

# 2016

## Quarterly Report

January – March



### **VISION:**

A catalyst for economic prosperity  
and community investment



ECONOMIC DEVELOPMENT  
DEPARTMENT MISSION:

To strengthen communities  
by establishing strategic  
partnerships that cultivate a  
sustainable, dynamic economy  
and create community  
development opportunities.

BUSINESS FINANCE LOAN SUCCESS STORY:

Kid Ventures

The City's **Business Finance Loan Program** provides “gap financing” assistance to owners of expanding small and medium enterprises unable to meet the terms of traditional banks. Loan funds can supplement private financing of new or rehabilitated buildings, fixed machinery and equipment, working capital, and soft costs. The “gap financing” program provides loans ranging from \$25,000 - \$500,000.

In January 2016, the owners of Kid Ventures, a boutique-style indoor family enrichment and creative center, opened the doors of their new location at Liberty Station relocating from Pacific Beach. Through the direct assistance of the City's **Business Finance Loan Program**, the owners of Kid Ventures secured a \$99,500 loan to support the hiring of additional staff and fund a valuable business expansion opportunity. In securing the City's loan for working capital, \$315,000 of private investment was leveraged to help Kid Ventures’ owners realize their dream of creating a beautiful new facility that sparks children’s imagination and enriches the lives of San Diego families. Approximately 10 new jobs will be created with this expansion of Kid Ventures.

Approximately 10 new jobs

WILL BE CREATED WITH THIS EXPANSION OF KID VENTURES

**Quote from Darren Solomon, Co-Founder and CEO of Kid Ventures:**  
“The City of San Diego’s Business Finance Loan Program helped us expand our operations and open up an exciting new location for Kid Ventures. The loan not only provided us with necessary funds to help get our new store up and running in a prime location, but also helped create new jobs and impact families throughout San Diego. We were very lucky to find out about this valuable loan program offered by the City.”

CALIFORNIA COMPETES TAX CREDIT PROGRAM:

A San Diego Success Story

The City of San Diego actively promotes and supports the **California Competes Tax Credit Program**, a statewide business incentive program that provides tax credits for businesses planning to move to California, or seeking to expand existing business operations in the state. This flexible tax credit program promotes job creation, and business attraction, retention, and expansion efforts in California. Targeted industry sectors include manufacturing, aerospace and defense, blue-tech, bio-tech, food & beverage, and innovation technology.

Since inception in 2014, the California Competes Tax Credit Program has awarded 93 businesses statewide with \$44.4 million in tax credits, representing \$1.24 billion in capital investment and the creation of 5,374 jobs. Locally, the California Competes Program has awarded \$11.5 million in tax credits to 14 San Diego businesses resulting in 2,209 new full-time jobs and a capital investment of \$464 million.

