



THE CITY OF SAN DIEGO

A

Review of

Community and Economic

Development Department

Programs and Projects

2000

INTRODUCTION

The Community and Economic Development Department's mission is to improve the quality of life and ensure a healthy economy for all San Diegans through job development, business development, public infrastructure improvements, social services, and revenue enhancement. Emphasis is placed on benefiting communities and residents in greatest need of support. The department consists of three divisions:

Economic Development Division: Implements policies and programs to create economic development opportunities that improve the quality of life for San Diego and its neighborhoods. Specific responsibilities include:

- Business Expansion and Retention
- Business Finance
- Enterprise Zones
- Small Business Assistance
- Neighborhood Revitalization
- Special Projects

Redevelopment Division: Alleviates conditions of blight in older, urban areas of the City and focuses on nine project areas that cover more than 6,300 acres. Although the Redevelopment Agency is a separate, legal entity, the City Council serves as its legislative body. The Mayor chairs the Agency, the City Manager is the executive director, the City Attorney serves as general counsel, and the Redevelopment Division serves as staff to the Agency. Specific responsibilities include:

- Implementation of Barrio Logan, City Heights, College Community, College Grove, Naval Training Center, Linda Vista, North Bay, North Park, and San Ysidro project areas
- General administration for the Redevelopment Agency (including Centre City Development Corp. and Southeastern Economic Development Corp.)
- Coordination of Redevelopment Agency budget and reporting requirements
- Maintaining the Agency's meeting docket, official records & website.

Community Services Division: Provides high quality human services to enhance the quality of life for San Diego's diverse population. The program focuses on these categories of need:

- Child Care Services, including the "6 to 6" Extended School Day Program
- Administration of Community Development Block Grants and Social Service Funds
- Disability Services
- Enterprise Community
- Citywide Grant Administration
- Homeless Services
- Operation Weed and Seed
- Welfare to Work
- Youth Services

MAJOR PROGRAMS

Business Expansion and Retention: The City's proactive Business Expansion and Retention Program provides assistance to key businesses in targeted industries that results in the retention and expansion of jobs and investment in San Diego. Specific activities include fee reductions and referrals, sales/use tax credits or rebates, and property tax rebates. Approximately 9,000 jobs were created or retained through business assistance provided to key businesses in targeted industries in fiscal year 2000. The total value of projects assisted by the program was more than \$302 million for projects assisted by BEAR in Y 00. One of the biggest highlights of the team's work occurred on April 20, 2000, when biotech giant Novartis broke ground on a 200,000-square-foot, six-building campus on Torrey Pines Mesa. The City's \$1.25 million incentive package will return \$9.98 million to the General Fund over 37 years. In late 2000, the Business Expansion and Retention Team coordinated a commitment by Intel to develop a major R&D facility at the Scripps Ranch Business Park. In April 2001, software giant BAE Systems committed to purchasing and expanding its Rancho Bernardo Business Park facility. Contact: Russ Gibbon, (619) 235-5801.

Business Finance: The City addresses various finance needs of businesses by issuing of industrial development bonds and direct loans. The City also coordinates with nonprofit and for-profit financial intermediaries to provide access to capital gaps impeding economic development. The City also works closely with the banking community to encourage San Diego-specific programs for low-income communities and small and minority-owned businesses. In fiscal year 2000, the Emerging Technology ("EmTek") loan fund was recapitalized to a total of \$2.5 million through investments of private lending institutions, and a \$250,000 operating support grant was received from the North American Development Bank. Industrial Development Bonds currently outstanding total \$358 million and new issues totaled \$5 million. In accordance with Council Policy 900-9, a comprehensive community credit needs assessment was conducted under the auspices of the City/County Reinvestment Task Force and was accepted by the City Council on March 6, 2000. Contact: Mark Sullivan, (619) 236-6235.

