

Economic Development



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Department Description

The Economic Development Department is comprised of several work units including Business Expansion Attraction and Retention (BEAR), Community Development, Sustainability, and Promise Zone. The Department implements several economic and community development programs in order to create and sustain a resilient and economically prosperous City. Economic growth, energy independence, revenue enhancement, and community revitalization are accomplished by attracting new companies, retaining and/or expanding existing companies, making San Diego competitive in emerging markets, revitalizing and investing in older business communities, and creating opportunities for residents of disadvantaged communities.

The Department's mission is:

To cultivate economic and community development opportunities that serve businesses, neighborhoods, and residents

The Department's vision is:

A catalyst for economic prosperity and community investment

Did you know?

- The City launched a non-profit academy to strengthen the organizational capacity of non-profits to diversify and broaden the reach of services to our residents. Over 150 organizations attended the introductory two day academy, with two additional academies scheduled before the completion of Fiscal Year 2018.
- Approximately 36% of registered Business Tax Accounts are home-based (i.e., working from residence).
- In Calendar Year 2016, the Storefront Improvement Program awarded 34 participants with a total of \$281,240 in funds.
- The regional job growth related to the five sectors in the City's Climate Action Plan grew 10.2% between 2010 and 2015, faster than the overall job market growth rate of 9.5%.

Economic Development

Goals and Objectives

Goal 1: Strategically invest in the growth and development of businesses, neighborhoods, and residents

- Leverage funding for greater commercial neighborhood benefit
- Invest in affordable housing options
- Expand economic opportunities for all
- Increase access to quality public and private facilities and services

Goal 2: Cultivate a globally competitive, sustainable, and resilient local economy

- Reduce the City's overall carbon footprint and prepare San Diego to be a climate-smart city
- Maintain and build on San Diego's competitive advantage by increasing workforce development, quality of life, and innovation
- Increase the number of San Diegans with middle-income jobs
- Increase small and neighborhood business activity

Goal 3: Provide high quality public service

- Receive on average a rating of 90% "good" or "excellent" customer service scores from internal and external customers
- Increase overall awareness of EDD programs, incentives, and services with the public
- Highlight successes and impacts of EDD programs and initiatives

Key Performance Indicators

Performance Indicator	FY2016 Target	FY2016 Actual	FY2017 Target	FY2017 Actuals	FY2018 Target
1. Amount of CO2 emissions reduced community-wide and from City operations ¹	N/A	17%	15%	15%	15%
2. Number of persons assisted through infrastructure projects and community service (i.e., Community Development Block Grant Program (CDBG)) ²	402,158	416,940	418,539	300,785	500,000
3. Percentage growth in jobs created or preserved by the expansion, attraction and retention of employers working with the Department ³	2,685	N/A	50%	16%	50%
4. Percentage growth in number of companies working with the Department that result in international trade or investment ⁴	N/A	N/A	50%	167%	50%
5. Percentage growth in the number of districts formed ⁵	0%	100%	5%	6%	5%
6. Percentage growth in the number of small businesses assisted and expanded annually as a result of small and neighborhood business programs ⁶	1,383	1,383	5%	111%	5%
7. Total amount of federal funds expended for affordable housing ⁷	\$4.5M	\$14.0M	\$14.2M	\$15.9M	\$19.0M
8. Total amount of federal funds expended for economic development programs	\$397,800	\$468,388	\$1.4M	\$1.4M	\$4.5M

Economic Development

Key Performance Indicators

Performance Indicator	FY2016 Target	FY2016 Actual	FY2017 Target	FY2017 Actuals	FY2018 Target
9. Total amount of funds expended for infrastructure projects and community service	\$10.1M	\$11.3M	\$12.4M	\$13.3M	\$15.7M

1. CO2 emissions will be calculated for calendar years and available for review at the end of the following calendar year. Targets have been adopted for 2020, 2030 and 2035. Overall: Due to publishing error, corrections were made to Target and Actual columns.
2. Decrease due to infrastructure projects that have not met the 3 month service period requirement in order to submit client counts.
3. 3,118 jobs were retained or grew because they worked with department programs. Business investment in projects varies from year-to-year based on the time required to complete projects and fluctuations in industries.
4. Department-wide emphasis in foreign direct investment, world trade center activities and the Foreign Trade Zone program resulted in the significant increase in the number of companies.
5. Districts formed includes the Tourism Marketing District, the Downtown Property Business Improvement District, Maintenance Assessment Districts, Business Improvement Districts, and Community Parking Districts. In Fiscal Year 2017 one MAD was formed, one TMD was modified, and four others are in progress. Only the approved new and modified districts were counted.
6. Measures were taken internally to accurately track and reflect business assistance provided. In addition, OpenCounter Business Portal launched in Fiscal Year 2017 with the ability to capture potential job growth.
7. Increase due to larger than projected HOME program income revenue and expenditure.



