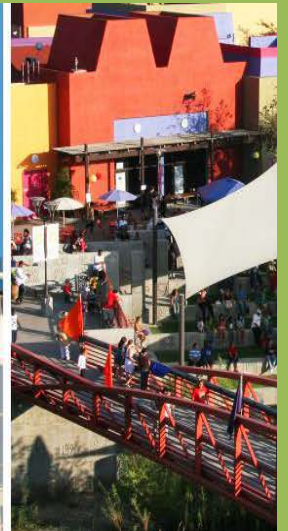


Economic & Community Development Work Plan



Civic San Diego is a City of San Diego owned non-profit that is the entrepreneurial development partner for targeted urban neighborhoods.

Economic & Community Development Work Plan adopted by the Civic San Diego Board of Directors on July 27, 2016.

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Civic San Diego Economic & Community Development Work Plan

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II. Executive Summary

Civic San Diego (CivicSD) is a 501(c)(3) nonprofit wholly owned by the City of San Diego (the “City”). Civic San Diego’s Bylaws and Articles of Incorporation are adopted by the City, through action of the City Council. The CivicSD vision is revitalized urban neighborhoods that are great places to live, work and recreate, making San Diego economically competitive with the world’s best cities. Its mission is to be the entrepreneurial partner for improving economic and social well-being in a better built environment for targeted urban neighborhoods. More information on CivicSD is available at www.civicsd.com.

The core CivicSD strategy is to build public private partnerships and to use leveraged financing to:

- Advance community goals through public improvements
- Provide affordable housing, mixed use and transit oriented development
- Foster livable communities and healthy neighborhoods
- Nurture small business and stimulate job creation

Following the dissolution of redevelopment in 2012, the Board of Directors asked staff to identify, investigate, and present information about alternative funding sources and economic development initiatives that could replace revenue formerly supplied by tax increment financing and continue CivicSD’s mission of improving the quality of life in under-served neighborhoods in the City. Staff evaluated numerous potential alternatives which have been presented to the Board, and CivicSD has established a successful New Markets Tax Credit (NMTC) program. Based on feedback from the Board and community stakeholders, staff has prepared this Economic & Community Development Work Plan (the “Work Plan”) to implement other similar economic development programs and initiatives.

The Work Plan identifies a number of new programs and financing initiatives based in four categories: 1) Investment Programs, 2) Business Attraction / Retention & Marketing for Underserved Communities, 3) Community Revitalization and Workforce Development and 4) Community Engagement & Outreach

III. Background

In the absence of tax increment financing resulting from the dissolution of redevelopment, CivicSD staff has conducted comprehensive research on alternative funding sources to continue CivicSD's mission of revitalizing the City's underserved urban neighborhoods and implementing economic development programs. While the Corporation's recent entry to the NMTC program provides an important new funding source for assisting for-profit and non-profit businesses to create jobs and provide needed goods and services for many of CivicSD's targeted neighborhoods, the program has limitations on the use of its funds and its future availability is unpredictable due to the highly competitive nature of the program.

Therefore, staff has been seeking additional funding sources and program to finance many of the activities that were previously funded using tax increment: site acquisition and assembly, planning, community engagement, public improvements and infrastructure, community facilities, gap financing for mixed-use development, affordable housing and first-time homebuyer programs, quality job training and creation, healthy foods, renewable energy and environmental sustainability, parks and open space, habitat and watershed preservation, child care facilities, small business finance and micro-finance, costs related to the creation of special districts, arts and culture, and program/project administration, among others.

Although specific economic impacts are not quantifiable at this time, implementation of the Work Plan is anticipated to create positive economic impacts by attracting new revenue and investment to the low-income communities of San Diego and by stimulating revitalization, employment opportunities and economic development. More specific estimated economic impacts will be quantified as each component of the Work Plan is further developed consistent with CivicSD's Community Benefits Policy.

