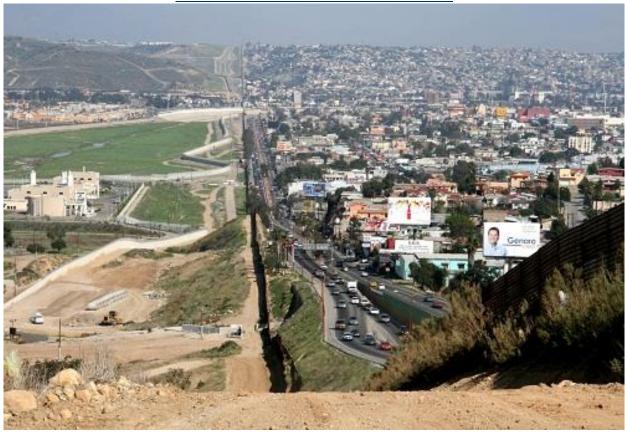


SMART BORDER COALITION™

San Diego-Tijuana

MID-YEAR PROGRESS REPORT-2016

www.smartbordercoalition.com



A Wall That Divides Us. A Goal to Unite Us.

SMART BORDER COALITION

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"OPPORTUNITY COMES FROM A SEAMLESS INTERNATIONAL REGION WHERE ALL CITIZENS
WORK TOGETHER FOR MUTUAL ECONOMIC AND SOCIAL PROGRESS"

MID-YEAR PROGRESS REPORT 2016

Secure and efficient border crossings are the primary goal of the Coalition. The Coalition works with existing stakeholders in both the public and private sectors to coordinate regional border efficiency efforts not duplicate them.



Aquí Empiezan Las Patrias/The Countries Begin Here—Where the Border Meets the Pacific

WHY THE BORDER MATTERS

- The United States is both Mexico's largest export and largest import market.
- Hundreds of thousands or people cross the shared 2000-mile border daily
- During the time we spend on an SBC Board of Directors luncheon, the United States and Mexico will have traded more than \$60 million worth of goods and services.
- The daily United States trade total with is Mexico is more than \$1.5 billion supporting jobs in both countries. —courtesy of Consul General Will Ostick

SAN DIEGO/TIJUANA BORDER ACCOMPLISHMENTS



1. Cross Border Terminal at Tijuana International Airport

Cross Border Xpress inaugurated the new Cross Border Terminal connecting to Tijuana International Airport. This is the first facility of its kind in the western hemisphere. The Smart Border Coalition congratulates all those who have worked so hard to make this important facility for the San Diego-Tijuana air traffic system. Cross Border Xpress is for ticketed passengers only. Passengers pass through United States Customs and Border Protection prior to cross the enclosed bridge to Tijuana International Airport. They then pass through Mexican Immigration (INAMI) and proceed to airline check-in and departure. Passengers on flights into Tijuana exit the airport by the bridge and are cleared into the United States by Customs and Border Protection. SENTRI/Global Entry, Ready and General Lanes are available.

2. Cross Border Railroad-Pacific Imperial Railroad/Baja California Railroad

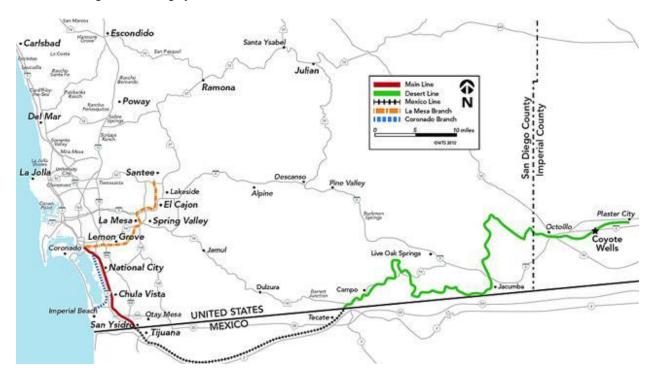
The Smart Border Coalition named progress on the Cross Border Railroad the top priority for 2016. There is no project that is more important for the economic development and prosperity of the San Diego-Tijuana international region.

Border rail line to connect US, Mexico. A new company will take over

repairs and eventual operations of the beleaguered Desert Line railroad, clearing the way for work to begin this summer and for trains to move goods made in Mexico into the United States in 2018. In a deal finalized June 9, Baja California Railroad will sublease the old and dilapidated line from Pacific Imperial Railroad, a company that has

leased the tracks from its landlord, the San Diego Metropolitan Transit District, since 2012. The agreement cuts Pacific Imperial out of most Desert Line operations and repairs. The company has no experience running a railroad and has been the subject of a federal inquiry. Officials said the sublease is a crucial step in getting the Desert Line running again so that products made in Mexico's maquiladoras can be efficiently shipped into the United States by rail rather than sitting

for hours in trucks at the region's border crossings. Between \$60 million and \$70 million in repairs on 70 miles of track, 57 bridges and 17 tunnels are needed before freight is moved. The two rail companies will pay for the renovations.



Goal: The Coalition has expressed its support for unified, bi-national approach to oversight of a single, professionally-staffed railroad company to operate the San Diego-Tijuana connection to BNSF railway, Tijuana-Tecate-Campo-Plaster City connections to Union Pacific Railway and an extension to the Port of El Sauzal in Ensenada to be built.

Year-End Status. Construction and renovation of the rail line, tunnels and bridges has begun on both sides of the border. In Mexico, land acquisition has begun on the line to El Sauzal. The railroad is a priority of Baja California Governor Francisco Vega de Lamadrid. Pacific Imperial Railroad and Baja California Rail have appeared together at the SBC Stakeholders Working Committee Meetings.

3. INFRASTRUCTURE AND STAFF FUNDING: NEW SANDAG STUDY BEGUN

The San Diego-Tijuana Region has been using a 2006 SANDAG/Caltrans study on border crossing wait times to justify funding needed to improve the wait times at the California/Baja California border. Since 2012, the SBC has been advocating for an updated study. Now, SANDAG has begun working on the project, with no announced prospective completion date.

