



**MAYOR BOB FILNER
CITY OF SAN DIEGO**

**Mayor's Vision
for the Port of San Diego:
*A Collaborative Regional Approach
To Growing Jobs, a Green Port and
Healthy Communities***

Presentation to the Rules and Economic Development Committee

March 6, 2013

INTRODUCTION

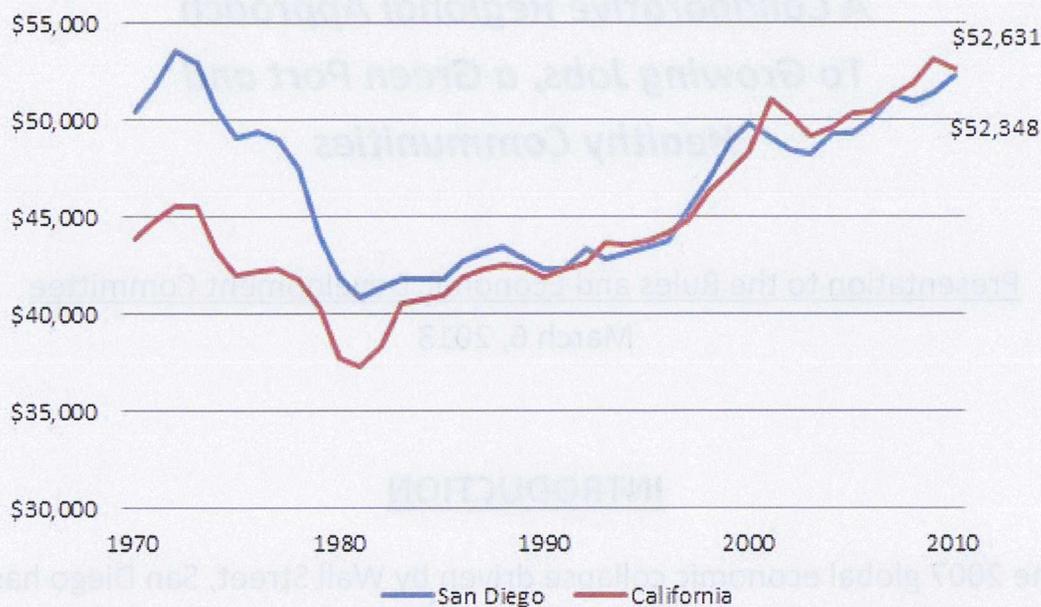
With the 2007 global economic collapse driven by Wall Street, San Diego has suffered. While the global and national economies are the main components driving the local downturn, we can act locally to strongly and positively influence our economic fate.

Nationally, there are glimmerings of economic hope. Yet San Diego's unemployment rate remains well above the national average. Local defense

expenditures since 2003 have helped to mitigate the worst effects of the Great Recession, but with the nation’s military operation in Iraq ended and in Afghanistan drawing down, and with the impacts of sequestration looming, San Diego may soon see significant declines in defense spending. If we do not take aggressive steps to restore our economy, we will continue to be mired in economic stagnation.

In terms of average annual wage per job, in the past two decades, the region has added eight low-paying jobs for every one high-paying job. The figure below¹ shows that even when adjusted for inflation, the average wage per job in San Diego in 2010 pays less than the average wage per job in 1972. And when compared to statewide statistics, real wages in San Diego have been trailing during the last decade.

Real average wage per job, 1970-2010



Sources: Average wage per job from Regional Economic Information System, CA34, Bureau of Economic Analysis, U.S. Department of Commerce; CPI (California) calculated by the CA Department of Finance using a formula developed by the CA Dept. of Industrial Relations (DIR); CPI-U (San Diego) annual averages from Bureau of Labor Statistics.
 Note: CPI does not reflect the relative cost of living between San Diego and California.

¹ Originally published by the VoiceOfSanDiego.org on January 30, 2012.

There are still almost 68,000 people unemployed in the city of San Diego who are willing and able to work.² In addition to the unemployed, one-in-five workers is underemployed, which includes people who are working fewer hours than they would like to, and those who have not looked in the last four weeks, perhaps because they were disappointed by the lackluster job market.

The combined impact of job losses and lower wages is felt on the overall economy of the region. During the recession, retail sales in San Diego fell by \$12.1 billion, as battered consumer confidence and slimmer wallets led to severe cutbacks in household spending.

