

Summit forecasts bright future for South Bay

Daily Transcript Staff Report

The proper attention is not being given to the real issues that the U.S. economy is facing, according to an economist who addressed the South County Economic Development Council's 28th annual Economic Summit.

"We have all sorts of topics we have to talk about and are not," said Christopher Thornberg, a founding partner of Beacon Economics. "We are not asking the right questions and that is what will affect us."

"But this is why you are all here. This is where you get to talk about what the right questions are."

He commended San Diego's thriving economy in recent years, however, stating that one-sixth of U.S. jobs are in California, where wages are growing faster than any other state. He also said San Diego experienced the highest jump in household income in the nation.

The summit also included a panel of elected officials and a series of discussions on topics ranging from affordable housing and employment to the Chula Vista Bayfront project and the South Bay's economic outlook.

Kelly Cunningham, senior economist of the San Diego Institute for Economic Research, said South County's gross domestic product grew 7 percent between 2015 to 2016, compared to just a 1 percent increase in GDP for San Diego County as a whole.

South County also experienced an increase in employment in areas such as manufacturing, warehousing, transportation, and health care, according to Cunningham.

"South County is outpacing the rest of San

Diego County and the rest of the nation in terms of our growth," South County EDC president and CEO Cindy Gompper-Graves said. Gary London, senior principal at London Moeder Advisors, added that housing is \$200,000 cheaper in South County than the regional average.

The challenge is to "address the disconnection between where jobs are and where they need to be," he said.

Currently, San Diego County has a housing shortage of more than 50,000 units, and the necessity for housing is forecasted to only increase in the coming years, according to SANDAG chief economist Ray Major.

He also shared his predictions for the coming year, stating that the regional economy is well positioned for the 21st century with a strong base and unique infrastructure that supports the innovation, biotech, military and hospitality industries.

Peter Callstrom, CEO of the San Diego Workforce Partnership, talked about the employment opportunities for disconnected youth in South County.

In San Diego, there are currently 41,000 disconnected youth – defined as individuals between the ages of 16-24 who are neither working nor in school – according to Callstrom. Connect2Careers, a program of the San Diego Workforce Partnership, is a direct response to this ongoing challenge.

The program helps secure employment and training for the disconnected youth, who Callstrom like to think of as "opportunity youth." Program workers assist in creating résumés, preparing for interviews and educating youth about the local labor market.

The elected officials at the summit emphasized the opportunity that the South Bay holds for creating more jobs and boosting the economy of San Diego.

The proposed Chula Vista Bayfront development is the key.

The project, which will feature a 1,600-room resort and convention center by Gaylord Hotels, has become the biggest private/public project in the history of San Diego County, according to Port chairman Rafael Castellanos.

Ground will be broken on the project next year.

"It's a major project that is going to be a game-changer for South County and the South Bay," Castellanos said. "It is going to create thousands of jobs and \$2 billion a year in income."

Rosario Mayor Mirna Rincon Vargas talked about the changes in political arenas in Baja California. She sees the changes as opportunities rather than challenges.

With recent elections in Mexico, Baja representatives are looking forward to strengthening relationships and continuing to work on the amelioration of both sides of the border.

"Our work and relationship with San Diego officials is definitely a positive one," Tijuana Councilwoman Ivette Casillas Rivera said. "We learn a lot from one another."

At the summit, several local individuals and organizations were honored for their devotion to the South County region.

Tony McCune, a founding member of the South County EDC, received the Regional Leadership Award. Marcela Celorio, who has represented the San Diego and Tijuana area in her role as consul general, was presented with the Bi-National Endeavor Award.

Patty Chavez was named Outstanding Corporate Citizen; Arya Cleaners earned the Corky McMillin Best of South County Award for being an environmentally sustainable business; Action Drone received the Pioneer Award; and Dukie Valderamma received the Marilynn Lassman Golden Dedication Lifetime Achievement Award.

The Daily Transcript - Friday September 21, 2018

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