

9500 Gilman Drive - Dept.0176 San Diego, CA 92037-01776

UCSD Extended Studies and Public Programs Center for Research on the Regional Economy (858) 822-4370

SERVICE AGREEMENT SA15-073

This Service Agreement ("Agreement") is entered into by and between The Regents of the University of California on behalf of the University of California, San Diego, a public, not-for-profit, educational institution located at 9500 Gilman Drive, La Jolla, California 92093 ("UCSD") and the Company whose name and address appear on Exhibit A, attached hereto and incorporated by reference herein ("Company").

In consideration of the mutual covenants set forth herein, the parties agree as follows:

- 1. Scope of Work. UCSD will perform the services set forth on Exhibit A, Services, attached hereto and incorporated by reference herein ("Services").
- 2. Deliverables. UCSD will provide to the Company the deliverables set forth on Exhibit A, incorporated by reference herein.
- Cost. As consideration for UCSD's performance of the Services, the Company will pay UCSD the costs set forth on Exhibit A, incorporated by reference herein.
- 4. Payment.
 - **4.1. Schedule.** The Company shall pay UCSD the compensation on the dates or milestones set forth on Exhibit A, incorporated by reference herein.
 - **4.2. Remittance.** Checks are to be made payable to The Regents of the University of California and sent to the address set forth in Exhibit A.
- 5. **Term of Agreement**. This Agreement will begin and end on the dates set forth on Exhibit A.
- UCSD Contact. All inquiries and notices with respect to this Agreement shall be sent to the UCSD contact whose name and related information are set forth on Exhibit A.
- 7. Responsibilities. The Company shall provide to UCSD those items listed in Exhibit A, if any, in a timely and secure manner so as to allow UCSD to perform its work. The parties agree to comply with any and all applicable laws, rules, regulations, and policies.
- 8. Termination. Either party may terminate this Agreement upon thirty (30) days' written notice. If

- the Company terminates this Agreement, the Company will pay UCSD for all costs and any non-cancelable obligations incurred up to the effective date of termination.
- 9. Insurance. Each party shall, at its sole cost, insure its activities and indemnification obligations in connection with this Agreement from its inception and shall keep in force and maintain insurance or self-insurance as follows: general liability, business automobile liability, and workers' compensation and such other insurance as may be necessary to provide coverage for its performance under this Agreement. If the insurance is written on a claims-made form, it shall continue for a period of three years following termination of this Agreement. The coverage required herein shall not in any way limit the liability of either party.
- 10. Indemnification. Each party shall defend, indemnify and hold the other party, its officers, employees, and agents harmless from and against any and all liability, loss, expense (including attorneys' fees), and claims for injury or damages arising out of the performance of this Agreement, but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury (including death) or damages are caused by or result from the negligent or intentional acts or omissions of the indemnifying party, its officers, employees, or agents.

- 11. Patent Infringement Indemnification. Company shall indemnify, defend, and hold harmless UCSD, its officers, agents, and employees against all losses, damages, liabilities, costs, and expenses (including but not limited to attorneys' fees) resulting from any judgment or proceeding in which it is determined, or any settlement agreement arising out of the allegation, that the Company's furnishing or supplying UCSD with parts, goods, components, programs, practices, or methods under this Agreement or UCSD's use of such parts, goods, components, programs, practices, or methods supplied by the Company under this Agreement constitutes an infringement of any patent, copyright, trademark, trade name, trade secret, or other proprietary or contractual right of any third party. UCSD shall inform the Company as soon as practicable of the suit or action alleging such infringement. The Company shall not settle such suit or action without the consent of UCSD. UCSD retains the right to participate in the defense against any such suit or action.
- 12. Limitation of Liability. EXCEPT WITH REGARD ITS INDEMNIFICATION OBLIGATIONS, NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, **EXEMPLARY** OR OR CONSEQUENTIAL DAMAGES, COSTS, INCLUDING, BUT NOT LIMITED TO, ANY LOST PROFITS OR REVENUES, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF THE LEGAL THEORY UNDER WHICH DAMAGES ARE SOUGHT. UCSD DISCLAIMS ALL WARRANTIES, EXPRESS AND IMPLIED, INCLUDING **WARRANTIES** MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL UCSD'S TOTAL LIABILITY UNDER THIS AGREEMENT EXCEED THE AMOUNT PAID BY THE COMPANY FOR THE SERVICES.
- **13.** Company's Ownership of Deliverables. The Company will own the deliverables upon payment in full of the cost of the Services.
- 14. Use of UCSD Name. California Education Code Section 92000 prohibits use of the University of California, San Diego's name to suggest that UCSD endorses a product or service. The Company will not use The University of California's name, or any acronym thereof, including UCSD, without UCSD's prior written approval.
- 15. Excusable Delay. In the event of a delay caused by inclement weather, fire, flood, strike or other labor dispute, acts of God, acts of Governmental officials or agencies, or any other cause beyond the control of