Community Development Block Grants/Social Services: The City receives approximately \$18 million annually in funding from the U.S. Department of Housing and Urban Development (HUD) and awards the funds to private or public organizations. These funds can be used to revitalize neighborhoods, expand affordable housing and economic opportunities, and/or improve community facilities and services that benefit low- and moderate income persons. Contact: Ernie Linares, (619) 236-6719.

Disability Services: Disability Services plans, organizes, and coordinates initiatives and strategies to assist persons with disabilities. The program works with City departments and other agencies to formulate and administer policies affecting the disability community, assess the City's compliance with federal and state laws and regulations, and reviews and updates the City's transition plan for architectural access. Contact: Linda Woodbury, (619) 236-5979.

Enterprise Zones: An Enterprise Zone is a defined geographic area in which businesses can claim certain state income tax savings and other advantages. Enterprise Zones were created in

California to stimulate business investments in areas that are economically disadvantaged as well as to spur job growth in areas of high unemployment. The state has designated 39 locations as Enterprise Zones. The South Bay Enterprise Zone (formerly the San Ysidro/Otay Mesa Enterprise Zone) was expanded in December 2000 to include 437 acres in the City of Chula Vista. Under an agreement between the two cities and the Port of San Diego, Chula Vista and the Port will provide funding for staff and marketing to San Diego for the zone. The Metropolitan Enterprise Zone encompasses much of downtown San Diego and areas south and east. A special Enterprise Zone was established at Liberty Station (formerly the Naval Training Center) in March 2001. Contact: Lydia Moreno (South Bay Zone), (619) 424-0231; Ples Felix (Metropolitan Zone), (619) 236-7245; or Maureen Ostrye (Liberty Station Zone), (619) 236-6436.

Guaranteed Water for Industry Program: The Guaranteed Water for Industry Program allows certain companies to be exempt from mandatory water supply cuts during a "water warning" if they meet certain criteria. To qualify, a company must use reclaimed water where feasible, install ultra low flow toilets, water-conserving shower heads and other water-efficient fixtures. In June 2000, the R.W. Johnson Pharmaceutical Research Institute became the first company to be certified. Contact: Russ Gibbon, (619) 235-5801.

Homeless Services: Homeless Services plans, organizes, and coordinates activities to assist the homeless community. The program works with City departments and other agencies to formulate and administer policies affecting the homeless community, advises the Mayor, City Council and City Manager on related policies, implements new legislation and programs, and is a liaison between the City, homeless community, and organizations serving the homeless. Homeless Services programs include:

- **City Works:** The City Works demonstration project provides transitional housing and employment opportunities for homeless people from the Winter Shelter Program who are mentally ill or dually diagnosed. Transitional housing allows the individuals to move into a residential treatment program, where the typical length of stay is seven months. Residents are offered a place to sleep, meals, access to day centers, help obtaining psychiatric services and medication, and other support services. As part of the City Works program, Episcopal Community Services, and the City Park and Recreation Department provide employment for 12 to 18 homeless individuals from the Winter Shelter Program who have been placed in transitional housing. City Works is funded by the Centre City Development Corp. with housing assistance vouchers provided by the City Housing Commission. Contact: Sharon Johnson, (619) 533-6280.
- **Homeless Outreach Teams:** The City's Homeless Outreach Team provides a critical change in perspective on how to approach the homeless issue. The HOT Team, as it is known, views each homeless person as an individual with individual needs. The team contacts homeless people, assesses their issues and problems, and identifies how to help them from a range of solutions. This approach provides short-term answers and develops permanent solutions for these individuals. The expanded HOT Team focuses on downtown and the beach area. The HOT Team is a partnership of the City, County, Centre City Development Corp., and Downtown San Diego Partnership. In the 2000 fiscal year, the Homeless Outreach Teams, commonly called HOT Teams, provided

care, resources, and assistance to approximately 450 individuals. Contact: Ron Thurlow, (619) 533-6525.

