

Economic Development



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Economic Development



Department Description

The Economic Development Department (EDD) is comprised of several work units including Business Expansion Attraction and Retention (BEAR), Community Development, Promise Zone and Fiscal Operations. The Department implements economic and community development programs in order to create and sustain a resilient and economically prosperous City. Inclusive economic growth, revenue enhancement, and community revitalization are accomplished by attracting new companies, retaining and/or expanding existing companies, making San Diego competitive in emerging markets, revitalizing and investing in older business communities and creating opportunities for disadvantaged communities and vulnerable populations.

The BEAR Division provides services to businesses such as technical assistance, due diligence, expedited permitting, policy/legislative advocacy, utilities coordination and application support for financial incentives. The Community Development Division administers the Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD). The six Consolidated Plan goals of the CDBG program include job readiness and economic development programs; public infrastructure needs; affordable housing; homelessness; vulnerable populations; and HIV/AIDS housing, health, and support services. The Promise Zone is a federally designated area representing the City's most disadvantaged and underserved communities. Through the Promise Zone initiative, partners work together to deliver comprehensive support, accelerate revitalization, and improve the quality of life for residents.

The Department's mission is:

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

The Department's vision is:

A catalyst for economic prosperity and community investment

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Goals and Objectives

Goal 1: Strategically invest in the growth and development of businesses, neighborhoods, and residents

- Leverage funding for greater commercial neighborhood benefit
- Invest in affordable housing options
- Expand economic opportunities for all
- Increase access to quality public and private facilities and services

Goal 2: Cultivate a globally competitive, sustainable, and resilient local economy

- Maintain and build on San Diego's competitive advantage by increasing workforce development, quality of life, and innovation
- Increase the number of San Diegans with middle-income jobs
- Increase small and neighborhood business activity

Goal 3: Provide high quality public service

- Receive on average a rating of 90% "good" or "excellent" customer service scores from internal and external customers
- Increase overall awareness of department programs, incentives, and services with the public
- Highlight successes and impacts of department programs and initiatives

Key Performance Indicators

Performance Indicator	FY2017 Target	FY2017 Actual	FY2018 Target	FY2018 Actual	FY2019 Target
Amount of CO2 emissions reduced community-wide and from City operations ¹	15%	19.3%	15%	TBD	15%
Number of persons assisted through infrastructure projects and community service (i.e., Community Development Block Grant Program (CDBG)) ²	418,539	300,785	500,000	TBD	250,000
Percentage growth in jobs created or preserved by the expansion, attraction and retention of employers working with the Department ³	50%	16%	50%	-27%	0%
Percentage growth in number of companies working with the Department that result in international trade or investment ⁴	50%	167%	50%	200%	20%
Percentage growth in the number of districts formed ⁵	5%	6%	5%	0%	5%
Percentage growth in the number of small businesses assisted and expanded annually as a result of small and neighborhood business programs ⁶	5%	111%	5%	-14%	10%
Total amount of federal funds expended for affordable housing	\$14.2M	\$15.9M	\$19.0M	\$19.4M	\$21.5M

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Key Performance Indicators

Performance Indicator	FY2017 Target	FY2017 Actual	FY2018 Target	FY2018 Actual	FY2019 Target
Total amount of federal funds expended for economic development programs ⁷	\$1.4M	\$1.4M	\$4.5M	\$1.6M	\$6M
Total amount of funds expended for infrastructure projects and community service ⁸	\$12.4M	\$13.3M	\$15.7M	\$28.8M	\$21M

1.FY 2017 Actual numbers were finalized and reflected a 19.3% reduction in CO2 emissions. CO2 emissions are calculated for calendar years and available for review at the end of the following calendar year. Targets have been adopted for 2020, 2030 and 2035.

2.Complete FY 2018 Actual numbers are not available until after project close-out reports are submitted by grant sub-recipients, approved by department project managers and reported to the Housing and Urban Development Department at the end of September.

3.Last year, more than 2,281 jobs were retained or grew because they worked with department programs. Business investment in projects varies from year-to-year based on the time required to complete projects and fluctuations in industries. EDD's job creation and retention metric is indicative of an economy spurs growth of small to medium sized businesses where job growth is in the dozens and not hundreds. San Diego has very few large corporations and majority of staff time is with smaller entities which proportionally have less employees to impact. In addition, this is an indicator of a market that is over-due for correction and expansion projects are showing signs of slowing. Any increase in job numbers and retention of jobs is a positive win for San Diego.

