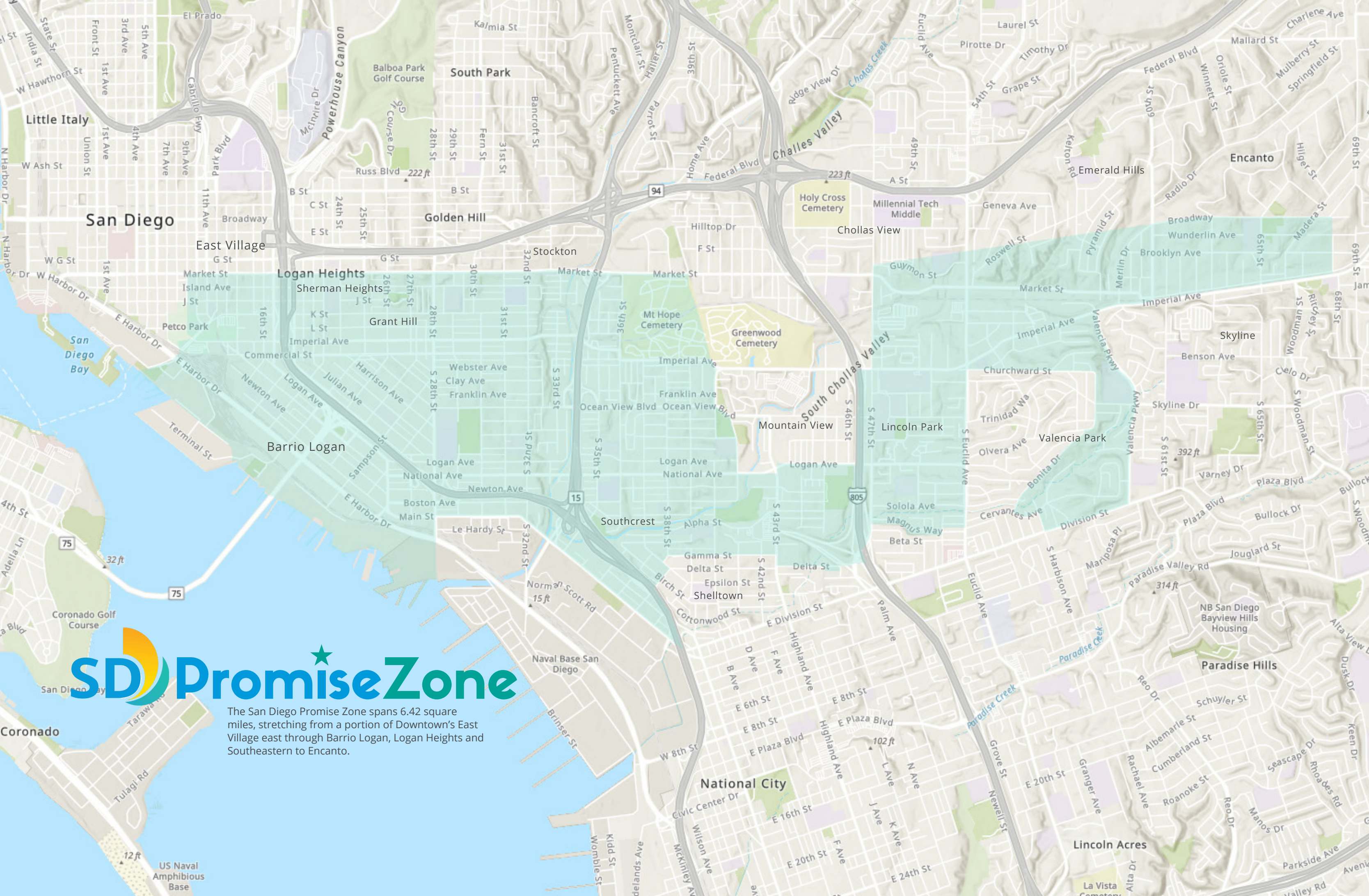


A group of children and adults are gathered outdoors, looking at a large bouquet of orange marigolds. In the background, there is a large, colorful mural on a wall. The scene is bright and sunny, suggesting a community event or festival.

