

# 03

## ECONOMIC SETTING

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## 3.1 Economic Context

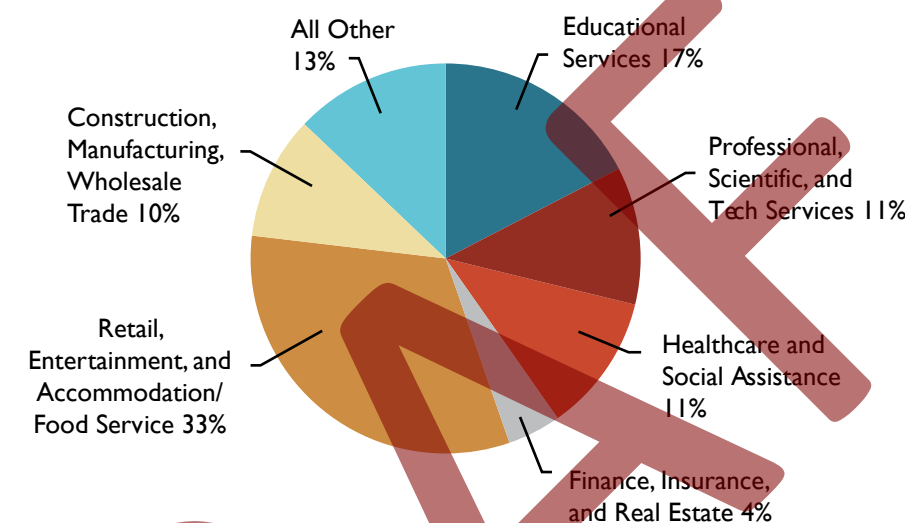
While there are numerous demographic indicators that contribute to the understanding of an area's economic context, information regarding income, educational attainment, and employment are frequently used for a high-level snapshot, shown in Table 3-1.

Of the College Area's labor force of approximately 12,000 people, the employed civilian population is around 11,500 people as shown in Table 3-1. The unemployment rate for the College Area (5.4%) is only slightly higher than the city's rate of 5.3%. Residents of the College Area tend to have slightly higher levels of educational attainment than the overall city, with about 58% of residents in the College Area possessing a bachelor's degree or higher in comparison to the city's rate of 53%.

The College Area has a median household income of just over \$54,500, which is significantly less compared to the City's median household income of approximately \$80,200<sup>1</sup>; this is most likely due to the large SDSU student population.

The College Area includes approximately 680 businesses, employing about 6,080 people<sup>2</sup>. As shown in Chart 3-1, about one-third of the jobs within the College Area are within the "retail, entertainment, and accommodation/food service" industry. The second highest jobs by industry are "educational services" at about 17% of the total jobs. The third highest jobs by industry are "healthcare and social assistance" and "professional, scientific, and tech services," both of which account for about 11% of the total jobs in the College Area.

Chart 3-1: Jobs by Industry in College Area



Source: City of San Diego; ACS 2019; Dyett and Bhatia, 2020

Residents of the College Area tend to have slightly higher levels of educational attainment than the overall city, however, the College Area's median household income of around \$54,500 is significantly less compared to the city's median of approximately \$80,200, most likely due to the large SDSU student population and the predominance of "retail, entertainment, and accommodation/food service" industry jobs that typically offer lower wages.

Table 3-1: Income, Educational Attainment, and Employment

	College Area	Percentage of Total	City of San Diego	Percentage of Total
<b>Income</b>				
2019 Median Household Income	\$54,519	-	\$80,168	-
2019 Average Household Income	\$81,087	-	\$111,381	-
2019 Per Capita Income	\$28,138	-	\$41,645	-
<b>Educational Attainment</b>				
Less than 9th Grade	319	3%	55,328	6%
9-12th Grade/No Diploma	444	4%	50,209	5%
High School Diploma	1,171	11%	130,964	14%
GED/Alternative Credential	251	2%	16,689	2%
Some College/No Degree	2,302	21%	186,335	20%
Bachelor's Degree	3,369	31%	262,239	27%
Associate's Degree	1,013	9%	69,188	7%
Graduate/Professional Degree	1,925	18%	183,633	19%
<b>Employment</b>				
Unemployed Population Age 16+	657	-	39,995	-
Employed Civilian Population Age 16+	11,526	-	712,271	-
Unemployment Rate	5.4%	-	5.3%	-

