CURRENT

SUBJECT: SAN DIEGO PORT POLICY

POLICY NO.: 700-20

EFFECTIVE DATE: April 24, 2013

BACKGROUND:

This policy shall be strictly limited to giving guidance and support to the San Diego Unified Port District (Port District) for those matters which are exclusively within the jurisdiction of the San Diego Unified Port District, as that jurisdiction is expressly set forth and defined in California state law. It shall also be the policy of the City of San Diego (City) to retain and exercise exclusive territorial jurisdiction over those tidelands and submerged lands for which the State of California has historically recognized the City of San Diego as the Local Grantee and which were not included as part of the lands conveyed to the San Diego Unified Port District upon its creation in 1962.

Specifically, it is the intent of the City Council to support the State of California Policy and Port Act Purposes relating to the creation of the San Diego Unified Port District, paraphrased as,

"To develop the harbors and ports. . . for the multiple purpose of the people."

"A port district for the acquisition, construction, maintenance, operation, development and regulation of harbor works and improvements, including rail, water and terminal facilities, for the development, operation, maintenance, control, regulation and management of the Harbor of San Diego upon the tidelands and lands lying under the inland navigable waters of San Diego Bay, and for the promotion of commerce, navigation, fisheries and recreation thereon . . ."

"To protect, preserve, and enhance physical access to the bay, the natural resources of the bay, including plant and animal life, and the quality of water in the bay."

PURPOSE:

To provide for a comprehensive policy statement which will serve as a guideline for the San Diego City Council, its appointed representatives and the San Diego City-appointed Port Commissioners in the execution of their duties.

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The importance of a City Port Policy is based upon the facts that: the City of San Diego is the largest of the port cities; port tenants within the City limits produce 90 percent of all jobs and payrolls in the port; the leaseholds generate 90 percent of all Port District revenue; the combined economic activity of the port creates over 25 percent of San Diego's Gross Regional Product; the San Diego Bay (Bay) is a wildlife habitat, a major scenic and tourist attraction, a big factor of the City's public image, and is the City's front yard.

Furthermore, the purpose of this policy is to develop, maintain and implement a long-term comprehensive strategic plan reflecting economic, integrated planning, environmental and recreational objectives, as outlined below.

Finally, to align with these objectives, it is a purpose of this policy to describe the City's Port Commissioner roles and responsibilities.

A. ECONOMIC OBJECTIVES

It is a policy goal of the City Council that the economic development for the Bay be sustainable. The Council acknowledges that our use of the Bay should not impair future generations' ability to use the Bay. It is a priority for the City Council to foster the economic health of the tidelands, recognizing that the tidelands businesses are a major economic force in the region. Furthermore, the City Council seeks to maximize the regional benefits of the Port District by emphasizing the role of San Diego's harbor in promoting job generation. To meet these economic policy objectives, identified by topic below, the City Council will strive to:

1. Comprehensive Economic Planning

- Urge the Port District to maintain an updated economic strategic plan to guide the long-range development of San Diego Harbor in cooperation with the Navy, port cities, business and community organizations.
- Ensure that the goals and objectives identified in this policy are aligned with the City's focused Economic Development Strategy and comprehensive Economic Development Program, which "shall promote and sustain a healthy diversified economy throughout San Diego."

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2. Innovation Industries

- Support the expansion of the region's "Green tech" and "Blue tech" sectors, including alternative energy, clean water engineering, robotics, maritime trades, ship-building, and ocean research.
- Establish San Diego as a "cyber security hub" of the world.

3. International Trade

- Support the expansion of international trade, by increasing goods-movement and increasing both imports and exports.
- Create and maintain a Metropolitan Export Plan in collaboration with the Port and regional stakeholders.

4. Partnership with the Military

Support the Navy's presence, recognizing its status as the major user of the port and for the jobs they create, and to maintain the "Strategic Port" designation through cooperative planning and development activities.

5. Job Creation and Livable Wages

- Provide for a balance between the industrial trade and tourism/commercial serving uses of the tidelands recognizing "job generation" as a criterion in addition to land use.
- Support the attraction and retention of high-paying jobs in diverse sectors with the intent of building a robust middle class.

