GENERAL DYNAMICS
Electronics Division

P.O. Box 85227, San Diego, CA 92186-5227
619 · 573-7050

Richard F. Smith Jr.

Program Manager
Technology Crossover Programs

[MS-C948.042.005.004]

Mtg. 12/10/91 4:00 pm
Dick Smith
General Dynamics

- Proactive response by County
  --- to reductions in defense Industry

  - City formed a sub-committee of Economic development Comm.

  - In D.C. office of Economic Adjustment
    $100 M - Dept Labor (retraining)
    $50 M - Commerce (for small business

Technology Cross Over
Infrastructure, Emergency, Environment

examples: (a) use of mine detection for water utilities to find leaks in system
(b) wildfire assesment system

GENERAL DYNAMICS
Electronics Division

Date 12/16/91

To: Don Abel

From: R. F. SMITH, JR.

RECEIVED
DEC 17 1991
Ans'd.....

As per our meeting last week, here is a set of pertinent material from S.D. City's Economic Conversion Committee. Sorry I couldn't get it to you sooner, but I had to be in Sacramento Thursday & Friday last week. Give me a call (573-7050) on receipt & we'll start putting the Dockel Item together for mid-January. Looking forward to working with you. RFS

I thought you might be
interested in the attached.
If you have any comments,
please call
(619) 236-6688

Deputy Mayor Bob Filner

City of San Diego

OFFICE OF DEPUTY MAYOR BOB FILNER

City of San Diego

MEMORANDUM

DATE: November 6, 1991

TO: City Manager Jack McGrory

FROM: Deputy Mayor Bob Filner

SUBJECT: Subterranean Imagery

As you know, the City Council recently adopted an Economic Conversion Program for the City of San Diego. This program is intended to prepare our local economy for existing and impending cutbacks in military spending.

An important part of the program involves technology transfer or "crossover" where technologies previously used to produce military products are converted to civilian use--thus, reducing our dependency on military spending.

Attached is a proposal from Richard Smith, of General Dynamics Electronics Division, for a project involving "Subterranean Imagery". This project proposes to develop a mobile system capable of identifying underground water leaks and seepage from pipes before rupture so that major losses of delivery capability are averted. The system is also designed to track the flow of water from ruptures to the point of rupture, minimizing the amount of excavation required to affect repairs while reducing loss of resources.

I believe this is an intriguing proposal which could prove to be invaluable to the Water Utilities Department by preserving the city's infrastructure and saving water. Importantly, the program would also serve to keep jobs and industry in San Diego. I would appreciate your thoughts on the feasibility of the proposal, its applicability to our local water delivery systems, and how we might work with General Dynamics to help create a public/private partnership to develop this technology.

Thank you.

Attachment

City of San Diego, California

Deputy Mayor Bob Filner

ECONOMIC CONVERSION PROGRAM

BACKGROUND

The defense industry in San Diego County accounts for almost 20% of the local Gross Regional Product, or about $10 billion. Defense is second only to manufacturing in bringing outside money into the local economy, and approximately one-fourth of local manufacturing is defense-related. Overall, San Diego accounts for approximately 18% of the defense spending in California.

The bulk of defense spending (approximately 80%) in San Diego is about evenly divided between military payrolls and defense contracting. The remaining 20% is distributed to retired personnel and for operations and construction.

PROJECTED DEPARTMENT OF DEFENSE BUDGET CUTS

Recent changes in the global political environment, the need to reassess national strategic assumptions, and federal budget deficits are contributing to significant reductions in defense expenditures. From 1985 to 1996, Department of Defense spending is projected to decline significantly.

Announced congressional reductions in defense spending of 12% from 1989 to 1995 would reduce San Diego's total active duty and civilian population on military payrolls by 20,500 workers--and would translate into a loss of $493 million in Gross Regional Product.

Based on a California Department of Finance study projecting DOD contract reductions between 22% and 36% over the same period, San Diego could lose between $758 millions and $1.24 billion in Gross Regional Product and experience a loss of 24,397 to 44,483 defense contracting and subcontracting jobs.

Using Department of Defense multipliers, which indicate that for each $1.00 of DOD spending, another $1.60 to $2.70 is generated in the region's economy, the total impact to San Diego's economy (military payrolls and DOD contracts plus multipliers) could approximate a loss of $3 to $6 billion in a total GRP of $52.4 billion.

From fiscal 1990 to fiscal 1992 alone, there was a real reduction in defense spending of 10 percent. Despite the costly conflict in the Middle East, the fiscal 1992 federal budget proposal also showed significant reductions.

SAN DIEGO CITY COUNCIL SUBCOMMITTEE ON ECONOMIC CONVERSION

Due to the severe impacts that these cuts are already having on the San Diego economy, a group of San Diegans rallied together and asked the City Council to begin planning for the reductions in defense spending. In response to this request, the City Council unanimously approved the formation of the San Diego Economic Conversion Subcommittee of the City Council. The Subcommittee then formed an advisory group consisting of representatives from the military, defense contract industries, such as General Dynamics, Rohr, Cubic, and NASSCO, labor unions, local universities, the County of San Diego, the San Diego Association of Governments, the Economic Development Corporation, San Diego Consortium and Private Industry Council, the City of San Diego's Economic Development Department, the Economic Conversion Council, and the Institute for Effective Action.

The charge of the advisory group was to develop a plan which allows our local economy to prepare for the current and impending cuts by diversifying and strengthening production in a way which reflects reduced levels of defense spending.

The advisory group has drafted the following program for presentation to the City Council. The group is requesting that the Council adopt the program and authorize the Economic Conversion Subcommittee's ongoing efforts to help implement the program over a period of two years.

ECONOMIC CONVERSION PROGRAM

PURPOSE

While San Diego's economy has proven remarkably strong during past defense budget cuts and national recessions, there is no question that current and future cuts in military spending have already affected, and will continue to affect our economy. Rather than continue to lose thousands of jobs and suffer a reduced Gross Regional Product, it is critical that we plan for these cuts to ensure that our local economy is not adversely affected by further reductions.

The purpose of this program is to diversify and strengthen our local economic base in order to decrease our vulnerability to military cuts. This objective will be accomplished by predicting the effects of planned reductions and redirecting resources, development activities, and employment training towards civilian production. Simultaneously, the program seeks to ensure the strength and growth of local industries in general.

d. The City Council shall also assist the San Diego Consortium to apply for additional funding which may be available from the Department of Labor, Job Training Partnership Act, Employment Training Panel, or any other local, state, or federal funding sources. These grants shall be used to finance employment and retraining activities to assist increasing numbers of displaced workers.

e. The City Council will assume a leadership role in encouraging representatives of the largest prime contractors to meet on a regular basis with a group of representatives from the Economic Development Department, the Economic Development Corporation, the San Diego Consortium, the San Diego Economic Conversion Council, and labor organizations. The purpose of these meetings shall be to discuss the status of employment at each facility. The City Council or the Economic Conversion Subcommittee shall consider forming an aerospace task force to perform the same function for industries involved specifically in the aerospace industry.

2. Layoff Assistance

a. Using the information from the survey/interview process, the San Diego Consortium and the Economic Development Corporation shall begin identifying the occupations and job skills of potentially displaced workers in order to create a profile of the employees most likely to need employment assistance. Companies which might need those displaced workers should also be identified.

b. The Consortium, the Economic Development Corporation, and the Chamber of Commerce shall encourage commitments from unaffected companies to consider hiring these displaced workers. Federal and State tax credits, such as those offered in the Enterprise Zone, should be considered as one method of encouraging employment of displaced workers.

c. The Consortium and the Employment Development Department shall assist workers already displaced with re-employment and retraining services, entrepreneurial training, business development assistance, and supportive service assistance programs.

d. The San Diego Consortium shall establish a communication hotline for layoffs/base closures and a complementary hotline should also be developed for companies needing employees in order to match supply with demand.

e. The State Employment Development Department, the San Diego Consortium, the Economic Development Corporation and the Economic Development Department shall cooperate with labor organizations to develop a public relations program to make affected workers aware of reemployment and retraining opportunities offered by the San Diego Consortium and the Employment Development Department.

b. The City Council, the County, and other local jurisdictions shall encourage public agencies to contract with affected industries for technology needs. The City Manager shall review contracts which will be issued for municipal projects to determine whether any of these public works involve technology which could be provided by affected industries. Public officials and SANDAG shall encourage other San Diego County cities and public agencies such as MTDB, CALTRANS, and the Port to establish a similar review process.

c. Additionally, Federal Economic Adjustment planning assistance should be sought for specific demonstration conversion projects.

d. The City Council shall consider authorizing a Request for Proposals to local universities for a study to identify public works projects which could utilize technologies or adapted technologies provided by affected, local industries.

e. The Economic Conversion Subcommittee shall arrange a series of workshops/discussions with local educational institutions. The workshops will emphasize the changing condition of the San Diego economy and employment and educational opportunities. Career development departments of these institutions should be involved in Subcommittee's activities.

f. The Small Business and International Trade Center shall design and offer assistance programs to small and medium businesses to assist in transition to new markets and products. These programs should include one-on-one consultation and technical assistance to encourage businesses to gain entrance into international export fields, explanation of the mechanics of trade financing, and marketing assistance.

g. Local, state, and federal legislators shall work with the Legislative Services Department to advocate increased federal funding for Small Business Development Centers to target programs and financing for small businesses affected by military reductions.

h. The San Diego Consortium, the Economic Development Department and the Economic Development Corporation should also make businesses aware of the services offered by the San Diego Certified Development Corporation which assists viable businesses through the expansion, acquisition, remodeling, or rehabilitation of real property by providing long-term, low-interest, fixed-asset financing.

c. In order to facilitate the expansion of existing facilities and the attraction of new industry, the City Manager and the Planning Department shall aggressively seek to improve permit processing. In order to achieve this objective, the City Manager and the Planning Department shall work with the Economic Development Corporation to reinstate the Development Coordinating Committee, a group assembled to help facilitate the approval of the planning and permitting process in an expedient and orderly fashion. The group will be comprised of representatives from various city departments including Water Utilities, Engineering and Development, the Planning Department, the Building Inspection Department, the City Attorney's office, the Property Department, the Fire Department, and representatives from the private sector. This coordinated approach to permit processing should reduce duplicative or conflicting requirements of the various city departments and expedite the issuance of permits.

d. The City Council shall direct the Economic Development Department to research and target federal and state tax credit programs towards eligible San Diego firms affected by cuts--and towards businesses who elect to hire workers displaced from the affected firms.

e. The City Council shall also consider deferring, reducing, reimbursing, or waiving permit fees and urban impact fees for affected industries, targeted replacement industries, or for certain new construction projects which provide significant new employment potential and tax revenue and have considered locating outside of San Diego.

f. The City Council shall consider backing performance bonds, Industrial Development Authority Bonds, California Pollution Control Financing Authority Bonds, or other financing mechanisms to attract new industries and/or assist local industries in their competition for large contracts, and in their efforts to expand or diversify existing facilities.

g. The City's economic agencies shall promote the use of state assistance in the areas of employment training, financing, and environmental regulations, to affected San Diego firms.

h. The City Council and the City's economic development agencies shall actively support applications for and expansion of the Foreign Trade Zone and the Enterprise Zone, which provide waivers of customs duties and tax incentives to stimulate international trade, business investment and employment opportunities.

i. The City's economic development agencies, in cooperation with the World Trade Association, the International Trade Center, and the International Trade Administration, will actively promote export assistance.

THE CITY OF SAN DIEGO

BOB FILNER

DEPUTY MAYOR

July 22, 1991

Richard F. Smith, Jr.
Quality Tax & Financial Services, Inc.
9829 Campo Road, Casa de Oro
Spring Valley, CA 91977

Dear Dick:

Thank you for your recent letter with your proposals for how military technology can be used for civilian purposes.

As you know, I think your ideas are fascinating and serve as a perfect example of what we can do with existing military technology. These are some of the conversion activities that I'm sure we will be exploring in the future as part of our economic conversion program.

I appreciate your efforts and look forward to continuing to work with you.

Sincerely,

BOB FILNER
Deputy Mayor

BF/gd

202 C STREET • SAN DIEGO, CALIFORNIA 92101 • PHONE (619) 236-6688

Printed on recycled paper

The City of San Diego

MANAGER'S REPORT

DATE ISSUED: July 17, 1991 REPORT NO. 91-331

ATTENTION: Honorable Mayor and City Council, Agenda of July 22, 1991

SUBJECT: Economic Conversion Program

REFERENCE: Referral from Public Facilities and Recreation Committee Docket of May 8, 1991

SUMMARY:

Issue - Should the City Council:

1). Accept the Report of the Economic Conversion Subcommittee?

2). Direct the City Manager to incorporate the recommendations of the Report into deliberations of the Economic Development Task Force?

3). Direct staff to undertake specific actions to implement aspects of the Economic Conversion Program?

Manager's Recommendation -

1). Accept the Report of the Economic Conversion Subcommittee.

