

County of San Diego
Jacumba Hot Springs Community Sponsor Group
Minutes for Special JCSG Meeting at 6 pm on Feb. 21, 2022
Highland Center, 44681 Old Hwy 80, Jacumba Hot Springs, CA 91934

The Feb. 21, 2022 JCSD meeting was called to order at 6:01pm.

A. Roll call: Seat 1. Jacari Cousins; Seat 2. Greg Curran (Vice-Chair); Seat 3. Cherry Diefenbach (Chair); Seat 4. Jeffery Osborne; Seat 5. Katrina Westley (Secretary). Public 15.

B. Pledge of Allegiance.

C. Approval of the draft minutes for the JCSG meeting held on Dec. 13, 2021. *M/S: Diefenbach/Westley.* Passed: 4-0-0-1 (Cousins).

Approval of draft minutes for the JCSG meeting held Jan. 10, 2022. *M/S: Cousins/Curran.* Passed: 3-0-0-2 (Osborne, Westley).

D. Public Communications: Maureen Phillips reminded the group about upcoming PDS webinars on community benefits.

E. Action items:

1. Discuss the role of the JCSG. The Chair provided a brief summary about the duties and responsibilities of the JCSG as delineated in BOS Policy I-1 and the Brown Act.

Nominate/vote on a JCSG Chair, Vice-Chair, and Secretary who will serve in 2022. Motion to nominate Cherry Diefenbach as Chair, Greg Curran as Vice-Chair, and Katrina Westley as Secretary. *M/S: Osborne/Cousins.* Passed: 5-0-0-0.

2. Update on the illegal dumping site at 42748 Old Highway 80. The Chair provided a brief update: Gerardo Vargas at County Code Enforcement stated via a Feb. 2, 2022 email that DPW had cleaned up the trash that was in the road right-of-way and that he would be working with the county solid waste contractor to have the remaining waste removed. The Chair will contact Supervisor Anderson and Gerardo again if she has not received a timely update from Mr. Vargas.

3. Discuss the management of JVR community benefits.

Background--On Feb. 17, the Chair spoke with County Counsel Randall Sjoblom and Ashley Smith (PDS) regarding the JCSG's on-going efforts to develop a management plan for JVR community benefits. She also spoke about our concerns that \$3.55 million dollars in undesignated funds should not go into an endowed account with the San Diego Foundation because it would be difficult for our community to access those funds. Our community needs time to thoughtfully develop a detailed management/investment plan.

While they were clearly impressed with the research that the JCSG and the ad hoc subcommittee had done to initiate a community benefits management plan, they informed her that that **any MOU for fiscal sponsorship would need to be between the director of PDS and JBRA** as JCSG does not have contracting power.

An email followed up that conference call which asked for a JCSG point of contact (POC) who would convey the community's recommendation(s) to the JVR developer. **Motion to designate the Chair as the JCSG POC with the JVR developer.** *M/S: Curran/Osborne.* Passed: 5-0-0-0.

Additionally, PDS requested the sponsor group provide a detailed community benefit management plan that would specify contributions for:

--A one-time cause or need.

--One-time expenses for an improvement.

--Ongoing contributions or expenses.

PDS wants to know about community feedback on community benefits has been received and whether there has been a consensus on plan recommendations. County counsel has also requested that the sponsor group provide them with “any agreements that may be needed to implement the community’s recommendations.” This comment was made in reference to the development of an interim MOU for fiscal sponsorship.

The development of a draft MOU for interim (6-12 month) fiscal sponsorship of community benefit funds with the Jacumba Boulevard Revitalization Alliance (JBRA), an existing local non-profit organization was discussed.

