



DIANNE JACOB
SUPERVISOR, SECOND DISTRICT
SAN DIEGO COUNTY BOARD OF SUPERVISORS

AGENDA ITEM

DATE: January 28, 2003
TO: Board of Supervisors
SUBJECT: Authorization to Conduct Manufacturing Summit (District: All)

SUMMARY:

Overview

Manufacturing companies in the San Diego region generate approximately \$27 billion in sales and revenue each year. San Diego is home to approximately 3,600 manufacturing firms. Less than 50 of these companies employ 500 or more workers with manufacturing jobs on the decline.

Since January 2001, over 119,000 manufacturing jobs have been lost throughout California. In San Diego, manufacturing jobs declined from 130,800 in January of 2001 to 128,900 in January of 2002. Approval of this item will authorize County staff to work with the manufacturing industry to identify challenges that manufacturers face and to conduct a Board-hosted Manufacturing Summit.

Recommendation(s)

SUPERVISOR JACOB:

Direct the Chief Administrative Officer to work with the manufacturing industry to conduct a Board-hosted Manufacturing Summit.

Fiscal Impact

This action can be performed within the existing budget with no additional staff years.

Business Impact Statement

The Manufacturing Summit will assist in the retention and creation of manufacturing jobs, improve the region's competitiveness and create an atmosphere that is conducive to company expansion.

Advisory Board Statement

The Regional Economic Task Force (RETF) formally requested that the County of San Diego conduct a Manufacturing Summit in 2003.

BACKGROUND:

SUBJECT: Authorization to Conduct Manufacturing Summit (District: All)

Manufacturing companies in the San Diego region generate approximately \$27 billion in sales and revenue for the local economy each year. This sector accounts for a quarter of San Diego's gross revenue. There are approximately 3,600 manufacturing firms in San Diego with less than 50 companies employing 500 or more workers. Smaller firms dominate San Diego's manufacturing industry.

In the early 1990's, San Diego's manufacturing industry peaked with employment in that sector at 134,000 in 1990. Except for a slight increase in 2001 attributed to growth in new industries such as biotechnology, telecommunications, electronics, aerospace, and defense, manufacturing jobs have steadily declined over the last decade. In San Diego, manufacturing jobs declined from 130,800 in January of 2001 to 128,900 in January of 2002. A major reason for the decline has been attributed to the high cost of doing business in California, where the in-state operating costs are thirty-two percent higher than the national average.

There is a need to address the loss of manufacturing jobs through the retention of the existing manufacturing base and attraction of new manufacturers. To accomplish this, it is imperative that governing bodies understand the needs of the industry to allow it to succeed and flourish in our region. The Manufacturing Summit will encourage the communication needed to allow this to occur. The Summit will result in the creation of an action plan to explore ways the County can foster an environment to benefit both the manufacturing industry and the local economy through the retention and creation of manufacturing jobs, by increasing the tax base, by improving the region's competitiveness and by creating an atmosphere that is conducive to company expansion.

Therefore, I urge you to support this action which will result in a Board-hosted Manufacturing Summit.

Respectfully submitted,

DIANNE JACOB
Supervisor, Second District

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AGENDA ITEM INFORMATION SHEET

CONCURRENCE(S)

| | | |
|--|------------------------------|------------------------------|
| COUNTY COUNSEL REVIEW | <input type="checkbox"/> Yes | |
| Written Disclosure per County Charter Section 1000.1 Required | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| GROUP/AGENCY FINANCE DIRECTOR | <input type="checkbox"/> Yes | <input type="checkbox"/> N/A |
| CHIEF FINANCIAL OFFICER | <input type="checkbox"/> Yes | <input type="checkbox"/> N/A |
| Requires Four Votes | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| GROUP/AGENCY INFORMATION TECHNOLOGY DIRECTOR | <input type="checkbox"/> Yes | <input type="checkbox"/> N/A |
| COUNTY TECHNOLOGY OFFICE | <input type="checkbox"/> Yes | <input type="checkbox"/> N/A |
| DEPARTMENT OF HUMAN RESOURCES | <input type="checkbox"/> Yes | <input type="checkbox"/> N/A |

Other Concurrence(s): [Click [here](#) and type, or type N/A if not applicable]

ORIGINATING DEPARTMENT: Supervisor Dianne Jacob, District Two

CONTACT PERSON(S): Mike Kulis 531-5522