	\$ 192,780,500	\$ 31,273,061	\$ 32,405,520	\$ 38,455,097	\$ 40,865,742	\$ 142,999,420	\$ (49,781,080)	(25.8)%
15	Non-Operating Revenue								
16	Grants - Capital Project Reimbursement	\$ 15,084,195	\$ 1,511,879	\$ 1,511,879	\$ 1,511,879	\$ 1,511,879	\$ 6,047,515	\$ (9,036,680)	(59.9)%
17	Grant Revenue - Other	1,213,300	275,500	275,500	275,500	275,500	1,102,000	(111,300)	(9.2)%
18	Investment Revenue	1,700,000	100,000	100,000	100,000	100,000	400,000	(1,300,000)	(76.5)%
19	Other (Legal Settlements, Car Rental Fees, Donated Revenue, etc.)	4,200,000	1,325,751	1,325,751	1,325,751	1,325,747	5,303,000	1,103,000	26.3%
20	Total Non-Operating Revenue	\$ 22,197,495	\$ 3,213,130	\$ 3,213,130	\$ 3,213,130	\$ 3,213,126	\$ 12,852,515	\$ (9,344,980)	(42.1)%
21	Total Revenue	\$ 214,977,995	\$ 34,486,191	\$ 35,618,649	\$ 41,668,227	\$ 44,078,868	\$ 155,851,935	\$ (59,126,060)	(27.5)%
23	Expenses								
24	Personnel	\$ 103,381,100	\$ 25,095,275	\$ 25,095,275	\$ 25,095,275	\$ 25,095,275	\$ 100,381,100	\$ (3,000,000)	(2.9)%
25	Non-Personnel Expense (NPE)	63,280,326	8,569,523	8,987,307	11,219,100	12,108,429	40,884,359	(22,395,967)	(35.4)%
26	Municipal Service Agreements (MSA) with Member Cities	8,143,400	2,082,450	2,082,450	2,082,450	2,082,450	8,329,800	186,400	2.3%
27	Major Maintenance - Expense	650,000	35,000	35,000	35,000	35,000	140,000	(510,000)	(78.5)%
28	Non-Operating NPE	3,770,565	850,200	850,200	850,200	850,200	3,400,800	(369,765)	(9.8)%
29	Capitalized Labor	(3,989,500)	(425,000)	(425,000)	(425,000)	(425,000)	(1,700,000)	2,289,500	(57.4)%
30	Total Expenses	\$ 175,235,891	\$ 36,207,448	\$ 36,625,232	\$ 38,857,025	\$ 39,746,354	\$ 151,436,059	\$ (23,799,832)	(13.6)%
32	Earnings Before Depreciation and GASB 68, 73, and 75 Accounting Adjustments	\$ 39,742,104	\$ (1,721,257)	\$ (1,006,583)	\$ 2,811,202	\$ 4,332,514	\$ 4,415,876	\$ (35,326,228)	(88.9)%
34	Sources & Uses of Funds and Reserves	\$ (37,707,104)	\$ (6,112,972)	\$ (3,476,307)	\$ (3,473,612)	\$ (4,708,257)	\$ (17,771,148)	\$ 19,935,956	(52.9)%
35	(see detail on following page)								
36	Unrestricted Sources Over Uses of Funds	\$ 2,035,000	\$ (7,834,229)	\$ (4,482,890)	\$ (662,410)	\$ (375,743)	\$ (13,355,272)	\$ (15,390,272)	(756.3)%