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Department Summary

	FY2016 Actual	FY2017 Budget	FY2018 Adopted	FY2017-2018 Change
FTE Positions (Budgeted)	51.35	56.00	63.85	7.85
Personnel Expenditures	\$ 5,058,810	\$ 6,077,365	\$ 7,092,334	\$ 1,014,969
Non-Personnel Expenditures	7,125,256	8,930,166	8,945,775	15,609
Total Department Expenditures	\$ 12,184,065	\$ 15,007,531	\$ 16,038,109	\$ 1,030,578
Total Department Revenue	\$ 5,597,495	\$ 8,141,001	\$ 8,249,980	\$ 108,979

General Fund

Department Expenditures

	FY2016 Actual	FY2017 Budget	FY2018 Adopted	FY2017-2018 Change
BID & Commercial MAD	\$ 553	\$ -	\$ -	\$ -
Business Expansion, Attraction & Retention	-	4,456,332	4,345,326	(111,006)
Community Development	1,866,061	1,607,603	2,395,900	788,297
Economic Development	6,529,405	8,943,596	6,642,476	(2,301,120)
Economic Growth Services	1,457,541	-	-	-
Small Business & Neighborhoods	2,330,505	-	-	-
Total	\$ 12,184,065	\$ 15,007,531	\$ 13,383,702	\$ (1,623,829)

Department Personnel

	FY2016 Budget	FY2017 Budget	FY2018 Adopted	FY2017-2018 Change
BID & Commercial MAD	0.50	0.00	0.00	0.00
Business Expansion, Attraction & Retention	0.00	19.00	19.00	0.00
Community Development	21.85	15.00	20.00	5.00
Economic Development	5.00	22.00	24.85	2.85
Economic Growth Services	12.00	0.00	0.00	0.00
Small Business & Neighborhoods	12.00	0.00	0.00	0.00
Total	51.35	56.00	63.85	7.85

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Additional Funding for Homeless Initiatives Addition of one-time non-personnel expenditures associated with the San Diego Housing Commission's Homeless Prevention and Diversion Program.	0.00	\$ 1,066,086	\$ -
Reinvestment Initiative Addition of 1.00 Program Manager, 1.00 Community Development Specialist 4, 1.00 Senior Management Analyst, 3.00 Community Development Specialist 3s and associated revenue to support the Community Development Block Grant (CDBG) Reinvestment Initiative.	6.00	583,116	583,146
Salary and Benefit Adjustments Adjustments to reflect savings resulting from vacant positions for any period of the fiscal year, retirement contributions, retiree health contributions, and labor negotiations.	0.00	256,729	-

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Significant Budget Adjustments (Cont'd)

	FTE	Expenditures	Revenue
Successor Agency Support Addition of 1.00 Program Manager to manage Successor Agency activities as mandated by State Assembly Bill 1X 26 (The Dissolution Act).	1.00	137,664	137,669
Support for Information Technology Adjustment to expenditure allocations according to a zero-based annual review of information technology funding requirements.	0.00	109,809	-
Non-Standard Hour Personnel Funding Funding allocated according to a zero-based annual review of hourly funding requirements.	0.85	35,757	87,660
Non-Discretionary Adjustment Adjustment to expenditure allocations that are determined outside of the department's direct control. These allocations are generally based on prior year expenditure trends and examples of these include utilities, insurance, and rent.	0.00	2,322	-
Hourly Sick Leave Adjustment to reflect prior year expenditure trends, related to paid sick leave benefits for eligible hourly employees consistent with the requirements of Assembly Bill 1522.	0.00	1,703	-
Reduction of Supplies and Services Reduction of non-personnel expenditures for supplies and services.	0.00	(61,264)	-
Reduction of Economic Development Program Support Reduction of non-personnel expenditures associated with programs such as the San Diego Economic Development Corporation, San Diego Workforce Partnership, Business Cooperation Program, and the Small Business Enhancement Program.	0.00	(179,000)	-
Reduction of Non-Personnel Expenditures Reduction of non-personnel expenditures in the Small Business Enhancement Program due to anticipated savings from the expiration of the Open Counter Software contract.	0.00	(285,000)	-
Successor Agency Transfer of Successor Agency non-personnel expenditures and associated revenue from the Economic Development Department to the Successor Agency Admin & Project - CivicSD Fund.	0.00	(3,291,751)	(3,291,751)
One-Time Reductions and Annualizations Adjustment to reflect the removal of one-time revenues and expenditures, and the annualization of revenues and expenditures, implemented in Fiscal Year 2017.	0.00	-	(62,152)
Total	7.85	\$ (1,623,829)	\$ (2,545,428)

