



Increasing Economic Activities

Wednesday, July 24, 2019
Diamond CoWork
5003 Imperial Ave, San Diego 92113

Meeting Notes

In Attendance: City of San Diego, Economic Development Department; Logan Heights CDC; Causa Consulting; Diamond BID; Accion, Central Commercial District Revitalization Corporation (CCDRC); San Diego Futures Foundation; Jacobs Center for Neighborhood Innovation; LISC San Diego; and Imperial Grounds Coffee.

Welcome and Introductions: Working Group co-chairs, Luis Ojeda and Gary Knight, opened the meeting.

LISC San Diego presents Business Improvement Grants (BIG)

Karina Velazquez from LISC presented on this new program. BIG is a pilot program tailored to LMI communities. It is funded by the City of San Diego with \$1.9 million in CDBG funds and will last for 2 years.

From [LISC's website](#): "LISC's BIG program supports small businesses with the financial and technical assistance they need to fill storefronts, expand operations, create jobs, and advance economic opportunity in San Diego's priority neighborhoods. Priority community areas include: Barrio Logan, City Heights, Encanto, Linda Vista, San Ysidro, Southeastern, and the Promise Zone. Grants between \$5,000 and \$35,000 are available for tenant and business improvements, including new signage, window replacement, interior and exterior décor, painting, furniture, equipment, landscaping, point-of-sales systems, and more. Each business receives individualized assistance from a certified business advisor to maximize the impact of grant funds and facilitate continued business growth, including opportunities to revise business plans, conduct market assessments, access additional capital products, and more.

Eligibility Requirements:

- Business must meet SBA small business definition (less than \$750k in revenue or 100 employees)
- Business must be a brick-and-mortar location
- Must provide a service (business to consumer, not business to business)
- Business can be in retail sales, except: marijuana outlets, retail farms, swap meets, farmers markets, and farmers market stands
- Business must be in a priority area (51% of census tract is LMI)
- Business owner must be a resident of the City of San Diego, but not required to live in the area.

The program provides technical assistance to business owners and funding for improvements inside the business. For physical improvement to the building, owner approval is required. The technical assistance may help the business apply for the [Storefront Improvement Program](#), which provides some matching funds for exterior building improvement.

A list of qualified improvements will be published shortly. There will also be a procurement list that includes preferred contractors and vendors. There will be an opportunity for local businesses to get on this list. Anyone interested in becoming a preferred vendor should go to this site: www.ptac-sandiego.org and sign up for the email list to learn when the RFP comes out.

Questions about this program can be emailed to Karina Velazquez at kvelazquez@lisc.org

Opportunity Zones

Luis Ojeda presented on Opportunity Zones, a bipartisan federal program realized through the 2017 Tax Cuts and Jobs Act that promotes the economic investment of private resources in economically disadvantaged communities. Through a tax incentive, capital gains funds are invested in a Qualified Opportunity Fund to be distributed to projects in areas designated as Opportunity Zones. Depending on the length of time the capital gains remain in the fund, the investor realizes a tax benefit.

All census tracts of the San Diego Promise Zone are also designated as Opportunity Zones. There will also be preference points for federal funding for nonprofits applying for grants that will be spent in Opportunity Zones.

The City of San Diego may be developing an Opportunity Zone website to explain the program for both residents and investors. Federal guidance is still being developed. As more information comes out, the Economic Development Department will share with this Working Group.

Jacobs Center for Neighborhood Innovation has a Qualified Opportunity Fund and a project in place. Michelle Vives is the OZ coordinator at JCNI.

Imperial Avenue Business Walk Debrief

- EDD team selected businesses and mapped out the walk.
- Volunteers were recruited through the Increasing Economic Activities Working Group.
- The group met at Imperial Grounds and were split into pairs or trios to meet with approximately 10 businesses per group. The BIG program from LISC was touted to business owners, as well as programs offered through the Economic Development Department. Approximately, 50 businesses were visited out of 62 that were identified in the area.
- Some information on the businesses were collected by each group. A videographer walked with Luis Ojeda and Gary Knight. He interviewed several businesses owners. The owners seemed happy to have the attention and interest from the City and volunteers.
- There is interest in alternating business walks every other month, with the possibility of revisiting areas.
- AmeriCorps VISTAs (new cohort onboarding in November) can help build out the program, including the advance preparation and develop protocol for follow up with business owners.

Partner Updates:

- Accion is hosting a [free boot camp](#) on September 12 for people who want to start businesses and other whose want to grow their businesses. Topics will include navigating city permitting, marketing, accessing capital, etc. The event is free and there will be two sessions.
- Jacobs Center for Neighborhood Innovation – Connect All (business accelerator) is accepting applications through the end of August. This new cohort will begin in October. It's a 6-month program, full-time equivalent commitment, however they work around the business owners' schedule because recipients are all LMI.
- Logan Heights CDC is hosting the Imperial Avenue Street Festival on August 17. They are also hosting a 10-week workshop for small businesses. This is a new program and sponsored by CDBG funding. It's free to attend. There are two cohorts, November-December, and then January-March.
- The Diamond CDC is hosting the Diamond Street Festival on August 31, from noon-7:00 PM.