- **Special Needs Housing Program:** The Special Needs Housing Program addresses the needs of homeless people with special needs, such as mental illness, chronic alcohol or drug abuse, or both (dually-diagnosed). The Special Needs Housing Program is a regional collaboration of the City, County, Centre City Development Corp., City Housing Commission, and nonprofit social services providers. Contact: Ron Thurlow, (619) 533-6525.
- **Winter Shelter Program:** Each winter season since 1993, the City of San Diego has provided emergency shelter for the homeless. The Winter Shelter Program also provides services from the County's Health and Human Services Agency and other social service agencies. These services helped homeless individuals find permanent housing, health care, income assistance and jobs. In fiscal year 2000, the City expended more than \$1 million on the Winter Shelter Program and contracted with St. Vincent de Paul, Vietnam Veterans of San Diego, and the Solutions Consortium to operate the shelters. During the 1999-2000 winter season, the City funded three shelters with a total of 660 beds, including a 250-bed facility for single men and women, a 150-bed facility for male veterans, and a 260-bed shelter for families. Currently the City is funding the operations of a 250-bed facility for single men and women and a 150-bed facility for veterans (both closing in mid-March), and a 150-bed facility for family members (closing in late June/early July). Contact: Sharon Johnson, (619) 533-6280.
- **Year-Round Family Shelter:** The City is currently working with the County to establish a year-round emergency shelter for 45 to 50 families that would house 150 family members. The shelter would provide short-term housing (60 days) and supportive services, such as case management, counseling, medical services, and assistance in finding employment. The City is moving forward with the acquisition of the Days Inn on Ninth Avenue to provide a 150-bed, year-round, short-term transitional facility for homeless families. It is anticipated that the families currently being housed in the Winter Shelter Program will be transferred to the year-round facility. Contact: Sharon Johnson, (619) 533-6280.

Neighborhood Revitalization: The City's Neighborhood Revitalization team collaborates with neighborhoods to do streetscape projects that improve and enhance the street landscape and public spaces. These projects benefit the businesses and citizens in the neighborhoods and the City as a whole through improved quality of life and economic benefits. A number of Revitalization projects have received AIA Orchid awards. Eight streetscape improvement projects were completed in San Diego neighborhoods in fiscal year 2000 and more than 500 trees were planted along City streets. The improvements will help provide a better quality of life for the neighborhoods and assist in reviving the commercial districts in those areas. Contact: Janet Wood, (619) 236-6210.

Office of Small Business: Small businesses are the driving force of San Diego's economy, representing more than 60,000 businesses (approximately 92 percent of all businesses in the City) and about half of San Diego's job growth since 1991. The Office of Small Business was the first

its kind in California dedicated solely to help small businesses succeed. The City allocates millions of dollars each year for programs to help small businesses prosper. In fiscal year 2000, the Office of Small Business provided funding of approximately \$3.4 million, contract management services and technical assistance through partnerships with private, not-for-profit organizations that benefited more than 16,000 small businesses in Business Improvement Districts, micro districts and other areas of the City. Additionally, more than 3,000 businesses received information on starting and growing their business and other services offered by the City. Thirty-nine individual businesses participated in the Storefront Improvement Program resulting in private investment of more than \$600,000, and in October, the Program was presented a prestigious “Orchid” award as part of the AIA’s annual Orchids and Onions awards. Contact: Meredith Dibden-Brown, (619) 685-1385.

“6 to 6” Extended School Day Program: The City, in cooperation with the San Diego Unified School District, opens elementary and middle schools before and after normal school hours to provide a safe place for students. Children participate in academic enrichment and recreational activities when their parents are at work. Funded by the City and several state and federal grants, the “6 to 6” Program serves 196 schools within the City limits for the 2000-2001 school year. Contact: Deb Ferrin, (619) 533-6511.

