



May 21, 2025

ITEM TITLE: CONSIDER ADOPTING RESOLUTION 2025-028 OPPOSING DETRIMENTAL EFFECTS OF FEDERAL TARIFFS ON THE LOCAL AND REGIONAL ECONOMY. (0460-40)

ORIGINATING DEPARTMENT:

Mayor

EXECUTIVE SUMMARY:

The Mayor is recommending that the City Council consider adopting Resolution 2025-028 opposing the continuation and expansion of recent tariffs imposed by President Trump, and considering the serious and documented economic harm these tariffs have inflicted on California, San Diego County, and by extension, the Imperial Beach community.

RECOMMENDATION:

That the City Council consider adopting Resolution 2025-028 drafted by the Mayor.

OPTIONS:

- That the City Council adopt Resolution 2025-028; or
- That the City Council adopt Resolution 2025-028 with modifications; or
- That the City Council not adopt Resolution 2025-028; or
- That the City Council provide further direction to staff.

BACKGROUND/ANALYSIS:

The Mayor is recommending that the City of Imperial Beach consider adopting Resolution 2025-028 opposing the continuation and expansion of recent tariffs imposed by President Trump, and considering the serious and documented economic harm these tariffs have inflicted on California, San Diego County, and by extension, the Imperial Beach community.

Key Detrimental Effects

1. Statewide Economic Losses

- California faces a **\$16 billion revenue loss** directly linked to economic instability from Trump-era tariffs. This “Trump slump” is projected to exacerbate the state’s current **\$12 billion budget deficit**, threatening vital services, including those that reach the South Bay region. The California Public Employees’ Retirement System (CalPERS) suffered \$15 billion in losses in the first two days following the announcement of the tariffs.
- *Source(s): Politico, 2025; Cal Matters, 2025*

2. Disruption of Trade and Local Business

- San Diego's \$33 billion export economy has been disrupted. New tariffs and retaliatory trade measures have created uncertainty, reducing demand for locally made goods and increasing costs for imports, particularly hurting small businesses (93% of which have 12 or fewer employees).
- *Source:* KPBS, 2025

3. Harm to the Construction and Housing Sector

- Tariffs on materials from China, Canada, and the EU have inflated the cost of building materials by over **\$3 billion statewide**, adding **\$7,500–\$10,000** to the cost of a new home—fueling the housing affordability crisis.
- *Source:* East County Magazine, 2025

4. Impact on Agriculture and Food Prices

- California's \$59 billion agriculture industry has lost access to key markets, particularly China, due to retaliatory tariffs. Imperial Beach's proximity to agricultural hubs means rising food prices directly burden our residents.
- *Source:* The Guardian, 2025

5. Consumer Price Increases

- Tariffs function as hidden taxes, raising the cost of consumer goods. Local families now face higher prices for essentials like clothing, electronics, and groceries—contributing to cost-of-living pressures already high in coastal communities.
- *Source:* CBS 8 News, 2025

Conclusion

The Mayor states: Trump-era tariffs have imposed significant economic harm at every level—statewide, regionally, and locally. Imperial Beach residents, particularly working families and small business owners, are paying the price. In light of this data and the broader public interest, the Mayor urges support for **a City resolution opposing the continuation and expansion of these harmful tariffs.**

ENVIRONMENTAL DETERMINATION:

Not a project as defined by CEQA.

FISCAL IMPACT:

No fiscal impact.

ATTACHMENTS:

ATT 1 – Resolution 2025-028