Expenditures by Category

	FY2016 Actual	FY2017 Budget	FY2018 Adopted	FY2017-2018 Change
PERSONNEL				
Personnel Cost	\$ 3,066,803	\$ 3,754,595	\$ 4,282,917	\$ 528,322

Economic Development

Expenditures by Category (Cont'd)

	FY2016 Actual	FY2017 Budget	FY2018 Adopted	FY2017-2018 Change
Fringe Benefits	1,992,007	2,322,770	2,809,417	486,647
PERSONNEL SUBTOTAL	5,058,810	6,077,365	7,092,334	1,014,969
NON-PERSONNEL				
Supplies	\$ 40,977	\$ 29,184	\$ 10,042	\$ (19,142)
Contracts	6,419,180	7,780,098	5,354,780	(2,425,318)
Information Technology	163,300	189,956	299,765	109,809
Energy and Utilities	3,493	2,286	2,139	(147)
Other	183,307	359,642	309,642	(50,000)
Transfers Out	314,999	369,000	315,000	(54,000)
Capital Expenditures	-	200,000	-	(200,000)
NON-PERSONNEL SUBTOTAL	7,125,256	8,930,166	6,291,368	(2,638,798)
Total	\$ 12,184,065	\$ 15,007,531	\$ 13,383,702	\$ (1,623,829)

Revenues by Category

	FY2016 Actual	FY2017 Budget	FY2018 Adopted	FY2017-2018 Change
Charges for Services	\$ 2,785,187	\$ 4,601,507	\$ 5,378,906	\$ 777,399
Other Revenue	2,796	-	-	-
Rev from Other Agencies	2,809,512	3,539,494	216,667	(3,322,827)
Total	\$ 5,597,495	\$ 8,141,001	\$ 5,595,573	\$ (2,545,428)

Personnel Expenditures

Job Number	Job Title / Wages	FY2016 Budget	FY2017 Budget	FY2018 Adopted	Salary Range	Total
FTE, Salaries, and Wages						
20000011	Account Clerk	2.00	2.00	1.00	\$31,491 - \$37,918	\$ 37,349
20000012	Administrative Aide 1	3.00	3.00	2.00	36,962 - 44,533	77,589
20000024	Administrative Aide 2	3.00	3.00	3.00	42,578 - 51,334	132,775
90000024	Administrative Aide 2 - Hourly	0.00	0.00	0.35	42,578 - 51,334	17,967
20001202	Assistant Deputy Director	1.00	0.00	0.00	23,005 - 137,904	-
20000116	Assistant Engineer-Traffic	1.00	1.00	1.00	57,866 - 69,722	60,549
20000119	Associate Management Analyst	1.00	3.00	3.00	54,059 - 65,333	159,452
90000544	Clerical Assistant 2 - Hourly	0.35	0.00	0.00	29,931 - 36,067	-
20000295	Community Development Coordinator	5.00	5.00	6.00	76,731 - 92,893	553,034
20000300	Community Development Specialist 2	11.00	10.00	10.00	54,059 - 65,333	621,185
20000301	Community Development Specialist 3	1.00	1.00	4.00	62,254 - 75,275	259,402
20000303	Community Development Specialist 4	8.00	10.00	11.00	66,768 - 80,891	852,050
20001101	Department Director	1.00	1.00	1.00	59,155 - 224,099	160,000
20001168	Deputy Director	0.00	1.00	1.00	46,966 - 172,744	120,000
20000104	Development Project Manager 2	1.00	1.00	0.00	66,622 - 80,454	-
20000924	Executive Secretary	0.00	0.00	1.00	43,555 - 52,666	50,152
90001073	Management Intern - Hourly	4.00	4.00	4.50	24,274 - 29,203	131,414
20000172	Payroll Specialist 1	0.00	0.00	1.00	33,093 - 39,832	34,838

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Personnel Expenditures (Cont'd)