Source: City of San Diego; ACS, 2019; LEHD, 2019; Dyett and Bhatia, 2020

<sup>1</sup> City of San Diego; ACS 2019

<sup>2</sup> City of San Diego; ACS, 2019; LEHD, 2019

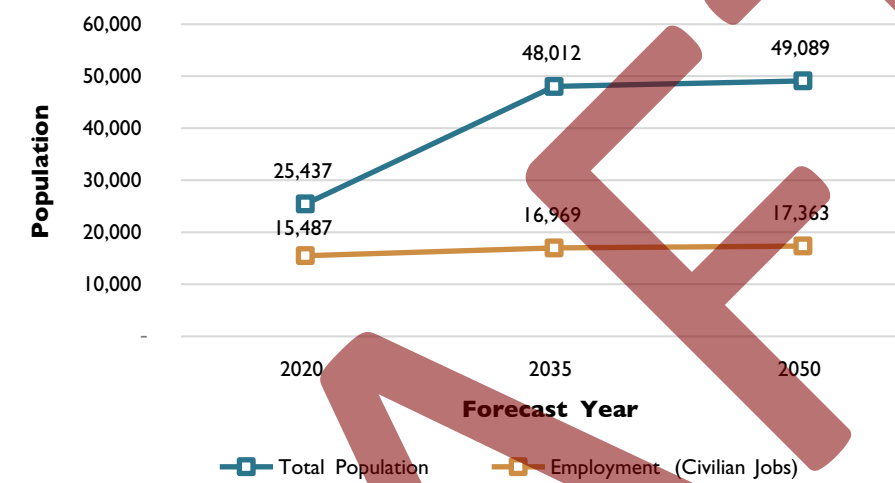
### 3.2 Projected Growth

According to the most current forecast by the San Diego Association of Governments (SANDAG), the population of the College Area is expected to nearly double by 2050, with an increase in population from about 25,400 people in 2020 to about 49,100 people by 2050<sup>3</sup>. Chart 3-2 shows the College Area population and employment forecast for 2020, 2035, and 2050. Most of the population increase is expected over a 15-year period between 2020 and 2035. While there is a significant population increase, employment (civilian jobs) is not expected to have as dramatic of an increase, with less than 2,000 additional employed persons by 2050. The projected growth calculation by SANDAG is based on the adopted community plan for the College Area.

3 SANDAG SR-13 Forecast; Data Surfer

The population of the College Area is expected to nearly double by 2050, with an increase in population from about 25,400 people in 2020 to about 49,100 people by 2050.

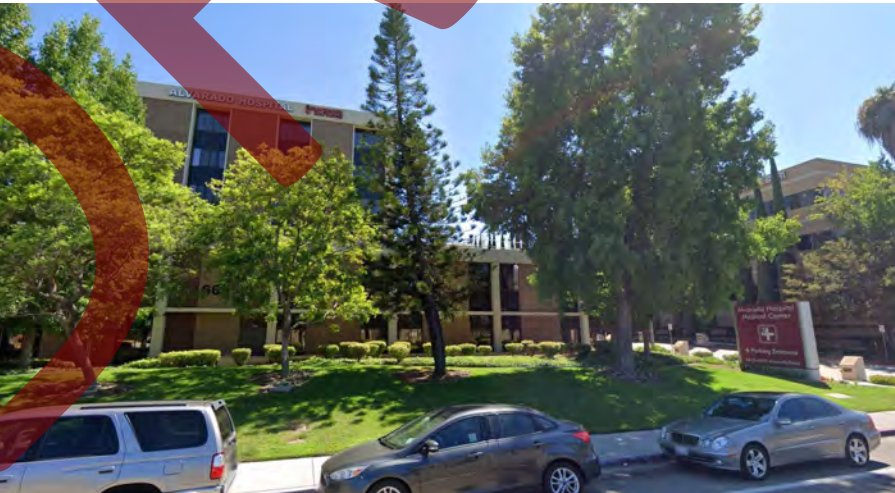
Chart 3-2: College Area Population and Employment Forecast



Source: SANDAG Series 13 Regional Growth Forecast; Dyett and Bhatia, 2020



The San Diego State University is a major employer within the College Area.