6. Economic Competitiveness

- Promote the economic health of port tenants by encouraging the Port District to maintain a rent structure which is regionally competitive and market-sensitive.
- Encourage the best use of vacant or underutilized industrial and commercial leaseholds to maximize regional economic opportunities, minimize negative effects on neighboring residents, and reduce environmental pollution.

7. Public, Private and Infrastructure Investment

- Encourage private investment on Port District lands over public investment; allowing public investment only where it does not compete with the private investment of port tenants and further, to encourage the Port District to use its resources to support future infrastructure development.

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 Urge the Port District to: reinvest in the harbor's deep-water assets to strengthen San Diego's competitive position in the expanding Pacific Rim water-borne trade; work proactively with cities, Caltrans, and railroad operators to cooperatively develop road and rail access to the waterfront; foster the expansion of the cruise ship industry, and optimize the use of Lindbergh Field to support commerce.

8. Marketing

- Support the aggressive marketing of The Port of San Diego, i.e.: encouraging private investment in international trade activities; promoting tidelands industries through trade shows and trade missions; and by continuing to study and publish about the economic impact of the port upon the region.

9. Tourism

- Stimulate tourism by: expanding the convention center; increasing cruise ship calls in San Diego; utilizing aggressive marketing and special events programs; and optimizing the use of Lindbergh Field Terminals to promote San Diego to visitors.

B. INTEGRATED PLANNING OBJECTIVES

The integrated planning objectives of this policy shall be aligned with the goals and objectives found in other City strategic documents, including the Barrio Logan Community Plan, the Downtown Community Plan, the Peninsula Community Plan, and the City of San Diego General Plan. Specifically, the General Plan Mobility Element states that it will be the City's policy objective to "work with the San Diego Unified Port District, Caltrans, and SANDAG to capitalize on potential economic and mobility benefits, and identify and mitigate potential environmental and public health impacts of goods movement to the San Diego region." To meet these planning objectives, as identified by topic below, the City Council will strive to:

1. Environmental Stewardship

Encourage a collaborative approach among the Port District, its tenants, port
cities and regional regulatory agencies on issues of environmental
management, environmental justice, preservation, restoration, mitigation and
cost effective clean-up. This should include community-based planning and
addressing the impacts of Port District operations on neighboring
communities.

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- Encourage the Port District to work with the Federal and State agencies to establish a sufficient wildlife refuge system in the Bay to protect, restore, and manage the wildlife resources of the Bay.
- Ensure that the Port District's plans for protection of the natural fish and wildlife habitats of the bay are implemented, and to avoid any further net loss of wildlife, wildlife habitat value, or wildlife support function of the Bay or tidelands.

2. Intermodal Transportation

- Seek federal public-private resources and pool local resources to invest in building an intermodal infrastructure.
- Partner with the Port District to examine the role of the port within a marine highway system.

3. Infrastructure

- Urge the Port District to cooperatively plan and develop the San Diego waterfront with the City, recognizing the respective responsibilities and authority of each organization.
- Work with waterfront business and the Navy to more effectively utilize port real estate and to build an infrastructure to grow its operations.

C. ENVIRONMENTAL OBJECTIVES

It is a policy goal of the City Council to develop, maintain and implement a long-term comprehensive strategic plan recognizing that the tideland assets of the Bay are limited and that their uses must be optimized to satisfy the commerce, navigation, fisheries, and recreation needs of the region while also protecting the scenic, tourism, water quality, and wildlife assets of the Bay, on which the region depends. To meet these environmental objectives, the City Council will strive to:

- 1. Encourage the Port District to become a model "Green Port" by reducing air, water, and greenhouse gas emissions.
- 2. Promote and support programs for tenants and tidelands industries to reduce: use of toxic materials; generation of hazardous waste; and emissions of toxic and carcinogenic materials to air; land and water.