Under a possible MOU, the JBRA board of directors (BOD) would hold some of the benefit money in a separate bank account to fund grant proposals that have been approved by the community at a JCSG or Town hall meeting. The bulk of the benefits money could be invested by a brokerage firm/fiduciary in a long-term account for maximum earning potential to provide a funding stream in perpetuity for the town. A JBRA community benefits advisory committee made up of local Jacumba residents/property owners would screen/evaluate requests for project funding submitted by other non-profit groups, or entities, or individuals. The advisory committee would then make recommendations for approval/denial to the JBRA BOD. All requests for community benefits funds expenditures would be placed on a JCSG meeting agenda for public discussion and transparency. After the sponsor group/community has determined the project is a worthy one, the JBRA BOD would vote to release the funds. The JBRA advisory committee would also track project accomplishment milestones to ensure that projects have been satisfactorily completed before the full payment is made to the project applicant. All benefit money expenditures would be used to provide a direct benefit to the community of Jacumba not Boulevard.

Since our last sponsor group meeting, we have received confirmation from the JBRA BOD that they have voted to go forward with a MOU with the County for possible fiscal sponsorship. (JBRA will require a comprehensive and detailed community benefits management plan before making a final decision on whether to assume the role as fiscal sponsor.)

Jeff Osborne comment: We need to be sure that the money doesn’t go to some entity where the community would not be able to have an input into how that the benefits money is being managed. A long-term community benefits solution could be the formation of a local non-profit foundation with some outside professionals (like an attorney) whose mission is the management of benefit monies.

Maureen Phillips comment: Maybe the sponsor group could request that funds from the JVR benefits be used to pay for an attorney to set up a non-profit foundation and also help to set up the language of a possible MOU.

Lonna Marshall comment: Perhaps County Counsel could help set this up.

Sam Schulze comment: Maybe the MOU should include a statement that the fiscal sponsorship with JBRA would be terminated upon with the establishment of a special non-profit foundation and that benefit money held under fiscal sponsorship by JBRA would be transferred to the foundation.

Jeff Osborne comment: I think it would be good to develop this MOU because it could also be used by any attorney setting up the foundation.

Motion to continue with the development of a potential MOU with JBRA as an option for an interim community benefit funds manager until a unique non-profit foundation could be established to manage Jacumba’s community benefit program. *M/S Curran/Cousins.* Passed: 5-0-0-0.

There was a discussion about where the \$3.55 million in undesignated community benefit money should go. PDS previously suggested that the benefits money could managed by the San Diego Foundation or placed in an escrow account. Drawbacks to the San Diego Foundation is that they charge lots of management fees and the withdrawal of money may be restrictive.

Motion to reject the San Diego Foundation as a potential manager of community benefits money. *M/S: Osborne/Westley.* Passed: 5-0-0-0.

An escrow account could provide an intermediary location of the benefits money until a detailed benefit management

plan has been developed by JCSG (and the community), and approved by PDS.

Greg Curran comment: Would escrow account collect interest? Chair's answer: I do not believe it would.

Jeff Osborne comment: I am concerned about the language of potential escrow account instructions. We should request the PDS draft escrow instructions which will guarantee that JCSG has a say in when money leaves escrow and where it will be sent. Other community groups/individuals should not be able to directly access benefit money.

Maureen Phillips comment: We also need to be sure that the benefit's money does not become a slush fund for the County to use as it desires.

Motion to request that County PDS place \$3.55 million dollars in undesignated JVR community benefit money in an interim escrow account. *M/S: Osborne/Cousins.* Passed: 5-0-0-0.

Motion to request PDS establish draft escrow instructions for sponsor group review that would specify benefit money remains in the escrow account until: (1) there is an approved benefit management plan in place; and (2) JCSG has approved money movement or expenditures from the escrow account. *M/S: Osborne/Cousins.* Passed: 5-0-0-0.

In order to get more community involvement, the JCSG plans to hold a special meeting regarding JVR community benefits in the Highland Center on a Sunday.

F. Group business/project updates, to include correspondence-discussion only:

1. Sponsor group members were reminded that annual training and Form 700 (Statement of economic interests) are due by March 31, 2022.
2. No community interface reports were received from the Fire Safe Council, JBRA (Revitalization), or Highland Senior Center.

G. Adjournment:

The meeting was adjourned at 6:58 pm. A special JCSG meeting is tentatively scheduled for Sunday, April 3, 2022 at 2pm at the Highland Senior Center.

Approved: April 18, 2022