The Alvarado Hospital Medical Center and surrounding health-related offices are another major employer (photo credit: Google Streetview).



A third of the jobs within the College Area are within retail, entertainment, and accommodation or food service, like this coffee shop on College Avenue (photo credit: Google Streetview).



### 3.3 Residential Housing Conditions

There are approximately 8,600 housing units in the College Area with a vacancy rate of 4.8%, which is below the city's vacancy rate of 5.5%.<sup>4</sup> At 61%, the majority of the total housing units in the College Area are renter-occupied, higher than the city's renter-occupied percentage of 52%. **Chart 3-3** shows the distribution of households with cost burden, or households that pay over 20% of their income for rent. Nearly 55% of these cost burdened households spend half or more of their household income on rent, which is significantly more the citywide cost burdened household percentage of 35%. This indicates that within the College Area, there is a much higher percentage of renters that are housing burdened, with a total of about 82% of these households spending 30% or more of their income on rent; citywide, the housing burdened percentage is about 69%.

<sup>4</sup> City of San Diego; ACS 2019

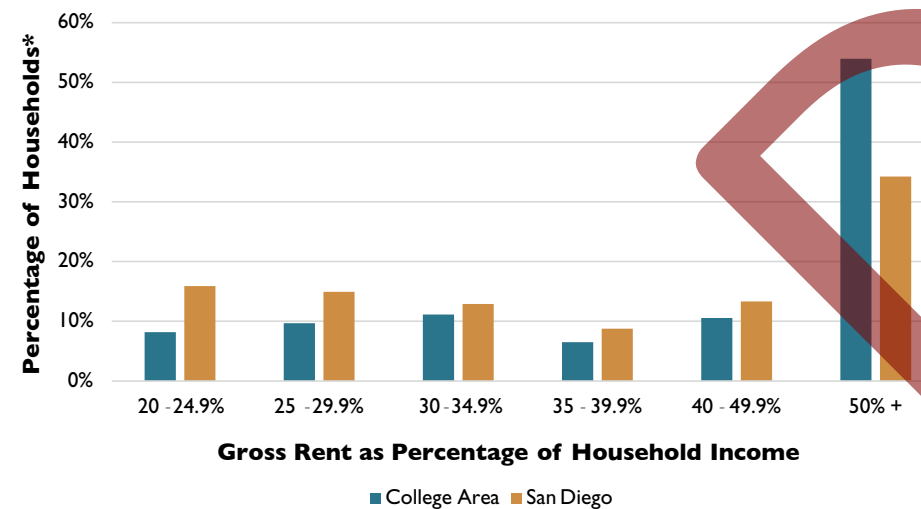
Average housing rents and values for the College Area and the overall city are shown in **Chart 3-4**. The median contract rent in the College Area is slightly lower at \$1,370 in comparison to the city's median contract rent of \$1,511. Median and average home values in the College Area are also lower in comparison to the overall City. With regard to the affordability of owner-occupied units on the market, the Housing Affordability Index compares local median housing prices with local household incomes to determine overall affordability. The College Area's Housing Affordability Index rating is 50 in comparison to the City's rating of 64 (lower index values represent less housing affordability). This indicates that about half of the households in the College Area can afford a median priced home in the area.

The majority of the total housing units in the College Area are renter-occupied. Within the College Area, there is a much higher percentage of renters that are housing burdened, with a total of about 82% of these households spending 30% or more of their income on rent; citywide, the housing burdened percentage is about 69%.



At 61%, the majority of the total housing units are renter-occupied, like this apartment complex.