Moreover, facilitating global trade while protecting the environment is a delicate balance. To strike that balance, the Port of San Diego should lead the way when it comes to reducing air emissions, improving water quality, modernizing facilities and cultivating the development of new technologies that will help ensure good jobs and a brighter future for millions of people. The Port's mandate to protect the natural environment and to be a good neighbor to the surrounding communities must be an equal priority to increasing economic development. These must go hand-in-hand and, in fact, build on each other.

Currently, the Port of San Diego generates about 263,000 pounds of diesel particulate matter emissions per year with ships and trucks being the largest sources. Asthma rates are disproportionately high in the area with asthma-related hospitalizations for children being 54 percent higher in Barrio Logan and 24 percent higher in National City than the county average. The California Air Resources Board estimates that freight movement in the San Diego region costs almost 20,000 school absence days, over 50,000 restricted activity days, over 7,000 lost work days, 860 asthma attacks and 44 deaths per year (2005 estimates).³ By 2020, with no added controls, these figures would rise

² California Employment Development Department, unemployment data for April 2012 is not seasonally adjusted.

³ California Air Resources Board, *Emission Reduction Plan for Ports and Goods Movement in California*, Appendix A, Quantification of the Health Impacts and Economic Valuation of Air Pollution From Ports and Goods Movement In California (March 21, 2006).

dramatically. Admittedly, the Port has taken steps through actions like its Clean Truck Program and ship shore-powering to reduce air pollution and its associated impacts, but there is certainly more that can be done.

Consequently, any policy that promotes increased industrial activity – even if for the laudable goal of increasing jobs – must be balanced with the need to protect our environment, our neighborhoods, our children and our future.

THE VISION

To bring San Diego into the 21st century, I recognize the need to build our economy in a sustainable manner. As San Diego rebuilds our local economy and adds jobs, it is important to attract and to retain quality high-paying jobs in diverse sectors. I have identified six goals that are essential to moving San Diego forward toward a stronger, more diverse base of well-paying jobs:

1. Achieve “full employment”⁴ in our city, with our private and public sectors creating at least 50,000 jobs by 2020.
2. Build a robust middle-class by attracting industries that pay an average wage at or above \$50,000, and assisting other local industries in improving their average wages.
3. Create 6,000 jobs in the AQUA Economy, by pursuing a Strategic Plan for more public and private investment in the Port and increase the competitiveness of our region’s goods-movement economy.
4. Become a model “Green Port” by reducing air, water and greenhouse gas emissions by 20 percent by 2020.
5. Create a Southern California Innovation Cluster extending from Los Angeles to the border that positions us to be a globally competitive region. This cluster would attract thousands of good jobs and over \$1 billion annually in venture capital to San Diego.

⁴ “Full employment” refers to a stable-state economy, with enough jobs being added to keep up with the population growth.

6. Establish a Veterans Employment Department within my office to ensure that veterans are given the opportunity to be self-sufficient in civil life.

Today's presentation will focus on the Port of San Diego, one of our region's most important economic drivers, and on the building of an AQUA economy.

THE PORT AND THE AQUA ECONOMY

We share a beautiful bay with four other cities and a waterfront where thousands of San Diegans go to work. The maritime industry consists of more than 1,400 companies producing over \$14 billion of direct sales and a workforce of almost 46,000 jobs spread across an array of traditional and technology-oriented sectors.⁵ Indeed, some economists estimate that the industry may directly or indirectly be supporting as many as 120,000 jobs in the region.

My vision for the Port, which I plan to develop as a regional asset with the help of my fellow Mayors from National City, Chula Vista, Coronado and Imperial Beach, contemplates an economy that combines our region's "green" sectors (alternative energy, efficiency technology) with the "blue" sectors (maritime trade, ship-building, defense, ocean research) into an "AQUA Economy." The AQUA Economy is a cluster of industries that support maritime operations, maritime technology, defense, ship-building, ocean research, climate science, fishing, and energy sustainability in San Diego. These "AQUA Jobs" span across blue-collar jobs, white-collar jobs and green-collar jobs, are oriented towards the water, include innovations for sustainability, and are well-paying.

⁵ *San Diego Maritime Industry Report* (2012).