IV. Economic Development Strategy and Goals

The core CivicSD strategy is to build public private partnerships and to use leveraged financing to:

- Advance community goals through public improvements
- Provide affordable housing, mixed use and transit oriented development
- Foster livable communities and healthy neighborhoods
- Nurture small business and stimulate job creation

Economic Development Categories

<p>Investment Programs</p> <ul style="list-style-type: none">➤ New Markets Tax Credits➤ Transit-Oriented Development Fund➤ Community Investment Fund➤ EB-5 Program➤ Tax Increment Financing Districts➤ Cap & Trade Funds➤ Civic San Diego Sponsored Loan Fund➤ Program Related Investments➤ Mission Driven Deposits	<p>Business Attraction / Retention / Marketing for Underserved Communities</p> <ul style="list-style-type: none">➤ Reuse of Former Central Library➤ FDI / Exports via World Trade Center➤ Business Supplier Diversity Program➤ Neighborhood Made Initiative➤ Corporate Relocation Pilot Program➤ BID / Neighborhood Small Business Program➤ Business Database / Connectory
<p>Community Revitalization and Workforce Development</p> <ul style="list-style-type: none">➤ Inner City Social Enterprise Program / Culinary➤ Inner City Trade Industry Training Program	<p>Community Engagement and Outreach</p> <ul style="list-style-type: none">➤ Civic San Diego Roundtables➤ Neighborhood Tours

V. Investment Programs

New Markets Tax Credit Program

The New Markets Tax Credit (NMTC) program, managed by the United States Department of the Treasury's Community Development Financial Institutions Fund ("CDFI Fund"), provides funding for qualified entities, through an annual competitive process, to make qualified Low-Income Community investments within specified geographic regions. To take advantage of this opportunity, in 2012 CivicSD formed the Civic San Diego Economic Growth and Neighborhood Investment Fund ("Growth Fund"), a nonprofit subsidiary corporation to qualify and serve as a Community Development Entity (CDE) for purposes of applying for annual NMTC allocations from the CDFI Fund.

The Growth Fund has retained the services of United Fund Advisors (UFA), a consultant specializing in NMTC applications with a successful track record of obtaining NMTC allocations, to assist with preparing NMTC applications from the CDFI Fund through 2018. With UFA's assistance, staff applied for, and was successful in being awarded a combined \$83 million

in NMTC allocation from 2012 to 2014. This funding is being used for investment in qualified businesses located in low-income neighborhoods in the City.

In December, President Obama signed into law a \$1.1 trillion spending bill that extended the NMTC program an additional five years. Staff recommends that the Growth Fund continues to work with UFA to apply for annual allocations of tax credits.

Transit-Oriented Development Fund

CivicSD and the San Diego Housing Commission hired Forsyth Street Advisors to form and manage a transit-oriented development (TOD) investment fund to attract private capital to develop affordable housing along transit. Forsyth Street, based in New York, is a nationally recognized leader in structuring, sourcing and investing capital for the preservation and development of affordable housing.

The goal of the TOD Fund is to raise between \$50 million and \$100 million of investment by leveraging a minimum of \$3 of private capital for every \$1 of public funds committed. That new money will supplement traditional sources of gap financing for the creation and preservation of affordable housing within targeted sites along transit corridors that address transit needs between housing and jobs.

Forsyth Street is performing a market assessment to determine the best fund structure and the financing products to be offered and then will conduct outreach to potential investors and grantors; which may include regional and national philanthropies, regional and national commercial banks, investment banks, insurance companies, area employers, pension funds, high net worth individuals, and others. They are targeting having the assessment completed by the fall and to having the fund fully capitalized and launched by fall of 2017.

Community Investment Fund

With direction from the board, staff has drafted an investment & capitalization plan for a Community Investment Fund that will invest in stable, income producing real estate assets in order to continue redevelopment efforts in underserved City communities. The Community Investment Fund will have a “triple bottom line” focus on economic, social, and environmental impacts. The fund’s goals are to:

- a. Act as a redevelopment catalyst by preserving or creating socially beneficial uses in the community in which an asset is located,
- b. Provide administrative funding for CivicSD, and
- c. Provide income to support additional redevelopment projects.