	B	D	E	F	G	H	I	J	K
39	Budget in Brief								
40									
41	OTHER SOURCES & USES OF FUNDS AND RESERVES DETAIL								
42		ADJUSTED BUDGET FY 2020	Q1 BUDGET FY 2021	Q2 BUDGET FY 2021	Q3 BUDGET FY 2021	Q4 BUDGET FY 2021	WORSE CASE BUDGET FY 2021	CHANGE FY 2021-2020 BUDGET	% CHANGE
44	SOURCES OF FUNDS								
46	Other Sources of Funds and Reserves								
47	Grant Funded TMP, CIP, and Equipment Outlay and Other Capital Projects	\$ 15,084,195	\$ 1,511,879	\$ 1,511,879	\$ 1,511,879	\$ 1,511,879	\$ 6,047,515	\$ (9,036,680)	(59.9)%
48	Public Art, Environmental, Asset Forfeiture, NEVP, and Maritime Industrial Impact Fund	4,345,065	570,450	570,450	570,450	570,450	2,281,800	(2,063,265)	(47.5)%
49	Capital Improvement Program Reserve	16,075,000	1,062,001	1,062,001	1,062,001	1,062,001	4,248,004	(11,826,996)	(73.6)%
51	Investment Fund	50,000	-	-	-	-	-	(50,000)	(100.0)%
52	Funds From Prior Year Surplus	8,122,831	-	-	-	-	-	(8,122,831)	(100.0)%
53	Total Other Sources of Funds and Reserves	\$ 43,677,091	\$ 3,144,330	\$ 3,144,330	\$ 3,144,330	\$ 3,144,330	\$ 12,577,319	\$ (31,099,772)	(71.2)%
55	USES OF FUNDS								
57	Other Uses of Funds and Reserves								
58	Capital Improvement Program	\$ 30,500,000	\$ 2,260,505	\$ 2,260,505	\$ 2,260,505	\$ 2,260,505	\$ 9,042,020	\$ (21,457,980)	(70.4)%
59	Technology Capital Projects	5,623,400	436,000	436,000	436,000	436,000	1,744,000	(3,879,400)	(69.0)%
60	Capital Major Maintenance (MM) Projects	9,150,000	301,800	377,250	377,250	1,458,700	2,515,000	(6,635,000)	(72.5)%
62	Equipment Outlay and Other Capital Projects	8,381,500	15,050	30,100	75,250	180,600	301,000	(8,080,500)	(96.4)%
63	Debt Service (Principal Only)	4,855,800	3,253,460	526,295	478,450	526,295	4,784,500	(71,300)	(1.5)%
64	Coronado Bridge Lighting Project	820,000	223,000	223,000	223,000	223,000	892,000	72,000	8.8%
65	Environmental Fund Set-Aside	844,800	-	-	-	-	-	(844,800)	(100.0)%
66	Maritime Industrial Impact Fund Set-Aside	157,900	-	-	-	-	-	(157,900)	(100.0)%
67	NEVP Maintenance Fund Set-Aside	1,005,400	-	-	-	-	-	(1,005,400)	(100.0)%
68	Capital Grants	15,084,195	1,511,879	1,511,879	1,511,879	1,511,879	6,047,515	(9,036,680)	(59.9)%
69	Low Carbon Fuel Standard (LCFS)	-	96,500	96,500	96,500	96,500	386,000	386,000	N/A
72	RIDA Set-Aside	1,738,700	352,545	352,545	352,545	352,545	1,410,180	(328,520)	(18.9)%
73	Car Rental Transaction Fees	3,000,000	750,000	750,000	750,000	750,000	3,000,000	-	0.0%
74	ACH Parking Facility Fund Set-Aside	222,500	56,563	56,563	56,563	56,563	226,252	3,752	1.7%
75	Total Other Uses of Funds and Reserves	\$ 81,384,195	\$ 9,257,302	\$ 6,620,637	\$ 6,617,942	\$ 7,852,587	\$ 30,348,467	\$ (51,035,728)	(62.7)%
76	Total Other Sources & Uses of Funds and Reserves	\$ (37,707,104)	\$ (6,112,972)	\$ (3,476,307)	\$ (3,473,612)	\$ (4,708,257)	\$ (17,771,148)	\$ 19,935,956	(52.9)%

	B	D	L	M	N	O	P	Q	R
1	Budget in Brief								
2									
3	OVERVIEW OF REVENUES, EXPENSES, CAPITAL REQUIREMENTS & FUND ACTIVITIES								
4		ADJUSTED BUDGET FY 2020	Q1 BUDGET FY 2021	Q2 BUDGET FY 2021	Q3 BUDGET FY 2021	Q4 BUDGET FY 2021	BASE CASE BUDGET FY 2021	CHANGE FY 2021-2020 BUDGET	% CHANGE
6	Operating Revenue								
7	Real Estate	\$ 116,274,700	\$ 19,127,710	\$ 19,993,628	\$ 23,561,758	\$ 25,287,475	\$ 87,970,571	\$ (28,304,129)	(24.3)%
8	Port as a Service - Parking	16,279,700	1,899,222	2,440,913	3,301,115	4,008,621	11,649,872	(4,629,828)	(28.4)%
9	Maritime	40,175,700	7,000,814	8,248,680	9,254,816	8,910,907	33,415,218	(6,760,482)	(16.8)%
10	Harbor Police Department	16,619,600	4,164,900	4,164,900	4,164,900	4,164,900	16,659,600	40,000	0.2%
12	Miscellaneous (G&A for HPD services to SDCRAA, Cost Recovery, etc.)	3,430,800	802,075	802,075	802,075	802,075	3,208,300	(222,500)	(6.5)%
13	Total Operating Revenue	\$ 192,780,500	\$ 32,994,721	\$ 35,650,196	\$ 41,084,665	\$ 43,173,978	\$ 152,903,560	\$ (39,876,940)	(20.7)%
15	Non-Operating Revenue								
16	Grants - Capital Project Reimbursement	\$ 15,084,195	\$ 1,511,879	\$ 1,511,879	\$ 1,511,879	\$ 1,511,879	\$ 6,047,515	\$ (9,036,680)	(59.9)%
17	Grant Revenue - Other	1,213,300	275,500	275,500	275,500	275,500	1,102,000	(111,300)	(9.2)%
18	Investment Revenue	1,700,000	200,000	200,000	200,000	200,000	800,000	(900,000)	(52.9)%
19	Other (Legal Settlements, Car Rental Fees, Donated Revenue, etc.)	4,200,000	1,325,751	1,325,751	1,325,819	1,325,679	5,303,000	1,103,000	26.3%
20	Total Non-Operating Revenue	\$ 22,197,495	\$ 3,313,130	\$ 3,313,130	\$ 3,313,198	\$ 3,313,058	\$ 13,252,515	\$ (8,944,980)	(40.3)%
21	Total Revenue	\$ 214,977,995	\$ 36,307,851	\$ 38,963,326	\$ 44,397,862	\$ 46,487,036	\$ 166,156,075	\$ (48,821,920)	(22.7)%
23	Expenses								
24	Personnel	\$ 103,381,100	\$ 25,420,275	\$ 25,420,275	\$ 25,420,275	\$ 25,420,275	\$ 101,681,100	\$ (1,700,000)	(1.6)%
25	Non-Personnel Expense (NPE)	63,280,326	9,185,456	10,163,560	12,165,265	12,934,832	44,449,113	(18,831,213)	(29.8)%
26	Municipal Service Agreements (MSA) with Member Cities	8,143,400	2,082,450	2,082,450	2,082,450	2,082,450	8,329,800	186,400	2.3%
27	Major Maintenance - Expense	650,000	35,000	35,000	35,000	35,000	140,000	(510,000)	(78.5)%
28	Non-Operating NPE	3,770,565	850,200	850,200	850,200	850,200	3,400,800	(369,765)	(9.8)%
29	Capitalized Labor	(3,989,500)	(487,500)	(487,500)	(487,500)	(487,500)	(1,950,000)	2,039,500	(51.1)%
30	Total Expenses	\$ 175,235,891	\$ 37,085,881	\$ 38,063,985	\$ 40,065,690	\$ 40,835,257	\$ 156,050,813	\$ (19,185,078)	(10.9)%
32	Earnings Before Depreciation and GASB 68, 73, and 75 Accounting Adjustments	\$ 39,742,104	\$ (778,030)	\$ 899,341	\$ 4,332,172	\$ 5,651,779	\$ 10,105,262	\$ (29,636,842)	(74.6)%
34	Sources & Uses of Funds and Reserves	\$ (37,707,104)	\$ (6,321,897)	\$ (3,774,482)	\$ (3,947,287)	\$ (6,032,182)	\$ (20,075,848)	\$ 17,631,256	(46.8)%
35	(see detail on following page)								
36	Unrestricted Sources Over Uses of Funds	\$ 2,035,000	\$ (7,099,927)	\$ (2,875,141)	\$ 384,885	\$ (380,403)	\$ (9,970,586)	\$ (12,005,586)	(590.0)%