2). Direct staff to incorporate the Economic Conversion Program Report into deliberations of the Economic Development Task Force.

3). Direct staff to undertake the following actions:

- Request the San Diego Consortium and Private Industry Council to prepare a Report on recent and anticipated defense related closures and layoffs and the skill profiles of displaced workers.

- Pursue state and federal funding to assist in a comprehensive economic adjustment planning effort as outlined in the Report.

Reductions in Defense spending will have the following effects on San Diego:

* Layoffs of San Diego civilian employees of the military

* Reductions in military construction contracts and construction employment

* Loss of military procurement opportunities

* Layoffs at large aerospace companies as the volume of defense contracts is reduced

* A corresponding loss of subcontracting opportunities with prime defense contractors and resultant layoffs and closures of small companies

* Accompanying/ripple effects on other businesses, and local housing and retail markets

Present estimates indicate that at least 1745 San Diego workers have been laid off since 1989 due to defense reductions with an additional 2000 projected to be laid off by 1993.

To address these impacts, the Economic Conversion Subcommittee and Advisory Group proposes a five point program:

1). Assessment of Impacts - Determine extent and magnitude of the impact of defense reductions on the San Diego economy.

2). Layoff Assistance - Coordinate and plan for comprehensive assistance services to displaced workers.

3). Retention of Existing Employment - Insure that efforts are undertaken to retain existing firms and minimize or avoid layoff and closures.

4). Replacement of Employment - Assist in expansion and attraction of industries which can replace jobs lost through defense reductions.

5). Legislative Initiatives and Advocacy - Track and support legislative programs and initiatives which assist in San Diego economic conversion activities.

The proposed Economic Conversion Program represents an ambitious effort to address the competitiveness and continued viability of the local San Diego economy. As such, many of the recommendations are applicable to San Diego economic development efforts in general. For this reason, it is recommended that the proposed program be referred for consideration to the economic development planning effort currently being undertaken by the Economic Development Task Force.

DFR MAY 8 1991

City of San Diego, California

Deputy Mayor Bob Filner

ECONOMIC CONVERSION PROGRAM

BACKGROUND

The defense industry in San Diego County accounts for almost 20% of the local Gross Regional Product, or about $10 billion. Defense is second only to manufacturing in bringing outside money into the local economy, and approximately one-fourth of local manufacturing is defense-related. Overall, San Diego accounts for approximately 18% of the defense spending in California.

The bulk of defense spending (approximately 80%) in San Diego is about evenly divided between military payrolls and defense contracting. The remaining 20% is distributed to retired personnel and for operations and construction.

PROJECTED DEPARTMENT OF DEFENSE BUDGET CUTS

Recent changes in the global political environment, the need to reassess national strategic assumptions, and federal budget deficits are contributing to significant reductions in defense expenditures. From 1985 to 1996, Department of Defense spending is projected to decline significantly.

Announced congressional reductions in defense spending of 12% from 1989 to 1995 would reduce San Diego's total active duty and civilian population on military payrolls by 20,500 workers--and would translate into a loss of $493 million in Gross Regional Product.

Based on a California Department of Finance study projecting DOD contract reductions between 22% and 36% over the same period, San Diego could lose between $758 millions and $1.24 billion in Gross Regional Product and experience a loss of 24,397 to 44,483 defense contracting and subcontracting jobs.

Using Department of Defense multipliers, which indicate that for each $1.00 of DOD spending, another $1.60 to $2.70 is generated in the region's economy, the total impact to San Diego's economy (military payrolls and DOD contracts plus multipliers) could approximate a loss of $3 to $6 billion in a total GRP of $52.4 billion.

From fiscal 1990 to fiscal 1992 alone, there was a real reduction in defense spending of 10 percent. Despite the costly conflict in the Middle East, the fiscal 1992 federal budget proposal also showed significant reductions.

SAN DIEGO CITY COUNCIL SUBCOMMITTEE ON ECONOMIC CONVERSION

Due to the severe impacts that these cuts are already having on the San Diego economy, a group of San Diegans rallied together and asked the City Council to begin planning for the reductions in defense spending. In response to this request, the City Council unanimously approved the formation of the San Diego Economic Conversion Subcommittee of the City Council. The Subcommittee then formed an advisory group consisting of representatives from the military, defense contract industries, such as General Dynamics, Rohr, Cubic, and NASSCO, labor unions, local universities, the County of San Diego, the San Diego Association of Governments, the Economic Development Corporation, San Diego Consortium and Private Industry Council, the City of San Diego's Economic Development Department, the Economic Conversion Council, and the Institute for Effective Action.

The charge of the advisory group was to develop a plan which allows our local economy to prepare for the current and impending cuts by diversifying and strengthening production in a way which reflects reduced levels of defense spending.

The advisory group has drafted the following program for presentation to the City Council. The group is requesting that the Council adopt the program and authorize the Economic Conversion Subcommittee's ongoing efforts to help implement the program over a period of two years.

ECONOMIC CONVERSION PROGRAM

PURPOSE

While San Diego's economy has proven remarkably strong during past defense budget cuts and national recessions, there is no question that current and future cuts in military spending have already affected, and will continue to affect our economy. Rather than continue to lose thousands of jobs and suffer a reduced Gross Regional Product, it is critical that we plan for these cuts to ensure that our local economy is not adversely affected by further reductions.

The purpose of this program is to diversify and strengthen our local economic base in order to decrease our vulnerability to military cuts. This objective will be accomplished by predicting the effects of planned reductions and redirecting resources, development activities, and employment training towards civilian production. Simultaneously, the program seeks to ensure the strength and growth of local industries in general.

d. The City Council shall also assist the San Diego Consortium to apply for additional funding which may be available from the Department of Labor, Job Training Partnership Act, Employment Training Panel, or any other local, state, or federal funding sources. These grants shall be used to finance employment and retraining activities to assist increasing numbers of displaced workers.

e. The City Council will assume a leadership role in encouraging representatives of the largest prime contractors to meet on a regular basis with a group of representatives from the Economic Development Department, the Economic Development Corporation, the San Diego Consortium, the San Diego Economic Conversion Council, and labor organizations. The purpose of these meetings shall be to discuss the status of employment at each facility. The City Council or the Economic Conversion Subcommittee shall consider forming an aerospace task force to perform the same function for industries involved specifically in the aerospace industry.

2. Layoff Assistance

a. Using the information from the survey/interview process, the San Diego Consortium and the Economic Development Corporation shall begin identifying the occupations and job skills of potentially displaced workers in order to create a profile of the employees most likely to need employment assistance. Companies which might need those displaced workers should also be identified.

b. The Consortium, the Economic Development Corporation, and the Chamber of Commerce shall encourage commitments from unaffected companies to consider hiring these displaced workers. Federal and State tax credits, such as those offered in the Enterprise Zone, should be considered as one method of encouraging employment of displaced workers.

c. The Consortium and the Employment Development Department shall assist workers already displaced with re-employment and retraining services, entrepreneurial training, business development assistance, and supportive service assistance programs.

d. The San Diego Consortium shall establish a communication hotline for layoffs/base closures and a complementary hotline should also be developed for companies needing employees in order to match supply with demand.

e. The State Employment Development Department, the San Diego Consortium, the Economic Development Corporation and the Economic Development Department shall cooperate with labor organizations to develop a public relations program to make affected workers aware of reemployment and retraining opportunities offered by the San Diego Consortium and the Employment Development Department.

b. The City Council, the County, and other local jurisdictions shall encourage public agencies to contract with affected industries for technology needs. The City Manager shall review contracts which will be issued for municipal projects to determine whether any of these public works involve technology which could be provided by affected industries. Public officials and SANDAG shall encourage other San Diego County cities and public agencies such as MTDB, CALTRANS, and the Port to establish a similar review process.

c. Additionally, Federal Economic Adjustment planning assistance should be sought for specific demonstration conversion projects.

d. The City Council shall consider authorizing a Request for Proposals to local universities for a study to identify public works projects which could utilize technologies or adapted technologies provided by affected, local industries.

e. The Economic Conversion Subcommittee shall arrange a series of workshops/discussions with local educational institutions. The workshops will emphasize the changing condition of the San Diego economy and employment and educational opportunities. Career development departments of these institutions should be involved in Subcommittee's activities.

f. The Small Business and International Trade Center shall design and offer assistance programs to small and medium businesses to assist in transition to new markets and products. These programs should include one-on-one consultation and technical assistance to encourage businesses to gain entrance into international export fields, explanation of the mechanics of trade financing, and marketing assistance.

g. Local, state, and federal legislators shall work with the Legislative Services Department to advocate increased federal funding for Small Business Development Centers to target programs and financing for small businesses affected by military reductions.

h. The San Diego Consortium, the Economic Development Department and the Economic Development Corporation should also make businesses aware of the services offered by the San Diego Certified Development Corporation which assists viable businesses through the expansion, acquisition, remodeling, or rehabilitation of real property by providing long-term, low-interest, fixed-asset financing.

c. In order to facilitate the expansion of existing facilities and the attraction of new industry, the City Manager and the Planning Department shall aggressively seek to improve permit processing. In order to achieve this objective, the City Manager and the Planning Department shall work with the Economic Development Corporation to reinstate the Development Coordinating Committee, a group assembled to help facilitate the approval of the planning and permitting process in an expedient and orderly fashion. The group will be comprised of representatives from various city departments including Water Utilities, Engineering and Development, the Planning Department, the Building Inspection Department, the City Attorney's office, the Property Department, the Fire Department, and representatives from the private sector. This coordinated approach to permit processing should reduce duplicative or conflicting requirements of the various city departments and expedite the issuance of permits.

d. The City Council shall direct the Economic Development Department to research and target federal and state tax credit programs towards eligible San Diego firms affected by cuts--and towards businesses who elect to hire workers displaced from the affected firms.

e. The City Council shall also consider deferring, reducing, reimbursing, or waiving permit fees and urban impact fees for affected industries, targeted replacement industries, or for certain new construction projects which provide significant new employment potential and tax revenue and have considered locating outside of San Diego.

f. The City Council shall consider backing performance bonds, Industrial Development Authority Bonds, California Pollution Control Financing Authority Bonds, or other financing mechanisms to attract new industries and/or assist local industries in their competition for large contracts, and in their efforts to expand or diversify existing facilities.

g. The City's economic agencies shall promote the use of state assistance in the areas of employment training, financing, and environmental regulations, to affected San Diego firms.

h. The City Council and the City's economic development agencies shall actively support applications for and expansion of the Foreign Trade Zone and the Enterprise Zone, which provide waivers of customs duties and tax incentives to stimulate international trade, business investment and employment opportunities.

i. The City's economic development agencies, in cooperation with the World Trade Association, the International Trade Center, and the International Trade Administration, will actively promote export assistance.

ECONOMIC CONVERSION ADVISORY GROUP

AGENDA

July 18, 1991

I. Introductions

II. July 22nd City Council hearing on Economic Conversion Program

III. B Economic Development Task Force

St. Louis Reindustry Adjst Program
A-12 cancellation
- funded broad based community group
- Primes + Subs (Depending on Study) Assist
- final report due in Fall 1991 Employee Demo Project
- assistance

1991 Defense authorized (Patrick O'Brien) authorized May 17 - Controller has 20 of Defense Dept.
$150M to Dept Labor
$50M to Dept of Commerce
- demonstration projects to be implemented

MOA Community Proposals
Pro active projects
Future growth trends. Workforce capabilities

Dr. Robert Rauner
Director, DOD (O'Briens boss)

Mr. Tad Jackson - advised contact

Roger Fromyhlen - City Mgr. (Water issues)
on water pipes problems

Abigail Barrow
UCSD Extension
Connect Program, 0176
9500 Gilman Drive
La Jolla, CA 92093

Marcia Boruta
Economic Conversion Coun
405 West Washington St.
San Diego, CA 92103

Arthur E. Engel
President
Southwest Marine, Inc.
P. O. Box 13308
San Diego, CA 92113

Aurelia Koby
Chief Executive Officer
San Diego Consortium
1551 Fourth Avenue, Suit
San Diego, CA 92101

R.A.K. Mitchell
President
Teledyne Ryan
P. O. Box 85311
San Diego, CA 92186

Steven Plunk
San Diego-Imperial Count
Labor Council
4265 Fairmount Avenue
San Diego, CA 92105

John Ruggie
Director, Institute for
Conflict & Cooperation -
La Jolla, CA 92093

Gene Severino
Vice President
North Island Association
P. O. Box 927
San Diego, CA 92118

C.F. Stover sub MATT ANDERSON
c/o General Dynamics
Mail Zone 33-1008
P.O. Box 85357
San Diego, CA 92138

Steve Weathers
Economic Development Cor
B Street, Suite 1850
San Diego, CA 92101

Walter J. Zable
President/CEO
Cubic Corporation
P. O. Box 85587
San Diego, CA 92186

Dr. Robert Beyster
Chairman of the Board/CE
SAIC
10260 Campus Point Drive
San Diego, CA 92121

