

South/East San Diego County Comprehensive Economic Development Strategy (CEDS)

Updated Report of Accomplishments December 6, 2013

Goal 1: Collaboration and Leadership – Build on the CEDS Study Area’s economic development strengths, opportunities, and assets by contributing to a unified and bi-national approach to economic prosperity and sustainability that includes private and public sector leadership, partnerships and the dedication of resources.

Communicate CEDS vision, presentations, press coverage, meetings & Educational training events.

- Expanded CEDS boundaries to include all of the City of San Diego.
- Developed the South and East San Diego Counties Comprehensive Economic Development Strategies brochure
- Obtained the following press coverage:
 - “East County Wants to Chart a Flight Path for Commerce”
BUILDING: Leaders See Opportunity to Create Aerotropolis at Gillespie. San Diego Business Journal. Monday, March 4, 2013
 - “East, South County grants aimed at jobs, economic growth ‘Aerotropolis’, border-bay university ideas to be explored with public input”. San Diego Union Tribune. April 16, 2013
- Maintained the CEDS Web sites:
 - South County EDC’s CEDS Page is located at <http://www.southcountyedc.com/ceds.html>
 - East County EDC’s CEDS page is located at <http://www.eastcountyedc.org/about-the-region/ceds>

Goal 2: Business Development and Entrepreneurship – Actively support, integrate, expand, and diversify the CEDS Study Area’s economic base including existing, emerging, and locally based businesses and entrepreneurs that generate quality jobs, investment and environmental sustainability.

Business Development & Entrepreneurship – Business Attraction, Expansion & Retention

- Expanded bi-national asset map that is serving a model for Mexico/U.S. cluster mapping initiative for the entire border region.
- Assisted 6,586 businesses, creating and retaining 3,383 jobs.
- Secured Donovan prison commitment to buying 25% of goods and services locally
- Assisted 4 Industry Clusters for a total of 13 companies with their manufacturing or supply chain needs.
- Began the South County Visioning Project

- Assisted small businesses international trade transactions of \$322,000 dollars in exports/imports
- Assisted 103 vendors (Goods and Service Providers) with city contracts.
- The dissolution of the former Redevelopment Agency on February 1, 2012, (per AB 1X 26 and upheld by the State Supreme Court), the successor agency was formed to implement the wind down of the former Redevelopment Agency. Civic San Diego was formed in the summer of 2012, to serve as a consultant to the City and replace Centre City Development Corporation (CCDC) and Southeastern Economic Development Corporation (SEDC) and take the lead role in the wind down of contracts, enforceable obligations, and projects on behalf of the former Redevelopment Agency.
 - Collaborated with local jurisdictions and the hospitality industry to investigate investment opportunities for business-class hotels in the San Diego South and East County region.
 - Leveraged millions of dollars in redevelopment funds, prior to California's dissolution of redevelopment agencies, to improve existing infrastructure to support the job-creation potential of an Aerotropolis vision surrounding regional airports.
- The Enterprise Zone was expanded to include 2,300 acres of heavy commercial areas and industrial parks in the central and north City areas in FY 2013. However, in July 2013, the California Legislature repealed the Enterprise Zone Act effective January 1, 2014, and approved three new economic incentive programs that will be implemented at various time in 2014. The new incentive programs include California Competes, New Jobs Hiring Tax Credit, and Sales Tax Exemption.
 - The number of Enterprise Zone Hiring Credit Voucher Certificates issued in 2013 is 11,247.
 - The number of Enterprise Zone businesses Hiring Credit Vouchers issued in 2013 is 427.
- Foreign-Trade Zone (FTZ) Program (FTZ No. 153) was reorganized in Fiscal Year 2011 and the Service Area now includes the entire county of San Diego and the southwest corner of Riverside County. In Fiscal Year 2013, one company was approved to operate as an FTZ facility for a current total of nine (9) FTZ facilities. Another company is pending approval by the City, U.S. Customs and Border Protection, and the U.S. Department of Commerce/FTZ Board to operate an FTZ facility with at least eight other companies in the application process.
- Received from the Brookings Institute the selection of San Diego as one of eight cities to participate in the Brookings Metropolitan Export Exchange Program. Since then, partners throughout the San Diego region have been working together with the Brookings Institution to develop a regional export strategy to boost the local economy and create jobs. Several organizations conducted research on San Diego's export economy to support the development of a strategy, and on uncovering strengths and weaknesses of the San Diego export economy by combining macroeconomic research and extensive input from local business leaders, representing both exporting and non-exporting organizations. The results were compiled into the Market Assessment. These findings represent a key first step towards the development of the regional export strategy.

Financing & Credit Assistance

- There are various lending institutions, such as Accion San Diego, CDC Small Business Corporation, the City of San Diego, South County EDC, and other local lenders that provide small business finance to businesses in the South and East San Diego County. Two of the lending institutions reported the following results:
 - The City of San Diego provided assisted and funded one loan application for a total of \$0.25 million, resulting in \$1.2 million of private investment leveraged and 11 jobs created.
 - South County Economic Development Council's Small Business Revolving Loan Program assisted and funded one loan for one startup company that was paid off in August, 2013 creating two jobs and with a potential growth of two more jobs.

