

City of San Diego Promise Zone 2016 Proposal: Goals and Activities

Goal 2: Increase Economic Activity	
Strengthen the SDPZ business base by attracting new businesses to vacant SDPZ land, improving infrastructure, offering support for small businesses, entrepreneurs & self-employed residents, and rebranding the SDPZ neighborhoods.	
Activity 2A	Attract new businesses to vacant SDPZ land to decrease retail leakage, in line with resident-informed community plans. Development will be incentivized by New Market Tax Credits. City-created GIS data and maps will be used to market land.
<u>Rationale/Evidence</u>	
A retail analysis found that in 2014, residents of District 4 spent more than \$1.9 billion on retail purchases, but less than \$900 million of that was spent within the district. The SDPZ's land assets, include 52 acres of JCNi-owned and 14.5 acres of city-owned vacant land along major commercial corridors. This land is prime for redevelopment, having been identified through a 3-year, \$5M city-led community planning process. Residents will use their spending power to support local businesses.	
<u>Implementing Partners</u>	
The City of San Diego will track retail leakage, track pertinent GIS data, provide maps/data on available vacant land, and assist with city permits. The City will continue to engage residents through monthly community planning meetings. JCNi will attract developers and new businesses, leveraging its land investment. CivicSD is a New Markets Tax Credit syndicator - 35% of NMTCs will be allocated to businesses located within the SDPZ or that serve SDPZ residents, to promote private investment.	
<u>Committed Financial Support</u>	
Grant or Direct Allocation	
<ul style="list-style-type: none"> • Local, Regional, or Tribal Government: \$25,000, CivicSD, 2016-2017, CivicSD has allocated \$25,000 to assist in the startup of the SD Promise Zone office. • Local, Regional, or Tribal Government: \$200,000, City of San Diego, 2016-2021, City Fee Incentive Program (including permit and express check fees) to businesses within the SDPZ (within the boundaries of the former enterprise zone) *Can apply to SDPZ, but is not exclusive additional funding may be allocated if program is determined to be successful. • Local, Regional, or Tribal Government: \$500,000, City of San Diego, Civic San Diego collaboration, 2016-2025, City Storefront Improvement Program (SIP) - Businesses that revitalize building facades visible to customers, neighboring merchants and residents (new windows, signage, awnings, tile, paint, etc.) are eligible for up to a \$16,000 rebate to make creative changes to their storefronts. Assistance with design and permitting will be provided. 	
<u>Financial Support Needed</u>	
Grant or Direct Allocation	
<ul style="list-style-type: none"> • Funding may be needed to remediate SDPZ brownfields that have yet to be identified.- 	
<u>Committed Non-Financial Support</u>	
Between JCNi and CivicSD, more than 66.5 acres are committed to redevelopment within the SDPZ. The Mayor's Office has provided a dedicated staffer to coach developers with projects on JCNi's properties how to properly package their plans to ensure they are reviewed quickly. The City Economic Development Department has also committed a .5 FTE staffer to support this effort.	
<u>Expected Outcomes and Measurement</u>	
<ul style="list-style-type: none"> • Add 50 new businesses in the SDPZ during the 10 year PZ term. • Reduce retail leakage in SDPZ by 10% SDPZ during the 10 year PZ term. 	
<u>Data Collection, Tracking and Sharing</u>	
The City of San Diego will track number of new SDPZ businesses through business licenses or Tax ID/EIN and the total # of businesses in SDPZ by industry and year of establishment. The City and CivicSD will track infill and major development projects in the zone. New projects will be shared at quarterly SDPZ Executive Committee meetings and data will be reported on an annual basis.	
<u>Timeline/Milestones for Implementation</u>	
<ul style="list-style-type: none"> • Secure New Market Tax Credits to support development throughout the 10 year term. • Secure EPA funds to remediate Brownfield sites within the Promise Zone by 2019. • Target 25% of the City's storefront improvements program to the SDPZ. 	