The anchor of the AQUA Economy is our Port. It is the largest break-bulk port in the state, importing and exporting cargo that does not fit easily in containers.⁶ The Port's two cargo terminals process almost \$6 billion in imports and \$71 million in exports annually. One of the Port's largest clients is Dole Food Company, Inc. This company operates in a "niche market" because their products (primarily bananas) are perishable and consumed within the region to which they are delivered. According to the National University System of Policy Research, the Port's two maritime terminals play an increasingly important role in the region's economy:

- \$1.7 billion in regional economic activity: That is the equivalent of 4.5 Super Bowls, 12 U.S. Open Golf Championships, or 60 Holiday Bowls. This impact also exceeds the annual economic impact of the San Diego Convention Center.
- 19,000 jobs are associated with the activities at the maritime terminals.



- These jobs are high paying. On average, Port jobs pay 28 percent more than the region's median (private sector) wage. Certain professions, such as longshore workers, clerks, and dock foremen, pay more than double and triple the region's median wage.

The cruise-ship business is also an important part of our AQUA Economy. The Port estimates that each ship beginning and ending a cruise in San Diego contributes about \$2 million to the local economy.

⁶ "Economic and Fiscal Impacts of the Port of San Diego", Economics Research Associates (2007).

STRATEGIC PLAN OF ACTION

My vision aims to create 6,000 jobs in the AQUA Economy by 2020. It will bring more public and private investment to the Port and increase the competitiveness of our region's goods-movement and cruise-ship economy. Although the San Diego Unified Port District is a separate agency from the City, working with the other member cities allows San Diego to take a leadership role in regional policy-setting.

These are the five strategic areas on which my vision focuses:

A. Global Perspective on Trade

We are located on the rim of the Pacific Ocean, the largest, deepest ocean in the world that is the gateway to emerging markets in Asia and Latin America. Nearly a quarter of the State of California's economy can be attributed to international trade, along with more than 500,000 jobs for California workers and approximately \$7 billion in state and local tax revenues collected annually.⁷

However, we are nowhere near the capacity of what we can do. I intend to increase goods-movement and goods-movement jobs for the Port of San Diego. I will work with Port District officials and my Mayor-Colleagues to make trade (and trade-related businesses) a priority. I will take action to secure international trade opportunities:

- I plan to reach out to local San Diego businesses to increase local use of the Port of San Diego, for both imports and exports.
- I will work to increase exports from our region 33 percent by the year 2020. This is a \$5 billion increase, which would lead to \$20 billion in total exports annually by 2020. As our green energy sector (such as the manufacture of solar turbines) grows, our exports will grow.
- I will give personal attention to the expansion of international trade, and will lead trade missions across the border and overseas. I will endeavor to bring in business from new and emerging markets, including China, India,

⁷ California Association of Port Authorities (CAPA).

Australia, Brazil and Peru. I will work with our friends in Mexico so that the San Diego Port can increasingly serve the growing Mexican manufacturing industries. I plan to bring closer together the large Filipino community in the region with the Republic of the Philippines. And I will personally welcome trade missions to our City.

Recently, the selection of the Port of San Diego by the Brookings Institute for its Metropolitan Export Initiative is exciting news for our region. We now have an opportunity for ground-up collaboration between our regional civic, business, and political leaders to create and implement a **Metropolitan Export Plan** (MEP). This export plan will apply market intelligence to develop targeted, integrated export-related services and strategies to help our Port better connect domestic firms to global customers to meet our export goals.⁸ I am working now to bring our regional leaders and the Port of San Diego together to set export targets and to implement the export plan.

B. Strategic Port and Military Investment



⁸ Brookings Institute. <http://www.brookings.edu/about/projects/state-metro-innovation/mei>

The Port of San Diego serves an important role in national defense as one of only 17 “Strategic Ports” in the United States and the No. 1 Strategic Port on the west coast. According to the Commander of U.S. Navy Southwest Region, Rear Admiral Dixon Smith, 18.4 million pounds of military cargo has gone through the 10th Avenue Marine Terminal and the National City terminal in the last two years. This ranks the Port of San Diego 6th amongst the 17 strategic ports in the U.S.⁹

The San Diego region includes the largest concentration of military personnel in the world – some 60,000 sailors and 40,000 marines. The naval base includes 57 home-ported ships and 34,000 military and civilian employees.¹⁰ Our geographic location on the Pacific Ocean, and our proximity to the Army’s national training center at Fort Irwin in the Mojave Desert, gives us a strategic advantage. In addition, our Port offers secure, deep-water berths, and good inland infrastructure (such as connections to highways and rail). As a result, the Port handled 15 major military cargo loadings and unloadings between 2007 and 2010.¹¹ About a quarter of these consisted of Stryker unit refurbishments, which alone created \$93 million in contractor work and 2,000 jobs for the region.