The 2016 study, like its predecessor, will analyze the economic impacts caused by delays crossing at the various points of the 150mile border between California and Mexico. But unlike past analysis, it will also consider the implications on air quality of truck engines burning fossil fuels as they idle for hours to pass from one country to the other. This information, Gallegos said, will help make federal and state money reserved for greenhouse gas reduction projects available to

SANDAG. The 2006 study found that underdeveloped infrastructure at border crossings and security needs were not only unable to accommodate existing traffic efficiently, but they couldn't keep pace with increasing cross-border trade.

It also predicted that loses, estimated at \$7.2 billion at the time of the study, would double over the next 10 years unless crossing becomes more efficient. "In an increasingly just in-time manufacturing economy, unpredictable wait times for trucks at the border act as a barrier to trade that slows and inhibits cross-border economic investment opportunities.. Between 2013 and 2015, crossings at San Ysidro rose 27 percent, according to SANDAG.

It often takes two hours or more to cross into the United States at the San Diego/ San Ysidro Port of Entry, the busiest land port in the Western Hemisphere. Around 70,000 passenger vehicles and 20,000 pedestrians travel northbound through the crossing on any particular day. Most of these vehicles and pedestrians return to Mexico the same day. Additional inspection booths that opened in September 2014 cut wait times, but the improvement was only temporary. More personal vehicle lanes and inspection booths are expected to open by 2019. At that time, unfortunately, the SBC predicts the San Diego/San Ysidro POE will begin moving towards obsolesce. The same is predicted for cargo at the San Diego/Otay Mesa Port of Entry.

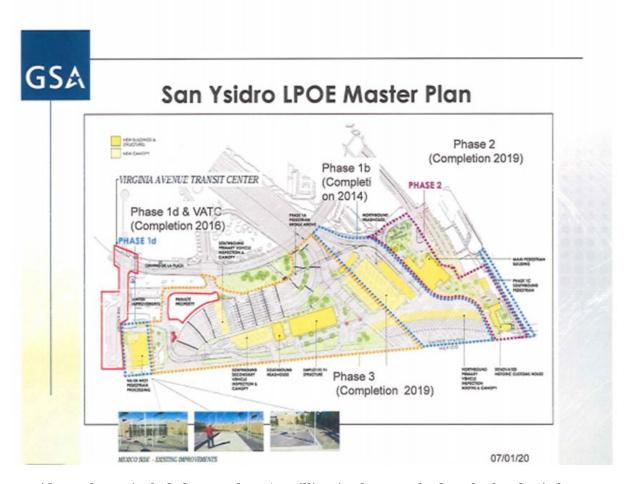
In addition to needed new infrastructure, US Customs and Border Patrol has been unable to fully staff crossings that contributes to long wait times. In the 2014 budget (see below) Congress funded 2,000 new CBP officers nationwide, including 320 in the San Diego field office, with 190 earmarked for San Ysidro. San Ysidro, however, is just 86 percent fully staffed. The SBC is assisting CBP in promoting local area residents to apply for positions as SBC officers. It is felt that local San Diegans are less likely to request transfers to other ports of entry due to the high cost of living in San Diego County



Completion of the San Ysidro and Otay Mesa Ports of Entry Renovation

San Ysidro and Otay Mesa Ports of Entry border infrastructure and staffing. Led by the efforts on the Smart Border Coalition, as well as the San Diego Regional Chamber of Commerce, South County EDC, Otay Mesa Chamber of Commerce and San Ysidro Chamber of Commerce, the five San Diego County Members of Congress—Susan Davis, Duncan Hunter, Jr., Darrell Issa, Scott Peters and Juan Vargas were able to secure the funding necessary to finish not only the San Ysidro Port of Entry but other projects as well.

- a. Funding was in 2014 federal budget for completion of the San Diego /San Ysidro POE Phases 2 and 3
- b. Funding was in 2014 federal budget to complete renovation of the San Diego/Otay Mesa Port of Entry.
- c. Funding in 2014 federal budget to fund Customs and Border Protection staffing of the San Ysidro and Otay Mesa ports of entry. However, the Smart Border Coalition believes that additional staff funding may be required to handle the increased number of border crossings in 2016/2017.



President Obama included more than \$2 Billion in the 2014 budget for border infrastructure. Funding for Phase 2 (\$216,828.000) was approved in the 2015 federal budget thanks to the work of San Diego County Members of the Senate and House of Representatives, as well as the support of our members. Phase 3 funding was included in the FY 2014 budget. Phase 3 will enhance crossings even more as Mexico's old southbound gates (Puerta Mexico) will be converted to northbound lanes. Phase 2 includes a new Administration Building and renovation of the east-side pedestrian crossing.

The approved 2015 Budget also contained the requested \$98,062,000 for modernization of the Calexico West (downtown Mexicali) border crossing.

There was funding in 2014 to hire 200 new CBP officers for San Ysidro/Otay Mesa as well as 70+ to staff the new Cross Border Terminal at Tijuana International Airport. Cross Border Xpress is paying for the CBP officers at their facility.

CBP Commissioner Gil Kerlikowske has unveiled an app to track border wait times at both northern and southern ports of entry. U.S. Customs and Border Protection (CBP) Border Wait Time app is designed to make it easier for travelers to plan their trip across the border. The app provides estimated wait times and open lane status at land ports of entry allowing travelers to make an informed decision of where and when to cross the border. Wait times for pedestrian and passenger and commercial vehicle crossings are broken down by lane type (standard, SENTRI/Global Entry, NEXUS, FAST, Ready Lane, etc.). Travelers can download the app for free from Apple's App Store and Google Play.

Three different border crossing websites are available on the Smart Border Coalition website: www.smartbordercoalition.com.

- 1. US Customs and Border Protection: <u>www.bwt.cbp.gov</u>
- 1. UC San Diego: www.traffic.calit2.net
- 2. Border Traffic: www.bordertraffic.com

ACTIONS TAKEN:

- 1. PHASE 3 AND 2 INFRASTRUCUTRE FUNDING. The Coalition has led the funding efforts by working through Congress for financial approval. Phase 3 has been approved in the 2014 budget and Phase 2 in the 2015 budget.
- 2. PUBLIC/PRIVATE EFFORTS. The Smart Border Coalition Stakeholders Working Committee brings the key members of the San Diego-Tijuana public and private sectors to explore innovative solutions to assuring infrastructure funding. In addition, the SBC Stakeholders' Working Committee is exploring ways for the private sector to fund needed infrastructure through a system on revenue enhancements, including tolling of selected lanes.