Kurt Chilcott
Deputy Director
Economic Development Div
MAIL STATION 51E

Robert H. Goldsmith
Chairman/CEO
Rohr Industries
P. O. Box 878
Chula Vista, CA 92012

Art Lujan JACOBSON
San Diego Building and
Construction Trades C
3909 Centre Street, Room
San Diego, CA 92103

Daniel Pegg
President
SD Economic Development
701 B Street, Suite 1850
San Diego, CA 92101

Honorable Wes Pratt
Councilmember
City of San Diego
202 "C" Street
San Diego, CA 92101

Howard Ruggles
San Diego District Manag
Hughes Aircraft
7840 Mission Center Ct.,
San Diego, CA 92108

Jane Signaigo-Cox
Vice President, Economic
Development Corporation
701 B Street, Suite 1850
San Diego, CA 92109

Dewey Taubert
Rohr Industries
P. O. Box 878
Chula Vista, CA 92012

Honorable Leon Williams
Supervisor
County of San Diego
1600 Pacific Highway
San Diego, CA 92101

Peter Zschiesche
Business Representative
IAM
5150 Kearny Mesa Road
San Diego, CA 92111

Bruce R. Boland
Deputy Chief, Admin. Off
County of San Diego
1600 Pacific Highway, Rm
San Diego, CA 92101

Marney Cox
SANDAG
First Interstate Bank
401 B Street, Suite 800
San Diego, CA 92101

Rear Admiral Grady Jacks
Commander
Naval Base San Diego
937 North Harbor Drive
San Diego, CA 92132

Crosby Milne
Institute for Effective
6547 Bluefield Place
San Diego, CA 92120

Dan Peoples
President
Peoples & Company
3271 Galloway Drive
San Diego, CA 92122

Vikki Robinson
Sup. Leon Williams Offic
1600 Pacific Highway
San Diego, CA 92101

Stan Schroeder
San Diego Consortium
1551 Fourth Avenue, Suit
San Diego, CA 92101

Richard F. Smith, Jr.
President, Quality Tax
& Financial Services
4011 Carpenter Lane
La Mesa, CA 92041

Jeff Tayman
SANDAG
First Interstate Bank Bu
401 B Street, Suite 800
San Diego, CA 92101

Honorable Abbe Wolfsheim
City of San Diego
202 C Street
San Diego, CA 92101

NTL. STEEL + SHIPBUILD
subsidized European Shipy

THE CITY OF SAN DIEGO

BOB FILNER

DEPUTY MAYOR

July 3, 1991

O'Brien
Essential that corporate leaders are active in the process & view it as an opportunity to help the state

Richard F. Smith, Jr.
President, Quality Tax
& Financial Services
4011 Carpenter Lane
La Mesa, CA 92041

Dear Dick:

I am pleased to report to you that our Economic Conversion Program will be going to the full City Council for consideration on July 22, 1991.

In preparation for that meeting, I would like to convene our advisory group so that we can plan our presentation to the Council. In addition, I am very pleased to report that we will have a special guest during this next meeting. Mr. Patrick O'Brien, Project Manager for the Department of Defense Office of Economic Adjustment, has agreed to visit San Diego and evaluate our economic conversion program and our request for federal planning assistance. Mr. O'Brien will be present at the meeting and I urge your attendance so that we may demonstrate San Diego's enthusiasm for economic conversion--and how we deserve federal assistance!

PENTHGC
R.E.&
PROP. MGT
BACKGRO

The meeting will be held on July 18, 1991 at 12:00 p.m. in Conference Room B, just to the left of the Council Conference Room, on the 12th floor of the City Administration Building at 202 C Street. Sandwiches and refreshments will be served. Please RSVP to Gloria Inai in my office at 236-6688.

Please be sure to attend. We need your help!

O'Brien interested in learning S.D. Dependencies on industry

Base Closure Decisions
Criteria
1st 5 deal with military
1. Force Structure
2. Impact on Force Structure
- community in past was secondary

Potential layoffs

Realigning of Resources for downstream impact

Sincerely,

Bob

BOB FILNER
Deputy Mayor

BF/gd

202 C STREET • SAN DIEGO, CALIFORNIA 92101 • PHONE (619) 236-6688

Printed on recycled paper

City of San Diego, California

Deputy Mayor Bob Filner

ECONOMIC CONVERSION PROGRAM

BACKGROUND

Defense expenditures by the federal government in San Diego total nearly $10 billion annually, which accounts for more than 20 percent of San Diego's gross regional product. Defense expenditures include military payrolls, research and development, and procurement contracts with local manufacturers. These activities combined constitute the second largest sector of San Diego's economy behind manufacturing.

Recent changes in the global political environment, the need to reassess strategic assumptions, and federal budget difficulties are contributing to significant reductions in defense expenditures. From 1985 to 1996, Department of Defense spending is projected to decline by almost 32 percent. From fiscal 1990 to fiscal 1992, there was a real reduction in defense spending of 10 percent. Despite the continuing and costly conflict in the Middle East, the fiscal 1992 federal budget proposal also shows significant reductions.

This overall trend towards major reductions in federal defense spending will create the following economic setbacks in San Diego:

* Layoffs of San Diego civilian employees of the military
* Reductions in military construction contracts and construction employment
* Loss of military procurement opportunities
* Layoffs at large aerospace companies as the volume of defense contracts is reduced
* A corresponding loss of subcontracting opportunities with prime defense contractors and resultant layoffs and closures of small companies
* Accompanying effects on local housing and retail markets

Tens of thousands of jobs have already been lost in Southern California as a direct result of reductions in defense spending. San Diego itself has lost over 2600 jobs because of these cuts and an additional 1500 layoffs are predicted in 1991 by large military firms including General Dynamics, Rohr, Hughes, and McDonnell Douglas.

PURPOSE

While San Diego's economy has proven remarkably strong during past defense budget cuts and national recessions, there is no question that the current and future cuts in military spending have affected, and will continue to affect our economy. Therefore, it is necessary to plan for these cuts and ensure that our local economy is not adversely affected by these reductions.

The purpose of this program is to guide local economic development activities towards reducing or eliminating the severity of military cuts by predicting the effects of these reductions, rechanneling resources and orienting development activities and employment training towards civilian production, while simultaneously ensuring the strength and growth of local industries in general.

PROGRAM

This program shall affect several areas of economic planning and will require the cooperation of several public and private agencies, such as the Economic Development Department, the San Diego Consortium and Private Industry Council, SANDAG, the Economic Development Corporation, the County of San Diego, private industry, the military, labor organizations, and local community activists.

Effective implementation of this program will require that we assess the impacts of proposed cuts, provide layoff assistance, develop programs to retain, replace, and expand existing employment, and provide legislative advocacy to aid in San Diego's economic adjustment efforts.

The following efforts shall be undertaken to assist San Diego's adjustment to military reductions:

1. Assessment of Impacts

It will be necessary to determine the extent and magnitude of the impacts of military reductions on the San Diego economy in order to identify the City's adjustment needs and to obtain resources for future planning.

a. The San Diego Consortium, in cooperation with the City's Economic Development Department and the Economic Development Corporation, shall analyze existing information to determine the number of layoffs which have occurred as a result of military reductions. Additionally, the Consortium shall undertake surveys of the largest prime contractors in the area to determine the number of layoffs projected by these companies and the potential for assistance. This information shall be utilized to identify and interview subcontractors who might be affected.

b. Representatives of local military facilities should be interviewed to obtain corresponding information on layoffs of local military personnel.

c. The City Council shall use these calculations to apply for economic planning assistance from the Federal Office of Economic Adjustment. If federal assistance is obtained, the City Council should consider using those planning resources to fund an economic adjustment position in the Economic Development Department.

d. The City Council shall also assist the San Diego Consortium to apply for additional funding under the Job Training Partnership Act to finance the increased employment and retraining activities necessary to aid displaced workers.

e. The City Council will send a letter strongly encouraging representatives of the largest prime contractors to meet on a monthly basis with a group of representatives from the Economic Development Department, the Economic Development Corporation, the San Diego Consortium, and labor organizations to discuss the status of employment at each facility.

2. Layoff Assistance

a. Using the information from the interview process, the San Diego Consortium shall begin identifying the occupations and job skills of potential displaced workers in order to create a profile of the employees most likely to need employment assistance. Companies which might need those displaced workers should also be identified.

b. The Consortium, the Economic Development Corporation, and the Chamber of Commerce shall encourage commitments from unaffected companies to consider hiring these displaced workers.

c. The Consortium and the Employment Development Department shall assist workers already displaced with re-employment and retraining services, as well as entrepreneurial training and business development assistance.

d. The San Diego Consortium shall establish a communication hotline for layoffs/base closures and a complementary hotline should also be developed for companies needing employees in order to match supply with demand.

e. The San Diego Consortium, the Economic Development Corporation and the Economic Development Department shall cooperate with labor organizations to develop a public relations program to target affected industries to make workers aware of reemployment and retraining opportunities offered by the San Diego Consortium and the Employment Development Department.

3. Retention of Existing Employment

To the extent possible, affected businesses should be assisted to minimize or even avoid layoffs and closures.

a. The Economic Development Department shall work with the City Manager, the Economic Development Corporation, SANDAG, MTDB, CALTRANS, the Port, the EPA, and other municipal, state, and federal agencies to identify public works and commercial opportunities for affected businesses. The Economic Development Corporation shall conduct surveys of local affected industries to match existing defense-related technologies with technologies required for planned public and private projects. Examples of public and private projects which require the kind of technology utilized by defense-related industries include:

*Transportation Control and Management Systems

-High Speed Rail Systems

-Light Rail Transit Systems

-Intelligent Vehicle Highway Systems

*Ship Repair

*Commercial Aircraft Production

*Environmental Information Systems

-Smart Irrigation Systems

-Low Power Electronic Lighting Ballasts

*Clean Water Act Facilities

-Water Reclamation Facilities

-Sewage Treatment and Plants

-Desalinization Plants

*Environmental Clean-up

-Alternative Energy Production

-Toxic Waste Clean-up

*Adaptive Technologies for the Physically Disabled

b. The City Council, the County and other local jurisdictions shall encourage public agencies to contract with affected industries for technology needs. The City Manager shall meet on a quarterly basis with all city department heads to review contracts which will be issued for municipal projects to determine whether any of these public works involve technology which could be provided by affected industries. Public officials and SANDAG shall encourage other San Diego County cities and public agencies such as MTDB, CALTRANS, and the Port to establish a similar review process.

c. Additionally, Federal Economic Adjustment planning assistance should be sought for these conversion projects. If adequate assistance is received, the City Council shall consider authorizing a Request for Proposals to local universities for a study to identify public works projects which could utilize technologies or adapted technologies provided by affected, local industries. Federal planning assistance should also be sought for specific conversion projects.

d. The Small Business and International Trade Center shall design and offer assistance programs to small and medium businesses to assist in transition to new markets and products. These programs should include one-on-one consultation and technical assistance to encourage businesses to gain entrance into international export fields, explanation of the mechanics of trade financing, and assistance in the marketing of distributorships.

e. Local, state, and federal legislators shall work with the Legislative Services Department to advocate increased federal funding for Small Business Administration Centers, Small Business Innovation Research Programs, and Small Business Development Centers.

f. The San Diego Consortium, the Economic Development Department and the Economic Development Corporation should also make businesses aware of the services offered by the San Diego Certified Development Corporation which assists viable businesses through the expansion, acquisition, remodeling, or rehabilitation of real property by providing long-term, low-interest, fixed-asset financing.

g. The City Council should also seek funding from the Office of Economic Adjustment to establish a Procurement Service for small businesses which lose a significant portion of their clientele as a result of defense cutbacks. This service would provide data on small defense contracts available and their specific contract requirements. The Procurement Service could be run by a local university or a state agency such as the Small Business Administration Center.

h. The City Council shall send a letter to local companies encouraging them to buy products manufactured by local companies. The Economic Development Corporation shall make available and distribute a list of local manufacturers and their products.