	B	D	L	M	N	O	P	Q	R
39	Budget in Brief								
40									
41	OTHER SOURCES & USES OF FUNDS AND RESERVES DETAIL								
42		ADJUSTED BUDGET FY 2020	Q1 BUDGET FY 2021	Q2 BUDGET FY 2021	Q3 BUDGET FY 2021	Q4 BUDGET FY 2021	BASE CASE BUDGET FY 2021	CHANGE FY 2021-2020 BUDGET	% CHANGE
44	SOURCES OF FUNDS								
46	Other Sources of Funds and Reserves								
47	Grant Funded TMP, CIP, and Equipment Outlay and Other Capital Projects	\$ 15,084,195	\$ 1,511,879	\$ 1,511,879	\$ 1,511,879	\$ 1,511,879	\$ 6,047,515	\$ (9,036,680)	(59.9)%
48	Public Art, Environmental, Asset Forfeiture, NEVP, and Maritime Industrial Impact Fund	4,345,065	624,275	624,275	624,275	624,275	2,497,100	(1,847,965)	(42.5)%
49	Capital Improvement Program Reserve	16,075,000	2,486,893	2,486,893	2,486,893	2,486,893	9,947,572	(6,127,428)	(38.1)%
51	Investment Fund	50,000	-	-	-	-	-	(50,000)	(100.0)%
52	Funds From Prior Year Surplus	8,122,831	-	-	-	-	-	(8,122,831)	(100.0)%
53	Total Other Sources of Funds and Reserves	\$ 43,677,091	\$ 4,623,047	\$ 4,623,047	\$ 4,623,047	\$ 4,623,047	\$ 18,492,187	\$ (25,184,904)	(57.7)%
55	USES OF FUNDS								
57	Other Uses of Funds and Reserves								
58	Capital Improvement Program	\$ 30,500,000	\$ 3,685,397	\$ 3,685,397	\$ 3,685,397	\$ 3,685,397	\$ 14,741,588	\$ (15,758,412)	(51.7)%
59	Technology Capital Projects	5,623,400	517,250	517,250	517,250	517,250	2,069,000	(3,554,400)	(63.2)%
60	Capital Major Maintenance (MM) Projects	9,150,000	424,800	531,000	531,000	2,053,200	3,540,000	(5,610,000)	(61.3)%
62	Equipment Outlay and Other Capital Projects	8,381,500	73,550	147,100	367,750	882,600	1,471,000	(6,910,500)	(82.4)%
63	Debt Service (Principal Only)	4,855,800	3,253,460	526,295	478,450	526,295	4,784,500	(71,300)	(1.5)%
64	Coronado Bridge Lighting Project	820,000	223,000	223,000	223,000	223,000	892,000	72,000	8.8%
65	Environmental Fund Set-Aside	844,800	-	-	-	-	-	(844,800)	(100.0)%
66	Maritime Industrial Impact Fund Set-Aside	157,900	-	-	-	-	-	(157,900)	(100.0)%
67	NEVP Maintenance Fund Set-Aside	1,005,400	-	-	-	-	-	(1,005,400)	(100.0)%
68	Capital Grants	15,084,195	1,511,879	1,511,879	1,511,879	1,511,879	6,047,515	(9,036,680)	(59.9)%
69	Low Carbon Fuel Standard (LCFS)	-	96,500	96,500	96,500	96,500	386,000	386,000	N/A
72	RIDA Set-Aside	1,738,700	352,545	352,545	352,545	352,545	1,410,180	(328,520)	(18.9)%
73	Car Rental Transaction Fees	3,000,000	750,000	750,000	750,000	750,000	3,000,000	-	0.0%
74	ACH Parking Facility Fund Set-Aside	222,500	56,563	56,563	56,563	56,563	226,252	3,752	1.7%
75	Total Other Uses of Funds and Reserves	\$ 81,384,195	\$ 10,944,944	\$ 8,397,529	\$ 8,570,334	\$ 10,655,229	\$ 38,568,035	\$ (42,816,160)	(52.6)%
76	Total Other Sources & Uses of Funds and Reserves	\$ (37,707,104)	\$ (6,321,897)	\$ (3,774,482)	\$ (3,947,287)	\$ (6,032,182)	\$ (20,075,848)	\$ 17,631,256	(46.8)%