The City of
SAN DIEGO
Economic Development Department

SD PromiseZone **2018**



SD PromiseZone

The San Diego Promise Zone spans 6.42 square miles, stretching from a portion of Downtown's East Village east through Barrio Logan, Logan Heights and Southeastern to Encanto.

SAN DIEGO PROMISE ZONE

On June 6, 2016, San Diego Promise Zone (SDPZ) became one of 22 federally designated Promise Zones in the United States and one of only four in California. SDPZ covers a 6.4-square-mile targeted area that spans Barrio Logan, Logan Heights, Encanto, Southeastern and parts of Downtown (East Village). It's home to some of City's most culturally rich and ethnically diverse neighborhoods but also some of the City's most disadvantaged and underserved communities.

Through this federal place-based initiative, the City's Economic Development Department unites federal government partners with local private- and public-sector organizations to streamline resources across agencies, deliver comprehensive support, accelerate SDPZ revitalization and improve the quality of life for more than 85,000 residents.

Much of the first two years of the SDPZ designation was devoted to doing outreach, discovering the community, identifying and engaging SDPZ Partner organizations and planning. Six goal areas have been identified to provide structure and align organizational capacity toward creating programs and activities that can yield impactful results. Partners join the SDPZ effort through participation in SDPZ Working Groups, each dedicated to a goal area.

FY2018 SDPZ Achievements

- **10-year Strategic Plan:** Under the direction of consultant **Harder+Company**, completed a plan to guide development in six goal areas through the life of SDPZ designation
- **Memorandum of Understanding:** Revised MOU signed by the founding 28 SDPZ Partners as more nonprofits, foundations and public and private organizations got involved (*See SDPZ Partner List on Page 39*)

** Continued on next page*



88,793 Residents
12.4% Unemployment
26.6% Poverty rate
40.1% Opportunity Youth unemployment

FY2018 SDPZ Achievements

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- **Promise Zone Bonus Point:** Established eligibility criteria for the **U.S. Department of Housing and Urban Development (HUD)** preference-point certificate, giving an SDPZ projects priority consideration on selected federal grant applications
- **\$9.6 million in Grants:** Awarded four grants totalling \$9,555,800 for job creation, a youth homelessness demonstration project and Fair Housing education
- **Opportunity Zones:** Secured a gubernatorial recommendation that all 19 SDPZ U.S. Census Tracts be certified as Opportunity Zones under a new federal tax bill
- **EnVision Center:** Supported the **San Diego Housing Commission's Achievement Academy** designation as one of the nation's 18 new EnVision Centers, a centralized location where low-income families can receive a spectrum of social services
- **SDPZ Bus Tour:** Organized a guided showcase tour of SDPZ investment potential with SDPZ staff, Civic San Diego and community leaders
- **Expedited permitting:** Won City Council approval to accelerate development within SDPZ
- **Communications:** Created and disseminated bimonthly e-newsletter with SDPZ news and funding opportunities
- **All-Partner Meetings:** More than 80 attendees representing more than 45 nonprofits attended each of the two meetings in FY2018
- **Educational workshops:** Presented training on federal grant searching, grantwriting, program design, data collection and evaluation, and collective impact to support capacity building of local nonprofits
- **Data collection:** Developed an infrastructure for data aggregation with HUD and the City
- **Community Perception Survey:** To solicit input from SDPZ residents, a 23-question survey designed by SDPZ Partners and a consultant. The survey was administered to the community by 120 undergraduate students from San Diego State University's School of Public Affairs. There were 437 respondents, providing data that will assist planning and implementation for SDPZ Working Group activities



San Diego Promise Zone Working Groups

SDPZ Partners collaborated for strategic planning, developed logic models, designated 33 demographic and community indicators for tracking, and designed program activities through regular meetings in six working groups areas. Economic Development Department Program Manager Katherine Crow serves as the Promise Zone Director. EDD Deputy Director Lydia Moreno is a co-chair of the Creating Jobs Working Group, and BEAR Division Program Manager Christina Bibler is a co-chair of the Increasing Economic Activities Working Group.

