

Agenda of an Adjourned Regular Meeting of the National City  
City Council

Economic Development Plan and Programs Workshop

Council Chambers  
1243 National City Boulevard  
National City, California  
Tuesday October 3, 2017 – 4:30pm

Open To The Public

**Please complete a request to speak form prior to the commencement of the meeting and submit it to the City Clerk.**

It is the intention of your City Council of the City of National City to be receptive to your concerns in this community. Your participation in local government will assure a responsible and efficient City of National City. We invite you to bring to the attention of the City Manager/Executive Director any matter that you desire the City Council of the City of National City to consider. We thank you for your presence and wish you to know that we appreciate your involvement.

Roll Call

PUBLIC ORAL COMMUNICATION

Economic Development Workshop Agenda  
Housing and Economic Development Department

1. Presentation on the 2017-2022 Economic Development Strategic Plan for the City of National City.
2. Presentation on ECONsolutions by HdL Companies for retail recruitment and related economic development services.
3. Presentation on Adopt a Place.
4. Presentation on Activate the Right of Way (AROW).
5. Presentation on the Signage and Façade Improvement Program.

6. Resolution of the City Council of the City of National City adopting the 2017-2022 Economic Development Strategic Plan, approving the program guidelines and participatory agreements for the Adopt-a-Place, Activate the Right-of-Way, and Signage and Façade Improvement Programs of said Plan, and authorizing a General Fund appropriation of \$140,000 and use of General Fund balance to implement said Plan and Programs.
  
7. Resolution of the City Council of the City of National City authorizing the Mayor to execute the First Amendment to the Agreement for Sales Tax Audit and Information Services by and between the City of National City and Hinderliter, de Llamas, and Associates for retail recruitment strategy and related economic development services.

## **ADJOURNMENT**

Next Regular Meeting of the National City City Council/Community Development Commission - Housing Authority of the City of National City - Tuesday - October 3, 2017  
- 6:00 p.m. - Council Chambers - National City, California

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** | October 3, 2017 |

**AGENDA ITEM NO.** | 1 |

**ITEM TITLE:**

Presentation of the 2017-2022 Economic Development Strategic Plan for the City of National City.

**PREPARED BY:**

| Megan Gamwell, Economic Development Specialist |

**DEPARTMENT:** Housing & Economic  
Development

**PHONE:** | 619-336-4261 |

**APPROVED BY:** \_\_\_\_\_



**EXPLANATION:**

The goal of the National City Economic Development Strategic Plan is to collaborate and communicate with local and regional partners, support business, promote vibrant neighborhoods, and support employment. These goals will be reached by analyzing the strengths and comparative advantages of the local economy; creating incentives to leverage the investment / involvement of different public and private sectors; advocate for the well-being of the community through policy creation and implementation; and tracking of economic trends to measure success and prepare for changes.

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ **Finance**

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ **MIS**

Staff is requesting a new appropriation FY2017-2018 to implement specific programs under the Plan. The appropriations request for the First Year of the Plan is discussed in Attachment No. 1.

**ENVIRONMENTAL REVIEW:**

The National City Economic Development Strategic Plan is not considered a Project as defined by the California Environmental Quality Act and, therefore, not subject to environmental review.

**ORDINANCE:** | **INTRODUCTION:** |  | **FINAL ADOPTION:** |  |

**STAFF RECOMMENDATION:**

N/A

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

1. | Background Report |
2. | Economic Development Strategic Plan |

### Background Report

In July, 2016 staff carried out a key element in the City's strategic objective of fiscal sustainability: establishment of economic development programs. In doing so, economic development was restored as a program within the then Housing, Grants & Asset Management Department (now the Housing and Economic Development Department). The restoration was facilitated by a City Council approved budget allocation for personnel and operating expenses during the Fiscal Year 2018 budget process. The overall goals of the program are to attract, retain, and expand businesses in National City at every scale, activate dormant real estate parcels including Successor Agency parcels and leverage external resources and partners.

Over the past year under the Department of Housing and Economic Development, the Economic Development Program has worked to construct the strategic vision for the economic development of National City. Highlights of the past year include the beautification of 8<sup>th</sup> street through the installation of twenty-four flower baskets from "D" Avenue to National City Blvd; the activation of a dormant city owned real estate parcel known as the former H&M Goodies; the development of three new incentives that leverage external resources and partnerships through the Together We Can Campaign; and the development of a City driven economic development quarterly report called "On Track". Through the Economic Development Economic Development Strategic Plan, a five-year set of goals, programs and guiding principles are outlined.

The goals outlined in the Economic Development Strategic Plan are to collaborate and communicate, support business, promote vibrant neighborhoods, support employment and increase city revenues. These goals are specifically tailored to driving economic development and are created in support of the City Council adopted City-wide strategic plan. The Economic Development Strategic Plan includes an overview of market research, historical data and the strategic steps necessary to meet those goals.

Funding for the plan and programs outlined in the Economic Development Strategic Plan may come from a number of sources including grants and the recent reimbursement of Enterprise Zone (SDREZ) Program funds from the City of San Diego. SDREZ was a tax credit program to assist in jumpstarting businesses through economic stimulus and focused on retaining and attracting businesses statewide. Although State law terminated the Enterprise Zone Program in 2013, the law authorized local Enterprise Zone agencies to continue accepting applications for hiring credit voucher certifications during 2014. The City of National City did not receive its share of those funds until earlier this year. The total amount reimbursed to National City from the SDREZ was \$455,809.71. The Department of Housing and Economic Development would like to follow the lead of the City of San Diego which voted on August 15, 2016 to use the remainder of their SDREZ funds to pursue economic development initiatives within the former SDREZ boundaries.

A five year budget forecast has been created and is illustrated on the next page to reflect how those funds could be spent over a five-year period to support the Economic Development Strategic Plan. In addition to the initial request to appropriate \$140,000 staff will seek to appropriate funds incrementally through the City annual budget process over a five-year period up to the \$455,809.71 reimbursed from SDREZ. The use of any allocated funds will be reported annually.

**Strategic Plan Five Year Estimated Budget by Strategy**

Strategic Plan Area	Budget
Program Development	\$20,000.00
Marketing and Attraction	\$85,000.00
New Technology	\$76,000.00
Signage and Façade Improvement	\$200,000.00
Tourism Promotion & Development	\$74,809.71
<b>Total Expenses</b>	<b>\$455,809.71</b>

**Five Year Budget by Activity**

Operating	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Program Development	\$20,000					\$20,000
Marketing and Attraction	\$20,000	\$16,250	\$16,250	\$16,250	\$16,250	\$85,000
New Technology		\$76,000				\$76,000
Signage and Façade Improvement	\$100,000	\$50,000	\$50,000			\$200,000
Tourism Promotion & Development			\$24,936.57	\$24,936.57	\$24,936.57	\$74,809.71
<b>Total Enterprise Zone Funding</b>						<b>\$455,809.71</b>

**First Year Appropriation (FY2017-18)**

The City received \$455,809.71 from the Regional Enterprise Zone Program on April 21, 2017. These funds were received as revenue to the general fund balance through Revenue Account 001-454462-3634. Staff is requesting a FY2017-18 General Fund appropriation of \$140,000 from unassigned General Fund Balance for program development, marketing and attraction, and the signage and façade improvement programs. Approval of this appropriation will increase the fiscal-year-to-date use of General Fund unassigned fund balance from \$4,467,538.00 to \$4,607,538.00. Funding would be appropriated to the corresponding expenditure accounts under 001-419-476-\*

# ECONOMIC DEVELOPMENT STRATEGIC PLAN



2017-2022

Housing and Economic Development

# ECONOMIC DEVELOPMENT STRATEGIC PLAN

## INTRODUCTION

The goals of the Economic Development Strategic Plan are to collaborate and communicate, support business, promote vibrant neighborhoods, support employment and increase city revenues. These goals are created in support of the City's existing strategic goals and specific plans. The purpose of expanding the City's goals is to create a plan that is specifically tailored to driving economic development. The Economic Development Strategic Plan includes an overview of market research, historical data and the strategic steps necessary to meet our goals.

These goals will be reached by analyzing the strengths and comparative advantages of the local economy; Creating incentives to leverage the investment / involvement of different public and private sectors; Advocate for the well-being of the community through policy creation and implementation; And tracking of economic trends to measure success and prepare for changes.

**The first goal** will be to *Collaborate and Communicate* with local and regional partners to align economic development efforts, increase the utilization of resources and leverage networks for economic growth.

**The second goal** will be to *Support Business* by developing incentives, building upon existing assets and aligning efforts within the city, locally and regionally.

**The third goal** will be to *Promote Vibrant Neighborhoods* by taking incremental action to strengthen our Downtown, Westside and Marina districts. Strategic partnerships will be sought to develop meaningful economic development efforts.

**The fourth goal** will be *Supporting Employment* by encouraging collaboration with stakeholders to align workforce development and training with emerging workforce opportunities.

**The final goal** will be to *Increase City Revenue* by researching opportunities to establish Special Benefit Assessment Districts and seeking grant opportunities.

The following strategic plans were reviewed in creation of the 2017-2022 Economic Development Five-year Strategic Plan.

- National City General Plan
- National City Downtown Specific Plan
- The National City Westside Plan
- National City Five Year Strategic Plan
- South County Economic Development Work Plan
- National City Chamber of Commerce Economic Development Plan
- South County Economic Development Maritime Industry Action Plan
- San Diego Military Advisory Council Military Economic Impact Study

# NATIONAL CITY PROFILE

National City is located at the center of it all in San Diego County. Approximately five miles south of downtown San Diego and eleven miles north of the Mexican border. National City encompasses a total of 9.2 square miles with San Diego to the North, Chula Vista to the South and the bay to the west. National City has a rich history dating back to 1887 and is the second oldest city in the county. This 140-



year old city on San Diego bay embodies a proud and rich tradition of commerce, urban agriculture, production and transportation. It is not a stretch to imagine downtown National City emerging regionally as a vibrant urbane, cosmopolitan experience for residents and businesses. Education village, Brick Row and Kimball park, as well the new library, the new Aquatic Center and many new development projects underway, or on the boards are a clear sign that National City has entered a “new era”.

## POPULATION / DEMOGRAPHICS

Figure 2

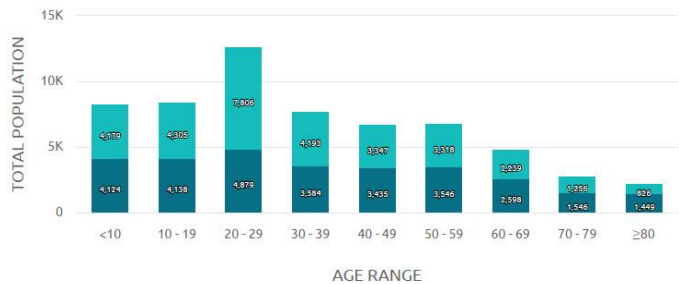
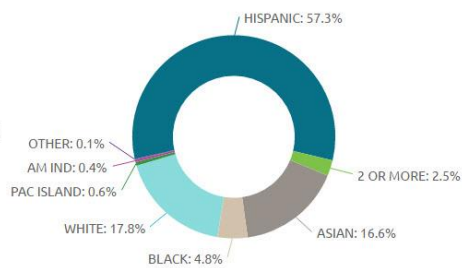


Figure 3



The San Diego Association of Governments (SANDAG) 2050 Regional Growth Forecast estimates that National City is one of the six jurisdictions in the County that will grow at a faster rate than the regional average. According to SANDAG the 2016 population of National City was 60,768, see **Figure 2**. National City’s population is expected to increase by 23% by the end of 2030, while housing is expected to increase by 19.5%. Looking into the not so distant future, by 2050 National City’s population is expected to increase by 60% and housing by 56%.

This data provides great insight into the expected housing demand on the horizon. Currently



there are 16,851 housing units at an average density of 1,838.9 units per square mile, of which 43.4% is Multiple Family, 32% Single Family Detached, 22.3% Single Family Multiple Units and 2.3% Mobile Homes. **Figure 4** outlines the estimated median income of National City residents by household.

Figure 4

The changing National City housing and population landscape has also influenced the racial makeup of National City’s many diverse communities. In 2009 9.6% of residents were White, compared to 17.8% in 2016. The population of African Americans increased from 4.7% in 2009 to 4.8% in 2016. The percentage of Hispanic/Latino residents decreased from 62.6% in 2009 to 57.3% in 2016. In 2009, 19.3% of residents were Asian/Pacific Islander, compared to 17.2% in 2016. Filipinos make up a significant portion of this Asian population. **See Figure 3.**



### LOCAL ECONOMY

National City’s Economic potential is reflected in its numbers. Industrial building inventory for *manufacturing industrial multi-tenant/distribution* buildings over 10,000 sq. ft. are at 90% capacity. Commercial development is also on the rise and has gone up 80% since 2012. There is a clear demand for Industrial building inventory and commercial real-estate. Major industry partnerships with the Port of San Diego, PASHA and access to major freeways and the railroad are additional strengths to the area. Along with a successful history in industrial manufacturing, National City is also known for its retail success.

Recently the California Board of Equalization, first quarter, 2015 report listed National City as the second highest sales tax revenue generator in the San Diego Region. National City is home to The Mile of Cars and Plaza Bonita. Residents from across the region travel to shop at Plaza Bonita, one of the most successful malls in the areas. Mile of Cars is also a staple in the community and has history that dates back to the 1950’s.

### SAN DIEGO INDUSTRY CLUSTERS

South County’s key industry clusters of aerospace, advanced manufacturing, health, food processing and distribution, and boat building and repair are a good starting point for promoting stable, well-paying jobs in the South San Diego Region. The South Couth Economic Development Council has identified the following industry’s as the leading industry clusters in the San Diego Region.

- Aerospace & Defense
- Biotechnology & Medical Devices
- Cleantech & Energy Efficiency
- Electronics & Telecommunications
- Food & Beverages

## NATIONAL CITY ECONOMIC DASHBOARD

Data was collected on sales tax revenue, real estate development, labor, quality of life and demographics of National City from 2012 to 2016 and reflects a Five-year reporting of economic indicators specific to National City. Using a *Percent Growth Rate* equation, the annual percentage (straight line) growth rate of National City Economic Indicators was recorded.

The data collected has been used to influence the strategies and programs proposed in the Economic Development Strategic Plan. For every proposed strategy in this report you will find a table labeled *Resource Analysis*. Within each Resource Analysis table is a line labeled *Metrics*. Our metrics were established off the data collected in **Figure 5**. The average annual growth rate for each economic indicator was used to create benchmarks to track future growth. This method was used so that annual goals for economic success would be attainable.

Metric	Time Period 2012-2016	Compound Annual Growth Rate
Population	5yrs	0.58%
Housing Units	5yrs	0.16%
Median Household Income	5yrs	-0.06%
Median Sales Price Single Family Home	5yrs	10.76%
Median Sale Price Single Family Home	5yrs	10.76%
Commercial Development	5yrs	37.97%
Residential Development	5yrs	66.71%
Closing Business License	5yrs	-0.87%
Opening Business License	5yrs	.12%
Labor Force	5yrs	.16%
Unemployment	5yrs	-11.74%

# A1. Economic Development Reports

## DESCRIPTION:

The purpose of this strategy is to create Economic Development reports of National City that will track growth and analyze city trends. Historic data will be collected as a benchmark to compare current City data against the past. Data collection will be of leading economic indicators such as demographics, real estate development, labor statistics, City revenues and more. Providing historic data to compare current data against is key to preparing for growth and planning for change.

There are a few ways that Economic Development reports can assist in preparing for growth and planning for change. The first way is to highlight the economic potential of National City to attract investment and growth. The second way is to identify weak spots in our growth and plan the proper changes and adjustments. For example, if data trends reflect an increase in population and a decrease in housing developments, National City policy makers can get ahead and make the proper adjustments and accommodations before it becomes an issue.

In order to ensure that National City Economic Development Reports reach the greatest audience, reports will be shared on the National City website and with local and regional partners. This will assist in sending out a cohesive and consistent message about National City.

### Resource Analysis

<b>Focus Area</b>	National City
<b>Context</b>	Communication and Reporting
<b>Goals</b>	Track economic vitality
<b>Strategic Partners</b>	Finance, Building and Planning departments; San Diego Workforce Partnership; Center for Business Advancement at Southwestern College; CoStar and HdL Companies
<b>Metrics</b>	Create quarterly reports

# A2. Facilitate roundtables with strategic industries

## DESCRIPTION:

The purpose of this strategy is to work with key industries and commercial real estate brokers to chart the positive approaches the City can undertake to make National City regionally competitive. The round tables will allow key industries and commercial real estate brokers to voice their professional opinions and advice along with providing realistic benchmarks, industry trends, market opportunities and progress reports.

### Goals:

- Create an opportunity for peer-to-peer learning through discussion, interaction and the sharing of experiences that allow participants to learn from each other’s achievements and mistakes.
- Provide support through highly qualified facilitators, expert guest speakers and connection to various small business resources.
- Allow a platform where specific needs for growth can be addressed
- Anticipate trends and issues
- Facilitate better-informed decision making
- Promote development opportunities within the City
- Promote programs and services available at the City

### Resource Analysis

<b>Focus Area</b>	National City
<b>Context</b>	Engage key stakeholders
<b>Goals</b>	Increase communication with existing businesses and promote city resources
<b>Strategic Partners</b>	Commercial real estate brokers, Mile of Cars and National City Maritime industry
<b>Metrics</b>	Increase absorption of commercial properties

# A3. Analyzing and Profiling the Local Economy

## DESCRIPTION:

Mapping can be a helpful tool in providing a foundation for understanding the connectivity of a place. In this strategy, we will look at how GIS Mapping and Asset Mapping can be used to analyze and profile the local economy. The first step is to identify all local assets such as local institutions & resources, community organizations, public spaces, historic sites and cultural centers within National City.

The second step is to identify local business clusters that represent concentrations of interconnected businesses (suppliers and associated institutions) and mapping businesses by type. Mapping local businesses by type can provide a good geographic picture of the community’s economic sectors. Locations of retail, industrial, and office jobs can be plotted so that industry clusters, circulation and land uses can be compared.

The goal of analyzing and profiling the local economy is to create a geographic picture of the City’s Economic potential. Through an analysis of the economic base industries and city assets we can begin to place investments and allocate scarce resources in strategic locations for the greatest economic impact

### Features of Asset Mapping:

- Uncover services, talents, skills and resources found in the community right now
- Internally Focused: Relies on the community’s assets, not on those found outside of it
- Identify opportunities and links among the community, institutions and organizations

### Features of GIS Mapping:

- Provide a geographic picture of the community’s economic sectors
- Locate economic sectors so that industry clusters, circulation and land uses can be compared
- Plan new areas of expansion
- Identify geographic constraints on achieving economic potential

### Resource Analysis

<b>Focus Area</b>	National City
<b>Context</b>	Asset Mapping and GIS Mapping
<b>Goals</b>	Mobilize assets and identify opportunities to increase city revenue
<b>Strategic Partners</b>	Planning, Engineering, Housing, Fire and Finance Departments
<b>Metric</b>	Increase City Sales Tax Revenue by 2% Annually

# B1. Improve Access to Resources and Implement New Technology Solutions Where Needed

## DESCRIPTION:

The National City 2013-2018 Strategic Plan highlights the city’s interest to “Analyze internal processes for efficiency and implement new technology solutions where feasible” as a strategy to “Provide Quality Services” at City Hall. A *City Technology Liaison Group* has been organized to address these needs. The committee will identify opportunities for solutions that are broadly beneficial and or specialized solutions that can be leveraged across multiple departments. One of the suggested solutions will be the integration of an automated permit and business license tracking systems.

Permit and business license tracking systems work to streamline permitting and licenses from application intake through project completion. Along the way, the software should be able to produce status reports, and highlight any problems that should or would hold up the permitting or licensing process.

Benefits of these systems include: Reduced permitting time, Improved record keeping and archiving of permits and business licenses, enhanced communication with applicants and other municipal departments, higher quality plan submissions and customer service, and improved municipal staff efficiency.

Program benefits and economic impacts:

- Increased customer service capabilities by calculating permit requirements, fees, and timelines as applicants fill in their project details
- Allows concurrent review of application and site plans by all necessary departments and department signoffs;
- Permits on-line application, submission of business licenses and payment of permit fees

### Resource Analysis

<b>Focus Area</b>	National City
<b>Context</b>	Internal Efficiency
<b>Goals</b>	Improved processing and data collection
<b>Strategic Partners</b>	Planning, Engineering, Housing, Fire and Finance Departments
<b>Metrics</b>	Increase new business license applications by 1% annually

# B2. Develop Signage and Façade Improvement Program

## DESCRIPTION:

The purpose of a Signage & Facade Improvement Program is to provide matching grants for improvements to commercial properties in targeted areas. It is intended that such improvements will enhance the appearance of the varying National City business corridors. The program will be available for single tenant commercial properties and multi-tenant commercial properties.

Strategic areas within the city limits will be eligible to apply for funding such as main commercial corridors, city gateways and certain types of businesses such as retail, restaurants, corner stores and multi-tenant commercial properties. Eligible improvements include but are not limited to fixing code violations, signage, façade materials, awnings, painting, repairing masonry or stucco and pedestrian amenities. The program’s mission is to stimulate revitalization and private sector capital investment by proactively addressing deteriorating property conditions and encouraging improvements which increase economic vitality.

The program will be managed by the City of National City’s Housing and Economic Development Department (HEDD) staff. Applications for the program will be available for download on the City website and for pickup at City Hall.

Program benefits and economic impacts:

- Revitalized business corridors
- Reuse of previously empty or underutilized buildings
- Increased pedestrian traffic downtown
- Design control
- Increased property values
- Increase use of businesses by patrons

### Resource Analysis

<b>Focus Area</b>	Downtown and Westside
<b>Context</b>	Beautification of business corridors & incentivize absentee property owners
<b>Goals</b>	Signage and storefront compliance to city ordinances
<b>Strategic Partners</b>	A.R.T.S, National City Chamber of Commerce, SCEDC, ACCION
<b>Metrics</b>	Conduct 1, 3, and 5-year sale reports of awarded businesses

# B3. Develop a Business Retention and Expansion Program

## DESCRIPTION:



Business retention and expansion (BRE) is a core component of any economic development program. This program will focus on helping businesses survive economic difficulties; assist in expansions that add new jobs; advocate for the business community’s concerns; and increase competitiveness in the wider marketplace. Strategic partnerships will be sought with the organizations such as the National City Chamber of Commerce.

The guiding plan for a BRE program will be based off the community’s status at a certain point of time. Thus, the action plan should be updated annually to reflect these changes; doing so will have the added benefit of refocusing attention of the BRE program to

most accurately meet the needs of the community.