	B	D	S	T	U	V	W	X	Y
1	Budget in Brief								
2									
3	OVERVIEW OF REVENUES, EXPENSES, CAPITAL REQUIREMENTS & FUND ACTIVITIES								
4		ADJUSTED BUDGET FY 2020	Q1 BUDGET FY 2021	Q2 BUDGET FY 2021	Q3 BUDGET FY 2021	Q4 BUDGET FY 2021	BETTER CASE BUDGET FY 2021	CHANGE FY 2021-2020 BUDGET	% CHANGE
6	Operating Revenue								
7	Real Estate	\$ 116,274,700	\$ 20,060,267	\$ 21,928,239	\$ 24,302,721	\$ 25,802,998	\$ 92,094,225	\$ (24,180,475)	(20.8)%
8	Port as a Service - Parking	16,279,700	2,820,947	2,600,762	3,389,798	4,231,920	13,043,426	(3,236,274)	(19.9)%
9	Maritime	40,175,700	7,995,106	10,087,014	10,239,098	9,392,501	37,713,718	(2,461,982)	(6.1)%
10	Harbor Police Department	16,619,600	4,164,900	4,164,900	4,164,900	4,164,900	16,659,600	40,000	0.2%
12	Miscellaneous (G&A for HPD services to SDCRAA, Cost Recovery, etc.)	3,430,800	802,075	802,075	802,075	802,075	3,208,300	(222,500)	(6.5)%
13	Total Operating Revenue	\$ 192,780,500	\$ 35,843,295	\$ 39,582,989	\$ 42,898,591	\$ 44,394,394	\$ 162,719,269	\$ (30,061,231)	(15.6)%
15	Non-Operating Revenue								
16	Grants - Capital Project Reimbursement	\$ 15,084,195	\$ 1,511,879	\$ 1,511,879	\$ 1,511,879	\$ 1,511,879	\$ 6,047,515	\$ (9,036,680)	(59.9)%
17	Grant Revenue - Other	1,213,300	275,500	275,500	275,500	275,500	1,102,000	(111,300)	(9.2)%
18	Investment Revenue	1,700,000	250,000	250,000	250,000	250,000	1,000,000	(700,000)	(41.2)%
19	Other (Legal Settlements, Car Rental Fees, Donated Revenue, etc.)	4,200,000	1,325,751	1,325,751	1,325,772	1,325,726	5,303,000	1,103,000	26.3%
20	Total Non-Operating Revenue	\$ 22,197,495	\$ 3,363,130	\$ 3,363,130	\$ 3,363,151	\$ 3,363,105	\$ 13,452,515	\$ (8,744,980)	(39.4)%
21	Total Revenue	\$ 214,977,995	\$ 39,206,425	\$ 42,946,119	\$ 46,261,742	\$ 47,757,498	\$ 176,171,784	\$ (38,806,211)	(18.1)%
23	Expenses								
24	Personnel	\$ 103,381,100	\$ 25,845,275	\$ 25,845,275	\$ 25,845,275	\$ 25,845,275	\$ 103,381,100	\$ -	0.0%
25	Non-Personnel Expense (NPE)	63,280,326	10,239,396	11,510,822	12,638,073	13,146,802	47,535,093	(15,745,233)	(24.9)%
26	Municipal Service Agreements (MSA) with Member Cities	8,143,400	2,082,450	2,082,450	2,082,450	2,082,450	8,329,800	186,400	2.3%
27	Major Maintenance - Expense	650,000	153,800	153,800	153,800	153,600	615,000	(35,000)	(5.4)%
28	Non-Operating NPE	3,770,565	850,200	850,200	850,200	850,200	3,400,800	(369,765)	(9.8)%
29	Capitalized Labor	(3,989,500)	(525,000)	(525,000)	(525,000)	(525,000)	(2,100,000)	1,889,500	(47.4)%
30	Total Expenses	\$ 175,235,891	\$ 38,646,121	\$ 39,917,547	\$ 41,044,798	\$ 41,553,327	\$ 161,161,793	\$ (14,074,098)	(8.0)%
32	Earnings Before Depreciation and GASB 68, 73, and 75 Accounting Adjustments	\$ 39,742,104	\$ 560,304	\$ 3,028,572	\$ 5,216,944	\$ 6,204,171	\$ 15,009,991	\$ (24,732,113)	(62.2)%
34	Sources & Uses of Funds and Reserves	\$ (37,707,104)	\$ (6,665,114)	\$ (4,174,359)	\$ (4,430,744)	\$ (7,123,456)	\$ (22,393,673)	\$ 15,313,431	(40.6)%
35	(see detail on following page)								
36	Unrestricted Sources Over Uses of Funds	\$ 2,035,000	\$ (6,104,810)	\$ (1,145,787)	\$ 786,200	\$ (919,285)	\$ (7,383,682)	\$ (9,418,682)	(462.8)%