Implementing Partners

- Civic San Diego
- County of San Diego Health and Human Services
- Jacobs Center for Neighborhood Innovation
- San Diego Housing Commission
- San Diego Unified School District
- San Diego Workforce Partnership

SDPZ Partner Workshops for Warriors, located in Barrio Logan, is a nonprofit school that trains, certifies and helps place veterans into advanced manufacturing careers. Photo courtesy Workshops for Warriors

56 SDPZ Partners in FY2018
Partner engagement doubled since inception

Supporting Partners

- Able-Disabled Advocacy
- Access Youth Academy
- ACCION San Diego
- Barrio Logan College Institute
- Center for Community Health, UC San Diego
- Community Housing Works
- Diamond Educational Excellence Partnership (DEEP)
- Diamond Business Association
- Family Health Centers of San Diego
- Feeding San Diego
- GRID Alternatives
- Habitat for Humanity
- Harmonium
- Heartland Coalition
- Home Start
- I Am My Brother's Keeper
- International Rescue Committee
- Jackie Robinson YMCA
- Jewish Family Service
- Kitchens for Good
- Leah's Pantry
- Legal Aid Society of San Diego
- Local Initiatives Support Corporation (LISC)
- Logan Heights Community Development Corp.
- Meals on Wheels
- Metro Community Ministries

- Metropolitan Area Advisory Committee on Anti-Poverty (MAAC)
- National Conflict Resolution Center
- Neighborhood House
- Paving Great Futures
- Project New Village
- Reality Changers
- Regional Taskforce on the Homeless (RTFH)
- San Diego Community College District
- San Diego Food System Alliance
- San Diego Futures Foundation
- San Diego Police Department
- San Diego State University
- San Diego Youth Development Office
- San Ysidro Health Center
- Second Chance
- Small Business Development Center
- Social Advocates for Youth San Diego
- South Bay Community Services
- United Way of San Diego
- Urban Collaborative Project
- Urban Corps of San Diego County
- Urban League of San Diego County
- UrbanLife Ministries
- Workshops for Warriors (above)



Increasing Economic Activities



Improving Educational Opportunities



Increasing Access to Healthcare and Healthy Foods



Creating Jobs



Increasing Access to Affordable Housing



Creating a Priority for Safety



Photo courtesy Kitchens for Good

Community Development Division | Community Development Block Grant Program

The City of San Diego's Economic Development Department, through its **Community Development Division**, uses its **Community Development Block Grant (CDBG)** entitlement funds to support projects that benefit and serve San Diego's most vulnerable populations. These Public Services projects support health and safety, promote sustainability or provide employment training, such as through **Kitchens for Good's Project Launch** (above). Based in the San Diego Promise Zone, this social enterprise provides culinary training to those transforming their lives from addiction, incarceration, homelessness and unemployment.

Business Expansion Attraction and Retention Division | Economic Development Funding

The Economic Development Department's **Business Expansion Attraction and Retention (BEAR) Division** invests in programs and projects that promote San Diego as a business and leisure destination and that support local small businesses. San Diego Promise Zone-based organizations, such as **Logan Avenue Consortium** (right) and **ACCION San Diego** (lower right), have been Economic Development Funding Program recipients of **Small Business Enhancement Program (SBEP)** funds.

Logan Avenue Consortium promotes cultural events, artists and businesses along historic Logan Avenue in Barrio Logan. ACCION offers microlending (\$300 to \$75,000 financing) and entrepreneurial support primarily to low- and moderate-income business owners.



La Vuelta Car Cruise is a community lowrider series presented by the Logan Avenue Consortium.



Selene Soto Cortez launched El Folklor Mexicano and Angel Melgoza started Raw Power Sushi with ACCION's financial assistance and business training. Both businesses are in San Diego.

