



NORA VARGAS
CHAIRWOMAN
SUPERVISOR, FIRST DISTRICT
SAN DIEGO COUNTY BOARD OF SUPERVISORS
AGENDA ITEM

DATE: August 29, 2023

TO: Board of Supervisors

SUBJECT

ESTABLISHING A CHIEF BINATIONAL AFFAIRS OFFICER AT THE COUNTY OF SAN DIEGO (DISTRICTS: ALL)

OVERVIEW

The physical border between San Diego County and Mexico spans sixty miles in length, with four U.S. ports of entry at El Chaparral, San Ysidro, Otay Mesa, and Tecate, and with a fifth one scheduled to open in late 2026 at East Otay Mesa. As home to the San Ysidro Port of Entry, the busiest port of entry in the world, our border community is one of California’s strongest economic contributors. Our region has vast economic and cultural potential, as well as abundant opportunities for our bi-national border region that is part of California’s defined economic “Southern Border Region,” known locally as the “CaliBaja” region. CaliBaja is comprised of the two southernmost counties in California (San Diego and Imperial) and the six Mexican municipalities of Baja California (Ensenada, Mexicali, Rosarito, San Quintín, Tecate, and Tijuana)¹. San Diego County’s unique geopolitical location has created a closely intertwined border community with economic, cultural, environmental, and physical ties.

As countywide representatives, it is essential that we recognize the importance of how we collectively address border infrastructure and environmental issues in a way that is beneficial for the entire CaliBaja region. What happens in one area will inevitably reverberate throughout the entire region. Therefore, it is critical for the County of San Diego (County) to join the collective voice and be an active agent in the unified plan for growth.

I am asking for your support in directing the Chief Administrative Officer to establish a new position of Chief Binational Affairs Officer (CBAO) in the Land Use and Environment Group Executive Office, identify funding beginning this fiscal year, and report back to the Board of Supervisors during this fiscal year with an update on the structure, scope, and responsibilities of the newly created position, including, but not limited to setting priorities, establishing a budget, and collaborating with County departments and the community to identify binational priorities,

¹ <https://www.sandiego.edu/news/detail.php?focus=84392>

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opportunities, and challenges. The CBAO will serve as the central figure for all issues related to binational affairs and connect enterprise-wide resources, information, and State and federal advocacy efforts.

RECOMMENDATIONS

CHAIRWOMAN NORA VARGAS

1. Direct the Chief Administrative Officer (CAO) to establish the position of Chief Binational Affairs Officer (CBAO) within the Land Use and Environment Group Executive Office at the County of San Diego (County).
2. Direct the CAO to return to the Board of Supervisors to establish funding this fiscal year (Fiscal Year 2023-24), upon identification of funding. If unassigned General Fund fund balance is not available, this item will be referred to Fiscal Year 2024-25 Operational Plan.
3. Refer to the Fiscal Year 2024-25 CAO Recommended Operational Plan the establishment of necessary appropriations, revenue and staff years for the CBAO.
- ~~4. Establish appropriations of \$201,285 in the Land Use and Environment Group Executive Office for Fiscal Year 2023-24, Salaries & Benefits, based on General Fund fund balance. If Unassigned General Fund fund balance is not available, this item will be referred to Fiscal Year 2024-25 Operational Plan.~~
4. 5. Direct the CAO to report to the Board in the first quarter of calendar year 2024 the overall scope, role and responsibilities of the CBAO.

EQUITY IMPACT STATEMENT

A dedicated position for binational affairs will facilitate cross-cultural understanding and respect, contributing to a more inclusive environment for a diverse population reflective of our region. It is crucial to think about the impact our county policies play on the broader region, and to ensure that we are fostering decisions based on true collaboration and of mutual benefit for strategic growth.