ISSUE: SEGMENTED TRAVELER PROGRAMS NEEDED.

Increased efficiency of segmented traffic lanes—cost, time, convenience, recourse.

- a. Adequate staffing to reduce wait times for SENTRI approvals and renewals to 30 days.
- b. Approval of SENTRI with Passengers lane for the San Diego/San Ysidro and San Diego/Otay Mesa Ports of Entry.
- c. Assure separate lane for SENTRI travelers in Secondary Inspection.
- d. Improve marketing of program.
- e. Improve ease-of-use of on-line registration website.
- f. Request that Resident Alien "Green Card" holders who live up to 25 miles into Mexico be allowed apply for SENTRI. Alternate: Support conversion of Resident Aliens to Green Card Commuter status allowing card holders to live in Mexico legally.
- g. Caltrans designation of south bound second on the left lane of I-5 and right lane of I-805 designated for FastTrack from 3:00-7:00 p.m.
- h. Open west side pedestrian lane at San Diego/San Ysidro Port of Entry (opened July 15, 2016).

ACTION TAKEN:

SENTRI vehicle lanes now <u>average</u> less than 15 minutes at both San Diego/San Ysidro and San Diego/Otay Mesa POEs. However, they have been known to be 45 minutes of longer during peak holiday and commute periods. SENTRI/Global Entry and READY pedestrian lanes have been segmented from the regular passenger lanes on the Mexico side. The San Diego/San Ysidro west side pedestrian lane should be completed by April 2016 linking with El Chaparral. Although this lane is part of Phase 1, it is also an integral part of the Phase 3 rerouting of the I-5 entrance into El Chaparral. The northbound east side pedestrian lanes will be closed in July 2016 to allow for demolition of CBP building. Northbound pedestrians will use only the west side crossings with reduced lanes on the east side.

Ready Lanes are in place at both San Ysidro and Otay Mesa cutting auto crossing time approximately in half. More than 70 percent of crossings now are by SENTRI/Global Entry or Ready Lane card holders. As of February 2016, US passport books as well as cards are accepted in the Ready Lanes.

As of June 30, 2016, there were 315,466 Trusted Travelers (SENTRI and Global Entry) in the San Diego sector.

SENTRI has preference in Secondary Inspections (ask for a green cone).

SENTRI WITH PASSENGERS now has support of the United States Department of Commerce as well as regional economic development groups. It would serve to help create jobs in the United States. A formal proposal was be made by the Smart Border Coalition to the US Customs and Border Protection Commissioner Gil Kerlikowske in the autumn of 2015. No action taken.

Commuter Status: There has been no action on permitting Green Card workers to live in Mexico. This would require Congressional action and is very unlikely with the current of 2017/18 Congresses. However, Resident Aliens who choose to live in Mexico—and who are not concerned with building time towards United States citizenship—may apply for Commuter Status. Commuter Status allows those living in the Tijuana Metro Area and working in the United States to be eligible to apply for SENTRI status.

Problem in Ready Lanes: As new rules allow all United States citizens with either US passport books or US passport cards to use the Ready Lanes, and more and more Mexicans acquire new laser visas with RFID chips, nearly all residents of the San Diego/Tijuana region who frequently cross the border are eligible to use the Ready Lane. This has contributed to longer waits in pedestrian Ready Lanes and well as frequent times when General Traffic is shorter than Ready Lanes for vehicles.

ISSUE: REDUCTION OF PEDESTRIAN BORDER CROSSING TIME TO 30 MINUTES OR LESS.



Segmented southbound Pedestrian crossings into Mexico at San Ysidro/Puerta Mexico.

ACTION TAKEN

- a. Mexico Bound Pedestrians at San Ysidro. Mexico has opened a southbound pedestrian crossing on the east side at San Ysidro. Those entering Mexico are segmented into three categories—Mexican citizens, foreigners staying more than seven days and requiring visas, and foreigners staying in Mexico less than seven days. Those remaining in Mexico more than seven days are required to purchase a tourist visa good for up to 180 days.
- b. SENTRI and READY Lanes for pedestrians has reduced crossing time to the stated goal or less—for the most part. Staffing by Customs and Border Protection (see Issue 1) is still inadequate during holiday and peak crossing times.
- c. CBP provides staffing for Cross Border Xpress-Cross-Border Terminal at Tijuana International Airport. Officers are paid by Cross Border Xpress (funds go from CBX to CBP, not directly).
- d. Pedestrian border crossings for those not holding SENTRI or READY Lane cards renewed Foreign National Visas with laser chips or Enhanced Drivers licenses from those states which issue them continues to be a serious problem. Often wait times can reach two hours. The northbound pedestrian crossing on the east side at San Diego/San Ysidro will be partially closed when the west side pedestrian crossing opens on July 16, 2016.
- e. US Customs and Border Protection has formed a San Ysidro POE pedestrian task force with regional stakeholders to help find ways to decrease waiting times for pedestrians.
- f. Ready lanes have improved crossings for general vehicles in those lanes to an average of one hour or less. This is still not good enough.
- g. Bus crossing continues to be a major problem with long lines. Buses also idle next to pedestrians, especially at Otay Mesa causing a major health hazard.

h. Tecate Border Crossing. Until volume builds to warrant a full-time SENTRI/Global Entry lane, the SBC recommends that CBP build a swing gate that can process both SENTRI as a priority and general passenger traffic.



SBC sponsored booth for US Customs and Border Protection to discuss various border crossing options at Tijuana Innovadora 2014. The SBP has offered to sponsor a similar booth at Tijuana Innovadora 2016 in November 2016.

ISSUE: REDUCTION OF CARGO CROSSING TIME TO 30 MINUTES OR LESS



OTAY MESA TRUCK ROUTE EFFECTIVE: 7/18/2016

<u>ACTION</u> There is no funding for construction on government-acquired 9.63 acres at the Otay Mesa Cargo Port of Entry.