The private sector, too, plays a role, since General Dynamics NASSCO is the only major shipbuilder on the west coast. The Navy uses their facilities for ship repair as well as to build new vessels.

Our Port is an invaluable asset in terms of national security, in that it provides the infrastructure and services necessary for military and deployment activities, and in terms of vehicles and equipment in and out of the homeland. Through a collaborative relationship with the Navy, the Port and the private defense industry in San Diego, I envision:

⁹ Rear Admiral Dixon speaking at a recent panel discussion video posted at: <http://www.portofsandiego.org/maritime/3146-port-of-san-diego-strategic-port.html>

¹⁰ Port of San Diego, *The Working Waterfront* (April 2012).

¹¹ Port of San Diego, *Maritime Factsheet* (May 5, 2012).

- Maintaining our “Strategic Port” designation, and bringing federal funds to San Diego to continue our active role in homeland defense at the two marine terminals.
- Working with waterfront businesses (like General Dynamics NASSCO and BAE Systems) and the Navy to more effectively utilize Port real estate and to build an infrastructure to grow its operations.
- Actively supporting our major fleet support installations at the Naval Base in San Diego, which is only one of two in the U.S.

C. Intermodal infrastructure

Every dollar invested in the Port yields \$2.80 in economic activity for the region. However, the growth of our Port in the 21st century is constrained by our infrastructure and real estate. To be competitive and efficient, there needs to be seamless goods movement from ship to trucks or from ship to rail.

The National City terminal has some land that is used by Pasha for car offloading and storage before being transported to dealers. However, there is not much more room for container storage. This is because it operates on tidelands that generate complementary real estate revenue. The Port is also affected by

urbanization and gentrification, which leads to the juxtaposition of incompatible land uses.

I am actively working to bring local governments (like the other Port member cities, the county, the Port, and SANDAG) together to focus on the infrastructure needs of our region’s goods movement, and to explore the following:



- Plan an intermodal infrastructure that combines roads, rails and bridges to move goods in and out of the port synchronously.
- Pool local resources (like TransNet) and seek federal public-private resources (like a proposed “Infrastructure Bank”) to invest in building the intermodal infrastructure.
- Explore an inland port located eastward that operates as a distribution facility and is connected by an east-west rail-line to one of the terminals.
- Provide transitional-use zones in city areas bordering Port tidelands to provide protection for our urban neighborhoods even as we expand our maritime industry.

D. Marine Highways, Short Sea Shipping

Short sea shipping is a form of domestic transportation that uses water barges and smaller vessels for moving cargo, rather than land modes like highways or rail. The M-5 Marine Highway Corridor runs along the west coast.¹² This highway provides a viable means of water-based transportation and should be utilized by the Port. It would not only ease traffic congestion from containers on land-based highways, but also ease air pollution from trucks driving through surrounding neighborhoods.

The marine highway is a potential game-changer for goods movement through San Diego. Our Port should serve as a major node within the U.S. marine highway network by taking the following steps:

- Develop a Marine Highway Initiative that examines the role of our Port within the highway system that is appropriate to our location and growth objectives, by working cooperatively with sister cities

¹² U.S. Department of Transportation, Marine Administration.

http://www.marad.dot.gov/ships_shipping_landing_page/mhi_home/mhi_home.htm

that are part of the San Diego Port, as well as destination M-5 ports, including Seattle, Los Angeles and Long Beach.

- Reach out to businesses that will locate to San Diego to service the maritime highway operations.
- Seek federal grant funding (U.S. Department of Transportation, Marine Administration) for a container-on-barge service route serving California and Washington.

E. Revitalize Fisheries

San Diego has a small boat fishing industry with about 130 fishermen who catch swordfish, California spiny lobster, rockfish, red sea urchin, sharks, halibut, rock crab, albacore tuna, lobsters, California sheephead, spot prawn and other live fish contributing to 2.5 million pounds valued at \$7 million in 2008.¹³ There are four landings in the region: Driscoll's Wharf, Tuna Harbor, Mission Bay and Oceanside, of which the first two are within the jurisdiction of the Port of San Diego. In addition, our region exports sea urchins.

