

Annual Report

July 1, 2016 – June 30, 2017

2017



WELCOME

"Improving the quality of life for all San Diegans involves creating programs that integrate and balance the needs of our diverse neighborhoods, our innovative workplaces and our environment. We're proud that our Economic Development Department is changing lives for the better in sustainable and inclusive ways."

— Erik Caldwell, Director, Economic Development Department

WHAT WE DO

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

BUSINESS EXPANSION, ATTRACTION AND RETENTION

- Business assistance in key economic base sectors of Manufacturing & Logistics; Innovation Economy; and Trade, Tourism & Finance
- Neighborhood investment

COMMUNITY DEVELOPMENT

- Investment in programs that assist low- to moderate-income (LMI) communities, vulnerable populations, the homeless and the Promise Zone

SUSTAINABILITY

- Climate Action Plan programs and reporting



INSIDE

- 2 Awards
- 3 Economic Development Department Dashboard
- 4 Business Expansion, Attraction and Retention (BEAR) Division
- 10 Neighborhood Investment Unit
- 16 San Diego Promise Zone
- 17 Community Development Division
- 28 Sustainability Division
- 32 Smart City

AWARDS

FY2017 DEPARTMENT DISTINCTIONS

Naval Training Center (NTC)/Liberty Station is the public-private \$400 million redevelopment of 430 acres of the former NTC, which closed in 1997 under the federal Base Realignment and Closure Act. Celebrating San Diego's rich maritime heritage in a vibrant, mixed-use, pedestrian-friendly community, the NTC Reuse Plan has created a home for 2,500 San Diegans and 300 businesses employing more than 5,100 people and contributing more than \$13 million in tax revenue.

LIBERTY PUBLIC MARKET



INTERNATIONAL ECONOMIC DEVELOPMENT COUNCIL (IEDC)

*2017 Gold Excellence in Economic Development Award
Real Estate Development and Reuse*

Project: Naval Training Center (NTC)/Liberty Station



INTERNATIONAL ECONOMIC DEVELOPMENT COUNCIL

*2017 Gold Excellence in Economic Development Award
Partnership with Educational Institutions*

Project: The Nonprofit Academy (See Page 18)



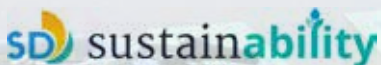
Stephen Maduli-Williams (right), Economic Development Department Community Development Division program manager, accepts the 2017 IEDC Gold Excellence Award for The Nonprofit Academy.



CALIFORNIA ASSOCIATION FOR LOCAL ECONOMIC DEVELOPMENT

2016 Award of Merit

Project: OpenCounter Online Business Portal



BLOOMBERG PHILANTHROPIES

*Cities4Action Award for Urban Sustainability
Finalist (Winners announced December 2017)*



BEACON SPOTLIGHT AWARDS

*Institute for Local Government
Platinum | Energy Savings
Gold | Agency Greenhouse Gas Reductions
Gold | Green Community Greenhouse Gas Reductions*



The 2017 Climate Action Plan Annual Report shows how the City of San Diego has made progress toward its goal to reduce greenhouse gas emissions by 50 percent by 2035.

FY2017 DASHBOARD

FY2017 ECONOMIC DEVELOPMENT DEPARTMENT

BUSINESS EXPANSION, ATTRACTION AND RETENTION

CITY OF SAN DIEGO BUSINESSES

93,857

Registered businesses

87,784

Small businesses

(fewer than 13 employees)

94%

34,513

Home-based businesses

37%

487,904

Employees at City of San Diego businesses

BUSINESS ASSISTANCE

2,920

Business assists

156

Events attended

881

Online business portal inquiries (Dec. 1 - June 30)

47 Assistance requests

1,761 Zoning searches



BUSINESS DISTRICTS

18

Business Improvement Districts

15,152

Businesses in BIDs

9

Maintenance Assessment Districts

3,959 MAD Parcels

2

Property and Business Improvement Districts

14,114 PBID Parcels

PARKING METER UTILIZATION

57% Downtown

52% Uptown

31% Mid City

Averages reported. Actual utilization varies by location with each district.

COMMUNITY DEVELOPMENT

ENTITLEMENT FUNDING

Community Development Block Grant (CDBG)

\$16,529,672 Expended

282,376 Families assisted

HOME Investment Partnerships Program

\$15,031,916 Expended

99 Families assisted

Housing Opportunities for Persons with AIDS/HIV (HOPWA)

\$2,746,894 Expended

378 Families assisted

Emergency Solutions Grant (ESG)

\$968,535 Expended

2,889 Families assisted

PROJECTS SUMMARY

3 Completed projects

1 Project in progress

Economic development

4 Completed projects

18 Projects in progress

Infrastructure

6 Completed projects

3 Projects in progress

Public services

1 Completed projects

6 Projects in progress

Community facilities

8 Completed projects

9 Projects in progress

Affordable Housing

14 Projects

Homelessness



15 Projects

Housing Opportunities for Persons With AIDS/HIV

SAN DIEGO PROMISE ZONE

77,241

Residents



CITY OF SAN DIEGO POPULATION

1,374,812

Residents

CLIMATE ACTION PLAN METRICS

19.3%

Reduction in Citywide Greenhouse Gas emissions

18%

Reduction in residential energy use

5%

Reduction in municipal energy use



13%

Reduction in per-capita water use

43%

Renewable energy on the grid

45

Hybrid vehicles in City fleet

66%

Total solid waste diverted

JOB CREATION

10.9%

Growth in sustainability-related jobs

ENHANCING SOCIAL EQUITY

\$746,516

CDBG funds invested in low-to moderate-income (LMI) communities

25

Electric vehicle charging stations installed at nine locations

** Sustainability data reported for Calendar Year 2017

BUSINESS DEVELOPMENT

BUSINESS EXPANSION, ATTRACTION AND RETENTION (BEAR)

Cultivating a diverse business climate, growing businesses, creating more jobs and helping entrepreneurs thrive are essential to our economic prosperity and the quality of life for all San Diegans. The **Business Expansion, Attraction and Retention (BEAR)** Division assists business owners to shepherd them from concept to expansion.

In FY2017, the division bolstered efforts to educate business owners and prospective entrepreneurs about valuable City programs and resources with new online tools available through sandiego.gov/economic-development.

FY2017 BEAR ESSENTIALS

2,920 Business assists

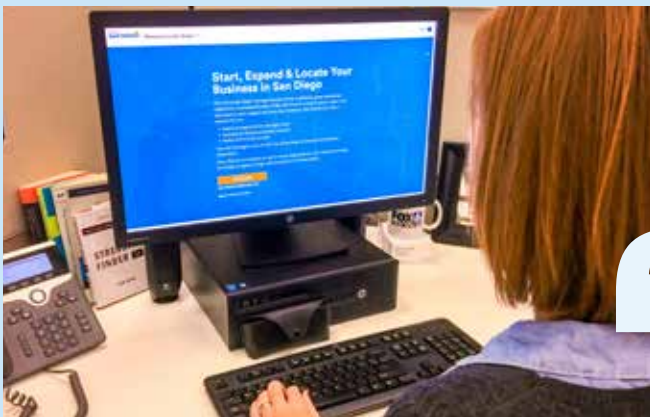
1,761 Zoning portal inquiries

881 Online business portal inquiries

414 Business walk surveys completed

156 Events attended

NEW TOOLS TO GROW BUSINESS



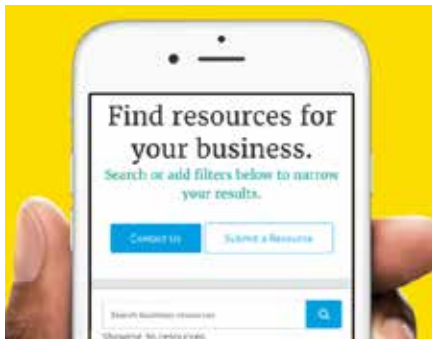
Online Business Portal

business.sandiego.gov

Streamlining the process of doing business in San Diego, this award-winning, intuitive portal, powered by **OpenCounter**, gives entrepreneurs 24/7 access to research business locations, necessary permits and fees. San Diego is the largest city to implement an OpenCounter portal.

"This is an all-inclusive, one-stop shop for our business owners. It's really cool tool. They can look up anything they need."