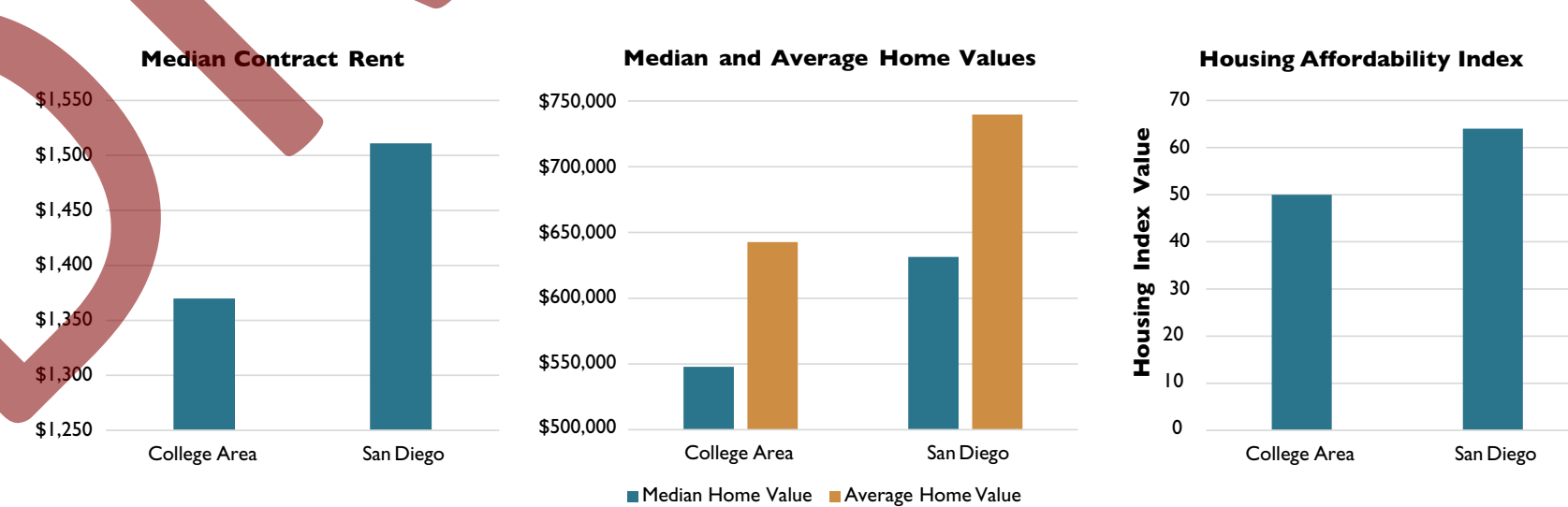
**Chart 3-3: Tenure and Housing Burden**



\*Universe: Percentage of households that pay over 20% of household income on rent

Source: City of San Diego; ACS, 2019; Dyett and Bhatia, 2020

**Chart 3-4: Average Housing Rents and Value**



Source: City of San Diego; ACS, 2019; Dyett and Bhatia, 2020

### 3.4 Commercial and Employment Conditions

Around 3% of the land use in the College Area is for commercial uses, including retail, regional, wholesale, and visitor commercial. Commercial uses are found in a fine-grained pattern primarily along El Cajon Boulevard and to a lesser degree, along College Avenue and adjacent to SDSU. Commercial business sites and their types are shown in Figure 3-1.

A few of the College Area’s major employment centers include the SDSU campus, which employs almost 1,600 instructional and non-instructional staff,<sup>5</sup> and Alvarado Hospital Medical Center, which employs approximately 800 physicians, technicians, nurses, and support staff.<sup>6</sup> A variety of retail stores, restaurants, and offices are located along El Cajon Boulevard, which contribute to the “retail, entertainment, and accommodation/food service” industry employment figures, representing about one-third of the total jobs within the College Area.

5 DataUSA. San Diego State University Statistics. 2017. Accessed at <https://datausa.io/profile/university/san-diego-state-university#:~:text=In%202017%2C%20San%20Diego%20State,38.9%25%20of%20all%20salaries%20paid>.