4. Replacement of Existing Employment

To ensure the longevity of a vital and viable local economy, it will also be necessary to pursue actively the expansion of existing businesses and the attraction of new businesses to the San Diego area.

a. Consolidation and closure of military bases is occurring rapidly in other cities across the nation. A strong commitment by local officials to existing military facilities may ensure continued operations and may even create an environment conducive to the location of expanded military operations from facilities closed elsewhere. Therefore, the City Council should be encouraged to send a letter to local military officials expressing support for existing operations and interest in the location of additional facilities in San Diego. A forum should be created for ongoing dialogue with the armed forces.

b. The Economic Development Department and the Economic Development Corporation shall target industrial attraction and expansion efforts to help replace firms affected by defense cutbacks and economic adjustment actions on a company specific basis. These agencies shall develop a program of replacement activities including facility re-use and employee buy-out.

c. In order to facilitate the expansion of existing facilities and the attraction of new industry, the City Manager and the Planning Department shall aggressively seek to improve permit processing. In order to achieve this objective, the City Manager and the Planning Department shall work with the Economic Development Corporation to reinstate the Development Coordinating Committee, a group assembled to help facilitate the approval of the planning and permitting process in an expedient and orderly fashion. The group will be comprised of representatives from various city departments including Water Utilities, Engineering and Development, the Planning Department, the Building Inspection Department, the City Attorney's office, the Property Department, the Fire Department, and representatives from the private sector. This coordinated approach to permit processing should reduce duplicative or conflicting requirements of the various city departments and expedite the issuance of permits.

d. The City Council shall direct the Economic Development Department to create a program of tax credits for companies involved in conversion and retraining programs.

e. The City Council shall also consider deferring, reducing, reimbursing, or waiving permit fees and urban impact fees for affected industries, targeted replacement industries, or for certain new construction projects which provide significant new employment potential and tax revenue and have considered locating outside of San Diego.

f. The City's economic agencies shall promote the use of state assistance to attract new industry. State programs which provide direct financial incentives as well as tax advantages include Industrial Development Authorities, which allow cities and counties to issue industrial revenue bonds for projects which result in some public benefit such as new jobs or an increased tax base, and California Pollution Control Financing Authority which also permits the issuance of industrial revenue bonds for pollution control projects.

g. The City Council and the City's economic development agencies shall actively support applications for and expansion of the Foreign Trade Zone and the Enterprise Zone, which provide waivers of customs duties and tax incentives to stimulate international trade, business investment and employment opportunities.

h. The City's economic development agencies, in cooperation with the World Trade Association, the International Trade Center, and the International Trade Administration, will actively promote export assistance.

5. Legislative Advocacy

a. The Department of Legislative Services shall work with the Economic Development Department and the Economic Conversion Council to develop a program for tracking and providing advocacy for state and federal legislation supporting San Diego's economic adjustment efforts and employment development programs.

b. These same agencies shall monitor available grants closely and ensure timely applications for economic adjustment and employment development funding.

c. The Economic Conversion Advisory Group and Subcommittee should provide ongoing support for the activities listed above and for advocacy of legislation benefitting such efforts.

d. The Economic Development Department and the Economic Development Corporation shall work with SANDAG to distribute and promote this program to other San Diego cities, the County, public agencies, and potentially affected industries.

ECONOMIC CONVERSION ADVISORY GROUP MEETING

January 30, 1991

AGENDA

I. Welcome and Introductions

II. Presentation of Assignments by Members (see attachments)

A. San Diego Consortium and Private Industry Council

B. Economic Conversion Council (Ohio and Unisys Papers)

C. Richard Smith

D. NASSCO/Dan Peoples

E. Economic Development Corporation

F. Economic Conversion Council

G. International Association of Machinists and Aerospace Workers

III. Next meeting

(combine material into cohesive document?)

IV. Application for Assistance from Federal Office of Economic Adjustment?

Dr. Robert Beyster
Chairman of the Board/CE
SAIC
10260 Campus Point Drive
San Diego, CA 92121

K. Chilcott
Deputy Director
Economic Development Div
MAIL STATION 51E

Joe Francis
San Diego-Imperial Count
Labor Council
4265 Fairmount Avenue
San Diego, CA 92105

Aurelia Koby for JOMAS MARTINEZ
Executive Director
RETC
1551 Fourth Avenue, Suit
San Diego, CA 92101

R.A.K. Mitchell Ken Carson
President V.P. Human Relation
Teledyne Ryan
P. O. box 85311
San Diego, CA 92186

Da Peoples
Pr ident
Peoples & Company
3271 Galloway Drive
San Diego, CA 92122

John Ruggie
Director, Institute for
Conflict & Cooperation -
La Jolla, CA 92093

Gene Severino
Vice President
North Island Association
P. O. Box 927
San Diego, CA 92118

Jeff Tayman
SANDAG
First Interstate Bank Bu
401 B Street, Suite 800
San Diego, CA 92101

Honorable Abbe Wolfsheim
City of San Diego
2 . Street
San Diego, CA 92101

Bruce R. Boland
Deputy Chief, Admin. Off
County of San Diego
1600 Pacific Highway, Rm
San Diego, CA 92101

Marney Cox
SANDAG
First Interstate Bank
401 B Street, Suite 800
San Diego, CA 92101

Robert H. Goldsmith
Chairman/CEO
Rohr Industries
P. O. Box 878
Chula Vista, CA 92012

Art Lujan
San Diego Building and
Construction Trades C
3909 Centre Street, Room
San Diego, CA 92103

Charles Nathanson REP
UCSD
IGCC #C-001
La Jolla, CA 92037

Honorable Wes Pratt
Councilmember
City of San Diego
202 "C" Street
San Diego, CA 92101

Howard Ruggles
San Diego District Manag
Hughes Aircraft
7840 Mission Center Ct.,
San Diego, CA 92108

Richard F. Smith, Jr.
President, Quality Tax
& Financial Services
4011 Carpenter Lane
La Mesa, CA 92041

Steve Weathers
Economic Development Cor
701 B Street, Suite 1850
San Diego, CA 92101

Walter J. Zable
President/CEO
Cubic Corporation
P. O. Box 85587
San Diego, CA 92186

Marcia Boruta
Economic Conversion Coun
3775 Herbert Street, #4
San Diego, CA 92103

Arthur E. Engel
President
Southwest Marine, Inc.
P. O. Box 13308
San Diego, CA 92113

Rear Admiral Grady Jacks
Commander
Naval Base San Diego
937 North Harbor Drive
San Diego, CA 92132

Crosby Milne
Institute for Effective
6547 Bluefield Place
San Diego, CA 92120

Daniel Pegg
President
SD Economic Development
701 B Street, Suite 1850
San Diego, CA 92101

Vikki Robinson
Sup. Leon Williams Offic
1600 Pacific Highway
San Diego, CA 92101

Stan Schroeder
San Diego Consortium
1551 Fourth Avenue
San Diego, CA 92101

C.F. Stover
c/o General Dynamics
Mail Zone 33-1008
P.O. Box 85357
San Diego, CA 92138

Honorable Leon Williams
Supervisor
County of San Diego
1600 Pacific Highway
San Diego, CA 92101

Peter Zschiesche
Business Representative
IAM
5150 Kearny Mesa Road
San Diego, CA 92111

ECONOMIC CONVERSION PROGRAM
12/20/90

The proposed program consists of the following four elements:

[1] Assess Impacts/Provide Layoff Assistance - The potential magnitude and timing of the impacts of defense reductions in San Diego should be determined. Assistance to affected workers should be provided at the earliest possible opportunity.

Tasks

°Identify impacts through direct consultation with business/military representatives.

°Establish communication hotline for layoffs/closures.

°Assist workers with re-employment and retraining services. Include entrepreneurial training and business development assistance.

[2] Retain Existing Employment - To the extent possible, affected business should be assisted to minimize layoffs and closures.

Tasks

°Identify potential public works and commercial opportunities for affected businesses.

°Assist individual employers to transition to new products/processes.

°Offer existing assistance programs to small businesses affected by reductions.

[3] Replace Employment - In order to minimize the depth and scope of job losses, attraction and expansion of appropriate businesses should be actively pursued.

Tasks

°Identify incentives/programs to facilitate replacement of employment (fast/track permits, fee waivers, financing, job training, regulatory assistance, export assistance) .

°Target attraction of replacement businesses and re-use of existing facilities.

* Credit / Debt Assistance - Consumer Credit Counselors of San Diego, Banks, Financial Institutions

°Encourage expansion of military facilities as result of consolidation elsewhere.

[4] Provide Legislative Advocacy - Opportunities to benefit San Diego's economic adjustment efforts should be identified and pursued at the State and Federal levels.

Tasks

°Monitor State/Federal legislative efforts.

°Apply for planning funds through Department of Defense.

°Advocate for executive and legislative actions benefiting local firms and the San Diego economy.

ECONOMIC CONVERSION PROGRAM:

SAN DIEGO CONSORTIUM & PRIVATE INDUSTRY COUNCIL'S ROLE

BACKGROUND

On January 3, 1991 the Economic Conversion Advisory Group requested the San Diego Consortium & Private Industry Council provide information on the potential impact of defense-related layoffs and what systems are in place to serve laid-off workers. The following report identifies how the San Diego Consortium provides assistance to affected workers at the earliest possible opportunity.

The San Diego Consortium & Private Industry Council is a joint city and county organization responsible for training and placing low-income youth and adults and laid-off workers. Annual funding of $20 million comes primarily through the federal Job Training Partnership Act (JTPA).

Approximately $1.5 million of the annual funds is used for re-employment assistance to laid-off workers. A Re-Employment Center is located at 1551 Fourth Avenue.

RE-EMPLOYMENT CENTER SERVICES

When a layoff occurs, the Re-Employment Center is automatically notified through the Workers Assistance Notification Act. As a result, immediate assistance can be provided to businesses and to their workers. The following services are most often provided:

* **Assessment of skills and interests**
* **Employment development**
* **Basic education**
* **Training in a variety of fields**
* **On-the-job training (OJT)**
* **Job placement assistance**
* **Support services**

(For more details on these services see attachment A).

In the past year 724 laid-off workers have been served through the Re-Employment Center. Of this, 260 laid-off workers were from defense or defense-related industries.

FUTURE PLANS

The Re-Employment Center projects increased activity in the coming months, due to the softening economy. Defense-related layoffs will increase. For example, General Dynamics has already laid-off 300 workers in 1991 and is expected to lay off an additional 500 in the next few months. Currently, the Center is preparing to handle four layoffs, as projected by large military firms such as General Dynamics, Rohr, Hughes and McDonald Douglas. This does not include the workers in related firms who will be laid-off as a result of workforce reductions by major contractors.

The current budget of the Re-Employment Center is $1,465,296. During the year the Center will seek additional funding from the state and federal government to serve laid-off workers.

Plans for an assessment center are currently underway. The Re-Employment Center, the Employment Development Department (EDD), and the San Diego Community College District staff will co-locate in a central location where:

- Services can be greatly expanded
- Skills and interests of job seekers referred from a variety of organizations can be assessed in depth
- Referrals can be made to appropriate training resources
- Immediate services can be provided to laid-off workers

Debt/Credit forbearance Program

(For more information on the San Diego Consortium & Private Industry Council, see attachment "B").

ATTACHMENT "A"

RE-EMPLOYMENT CENTER SERVICES

The Dislocated Workers Program is administered by the San Diego Consortium and Private Industry Council's Re-Employment Center. Since 1984, this agency has provided retraining and employment assistance to laid-off workers. This is accomplished through cost-effective services that can be expanded or modified to meet the needs of the individual.

The Re-Employment Center, in partnership with the Employment Development Department (EDD) and organized labor, works with affected employers on re-employment assistance and retraining for dislocated workers. Through direct referrals from the Center, extensive use is made of public training resources, such as community colleges, Regional Occupational Programs (ROP) and Consortium contractors.

Rapid response is the single most important element to the Dislocated Workers Program. This process enables workers who have been notified of a layoff to receive services before they loose their job.

Upon notification from the state EDD or the employer, the Re-Employment Center coordinates and oversees the rapid response process. This system is designed to assist the employer and employers affected by a plant closure or workforce reduction. The Center:

- Provides information to company management about the Re-Employment Center program and other resources available to the employers and affected employees.
- Sets up planning sessions with company management, union officials or employee representatives to discuss the layoff.
- Meets with employees to provide information on Re-Employment Center services, unemployment insurance benefits and California Training Benefits.
- Conducts a survey of the workers to identify their training and supportive service needs.
- Coordinates and oversees the delivery of Re-Employment Center services to assist the laid-off worker. These services are coordinated with EDD, organized labor and local agencies such as community colleges and Regional Occupational Programs (ROP).

The Center provides the following services to its clients:

* Outreach: Laid-off workers are referred to the Center through various sources including EDD, organized labor, community-based organizations, referrals from former participants and employers.

* Assessment of Skills & Interests: Assessment provides information on an individual's skills, educational background and special interests to determine employment and retraining needs.

* Employment Development: This component provides the participant with the skills required to be successful at seeking and keeping a job. Topics covered generally include, but are not be limited to, job search assistance, resume development, interviewing skills and employer expectations (i.e., work habits, motivation, attitude, initiative, etc.). All participants are encouraged to attend these workshops.

* Retraining & Upgrading of Skills: This is the primary component for those individuals in need of retraining. Provided is training in:

  -- Language
  -- Math
  -- Reading
  -- Occupational Skills
  -- On-the-job training

* Placement: The goal is to place individuals in full-time, long-term, unsubsidized employment.

* Support Services: These services, tailored to the individual's needs, include child care, commuting assistance, and financial and personal counseling.

ATTACHMENT "B"

SAN DIEGO CONSORTIUM & PRIVATE INDUSTRY COUNCIL

The San Diego Consortium is the San Diego region's workforce partnership governed by two boards -- the Policy Board and the Private Industry Council.

The Policy Board is comprised of two San Diego City Council members, including the mayor, two county supervisors and a United Way member. The Policy Board appoints Private Industry Council members and shares responsibility for overseeing expenditures of local job training funds.