— Karina Velazquez, Program Manager
Diamond Business Association (BID)



Business Resource Matcher

www.sandiego.gov/business-resources

Developed with **Code for America**, this sortable clearinghouse unites top business resources in financing, mentoring, insurance, government contracting, consulting and networking.



Business Video Series

sandiego.gov/economic-development/about/videos

Learn why San Diego is an ideal place to do business from the entrepreneurs themselves.

Modern Times Beer (above), **iboss Cybersecurity**, **Underground Elephant** and **CyberTECH NEST** tell their success stories through their videos.



Startup Ecosystem Map

sandiego.gov/sdstartupecosystem

San Diego is where small businesses, each with that one great idea, work toward reaching commercial success. This interactive map showcases San Diego's robust ecosystem of incubators, accelerators and coworking spaces.

PARTNERING WITH THE CITY



WE'VE HELPED ...

Ajinomoto-Althea
AleSmith Brewing
Armstrong Garden Centers
Cobham Microelectronics
Coronado Brewing
Covance Market Access
Cubic
Cutwater Spirits
Dexcom
Eli Lilly and Company
Illumina
Meggitt
Northrup Grumman
NuVasive
Renovate America
Workshops for Warriors

The BEAR Division builds relationships, helping our many small businesses as well as San Diego's largest employers. Concierge services include technical assistance, due diligence, expedited permitting, policy/legislative advocacy, utilities coordination and application support for financial incentives, such as loans and tax credits, to shepherd their growth and success.

FOCUS: CALIFORNIA COMPETES

Administered by the California Governor's **Office of Business and Economic Development** (GO-Biz), this tax credit program incentivizes companies to stay and expand in California, promoting job creation and capital investment. The BEAR Division assists local companies with their applications. In FY2017, **Renovate America**, **Biolegend**, **Cutwater Spirits** (above), **GoFundMe**, **Psyonix** and **NuVasive** were among 33 companies in the City of San Diego that received Cal Competes tax credits totaling \$29.1 million, an average of \$883,182 per company.

Cal Competes	FY2016	FY2017
City of San Diego businesses awarded	33	33
Total tax credits awarded	\$20.8 million	\$29.1 million
Total capital invested	\$125.9 million	\$292.6 million
Return on investment in Cal Competes	\$1/\$6	\$1/\$10
Net increase in full-time employees	2,856 jobs	3,315 jobs

Cal Competes awardee: NUVASIVE

The Sorrento Valley medical device manufacturer revolutionizing spinal surgery was awarded a \$3 million Cal Competes tax credit in April 2017.

The BEAR Division initiated dialogue with NuVasive to ensure that its headquarters remain in San Diego and that its expansion plans become a reality. NuVasive is investing more than \$36 million in capital investment and creating an additional 250-plus jobs.



DEVELOPING BUSINESS

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 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.

Business Finance Loan Program

Small Business Micro Revolving Loans
\$25,000 to \$150,000

San Diego Regional Revolving Loans
\$150,000 to \$500,000



"When I realized that the banks wouldn't be able to provide all of the financing I needed to open Nomad's new location, a friend suggested I look into getting a gap loan from the City. From the beginning, the Economic Development Department has been easy to work with. They continued to help me navigate the permit process and have really become a partner in my success. I really do think of them as part of my team."

— Brad Keiller, Nomad Donuts

\$150,000 Small business loan
13 New full-time jobs

Rising Dough: Nomad Donuts LLC

Executive pastry chef Kristianna Zabala had lines out the door of the original Nomad Donuts (4504 30th St.) because of such gourmet deliciousness as Blackberry Jam Basil Goat Cheese, Jalapeno Passion Fruit and Coffee Maple Bacon donuts.

Nomad needed to go big.

But the banks couldn't help. So owner Brad Keiller used a \$150,000 loan from the Small Business Micro Revolving Loan Fund to relocate and build out a larger facility at 3102 University Ave. in North Park.

The loan, with a five-year term at 8 percent interest, retained all of Nomad's operations, including eight jobs, within the City. The loan also helped Nomad add 13 new full-time jobs and an expanded menu of bagels and whatever handcrafted yumminess Chef Zabala has in the oven. CityBeat named Nomad Donuts the 2017 Best Donut Shop in San Diego.

Guaranteed Water for Industry Program

The City's Economic Development Department can certify that manufacturing and research and development (R&D) firms receive an uninterrupted supply of water during Drought Response Level 1 and 2 water conservation measures. Firms must demonstrate "Best Management Practices for Portable Water Conservation" in facilities and use reclaimed water in their manufacturing, landscaping and other functions. Companies also benefit from discounted monthly rates for reclaimed water usage (\$1.73/HCF).

In FY2017, global pharmaceutical giant **Eli Lilly and Company**, which completed a \$90 million, 180,000-square-foot expansion of its biotechnology R&D center in La Jolla in FY2017, uses cooling towers, autoclaves, recycled water for landscaping and low-flow faucets, showerheads and toilets. **Covance Market Access**, **Celgene Corp.**, and the **UCSD Health Systems** also received certifications.



EDD Business Development Specialist Divian Contreras presents an Eli Lilly representative with its certification.



The BeachHead raises venture capital

San Diego's innovation economy accounts for more than \$55 billion, or 25 percent of the San Diego region's \$220 billion gross domestic product. In 2016, the sector welcomed 477 new startups. San Diego-based companies drew \$1.5 billion in venture capital—just 5 percent of the VC raised in Silicon Valley. So the City's Economic Development Department decided to go north for funding.

Partnering with **San Diego Venture Group**, the City invested about \$30,000 to launch its first satellite VC office for startups—**The BeachHead at WeWork San Francisco**—in December 2016. The 2016 cohort of 36 San Diego-based startups was showcased to more than 40 Silicon Valley and 25 Los Angeles venture capitalists, including **Andreessen Horowitz**, **Accel Partners** and **Sequoia Capital**. Twelve startups (right) raised Series A funding.

FY2017 FUNDING SUCCESS

Approved	\$1M
AristaMD	\$11M
AttackIQ	\$8.5M
Cordial.io	\$6M
Cloudbeds	\$9M
eSUB	\$5M
Forge Therapeutics	\$15M
Portfolium	\$5M
ScoreStream	\$1M
SOCi	\$8M
StemoniX	\$11M
Wrapify	\$3M

New life for former Enterprise Zone funds

In December 2016, City Council unanimously approved the reprogramming of \$2.5 million remaining from the former San Diego Regional Enterprise Zone program to encourage business development, provide job training and improve urban spaces. The funding supports eight economic, workforce development programs or initiatives:

- CONNECT2Careers program
- Business Resource Matcher online resource
- Fee Payment Incentive
- Placemaking Revolving Loan Fund
- Urban Spaces Activation Grants
- Revolving Loan Fund Study
- Capacity-Building Grants
- Water and Sewer Capacity Bank

ECONOMIC DEVELOPMENT GRANTS

The City supports programs and projects fostering base-sector economic development, promoting San Diego as a tourist destination and supporting local small businesses. In FY2017, BEAR awarded 39 local nonprofits about \$1.25 million in funding.

Awardee **Otay Mesa Chamber of Commerce** (\$56,908) presents MexPort (right), the Cali-Baja Binational Megaregion's premier annual cross-border industrial expo promoting trade, manufacturer, freight forwarding or logistics, facilities, customs brokers and related business opportunities and services.

Other notable recipients were **ACCION San Diego** and incubators **EvoNexus**, **CyberHive San Diego** and **Hera Labs**.

39 Grants in FY2017
\$1.25 million awarded



MexPort, which is presented in April by the Otay Mesa Chamber of Commerce, typically draws more than 180 exhibitors.

Economic Development Funding	Number of Grants	Total
Economic Development and Tourism Support (EDTS)	14	\$700,000
Citywide Economic Development Support (TOT)	7	\$300,000
Small Business Enhancement Program (SBEP) Citywide	5	\$119,919
Small Business Enhancement Program Microdistricts	13	\$129,470
TOTAL	39	\$1,249,389



Thinking Blue: The Maritime Alliance

The Maritime Alliance (TMA), a nonprofit industry association that received FY2017 economic development funding (\$95,000), works to keep San Diego home to the nation's largest BlueTech cluster and the world's leading ocean and water technology companies. TMA targets and attracts domestic and foreign BlueTech companies to San Diego, presents the annual **BlueTech & Blue Economy Summit and Tech Expo** and is developing a **BlueTech Incubator**, which will open in FY2018 in La Jolla.