- a. The Smart Border Coalition has initiated talks with Customs and Border Protection on approval of pre-clearance away from the border.
- b. Construction of an Agriculture Pre-Clearance facility has been completed by Mexico for use by both US Customs and Border Protection and Mexico Aduanas together on Mexican soil. The Mexican Congress passed a special law permitting US Customs and Border Protection to carry their weapons and wear uniforms on Mexican soil at this facility. This facility began operation on January 7, 2016.
- c. We need to continue to lobby Washington for adequate staffing required assuring maximum usage of the Otay Mesa Commercial Crossing.
- d. The Smart Border Coalition was in discussion with the North American Development Bank for a \$200,000 grant to conduct a study of the economic impact of the San Diego/San Ysidro and San Diego/Otay Mesa (general and cargo) on the United States targeting specific Congressional districts. However, SANDAG has requested that the study wait until at least the completion of Phase 1 at the San Diego/San Ysidro POE.
- e. A Cargo Efficiency Task Force should be formed to concentrate on cargo issues. The base for the Committee would be SBC members Kyocera, Solar Turbines/Turbotec, and Cubic Corporation as well as INDEX (formerly Asociación Industrial Maquiladora), Otay Mesa Chamber of Commerce, DEITAC Tijuana EDC, CDT-Tijuana EDC and the Smart Border Coalition. Monthly meeting are currently being held with CBP at Otay Mesa.
- f. The Otay Mesa Chamber of Commerce has identified three major goals for 2016:
 - a. Progress on the building of Otay II, including purchase of land on the Mexico side.
 - b. Access to the OMPOE from La Media and Britannia Roads
 - c. Elimination of the vehicle process for SENTRI/Global Entry card holders. This program is supported by the San Diego-area US Customs and Border Protection and must be approved by CBP Headquarters in Washington. While new auto inspections for autos are still required, once the application has been approved, drives no longer need to go to the Otay Mesa SENTRI office for inspections. Inspections will be done between the first and fourth crossing at the ports of entry. CBP Commissioner Gil Kerlikowske has promised positive action towards vehicle registration elimination.

SOUTH BOUND KEY PROGRAMS

ISSUE: SAN YSIDRO/EL CHAPARRAL PORTS OF ENTRY



PedWest POE Northbound to USA only

ACTION

- a. The Smart Border Coalition supported the Mexican government which completed the El Chaparral border crossing which was opened by former-President Felipe Calderon on October 31, 2012.
- b. The Smart Border Coalition supported the pedestrian opening of Virginia Street crossings until construction of I-5 redirection is completed in Phase 3 of San Ysidro renovation. Phase 1 allowed for the construction of a northbound west side pedestrian crossing to connect with El Chaparral to be opened in July 2016.
- c. Mexico has delayed opening southbound pedestrian lanes at El Chaparral due to funding for infrastructure and staffing. The SBC has been told that funds should be available by December 2016.
- d. The Smart Border Coalition does not support any Mexico plans to charge border crossing fees at El Chaparral unless limited to two or fewer lanes.
- e. The Smart Border Coalition and other stakeholders were unsuccessful in lobbying for joint United States-Mexico southbound inspections to avoid redundancy. There will be a southbound inspection facility on Mexico territory and another on United States territory. US General Services Administration has added southbound inspection booths to Phase 3 at the San Diego/San Ysidro Port of Entry.
 - US Customs and Border Protection has assured that the United States facility will not be staffed 24/7 "at this time"). Current "pulse and surge" checks by CBP at San Diego/San Ysidro have resulted in long back-ups during the afternoon southbound commute.
 - Note: The United States Congress has passed a bill requiring all persons leaving the United States be checked. This has not been implemented at all land borders, but could happen at any time.
- f. The Smart Border Coalition has lobbied in Mexico City for INAMI (Mexico Immigration) to drop FMN visa requirement for foreign nationals attending one-day meetings at local businesses and maquiladora installations. The fee, but not the requirement for the visas, has been waived

ISSUE: SIGNAGE AND INFRASTRUCTURE REQUIRED IN TIJUANA SECTOR

ACTION NEEDED

Many of the signage issues on the Tijuana side were addressed in mid-year 2016 due to the partnership of the SBC with CDT Tijuana and the municipal government

- a. There is still no adequate signage leading from Playas de Tijuana as well from the Tijuana/Rosarito Libre road to direct drivers to Ready and SENTRI lanes.
- b. There have been no signs on the Mexico side directing Ready Lane travelers to the proper lanes.
- c. For SENTRI lanes leading to the San Ysidro POE, there is is no signage east of Cuauhtémoc differentiation a three way split among Centenario, Padre Kino (correct) and Cuauhtémoc/Aeropuerto.
- d. Through the Stakeholders Working Committee, the Smart Border Coalition continues to work with CDT and the City of Tijuana in the effort revamp and renew signage at all ports of entry on the Mexican side.
- e. We have suggested the utilization of electronic signage in the Zona Rio area (CECUT and Cuauhtémoc/Paseo de los Heroes intersection for border crossing information for both San Diego/San Ysidro and San Diego/Otav Mesa.

- f. The Smart Border Coalition recommends that the Mexican authorities re-align the connection from eastbound Ave. Bellas Artes to the Otay Mesa SENTRI/Global Entry lane eliminating the awkward and confusing semi-U-Turn to access the SENTRI lanes. This is particularly important for the night hours as lighting is also poor in that area.
- g. We have requested the Mexican authorities re-pave and repair the streets leading to the SENTRI gates at San Diego/ Otay Mesa Port of Entry from Avenida Bellas Artes.



SBC Stakeholders Working Committee Luncheon Meeting at El Trompo Museo Interactivo Tijuana sponsored by Jorge Kur1. Catered by Javier Plascencia!

ACTION

Work in Progress

- a. Quantify federal and state tax dollars lost due to excessive border wait times and propose application of recovered taxes for border infrastructure enhancement and staffing.
- b. Augment the study of United States Congressional District destinations of cargo shipped through Otay Mesa and Calexico Ports of Entry, to include destinations and dollar amounts of shipped cargo to respective Congressional Districts.

Note: Items a. and b. Require funding for research of up to \$200,000. This funding has been requested from the North American Development Bank based on the negative environmental impact of border delays.