Awarded  
\$11.5 million  
IN TAX CREDITS TO  
14 San Diego  
businesses

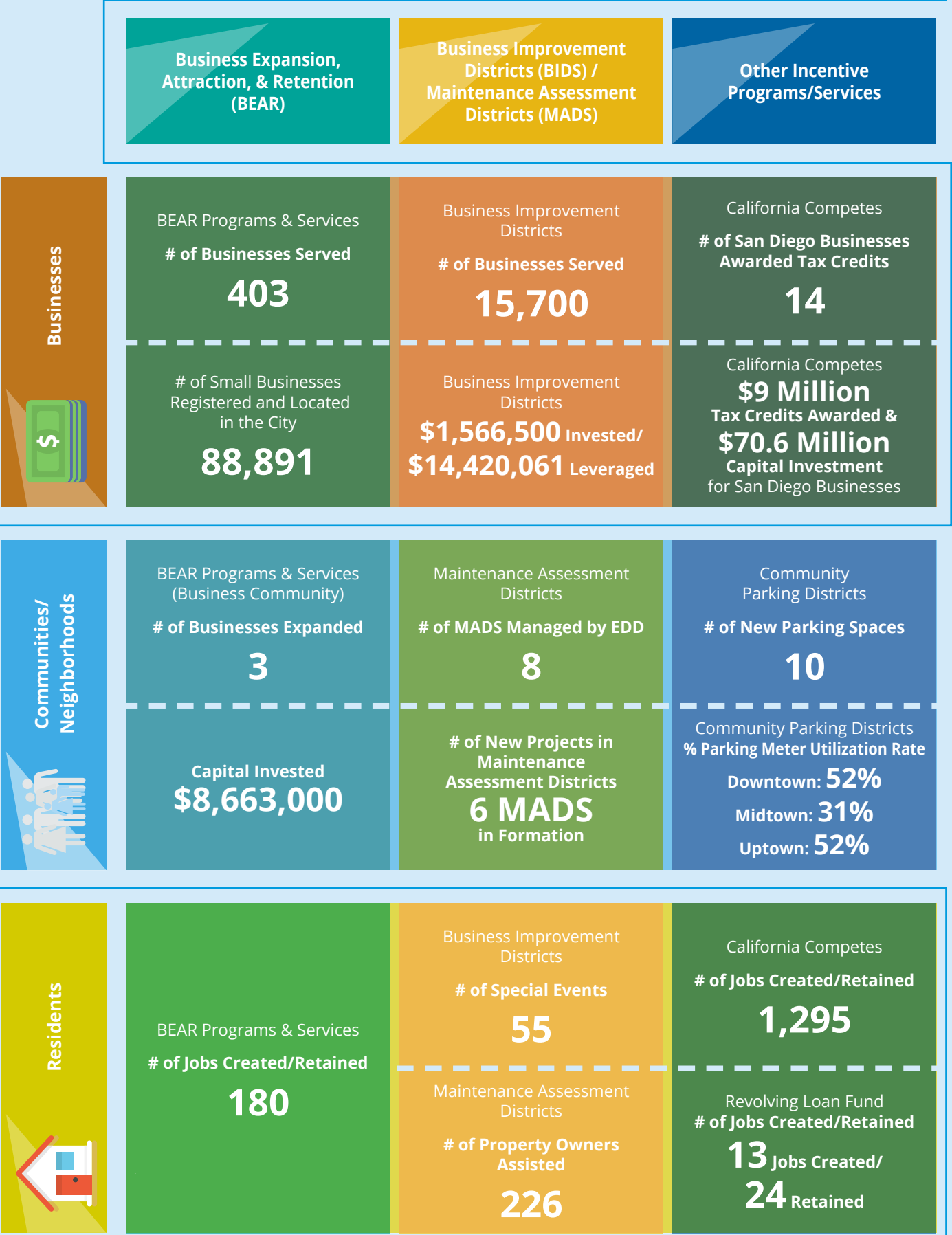
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San Diego is currently ranked #3 in the state for receiving tax credits for small businesses through the California Competes program.

**Quote from Jacob McKean, CEO/Founder, Modern Times Beer in Point Loma:** “Cal Competes helped us invest more in our rapidly growing California business.”

ECONOMIC DEVELOPMENT DEPARTMENT DASHBOARD: January - March 2016



## MAINTENANCE ASSESSMENT DISTRICT SUCCESS STORY: Barrio Logan



IN 2016, BARRIO LOGAN RECEIVED NATIONWIDE ATTENTION AS ONE OF **"10 Hidden Hotspots in San Diego"** in *USA Today*, AND ONE OF **"San Diego's Next Hot Food Neighborhoods"** in *San Diego Magazine*.



**What is a MAD?** The City's Economic Development Department manages eight Maintenance Assessment Districts (MAD) in partnership with non-profit associations. A MAD is a revitalization mechanism by which property owners within specified boundaries of the City can vote to assess themselves to receive services above-and-beyond what the City of San Diego normally provides. MAD funds can be used for services such as hardscape and landscape maintenance, litter removal, street light maintenance, graffiti removal, monument sign installation, and seasonal decorations.

Established in 2012, **Barrio Logan** is the City's most recently formed Maintenance Assessment District. In less than four years, the **Barrio Logan MAD** has become a model example of the commercial revitalization that is possible through the collaboration and support of a unified community. Since formation, Barrio Logan has become a vibrant neighborhood attracting a diverse array of businesses including restaurants, art galleries, coffee shops, breweries, and other emerging enterprises. The installation of Barrio Logan's monumental neighborhood sign in 2014 on Cesar E. Chavez Parkway was a defining moment in establishing the district and honoring the uniqueness of Barrio Logan's diverse community, culture, and character.

In 2016, Barrio Logan received nationwide attention as one of "10 Hidden Hotspots in San Diego" in *USA Today*, and one of "San Diego's Next Hot Food Neighborhoods" in *San Diego Magazine*. Zagat, a premiere ratings and review guide for dining establishments, also published a feature article on "7 Reasons Why Barrio Logan is San Diego's Next Hot Food Neighborhood." The establishment of a MAD created a catalyst for economic growth in the Barrio Logan community, and its success is attributed to the community's commitment to commercial and neighborhood revitalization. Barrio Logan now serves as a model Maintenance Assessment District in the City of San Diego.

### ECONOMIC DEVELOPMENT DEPARTMENT TACTICAL PLAN GOALS:

1. Encourage strategic investment in business and community.
2. Cultivate a globally competitive, sustainable, and resilient local economy.
3. Provide high quality public service.



#### City of San Diego Economic Development Department

*Serving businesses, serving communities, and strengthening the region's economy.*

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