Propeling forward: \$1.6M OEA Grant

In FY2017, the City was awarded a \$1.6 million grant from the Department of Defense's **Office of Economic Adjustment** to support the Propel initiative that strengthens the resilience of the local defense supply chain. The Economic Development Department partnered with **San Diego Regional Economic Development Corporation**, **County of San Diego**, **SDMAC**, **East County Economic Development Council** and **South County Economic Development Council** to form Propel San Diego (sandiego.gov/propel-sd). Military accounts for \$45 billion and 1 in 5 jobs in the San Diego regional economy.



GLOBAL BUSINESS

FTZ No. 153 Annual Fee Schedule

Warehouse Operator	\$7,200*
Subzone Operator	\$10,000

**Reduced fee effective July 1, 2017*

Foreign-Trade Zones Program

Administered by the **U.S. Department of Commerce**, Foreign-Trade Zones (FTZs) keep U.S. businesses competitive with those operating offshore and overseas. An FTZ allows a company to defer, reduce or eliminate customs duties on foreign products admitted into U.S.-based facilities (FTZ sites) for warehousing, exhibition, assembly, manufacturing or other processing.

The City of San Diego is the grantee of San Diego Region FTZ No. 153, which covers all 18 cities in San Diego County and an adjacent portion of southwest Riverside County. FTZ No. 153 also includes Subzones 153D (**Callaway Golf Company**) and 153E (**National Steel and Shipbuilding Company (NASSCO)**). In FY2017, FTZ 153 decreased its warehouse operator fee from \$10,000 to \$7,200 to be more competitive with other FTZs along the West Coast.

SAN DIEGO REGION FTZ No. 153 2016 PERFORMANCE INDICATORS

87 Business clients

11 FTZ operators

(2 Subzones, 9 Warehouses)

407.8 Acres of FTZ space

3,689 Direct jobs

\$219.9M Merchandise received

\$407.4M Merchandise forwarded

General Dynamics-National Steel and Shipbuilding Company (NASSCO), based in Barrio Logan, operates FTZ Subzone 153E, which had \$100 million to \$250 million in merchandise received and \$75 million to \$100 million in total shipments in 2014.

PARTNERING ABROAD: PACA MOU



The Economic Development Department helped facilitate the signing of a Memorandum of Understanding with **Provence-Alpes-Côte D'Azur (PACA)** to encourage the exchange of ideas between the two economically similar regions. Both have core industries in innovation, biotech, cleantech, military and maritime.

Mayor Kevin L. Faulconer and PACA regional council vice president Bernard Deflesselles signed the MOU on Feb. 15 at the Central Library.

NEIGHBORHOODS

Business Improvement Districts

The City's Business Improvement Districts (BIDs) strengthen small business communities by creating jobs, attracting new businesses, marketing events and revitalizing older commercial neighborhoods. Business owners within each City-designated geographic BID boundaries are assessed annually to fund activities and improvements that directly promote the business district.

The City partners with merchants associations that represent the assessed business owners to implement the BID program. The City has 18 BIDs, making San Diego's BID program the state's largest tenant-based program. In addition to business assistance services, BID associations coordinate such popular City events as the **Adams Avenue Street Fair** (below), Gaslamp's **Mardi Gras** and Hillcrest's **CityFest**, which draw thousands of attendees from around the region.

FY2017 BID REVENUE SUMMARY

18 Active BIDs

15,152 Businesses in BIDs

\$1.57M Assessments collected

\$14.4M BID revenue generate

\$1/\$9.21 Return on Investment

ACTIVE BIDS

Adams Avenue
City Heights
College Area
Diamond
Downtown
El Cajon Blvd. Central
El Cajon Blvd. Gateway
East Village
Gaslamp Quarter

Hillcrest
La Jolla
Little Italy
Mission Hills
North Park
Ocean Beach
Old Town
Pacific Beach
San Ysidro



Photo by Michael Klayman

Business Walks

Staying in touch with local businesses is critical to helping them thrive. In FY2017, the Economic Development Department's Neighborhood Investment Unit partnered with BID associations of College Area, Hillcrest, El Cajon Boulevard Gateway and El Cajon Boulevard Central to canvas their districts for business walks. Each business walk had dozens of volunteers, including representatives from EDD, the BID associations, council offices and other City staff. They walked storefront-to-storefront, visiting businesses, speaking with owners and surveying them about their concerns and improvement suggestions. Volunteers also distributed customized materials about City programs and contact information for follow up.

The FY2017 walks collected 414 surveys, a 25 percent response rate from BID-zone businesses visited. Survey results revealed that the top challenge facing business owners has been the City's rising homeless population camped out, loitering or panhandling near storefronts. Parking accessibility and area maintenance (trash, graffiti and landscape) continue to be issues.

Business Walk	Date	Volunteers	Business Visited	Surveys Completed
College Area	Oct. 6, 2016	22	380	148
Hillcrest	Feb. 16, 2017	30	742	130
El Cajon Boulevard Gateway and Central	April 26, 2017	31	532	136
	TOTAL	83	1,654	414

FY2017 Business Walk Highlights



EDD staff join the volunteers on the College Area Business Walk



EDD staff Daichi Pantaleon (left) and Tammy Williams (center) on the Hillcrest Business Walk



EDD staff Tina Hines (left) and Elizabeth Studebaker preparing for El Cajon Blvd. Walk

Start and Grow Your Small Business

See what the City of San Diego's Economic Development Department can do for you

Online Business Portal
Check out our award-winning portal to find potential locations for your business, learn about necessary permits, make targeted improvements and access the Business Resource Matcher for loans, grants and services.
business.sandiego.gov
619-236-6700

The City of SAN DIEGO Rack it up!
The City of San Diego Bicycle Program initially bicycle racks for free in the public right-of-way to encourage bicycling as a mode of transportation to shops, show or get to your place of business.
Traffic Ops
t.affonso@sandiego.gov
www.sandiego.gov/bicyclistprogram

Storefront Improvement
Businesses with 25 or fewer employees, a valid business tax certificate and a street-facing storefront can apply for free design assistance and incentives ranging from \$8,000 to \$15,000.
Storefront Improvement Program
www.sandiego.gov/storefront

Economic Development
www.sandiego.gov/economic-development | 619-236-6700

Find resources for your business.
Browse our online database to access local resources.
Business Resource Matcher
Find out about various business programs, loans, tax credits, marketing consulting, training and other services to start or grow your business.
www.sandiego.gov/business-resources
619-236-6700

Get up to \$500K in gap financing
Do you own a small or medium-sized business, want to expand, need capital but can't meet the terms of a traditional bank? Apply for the City of San Diego's Business Finance Loan Program.
Small Business Micro Revolving Loan
\$25,000-150,000
San Diego Regional Revolving Loan
\$150,000-500,000

Business Finance Loan Program
Rosa Elena Santiago
rosa@san.sandiego.gov
www.sandiego.gov/economic-development/business/financing
619-236-6700
Newest District (Silver and Gold) members only! Both received loans through the Business Finance Loan Program to expand their businesses in the City of San Diego.

EDD created this postcard-sized leave-behind card (front and back) for business walks. The card contains valuable about the OpenCounter Online Business Portal, the Business Resource Matcher, Storefront Improvement Program and the Business Finance Loan Program.

Property and Business Improvement District

A Property and Business Improvement District (PBID) is a tool available to property and business owners to improve a downtown or other commercial area. The City has two PBIDs: Downtown and North Park.

In FY2017, North Park PBID was approved for formation, with assessments to begin in FY2018. The purpose of the North Park PBID is to provide improvements, maintenance and activities that will be a special benefit to assessed parcels. The PBID will provide sanitation, landscaping, improvements and economic development services directly and only to assessed parcels within its boundaries along University Avenue (Arizona to 32nd streets) and along 30th Street (Polk Avenue to Upas Street). In the Downtown PBID, similar activities occur, including the Clean & Safe program.

North Park PBID was formed in FY2017.

