



**CITY OF SAN DIEGO
OFFICE OF COUNCILMEMBER RAUL A. CAMPILLO
SEVENTH DISTRICT**

MEMORANDUM

DATE: February 3, 2021

TO: Honorable Members of the Economic Development & Intergovernmental Relations Committee

FROM: Councilmember Raul A. Campillo, Chair, Economic Development & Intergovernmental Relations Committee

SUBJECT: 2021 Economic Development & Intergovernmental Relations Committee Work Plan

As Chair, I appreciate the opportunity to share our 2021 Work Plan for the City of San Diego (City) Economic Development & Intergovernmental Relations Committee (Committee). The Work Plan is created to reflect the shared priorities of all four committee members, with significant input by my colleagues via their priority memos submitted to my office. While this Work Plan will guide the committee agenda this year, it is not meant to be exhaustive, and I welcome the ideas of my colleagues on the committee throughout the year. Of particular note, I plan to call special meetings of the Committee due to the economic crisis we currently face, so that the topics that require our leadership, and voices that are usually not heard at the Committee, get the time they deserve in 2021.

The Committee covers a wide range of important topics, including intergovernmental relations, interagency and bi-national agreements, international trade, foreign trade zones, educational partnerships, San Diego County Regional Airport Authority, Port District, San Diego Convention Center Corporation, city-wide economic development programs and strategy, workforce development, commercial marketing district, business improvement districts, arts and culture, open data, and Civic San Diego.

Committee Statement of Principles

The Committee will be guided by the following principles:

1. We will promote policies that deliver high-quality, high-paying jobs, providing economic security for the workers and ensuring environmental protection for the communities where they are created. Being “pro-growth” must mean being “pro-worker” and “pro-environment.”
2. We will promote job growth and attract new employers to San Diego, particularly within communities of concern, in order to improve the economic competitiveness of the entire region and to lift up communities that have historically been excluded from growth.
3. We will promote tourism, biotech, and military relationships, industries for which San Diego is world-renowned, as well as the local entrepreneurs that thrive on those industries, through intergovernmental and international collaboration.
4. We will promote cross-border opportunities and investments that encourage progress with Tijuana and Baja California Norte so that both sides of the border can reap the benefit of progress.
5. We will proactively engage community members in developing policy to ensure that economic progress is distributed across communities, new ideas are integrated, and unforeseen burdens on stakeholders can be identified and mitigated.

QUARTERLY THEMES

These themes are meant to guide, and in no way curtail, the Committee in its analysis of policy and partner organizations. Should need arise, the Committee will discuss issues outside the scheduled time for a particular theme.

Targeted Quarter/Date	Theme
February 10, 2021	Small Business Support & Recovery
March 10, 2021	Small Business Support & Recovery
April 14, 2021	Small Business Support & Recovery
May 26, 2021	Industry Review
Early/Mid-June 2021 (Special)	Industry Review
June 23, 2021	Industry Review
July 28, 2021	Border Economy
Early September 2021 (Special)	Border Economy
September 22, 2021	Border Economy
October 20, 2021	Trade Expansion
November 17, 2021	Trade Expansion
Early December 2021 (Special)	Trade Expansion

GENERAL ECONOMIC DEVELOPMENT & INTERGOVERNMENTAL RELATIONS

Economic Development Strategy Update: Work with the Economic Development Department and external stakeholders, including, but not limited to, economic development organizations, regional and ethnic chambers of commerce, labor organizations, and workforce development organizations, to update the City's Economic Development Strategy with recovery from the COVID-19 pandemic in mind.

Council Policy 900-12: Review the updated Council Policy 900-12 (Business and Industry Incentive Program) and provide any appropriate updates to improve functionality.

Community Development Block Grant Update (CDBG): Receive a briefing on CDBG funding the City receives and how these funds are distributed and utilized.

Collaboration between the City, SDUSD, SDCCD, and Institutions of Higher

Education: The Committee should explore partnership opportunities, including joint convenings, with our educational institutions to protect students from economic adversity, leverage public resources, educate the public on the correct jurisdictions to seek services, and maintain the health and well-being of our youth.

SMALL BUSINESS SUPPORT & RECOVERY

Small Business Support: Small businesses are an essential part of the City's diverse neighborhoods and identity. Due to the impact of COVID-19, many of these small businesses have been adversely affected or have permanently closed. The Committee should:

- Continue advocating for additional small business relief funding in any future allocations of COVID relief funding from the federal government by supporting the Office of the Mayor in its efforts.
- Review the City's efforts to expand small business funding and grant opportunities, including the Business Finance Loan Program, Matching Grant/Rebate Programs, and others.
- Regularly engage the Small Business Advisory Board to gather feedback on what the City can improve upon to help small businesses succeed.
- Re-evaluate Small Local Business Enterprise Program and potentially redirect its resources to implement the results of the Disparity Study, as the Office of the City Auditor found that the program has yet to create a more diverse contracting base.
- Receive detailed reports on the performance of the City's 18 Business Improvement Districts (BIDs) and provide recommendations for improved performance.
- Consider creating a new fund, San Diego Promise Zone Investment Fund, aimed at providing grants for small businesses located in the federally designated Promise Zone. This fund would be overseen by a Community Advisory Board consisting of residents and business owners in the Promise Zone, who recommend dispersal of funds by the City Council for specific projects and needs. This partnership ensures equitable distribution and can promote revitalization of the small business community in the Promise Zone.
- Consider waiving business fees for small businesses making less than \$30,000 per year.
- Receive regular updates on the efficacy of outreach on the various City programs available to small businesses, how well those programs are utilized, and identify ways the City can improve outreach to small businesses.

