

RESOLUTION NUMBER R- 305389
DATE OF FINAL PASSAGE DEC 07 2010

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE MAYOR TO SUBMIT AN APPLICATION TO THE FOREIGN-TRADE ZONES BOARD OF THE U.S. DEPARTMENT OF COMMERCE TO REORGANIZE SAN DIEGO FOREIGN-TRADE ZONE NO. 153 FROM THE EXISTING TRADITIONAL MANAGEMENT STRUCTURE TO THE ALTERNATIVE SITE FRAMEWORK.

WHEREAS, the City of San Diego, as Zone Grantee, administers Foreign-Trade Zone (FTZ) No. 153, established in San Diego on October 14, 1988; and

WHEREAS, FTZs are restricted-access sites within the United States but outside of U.S. Customs territory, although U.S. Customs and Border Protection (CBP) oversees day-to-day operations; and

WHEREAS, as Zone Grantee, the City is responsible for the zone management and annual reporting of zone activity to the U.S. Department of Commerce, FTZ Board; and

WHEREAS, the FTZ allows companies to defer, reduce, or eliminate Customs duties on foreign products admitted into zones for storage, exhibition, assembly, manufacture (with limitations/special permit) and processing, thus helping companies maintain a competitive advantage in the national and local economies; and

WHEREAS, in 2009, the FTZ Board adopted and made available the Alternative Site Framework, a streamlined process for Zone Grantees to designate and manage General Purpose FTZ sites through reorganization, allowing new sites to be activated quickly and less costly; and

WHEREAS, the Alternative Site Framework will allow the City to devote more time to marketing the FTZ to potential users involved in international trade; and

WHEREAS, San Diego's FTZ No. 153 covers the entire county, encouraging collaborative relations with other local cities and the county; and

WHEREAS, the City received a request from a company in Temecula, Riverside County, California, to be included in the San Diego FTZ service area, and the County of Riverside Board of Supervisors supports the inclusion of Riverside County in the San Diego FTZ service area; and

WHEREAS, the Otay Mesa CBP Port Director supports the Alternative Site Framework proposal and the inclusion of portions of Riverside County in the San Diego FTZ service area; and

WHEREAS, the County of San Diego also supports the Alternative Site Framework proposal, and all required concurrence letters from the aforementioned agencies have been issued; and

WHEREAS, a preliminary draft Alternative Site Framework application which included Riverside County with the San Diego FTZ service area has been reviewed by the FTZ Board, who have indicated a favorable response; and

WHEREAS, the Mayor has determined, in accordance with the FTZ Act, that it is advantageous to the City's economic development strategy to reorganize FTZ No. 153 under the Alternative Site Framework; and

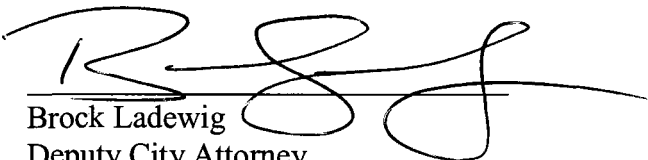
WHEREAS, funding for the ongoing staff time to administer the program is generated by an annual FTZ Operator Fee for each activated operator, the Alternative Site Framework will

encourage the addition of new operators, making the FTZ program fully cost reimbursable;

NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, that the Mayor or his designee is authorized to execute and deliver, for and on behalf of The City of San Diego, an application to the U.S. Department of Commerce, Foreign-Trade Zone Board, to reorganize San Diego Foreign-Trade Zone No. 153 from the existing traditional management structure to the Alternative Site Framework.


APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Brock Ladewig
Deputy City Attorney

BL:mm
11/03/2010
11/04/2010 Cor. Copy
Or.Dept: READ
R-2011-411
ProLaw#2010-03533

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of NOV 30 2010.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 12-7-10
(date)


JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor