

U.S. - Mexico Border Mayors Association – 2017 Binational Summit

July 26 – San Diego – Hilton Bayfront: 1 Park Boulevard, San Diego, CA, 92101, U.S.

5:00 pm – ***Welcome VIP Reception***

Welcome Remarks

- Mayor Kevin Faulconer, City of San Diego
- Mayor Juan Manuel Gastelum, City of Tijuana
- Consul General William Ostick, US Consulate, Tijuana
- Ambassador Marcela Celorio, MX Consulate, San Diego
- Sponsors

5:45 pm - ***Networking***

July 27 – San Diego – Hilton Bayfront: 1 Park Boulevard, San Diego, CA, 92101, U.S.

8:30 am – ***Registration***

9:00 am – ***Welcome Remarks***

- Mayor Kevin Faulconer, City of San Diego
- Mayor Juan Manuel Gastelum, City of Tijuana
- Jerry Sanders, President of the San Diego Regional Chamber of Commerce
- John Cook, Executive Director of the U.S. - Mexico Border Mayors Association

9:15 am – ***Armchair Conversation: The Reality of US-Mexico Relations and the Urgency of Now***

- Michael Camunez, ManattJones Global Strategies
- Rafael Fernandez de Castro, Center for U.S.-Mexican Studies

9:45 am – ***The Modernization of NAFTA***

This panel will focus on what is at stake for the border in NAFTA renegotiations, highlighting the importance of binational metropolitan areas to the cross-border economy and North America's overall economic competitiveness. Panel members will underscore the needs of the border and discuss opportunities for mayors to work together with the private sector.

- Russ Jones, Border Trade Alliance
- Paola Avila, San Diego Regional Chamber of Commerce
- Jon Barela, Borderplex
- Moderator: Melissa Floca, Center for U.S.-Mexican Studies

10:45 am – ***Border Infrastructure: Facilitating Movement of Goods and People***

This panel will focus on strategies for planning and coordination among state, local and federal entities in both countries to carry out targeted investments that will lower wait times and increase border security. Speakers will provide examples of innovative models for funding schemes and focus on how to connect cities to these investments.

- Laurie Berman, Caltrans
- Gary Gallegos, SANDAG
- TBD, Cross Border Xpress (CBX)
- Moderator – Gustavo de la Fuente, Smart Border Coalition

11:45 am – ***Human Health and Sustainable Urban Development at the Border***

This panel will identify opportunities for border cities to improve quality of life for their residents and increase climate resiliency through improving policies and planning related to water and air quality and public health. Panelists will highlight institutionalized mechanisms that exist to support border mayors.

- Dr. Gudelia Rangel, U.S.-Mexico Health Commission
- Maria Elena Giner, NADBANK
- Paloma Aguirre, Wildcoast
- Moderator – Denise Ducheny, Center for U.S.-Mexican Studies

1:00 pm – ***Lunch and Keynote***

- Mayor Kevin Faulconer, City of San Diego
- Carolina Chavez, SIMNSA Health Plan
- Todd Owen, Executive Assistant Commissioner of Field Operations, Customs and Border Protection
- Earl Anthony “Tony” Wayne, US Ambassador to Mexico

2:30 pm – ***Closed Session: Mayor’s only***

3:30 pm – ***END***

July 28 – Tijuana – Villa Saverios: Escuadrón 201 3151 Centro, 22010 Tijuana, B.C

11:30 am – ***Welcome Reception & Official Photo***

12:00 pm – ***Welcome Remarks***

- Mayor Juan Manuel Gastelum, City of Tijuana
- Mayor Kevin L. Faulconer, City of San Diego

12:15 pm – ***Lunch and Panel Discussions***

Economic Development

- David Moreno, Secretary of Economic Development, City of Tijuana
- Adriana Eguia, Director of Tijuana EDC
- Flavio Olivieri, Director of CaliBaja

Tourism

- Sec. Oscar Escobedo, State of Baja California
- Javier Gonzalez, Culinary Art School
- Hector Bustamante, Bustamante Realtors

2:00 pm – ***Cross Border Craft Beer Tour - Mayors Only***

3:30 pm – ***END***

Executive Directors Report on the 6th Summit of the Border Mayors Association

A heart felt thank you to all the mayors from both Mexico and the United States who attended the 6th Summit of the Border Mayors in San Diego and Tijuana. The Summit provided a great opportunity for elected leaders to review and discuss issues that impact our communities. This was the first time the Association has met in both countries, making it our first truly bi-national summit. Both Mayor Faulconer and Mayor Gastélum prepared educational panel discussions and opportunities for the mayors to give their perspectives on everything from trade, manufacturing, tourism, the environment and culture.