The Community Investment Fund will focus on underserved neighborhoods that meet the CDFI Fund designation as being Severely Distressed for the NMTC program, giving strong preference to the former City redevelopment areas. The financing plan is to acquire assets using a combination of 70 percent traditional senior debt, 20 percent NMTC loans, and 10 percent philanthropic or traditional equity. Under the NMTC program, any acquisition made will require 25 percent of the purchase price (less the land value) be reinvested in the asset, so assets must have capacity for reinvestment.

Staff prepared a 15-year cash flow forecast to model the potential returns of the Community Investment Fund. It assumes that four properties are purchased at \$10 million each and \$2 million is invested into each for improvements for total capitalization of approximately \$50 million. The first property is purchased one year after the start-up costs are incurred and one additional property is acquired every two years. Based on a detailed set of assumptions, the Community Investment Fund is projected to require an initial investment from CivicSD of approximately \$500,000 and an additional \$50,000 per year in years 2 to 8 and return approximately \$470,000 annually to CivicSD in years 9 to 15 for a forecasted net return at year 15 of \$2.45 million as reflected in the table below.

Cash Flow Forecast Summary

Year	1	2-8	9-15	1-15
Contribution	-\$500K	-\$350K		-\$850K
Return			\$3.30M	\$3.30M
Net Return				\$2.45M

The actual return would vary depending on the economics of each project and the payment terms of the invested capital. CivicSD’s Growth Fund is precluded from making investments in affiliates of CivicSD, so the Community Investment Fund will need to source NMTC investments from other CDEs. Staff recommends that it focus instead on deploying its current allocations of NMTCs and applying for future allocations. Once the Growth Fund is fully deployed and if future awards are not forthcoming, then staff will update the business plan and present to the Board for consideration as a tool to continue investing in our communities and also to further bolster our NMTC track record to remain competitive for future allocations.

EB-5 Regional Center

The Immigrant Investor Program (EB-5), created by Congress in 1990 and administered by the U.S. Citizen and Immigration Services, provides low-cost, flexible capital for projects that create jobs. After investing \$500,000 in an approved project, a foreign national (and spouse and children under 21) is issued a two-year conditional green card. The investor must show that the

funds have been fully invested and at least 10 jobs have been created within two years to gain full resident status.

An EB-5 Regional Center is an economic unit, public or private, that serves an area designated by the USCIS as eligible to receive immigrant investor capital. Regional Centers take in investors' capital and loan it out to a job-creating project. For typical investments, the investor invests in a limited partnership which in turns makes a low interest loan to the enterprise (i.e. 6% with a 5-year term). The project benefits from the lower cost debt and the Regional Center charges sufficient interest and fees to cover all the financing costs and provide a small profit if the project performs. Large-scale construction projects, such as hotels, are strong targets due to the dependability of creating construction jobs. Below is a sample source and use for a \$30 million project (i.e. 60 investors that each invested \$500,000 for a project that is anticipated to create at least 600 jobs).

Sample Sources and Uses - \$30M EB-5 Loan

Sources			Uses		
Placement Fee	1.00%	\$ 300,000	Marketing		\$ 50,000
Interest Rate	6.00%	9,000,000	Travel/Road Shows		150,000
Upfront Investor Fees	50,000	3,000,000	Legal		175,000
Reimbursements		250,000	Accounting/Audit/Tax Prep		65,000
Total		\$ 12,550,000	USCIS Exemplar Filing		20,000
			USCIS RFE		100,000
			Economic Study		20,000
			Market Study		35,000
			Asset Mgmt and Compliance		750,000
			Agent Fees (upfront)		3,000,000
			Agent Fees	3.00%	4,500,000
			Broker Fees	1.00%	1,500,000
			Investor Fees	0.50%	750,000
Net			Total		\$ 11,115,000
GP		1,435,000			

* Estimates for illustrative purposes

Within the last few years a number of cities and quasi-governmental entities have sponsored new centers (city affiliated regional centers have an advantage in attracting foreign capital as the underlying project is deemed to have less risk due to the association with a governmental entity). Two formation options are to 1) directly form and manage a regional center, as the City of Miami recently did, or 2) to enter into a public-private partnership to contract out the formation and management of the regional center, as has been done by the City of Dallas, the City of El Paso, the Los Angeles County Economic Development Corporation, the Pennsylvania Department of Community and Economic Development, the Philadelphia Industrial Development Corporation and the State of Hawaii.