4.Department-wide emphasis in foreign direct investment, world trade center activities and the Foreign Trade Zone program resulted in a significant increase in the number of companies. There were 24 companies assisted by EDD in FY18 - Metro Connect 15, FTZ 3, EB5 6. This is up from 8 companies assisted in FY17.

5.Districts administered are the Tourism Marketing District, the Downtown Property Business Improvement District (PBID), Maintenance Assessment Districts (MAD), Business Improvement Districts (BID), and Community Parking Districts. There are many districts in the process of formation; however, the last district formed was North Park PBID in FY2017 with assessments beginning FY2018. Litigation for La Jolla MAD occurred in FY 2018.

6.Last year, 2,518 small businesses were assisted. Measures were taken internally to accurately track and reflect business assistance provided. The number of businesses assisted is likely reduced because of the additional City tools that are available online. The zoning portal has assisted more than 13,000 inquiries through OpenCounter enabling clients to seek readily available information about permitted uses instead of coming in or calling. In addition, the Business Walks in FY18 generated half the number of surveys collected (280 vs 562) because they were generally smaller business corridors (North Park, Morena, Adams Avenue, East Village) whereas last year there were large commercial corridors (College, El Cajon Boulevard and Hillcrest). In addition, the Storefront Improvement Program went through a complete 8 month overhaul and re-launched in February 2018.

7.The decrease is due to \$1.3M in projects carried forward to FY 2019.

8.The increase is due to \$6M from prior year FY 2017 projects expended in FY 2018.



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Department Summary

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
FTE Positions (Budgeted)	56.00	63.85	59.35	(4.50)
Personnel Expenditures	\$ 5,840,494	\$ 7,092,334	\$ 7,155,403	\$ 63,069
Non-Personnel Expenditures	7,472,152	8,945,775	8,121,109	(824,666)
Total Department Expenditures	\$ 13,312,646	\$ 16,038,109	\$ 15,276,512	\$ (761,597)
Total Department Revenue	\$ 6,529,873	\$ 8,249,980	\$ 7,614,510	\$ (635,470)

General Fund

Department Expenditures

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
BID & Commercial MAD	\$ 35,910	- \$	- \$	-
Business Expansion, Attraction & Retention	3,988,961	4,345,326	4,384,033	38,707
Community Development	1,750,079	2,395,900	2,331,691	(64,209)
Economic Development	7,505,106	6,642,476	6,537,031	(105,445)
Economic Growth Services	12,171	-	-	-
Small Business & Neighborhoods	20,420	-	-	-
Total	\$ 13,312,646	\$ 13,383,702	\$ 13,252,755	(130,947)

Department Personnel

	FY2017 Budget	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Business Expansion, Attraction & Retention	19.00	19.00	20.00	1.00
Community Development	15.00	20.00	19.00	(1.00)
Economic Development	22.00	24.85	20.35	(4.50)
Total	56.00	63.85	59.35	(4.50)

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Significant Budget Adjustments

	FTE	Expenditures	Revenue
Safe Parking Program Addition of non-personnel expenditures to support the Homeless Safe Parking Program operated by Jewish Family Services.	0.00 \$	410,667 \$	-
Salary and Benefit Adjustments Adjustments to reflect savings resulting from vacant positions for any period of the fiscal year, retirement contributions, retiree health contributions, and labor negotiations.	0.00	405,792	-
Housing Navigation Center Addition of non-personnel expenditures associated with the contribution to the San Diego Housing Commission for the Housing Navigation Center.	0.00	300,000	-
Non-Discretionary Adjustment Adjustment to expenditure allocations that are determined outside of the department's direct control. These allocations are generally based on prior year expenditure trends and examples of these include utilities, insurance, and rent.	0.00	71,904	-
Support for Information Technology Adjustment to expenditure allocations according to a zero-based annual review of information technology funding requirements.	0.00	52,924	-
San Diego Misdemeanants At-Risk Track Program Support Addition of non-personnel expenditures associated with the San Diego Misdemeanants At-Risk Track (SMART) Program.	0.00	40,000	-
Department of Sustainability Restructure Transfer of 2.00 FTE positions from the Economic Development Department to the newly created Department of Sustainability supported by the General Fund.	(2.00)	(3,462)	-
Non-Standard Hour Personnel Funding Funding allocated according to a zero-based annual review of hourly funding requirements.	(2.50)	(74,792)	82,840
Reduction of Economic Development Program Support Reduction of non-personnel expenditures associated with programs such as the Business Cooperation Program, Small Business Enhancement Program, CONNECT2Careers Program, and San Diego Housing Commission Programs.	0.00	(267,894)	-
One-Time Reductions and Annualizations Adjustment to reflect one-time revenues and expenditures, and the annualization of revenues and expenditures, implemented in Fiscal Year 2018.	0.00	(1,066,086)	(87,660)
Total	(4.50) \$	(130,947) \$	(4,820)