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- 3. Facilitate a cooperative approach among the Navy, Port District and civilian tenants and community organizations for dredging projects, and their technology and mitigation.
- 4. Join with other jurisdictions and the private sector in the legislative advocacy program promoting a workable and comprehensive approach to the implementation of the Clean Air and Clean Water Acts and other environmental regulations and laws to more efficiently and effectively protect the Bay's environmental resources.
- 5. Work cooperatively with all affected public and private entities in the region to provide for the control of industrial and non-point source water pollution and industrial and incidental air pollution.
- 6. Develop and implement both structural and educational measures for the reduction of urban runoff pollution.
- 7. Develop policies and commit resources required to improve the water quality in the Bay so that the fish in the Bay are safe to eat, the water is safe for water contact recreation, and there is support for the full range of wildlife which depends on the Bay.
- 8. Encourage the use of emission-reduction technology to the greatest extent possible for all goods movement activity at the Port terminals, both in transportation and cargo handling.
- 9. Support projects and programs that will alleviate negative environmental and community impacts on adjacent and neighboring communities.

D. RECREATIONAL OBJECTIVES

It is a policy of the City Council to recognize the economic benefits that both residents and tourists pursuing recreational activities bring to the region while also recognizing the increased standards these activities have on the quality of life for residents. The Council acknowledges that recreational objectives rely heavily on the water quality, tideland assets, and wildlife assets of the port. To meet these recreational policy objectives, the City Council will strive to:

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- 1. Increase access and facilities in the north and central portions of the Bay for both visitor and small boat recreation such as picnicking, wading, walking, water skiing, personal water craft, sailboats, kayaks, etc. to promote tourism, recreation, and to ease the pressure on more environmentally sensitive areas of the Bay and on other overloaded recreational waters.
- 2. Provide for natural resource oriented, non-disruptive, passive recreational facilities and interpretive facilities on the margins of the southern portions of the Bay and other scenic and wildlife rich portions of the Bay.
- 3. Expedite completion of the Bayshore Bikeway to encourage active recreation and reduce reliance on motor vehicles.

E. ROLES AND RESPONSIBILITIES OF COMMISSIONERS

- 1. The City shall appoint Port Commissioners as provided in Council Policy 000-13, as the same may be amended from time to time.
- 2. The City-appointed Port Commissioners shall possess a balance of qualifications that will support the port's complex and diverse needs and should be comprised of three individuals who have several years of professional experience in one or more of the following fields:
 - a. Environmental Stewardship
 - b. Innovation/Technology Sector
 - c. Tourism/Marketing
 - d. Manufacturing
 - e. Shipping/Operational
 - f. Legal
 - g. Real Estate
 - h. Land Use & Planning
 - i. Maritime or Marine Services
 - j. International Trade or International Trade Logistics
 - k. Finance
 - 1. Public Service

The City Council may consider individuals for Port Commissioner outside of the above listed fields if they are determined to be otherwise qualified.

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- 3. The City-appointed Port Commissioners shall be appointed in accordance with Council Policy 000-13. Nominees should be familiar with the City's priorities for the Port, as outlined in Council Policy 700-20.
- 4. The City-appointed Port Commissioners shall present a report on the Port District's annual work plan to the City Council at the beginning of every year.
- 5. The City-appointed Port Commissioners shall report out semi-annually at a minimum to the appropriate Council Committee, and shall brief the Mayor or his/her appointed designee quarterly at a minimum, or more frequently if requested.

F. REVISIONS/UPDATE

1. The Port Policy shall be reviewed and updated every three years at a minimum or more frequently if compelling circumstances necessitate it.

REFERENCES:

Council Policy 900-01, "Economic Development"

HISTORY:

"Federal Grants For Urban Renewal"

Adopted by Resolution R-190326 - 05/09/1967

Repealed by Resolution R-253999 - 04/13/1981

"San Diego Port Policy"

Adopted by Resolution R-254334 - 07/25/1994

Amended by Resolution R-286212 - 08/07/1995

Amended by Resolution R-287279 - 05/06/1996

Amended by Resolution R-308070 - 04/24/2013