Areas of Focus will include:

1. Mile of Cars
2. Downtown Specific Plan
3. Westside Specific Plan
4. Balanced Plan

### Resource Analysis

<b>Focus Area</b>	National City
<b>Context</b>	Strong existing business sectors
<b>Goals</b>	Business retention and expansion
<b>Strategic Partners</b>	National City Chamber of Commerce, California Governor’s Office, South County Economic Development and San Diego Regional Chamber of Commerce
<b>Metrics</b>	Reduce the number of annual business closures by 2%



# B4. Develop a Business Marketing and Attraction Program

## DESCRIPTION:

In creating a marketing strategy to attract businesses, National City will need to distinguish itself from its surrounding cities by highlighting product differentiation, price competitiveness, market advantages, new policies and highlighting the geographic region and demographics.

As noted by the South County Economic Development Five Year Strategic plan the major industry clusters in South County are aerospace, advanced manufacturing, healthcare, food processing & distribution, tourism, and maritime related businesses. These are stable industries with well-paying jobs. The access to major freeways, the port and public transportation, low land costs, a workforce partnerships and streamlined building permitting are competitive advantages National City can market.

Through an Economic Development Marketing and Attraction Program National City will be well positioned to actively seek new business. Businesses that meet the relevant net benefit to National City will be assessed through target industry analysis and data collected from strategy **A.3**. By matching National City’s capabilities and objectives with industries that require those capabilities and meet those objectives, the HEDD can focus efforts on high-potential firms that are good matches for the City.

Although attracting major industries is a key priority, assisting entrepreneurs in entering the market based on emerging market trends will also be an area of focus. The industries that include craft beer, urban farming and placemaking to name a few are seeing significant gains throughout Southern California and the country. When it comes to attracting entrepreneurs to National City, the HEDD may act as an advocate for the business community’s wellbeing as they relate to the policies and procedures of local and state government to stay competitive in the fields of emerging trends.

The steps for developing a Marketing and Attraction program include; Development of a welcome package; Advertising/ Publicity campaign and the development of policies and incentives to attract entrepreneurs.

### Resource Analysis

<b>Focus Area</b>	Downtown, Westside and Marina Districts
<b>Context</b>	Reduce empty lots and vacant storefronts
<b>Goals</b>	Encourage business growth in infill locations
<b>Strategic Partners</b>	South County Economic Development Council & National City Chamber of Commerce
<b>Metrics</b>	Increase New Business License Applications by 1% annually

# B5. Business Networking and Workshops

## DESCRIPTION:

The purpose of this strategy is to increase utilization of resources and funds provided by nonprofit groups, lenders the state and federal government by providing a venue for workshops and outreach at City Hall.

**Cal Competes Tax Credit:** The California Competes Tax Credit is an income tax credit available to businesses who want to come, stay, or grow in California. Tax credit agreements are negotiated by GO-Biz and approved by a statutorily created “California Competes Tax Credit Committee,” consisting of the State Treasurer, the Director of the Department of Finance, the Director of GO-Biz, and one appointee each by the Speaker of the Assembly and Senate Committee on Rules. 5 National City Businesses awarded in 2016

**PACE/HERO:** The HERO Program offers a unique financing option, repaid through property taxes, for upgrades that increase energy efficiency, comfort and savings. Water-saving upgrades are also available in drought-impacted areas, such as California, and hurricane protection upgrades are eligible in Florida. 2014-2016 Utilization

**Accion:** As the largest and only nationwide nonprofit micro- and small business lending network in the United States, Accion connects small business owners with the financing and support it takes to create or grow healthy businesses. At communities.

**San Diego Workforce Partnership:** SDWP funds programs that align career aspirations of job seekers with the needs of employers. May of the programs offered are operated by or funded by partnerships with educational institutions, public, private and nonprofit agencies.

### Resource Analysis

<b>Focus Area</b>	Downtown, Westside and Marina Districts
<b>Context</b>	Reduce empty lots and vacant storefronts
<b>Goals</b>	Encourage business growth in infill locations
<b>Strategic Partners</b>	South County Economic Development Council & National City Chamber of Commerce
<b>Metrics</b>	Increase annual utilization rate of partner resources

# C1. Together We Can

## DESCRIPTION:

Those who live work and play in National City desire an environment that is clean, safe and attractive. Through the City’s new *Together We Can Campaign* individuals, businesses, community organizations and City Hall will be encouraged to work together to make National City cleaner, healthier, safer and more beautiful. The campaign currently consists of four programs, signage compliances, Adopt-a Place, Activate the Right of Way (AROW) and the Signage & Façade improvement program.

Each program in the Together We Can (TWC) Campaign addresses a unique aspect of our community/business culture. Through the different programs, TWC aims to increase the awareness of our many public spaces & parks, encourage and recognize volunteer contributions and efforts build community pride and support our businesses.

The flexibility of TWC gives way for the campaign to grow organically to complement new and or existing City initiatives that may arise through updated policies, specific plans and community collaborations. For example, the updated Downtown Specific Plan (DTSP) calls for the activation of our public right-of-way. The AROW program was developed as a way to help meet the goals of the DTSP while also providing new opportunities for our business community.

Eventually TWC will no longer be a campaign but a culture embraced by all who work live and play in National City. The following four questions can be viewed as a guide in developing new city incentives and programs to promote TWC.

1. Will this program elevate existing City goals?
2. How can this program break down barriers and brings multiple departments together to achieve those goals?
3. Does this program leverage limited City resources and promote community partnerships?
4. Will this program Invigorate residential and commercial zones developing new places of beauty, interest, public awareness and public pride?

### Resource Analysis

<b>Focus Area</b>	National City Business Corridors
<b>Context</b>	Enhance Business Corridors and Promote Vibrant Neighborhoods
<b>Goals</b>	Create new incentives and programs
<b>Strategic Partners</b>	City of National City, Community Organizations, Businesses
<b>Metrics</b>	Activation of public spaces, business retention and attraction

# C2. Maintain and Promote Historic Sites and Cultural Assets

## DESCRIPTION:

According to the National Trust for Historic Preservation on Preservation and ReUrbanism, leveraging existing assets in a growing city can have enormous power and potential to “improve health, affordability, prosperity, and well-being.” There are numerous historic sites that are landmarks in National City, these landmarks deserve special attention and should be focal points of civic pride. These historic sites and cultural assets contribute to a sense of place and neighborhood identity which will help in retaining existing residents and could attract new residents and businesses. The practice of reuse, reinvestment, and revitalization of historic neighborhoods is called *ReUrbanism*.

ReUrbanism positions preservation in the larger context of human needs. Preservation provides character and identity, contributes to sustainability and walkability, fosters a sound economy, spurs creativity and gives people psychological and sociological sense of stability. In addition to the above economic impacts, maintaining/promoting our historic sites & cultural assets helps the preservation of National City’s history, increased access to public spaces and promotes cultural tourism. As part of maintenance and promotion of these community landmarks the City will work with historic societies to develop strategic action plans to increase annual attendance, activation, preservation and assist is seeking grant funding.

Local Historic Sites and Cultural Assets Include:

- Brick Row
- Kimball House Lease
- Santé Fe Depot Lease
- Stein Farm Lease
- Train Depot
- Granger Music Hall

### Resource Analysis

<b>Focus Area</b>	National City
<b>Context</b>	Cultural Tourism and asset sustainability
<b>Goals</b>	Maintain and Promote Historic Sites and Cultural Assets
<b>Strategic Partners</b>	National City Historical Society
<b>Metrics</b>	Increase annual attendance rates by 5%

# C3. Tourism Promotion

## DESCRIPTION:

Forbes recently announced that 68% of Millennials and Generation Z consider traveling a top priority. In 2015 the San Diego region had a total economic impact of \$16.4 billion from tourism alone. As the industry continues to grow so should National City’s efforts in attracting tourism. The success of existing hotels, proximity to Baja California, the development of the National City Marina District and historic sites are key areas of focus in developing a tourism promotion plan.

### Areas of Focus:

**Hotel Attraction:** Support the expansion of Pepper Park and the Marina District to attract hotel developers. Existing city parcels available for hotel development include:

- Two acres of land near Plaza Bonita Mall near the 54
- The Bay Marina Drive parcel on W. 23<sup>rd</sup> Street
- 32<sup>nd</sup> and Marina Dr. near Pepper Park

**Baja California:** Develop policies and incentives to attract partners in Baja California to develop cultural exchanges and joint tourism efforts. National City can be positioned as a *Taste of Baja* with tasting rooms, shuttle opportunities and Baja California tourism information.

**Sporting Tourism:** Encourage public uses and family oriented special events within existing city parks and assets. Position the newly developed Bayshore bikeway as a cycling destination.

### Resource Analysis

<b>Focus Area</b>	Downtown, Westside and Marina Districts
<b>Context</b>	Underutilization of assets
<b>Goals</b>	Promote Tourism
<b>Strategic Partners</b>	National City Hoteliers, National City Chamber of Commerce
<b>Metrics</b>	Increase Transient Occupancy Tax 5% annually

# D1. Increase access to advanced education, workforce development, job training opportunities and business development by working with local workforce development organizations

## DESCRIPTION:

The purpose of this strategy is to assist local and regional organizations in meeting and exceeding their annual goals for National City workforce development by connecting opportunities to resources. Partnerships are the key to leveraging resources and improving the workforce of the local economy. Through this strategy our goal is to promote initiatives; Create a shared vision that will assist in meeting the goals of each partner; Create common metrics for success and practice transparency & the sharing of information across organizations.

Partnerships may range from formal contractual agreements to less formal understandings. Their function will be to align economic and workforce development strategies to strengthen and expand high impact workforce development initiatives. The City can assist local workforce and business development organizations meet their goals by collaborating on programs that will promote/expand their exposure. Strategic partnerships will be created with organizations that have wide reaching goals that serve the community and industries that have the greatest impact in National City.

In this strategy, the role of HEDD is to bring together necessary partners and players in order to create an effective workforce development program citywide. The common goal of the proposed partnerships is to strengthen the local talent pool of workers to match the needs of local and regional employers.

**Connect2CAREERS (C2C)** is a summer employment program that addresses San Diego's on going skills gap by providing meaningful work experiences that prepare young adults ages 16-24 for in-demand jobs.

**The California Center for International Trade Development (CITD)** invests in California's economic growth and global competitiveness through industry-specific education, training and services that contribute to a highly skilled and productive workforce.

**Procurement Technical Assistance Center** network of dedicated procurement professionals working to help local businesses compete successfully in the government marketplace.

**South County Economic Development Council (SCEDC)** promotes education and encourages economic development in the South San Diego County region.



**Resource Analysis**

<b>Focus Area</b>	National City
<b>Context</b>	Workforce and Business Development Program
<b>Goals</b>	Create strategic partnerships to leverage resources to improve the workforce of the local economy
<b>Strategic Partners</b>	SDWP, SBDC, CITD, Procurement Technical Assistance Center and Southwestern College and the SCEDC.
<b>Metrics</b>	Increase National City Workforce by 2% annually

# E1. Research opportunities to establish Special Benefit Assessment Districts

## DESCRIPTION:

Special benefit assessment districts allow for an assessment on a property or business within a defined geographic area. Revenues from these assessments are directed back to the defined area to finance a myriad of enhanced services, including security, maintenance, marketing, economic development, tourism promotion, parking, and special events.

Special benefit assessment districts are private sector initiated mechanism to manage the Downtown environment. It is financed by an assessment on properties and/or businesses that is imposed by the City Council at the request of the ratepayers. These funds are used to improve specific areas through increased maintenance, additional safety initiatives, local promotion, special events, research and development, transportation and parking, and other activities selected and managed by the local assessment district Board to benefit the district. These services are designed to maintain and improve the overall viability of Downtown resulting in higher property values and sales tax revenues.

Special Benefit Assessment Districts can take many forms. In this strategy, we are going to look at the benefits of forming a property based special benefit assessment district or a maintenance assessment district. A study done by the NYU Furman Center for Real Estate & Urban Policy found that on average, BIDs have a large, positive impact on the value of commercial property. The value of commercial properties within the BID’s boundary increases significantly more rapidly than other, comparable properties. Their estimates suggest that impacts are as large as 15 percentage points. The significant increase in property values suggests that on average, BIDs are successful in improving the level and quality of local amenities in their neighborhoods. Forming a special benefit assessment district, specifically a property based improvement district or a Maintenance Assessment district could assist in generating additional city revenues by contributing to an increase in property values in the assessed areas.

### Resource Analysis

<b>Focus Area</b>	National City
<b>Context</b>	Absentee Land Lords
<b>Goals</b>	Increase Property Values
<b>Strategic Partners</b>	International Downtown Association
<b>Metrics</b>	Increase Property Values by 15% annually



# E2. Actively seek Grant Funding for Economic Development Programs

## DESCRIPTION:

For the purpose of this strategy, grants mean dollar awards to carry out Economic Development programs proposed or created in alignment with the Economic Development Strategic Plan. The programs developed under strategies **B2. Develop Signage and Façade Improvement Program**, **B3. Develop a Business Retention and Expansion Program**, **B4. Develop a Business Marketing and Attraction Program**, **C1. Together We Can C2. Maintain and promote historic sites and cultural assets** will be prioritized before creating programs outside of the plan for grant funding.

The goal of this strategy is to apply for a minimum of three grants annually. Potential grants include those provided by the County of San Diego, The U.S Economic Development Administration and Art Place America. Where feasible a consultant will be brought on to assist with grant writing.



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**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** [October 3, 2017]

**AGENDA ITEM NO. 2**

**ITEM TITLE:**

Presentation on ECONsolutions by HdL Companies for retail recruitment and related economic development services.

**PREPARED BY:**

[Megan Gamwell, Economic Development Specialist]

**PHONE:** [619-336-4216]

**DEPARTMENT:** Housing & Economic Development

**APPROVED BY:**



**EXPLANATION:**

See Attachment No. 1 Staff Report.

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ **Finance**

**ACCOUNT NO.** [001-419-476-299-0000 Contract Services]

**APPROVED:** \_\_\_\_\_ **MIS**

A contract amendment for these services would require the use of General Fund unassigned fund balance of \$20,000.00. The Resolution adopting the Economic Development Strategic Plan will request the appropriation.

**ENVIRONMENTAL REVIEW:**

n/a

**ORDINANCE:** INTRODUCTION:  FINAL ADOPTION:

**STAFF RECOMMENDATION:**

Staff recommends adopting the Resolution for the First Amendment to the Agreement with HdL Companies under Item No. 7 of the Economic Development Workshop Agenda.

**BOARD / COMMISSION RECOMMENDATION:**

[N/A]

**ATTACHMENTS:**

1. Background
2. Scope of Work

## Background Report

### Presentation from ECONSolutions by HdL Companies on a proposal for retail recruitment and related economic development services

ECONSolutions was formed in 2014 by Hinderliter, de Llamas, and Associates (HdL Companies) to provide a variety of economic development products and services in further serving local governments. ECONSolutions has a successful record of accomplishment for attracting quality retail to various cities in California including; Apple Valley, Banning, Covina, Diamond Bar, Eastvale, Indio, Marina, Upland, and Vallejo, and attracting retailers including Aldi, Blaze Pizza, Chipotle, Coffee Bean & Tea Leaf, Costco, Grocery Outlet, Hobby Lobby, Marshalls, MOD Pizza, Smart & Final, Smash Burger, Sprouts, The Habit, Waba Grill, 365 by Whole Food and many more quality businesses. The HdL Companies team consists of many former public-sector executives that have years of experience in local government in the fields of management, finance, economic development, and community development.

The Proposition “D” Independent Evaluation Committee has asked the City of National City (“the City”) to develop a long term strategic plan that would assist in increasing tax revenue and help the City transition out of the District Transaction & Use Tax. Part of this process is working to determine the most viable industries for generating new revenues for the city. ECONSolutions by HdL Companies has put together a proposal for retail recruitment and related economic development services that will assist the City in diversifying its sales tax revenue by attracting new business through insight Market Analytics, Trade Area & Void Analysis and Financial Analysis and Revenue Projections.

The City has an existing contract with HdL Companies to provide Sales Tax Audit and Information Services. The City’s Housing and Economic Development Department staff recommends entering into a First Amendment to the Agreement for Professional Services by and between the City of National City and Hinderliter, De Llamas and Associates (HdL Companies) for the development of a Retail Recruitment Strategy and Related Economic Development Services through ECONSolutions.

### FISCAL IMPACT

The one-time cost of the proposed amendment is \$20,000. Item No. 6 of today’s Economic Development Workshop Agenda proposes the adoption of a Resolution that in part allocates \$140,000 to fund the Economic Development Plan. The \$20,000 required for the proposed First Amendment to the HdL agreement is included in the \$140,000 request. Item No. 7 of the Workshop Agenda is a Resolution to be considered for adoption by the City Council that would approve the First Amendment to the City’s agreement with HdL Companies to provide retail recruitment and related economic development services to the City of National City.

# NATIONAL CITY

## RETAIL RECRUITMENT STRATEGY AND RELATED ECONOMIC DEVELOPMENT SERVICES



**Submitted by:**

ECONsolutions by HdL  
1340 Valley Vista Dr., Ste. 200  
Diamond Bar, CA 91765  
[www.hdlcompanies.com](http://www.hdlcompanies.com)  
[www.econsolutionsbyhdl.com](http://www.econsolutionsbyhdl.com)

**Contact:**

Barry Foster  
909-861-4335  
[bfoster@hdlcompanies.com](mailto:bfoster@hdlcompanies.com)

**ECON**Solutions  
By HdL

## COVER LETTER

July 12, 2017

Megan Gamwell, Economic Development Specialist  
National City  
140 E. 12<sup>th</sup> St. Ste. B  
National City, CA 91950

Dear Ms. Gamwell

ECONsolutions by HdL is pleased to submit this proposal to National City for Retail Recruitment and Related Economic Development Services. For 35 years, HdL has been providing cities, counties, and special districts with a variety of professional consulting services and software support. Based in Diamond Bar, HdL's client list includes more than 400 local governments. In addition to the main office in Diamond Bar, HdL recently opened a Northern California office in Pleasanton, CA. The HdL team consists of many former public-sector executives that have extensive experience in local government in the fields of management, finance, economic development, and community development. ECONsolutions was formed in 2014 to provide a variety of economic development products and services in further serving local governments.

ECONsolutions embraces and is firmly committed to an approach of utilizing a qualified consultant to help establish a Retail Recruitment Strategy. ECONsolutions has a successful record of accomplishment for attracting quality retail to various cities in California including; Apple Valley, Banning, Covina, Diamond Bar, Eastvale, Indio, Marina, Upland, and Vallejo, and attracting retailers including Aldi, Blaze Pizza, Chipotle, Coffee Bean & Tea Leaf, Costco, Grocery Outlet, Hobby Lobby, Marshalls, MOD Pizza, Smart & Final, Smash Burger, Sprouts, The Habit, Waba Grill, 365 by Whole Food and many more quality businesses.

We enjoy working closely with our clients in a collaborative public-private team approach. The scope of services presented by this proposal is exactly the approach that HdL supports and is a major reason ECONsolutions by HdL was created. Barry Foster, the Managing Principal for ECONsolutions, will act as the Project Manager for the National City project and be the primary contact working directly with city staff. We look forward to further discussing the opportunities for retail attraction in National City at your convenience. In my role as President of HdL, I am authorized to sign for and make representations on behalf of the company. **I have read, understood and agree to all statements in this request for proposal.**

Please feel free to contact Barry Foster at 909.861.4335 or by email at [bfoster@hdlcompanies.com](mailto:bfoster@hdlcompanies.com).

Sincerely,



Andy Nickerson  
President, HdL

## PROJECT APPROACH

For National City to be successful with retail recruitment, ECONsolutions recommends creating a Retail Recruitment Strategy consisting of the following components:

### 1. CITY WIDE COMMERCIAL RETAIL PROPERTY ASSESSMENT

Preparation of an assessment of key undeveloped properties, major shopping centers and strategic retail areas within National City to understand future opportunities for retail development, including new ground up development, redevelopment possibility or repositioning opportunity of an existing center. The scope of work shall include:

- Work closely with City staff to identify major shopping centers and retail areas, along with possible new ground up development opportunities to establish the framework for a successful retail recruitment effort.
- Work with City Staff to identify the ownership of major shopping centers, along with real estate professionals and key stakeholders.

### 2. INSIGHT MARKET ANALYTICS

Preparation of INSIGHT-Market Analytics, HdL's comprehensive market analytics package consisting of several key assessments, profiles and reports for five trade areas in National City, plus the City as whole. The INSIGHT-Market Analytics package includes:

- Consumer Demographic Profile: Uses the STI-PopStats data base with over 1,200 variables with bottom up methodology for the highest accuracy level and dependable demographic information.
- Employment Profile: Uses the STI-Workplace database to deliver employment statistics for a community including employment by industry group and employment and employment by occupation group, along with daytime population and wage estimates within a defined market area.
- Household Segmentation Profile: Provides a deep understanding of consumer preferences, behaviors and habits by segmenting 70 household clusters into one of 21 Lifestage Groups.
- Consumer Demand & Market Supply Assessment: Examine opportunity/gaps across 31 leading retail segments and 40 major product/service lines for insight on potential opportunities in a market area.
- Trade Areas Maps

### 3. UNDERSTANDING THE NATIONAL CITY MARKETPLACE

National City must gain an understanding of the existing retail marketplace, as well identify targets for future retail attraction opportunities that will provide a road map for National City's retail recruitment efforts including:

- Retail Performance Assessment: Provide an assessment of National City's current retail environment that is enhance because of HdL's proprietary sales tax base, to highlight local retail trends.
- Marketplace Knowledge: Recognition of the strengths and challenges of the National City market in competing with other cities and trade areas in the San Diego Region.
- Void Analysis Summary & Market Profile: Utilize the Commercial Retail Property Assessment and INSIGHT-Market Analytics to prepare void analysis to create a list of retailers and restaurants that could fill a void within a market area. The void analysis uses software that is

Proposal for Retail Recruitment and Related Economic Development Services for National City  
July 12, 2017

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supported by a database of over 1,000 national and regional retailers/restaurants with over 131,000 locations within the State of California.

**4. RETAIL RECRUITMENT ACTION PLAN**

Prepare a Retail Recruitment Action Plan using all the information generated from the three work components above – 1) Citywide Commercial Retail Property Assessment, 2) INSIGHT-Market Analytics and 3) Understanding the National City Marketplace.

- The Retail Recruitment Action Plan shall act as a foundation for National City's Retail Recruitment Strategy.
- The Retail Recruitment Action Plan will recognize the opportunities available for National City given its demographic composition and trade areas, but also strive to enhance the quality of retail possibilities in the National City community.

**5. MARKETING PACKET DESIGN**

Design an effective marketing packet to assist National City with retail recruitment including the following items:

- Marketing cover letter
- Community Profile-will summarize National City's characteristics, market area trends and local economic indicators in condensed 4 to 6-page format.
- INSIGHT Market Analytics package with four highly useful assessments, profiles and demographic reports.
- Marketing brochure document strengths of National City and presenting retail opportunities.
- Trade areas maps



## PROJECT TIMELINE

### 1. CITYWIDE COMMERCIAL RETAIL PROPERTY ASSESSMENT

Two-weeks – Initial (and ongoing) from the notice to proceed to establish a basic understanding of the key underdeveloped properties and strategic retail areas for future retail development.

