

Annual Report 2016

July 1, 2015 – June 30, 2016

Serving businesses
Impacting communities
Strengthening San Diego

WELCOME

“We formed the Economic Development Department to bring everyone together to develop integrative programs that benefit all of San Diego, from our residents to our businesses, our environment and our communities. We get it done.”



— Erik Caldwell, Director, Economic Development Department

TACTICAL PLAN GOALS

- Strategically invest in the growth and development of businesses, neighborhoods and residents.
- Cultivate a globally competitive, sustainable and resilient local economy.
- Provide high quality public service.

MISSION

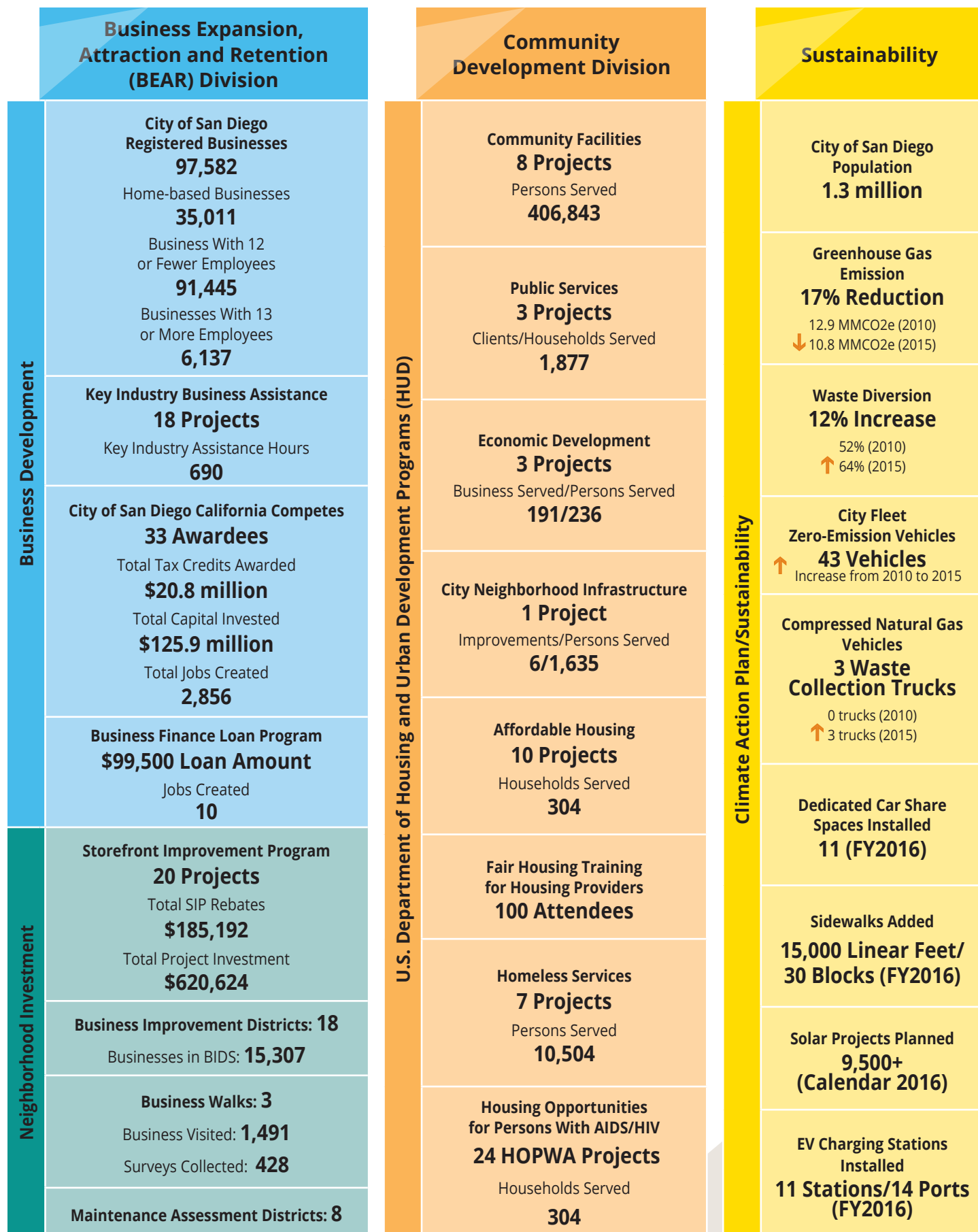
To cultivate economic and community development opportunities that serve businesses, neighborhoods and residents.

VISION

A catalyst for economic prosperity and community investment.



ECONOMIC DEVELOPMENT DEPARTMENT DASHBOARD FY2016



BUSINESS DEVELOPMENT

Helping businesses locate, expand and stay in San Diego is essential to improving the economic prosperity of the City and the quality of life for its residents. The **Business Expansion, Attraction and Retention (BEAR) Division** offers incentives aligned with City Council Policy 900-12.

The BEAR Division assists companies with advocacy, due diligence, expedited permitting, application support for financial incentives, such as loans and tax credits, and other services to shepherd their growth and success. Partnering with the City has helped businesses thrive, created jobs and brought revenue to the local economy.