- c. Extend Border Crossing Cards for 150 miles (past Los Angeles). There is no movement on this issue.
- d. Research Public/Private Partnerships for Border Infrastructure Funding and Construction.
- e. Consult with the United States Embassy in Mexico City and the United States Consulate General in Tijuana to eliminate unnecessary fear aspects of travel warnings while assuring that United States citizens have the knowledge to help assure their safety while traveling in Baja California. The current travel warning went into effect in April 15, 2016. It is the position of the Smart Border Coalition that the warnings about Baja California and much of *Mexico are unwarranted. Travel warnings are now regionally specific, but still caution travel to Tijuana*.

Baja California: Tijuana, Rosarito, Ensenada and Mexicali are major cities/travel destinations in the state of Baja California - Exercise caution in the northern state of Baja California, particularly at night. According to the Baja State Secretariat for Public Security, Tijuana and Rosarito continued to experience an increase in homicide rates from January to October 2015compared to the same period in the previous year. While most of these homicides appeared to be targeted criminal organization assassinations, turf battles between criminal groups have resulted in violent crime in areas frequented by U.S. citizens. Shooting incidents, in which innocent bystanders have been injured, have occurred during daylight hours.

The SBC feels that these travel warnings for Baja California are too alarmist and severe for those engaging in legitimate business and tourism travel in the state.

- f. Cross Border Terminal at Tijuana International Airport. The Coalition supported the San Diego Terminal at Tijuana International Airport as a vital part of the region's air transportation system. The terminal, known as Cross Border Xpress, opened on December 9, 2015.
- g. Railroad. The Coalition supports the reactivation of rail service between Tijuana/Tecate and Plaster City, California, as well as a new extended route to the Port of Ensenada. Rail service is essential for the regional economy and attraction of foreign direct investment. California Governor Francisco Vega has made the railroad a priority of the Administration. Baja California is acquiring land to connect the current railroad to the port of El Sauzal in Ensenada.

SMART BORDER COALITION PRIORITIES 2016

- 1. Support revitalization of railroad from Tijuana-Tecate and Ensenada to the United States both west and east with join operations (USA/MEX)
- 2. Relieving Pedestrian Wait Times at San Ysidro and Otay Mesa through technology (USA) Key part of Envision 2020 plan

- 3. Expansion of "Envision 2020. Development of advanced border crossing technology to assure a 21st Century Border (Private-led by UC San Diego and Cubic Transportations Systems)
- 4. Elimination new auto inspections for SENTRI card holders (USA)
- 5. United States Congress Requirement that all Persons Leaving the United States must be checked out by US Customs and Border Protection (USA) *Key part of Envision 2020 plan.*
- 6. Support of SR-11/Otay II project to relieve cargo and auto congestion (USA) Key part of Envision 2020 plan
- 7. Improved Visa Processing Time (USA)
- 8. Improved signage and lane alignment (MEX) Ongoing meetings with Mexican federal, state and municipal officials.
- 9. Increased utilization of joint clearance facility at Mesa de Otay, Tijuana
- 10. Develop direct liaison with federal, state and municipal officials in Mexico (MEX)
- 11. Develop direct and improve current liaison with federal state and municipal officials in the United States (USA)
- 12. Support commercial buses of less than 30 passengers from the United States to Mexico (MEX).
- 13. Consideration of Fast Pass for Mexico Maquiladora employees living in the United States (USA)
- 14. Extend distance for Mexican Border Crossing Card to include Los Angeles, Orange, and Riverside Counties (USA)

SMART BORDER COALITION RECOMMENDATIONS 2016

In cooperation with the United States Customs and Border Protection (CBP), Smart Border Coalition™ offers several solutions to reduce border crossing delays to 15 minutes or less. Among these are:

- 1. SENTRI (Secure Electronic Network for Travelers Rapid Inspection). SENTRI already has a goal of 15 minutes or less. However, there needs to be several adjustments to include more people in this "trusted traveler" program.
 - a. SENTRI with Passengers. The San Diego-Tijuana region attracts foreign direct investment from many companies around the world to the region. However, investors from countries that are not eligible for Global Entry (such as United Kingdom, Germany, France, Japan, etc.) cannot use the SENTRI/Global Entry lanes. The solution is preregistering these potential investors to be able to ride with SENTRI card holders for a specific period of days.

- b. Automobile inspections. Autos that SENTRI card holders' use currently must be registered and registration currently takes 60-90 days. We recommend dropping the auto inspections (people smuggle not autos), and re-assigning agents to border crossing lanes, where autos are always subject to inspection in any case.
- c. Status Change for Resident Aliens working in the United States and living in Mexico by choice. There are an estimated 10,000 or more Resident Aliens living in the Tijuana metro area. They are not eligible for SENTRI and must endure daily long crossing waits. Changing their status to Commuter, would allow these workers to apply for SENTRI. (They would no longer accumulate time toward US citizenship, which, for many, is not as important as working in the United States).
- d. SENTRI Rejection by Association and an expeditious appeal process. SENTRI cards may be pulled for all family members when one family member has a border infraction. This can also happened when there is a mistake of identity. US Customs and Border Protection does not have to give a reason for the revocation. However, appeals may be made to SENTRI headquarters in Williston, Vermont. We recommend that a local CBP ombudsman be appointed with the power to review requested revocations for possible reinstatement.
- e. SENTRI Gate at Tecate Border Crossing. We recommend that a SENTRI lane be dedicated at the Tecate Port of Entry. The lane could be equipped with a swing gate that could process other lanes when no SENTRI card holders are waiting (This is already done in pedestrian lanes at San Ysidro and Otay Mesa).
- 2. Combined United States/Mexico inspection booths at all border crossings. Inspectors of both countries could work from the same booths. This would allow selected lanes to be reversed depending on the northbound- or southbound flow of traffic. This would likely require the relocation of double booths on the exact border, with the northern booth used by United States (under U.S. law) and the southern booth used by Mexico (under Mexican law). This would like require the relocation of double booths on the exact border with the northern booth used by the United States (under U.S. law) and the southern booth used by Mexico (under Mexican law). These would be similar to the current double-stacking booths, but would allow both countries to undertake their inspection and enforce their own laws on their own sovereign territory—while expediting the crossing process and saving money through joint construction of booths.