	B	D	S	T	U	V	W	X	Y
39	Budget in Brief								
40									
41	OTHER SOURCES & USES OF FUNDS AND RESERVES DETAIL								
42		ADJUSTED BUDGET FY 2020	Q1 BUDGET FY 2021	Q2 BUDGET FY 2021	Q3 BUDGET FY 2021	Q4 BUDGET FY 2021	BETTER CASE BUDGET FY 2021	CHANGE FY 2021-2020 BUDGET	% CHANGE
44	SOURCES OF FUNDS								
46	Other Sources of Funds and Reserves								
47	Grant Funded TMP, CIP, and Equipment Outlay and Other Capital Projects	\$ 15,084,195	\$ 1,511,879	\$ 1,511,879	\$ 1,511,879	\$ 1,511,879	\$ 6,047,515	\$ (9,036,680)	(59.9)%
48	Public Art, Environmental, Asset Forfeiture, NEVP, and Maritime Industrial Impact Fund	4,345,065	678,618	678,618	678,618	678,621	2,714,475	(1,630,590)	(37.5)%
49	Capital Improvement Program Reserve	16,075,000	2,486,893	2,486,893	2,486,893	2,486,893	9,947,572	(6,127,428)	(38.1)%
51	Investment Fund	50,000	-	-	-	-	-	(50,000)	(100.0)%
52	Funds From Prior Year Surplus	8,122,831	-	-	-	-	-	(8,122,831)	(100.0)%
53	Total Other Sources of Funds and Reserves	\$ 43,677,091	\$ 4,677,390	\$ 4,677,390	\$ 4,677,390	\$ 4,677,393	\$ 18,709,562	\$ (24,967,529)	(57.2)%
55	USES OF FUNDS								
57	Other Uses of Funds and Reserves								
58	Capital Improvement Program	\$ 30,500,000	\$ 3,685,397	\$ 3,685,397	\$ 3,685,397	\$ 3,685,397	\$ 14,741,588	\$ (15,758,412)	(51.7)%
59	Technology Capital Projects	5,623,400	771,750	771,750	771,750	771,750	3,087,000	(2,536,400)	(45.1)%
60	Capital Major Maintenance (MM) Projects	9,150,000	540,000	675,000	675,000	2,610,000	4,500,000	(4,650,000)	(50.8)%
62	Equipment Outlay and Other Capital Projects	8,381,500	101,410	202,820	507,050	1,216,920	2,028,200	(6,353,300)	(75.8)%
63	Debt Service (Principal Only)	4,855,800	3,253,460	526,295	478,450	526,295	4,784,500	(71,300)	(1.5)%
64	Coronado Bridge Lighting Project	820,000	223,000	223,000	223,000	223,000	892,000	72,000	8.8%
65	Environmental Fund Set-Aside	844,800	-	-	-	-	-	(844,800)	(100.0)%
66	Maritime Industrial Impact Fund Set-Aside	157,900	-	-	-	-	-	(157,900)	(100.0)%
67	NEVP Maintenance Fund Set-Aside	1,005,400	-	-	-	-	-	(1,005,400)	(100.0)%
68	Capital Grants	15,084,195	1,511,879	1,511,879	1,511,879	1,511,879	6,047,515	(9,036,680)	(59.9)%
69	Low Carbon Fuel Standard (LCFS)	-	96,500	96,500	96,500	96,500	386,000	386,000	N/A
72	RIDA Set-Aside	1,738,700	352,545	352,545	352,545	352,545	1,410,180	(328,520)	(18.9)%
73	Car Rental Transaction Fees	3,000,000	750,000	750,000	750,000	750,000	3,000,000	-	0.0%
74	ACH Parking Facility Fund Set-Aside	222,500	56,563	56,563	56,563	56,563	226,252	3,752	1.7%
75	Total Other Uses of Funds and Reserves	\$ 81,384,195	\$ 11,342,504	\$ 8,851,749	\$ 9,108,134	\$ 11,800,849	\$ 41,103,235	\$ (40,280,960)	(49.5)%
76	Total Other Sources & Uses of Funds and Reserves	\$ (37,707,104)	\$ (6,665,114)	\$ (4,174,359)	\$ (4,430,744)	\$ (7,123,456)	\$ (22,393,673)	\$ 15,313,431	(40.6)%



