

A CLEANER, GREENER

# **Frequently Asked Questions**

### Trash and Recycling Services, Measure B and the Cost-of-Service Study

### Current Solid Waste Collection Services

### How is solid waste currently collected?

The City collects residential solid waste (trash, recycling and organics) from eligible single-family homes and multi-family residential complexes with up to four residences on a lot. Private franchise haulers provide trash and recycling services to properties not eligible for City-provided service, including single-family homes on private streets and commercial, industrial, and mixed-use properties. Residents served by private haulers pay for the services directly to the hauler or as part of their homeowner association fees, rent or other charges.

# What properties are eligible for City-provided residential waste collection services, and what properties are not eligible?

The properties eligible for the City of San Diego's Environmental Services Department (ESD) solid waste collection services include single-family residential properties or multi-family residential properties with up to four residences on a single lot that meet City requirements for collection by City forces. Properties with more than four residences on a lot, commercial properties, mixed-use properties, and properties located on private streets or in gated communities are not eligible for City waste collection services.

### What services are not provided by the City?

The City does not collect household hazardous waste (HHW) such as paint, batteries, lead and motor oil from individual residences. However, the City operates a HHW Transfer Facility at the Miramar Landfill and hosts one-day collection events for City residents to drop off hazardous waste.

The City does not currently provide weekly recycling collection to its residential customers; it collects recycling every other week. A citywide, curbside bulky item pickup program is not currently in place. While the City holds occasional community cleanup events where it accepts certain bulky items for disposal or recycling, residents must currently haul these bulky items to designated locations.

Additionally, residents may bring their bulky items to the Miramar Landfill for a fee. The City also operates a Mattress Collection Site near the Miramar Landfill, where residents can bring their mattresses and box springs for free. The City does not pick up mattresses at individual residences.

## How does the City pay for collection services now?

The City's General Fund covers most of the cost for the City to provide residential waste and recycling collection by the Environmental Services Department (ESD). Currently, there is no line item in the budget for trash service, so every year, ESD must go through a budget process, with its requests being weighed against the requests from other City departments such as Police, Fire-Rescue, Parks and Recreation, Transportation and others. Additionally, the department can cover some of its recycling costs through the Recycling Enterprise Fund, which can only be used to pay for recycling activities.

## Do my property taxes already cover the cost of residential waste and recycling collection?

Sources of the General Fund include sales tax, transient occupancy tax, franchise fees, property tax, and several others, as summarized in the City's Fiscal Year 2025 Adopted Budget. Property owners pay property tax to the County, and less than 20% of those taxes are allocated back to the City. Most of the taxes are apportioned to schools. See the **County** of San Diego website<sup>1</sup> for more information. Of the 20% that is provided back to the City, less than 40% goes to the General Fund, which funds numerous City operations, including libraries, parks, infrastructure and other services. It's also important to note that these property taxes are paid not only by owners of residential properties who receive City trash and recycling collection service, but also by owners of residential properties who must pay private franchise haulers for trash and recycling collection service.

### Measure B

### What is Measure B?

Measure B, passed by voters in 2022, amended the People's Ordinance. While almost every other jurisdiction in the state charges a fee for solid waste collection and recycling or disposal services, the City had a 1986 provision that did not allow the City to charge. This resulted in some residents paying for the services from a private hauler while others received the services from the City at no charge.

The 2022 amendment removed the 1986 prohibition from the municipal code, preventing the City from charging a fee for its residential waste and recycling collection services. In response to the amendments, the City is engaging in a public process to evaluate trash and recycling collection services provided by the City of San Diego to its residential customers, potential areas for service enhancements, costs of

<sup>1</sup> https://www.sandiegocounty.gov/auditor/pdf/ apportionment101.pdf services, and fee options to allow the City to recover the costs of providing residential waste and recycling collection services to its customers.

### How would trash collection be funded under the new system?

If the City Council approves new fees, the Cityprovided residential waste and recycling collection services would be funded by fees paid by property owners who receive the service. The fees would provide revenue to a new Solid Waste Management Fund, which would be used to fund the cost of providing these services.

Any fees collected could only be used to fund the services provided, and fees would not exceed the cost to provide the service. Ineligible properties would continue receiving trash and recycling collection through franchise private haulers and would not be affected by this process.

### If the City Council approves a fee next year, how would it be charged? Why?

If the City Council approves fees for property owners who receive their trash and recycling services from the City, the Environmental Services Department (ESD) would ask for a vote to approve collecting fees on the County tax roll. This means the fees would be collected with the property taxes collected on the County tax roll from each home that receives its trash service from the City.

Most property owners already pay other fees with their property tax bills, so they would not have to set up a new payment arrangement or learn a new system. Data from property tax billing is already set up to work with City systems like Get It Done and its Graphic Information Systems (GIS) data. This approach has lower staffing needs and costs less to operate than monthly billing, allowing the City to charge a lower rate.