- Work with industry leaders to identify opportunities to encourage and incentivize entrepreneurship among our veterans in the community.

Access to Affordable, Quality Childcare: Affordable, quality childcare is integral to supporting working families. According to the San Diego Workforce Partnership Workforce + Childcare report, childcare options in the San Diego region are scarce, inconvenient, unaffordable, and of varying quality, which forces parents to leave, never enter, or struggle in the workforce. The Committee should work with stakeholders and other government agencies to identify policy and funding opportunities to make quality childcare more accessible and affordable. The Committee should also explore establishing an Office of Child & Youth Success and providing in-house childcare for city employees and low-income workers.

San Diego Promise Zone: The San Diego Promise Zone (SDPZ) spans 6.42 miles and includes a portion of Downtown's East Village, parts of Barrio Logan, Logan Heights, and Southeastern San Diego's Encanto. The City's Economic Development Department has programs and partners that help businesses located in the SDPZ area. City staff should provide an update on current SDPZ data according to the US Department of Housing & Urban Development Evaluation Framework, as well as provide updates on overall SDPZ neighborhood revitalization efforts.

Homelessness and Eviction Diversion: Many San Diegans have experienced financial hardship as a result of COVID-19, which includes job loss, reduction of income, and/or increases in medical expenses. The City should advocate for additional funding to assist those experiencing homelessness and those facing evictions. The Committee should also receive an update from the Regional Taskforce on the Homeless and monitor the progress of the task force.

COVID-19 Outreach and Centralized Information Hub: Residents and business owners would benefit from a centralized information hub that contains all COVID-19 infection and vaccine data, government assistance, City enforcement changes, new regulations, and upcoming City decisions related to the pandemic. The Committee should work with regional partners and the Department of IT to develop this portal, and to make it accessible in other languages.

Opening at Least One Library in Each Council District as an Essential Service: The pandemic has highlighted the need to bridge the digital divide for all San Diegans. Our City libraries are an important service to children, students, and adults of all backgrounds, providing easy access to health information, learning resources, job searches, and for leisure. The Committee should review a policy proposing that at least one library in each council district remains open full time and fully staffed as an essential public service.

Healthy Food Access: Several areas of the City of San Diego have been labeled by the USDA as "food deserts," defined as an area in which it is difficult to buy affordable, good-quality fresh food. Additionally, one in six Americans is expected to experience hunger as a result of the pandemic. The Committee should discuss the scope and severity of food insecurity in the region and develop partnerships with community organizations, non-profits, and educational institutions to prevent any resident from experiencing hunger for a single night. Other cities have seen success in using federal grants to implement programs focused on encouraging small convenience stores to offer fresh produce and proteins. The City should explore creative

opportunities to expand access to fresh, healthy foods to residents in food deserts and the Promise Zone.

Create Generational Wealth: Work with the Strategic Alliance (Central San Diego Black Chamber, Asian Business Association, and San Diego County Hispanic Chamber of Commerce) to enact policies and form partnerships to create generational wealth in underserved communities, including through non-profit dispersal of COVID-19 relief funds by ZIP code.

INDUSTRY REVIEW

Arts & Culture: In FY2021, the Arts & Culture budget was cut by 44%, due to a significant loss of Transient Occupancy Tax (TOT) revenue during COVID-19. Arts and culture organizations provide quality jobs to San Diegans as well as recreational activities for tourists, and many have suffered immensely during the pandemic. As the COVID-19 vaccine is expected to spur additional tourism and travel, this Committee should discuss how best to reprioritize arts and culture programs and utilize them as a tool to provide economic development and recovery throughout the city.

Reopening the San Diego Convention Center for Events and Attendees: In 2019, the San Diego Convention Center hosted 143 events and 836,695 attendees, which accounted for 822,528 hotel room nights, \$755.3 million in direct attendee spending, \$29 million in hotel and sales tax revenue to the City, and had an overall regional impact of \$1.3 billion. Since the pandemic, San Diego has been unable to host events and attendees at the Convention Center, halting the City's ability to receive revenue from this source. Under normal circumstances, the Convention Center serves as an economic engine for the City, generating activity for businesses in the region as well as providing essential tax revenue for core City services. The Committee should advocate to the State of California for the timely approval of the submitted Safe Reopening Guidelines, which will provide the Convention Center with much needed regulatory clarity to plan for and execute its reopening when safe to do so. Lastly, the Committee should convene a discussion around how to effectively transition the folks experiencing homelessness who are housed at the Convention Center out of the center and into homes.