SUSTAINABILITY IMPACT STATEMENT

The CBAO will foster stronger economic ties between the County of San Diego, and our counterparts south of the border, potentially leading to increased cross-border investments and trade flows. Improved bilateral relations could stimulate economic growth, leading to job creation and improved quality of life for residents on both sides of the border. This position will also enhance existing collaborations on environmental issues, such as transboundary pollution, wildlife conservation, and climate change mitigation. Improved binational relations will lead to optimal management of shared natural resources, enhancing sustainability. Overall, the CBAO will impact sustainability across economic, environmental, and social issues.

FISCAL IMPACT

Funds for this request are not included in the Fiscal Year 2023-24 Operational plan for the Land Use and Environment Group Executive Office. If approved, this request will result in an increase of estimated costs and revenue of \$201,285 in the Land Use and Environment Group Executive Office for Fiscal Year 2023-24. The funding source is General Fund fund balance. If Unassigned General Fund fund balance is not available, this item will be referred to Fiscal Year 2024-25 Operational Plan. The Land Use and Environment Group Executive Office will return to

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the Board of Supervisors in the Fiscal Year 2024-26 CAO Recommended Operational Plan with a recommendation for establishing the necessary ongoing appropriations, revenue and staff years for the Chief Binational Affairs Officer position beginning in Fiscal Year 2024-25, supported by an available ongoing funding source.

BUSINESS IMPACT STATEMENT

The Chief Binational Affairs Officer will serve as central figure for all issues related to binational affairs and connect enterprise-wide resources, information, and State and federal advocacy efforts.

ADVISORY BOARD STATEMENT

N/A

BACKGROUND

The physical border between San Diego County and Mexico spans sixty miles in length, with four U.S. ports of entry at El Chaparral, San Ysidro, Otay Mesa, and Tecate, and with a fifth one scheduled to open in late 2026 at East Otay Mesa. As home to the San Ysidro Port of Entry, the busiest land port of entry in the world, our border community is one of California’s strongest economic contributors. Our County has vast economic and cultural potential, as well as abundant opportunities for our bi-national border region that is part of California’s defined economic “Southern Border Region,” known locally as the “CaliBaja” region. CaliBaja is comprised of the two southernmost counties in California (San Diego and Imperial) and the six Mexican municipalities of Baja California (Ensenada, Mexicali, Rosarito, San Quintín, Tecate, and Tijuana)².

San Diego County’s unique geopolitical location has created a closely intertwined border community with economic, cultural, environmental, and physical ties. People that live on one side of the border may cross multiple times a day for recreation, shopping, work, school (both at the K-12 and university level), access to healthcare, or to visit family. Similarly, goods produced in manufacturing plants south of the border may cross multiple times before they become a final product. The movement of people and goods occurs both outbound to Mexico and inbound to the United States. The commercial exchange between Tijuana and San Diego alone is valued at \$2.1 million daily, and the Otay Mesa land port of entry processes 90% of all California exports to Mexico, its top export market³.

We share this mega-region with Imperial County and both Counties are recognizing the importance of how we collectively address border priorities in a way that is beneficial for everyone. What happens in one area will inevitably reverberate throughout the entire region. Therefore, it is critical for the County of San Diego to join the collective voice and be an active agent in the unified plan for growth.

² https://www.sandiego.edu/news/detail.php?_focus=84392

³ <https://advocacy.calchamber.com/2023/02/14/2022-california-exports-reach-record-high/#:~:text=Trading%20Partners&text=Exports%20from%20California%20to%20Mexico,with%20%2420.1%20billion%20in%20exports.>

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This unique position impacts our daily lives and is an integral part of the fabric of the San Diego community that makes us a key partner for continued economic growth due to: cross-border commerce, industry and freight movement; our rich binational and indigenous tribal culture and history; the resilient binational workforce that supplies the labor for continuing to run everything from our restaurants and hospitality industry to construction and manufacturing; and a culinary destination that highlights the best of both sides of the border. With these objectives in mind, the CBAO position should foster a policy agenda to develop a stronger workforce. The importance for uplifting continued analysis for the sustained and informed decision making in the CaliBaja region must be a priority for the County where it is continuously engaging State and local government agencies, business entities, and civic organizations.