Maintenance Assessment Districts

Property owners can vote to assess themselves to form a Maintenance Assessment District (MAD) that will fund special services and activities—beyond the City's general scope—to improve commerce, desirability and beauty of the district. Services can include the enhancement and/or maintenance of landscaping, lighting and sidewalks; trash collection; graffiti removal; and more frequent cleaning.

The Economic Development Department administers nine self-managed MADs, whose day-to-day operations are run by nonprofit owners associations. With MAD formation seen as a beautification mechanism for the enhanced level of services, the La Jolla MAD was formed in FY2017.

ACTIVE MADs

Adams Avenue
Barrio Logan
Central Commercial
City Heights
College Area
Hillcrest Commercial Core
La Jolla*
Little Italy
Newport Avenue

**new MAD formed or established in FY2017*

PLANNING STAGES

Bankers Hill
East Hillcrest
Otay Mesa



Chicano Park, located in the Barrio Logan MAD, helped Barrio Logan gain designation as one of 14 California Cultural Districts by the California Arts Council in 2017.



In September 2016, then-City Councilmember Todd Gloria and EDD staff announced conversion of Fifth Avenue between Broadway and Harbor Drive into a 3-minute passenger loading zone on Fridays and Saturdays from 8 p.m. to 3 a.m. to ease traffic and enhance pedestrian safety.

Parking Initiative and Improvements

The Economic Development Department is the City's liaison with Community Parking Districts (CPDs) and works to optimize parking accessibility and parking-meter turnover and utilization.

- **Angled parking:** Updated the Municipal Code requirements in June 2017 for angled parking conversions to streamline the process and reduce the need for City Council action. Changes allow for transparent communications with residents, business/property owners and their representative community groups.
- **Meter utilization:** Collaborated with CPDs and the Office of the City Treasurer to modify rates, duration, stay limits and hours of operation at parking meters to increase utilization rates.
- **Loading zone on Fifth Avenue:** Worked with the **Gaslamp Quarter Association** (BID), the **Downtown CPD** and **Civic San Diego** to get unanimous City Council approval to convert a segment Fifth Avenue between Broadway and Harbor Drive into a 3-minute passenger loading zone on Fridays and Saturdays from 8 p.m. to 3 a.m. The change, which became effective Sept. 2, 2016, eased vehicle congestion. It improved traffic and pedestrian safety in the popular entertainment and nightlife district.

FOCUS: CORTEZ HILL



The City's Economic Development Department learned from Cortez Hill residents and observed that the parking meters along Eighth Avenue were only being used about 30 to 50 percent of the time. By increasing the meter time of operation to nine hours and lowering the rate to 50 cents an hour, the City increased utilization to nearly 100 percent Cortez Hill in FY2017.

STOREFRONT IMPROVEMENT

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

A business with a valid business tax certificate and 25 or fewer employees is eligible to apply for financial rebates as high as \$8,000 for a single-tenant property or \$16,000 for a multiple-tenant property.

The Economic Development Department updated Storefront Improvement Program Council Policy 900-17 in FY2016, permitting small businesses with 25 or fewer employees — rather than only businesses with 12 or fewer employees — to be eligible in FY2017.

Thirty-seven businesses took advantage of the program in FY2017, marking an 85 percent increase in business participation and a 21 percent increase in rebates from FY2016. The program, which was founded in 1986, also celebrated receiving its 1,000th application in FY2017.

FY2017 SIP PERFORMANCE

37 Projects completed

\$246,976 SIP incentives paid

\$747,825 Total project costs

\$1/\$3 Return on City investment

Project Type	Maximum Percentage of Eligible Total Project Costs	Maximum Financial Rebate Available
Single property	50%	\$8,000
Historic renovation	66.7%	\$12,000
Multiple-tenant property	50%	\$16,000

FY2017 Highlights

Wheat & Water, La Jolla

Total project cost: \$54,108

SIP rebate: \$11,479

The cozy neighborhood eatery and hangout for wood-fired pizzas, shared plates, charcuteries, craft brews and cocktails got the exterior to match its modern vibe. Improvements included new doors, windows, landscaping, a sidewalk patio, stucco walls, paint, tile and signage.



Before



After



After

Hanna's Gourmet, Adams Avenue

Total project cost: \$15,323

SIP rebate: \$7,662

An upscale look with a new awning, landscaping, paint scheme, sidewalk patio and signage complement this restaurant's sophisticated, internationally inspired menu.



Before



After

The Sanctuary Wellness Experience, Ocean Beach

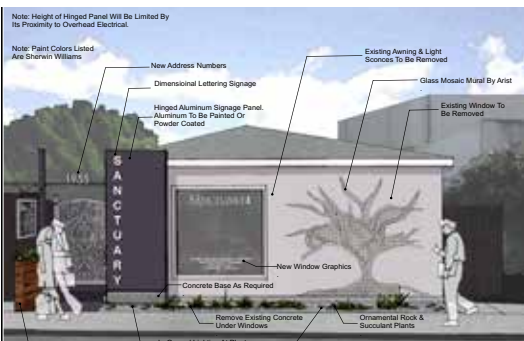
Total project cost: \$15,124

SIP rebate: \$7,562

Sleek signage, sustainable landscaping, lighting, minimalist paint scheme and a façade mosaic with tile branches for "love," "kindness," "gentleness," "faith" and "joy" welcome patrons to this spa and holistic wellness center.



Before



After

"Many customers come in because they are drawn to the welcoming nature of the mosaic tree out front. One customer said she was driving down the street, saw the tree and had to turn around and come back just to see it up close. Just wanted to say 'Thank you' for all of your assistance and patience in helping get the storefront of The Sanctuary improved. It has helped business tremendously, and the community is very grateful for the new artwork."

— Tracy Duhs, Wellness Designer at The Sanctuary

SAN DIEGO PROMISE ZONE

On June 2, 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 parts of Downtown, Barrio Logan, Logan Heights, Encanto and Southeastern. It's home to the City's most disadvantaged and underserved communities. Through the national Promise Zone initiative, federal government partners work with the City and local leaders to streamline resources across agencies, deliver comprehensive support, accelerate SDPZ revitalization and improve the quality of life for residents.



77,241 Residents
15.6% Unemployment
39.6% Poverty rate
40.1% Opportunity youth unemployment

PROMISE ZONE WORKING GROUPS

- Creating Jobs
- Creating a Priority of Safety
- Improving Educational Opportunities
- Increasing Economic Activities
- Increasing Access to Affordable Housing
- Increasing Access to Healthcare and Healthy Foods

Economic Development Department program manager Katherine Crow serves as the Promise Zone director. EDD Deputy Director Lydia Moreno co-chairs the Creating Jobs Working Group, and BEAR Division program manager Christina Bibler chairs the Increasing Economic Activities Working Group. Working groups meet monthly.



Increasing Economic Activities Working Group

KEY PARTNERS

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

SUPPORTING PARTNERS

- BAME CDC (Bethel Memorial African Methodist Episcopal Community Development Corp.)
- Barrio Logan College Institute
- Family Health Centers of San Diego
- Home Start
- International Rescue Committee
- Jackie Robinson YMCA
- Kitchens for Good
- LISC (Local Initiatives Support Corporation)
- MAAC (Metropolitan Area Advisory Council)
- Project New Village
- Reality Changers
- SANDAG (San Diego Regional Association of Governments)
- San Diego Futures Foundation
- San Diego Grantmakers
- San Diego Youth Development Office
- San Ysidro Health Center
- SAY (Social Advocates for Youth) San Diego
- Second Chance
- University of California at San Diego
- Urban Collaborative Project
- Urban Corps of San Diego

COMMUNITY DEVELOPMENT

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

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

The six Consolidated Plan goals—job readiness and economic development programs; public infrastructure needs; affordable housing; homelessness; vulnerable populations; and HIV/AIDS housing, health, and support services—served as the basis for prioritizing project funding. Activities targeted LMI areas, which are largely clustered in Council Districts 3, 4, 7, 8 and 9 and in the Community Planning Areas of City Heights, Barrio Logan, Southeastern, Encanto, San Ysidro and Linda Vista.

Community Economic Development Projects

Completed projects supported **ACCION San Diego**, the microlending program provides loans and business education to LMI entrepreneurs; **Access**, which assists immigrant and young-adult entrepreneurs with microenterprise development; and **Horn of Africa**, which trains immigrant women to become state-certified home childcare providers.