### What additional services could be funded if the General Fund is no longer used to fund solid waste management services?

Suppose the General Fund is no longer used to fund solid waste collection services for a subset of city residents. In that case, the Fund may have additional capacity to address capital needs (e.g., new fire stations, libraries, or parks) and/or provide new or higher levels of public services (e.g., public safety-related, increased library or park hours/ programs, homelessness services, flood prevention, or other targeted services in areas of identified need) because it will no longer be burdened with paying for solid waste management services.

Through a joint decision process, the Mayor creates the budget, and the City Council passes it. Together they determine how to deploy General Fund monies.

### Cost-of-Service Study

### What is the Cost-of-Service Study?

The cost-of-service study was designed to determine the costs of collecting and managing residential waste and recycling. Through public outreach and engagement, the City has also received public input to determine what, if any, enhanced services residents prioritize and are most likely to use.

The Environmental Services Department (ESD) will provide the information gathered during the costof-service study to the San Diego City Council, which will ultimately decide whether to implement fees in compliance with the Proposition 218 process. The process is designed to be transparent, accessible, inclusive, and representative of the community.

### How long will the Cost-of-Service Study take?

The study began in March 2024. As of March 2025, the final report was anticipated to be completed by early April 2025, and the findings were scheduled to be presented to the City Council on April 14, 2025, followed by a public review and a public hearing anticipated for June 9, 2025. No new fees can be established before this process is complete. If approved, the City will begin the fee rollout in the summer of 2025, including establishing a timeline for implementing new service enhancements.

### How much will the City charge for waste management services?

The cost-of-service study, informed by public outreach and engagement, will determine the cost of collecting and managing residential waste and recycling from eligible properties, including any service enhancements. The fees will be presented to the City Council for consideration. The City Council will determine whether to establish fees and what the fees will be. Fees cannot exceed the cost of the services.

### If a fee is implemented, who would it impact?

The potential new fees would apply to eligible single-family homes (houses) and residential complexes of four or fewer units eligible to receive solid waste collection services from the City of San Diego (e.g., residential properties on public roads, etc.). Most multi-family residences citywide are already receiving solid waste collection (trash, recycling and organic waste) services from a private franchise hauler. Residents of those properties pay through their homeowner association fees, rent or other charges. This process will not affect ineligible properties that receive service from private haulers.

# If fees are implemented, how will solid waste collection services change?

The cost-of-service study reviewed potential services and related fees. If cost-recovery fees are implemented, they will allow the City to provide high-quality, efficient and timely customer service and could also result in enhanced services to eligible properties, such as picking up recycling more frequently, replacing bins, or other ideas recommended by residents.

### Could the City reduce services for everyone or remove a service that some people do not use?

The cost-of-service study examined a wider range of solid waste collection services (e.g., expanding options for reduced container sizes) and considered the ones that best serve the community, along with their estimated costs and fees. Services required by law will not be eliminated.

# Has the City been able to identify potentially impacted properties?

Yes. The City has reviewed County and City data and compiled a list of approximately 223,000 single-family residential properties and multi-family residential properties with up to four residences on a single lot that meet the City's eligibility criteria.

<sup>2</sup> https://www.lao.ca.gov/1996/120196\_prop\_218/ understanding\_prop218\_1296.html

#### Will owners of properties that potential new fees would impact have the opportunity to protest before a final City Council vote on the fees?

Yes. The Environmental Services Department (ESD) will send a paper mailer to residential property owners who would be subject to the potential new fees, consistent with requirements specified in the California State Constitution, as amended by **Proposition 218 in 1996**.<sup>2</sup> ESD will participate in a public hearing wwith City Council not less than 45 days after sending the mailers. If written protests against the proposed fees or charges are obtained from most owners of the identified properties, the new fees will not be imposed

#### Are there any discounts or assistance programs available for homeowners who may qualify for financial assistance programs?

The City of San Diego is studying potential fees' impacts on residents across the city. It also evaluates options to provide financial assistance to homeowners who may qualify for such programs and potential revenue sources to fund them.

#### Is there a way to opt out of certain services?

The City of San Diego collects waste and recycling services for eligible properties. The services currently provided by the City are required by law and cannot be made optional. For potential additional services that may be incorporated in the future, such as bulky item pickup, the City is examining potential implementation approaches.

#### Are there situations in which a single-family or multi-family property would not meet City requirements for collection by City forces?

Yes. The City has Waste Management Regulations and publishes eligibility criteria on its website. Please visit the Get It Done website's Request for New Service FAQ.<sup>3</sup>

### How will adopting new fees for solid waste management services benefit San Diegans?

The robust outreach and engagement accompanying

- <sup>3</sup> https://sdgov.my.site.com/ViewArticle?URLName= Request-for-New-Service
- <sup>4</sup> https://www.sandiego.gov/sustainability-mobility/

the cost-of-service study provided a historic opportunity for City residents to share insights and perspectives on the services offered by the Environmental Services Department (ESD).