Expenditures by Category

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
PERSONNEL				
Personnel Cost	\$ 3,680,573 \$	4,282,917 \$	4,343,073 \$	60,156

Economic Development

Expenditures by Category

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Fringe Benefits	2,159,921	2,809,417	2,812,330	2,913
PERSONNEL SUBTOTAL	5,840,494	7,092,334	7,155,403	63,069
NON-PERSONNEL				
Supplies	\$ 28,223	\$ 10,042	\$ 9,145	(897)
Contracts	6,479,009	5,354,780	5,193,518	(161,262)
Information Technology	368,763	299,765	352,689	52,924
Energy and Utilities	7,107	2,139	6,000	3,861
Other	273,970	309,642	221,000	(88,642)
Transfers Out	315,000	315,000	315,000	-
Capital Expenditures	80	-	-	-
NON-PERSONNEL SUBTOTAL	7,472,152	6,291,368	6,097,352	(194,016)
Total	\$ 13,312,646	\$ 13,383,702	\$ 13,252,755	(130,947)

Revenues by Category

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Charges for Services	\$ 4,293,400	\$ 5,378,906	\$ 5,374,086	(4,820)
Other Revenue	1,740	-	-	-
Rev from Money and Prop	(11)	-	-	-
Rev from Other Agencies	2,064,744	216,667	216,667	-
Transfers In	170,000	-	-	-
Total	\$ 6,529,873	\$ 5,595,573	\$ 5,590,753	(4,820)

Personnel Expenditures

Job Number	Job Title / Wages	FY2017 Budget	FY2018 Budget	FY2019 Adopted	Salary Range	Total
FTE, Salaries, and Wages						
20000011	Account Clerk	2.00	1.00	1.00	\$ 32,530 - 39,170	\$ 32,530
20000012	Administrative Aide 1	3.00	2.00	1.00	38,181 - 46,002	45,312
20000024	Administrative Aide 2	3.00	3.00	4.00	43,983 - 53,028	194,485
90000024	Administrative Aide 2 - Hourly	0.00	0.35	0.35	43,983 - 53,028	18,560
20000116	Assistant Engineer-Traffic	1.00	1.00	1.00	59,775 - 72,022	62,547
20000119	Associate Management Analyst	3.00	3.00	2.00	55,843 - 67,489	116,217

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Personnel Expenditures

Job Number	Job Title / Wages	FY2017 Budget	FY2018 Budget	FY2019 Adopted	Salary Range	Total
20000295	Community Development Coordinator	5.00	6.00	6.00	79,263 - 95,958	575,748
20000300	Community Development Specialist 2	10.00	10.00	11.00	55,843 - 67,489	669,349
20000301	Community Development Specialist 3	1.00	4.00	4.00	64,309 - 77,759	279,177
20000303	Community Development Specialist 4	10.00	11.00	12.00	68,971 - 83,561	967,483
20001101	Department Director	1.00	1.00	1.00	61,107 - 231,494	165,280
20001168	Deputy Director	1.00	1.00	1.00	48,516 - 178,445	123,960
20000104	Development Project Manager 2	1.00	0.00	0.00	68,821 - 83,109	-
20000924	Executive Secretary	0.00	1.00	1.00	44,993 - 54,404	50,262
90001073	Management Intern - Hourly	4.00	4.50	2.00	25,075 - 30,167	60,334
20000172	Payroll Specialist 1	0.00	1.00	1.00	35,039 - 42,175	41,542
20000680	Payroll Specialist 2	1.00	0.00	0.00	36,647 - 44,245	-
20001222	Program Manager	5.00	7.00	6.00	48,516 - 178,445	679,564
20000015	Senior Management Analyst	2.00	3.00	2.00	61,322 - 74,128	135,450
20000918	Senior Planner	1.00	1.00	0.00	70,042 - 84,688	-
20000926	Senior Traffic Engineer	1.00	1.00	1.00	79,328 - 95,915	90,148
20000970	Supervising Management Analyst	1.00	1.00	1.00	68,971 - 83,561	83,561
20000756	Word Processing Operator	0.00	1.00	1.00	32,530 - 39,170	38,387
	Bilingual - Regular					5,824
	Budgeted Vacancy Savings					(120,152)
	Overtime Budgeted					3,835
	Reg Pay For Engineers					13,728
	Sick Leave - Hourly					3,193
	Termination Pay Annual Leave					6,749
FTE, Salaries, and Wages Subtotal		56.00	63.85	59.35		\$ 4,343,073