CivicSD has released a Request for Proposals to hire a consultant to analyze the viability and financial feasibility of forming a CivicSD sponsored EB-5 Regional Center. The consultant shall also provide recommendations on the best structure to form and manage the regional center and also the best economic clusters to target.

Tax Increment Financing Districts

After the dissolution of redevelopment, many local governments expressed a need for a new tool to continue revitalization efforts. In 2015, Governor Brown signed into law two separate statutes that allow local governments to set up new public entities to set aside tax increment funds to finance infrastructure, economic development, and affordable housing. An Enhanced Infrastructure Financing Districts (EIFD) is a special district modeled off of existing Infrastructure Financing District law. A Community Revitalization and Investment Authorities (CRIA) is an “agency” for purposes of the tax-increment provisions of the California Constitution used by former redevelopment agencies. Below is a comparison of the two financing tools.

Comparisons of CRIsAs and EIFDs

	CRIA	EIFD
Structure	Separate and distinct public entity	Separate and distinct public entity
Formation	Plan adoption is subject to majority protest	City or County adoption with no protest
Boundary	Defined area characterized by social and economic deterioration	Anywhere within city or county
Capital Source	Tax increment revenue (pending amendment to expand sources)	Tax increment revenue, assessment districts, etc.
Tax Increment Capture	Voluntary percentage negotiated with each taxing agency	Voluntary percentage negotiated with each taxing agency
Housing Set-Aside	Minimum 25%	Not mandated
Investment Types	Wide-range of public and private projects	Wide-range of public and private projects
Bond Issuance	No voter approval	55% voter approval, or landowner election if less than 12
Property Acquisition	Yes	Yes
Eminent Domain Powers	Yes	No

As reflected in the table, both tools vary significantly from the original redevelopment authority in that the amount of property tax increase that each taxing agency contributes is now voluntary (and school districts may not participate). Thus, unless other taxing agencies can be compelled to participate, these new mechanism will not generate new money to reinvest into targeted neighborhoods, but instead will really just serve as a way to lock box existing funds for specific purposes (i.e. the city's shares of future property taxes would be dedicated to the new district rather than going to the General Fund).

Staff does recommend analyzing the potential benefits of forming either a CRIA or an EIFD along with promotion of the Promise Zone or concurrent with the deployment of the TOD Fund to provide a mechanism to help fund new infrastructure. Staff shall monitor activity statewide to see how other cities are applying the tools. Keyser Marston Associates is preparing an analysis of the potential bonding capacity of forming CRIAs in targeted neighborhoods including San Ysidro, Southeastern San Diego, City Heights, and the Naval Training Center.

Cap and Trade Funds

The California Global Warming Solutions Act of 2006, AB 32, is a multi-year program to reduce Greenhouse Gas (GHG) emissions in California to 1990 levels by 2020. One key strategy to achieve this goal is a 'cap and trade' market system. The 'cap' creates a limit on carbon dioxide equivalent emissions, while a corresponding number of allowances within the cap can be 'traded.' The allowances are purchased by utilities and businesses at quarterly auctions. Over time, as the cap lowers, businesses that aggressively reduce emissions can trade their surplus allowances to firms that find it more expensive to reduce emissions.

The State of California's has a variety of new and existing grant programs using AB 32 cap-and-trade auction revenues to fund local government sustainability efforts. The most relevant to CivicSD is the Affordable Housing and Sustainable Communities (AHSC) Program. AHSC funds land-use, housing, transportation, and land preservation projects to support infill and compact development that reduces GHG emissions. These projects facilitate the reduction of the emissions of GHGs by improving mobility options and increasing infill development, which decrease vehicle miles traveled and associated greenhouse gas and other emissions, and by reducing land conversion, which would result in emissions of greenhouse gases.

