



MEMORANDUM OF UNDERSTANDING

between

The City of San Diego (“The City”) and the Jacobs Center for Neighborhood Innovation (“JCNI”), hereinafter referred to as the “Parties”,

WHEREAS, the Parties desire to establish a public and philanthropic partnership as a tool for cooperation to improve the infrastructure, community, and quality of life in the Encanto Community Plan Area (“Encanto”);

WHEREAS, the City’s is committed to neighborhood revitalization in Encanto, as part of the One San Diego vision, and JCNI is committed to improving the educational quality, workforce readiness, and quality of life in Southeastern San Diego’s Diamond Neighborhood;

WHEREAS, JCNI has, to date, invested approximately \$86.5 million to develop in the Market Creek Town Center, with the creation of Market Creek Plaza and the Joe and Vi Jacobs Center, building facilities for the Family Health Centers of San Diego and the Elementary Institute of Science, and investing in additional properties and programs. JCNI is currently working to develop a Neighborhood Innovation District within the bounds of the Market Creek Town Center, including 15 projects with an estimated development cost of \$270 million over ten years. Development may include retail, entertainment, rental and for-sale housing, educational facilities, parks, and other industrial or commercial uses;

WHEREAS, public-private collaboration will support organizations’ work in the community;

WHEREAS, the Parties intend to establish a pilot public and philanthropic partnership as an appropriate mechanism for cooperation,

The Parties have agreed as follows:

1) Objective:

This MOU’s objective is to cooperate within the framework of their respective organizations, missions, processes and/or regulations, with full use of the comparative advantages of the two Parties, to facilitate and expedite the development of land and infrastructure in Encanto, an area bordered by 47th Street to the west, Guymon Street to the North, 54th Street to the East, and Naranja Street to the South (hereinafter “Market Creek Town Center”).

2) Areas of Cooperation:

a. Development and Infrastructure

- i. Given the considerable cost of the proposed infrastructure improvements, the City will explore the potential for reimbursement of development fees in compliance with applicable City regulations and the San Diego Municipal Code, and as appropriate on a case-by-case basis. The City will also, if necessary, work with JCNI to ensure that it is paying not more than its fair share costs associated with traffic mitigation projects identified in the March 2009 Fifth Amendment to the Central Imperial Redevelopment Plan Final Environmental Impact Report (CIRP-EIR) that are triggered by development, given that certain mitigation projects are eliminated in the Encanto Community Plan Update. If the City staff determines that mitigation identified in the CIRP-EIR may either be infeasible or no longer necessary, it will work with JCNI to develop an appropriate process for amending the mitigation measures in JCNI’s permit conditions or the CIRP-EIR as legally appropriate.

- ii. The Parties will work together to address infrastructure needs and improve existing infrastructure within Market Creek Town Center, including projects noted in the 2013 Infrastructure Conditions and Infrastructure Adequacy Assessment: Market Creek Village Plan Area. Improvements may include grading and other surface improvements including sidewalk and curb improvements, streetlight relocations and installations, and signal modification, in addition to landscape and irrigation improvements, including the creation of several pocket parks. The Parties will utilize the recently awarded Caltrans ATP Grant and explore other grant and financing opportunities in order to facilitate these infrastructure projects.

b. Workforce and Economic Development

- i. The Parties will work together to incentivize investment, with the intent that investment dollars would ultimately create skilled workers, jobs, and a higher standard of living in Market Creek Town Center, with the recognition that career pathways in existing and emerging industry sectors for school-aged youth and disconnected young adults (18-29 year olds not in school nor the labor force) must be strengthened.
- ii. As part of this approach, the Parties will explore the creation of a business incentive fund and other economic development strategies to locate family supporting wage paying businesses to the neighborhood. The Parties will also explore ways to incentivize local individuals to pursue skills-based certification programs.
- iii. The City will leverage its existing tools and resources and partner with JCNI to create new ones to spur economic growth in Encanto and Southeast San Diego's Diamond Neighborhood.
- iv. The City will work with JCNI and the Local Workforce Investment Board, the San Diego Workforce Partnership, to allocate a portion of Federal Department of Labor formula funds, as appropriate, to qualified workforce service providers who offer services in Encanto. The Parties will work to bridge opportunities between public and nonprofit agencies and engage both large and small businesses to create more summer jobs programming and internship opportunities for youth and disconnected young adults, as part of the City's approach to crime reduction.

3) Coordination and Timely Processing:

The Parties will provide information in a timely manner. Each party designates a liaison to ensure open dialogue and timely processing of entitlement permits. The City designates the Mayor's policy advisor for real estate and land use, or his designee. JCNI designates its President & CEO, or his designee. The City will establish a coordination team with relevant department participation to facilitate communication between the City and JCNI.

4) Final Provisions:

- a. This MOU is effective from the date of signature and may be terminated upon written notice by either party at any time by its respective authorized officials, the Mayor of the City of San Diego and the President & CEO of the Jacobs Center for Neighborhood Innovation.
- b. The Parties agree to share and promote their respective knowledge and expertise and exchange relevant information to replicate this pilot with other entities, if proven to be an effective model.

By: _____
Kevin L. Faulconer
Mayor
City of San Diego

By: _____
Reginald Jones
President & CEO
Jacobs Center for Neighborhood
Innovation