BEAR Division's Neighborhood Investment Unit | Storefront Improvement Program

Helping enhance the curb appeal of City businesses, the **Storefront Improvement Program (SIP)** assists business or property owners with their street-facing, street-level storefronts by offering free professional design services and financial rebates that partially cover construction costs.

To qualify, businesses must have a valid City of San Diego Business Tax Certificate, have 25 or fewer employees and have a street-facing, street-level storefront. Eligible construction costs include those for exterior improvements, such as awnings, doors, windows, lighting, signage, paint, stucco and tile.

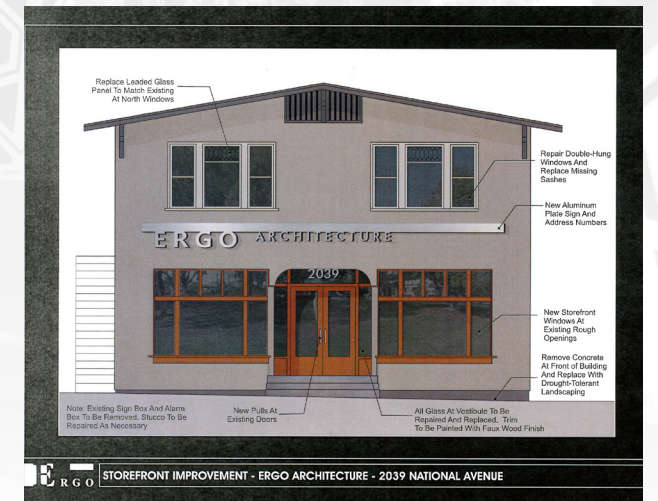
In late 2018, the **San Diego Promise Zone's Increasing Economic Activities Working Group** collaborated with the Neighborhood Investment Unit to offer a **30 percent bonus SIP** rebate for projects located in the Promise Zone.

Promise Zone Bonus for Storefront Improvement

Project Type	Percentage of Construction Costs Eligible for Rebate	Maximum Financial Rebate Available
Single-tenant property	65%	\$10,400
Multi-tenant property	65%	\$20,800
Historic renovation	86.7%	\$15,600

Sample Calculation: Business Project

$$\begin{array}{ccccc}
 \$10,000 & \times & 65\% & = & \$6,500 \\
 \text{Amount} & & \% \text{ Rebate in SDPZ*} & & \text{Amount you} \\
 \text{you spend} & & * \text{ Includes 30\% SDPZ bonus} & & \text{get back}
 \end{array}$$

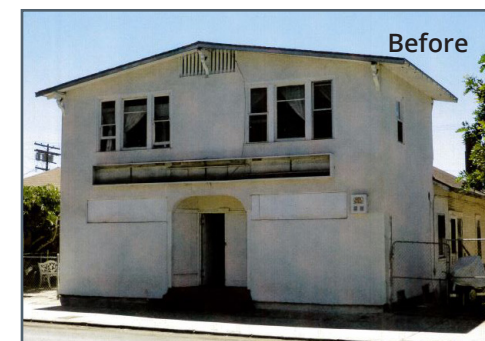


Located in Barrio Logan, Ergo Architecture is a Promise Zone-based business that began its SIP project in 2017.

Ergo Architecture | Barrio Logan

Total project cost: \$16,272

SIP rebate: \$8,000



Before

"Boarded-up doors and windows. Broken window panes. Lots of graffiti. If there were ever a building in need of the Storefront Improvement Program, this was it! The City let us move forward with improvements sooner than expected and all at once, making it gratifying to see our old building come back to life. Countless neighbors and passersby have stopped in to say 'Looks great.'"

— **Steve Mayman**
Principal, Ergo Architecture



After

With new lighting, paint, doors and windows and its distinctive signage, Ergo Architecture revitalized the building that became its offices in 2015, across from Chicano Park, on a long-neglected stretch of National Avenue. The community has embraced the changes.