- UCSD, UCSD's performance is excused hereunder for the periods of time attributable to such a delay, which may extend beyond the time lost due to one or more of the causes mentioned above. The Company's duty to pay for past or continuing costs is not suspended hereunder.
- 16. Notice. Any notice or communication required by this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally, or sent by overnight mail, or prepaid registered mail, or confirmed facsimile transmission, addressed to the other party at the address set forth on Exhibit A, or at such other address as such party hereto may hereafter specify in writing to the other party.
- 17. Status of Parties. This Agreement is not intended to create, nor shall it be construed to be, a joint venture, association, partnership, franchise, or other form of business relationship. Neither party shall have, nor hold itself out as having, any right, power or authority to assume, create, or incur any expenses, liability, or obligation on behalf of the other party, except as expressly provided herein.
- **18. Third-Party Beneficiary**. There are no intended third-party beneficiaries to this Agreement.
- 19. Severability. If any provision of this Agreement is held invalid, illegal or unenforceable in any respect, such provision shall be treated as severable, leaving the remaining provisions unimpaired, provided that such does not materially prejudice either party in their respective rights and obligations contained in the valid terms, covenants, or conditions.
- 20. Non-Waiver. The failure of either party to require the performance of any of the terms of this Agreement or the waiver by either party of any default under this Agreement shall not prevent a subsequent enforcement of such term, nor be deemed a waiver of any subsequent breach.
- 21. Modification of Agreement. This Agreement shall be changed only by written agreement of the parties.
- 22. Applicable Law. This Agreement shall be governed by the laws of the State of California without regard to its conflict of laws provisions.
- 23. Arbitration. In the event of any dispute, claim, question, or disagreement arising from or relating to this Agreement or the breach thereof, the parties hereto shall use their best efforts to settle the dispute, claim, question, or disagreement. To this effect, they shall consult and negotiate with each other in good faith and recognizing their mutual interests, attempt to

reach a just and equitable solution satisfactory to both parties. If they do not reach solution within a period of sixty (60) days, then upon notice by either party to the other, all disputes, claims, questions, or disagreements shall be finally settled in accordance with the provisions of the American Arbitration Association ("AAA") and proceed under the provisions of Title 9 of the California Code of Civil Procedure Sections 1280 through and including 1294.2. The discovery provisions of the California Code of Civil Procedure Section 1283.05 shall be applicable to this Agreement. Each party shall bear its own costs.

- 24. Headings and Captions. Headings and captions in this Agreement are to facilitate reference only, do not form a part of this Agreement, and shall not in any way affect the interpretation hereof.
- 25. Authority. Both parties represent that each has the full authority to perform its obligations under this Agreement and that the person executing this Agreement has the authority to bind it.
- 26. Survival. Provisions of this Agreement, which by their express terms, or by necessary implication, apply for period of time other than specified herein, shall be given effect, notwithstanding termination or expiration.
- Entire Agreement. This Agreement, including Exhibit A which terms and conditions are made a

part hereof, sets forth the entire agreement of the parties with respect to the subject matter herein and supersedes any prior agreements, oral and written, and all other communications between the parties with respect to such subject matter. Any terms and conditions contained in the Company's purchase order or similar document shall have no force and effect. Any changes or additions to Sections 1-28, inclusive, of this Agreement are invalid, unless approved in writing by the UCSD representative identified in Exhibit A, Paragraph 7.