Youth Services: The Youth Services Program is responsible for all youth service programs provided by City departments, and is a liaison between the City and community organizations that provide services to youth. Youth Services is also responsible for the City’s participation in the Youthforce Program that helps find part-time jobs for teenagers at the City. In 2000, summer jobs were found for approximately 150 youths at City departments for a period of eight weeks. The youths received valuable on-the-job experience, income, and work skills. Contact: Rudolph Johnson, (619) 236-6635

MAJOR PROJECTS

Barrio Logan Redevelopment Project Area: A development and disposition agreement under current negotiation is proposing a \$21.5 million public/private partnership project called the Mercado Commercial Project. This project would consist of a 111,000-square-foot community serving commercial facility that would generate 250 permanent jobs; a community college facility expansion to provide added classrooms, a community meeting space, and a display area for the Aztec Brewery Murals; and development adjacent to the trolley stop for an anticipated mixed use project. Contact: Benjamin Hueso, (619) 236-6234.

Central Commercial District: The newly-formed maintenance assessment district is a response by property owners along the commercial corridors of Imperial, Commercial, and National avenues to create much-needed neighborhood development and beautification. Operating with a \$215,000 annual budget, the members of the district will work on the projects with the Community and Economic Development Department. Contact: Benjamin Hueso, (619) 236-6234.

City Heights Redevelopment Project Area: The 1,962-acre City Heights Redevelopment Project Area comprises various community planning areas focusing on education and beautification of the community. A variety of excellent redevelopment opportunities are afforded in City Heights due to several established commercial districts, multi-family and single-family housing, access via four major freeways, and industrially-designated properties. Contact: Jim LoBue, (619) 236-6012.

- **City Heights Urban Village:** The City Heights Urban Village has recreated the core of the City Heights community, establishing a pedestrian-friendly town square with important City facilities and centers of learning. Already completed are a library, performance area, recreation center, playing fields, police substation, swimming pool, municipal gym, an adult learning center, and elementary school. Still under construction or being planned are a retail center and affordable housing. In 2000, construction was begun on phase three of the City Heights Urban Village, a 110,000-square-foot shopping center. The final phase of the urban village is expected to be completed in 2001. The urban village covers eight City blocks within the City Heights Redevelopment Project Area. The project has been a partnership of the City, Redevelopment Agency, San Diego Foundation, CityLink Investment Corp., and Price Charities.
- **Interstate 15 Corridor Project:** Major improvements and redevelopment efforts are underway or being planned for the Interstate 15 corridor in the City Heights. Plans include new landscaping, street and sidewalk improvements, three new parks, improved public transit, and new development. Many improvements are planned for El Cajon Boulevard and University Avenue. The Interstate 15 extension is expected to be completed in fall 2000. The City is working on the project with Caltrans, Metropolitan Transit Development Board, Mid-City Transit Interchanges Project, and several community organizations.
- **Regional Transit Center:** The Regional Transportation Center is a proposed facility that would educate and inform consumers about alternative fuel vehicles. The

Redevelopment Agency is working with several partners on this project in the City Heights Redevelopment Project Area. Major funding is being provided by the U.S. Department of Housing and Urban Development.

College Grove Redevelopment Project Area: The 157-acre College Grove Redevelopment Project Area includes the former College Grove shopping center, Chollas Lake Park and Chollas Landfill. The shopping center was recently redesigned and renovated with the inclusion of many new stores and shops. The renovated center has provided many jobs for the community. Contact: Ron Smith, (619) 236-6193.

College/Eastern Area Planning and Economic Review (CEAPER): The College/Eastern Area Planning and Economic Review has multiple activities designed to refurbish the business and residential neighborhoods in the College and Eastern areas of San Diego. These areas include the neighborhoods of Chollas Creek, Colina del Sol, College, Darnall, El Cerrito Heights, Oak Park, Rolando, and Rolando Park. Contact: Gary DeBusschere, (619) 685-1493.