FY2017 ECONOMIC DEVELOPMENT

3 Completed projects

1 Project in progress

\$397,279 FY2017 CDBG Expenditures

\$2,774,264 Leveraged

103 Businesses served*

156 Business clients served*

**At completed projects*

FOCUS: LOW-INCOME ENTREPRENEURSHIP ASSISTANCE PROJECT | CITY HEIGHTS

International Rescue Committee (IRC) helps refugees, victims of human trafficking, survivors of torture, and other immigrants find safety, freedom and a future in America. The IRC Low-Income Entrepreneurship Assistance Project (LEAP) provides individualized technical assistance and counseling to City Heights residents and refugees/immigrants to guide business growth from concept to expansion. *Project reporting will be closed out in FY2018.*

\$172,808 Leveraged

\$87,812 FY2017 CDBG

\$260,620 Total funding

Serving 82 LMI clients



THE NONPROFIT ACADEMY

IEDC 2017 GOLD EXCELLENCE IN ECONOMIC AWARD WINNER



The City of San Diego awards millions of dollars in grants annually to nonprofits serving San Diegans. To increase the quality, quantity and diversity of services of nonprofits applying for City service contracts funded by the Community Development Block Grant program and other Economic Development grants, the City's Economic Development Department partnered with **The Nonprofit Institute at University of San Diego (USD)** to create and offer The Nonprofit Academy (NPA).

The City uses \$55,000 in CDBG administrative funds for each NPA, which averages 150 attendees representing 100 nonprofits. In post-NPA surveys, 75 percent of respondents indicated a better understanding of City funding opportunities, and 70 percent had taken steps to implement new practices. Qualified CDBG applicants increased 33 percent from FY2017 to FY2018. Of 33 nonprofits awarded FY2018 grants, 14 were NPA participants.



The first two NPAs were held on Aug. 9-10, 2016 and March 7-8, 2017, both at USD. The free, two-day workshop is designed to strengthen the effective

management and organizational capacity of local nonprofits that provide (or intend to provide) essential services to residents. NPA offers core courses and electives taught by Economic Development Department staff and leading nonprofit education and research experts. USD's **School of Leadership and Education Sciences (SOLES)**, which offers a master's degree in nonprofit management, also provides instructors.

The San Diego region is home to more than 10,000 registered 501(c)3 registered nonprofits.

CORE COURSES

Program Design and Development
Organizational Leadership and Governance
Budgeting and Finance
Evaluation and Impact
Developing Strategy

SAMPLE ELECTIVE COURSES

Social Innovation and Human Centered Design
Nonprofit Governance and Contract Compliance
Financial Basics
Volunteerism
Partnering With the City



NPA won a 2017 Gold Excellence in Economic Development Award Partnership with Educational Institutions category from the **International Economic Development Council (IEDC)**.

75% Gained a better understanding of City funding opportunities (post-NPA)
70% Took steps to implement new practices
42% of FY2018 CDBG recipients had attended The Nonprofit Academy



The Legler Benbough Teen IDEA Lab at the Valencia Park/Malcolm X Library held its grand opening on Jan. 27, 2017, welcoming the youth of the Diamond neighborhood, an LMI community, through its doors.

City Neighborhood Infrastructure Projects

The City works to strengthen neighborhoods by investing in its critical public infrastructure needs. Projects include the improvements at **Weingart Library** in City Heights (completed); the ongoing ADA upgrades at **Colina Del Sol** in City Heights and **Larsen Field** in San Ysidro; and the addition of traffic signals/ pedestrian timers, sidewalks and traffic calming measures.

FY2017 INFRASTRUCTURE

4 Completed projects

18 Projects in progress

\$5,391,619 FY2017 CDBG Expenditures

\$849,041 Leveraged

71,415 Persons served*

*At completed projects

FOCUS: VALENCIA PARK/MALCOLM X BRANCH LIBRARY IMPROVEMENTS | ENCANTO

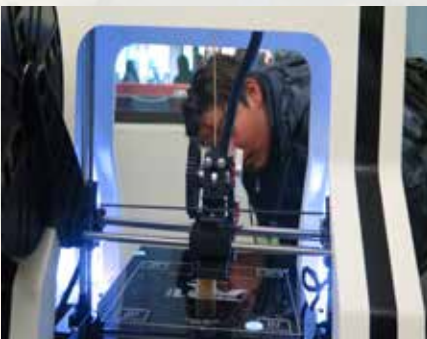
This library's programming emphasizes STEAM (science, technology, engineering, arts and mathematics) curriculum in this safe place where students can gather, learn and explore. Phase 1 was completed in FY2017 with the physical buildout, exterior painting and additional security cameras. Phase 2, which will be closed out in FY2018, created the state-of-the-art **Legler Benbough Teen IDEA Lab** equipped with 3D printers, recording studio, interactive video wall, video-gaming center and more than 30 computers.

\$668,176 FY2016-17 CDBG

\$20,235 Leveraged

\$688,411 Total funding

Serving 2,000+ persons





FY2017 PUBLIC SERVICES

6 Completed projects

3 Projects in progress

\$701,231 FY2017 CDBG Expenditures

\$3,386,736 Leveraged

3,071 Persons/households served*

**At completed projects*

Public Services Projects

CDD funds projects that benefit and serve San Diego's most vulnerable populations, support health and safety, and provide employment training. Among the six completed public service projects in FY2017 were **Workshops for Warriors** veterans employment training; **Mama's Kitchen** meal services; **Reality Changers** college-preparedness program; **Writerz Blok** (below) and **Safe Point San Diego** (See Page 21).

FOCUS: WRITERZ BLOK YOUTH WORKFORCE TRAINING PROGRAM | ENCANTO

Founded in 1995, **Jacobs Center for Neighborhood Innovation** aims to revitalize Southeastern San Diego through programming focusing on physical redevelopment and education-to-careers training. **Writerz Blok Youth Workforce Training Program** provides an intensive, employer-informed, "earn and learn" program that prepares disconnected youth/young adults for employment through education, design-sector skills training and work experience. Graffiti, with **Writerz Blok**, is transforming the streets of blight into promise for a community.



\$137,385 FY2017 CDBG

\$138,949 Leveraged

\$276,334 Total funding

Serving 39 LMI youth





Jacobs & Cushman San Diego Food Bank

Neighborhood Facility Improvement Projects

Investments in neighborhood facilities owned or operated by nonprofit organizations maximize the impact of CDD funds by providing new or increased access to programs serving vulnerable populations. **Jacobs & Cushman San Diego Food Bank** (above) completed its community resource and workroom facility project. The food bank is the largest hunger-relief organization in San Diego County, distributing about 22 million pounds of food a year.

FY2017 NEIGHBORHOOD FACILITY IMPROVEMENT

1 Completed project

6 Projects in progress

\$2,431,376 FY2017 CDBG

\$1,075,336 Leveraged

267,736 Persons served*

**At completed projects*

FOCUS: FAMILY HEALTH CENTERS OF SAN DIEGO – SAFE POINT SAN DIEGO | SOUTHEASTERN

Founded in 1970, **Family Health Centers of San Diego** is Southern California's largest community clinic provider of healthcare to the uninsured. Safe Point San Diego provides direct, one-for-one syringe exchange, harm reduction kits, case management, educational materials and referrals for medical care and detox and substance abuse treatment. Services were provided from a small van. The preventative program was especially valuable amid the hepatitis A outbreak among the homeless in late FY2017 and the HIV and hepatitis C risk associated with intravenous drug use.

\$128,755 Leveraged

\$37,459 FY2017 CDBG

\$166,214 Total funding

Serving 1,452 Persons



AFFORDABLE HOUSING

The Community Development Division (CDD) collaborates with the **San Diego Housing Commission** (SDHC) invest and leverage U.S. **Department of Housing and Urban Development** entitlement grants awarded to the City: CDBG funding, which is administered by CDD; and the HOME Investment Partnerships Program (HOME) and Emergency Solutions Grant (ESG) funds, which are administered by SDHC. SDHC manages the City's public housing inventory, affordable housing units and Section 8 program.