28. "Rights to Use of Course and Course Materials. UCSD Extension and the Company agree that any copyright, trademark or publication rights associated with titles, descriptions, outlines, pedagogical design, or learning activities, or language or graphic images used for this course belong to and are retained by The Regents of the University of California on behalf of the San Diego Campus. Any printed or electronic materials used in the course that are the property of the Company are retained by the Company. Neither party may copy or make available to third parties the property of the other party without express written consent."

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IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set forth below.

OF CALIFORNIA ON BEHALF OF THE UNIVERSITY OF CALIFORNIA, SAN DIEGO	COMPANY Downtown San Diego Partnership	
Ву:	Ву	
Name: <u>Josh Shapiro</u>	Name: Kris Michell	
Title: Director	Title: President	
Date: 11/17/14	Date: President/CEO	
By: Theread war	Ву:	
Name: Bruce Dunn	Name:	
Title: Associate Dean	Title:	
Date: 11/17/14	Date: SA15-073	

SERVICES SA15-073

COMPANY:

Downtown San Diego Partnership A California corporation Principal place of business located at 401 B Street, Suite 100, San Diego, CA 92101 Attention: Kris Michell Telephone: (619) 234-0201

COMPANY BILLING/NOTICE CONTACT:

Downtown San Diego Partnership Attn: Kris Michell 401 B Street, Suite 100, San Diego, CA 92101 Telephone: (619) 234-0201

1. SCOPE OF WORK:

The Services will be performed as follows or in accordance with the attachment hereto and incorporated by reference herein. Any terms and conditions contained in the scope of work that conflict with paragraphs 1 -28 of the Service Agreement are not valid and are of no force and effect.

See Exhibit B-Phases I and II

2. DELIVERABLES:

See Exhibit B-Phases I and II.

- 3. COST: Total not to exceed \$37,750 (Phase I and II)
- 4. PAYMENT
 - 4.1. SCHEDULE:
 - 41.1 Invoices will be submitted at the start of each phase.
 - **4.2. REMITTANCE**: Please indicate preferred payment method.

Credit Card Payments: UCSD Extension accepts Visa, MasterCard, Discover and American Express credit cards. Please contact Michelle Martinez in the Extension Cashiering Office at (858) 534-3117 to pay via credit card.

x Checks are to be made payable to The Regents of the University of California and sent to:

University of California, San Diego Attention: Michelle Martinez – SA15-073 9500 Gilman Drive Mail Code 0176H La Jolla, California 92093-0176

Wire Transfer Payments: Please contact Michelle Martinez at (858) 534-3117 or mlm002@ucsd.edu for bank routing information.

- 5. TERM OF AGREEMENT: This Agreement will begin on the 11 day of November, 2014 and end at the completion of Phase 2.
- 6. UCSD CONTACT:

Josh Shapiro University of California, San Diego 9500 Gilman Drive, Dept. 0176O La Jolla, California 92093-0176 Telephone: (858) 822-4370 Fax: (858) 534-7385

- 7. PER SECTION 27 OF THE AGREEMENT, THE UCSD REPRESENTATIVE RESPONSIBLE FOR APPROVING CHANGES OR ADDITIONS TO THIS AGREEMENT: BRUCE DUNN, ASSOCIATE DEAN
- 8. SIGN AND RETURN THE ORIGINALS WITHIN 5 BUSINESS DAYS BY FAX OR MAIL TO:

And

UCSD Extension Business Affairs Attn: Lorenzo Loero 9500 Gilman Drive, MC 0170F La Jolla, CA 92093-0170 Fax: 858-822-2243

Dean's Office Josh Shapiro University of California, San Diego 9500 Gilman Drive, Dept. 01760 La Jolla, California 92093-0176 Telephone: (858) 822-4370

END OF EXHIBIT A

For UCSD ESPP Office Use Only SA15-073 Account Name: Downtown San Diego Research Proposal Index: EXDSDRP Fund: 20300N Org: 611043 Initials: JS_ldl



EXHIBIT 2: Downtown San Diego Partnership Research Proposal

I. Overview

The Downtown San Diego Partnership (DSDP) is the leading advocate for the branding, revitalization, economic vitality, and growth of Downtown San Diego. They are a member-based, non-profit organization committed to the success of San Diego's vibrant and world-class urban center. The Downtown San Diego Partnership has more than 325 members, representing a variety of business sectors including real estate, start-up incubators, banking, law, defense, insurance, communications, technology, energy, and tourism and hospitality.