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	<ul style="list-style-type: none"> • Target increasing the number of businesses participating in the SIP by 10% annually. • Target private investment for SIP projects to exceed 75% of program rebate. • o Utilize GIS data and maps to market SDPZ's potential.
Activity 2B	Make infrastructure improvements along high traffic commercial corridors, addressing SDPZ infrastructure disparities
<u>Rationale/Evidence</u>	
<p>Infrastructure plays an essential role in our economy according to the US EDA (https://www.eda.gov/news/blogs/2015/05/01/spotlight.htm#spotlight-read-more). The City has developed a five-year plan that provides priority areas for infrastructure improvement. Within the SDPZ, disinvested, multi-ethnic business corridors could become walkable, bikeable, attractive, and vibrant through infrastructure improvement.</p>	
<u>Implementing Partners</u>	
<p>The City of San Diego will lead subcommittee meetings, coordinate information flow, develop and update work plans and provide regular reports of activity to stakeholders. The City has committed local funding to infrastructure improvement and is working to secure additional funding, both through supporting a bond measure and submitting grant applications to the California Transportation Commission. The City will work to get projects within the SDPZ in the pipeline so that money can be dedicated.</p>	
<u>Committed Financial Support</u>	
Grant or Direct Allocation	
<ul style="list-style-type: none"> • State Government: \$4,016,000, Caltrans, 07/01/2016-06/30/2019, Through the Active Transportation Program (ATP) to improve pedestrian and bicycle infrastructure surrounding the intersection of Euclid Avenue and Market street. City is grantee; JCNI is partner. This funding is also listed under the Reducing Violent Crime and Health and Wellness goals, as it supports all three goal areas. • State Government: \$4,944,000, Caltrans, 07/01/2016-06/30/2019, Through the Active Transportation Program (ATP) funding for pedestrian and bicycle infrastructure along the Barrio Logan segment of Bikeway to Bayshore. SANDAG is the grantee • Federal Government: \$10,000,000, City-administered CDBG, 07/01/2016-06/30/2027, The City is committed to allocate up to \$15M of locally administered CDBG funds for shovel-ready infrastructure projects, including sidewalks and other public improvement enhancements in the SDPZ by geographically targeting the city's most disadvantaged neighborhoods. • Local, Regional, or Tribal Government: \$150,000, City of San Diego, 2016-2021, Expand City's car-share program that provides "first, last mile" transportation near transit hubs and in disadvantaged communities including the SDPZ. • State Government: \$900,000, City of San Diego/San Diego Gas & Electric, 2016-2020, Pilot project approved by the California Public Utility Commission to install 350 electric vehicle (EV) charging stations in multi-family units and workplace sites within disadvantaged communities including the SDPZ. • Local, Regional, or Tribal Government: \$900,000, Surplus City bond funds, 07/01/2016-06/30/201, Used for public improvements (parks, etc.) along the Imperial Corridor and at Hilltop and Euclid. • Local, Regional, or Tribal Government: Amount varies annually, City of San Diego Capital Improvement Projects, Uses a variety of funding sources to support projects, including Bond Financing, Development Impact Fees (DIF), Donations and Developer Funding, General Fund, etc. 	
<u>Financial Support Needed</u>	
Grant or Direct Allocation	
<ul style="list-style-type: none"> • \$2,000,000, State of California Affordable Housing and Sustainable Communities (AHSC) grant, 07/01/2018-06/30/2021, Provide affordable housing related infrastructure surrounding the intersection of Market Street and Euclid Avenue (an emerging TOD that is part of the Village at Market Creek), which is the site of JCNI's Trolley Park Terrace 52-unit affordable housing development located adjacent to the multimodal (light rail and bus) Euclid Avenue Transit Station. • \$150,000, Expand City's Car Share Program, 07/01/2016-06/30/2020. The City will utilize the Car Share Program Fee to expand its car share program near high transit corridors and disadvantaged communities over a five (5) year period. • \$900,000, Installation of EV Charging Stations, 07/01/2016-06/30/2020, Funding is from a pilot project 	

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<p>approved by the California Public Utility Commission to install 3,500 EV charging stations in San Diego multi-family units and workplace sites over a five (5) year period. Target 10% of the EV charging station installations within disadvantaged communities including the SDPZ.</p>	
<p>Committed Non-Financial Support</p> <p>The Mayor's office has provided a dedicated staffer to coach developers with projects on JCNi properties how to properly package their plans to ensure they are reviewed quickly. This is guaranteed until the end of the mayor's term.</p>	
<p>Expected Outcomes and Measurement</p> <ul style="list-style-type: none"> • Sidewalks, bicycle facilities, pocket parks and rec centers will be added during PZ term. • Improved quality of public space as indicated by new neighborhood amenities within the zone. 	
<p>Data Collection, Tracking and Sharing</p> <ul style="list-style-type: none"> • The City will track infrastructure information across asset-owning departments (e.g. Transportation & Stormwater, Park and Rec, etc.) Updates will be reported at the quarterly SDPZ Executive Committee meetings and data will be collected and reported annually. 	
<p>Timeline/Milestones for Implementation</p> <ul style="list-style-type: none"> • City departments will work collaboratively to identify Capital Improvement Projects (CIP) in the SDPZ, get them shovel ready, and identify sources of funding to dedicate to the projects. • Identify external funding sources (e.g., Caltrans, etc.) that can be solicited. 	
Activity 2C	Support small business development/entrepreneurs by providing small business owner training and removing barriers to start-up/expansion capital.
<p>Rationale/Evidence</p> <p>Over 90% of all San Diego businesses are small businesses. City is developing one open-platform (building permits, business licenses, everything offered in one location) so that in one day business owners are able to apply for all applications/permits via one portal. Funding will be targeted to make capital available to small businesses via supporting partners. These activities support expected growth in the number of self-employed individuals and on-demand jobs.</p>	
<p>Implementing Partners</p> <p>The City's Economic Development Department (EDD) administers the Small Business Enhancement Program. EDD will develop & implement an open platform to streamline permit & applications processes to support businesses. The City will also support the expansion of microlending programs within SDPZ. SDWP is rolling out entrepreneurship centers throughout the city. Supporting organizations will assist small business owners (many of whom are minority or LMI individuals) with start-up & expansion capital</p>	
<p>Committed Financial Support</p> <p>Grant or Direct Allocation</p> <ul style="list-style-type: none"> • Federal Government: \$500,000, Dept. of Labor, Workforce Innovation and Opportunity Act (WIOA), 07/01/2016-06/30/2026, For entrepreneurial training in the SDPZ via SD Workforce Partnership • Local Nonprofit or Foundation: \$250,000, International Rescue Committee (IRC), 07/01/2016-06/30/2026, IRC runs a neighborhood ethnic business group which creates 60 new small businesses (each with an average of 1-2 employees) per year, with an estimated 10% in the SDPZ. Over the course of the SDPZ term, we expect that at least 60 businesses. • Local, Regional, or Tribal Government: \$1,500,000, City of San Diego, funding is available until it is lent, Business loan program provides "gap" financing to businesses in the area (e.g., If supporting partner ACCION has already funded, the city will provide gap financing) 	
<p>Committed Non-Financial Support</p> <ul style="list-style-type: none"> • .5 FTE annually via America's Job Center of California AJCC, providing small business and self-employment workshops • The San Diego City-Council's Reinvestment Task Force negotiates with lenders in the region to develop reinvestment plans that benefit underserved communities. 	
<p>Expected Outcomes and Measurement</p> <ul style="list-style-type: none"> • Increase the number of businesses that receive resource materials. • Increase the number of businesses that receive start-up and expansion funding. • Increase the capacity of existing BIDs (Business Improvement Districts) to support business within the SDPZ 	