“Urban Corps has given me a second chance.”
— Jesus Touchet

Student/Construction Pre-Apprentice
Urban Corps of San Diego County

Jesus Touchet learns ironworking through Urban Corps

A San Diego Promise Zone Partner in Action

Two years ago, Jesus Touchet made himself a promise. He was then a 19-year-old high school dropout, turned down from every decent job. A break up with his girlfriend left him without a home, scraping together what little cash he had for cheap motel stays and dollar-store dinners. His family—the one that adopted him as a foster child—had moved from San Diego to Utah, leaving him alone, jobless, homeless and, at times, even hopeless.

“I looked around at homeless people on the street and promised myself, ‘I’m never going to that let happen to me.’” But it already had.

Wanting to climb from that dark space, Jesus knew he needed to re-commit himself to the job training program at **Urban Corps of San Diego County**. He quit in 2016. “A mistake,” he knew. So, he returned to Urban Corps and pledged to complete the program that would help him finish high school and work part-time while learning construction skills. He had never fixed anything before. Until a year ago. That’s when he started construction on his life.

As part of the Urban Corps green-build effort, Jesus worked on residential rehabilitation projects that made homes in LMI neighborhoods more sustainable and water/energy-efficient. In FY2018, the City used \$116,293 in CDBG funds to make upgrades on 20 homes for its Smart Homes project.

Jesus Touchet, a Proposition 39 California Clean Energy Jobs pre-apprentice, remembers crawling beneath the Valencia Park home of Betty Adams.

** Continued on next page*



Touchet inspects pipes beneath a Smart Home
Photo courtesy Urban Corps of San Diego County

** Continued from previous page*

The home is in the **San Diego Promise Zone**, an underserved area that has become City’s focus in a federal place-based initiative. Her pipes rusted and clogged, “she hadn’t been able to use her shower in a year,” he recalled. “She was so grateful, so happy, when we fixed her plumbing and saw the water run.”

Through Urban Corps, Jesus got his high school diploma. He also got a paycheck, which he cashed right away, then counted and squirreled away. “I saved everything because I liked looking at the money add up,” he said. “Having money is freedom.”

Rising at 4:30 a.m., putting on his green Urban Corps uniform and rugged workboots, he walked in the dark morning to the transit station, took the trolley to Urban Corps in Mid-City. He scarfed down his breakfast—Urban Corps provides free breakfast and lunch—and headed to a job site where he learned to be an ironworker. They called this two-week program the “Gladiator” bootcamp. It was back-breaking, having him lift, carry, walk balance beams and wire-tie 200-plus pounds of rebar that became part of the concrete foundation of buildings.

“Every night I came home sore, with bruises on my shoulders,” Jesus said. “It’s a dangerous job, working iron. People die. The hard work makes me feel like I accomplished something.”

With the first \$2,000 he saved, Jesus bought himself a used Toyota Altima. Driving cut his commute in half. He also got a roommate and rented an apartment in La Mesa.

On the last day of the June 2018 bootcamp, Jesus remembers a shift when dozens of foremen from area construction companies had come to see the hard-hat talent at work.

“I did everything I could to not look up,” he remembered. “I just wanted to show that I was I fully concentrating on my work, staying focused, having good technique.”

Then Jesus felt a tap on his shoulder.

A foreman from **Pacific Steel Group** offered him a job, for twice his current pay, with healthcare, benefits, insurance and a union membership.