Binational Economy

As was recently posted by the Federal Reserve Bank of Dallas on July 11, 2023, Mexico has become the top U.S. trading partner in the first months of 2023, “with total binational trade between the two countries totaling \$263 billion during the first four months of this year.”⁴ For our region, the University of San Diego’s (USD) 2022 CaliBaja Regional Economy Report documents that the CaliBaja region has a GDP of \$250 billion and an estimated \$70 billion in cross border trade flows, with \$200 million in goods moving between California and Mexico each day, making CaliBaja the largest integrated economic zone along the U.S.-Mexico border. This economic activity is well positioned for continued growth as we look to strengthen the United States’ critical supply chains and increased local manufacturing. Of particular importance for our region is the Biden Administration’s 100-day supply chain report under Executive Order 14017 citing the need for reliable and secure advanced battery technologies and automotive production depends heavily on just-in-time delivery.⁵ Additionally, with the Bipartisan Infrastructure Law (BIL), the transportation systems that our nation’s supply chain depends on are starting to see the most significant investments ever to modernize those systems. The CBAO position can help foster how political and economic rationale for nearshoring is also renewing discussions about the merits of North American integration to include the CaliBaja region.

USD’s study also shows that we have strong industries working together and driving the economy. In the CaliBaja region, there were 33,027 firms employing 657,598 individuals in 70 different industries that primarily export, bring external revenue, create jobs, and spur investment and consumption. Combined, these industries contributed \$38.6 billion in overall value-added to the regional economy. Thirty eight percent of these were in the manufacturing of medical equipment and supplies, audio and video equipment, and semiconductors, which together accounted for 389,128 workers and generated \$21.6 billion in value-added in 2018. In fact, 35.6% of the United States-Mexico-Canada Agreement (USMCA) regional employment in audio and video equipment manufacturing and nearly 15% in medical equipment and supplies manufacturing are found in CaliBaja. This translates to 53,941 people employed in medical device manufacturing in Tijuana, 9,906 in San Diego, and 6,765 in Mexicali.

⁴ <https://www.dallasfed.org/research/economics/2023/0711?stream=business>

⁵ <https://www.whitehouse.gov/wp-content/uploads/2021/06/100-day-supply-chain-review-report.pdf>

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Together, San Diego and Baja California have leveraged complimentary resources to build co-producing supply chains and the largest medical device cluster in the world. The CBAO, together with the Office of Economic Development and Government Affairs, will work closely with regional stakeholders to enhance our global competitiveness, boost economic development, and attract and retain foreign direct investment through bilateral collaboration and strategies to promote CaliBaja. In addition, the CBAO will coordinate with industry and academic institutions to help identify and fill workforce gaps, and advance projects and initiatives that facilitate trade and economic growth.

The binational workforce is critical to the region's economy. 54,000 people cross daily from Baja California for work, including an estimated 2,627 working in the health sector as doctors, dentists, nurses, paramedics, caregivers, and other health-related occupations. On the other hand, more than 4,700 cross-border workers live in San Diego and Imperial counties and work in Mexico.

Our economies and infrastructure are extremely linked, and border restrictions during the COVID-19 pandemic had impactful consequences on our economies and global supply chains. When the border operated under restrictions during the COVID-19 pandemic, the power of our cross-border community became evident, with 140,000 people allowed to cross daily for U.S. essential jobs.

Currently, due to long border wait times at the California-Baja California land ports of entry including San Diego and Imperial Counties, billions of dollars are lost in economic output in both the U.S. and Mexican economies. A 2016 report estimates \$3.4 billion in output losses and \$1.0 billion in labor income losses are impacted by long border wait times⁶. Nearly a \$2 billion loss and over 48,000 jobs lost for our binational region. The San Ysidro Port of Entry alone processes up to 100,000 travelers every day, with pedestrians waiting up to 3 hours and 4-5 hours for passenger vehicles.