Two-weeks – to establish a network of key staff, property owners, and active real estate professionals in the San Diego region.

### 2. INSIGHT - MARKET ANALYTICS

One-week – Package is completed after identifying the initial areas of focus (based on the findings from the retail property assessment) and is updated about six months later.

### 3. UNDERSTANDING NATIONAL CITY MARKETPLACE

Three-weeks – after completing Item #1 and identifying key areas of focus and stakeholders in the region (property owner, developers, real estate professionals) we shall complete:

Retail Performance Assessment  
 Marketplace Knowledge  
 Void Analysis

### 4. RETAIL RECRUITMENT ACTION PLAN

Two Weeks – After completion of all the above items the Action Plan will be completed and available for review and approval.

### 5. MARKETING PACKET DESIGN

Three-weeks – will provide a sample marketing packet within two-weeks of completion of Item 3 above.

Total timeline for Items 1 – 5 is estimated at **10 weeks** for completion (as some items will be handled concurrently).

## COST

The following is the cost for the services contained in the proposal presented by ECONsolutions.

### Items 1 – 5

- 1) The Citywide Commercial Retail Property Assessment, 2) INSIGHT-Market Analytics, 3) Understanding the National City Marketplace, 4) Retail Recruitment Action Plan and 5) Marketing Packet Design to be prepared for a fixed fee of **\$20,000**.

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** |October 3, 2017|

**AGENDA ITEM NO. |3|**

**ITEM TITLE:**

Presentation on the Adopt-a-Place Program.

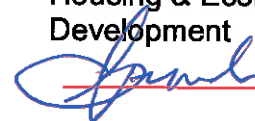
**PREPARED BY:**

|Megan Gamwell, Economic Development Specialist|

**PHONE:** |619-336-4216|

**DEPARTMENT:** Housing & Economic  
Development

**APPROVED BY:** \_\_\_\_\_



**EXPLANATION:**

The "Adopt-a-Place" program is a part of the Together We Can Campaign and relies on volunteer and city cooperation to keep National City cleaner, healthier and safer. This program is intended for organizations or individuals that want to participate on a more regular basis to monitor and maintain a specific street or area of the city. Organizations sign up to clean a specific area of the city at least four (4) times per year and more often as needed. Groups work directly with the Housing and Economic Development Department to identify the adoption areas and arrange for the City's removal of debris and litter gathered during scheduled Adopt-a-Place collections. The City will provide supplies including trash bags, gloves and safety vests. Groups are encouraged to adopt as large an area that is manageable and that is no less than 1/2 a mile long. Participating organizations will be recognized via their name/logo on a permanent sign or banner located within the city within thirty (30) days after the first cleanup and submitting the "Event Summary." The organization will also be publicly recognized by the Mayor at a reception prior to a City Council meeting.

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ **Finance**

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ **MIS**

n/a

**ENVIRONMENTAL REVIEW:**

n/a

**ORDINANCE: INTRODUCTION:** |  |

**FINAL ADOPTION:** |  |

**STAFF RECOMMENDATION:**

**BOARD / COMMISSION RECOMMENDATION:**

|n/a|

**ATTACHMENTS:**

- |1. Adopt-a-Place Program|

# TOGETHER WE CAN!

**CITY OF NATIONAL CITY**

**Program Booklet**



CITY of NATIONAL CITY  
1243 National City Blvd., National City, CA 91950-4397  
P 619. 336. 4216 E. [MGamwell@NationalCityCa.Gov](mailto:MGamwell@NationalCityCa.Gov)

**Table of Contents**

Contents

Table of Contents ..... 1

PROGRAM OVERVIEW AND PURPOSE ..... 2

Adopt-a-Place Application (A)..... 3

Adopt-a-Place Agreement (B) ..... 4

Adopt-a-Place Indemnity Form – Group/Organization Form (C)..... 6

Adopt-a-Place Minor Release Waiver (D) ..... 7

Adopt-a-Place Safety Guidelines (E) ..... 8

General Clean up Requirements of Adopt-a-Place Locations (F)..... 9

Adopt-a-Place Event Summary (G) ..... 10

Adopt-a-Place Preferred Areas (H) ..... 11

## PROGRAM OVERVIEW AND PURPOSE

Those who reside and work in the City of National City desire an environment that is clean, safe and attractive. Through the Adopt-a-Place Program individuals and organizations in the City of National City can take an active role that will help and contribute to the beautification of parks, streets, gateways and public spaces. The program's mission is to increase awareness of our many public spaces & parks, encourage and recognize volunteer contributions and efforts and build community pride.

The "Adopt-a-Place" program is part of the National City *Together We Can Campaign* encouraging individuals, businesses, community organizations and City Hall to work together in making National City cleaner, healthier, safer and more beautiful. This particular program is intended for organizations or individuals that want to participate on a more regular basis to monitor and maintain a specific street or area of the city. Organizations sign up to clean a specific area of the city at least four (4) times per year. Adopted areas must be ½ a mile long or more. As part of the program, the city will provide a one-time training, cleanup supplies and help with coordinating trash pickup.

## APPLICATION PROCESS

### Step One – Identify a space to adopt

1. **Community organization and Local Small Businesses** can visit National City website for list of public spaces to adopt or they can call/email Megan Gamwell with a suggested area to adopt.
2. Organizations can download the application online and submit to [mgamwell@nationalcityca.gov](mailto:mgamwell@nationalcityca.gov)

### Step Two – Submitting the Application

1. The organization shall identify a representative(s) to serve as the primary contact person who will meet with City staff to review program requirements and identify the area(s) that the group would like to adopt.
2. Organization will provide Commercial General Liability Insurance with minimum limits of \$1,000,000 per occurrence and \$2,000,000 aggregate covering all bodily injury and property damage arising out of its members'/employees' participation in the Adopt-a-Place Program.
3. The organization will complete the "Adopt-a-Place Application" (A), the "Adopt-a-Place Agreement" (B), and the "Adopt-a-

Place Indemnity Form – Group/Organization Form" (C), review "Safety Guidelines" (E), Complete "Signage Recognition" form (F) and identify an area no less than 1/2 a mile long from the "Preferred Areas" list (H). Organizations will be recognized via their name/logo on the permanent sign or banner for participation in the "Adopt-a-Place" program within thirty (30) days after the first cleanup and submitting their "Event Summary" (G).

### Step Three – Organizing Quarterly Clean ups

1. A City Staff member will create a public calendar that will be shared with Public Works and Community Services. Shared Calendars will be used to mark the dates of scheduled quarterly cleanups.
2. Community Services and HED will schedule a one-time training and safety presentation for organization before beginning their first cleanup.
3. Community Services will coordinate with organization to check out and re check in tools during quarterly cleanups.
4. Public Works will work with EDCO to coordinate trash pickups after quarterly cleanups.

**PROGRAM OVERVIEW AND PURPOSE CONTINUED**

1. **Application Process.** The organization shall identify a representative(s) to serve as the primary contact person who will meet with Public Works and a Housing and Economic Development representative to review program requirements and identify the area(s) that the group would like to adopt. Provide Commercial General Liability Insurance with minimum limits of \$1,000,000 per occurrence and \$2,000,000 aggregate covering all bodily injury and property damage arising out of its members'/employees' participation in the program. The organization will complete the "Adopt-a-Place Application" (A), the "Adopt-a-Place Agreement" (B), and the "Adopt-a-Place Indemnity Form – Group/Organization Form" (C), review "Safety Guidelines" (E), Complete "Signage Recognition" form (F) and identify an arear no less than 1/2 a mile long from the "Preferred Areas" list (H). Organizations will be recognized via their name/logo on the permanent sign or banner for participation in the "Adopt-a-Place" program within thirty (30) days after the first cleanup and submitting their "Event Summary" (G).
2. **Collection Schedule.** The participant will provide the City with dates that litter collections will be held in order to track progress. Although litter collection is normally done away from traffic, advanced notification will allow the City to alert police and other City officials about the activity.
3. **Supplies.** Participants will receive a cleanup kit that includes safety vests, a broom, shovel, bags, gloves, dustpan, bucket and a litter-grabber. Since this is an ongoing effort, the organization is encouraged to reuse gloves and vests as much as possible.
4. **Disposal of Litter.** The City will identify with the organization specific locations where bagged litter will be placed for the City to promptly collect and dispose of after each collection event. Alternatively, the organization may arrange for small amounts of bagged litter to be set out for collection through the City's weekly residential trash collection program or at the organization or participant's place of business.
5. **Work Safely.** Participants must follow the guidelines listed on the "Adopt-a-Place Safety Guidelines" (E). The work of volunteers should be a positive experience, but dealing with trash and litter in public areas has risks. Since the safety of volunteers is crucial, the City urges participants to use common sense and care when participating in the "Adopt-a-Place" program.
6. **Report Results.** Reporting volunteer hours and the amount of material collected is a key part of measuring success. Organizations should complete and submit the "Adopt-a-Place Event Summary" (G) after each event.
7. **Public Recognition.** Participating organizations will be recognized via their name/logo on a permanent sign or banner for participation in the "Adopt-a-Place" program within thirty (30) days after the first cleanup and submitting the "Event Summary" (G). The organization will also be publicly recognized by the Mayor at a reception prior to a City Council meeting.
8. **Leadership Changes and Discontinuing Adoption.** The primary contact person must notify the City and update records if there is a leadership change. If the organization desires to discontinue

**CITY OF NATIONAL CITY, CALIFORNIA**

**ADOPT-A-PLACE PROGRAM**

Attachment No. 1

the adoption, the primary contact person should notify representative from Housing and Economic Development and the agreement will be terminated.

**Adopt-a-Place Application (A)**

Name of Organization \_\_\_\_\_

Adopted Location (block, street, area, etc.): \_\_\_\_\_

Organization Address: \_\_\_\_\_

Name of Contact Person: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Phone (mobile): \_\_\_\_\_ Email: \_\_\_\_\_

**Collection Schedule: Year:** \_\_\_\_\_

	<b>Collection 1</b>	<b>Collection 2</b>	<b>Collection 3</b>	<b>Collection 4</b>	<b>Collection 5 (Optional)</b>
Dates of Collection Events					
Times of Collection					

**Supply Inventory**

<b>Type of Supply</b>	<b>Quantity Provided</b>	<b>Quantity Used</b>	<b>Quantity Unused &amp; Held for Future Use</b>	<b>Quantity Returned</b>
Trash Bags (Dark)				
Trash Bags (White)				
Safety Vests				
Work Gloves				
Litter-Grabber				

**Litter Disposal Arrangements**

1. Litter Disposed with Organization’s Trash: Address
2. Litter Disposed with a Volunteer’s Trash: Address
3. Litter Collected by City with arrangements with Public Works: Identify drop points and explain arrangements:

\_\_\_\_\_



**Adopt-a-Place Agreement (B)**

This Adopt-a-Place agreement (“Agreement”) is entered into on this date \_\_\_\_\_, by and between the CITY OF NATIONAL CITY, 1243 National City Blvd. National City, CA 91950, a municipal corporation (hereinafter referred to as CITY) and

\_\_\_\_\_

Organizations Name

with its address at \_\_\_\_\_

Street Address

City

State

Zip

hereinafter referred to as **ORGANIZATION**.

**WHEREAS**, in order to clean **CITY** streets and public spaces of litter and to improve the environment, the CITY has established a beautification maintenance program known as “Adopt-a-Place” program (hereinafter referred to as **PROGRAM**) in which volunteer groups adopt a **CITY** street, or a portion thereof, or public area in order to pick up litter, monitor and maintain area; and

**WHEREAS**, **ORGANIZATION** desires to participate in the **CITY PROGRAM** and the **CITY** desires to provide certain materials and information to **ORGANIZATION**.

**NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:**

1. The above recitals are incorporated into the body of this Agreement.
2. **ORGANIZATION** adopts a **CITY** street, or portion thereof, or public area as set forth in the “Adopt-a-Place Application” (A), which is attached hereto and made a part hereof, for a period of one (1) year beginning on the date of this Agreement.
3. **CITY** will provide safety materials and an adequate number of gloves, safety vests, plastic trash bags and any additional equipment considered reasonable for cleanup as needed for use by **ORGANIZATION**.
4. **ORGANIZATION** will conduct safety orientation meetings to review, at a minimum, the “Adopt-a-Place Safety Guidelines” (E) which are attached hereto and incorporated by reference herein.
5. **ORGANIZATION** agrees to comply with the safety recommendations set forth in “Adopt-a-Place Safety Guidelines” (E).
6. **CITY** encourages **ORGANIZATION** to separate materials designated for recycling or special handling.
7. **ORGANIZATION** will conduct litter pick up a minimum of four (4) times per year.
8. **ORGANIZATION** will give **CITY** at least (1) month notice of any scheduled collection event.

9. **ORGANIZATION** will arrange with **CITY** to either pick up filled litter bags, dispose of bags with **ORGANIZATION’S** trash service, or dispose of bags at a volunteer’s residence that is serviced by the **CITY’s** residential trash contract.

10. **CITY**, at its cost, will provide, install, and maintain, a recognition sign or city banner noting the **PROGRAM** and **ORGANIZATION’S** name.

11. The content of the recognition signs described in Section 10 will be limited to no more than the organization’s name and or logo.

12. **ORGANIZATION** and its members or employees who participate in the **CITY’S PROGRAM** shall provide Commercial General Liability Insurance with minimum limits of \$1,000,000 per occurrence and \$2,000,000 aggregate covering all bodily injury and property damage arising out of its members’/employees’ participation in the **PROGRAM**. The policy shall name the **CITY** and its officers, officials, agents and employees as additional insureds, and a separate additional insured endorsement shall be provided. The general aggregate limit must apply solely to participation in the **PROGRAM**. The nature of this **PROGRAM** should be noted with specificity on an endorsement that shall be incorporated into the policy. The certificate of insurance must be attached to this Adopt-a-Place Indemnity Form – Group/Organization Form (C).

13. As a condition of participation in the **PROGRAM**, the above-referenced **ORGANIZATION** hereby agrees to defend, indemnify and hold harmless the **CITY** and its officers, employees, agents, and volunteers from and against any and all claims, demands, costs, losses, liability, or damages to property, injuries to or death of person or persons, and for all suits, actions, proceedings, attorneys’ fees, and defense costs, of any kind or nature, including workers’ compensation claims, of or by anyone whomsoever arising from, arising out of, or related to, the above-referenced **ORGANIZATION’S** use of public property; provided, however, that this indemnification and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of the **CITY**, its agents, officers, employees, or volunteers.

14. This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between the parties as to the subject matter hereof. No subsequent agreement, representation, or promise made by either party hereto, or by or to an employee, officer, agent or representative of any party hereto shall be of any effect unless it is in writing and executed by the party to be bound thereby.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
City of National City Adopt-a-Place Coordinator

\_\_\_\_\_  
Adopt-a-Place Organization

**Adopt-a-Place Indemnity Form – Group/Organization Form (C)**

I have read every paragraph of the Policies and Procedures and the Safety Guidelines for the Adopt-a-Place Program. I understand that accidents and injuries can occur during my participation in the Adopt-a-Place Program. Knowing the risks, as presented in the Safety Guidelines, I agree to assume those risks and to release and to hold harmless all of the persons, groups or organizations mentioned below who, through negligence or carelessness, might otherwise be liable to me or my heirs or assigns for damages.

I hereby release the City of National City, and \_\_\_\_\_ (insert name of group/organization listed on Indemnity Form –Group/Organization Form (C) and their respective officers, employees, agents, and volunteers and waive all claims against them for personal injury (including death) and/or property damage, including such injury and/or damage incurred as a result of the negligence of any employee, agent, servant, or volunteer of the City of National City. I further understand and agree that this Release and Waiver shall be binding on my heirs and assigns.

Print Name	Address	Signature
1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____
6.	_____	_____
7.	_____	_____
8.	_____	_____
9.	_____	_____
10.	_____	_____

This form needs to be signed by each volunteer participating in the cleanup. All participants under the age of 18 must have a parent or guardian signature and fill out the Minor Release Waiver (D). The group leader should keep this original document. If any new volunteers participate during following cleanups and did not sign the original, have them sign an updated copy.

**Adopt-a-Place Minor Release Waiver (D)**

Parent/Guardian Acknowledgement of Warning and Release

I, \_\_\_\_\_, parent/guardian/authorized supervisor of \_\_\_\_\_ acknowledge that I have read every paragraph of the Policies and Procedures and the Safety Guidelines for the Adopt-a-Place Program, and that I and my child understand the safety procedures contained in the contract. I acknowledge that I and my child are aware of the dangers associated with working on adopted areas. I consent to my child’s participation in the Adopt-a-Place activities. I understand that accidents and injuries can occur during my participation or my child’s participation in the Adopt-A-Place program. Knowing the risks, as presented in the Safety Guidelines, I agree to assume those risks and to release and to hold harmless all of the persons, groups or organizations mentioned below who, through negligence or carelessness, might otherwise be liable to me or my heirs or assigns for damages.

I hereby release the City of National City, and \_\_\_\_\_ (insert name of group/organization listed on Indemnity Form –Group/Organization Form (C) and their respective officers, employees, agents, and volunteers and waive all claims against them for personal injury (including death) and/or property damage, including such injury and/or damage incurred as a result of the negligence of any employee, agent, servant, or volunteer of the City of National City. I further understand and agree that this Release and Waiver shall be binding on my heirs and assigns.

---

Date Parent/Legal Guardian/Authorized Supervisor Signature      Adopt-A-Place Organization

**Adopt-a-Place Safety Guidelines (E)**

The Adopt-a-Place Program promotes responsible behavior and a cleaner, more attractive City. All participants are asked to keep this goal in mind when conducting cleanups. Collecting trash and litter in a public area can pose safety hazards. The City requests that all volunteers adhere to the following recommendations and that the primary contact/leader review this information prior to beginning a collection event.

1. DON'T pick up litter in construction or maintenance sites.
2. DON'T pick up materials that appear to be hazardous (medical waste, sharps, blood borne materials, used motor oil, lead paint cans, propane cylinders used for outdoor grills, medicine boxes, masks, rubber gloves, drug-related paraphernalia, etc.).
3. DON'T pick up any firearms or explosive devices. If you find any items like this, please contact the National City Police Department at 619 -336- 4400.
4. DON'T do anything that will distract passing drivers, pedestrians or other volunteers.
5. DON'T participate in litter pickups while under the influence of drugs and/or alcohol.
6. DON'T wear music headsets that would prevent you from listening to your surroundings or distract you from communicating with others.
7. DON'T attach signs or miscellaneous items to your Adopt-a-Place sign.
8. DO wear long sleeve shirts, long pants, hard-soled shoes and work gloves.
9. DO stay with your group on the right-of-way and out of traffic.
10. DO be careful when handling broken glass and other sharp objects. Place these in boxes or in bags to prevent them from puncturing the bag and injuring others.
11. DO work in small groups, keeping children under 12 years old with adults at all times.
12. DO have a first aid kit available and make sure everyone knows its location.
13. DO work only during daylight hours and in fair weather.
14. DO avoid animals and/or noxious weeds.

**General Clean up Requirements of Adopt-a-Place Locations (F)**

**A Park or a Garden**

Routine Tasks	Reporting graffiti and vandalism
Litter abatement	Removing public hazards
Cleaning park fixtures	<b>Special Projects</b>
Cleaning sports courts and fields	Painting, graffiti abatement with chemical strippers
Minor trimming	Major pruning
Weeding	Major planting projects
Planting	Major planting projects

**A Block or a Corner**

Routine Tasks	Reporting graffiti and vandalism
Litter abatement	Removing public hazards
Cleaning street fixtures	<b>Special Projects</b>
Cleaning flower baskets	Painting, graffiti abatement with chemical stripper
Cleaning trash along the curbs and sidewalks	

**A Gateway**

Routine Tasks	Removing public hazards
Litter abatement	<b>Special Projects</b>
Reporting graffiti and vandalism	Assist in creating improvements for the Gateway

CITY OF NATIONAL CITY, CALIFORNIA

ADOPT-A-PLACE PROGRAM

Attachment No. 1

**Adopt-a-Place Event Summary (G)**

This form is used by the Adopt-a-Place Program Coordinator to keep track of program participants and the frequency of projects they are involved in. Please remember to fill out and return a copy of this form after each cleanup.

Name of Organization: \_\_\_\_\_

Adopted Location (block, street, area, etc.): \_\_\_\_\_

Collection Event Cleanup Date: Time: \_\_\_\_\_

Name of Contact Person: \_\_\_\_\_

Bags collected: Litter (white bags) \_\_\_\_\_ Recyclables (dark bags) \_\_\_\_\_

Other items collected: \_\_\_\_\_

Bags/Trash Pick-Up Location or Disposal Method: \_\_\_\_\_

Estimated weight collected: Litter) \_\_\_\_\_ Recyclables) \_\_\_\_\_

Hours Worked: \_\_\_\_\_ Number of Volunteers: \_\_\_\_\_

**SUPPLY INVENTORY**

Type of Supply	Quantity Provided by City	Quantity Used	Quantity Unused and Held for Future Use	Quantity Returned
Trash Bags (Dark)				
Trash Bags (White)				
Safety Vests				
Work Gloves				
Litter Picker				
Other				

CITY OF NATIONAL CITY, CALIFORNIA

ADOPT-A-PLACE PROGRAM

Attachment No. 1

**Adopt-a-Place Preferred Areas (H)**

<b>Street</b>	<b>Limits</b>
National City Blvd.	Division Street to 4th Street
SUHI	2900 Highland Ave, National City, CA 91950
Highland Ave.	E 18th St. to 30th St.
National City Blvd.	8th Street to E. 16th Street
8th Street.	National City Blvd to Highland Ave.
Highland Ave.	8th street to 16th Street
E Plaza Blvd.	Harbison Ave.
E Plaza Blvd.	16th Street connected by Highland Ave and Palm Ave.
Paradise Creek	Near Paradise Creek Apartments
Kimball Park	E 12th St, National City
El Toyon Park	2005 E 4th St
Morgan Square	National City Blvd.
Kimball Elementary	302 W 18th St, National City, CA 91950



**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** October 3, 2017

**AGENDA ITEM NO. 4**

**ITEM TITLE:**

Presentation on the Activate the Right of Way (AROW) Program.

**PREPARED BY:**

Megan Gamwell, Economic Development Specialist

**PHONE:** 619-336-4216

**DEPARTMENT:** Housing & Economic Development

**APPROVED BY:**



**EXPLANATION:**

The purpose of the Activate the Public Right of Way (AROW) program is to beautify, activate and promote our city by working with the business community to enhance portions of the public right-of-way ("PROW"). The Program will create spaces that cultivate community and culture, increase property values for residents of the City of National City (the "City") and spur economic growth and income to local merchants by encouraging pedestrian traffic. The program's two areas of focus are outdoor display areas and outdoor recreational areas. A business owner or community organization will be allowed to locate these items in the PROW provided they obtain approval by the City's Economic Development and Engineering Departments and then conforms to the requirements of the Program. It is not the intent of the Program to set aside existing or future City, State, or Federal regulations regarding public health, safety and accessibility in the PROW.