Financial Incentive Programs

- California New Employment Credit
- California Competes Tax Credit
- Partial Sales Tax Exemption Program
- Business Cooperation Program
- Small Business Micro Revolving Loan Fund
- San Diego Regional Revolving Loan Fund

City Assistance to Business in Key Industries in FY2016

Key Industry Project	Technical Assistance <i>City Departments</i>	Technical Assistance <i>Partnering Agencies</i>	Due Diligence	Expedited Permits	Policy, Legislative Advocacy	Utilities Coordination	Time Period to Complete Work (hours)
Althea Technologies							20
Ballast Point Brewing							150
Coronado Brewing Co.							40
Dexcom							1
General Atomics - ASI							1
Health Care Properties							1
Helix Corp.							1
Illumina							300
La Jolla Brewing Co.							10
Majestic Realty Co.							50
Modern Times Beer Co.							5
New Leaf Biofuel							20
Newtopia Cyder Co.							5
North Park Beer Co.							30
Stemedica							1
Thorn Brewing Co.							30
Thunderhawk Alements							5
Vertex Pharmaceuticals							20

Note: This chart represents a sampling of key projects

TOTAL
HOURS

690

FOCUS: Cal Competes

This flexible tax credit program, administered by the California Governor's Office of Business and Economic Development (GO-Biz), incentivizes companies that plan to move to California or that wish to expand their California business within the state. By giving California companies the opportunity to capture significant quarterly allocations of state-tax credits, this program promotes job creation and capital investment.

By the Numbers: Cal Competes FY2016

33 City of San Diego
businesses awarded

\$20.8 million
Total tax credits awarded

10 small businesses*
23 large businesses

\$125.9 million
Total capital invested

**Note: A small business has
annual gross revenue less
than \$2 million.*

2,856
Total jobs created

Cal Competes Awardee: New Leaf Biofuel

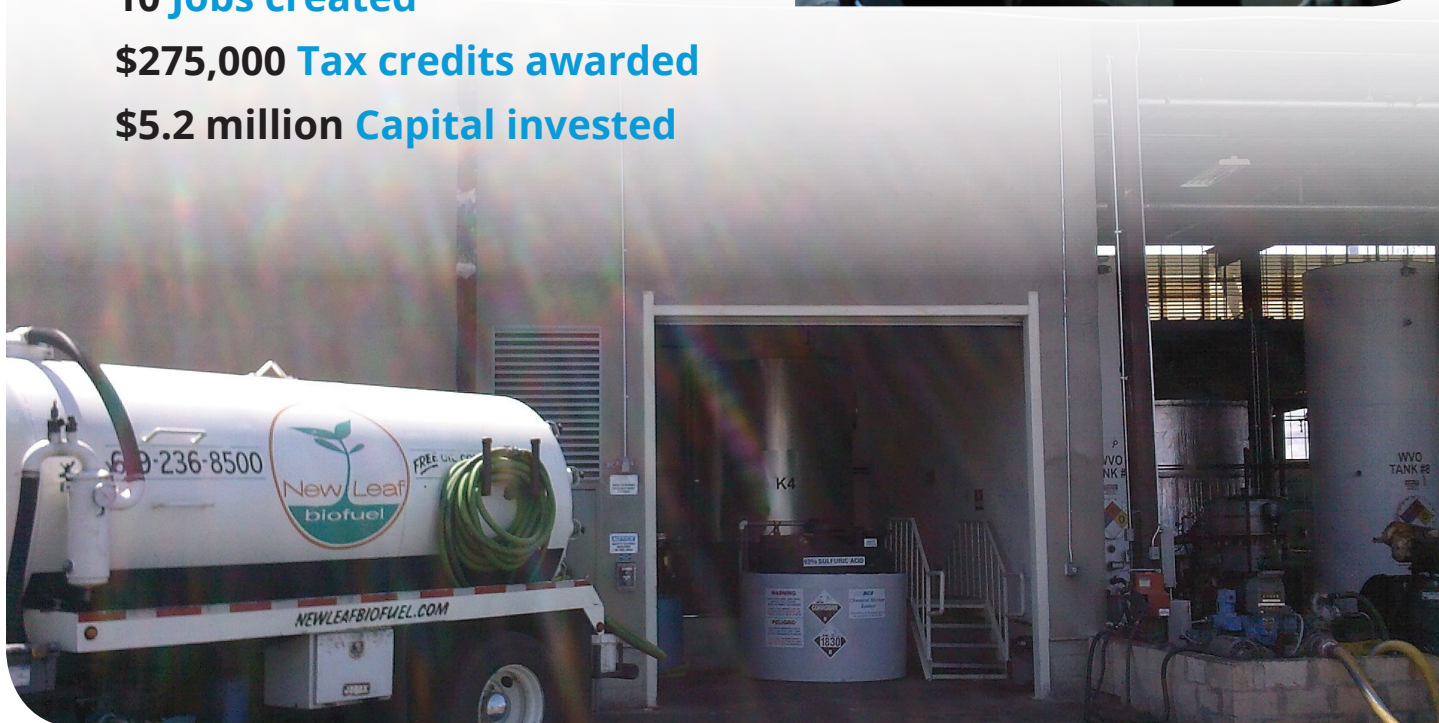
Company: The Barrio Logan-based company converts used cooking oil collected from local restaurants into biodiesel, a renewable, sustainable fuel alternative used in diesel engines. It sells biodiesel in bulk to large fleets and San Diego distributors.

How the City helped: It expedited permits, gave it a small business loan and former Enterprise Zone tax credits and provided Economic Development Department management support and entitlement coordination with the City's Development Services Department.