A 22-member Private Industry Council comprised of business owners, corporate executives and other community leaders, identifies labor market needs and provides policy guidance to develop effective and innovative responses to these needs.

The Joint Exercise of Powers Agreement between the County of San Diego and the City of San Diego specifies the following responsibilities for the San Diego Consortium & Private Industry Council.

a) Provide for the development and creation of job opportunities, training, education and other services needed to enable individuals to secure and retain employment to their maximum capacity.

b) Provide for a regional comprehensive system of planning and administration to promote effective and efficient use of regional employment and training resources.

c) Foster a partnership between the public and private sector for the purpose of providing services which are responsive to employers' needs and which provide for economic development.

Local funds are used to administer 38 program contracts which do the actual work of training and preparing people for jobs. They operate nearly 100 different programs throughout San Diego County, such as: the Dislocated Workers Program; Hire-A-Youth; Youth Opportunities; programs for older workers and many training programs in various occupations for adults and youth. A Job Training Bulletin is available upon request.

Executive Summary

Excerpts from "Ohio's Changing Defense Procurement Patterns: A Company's Perspective" 1/8/9

In 1988, Ohio companies received an estimated $6.3 billion in U.S. Department of Defense contracts, with nearly 200,000 Ohio employees dependent on those contracts. Given recent changes in defense policy combined with rapidly changing world events, defense budgets will likely decline through the mid-1990s, hence the need to develop a strategy for diversification of Ohio's defense industry. The objective of this study is to evaluate how to assist firms in their efforts to diversify.

• • •

To understand how companies might respond to anticipated cuts in defense expenditures, in-person interviews were conducted with key executives from 97 Ohio companies that had defense contracts. Companies were selected from lists of Ohio-based subcontractors obtained from major prime contractors, and from information provided by AFLC at Wright-Patterson.

• • •

The results of the interviews led to a set of *market driven* recommendations as to how the state can assist defense-dependent firms in their efforts to diversify. Recommendations are:

1. Marketing Assistance:

   - Establish a computer bulletin board service as a convenient, cost-effective, efficient way for Ohio companies to learn about products and services available from other Ohio firms.

   - Develop a marketing training program to enable small and intermediate sized firms to use the computer bulletin board and other marketing methods to better market to other Ohio firms.

   - Act as a catalyst to develop highly targeted programs to help Ohio's small and medium sized defense manufacturers find commercial counterparts for their defense production capabilities.

2. Improved Availability of Skilled Workers:

   - Strengthen marketing efforts for secondary and post-secondary educational programs offered by the Board of Regents and the Ohio Department of Education in technical fields. An essential element of this effort involves outreach to industry to gain accurate information about workforce needs and, where possible, to develop specific programs to meet those industry needs.

   - Enable and encourage guidance counselors to recommend industrial technical careers to students who possess strong language and math skills. To do so, counselors will be required to have current knowledge about technical careers in manufacturing.

APPENDIX C
LEGISLATIVE AGENDA

ECONOMIC CONVERSION OPPORTUNITIES AT UNISYS IN MINNESOTA

prepared for the
Alternative Use Committee

prepared by
Jaimie Markham
Markham and Associates

Thomond O'Brien
Research Associate

June 16, 1990

NEW PRODUCT OPPORTUNITIES AT UNISYS

New product ideas have come from union members, the Alternative Use Committee, participating organizations, engineers, public officials, potential users and surveys of new technology literature. In narrowing down the wealth of possibilities we have considered employee skills, plant capacity and potential markets. The final stage of this process, scheduled for early July, is a review of the product ideas by engineers and entrepreneurs who have brought new electronics products to market as well as engineering professors from the University of Minnesota.

The areas presented here include transportation control systems, adaptive technology for the physically disabled, remote sensing, smart irrigation systems and other products which capitalize on Unisys' expertise in computers and real-time electronic control systems. These product groups cover a range of markets from government to industry to agriculture to consumer. They also present a variety of timelines for utilization, although all are commercially feasible now.

A short description is provided of each product concept and its market. Following each of these narratives the potential Unisys products are named along with an estimate of the total market. This estimate of sales potential covers just the equipment which could be manufactured by Unisys and other computer or electronics companies. A timeline for production is also given.

High Speed Rail

High speed trains achieving speeds of 200-300 miles per hour have been tested extensively in Europe and Japan over the last 20 years. Although frequently talked about, the United States is now beginning serious plans for building high speed rail (HSR) systems in several high population corridors. The Bush Administration's transportation policy, the first national transportation policy in 12 years, calls for the construction of high speed rail. Secretary of Transportation Samuel Skinner has committed to assisting states in the Northeast Corridor to build HSR from Boston to New York.

Planning for HSR received a boost in May, 1989 when the prestigious Argonne National Laboratory released a report recommending construction of 2,000 miles of magnetic levitation HSR to replace short-haul air traffic. This report found that the $30 billion spent for such a network would be far cheaper than adding 15-20 new airports by the end of the century where each airport costs $2-3 billion. With more than 30% of airport capacity used for travel within a 400 mile radius air traffic congestion could be reduced by switching to HSR which would cover the distance in approximately the same time. The continuing cost of airport delays and overcrowding, estimated to be $5 billion annually, makes finding a solution to air traffic congestion urgent yet the noise and loss of agricultural lands has caused strong citizen opposition to airport expansion plans from the Twin Cities to Chicago to Boston.

HSR is divided into two types of system: steel wheel models typified by France's TGV (Trains a Grand Vitesse) and magnetic levitation (mag-lev) models such as those by Trans Rapid of West Germany. Mag-lev is able to achieve higher speeds and traverse steeper grades than steel wheels since the train is magnetically raised onto an air cushion. Depending on how the magnetic field is used mag-lev is sub-divided into *attractive* and *repulsive* systems.

Proposals have been made, and in some cases planning begun, for HSR in several areas of the United States with large population concentrations and high traffic volume. These areas include:

Los Angeles - Las Vegas
Los Angeles - Sacramento - San Francisco
Boston - New York City - Washington, DC
New York City - Montreal
Chicago - Detroit
Chicago - Milwaukee - Minneapolis
Dallas - Houston - San Antonio - Ft. Worth - Austin, TX
Miami - Orlando - Tampa

Orlando, Florida has already begun developing a 17.5 mile mag-lev HSR

sales potential: $100 - 200 million

products: digital image processors
computers for real-time analysis of emergency conditions
computers for general analysis and data storage

customers: Eostat
commercial remote sensing companies
end-users of remote sensing information

timeline: 1990-2000

Smart Irrigation Systems

The United States uses nearly 150 billion gallons of water daily for irrigation. At the same time, we have been repeatedly warned that the US faces increasing water shortages.

With 77% of irrigation water lost during the process, the benefits of better control would be enormous. Smart irrigation systems utilizing ground moisture sensors and computerized control systems can pinpoint the area and time when water is needed.

sales potential: $50 - $100 million

products: ground level sensor networks
irrigation system controller computers

customers: agricultural businesses

timeline: 1990-1995

Low Power Electronic Lighting Ballasts

Lighting accounts for about 20% of the electricity used in the United States at a cost of over $30 billion. Amory Lovins of the Rocky Mountain Institute in Colorado has estimated that existing technologies could reduce electricity used for lighting by 92% while maintaining environments at their current lighting level.

Low power electronic lighting ballasts are one technology addressing this possibility. Small micro-processor circuits and other design efficiencies resulting in costs savings that pay for the new equipment within two years.

products: personal environment control computers

customers: paraplegic and quadriplegic people

timeline: 1990-1995

robot hand

A robot hand developed by Stanford University, Caltech, and the Jet Propulsion Laboratory for Nasa is now capable of providing delicate manipulation with precise positioning. Unlike older robot hands, this one, known as the Salisbury Hand, is able to control the force of its grasp: a critical characteristic for both scientific work and use by disabled people.

sales potential: $10-50 million

products: robot hand and control system

customers: paraplegics and quadriplegics
scientists and industry working with high-stress environments (radiation, heat, cold, etc.)
scientists and industry working from remote location

timeline: 1990-2000

Environment controls

Computers can be used by disabled people to control their environment and appliances. Existing adaptive inputs such as sip-and-puff controls as well as new inputs like eye-movement monitors provide the basic directives, yet building separate controls for each appliance would create a tangle of wires and controllers. Computers specifically designed to accommodate these non-standard inputs and multiple real-time devices would greatly facilitate the lives of mobility disabled people.

sales potential: $50 - 100 million

products: personal environment control computers

customers: paraplegic and quadriplegic people

timeline: 1990-1995

4011 Carpenter Lane
LaMesa. CA 92041
7 January 1991

Deputy Mayor Bob Filner
202 "C" Street MS 10-A
San Diego. CA 92101

Honorable Deputy Mayor Filner:

As I mentioned in my late December letter to your office. I am enclosing some additional initial synopses of possible projects that would aid the City Administration in serving its constituents while utilizing existing defense technologies and capabilities.

I am enclosing five such synopses. They are titled "Mobile City Resource Location": "Secure Signal Encryption System": "High Resolution Surveillance" and "Sea Water Desalinization". The fifth project "Subterranean Imagery" was originally submitted to your office under separate cover on 27 December 1990.

Very truly yours,

Richard F. Smith. Jr.

San Diego
Harbor Dr.

SECURE SIGNAL ENCRYPTIAN SYSTEM

URBAN PROBLEM: Street gangs and drug dealers are becoming more sophisticated. They are often tuned in to police band radios and aware of police moves against them.

SOLUTION: Incorporate encryption (coding) in police transmission, preventing prior knowledge of police movements by unauthorized persons.

CURRENT METHOD: In today's world of electronic gadgetry, access to police band radios is unrestricted.

PROPOSED METHOD: No change in transmission, bandwidth or reception of policy directives. Sophisticated coding and decoding devices would be incorporated into the system, restricting intelligible access to those with a need to know.

ADVANTAGE: Allows urban security information and plans to be safely discussed and implemented in the urban environment.

SEA WATER DESALINATION

URBAN PROBLEM: Inadequate fresh water supply to meet the needs of a growing population. The problem has been exacerbated by long periods of drought.

SOLUTION: Build a permanent water desalination plant to meet the predicted water shortfall for the next twenty-five to fifty years.

CURRENT TECHNOLOGIES: Two methods are currently in use.

1. Reverse Osmosis - allows porous membrane to cleanse water of dissolved solids such as salt.

2. Steam Recapture - boil water at high temperature and recapture steam which will return to desalinated liquid form.

CURRENT METHOD: Beg or borrow from Northern California and the Colorado River. Voluntary or imposed rationing.

ADVANTAGES: Meet realistic needs of a growing community.

NATIONAL STEEL AND SHIPBUILDING COMPANY

What Role Can City and County Government Play in San Diego's Economic Conversion?

1) Industrial Development Bonds

   -- $10 million limit

2) Small Business Administration Loans

   -- $350,000 limit

3) Purchase of Goods and Services from San Diego Companies

   -- "Lowest bidder" limitations

4) Facilities Marketing

   -- Expedited permitting
   -- Concessions on fees
   -- Use of City- or County-owned land

5) Product Marketing

   -- Export assistance
   -- Free Trade Zone

6) Employment and Training

   -- Supplement State and Federal Programs

7) Expedite access to State and Federal Funds

   -- PIC/RETC Programs
   -- Federal grants for training and employment
   -- Dollar for Dollar funding and expenditures
   -- Government contracts, e.g., home porting, ship repair, "Sea Lift" funding
   -- Planning dollars

8) Response plan

   -- Survey companies, assign responsibilities, line up funding sources

HARBOR DR. AND 28TH STREET P.O. BOX 85278 SAN DIEGO CA 92138
TELEPHONE (619) 544-3400 TWX (910) 335-1250 TELEX 695034

Economic Conversion Program

Defense cutbacks, although slowed by the current Mideast crisis, will adversely effect the San Diego economy. These cutbacks will most likely have the following impacts:

Layoffs of San Diego civilian employees of the military.

Reductions in military construction contracts and resulting reductions in construction employment.

Possible loss of military procurement opportunities if consolidation or reduction in force occurs.

Layoffs at large aerospace companies as volume of defense contracts are reduced. This has already occurred with Hughes and TRW.

Corresponding loss of subcontracting opportunities with prime defense contractors and resultant layoffs and closures of small companies.

Ripple effects of all of the above on local housing and retail markets.

To cope with these impacts a number of strategies can be employed.

1. Utilize the Reemployment Center at PIC/RETC to assist displaced workers. PIC/RETC should start identifying the occupations and job skills of potential displaced workers and companies which might have a need for those displaced workers. It is not too early to receive commitments from companies to consider hiring displaced workers.

2. PIC/RETC should also consider undertaking entrepreneurial training for those workers with the potential to start their own businesses. There are a variety of programs and organizations which might assist with this effort.

3. Survey - preferably interview - the largest prime contractors in San Diego to determine the impacts and the potential for assistance. This should also help in identifying those subcontractors which might be affected.