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ **Finance**

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ **MIS**

n/a

**ENVIRONMENTAL REVIEW:**

n/a

**ORDINANCE:** INTRODUCTION:

FINAL ADOPTION:

**STAFF RECOMMENDATION:**

n/a

**BOARD / COMMISSION RECOMMENDATION:**

n/a

**ATTACHMENTS:**

1. AROW Program

**“AROW” PROGRAM**  
**TOGETHER**  
**WE**  
**CAN!**

**CITY OF NATIONAL CITY**

**HOUSING & ECONOMIC DEVELOPMENT AND ENGINEERING  
DEPARTMENTS**

**Program Booklet**



CITY of NATIONAL CITY  
1243 National City Blvd., National City, CA 91950-4397  
P 619 . 336 . 4216 E. [MGamwell@NationalCityCa.Gov](mailto:MGamwell@NationalCityCa.Gov)

**Table of Contents**

Contents

**Contents**

APPLICATION PROCESS ..... 3

DEFINITIONS..... 4

GENERAL REQUIREMENTS ..... 5

V. OUTDOOR DISPLAY STANDARDS ..... 9

VI. OUTDOOR DINING AREA STANDARDS..... 13

VII. PERMIT CONDITIONS ..... 14

PERMIT APPLICATION FORM ..... 19

ACTIVATE THE RIGHT OF WAY (“AROW”) ..... 19

## ACTIVATE THE RIGHT OF WAY

The purpose of the Activate the Public Right of Way Program (hereafter referred to as “AROW” or “Program”) is to beautify, activate and promote our city by working with the business community to enhance portions of the public right-of-way (“PROW”). The Program will create spaces that cultivate community and culture, increase property values for residents of the City of National City (the “City”), and spur economic growth and income to local merchants by encouraging pedestrian traffic. The Program’s two areas of focus are outdoor display areas and outdoor recreational areas. A Business Owner or Community Organization will be allowed to locate these items in the PROW if: (1) the City’s Economic Development and Engineering Departments approve a proposal, and (2) the proposals conform to the requirements of the Program. The Program’s purpose is not to set aside existing or future City, State, or Federal regulations regarding public health, safety and accessibility in the PROW.

### APPLICATION PROCESS

#### Step One –Identify a space to activate

1. If you are a **community organization** email [Mgamwell@NationalCityCa.gov](mailto:Mgamwell@NationalCityCa.gov) for a list of public spaces your community organization can activate through the Program.
2. If you are a **local small business** with a storefront facing the right of way email [Mgamwell@NationalCityCa.gov](mailto:Mgamwell@NationalCityCa.gov) for instructions on how to obtain information on the property line of your business from our City records.

#### Step Two – Plan your activation

1. Choose between an **outdoor display** or **outdoor seating area** for your activation.
2. Review the Program guidelines for activation, including visibility, clear paths of travel and accessibility requirements for your activation.
3. Provide two copies of scale drawings that shows your property lines, all existing and proposed obstructions and the location of your activation and submit them to the Housing and Economic Development department for review.
4. Submit your application with proof of insurance for final approval.

#### Step Three – Activate your space

1. Once you are ready to activate your space you will pick up your Program sticker to place in your window or in your business as proof of participation in the Program.
2. Activations must be renewed annually.

**ACTIVATE THE RIGHT OF WAY**

**DEFINITIONS:**

**Clear Area:** The area adjacent to street furniture as required for a clear path of travel or for maintenance or access as referenced in the Section VI “Outdoor Dining Area Standards.”

**Public Space:** Any real property, or structures thereon, which are owned or controlled by a governmental entity, other than the public rights of way. See N.C.M.C. Section 12.04.560.

**Clear Path of Travel:** A route for use by pedestrian and wheelchair users that provides free and unobstructed access to and egress from a building, area, street furniture, temporary installation or location, also as referenced in Section VI “Outdoor Dining Area Standards.”

**Outdoor Display Item:** The particular product being displayed for public view and located outside a building in the PROW. See N.C.M.C. Section 18.30.150 for permissible display items. Display items must be customary with that type of business and consistent with or comparable to the types of uses, and must comply with all other aspects of N.C.M.C. Section 18.30.150.

**Display Item:** A product being displayed for public view. See also “Outdoor Display Item.”

**Display Type:** A category of items (such as clothing, artwork, craftwork, books, food, or furniture).

**Enhancements:** Any outdoor display items, outdoor dining furniture (including chairs, tables, umbrellas, planter pots or boxes, sculptural works, and temporary railings), located in the PROW.

**Obstruction:** Temporary or permanent objects that might restrict pedestrian travel and access within the PROW. Obstructions include but are not limited to: fire hydrants, lamp posts, trees, tree wells, parking meters, street furniture, trash receptacles, kiosks, utility pedestals, newspaper racks, free-standing signs, articles of display, outdoor dining area furniture, bus benches, and bus shelters.

**Outdoor Dining Area:** Any temporary dining area in the PROW, or on private property, that is not considered to be an “enclosed” space, as referenced in the City’s Land Use Code (See N.C.M.C. Chapter 18.10), nor permitted by the City as a sidewalk café.

**Path of Travel:** A passageway for pedestrians and/or wheelchair users that provides access to, and egress from, a building, area, or location.

**Public Right-of-Way, or “PROW”:** Any street, avenue, boulevard, highway, bikeway, sidewalk or alley or similar place that is owned or controlled by a government entity. For the purposes of this Program, the PROW where Streetscape Enhancements may be located shall include only that portion between the curb and the property line or, where there is no curb, between the outer edge of the roadway and the property line. See N.C.M.C. Section 12.04.540

**Streetscape Enhancements:** see “Enhancements.”

**Street Furniture:** Items such as utility boxes or poles, bus benches or shelters, news racks, mailboxes, street trees, lamp poles, or parking meters.

**Encroachment:** A facility or other physical object placed within, under, over, or upon the PROW or public property. The term shall also include the line-of-sight aerial passage of a beam of light or laser through the airspace over such real property. It shall not include any wireless, microwave or radio transmission over such real property. See N.C.M.C. Section 13.12.020(G).

**Community Organization:** A community-based organization operating as a civil society non-profit organization., A Community Organization may also serve a function of organizing within communities defined by geographical location, shared work space, or shared experience or concerns.

## GENERAL REQUIREMENTS

1. The City's rights with respect to the PROW shall remain and continue in full force and effect and shall in no way be affected by the City's grant of permission to place the listed enhancements in the PROW.

2. As a condition of participation in the Program, participating Business Owners and Community Organizations hereby agree to defend, indemnify, and hold harmless the City and its officers, employees, agents, and volunteers from and against any and all claims, demands, costs, losses, liability, or damages to property, injuries to or death of person or persons, and for all suits, actions, proceedings, attorneys' fees, and defense costs, of any kind or nature, including workers' compensation claims, of or by anyone whomsoever arising from, arising out of, or related to, the Business Owner's or Community Organization's use of public property; provided, however, that this indemnification and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of the City, its agents, officers, employees, or volunteers.

3. The Business Owner or Community Organization shall provide evidence of a policy of liability insurance in the nature and amount satisfactory to the City Risk Manager and the City Engineer naming the City of National City, its officers, officials, agents, employees, and volunteers, as well as the property owner, and the property owners' agents, officers, and employees as additional insureds, and a separate additional insured endorsement shall be provided. The City shall be notified in writing by the insurer a minimum of ten (10) business days prior to any cancellation of policy. **Cancellation of a Business Owner / Community Organization's insurance policy immediately voids participation in the Program.** A Business Owner / Community Organization shall show, upon request by any City representative that the Business Owner / Community Organization has insurance as required by the Program. The City may periodically request copies of Business Owners / Community Organization's insurance policies or insurance certificates through the duration of the Program.

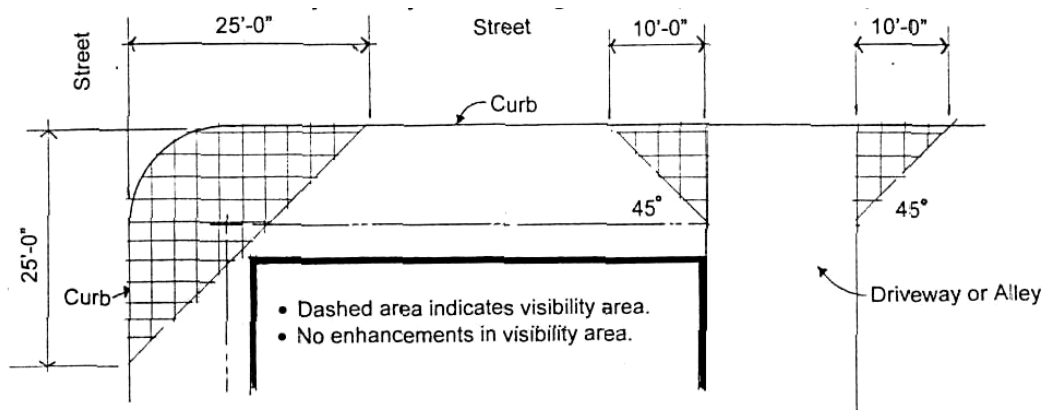
4. The Business Owner or Community Organization shall remove or relocate, at Business Owner's or Community Organization's own expense, any Enhancement within one week after notice by the City (through a City representative or by letter) when an immediate response is not possible. If the Business Owner or Community Organization fails to remove or relocate the Enhancement in the required time and manner, or if deemed necessary by the City, the City may cause such work to be done and charge the Business Owner or Community Organization for the cost of the work, at the sole discretion of the City, without further notice to the Business Owner or Community Organization. The City may also order that any Enhancement be immediately removed or relocated to protect the life, health, and safety of the public.

5. The Business Owner or Community Organization Representative shall maintain the PROW in a safe and sanitary condition at the sole cost, risk, and responsibility of the Business Owner / Community Organization.

6. Enhancements shall not be placed in the PROW during any repair or scheduled maintenance of a public utility within one hundred feet of the property lines of the participating business.

7. During public events, such as street fairs and parades, Enhancements shall not be placed in the PROW without written approval, either general or specific, from the City.

8. Enhancements shall be placed so as not to block or obstruct vehicular visibility areas, including but not limited to the 25'-0" visibility triangle required at the intersection of any two streets (Illustration III-A) and the 10'-0" visibility area required at a driveway or alley intersecting a street (Illustration III-A).



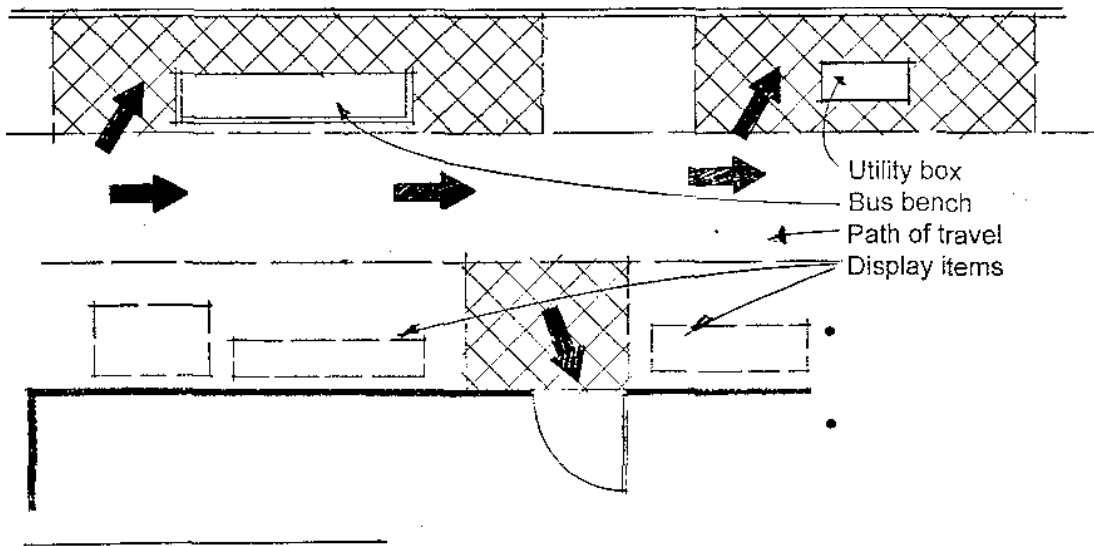
#### Illustration III-A: Visibility Areas

This illustration exhibits the specific requirements of the enhancement standards and is intended only as an aid.

9. Enhancements shall be placed so as to maintain a clear path of travel that has (a) a minimum width of 4'-0", (b) no more than thirty-degree changes of direction for travel along the PROW itself and (c) no travel onto private property except for access to and egress from a specific business, area, or location.

10. Enhancements shall be placed no closer than two feet (2'-0") to the curb.

11. Enhancements shall be placed so as to not block or obstruct access to building entrances and exits (such as those areas required adjacent to a door for disabled access) and street furniture, including but not limited to, bus benches or shelters and public utility boxes and poles. (Illustration III-C)

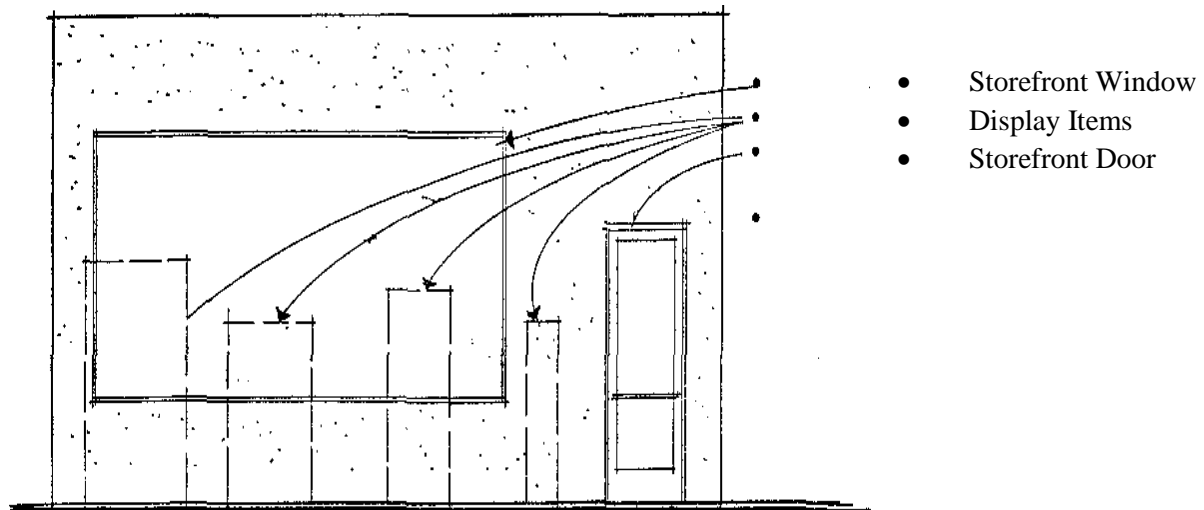


**Illustration III-C: Accessibility**

This illustration exhibits the specific requirements of the enhancement standards and is intended only as an aid.

- Provide access per accessibility codes where the crosshatching is shown.
- This diagram is neither intended to illustrate all the applicable codes of the Disabled Accessibility Standards of the California Building Standards Code nor those of the Americans with Disabilities Act.

12. Enhancements shall be placed in such a way so as not to substantially obstruct a business or restaurant's transparency (i.e. the views into a store or restaurant's interior and window displays). The business' transparency shall meet or exceed that required by the City Land Use Code for the business' zoning and occupancy type. (Illustration III-D)



**Illustration III-D: Window Transparency**

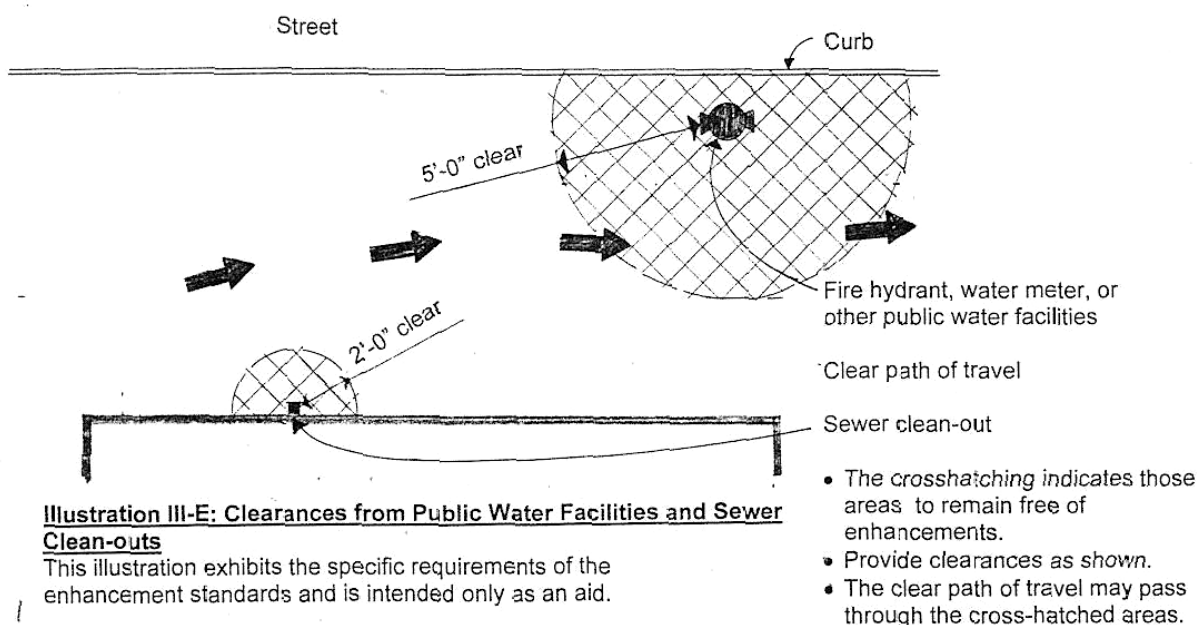


This illustration exhibits the specific requirements of the enhancement standards and is intended only as an aid.

13.The Enhancements (such as display items or outside dining furniture) shall be of such size and placement that the view into the store, shop, or restaurant still meets the zoning transparency requirements (N.C.M.C. Section 18.24.070)

14.Enhancements shall be placed a minimum of five feet from any public water facilities including fire hydrants and meter boxes or assemblies. (Illustration III-E)

15.Enhancements shall be placed a minimum of two feet from any sewer lateral cleanout in the PROW. (Illustration III-E)



**Illustration III-E: Clearances from Public Water Facilities and Sewer Clean-Outs**

This illustration exhibits the specific requirements of the enhancement standards and is intended only as an aid.

16.Enhancements (except flowerpots, flower planter boxes, and statuary) are permitted in the PROW only during business hours. Storage of these items shall be within the building during non-business hours.

17.Enhancements shall not be attached to public utility boxes and poles or other street furniture.

18.Business services (including those of cashiers or salespersons) and demonstrations shall not be provided in the PROW. Security personnel, business personnel managing an outdoor display area, and waiters or waitresses for Outdoor Dining Areas are permitted in the PROW.

19.The PROW shall not be painted, resurfaced, or raised.

**NOTE:**

- 1.The scope of this Program does not include the installation of awnings, railings, and other permanent structures (except flower pots, flower boxes, and statuary) in the PROW.
- 2.The scope of this Program does not include any work performed or Enhancements, whether temporary or permanent in nature, on private property. City ordinances may restrict or prohibit the use of Enhancements in the private property immediately adjacent to the PROW that are permitted in the PROW under the scope of this Program.
- 3.It is the responsibility of the Business Owner to determine the location of the property line.

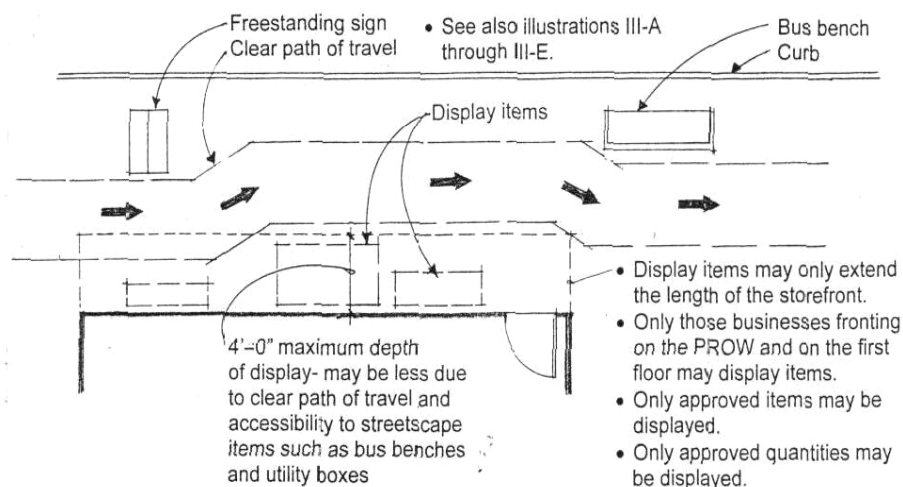
## **V. OUTDOOR DISPLAY STANDARDS**

**Note: Only those businesses fronting on the PROW and located on the first floor may participate in this Program. Community Organizations may adopt a place in the PROW that has been identified by the City as a desired location for enhancement. Enhancements may be placed only in the PROW directly in front of the Business's storefront or in one of the city's identified areas of enhancement. Enhancements that do not comply with the General Requirements or the standards and conditions of this Program are not allowed.**

**A. Purpose:** The purpose of outdoor display areas is to attract customers into retail, repair, or service businesses, not to sell the item(s) on display. Price tags or advertisements are not permitted.

### **B. Allowable Display Areas (Illustration V-A.)**

- 1.The permitted display items shall be placed in the PROW for a distance no more than 4' - 0" from the property line. (Note: the street wall of the building may or may not be located at the property line. It is the responsibility of the Owner to determine the location of the property line.) The actual allowable depth of the exhibit area from property line towards the curb may be less due to other restrictions. (See Section III: General Requirements.)
- 2.The display areas shall be limited to the length of the business' storefront.



**Illustration V-A: Location of Display Items in the PROW**

This illustration exhibits the specific requirements of the enhancement standards and is intended only as an aid.

**Illustration V-A: Location of Display Items in the PROW** This illustration exhibits the specific requirements of the enhancement standards and is intended only as an aid.

### C. Permissible Merchandise

The following items may be displayed in the PROW, provided the Business Owner or Community Organization abides with this Section V of the Program regarding allowable display areas and items, display requirements, and maximum allowed quantities. Permitted Displays must be in Commercial, Mixed-Use, and Industrial Zones and be customary to that type of business. The merchandise shall be free of graffiti and constitute no hazard to pedestrian traffic. The following items may be displayed in commercial, mixed-use, and industrial zones.