10 Jobs created

\$275,000 Tax credits awarded

\$5.2 million Capital invested



Business Finance Loan Program

The City's Economic Development Department offers up to \$500,000 in "gap financing" to owners who want to expand their small- to medium-sized businesses but are unable to meet the terms of traditional banks. The Small Business Micro Revolving Loan ranges from \$25,000 to \$150,000, and the San Diego Regional Revolving Loan ranges from \$150,000 to \$500,000. The funds supplement private financing and can be used for construction on new or rehabilitated buildings; for purchases of fixed machinery and equipment; and for working capital and soft costs.

Opening Doors: Kid Ventures

With a \$99,500 loan through the City's **Business Finance Loan Program**, the owners of Kid Ventures were able to relocate from Pacific Beach to Liberty Station, where they opened a new, boutique-style play village and creative, indoor "edutainment" center for children in January 2016. The loan, along with \$315,000 in leveraged private investment, allows Kid Ventures to enrich the lives of San Diego families and spark youthful imaginations. About 10 jobs are expected to be created with the Kid Ventures expansion.



Hopping Business: Ballast Point Brewing Co.



When production eclipsed 250,000 barrels annually in 2015, Ballast Point's owners accepted a \$1 billion offer to be sold to Constellation Brands, a record price for a craft beer company. Ballast Point's founders then formed Cutwater Spirits, which would go on to build a large distillery in Miramar in 2017.

UCLA student and beer enthusiast Jack White knew there had to be something better than keg-party beer. So he began home brewing in his college apartment, a hobby that would ultimately lead White to having San Diego County's largest craft brewery by 2016.

In 1992 White opened Home Brew Mart, a brewing supply store in a Linda Vista strip mall. He and his first employee, Yuseff Cherney, a fellow home brewer, started the shop's "back room" brewery in 1996 and launched Ballast Point Brewing. Ballast Point expanded in 2004, building its second and much larger brewery in Scripps Ranch.

Amid the craft beer renaissance, demand surged for Ballast Point's international award-winning beers, particularly the Sculpin India Pale Ale and the California (formerly Calico) Amber ESB-inspired Ale. When the Scripps Ranch brewery reached around-the-clock production capacity in 2013, Ballast Point partnered with the City to grow – and grow quickly.

With the City's package of financial incentives and City Council-approved Municipal Code modifications that provided regulatory relief, Ballast Point was immediately able to lease a vacant art gallery in Little Italy and build a 9,000-square-foot brewpub – its third facility – by September 2013. It opened a fourth brewery in 2015, turning a vacant Miramar manufacturing plant into a massive, 125,000-square-foot production facility with a full-service indoor restaurant and outdoor patio.

The City's departments of Economic Development, Development Services and Public Utilities worked closely with Ballast Point's management team to keep expanding. It added six more truck docks and installed 12 outdoor, 1,500-barrel fermentation tanks, additional hot and cold liquor tanks, grain silos and a 300-barrel system to augment its existing 150-barrel system. It also put in a new state-of-the-art canning line to complement its bottling line.

By the Numbers: Ballast Point

420 Ballast Point employees in San Diego

269 Ballast Point employees at the Miramar brewery

375,000 barrels of Ballast Point beer shipments in 2016, **No. 1** in San Diego County, **No. 9** in U.S. (Jan. 2017 Craft Brew News)

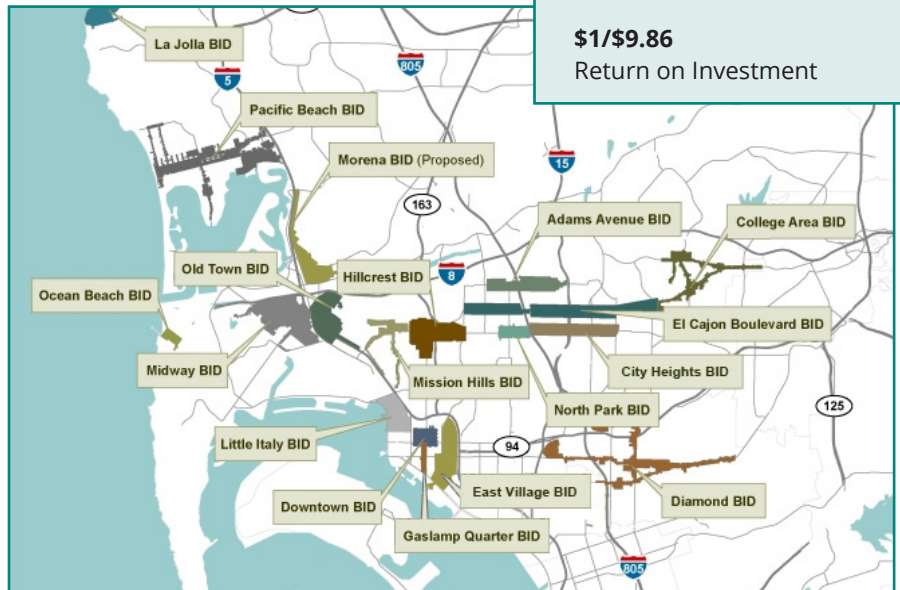
\$1 billion sale price of Ballast Point to Constellation Brands in 2015



NEIGHBORHOOD INVESTMENT

Business Improvement Districts

A Business Improvement District (BID) is a City-designated geographic area where its business owners are assessed annually to fund activities and improvements that directly promote the business district. The City supports BIDs as a tool for strengthening small business communities, creating jobs, attracting new businesses and revitalizing older commercial neighborhoods. The City partners with merchants associations that represent the assessed business owners to implement the BID program. The first BID – the Downtown Improvement Area – began in the 1970s. The City has 18 BIDs.