4. Design and offer assistance programs to small businesses to assist in transition to new markets and products. Export markets are one viable alternative.

ECONOMIC CONVERSION PROGRAM
12/20/90

The proposed program consists of the following four elements:

[1] Assess Impacts/Provide Layoff Assistance - The potential magnitude and timing of the impacts of defense reductions in San Diego should be determined. Assistance to affected workers should be provided at the earliest possible opportunity.

Tasks

°Identify impacts through direct consultation with business/military representatives.

°Establish communication hotline for layoffs/closures.

°Assist workers with re-employment and retraining services. Include entrepreneurial training and business development assistance.

[2] Retain Existing Employment - To the extent possible, affected business should be assisted to minimize layoffs and closures.

Tasks

°Identify potential public works and commercial opportunities for affected businesses.

°Assist individual employers to transition to new products/processes.

°Offer existing assistance programs to small businesses affected by reductions.

[3] Replace Employment - In order to minimize the depth and scope of job losses, attraction and expansion of appropriate businesses should be actively pursued.

Tasks

°Identify incentives/programs to facilitate replacement of employment (fast/track permits, fee waivers, financing, job training, regulatory assistance, export assistance) .

°Target attraction of replacement businesses and re-use of existing facilities.

ECONOMIC CONVERSION ADVISORY GROUP MEETING

October 10, 1990

AGENDA

I. Welcome and Introductions

II. Topic of Discussion--Who will be affected by military cuts in San Diego??

III. Next Meeting

ECONOMIC CONVERSION ADVISORY GROUP

Members

1) Councilman Bob Filner
2) Councilman Wes Pratt
3) Councilmember Abbe Wolfsheimer
4) Supervisor Leon Williams
5) Economic Development Department
6) Economic Development Corporation
7) PIC/RETC
8) SANDAG
9) Economic Conversion Council
10) Institute for Effective Action
11) International Machinists Union
12) Building and Construction Trades Council
13) COMNAV
14) North Island Naval Air Depot
15) Institute on Global Conflict and Cooperation
16) Cubic Corporation
17) General Dynamics
18) Hughes Aircraft
19) Maxwell Labs
20) NASSCO
21) Rohr Industries
22) Southwest Marine
23) Teledyne
24) TRW

TABLE ?

LARGEST AREA PRIME DEFENSE CONTRACTORS

(Ranked by value of defense contracts awarded in fiscal 1988)*

Rank	1988 Rank	Company Address Telephone	Total Contracts Awarded FY 1988* $ Millions	Number of Contracts	Type of Product or Service Rendered	Major Project Customer(s)	Percent of Defense Related Business	Number of Employees in San Diego County	Company Headquarters	Principal Contact
1.	1	**General Dynamics Corp.** 5001 Kearny Villa Road San Diego 92123, 573-8000	1,400[1]	na	Aerospace industry: cruise missiles, expendable launch vehicles, advanced space studies, automatic test equipment, tactical radios	Tomahawk cruise missile for U.S. Navy, MD-11 fuselage for Douglas Aircraft, Atlas launch vehicle and Centaur upper stage for U.S. Air Force, NASA	90	17,000	St. Louis	Jack Isabel manager of news & information
2.	3	**Science Applications International** 10260 Campus Point Drive San Diego 92121, 546-6000	762	3,457	National security, energy, environmental and health concerns	Technical and management support for suitability of the Yuca Mountain, NV site to become the nation's repository for radioactive waste for Department of Energy; Thermal Neutron Analyzer for Department of Transportation; Composite Health Care System for Department of Defense	75	3,171	San Diego	John W. Armstrong director of contracts
3.	2	**National Steel & Shipbuilding Co.** Harbor Drive & 28th St. San Diego 92138, 544-3400	214	na	New design and construction of ships, repair	AOE6,7,8 and 9 fast combat supply ship	90	3,000	San Diego	Jim Scott vice president material
4.	5	**Cubic Defense Systems Inc.** 9333 Balboa Ave. San Diego 92123, 277-6780	165	72	Produce and operate air combat training systems, produce data links, antennas and anti-submarine warfare equipment	Air combat system for U.S. Navy, U.S. Air Force, U.S. Army	40	3,800	San Diego	Jerry Ringer director of corporate contracts
5.	Not On List	**TRW/Military Electronic & Avionics Division** One Rancho Carmel San Diego 92128, 592-3118	155	104	Advanced technology avionics for next generation military aircraft	Integrated CNI for U.S. Air Force, U.S. Army, U.S. Navy; integrated electronic warfare system for U.S. Air Force	100	935	Cleveland	G. Kirchoff marketing director
6.	7	**The Titan Corp.** 5910 Pacific Center Blvd. San Diego 92121, 453-9500	110	na	Systems engineering, systems integration, electronic products	Programs for the Department of Defense and other U.S. Government agencies	90	200	San Diego	L.L. Fowler corporate vice president of contracts
7.	14	**Maxwell Laboratories Inc.** 8888 Balboa Ave. San Diego 92123, 279-5100	95	200	Pulsed-power systems and components; computer-based research and analysis in physics, chemistry and geology; synchrotrons and particle accelerators	Electric gun research for U.S. Army and foreign allies	75	700	San Diego	Rebecca Montgomery contracts manager
8.	Not On List	**General Atomics** 10955 John Jay Hopkins Drive San Diego 92121, 455-3000	81	64	Nuclear reactors, fusion R&D, defense R&D systems	Nuclear, fusion, chemical demilitarization, parts qualification and repair, naval instrumentation for U.S. Air Force, U.S. Army, U.S. Navy, Department of Energy	50	1,300	San Diego	R.S. Clark manager of contracts
9.	15	**Aerojet General Corp.**[3] 10300 N. Torrey Pines Road La Jolla 92037, 455-8500	73[4]	46	Rocket propulsion sensor systems for satellites, ordnance products	wnd	wnd	0	Fulsom	na
10.	8	**M/A-Com Government Systems Inc.** 3033 Science Park Road San Diego 92121, 457-2340	60	na	Satellite communications	VHF/UHF Manpack radio, Portable SHF Terminal, multiple rate voice card, UHF satellite terminal system for U.S. Government	100	800	Burlington, MA	Carl Adrignole contracts manager
11.	6	**Southwest Marine Inc.** Foot of Sampson St. San Diego 92113, 238-1000	57[4]	52	Ship repair and conversion	Repair USS Gridley, U.S. Navy	85	1,300	San Diego	Herb Engel executive vice president
12.	19	**Eldyne Inc.** 9775 Claremont Mesa Blvd. San Diego 92124-1324, 565-4250	50	34	Communication engineering services and hardware, LWCA and antenna tilting groups	NAVELEX Vallejo, Naval Surface Warfare Center	100	139	San Diego	Ken McDonald contracts manager
13.	13	**Logicon Inc.** 4010 Sorrento Valley Blvd. San Diego 92121, 455-1330	47	75	Computer training systems, real time simulation, data link testing systems, technical services	Air Defense Test Bed, Department of Defense, air traffic control trainers, Naval Training Systems Center; technical support for Naval Testing and	95	431	Torrance	L.F. Chennave director of contracts

					Interoperability Support Agency				
14.	Nr O. List	·ndyne Industries Inc. i N. Harbor Drive San Diego 92138, 291-7311	46.5[4]	32	Air frame structural cc ·nts	U.S. Air Force	wnd	1,876	Los Angeles	Bob Gresham human resource director
15.	Not On List	Sundstrand Corp. 4400 Ruffin Road San Diego 92138, 569-4400	46[4]	74	Maintenance and repair of engines and turbines, fuel systems components	U.S. Air Force	wnd	750	San Diego	Jeff Scott contracts manager
16.	20	Horizons Technology Inc. 3990 Ruffin Road San Diego 92123-1826, 292-8331	43	80	Software, systems integration, acquisition support	Department of Defense, U.S. Army, U.S. Air Force, U.S. Navy	99	125	San Diego	D.K. Fritsch corporate controller
17.	4	Rohr Industries Inc. Box 878 Chula Vista 92012-0878, 691-3726	37[5]	na	High-tech military aircraft structures	C-5 Transport for U.S. Air Force	30	7,000	Chula Vista	Jay E. Hawley vice president government business
18.	Not On List	University of California at San Diego La Jolla 92093, 534-3333	34	5	Research and education	MPL's research program in U.S. Navy related technologies, research and education in chaotic and turbulent fluid dynamics	8.3	14,713[6]	La Jolla	L.E. Dale contract and grant officer
19.	11	Continental Maritime of San Diego Inc. 1995 Bayfront St. San Diego 92113, 234-8851	33[4]	63	Maintenance and repair of ships	Naval Sea Systems Command	wnd	600	San Francisco	K. Zelezdon director of contracts
20.	17	Scientific Atlanta Inc., Government Products Business Division 13112 Evening Creek Drive Poway 92064, 268-7200	30	300	Sonar systems, acoustic communications systems, helicopter ground support equipment, noise and vibration monitoring systems	GPD-111 Sikorsky Aircraft for Naval Sea Systems Command, helicopter support equipment for U.S. Government	95	355	Atlanta	Dave Moss contracts manager
21.	16	C.E. Wylie Construction Co. 8262 Buckhorn St. San Diego 92111, 565-0912	29	3	General building and engineering contractor	Structures for U.S. Navy	65	80	San Diego	C.E. Wylie president
22.	9	Computer Sciences Corp. 4045 Hancock St. San Diego 92110, 225-8401	28	8	Software development and systems integration, CSC designs, integrates, installs and operates computer-based and communications systems	Naval Ocean Systems Center, fleet combat direction systems support activity	100	592	El Segundo	David W. Dunkley center director
23.	23	Pacific Ship Repair & Fabrication Inc. 1625 Rigel St. San Diego 92113, 232-3200	28	52	Ship repair and fabrication	Various contracts for repairs on the USS Constellation, USS Independence, USS Ranger for U.S. Navy	99	350	San Diego	Gary Thomas vice president contracts
24.	22	Campbell Industries Foot of Eighth Ave., Box 1870 San Diego 92112, 233-7115	21	19	Ship repair, commercial and naval vessels, new construction for commercial vessels	Navy ship repairs, new construction of Tuna Purse Seiner Vessels	78	446	Seattle	Robert F. Allen president
25.	18	Jaycor 11011 Torreyana Road San Diego 92121, 453-6580	19[4]	86	Engineering and testing for nuclear hardening and survivability of equipment	U.S. Naval Research Lab, Chemical R&D Center	wnd	175	San Diego	Frank Robbins contracts manager

*The government's fiscal year ends Sept. 30.
In the case of a tie, contractors were ranked alphabetically.
na not available
wnd would not disclose
[1]The figure indicates total sales for the company for fiscal 1988. Contract awards were not available.
[2]Figure is for company fiscal year ending Jan. 31, 1988.
[3]Company has relocated its headquarters to Fulsom, as of Sept. 30, 1989.
[4]Because some contractors did not respond, figures were provided by the Federal Procurement Data Center, Washington, D.C.
[5]Figure includes only prime defense contracts, while last year's figure of $203 million included both prime and subcontracted defense contracts.
[6]Includes a staff of 10,874 and students totaling 3,839.
Source: The contractors and the Federal Procurement Data Center, Washington D.C.
Notes: It is not the intent of this list to endorse the participants nor to imply that a contractor's size or numerical rank indicates its quality of service.

Researched by Laura Prete

San Diego
Economic Bulletin

Vol. 38, No. 7
July 1990

Defense expenditures in San Diego post modest gains in 1989

Despite reports of substantial military cuts by the Federal government, San Diego's defense-related industries for the most part continued to prosper in 1989. According to statistics gathered by the Economic Research Bureau (ERB) of the Greater San Diego Chamber of Commerce, the total dollar value of defense-related expenditures in San Diego increased slightly rising 0.7 percent from $9.603 billion in 1988 to $9.674 billion in 1989.

While this was a considerable slowing of growth compared to gains recorded in recent years, the level of spending continues to bolster San Diego's economic growth and vibrancy. Defense spending accounted for nearly one-fifth (18.8 percent) of San Diego's gross regional product (GRP), estimated by the ERB at $51.5 billion in 1989.

San Diego has a long tradition of military alliance that has [illegible]tly contributed to the region's identity and economic development. This military/civilian association continues today although the military's dominance has lessened considerably with a diversity provided by the growth of other economic sectors.