Investing in Affordable Housing

San Diegans continued to feel the squeeze of severely limited affordable housing in FY2017. As of June 2017, the median sales price of a single-family, detached home in San Diego County was \$619,900, according to the Greater San Diego Association of Realtors; and the rental vacancy rate was just 3.3 percent in the City of San Diego in June, according to the San Diego County Apartment Association. As a subrecipient of the City during FY2017, SDHC helped ease the housing shortage by creating and preserving affordable rental housing and homeowner housing in close proximity to transit, employment and community services.

- **Homeownership Promotion:** CDBG and HOME funds provided low-interest-deferred loans and closing-cost grants for more than 40 first-time LMI homebuyers.
- **Housing Rehabilitation:** CDBG funds supported **Serving Seniors**, which renovated kitchens and improved fire safety at **Potiker City Heights**; **City Heights Community Development Corp.**, which rehabbed the interiors, security and parking at **Casa Del Sol** in City Heights; and **GRID Alternatives**, which installed electricity-saving solar systems on LMI households (See Page 33).
- **Rental Housing Construction:** HOME funds were used to complete Hotel Churchill, Trolley Park Terrace and Talmadge Gateway, which created 183 total units, including 55 HOME-designated units. A fourth housing project, Atmosphere, opened May 19, 2017 but has an FY2018 project closeout. Atmosphere, Hotel Churchill and Talmadge Gateway are part of HOUSING FIRST-SAN DIEGO, an SDHC strategic homelessness action plan.
- **San Diego Regional Analysis of Impediments (AI):** The City implemented AI policy recommendations.

FY2017 AFFORDABLE HOUSING

HOMEOWNERSHIP PROMOTION

2 Completed/closed projects

2 Projects in progress

\$4,989,375 CDBG

\$2,496,453 HOME

\$13,768,562 Leveraged

48 Households served*

HOMEOWNER HOUSING REHABILITATION

3 Completed/closed projects

\$409,259 CDBG

\$1,391,974 Leveraged

202 Households served*

**At completed projects*

TALMADGE GATEWAY

FY2017 AFFORDABLE HOUSING RENTAL UNITS CONSTRUCTED

3 Completed/closed projects

7 Projects in progress

\$11,187,233 HOME

183 Affordable units built*

55 HOME units built*

**At completed projects*

Photo courtesy Stephen Whalen

Hotel Churchill | Downtown

827 C St.

72 affordable units, 22 HOME units

Serving: Homeless veterans, transitional-age youth (18-24), adults in the correctional system

72 Federal sponsor-based housing vouchers

Total development cost: \$20.6 million

Total HOME funding: \$2.9 million

Grand opening: Sept. 19, 2016



Trolley Park Terrace | Encanto

4985 Market St.

51 affordable units, 11 HOME units

Serving: Low-income families

Total development cost: \$23 million

Total HOME funding: \$2 million

Grand opening: Oct. 24, 2016



Atmosphere | Downtown*

1453 Fourth Ave.

202 affordable units, 11 HOME units

Serving: Low-income individuals/families, including homeless

51 Federal project-based housing vouchers

Total development cost: \$79.5 million

Total HOME funding: \$2.3 million

Grand opening: May 31, 2017

Certificate of Occupancy: May 19, 2017 *FY2018 closeout



Talmadge Gateway | City Heights

4744-4748 El Cajon Blvd., 4412-4622 Euclid Ave.

59 affordable units, 22 HOME units

Serving: Homeless seniors, ages 55 and older

59 Federal project-based vouchers

Total development cost: \$20 million

Total HOME funding: \$2.6 million

Certificate of Occupancy: May 31, 2017

Completed: July 26, 2017



HOMELESSNESS

5,619 Homeless
2,388 in shelters

The 2017 **WeALLCount** point-in-time count showed 5,619 of San Diego County's 9,116 homeless persons are in the City. Some (2,388) were in shelters. Others lived in cars, vehicles, tents or hand-built structures.

The City, the County of San Diego and the **Regional Task Force on the Homeless** work to keep homeless assistance a priority through outreach, individual assessments (VI-SPADT) in the Coordinated Entry System (CES), case management, HOUSING FIRST-SAN DIEGO (SDHC's strategic homelessness action plan) and other programs. City efforts to address homelessness are funded by CDBG, ESG, Housing Opportunities for People With AIDS/HIV (HOPWA) and General Fund.

Shelter Operations

Operating 24 hours a day, seven days a week, three City shelters provide homeless clients with interim beds, daily meals, support programs, case managers and pathways to more stable employment and long-term housing:

- **Connections Housing Interim Bed Program** (150 beds) assisted more than 530 single adults in FY2017, with 51 percent securing longer-term housing.
- **YWCA Cortez Hill Family Center** (45 units) specializes in family-centered case management and programming, such as parenting, teen counseling and children's socialization. It served 242 families in FY2017, with 80 percent finding longer-term housing.
- **Interim Housing Program** (350 beds) at St. Vincent de Paul Village became fully operationally in FY2017, assisting more than 1,100 homeless veterans and single adults and providing access to meals, healthcare, mental-health treatment and job-readiness training so that 47 percent could secure longer-term housing.

FY2017 HOMELESS SERVICES

SHELTER OPERATIONS

6 Projects

\$776,828 FY2017 CDBG

\$576,448 ESG

\$2,193,369 General fund

3,175 Persons served

RAPID RE-HOUSING

7 Projects

\$381,931 ESG

199 Persons served

NEIL GOOD DAY CENTER

\$541,250 CDBG

6,735 Persons served

The **Homeless Transitional Storage Facility**, The **Serial Inebriate Program** and **San Diego Misdemeanants At-Risk Track** (SMART) pilot program complete the six shelter operations projects.

Neil Good Day Center

A drop-in center operated by **St. Vincent de Paul Village**, the Day Center offers homeless adults access not only to basic services, such as laundry, mail, phones, messages, computers, Internet and storage space; but also to onsite support services, such as mental-health and substance-abuse treatment. Clients match with housing and support resources available through CES by using the housing navigator and VI-SPADT assessment tool. The Day Center served 6,735 homeless persons in FY2017. CDD used \$187,724 of CDBG funds to install a 100-gallon, hot-water heater; replace plumbing fixtures, lighting and its electrical system; and repair its roof, skylights, restrooms and shower areas.

Rapid Rehousing Programs

- **Rapid Re-Housing:** Five programs—Alpha Project, Veterans Village of San Diego (VVSD), People Assisting The Homeless (PATH) Services, St. Vincent de Paul (SVDP) Village and Interfaith Shelter Network (ISN)—found people shelter, offered them navigation services, rental assistance and case management to find longer-term housing stability.
- **Security Deposit Plus and HUD VASH Vouchers:** With ESG funds, SDHC provided security and utility deposits to more than 50 veteran families using Veterans Affairs Supportive Housing (VASH) vouchers for housing. In FY2017, SDHC received 25 more vouchers, increasing its federal allotment to 1,000 vouchers.

ENDING HOMELESSNESS: Malaka Moore



Her speech during the May 31 grand opening brought her to tears. For the past year, Malaka Moore, 25, had searched for steady income and a stable home for her and her 1-year-old daughter, Oakland. Moore relied on the kindness of friends and family for places to stay, always “feeling stressful when you don’t know where you’re going to live next,” she said. She knew they were homeless. “I thought I was a bad mom for letting Oakland grow up this way. I wanted to give her the life she deserves, and now that’s possible, thanks to **Atmosphere**,” she said. “I’m beyond happy and have the opportunity to make a fresh new start.”

Atmosphere (See Page 23) apartments have monthly rents from \$455 to \$1,266 for households earning \$17,000 to \$48,000 a year. The complex has a computer lab and classes, job readiness programs, and an afterschool program for children.





Accompanying San Diego Police Department's **Homeless Outreach Team (HOT)** on daily engagement efforts, the **Serial Inebriate Program** offers serially intoxicated homeless clients an opportunity to choose detox, sobriety-program support and transitional housing instead of jail time. In FY2017, HOT received funding for a triage-bed program to give the homeless a place to stay while receiving evaluation, intensive case management, detox and substance-abuse treatment.

Housing Opportunities for People With AIDS/HIV (HOPWA)

CDD collaborated with the County to invest HOPWA funds. CDD staff often gave technical assistance to HOPWA-funded housing/social-service providers with informational HUD updates, online training and guidance regarding billing, expenses, eligibility and the new FY2017 program and contract requirements. More than 50 community-based organizations, government agencies and developers form the Regional Task Force on the Homeless, which convenes the Joint City/County HIV Housing Committee, to find special-needs housing and support services for people with AIDS/HIV.