Current BIDs (18)

15,307

Businesses in BIDs

\$1.52 million

Invested (assessments)

\$15.1 million

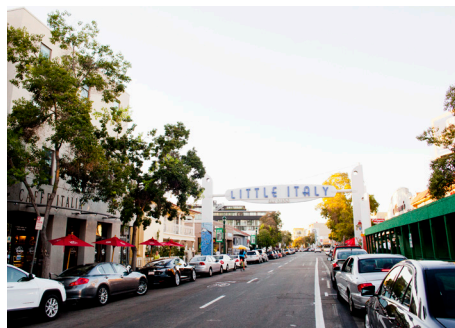
Amount leveraged
(BID activities)

\$1/\$9.86

Return on Investment

Maintenance Assessment Districts

A Maintenance Assessment District (MAD) is a City-designated geographic area where property owners can vote to assess themselves enabling them to make beneficial district improvements, such as acquisition, construction, maintenance and other activities. The Economic Development Department administers self-managed MADs, which – unlike the City's Park and Recreation Department's MADs – allow property owners to select an Owner's Association (nonprofit entity) to manage the day-to-day operations of the MAD. In FY2016, the City updated both its Municipal Code and Council Policy pertaining to MADs. By addressing policy and processes for MAD formation, budgeting, and management practices, property owners and the communities had greater clarity and flexibility in establishing MADs.



Courtesy of Little Italy Association

Current MADs (8)

Adams Avenue

Barrio Logan*

Central Commercial

City Heights

College Heights

Hillcrest Commercial Core*

Little Italy

Newport Avenue

**new MAD expansions in 2016*

New MADs in Planning Stages (3)

La Jolla (formation phase)

Mission Beach (formation phase)

Otay Mesa (formation phase)

FOCUS: Barrio Logan MAD

An urban enclave south of Downtown, with its monument sign arching over Cesar E. Chavez Parkway since 2014, Barrio Logan exemplifies the powerful role a MAD can play in a community's economic growth, redevelopment, revitalization and pride. Established in 2012, the Barrio Logan MAD fostered community collaboration and support for projects that established – and celebrated – this area's part-Chicano, part-maritime heritage and cultural diversity. Barrio Logan's central plaza is home to festivals, farmers markets and public art. Its iconic Chicano Park has the nation's largest collection of outdoor murals (72), which depict Mexican-American iconography. Older homes, military facilities and industrial tracts blend with newer dwellings, hipster hangouts and art and commercial spaces, such as Mercado del Barrio. The vibe has attracted foodie eateries, authentic restaurants, art galleries, coffee shops and craft breweries. Zagat, the esteemed restaurant ratings publication, offered "7 Reasons Why Barrio Logan Is San Diego's Next Hot Food Neighborhood" in a Feb. 23, 2016 article that highlighted three Mercado del Barrio restaurants. The changes have gotten Barrio Logan named one of "10 Hidden Hotspots in San Diego" (USA Today, 2016) and one of "San Diego's Next Hot Neighborhoods" (San Diego Magazine, 2016).



Courtesy SanDiego.org Chris Rov Costa

Business Walks

In an outreach effort to educate local businesses about available City and BID resources and learn more about issues affecting BID businesses, the Economic Development Department's Neighborhood Investment Unit partnered with three BIDs in Mission Hills, Diamond and Pacific Beach to canvas the districts for business walks. Dozens of volunteers, which included EDD and other City staff, walked storefront-to-storefront, visiting businesses, speaking with owners and surveying them about their concerns and improvement suggestions. The three walks collected 428 surveys, a 29 percent response rate from BID-zone businesses. The volunteers also left behind handouts detailing EDD programs and business incentives, including the Storefront Improvement Program, and BID contact information.



Business Improvement District	# of Surveys Completed	# of Businesses Listed within BID Walk Zones	Top 3 Issues
Mission Hills	72	252	Infrastructure, Homeless, Parking
Diamond	118	284	Methadone Clinics, Homeless, Crime
Pacific Beach	238	955	Parking, Homeless, Safety/Trash
Totals	428	1,491	

Storefront Improvement Program

Helping enhance the curb appeal of City businesses, the Storefront Program Improvement offers businesses free professional design façade services and valuable construction rebates to business owners with public-facing storefronts. In FY2016, the City's Economic Development Department updated the Storefront Improvement Program Council Policy 900-17 to increase small business participation and the amount of available reimbursable funds. Thanks to the changes, businesses with a valid business tax certificate and 25 or fewer employees – up from 12 or fewer in FY 2015 – are now eligible to apply.

Construction Rebates: Then and Now

Type	2015	2016	2015	2016
	Max % Eligible	Max % Eligible	Max Rebate	Max Rebate
Single Property	33.3%	50%	\$5,000	\$8,000
Historic Renovation	50%	66.7%	\$7,500	\$12,000
Multiple-tenant Property	33.3%	50%	\$10,000	\$16,000
Permit Assistance	33.3%	50%	\$5,000	\$5,000

Note: Max % Eligible refers to the maximum percentage of total project costs eligible for rebate.