Recently the Partnership has been vigorously exploring the possibility of implementing initiatives and developing strategies that could reposition and rebrand Downtown as a major urban center of innovation and creativity in terms of enterprises, employers and lifestyle.

II. Opportunity

The DSDP is committed to developing strategies informed by good data and best practices. To do this requires tracking data related to social, attitudinal, as well as economic forces affecting Downtown San Diego as well as developing a dashboard to track data over time, store, and present it in user friendly ways.

III. Research Deliverables

UC San Diego, on behalf of the Downtown Partnership, proposes to examine three major research questions affecting the next steps in the Partnership's strategy. The first consists of building a dashboard of base line demographic and economic data that would be longitudinal, regularly collected, updated, and displayed in an easy to utilize format. The second is an annual longitudinal survey that focuses on the attitudes and perceptions of a cross section of San Diego citizens, employers and influentials on what is happening in downtown San Diego. The third is a series of deeper interviews with key individuals with a direct or indirect stake in the paths Downtown development might pursue.

Phase 1 (Cost \$17,500—Expected completion mid January) Data Dashboard:

1. People

A region's most important asset is its talent. Talent drives the economy and shapes the quality of life within a region as well as its many neighborhoods. What are the key characteristics of people who live and or work downtown? What are the key characteristics of those who live in the surrounding urban communities? Key demographics such as age, sex, ethnicity and education as well as indicators such as population growth and demographic shifts over time for Downtown and surrounding urban communities will be researched. Additionally items such as



migration (foreign and domestic), types of careers, i.e. creative, entrepreneurial, professional services, will be gathered both for Downtown, surrounding urban communities, and the San Diego region.

2. Economy

Tracking business starts and closings, job gains and losses, range and longevity of professional service enterprises are basic measures of economic health. Shifts in employment across industries suggest structural changes in economic activity. Income growth and distribution of prosperity are important indicators of economic vitality as well as job creation and character of investments in downtown enterprises and facilities, and in the surrounding urban communities, and the San Diego region. Innovation metrics are also essential to prosperity, so tracking new ideas, i.e. patents, products and processes generated downtown will be important.

Indicators could include such things as: *employment, unemployment, major sectors of economic activity, # startups, per capita income, median household income, inward investments, innovation metrics.* (Raw data should not include the unhoused population)

3. Community

The future success of regions in a knowledge based economy will be determined largely by how well the educational system prepares young people for higher levels of education. Arts and culture are integral to a region's economic and civic well-being. Participation in arts and cultural activities can spur creativity, and increases exposure to diverse people, ideas, and perspectives and can bind people to their community. Access to quality health care is important to residents. The level of crime is a significant factor affecting the quality of life in a community. Poor health outcomes generally correlate with poverty, poor access to preventative health care, lifestyle choices, and education. Higher crime rates can erode citizens' sense of security and community by creating fear, frustration and vulnerability.

Indicators of community factors could include such things as: # of arts and culture organizations, foundations supporting arts and culture, # of hackathons, startup week events, roundtables, coworking spaces, # of incubators/accelerators. (This data will only focus on Downtown and the surrounding urban communities.)

4. Amenities of Place

Environmental quality directly affects the health of all residents and the larger ecosystem of a region. How we choose to access work, our energy consumption and preserving open space plays a role in creating a quality of life to grow a region. The modes of transportation to and from work, people, parks, recreation, coffee houses and markets and services all affect a neighborhood's livability.



