

FY: 2017

City Profile



CITY OF SAN DIEGO

PROPOSED BUDGET

MAYOR KEVIN L. FAULCONER

The City of
**SAN
DIEGO**

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San Diego at a Glance

The City of San Diego (the City) is best known for its ideal climate, beautiful beaches, and array of world-class attractions. The City is considered one of the top five leisure vacation destinations in the U.S. and a top 10 business destination.¹ As the eighth largest city in the nation and the second largest city in California, the City's total population was estimated at 1,368,061 million as of January 1, 2015.² The City's population has grown by approximately seven percent between the 2000 Census and the 2010 Census for an aggregate increase of 84,002.³



The City presently covers 325 square miles of land area and an additional 47 square miles of water area for an aggregate total 372 square miles. The coast has 70 miles of beaches, including such famous destinations as Mission Beach and La Jolla Shores.⁴ The topography is generally composed of mesas intersected by canyons with elevations ranging mostly from sea level to 600 feet. High points include Mt. Soledad in La Jolla and Cowles Mountain which is nearly 1,600 feet high. Summer high temperatures average in the low 70s near the beach areas to mid to upper 80s in the inland areas. Average annual rainfall is approximately 10 inches per year with more than 80 percent of the region's rainfall occurring between December and March.⁵

On April 1, 2015, Governor Edmund G. Brown Jr. issued Executive Order B-29-15, mandating substantial water reductions in order to achieve a 25 percent reduction in water use across the State of California. Water reduction mandates have been set for individual cities and water districts, ranging from 12 to 36 percent across the State. As a result, the City was mandated a reduction goal of 16 percent since the date of the Executive Order when compared with water usage in calendar year 2013. As of December 31, 2015, the City has achieved a cumulative reduction in overall water usage of 20 percent from June to December 2015 when compared to the same period in 2013.⁶

In March 2016, state regulators certified the supply of potable water from the Claude "Bud" Lewis Carlsbad Desalination Plant as drought-resilient affecting the State of California's emergency water-use mandates by reducing the region's aggregate water conservation total from 20 percent to about 13 percent. The City's projected target has been reduced from 16 percent to 8 percent. Under the

¹ Homepage. San Diego Regional Economic Development Corporation website. Retrieved March 2016.

² Research - E1 Population Estimates. California Department of Finance website. Retrieved April 2016.

³ California State Data Center. Census 2010. California Department of Finance website. Retrieved March 2016.

⁴ 2010 Census Gazetteer Files - Places. United States Census Bureau website. Retrieved March 2016.

⁵ Annual rainfall - Lindbergh Field. San Diego County Water Authority website. Retrieved March 2016.

⁶ City of San Diego. Public Utilities. February 2016.

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State's March 10th draft, certification of supplies from the Carlsbad plant reduces each local agency's water-savings target by up to 8 percentage points. However, the modified emergency regulation still requires that every local water agency reduce water use compared to 2013 baseline levels to ensure the continuation of water conservation efforts. Despite the desalination project adding 50 million gallons per day to the region's potable water supply, the City fully expects to continue to exceed current water reduction targets through a mixture of conservation, education, and enforcement of temporary and permanent restrictions.¹

Center for Education & Research

San Diego is a center for education and research, with both public and private colleges and universities. San Diego State University, Point Loma Nazarene University, the University of San Diego, and the University of California, San Diego (UCSD) are the most well known higher education institutions in the City. UCSD in particular is internationally recognized as an important center for research and development (R&D). In support of this claim, the school recently ranked sixth in the nation (as of 2014) with \$1.1 billion R&D related expenditures.² Research centers under the university jurisdiction include Scripps Institution of Oceanography, San Diego Supercomputer Center, and California Institute for Telecommunications and Information Technology. The Scripps Institution of Oceanography, is one of the largest and most important centers for ocean and earth science research in the world. The Scripps Fleet of four oceanographic research vessels and the 355 foot long Floating Instrument Platform (FLIP) make up one of the largest academic fleets in the world.³ The City is also served by the San Diego Community College District, which includes San Diego City College, San Diego Mesa College, San Diego Miramar College and seven San Diego Continuing Education campuses serving more than 100,000 students.⁴ The City continues to attract unique, world class business ventures with a highly educated workforce attracting \$805.1 million in venture capital in 2014 alone. The resulting capital investments have created 3.6 patents per 1,000 workers which ranks second in the nation and further magnifies the City's and the region's importance in cutting edge medical and technological research and development.⁵

Economic Diversity

San Diego policymakers, businesses and educators are working collaboratively to create a thriving innovation ecosystem, consisting of some of the world's smartest companies, a talented and loyal workforce, and easy access to international markets. The City's local economy accounts for 50 percent of the regional economy and includes healthcare, retailers and restaurants, and sophisticated professional and business service providers with peerless expertise in technology sectors.