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Fringe Benefits				
Employee Offset Savings	\$ 33,170	\$ 34,891	\$ 33,679	(1,212)
Flexible Benefits	531,651	701,605	707,348	5,743

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	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Long-Term Disability	9,725	-	-	-
Medicare	52,853	59,223	60,051	828
Other Post-Employment Benefits	277,704	324,054	336,820	12,766
Retiree Medical Trust	3,483	4,745	5,111	366
Retirement 401 Plan	5,063	5,133	5,910	777
Retirement ADC	939,052	1,295,429	1,227,614	(67,815)
Retirement DROP	18,890	17,044	18,894	1,850
Risk Management Administration	48,398	54,594	57,915	3,321
Supplemental Pension Savings Plan	201,851	258,153	262,234	4,081
Unemployment Insurance	6,633	7,601	7,232	(369)
Workers' Compensation	31,449	46,945	89,522	42,577
Fringe Benefits Subtotal	\$ 2,159,921	\$ 2,809,417	\$ 2,812,330	\$ 2,913
Total Personnel Expenditures		\$ 7,155,403		

Successor Agency Admin & Project - CivicSD Fund

Department Expenditures

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Economic Development	\$ -	\$ 2,654,407	\$ 2,023,757	(630,650)
Total	\$ -	\$ 2,654,407	\$ 2,023,757	(630,650)

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Successor Agency Adjustment to non-personnel expenditures and associated revenue according to the Successor Agency Fiscal Year 2019 Budget.	0.00 \$	(630,650) \$	(630,650)
Total	0.00 \$	(630,650) \$	(630,650)

Expenditures by Category

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
NON-PERSONNEL				
Contracts	\$ -	\$ 2,654,407	\$ 2,023,757	(630,650)

Economic Development

Expenditures by Category

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
NON-PERSONNEL SUBTOTAL	-	2,654,407	2,023,757	(630,650)
Total	\$ -	2,654,407 \$	2,023,757 \$	(630,650)

Revenues by Category

	FY2017 Actual	FY2018 Budget	FY2019 Adopted	FY2018-2019 Change
Rev from Other Agencies	\$ -	2,654,407 \$	2,023,757 \$	(630,650)
Total	\$ -	2,654,407 \$	2,023,757 \$	(630,650)

Economic Development

Revenue and Expense Statement (Non-General Fund)

Successor Agency Admin & Project - CivicSD Fund	FY2017 Actual	FY2018* Budget	FY2019 Adopted
REVENUE			
Revenue from Other Agencies	\$ -	\$ 2,654,407	\$ 2,023,757
TOTAL REVENUE	\$ -	\$ 2,654,407	\$ 2,023,757
TOTAL BALANCE, RESERVES, AND REVENUE	\$ -	\$ 2,654,407	\$ 2,023,757
OPERATING EXPENSE			
Contracts	\$ -	\$ 2,654,407	\$ 2,023,757
TOTAL OPERATING EXPENSE	\$ -	\$ 2,654,407	\$ 2,023,757
TOTAL EXPENSE	\$ -	\$ 2,654,407	\$ 2,023,757
TOTAL BALANCE, RESERVES, AND EXPENSE	\$ -	\$ 2,654,407	\$ 2,023,757

* At the time of publication, audited financial statements for Fiscal Year 2018 were not available. Therefore, the Fiscal Year 2018 column reflects final budgeted revenue and expense amounts from the Fiscal Year 2018 Adopted Budget, while the beginning Fiscal Year 2018 balance amount reflects the audited Fiscal Year 2017 ending balance..



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