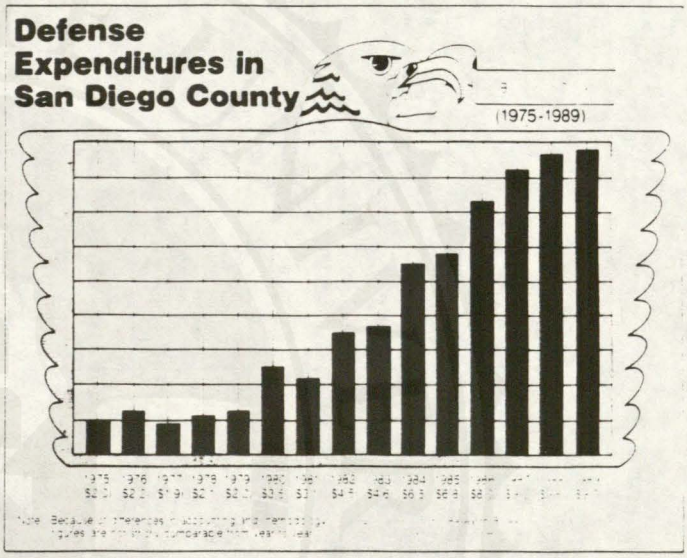
Defense spending continues to be San Diego's second largest sector behind manufacturing as far as bringing dollars in from outside the county. A significant portion of San Diego's manufacturing industry—including aerospace, shipbuilding and other hi-tech industries—is attributed to and therefore also counted as defense-related dollars. The ERB estimates approximately one-fourth of San Diego's $13 billion manufacturing industry is attributed to Department of Defense (DOD) contracts

MILITARY ECONOMIC IMPACT SAN DIEGO COUNTY

	1989 ($ 000's)
Military Payrolls	$4,843,235
Active Duty	3,378,135
Civilians	713,935
Retired	751,165
Defense Contracts	$4,830,811
Prime & Sub-Contracts*	3,444,000
Expenditures by Local Bases	1,190,411
Construction Contracts	196,400
TOTAL	$9,674,046

*Approximately 1/3 are estimated to be sub-contracts, classified, and contracts under $25,000.

Source: Public Affairs Office, Commander Naval Base San Diego; United States Marine Corps—Camp Pendleton and Marine Corp Recruit Depot; Office of the Actuary, Department of Defense; Department of Commerce, Bureau of the Census; Economic Research Bureau of the Greater San Diego Chamber of Commerce.



San Diego's military dollars arise primarily from two sources of defense expenditures: payrolls of military personnel stationed in the area and DOD contracts.

San Diego's combination of military installations and personnel is the largest military complex in the free world. With more than 80 major military shore commands and 71 surface ships, three aircraft carriers, and 18 submarines based in the region, San Diego county is homeport for one-sixth of the Navy's entire combatant fleet and is the principal port on the West Coast.

Payrolls

According to the U.S. Department of Commerce's *Consolidated Federal Funds Report*, San Diego led the nation by far in total dollar volume of DOD salary and wages during fiscal

San Diego's Future

Jim Larson, Legislative and Community Affairs Officer with **CALTRANS** will discuss **"San Diego's highway system growth and programs to reduce congestion."** The luncheon meeting will be held at the Doubletree Hotel on Wednesday, July 18, 1990, beginning at 12:00 noon. The cost of the luncheon is $20 per person. Please RSVP to 544-1341.

ACTIVE DUTY MILITARY PERSONNEL
SAN DIEGO COUNTY

YEAR	NAVY	MARINES	TOTAL
1980	82,950	35,320	118,270
1981	NA	NA	NA
1982	80,000	45,000	125,000
1983	82,790	32,618	115,408
1984	85,914	34,901	120,815
1985	87,400	32,858	120,258
1986	106,390	32,236	138,626
1987	102,300	41,125	143,425
1988	102,400	41,851	144,251
1989	100,019	41,682	141,701

Source: Public Affairs Office, Commander Naval Base San Diego; United States Marine Corps, Camp Pendleton and Marine Corps Recruit Depot.

year 1989.[1] The closest county to San Diego's $3.6 billion total was Norfolk, Virginia with $2.8 billion. San Diego's DOD payroll was substantially higher than that for most states.

The military is San Diego's single largest employer with 141,701 active duty personnel and 28,754 civilians working directly for the military. The combined salary of this force totaled $4.1 billion during 1989.

The Navy's Public Affairs Office in San Diego reported an average of 100,019 active duty Navy personnel were stationed in San Diego during 1989, while payrolls totaled $2.97 billion. Marines numbered 41,682 personnel with a total payroll of $408 million according to representatives at Camp Pendleton and the Marine Corps Recruit Depot (MCRD).

San Diego further benefits from the presence of a large number of military retirees living in the county. According to DOD reports, San Diego had the largest number of military retirees in the nation with nearly 46,800 residing in the county during FY 1989 receiving retirement compensation totaling $715.8 million.[2] Another 5,255 surviving family members of deceased military personnel received payment of $33.3 million.

San Diego is a favorite location for retiring military personnel who stay or return after having finished their military service. Since most retire at a relatively young age and embark on new careers upon leaving the service, San Diego further benefits as these persons contribute their skills and

DEPARTMENT OF DEFENSE SALARY AND WAGES
LARGEST COUNTIES
Fiscal Year 1989

RANK	COUNTY	PAYROLLS ($000's)
1	**SAN DIEGO, CA**	**$3,555,693**
2	Norfolk, VA	2,079,193
3	Honolulu, HI	2,030,624
4	Arlington, VA	1,843,098
5	Bexar, TX	1,752,007
6	Cumberland, NC	1,308,707
7	Bell, TX	1,238,762
8	Washington, D.C.	1,077,250
9	Charleston, SC	1,054,796
10	Duval, FL	972,915
11	El Paso, CO	972,036
12	Pierce, WA	918,712
13	Los Angeles, CA	863,709
14	Onslow, NC	860,572
15	Kitsap, WA	832,548
16	Philadelphia, PA	808,192
17	Monterey, CA	803,059
18	San Bernardino, CA	783,631
19	Sacramento, CA	769,366
20	Greene, OH	751,961

Source: U.S. Department of Commerce, Bureau of the Census.

NAVY AND MARINE CORPS
NUMBER OF PERSONNEL & ANNUAL PAYROLLS
SAN DIEGO COUNTY
1989

	NUMBER OF PERSONNEL	OUTLAYS ($ 000's)
ACTIVE DUTY		
Navy, San Diego	100,019	$2,970,000
USMC, Camp Pendleton	34,914	375,555
USMC, Marine Corps Recruit Depot	6,768	32,580
SUBTOTAL	141,701	$3,378,135
CIVILIANS		
Navy	24,409	$ 656,000
USMC, Camp Pendleton	3,447	43,433
USMC, Marine Corps Recruit Depot	898	14,502
SUBTOTAL	28,754	$ 713,935
RETIRED		
Navy	32,679	$ 481,716
Marine	6,628	109,356
Other branches	7,482	124,752
Surviving families	5,255	35,341
SUBTOTAL	52,044	$ 751,165
DEPENDENTS (of Active Duty Personnel)	196,363	-
GRAND TOTAL	**418,862**	**$4,843,235**

Source: Public Affairs Office, Commander Naval Base San Diego; United States Marine Corps—Camp Pendleton and MCRD; Office of the Actuary, Department of Defense.

labor in the private sector. Because of their military background they tend to be physically fit, very patriotic, and highly disciplined workers.

Navy

San Diego was officially established as a Naval Station in 1919. Navy headquarters are presently located at the downtown Naval Base, San Diego station. Other major Naval installations include the Naval Aviation Depot at North Island, the Naval Supply Center in downtown San Diego, and the Naval Ocean Systems Command on Point Loma.

There were 92 ships based in San Diego with a wide assortment of vessels including aircraft carriers, destroyers, frigates, battleships, submarines as well as other Navy ships. San Diego's ships account for nearly one-third of the entire U.S. Pacific Fleet.

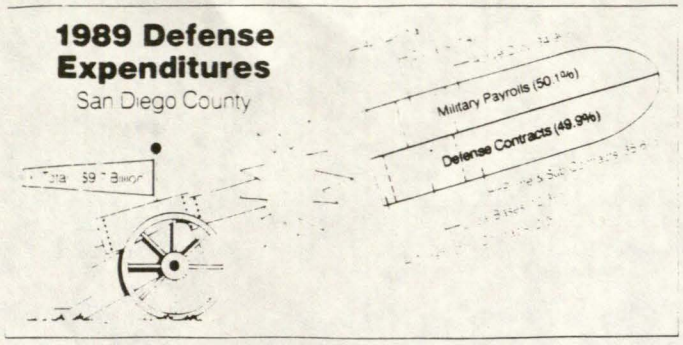
The Naval Air Station at North Island on Coronado had three of the Navy's Pacific Fleet aircraft carriers assigned to the base in 1989. The USS Constellation has since been sent to Philadelphia for an assigned "service life extension program," leaving both the USS Independence and the USS Ranger in San Diego for the time being.

North Island is one of the few air stations in the world with a water port deep enough and capable of berthing three of these massive carriers at any one time. One carrier alone accounts for a sizeable complement of 3,000 men and an air wing of 2,000 or more, plus shore-based personnel needed for maintenance.

Two recent popular films, *The Hunt for Red October* and *Top Gun*, spotlighted San Diego's high profile naval operations. NAS North Island is the center for all of the Navy's anti-submarine warfare training and operations on the West Coast with 28 helicopter squadrons based there. The NAS Miramar Air Station, situated on the north end of the city is

[1] U.S. Department of Commerce, Bureau of the Census, *Consolidated Federal Funds Report, Fiscal Year 1989, Volume I*, (Washington D.C., U.S. Government Printing Office).

[2] Office of the Actuary, Department of Defense, *DOD Statistical Report on the Military Retirement System*, FY 1989.



known as "Fighter Town USA" and is home to 12 fighter squadrons, eight airborne early warning squadrons, and other training and reserve squadrons including the well-known "Top Gun" Navy Fighter Weapons School.

The Naval Amphibious Base (NAB) in Coronado is headquarters of the highly-skilled Naval Special Warfare Command. This group of elite Navy personnel, commonly known as SEALs (Sea, Air and Land), is trained and based at NAB Coronado.

Balboa Naval Hospital is the largest medical facility in the U.S. and is believed to be the largest military complex in the world. With a thorough refurbishing completed in 1988, an estimated 1.5 million outpatients are seen each year and some 30,000 people hospitalized yearly. The center is considered the most technically advanced medical facility, military or civilian, in the world.

Marine Corps

The U.S. Marine Corps Base in San Diego was established in 1917 and commissioned in 1921. The Marine Corps Recruit Depot (MCRD), located near downtown, was San Diego's first permanent Marine Base and is the oldest operating installation on the West Coast. The Depot is responsible for training 55 percent of all male Marines recruited in the nation annually. New recruits receive basic training here before moving on to Camp Pendleton or other Marine bases for advanced training.

Camp Pendleton, established in 1942, is located 32 miles north of the city of San Diego and covers 200-square miles of land. With many miles of oceanfront property along San Diego's north county coastline, the base is the largest Marine Corp's amphibious training center in the nation.

Defense Contracting

DOD contracts with local private industries account for the balance of San Diego's defense industry. Defense contracts totaled an estimated $4.83 billion in 1989. These contracts include funding of defense-related research and development, aerospace, electronic, communications and other high-tech manufacturing, as well as disbursements for operating and maintaining military bases.

According to DOD reports, in FY 1989 San Diego county had the eighth highest dollar volume of DOD procurement defense contracts (those greater than $25,000) in the nation and fourth largest in the state of California.[3] With nearly $2.3 billion in contract awards, San Diego accounted for ten percent of California's and nearly 1.7 percent of the nation's reported procurement defense contract awards.

Aerospace is San Diego's major defense industry which includes the development and production of aircraft, missiles, and space systems for the military. General Dynamics Corporation, with 17,000 local employees, is San Diego's largest private employer as well as largest defense contractor. Ninety percent of their total business are defense contracts.[4]

DEPARTMENT OF DEFENSE PROCUREMENT CONTRACT AWARDS LARGEST COUNTIES
Fiscal Year 1989

RANK	COUNTY	TOTAL AWARDS (000's)
1	Los Angeles, CA	$8,939,410
2	St. Louis City area, MO	5,530,329
3	Santa Clara, CA	3,806,975
4	Tarrant, TX	3,733,040
5	Middlesex, MA	3,361,591
6	Nassau, NY	2,762,994
7	Orange, CA	2,650,883
8	**SAN DIEGO, CA**	**2,271,125**
9	Dallas, TX	2,270,329
10	Essex, MA	2,156,948
11	Bristol, MA	2,121,156
12	Hamilton, OH	2,037,494
13	King, WA	1,996,443
14	Maricopa, AZ	1,515,573
15	Pima, AZ	1,417,050
16	Orange, FL	1,361,181
17	Fairfax, VA	1,309,911
18	Jackson, MS	1,283,175
19	Sacramento, CA	1,140,328
20	Montgomery, MD	1,084,198

Source: U.S. Department of Commerce, Bureau of the Census.

Additional major San Diego aerospace firms, each with several million dollars in defense-contract awards according to the San Diego Business Journal's *Book of Lists*, include Cubic Defense Systems Inc., TRW/Military Electronic & Avionics Division, Aerojet General Corporation, M/A—Com Government Systems Inc., Teledyne Industries, Sundstrand Corporation, and Rohr Industries Inc.