Job Number	Job Title / Wages	FY2016 Budget	FY2017 Budget	FY2018 Adopted	Salary Range	Total
20000680	Payroll Specialist 2	0.00	1.00	0.00	34,611 - 41,787	-
20001222	Program Manager	5.00	5.00	7.00	46,966 - 172,744	760,000
20000015	Senior Management Analyst	2.00	2.00	3.00	59,363 - 71,760	202,883
20000918	Senior Planner	0.00	1.00	1.00	65,354 - 79,019	65,354
20000926	Senior Traffic Engineer	1.00	1.00	1.00	76,794 - 92,851	92,851
20000970	Supervising Management Analyst	1.00	1.00	1.00	66,768 - 80,891	80,891
20000756	Word Processing Operator	0.00	0.00	1.00	31,491 - 37,918	31,491
	Bilingual - Regular					7,280
	Budgeted Vacancy Savings					(254,634)
	Overtime Budgeted					3,835
	Reg Pay For Engineers					13,928
	Sick Leave - Hourly					3,193
	Termination Pay Annual Leave					8,089
FTE, Salaries, and Wages Subtotal		51.35	56.00	63.85		\$ 4,282,917
		FY2016 Actual		FY2017 Budget	FY2018 Adopted	FY2017-2018 Change
Fringe Benefits						
	Employee Offset Savings	\$ 39,161	\$ 38,187	\$ 34,891	\$	(3,296)
	Flexible Benefits	389,685		564,428	701,605	137,177
	Long-Term Disability	10,132		11,869	-	(11,869)
	Medicare	43,089		51,930	59,223	7,293
	Other Post-Employment Benefits	251,186		295,742	324,054	28,312
	Retiree Medical Trust	2,088		3,644	4,745	1,101
	Retirement 401 Plan	4,079		4,199	5,133	934
	Retirement ADC	1,019,790		1,017,083	1,295,429	278,346
	Retirement DROP	9,809		11,909	17,044	5,135
	Risk Management Administration	42,610		51,100	54,594	3,494
	Supplemental Pension Savings Plan	152,503		215,633	258,153	42,520
	Unemployment Insurance	5,766		6,789	7,601	812
	Workers' Compensation	22,107		50,257	46,945	(3,312)
Fringe Benefits Subtotal		\$ 1,992,007	\$ 2,322,770	\$ 2,809,417	\$	486,647
Total Personnel Expenditures					\$ 7,092,334	

Successor Agency Admin & Project - CivicSD Fund

Department Expenditures

	FY2016 Actual	FY2017 Budget	FY2018 Adopted	FY2017-2018 Change
Economic Development	\$ -	\$ -	\$ 2,654,407	\$ 2,654,407
Total	\$ -	\$ -	\$ 2,654,407	\$ 2,654,407

Economic Development

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Successor Agency	0.00	\$ 2,654,407	\$ 2,654,407
Transfer of Successor Agency non-personnel expenditures and associated revenue from the Economic Development Department to the Successor Agency Admin & Project - CivicSD Fund.			
Total	0.00	\$ 2,654,407	\$ 2,654,407

Expenditures by Category

	FY2016 Actual	FY2017 Budget	FY2018 Adopted	FY2017-2018 Change
NON-PERSONNEL				
Contracts	\$ -	\$ -	\$ 2,654,407	\$ 2,654,407
NON-PERSONNEL SUBTOTAL	-	-	2,654,407	2,654,407
Total	\$ -	\$ -	\$ 2,654,407	\$ 2,654,407

Revenues by Category

	FY2016 Actual	FY2017 Budget	FY2018 Adopted	FY2017-2018 Change
Rev from Other Agencies	\$ -	\$ -	\$ 2,654,407	\$ 2,654,407
Total	\$ -	\$ -	\$ 2,654,407	\$ 2,654,407

Economic Development

Revenue and Expense Statement (Non-General Fund)

Successor Agency Admin & Project - CivicSD Fund	FY2016 Actual		FY2017* Budget		FY2018 Adopted
BEGINNING BALANCE AND RESERVES					
Balance from Prior Year	\$	—	\$	—	\$ —
TOTAL BALANCE AND RESERVES	\$	—	\$	—	\$ —
REVENUE					
Revenue from Other Agencies	\$	—	\$	—	\$ 2,654,407
TOTAL REVENUE	\$	—	\$	—	\$ 2,654,407
OPERATING EXPENSE					
Contracts	\$	—	\$	—	\$ 2,654,407
TOTAL OPERATING EXPENSE	\$	—	\$	—	\$ 2,654,407
TOTAL EXPENSE	\$	—	\$	—	\$ 2,654,407
BALANCE	\$	—	\$	—	\$ —
TOTAL BALANCE, RESERVES, AND EXPENSE	\$	—	\$	—	\$ 2,654,407

* At the time of publication, audited financial statements for Fiscal Year 2017 were not available. Therefore, the Fiscal Year 2017 column reflects final budgeted revenue and expense amounts from the Fiscal Year 2017 Adopted Budget, while the beginning Fiscal Year 2017 balance amount reflects the audited Fiscal Year 2016 ending balance.