By the Numbers: Storefront Improvement

20 Projects completed in FY2016

\$185,192 Construction rebates paid

\$620,624 Total project investments

\$1/\$3.35 Return on City investment

Storefront Improvement (Before and After)



Sushi Freak, Downtown: New awnings, signage, a railing around its sidewalk café and window repairs helped beautify this restaurant with an \$8,256 project.



Four Seasons Lawn Aeration, College Area: The addition of vintage tile trim, a new paint scheme, new awnings and window repairs in this \$21,457 improvement created a more inviting storefront.



Gwen Couture, Mid-City: This \$12,623 project converted a residential structure into a commercial space. The owner, who teaches sewing lessons, was able to create a decorative waiting area in a patio surrounded by wrought-iron gate. New doors, windows, an awning and fresh landscaping enhanced the appearance.

COMMUNITY DEVELOPMENT

The Economic Development Department's **Community Development Division** administers the Community Development Block Grant (CDBG) entitlement funds from the U.S. Department of Housing and Urban Development (HUD). In FY2016, the Community Development Division invested and leveraged funds in several projects it identified to improve the quality of life for low- to moderate-income residents and communities in the City of San Diego.

Mountain View Neighborhood Park **Mountain View**

Completed in FY2016, park upgrades included the addition of playground equipment, shade structure and resilient playground surfacing; landscaping; and other improvements to meet Americans with Disabilities Act compliance and increase park safety.

\$393,500 (FY2015 CDBG)

\$416,000 (leveraged)

\$809,500 total funding



Northwest Village Chollas Creek Restoration **Encanto**

Creating a safer place for recreation, this Jacobs Center for Neighborhood Innovation project reduced flooding and soil erosion, removed noxious plants and prevented health and safety risks by installing a pedestrian train, a retaining wall, a geo-grid segmental retaining wall and a Bio-Swale system. CDBG funds were also used for site preparation, survey-field staking, mobilization, excavation, grading (import, fill and compaction) and drainage improvements.

\$1.56 million (FY2015 CDBG)

\$4.20 million (leveraged)

\$5.76 million total funding



La Maestra Family Clinic **City Heights**

Providing quality healthcare and education to this underserved community, this project was designed specifically to serve low-income, uninsured and underinsured residents. The first floor of the main facility of La Maestra Family Clinic Inc. was remodeled with new patient dressing rooms, accessible restrooms and a state-of-the-art CT scan system and suite. More than 255 low- to moderate-income City residents visited the clinic from May to June 2016. About 150 clients have access to the CT scans services each month.

\$ 847,963 (FY2015 CDBG)

\$ 78,353 (leveraged)

\$926,316 total funding



Jacobs & Cushman San Diego Food Bank **Sorrento Valley**

Established in 1977, the Jacobs & Cushman San Diego Food Bank is the largest hunger-relief organization in San Diego County. In 2016 the Food Bank distributed 22 million pounds of food. The Food Bank serves, on average, 370,000 people per month in San Diego County. CDBG funds were used to complete an expansion of a freezer by 36,000 cubic feet, increasing site storage by 120,000 pounds. All warehouse floors were replaced to assist all member agencies, volunteers and visitors. The old racking and fire sprinkler systems were removed and replaced with a new racking and push racking system.

\$1,000,000 (FY2015 CDBG)

\$ 296,270 (leveraged)

\$1,296,270 total funding



A Revitalization Story: Silverado Ballroom Building



The landmark Silverado Ballroom Building at 4756 University Ave. in City Heights reopened in February 2016.





In its heyday of the 1930s to the 1950s, hundreds gathered for dance parties at the Silverado Ballroom.

Originally opened in 1932, the Art Deco-styled Silverado Ballroom Building was where couples met in the 1930s. It was where the Charlie Olson Orchestra played during World War II and Hoover High's 1945 "Sunset Swirl" after-prom raged until 4 a.m. Children took dance lessons there in the 1950s, and the San Diego Dancers' Guild held a waltz contest there in 1958.

But the 11,500-square-foot building, which was built alongside Art Deco treasures Euclid Tower and Egyptian Garage near the City Heights intersection of University and Euclid Avenues, needed to stave off the wrecking ball in 1989. That's when David Chau and his family of Vietnam War refugees bought the 4756 University Ave. landmark for \$640,000.

For this \$1.62 million historic rehabilitation and renovation that was 27 years in the making, the Chau family's Lotus Equity Group partnered with the City.

The building's exterior, first-floor retail tenant space and second-floor ballroom needed rehabbing. It required an elevator to comply with Americans with Disabilities Act standards. It needed new paving and hardscape and structural, mechanical and electrical upgrades.

The project received financing from public and private sources. The City, serving in its capacity as the designated Successor Agency to the former Redevelopment Agency of the City of San Diego, loaned Lotus Equity Group about \$1.38 million in former City Heights Redevelopment Project Area bond proceeds.

Lotus Equity Group put \$160,000 cash into the project. It also received a loan of \$81,000 for business/working capital from the San Diego Revolving Loan Fund (SDRLF). This was a matching loan to the Successor Agency loan. The SDRLF provides "gap financing" to support small and medium-sized businesses that are unable to meet the terms of traditional banks.

On Feb. 17, 2016, the Silverado Ballroom Building officially reopened as a storied place for community events, private weddings and functions, and – thanks to this public-private partnership – dancing again.



