

CITY OF SAN DIEGO, CALIFORNIA
COUNCIL POLICY

CURRENT

SUBJECT: ECONOMIC DEVELOPMENT
POLICY NO.: 900-01
EFFECTIVE DATE: January 16, 2024

BACKGROUND:

Economic development refers to activities undertaken by the public and private sector to promote job creation and retention and ensure a strong diversified economy. Since the 1950s, the City has planned and implemented a variety of economic development programs. The City's economic development activities include business attraction, business retention and expansion, commercial and neighborhood revitalization, redevelopment, small business assistance, tourism promotion, international trade, and development projects involving City-owned land. The City's success in these activities depends on its complementary efforts to provide for public infrastructure, affordable housing, employment and training, and environmental quality, as well as actions in the legislative and regulatory arenas.

The Council Committee on Economic Development and Intergovernmental Relations (ED&IR Committee) is responsible, among other functions, for reviewing the City's economic development programs and strategies and making related recommendations to the City Council.

PURPOSE:

This Policy provides the framework for a comprehensive Economic Development Program and a focused Economic Development Strategy to guide the City's economic development activities.

POLICY:

The City Council supports a comprehensive Economic Development Program and a focused Economic Development Strategy, which collectively promote and sustain a healthy, sustainable, and diversified economy throughout San Diego. The City's Economic Development Department (EDD) should prepare an update to the focused Economic Development Strategy every three years. The ED&IR Committee (or its successor in function) will make a recommendation to the City Council on all updates to the focused Economic Development Strategy.

1. Focused Economic Development Strategy
 - a) The Economic Development Strategy will include each of the following elements: mission, goals and objectives, actions, economic indicators, and performance measures.

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- b) The Economic Development Strategy will be aligned with pertinent goals and objectives in other City strategic and operational documents, including the General Plan Economic Prosperity Element, the City Strategic Plan, the Annual Budget, and this Policy.

EDD staff will present an annual progress report on the adopted Economic Development Strategy to the ED&IR Committee (or its successor in function).

2. Comprehensive Economic Development Program

EDD staff will administer the Economic Development Program and coordinate with other City departments and external stakeholders to implement the following economic development goals and activities:

- a) Support Workers and Families
 - i. **Expand middle- and high-income jobs:** partner with employers to advocate for an increase in middle- and high-income jobs, which will help San Diegans earn a living wage, provide for their families, and reinvest in their communities; remove barriers to attaining high-quality jobs, ensuring that underrepresented groups have access to these opportunities.
 - ii. **Provide training and support to prepare workers for middle- and high-income jobs:** address gaps in workforce education and expertise in a way that deliberately builds competencies in San Diego’s growing industries, presenting businesses with a rising pool of skilled workers; complement these efforts by fostering partnerships with nonprofit entities to deliver technological literacy trainings and workshops to build new job skills and enhance existing skills.
 - iii. **Provide services to help individuals secure and sustain employment:** focus on providing access to “wraparound” services that enable workers to sustain employment; help address the childcare, academic, and mobility needs of working parents and those experiencing economic hardship, which will promote financial and workforce stability and improve overall quality of life.

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- b) Support Small and Local Businesses
- i. **Strengthen the network of nonprofit entities creating an ecosystem of small business support:** in conjunction with economic and community development stakeholders, continue to offer tremendous resources and expertise for small businesses; strategically convene these stakeholders and target resources more deliberately, which will yield the most positive impact for business owners.
 - ii. **Provide small and local businesses with technical assistance and resources:** recognize that, while each small business owner or entrepreneur may share a commitment to providing a high-quality good or service, the individual's level of business acumen or tech-savviness can vary; offer business literacy and related resources, such as internet and digital support, which will help level the playing field and allow business owners of all backgrounds to succeed.
 - iii. **Increase access to capital in under-resourced communities for small businesses:** in conjunction with local stakeholders, continue to provide an array of financial incentives and grant opportunities; streamline the process of receiving grants and target additional funding sources, which will improve the financial condition of local businesses and support financial literacy.
- c) Bolster Trade and Innovation
- i. **Provide programming and regulatory updates to catalyze trade:** support programs and regulations that promote trade and foreign direct investment, which will help usher in a new wave of intra- and inter-continental business and cultural exchange; identify key barriers to trade, providing assistance to local, newly-exporting firms and creating targeted incentives, which will make the City a more attractive place for global firms to do business and increase trade.
 - ii. **Invest in the “innovation economy”** (e.g., Aerospace, Clean Tech, BlueTech, Life Sciences, and Defense): recognize that cities around the world are vying for top talent and profitable, cutting-edge firms; continue adapting the City's strategies to attract and retain these innovative firms and leading sectors and industries through marketing, incentives, and modernized, sustainable infrastructure.

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- iii. **Increase efforts to support a binational economy and promote multicultural identity:** maximize San Diego’s geographical advantage as a border city, fostering strong business, workforce, and cultural ties with Tijuana and the broader Baja California region; fully leverage this unique advantage by focusing on strategic partnerships and improved border infrastructure.

- d) Strengthen Neighborhoods
 - i. **Intentionally engage and invest in under-resourced communities:** carry out intentional, authentic outreach to under-resourced communities, increasing economic prosperity for all San Diegans; as part of this outreach, provide equitable access to the wealth of resources and services available in the City and from key partners, ranging from food and internet service to business mentorship and grant funding.

 - ii. **Cultivate vibrant commercial corridors and cultural spaces:** support the development of commercial corridors and community spaces, which play a crucial role in building healthy, vibrant neighborhoods where residents shop and gather, build wealth through small businesses, and celebrate community culture; undertake concerted efforts with partners and targeted funding strategies to help support the streets and businesses that anchor each unique neighborhood.

 - iii. **Coordinate partnerships and funding that increase affordable housing options:** continue to address the lack of affordable housing and the homelessness crisis, which are key barriers to the City’s ability to attract and retain talent and preserve overall quality of life; sustain ongoing efforts with partners to identify creative solutions that increase housing supply, protect existing affordable housing, and connect residents with the resources they need to find and stay in their homes.

REFERENCES:

Council Policy 000-19, Legislative Policy Guidelines
Council Policy 900-04, Industrial Development
Council Policy 900-07, Business Improvement Districts
Council Policy 900-12, Business Incentive Program
Council Policy 900-15, Small Business Enhancement Program (SBEP)
Council Policy 900-17, Storefront Improvement Program

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HISTORY:

Adopted by Resolution R-213611 – 06/19/1975

Amended by Resolution R-223090 – 03/19/1979

Amended by Resolution R-251992 – 06/09/1980

Amended by Resolution R-258414 – 05/09/1983

Amended by Resolution R-260765 – 05/22/1984

Amended by Resolution R-261080 – 07/03/1984

Amended by Resolution R-280134 – 06/15/1992

Amended by Resolution R-307888 – 11/28/2012

Amended by Resolution R-315297 – 01/16/2024