Tourism also plays a large role in the binational economy employing 214,000 of our residents. San Diego welcomes 28.8 million tourists annually who spend roughly \$13.6B⁷. Recognizing the volume and impact of travel through the southern border, a private pedestrian border crossing opened in 2015 at the Cross Border Xpress terminal in San Diego, providing an alternative access to travelers coming or departing through the Tijuana International Airport. This is a clear example of how the CaliBaja region continues to be a role model for the U.S.-Mexico relationship and what we can accomplish working together.

San Diego also attracts thousands of tourists from across the state, nation, and the world who visit our region to engage in nautical tourism activities. Sportfishing alone contributes \$6.2B in economic output in California⁸ and employs over 2,000 people in San Diego bringing in nearly

⁶ <https://www.sandag.org/-/media/SANDAG/Documents/PDF/data-and-research/applied-research-and-performance-monitoring/surveys/infobits-impacts-of-border-delays-california-baja-california-2021-02-01.pdf>

⁷ <https://www.sandiego.org/about/industry-research.aspx>

⁸ <https://asafishing.org/advocacy/economic-contributions-of-recreational-fishing-by-u-s-states-and-congressional-districts->

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\$300M annually according to the Sportfishing Association of California. This is largely attributed to our unique geographic location which allows visitors to venture into Mexican waters. In fact, tourism authorities from both sides of the border have been internationally recognized for joint efforts promoting a “two nation vacation”⁹ which leveraged the strategic advantage of promoting the binational region together and increased the industry’s economic impact on both sides of the border.

Indirectly, Mexico subsidizes our local housing crisis and offers affordable healthcare options. While, unfortunately, the San Diego housing market becomes more unaffordable throughout the years, thousands are taking the opportunity to enjoy an affordable housing market by moving to Mexico and crossing daily to work in the U.S. Seeking affordable housing and medical options also creates unintentional impacts on local Mexicans’ cost of living. There needs to be clear improved collaboration to make sure there are mutually beneficial solutions for both countries.

Infrastructure

Improved infrastructure and an efficient, smart border is needed to create jobs, promote investments, and ensure water and air pollution hazards are secure for both countries. This position will work with stakeholders around improved technology, efficient ports of entry, and with the people that facilitate these interactions on a regional level to develop a “smart border”. By shaping regional planning and infrastructure priorities to include a cross-border friendly community, our region elevates economic prosperity and mobility options of our region. As mentioned in the USD CaliBaja Regional Economy report, continued infrastructure investments—including the construction of the Otay Mesa East Port of Entry (OME) for trucks and commercial vehicles—are urgently needed to enable the CaliBaja region to contribute to the growth of U.S.-Mexico production and trade in the coming decades. Research shows that even a 10-minute reduction in wait times at the U.S.-Mexico border can lead to an economic impact of \$5.4 million on the U.S. economy¹⁰.

The OME has been in development for more than two decades to reduce wait times along the southwest border, reduce greenhouse gas emissions, fuel economic growth, enhance regional mobility, strengthen border security, and bolster international trade. Estimates show that this project will support approximately 90,000 additional jobs in the U.S. and will be a vital link in strengthening the nation’s supply chain. Recent economic analyses show that OME will result in a 20-33% increase in the economic effects of cross-border freight, \$750 million of travel time savings annually, \$3 million of emissions savings annually by reducing border wait times, and a benefit-cost ratio of nearly 5 to 1 over 20 years. The OME will be the most innovative border crossing that provides a seamless and efficient experience for cargo and passenger vehicles crossing the border. This \$1.2 billion investment to our region has been due to a joint partnership that has elevated the need for the San Diego Region to leverage local funding for federal and State funding.

released/#:~:text=America's%2052.4%20million%20anglers%20contribute,contributing%20%241.8%20billion%20towards%20conservation.