College Community Redevelopment Project Area: The 131-acre College Community Redevelopment Project Area focuses on student housing needs, transportation planning, and landscaping improvements. The City is working with the San Diego State University Foundation to provide adequate student housing. Development has begun on several student housing projects, and a large mixed-use project is in the planning stage. Contact: Ron Smith, (619) 236-6193.

Naval Training Center/Liberty Station: After seven years of planning and hundreds of community meetings, ground was formally broken on Feb. 26, 2001, for the City's new waterfront community on the grounds of the former Naval Training Center (NTC). Over the next several years, NTC will undergo a transformation to an urban village. New homes, parks, businesses, and cultural and educational facilities will transform the former Navy base into a dynamic urban village on the waterfront. Most of the redevelopment of the base is scheduled to be completed by mid-2005. Also, a new identity was launched for NTC: Liberty Station. The new name pays homage to the thousands of Navy personnel who were trained at the old San Diego Naval Training Station, as it was originally called. Corky McMillin Companies was chosen by the City as the project area's master developer in June 2000. Contact: Maureen Ostrye, (619) 236-6436.

North Bay Redevelopment Project Area: The Redevelopment Agency recently issued \$13 million in tax allocation bonds to finance redevelopment projects and low and moderate income housing. Projects under discussion include attracting new office/R&D space to feed off of SPAWARS, a transit-oriented development project at an existing trolley station, redevelopment of a portion of the Sports Arena site, joint development with the San Diego Unified Port District within the America's Cup Harbor area, expansion and development of affordable housing, public facility development, public improvements, and development planning studies. Contact person: James Davies, (619) 236-6327.

North Park Redevelopment Project Area: The 555-acre North Park Redevelopment Project Area focuses on rehabilitation and revitalization of commercial, mixed-uses in transit corridors,

and residential areas. Historic preservation and public art are incorporated features within the redevelopment focus. Notable improvements in the area include a coordinated tree-planting effort that not only beautifies the neighborhood, but also enhances the strong sense of community. The business improvement district in this area was designated as the City's pilot main street program in 1996. The community is actively involved in redevelopment projects in an effort to retain the craftsman-style homes for which the neighborhood is known. The Redevelopment Agency has issued \$7 million in tax allocation bonds to finance capital projects, including low and moderate income housing. A specific focus of activities is the intersection of University and 30th streets. Contact: Iliana Worthen, (619) 525-8442. A key North Park project is:

- **North Park Theatre:** On Aug. 15, the Redevelopment Division has begun negotiations with Arnold G. Fischer for renovation of the North Park Theatre and adjacent portions of the theater block bounded by University Avenue, 29th Street, North Park Way, and Granada. The theater project is envisioned as the cornerstone of an entertainment district in North Park, and is an essential element in the revitalization of the community. Contact: Ron Smith, (619) 236-6193.

San Ysidro Redevelopment Project Area: The 766-acre San Ysidro Redevelopment Project Area focuses on eliminating and preventing the spread of blight and deterioration of the community by improving and preserving neighborhood characteristics and attracting new development. Contact: Patricia Hightman, (619) 236-6207.

- **International Gateway of the Americas:** The International Gateway of the Americas is a planned development along the American side of the U.S.-Mexico border that would redevelop the area and dramatically change the border crossing at San Ysidro. A public-private partnership of the City's Redevelopment Agency and LandGrant Development, the project will create a world-class gateway between the cities of San Diego and Tijuana that not only includes new customs facilities, but also a landmark pedestrian bridge over the Tijuana River, retail stores, offices, hotel, and entertainment areas. Ground was broken for the first phase of the International Gateway of the Americas project on April 6, 2001. Phase I will include an open-air shopping center with retail outlet stores and restaurants, and the first stores are scheduled to open in November 2001. Still subject to federal and local government approval, the second phase of the project would include the pedestrian bridge, transportation terminal, retail stores, office tower, hotel, and conference center.