1. Furniture: patio furniture and wooden and metal furniture (excluding mattresses and sofas).
2. Books and magazines.
3. Produce, baked goods, and food in glass containers.
4. Cut or live flowers and plants.
5. Hand crafted products and goods.
6. Art work, including paintings, photography, sculpture, frames, and pottery, displayed by retail, supply, or service businesses.
7. Bicycles.
8. Musical instruments.
9. Leather goods.
10. Rugs.
11. Pet accessories.
12. Other merchandise similar in character, type, or nature to the merchandise listed above with written approval from the City.
13. Clothing.

### D. Merchandise not permitted:

Any merchandise not falling within this Section V, or within Section 18.30.150 of the National City Municipal Code shall not be displayed outdoors, including, but not limited to, the following:

1. Alcoholic beverages.
2. Tobacco, cigarettes, and smoking accessories.
3. Upholstered items with a cumulative height, width and depth of nine feet or more.
4. Shoes, except those displayed on mannequins or props.
5. Clothing hung on racks.
6. Vending and dispensing equipment.
7. Appliances.
8. Canned or prepackaged foods.
9. Adult-oriented material.
10. Mattresses.
11. Major appliances
12. Compact discs, videotapes, cassette tapes, digital video discs, and similar items.
13. Computers, business machines, and home electronics.
14. Cameras and photographic equipment.
15. Live animals.
16. Pet food.
17. Pawned items.
18. Weapons, including, but not limited to, knives, fencing swords, and antique pistols.
19. Home cleaning products.
20. Personal care items
21. Other merchandise similar in character, type, or nature to that listed above.

#### **E. Maximum Quantities**

Businesses may display the types of merchandise from no more than two of the following five categories in this Section V(E):

1. Furniture, limited to one item for every five linear feet of storefront. (Example: a store with a gross storefront length of 25 feet may display up to a maximum of five items.).
2. Book and magazine racks, limited to one rack per every storefront length of 25 feet or portion thereof.
3. Hand-crafted products and goods, artwork, and/or pottery, limited to two items for every five feet of storefront. (Example: a store with 25 feet of storefront may display up to a maximum of ten items.)
4. Food products, limited to one linear foot of display space for every five feet of storefront. (Example: a store with 25 feet of storefront may display food products along a maximum of five linear feet.)
5. Dress apparel [clothing, accessories, and shoes (as allowed)], limited to six pieces, (Note: if seven to twelve articles of apparel, whether clothing, accessories, or shoes, are displayed, then no other type or quantity of merchandise may be displayed.) (Example: a store with 25 feet of storefront may display six pieces of apparel and a rack of books or display twelve pieces of apparel.)

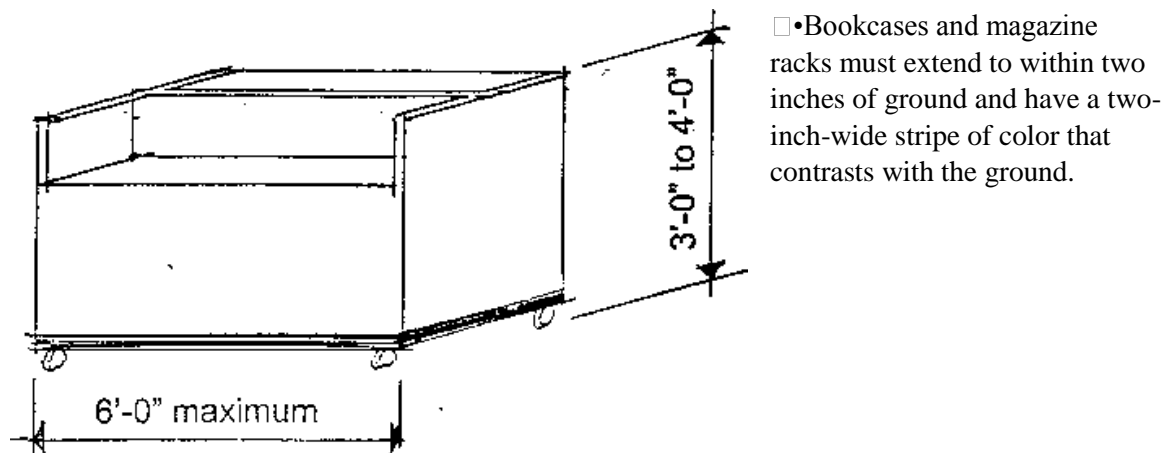
#### **F. Display Requirements**

1. All items publicly displayed shall: be in good condition; not require repair; and not be wrapped in plastic or other wrapping materials.

2.Items shall be displayed appropriately (preferably on three-dimensional props) that coordinate with the store facade. Cardboard boxes and folding tables are not permitted as display racks.

3.Clothing shall be hung only on mannequins or props, except that clothing may be displayed on hangers on the door(s) of the business.

4.Books and magazines shall be displayed on racks 3'-0" to 4'-0" in height. Books shall be displayed to allow the title and author of each book to be seen. Each rack shall be no more than 6'-0" in length.



**Illustration V-B: Book and Magazine Racks** This illustration exhibits the specific requirements of the enhancement standards and is intended only as an aid.

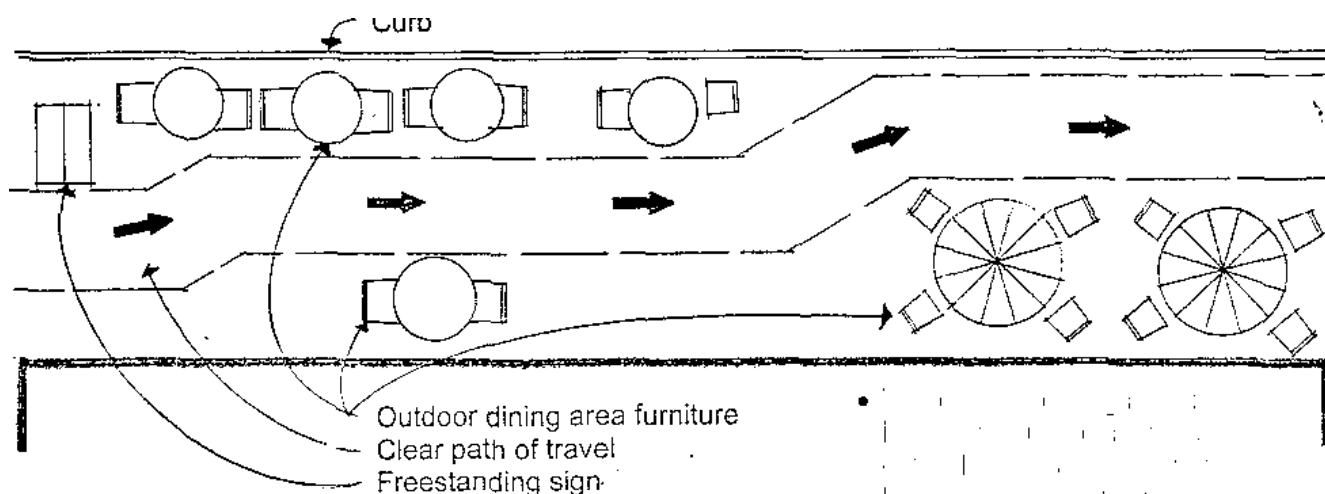
5.All items and displays shall be safe and stable with no risk of overturning due to wind or contact. Props and items of display shall not project into the clear path of travel; corners shall be rounded. Businesses shall remove displays when weather conditions create a potentially hazardous condition.

6.All items (such as racks, mannequins, props, furniture and other display items) must extend to within 2 inches of the ground and have a two-inch wide stripe at all bottom edges or in some other manner be physically and visually detectable in an easy manner by the visually impaired.

## VI. OUTDOOR DINING AREA STANDARDS

**Note: Only those restaurants fronting on the PROW and located on the first floor may participate in this Program. Community Organizations may adopt a place in the PROW that has been identified by the City as a desired location for Enhancements. Enhancements that do not comply with the General Requirements or the standards and conditions of this Program are not allowed.**

1. Only those businesses licensed to serve food and/or beverages are permitted to have an Outdoor Dining Area that complies with the standards of the Program and N.C.M.C. Section 18.30.200. Authorized Community Organizations who have adopted a place in the PROW that the City has identified as a desired location for Enhancement may also have an Outdoor Dining Area that complies with the standards of the Program and N.C.M.C Section 18.30.200.
2. **Alcohol cannot be sold or consumed in Outdoor Dining Areas permitted under the Program.**
3. The hours of operation of the Outdoor Dining Area shall not exceed those of the primary business' use or City authorization for the Community Organization.
4. An Outdoor Dining Area may include the use of all the area in the PROW adjacent to the business or in the adopted area, except that area required for the clear path of travel or clear area adjacent to street furniture, such as bus benches utility boxes or fire hydrants.
5. Tables and chairs shall be metal, wood, or other approved material, and must be in good condition and not require repair. Umbrellas must be in good condition, be fire-treated, and not require repair.
6. Permanent lighting complying with City and accessibility standards and installed with electrical permits may be provided for the PROW. The lighting shall be attached to the building and that area of the PROW within two feet of the curb. Exception: the area within two feet of the curb may be used if the parking is head-on. (Illustration VI-B). (See also illustrations III-A through III-E.)



**Illustration VI-B- Location of Outdoor Dining Area in the PROW** This illustration exhibits the specific requirements of the enhancement standards and is intended only as an aid.

- The Outdoor Dining Area may include the use of all the area of the PROW adjacent to the business, except for that area required for a clear path of travel, including path of travel to street furniture such as bus stops and utility boxes as well as the entrance to the restaurant.

## VII. PERMIT CONDITIONS

The person(s), business, company, or corporation applying for participation in the Program shall be hereby named as the “Applicant.”

1. This application is subject to written approval by both the Department of Housing and Economic Development and Engineering.
2. Approval allows for temporary use of the PROW as set forth in the Program.
3. Displays without approval of an application are not permitted.
4. The Business Owner / Community Organization shall provide evidence of a policy of liability insurance in the nature and amount satisfactory to the City Risk Manager and the City Engineer naming the City of National City, its officers, officials, agents, employees, and volunteers, as well as the property owner, and the property owners’ agents, officers, and employees as additional insureds, and a separate additional insured endorsement shall be provided. The Business Owner / Community Organization shall maintain the policy continuously. The City of National City shall be given ten-day notice prior to the cancellation of the policy. **Cancellation of a Business Owner or Community Organization’s insurance policy immediately voids participation in the Program.** A Business Owner / Community Organization needs to show upon request by any City representative that the Business Owner / Community Organization has insurance as required by the Program. The City may periodically request copies of Business Owner / Community Organization’s insurance policies or insurance certificates through the duration of the Program.
5. The Business Owner / Community Organization shall provide two copies of a scale drawing of the proposed Enhancement. The drawing shall be no smaller than 8.5” x11” nor larger than 11” x 17.” The drawing shall indicate the curb and property lines, all existing and proposed obstructions (traffic signs, traffic lights, street lights, bus benches, fire hydrants, etc.), and location of proposed exhibit areas, outdoor dining area furniture, planter boxes, and statuary. Applicants for any business or Community Organization located at a corner property or on a property that has a depth that runs from street to street shall provide information for both street frontages. Note: Business Owner / Community Organization shall submit changes to plans for approval by the Departments of Housing and Economic Development and Engineering.
6. The Business Owner / Community Organization shall provide two copies of a photograph or photographs of the area of the proposed Enhancement. The photograph(s) shall include the entire area of the Enhancement as well as the adjacent property to each side. Applicants for any business or Community Organization located at a corner property or a street-to-street property shall provide photographs for both street frontages.
7. The Business Owner / Community Organization shall attend a free training demonstration provided by the City prior to displaying an outdoor display or opening an Outdoor Dining Area.
8. The applicant shall provide the curb-to-property line card obtained from the City Clerk.
9. This application is not transferable.

**ACTIVATE THE RIGHT OF WAY  
“AROW” PROGRAM PERMIT**

The City of National City, a municipal corporation, (the “CITY”) hereby grants this AROW Permit to the undersigned, \_\_\_\_\_ (hereinafter referred to as [insert either “OWNER” for business owner or “ORGANIZATION” for Community Organization;]) in consistent with the terms and conditions set forth in Chapter 13.12 of the National City Municipal Code.

The OWNER/ORGANIZATION is the owner of that certain real property described in the attached Exhibit “A”; or is an owner of personal property that is proposed to be placed in the PROW or other public property of the City of National City, County of San Diego, State of California. The OWNER/ORGANIZATION, in consideration of this PERMIT from the CITY to place and maintain an Outdoor Dining Area or outdoor display as defined in the AROW Program (also referred to hereafter and in the Program as an “Encroachment”) within or upon a CITY easement, property, or right-of-way for the use and benefit of OWNER’S/ORGANIZATIONS’ property and adjacent lands, now covenants and agrees as follows:

The site of placement and any description of OWNER’S/ORGANIZATIONS’ Encroachment is described in Exhibit “B”, attached. The terms and conditions under which the Encroachment is to be placed and maintained are as follows:

1. Upon written notification by the City Engineer or Code Enforcement Officer, the above-described Encroachment shall be abandoned, removed, or relocated by OWNER/ORGANIZATION at the OWNER’S/ORGANIZATION’S sole expense.
2. Encroachments shall be maintained in a safe and sanitary condition at all times at the sole cost, risk, and responsibility of OWNER/ORGANIZATION’S and any successor in interest, who shall hold CITY harmless with respect thereto.
3. This Permit, when made for the direct benefit of the OWNER’S/ORGANIZATION’S above-described land or property, and the covenants herein contained shall run with said land and shall be binding on the assigns and successors of OWNER/ORGANIZATION. Should OWNER/ORGANIZATION, or its successors fail to remove or relocate the Encroachment herein permitted within thirty (30) days after notice of removal or relocation, CITY may cause such removal or relocation to be done at OWNER’S/ORGANIZATION’S sole cost and expense.
4. OWNER/ORGANIZATION shall indemnify, defend, and hold harmless the City of National City, its officers, officials, agents, employees, and volunteers against and from any and all liability, loss, damages to property, injuries to, or death of any person or persons, and all claims, demands, suits, actions, proceedings, reasonable attorneys’ fees, and defense costs, of any kind or nature, including workers’ compensation claims, of or by anyone whomsoever, resulting from or arising out of OWNER’S/ORGANIZATION’S entry upon and use of CITY’S easement or right-of-way for the placement, maintenance, and use of the OWNER’S/ORGANIZATION’S Encroachment.



CITY OF NATIONAL CITY, CALIFORNIA

AROW PROGRAM

Attachment No. 1

- a. OWNER/ORGANIZATION and each successor in interest or assign shall take out and maintain, during the time the encroachment remains on City's easement or right-of-way, a policy of liability insurance in the nature and amount satisfactory to the Risk Manager and the City Engineer, covering all claims for bodily injury and property damage arising out of this Agreement. This policy shall name the City of National City, its officers, officials, agents, employees, and volunteers, as well as the property owner, and the property owners' agents, officers, and employees, as additional insureds, and a separate additional insured endorsement shall be provided. Said policy shall provide ten (10) days prior written notice to CITY of cancellation and thirty (30) days prior written notice to CITY of material change. Prior to commencement of this Agreement, OWNER/ORGANIZATION shall furnish CITY a certificate of insurance with original endorsements evidencing the coverage required by this Permit. Should OWNER/ORGANIZATION fail to do so, CITY may elect to obtain such coverage at OWNER'S/ORGANIZATION'S expense or immediately terminate this PERMIT.
- 5. The full terms and conditions under which this Permit is issued are further set forth in Chapter 13.12 of the National City Municipal Code, which terms OWNER/ORGANIZATION expressly agrees to. OWNER/ORGANIZATION also acknowledges that those terms and conditions include, without limitation, the following:
  - a. The CITY can require the removal, relocation, or undergrounding of the Encroachment when deemed necessary and feasible by, and in the sole discretion of, the City Engineer at OWNER'S/ORGANIZATION'S expense.
- 6. This Permit is not valid and confers no rights to place and maintain an Encroachment within the CITY until it is accepted by the OWNER/ORGANIZATION.
- 7. The OWNER/ORGANIZATION shall provide two copies of a scaled drawing of the proposed Enhancement. The drawing shall be no smaller than 8.5" x 11" nor larger than 11" x 17." The drawing shall indicate the curb and property lines, all existing and proposed obstructions (traffic signs, traffic lights, street lights, bus benches, fire hydrants, etc.), and location of proposed exhibit areas, outdoor area furniture, planter boxes, and statuary. Applicants for any business or Community Organization located at a corner property or a street-to-street property shall provide information of both street frontages.
- 8. The OWNER/ORGANIZATION shall provide two copies of a photograph or photographs of the area of the proposed Enhancement. The photograph(s) shall include the entire area of the Enhancement as well as the adjacent property to each side. Applicants for any business located at a corner property or a street-to-street property shall provide photographs for both street frontages.
- 9. The applicant shall attend a free training demonstration provided by the CITY prior to displaying outdoor displays or opening an Outdoor Dining Area. (waived by City on: Date / Initial:
- 10. The applicant shall provide the City with a curb-to-property line card obtained from the City Clerk's Office.
- 11. This Permit is not transferable.

CITY OF NATIONAL CITY

PERMITTEE:

**CITY OF NATIONAL CITY, CALIFORNIA**

**AROW PROGRAM**

Attachment No. 1

Entity/Company

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name & Title

**CITY OF NATIONAL CITY, CALIFORNIA**

**AROW PROGRAM**

Attachment No. 1

**GENERAL INFORMATION**

Business Name \_\_\_\_\_ Business Address \_\_\_\_\_

Owner's Name(s) \_\_\_\_\_

Phone No. \_\_\_\_\_ Fax No. \_\_\_\_\_ E-mail address: \_\_\_\_\_

Property Owner's Name \_\_\_\_\_ Property Owner's Phone Number \_\_\_\_\_

Circle any or all of the following for which this application is submitted.

**Outdoor Display    Outdoor Dining Area    Community Organization**

PLEASE ATTACH TWO COPIES OF SCALE DRAWINGS THAT SHOW PROPERTY LINES, ALL EXISTING AND PROPOSED OBSTRUCTIONS AND LOCATION OF PROPOSED ENHACEMENT IN THE RIGHT OF WAY: SEE EXHIBIT "B" ATTACHED

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CITY OF NATIONAL CITY, CALIFORNIA

AROW PROGRAM

Attachment No. 1

PERMIT APPLICATION FORM

ACTIVATE THE RIGHT OF WAY ("AROW")

The person(s), business, company, or corporation applying to participate in the Program are hereby referred to as the "Applicant." This Permit Application Form ("Permit"), as it applies to the AROW Program, takes the place of an encroachment permit.

*PERMIT CONDITIONS*

The Applicant shall provide evidence of a policy of liability insurance in the nature and amount satisfactory to the City Risk Manager and the City Engineer naming the City of National City, its officers, officials, agents, employees, and volunteers, as well as the property owner, and the property owners' agents, officers, and employees as additional insureds, and a separate additional insured endorsement shall be provided. The Business Owner / Community Organization shall maintain the policy continuously. The City of National City shall be given ten-day notice prior to the cancellation of the policy. **Cancellation of a Business Owner or Community Organization's insurance policy immediately voids participation in the Program.** A Business Owner / Community Organization needs to show upon request by any City representative that the Business Owner / Community Organization has insurance as required by the Program. The City may periodically request copies of Business Owner / Community Organization's insurance policies or insurance certificates through the duration of the Program.

The Applicant shall provide two copies of a scaled drawing of the proposed Enhancement. The drawing shall be no smaller than 8.5" x 11" nor larger than 11" x 17." The drawing shall indicate the curb and property lines, all existing and proposed obstructions (traffic signs, traffic lights, street lights, bus benches, fire hydrants, etc.), and location of proposed exhibit areas, outdoor area furniture, planter boxes, and statuary. Applicants for any business or Community Organization located at a corner property or a street-to-street property shall provide information of both street frontages.

The Applicant shall provide two copies of a photograph or photographs of the area of the proposed Enhancement. The photograph(s) shall include the entire area of the Enhancement as well as the adjacent property to each side. Applicants for any business or Community Organization located at a corner property or a street-to-street property shall provide photographs for both street frontages.

The Applicant shall attend a free training demonstration provided by the City prior to displaying outdoor displays or opening an Outdoor Dining Area. (waived by City on: Date / Initial:)

The applicant shall provide the City with a curb-to-property line card obtained from the City Records Department.

This application is not transferable.

**(This form is for internal use only)**

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** [October 3, 2017]

**AGENDA ITEM NO.** 5

**ITEM TITLE:**

Presentation on the Signage and Façade Improvement Program.

**PREPARED BY:**

[Megan Gamwell, Economic Development Specialist]

**DEPARTMENT:** Housing & Economic Development

**PHONE:** [619-336-4216]

**APPROVED BY:** 

**EXPLANATION:**

The purpose of the Signage and Façade Improvement Program (SFIP) is to assist businesses in signage compliance and improve the appearance of existing businesses. The SFIP mission is to stimulate revitalization and private sector capital investment by proactively addressing deteriorating property conditions and encouraging improvements which increase economic vitality. The program reimburses owners of commercial buildings and businesses up to 50% of the total cost of eligible improvements, for a maximum reimbursement of \$10,000 for a single commercial property (Standard Incentive) or \$15,000 for a multiple address property (Multi-Tenant Property Owner Incentive).

