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MAYOR JERRY SANDERS FACT SHEET

MAYOR LAYS OUT VIGOROUS AGENDA FOR 2011 *Upbeat on Creating Vibrant Economy; Solving City's Structural Deficit*

Vows to Expand Pension Reform, Compete-Out More City Services, Merge Departments, and Invest in Job-Generating Civic Projects

Balboa Theatre -- Calling this a “time of optimism and opportunity,” Mayor Jerry Sanders pledged in his State of the City address tonight to eliminate the city’s decades-old structural deficit by the time he leaves office through a series of new reform measures and cost-cutting, and to work aggressively to create a vibrant regional economy by expanding emerging industries like clean-tech and by building job-generating projects like the Convention Center expansion.

“This is no time to think small,” said Mayor Sanders. “Great cities are built with great ambitions – and with great effort. I see this as a great time for San Diego, a time of optimism and opportunity,” said the mayor. “My last day in office will be as busy as my first, and this will be a time of achievement and progress.”

Next Wave of Pension Reform

On pension reform, the mayor vowed to push forward his ballot initiative to replace pensions with a 401k-type plan for most new city hires. *Forbes* magazine has called Sanders’ proposal “the only sensible way to prevent state and local governments from being financially ruined over and over again.” The ballot initiative next year will build on the mayor’s earlier pension reforms, which are projected to save \$400 million over the next 30 years. The mayor is also working with City Attorney Jan Goldsmith to reduce pension costs for current employees. He is expected to announce more details in a news conference on Friday.

Expanding Managed Competition

Mayor Sanders also vowed to reduce the city's operating costs by expanding managed competition. The mayor announced that he will invite the private sector to compete with city employees to run all or parts of three city functions -- street sweeping, sidewalk/street repairs and public utilities, which includes the city's Water Department. This initiative could save the city tens of millions of dollars. The mayor will outline this initiative in a news conference tomorrow. The city is already competing out its fleet-services and publishing-services divisions.

Merging City Departments

Having already consolidated functions within three city departments, Mayor Sanders announced tonight that he will merge two departments with overlapping functions – Development Services and Planning. This could save as much as \$1 million annually.

Cuts to Services will still be Necessary

Although reforms will help offset the impacts of the national recession on the city's coffers, Mayor Sanders said more budget cutting is impossible to avoid, even though the ratio of general-fund employees to residents has fallen to its lowest level in four decades.

“When the cutting is done, we will have sculpted a government that lives within its means when times are bad and invests responsibly when times are good,” said the mayor. The budget reductions will be outlined in the mayor's budget, to be released in April.

Creating a Vibrant Economy

Understanding the relationship between a city's economic vitality and its quality of life, Mayor Sanders said he will focus much of his efforts this year on job creation and expanding promising industries in San Diego, including cleantech, analytics, wireless health, and others.

Through the leadership of Mayor Sanders, the city has also enjoyed success persuading thriving companies to expand their business here: ATK, which makes spacecraft companies; Bow Tape, which manufactures specialized tape for everything from cell phones to DVD players; and Synthetic Genomics, which is pioneering the science of making fuel from algae.

“This administration will carry through on its strategies for building a vibrant prosperity that is accessible to all, especially the many families that are struggling along with the economy,” said the mayor.

Protecting Redevelopment

Sanders also touted the enormous positive impact that redevelopment has had on San Diego – not just downtown, but in every neighborhood throughout the city. It's been a catalyst for \$12.8 billion in private investment, created 26,000 permanent jobs and generated \$650 million in sales and tourism taxes that fund services like police and fire across the city.

And he had a message for those in San Diego and Sacramento who have proposed raiding San Diego's redevelopment agencies to aid local and state coffers:

“To those in San Diego who would sell out our redevelopment agencies for pennies on the dollar, I say that your thirst for quick cash will come at a steep price,” said the mayor. “And to those in Sacramento who circle like vultures, seeking signs of weakness, I say that we will stand united to defend local control and keep our tax dollars here, not pour them in the pit you've dug.”

Enlarging the Convention Center

In making the case for redevelopment, Mayor Sanders said redevelopment dollars will be needed to partially fund the much-needed expansion of the San Diego Convention Center, which he called “the heart of our tourism industry.”

Since it opened 22 years ago, the Convention Center has pumped \$16 billion into the regional economy. An expanded center would bring \$372 million in added visitor spending and \$17 million in new tax revenue each year.

“The expansion itself will create and support nearly 7,000 new jobs,” said Sanders. “And its elegant and efficient design welcomes the public for the first time with a spacious park and a spectacular view. This project has incredible momentum, and I look forward to breaking ground before I leave office.”

Building a New Stadium

Redevelopment would also be critical to the construction of a new stadium. The mayor promised that he would do everything possible to keep the Chargers in San Diego. “Every investment we make in this city is designed to have a benefit to the taxpayer and to San Diego’s other bottom line: our quality of life,” said Sanders. “That’s why we’re doing all we can to find a way to keep the Chargers where they belong – right here in San Diego – as a source of new revenues and economic vitality. I am confident that the voters know how to make the right decision when an election is held as soon as next year.”

Recent Accomplishments

In his speech, the mayor touted some of the many successes of recent years:

- Ground was broken in 2010 on a new central library, a project three decades in the making
- City-wide water usage has decreased by double digit percentages since 2009
- The number of sewer spills has been reduced 10-fold since 2000
- The number of homicides last year dropped to its lowest level since the 1960s
- The Mayor and convention center officials persuaded Comic-Con – arguably the world’s most buzz-producing convention – to extend its contract for another three years

Plaza de Panama

The Mayor also promised continued progress on the plan to transform the famed Plaza de Panama in the center of Balboa Park.

“We’ll seize the once-in-a-lifetime opportunity to reclaim the heart of the park,” said the Mayor. “The work begun by Dr. Irwin Jacobs and public spirited citizens is the right vision at the right time, restoring historic accuracy with the goal of removing all cars from what will then become one of the world’s great public spaces.”

In concluding his address, the mayor said: “Our city won’t put progress on hold, waiting for the economy to improve or revenues to rebound. We won’t push off our problems on the next generation. We will act now, invest now, create jobs and lift our economy by our own efforts.”

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