Sidewalk Vendor Ordinance: The State of California approved SB 946 in 2018, allowing cities to regulate sidewalk vending. The Committee should develop a balanced sidewalk vending ordinance that takes into consideration creative ways to operate a business while balancing the needs of neighborhoods. Any ordinance would have a significant effect on many immigrant entrepreneurs throughout the City and their input must be solicited. Robust outreach efforts to sidewalk vendor businesses, particularly in communities of concern, is necessary.

BORDER ECONOMY

USMCA & Cross-Border Commerce: The trade deal with the United States, Mexico, and Canada (USMCA) provides new opportunities to expand San Diego's trade economy. The Committee should examine how USMCA is being implemented locally and develop policies that strengthen trade with Mexico and Canada. The Committee should explore ways to grow our manufacturing base with our partners in Mexico. In addition, the Committee should:

- More aggressively pursue policies to preserve business and commerce along San Ysidro Boulevard and the adjacent Business District
- Examine efforts to increase exports from the region and increase the amount of foreign direct investment into the region
- Continue efforts to preserve banking and currency exchange services along the border
- Pursue regional, state, and federal funding opportunities for the Otay Mesa East Port of Entry project, the San Ysidro Port of Entry project, and the Palm Avenue/I-805 interchange project
- Pursue the La Media Road widening project to increase economic competitiveness and improve air quality from limiting truck idling

Joint San Diego-Tijuana Meeting: In partnership with Mayor Gloria’s office, the Committee should work to strengthen the City’s relationship with our partners on the Mexican side of the border and consider holding a joint Tijuana-San Diego meeting with language services available to the public.

Tijuana River Valley: The City has had a state of emergency in effect since 1993 in the Tijuana River Valley (TJRV) due to its history of hazardous contaminated solid waste, sediment, and water quality issues, which flow to communities north of the border and into the Pacific Ocean. As stakeholders continue to work on resolving this issue, the City’s lobbyists should seek state and federal funding to assist with the restoration, mitigation, and cleanup efforts of the area. This can be done through the California Disaster Assistance Act, EPA’s U.S.-Mexico Border Water Infrastructure Program (BWIP), grants offered through California Department of Fish and Wildlife, and via the EPA’s Superfund National Priorities List. Lastly, the City should formally request that the County of San Diego declare a state of emergency in the area due to the contamination and need for cleanup.

TRADE EXPANSION

Regional Competitiveness: Examine existing business expansion, attraction, and retention policies and work with City staff to identify areas for improvement, including, but not limited to, attracting a financial, entertainment, or technology firm to headquarter in San Diego. The Committee should look at ways to strengthen San Diego’s regional competitiveness by promoting the tourism industry, which has been hit hard by the pandemic; incentivize the film and entertainment industries to do business in San Diego, among others.

State & Federal Lobbyists: The Committee should receive regular and timely legislative updates from City staff and lobbyists on the Committee’s priorities in the 2021 State and Federal Legislative Platform, as well as updates on:

- Economic recovery at the regional, state, and federal levels
- Efforts to ensure the San Diego River is clean
- The Biden Administration’s efforts on a comprehensive immigration policy, and be actively involved in those discussions

State & Federal Grants: The Committee should receive an annual update regarding all federal and state grant opportunities available, sought, applied for, and awarded. This report should

include the impact of additional grant staff and the collaboration with our region's elected leadership and the City's lobbyists.

Advocate for Transportation Infrastructure: The Committee will work with SANDAG to support the "5 Big Moves" vision, particularly with regard to better transportation options to the San Diego International Airport. Additionally, the Committee should receive regular updates from our partners at the Port of San Diego and the San Diego County Regional Airport Authority. With regard to expanding trade, the Committee should consider a feasibility study for cargo-only terminal to increase San Diego's tourism capacity; work with local, state, and federal partners to ensure highway on and off ramps receive improvements; and partner with the San Diego International Airport to implement a QR code that visitors can scan that has all tourism-related information in one place.

Updates from the following organizations and agencies:

- Asian Business Association
- Biocom
- Black American Political Association of California – San Diego Chapter (BAPAC SD)
- California Restaurant Association – San Diego Chapter
- Central San Diego Black Chamber of Commerce
- Downtown San Diego Partnership
- Jacobs Center for Innovation
- Navy Region Southwest
- Paving Great Futures
- San Diego Association of Governments (SANDAG)
- San Diego Black Leaders Connect
- San Diego Building and Construction Trades Council
- San Diego and Imperial Counties Labor Council
- San Diego Convention Center Corporation
- San Diego County Hispanic Chamber of Commerce
- San Diego County Hotel-Motel Association
- San Diego County Regional Airport Authority
- San Diego Military Advisory Council
- San Diego Regional Chamber of Commerce
- San Diego Regional Economic Development Corporation
- San Diego Tourism Marketing District
- San Diego Workforce Partnership
- San Ysidro Chamber of Commerce
- Smart Border Coalition
- South County Economic Development Corporation
- TMA BlueTech (formerly The Maritime Alliance)
- Unified Port District of San Diego
- World Trade Center