FY 2020 Quarter 4 Projections

**San Diego Unified Port District
FY 2020 Post COVID-19 Year End Summary**

	Fav / (Unfav)
Unrestricted Sources of Funds - Budget FY 2020	\$ 2,035,000
Year End Operating Revenue Projection Variance	\$ (30,989,600)
Year End Expenditure Projection Variance	\$ 11,387,309
Projected Deficit Before Additional Funds Applied	<u>\$ (17,567,291)</u>
Additional Funds Identified:	
Release of 2004 bond reserve	\$ 830,000
America's Cup Harbor	\$ 2,000,000
Investment Fund	\$ 850,000
Projected Deficit	<u><u>\$ (13,887,291)</u></u>

MAJOR MAINTENANCE FY 2020 PROGRAM REDUCTION

WBS LEVEL #2	PROJECT NAME	FY 2020 BUDGET	REMAINING FY 2020 BUDGET (MARCH)	PROJECT FUNDS REDUCTION	COMMENTS
MC-0068-01	Retaining Wall at Centennial Park	\$65,000	\$29,600		
MC-0070-01	Dock 2 Replacement and Dock 3 Repair at Tuna Harbor	\$2,400,000	\$2,097,125	(\$100,000)	Project bids were less than anticipated and project savings are offered for reduction.
MC-0071-01	Pavement Improvements at Shelter Island Parking Lots	\$1,000,000	\$991,900	(\$900,000)	If project is suspended the remaining budget would be available for reduction.
MC-0072-01	Maintenance Repairs at Various Seaport Village Buildings	\$810,000	\$763,900	(\$20,000)	Project is in construction and project savings are offered for reduction.
MC-0072-03	MEP Repairs at Various Seaport Village Buildings	\$140,000	\$81,800	(\$80,000)	Project is being advertised and could be put on hold. The construction budget would be available for reduction.
MC-0072-04	Overwater Repairs at Seaport Village Café	\$175,000	\$153,500		
MC-0073-01	Curtain Wall Repairs and Backfilling at B Street Pier	\$450,000	\$149,600		
MC-0074-01	Doors & Windows Replacement at National City Rail Car Plaza	\$125,000	\$28,200	(\$20,000)	Project is complete and the project savings are offered for reduction.
MC-0075-01	Pedestrian Safety Improvements at Shelter Island Drive & Anchorage Way	\$115,000	\$110,400	(\$30,000)	Project is in design and construction is expected to be less than originally planned. The project savings are offered for reduction.
MC-0076-01	Pedestrian Safety Improvements at Belt Street and Sampson Street	\$115,000	\$108,300		
MC-0077-01	Concrete Repairs at San Diego Hilton Bayfront Deck 7	\$90,000	\$56,500		
MC-0078-01	Railroad Tie Repairs at TAMT	\$75,000	\$34,200		
ME-0021-01	Sand Replenishment at Kellogg Beach	\$460,000	\$519,800	(\$50,000)	Project bids were less than anticipated and project savings are offered for reduction.
	TOTALS	\$6,020,000	\$5,124,825	(\$1,200,000)	

	A	B	C	D	E
1	San Diego Unified Port District				
2	FY 2020 Post COVID-19 Year End Expense Projection				
3					
4		EXPENSE PROJECTION POST COVID-19	Budget	Expense Reductions FY 2020	Comments/Notes
5					
6	Personnel - freeze hiring	\$ 95,590,248	\$ 99,205,000	\$ 3,614,752	36 vacancies as of March 28 2020 excluding Port Auditor position.
7					
8					
9	Variable Personnel - Interns & Temps	617,300	842,300	225,000	4 temps and 26 interns as of March 28
10					
11					
12	Services - Professional & Other	6,864,500	9,050,800	2,186,300	No new market research projects will be done for remainder of the year, such as PMPU survey that was part of the outreach plan (PMPU outreach has been postponed until the summer)
13					Cutting back on PR support for outreach for PMPU, copper reduction and Kellogg Beach Sand Replenishment
14					Stopped work on Port Academy by outside consultant
15					No new outsourced performance audits
16					
17					
18	Seaport Village operating costs	3,176,100	4,176,100	1,000,000	
19					
20					
21	Contingency	150,000	1,000,000	850,000	
22					
23					
24	Travel and seminars	681,982	1,409,000	727,018	
25					
26					
27	Facility Management Services (Parking)	2,354,200	3,054,200	700,000	
28					
29					
30	Major Maintenance	8,604,000	9,800,000	1,196,000	Retaining Wall at Centennial Park - \$18,000
31					Dock replacement at Tuna Harbor Docks 2 & 3 - \$100,000
32					Pavement Improvements at Shelter Island - \$900,000
33					Doors & Windows Replacement at National City - \$28,000
34					Deferred Maintenance at Seaport Village - \$100,000
35					Sand Replenishment at Kellogg Beach - \$50,000
36					
37					
38	Services - Operator Retention (Pasha)	2,246,500	2,780,500	534,000	
39					
40					
41	Services - Legal	2,631,400	2,931,400	300,000	
42					