AHSC funds are awarded annually from the state on a competitive basis. CivicSD staff is closely working with SANDAG to assist local housing developers to submit for AHSC funds. In future rounds, CivicSD may want to consider submitting as co-applicants to support certain projects in targeted neighborhoods or for development of land held in the Low and Moderate Income Housing Asset Fund.

Separate from the state programs, staff also has preliminary discussed with economic development practitioners the potential to quantify GHG reductions from planned or future projects or investments and then monetizing the savings via direct cap and trade auction sale. For example, as a business CivicSD may be able to forecast the value of GHG reduction from a planned TOD infrastructure or housing project (or pool of projects) and then sell those credits to a polluter as a way to help finance the infrastructure. Staff shall investigate if similar models are being looked at elsewhere in the state.

Civic San Diego Sponsored Loan Fund

As part of a collaborative with Business Improvement Districts, CivicSD is exploring partnering with Accion San Diego to form a CivicSD Sponsored Loan Fund to increase lending to small businesses in underserved neighborhoods. Proposed terms are a \$400,000 non-interest bearing five-year note to Accion San Diego. Accion would perform all underwriting and the funds would be at risk (any losses would reduce the principal repayment to CivicSD). CivicSD would also contribute \$40,000 as a 10% loan loss reserve (historic losses have been in the 3% - 6% range). The application for additional NMTC allocation would highlight the use of NMTC fee revenue to support small businesses.

Program Related Investments (PRIs)

Program-related investments (PRIs) are investments made by foundations and community development entities to support charitable activities that involve the potential return of capital within an established time frame. PRIs include financing methods commonly associated with banks or other private investors, such as loans, loan guarantees, linked deposits, and even equity investments in community servicing projects and small business expansions within targeted neighborhoods.

As a Community Development Entity (CDE) through Civic San Diego Economic Growth and Neighborhood Investment Fund, the agency can execute PRIs which hold an incredible potential for social investments within our communities of San Diego. Rather than one time investment of capital through grants, PRIs allow CivicSD to make investments as loans or equity stakes in the hopes of regaining the agency's investments plus a reasonable rate of return. This arrangement will allow the agency to increase the amount of money available to the social sector, while simultaneously building stronger and more sustainable socially minded organizations. As part of a broader strategy involving impact investing and the market-based solutions of target recipients, PRIs can make an impact on tough social issues on a larger scale by moving beyond traditional notions of charity that typically limit large-scale progress and results.

CivicSD is currently exploring utilizing its NMTC fee revenue to provide a Program Related Investment with a local well established CDFI to support the creation of a small business loan

pool or to provide early stage financing for an affordable housing or community facility project in a targeted neighborhood.

Mission Driven Deposits

Mission driven deposits, also commonly known as “Community Deposits”, are made by organizations to Community Development Financial Institutions such as small “Community Banks” whose missions are to serve low-to-moderate income communities with high quality personalized banking services not only available to customers and small businesses within their communities, but to philanthropically-minded and mission-driven individuals and organizations. Typically the organization’s deposits are held in certificates of deposits accounts (CDs) earning usual interest rates and generate both social and financial returns. CivicSD is currently exploring utilizing its NMTC fee revenue to provide Community Driven Deposits with local well established CDFI Community Banks.

VI. Business Attraction / Retention / Marketing for Underserved Communities

Reuse of Former Central Library

CivicSD is facilitating the repurposing of the Former Central Library building, to stimulate economic development and investment into the facility to become a vibrant and active neighborhood center, which fosters and supports innovation and entrepreneurship by potentially providing commercial, arts, cultural, and other economic development activities. A primary objective for the reuse of the property is to better leverage the region’s technology research expertise and funding with investments from non-profits, public/private foundations, businesses, venture capital firms, academic institutions and other entities to commercialize innovation and support high-growth entrepreneurship in Downtown. A request for qualifications and proposals was issued to obtain qualified developers and viable proposals to meet the objectives for the site that will lead to a disposition and development agreement or long term lease with the City.