SANTA BARBARA • SANTA CRUZ

Indicators could include such things as: electricity consumption, protected open space, parks, miles of bike paths (current and planned), vehicle miles traveled per capita, means of commuting to work, residential density, housing near transit, green building permits, affordable housing, supply of commercial space, # of craft breweries, new commercial development, school and other educational offerings, entertainment resources and hubs. (This data will only focus on Downtown and the surrounding urban communities)

Phase 2 (Cost \$20,250—Expected completion TBD) Attitudinal Survey

In addition to the dashboard measures enabled by mining available extant databases, the research team proposes to conduct an annual survey to track the personality, values, opinions, attitudes, interests, and lifestyles of downtown San Diego residents, the residents of the surrounding urban neighborhoods, and those who work in Sorrento Mesa/Valley incluiding students. This survey will be used to create psychographic profiles. It will measure feelings towards downtown generally but specifically probe: amenities of place that are valued, work, traffic patterns, shopping, dining, parking, lifestyle, leisure time, and events. All of these factors combined with demographic and social characteristics would be instrumental to building ideal types of who is likely to live/work in Downtown San Diego. These ideal types could then be used in marketing, messaging and branding efforts. Survey may include:

- 1. If your employer were to locate downtown, would you consider moving Downtown?
- 2. Would you rather work downtown than where you currently work?
- 3. Would you prefer to live and work in the same community?
- 4. Please rank the following communities regarding where you would ideally like to live?
- 5. What is your preferred method of commuting to and from work?

C. Attractiveness to Firms and Individuals

To ensure that downtown San Diego maintains and enhances its status as an economically prosperous and highly livable location, it's necessary that the region continues to be attractive to innovative businesses and talented individuals. Most of the large innovation anchored companies located in San Diego do not have satellite offices downtown. Through interviews and surveys with some of the larger companies in the region, we can learn why firms do not locate downtown, where most of their employees live, and what kind of services and amenities or incentives might lead companies and creative individuals to establish a presence downtown.

IV. Methodology and Design:

This evaluation proposes to utilize both qualitative and quantitative approaches appropriate and necessary for understanding the key traits and values of current and potential businesses and individuals in downtown San Diego and the surrounding urban neighborhoods. The evaluation will rely on a combination of extant data, semi-structured interviews, focus groups, surveys, and quantitative analyses



to better understand downtown San Diego's role in the innovation economy all of which will be presented in highly user friendly formats.

A. Extant Data

Data on much of the dashboard categories will come from extant data. We will collect data from government agencies such as the Bureau of Labor Statistics and the San Diego Association of Governments, local non-profits, and may source proprietary data from private firms and associations. This data will be compiled and presented as part of Phase I.

B. Surveys

Surveys will be designed to capture the values, needs, interests, i.e. the psychographic profile of the subregion, as well as to supplement the extant data in creating a comprehensive dashboard. The selection of participants will be done in such a way as to be representative of the population as a whole. Survey data sets will be subjected to a factor analysis to test whether or not the expected interrelationships exist between survey items. Survey data sets will be subjected to data reduction, collapsing across individual survey items to create a single composite score for each construct, rather than attempting to interpret individual scores from multiple questions. Preliminary data will be scored and presented using exploratory data analysis (EDA). Surveys will be conducted as part of Phase 2.

C. Interviews

Each interview will be semi-structured, creating a common core of questions, but leaving latitude to explore differences in attitudes, perceptions and challenges. All interviews will be individualized and subjected to thematic analysis. Interviews will be conducted with the same key stakeholders and residents wherever possible, which allows for a longitudinal assessment of evolving attitudes, challenges, overall health, and satisfaction of those involved. During the interview topics covered will include: methods of transit, overall satisfaction with living in downtown or the surrounding neighborhoods, preference for working downtown, preferred modes of transportation, satisfaction/dissatisfaction level with employer's current location, personal interests, dissatisfactions, most frequented areas of, preference for after-work activities, and desired changes in terms of events, transit, etc. Interviews will be conducted as part of Phase 2.

D. Focus Groups

A focus group allows us to collect a wide swath of information about participants' views, while looking for common trends among the various groups. A small group will be formed composed of participants from various neighborhoods, occupations, and demographics. The group will engage in discourse related to any relevant topics not covered in the interviews and surveys. It will go into greater depth on previously covered topics, and allow participants to relate their opinions and experiences to each other. The focus group format offers participants the opportunity to learn from one another's experiences and



perhaps gain additional insight and knowledge into life in downtown San Diego and the surrounding urban communities.