Goal 3: Education and Workforce Development – Support the development of a highly skilled and well-trained regional workforce that is prepared for a wide range of jobs in existing and future businesses.

- The State's Chancellor's office provided the funding for the knowledge and technical skills to integrate sustainable business practices into the workplace for participants at the Cuyamaca College's Sustainable Supply Chain Management 112 hour training program (sSCM). Students participate in a 16 hour LEED workshop and have the opportunity to come out of the program with 3 industry-recognized credentials for free (if they were to take these exams on their own, it would cost about \$600 per student). The three credentials are LEED Green Associate, Certified Associate of Project Management (CAPM), and the National Career Readiness certificate. Cuyamaca College received an Economic and Workforce Development grant to offer this program and the certificate tests at no-cost to participants.
- Invested \$200,000 in the CONNECT2Careers, provided by the City of San Diego, summer youth employment program. Resources were leveraged in order to attract funding from the Walmart Foundation and the Brandeis Center for Youth and Communities for the 2013 Summer Youth Employability Initiative. As a result, nearly 400 youth were hired for summer jobs.
- Served 675 people who completed at least one training program through the Health Professions Opportunity Grant, helping them seek more training in stackable credentials to move up the healthcare career ladder. The funding was provided by the U.S. Department of Health & Human Service, by the Department of Labor, and WIA.
- Served 12,145 Adults through the Adult Funding, and assisted 2,289 participants in occupational skills training programs throughout the America's Jobs Centers of California. Helped 2,095 obtain employment, and 898 received an industry-recognized certificate.
- Served 2,054 through the Youth Funding program, and assisted 1,664 youth receive educational and vocational services to further increase their math, reading, and work readiness skills. Helped 657 to be placed in employment or postsecondary education, and 435 attained a degree or certificate. The funding was provided by U.S. Department of Labor.

- Exposed adult job seekers and veterans to well-paying careers in the Manufacturing sector. Attendees toured local manufacturing facilities and participated in an employer panel discussion to learn about strategies to pursue careers in manufacturing. Private sector sponsorships were the primary funding source for the Careers in Manufacturing Series.

Goal 4: Infrastructure Development – Commit resources to the infrastructure needed to support safe and secure international trade, economic growth, and sustainability throughout the CEDS Study Area.

Support regional efforts to enhance, improve, and expand infrastructure within the CEDS Study Area and the border ports of entry.

- Received approval for the redevelopment of Brown Field Municipal Airport in Otay Mesa.
- Broke ground for the H Street in Chula Vista to connect H Street where it currently ends to the Chula Vista Master Bayfront project. The Chula Vista Master Bayfront will generate more than 2,200 permanent jobs, and nearly 7,000 construction jobs and indirect jobs.
- Opened the State route 905 that closes the highway gap between the Otay Mesa Port of Entry (POE) to I-805, I-5, and the South Bay Expressway SR-125, to improve the movement of people and goods in South County San Diego.
- Invested nearly \$7 billion in California between 2010 and 2012 and expect to invest \$14 billion more in 2013-2015 as part of AT&T’s Velocity IP (Internet Protocol) initiative to expand and enhance wireless and wire-line broadband networks.
 - Helped 2,900 additional business customer, located in more than 90 multi-tenant office buildings across the metro area, to have access to blazing-fast, reliable connections to Internet and cloud-based resources, which ride on the fiber network.
 - Deployed wire-line IP broadband for consumers, including AT&T U-verse® services for more than 15,950 customers. (*)
- Received approval of the Aerotropolis concept for the East County and South County San Diego region. Named as one of Time Magazine’s “10 Ideas That Will Change the World,” the Aerotropolis concept calls for the creation of a concentrated economic hub around an airport. It is a new urban form that supports cities and communities around them by facilitating and connecting workers, buyers, suppliers, executives and goods to the global marketplace.
 - Received formal support from multiple, local jurisdictions and other regional leaders, in the form of resolutions, to support the Aerotropolis Concept for regional airports and authorizing the pursuit of funds to develop a strategic roadmap from federal, state, and non-profit sources.

**U.S. Investments in broadband and wireless technologies can have a dramatic effect on job and economic growth in our nation. A \$10 billion investment in broadband could produce nearly 500,000 new jobs, and for every dollar invested in wireless, GDP can be increased \$7-\$10.*

- Began the planned widening of Prospect Avenue in Santee, an important transportation corridor for the Aerotropolis: The 150-acre business area abuts the northern fence of Gillespie Field. Santee plans to bury power lines, install sidewalks, plant landscaping and make other improvements.

Goal 5: Quality of Life – Work to ensure the CEDS Study Area is a place where people of all ages, incomes, and backgrounds want to live, work, study and play in an environment that supports a high quality of life.

Quality of Life – Work towards Jobs/Housing Balance & downtown renovation & development

- Testified in support of Enterprise Zone at State Housing and Community Development hearing.
- Expended the Neighborhood Stabilization Program's 100% expenditure deadline and expended over 99% of its Homelessness Prevention and Rapid Re-Housing Program and Community Development Block Grant Recovery funds. Collectively totaled \$19.7 million.