	A	B	C	D	E
		EXPENSE PROJECTION POST COVID-19	Budget	Expense Reductions FY 2020	Comments/Notes
4					
43					
44	Marketing Outreach	2,303,500	2,579,500	276,000	Cut out the following paid marketing campaigns:
45					Picnic in the Park promotion (event cancelled)
					Remainder of destination marketing campaign, no promotion of tenant businesses will run for the remainder of FY20 (including production of and paid media campaign promoting Shelter Island tenants/public spaces which was originally scheduled to run in May and June)
46					Maritime Month television and radio campaign (reduced to just a social media and very small digital campaign)
47					Not producing any new creative for Maritime Month, using existing footage and images and just updating the messaging
48					Cut out doing any Maritime Month bus and boat tours for public
49					Stopped producing any new environmental (#ThatsMyBay) campaign creative
50					Lobby redesign project stopped
51					Reduced support needed for baywide signage design to bare minimum
52					Stopped any new general marketing/branding requests for departments
53					
54					
55					
					No Aquaculture Pilot Planning and Predevelopment to establish new aquaculture sites on Port tidelands
56	Aquaculture Planning & Joint Ventures	615,000	835,000	220,000	No new partnerships or joint ventures via the Blue Economy Incubator that involve a funding contribution
57					
58					
59	Technology Project - WIFI Refresh	-	215,000	215,000	
60					
61					
62	Services - Security (includes cruise)	2,108,700	2,252,200	143,500	
63					
64					
65	Equipment Outlay and Other Cap Projects	5,381,500	5,381,500	-	Lighting Efficiency Improvement - \$85,000
66					Gutter (Roof) Replacement at GS - \$145,000
67					Baywide Wayfinding and Signage - \$85,000
68					Mobile Restroom at NDC) - \$65,000
69					Port Pavilion - \$315,000 Unfunded on-hold
70					TAMT Longshore Mobile Restroom - \$66,000 Unfunded Form 100
71					Convert meters to multi-space pay stations (EMPS) - \$55,000 Unfunded Form 100
72					Convert meters to multi-space pay stations (Portside Pier) - \$25,000 unfunded Form 100
73					Cap Labor for OC Projects - Projected savings
74					
75					
76	Additional Anticipated NPE Savings	-	1,000,000	1,000,000	- Paused development of artwork concepts with 6 service providers
77					Deferred restoration of Imperial Beach mosaic artwork (Illuminations) at Portwood Plaza
78					YTD Savings of \$600k expected to continue through remainder of the year.
79					

	A	B	C	D	E
		EXPENSE PROJECTION POST COVID-19	Budget	Expense Reductions FY 2020	Comments/Notes
4					
80					
81	Retiree Health Benefits Premium	3,522,300	3,322,300	(200,000)	
82					
83					
84	Legislative Services	695,000	395,000	(300,000)	
85					
86					
					PMPU schedule is being extended and associated costs deferred to future years. For remainder of FY20 drafting the Port Master Plan will continue, while previously planned public engagement and EIR preparation will be deferred to
87	PMPU	1,942,700	1,238,300	(704,400)	FY21. Total forecasted overspend for FY20 is (\$527,300) as of 4/1/2020.
88					
89					
90	Select Expenditures Forecast	\$ 139,484,930	\$ 151,468,100	\$ 11,983,170	

VIA EMAIL

March 30, 2020

Chair Betty T. Yee
California State Controller
300 Capitol Mall, #1850
Sacramento, CA 95814

Eleni Kounalakis
Lieutenant Governor
State Capitol, #1114
Sacramento, CA 95814

Keely Bosler
Director of the California Department of Finance
913 L Street
Sacramento, CA 95814

RE: Economic Relief to Seaports for COVID-19 Impacts

Dear State Lands Commissioners,

On behalf of the San Diego Unified Port District (District), I am writing to seek emergency direct financial assistance from the State of California. It is our hope that the State Lands Commission, as our oversight body, can help shepherd that request to the Governor's Office.

The Port of San Diego is a self-funded special district created by the State of California. The District collects no tax dollars, instead funding its operations and services through leases and other business agreements with tenants along the waterfront. These services funded by these revenues include public safety, economic development activities, and supply chain transportation services that are critical for our region, state, and nation especially in the midst of this pandemic.

Now, as a direct consequence of COVID-19, the hospitality and maritime trade economic activity that generates the revenues necessary for our mission-critical work has dropped into dramatic decline and **we currently estimate potential lost revenue of at least \$30 million across every major revenue category for the Port District as a result of the pandemic over the next four months** and we expect revenue losses to continue through the rest of calendar year 2020. Again, we receive no tax funds to help back stop us during this crisis.

This perfect storm has caused projected District revenues to fall in a number of areas based in part on industry information, information provided by our tenants and partners, and the number of current District tenants that have temporarily closed:

- The Port District's concessions revenues from hotels, restaurants, retail, and attractions is expected to fall by \$22.4 million for the fiscal year, which is 19% below FY2020 budget levels. **This is a result of a predicted drop of nearly 50% for these revenues beginning in March and extending through June.**

RE: Economic Relief to Seaports for COVID-19 Impacts

March 30, 2020

Page 2

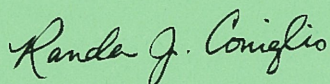
- Parking revenues from people visiting the Port Tidelands are expected to fall by \$3.8 million for the fiscal year, which is 23% below FY2020 budget levels. **This is a result of a predicted 80% drop in these revenues beginning in March and extending through June.**
- Maritime cargo and cruise revenues are expected to fall by 12%, or \$4.8 million, below FY2020 budget levels. **This is a result of a predicted 35% drop in these revenues beginning in March and extending through June.**
- Already, direct revenue loss to the District from **impacts to cruise business is over \$1,000,000.** Not only does this impact the District directly, but also represents a \$26.2 million impact to the San Diego region.