FDI / Exports via World Trade Center

Foreign Direct Investment (FDI) is a direct investment made by a company or entity based in one country, into a company or entity based in another country. Large investments such as a new plant or headquarters can generate significant job opportunities for the host company. City of San Diego Economic Development, CivicSD, the Regional EDC, and the World Trade Center are exploring opportunities to promote FDI to help address high employment in the targeted neighborhoods that CivicSD serves.

Business Supplier Diversity Program

Small businesses are the backbone of our Nation. They represent more than the American dream—they represent the American economy. Small businesses account for 95 percent of all employers, create half of our gross domestic product, and provide three out of four new jobs in the United States. As small businesses grow, so does the nation's economy. Since most diverse businesses are small businesses, they aid in the economic recovery and sustainability of the local economies. In addition, supplier diversity provides products and services to emerging consumer markets. While traditional products and services remain available to consumers, demographic shifts create opportunities for diverse suppliers to meet the needs of emerging and/or shifting populations in the U.S. and across the globe.

As part of CivicSD's mission to be the entrepreneurial partner of the City, the agency will embark in its goal to create an innovative public/private/nonprofit collaboration among various local stakeholders involved in Academia, Economic Development, Community Development, Community Reinvestment, Government, and Social Service to help encourage the use of minority-owned, women owned, veteran owned and other underutilized diverse suppliers to compete successfully for City procurement contract opportunities.

The goal of the Supplier Diversity Success Initiative is to provide robust procurement technical assistance in order to build the capacity of diverse small business owners to secure contracting opportunities, create and retain jobs and grow their bottom line.

Neighborhood Made Initiative – Manufacturing/Business Hub Initiative

For more than two decades, policymakers and economic development professionals have stressed the importance of encouraging and supporting industry clusters to promote job creation and economic growth.

Utilizing a similar approach, CivicSD intends to serve as a catalyst to recruit business segment stakeholders and other public and private business leaders to help orchestrate a San Diego localized commercial corridor hub-based approach leveraging certain business segments and assets that may/or may not already be present within San Diego's emerging underserved business regions.

Embarking on an approach for creating and promoting new business hubs in San Diego emerging communities would help implement a strategy to further stimulate business environment conditions. By establishing similar "in-like" business segment hubs, would help create opportunities for business attraction and retention while creating employment and potential marquis destination locations that would host potential new business district hubs promoting: retail, gastronomy, maker space, arts and academia. Building this competitive edge for emerging

commercial corridors could also serve as an enticement for similar business segments or suppliers to relocate to San Diego's business improvement districts and help sustain the economic development of emerging business strips and surrounding neighborhoods.

Corporate Relocation Pilot Program

Often within competitive markets, business incubation is one of the tools favored in helping to create new entrepreneurs start their businesses and help build their capacity to survive for a longer-term sustainable basis. Business incubators are defined as a location which entrepreneurs can receive pro-active value added support as they navigate through the growing pains of establishing a business.

Imagine if this similar model could be utilized as a tool with the purpose of attracting new and expanding businesses and employment opportunities for San Diego. Picture a "Virtual Incubator" or a fully operational "Executive Suite" where in both scenarios the pilot program would host businesses during a "Trial Run" period where they could operate and assess relocating to San Diego. During this period, civic and government stakeholders would engage in business incentive negotiations with the business incubees analyzing their permanent move to San Diego.

Civic San Diego in cohort with city government and other civic and business stakeholders would build a coalition to execute incentive based attraction strategies that at the core would be negotiated on a case by case basis with each respective participating business incubee complete with an individualized cost benefit analysis. The goal of the program is to convert the business incubees to become permanent relocated businesses within the City of San Diego.

Business Improvement District / Neighborhood Small Business Program

Currently in the design phase, CivicSD is preparing to launch an access to capital initiative which will target specific Business Improvement Districts (BIDs) and their surrounding neighborhoods. As the quarterback to the initiative, CivicSD will be collaborating with BID leadership, neighborhood stakeholders, Community Development Financial Institutions & banks, The Small Business Administration and the local Small Business Development Center to deliver robust "Access to Capital & Procurement" Training to the participating small business owners in the program. As part of the program, CivicSD is also proposing to underwrite the cost of "Capacity Building Leadership Training" for the BID Executive Directors, as well as, providing a \$400,000 loan pool investment to a participating CDFI, Accion San Diego, to further leverage small business loans within the targeted communities.

