

County of San Diego
Jacumba Hot Springs Community Sponsor Group
DRAFT Minutes for Meeting held at 6pm on Dec. 13, 2021
Highland Center, 44681 Old Hwy 80, Jacumba Hot Springs, CA 91934

The Dec. 13, 2021 Jacumba Community Sponsor Group (JCSG) meeting was called to order at 6:07 pm.

A. Roll Call: Seat 1. Jacari Cousins--absent; Seat 2. Greg Curran (Vice-Chair); Seat 3. Cherry Diefenbach (Chair); Seat 4. Jeffery Osborne; Seat 5. Katrina Westley (Secretary). Public: 23.

B. Pledge of Allegiance.

C. Motion to approve the draft minutes of the October 11, 2021 JCSG meeting. M/S Curran/Osborne. Passed: 3-0-1-1 (Westley-abstain; Cousins-absent). **Motion to approve the draft minutes of November 8, 2021. M/S Westley/Osborne. Passed: 4-0-0-1** (Cousins-absent).

D. Public Communication:

Maureen Phillips: Provided information on the FCC's federal broadband program which will provide discounted rates for low-income county residents.

Cherry Diefenbach: The State has issued a mask mandate for indoor public meetings which begins on Dec. 15, 2021 goes to at least Jan. 15, 2022. As a result, masking and social distancing will be required at our next sponsor group meeting (January 10, 2022). She also asked that community members work together in unity to move Jacumba forward. She requested that residents put aside petty differences and stop calling code enforcement on each other.

E. Action items: (Agenda items may be taken out of order upon request.)

1. Received a Park Land Dedication Ordinance (PLDO) presentation by San Diego County Department of Parks and Recreation (DPR). Department of Parks and Recreation representatives Chelsea Jander and Macro Mares described the Park Land Dedication Ordinance (PLDO) and how it applies to communities like Jacumba.

--PLDO funds are impact fees collected from developers that build housing projects.

--The communities of Jacumba, Boulevard, Campo, Potrero, and Tecate are all part of the Mountain Empire (ME) local park planning area and they share the same pot of PLDO funds which is now \$244K. Given that the County will be using vehicle miles travelled (VMT) to restrict housing development in the backcountry, it is unlikely the ME planning area will see future PLDO funds. (CINA funds can also be used for funding recreation projects.)

--DPR has not used any ME PLDO funds recently.

--DPR has requested that Jacumba provide them with our prioritized recreation project list NLT Jan 18, 2022. Our list should provide enough information so that DPR can evaluate the project's viability. The submission of photos is encouraged. Projects must also include a statement about who will be maintaining the equipment or facility.

--DPR staff evaluates and prioritizes viable project requests. The DPR director submits a project list for the Board of Supervisors approval.

Question by Greg Curran: Would the DPR would consider the adoption of the Jacumba Community Park and its conversion to a county facility? Response: DPR recently converted Valley Center's Community Park into a county park.

Comment by Bea Bachmeier: Wouldn't the owner of the Jacumba Park have to agree to give up the park to the County? Response: Of course, the owner's approval would be required.

Question by the JCSG Chair: Would the DPR need to inspect our park for ADA compliance before DPR would fund any project? Response: We are not sure—However, all County funded projects must be ADA compliant.

The sponsor group may hold a town hall meeting on Sat., Jan 8th to discuss recreational projects if the spread of the new COVID variant is not an issue. The Chair will also ask JCSD to provide the sponsor group with a revised recreational project

list based on the information obtained from the DPR's presentation. **Jacumba's PLDO prioritized recreation project list will be further discussed and approved at our January JCSG meeting.**

2. Received the following updates from the co-chairs of the Community Benefits Ad Hoc Subcommittee. Walker Frankenberg provided a summary of the results of the initial bi-lingual community benefits/energy usage survey that was mailed by PDS. The subcommittee tallied the results of 41 completed English survey responses that were received from individuals and households—the responses represent a total of about 80 residents. Playground improvements and shade covers were the most frequently requested park improvements. Other popular park improvements were: more trees and picnic tables, a skatepark, more restrooms and fountains, a fitness trail, a gazebo, and a swimming pool.

There were some concerns with the survey's distribution by PDS because not every person with a Jacumba PO box got a survey. When that was learned, the subcommittee did a good job of reaching out to the people attending the Feeding America event, giving them a survey. Additionally, surveys were available at the PO Lobby and the library. The survey was also posted on social media. While the survey distribution had some glitches and the numbers of surveys that were returned were disappointing, the JCSG now has some ideas from residents about possible park, Highland Center, and other town improvements. The Chair thanked the subcommittee for their efforts to distribute, collate, and analyze the surveys. It is starting point for getting community awareness and involvement in the community benefits process.

Subcommittee Co-Chair Margit Whitlock provided an overview of a variety of fiduciaries like the San Diego Foundation (the firm that PDS has identified as a possible holder of our community benefit funds), Mission Edge, Rancho Santa Fe Foundation, and the brokerage firm, Raymond James. All fiduciaries offer a range of investment management services to non-profit groups including endowed and non-endowed accounts. Endowed accounts earn more interest because those investments that are generally held for a long duration. Non-endowed accounts offer less interest but are more readily accessible. A combination of both may be a good strategy for the \$3.55 million in undesignated community benefit funds.