The study collected input from residents on improving its existing services, what enhanced solid waste collection services residents would most likely to use, and which services would protect the environment, benefit communities, and help the City reach its **Climate Action Plan**<sup>4</sup> goals.

An operational efficiency analysis also accompanied the cost-of-service study. Under this effort, the consultant team conducted a review of ESD's Collection Services Division, including an assessment of its organizational operations, structure, staffing, safety, training, culture, technology, facilities, equipment and fleet. These efforts also included a review of the support services provided by the Fleet Operations Division of the Department of General Services (DGS) and coordination and collaboration between ESD and DGS. ESD considered these recommendations in development of recommended service levels.

If approved, the proposed fees would allow for a more predictable budget to support residential solid waste services because they are based on the services provided. It would also allow money in the General Fund that previously supported collection services to fund other City budget priorities such as fire, police, parks and street repairs.

### How can I participate in the Cost-of-Service Study?

The City convened a series of public open houses, shared questionnaires, provided community group presentations, staffed community events, and held focus group discussions throughout the study. The City team will continue collecting comments at events and via email until the City Council's public hearing on the study results in June 2025. For more information, please visit **CleanGreenSD.org**.

### Cost-of-service Study Findings and Proposed Fees

### What would it cost for the City to provide the current level of service?

The City will release the completed fee study by early April 2025. The study provides a comprehensive

analysis of how proposed fees were calculated and the costs associated with various services, including the costs for the current level of service.

### Why are the proposed costs higher than the \$71 million in General Fund expenditures in fiscal year 2025?

City service is currently funded from General Fund expenditures and other sources, including costs paid by other City departments and costs paid by enterprise funds. Therefore, the \$71 million in General Fund expenditures is not the total amount the City will spend on providing solid waste management services in FY2025.

In addition, the proposed fees include costs to provide enhanced services and implement actions identified in the efficiency analysis, including updating and modernizing equipment used to provide solid waste management services. The fee study will summarize the costs of baseline services as well as potential new services.

### Why do the proposed fees differ from fees developed by the Independent Budget Analyst (IBA)?

The IBA is reviewing the preliminary results of the cost-of-service study and plans to provide its assessment of the study and proposed fee by the time the Environmental Services Department (ESD) presents results to the City Council, which is planned for April 2025. As part of its assessment, the IBA may address differences between its original estimate and the estimate provided in the cost-of-service study.

#### How does the proposed fee structure compare to residential trash pickup for San Diego County residents? How do the fees compare to private haulers? Why does our cost differ from other San Diego County jurisdictions?

The Environmental Services Department (ESD) summarized rates across San Diego County during its second round of outreach and engagement. The materials shared are available at **CleanGreenSD.org**. ESD also offered a summary of rates across the state of California in its presentation to the Environment Committee, available via the agenda of the Feb. 13 Council Committee meeting on the **City Council website**<sup>5</sup>. When comparing rates across jurisdictions, geographic factors like city size, layout, proximity to facilities, community needs and preferences, scopes of services, variability in operating costs, and whether fees collected fully recover the costs of expenses should be considered.

The summaries did not include an assessment of the costs paid by individual homeowners in the city of San Diego or unincorporated areas of San Diego County serviced by private franchise haulers because fees paid by these properties are not readily available to the City.

### Did the proposal consider the cost of outsourcing trash pickup to a private company? Why doesn't the City use private trash haulers? Can I switch to a private hauler and pay lower fees?

The City Ordinance<sup>6</sup> specifies that "at least once each week, City forces shall collect and transport residential solid waste for transfer, transport, and recycling or disposal, and the City may charge a cost-recovery fee, as allowed by law, for all solid waste management services." The Ordinance further explains that "residential solid waste means solid waste, of the type and quantity normally generated by a residential property, that is placed at the designated collection point at the curb line of a city public street or city public alley in a City-approved curbside collection container on the designated collection day" and that "residential property means a single-family residential property or a multi-family residential property, with up to four residences on a single lot, that meets City requirements for collection by City forces."

Private haulers are prohibited from collecting and transporting residential solid waste from residential properties eligible for City-provided waste management services.

### I am a single homeowner who only puts out trash 1-2 times monthly. Why would I be charged the same as a family? Can I have a smaller can now to reduce my cost?