Business Database / Connectory

The East County Economic Development Corporation maintains the Connectory that contains detailed capabilities profiles of US industrial and technology companies across all industries at every level of the supply chain. The goal is to link businesses to each other and to provide information about the industrial and technology base of the economy. It also includes profiles of other critical assets in addition to companies including federal labs, university and private research centers. City of San Diego and CivicSD have been in discussion with the East County EDC regarding supporting the system as a tool for companies to look to San Diego first when accessing their supply chain.

VII. Community Revitalization and Workforce Development

Inner-City Social Enterprise Program / Culinary

A social enterprise is an organization that applies commercial strategies to maximize improvements in human and environmental well-being—typically they include maximizing social impact alongside profits for external shareholders. Social enterprises can be structured as a for-profit or non-profit, and may take the form of a co-operative, mutual organization, a social business, a benefit corporation, a community interest company or a charity organization.

CivicSD is currently partnering with Grasshopper Development LLC and the San Diego County Department of Education, to provide such a business model within the inner-city Educational and Community Facility at 37th and El Cajon and help support the school's Culinary Arts and Entrepreneurship Program. With that said, CivicSD will host a Culinary Social Enterprise Community Roundtable, so to examine two L.A. based examples that could be duplicated within the subject academic facility.

Inner City Trade Industry Training Program

“Workforce development” is an essential component of community economic development in any economic climate. Generally speaking, the term has come to describe a relatively wide range of activities, policies and programs employed by geographies to create, sustain and retain a viable workforce that can support current and future business and industry.

At CivicSD, the approach intended will be to enhance economic stability by focusing on the workers' marketable work skills in order to promote a healthy business climate for San Diego. An emphasis will be placed to better educate the workforce to create more success for their employers which in turn will create more regional business success. With that said, workforce

development will also entail assisting would-be workers (i.e., high school and college students) who will acquire the training needed to meet the specific needs of the region.

CivicSD will partner with community agencies to develop programs such as trade industry job training and social entrepreneurial initiatives in order to assist youth and young adults within targeted neighborhoods to be exposed to industry skills necessary to enter the workforce.

VIII. Community Engagement and Outreach

Civic San Diego Roundtables

A community is a group of people with shared values, behaviors and artifacts. When community shareholders assemble they're able to share unique experiences or solve common problems. They have a shared goal of making their communities successful. Community engagement matters because they help achieve many social expectations. By crowdsourcing experience, vetted community organizations can leverage usually better solutions, garner more support or buy-in to an issue and implement best practices. As a community leader, CivicSD introduced this model through hosting its first quarterly roundtable on June 15 on the topic of Social Enterprises- Culinary Entrepreneurship.

Neighborhood Tours

As means to empower our communities and show case their potential new development opportunities, CivicSD will launch its second neighborhood tour- this time in the "College Community" Business Improvement Area which is scheduled to be held in early September. The shuttle tour will consist of bringing together developers, community stakeholders and bankers to witness personally the potential for new development for restaurants, hotels and affordable housing.

IX. Implementation Plan and Timeline

Work Plan Matrix

Program	Implementation Strategy/Current Status	Funding Need	Timeline
NMTC Program	Continue to engage United Fund Advisors to apply for allocation	\$0	Annual
TOD Fund	Market Assessment – 2016	TBD	2016
Community Investment Fund	Considering implementing after full deployment of NMTC funds	\$850,000	TBD
EB-5 Regional Center	Two approaches: Directly form or manage a regional center or enter into a public/private partnership	Up to \$250,000	2016
Tax Increment Financing Districts	Considering implementing along with TOD Fund	Up to \$500,000	2017
Cap and Trade Funds	Investigate monetizing GHG reductions to fund economic development initiatives	TBD	2018
CivicSD Sponsored Loan Fund	CivicSD is exploring partnering with Accion San Diego to form a CivicSD Sponsored Loan Fund to increase lending to small businesses in underserved neighborhoods.	\$400,000	2016
Program Related Investments	CivicSD is currently exploring utilizing its NMTC fee revenue to provide a Program Related Investment with a local well established CDFI to support the creation of a small business loan pools, affordable housing or community facility financing.	TBD	2016
Mission Driven Deposits	CivicSD is currently exploring utilizing its NMTC fee revenue to provide Community Driven Deposits with local well established CDFI Community Banks.	TBD	2016
Reuse of Former Library	RFP has been issued to identify qualified developers and viable proposals to meet site objectives	\$75,000	2016