However, over the decades, the fishing industry has experienced a significant decline, mainly because of regulatory barriers and global competition. At the same time, there is a growing demand for fresh, sustainable seafood in the region. In response, the Port is currently implementing a Commercial Fisheries Revitalization and Coastal Public Access Plan. The plan calls for a facility for fishermen to sell fish directly to the public.

I see value in reinvigorating the fishing industry by building San Diego's version of Seattle's "Pike's Place" for local consumption, restaurants, tourism, and healthy eating for school children.

There is a significant untapped market for recreational fishing in California, which could be anchored in San Diego. The National Oceanic and Atmospheric Administration (NOAA) has signed a 10-year lease with the Port for home porting of its newest vessel (the *Reuben Lasker*, named after the late Professor Lasker at

¹³ Port of San Diego. <http://www.portofsandiego.org/commercial-fisheries.html>

Scripps Institute) as well as an office at the 10th Avenue Marine Terminal. The vessel is one of the most technologically advanced in the world, and will conduct surveys for fish, marine mammals and turtles off the west coast of North America and in the eastern tropical Pacific Ocean. A new NOAA fisheries vessel in San Diego brings an estimated \$27 million annually in direct economic contributions, creating approximately 24 local jobs.

F. A Quality Undertaking for American (AQUA) Jobs

The AQUA Economy consists of many technology and intellectual property-based firms that encompass sectors as diverse as seafood, ship-building, ocean energy, defense, robotics and clean water engineering. These firms typically have a global focus, but are often rooted in local research institutions like Scripps Institute of Oceanography, Hubbs-Sea World Research Institute, NOAA Southwest Fisheries Science Center, and the USD Department of Marine Sciences and Environmental Studies. Even though some of the customer base may not be local (especially for those serving the energy sector), they benefit from local talent and complementary services by clustering together.

According to a recent *BusinessWeek* report, biotech innovators in San Diego are leading the way in producing fuel from green goo (algae). These job creators are clustered around our UC, Scripps and Salk research institutions. Biofuels from algae are the top clean technology priority for policymakers in California, on a path to produce fuel on an industrial scale by 2015. Aircraft could start using biofuels in 5 years. The algae industry constitutes \$81 million in economic activity in the region and creates 466 local jobs.¹⁴

I recognize the need to tap into local strengths to serve a constantly-changing global marketplace of ideas and innovation. I am committed to growing the AQUA Economy by pursuing the following:

¹⁴ Bloomberg *BusinessWeek*, October 11, 2012. "Algae are a Growing Part of San Diego's Appeal". <http://www.businessweek.com/printer/articles/75568-algae-are-a-growing-part-of-san-diegos-appeal>

- Create “PortTechSD” by partnering with the Port and the Maritime Alliance. This is a technology incubator similar to PortTech LA to attract and mentor entrepreneurship that will enable the Port of San Diego – and ports worldwide – to meet their environmental, energy, security and logistics goals.
- Establish a Clean Water Technology Center of Excellence that would develop, test and find commercial applications for new water purification technologies. This could be either in conjunction with PortTechSD, or as a separate public-private partnership.
- Expand economic opportunities for young San Diegans through the Youth Development Office, by partnering with the maritime industry cluster, the Navy, and our maritime research institutions.
- Establish a national Maritime Robotics Center of Excellence which would focus the region’s efforts and broaden awareness as it could serve as a national test bed.
- Tie the green and blue technologies closer together by encouraging such areas as wave energy, use of algae as biofuel, and ocean sources of food.