Other leading defense contractors in San Diego include: Science Applications International Corp. (SAIC), with the second highest dollar value of defense contracts, are developers of a long-range health care system for military hospitals as well as conducting research in nuclear waste repository sites; Titan Corporation, systems engineering and integration of electronic products; Maxwell Laboratories Inc., electric gun research; and General Atomics, research and development of defense systems.

National Steel and Shipbuilding Company (NASSCO), San Diego's third largest defense contractor, is one of six major shipyards in the U.S. and the only one that designs and builds massive ships on the the West Coast. Southwest Marine Inc., and Continental Maritime of San Diego Inc., are other major local ship firms that repair or maintain Navy ships.

Millions of additional dollars are awarded to hundreds of smaller and medium-sized firms in San Diego. A sizable number of these firms receive *subcontracts* from other firms that have prime contracts. Many other firms are additionally awarded small contracts that are less than $25,000 each but add up to significant amounts.

A significant portion of San Diego's private employment is due to these defense contracts. DOD economists estimate each $1 billion in prime contracts creates employment of 7,500 civilian jobs. This would indicate 36,000 civilian jobs in San Diego are directly due to defense contracting.

Estimates from various sources including the DOD,

[3]U.S. Department of Commerce, Bureau of the Census, *Consolidated Federal Funds Report, Fiscal Year 1989, Volume I*, (Washington D.C., U.S. Government Printing Office).

[4]Laura Prete, "Largest Area Prime Defense Contractors," *San Diego Business Journal*, October 23, 1989.

PROCUREMENT CONTRACT AWARDS
FISCAL YEAR 1989

CITY	DEPARTMENT OF DEFENSE	1989 vs. 1988
Carlsbad	$ 13,957,000	- 51.7%
Chula Vista	79,193,000	- 13.8%
Coronado	5,147,000	- 2.3%
Del Mar	2,418,000	- 43.3%
El Cajon	6,227,000	- 83.5%
Encinitas	757,000	- 69.1%
Escondido	10,414,000	161.5%
Imperial Beach	70,000	- 97.9%
La Mesa	129,000	- 5.1%
Lemon Grove	89,000	- 13.6%
National City	2,960,000	- 28.6%
Oceanside	6,011,000	297.0%
Poway	98,000	100.0%
San Diego	1,832,940,000	6.9%
San Marcos	26,605,000	- 38.0%
Santee	1,407,000	17.5%
Solana Beach	118,000	- 79.2%
Vista	251,000	- 48.6%
Balance of County	281,887,000	28.9%
County undistributed	447,000	- 51.6%
TOTAL COUNTY	**$2,271,125,000**	5.0%

Source: U.S. Department of Commerce, Bureau of the Census, *Consolidated Federal Funds Report, FY 1989*

further reveal each $1.00 in defense spending generates another $1.60 to $2.70 in additional spending and income. This indicates $15 to $26 billion of San Diego's economy could be indirectly accounted for by defense expenditures as these dollars are spent or ripple through the economy on retail goods, services and other uses.

Military construction projects allocated to San Diego totaled $196 million in 1989. Construction projects included $7.5 million to build a new parking garage at the Balboa Naval Hospital, $25 million for 300 family housing units and $24.5 million for bachelor enlisted quarters at Camp Pendleton, $12.8 million for a firefighter training facility at the San Diego Fleet Training Center, $3.8 million for construction of three new child care centers, and a number of other operating, training and living facilities.

Outlook for the Defense Industry

With superpower relations improving in the world and the Federal government moving to reduce the federal deficit by cutting defense spending, San Diego faces major funding cutbacks. While some fear a major recession may be imminent, the economic impact on San Diego is not likely to be as devastating as feared because of the strength of other sectors in San Diego's economy.

Where as 20 percent of San Diego's economy was due to defense spending in the 1980's, as much as 40 percent or more was attributed in previous eras. The smaller share of defense spending relative to gross regional product implies that cutbacks in DOD spending will have far less of an impact on the overall economy than occurred in the 1960's and early 1970's.

Nevertheless, a reduction in defense expenditures will adversely affect many local firms and industries that rely heavily on federal spending. In San Diego's case, the slump is expected to be more pronounced among defense contractors than local military bases and personnel stationed in the area.

While many local contractors will struggle and some may be forced out of business or acquired by other companies, others will not only survive but are likely to emerge from the shakeout stronger than ever with fewer competitors and a larger market share. In many cases, stronger firms may actually see an increase in revenues by gaining market share.

A recent *Wall Street Journal* article, evaluating the shakeout of the defense industry, reported on several trends reshaping the defense industry that will strangle some companies but help others.[5] Specific niches that are favored and expected to thrive, include: makers of space systems, computer-related equipment, defense electronics, and communications gear, and training simulation packages—all of which are strengths in San Diego's defense industries. Smaller companies in the wrong lines, such as builders of infantry equipment for the Army will be the biggest lossers in the shakeout.

"Nearly all contractors that supply the Army are in trouble, while most big Navy suppliers should ride out the storm because lawmakers and Pentagon brass seem determined to maintain maritime superiority."[6] Military budget cuts, therefore may not be as severe in San Diego because of the Navy's prominence locally.

General Dynamics Corporation, the nation's second largest defense contractor, was specifically cited by the *Journal* for being in the clearest position of any major contractor expected to emerge from the contractions a winner. With the company's diverse contracts and strength in Navy work, the company is expected to emerge stronger than ever and end up with fewer competitors.

The Pentagon's reassessment of its strategic homeporting plans, which would have spread ships among many coastal cities, may actually benefit San Diego. As the Navy consolidates bases, not only have there not been any closures suggested for San Diego, but with the solid Navy infrastructure and major investments already in place there may be a net increase in ships and personnel assigned to the region.

Although the defense industry is shrinking, it is far from dying. Defense Secretary Dick Cheney observed that even in the post—Cold War era the federal government will still spend a considerable amount of money on national security. The Pentagon maintains a backlog of orders and commitments that are worth $260 billion according to the *Journal*. These contracts will cushion the blow and delay the bulk of employment layoffs across the nation for a few years. Politically, Congress will also be reluctant to chop defense outlays as deeply when considering specific cuts in home districts.

San Diego has already absorbed cutbacks in defense contracting in recent years, yet the economy has continued to expand. Many contracts that are already in place are not set to expire for several more years. While the coming shakeout of defense spending will cause slowing in San Diego's growth, a devastation of the economy is not foreseen. In the long run, San Diego should emerge stronger than before and continue to be one of the nation's most thriving economies and centers of employment growth.

---

[5]Andy Pasztor and Rick Wartzman, "As Defense Industry Shrinks, Suppliers Face Widely Varying Fates," *Wall Street Journal*, May 24, 1990.
[6]Ibid.

SAN DIEGO ECONOMIC BULLETIN

Supported by the City of San Diego, County of San Diego and the San Diego Unified Port District. The San Diego Economic Bulletin (USPS 479-[illegible]) is published monthly for members $15.00 per year, included in dues; for non-members $30.00 per year, by the Greater San Diego Chamber of Commerce, Economic Research Bureau, 110 West "C" Street, Suite 1600, San Diego, CA 92101-3968. Second-class postage paid at San Diego, CA. Max Scheller, Editor; Kelly Cunningham, Research Analyst; Gale Senera, Publications Coordinator; Susan Ellis, Research Assistant; Michael A. Stearns, Graphics; Michelle M. Costo, Typographer.

POSTMASTER: Send address changes to the Economic Bulletin, 110 West "C" Street, Suite 1600, San Diego, CA 92101-3968.

THE CITY OF
SAN DIEGO

BOB FILNER
Councilmember
Eighth District

October 17, 1990

Richard F. Smith, Jr.
Electronics Division
General Dynamics
P. O. Box 85227
San Diego, CA 92138

Dear Richard:

It was a pleasure to meet with you last week.

I look forward to our work together on economic conversion--and other issues!

Best wishes.

Sincerely,

BOB FILNER
Councilmember
Eighth District

BF/g

202 C Street • San Diego, California 92101 • Phone (619) 236-6688

THE CITY OF
SAN DIEGO

BOB FILNER
Councilmember
Eighth District

August 20, 1990

Richard F. Smith, Jr.
President
Quality Tax & Financial Services, Inc.
4011 Carpenter Lane
La Mesa, CA 92041

Dear Mr. Smith:

I read with interest your article on "The Dyanmics of Conversion" in the August 9 issue of the Monitor News.

Your ideas exactly parallel my own--as you can see by the enclosed article I recently wrote.

I chair the City Council's Economic Conversion Subcommittee--and I would hope you could join the community advisory board for our committee.

I will be calling shortly to set up an appointment to discuss these matters.

I look forward to working with you in the future.

Sincerely,

BOB FILNER
Councilmember
Eighth District

BF/g

Enclosure

202 C Street • San Diego, California 92101 • Phone (619) 236-6688

San Diego: A City In Search of the Peace Dividend

SAN DIEGO HAS ALWAYS BEEN THE KIND of city that makes the Pentagon swell with pride. Its harbors are crowded with Navy ships. Sailors (and their spending power) have always been welcome. But the San Diego City Council has seen the future, and it's brimming with military-spending cutbacks. As a result, councilmembers are trying to take a leadership role in planning for the nation's future by endorsing and promoting a concept called the "Dollar for Dollar Act."

San Diego Councilmember Bob Filner has led the council campaign that is urging Congress to adopt legislation mandating that cuts in military spending in America's cities be returned to those cities, dollar for dollar. These cuts would be spent on "economic security" needs such as job training and placement, neighborhood crime and drug prevention, health care, housing, environmental health, infrastructure and public works.

"Sharp reductions in U.S. military spending are coming," says Filner. "San Diego — and all American cities and counties — must be protected from economic hardship when such cuts occur."

The Dollar for Dollar Act was drafted by the Institute for Effective Action in San Diego. The institute took the concept to Filner, who introduced it to the city council, where it won unanimous support.

"Some councilmembers had questions about it, but no one could go on record as opposing money for the city," says Donald Cohen of the institute. "Everyone recognizes that the military budget is going to be dramatically reduced, and I would expect the councilmembers to support rebuilding their community, no matter what end of the political spectrum they are on."

As well as endorsing the Dollar for Dollar Act, the San Diego City Council voted to create a three-person economic conversion subcommittee, chaired by Filner. The function of the subcommittee will be to hold hearings on and prepare plans for the transition of San Diego to a peace-based economy.

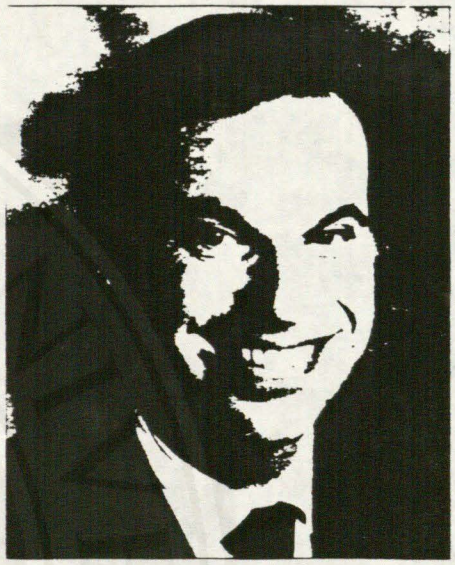
Federal military expenditures in San Diego now total nearly $10 billion a year, accounting for more than 20 percent of the region's economy.

Meanwhile, California State Assembly Member Delaine Eastin introduced a resolution in her state's legislature, urging Congress and the President to enact the Dollar for Dollar Act. As described in the resolution, the proposed legislation would "require that, for 10 years from the time that any federal funds are cut from military spending in a county, these funds shall be shifted, dollar for dollar, into an Economic Security Fund for that county."

According to the resolution, "[F]or each base closing or weapons contract canceled, the dollars originally allocated to those projects would remain in the same county to retrain and place affected workers and to rebuild the community." It also states that funds "originally allocated to overseas projects would be shifted, dollar for dollar, into a National Economic Security Fund for national initiatives relating to job training and placement, health care, housing, environmental health, infrastructure, technology transfer, and public works projects."

Cohen hopes that the San Diego City Council and the California legislature represent just the beginning of widespread support for the Dollar for Dollar idea. "We're looking for people like Councilmember Filner in other parts of the country to take this concept and run with it, becoming organizers within their own constituencies," says Cohen.

SOURCES: Bob Filner, San Diego City Council, 202 C St., San Diego, CA 92101 (619-236-6688); Donald Cohen, Institute for Effective Action, 5380 El Cajon Blvd., San Diego, CA 92115 (619-582-3990); San Diego Economic Conversion Council, 405 W. Washington St., Suite 143, San Diego, CA 92103 (619-278-3730); California Assembly Member Delaine Eastin, State Capitol, Sacramento, CA 95814.



San Diego Councilmember Bob Filner

"Sharp reductions in U.S. military spending are coming. San Diego, and all American cities and counties, must be protected from economic hardship when such cuts occur."

Download of this portion is not publicly available due to copyright restrictions.

Contact Special Collections & University Archives for information about accessing this item.