Collectively, the utility of the interviews, surveys, and focus groups will enable a more nuanced and sophisticated understanding of participant perceptions, as well as educational preparation and outcomes. Focus groups will be conducted as part of Phase 2.

V. Statement of deliverables

A final report capturing the three types of data gathered will be written in concise and easy-to-understand language with an emphasis on clear and compelling charts and exhibits. UC San Diego Extension excels at providing high level data and evaluations that are accessible in reader friendly formats. The report will emphasize practical and realistic action steps and recommendations that will be necessary to correct any challenges that are uncovered. Any interpretations, insights and recommendations will be reviewed with the Partnership prior to final writing.

The formal written report will be a readable narrative with useful graphics that will include:

- · An executive summary.
- A description and analysis of the people, economy, society and place that comprises downtown San Diego and the surrounding urban communities (concentric circles).
- A description and analysis of the current psychographic profile of the region.
- Conclusions and recommendations on how to attract the types of residents, businesses and amenities that will contribute to making downtown an energetic, creative center of innovation and entrepreneurship.
- A proposal for a next steps research project to begin a data visualization mapping of downtown assets

VI. Budget by Activities

	Estimated Hours	Rate	Cost
Data collection	250	\$50/hour	\$12,500
Surveys	100	\$50/hour	\$ 5,000
Interviews	100	\$100/hour	\$10,000
Data analysis	100	\$50/hour	\$ 5,000
Report & writing	40	\$100/hour	\$ 4,000
Data/exhibit preparation	25	\$ 50/hour	\$ 1,250
Hours Total	475	\$ 50/hour	\$23,750
	120	\$100/hour	\$12,000
Grand Total			\$37,750



VII. Research Team

Located on the San Diego Campus of the University of California's Extension Division, the Center for Research on the Regional Economy (CRRE) focuses on 1) technological innovations; 2) global trends and 3) industry developments which are shaping regional economies. Specific emphasis is placed on regional workforce trends and the impact of universities, research institutions, and continuing education on regional economic growth.



Mary Walshok, Ph.D. is associate vice chancellor for public programs and dean of Extension at the University of California San Diego. She oversees a \$45 million self-funded division that educates 66,000 enrollees annually, plus UCSD-TV and UCTV, which reach 22 million households and millions more through the web. A thought leader on aligning workforce development with regional economic growth, she is the author of Blue Collar Women (1978); Knowledge Without Boundaries (1990); Closing America's Job Gap (2012); and Invention and

Reinvention: The Evolution of San Diego's Innovation Economy (2014) and co-editor of Creating Competitiveness: Entrepreneurship and Innovation Policies for Growth (2013) and The Handbook of Regional Competitiveness (forthcoming 2015). She has authored more than 100 reports and articles on the regional competencies and social dynamics essential to building knowledge-based clusters and highwage jobs. As an industrial sociologist, she has researched various American regions for the U.S. Department of Labor, NSF, and Lilly Foundation. Walshok's research activities include having served as the Principal Investigator for the evaluation of 13 Generation I WIRED regions funded by the U.S. Department of Labor; a NSF-funded project comparing the distinctive social dynamics of three innovation regions — Philadelphia, St. Louis, and San Diego; and an assessment of efforts to sustain and grow the robust orthopedic device industry in Warsaw, Indiana for BioCrossroads. Walshok is active on numerous community and national boards and is a co-founder of CONNECT, one of the most admired innovation cluster development organizations in the world.



Josh Shapiro, Ph.D is the Director of Research and Evaluation at UC San Diego Extension. He has worked on a number of labor market and innovation reports including a grant from the National Science Foundation on the role social and cultural dynamics play in regional innovation. Dr. Shapiro was one of the core evaluators on the effectiveness of the Department of Labor's \$500 million WIRED initiative, which involved 15 regions across the United States. He also leads Extension's market research team, which focuses on assisting educational

programs conduct market research and curricula development for workforce and education training programs. Dr. Shapiro has taught classes on Research Methodology for UC San Diego and is trained in both Qualitative and Quantitative methodologies with a specialization in survey design. Dr. Shapiro holds a Ph.D. and M.A. in Sociology from the University of California, San Diego and a B.A. in Social Thought and Analysis from Washington University in St. Louis.