- 3. Pedestrian Crossings at San Ysidro/El Chaparral.
 - a. All pedestrian lanes should be fully staffed during the busiest hours of the day.
 - b. To protect northbound pedestrians from rain, sun, cold and standing in line for excessive amounts of time, Mexico should develop a waiting room for pedestrians that is a clean indoor facility with restaurants, duty-free shopping, clean restrooms and comfortable table and bench seating. A "take-a-number" system could then process 50 persons at a time. (This program has been developed by a private investor but not implemented at the San Ysidro Port of Entry).
 - c. Mexico needs to police those who cut in line.
 - d. Bicycle lanes should be developed at all ports of entry
 - e. There should be adequate airport-style cell phone lots in both San Diego and Tijuana for those who pick up pedestrians.
 - f. San Diego Trolley should have both express and local service. A trolley connection into and through Tijuana should be implemented as soon as possible.

4. Mexico Issues and Solutions:

- a. SRE should be established as the coordinating agency for all border issues/matters.
- b. As with El Chaparral, there should be "recinto fiscal" secure zone on the south side of the San Ysidro POE as a non-commercial, nonpedestrian zone to clean up the shops, informal commerce and people that are in the active traffic lanes and create a safety, security and public health hazard.
- c. Signage directing motorists to the SENTRI, Ready and General Traffic lanes should be improved. (There has been no new directional signage at Mesa de Otay for 20 years).
- d. To relieve congestion at Tijuana International Airport, there should be a nearby cell phone lot similar to the cell phone lot at San Diego International Airport.

5. United States Issues and Solutions.

a. Pilot program for "United States Citizen" lane. This would make it easier for US citizens to return to their country and foster more of them to visit Mexico for business, health care and tourism. Most international airports have "citizen" lanes.

- b. Pilot program for 1-2 lanes to be cash-only lanes. Amount charged would depend on time of day and volume of traffic.
- c. All gates at all border crossings should be properly staffed. Lack of adequate staffing causes a high-price in regional competitiveness, jobs creation, tax generation and makes the investment in infrastructure under perform.
- d. Approve and implement California Enhanced Drivers' Licenses. This would allow enhanced drivers' license-holders to use the Ready Lanes. California State Senator Ben Hueso is carrying this bill through the California legislature.
- e. Designate the far left and far right southbound lanes at San Ysidro/El Chaparral as Fast Track lanes from 3:00-7:00 p.m. Monday through Friday.

6. Both countries

- a. Combine United States and Mexico inspections at adjacent booth for autos, pedestrians and cargo. (See recommendation 2).
- b. Activate pre-clearance facilities away from the border.
- c. Maximize the agricultural pre-clearance facility in Tijuana at the Otay Mesa cargo crossing. Opened in January 2016.
- d. Congestion of Mexican cities-Tijuana, Tecate, Mexicali—along the border requires the federal, state and municipal authorities find the best way to route cargo traffic to the border with the minimum congestion of city streets.

SBC SCHEDULED MEETINGS July-December 2016

Working Committee, Thursday, July 14, Club de Empresarios, Tijuana Board of Directors, Friday, August 5, SIMNSA Health Care, Tijuana

Working Committee, Friday, September 2, San Diego Foundation Board of Directors, Thursday, September 8, Faculty Club, UC San Diego

Working Committee, Friday, November 18, SIMNSA Health Care, Tijuana Board of Directors Holiday, Wednesday, December 7, Restaurante Asao, Tecate

SMART BORDER COALITION AND EXECUTIVE DIRECTOR MEETINGS

2016

January 5: South County EDC Meeting, National City

January 6: City Councilmember Pamela Bensoussan Meeting, Chula Vista

January 8: SBC Executive Committee Meeting

January 12: United States Customs and Border Protection Meeting, SANDAG, San Diego January 14: DEITAC-Tijuana Economic Development Corporation Meeting, Tijuana

January 14: San Diego Regional Chamber of Commerce Luncheon, US Grant Hotel, San Diego

January 12: Mayor Kevin Faulconer State of the City Address, Balboa Theatre January 18: USS Midway Museum Meeting, San Diego

January 19: SBC Tijuana Executive Committee Meeting, Centura Building, Tijuana

January 20-21: Border Infrastructure Funding Meeting, Caltrans, San Diego

January 21: ProMexico/GoBiz Meeting, San Diego Gas & Electric, San Diego

January 21: Olivewood Gardens and Learning Center Meeting, National City

January 22: SBC Stakeholders Working Committee Meeting, San Diego Foundation

January 26: USS Midway Museum Planning Meeting, San Diego January 27: Javier Govi/Guillermo Artigas, AMAR Meeting, San Diego



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January 29: Smart Border Coalition Board of Directors Luncheon Meeting, USS Midway Museum, San Diego

February 1: South County EDC Meeting, National City

February 2: Roberta Burnham/Taylor Shield Planning Meeting, San Diego Yacht Club, San Diego

February 3: SBC/CDT Meeting, Centura Building, Tijuana

February 7: SBC Super Bowl Party, Chula Vista

February 9: ULI San Diego/Tijuana Border Meeting, University Club, San Diego

February 9: United States Customs and Border Protection Meeting, SANDAG, San Diego February 9: Pedro Ochoa/Alan Bautista Meeting regarding March Board, CECUT Tijuana

February 11: International Community Foundation Board Meeting, National City

February 13-20: Mazatlán

February 16: Café Marino Meeting with Arturo Lizarraga, Mazatlán

February 17: Juan Acereto, Sinaloa Sport Fishing Association Meeting, Mazatlán

February 18: Jesus Daniel Lopez Tirado, EnelPacifico Meeting, Mazatlán

February 19: Javier Lizarraga, CODESIN, Martha Honey, CREST, Sandra Guido, CONSELVA Meeting, Mazatlán

February 26: COBRO/Borders Committee Meeting, SANDAG, San Diego

February 26: Al Zapanta, President, US-Mexico Chamber of Commerce Reception,

University Club, San Diego

February 29: SBC/CDT Planning Meeting, Centura Building, Tijuana

March 1: South County EDC Meeting, National City

March 1: Teleconference with Javier Govi regarding AMAR Mazatlán

March 2: International Community Foundation/Anne McEnany Meeting,

National City

March 3: Gustavo de la Fuente Meeting, San Diego Foundation

March 3: Teleconference call with Adriana Eguia, Cali-Baja regarding BIMI

Californias Initiative



March 3: SBC Farewell Tribute Reception for Consul General Remedios Gomez Arnau, San Diego Yacht Club. Tributes from United States Congress, California Senate (Ben Hueso), California Assembly (Toni Atkins), State of Baja California, Cities of Chula Vista, Imperial Beach, National City, United States District Attorney, San Diego Consular Corps, United States Consulate General (Tijuana). Consul General Gomez Arnau was named a Lifetime Honorary Member of the Smart Border Coalition.



