



COUNTY OF SAN DIEGO

AGENDA ITEM

BOARD OF SUPERVISORS

VACANT
First District

JOEL ANDERSON
Second District

TERRA LAWSON-REMER
Third District

MONICA MONTGOMERY STEPPE
Fourth District

JIM DESMOND
Fifth District

DATE: January 28, 2025

15

TO: Board of Supervisors

SUBJECT

PRESENTATION ON THE IMPACT OF POTENTIAL TARIFFS (DISTRICTS: ALL)

OVERVIEW

On December 10, 2024 (38), the Board of Supervisors (Board) approved to accept the Fiscal Year 2024-25 first quarter report on projected year-end results and the accompanying actions needed for the County of San Diego budget. In addition to these actions, the Board requested staff return in January 2025 with a presentation on the possible impacts future tariffs may have on the San Diego region. Today's action is to receive this presentation.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

Receive the presentation on the impact of potential tariffs.

EQUITY IMPACT STATEMENT

The proposed presentation on tariffs and their impact on the San Diego region will provide residents with information on what a tariff is and how nations use tariffs to protect industries. Ongoing communication with the community and being open about how tariffs may impact County residents and businesses as well as any responding County programs or policies will be crucial to make sure any policies or actions from this presentation are fair for everyone.

SUSTAINABILITY IMPACT STATEMENT

The presentation on potential tariffs and their impact on the San Diego region presents both opportunities and challenges from a sustainability perspective. Potential opportunities include incentivizing local production, diversifying supply chains, and driving innovations in sustainable procurement. However, tariffs may also increase costs for essential goods and services, which may disproportionately impact vulnerable communities. By exploring the sustainability implications of trade policies, the presentation can inform decision-making and support the development of strategies that promote economic resilience, environmental stewardship, and social equity.

FISCAL IMPACT

There is no fiscal impact associated with receiving the presentation. There will be no change in net General Fund costs and no additional staff years.

SUBJECT: PRESENTATION ON THE IMPACT OF POTENTIAL TARIFFS
(DISTRICTS: ALL)

BUSINESS IMPACT STATEMENT

N/A

ADVISORY BOARD STATEMENT

N/A

BACKGROUND

On December 10, 2024 (38), the Board of Supervisors (Board) approved to accept the Fiscal Year 2024-25 first quarter report on projected year-end results and the accompanying actions needed for the County of San Diego budget. In addition to this action, the Board requested staff return in approximately January 2025 with a presentation on the possible economic impacts to the San Diego region from potential future tariffs.

The incoming Presidential Administration has suggested the possibility of imposing new tariffs on China, Mexico, and Canada. Tariffs are a tax imposed by the federal government on imports or of goods into the United States of America. During the December 10, 2024, Board meeting, the Board noted the uncertainty of potential economic impacts that future tariffs may have on the San Diego region. The Board further noted that San Diego's local economy structure, our border with Mexico, and manufacturing sector may be particularly vulnerable to the impacts of future additional tariffs.

The San Diego Regional Economic Development Corporation ("EDC") is an independent organization that brings together business, government, and community leaders to support the region's economic growth. The EDC's mission is to enhance San Diego's global competitiveness and prosperity for all, which it does in part through the World Trade Center San Diego. They provide free services to companies looking to expand, stay, or relocate in the area. The EDC's work is funded by nearly 200 companies that believe in creating a stronger San Diego. The organization is guided by values of accountability, collaboration, inclusion, and integrity. Given the Board's concerns, the EDC will co-present information on the potential economic impacts of future tariffs, along with the Office of Economic Development and Government Affairs.

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed action to receive the presentation on tariffs and impacts to the County of San Diego supports the Sustainability Strategic Initiative in the County of San Diego's 2025-2030 Strategic Plan by highlighting how trade policies, such as tariffs, can impact the cost of goods and services, thereby affecting the purchasing power and economic well-being of individuals and communities, particularly those living in poverty.

Respectfully submitted,



EBONY N. SHELTON
Chief Administrative Officer

SUBJECT: PRESENTATION ON THE IMPACT OF POTENTIAL TARIFFS
(DISTRICTS: ALL)

ATTACHMENT(S)
N/A