In Tijuana, Mayor Gastélum hosted a luncheon for the delegation that included excellent panel presentations highlighting the economic engines of Tijuana which include a vibrant tourism industry, healthcare, manufacturing, and a cultural renaissance. At the end of our second day we were delighted to visit a craft micro- brewery and outdoor food court that has added vibrancy to the neighborhood. The establishment has become popular among locals and tourist.



The previous day, in San Diego we conducted our formal business meeting, which included electing new officers and crafting resolutions that will be presented in both Washington, DC and Mexico City. I'll go into more detail on these a little later.

The timing of this summit and the previous meeting in Laredo could not have been better as the discussions at both summits focused on the national debate that is now taking place over NAFTA. There are high stakes for both the US and Mexico. The simple choice facing us as nations is this: We can either be competitors or partners when it comes to trade.

It was obvious, from the panelist and the comments from the mayors, that bi-lateral relationships have largely ignored the needs of the border. On national levels, border communities have been left out of the debate. The national emphasis has only been on security not trade.

Unfortunately, there is an absence and lack of unity of organizations like ours to speak for the border. Our voices have not been heard. We have been left out of the discussion. Leaders, at a local level must unite and intergrate horizontally across the border. The Border Governors haven't met in years and they have left a void that needs to be filled. It is obvious that the Border Mayor's Association has the potential to be an important voice. But, we can't be the only voice. It is most important that the Private Sector be included in a meaningful way as we resolve the NAFTA issues.

The mayors and panelists discussed the need for security protocols to be included in any re-negotiated NAFTA agreement. There was an emphasis to achieve a goal of moving 99% of trusted trade through the ports of entry quickly and efficiently and to collect reliable data to support recommendations. Because NAFTA has created jobs and benefited communities on both sides of the border we recognized that all ports must implement the best technological innovations and design in order to be efficient. Border cities are recognized as experts on border issues and therefore we need to use our collective voices.



At the close of the first day, the mayors elected Mayor Faulconer and Mayor Gastélum to serve as our chairs. Mayor Faulconer expressed that to be more effective, the Association should meet more frequently than once a year. The mayors also followed up on a Resolution that was drafted during the Laredo meeting regarding the future of NAFTA. The Resolution, which is posted under documents on our website, was approved unanimously. The mayors asked that the document be circulated to those who could not attend to seek their support and signatures. We also considered a resolution regarding cross-border infrastructure (also posted under documents and the NADBANK resolution). This resolution will be circulated to all the border mayors for their consideration and will be voted on the next time the Association meets.

The mayors also discussed the sustainability of the Association, there were two proposals for review, UCSD – U.S. Center for Mexican Studies and the North American Research Partnership and the Wilson Center. Currently, we have no means of financial support and operate with a volunteer staff and a donated website. I have committed to presenting a budget to Chairs Faulconer and Gastélum. The Mayors committed to voting on a structure to sustain the Association.

The Border Mayors Association

Asociación de Alcaldes Fronterizos

Una Asociación Internacional de Alcaldes Fronterizos de México y Estados Unidos
An International Association of Border Mayors from México and the United States



Our purpose is to speak with one voice on issues that impact the communities that our borders join together.
Nuestro propósito es hablar con una sola voz en temas que impactan a las comunidades que nuestras fronteras se unen.