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ **Finance**

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ **MIS**

n/a

**ENVIRONMENTAL REVIEW:**

n/a

**ORDINANCE:** INTRODUCTION:

FINAL ADOPTION:

**STAFF RECOMMENDATION:**

n/a

**BOARD / COMMISSION RECOMMENDATION:**

[n/a]

**ATTACHMENTS:**

1. [Signage and Façade Improvement Program Guidelines]

# TOGETHER WE CAN!

**CITY OF NATIONAL CITY**

**Program Booklet**



CITY of NATIONAL CITY  
1243 National City Blvd., National City, CA 91950-4397  
P 619. 336. 4216 E. [MGamwell@NationalCityCa.Gov](mailto:MGamwell@NationalCityCa.Gov)

**OVERVIEW AND GUIDELINES**

CITY OF NATIONAL CITY, CALIFORNIA

SIGNAGE AND FAÇADE IMPROVEMENT PROGRAM: Attachment No. 1

Contents

PROGRAM OVERVIEW AND PURPOSE ..... 2

FAÇADE IMPROVEMENT PROGRAM ADMINISTRATION ..... 3

ABOUT THE STOREFRONT IMPROVEMENT PROGRAM (SIP) ..... 4

Step I - Intake Application and Design Phase..... 5

CHECKLIST ✓ (Intake) ..... 6

Step II - Certification of Compliance and Application for Award ..... 7

TERMS AND CONDITIONS ..... 7

STOREFRONT IMPROVEMENT ELIGIBLE EXPENSES PROCEDURES ..... 10

AWARD DESCRIPTION FORM ..... 11

SIGNAGE AND FAÇADE MAINTENANCE AGREEMENT ..... 12

## PROGRAM OVERVIEW AND PURPOSE

The purpose of the Signage and Façade Improvement Program (SFIP) is to assist businesses in signage compliance and improve the appearance of existing businesses. The SFIP mission is to stimulate revitalization and private sector capital investment by proactively addressing deteriorating property conditions and encouraging improvements which increase economic vitality. The program reimburses owners of commercial buildings and businesses up to 50% of the total cost of eligible improvements, for a maximum reimbursement of \$10,000 for a single commercial property (Standard Incentive) or \$15,000 for a multiple address property (Multi-Tenant Property Owner Incentive). *Applicants must NOT start work until receiving a signed approval from the City.*

## ELIGIBILITY CRITERIA

Eligible participants of the SFIP include property owners and tenants of commercial properties. A tenant who is leasing commercial space must have written approval from the property owner to participate in the program. Eligible participants must contribute to the visual enhancement of the property as viewed from the public right of way, employ 25 or fewer employees and poses a valid Business Tax Certificate. Property owners also agree to maintain the improvements at his/her sole expense for a period of five (5) years. The property owner/tenant must owe no outstanding property taxes, fees, judgments, or liens to any government entity. The property owner/tenant must not have been convicted of a felony crime in the past seven (7) years. Eligible applicants may apply to the SFIP more than once; however, applicants will not be awarded funding more than once in any five-year period on the same property. In addition, no property can be awarded funding more than once in any five-year period. If City code violations exist on the property, the owner/tenant may apply to the SFIP but will not receive any reimbursement until all violations have been remediated.

Program Exclusions: national franchises, large office buildings in excess of 80,000-square-feet, residential rental buildings (apartments), home-based businesses, structures not facing the public right-of-way, banks, government owned and occupied buildings, churches and other religious institutions.

### Eligible Improvements

1. Exterior Signs
2. Awnings and canopies
3. Exterior painting, cleaning, façade repair
4. Plants and landscaping
5. Doors and windows
6. Façade and display window lighting
7. Fascia, tile, trim, metal work and other decorative elements
8. Demolition of obsolete structures
9. Addition of a patio or outdoor space

### Ineligible Improvements

1. Reduction to the size of masonry openings/elimination of windows, or covering previously uncovered masonry with paint, stucco, siding, etc.
2. Equipment
3. Roof repairs (other than those portions that directly attach to a new or renovated façade)
4. Security systems
5. Non-permanent fixture
6. Installation of razor wire, metal bars and solid security grates
7. Personal property
8. Interior window coverings or any interior work
9. Parking lot paving and striping
10. Any items that are not allowed by the City building code



CITY OF NATIONAL CITY, CALIFORNIA

SIGNAGE AND FAÇADE IMPROVEMENT PROGRAM: Attachment No. 1

\*NOTE: final decisions of financial contributions, amount of grant and eligible projects will be examined by staff on a case-by-case basis.

**FAÇADE IMPROVEMENT PROGRAM ADMINISTRATION**

Project reimbursement limits.

Property Type	Minimum Total Project Cost	Applicant Match Requirement	Maximum Reimbursement
Standard Incentive	\$1,000	≥ 50%	\$10,000
Multi-Tenant Property Owner Incentive	\$2,500	≥ 50%	\$15,000

**Standard Incentive:** All projects for a single small business may be considered for the standard incentive and may be awarded one-half of the eligible costs of the project up to a maximum of \$10,000.

**Multi-Tenant Property Owner Incentive:** A National City property owner leasing to two or more street level and street-facing small business tenants may be awarded one-half of the eligible construction costs up to a maximum of \$15,000. Each qualified tenant must have their own street facing entrance and be visible from the public right of way.

*All projects should be completed by a licensed contractor, be permanent to the structure/façade and remain as part of the property if the building is sold or the applicant moves to a different location for a period of up to 5 years.*

**PROJECT REIMBURSEMENT**

Reimbursements will only be made to approved project applicants who have executed a Facade Maintenance Agreement with the City. The amounts and terms of the reimbursement will be outlined in the agreement. Reimbursement will only be made upon the City's final approval of the improvements and the receipt of full back up documentation, which includes all of the following:

- A) Fully executed Facade Improvement Program Applications;
- B) All invoices, contracts, and verification of payment to architects, engineers, and contractors pursuant to the project;
- C) Copies of all bids received (a minimum of two (3) licensed contractors is required);
- D) A copy of the approved final building inspection from the Department of Building
- E) A photograph of the building after completion of the improvements; and,
- F) Signed and Notarized Facade Maintenance Agreement and License to Enter in which the property owner agrees to maintain the City funded facade improvements for a minimum period of five (5) years.

**ADDITIONAL ASSISTANCE**

Financing Assistance. If applicant is pursuing financing for their facade improvements, the City will provide a copy of the fully executed Facade Maintenance Agreement and License with a cover letter explaining the parameters of the program to the applicant's lender in order to assist them in obtaining the financing.

PLEASE NOTE: Submitting an application does not guarantee approval. Applications will be processed on a first-come first-serve basis, and only those applications meeting all program objectives, including the design guidelines, will be approved. Approvals will be subject to the availability of reimbursement funds, the City, and, if applicable, the City of National City assumes no responsibility for the amount of time required to process an application.

### **ABOUT THE STOREFRONT IMPROVEMENT PROGRAM (SIP)**

The purpose of the Signage and Façade Improvement Program (SFIP) is to assist businesses in signage compliance and improve the appearance of existing businesses. The SFIP mission is to stimulate revitalization and private sector capital investment by proactively addressing deteriorating property conditions and encouraging improvements which increase economic vitality. The program reimburses owners of commercial buildings and businesses up to 50% of the total cost of eligible improvements, for a maximum reimbursement of \$10,000 (Standard Incentive) or \$15,000 Multi-Tenant Property Owner Incentive. *Applicants must NOT start work until receiving a signed approval from the City.*

#### **APPLICATION PROCESS**

##### **Step One – Is your project eligible?**

1. Email Mgamwell@NationalCityCa.gov or call 619-336-4216, to find out if your business or property is eligible.
2. If your project is eligible, you will receive the **Step I - Intake Application and Design Phase** packet. A Staff member from Housing and Economic Development will walk you through the process.

##### **Step Two – Plan your project**

1. Meet with a representative from Housing and Economic Development and design team
2. Discuss ways to improve your storefront and review program requirements.

##### **Step Three – Apply**

1. Once you are ready to apply you will need
  - Color, digital photographs of your storefront and immediate surroundings
  - Illustrations showing the proposed improvements
  - Contractor estimates (at least three)

- Letter granting permission from property owner if different from applicant
  - Completed application
2. Send your application and required documentation by email to Mgamwell@NationalCityCa.gov or by mail to: National City Housing and Economic Development, 140 E. 12<sup>th</sup> Street, Suite B, National City, CA, 91950.
  3. Applications will be reviewed for completeness and design. Application review usually takes 3-4 weeks. You will be notified by a representative from the Building department that the application has been received and whether anything is missing. Incomplete applications will not be considered. You **MUST** wait for approval before beginning work.

##### **Step Four – Begin work**

1. Receive approval letter then sign and return W-9 and Reimbursement Requirements forms.
2. Hire your contractor for the approved work.
3. Obtain building and zoning permits
4. Approved applicants have up to six (6) months to complete proposed improvements.
5. If you wish to change your project from what was approved or wish to use a new contractor, you must submit new estimates and a revised proposal for review and approval.

##### **Step Five – Receive funds**

1. Submit completion documents:
  - Copies of final invoices from contractors showing payment in full
  - Proof of payment in the form of copies or cancelled checks (front & back),

**CITY OF NATIONAL CITY, CALIFORNIA**

**SIGNAGE AND FAÇADE IMPROVEMENT PROGRAM: Attachment No. 1**

- credit card statements, or money orders.
- If you pay your contractor in cash we will be unable to reimburse you.
- Copies of any required permits.
- Color photographs of the completed work.
- 2. Allow 6-8 weeks for your rebate check to arrive

**Step I - Intake Application and Design Phase**

**CONTACT INFORMATION**

Applicant Type, check all that apply:

- Property Owner
- Property Owner Representative
- Sole Business Owner

Property Type:

- Business with a storefront facing the street
- More than two business tenants with separate storefronts facing the street

**BUSINESS LOCATION**

Address of Property Being Improved \_\_\_\_\_

**APPLICANT NAME – Applicants must be the owner of a commercially occupied property or an operating tenant business.**

Applicant Name (person or company applying for SFIP) \_\_\_\_\_

Applicant’s Mailing Address (if different than above) \_\_\_\_\_

Contact Person & Title \_\_\_\_\_

Telephone Number: \_\_\_\_\_  Fax /  Mobile number: \_\_\_\_\_

Email \_\_\_\_\_

**BUSINESS INFORMATION – The property owner/tenant must be operating legally, properly registered, licensed with the City of National City and owe no outstanding property taxes, fees, judgments, or liens to any government entity. Eligible properties must be occupied by a business. Describe the business below. Unoccupied properties may be considered but must be occupied to be eligible for reimbursement.**

Name of Business in Property Being Improved \_\_\_\_\_

Type of Business \_\_\_\_\_ Number of Employees \_\_\_\_\_

Business Tax Certificate (license) Number: \_\_\_\_\_

**PROPERTY OWNER INFORMATION – If the applicant is not the property owner, then a letter granting permission from the property owner must be included with this application.**

Legal Name of Property Owner \_\_\_\_\_

**WISH LIST AND ESTIMATED BUDGET**

Please indicate what improvements you wish to make to the exterior of your building: (Minimum 2)

CITY OF NATIONAL CITY, CALIFORNIA

SIGNAGE AND FAÇADE IMPROVEMENT PROGRAM: Attachment No. 1

- Awnings
- Lighting
- Paint
- Windows (replace/restore)
- Doors (replace/restore)
- Landscaping
- Signs
- Security bar removal
- Tile (replace/restore)
- Code Compliance
- Other \_\_\_\_\_

Please prioritize your goals on this project:

1-VERY IMPORTANT 2-IMPORTANT 3-NOT IMPORTANT

- \_\_\_\_\_ Upgrade image
- \_\_\_\_\_ Increase security
- \_\_\_\_\_ Beautify storefront
- \_\_\_\_\_ Increase business visibility
- \_\_\_\_\_ Help make neighborhood look better
- \_\_\_\_\_ Staying on budget during improvements
- \_\_\_\_\_ Restoring original architecture of building
- \_\_\_\_\_ Other \_\_\_\_\_

What is your budget for the storefront (or street-facing façade) portion of this project? \_\_\_\_\_

Please list all financing source(s) and amount(s): \_\_\_\_\_

How did you learn about this program? \_\_\_\_\_

**CHECKLIST ✓ (Intake)**

- Contacted the HEDD at (619) 336-4216 to review the potential project
- Made at least one copy of this application for your records
- Read Step II Application form and understand what will be required for final award

Include with Application:

- Two “before” images of the building from different views. You may email these to [mgamwell@nationalcityca.gov](mailto:mgamwell@nationalcityca.gov)
- If the applicant is not the property owner, then a letter granting permission from the property owner must be included with this application.

I CERTIFY THAT THE INFORMANTION I HAVE PROVIDED IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND THE PROJECT I AM APPLYING FOR MEETS THE ELIGIBILITY REQUIREMENTS LISTED IN THIS APPLICATION PACKAGE. I UNDERSTAND THAT THE CITY’S ACCEPTANCE OF THIS APPLICATION DOES NOT CONSTITUTE ANY OBLIGATION TO ANY APPLICANT AND DOES NOT GUARANTEE FUNDING. FAILURE TO REACH DESIGN AGREEMENT WILL RESULT IN DISCONTINUATION OF THE CITY’S PARTICIPATION IN THE PROJECT.

X \_\_\_\_\_

Print Name \_\_\_\_\_ Date: \_\_\_\_\_

Mail your Step I application package to:

City of National City  
Housing and Economic Development  
140 E. 12<sup>th</sup> Street, Suite B  
National City, CA 91950

**CITY OF NATIONAL CITY, CALIFORNIA**

**SIGNAGE AND FAÇADE IMPROVEMENT PROGRAM: Attachment No. 1**

The City of National City is not responsible for items lost or destroyed in the mail/transit.

CONFIRMATION If you do not receive confirmation of this application, contact the HEDD at (619) 336-4216 or [mgamwell@nationalcityca.gov](mailto:mgamwell@nationalcityca.gov)

**Step II - Certification of Compliance and Application for Award**  
**\*\*After Construction\*\***

**HOW TO APPLY**

1. Read the Terms and Conditions included in this application packet.
2. Once an application has been initially selected through the submission of their Step 1 Application, applicant will then review Building code requirements and submit plans to the Building department. A member from the Building Department will review design criteria with applicant for final approval and permits. Applicant must be accepted by HEDD and Building Department before you fill out this application.
3. Complete a qualifying product within one year of the Step I Application and subsequent design coordination. Completed projects must accurately reflect the accepted conceptual design and include two or more eligible improvement elements.
4. Be aware that funds are issued on a first-come, first-served basis and may be depleted for the fiscal year at any time. Unfunded projects will retain their “place in line” until the beginning of the next fiscal year on July 1.
5. Read and sign the Step II application form. Mail the completed forms along with proof of expenses and current IRS W-9 form to:  
City of National City  
Housing and Economic Development  
140 E. 12<sup>th</sup> Street Suite B  
National City, CA 92105
6. Keep a copy of your completed application package (including receipts) for your records.
7. An award check is generally mailed within 6-8 weeks unless there are documentation errors or omissions, which may result in additional processing time.

The City of National City reserves the right to verify accuracy of all application materials, design conformation, and participant eligibility prior to payment of award. The City of National City is not responsible for items lost or destroyed in the mail/transit.

Questions? Call Housing and Economic Development at (619) 336-4216

**TERMS AND CONDITIONS**

1. To be eligible for an incentive, I understand that: (a) the property must be located in the City of National City and must be occupied by a small business (25 or fewer employees); (b) business occupants must hold valid City of National City Business Tax Certificates; and (c) the Signage and Façade improvement project must qualify as described in the Step I Application, Eligibility Guidelines (incorporated herein by this reference). I understand I must complete an application for each project site. Initial \_\_\_\_\_

CITY OF NATIONAL CITY, CALIFORNIA

SIGNAGE AND FAÇADE IMPROVEMENT PROGRAM: Attachment No. 1

2. I understand the incentive offer is limited to applicants who successfully completed a Step I application which resulted in an accepted conceptual design. The project must be fully completed and accurately reflect the initial accepted design concept, including two or more eligible improvement elements. Photos of the final completed project must be submitted with this application. Initial \_\_\_\_\_
3. If a tenant of the subject property, I am responsible for obtaining the property owner's permission to participate in the program and complete the project for which I am applying for an incentive. Documentation of such permission is attached as part of this application. Otherwise, my signature on this application indicates I am the owner of the property. Initial \_\_\_\_\_
4. I agree to comply fully with all applicable Federal, State, and local laws, ordinances, codes, regulations, permits, and design guidelines. The City of National City does not assume liability for compliance with local, state, or national building code standards and conceptual design acceptance by the HEDD does not create any liability whatsoever. The City of National City will not issue any award if the subject property is in violation of any law, ordinance, codes, regulation, permit or design guideline. I assume responsibility for any costs arising from repairs or alterations caused by any violation of any law, ordinance, codes, regulation, permit or design guideline. Initial \_\_\_\_\_
5. I understand the program term is one year from design acceptance date. Funds are limited; grants are awarded on a first-come, first-served basis. The program may be modified or discontinued without prior notice. In the event that incentive amounts change during the program period, the design acceptance date will be used to determine incentive amount. Submission of an application does not constitute a guarantee of funding. Initial \_\_\_\_\_
6. I shall not discriminate against any employee or applicant for employment on any basis prohibited by law and shall provide equal opportunity in all employment practices. Initial \_\_\_\_\_
7. I understand that this signed and dated Step II Certification of Compliance and Application for Award Form, completed Project Form and all appropriate Proof(s) of Expense(s), and other required documentation as referenced in this Application Package must be sent to The City's Housing and Economic Development Department office to be considered eligible for payment of an award. An incomplete application will not be processed. Only improvements made to the street-facing portion of the building are eligible. Initial \_\_\_\_\_
8. I agree that the selection of qualifying materials, selection of contractors, subcontractors, and or installers, and purchase, installation and ownership/maintenance of the qualifying materials referenced in this application package are my sole responsibility. All contractors must be licensed in the State of California. All construction contracts will be between the participant and the contractor. The City of National City will not assume any liability for such agreements. The parties hereto agree and understand that this program does not create any type of contractual relationship between the City and the proposed participants, nor does it create any relationship between the City and the participant's subcontractors. Initial \_\_\_\_\_
9. I have completed a qualifying project and understand the project category and amount of my investment determines the award amount. It is the City of National City's sole and entire discretion as to whether a participant meets the requirements to qualify for an incentive award. An award will not be approved unless participant has submitted a Step I application and contacted HEDD PRIOR

CITY OF NATIONAL CITY, CALIFORNIA

SIGNAGE AND FAÇADE IMPROVEMENT PROGRAM: Attachment No. 1

to undertaking construction on the project. I understand that I cannot receive an award for the same project more than once in a five-year period. Initial \_\_\_\_\_

10. I waive any and all claims against The City of National City and its respective elected officials, officers, employees, agents and representatives, arising out of activities conducted in connection with my application for any incentive(s) under the City of National City Signage and Façade Improvement Program. Without limiting the generality of the foregoing, the City of National City shall not be liable hereunder for any type of damages, whether direct, indirect, incidental, consequential, exemplary, reliance, punitive or special damages, including damages for loss of use regardless of the form of action, whether in contract, indemnity, warranty, strict liability or tort, including negligence of any kind. Initial \_\_\_\_\_

11. By accepting grant funds, I commit to properly maintain all improvements and to keep storefronts, as well as sides and back of buildings clean and free of graffiti for a minimum of five years at my sole expense. Any damage to façade is to be repaired immediately by myself so that the building remains in good condition and positively contributes to the business area. On an ongoing basis, I will touch up painted areas and perform any other repairs needed to maintain building appearance including the cleaning of any awnings at least once a year. Initial \_\_\_\_\_

I HAVE READ, UNDERSTAND, AND AGREE TO THE TERMS AND CONDITIONS LISTED ABOVE. I CERTIFY THAT I HAVE AUTHORITY TO SIGN THIS APPLICATION ON BEHALF OF THE SIP PROJECT LOCATED AT:

Address: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_ Date: \_\_\_\_\_

**STOREFRONT IMPROVEMENT ELIGIBLE EXPENSES PROCEDURES**

- Eligible Expenses include repair, replacement or new applications of awnings, windows, doors, lighting, paint, landscaping, tile or other decorative material, and signs. Also, eligible for program inclusion is removal of security bars and code compliance for signage violations. Completed projects must incorporate two or more eligible improvement elements.
- Only expenses directly related to the realization of the initial accepted design concept on file with HEDD are eligible.
- All construction or installation must have been properly permitted and performed by a licensed contractor. Please provide the State Contractors' License number for all contractors. Applicants may verify current license numbers at the Contractors State License Board's website:  
[www.cslb.ca.gov](http://www.cslb.ca.gov)
- All contractors and service/materials suppliers must have a current City of National City Business Tax Certificate
- Attach a copy of all pre-numbered checks and the invoices or receipt detailing the services/product for each expense. All invoices shall itemize the expenditures for which payment is requested. Statements alone are not acceptable but may be submitted in addition to the invoice or receipt.
- For items paid for with credit cards, include a copy of the receipt, credit card statement expense is billed on, and cleared check documentation for the credit card payment.
- Include bank statements, bank website printouts, or copies of check cancellation showing all checks as cleared.
- Submitted "after" photos must match original design plan. Photos may be emailed to [mgamwell@nationalcityca.gov](mailto:mgamwell@nationalcityca.gov)



**CITY OF NATIONAL CITY, CALIFORNIA**

**SIGNAGE AND FAÇADE IMPROVEMENT PROGRAM: Attachment No. 1**

**AWARD DESCRIPTION FORM**

You may contact HEDD for an electronic version of this form. Complete and mail this Award Description Form with your evidence of expenses, and other required documentation. Please indicate if listed expenses represent more than the eligible façade improvement costs.

EXPENSE CATEGORY	CONTRACTOR NAME and LICENSE #	DESCRIPTION OF WORK Business Tax Cert. verified?	DATE	AMOUNT
Awnings		<input type="checkbox"/> <input type="checkbox"/>		\$
Tile or other surface material		<input type="checkbox"/> <input type="checkbox"/>		\$
Paint		<input type="checkbox"/> <input type="checkbox"/>		\$
Windows		<input type="checkbox"/> <input type="checkbox"/>		\$
Doors		<input type="checkbox"/> <input type="checkbox"/>		\$
Signs		<input type="checkbox"/> <input type="checkbox"/>		\$
Lighting		<input type="checkbox"/> <input type="checkbox"/>		\$
Landscaping		<input type="checkbox"/> <input type="checkbox"/>		\$
Other (as approved by Project Manager)		<input type="checkbox"/> <input type="checkbox"/>		\$
Other (as approved by Project Manager)		<input type="checkbox"/> <input type="checkbox"/>		\$
<b>TOTAL EXPENSES (a)</b>				\$
<b>INCENTIVE TYPE (check one)</b>				
<input type="checkbox"/> Standard – one-half expenses up to \$5,000		(a) ÷ 2		
<input type="checkbox"/> Multi-Tenant* – one-half expenses up to \$15,000		(a) ÷ 2		
*requires HEDD pre-approval				
<b>TOTAL AWARD</b>				

**CITY OF NATIONAL CITY, CALIFORNIA**

**SIGNAGE AND FAÇADE IMPROVEMENT PROGRAM: Attachment No. 1**

**SIGNAGE AND FAÇADE MAINTENANCE AGREEMENT**

This Signage and Façade Maintenance Agreement (“Agreement”), is entered into on this [insert day] day of [insert month], 2017 by and between: the City of National City, a municipal corporation (the “City”); [insert owner’s name and mailing address], hereafter referred to as the “Property Owner”; and [insert business name], hereafter referred to as the “Participant,” located at [insert business address] in National City, California, hereafter referred to as the “Property.”

**RECITALS SIGNAGE AND FAÇADE MAINTENANCE AGREEMENT**

This Signage and Façade Maintenance Agreement (“Agreement”), is entered into on this [insert day] day of [insert month], 2017 by and between: The City of National City, a municipal corporation (the “City”); [insert owner’s name and mailing address], hereafter referred to as the “Property Owner”; and [insert business name], hereafter referred to as the “Participant,” located at [insert business address] in National City, California, hereafter referred to as the “Property.”