HOPWA PARTNERS

Christie's Place
 Family Health Centers of San Diego
 Moonlight Cultural Foundation
 North County Action Network
 North County LGBTQ Center
 San Diego County Food Bank
 San Diego Futures Foundation
 San Diego LGBT Center
 San Ysidro Health Center (SYHC)
 UCSD Mother-Child-Adolescent HIV Program
 VA Department of Veteran Affairs Special
 Infectious Disease Program
 Vista Community Clinic

FY2017 HOPWA PROGRAMS TRANSITIONAL AND PERMANENT HOUSING OPERATIONS

3 Projects

\$601,704 HOPWA

\$262,217 Leveraged

247 Persons served

TENANT-BASED RENTAL ASSISTANCE

2 Projects

\$658,399 HOPWA

\$265,136 Leveraged

80 Households served

SUPPORTIVE SERVICES

10 Projects

\$1,332,940 HOPWA

\$1,591,899 Leveraged

21,264 Persons served

PRACTICING FAIR HOUSING



Fair Housing Month Proclamation

CDD's **Fair Housing Program**, funded through CDBG, offers free services to the community to promote and ensure equal housing opportunities regardless of race, color, national origin, religion, sex, familial status, physical or mental disability, sexual orientation, source of income, marital status, age, ancestry, medical condition, genetic information, gender identity, gender expression or any other arbitrary factor—as provided under the federal **Fair Housing Act**. The 2017-2020 **San Diego Regional Analysis of Impediments to Fair Housing Choice** (AI) identified constraints to reducing discrimination and the City's FY2017 actions to address those impediments. The City is also a member of **San Diego Regional Alliance for Fair Housing**.

FY2017 FAIR HOUSING COMPLIANCE

2,923	Fair housing inquiries received
104	Housing discrimination complaints received
104	San Diegans receiving fair housing legal services
106	Investigations implemented
90	Investigations resolved
111	Housing audit tests conducted

Practice Fair Housing Programs

- Collaboration with **Legal Aid Society of San Diego** Inc. to provide community outreach, education, investigation, enforcement assistance and legal services for fair housing
- Distribution of multilingual brochures (5,326)
- Five Fair Housing workshops
- Three editions of *Practice Fair Housing* newsletter
- A Fair Housing web page (sandiego.gov/fairhousing) with a hotline (1-844-449-3500) to report potential housing discrimination cases
- April 4 proclamation April as Fair Housing Month
- April 13 conference, *Knocking Down Walls: Fight to Reduce Homelessness and Open Doors to People with Criminal Histories*, at University of San Diego.
- Keynote speaker Antwi Akom (right), a San Francisco State University associate professor in environmental sociology, chronicled discrimination and his modern urban innovation research.
- April 21 Fair Housing Training for Housing Providers at the Central Library (69 attendees), presented by Legal Aid Society of San Diego



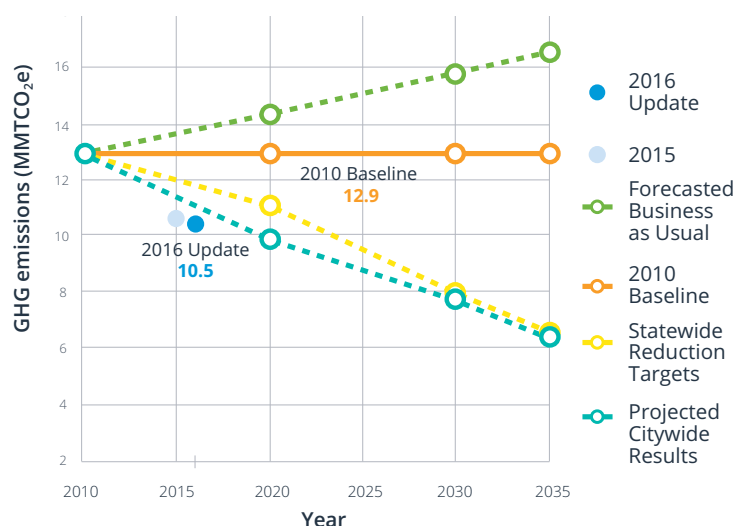
SUSTAINABILITY

Being sustainable means making better use of resources, such as water and energy; designing neighborhoods to be more walkable, bikeable and livable; and investing in the future by supporting clean-energy technology, innovation and jobs. The City of San Diego continues to show its bold vision and leadership in protecting our natural resources for future generations by following the roadmap set forth with 2015 adoption of the ambitious Climate Action Plan. The Economic Development Department's **Sustainability Division** annually reports on the City's progress toward its goal of reducing greenhouse gas (GHG) emissions by half by 2035.

EDD integrates sustainability into BEAR Division and CDD programs. While reducing GHG emissions, EDD capitalizes on opportunities to encourage job creation in San Diego's innovation and cleantech economy. It also enhances social equity by supporting sustainability through CDBG-funded programs.

REDUCING GREENHOUSE GAS EMISSIONS

Citywide Greenhouse Gas Emissions Inventory



19.3%
Reduction in City-
wide GHG emissions
2010-2016

According to the 2017 Climate Action Plan Annual Report, the City is ahead of pace in reaching its 2020 target of reducing GHG emissions. This is attributable to higher vehicle efficiency standards; increases in renewable energy generation with higher renewable content by **SDG&E** and wider adoption of solar systems in the City; and a higher solid waste diversion rate.

SD sustainability Strategies



ENERGY & WATER EFFICIENCY IN BUILDINGS

18%

Reduction in residential energy use

5%

Reduction in municipal energy use

13%

Reduction in daily per capita water use



CLEAN & RENEWABLE ENERGY

43%

Renewable energy on the grid

45

Hybrid vehicles in City fleet

13

Waste collection trucks to low-emissions fuel



BIKING, WALKING, TRANSIT & LAND USE

56.8

Miles of bike lanes added

60

Light signals retimed

2

Roundabouts added

544,231

Vehicle miles reduced



ZERO WASTE

66%

Total solid waste diverted

75%

Landfill gases captured

98-99%

Methane captured and utilized from wastewater



RESILIENCY

13%

Increase in urban tree canopy cover

These are the ways the City works toward its sustainability goals, with progress measured using a 2010 baseline.

SUPPORTING JOB CREATION

The BEAR Division encourages business expansion and job growth in the innovation and cleantech sectors. CDD also invests CDBG funds into workforce training and job development in sustainable fields. The combined efforts help further the City of San Diego's commitment to and reputation as a forward-thinking, environmentally conscious place to do business.

Job Growth by Strategy



ENERGY &
WATER
EFFICIENCY
IN BUILDINGS



CLEAN &
RENEWABLE
ENERGY



BIKING,
WALKING,
TRANSIT &
LAND USE

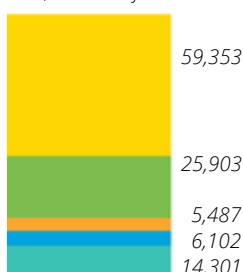


ZERO
WASTE



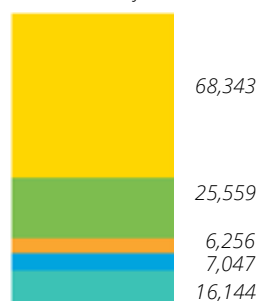
RESILIENCY

111,146 total jobs



2010 Baseline

123,349 total jobs



2016



+10.9%
Growth in
sustainability-related
jobs
2010-2016

In 2016, San Diego's cleantech job concentration was 2.6 times the national average, increasing 10.9 percent since the 2010 baseline year.

FY2017 HIGHLIGHTS

Renovate America Inc. | Rancho Bernardo

The BEAR Division provided a full menu of concierge services to Renovate America, a firm specializing in energy efficiency consulting and financing for solar installations. BEAR staff offered technical assistance, expedited permits and aided the company in applying for a California Competes tax credit.

In April 2017, Renovate America was awarded a \$5.475 million Cal Competes tax credit for its business expansion, moving from Carmel Mountain to larger facility on West Bernardo Drive, building an amenities center, investing \$24 million in capital improvements and adding 542 full-time jobs.