6 Alvarado Hospital. About Us. 2020. Accessed at <https://www.alvaradohospital.com/About-Us.aspx>

Commercial uses are primarily along El Cajon Boulevard and, to a lesser degree, College Avenue and adjacent to SDSU. A variety of retail stores, restaurants, and offices are located along El Cajon Boulevard which contribute to the “retail, entertainment, and accommodation/food service” industry, representing about one-third of the total jobs within the College Area.

Chart 3-5: Number of Businesses by Type

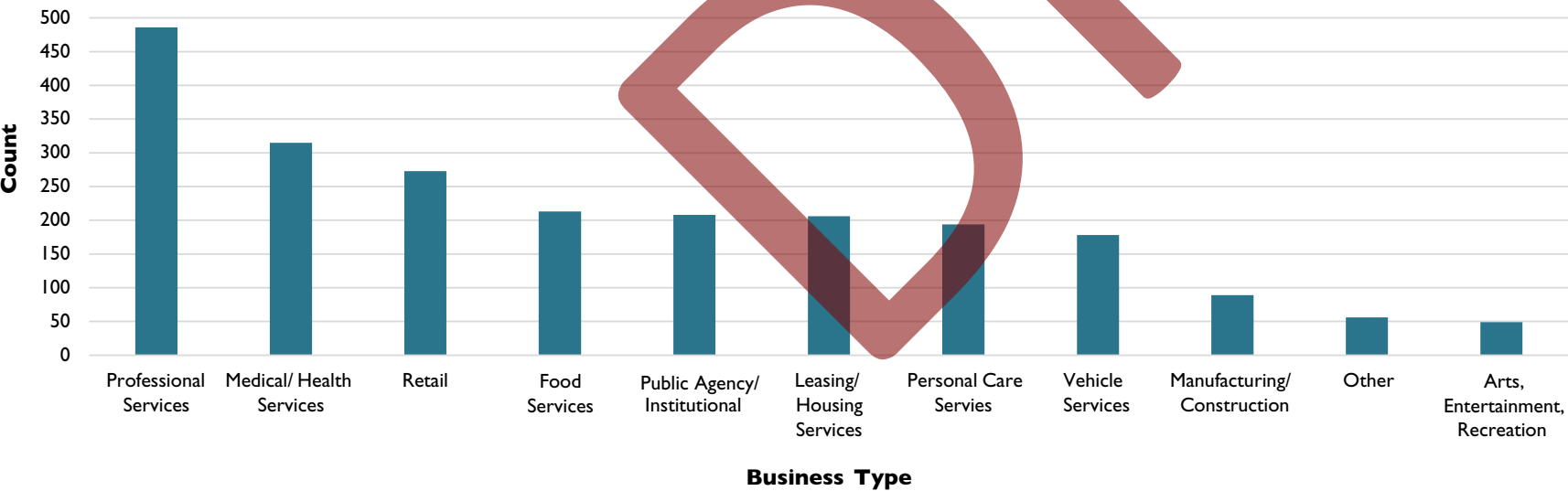




Figure 3-1 Business Sites

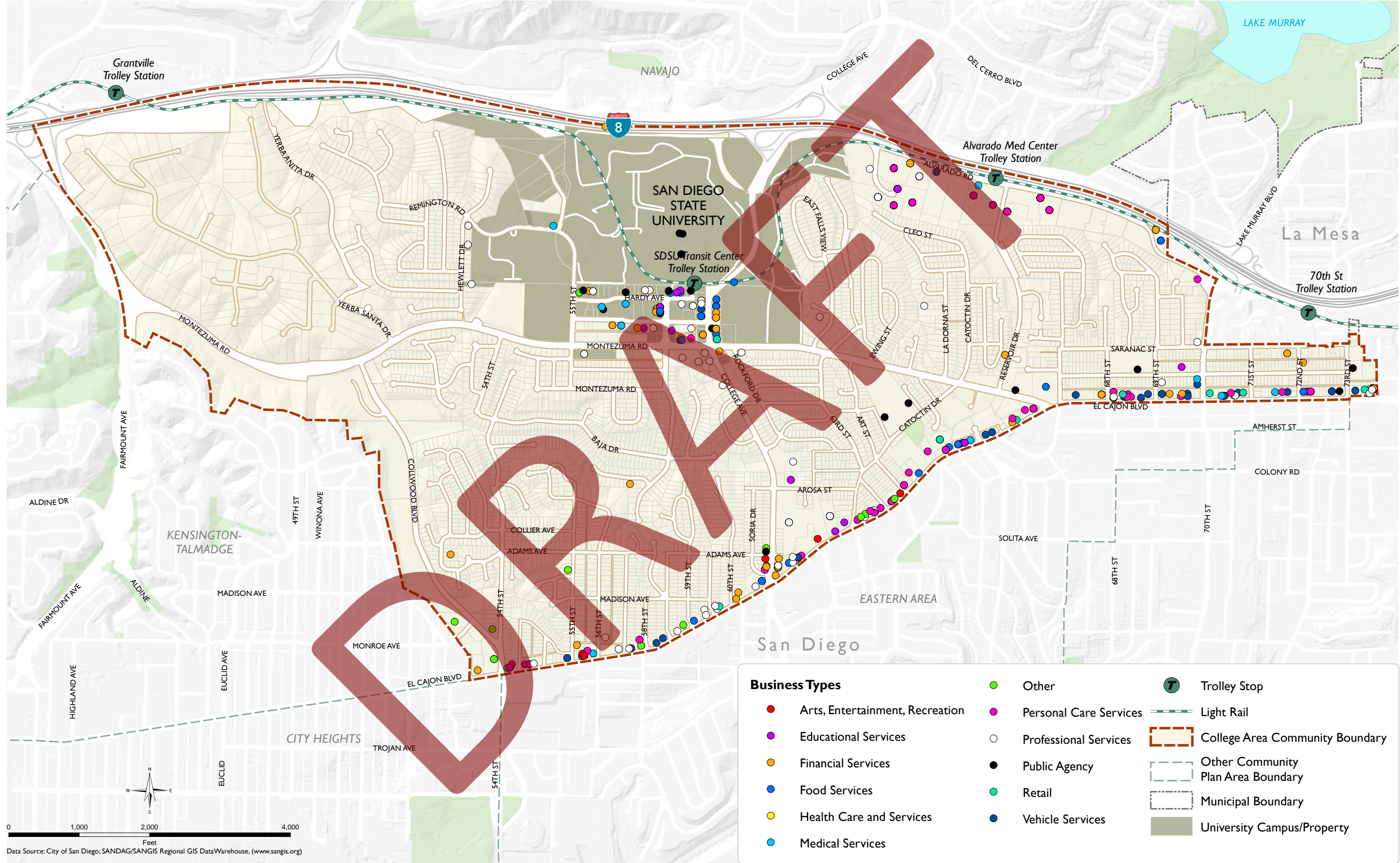
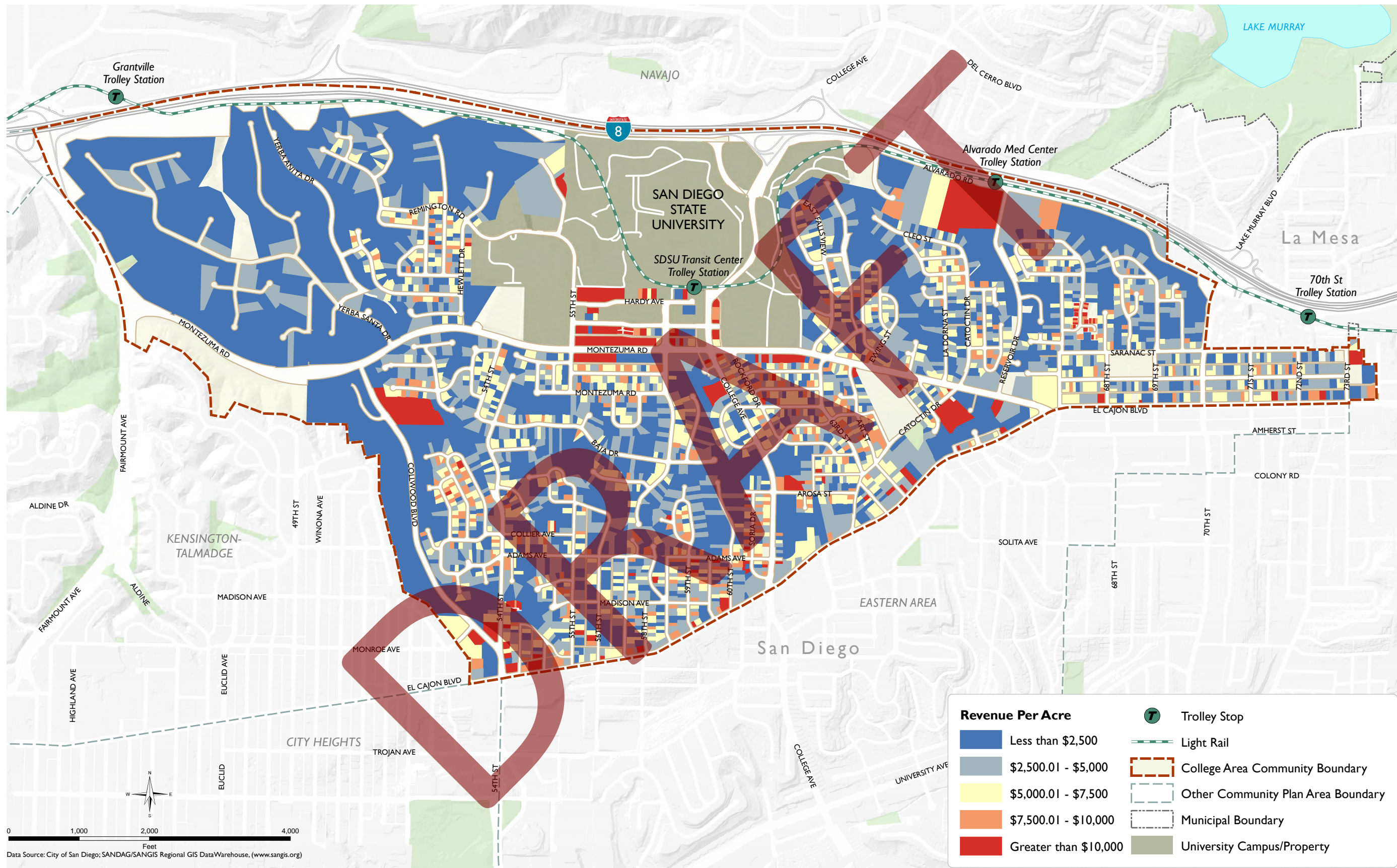




Figure 3-2 Revenue Per Acre



### 3.5 Economic Setting Summary

This section summarizes key information related to economic setting for the College Area presented in this chapter.

- Residents of the College Area tend to have slightly higher levels of educational attainment than the overall city, however, the College Area's median household income of around **\$54,500** is **33%** less than the City's median of approximately **\$80,200**, most likely due to the large SDSU student population and the predominance of "retail, entertainment, and accommodation/food service" industry jobs that typically offer lower wages.
- The population of the College Area is expected to nearly **double** by 2050, with an increase in population from about **25,400** people in 2020 to about **49,100** people by 2050.
- **61%** of the total housing units in the College Area are renter-occupied. Within the College Area, there is a much higher percentage of renters that are housing burdened, with a total of about **82%** of these households spending **30% or more** of their income on rent; citywide, the housing burdened percentage is about **69%**.
- Commercial uses are primarily along **El Cajon Boulevard** and, to a lesser degree, **College Avenue** and adjacent to **SDSU**. A variety of retail stores, restaurants, and offices are located along El Cajon Boulevard which contribute to the "retail, entertainment, and accommodation/food service" industry, representing about **one-third** of the total jobs within the College Area.

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