The Economic Development Department's **Community Development Division** works to fulfill the goals of the City's Consolidated Plan to improve the quality of life for the City's residents. It collaborates with the San Diego Housing Commission (SDHC) and the County of San Diego to apply for and invest and leverage — along with other state, local and private funds — four U.S. Department of Housing and Urban Development entitlement grants.¹ It proposes innovations, projects and programs that utilize these funds to address the City's community development, housing and social service needs.

Investing in Housing

Community Development aims to ease the City's severe shortage of affordable housing and improve housing opportunities by creating and preserving affordable rental housing and homeowner housing in close proximity to transit, employment and community services. In FY2016 the City supported 144 low- to moderate-income households through rental assistance, new construction, housing rehabilitation or home-buying assistance. Here are some highlights:

- Provided CDBG funds for eligible homeowners to make repairs and eligible homebuyers to get help with down payments and closing costs;
- In partnership with the County, used HOPWA funds to provide tenant-based rental assistance to 74 households, transitional housing to 236 households and permanent housing to 52 households; and
- With HOME funds, helped 44 first-time homebuyers and completed two affordable rental housing projects (42 units): Independence Point (formerly Willie James Jones) in Lincoln Park and Veterans Village of San Diego near Mid-City.



Independence Point



FY2016 AFFORDABLE HOUSING PROGRAMS

Homeowner Financial Assistance

Projects:	3
Expenditures:	\$713,858 CDBG \$2,512,053 HOME \$4,438,671 Leveraged
Served:	127 Households

Homeowner Housing Rehabilitation

Projects:	5
Expenditures:	\$466,036 CDBG \$1,132,816 Leveraged
Served:	158 Households

Rental Units Constructed

Projects:	2
Expenditures:	\$6,709,142 HOME
Served:	19 Households

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS/HIV (HOPWA)

Housing Operations

Projects:	22
Expenditures:	\$884,141 HOPWA \$458,415 Leveraged
Served:	288 Households

Rental Assistance

Project:	1
Expenditures:	\$634,714 HOPWA \$250,263 Leveraged
Served:	74 Households

Supportive Services

Project:	1
Expenditures:	\$1,041,000
Served:	12,078 Persons

¹ The four entitlement grants, which are mostly intended to serve low-to moderate-income residents and areas, are the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG) and Housing Opportunities for Persons with AIDS (HOPWA). EDD is the CDBG administrator; the Housing Commission, the HOME and ESG administrator; and the County, the HOPWA administrator.

Making the Homeless a Priority

The City and SDHC are members of the San Diego Regional Continuum of Care Council, which works to identify gaps in homeless services, establish funding priorities to take a systematic approach to addressing homelessness. In FY2016 the City, in partnership with local nonprofits and agencies, used CDBG and/or ESG funds for homeless support, including:

- Six rapid rehousing programs, each targeting specific populations, and transitional housing that enabled 199 households to find permanent housing;
- Services such as healthcare, mental health treatment, job readiness training, case management, housing navigation and transitional storage at homeless centers, such as Connections Housing San Diego and Single Adult Interim Housing Bed Program;
- San Diego Police Department's Homeless Outreach Team (HOT), which also received 25 new triage beds, and the Serial Inebriate Program team;
- Neil Good Day Center, a drop-in center with showers, laundry, mail, Internet and telephone access that served 6,779 homeless persons in FY2016; and
- Single Adult Interim Housing Bed Program, which was operated by St. Vincent de Paul Village, provided 350 beds and offered three meals daily, 24-hour security and services to 1,801 homeless persons in FY2016.



FY2016 HOMELESS SERVICES PROGRAMS

Shelter Operations

Projects:	5
Expenditures:	\$726,625 CDBG \$576,449 ESG \$2,039,065 General Fund \$2,001,683 Leveraged

Served: 3,526 Persons

Day Center

Project:	1
Expenditures:	\$541,250 CDBG \$185,288 Leveraged

Served: 6,779 Persons

Rapid Rehousing

Project:	1
Expenditures:	\$381,930 ESG \$65,436 Leveraged
Served:	199 Persons

FOCUS: Connections Housing San Diego

A recipient of CDBG and ESG funding, Connections Housing San Diego is a continuum of housing and services for homeless single adults, providing resources that homeless persons might need to rebuild their lives: short-term shelter (interim) beds, long-term supportive housing, a primary healthcare facility and a One-Stop Service Center where outside organizations can come onsite to offer services to clients. Services include individual assessments, work readiness programs and job interviews and recovery support. The interim bed program, which operates 24 hours a day and seven days a week, provides two meals daily, cleaned linens, access to laundry, personal hygiene kits, clothing and 24-hour security. Case management services are offered at a 20:1 ratio.

By the Numbers:

Connections Housing San Diego

532 single adults served by FY2016 interim bed program

51% of Connections Housing clients transitioned into longer-term housing

Finding Independence: One Family's Story

A mother with a part-time job and two young children was living with her father when he got evicted from their home. She had little money, no car and no place to go. Homeless, she and her children moved into a hotel. They turned to the City's Homeless Programs for help through the **YWCA Cortez Hill Family Center**.

The Cortez Hill Family Center, which receives CDBG and ESG funding, is a short-term, 45-unit shelter that provides homeless families (adults and children) with the support they need to move on to longer-term housing. The shelter operates 24 hours, seven days a week and provides two meals daily, as well as clean linens, laundry facilities, and 24-hour security. Case management and services are family-centered, providing parenting classes for adults, teen counseling group sessions, and children's play and socialization group sessions. All school-age children must attend school.