G. A Green and Sustainable Port

The Port District has multiple strategies available through which community and environmental impacts can be reduced and sustainability can be promoted while increasing economic activity. The Port should be an active

partner in developing and implementing these strategies with the City of San Diego. These strategies include:

- Protecting neighbors and workers. Neighbors of the Port should not suffer the negative impacts from polluting Port and tenant operations. The Port should set a goal to address the impacts of Port operations on neighboring communities and the bay to find the balance that will ensure community protection while supporting good job creation and environmental protection.
- Utilizing shore-powering or other emission-reduction technology to the greatest extent possible for all new goods movement activity at the Port terminals. The Port should develop shore-power infrastructure in a manner that avoids increasing peak-energy time-period demands on the existing electricity grid through use of demand response, distributed generation, and renewable energy sources.
- Identifying and quantifying the environmental and community impacts – including air, water, land pollution, greenhouse gas emissions, noise, and their impacts on adjacent and neighboring communities – for new and existing operations and executing a mitigation plan that significantly reduces these impacts.
- Deploying the cleanest available locomotive and truck technologies for inter-modal facilities.
- Collaborating with the Port and its member cities on the development and adoption of their individual Climate Mitigation and Adaptation Plans to incorporate energy efficiency, pollution control and reduction, water conservation, adaptation measures, and clean energy sources.
- Integrating community-based planning with neighboring jurisdictions. As we seek to increase the operational efficiencies at

the Port terminals, we must integrate our planning with the needs of the adjacent communities. This approach will require innovation and vision to balance the Port's land-use plans while protecting community and environmental health.

- Reducing water discharges into the San Diego Bay from Port operations to the greatest extent possible.
- All trucks serving the Port and its tenants must be upgraded or retrofitted to ensure compliance with California engine standards
- Using the "Best Available Control Technology," including electrification and other technologies for cargo handling, terminal and stationary equipment
- Collaborating with the member cities, the Port and the surrounding neighborhoods to secure federal, state and private funds dedicated to improving environmental and public health.
- Ensuring that the Port's plans for protection of the natural fish and wildlife habitats of the Bay are implemented as part of its important stewardship responsibility.

IMPLEMENTATION OF THE VISION

There are two important components to implementing this Vision:

1. Formalizing the qualifications and process for the appointment of the City's three Port Commissioners, so that we can best ensure they are able to implement the City's Vision in that collaborative environment; and
2. Revising Council Policy 700-20 to reflect the current realities of this new Vision and the appointment process.

Qualifications

The Port is responsible for balancing an extraordinarily diverse set of public policy issues in its management of the public Tidelands. These issues include supporting “economic vitality and community benefit through a balanced approach to maritime industry, tourism, water and land recreation, environmental stewardship and public safety.”¹⁵

Ultimately, these public policy concerns are San Diego’s as well, and our Commissioners should be well prepared to address them in a way that is beneficial to San Diego and to the region.

To that end, the delegation of three San Diego Port Commissioners should, as a group, possess a balance of qualifications that will support the Port’s complex and diverse needs. In other words, the choice of a Commissioner should also take into account the qualifications of the other appointed Commissioners to create a well qualified and balanced delegation. Consequently, each Commissioner should have *several years of professional experience* in one or more of the following fields:

- ✓ Maritime
- ✓ Industrial
- ✓ Real Estate
- ✓ Hospitality
- ✓ Cruise
- ✓ Environmentalism and Sustainability
- ✓ Regional or International Diplomacy

¹⁵ Port of San Diego Mission Statement, <http://www.portofsandiego.org/about-us.html>.

Process

It is important, as a matter of fairness and due process, that our Port Commissioners be selected using the same criteria applied to their qualifications and the same process for their selection. Applying different voting criteria or procedures to different Commissioner appointments is unfair to the public and to those who wish to serve their community. Moreover, it fosters a cynical view of a government that is not transparent or accountable.

We must also be mindful of the fact that Commissioners serve four-year terms, which means that the City will, at a minimum, be appointing at least one Commissioner every two years and on alternating appointments, two Commissioners. It is in those years when the City is responsible for appointing two Commissioners – and when more than two candidates are nominated to fill those appointments – that the procedural challenges arise.

To address these procedural concerns, I recommend that Council Policy 700-20 be amended to reflect the following voting process:

1. When a single appointment is to be made and more than one qualified candidate has been nominated for the position, the Council should vote until one candidate receives five or more Councilmember votes. In the event the five or more votes are not achieved in the first round, the candidate with the lowest number of votes should be dropped from the next round of voting, and voting should continue in that manner until the required number of votes are achieved.
2. When two appointments are to be made and more than two qualified candidates are nominated for the positions, each Councilmember should cast both of his or her votes for two different candidates in each round of voting. In the event more than two candidates receive a total of five or more votes in a round, all candidates with fewer than five votes should be dropped from the next round of voting. Voting should continue in that manner – with the candidate with lowest number of votes dropping from the process – until two candidates remain that have received the required number of five votes or more.