The subcommittee is investigating the feasibility having the Jacumba Boulevard Revitalization Alliance (JBRA), a local non-profit, to serve as a possible temporary or permanent fiscal sponsor for the community of Jacumba. Under this scenario, the JBRA board of directors (BOD) would agree to form/elect members of a new and separate subcommittee that would make recommendations for the expenditure/release of JVR community benefit funds. JBRA could provide the non-profit status that the fiduciaries require. Some Jacumba benefits money would be used to pay JBRA for bookkeeping services necessary to document and report on funds held. A memorandum of understanding (MOU) approved by JBRA's BOD would be needed to cement any fiscal sponsorship. Jacumba could also form its own new 501c3 non-profit organization specifically charged with the management of community benefit funds. The establishment of a non-profit is rather lengthy, can be expensive, and it would likely not be in place before BayWa releases the community benefit funds to PDS. (An attorney that would set up the non-profit would likely charge upwards of \$7K.) Jeff Osborne said that we could consider a cheaper alternative like Legal Zoom which charged him \$700 to set up a non-profit organization.

Question by the JCSG Chair: Is the subcommittee comfortable with the San Diego Foundation potentially serving as our fiduciary? Response: The SD and Rancho Santa Fe foundations investment fees are a lot higher (~1.3 to 1.56 percent of the account's annual earnings) than brokerage like Raymond James which charges ~.75 percent. All foundations charge additional financial fees to manage the request for proposal (RFP) process.

Question by Jeff Osborne: If we did not pay a foundation to manage the RFP process, who would do so? Response: Either the JBRA subcommittee or the new non-profit.

Comment by Bonnie Hafdell: Seems like a fiscal sponsorship under JBRA would be the quickest and simplest way to manage the JVR community benefits process because the foundations are more restrictive long-term investments.

Comment by Walker Frankenberg: Based on our initial discussions with Mark Ostrander (JBRA), the following would be required by JBRA: a first a MOU, then a strategic business plan that identifies who is on the subcommittee at JBRA, and separate bank accounts (investment and checking account with several designated signers).

Margit Whitlock further explained some of the differences between endowed and non-endowed investment accounts. Endowed accounts are funds that are basically invested in perpetuity and only 5 percent of the distributive balance (net income and appreciation) initial funds can be withdrawn each year. Endowed funds are low risk investments with about a 5 percent rate of return. Non-endowed funds are made up of stocks, mutual funds, CDs, and money market accounts. They do not have an annual restriction on the amount of funds that can be withdrawn. (When the community wants to fund a project, the broker would sell stocks or other assets.)

Comment by Sam Schultz: Sounds as if we are talking about long-term investment and management of community benefit funds. Alternatively, we could spend 20 minutes and find ways to spend all of the money. Long-term or short-term expenditures will drive how benefits money should be managed.

Comment by Jeff Osborne: The intent of the community benefit money was to mitigate the impacts of the JVR facility on the town of Jacumba over the life of the project, 35+ years. Properly invested benefit monies could provide for the sustainability of community improvements and programs over the long haul.

Comment by the JCSG Chair: I agree with Jeff—our goal should not be to spend the nearly 4 million dollars as soon as the community gets it.

The next subcommittee meeting will be held on Dec. 14, 2021 at 4pm. It is open to the public but only subcommittee members vote on the group’s recommendations.

The JCSG Chair praised the work of the AD Hoc Subcommittee. Additionally, she requested that the subcommittee continue to research additional fiduciary candidates and return with some recommendations for our January meeting, if possible.

As a reminder, in November 2021, PDS acknowledged the JCSG’s role as the interim gatekeeper for the disposition and future distribution of \$3.55 million in undesignated JVR community benefit monies. The sponsor group will continue to gather information about possible fiduciary options so that we can provide a recommendation to PDS as to the best fiduciary to manage and invest community benefit funds. The JCSG also intends to identify options for obtaining a fiscal sponsorship with a non-profit organization like JBRA, or the establishment of a new non-profit organization whose singular mission would be to oversee the management, investment of benefit monies, and approve the future funding of appropriate community improvement projects, events, etc. Because this is a hugely important and complex undertaking, the JCSG will continue to seek the support of informed Jacumba residents through future townhall events and at sponsor group meetings.

3. Motion to approve the administrative permit for the Rosenberg Fence (PDS2019-AD-19-025), 44673 El Centro Ave, Jacumba. M/S Diefenbach/Osborne. Passed: 4-0-0-1 (Cousins).

4. The JCSG Chair provided a brief overview of the Voter’s Choice Act which is the County’s plan to automatically mail an election ballot to every registered voter. Voters will have the options of returning their ballot by mail, or at a secure ballot drop location, or at a voting center. The County will be transitioning to this voting model on Oct. 19, 2022.

F. Group business: Project updates, Community reports, and correspondence-discussion only:

1. Since the last JSCG meeting held on Nov. 8, 2021, the JCSG has submitted formal comments to:

---the SD County Independent Redistricting Commission (IRC) regarding the need to keep the Mtn. Empire area intact under a single county supervisor;

---the BOS regarding the Draft Regional Decarbonization Framework, the County’s proposed Community Benefits Ordinance, and SANDAG’s 2021 Regional Transportation Plan.

2. Code enforcement is still pending on the illegal dumping site at 42748 Old Highway 80.

3. There were no community interface reports.

G. Adjournment:

The meeting was adjourned at 7:55 pm. The next JCSG meeting is scheduled for Monday, January 10, 2022 at 6 pm in the Highland Center.

Approved: Feb. 21, 2022