**RECITALS**

WHEREAS, the City desires to stimulate private and public investment throughout the City of National City.

WHEREAS, Government Code § 40401(b) permits the City Council to improve, equip, and maintain places within the City.

WHEREAS, part of the City’s vision and guiding principles in the City’s General Plan, adopted June 7, 2011, focuses on the City maintaining and enhancing economic development opportunities as well as implementing measures that retain and attract business.

WHEREAS, Objective #2 of the City’s 2013-2018 Strategic Plan seeks to establish economic development programs that retain existing businesses and stimulate new investments.

WHEREAS, the City believes that investment in improvements visible to customers, neighboring merchants, and residents will beautify the community and increase the volume of business by making the City of National City and individual businesses more attractive and accessible.

WHEREAS, the City believes that certain improvements that are completed in a meaningful and artful way confer a public benefit by providing certain visual elements and improvements that can be viewed and used by the general public.

WHEREAS, the City has determined that the Property subject to this Agreement is located at a strategic location in the City of National City and whose enhancement would confer an aesthetic and economic benefit to the City of National City.

NOW, THEREFORE, THE PARTIES TO THIS AGREEMENT DO MUTUALLY AGREE AS FOLLOWS:

1. **DEFINITIONS**

CITY OF NATIONAL CITY, CALIFORNIA

SIGNAGE AND FAÇADE IMPROVEMENT PROGRAM: Attachment No. 1

The defined terms shall have the meanings described in this Section whenever used in this Agreement, except where the context clearly indicates otherwise. The City, in its sole discretion, will resolve any question about the intended meaning of the following terms:

- A. Acceptance Date means the date the Improvements are accepted in writing by the City.
- B. Contractor means the California-licensed general contractor selected through a City-approved competitive bidding process to complete the Improvements on the Property. The term “Contractor” also includes any subcontractors, or other construction-related third parties, hired by the Contractor to complete any portion of the Improvements.
- C. Contractor’s Agreement and Scope of Work means the contract entered into between the Property Owner and the Contractor for construction of the Improvements on the Property.
- D. Emergency Repairs means any entrance upon the Property, made on behalf of the City, to repair, protect, maintain, and preserve the architectural style and treatment to the Façade of the Property.
- E. Façade means the exterior surfaces of the building(s) located on the Property given special architectural treatment.
- F. Improvements means the total improvements made to the Façade of the Property as indicated on Exhibit “B.”
- G. Irrevocable License means the portion of land on the Property that the Property Owner grants to the City to occupy and use, to conduct Emergency Repairs of the Façade. (See Exhibit “B”).
- H. Loan means the City reimbursement of \$[insert amount] to the Property Owner upon proper completion of the Improvements.
- I. Participant means the person or persons operating the business located at the Property where the Improvements are made.
- J. Project has the same meaning as “Improvements.”
- K. Project Manager means the City’s designated representative who will monitor the progress and execution of the Improvements to be constructed under this Agreement.
- L. Property means the unit of real property identified within the County Recorder’s documents that will be improved under this Agreement. For purposes of this Agreement, the Property is also that real property commonly known as “[insert business name]”, located at [insert business address], National City. A legal description of the Property is attached hereto as Exhibit “A”.
- M. Property Owner means the person or entity identified on the title to the Property as shown on the records of the San Diego County Recorder’s Office. The Property Owner is also identified on the *Certificate of Ownership* (See Exhibit “C”).
- N. Total Cost Expenditure means all receipts, invoices, and other written documents that show the total actual costs, not to exceed \$[insert dollar amount], paid by the Property Owner to the Contractor to complete the Project.

2. **CERTIFICATE OF OWNERSHIP**

The Property Owner accepts all Improvements made to the Property under this Agreement and has signed the Certificate of Ownership, attached to this Agreement as Exhibit “C”.

3. **PARTICIPANT CONSENT AND RESPONSIBILITIES**

- A. The Participant consents to the construction of Improvements on the Property and to the Irrevocable License described in this Agreement.
- B. The Participant may not prohibit or deny the City, or a representative of the City, from making Emergency Repairs to the Façade for a period of five (5) years following the Acceptance Date.

4. **PROPERTY OWNER’S RESPONSIBILITIES**

- A. The Property Owner will meet with the Project Manager and other City representatives to coordinate the construction of the Improvements.
- B. Within ten (10) days after this Agreement is signed by all parties, the Property Owner shall both: (1) enter into the Contractor’s Agreement and Scope of Work, and (2) provide a signed copy of the Contractor’s Agreement to the Project Manager.
- C. The Property Owner must maintain the Improvements in good condition as determined by the City. The Property Owner must repair or replace any damage to the Improvements for five (5) years following the Acceptance Date. The City must approve all proposed repair or replacement of the Improvements completed pursuant to this Section 4 (C).
- D. The Property Owner will not increase the rent to the Participant for a period of five (5) years following the completion date of the Improvements.

5. **LOAN TO PROPERTY OWNER**

- A. The City will reimburse the Property Owner \$[insert dollar amount] after the Property Owner properly installs the Improvements at the Property (“Loan”). The Loan will become immediately repayable to the City if:
  - (1) the Property is: sold; leased; conveyed; refinanced (except for refinances involving existing secured debt which is in a superior position to the City Loan secured by this Agreement); vacated; transferred; or assigned.
  - (2) Any event listed in Section 5(A)(1) occurs within five (5) years after the Acceptance Date.
- B. The City will pay the Loan to the Property Owner, as discussed in Section 7, for services described in the Contractor’s Agreement and Scope of Work.

6. **CONDITIONS OF LOAN / IRREVOCABLE LICENSE**

- A. If the City determines that the Improvements described in the Contractor’s Agreement and Scope of Work are properly maintained for at least five (5) years following the Acceptance Date, the City will forgive the Loan. If forgiven, the Property Owner will not be required to repay the Loan to the City. However, the Loan will become immediately repayable to the City if:
- (1) the Property is: sold; leased; conveyed; refinanced (except for refinances involving existing secured debt which is in a superior position to the City Loan secured by this Agreement); vacated; transferred; or assigned.
  - (2) the City determines that the Improvements are not properly maintained as required by Section 4 of this Agreement.
  - (3) the City provides Property Owner and Participant with written notice that either event in Subsections (1) -(2) of this Section 6 has occurred.
- B. Any payments owed to the City pursuant to this Section 6 shall accrue interest at twelve percent (12%) per annum or at the highest amount permitted by applicable law, whichever is lower, and will be retroactive to the date of the Loan. Any payments the City receives pursuant to this Section 6 shall first be applied to accrued interest, then to the principal amount.
- C. The Irrevocable License, attached to this Agreement as Exhibit “B,” must be granted from the Property Owner to the City. The Irrevocable License shall guarantee the City the right to make Emergency Repairs to the Property if the Property Owner fails to maintain the Property and the Façade pursuant to Section 4. In the event of such failure, the City may assess the Real Property in the amount of the Emergency Repairs.

7. **CITY’S RESPONSIBILITIES**

- A. The City will meet with the Property Owner to discuss the design of the Improvements.
- B. The Property Owner will select the Contractor. The Contractor must provide the Project Manager, or designee, (1) proof of contractor’s license and (2) proof of insurance. The Contractor’s insurance must meet all requirements in Section 13 of this Agreement.
- C. The Contractor must submit proposed plans to construct the Improvements with the City. The City shall have sole discretion to accept or deny any proposed plans submitted by the Contractor.
- D. The Project Manager will monitor the construction of the Improvements and require that the Contractor follow the Contractor’s Agreement and Scope of Work when constructing the Improvements. The Loan described in Section 5 is the only source of funding for any payments made to a Contractor under this Agreement.
- E. The City shall have sole discretion to determine whether the Improvements conform to the Contractor’s Agreement and Scope of Work and any other City-approved plans.
- F. If the City determines that the Improvements conform to the Contractor’s Agreement and Scope of

CITY OF NATIONAL CITY, CALIFORNIA

SIGNAGE AND FAÇADE IMPROVEMENT PROGRAM: Attachment No. 1

Work, and any other City-approved plans, the City will notify the Property Owner and Participant in writing. The date of this writing will be the Acceptance Date.

- G. The City shall review the Total Cost Expenditure submitted by the Property Owner. If no discrepancies with the Total Cost Expenditure exist, and all other obligations under this Agreement have been met, the City shall issue full payment of the Loan to the Property Owner within thirty (30) days' receipt of the Total Cost Expenditure.

8. **RECORDED AGREEMENT**

- A. This Agreement shall be recorded in the Office of the San Diego County Recorder. This Agreement will constitute constructive notice to the public that:
  - (1) if the Property is: sold; leased; conveyed; refinanced (except for refinances involving existing secured debt which is in a superior position to the City Loan secured by this Agreement); vacated; transferred; or assigned less than five (5) years following the Acceptance Date, the Loan shall become immediately repayable as described in Section 6 of this Agreement.
  - (2) if the City determines that the Improvements are properly maintained for at least five (5) years following the Acceptance Date, the City will forgive the Loan.
  - (3) if the City forgives the Loan, the Property Owner will not be required to repay the Loan to the City. If the Loan is so forgiven, the City shall promptly record with the San Diego County Recorder a re-conveyance of title to the Property and all other documents necessary to clear title to the Property.
- B. If the Property Owner has not paid the City the full cost of any Emergency Repairs (including accrued interest) performed to the Property five (5) years following the Acceptance Date, the Irrevocable License shall continue in effect until the City is paid for the Emergency Repairs (include accrued interest).

9. **TIME OF PERFORMANCE**

The Contractor must complete the Improvements within **six (6) MONTHS** of the date of this Agreement. The Contractor shall submit the Total Cost Expenditure to the Project Manager **no later than thirty (30) days** after the Acceptance Date.

10. **INDEMNIFICATION AND HOLD HARMLESS**

The Property Owner and Participant each agree to defend, indemnify and hold harmless the City of National City, its officers, officials, agents, employees, and volunteers against and from any and all liability, loss, damages to property, injuries to, or death of any person or persons, and all claims, demands, suits, actions, proceedings, reasonable attorneys' fees, and defense costs, of any kind or nature, including workers' compensation claims, of or by anyone whomsoever, resulting from or arising out of Property Owner and Participants' respective performance or other obligations under this Agreement; provided, however, that this indemnification and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of the City, its agents, officers, employees or volunteers. City will

cooperate reasonably in the defense of any action, and Property Owner and Participant shall employ competent counsel, reasonably acceptable to the City Attorney.

The indemnity, defense, and hold harmless obligations contained herein shall survive the termination of this Agreement for any alleged or actual omission, act, or negligence under this Agreement that occurred during the term of this Agreement.

11. **WORKERS' COMPENSATION**

The Property Owner and Participant shall comply with all of the provisions of the Workers' Compensation Insurance and Safety Acts of the State of California, the applicable provisions of Division 4 and 5 of the California Labor Code and all amendments thereto; and all similar State or federal acts or laws applicable; and shall indemnify, and hold harmless the City and its officers, employees, and volunteers from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description, including reasonable attorney's fees and defense costs presented, brought or recovered against the City or its officers, employees, or volunteers, for or on account of any liability under any of said acts which may be incurred by reason of any work to be performed by the Property Owner and Participant under this Agreement.

12. **INSURANCE**

The Property Owner, at Property Owner's sole cost and expense, shall purchase and maintain, and shall require their Contractor, when applicable, to purchase and maintain throughout the term of this Agreement, the following insurance policies:

A. **Automobile Insurance** covering all bodily injury and property damage incurred during the performance of this Agreement, with a minimum coverage of \$1,000,000 combined single limit per accident. Such automobile insurance shall include owned, non-owned, and hired vehicles ("any auto"). The policy shall name the City and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided.

B. **Commercial General Liability Insurance**, with minimum limits of either \$2,000,000 per occurrence and \$4,000,000 aggregate, or \$1,000,000 per occurrence and \$2,000,000 aggregate with a \$2,000,000 umbrella policy, covering all bodily injury and property damage arising out of its operations, work, or performance under this Agreement. The policy shall name the City and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided. The general aggregate limit must apply solely to this "project" or "location". The "project" or "location" should be noted with specificity on an endorsement that shall be incorporated into the policy.

C. **Workers' Compensation Insurance** in an amount sufficient to meet statutory requirements covering all of Contractors' employees and employers' liability insurance with limits of at least \$1,000,000 per accident. In addition, the policy shall be endorsed with a waiver of subrogation in favor of the City. Said endorsement shall be provided prior to commencement of work under this Agreement. If Contractor have no employees subject to the California Workers' Compensation and Labor laws, Contractor shall execute a Declaration to that effect. Said Declaration shall be provided by the Property Owner and Contractor to City.

E. The aforesaid policies shall constitute primary insurance as to the City, its officers, officials, employees, and volunteers, so that any other policies held by the City shall not contribute to any loss under said insurance. Said policies shall provide for thirty (30) days prior written notice to the City's Risk Manager, at the address listed in subsection G below, of cancellation or material change.

F. If required insurance coverage is provided on a "claims made" rather than "occurrence" form, the Property Owner and Contractor shall maintain such insurance coverage for three years after expiration of the term (and any extensions) of this Agreement. In addition, the "retro" date must be on or before the date of

this Agreement.

G. The Certificate Holder for all policies of insurance required by this Section shall be:

City of National City  
c/o Risk Manager  
1243 National City Boulevard  
National City, CA 91950-4397

H. Insurance shall be written with only insurers authorized to conduct business in California that hold a current policy holder's alphabetic and financial size category rating of not less than A:VII according to the current Best's Key Rating Guide, or a company of equal financial stability that is approved by the City's Risk Manager. In the event coverage is provided by non-admitted "surplus lines" carriers, they must be included on the most recent California List of Eligible Surplus Lines Insurers (LESLI list) and otherwise meet rating requirements.

I. This Agreement shall not take effect until certificate(s) or other sufficient proof that these insurance provisions have been complied with, are filed with and approved by the City's Risk Manager. If the Property Owner and Contractor do not keep all of such insurance policies in full force and effect at all times during the terms of this Agreement, the City may elect to treat the failure to maintain the requisite insurance as a breach of this Agreement and terminate the Agreement as provided herein.

J. All deductibles and self-insured retentions in excess of \$10,000 must be disclosed to and approved by the City.

K. If the Property Owner and Contractor maintain broader coverage or higher limits (or both) than the minimum limits shown above, the City requires and shall be entitled to the broader coverage or higher limits (or both) maintained by the Property Owner and Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

13. **NOTICE OF DEFAULT**

If the Property Owner or Participant (or both) fail to perform or observe any of their respective obligations required by this Agreement, the City will provide written notice to the Property Owner or Participant (or both) explaining such default. If Property Owner or Participant (or both) fail to correct such default within thirty (30) days' receipt of the notice, and fail to make diligent efforts to correct the default, the Loan will become immediately repayable pursuant to Sections 5, 6, and 8 of this Agreement.

14. **ENTIRE AGREEMENT; EXHIBITS AND SCHEDULES**

A. This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between the parties regarding the site improvement provisions described in this Agreement. No subsequent agreement, representation, or promise made by either party to this Agreement, or by or to an employee, officer, agent or representative of any party to this Agreement shall be of any effect unless it is in writing and executed by the party to be bound thereby.



B. The Exhibits attached to this Agreement are hereby incorporated to this Agreement by this reference for all purposes. To the extent any Exhibits, schedules, or provisions thereof conflict or are inconsistent with the terms and conditions contained in this Agreement, the terms and conditions of this Agreement shall control.

15. **MODIFICATIONS TO AGREEMENT**

The terms of this Agreement may not be modified or amended except by an instrument in writing signed by each of the parties to this Agreement.

16. **CONSTRUCTION OF AGREEMENT**

The parties acknowledge that (1) each party is of equal bargaining strength, (2) each party has actively participated in the drafting, preparation and negotiation of this Agreement, (3) each such party has consulted with or has had the opportunity to consult with its own, independent counsel and such other professional advisors as such party has deemed appropriate, relative to any and all matters contemplated under this Agreement, (4) each party and such party's counsel and advisors have reviewed this Agreement, (5) each party has agreed to enter into this Agreement following such review and the rendering of such advice, and (6) any rule or construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement, or any portions hereof, or any amendments hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

CITY OF NATIONAL CITY, CALIFORNIA

SIGNAGE AND FAÇADE IMPROVEMENT PROGRAM: Attachment No. 1

CITY OF NATIONAL CITY

**[insert name of Property Owner], Property Owner of [insert property address], National City, California 91950**

*(Corporation – signatures of two corporate officers required)*

By: \_\_\_\_\_  
Leslie Deese, City Manager

By: \_\_\_\_\_  
*(Name)*

\_\_\_\_\_  
*(Print)*

\_\_\_\_\_  
*(Title)*

APPROVED AS TO FORM:

Angil P. Morris Jones  
City Attorney

By: \_\_\_\_\_  
Roberto M. Contreras  
Deputy City Attorney

By: \_\_\_\_\_  
*(Name)*

\_\_\_\_\_  
*(Print)*

\_\_\_\_\_  
*(Title)*

**[insert name of Participant], Operator of “[insert name of business]” (located at [insert business address] National City, California 91950)**

*(Corporation – signatures of two corporate officers required)*

By: \_\_\_\_\_  
*(Name)*

\_\_\_\_\_  
*(Print)*

\_\_\_\_\_  
*(Title)*

**Exhibit "A"**  
**The Property**

**CITY OF NATIONAL CITY, CALIFORNIA**  
**SIGNAGE AND FAÇADE IMPROVEMENT PROGRAM: Attachment No. 1**

**Exhibit "B"**  
**The Improvements**

**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** October 3, 2017

**AGENDA ITEM NO. 6**

**ITEM TITLE:**

Resolution of the City Council of the City of National City adopting the 2017-2022 Economic Development Strategic Plan, approving the program guidelines and participatory agreements for the Adopt-a-Place, Activate the Right-of-Way, and Signage and Façade Improvement Programs of said Plan, and authorizing a General Fund appropriation of \$140,000 and use of General Fund balance to implement said Plan and Programs.

**PREPARED BY:**

Megan Gamwell, Economic Development Specialist

**DEPARTMENT:** Housing & Economic Development

**PHONE:** 619-336-4216

**APPROVED BY:**



**EXPLANATION:**

The goals of the Economic Development Strategic Plan are to collaborate and communicate, support business, promote vibrant neighborhoods, support employment and increase city revenues. These goals are created in support of the City's existing strategic goals and specific plans. The purpose of expanding the City's goals is to create a plan that is specifically tailored to driving economic development. The Economic Development Strategic Plan includes an overview of market research, historical data and the strategic steps necessary to meet our goals.

**FINANCIAL STATEMENT:**

**ACCOUNT NO.** 001-419-476-\*

**APPROVED:**



Finance

**APPROVED:**

MIS

See Page 2 of Attachment No. 1 for Budget and Financial Explanation

**ENVIRONMENTAL REVIEW:**

The actions taken under the Resolution are not considered a Project under the California Environmental Quality Act and, therefore, not subject to environmental review.

**ORDINANCE:** INTRODUCTION:

FINAL ADOPTION:

**STAFF RECOMMENDATION:**

Adopt the Resolution.

**BOARD / COMMISSION RECOMMENDATION:**

n/a

**ATTACHMENTS:**

1. Staff Report
2. Resolution

### Background Report

In July, 2016 staff carried out a key element in the City's strategic objective of fiscal sustainability: establishment of economic development programs. In doing so, economic development was restored as a program within the then Housing, Grants & Asset Management Department (now the Housing and Economic Development Department). The restoration was facilitated by a City Council approved budget allocation for personnel and operating expenses during the Fiscal Year 2018 budget process. The overall goals of the program are to attract, retain, and expand businesses in National City at every scale, activate dormant real estate parcels including Successor Agency parcels and leverage external resources and partners.

Over the past year under the Department of Housing and Economic Development, the Economic Development Program has worked to construct the strategic vision for the economic development of National City. Highlights of the past year include the beautification of 8<sup>th</sup> street through the installation of twenty-four flower baskets from "D" Avenue to National City Blvd; the activation of a dormant city owned real estate parcel known as the former H&M Goodies; the development of three new incentives that leverage external resources and partnerships through the Together We Can Campaign; and the development of a City driven economic development quarterly report called "On Track". Through the Economic Development Economic Development Strategic Plan, a five-year set of goals, programs and guiding principles are outlined.

The goals outlined in the Economic Development Strategic Plan are to collaborate and communicate, support business, promote vibrant neighborhoods, support employment and increase city revenues. These goals are specifically tailored to driving economic development and are created in support of the City Council adopted City-wide strategic plan. The Economic Development Strategic Plan includes an overview of market research, historical data and the strategic steps necessary to meet those goals.

Funding for the plan and programs outlined in the Economic Development Strategic Plan may come from a number of sources including grants and the recent reimbursement of Enterprise Zone (SDREZ) Program funds from the City of San Diego. SDREZ was a tax credit program to assist in jumpstarting businesses through economic stimulus and focused on retaining and attracting businesses statewide. Although State law terminated the Enterprise Zone Program in 2013, the law authorized local Enterprise Zone agencies to continue accepting applications for hiring credit voucher certifications during 2014. The City of National City did not receive its share of those funds until earlier this year. The total amount reimbursed to National City from the SDREZ was \$455,809.71. The Department of Housing and Economic Development would like to follow the lead of the City of San Diego which voted on August 15, 2016 to use the remainder of their SDREZ funds to pursue economic development initiatives within the former SDREZ boundaries.

A five year budget forecast has been created and is illustrated on the next page to reflect how those funds could be spent over a five-year period to support the Economic Development Strategic Plan. In addition to the initial request to appropriate \$140,000 staff will seek to appropriate funds incrementally through the City annual budget process over a five-year period up to the \$455,809.71 reimbursed from SDREZ. The use of any allocated funds will be reported annually.