RESOLUTION

Whereas: The implementation of the North American Free Trade Agreement (NAFTA) in the 1994 brought together and created economic prosperity for the United States of American (U.S.), the United Mexican States (Mexico) and Canada with tri-national trade up 295 percent since its inception ; and

Whereas: NAFTA has been successful in its purpose to increase trade and investment in North America by creating the world's largest trade region, with more than 480 million people, and in particular U.S. trade with Canada and Mexico has nearly quadrupled to \$1.3 trillion; and

Whereas: Fourteen (14) million U.S. jobs depend on trade with Canada and Mexico, and 43 of 50 U.S. states list Canada or Mexico as their 1st or 2nd largest export market; and

Whereas: Through Foreign Direct Investment, 6,500 Mexican-owned companies conduct business in the U.S. accounting for 120,000 jobs and investing \$52 billion into the U.S. economy; and

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Whereas: After 24 years, NAFTA should be renegotiated and modernized to assure the U.S. remain competitive against other trade blocs, to preserve U.S. jobs and to discourage the outflow of capital; and

Whereas: Two important issues related to NAFTA renegotiation should address a unified approach to border infrastructure and security rather than the existing disjointed approach that adversely affects border cities, counties, and businesses; now,

Therefore, be it Resolved, that the U.S.-Mexico Border Mayor's Association:

1. Urges the President and the Congress of the United States to recognize the importance of trade between the U.S. Mexico and Canada as an opportunity to renegotiate, modernize and optimize North America's competitiveness; and
2. Urges the President and Congress of the United Mexican States to recognize the importance of trade between the U.S. Mexico and Canada as an opportunity to renegotiate, modernize and optimize North America's competitiveness; and
3. Supports that the first rule of renegotiation should be Do No Harm; and
4. Provides for clear, straight-forward rules of trade to ensure that all business, in particular small to medium-sized businesses, have the opportunity to participate; and
5. Provides modernization to mean: (1) adopt advances in technology not in existence in 1994, (2) amend rules of origin to eliminate tariff shift without impairing the quality of the product or its competitive pricing, (3) improve cross-border, inter-agency coordination and (4) amend regulations in support of small-value banking transactions that are a significant and much-needed part of cross-border commerce; and

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6. Supports that tariffs and fees generated and collected at all borders – Canada, Mexico and the U.S. should be dedicated to support border infrastructure, modernization and staffing before remitting the remaining dollars to each country’s treasury as is the current practice; and
7. Supports updates to NAFTA labor and visa categories to reflect modern classifications and expand common standards for professions and mutual recognition of skills credentials. A need-based immigration system will identify the number and the types of skills looked-for in the U.S.; and
8. Recognize that a one-size-fits-all barrier approach to border security is not the solution. In addition to technology, it is vital to work with the border terrain and topography to create an effective barrier. For example, along many parts of the U.S. and Mexico border, the answer is cleaning up the river in cooperation with Mexico to provide a natural barrier and security zone; and
9. Supports that renegotiation should be conducted with urgency, so as to minimize uncertainty injected into the U.S. economy.

WHEREAS, the North American Development Bank (NADB) was established in 1994 to enhance the quality of life for people who live along the U.S.-Mexico border through cleaner water, air and land.

WHEREAS, owned entirely by the United States and Mexican Governments in equal shares, NADB helps develop and finance infrastructure in communities on both sides of the border through a variety of services and programs that encourage sustainable development.

WHEREAS, to date, the NADB has benefitted 16 million residents on both sides of the U.S.-Mexico border through development of sustainable infrastructure.

WHEREAS, with an initial \$405 million in total paid-in capital contributions from the U.S. and Mexico, NADB has leveraged investments totaling \$7.1 billion resulting in a 1:17 overall leverage ratio for the development of sustainable infrastructure.

WHEREAS, NADB is the only multilateral financial institution that finances projects in the United States and has financed 109 projects in economically-distressed areas. In Mexico, NADB has financed an additional 126 projects totaling 235 projects in both the U.S. and Mexico.

WHEREAS, NADB has completed projects in the following sectors: water/wastewater (131 projects), solid waste (25 projects), water conservation (24 projects), air quality (16 projects), solar energy (15 projects), wind energy (12 projects), basic urban infrastructure, such as paving (4 projects), storm water control (3 projects), biogas/biofuel facilities (3 projects), and public transportation (2 projects).

WHEREAS, the NADB is seeking its first capital increase since its creation. The capital increase would allow the Bank to play a more significant role than it already has in financing and resolving a common issue on the U.S.-Mexico border, which is a lack of sustainable infrastructure.

WHEREAS, since 1997, the U.S.-Mexico Border Water Infrastructure Program —funded by Congress through the State and Tribal Assistance Grant Program (STAG) of the Environmental Protection Agency (EPA) — has awarded grants to address high-priority water and wastewater infrastructure needs in the U.S.-Mexico border region. The program has been eliminated in the President's FY 18 proposed budget.