3. In the event of a tie vote for a number of candidates that exceeds the number of seats being appointed, if the Council votes for three rounds and the tie is not broken, then no appointment shall be made at that time. The Council President should then provide notice of the opening of a new nomination process.

Council Policy 700-20, San Diego Port District Policy

Council last amended its Port Policy 700-20 in May of 1996. So much has happened since then, and it is imperative that the policy be updated to reflect the current realities of our region. To assist the Council with its implementation of this new Vision, and its formalization of the qualifications and process for appointing Port Commissioners, I would be happy to assist with redrafting Council Policy 700-20, a current copy of which is attached for reference.

CONCLUSION

Our City has many challenges to bring San Diego into the 21st century and to build our economy in a sustainable manner. One key component to that strategy is that we must add jobs in a diversity of economic sectors throughout our region. Another is to ensure that our growth in the industrial sector is balanced to protect our neighborhoods and the adjacent communities. To those ends, I have identified a multi-faceted approach that focuses on targeted strategic objectives, by working with many of our best regional leaders at all levels of government, and by embracing and growing one of our finest assets: The Port of San Diego.

COUNCIL POLICY**CURRENT**

SUBJECT: SAN DIEGO PORT POLICY

POLICY NO.: 700-20

EFFECTIVE DATE: May 6, 1996

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. 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 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.

SCOPE AND LIMITATION OF POLICY:

This policy shall be strictly limited to giving guidance and support to the San Diego Unified 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 state law.

It shall also be the policy of the City of San Diego 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.

GENERAL POLICY:

To support the State of California Policy and Port Act Purposes relating to the creation of the San Diego Unified Port District, paraphrased:

"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 . . ."

A. POLICY GOALS:

1. Land and economic development for the Bay should be sustainable. Our use of the Bay should not impair future generations ability to use the Bay.
2. To foster the economic health of the tidelands, recognizing that the tidelands businesses are a major economic force in the region.
3. To maximize the regional benefits of the Port District by emphasizing the role of San Diego's harbor in promoting job generation.

4. 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.

B. ECONOMIC OBJECTIVES:

1. To urge the Port to develop an economic strategic plan to guide the long-range development of San Diego Harbor in cooperation with the Navy, port cities, business and community organizations.
2. To support the Navy's presence, recognizing its status as the major user of the Port and for the jobs they create, and to facilitate the development of San Diego Harbor as a "mega port" for the Navy through cooperative planning and development activities.
3. To 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.
4. To promote the economic health of port tenants by encouraging the Port to maintain a rent structure which is regionally competitive and market sensitive.
5. To encourage the re-use and, if appropriate, the conversion of vacant or under utilized industrial and commercial leaseholds to maximize regional economic opportunities.
6. To encourage private investment on Port 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 to use its resources to support future infrastructure development.
7. To urge the Port 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, MTDB and railroad operators to cooperatively develop road and rail access to the waterfront; develop Cruise Ship Terminal; and optimize the use of Lindbergh Field to support commerce.
8. To 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. To 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.
10. To urge the Port to cooperatively plan and develop the San Diego waterfront with the City of San Diego and its Redevelopment Agency, recognizing the respective responsibilities and authority of each organization.

C. ENVIRONMENTAL OBJECTIVES:

1. To encourage a collaborative approach among the Port, its tenants, port cities and regional regulatory agencies on issues of environmental management, preservation, restoration, mitigation and cost effective clean-up.
2. To avoid any further net loss of wildlife, wildlife habitat value, or wildlife support function of the Bay or tidelands.

3. 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.
4. To 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.
5. To facilitate a cooperative approach among the Navy, Port and civilian tenants and community organizations for dredging projects, and their technology and mitigation.
6. To join with other jurisdictions and the private sector in the legislative advocacy program promoting a workable and comprehensive approach to the implementation of the Clear Air and Clean Water Acts and other environmental regulations and laws to more efficiently and effectively protect the Bay's environmental resources.
7. To 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.
8. To develop and implement both structural and educational measures for the reduction of urban runoff pollution.
9. To 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.

D. RECREATIONAL OBJECTIVES

1. To 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. To 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.

E. REVISIONS/UPDATE:

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

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