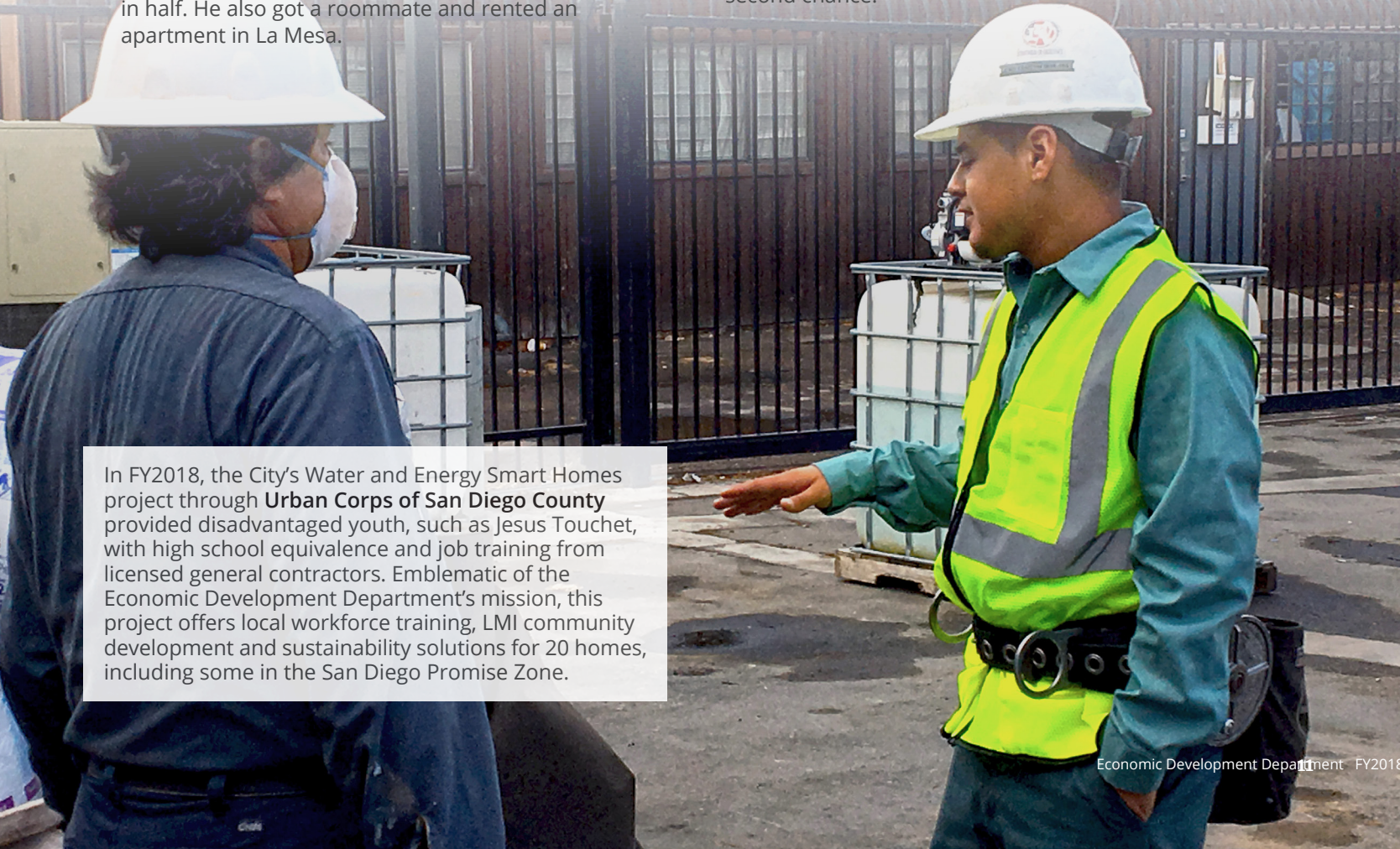
“It was the greatest feeling,” Jesus said, smiling, tear struck, recalling that emotional moment. “I practically choked getting out the words to say, ‘Yes sir. I would love to work.’”

So much about Jesus’s life has changed in a year. He has confidence. He has a car. He has an apartment. He has a career. He has a savings account for the home he wants to buy.

Jesus Touchet, 21, has a future.

Rubbing his hands together as if to start a gracious prayer, Jesus paused and looked to heavens.

“I don’t know where I’d be without Urban Corps,” he said. “They’ve become my family. They’ve given me a way to pull myself up. Urban Corps has given me a second chance.”



In FY2018, the City’s Water and Energy Smart Homes project through **Urban Corps of San Diego County** provided disadvantaged youth, such as Jesus Touchet, with high school equivalence and job training from licensed general contractors. Emblematic of the Economic Development Department’s mission, this project offers local workforce training, LMI community development and sustainability solutions for 20 homes, including some in the San Diego Promise Zone.



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