⁹ <https://connect.sandiego.org/2018/02/16/sdta-two-nation-vacation-pr-campaign-wins-visit-california-poppy-award/>

¹⁰ <https://www.atlanticcouncil.org/in-depth-research-reports/report/the-transformative-power-of-reduced-wait-times-at-the-us-mexico-border-economic-benefits-for-border-states/>

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An additional example is the recent declaration on June 27, 2023 (16), of a local state of emergency for U.S.-Mexico transboundary pollution ensuring that the County is engaged and advocating collectively to address the urgent environmental catastrophe of the ongoing sewage crisis impacting our binational coastline and beaches. This action will help fast-track more spending and secure additional funding to implement wastewater treatment and water conservation and reuse infrastructure projects to help mitigate pollution. This is a critical binational infrastructure need that must be prioritized with our Congressional delegation, the White House and federal agencies, and Mexican counterparts to do the same to urgently expedite the implementation of the identified projects on both sides of the border.

Sustainability and Climate Change

Environmental impact, climate change, and air pollution have no borders. As a leader in addressing climate change, California, through Governor Newsom's executive orders and the California Air Resources Board's (CARB) Scoping Plan and regulations, have put the State on track to meeting our State climate goals and protecting the health of frontline communities most impacted by pollution. To do this, the State has focused on transitioning vehicles away from fossil fuels, the biggest source of air pollution, to 100% zero-emission for both passenger fleets and medium and heavy-duty truck fleets as presented by CARB's passage of the Advanced Clean Cars II¹¹ and Advanced Clean Fleets¹² Regulations. Advancing planning, infrastructure, investments, and incentives to support this transition will require additional efforts to ensure that the binational region has a plan to create the infrastructure necessary to support the millions of private passenger vehicles and commercial fleets through this transition and protect our co-producing supply chains and binational economy and community.

Additionally, in February 2022, with my first vote as a CARB member, I was proud to recommend that the San Diego International Border Community be integrated into CARB's AB 617 Community Air Protection Program.¹³ The San Diego County Air Pollution Control District administers the program locally and work is underway on the development of a Community Air Monitoring Plan (CAMP) and a Community Emissions Reduction Program (CERP). To co-develop these programs and facilitate communication between air quality professionals and community residents, the International Border Community Steering Committee was formed, comprised of individuals who live, work, or own a business within the community boundaries, and partner organizations who have an interest and role in improving air quality in the community. The community experiences air pollution from numerous sources, including heavy traffic near the ports of entry in San Ysidro and Otay Mesa, dust from offroad vehicles used by Border Patrol agents, freight trains and rail yards, industry, warehouses and associated heavy-duty truck traffic, construction, untreated wastewater in the Tijuana River, and two airports: Brown Field Municipal Airport and Tijuana International Airport. Data from various government agencies shows elevated rates of asthma and cardiovascular disease among International Border Community residents, who also report frequent headaches and nausea.

¹¹ <https://ww2.arb.ca.gov/our-work/programs/advanced-clean-cars-program/advanced-clean-cars-ii>

¹² <https://ww2.arb.ca.gov/our-work/programs/advanced-clean-fleets>

¹³ <https://ww2.arb.ca.gov/our-work/programs/community-air-protection-program/communities/international-border-community>

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Once again, our environmental and sustainability goals, needs and funding requests have to consider the impacts daily border commuters have on regional air quality and pollution concentrations. The County of San Diego, through the CBAO, would ensure that our needs are prioritized to obtain the necessary State and federal funding to support climate, sustainability and environmental justice.