Second Chance Youth Garden Workforce Training Program | Encanto

The CDBG-funded Second Chance Youth Garden Workforce Training Program teaches 87 LMI youth the skills to grow, harvest and sell fresh produce at two San Diego garden sites. Youth learn biology and entrepreneurship in this garden-based job readiness program. *Project reporting will be closed out in FY2018.*





Envision Vision

FOCUS: ENVISION SOLAR | SORRENTO VALLEY

From a two-person company in Kearny Mesa office in 2010 to 20 employees and a 50,000-square-foot manufacturing facility and headquarters in Sorrento Valley in 2017, Envision Solar continues to land blue-chip companies and big cities as customers for its innovative EV ARC, or Electric Vehicle Autonomous Renewable Charger. Powered by a solar array, EV ARC stores electricity in batteries, eliminating needs for the trenching and permitting of traditional grid-tied chargers.



"San Diego is actually a really good place for us to have Envision Solar's headquarters and manufacturing facility. It's widely recognized as being a green center, just as all of California is, and for us, attracting the right human resources is really the most important thing for our company and we do find them here."

— Desmond Wheatley, CEO/President, Envision Solar

Expanding the City's EV Charging Infrastructure

In FY2017, the BEAR Division helped the City more than double its electric vehicle (EV) charging infrastructure to 68 ports on 57 charging stations at 15 locations. A \$500,000 **California Energy Commission** grant helped fund this expansion to install 25 stations (36 ports) in nine locations. BEAR staff located the new OpConnect Mark II Level 2 chargers in designated EV-only parking spots at "destination" sites, such as libraries, entertainment corridors (Hillcrest), recreation centers, the beach and in an LMI neighborhood (Skyline Hills).



NEW FY2017 LOCATIONS

Hillcrest
Hourglass Community Park
Nobel Park Athletic Area
Ocean Air Recreation Center
Ocean Beach Lifeguard Station
Otay Mesa-Nestor Library
Rancho Bernardo Glassman Park
SDSU Mission Bay Aquatic Center
Skyline Hills Recreation Center

ENHANCING SOCIAL EQUITY



GRID Alternatives

The City invests in its sustainable future through workforce training, energy-efficiency projects and development projects, especially those in low- to moderate-income (LMI) neighborhoods. CDD invested in several FY2017 projects that made progress toward our Climate Action Plan goals.

The CDBG-funded **Safe & Sustainable Rehabilitation Living Program** began providing weatherization and energy-efficiency upgrades, health and safety repairs and ADA improvements for 14 LMI owner-occupied, single-residential housing units in FY2017. Projects will be completed in FY2018.



\$784,516

Community Development Block Grant (CDBG) funds invested in low- to moderate-income (LMI) communities

FOCUS: GRID ALTERNATIVES SOLAR INSTALLER APPRENTICESHIP PROGRAM

In FY2017, CDD continued to invest CDBG funds to cover the cost of solar materials and supplies for photo voltaic, rooftop solar installations for LMI homeowners through **GRID Alternatives**. The use of solar panels gives a GRID client an opportunity to save about \$32,000 on his or her electricity bill in 20 years. GRID's mission is to "make renewable energy technology and job training accessible to underserved communities."

GRID Alternatives works with community volunteers and job trainees to install solar panels on homes of low-income families at the rate of about two homes a week. CDD invested \$39,485 in CDBG funds and leveraged \$218,118 in GRID's **San Diego Solar Installer Apprenticeship Program**, which trains eligible youth and veterans for a career in the solar energy field. The FY2017 program brought valuable skills to 25 LMI persons.



SMART CITY

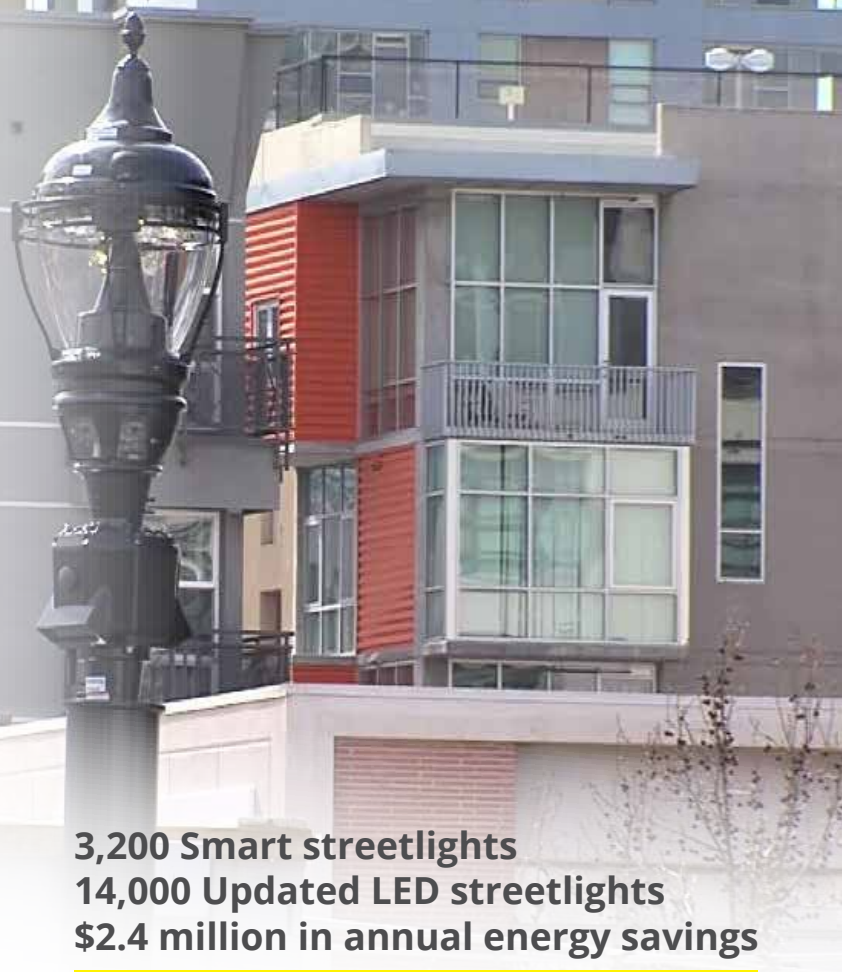
The City of San Diego is transforming the way a city solves problems, collaborating to collect and leverage data to create innovative programs that improve outcomes and lives.

Smart Streetlights

At a Feb. 22 press conference in East Village, Mayor Kevin L. Faulconer announced the City's partnership with **General Electric** to add 3,200 smart-sensor-equipped streetlights connected to a digital network, marking this the world's largest urban deployment of an IoT (Internet of Things) platform.

A project for both the Community Development and Sustainability divisions, the Economic Development Department is funding this deployment, which began in FY2017. CDBG program funds will be used for streetlights located in LMI neighborhoods.

Potential platform applications include the monitoring of traffic and air quality for the Climate Action Plan (CAP) and the creation of a parking app that would reduce search time for available spaces. Plans also call for upgrading 14,000 streetlights with more energy-efficient LED bulbs and dimming capabilities, adjusting power depending on natural light and reducing energy costs by 60 percent (\$2.4 million) a year.



3,200 Smart streetlights
14,000 Updated LED streetlights
\$2.4 million in annual energy savings

FOCUS: MOVING WITH FRED

In August 2016, in partnership with Civic San Diego, the City launched **Free Ride Everywhere Downtown (FRED)**, an electric, sustainable transportation solution funded by Downtown parking-meter revenues. Through an app, riders request FRED's 16-vehicle fleet, which transported 140,000 riders around eight Downtown neighborhoods in its first six months of operation. FRED's goal is to be economically sustainable through sponsorship deals. Expansion is planned for FY2018.



Public-Private Sustainability Partnership

San Diego, in January 2017, was the 16th North American city to form a "2030 District," a commercial building community in which owners pledge to make upgrades to reduce energy use, water consumption and transportation emissions by 50 percent in participating buildings by 2030. Managed by **Cleantech San Diego**, the community participants include the City, **Measurabl**, **DNV GL**, **Alexandria Real Estate Equities**, **Kilroy Realty**, **Intuit** and **Urban Land Institute Greenprint Center for Building Performance**. Cody Hooven, the City's Chief Sustainability Officer, serves on the San Diego 2030 District Leadership Council.

SAN DIEGO
2030
DISTRICT®





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