



CITY OF SAN DIEGO

MEMORANDUM

DATE: March 7, 2008

TO: Honorable Councilmembers

FROM: Council President Scott Peters
 Councilmember Anthony Young

SUBJECT: Proposal for Economic Prosperity Element of the General Plan Update

The goal of the Economic Prosperity Element of the General Plan is to increase San Diego’s local economy by creating jobs that are sustainable and pay for themselves. In particular, to the extent that the City spends revenues to attract or retain jobs, we should focus on high paying jobs. The Economic Prosperity Element is not intended to regulate wages in our local economy. We believe that this should be clarified and encourage our fellow Councilmembers to adopt the following changes to the Economic Prosperity Element.

- **Amend Introduction**

For our City to create a diversified economy that encourages growth sectors, we need jobs that provide a sustainable income for families. We propose changing the term in the Introduction of the Economic Prosperity Element from “livable wages” to “self-sufficient wages.”

Existing language for EP Introduction (EP-3) as approved by LU&H	Proposed language for EP Introduction (EP-3)
Introduction: The policies in this element are intended to improve economic prosperity by ensuring that the economy grows in ways that strengthen our industries, retain and create jobs with livable wages, increases average income, and stimulate economic investment in our communities.	Introduction: The policies in this element are intended to improve economic prosperity by ensuring that the economy grows in ways that strengthen our industries, retain and create good jobs with self-sufficient wages, increases average income, and stimulate economic investment in our communities.

Self-sufficient wages pay enough for families and single adults to achieve a modest standard of living where families can make ends meet without assistance from public programs. Many in the restaurant industry have expressed concerns about the fact that they pay minimum wage but their employees also earn a substantial income through tips. This creates a problem since their wage is not up to a living wage standard, but combined with tips it easily is. Under the self-sufficiency standard this concern would be addressed.

- **Amend EP-A: Industrial Land Use**

Our City needs to support and encourage job centers and housing that can co-exist. We need to strengthen the nexus between workforce housing and employment. Additionally, we need to retain and expand our highly-trained workforce by keeping and increasing their wages giving them the opportunity to live near their employment centers.

Existing language for EP-A: Goals (EP-5) as approved by LU&H	Proposed language for EP-A: Goals (EP-5)
A diversified economy with a focus on providing quality employment opportunities and livable wages for San Diegans.	A diversified economy with a focus on providing quality employment opportunities and self-sufficient wages for all San Diegans.

This language better reflects our goal of creating a workforce that earns an income that is sufficient to sustain themselves and their families.

Existing language for EP-A.12 (EP-11) as approved by LU&H	Proposed language for EP-A.12 (EP-11)
Encourage the provision of housing in proximity to employment areas not identified as Prime Industrial Land, with housing types and prices that are consistent with wages earned in the employment areas, based on a variety of economic, physical, health and safety, and social factors.	Encourage the provision of workforce housing within employment areas not identified as Prime Industrial Land that is compatible with wage structures associated with existing and forecasted employment.

The proximity of housing to centers of employment creates vibrant communities. The City should create opportunities for our workforce to live near their employment centers. Without a nexus between housing and wage structures, this will not be possible. All San Diegans deserve the opportunity to live in a clean and safe community. The General Plan can help to achieve these goals.

- **Amend EP-E: Employment Development**

Our City should encourage learning opportunities and investment in excellent schools. We need to ensure that employees also have equitable access to these educational opportunities and training that will lead to higher quality jobs that pay self-sufficient wages.

Existing language for EP-E: Goals (EP-21) as approved by LU&H	Proposed language for EP-E: Goals (EP-21)
A higher standard of living through increased wages and benefits in low wage industries.	A higher standard of living through <u>self-sufficient wages and an increase in citywide real median income per capita.</u>

Existing language for EP-E.3 (EP-25) as approved by LU&H	Proposed language for EP-E.3 (EP-25)
Support measures to increase wages and provide advancement opportunities in low wage industries.	Support the creation of higher quality jobs with advancement opportunities <u>and self-sufficient wages.</u>

Existing language for EP-E.4 (EP-25) as approved by LU&H	Proposed language for EP-E.4 (EP-25)
Support living wage, or similar legislation, to increase the standard of living for lower-income residents.	Support programs to increase the standard of living for lower-income residents.

The proposed changes make it clear that we want to support jobs that provide self-sufficient wages for its workforce. Additionally, the changed language better states our desire to support programs that will specifically assist low-income residents.

- **Amend EP-I: Visitor Industries**

San Diego’s unique location, climate, and amenities make it a prime destination for those around the world. Since visitor industries employ those who welcome visitors to our City, we encourage this industry to improve the quality of employment opportunities and community reinvestment.

Existing language for EP-I.1 (EP-30) as approved by LU&H	Proposed language for EP-I.1 (EP-30)
Develop a priority ranking system for Transit Occupancy Tax projects and programs which focuses on communities with existing needs and village characteristics consistent with the Public Facilities and Services Element Section B, Prioritization. Include consideration of the following criteria, and others as needed, in the ranking system: <ul style="list-style-type: none"> - The creation of middle-income employment opportunities, and programs to assist businesses which offer <u>living</u> wage and demonstrate the use of training or other programs resulting in career ladders for its employees. Visitor-oriented projects and programs, including the arts that provide the 	Develop a priority ranking system for <u>Transient</u> Occupancy Tax projects and programs which focuses on communities with existing needs and villages characteristics consistent with the Public Facilities and Services Element of Section B, Prioritization. Include consideration of the following criteria, and others as needed, in the ranking system: <ul style="list-style-type: none"> - The creation of middle-income employment opportunities, and programs to assist businesses which offer <u>sustainable</u> wages and demonstrate the use of training or other programs resulting in career ladders for its employees. Visitor-oriented projects and programs, including the arts that provide the

most direct benefit to San Diego residents. - Programs that will benefit the tourism workforce.	most direct benefit to San Diego residents. - Programs that will benefit the tourism workforce.
--	--

Existing language for EP-I.2 (EP-30) as approved by LU&H	Proposed language for EP-I.2 (EP-30)
Provide business incentive programs for private, tourist-related development projects which offer living wages and demonstrate use of training /programs resulting in career ladders for its employees.	Provide business incentive programs for private, tourist-related development projects which offer <u>good employment opportunities with self-sufficient wages, training,</u> and programs <u>that</u> result in career ladders for its employees.

These changes correct a grammatical error and also make clear that we want to create good employment opportunities that afford their employees self-sufficient wages.

- **Amend EP-J: International Trade, Maritime Trade, and Border Relations**

Our goal is to make San Diego a city that promotes our waterfront industry and commerce through cargo and cruise terminals as we take advantage of our location as a part of a greater interregional and bi-national area to be a strong competitor in the global marketplace.

Existing language for EP-J.10 (EP-34) as approved by LU&H	Proposed language for EP-J.10 (EP-34)
Protect and promote working waterfront jobs that provide family-supporting wages.	Protect and promote <u>good</u> working waterfront jobs that provide <u>self-sufficient</u> wages.

The self-sufficiency standard previously described more clearly demonstrates our goal to provide better employment opportunities than does “family-supporting wages” and makes it consistent with the other provisions in the Element.

SHP: cbh

- cc: Honorable Mayor Jerry Sanders
 William Anderson, Director, Planning and Community Investment
 Nancy Bragado, Program Manager, Planning and Community Investment
 Betsy McCollough, Planning and Community Investment
 Jean Cameron, Senior Planner, Planning and Community Investment

10/10/2013 10:10 AM