We are worried about the impact this crisis is having on worker retention around the Bay. People from around the region work in 800 businesses of all sizes along the District's waterfront including a convention center, 2 cargo terminals, 2 cruise terminals, 18 major hotels and resorts (with nearly 8,000 rooms), 20 marinas and related facilities, a commercial shipping fleet, 4 shipyards, and 105 restaurants. **Many of these tenants are seeking financial help from the District that we may not be able to provide without help from the State.** Additionally, we are wrestling with how to reduce expenses without severely impacting our environmental responsibilities. Even though we have built a responsible rainy-day reserve and have begun the difficult process of reducing expenses, the District faces a significant financial crisis as we expect our industries – which were among the first hit – to suffer through the rest of the 2020 calendar year.

Now more than ever, historic public partnerships among government agencies – such as the state government and California's public ports – must be bolstered to confront what lies ahead. **The District is asking Sacramento for \$30 million in direct assistance** to confront the threat of COVID-19 and to mitigate associated impacts. Unlike the State and many ports (that are divisions of their cities), the Port of San Diego is ineligible for federal Corona Virus Relief funds in Title VI of the recently passed stimulus package that are being distributed as block grants to the State and large cities around California. While we know that the state is experiencing its own financial pressures, the magnitude of our ask is small but will make a significant difference for the District, our tenants, and our workers along the waterfront.

Thank you for your leadership and willingness to work with the District in our responsibility to serve the public good and fulfill our economic and environmental mission. For more information, please feel free to contact my office at (619) 686-6201 or call Job Nelson, our Chief Policy Strategist, at 619-430-0953. The Port of San Diego stands ready to help in any way possible and is grateful for your support.

Sincerely,



Randa J. Coniglio
President/CEO
San Diego Unified Port District

cc: Jennifer Lucchesi, Executive Director, State Lands Commission
Senate President Pro Tempore Toni Atkins

Draft Port of San Diego Stimulus Help Plan

Immediate Term Ask:

\$30 million from State Block Grant Stimulus Recovery Funds to cover District Revenue shortfalls and to provide short term relief to Tourism Industry

Implementation Plan:

- Brief State Delegation: Atkins, Gloria, Hueso **(COMPLETE)**
- Provide Fact Sheet to Senate President Pro Tem Atkins Office and Assemblymember Gloria **(COMPLETE)**
- Reach out to Jennifer Lucchesi, State Lands Commission, to see if SLC serve as pass through and shepherd request. **(COMPLETE)**
- Prepare Formal request to SLC with Jennifer distributing it to DOF and to Natural Resources Secretary: focus on keeping people employed now; generating economic activity and protection of natural resources. **(COMPLETE)**
- Update fact sheet
- Brief Executive Committee of the Board
- Set up calls with Lt Gov and State Controller
- Set up follow up calls with Atkins and Gloria
- Set up call with Gonzalez and Hueso
- Set up call with Go-Biz on importance of request
- Meet with Teamsters, HPOA and ILWU to get their support **(COMPLETE)**
- Meet with Supervisors Cox and Fletcher to secure their support
- Generate letters of support from local elected officials, business groups and other key stakeholders

Short Term Ask:

\$10-20 million from Title IV in Stimulus Package in partially or fully forgivable loan to offset costs or other investment for FY 21 from slow down

Implementation Plan:

- Meet with New Orleans, Everglades, Florida to talk about how investment or partially forgivable loan might be structured **(COMPLETE)**
- Prepare Letter for Treasury
- Get AAPA to send support letter
- Talk to Delegation get them to support the request
- Prepare Package to go to Treasury according to identified FY 21 need

Medium Term:

Work with coalition, CAPA and AAPA on Stimulus IV Port asks



BPC Policy No. 117

SUBJECT: OPERATING RESERVE POLICY

PURPOSE: The purpose of this policy is to establish general guidelines for the establishment, maintenance, and use of an operating reserve.

POLICY STATEMENT:

Operating reserves (i.e., cash reserves) are a measurement of sound fiscal management. Operating reserves generate investment income, provide a margin of safety and stability to protect the Port from exposure to catastrophic events and economic impacts, and provide flexibility to pursue emergent opportunities. To ensure long-term financial sustainability, the San Diego Unified Port District shall establish and endeavor to maintain an operating reserve balance that is available at the end of each fiscal year in an amount equal to six months of budgeted operating and maintenance expenditures.

PROCEDURE:

1. Establishing the operating reserve balance

- a. The operating reserve balance shall be established annually upon the adoption of the fiscal year budget.
- b. The dollar amount of the operating reserve balance shall be one-half the sum of budgeted operating and maintenance expenses minus budgeted expenses for the SDCRAA Harbor Police Service Level Agreement and any other operating expense for which a separate reserve exists.
- c. The operating reserve balance includes a \$20 million minimum required operating reserve balance, which is established for the purpose of self-insurance against possible losses that could occur as the result of a catastrophic event (i.e., a natural or man-made disaster).

2. Maintaining the operating reserve balance

- a. At least annually, Financial Services staff will forecast cash inflows and outflows over a five-year period to evaluate the sufficiency of the target operating reserve balance over the forecast horizon.