Cortez Hill served 172 families in FY2016. Of these, 58 percent moved on to a longer-term housing situation, including the mother in our success story.

Within a month, she and her family had an interim place to stay through rapid-rehousing services. She also landed a full-time job at a fast-food restaurant, which offered to train her as an assistant manager. With hard work, she earned a promotion and cobbled together enough money to buy a car and an affordable apartment. With help from the City and its Homeless Programs, this family has not only a home but hope again for independence.



Practicing Fair Housing

The City's Fair Housing Program continued its mission to promote equal housing opportunities for all residents. The City Council proclaimed April 2016 as "Fair Housing Month" in the City of San Diego. Also, nearly 100 housing providers attended that month's free Fair Housing Training for Housing Providers workshop that educated them on the latest new guidelines of the Fair Housing Act.

In 2016 the City also maintained its partnership with Legal Aid Society of San Diego, which provided community outreach, legal services, educational seminars, conflict resolution between tenants and housing providers, and counseling for residents and home seekers. The City is a member of the San Diego Regional Alliance for Fair Housing, the umbrella organization that works to "affirmatively further fair housing in San Diego County."



Fair Housing: One Father's Struggle

The landlord wanted to evict a father and his son with a mental-health disability. The landlord thought the boy was a nuisance for all the challenging behaviors associated with the disability. The landlord refused to accept the father's rent check and dodged the father's attempts to find solutions so they could stay in their home.

Recognizing a potential violation of the Fair Housing Act, which protects people with disabilities, among others, from discrimination in housing practices, the Legal Aid Society of San Diego got involved. The Legal Aid Society helped the landlord and the father agree to a conciliation memorandum of understanding, allowing the father and son to stay in their residence and requiring the landlord to be able to communicate concerns about the son's behavior before taking further steps with regard to their tenancy. The issue was resolved in favor of the father.

SUSTAINABILITY



By engaging the San Diego's innovative economy and talented workforce, the City and its Economic Development Department are committed to facing the challenges of the world's changing climate and its increasingly frequent heat waves, rising sea levels and flooding.

In 2016 the City adopted the **Climate Action Plan** to reduce its carbon footprint and ensure a clean, sustainable and thriving San Diego for future generations. The plan, which was unanimously approved by City Council on Dec. 15, 2015, aims to cut the City's carbon footprint in half by 2035.

In the 2016 Climate Action Plan Annual Report, the City reported it was ahead of schedule in the reduction in greenhouse gas emissions.

The Climate Action Plan is based on five strategies that will help us achieve the City's targets:



**Energy
and Water
Efficiency in
Buildings**



**Clean and
Renewable
Energy**



**Bicycle,
Walking,
Transit, and
Land Use**

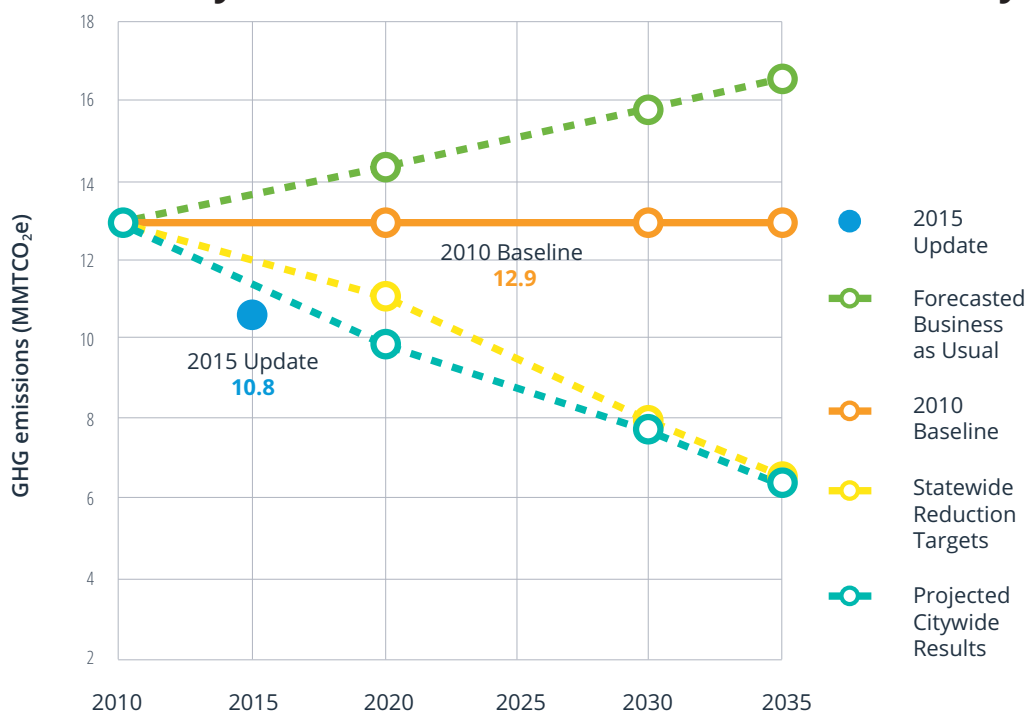


**Zero
Waste**



**Climate
Resilience**

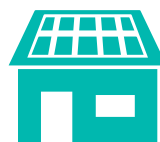
Community-Wide Greenhouse Gas Emission Inventory



The Economic Development Department joins in the City's implementation of the Climate Action Plan by finding opportunities that contribute to achieving the City's goals. Its Community Development Division oversaw the investment of Community Development Block Grant (CDBG) funds toward sustainable projects in low- to moderate-income communities.