Chief Binational Affairs Officer (CBAO)'s Role

Given the complexity of our border region and the intersectionality of our issues, the role of the Chief Binational Affairs Officer (CBAO) is to serve as the central figure for all issues related to binational affairs and connect enterprise-wide resources, information, and State and federal advocacy efforts. The CBAO will also work with local government agencies to help create processes that facilitate faster coordination with Mexican counterparts. This proposed position will ensure the San Diego region gets its fair share of federal and State funding. The San Diego region is unique because of the daily border commuters our region receives. Our infrastructure needs and funding requests must take into account the impacts of daily border commuters on our transportation networks. The need to have coordinated regional planning with both countries allows for strategic solutions to address the growing population in the CaliBaja region.

The CBAO may take on duties such as:

- a. Develop relationships, improve communication and coordinate meetings for County leadership with community partners, government officials, law enforcement agencies, and private businesses in the binational region in an effort to identify areas of collaborative opportunity which may exist and to further engage in bringing solutions and recommendations to the Board of Supervisors for future consideration;
- b. Coordinating, participating and attending meetings on either side of the U.S.-Mexico border to develop strong relations and a good understanding of key issues and shared priorities;
- c. Preparing County leadership for binational meetings via briefings, fact sheets, presentations, and white papers, etc., among other vehicles to communicate key information, and seeks updated direction from the Board of Supervisors on an annual basis;
- d. Implementing a strategic plan for building relations in the binational region;
- e. Creating a binational agenda for the County and strategies that address key issues with border communities and seeks opportunities for collaboration;
- f. Developing, coordinating and implementing comprehensive strategic initiatives to promote intergovernmental relations; work closely with the County Office of Economic Development and Government Affairs (EDGA) and lead the development and implementation of strategies to promote and protect binational interests in affairs-related legislation at the local, and State levels; represent the County on these interests in both Mexico and U.S. federal hearings and meetings;
- g. Work closely with other agency binational affairs positions in the binational region to collaborate on key projects, execute strategy and drive solutions on cross-border issues;
- h. Work closely with other County binational programs on key projects, execute strategy, and drive solutions on border issues;

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- i. Identify a list of priorities that impact both sides of the border, and present policy options for the Board of Supervisors and work to implement effective solutions and leverage opportunities as a united front;
- j. Identify weaknesses and strengths and provide ideas for improvement, allowing partners and governments to achieve common goals that defy borders;
- k. Create, or join, binational roundtables where regional stakeholders would participate and help address shared regional items;
- l. Facilitate opportunities for collaboration regarding the environment, education, economic development, arts, culture and tourism;
- m. Provide updates on Port of Entry issues to bring and advance solutions;
- n. Coordinate with stakeholders regarding climate, infrastructure and economic development in the respective area;
- o. May serve as an alternate spokesperson for the County on binational affairs;
- p. Participate in relevant policy and trade association committees, and build strong connections with governments, embassies and other external stakeholders at senior levels;
- q. Work with regional stakeholders from both sides of the border to design and implement an economic and workforce development policy agenda, including creating an asset map to be used to address issues and solutions as necessary;
- r. Work with county departments including EDGA and the Office of Sustainability and Environmental Justice and the corresponding federal state and local agencies to design and implement greenhouse gas reduction and decarbonization efforts, including creating an asset map to be used to address issues and solutions as necessary;
- s. Develop relationships and coordinate meetings for County leadership with community partners and government officials in the binational region in an effort to identify areas of collaborative opportunity for responding to immigrant and refugee affairs;
- t. Identify regional assets and seek resources from federal and State entities, i.e. federal grants that provide seed money necessary to begin binational partnerships;
- u. Assist in the preparation of grant applications for federal, State, and foundation funding for binational initiatives;
- v. Provide annual reporting and recommendations for binational programs and initiatives.

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed actions support the County of San Diego's 2023-2028 Strategic Plan initiatives of Sustainability, Equity, Empower and Community. This position will foster innovation and new ideas through the implementation of proven best practices to achieve organizational excellence. It will also enhance partnerships through meaningful conversations, shared programming, grant opportunities, or other opportunities to maximize resources through community partnerships to benefit the region.

Respectfully submitted,



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Supervisor, First District

ATTACHMENT(S)

N/A