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Data Collection, Tracking and Sharing	
The City of San Diego will track grants and loans by source; track number of businesses through business licenses or Tax ID/EIN and total number of businesses in SDPZ by industry and year of establishment; and track funding that is channeled to micro lending programs. Updates will be shared on a quarterly basis at SDPZ Executive Committee meetings and data reported on an annual basis.	
Timeline/Milestones for Implementation	
<ul style="list-style-type: none"> • Support small businesses in disadvantaged communities by working to secure additional funding. • Develop a plan to better leverage local resources (SDSU Entrepreneurship program, ACCION, SBDC). • Support the creation of new BIDs/microBIDS and other assessment districts within the SDPZ. 	
Activity 2D	Market/rebrand the SDPZ's three distinct neighborhoods by using their unique cultural and geographic assets and promoting them individually as healthy, safe, and desirable places to live, work, and invest.
Rationale/Evidence	
Each SDPZ neighborhood will be marketed, highlighting its unique characteristics and location, building on the fact that Encanto & Barrio Logan are cultural districts with significant assets (e.g., parcels with ocean views, proximity to downtown, accessible transit). The City will support tenant-based BIDs to develop the market strategy, promote the area, & implement a "Buy or Made in San Diego" campaign. Residents will be encouraged to walk & shop local, creating new opportunity for businesses	
Implementing Partners	
The City recognizes the critical importance of BIDs & Micro Districts within neighborhood business corridors and will provide assistance and financial and technical support to develop each neighborhood's marketing/rebranding strategy. The City will encourage the creation and growth of BIDs and Maintenance Assessment Districts (property based improvement districts that provide enhanced maintenance services) in SDPZ communities, which leverages funding for greater commercial neighborhood benefit.	
Committed Financial Support	
Grant or Direct Allocation	
<ul style="list-style-type: none"> • Local, Regional, or Tribal Government: \$530,000, City of San Diego, 07/01/2016-06/30/2026, Support for BIDs (e.g., Diamond BID, Logan Heights and Imperial/Commercial Avenue Micro Districts) • State Government: \$25,000, CalFire grant to the City of San Diego, 07/01/2016-06/30/2019, To purchase and plant 50 trees in Barrio Logan Maintenance Assessment District (planting, watering and trimming) 	
Committed Non-Financial Support	
City's Economic Development Department will provide technical support to assist with the formation of new assessment districts in the SDPZ.	
o JCNi will continue to work with the Diamond (Encanto) BID and participate in marketing the businesses digitally (via social media, blog, electronic newsletter).	
Expected Outcomes and Measurement	
<ul style="list-style-type: none"> • Improve SDPZ residents' perception of their neighborhood. • Improve business owner's perception of their neighborhood. • BIDs to develop marketing materials and "Buy or Made in San Diego" campaign. • Increase funding resources channeled to BIDs. 	
Data Collection, Tracking and Sharing	
The City work with BIDs/microBIDs in each neighborhood to develop a marketing strategy and distribute surveys regarding perception to businesses and residents. The City will track funding (and changes in funding) channeled to BIDs. The City will collect and report data on a quarterly basis at SDPZ Executive Committee meetings.	
Timeline/Milestones for Implementation	
<ul style="list-style-type: none"> • Develop a marketing campaign for one of the three SDPZ neighborhood that highlights neighborhood amenities and assets during 2017. • Develop resident and business surveys in 2016. • Distribute and collect baseline and post-campaign surveys in 2017. • Repeat all steps/milestones for other two SDPZ neighborhoods during 2018 and 2019. 	