Progress in Disadvantaged Communities

- More than \$450,000 of CDBG funds were invested to support the installation of photovoltaic solar systems for lower income households.
- \$236,285 of CDBG funds were allocated improvements to increase the safety and energy efficiency for San Diego's lower income homeowners.
- More than 335 improvements were completed, including smoke and carbon monoxide alarms, water efficiency improvements, water heater replacements and efficient lighting upgrades.



68 photovoltaic solar systems

were installed in homes owned by lower income residents

- **\$2,816,000** of CDBG funds invested in street improvements (e.g., new walkways/sidewalks, pedestrian countdown timers, traffic calming, curb ramps and traffic signal modifications) in the City's lower income communities
- Over **9,500** solar projects planned (based on permit applications)*
- **3.6** miles of cast iron water pipes replaced*
- **13.3** miles of sewer pipeline replaced or rehabilitated*

* Not funded by CDBG

TESTIMONIAL



Tony Dominguez, an 83-year old veteran and grandfather, and his family went solar this year. The new solar system is expected to save the Dominguez family over \$200 a month. "Getting to the cash register at the grocery store won't be as scary now. Truly, every little bit helps."

Tony Dominguez

San Diego homeowner

The Economic Development Department’s **Business Expansion, Attraction and Retention (BEAR) Division** worked to cultivate job growth in the Innovation economic base sector and help companies with initiatives that aligned with the City’s **Sustainability** goals. The BEAR Division assisted New Leaf Biofuel (Page 5) with permitting, due diligence and its application for a 2016 California Competes Tax Credit. BEAR also continued overseeing the installation of electric vehicle charging stations to expand the City’s EV charging infrastructure.

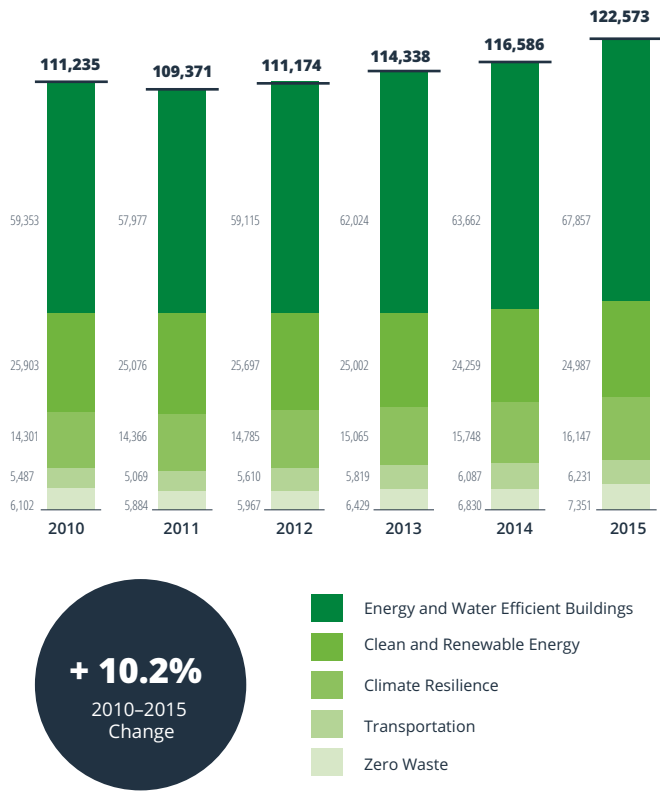
TESTIMONIAL



As a fast-growing company, Renovate America is competing for talent with cities like San Francisco and New York. San Diego’s Climate Action Plan demonstrates that our city is forward-thinking and solutions-oriented, and it demonstrates the need for our core mission — helping property owners afford energy and water savings systems. We have been able to attract a talented and innovative team. Our employees are excited to live in a community that is showing the world you can have a vibrant economy while protecting the environment.

Josh Brock
Renovate America

2010-2015 Jobs by Climate Action Plan Strategies

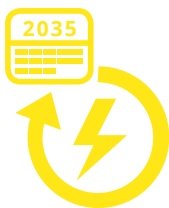


FOCUS: Electric Vehicle (EV) Charging Infrastructure

In 2014 the City was awarded a \$500,000 grant from the California Energy Commission to install 25 stations (36 ports) in nine locations. Each station features OpConnect Mark II Level 2 chargers in designated EV-only parking spots reserved for actively charging EVs for a maximum of four hours.

Installation of these charging stations continued throughout FY2016 at nine destination locations, such as parks and recreation centers, libraries and entertainment districts, in an effort to encourage the use of EVs by making charging more convenient. By December 2016, all 25 stations were installed, more than doubling the size of the City's EV charging infrastructure to 57 EV stations (69 ports) at 15 locations.

Why is San Diego a Smart City?



Committed to using 100% renewable electricity by 2035, one of the largest cities to set this goal



Home to 6 universities and over 80 research institutions

No. 3 in the clean tech industry among U.S. metro areas

No. 2 in the nation for solar installations

No. 5 in the nation's share of engineering degree recipients

No. 2 in the nation in patent intensity





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