The City proposes to provide trash collection at the service level of 95-gallon trash containers during Fiscal Year (FY) 2026. If a customer produces less

<sup>6</sup> https://docs.sandiego.gov/municode/ MuniCodeChapter06/Ch06Art06Division01.pdf

<sup>5</sup> https://www.sandiego.gov/citywide-agendas-minutes

trash and decides to downsize to a 35-gallon or 65-gallon trash container, the proposed fee would be reduced to account for the reduced costs once the city provides the new, smaller container. For customers who request and receive a 35-gallon or 65-gallon trash container before the end of FY2026, the City would provide a pro-rated credit toward the fee for FY2027 reflecting the portion of FY2026 during which the customers received service at the 35-gallon or 65-gallon service level.

#### How did the City keep costs down?

The City considered multiple approaches to limiting costs in the cost-of-service study. For example, while community waste drop-off events were among the top-ranked service enhancement desired by outreach and engagement participants, the City plans to implement such events with other funding sources. Therefore, such costs are not included in the proposed fee.

Additionally, the City has proposed tax roll billing as the mechanism to charge a fee. This approach avoids setting up a new billing department with a monthly billing collection framework, which would otherwise significantly increase costs and result in a higher customer fee.

The Environmental Services Department (ESD) also analyzed and presented an alternative service scenario to illustrate the impact that excluding the curbside bulky item pickup program would have on the proposed fee schedule and to assess the program's benefits weighed against the incremental increase in the fee schedule.

#### What will happen to people who can't afford the fees? Who qualifies for financial assistance, and how does it work? What about people on fixed incomes who do not qualify for existing programs? How will you help low-income renters?

The Environmental Services Department (ESD) has requested funding from the General Fund to support a financial assistance program. Additionally, ESD continues to explore alternative funding sources for an assistance program, including the development of an option for customers to voluntarily contribute extra funding toward an assistance program beyond the amount required in the published fee schedules. ESD also explored whether resources may be available to support renters requiring financial assistance. ESD plans to continue coordinating with City leaders to consider options for the program and potential qualifying criteria and to share updates as they develop.

#### What is the process for property owners passing on the fees to tenants? What will landlords do? Will they charge more? How will this impact tenants?

The City is examining options to address potential impacts the fees could have on tenants.

#### How will short-term rentals be treated? Some of the properties in my single-family neighborhood have Accessory Dwelling Units (ADUs). Will those properties pay the same fees as single-family homes? How would the fees impact rental homes?

Suppose a short-term rental or ADU meets the eligibility criteria for City-provided service. In that case, the fees will be based on the service level, including the additional number of containers at the residence. The Waste Management Regulations require residences to have enough containers on site to contain all the trash, recycling and organics accumulated between collection intervals. Properties requiring additional containers would pay more than properties requiring the minimum bundle of three containers.

### When will the online portal be live, and how will it be used to collect fees as part of the tax roll billing? How will the City know what size bins to provide and how many?

The Environmental Services Department (ESD) anticipates that the online portal will go live mid-July 2025. The portal is designed to track the containers maintained at each property. Property owners or their designated account users can log into the portal to select, view and manage the containers for their properties. ESD plans to use this information to calculate each property's annual fees and develop a report identifying the cost to be paid by each property to provide to the County of San Diego.

# How will the City comply with Proposition 218? When will we be noticed?

he City will adhere to all legal requirements associated with Proposition 218 and applicable sections of the Government Code. To initiate the Proposition 218 process, the City anticipates bringing an item to the full City Council in mid-to-late April 2025. If approved, the City plans to mail the notices shortly thereafter. More information will be available in April 2025 after this item is heard by the full City Council.

#### My house has been empty for several months. Will I have to pay the monthly fee even if I don't generate trash?

The Environmental Services Department (ESD) is proposing fees that would apply to the owners of all eligible residential properties to which residential waste services are made immediately available, including those that may encounter periods of time when they are vacant.

### Why do you want to replace all the containers?

The Operations Efficiency Analysis determined that the average life of the current bins is 20 years and that they are past the service guarantee. In addition, new containers will be a different color and include scannable reader tags to easily identify customers and notify drivers which containers should be picked up. This will help identify missed collections and improve efficiency.

### Why do you want to make recycling weekly?

Improved recycling options were among the most popular service enhancements identified during the outreach and community engagement sessions. Providing collection every week reduces the misplacement of recyclable materials in the trash container because some residents may not have the space to store recyclable materials between the two-week cycles. Weekly recycling also increases customer convenience, ensures items are recycled if customers choose fewer containers, facilitates the diversion of recyclables, and extends the life of the Miramar Landfill.

### Contact Us

# Who can I contact regarding questions or concerns for this project?

Residents are encouraged to share their insights and perspectives at **CleanGreenSD.org**. at study events, via email to **trash@sandiego.org**, in response to a Proposition 218 mailer, or by commenting at City Council meetings where the study results are on the agenda.questionnaires, focus groups, social media, community presentations, local pop-up events and more.

### Want to know more?



Stay up to date about potential service enhancements and fees in the future! Visit **CleanGreenSD.org**.

For additional questions or comments, please contact us at **Trash@SanDiego.gov**.