March 4 SBC Stakeholders Working Committee Meeting at World Trade Center Tijuana

Business Conexion Photos



March 4: SBC Regional Stakeholders Working Committee Meeting, World Trade Center Tijuana

March 4: El Patio/Café Saverios Meetings regarding CECUT Board Meeting. March 4: Meeting with Mauricio Monroy March 7: SBC Executive Committee Meeting, Offices of Malin Burnham, San Diego

March 8: United States Customs and Border Protection Meeting, SANDAG, San Diego March 8: BIMI/SBC/Cali-Baja Meeting,

SANDAG, San Diego

March 8: Steve Williams, LEAD San Diego,

Testimonial, San Diego

March 10: Meeting with Gustavo de la Fuente

March 10: BIMI Conference Call



March 11: SBC Board of Directors Meeting at Centro Cultural Tijuana





SBC Board Meeting, March 11 at Centro Cultural Tijuana

March 17: DEITAC-Tijuana Economic Development Corporation, Bi-Monthly Meeting, Via Corporativo, Tijuana

March 17: Olivewood Gardens Board of Directors Meeting and Graduation Luncheon, Tijuana

March 18: Latin American Art Festival, Liberty Station

March 21: United States Federal Highways Administration Meeting, SDRCC

March 21: Luncheon Meeting at Bracero, Little Italy, San Diego

March 22: Luncheon Finca Altozano, Valle de Guadalupe



June 2, 2015: Roberta Jacobson named next United States Ambassador to Mexico. Confirmed by Senate in April 2016.

March 25: Telephone Conference with Duncan Wood and Christopher Wilson, Wilson Center, Washington, Russ Jones, SBC/BTA Board, Mary Walshok, UC San Diego and David Shirk, USD, planning June presentation.

March 28: BIMI/FUMEC Conference Call

March 29: Sanford Burnham Prebys Medical Research Institute Meeting to plan May 27 SBC Board

Meeting



April 4: World Forum for FDI Visit to Mexicali/Imperial Valley to help plan SBC Board visit to Mexicali/Calexico.

April 5: World Forum for Foreign Direct Investment, Manchester Grand Hyatt, San Diego

April 5: COBRO Meeting at SANDAG, San Diego

April 6: World Forum for Foreign Direct Investment, Manchester Grand Hyatt, San Diego

April 7: SBC/Otay Mesa Chamber of Commerce Meeting with Mexico Secretary of Tourism Enrique de Lamadrid Cordero.

April 7: SBC Executive Committee Meeting, Offices of Malin Burnham, San Diego

April 10: Meeting with Congresswoman Susan Davis (CA) and Congressman Jared Polis (CO).

April 10: Jose Galicot Tribute Honors, SBC Table Sponsor, Liberty Station, San Diego

April 12: US Customs and Border Protection Meeting, SANDAG.

April 13: Mexico City Mission Meeting, San Diego Regional Chamber of Commerce

April 14: Deborah Szekely, Rancho La Puerta, Luncheon Meeting, Liberty Station, San Diego

April 15: SBC-hosted Tijuana Innovadora Bi-National Committee Meeting, San Diego Foundation



Consul General William Ostick, Malin Burnham, SBC Co-Chair/TI Bi-National Advisory Board Chair, and Jose Galicot, Tijuana Innovadora Founder/Chairman.

April 15: SANDAG/Caltrans meeting to commemorate the completion of Segment 1 of SR-11 and the connectors linking SR-11 and SR-905 to northbound SR-125, Otay Mesa, San Diego

April 18: Meeting with Paulo Carreño King, Subsecretary for North America, SRE, Mexico

April 18: Meeting with Ricardo Treviño Chapa, Federal Customs Administrator, SAT Mexico, and Raul Murrieta Cummings, Undersecretary of Infrastructure, SCT, Mexico

April 18: Meeting with Luis Fernando Perez, Director, Migrant Protection, Ricardo de la Barrera, Director, Immigration Regulation, Patricia Canto Franco, Sub-director, Foreign Service, and Jose Maria Gonzalez Urtusuaztegui Spota, Assistant Director Accords and Agreements, National Institute of Migration, Mexico April 18: Meeting with Arturo Alemany, Pacific Imperial Railroad, and Jesse Hereford, North American Development Bank regarding border infrastructure, Mexico.

April 19: Meeting regarding Mexican economy with Alejandro Berho and Sandra Luz Barraza Yurier, Banamex

April 19: Meeting at Congress hosted by Deputy Max Garcia, Tijuana, Congress of the Union, Mexico.

April 19: Meeting with Ambassador Mario Chacon, Head of Promotion, Investments and International

Business, ProMexico, and Marco Antonio Manriquez, Director, Secretariat of Economy, Mexico

April 19: Meeting with Monica Aspe Bernal, Undersecretary of Communications, SCT, Mexico

April 19: Meeting with Alfredo Martinez de la Torre, Director, FESE, Mexico

April 19: Meeting with William Duncan, Charge d'Affaires, United States Embassy and embassy staff, Mexico.

April 19: Meeting with Pedro Joaquin Coldwell, Secretary of Energy and Carlos Luis Sacristan, Chairman and CEO, IENova, Mexico

April 20: Meeting at Senate of Mexico hosted by Senators Victor Hermosillo and Ernesto Ruffo Appel, Mexico.

April 21: Meeting with Fernando Estrada, Senior Vice President, Vesta Real Estate, Queretaro April 25; Tour of San Ysidro Port of Entry construction, with US Customs and Border Protection

April 29: SBC-hosted seminar on border with Greater El Paso Chamber of Commerce.