**Strategic Plan Five Year Estimated Budget by Strategy**

Strategic Plan Area	Budget
Program Development	\$20,000.00
Marketing and Attraction	\$85,000.00
New Technology	\$76,000.00
Signage and Façade Improvement	\$200,000.00
Tourism Promotion & Development	\$74,809.71
<b>Total Expenses</b>	<b>\$455,809.71</b>

**Five Year Budget by Activity**

Operating	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Program Development	\$20,000					\$20,000
Marketing and Attraction	\$20,000	\$16,250	\$16,250	\$16,250	\$16,250	\$85,000
New Technology		\$76,000				\$76,000
Signage and Façade Improvement	\$100,000	\$50,000	\$50,000			\$200,000
Tourism Promotion & Development			\$24,936.57	\$24,936.57	\$24,936.57	\$74,809.71
<b>Total Enterprise Zone Funding</b>						<b>\$455,809.71</b>

**First Year Appropriation (FY2017-18)**

The City received \$455,809.71 from the Regional Enterprise Zone Program on April 21, 2017. These funds were received as revenue to the general fund balance through Revenue Account 001-454462-3634. Staff is requesting a FY2017-18 General Fund appropriation of \$140,000 from unassigned General Fund Balance for program development, marketing and attraction, and the signage and façade improvement programs. Approval of this appropriation will increase the fiscal-year-to-date use of General Fund unassigned fund balance from \$4,467,538.00 to \$4,607,538.00. Funding would be appropriated to the corresponding expenditure accounts under 001-419-476-\*

RESOLUTION NO. 2017 –

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL  
ADOPTING THE 2017-2022 ECONOMIC DEVELOPMENT STRATEGIC PLAN,  
APPROVING THE PROGRAM GUIDELINES AND PARTICIPATORY AGREEMENTS  
FOR THE ADOPT-A-PLACE, ACTIVATE THE RIGHT-OF-WAY, AND SIGNAGE  
AND FAÇADE IMPROVEMENT PROGRAMS OF SAID PLAN, AND AUTHORIZING  
A GENERAL FUND APPROPRIATION OF \$140,000 AND USE OF GENERAL  
FUND BALANCE TO IMPLEMENT SAID PLAN AND PROGRAMS

WHEREAS, in July, 2016, the City carried out a key element in its strategic objective of fiscal sustainability by establishing an economic development program that restored economic development as a program within the then Housing, Grants & Asset Management Department; and

WHEREAS, the restoration of the economic development program was facilitated by a City Council approved budget allocation for personnel and operating expenses during the Fiscal Year 2018 budget process; and

WHEREAS, the goals outlined in the 2017-2022 Economic Development Strategic Plan are to collaborate and communicate to support local businesses, promote vibrant neighborhoods, support employment, and increase City revenue, which are specifically tailored to driving economic development and are created in support of the City Council adopted City-wide strategic plan; and

WHEREAS, as part of the 2017-2022 Economic Development Strategic Plan strategies staff is recommending the implementation of the Adopt-a-Place, Activate the Right-of-Way, and Signage and Façade Improvement Programs; and

WHEREAS, the Adopt-a-Place Program is intended for organizations or individuals that want to participate on a regular basis to monitor and maintain a specific street or area of National City; and

WHEREAS, the Activate the Right-of-Way Program is intended to create areas that cultivate community and culture, increase property values for residents, and spur economic growth and income to local merchants by encouraging pedestrian traffic; and

WHEREAS, the purpose of the Signage and Façade Improvement Program is to assist businesses in signage compliance and improve the appearance of existing businesses by reimbursing owners of commercial buildings and businesses up to 50% of the total cost of eligible improvements, for a maximum reimbursement of \$10,000 for a single commercial property (Standard Incentive) or \$15,000 for a multiple address property (Multi-Tenant Property Owner Incentive).

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of National City hereby adopts the National City 2017-2022 Economic Development Strategic Plan. Said Plan will be on file in the Office of the City Clerk and posted on the City's website.

BE IT FURTHER RESOLVED that the City Council approves the program guidelines and participatory agreements for the Adopt-A-Place, Activate the Right-of-Way, and Signage and Façade Improvement Programs. Said Program Guidelines and Participatory Agreements will be on file in the Office of the City Clerk and posted on the City's website.



Resolution No. 2017 –  
Page Two

BE IT FURTHER RESOLVED that the City Council authorizes an appropriation in amount of \$140,000 from the unassigned General Fund Balance for the implementation and funding of the Adopt-A-Place, Activate the Right-of-Way, and Signage and Façade Improvement Programs.

PASSED and ADOPTED this 3<sup>rd</sup> day of October, 2017.

\_\_\_\_\_  
Ron Morrison, Mayor

ATTEST:

\_\_\_\_\_  
Michael R. Dalla, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Angil P. Morris-Jones  
City Attorney

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**CITY OF NATIONAL CITY, CALIFORNIA  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** |October 3, 2017|

**AGENDA ITEM NO. 7**

**ITEM TITLE:**

Resolution of the City Council of the City of National City authorizing the Mayor to execute the First Amendment to the Agreement for Sales Tax Audit and Information Services by and between the City of National City and Hinderliter, de Llamas and Associates for retail recruitment strategy and related economic development services.

**PREPARED BY:**

|Megan Gamwell, Economic Development Specialist|

**DEPARTMENT:**

Housing & Economic  
Development

**PHONE:** 619-336-4216

**APPROVED BY:** \_\_\_\_\_

**EXPLANATION:**

See Attachment No. 1 Staff Report.

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_

*Mark Roberts*

Finance

**ACCOUNT NO.** |001-419-476-299-0000 Contract Services|

**APPROVED:** \_\_\_\_\_

MIS

This contract requires the use of General Fund unassigned fund balance of \$20,000.00. If adopted, the preceding Resolution adopting the Economic Development Strategic Plan would appropriate these funds.

**ENVIRONMENTAL REVIEW:**

This action is not considered a project as defined by the California Environmental Quality Act (CEQA), and, therefore, is not subject to CEQA.

**ORDINANCE:** INTRODUCTION:

FINAL ADOPTION:

**STAFF RECOMMENDATION:**

Adopte the Resolution.

**BOARD / COMMISSION RECOMMENDATION:**

|N/A|

**ATTACHMENTS:**

1. Background
2. Amendment to Contract for Professional Services with Exhibit 1
3. Resolution

## Background Report

### Presentation from ECONSolutions by HdL Companies on a proposal for retail recruitment and related economic development services

ECONSolutions was formed in 2014 by Hinderliter, de Llamas, and Associates (HdL Companies) to provide a variety of economic development products and services in further serving local governments. ECONSolutions has a successful record of accomplishment for attracting quality retail to various cities in California including; Apple Valley, Banning, Covina, Diamond Bar, Eastvale, Indio, Marina, Upland, and Vallejo, and attracting retailers including Aldi, Blaze Pizza, Chipotle, Coffee Bean & Tea Leaf, Costco, Grocery Outlet, Hobby Lobby, Marshalls, MOD Pizza, Smart & Final, Smash Burger, Sprouts, The Habit, Waba Grill, 365 by Whole Food and many more quality businesses. The HdL Companies team consists of many former public-sector executives that have years of experience in local government in the fields of management, finance, economic development, and community development.

The Proposition “D” Independent Evaluation Committee has asked the City of National City (“the City”) to develop a long term strategic plan that would assist in increasing tax revenue and help the City transition out of the District Transaction & Use Tax. Part of this process is working to determine the most viable industries for generating new revenues for the city. ECONSolutions by HdL Companies has put together a proposal for retail recruitment and related economic development services that will assist the City in diversifying its sales tax revenue by attracting new business through insight Market Analytics, Trade Area & Void Analysis and Financial Analysis and Revenue Projections.

The City has an existing contract with HdL Companies to provide Sales Tax Audit and Information Services. The City’s Housing and Economic Development Department staff recommends entering into a First Amendment to the Agreement for Professional Services by and between the City of National City and Hinderliter, De Llamas and Associates (HdL Companies) for the development of a Retail Recruitment Strategy and Related Economic Development Services through ECONSolutions.

### FISCAL IMPACT

The one-time cost of the proposed amendment is \$20,000. Item No. 6 of today’s Economic Development Workshop Agenda proposes the adoption of a Resolution that in part allocates \$140,000 to fund the Economic Development Plan. The \$20,000 required for the proposed First Amendment to the HdL agreement is included in the \$140,000 request. Item No. 7 of the Workshop Agenda is a Resolution to be considered for adoption by the City Council that would approve the First Amendment to the City’s agreement with HdL Companies to provide retail recruitment and related economic development services to the City of National City.

**FIRST AMENDMENT TO THE AGREEMENT  
FOR SALES TAX AUDIT AND INFORMATION SERVICES  
BY AND BETWEEN  
THE CITY OF NATIONAL CITY  
AND  
HINDERLITER, DE LLAMAS AND ASSOCIATES**

THIS FIRST AMENDMENT TO THE AGREEMENT, is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2017, by and between the CITY OF NATIONAL CITY, a municipal corporation (the "CITY"), and HINDERLITER, DE LLAMAS AND ASSOCIATES dba HdL Companies, a California corporation (the "CONSULTANT").

**RECITALS**

WHEREAS, the CITY and the CONSULTANT entered into an Agreement on July 14, 1998, (the "Agreement") wherein the CONSULTANT agreed to provide the combination of data entry, report preparation, and data analysis necessary to effectively manage the municipal sales tax and recover revenues erroneously allocated to other jurisdictions and allocation pools; and

WHEREAS, the parties desire to amend the Agreement to increase the scope of work to include retail recruitment strategy and related economic development services as described in CONSULTANT'S Proposal, attached hereto as Exhibit "1", and by this reference made a part hereof, for the not-to-exceed amount of \$20,000; and

WHEREAS, CONSULTANT will provide written invoices to the City for compensation for services performed in accordance with Exhibit "1" in a form acceptable to CITY; and

WHEREAS, Section XIII, Insurance, of the Agreement is hereby amended to read as follows:

17. **INSURANCE.** The CONSULTANT, at its sole cost and expense, shall purchase and maintain, and shall require its SUBCONSULTANT(S), when applicable, to purchase and maintain throughout the term of this Agreement, the following insurance policies:

A.  If checked, **Professional Liability Insurance** (errors and omissions) with minimum limits of \$1,000,000 per occurrence.

B. **Automobile Insurance** covering all bodily injury and property damage incurred during the performance of this Agreement, with a minimum coverage of \$1,000,000 combined single limit per accident. Such automobile insurance shall include owned, non-owned, and hired vehicles ("any auto"). The policy shall name the CITY and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided.

C. **Commercial General Liability Insurance**, with minimum limits of either \$2,000,000 per occurrence and \$4,000,000 aggregate, or \$1,000,000 per occurrence and \$2,000,000 aggregate with a \$2,000,000 umbrella policy, covering all bodily injury and property damage arising out of its operations, work, or performance under this Agreement. The policy shall name the CITY and its officers, agents, employees, and volunteers as additional

insureds, and a separate additional insured endorsement shall be provided. The general aggregate limit must apply solely to this “project” or “location”. The “project” or “location” should be noted with specificity on an endorsement that shall be incorporated into the policy.

D. **Workers’ Compensation Insurance** in an amount sufficient to meet statutory requirements covering all of CONSULTANT’S employees and employers’ liability insurance with limits of at least \$1,000,000 per accident. In addition, the policy shall be endorsed with a waiver of subrogation in favor of the CITY. Said endorsement shall be provided prior to commencement of work under this Agreement.

If CONSULTANT has no employees subject to the California Workers’ Compensation and Labor laws, CONSULTANT shall execute a Declaration to that effect. Said Declaration shall be provided to CONSULTANT by CITY.

E. The aforesaid policies shall constitute primary insurance as to the CITY, its officers, officials, employees, and volunteers, so that any other policies held by the CITY shall not contribute to any loss under said insurance. Said policies shall provide for thirty (30) days prior written notice to the CITY’S Risk Manager, at the address listed in subsection G below, of cancellation or material change.

F. If required insurance coverage is provided on a “claims made” rather than “occurrence” form, the CONSULTANT shall maintain such insurance coverage for three years after expiration of the term (and any extensions) of this Agreement. In addition, the “retro” date must be on or before the date of this Agreement.

G. The Certificate Holder for all policies of insurance required by this Section shall be:

City of National City  
c/o Risk Manager  
1243 National City Boulevard  
National City, CA 91950-4397

H. Insurance shall be written with only insurers authorized to conduct business in California that hold a current policy holder’s alphabetic and financial size category rating of not less than A:VII according to the current Best’s Key Rating Guide, or a company of equal financial stability that is approved by the CITY’S Risk Manager. In the event coverage is provided by non-admitted “surplus lines” carriers, they must be included on the most recent California List of Eligible Surplus Lines Insurers (LESLI list) and otherwise meet rating requirements.

I. This Agreement shall not take effect until certificate(s) or other sufficient proof that these insurance provisions have been complied with, are filed with and approved by the CITY’S Risk Manager. If the CONSULTANT does not keep all of such insurance policies in full force and effect at all times during the terms of this Agreement, the CITY may elect to treat the failure to maintain the requisite insurance as a breach of this Agreement and terminate the Agreement as provided herein.

J. All deductibles and self-insured retentions in excess of \$10,000 must be disclosed to and approved by the CITY.

K. If the CONSULTANT maintains broader coverage or higher limits (or both) than the minimum limits shown above, the CITY requires and shall be entitled to the broader coverage or higher limits (or both) maintained by the CONSULTANT. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the CITY.

WHEREAS, in the event any conflict or inconsistencies between the Agreement and the Proposal (Exhibit "1"), the terms of the Agreement shall control.

NOW, THEREFORE, the parties hereto agree that the Agreement entered into on July 14, 1998, shall be amended to increase the scope of work to include retail recruitment strategy and related economic development services as described in CONSULTANT'S Proposal, attached hereto as Exhibit "1", and by this reference made a part hereof, for the not-to-exceed amount of \$20,000.

The parties further agree that with the foregoing exception of the provisions provided herein, each and every term and provision of the Agreement dated July 14, 1998, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to the Agreement on the date and year first above written.

**CITY OF NATIONAL CITY**

**HINDERLITER, DE LLAMAS AND ASSOCIATES**

*(Signatures of two corporate officers required)*

By: \_\_\_\_\_  
Ron Morrison, Mayor

By:   
(Name)

Andrew Nickerson  
(Print)

APPROVED AS TO FORM:

President  
(Title)

\_\_\_\_\_  
Angil P. Morris-Jones  
City Attorney

By:   
(Name)

Jeffrey Schmehr  
(Print)

Chief Financial Officer  
(Title)

## NATIONAL CITY

### RETAIL RECRUITMENT STRATEGY AND RELATED ECONOMIC DEVELOPMENT SERVICES



**Submitted by:**

ECONsolutions by HdL  
1340 Valley Vista Dr., Ste. 200  
Diamond Bar, CA 91765  
[www.hdlcompanies.com](http://www.hdlcompanies.com)  
[www.econsolutionsbyhdl.com](http://www.econsolutionsbyhdl.com)

**Contact:**

Barry Foster  
909-861-4335  
[bfoster@hdlcompanies.com](mailto:bfoster@hdlcompanies.com)

**ECON**Solutions  
By HdL



## COVER LETTER

July 12, 2017

Megan Gamwell, Economic Development Specialist  
National City  
140 E. 12<sup>th</sup> St. Ste. B  
National City, CA 91950

Dear Ms. Gamwell

ECONsolutions by HdL is pleased to submit this proposal to National City for Retail Recruitment and Related Economic Development Services. For 35 years, HdL has been providing cities, counties, and special districts with a variety of professional consulting services and software support. Based in Diamond Bar, HdL's client list includes more than 400 local governments. In addition to the main office in Diamond Bar, HdL recently opened a Northern California office in Pleasanton, CA. The HdL team consists of many former public-sector executives that have extensive experience in local government in the fields of management, finance, economic development, and community development. ECONsolutions was formed in 2014 to provide a variety of economic development products and services in further serving local governments.

ECONsolutions embraces and is firmly committed to an approach of utilizing a qualified consultant to help establish a Retail Recruitment Strategy. ECONsolutions has a successful record of accomplishment for attracting quality retail to various cities in California including; Apple Valley, Banning, Covina, Diamond Bar, Eastvale, Indio, Marina, Upland, and Vallejo, and attracting retailers including Aldi, Blaze Pizza, Chipotle, Coffee Bean & Tea Leaf, Costco, Grocery Outlet, Hobby Lobby, Marshalls, MOD Pizza, Smart & Final, Smash Burger, Sprouts, The Habit, Waba Grill, 365 by Whole Food and many more quality businesses.

We enjoy working closely with our clients in a collaborative public-private team approach. The scope of services presented by this proposal is exactly the approach that HdL supports and is a major reason ECONsolutions by HdL was created. Barry Foster, the Managing Principal for ECONsolutions, will act as the Project Manager for the National City project and be the primary contact working directly with city staff. We look forward to further discussing the opportunities for retail attraction in National City at your convenience. In my role as President of HdL, I am authorized to sign for and make representations on behalf of the company. **I have read, understood and agree to all statements in this request for proposal.**

Please feel free to contact Barry Foster at 909.861.4335 or by email at [bfoster@hdlcompanies.com](mailto:bfoster@hdlcompanies.com).

Sincerely,



Andy Nickerson  
President, HdL

## PROJECT APPROACH

For National City to be successful with retail recruitment, ECONsolutions recommends creating a Retail Recruitment Strategy consisting of the following components:

### 1. CITY WIDE COMMERCIAL RETAIL PROPERTY ASSESSMENT

Preparation of an assessment of key undeveloped properties, major shopping centers and strategic retail areas within National City to understand future opportunities for retail development, including new ground up development, redevelopment possibility or repositioning opportunity of an existing center. The scope of work shall include:

- Work closely with City staff to identify major shopping centers and retail areas, along with possible new ground up development opportunities to establish the framework for a successful retail recruitment effort.
- Work with City Staff to identify the ownership of major shopping centers, along with real estate professionals and key stakeholders.

### 2. INSIGHT MARKET ANALYTICS

Preparation of INSIGHT-Market Analytics, HdL's comprehensive market analytics package consisting of several key assessments, profiles and reports for five trade areas in National City, plus the City as whole. The INSIGHT-Market Analytics package includes:

- Consumer Demographic Profile: Uses the STI-PopStats data base with over 1,200 variables with bottom up methodology for the highest accuracy level and dependable demographic information.
- Employment Profile: Uses the STI-Workplace database to deliver employment statistics for a community including employment by industry group and employment and employment by occupation group, along with daytime population and wage estimates within a defined market area.
- Household Segmentation Profile: Provides a deep understanding of consumer preferences, behaviors and habits by segmenting 70 household clusters into one of 21 Lifestage Groups.
- Consumer Demand & Market Supply Assessment: Examine opportunity/gaps across 31 leading retail segments and 40 major product/service lines for insight on potential opportunities in a market area.
- Trade Areas Maps

### 3. UNDERSTANDING THE NATIONAL CITY MARKETPLACE

National City must gain an understanding of the existing retail marketplace, as well identify targets for future retail attraction opportunities that will provide a road map for National City's retail recruitment efforts including:

- Retail Performance Assessment: Provide an assessment of National City's current retail environment that is enhance because of HdL's proprietary sales tax base, to highlight local retail trends.
- Marketplace Knowledge: Recognition of the strengths and challenges of the National City market in competing with other cities and trade areas in the San Diego Region.
- Void Analysis Summary & Market Profile: Utilize the Commercial Retail Property Assessment and INSIGHT-Market Analytics to prepare void analysis to create a list of retailers and restaurants that could fill a void within a market area. The void analysis uses software that is

supported by a database of over 1,000 national and regional retailers/restaurants with over 131,000 locations within the State of California.

**4. RETAIL RECRUITMENT ACTION PLAN**

Prepare a Retail Recruitment Action Plan using all the information generated from the three work components above – 1) Citywide Commercial Retail Property Assessment, 2) INSIGHT-Market Analytics and 3) Understanding the National City Marketplace.

- The Retail Recruitment Action Plan shall act as a foundation for National City's Retail Recruitment Strategy.
- The Retail Recruitment Action Plan will recognize the opportunities available for National City given its demographic composition and trade areas, but also strive to enhance the quality of retail possibilities in the National City community.

**5. MARKETING PACKET DESIGN**

Design an effective marketing packet to assist National City with retail recruitment including the following items:

- Marketing cover letter
- Community Profile-will summarize National City's characteristics, market area trends and local economic indicators in condensed 4 to 6-page format.
- INSIGHT Market Analytics package with four highly useful assessments, profiles and demographic reports.
- Marketing brochure document strengths of National City and presenting retail opportunities.
- Trade areas maps

## PROJECT TIMELINE

### 1. CITYWIDE COMMERCIAL RETAIL PROPERTY ASSESSMENT

Two-weeks – Initial (and ongoing) from the notice to proceed to establish a basic understanding of the key underdeveloped properties and strategic retail areas for future retail development.

Two-weeks – to establish a network of key staff, property owners, and active real estate professionals in the San Diego region.

### 2. INSIGHT - MARKET ANALYTICS

One-week – Package is completed after identifying the initial areas of focus (based on the findings from the retail property assessment) and is updated about six months later.

### 3. UNDERSTANDING NATIONAL CITY MARKETPLACE

Three-weeks – after completing Item #1 and identifying key areas of focus and stakeholders in the region (property owner, developers, real estate professionals) we shall complete:

Retail Performance Assessment  
 Marketplace Knowledge  
 Void Analysis

### 4. RETAIL RECRUITMENT ACTION PLAN

Two Weeks – After completion of all the above items the Action Plan will be completed and available for review and approval.

### 5. MARKETING PACKET DESIGN

Three-weeks – will provide a sample marketing packet within two-weeks of completion of Item 3 above.

Total timeline for Items 1 – 5 is estimated at **10 weeks** for completion (as some items will be handled concurrently).

## COST

The following is the cost for the services contained in the proposal presented by ECONsolutions.

### Items 1 – 5

- 1) The Citywide Commercial Retail Property Assessment, 2) INSIGHT-Market Analytics, 3) Understanding the National City Marketplace, 4) Retail Recruitment Action Plan and 5) Marketing Packet Design to be prepared for a fixed fee of **\$20,000**.

RESOLUTION NO. 2017 –

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY  
AUTHORIZING THE MAYOR TO EXECUTE THE FIRST AMENDMENT TO  
THE AGREEMENT FOR SALES TAX AUDIT AND INFORMATION SERVICES  
BY AND BETWEEN THE CITY OF NATIONAL CITY AND HINDERLITER,  
DE LLAMAS AND ASSOCIATES FOR RETAIL RECRUITMENT STRATEGY  
AND RELATED ECONOMIC DEVELOPMENT SERVICES

WHEREAS, the City of National City and the Hinderliter, de Llamas and Associates (“HdL”) entered into an Agreement on July 14, 1998, (the “Agreement”) wherein the HdL agreed to provide the combination of data entry, report preparation, and data analysis necessary to effectively manage the municipal sales tax and recover revenues erroneously allocated to other jurisdictions and allocation pools; and

WHEREAS, the parties desire to enter into a First Amendment to the Agreement to increase the scope of work to include retail recruitment strategy and related economic development services for the not-to-exceed amount of \$20,000; and

WHEREAS, the First Amendment revises Section XIII, Insurance, of the Agreement to update the insurance requirements to the City’s current level.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of National City hereby authorizes the Mayor to execute a First Amendment to the Agreement with Hinderliter, de Llamas and Associates to increase the scope of work to include retail recruitment strategy and related economic development services for the not-to-exceed amount of \$20,000, and to revise Section XIII, Insurance, of the Agreement by updating the insurance requirements to the City’s current level.

PASSED and ADOPTED this 3<sup>rd</sup> day of October, 2017.

\_\_\_\_\_  
Ron Morrison, Mayor

ATTEST:

\_\_\_\_\_  
Michael R. Dalla, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Angil P. Morris-Jones  
City Attorney