WHEREAS, under the U.S.-Mexico Border Water Infrastructure program over \$650 million in grants has been utilized for construction of 118 water and wastewater projects, resulting a total investment of \$2 billion resulting in a 1:3 leverage ratio in both the U.S. and Mexico border region. A successful result of the program is the elimination of the 450 million gallons a day of untreated or inadequately treated sewage from shared water bodies.

WHEREAS, the U.S. border population without basic water and wastewater services is over 2.8 million residents (over 950,000 for basic water and over 1.8 million residents for basic wastewater services).

And, **WHEREAS**, the President's proposed Budget for FY 2018 has proposed to completely eliminate this effective program and does not request the authorization or appropriations for the capital increase.

NOW THEREFORE BE IT RESOLVED, by the U.S.-México Border Mayors Association that it considers recapitalization of the North American Development Bank and restoration of the U.S.-

Mexico Border Water Infrastructure Program to be top priorities and that they be presented as such to the leadership of the federal governments of the United States of America and the Republic of México.

NOW THEREFORE BE IT RESOLVED, by the U.S.-México Border Mayors Association that we fully support leveraging limited federal funds with other public and private sector sources. The NADB is perfectly positioned to continue their impressive leveraging record to develop and finance sustainable infrastructure. The Association respectfully requests that Congress authorize and fully fund the NADB's capitalization and restore funding for the U.S.-Mexico Border Water Infrastructure Program in the FY 2018 budget process.

Draft

Resolution for Border Mayors re Cross-Border Transportation Infrastructure

WHEREAS, the cities along the United States-Mexico border have a history of friendship and excellent collaboration on the shared concerns of their border residents, including infrastructure, trade and tourism, and public safety and security;

WHEREAS, the value of trade between the United States and Mexico is now more than \$520 billion per year; Mexico is the #2 Export Market for products from the U.S., the U.S. is the #1 export Market for products from Mexico, and Mexico is the #1 trading partner for all four U.S. Southern Border States;

WHEREAS, the intense interaction between the border cities is reflected in the significant numbers of Bridges and Border Crossings, which are among the busiest in the world;

WHEREAS, the aforementioned economic activity is facilitated by some 10 million annual truck crossings at commercial Ports of Entry along the U.S.-Mexican Border, travelling through our Border Communities and impacting our roads, traffic patterns, and air quality;

WHEREAS, more than 1 million people transit the U.S.-Mexico land Ports of Entry in passenger vehicles or as pedestrians each day;

WHEREAS, long delays at Ports of Entry adversely affect the residents and economies of our communities, especially our retail businesses;

WHEREAS, efficient Border Crossings can also be the safest and most secure;

WHEREAS, Land Ports of Entry infrastructure are under federal jurisdiction, but impose major impacts on local communities;

WHEREAS, coordination and collaboration of multiple agencies of Local, State and Federal governments is required to successfully develop border infrastructure projects which enhance both security and efficiency;

THEREFORE, Be it Resolved, that the Border Mayors Association calls on both the United States and Mexican Federal Governments to continue to work with State and Local governments to improve the efficiency of traffic circulation at all Border Bridges and Crossings, mitigating economic and environmental impacts on the border region resulting from deficiencies or lack of adequate border infrastructure, and the resulting border wait times, and

- 1) Coordinate with State and Local Governments to improve traffic flow and access to all Land Ports of Entry;
- 2) Deploy Intelligent Transportation Systems (ITS) as upgrades are made at all Land Ports of Entry;
- 3) Adequately staff all crossings,
- 4) Expand the successful pre-inspection pilot programs currently operating at Otay Mesa and the Laredo Airport;
- 5) Continue investment to upgrade and expand existing border crossings and develop new border crossings as indicated by locally driven Cross-Border Transportation Master Plans, leveraging federal funds with local and private financial resources and mechanisms,
- 6) Continue to expand and integrate Trusted Traveler programs SENTRI, GLOBAL ENTRY and FAST with the goal that residents of all three North American nations may utilize a single accepted Trusted Traveler document, and

7) Consider joining efforts of Local governments and private industry to finance and build improvements or new land ports of entry and associated access roads, supporting public-private partnerships.

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