May 1: Labor Day Mexico

May 3: South County EDC Members Meeting, National City

May 3: Mayor Mary Casillas Salas State of the City Address, Chula Vista May 4: Meeting with Gustavo De La Fuente at San Diego Foundation

May 5: Cinco de Mayo

May 9: SBC Executive Committee Meeting, Offices of Malin Burnham

May 11: SBC Stakeholders Working Committee Meeting at San Diego Foundation

May 16: Meeting with Heidi Knuff, San Diego Diplomacy Council

May 16: Panelist at ULI-San Diego/Tijuana/USC Meeting

May 17: US Customs and Border Protection Meeting at SANDAG

May 17: Visit to Valle de Guadalupe

May 19: UABC/UCSD Cooperation Event at UC San Diego

May 21: "Seedling Soiree" dinner at Olivewood Gardens and Learning Center

May 22: Visit to Valle de Guadalupe

May 23: Meeting at SENTRI Office with Saro Olivieri on Global Entry

May 23: Bi-National Issues Meeting with Rene Mendivil at Hotel Lucerna Tijuana

May 25: AMAR Meeting at Paseo Chapultepec



May 17: SBC Board of Directors Luncheon Meeting at Sanford Burnham Prebys Medical Discovery Institute.

Special Guests: Ambassador Jamal Khokhar, Institute of the Americas, and Anne McEnany, International Community Foundation.

June 2: Meeting at Club de Empresarios Tijuana for July 15 SBC Stakeholders Working Committee Meeting.

June 6: SBC Private Tour of the San Ysidro Port of Entry

June 7: South County Economic Development Council Meeting, National City

June 7: COBRO Meeting at SANDAG. SBC voted as active member of the border opportunity organization.

June 9: CDT-Consejo Desarrollo Tijuana Asemblea General at Real Inn, Tijuana. SBC inducted by Governor Francisco Vega as CDT Board Member.

June 9: AMAR Meeting at Paseo Chapultepec



June 13: Southwest Airlines from SAN to DCA for Washington Meetings

June 14: CREST Sustainable Tourism Meeting with Martha Honey, Washington

June 14: Border Trade Alliance Board Meeting @ McBee Strategic offices, Washington

June 14: BTA Congressional Reception @ Homeland Security Room, US Capitol, Washington

June 15: SBC @ BTA Building a Competitive US-Mexico Border Conference @ Wilson Center, Washington

Speakers included: Congressman Beto O'Rourke (D-TX), Mexico Ambassador to the United States Carlos Sada, Senator

Jeff Flake (R-AZ), Homeland Security Assistant Secretary Alan Bersin, UNAM Sergio Alcocer, NadBank Managing Director Geronimo Gutierrez, President/CEO International Bank of Commerce Hector Cerna, US Customs and Border Protection Commissioner Gil

Kerlikowske, Director of Mexico Tax Administration Service Aristoteles Nuñez, President of Confederation of Mexican Customs Agent Association Jose Antonio Vidales, SANDAG Executive Director Gary Gallegos, State Department Deputy Assistant Secretary Bureau of Western Hemisphere Affairs John Creamer, President/CEO US-Mexico Foundation Rebeca Vargas and Congressman Will Hurd (R-TX) @ Wilson Center, Washington. June 16: #One Border Stakeholders Meeting @ Wilson Center, Washington.



June 21: The Smart Border Coalition San Diego-Tijuana welcomes Marcela Celorio, new Cónsul General of México in San Diego. The Smart Border Coalition (SBC) convened its special stakeholders for a meeting to welcome Marcela Celorio, newly appointed Cónsul General of Mexico and SBC Honorary Board Member. Malin Burnham, SBC San Diego Co-Chair and Jose Larroque, SBC Tijuana Co-Chair opened the meeting, which also included special remarks by Frederic Fournier, Consulate of Canada and Jason Vorderstrasse, Consulate General of the United States. Malin Burnham offered closing remarks. As a career member of the Mexican Foreign Service Marcela Celorio has served abroad as Political Officer and Chief of Staff at the Mexican Embassy to the United States of America, Deputy Chief of Mission at the Mexican Embassy in Israel, Political Officer at the Mexican Embassy and Permanent Representation for the European Union and also as Deputy Consul General of Mexico in New York. She was a diplomat in residence in both the University of California, San Diego and the American University in Washington DC. She is an attorney at law and she has a Master in Diplomatic Studies as well as in Defense & National Security. She is fluent in English and also has knowledge of French, Italian and Hebrew.

June 21: Meeting with Javier Govi and Javier Varela in Chula Vista.

June 23: Tijuana Verde Meeting @ Mingei International Museum, Balboa Park, San Diego

June 24: Borders Committee Meeting @ SANDAG

June 25: Stand By Me program at Monte Xanic, Valle de Guadalupe, Ensenada

June 27: BC Rail visit and facilities tour, Tijuana

June 28: SBE Executive Committee Meeting, Offices of Malin Burnham, San Diego

June 30: Canada Day Celebration (Canada Day is July 1), Consulate of Canada, San Diego and US Independence Day Celebration (USA Day is July 4), Consulate General of the United States of America, Tijuana.

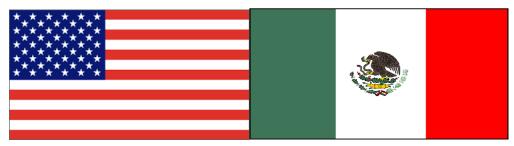


The anatomy of a relationship: A collection of essays on the evolution of U.S.-Mexico cooperation on border management. Over the past decade and a half, the United States and Mexico have transitioned from largely independent and unconnected approaches to managing the border to the development and implementation of a cooperative framework. With contributions from government officials and other top experts in the field, this collection of

essays explores the development of cooperative approaches to the management of the U.S.-Mexico border. The essays were released individually throughout the fall of 2015 and published as a volume in early 2016. Essays by Alan D. Bersin, Michael Huston, Sergio Alcocer, David Shirk, Geronimo Gutierrez, Carlos Heredia, Carlos de la Parra, and Christopher Wilson.



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