Program	Implementation Strategy/Current Status	Funding Need	Timeline
FDI / Exports via World Trade Center	CivicSD and other business stakeholders are exploring opportunities to promote FDI to help address high employment in certain targeted neighborhoods.	\$75,000	2017
Business Supplier Diversity Program	Explore and continue recruiting stakeholder champions to build robust procurement coalition	\$150,000	2016
San Diego Made Initiative	Identify the appropriate sector cluster and/or industry	50000	Late 2016
Corporate Relocation Pilot Program	Exploratory phase of what program would require or offer	TBD	2017
BID / Neighborhood Small Business Program	In construction phase currently of coalition building and investment commitment	\$175,000	Summer 2016
Business Database / Connector	Participating in meetings with City's Economic Development Dept about the need for industry sector database	\$75,000	2016
Innercity Social Enterprise Program	Currently partnering with JCG Grasshopper and SD County Dept. of Education for Academic Facility on 37th & ECB (Culinary Enterprise)	\$150,000	2016
Innercity Trade Industry Training	Identifying potential industry trade sector training	\$50,000	2016
CivicSD Roundtables	Hosted first Roundtable 6/15	TBD	2016
CivicSD Community Tours	Currently coordinating 2nd Tour for Fall	TBD	2016

X. Budget

Civic San Diego Economic Development Function Budget FY 2016-2017				
<i>Draft for discussion purposes</i>				
Expenditures by Revenue Source Summary	Reimbursement from City	City Economic Development*	Reimbursement NMTC Fund	Externally Sourced*
Investment Programs	\$ 175,000	\$ 100,000	\$ 250,000	\$ 50,000
Business Attraction/Retention/Marketing	\$ 75,000	\$ 75,000	\$ 200,000	\$ 175,000
Other Economic Development Initiatives/Program	\$ -	\$ 75,000	\$ 100,000	\$ 100,000
New Economic Development Activities	\$ -	\$ -	\$ 50,000	\$ 50,000
Total Expenditures	\$ 250,000	\$ 250,000	\$ 600,000	\$ 375,000
* estimate				
Expenditures by Revenue Source Detail	Reimbursement from City	City Economic Development*	Reimbursement NMTC Fund	Externally Sourced*
Investment Programs				
EB-5 Program	\$ 100,000			
Transit-Oriented Development Fund	\$ 75,000			
Civic San Diego Sponsored Loan Fund		\$ 100,000	\$ 250,000	\$ 50,000
Program Related Investments (PRIs)				
Mission Driven Deposits				
Business Attraction/Retention/Marketing				
Reuse of Former Central Library	\$ 75,000			
FDI / Exports via World Trade Center		\$ 75,000		
Business Supplier Diversity Program			\$ 50,000	\$ 100,000
Neighborhood Made Initiative			\$ 50,000	
Corporate Relocation Incubation Pilot Program				
BID / Neighborhood Small Business Program			\$ 100,000	\$ 75,000
Other Economic Development Initiatives/Programs				
Business Database/Connectory		\$ 75,000		
Inner City Social Enterprise Program/Culinary			\$ 50,000	\$ 100,000
Inner City Trade Industry Training Program			\$ 50,000	
New Economic Development Activities				
Civic San Diego Roundtables			\$ 30,000	\$ 50,000
Neighborhood Tours			\$ 20,000	
Total Expenditures	\$ 250,000	\$ 250,000	\$ 600,000	\$ 375,000
* estimate				