The City offers cutting edge healthcare and is considered a leader in technology-driven health innovation, including the emerging wireless health sub-sector.⁶ At the forefront of intriguing developments in aerospace technology are ViaSat, Brain Corporation, 5D Robotics and the Center of Excellence for Northrop Grumman's unmanned systems division. Making its presence known on the global stage, San Diego is participating in the Global Cities Initiative, a joint project of the Brookings Institute and JP Morgan Chase. The project is aimed at helping leaders of metropolitan

¹ State Board Regulations. San Diego County Water Authority website. Retrieved April 2016.

² Rankings by total R&D expenditures. Academic Institution Profiles - National Science Foundation. Retrieved March 2016.

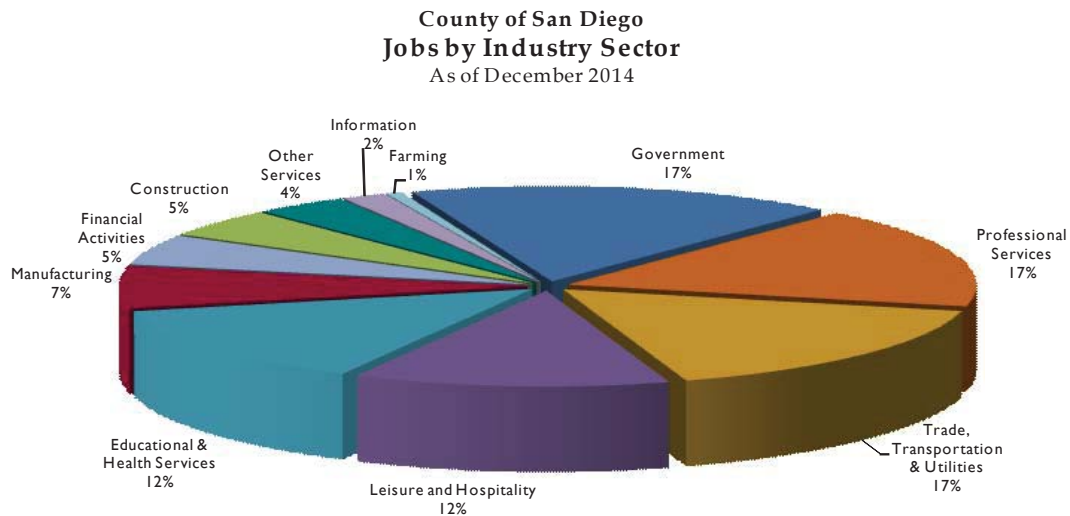
³ Office of Research Affairs. University of California, San Diego website. Retrieved March 2016.

⁴ 2012-2013 Annual Report to the Community. San Diego Community College District archives. Retrieved March 2016.

⁵ Economic Indicator Dashboard. San Diego Regional Economic Center website. Retrieved March 2016.

⁶ Key Industries. San Diego Regional Economic Center website. Retrieved March 2016.

cities strengthen their regional economies. The \$10 million, five-year project will provide an international network of leaders the ability to discuss and foster ideas that promote expansion of economies on a global scale while learning best practices from around the world.¹



Source: State of California Employment Development Department, Labor Market Information Division.

The City's economic base, which in the past had a greater reliance on federal defense spending, has undergone a transformation in recent years to become even more diversified. Built upon a strong foundation in defense spending, the San Diego economy has benefited from the increase in international trade, high-tech manufacturing and research, and a growing tourism industry. In addition, other contributors to the San Diego economy are basic manufacturing, health services, and local government.

The defense and military industries in the San Diego region continue to thrive and evolve contributing an estimated \$45 billion of gross regional product (GRP). This represents 21.5 percent of the region's total GRP.² Recently, General Dynamics NASSCO by the U.S. Navy to support amphibious warfare and surface combatant ships based in the Port of San Diego. The indefinite length of the contract has a total potential value of \$1.32 billion among three awardees.³

In addition, San Diego County's military and defense economy employs a workforce of 328,000, which include uniformed military and civilian employees of the Department of Defense, as well as private defense contractors. San Diego is also the home port to more than 60 percent of the ships in the Pacific Fleet and as a result, is a leader in U.S. defense and homeland security initiatives, with prominent companies such as the Space and Naval Warfare System Center (SPAWAR), Lockheed Martin, Science Applications International Corporation (SAIC), UTC Aerospace Systems, Northrop Grumman, General Dynamics NASSCO, L-3 Communications, and General Atomics Aeronautical Systems located in San Diego.⁴

¹ Events archive. The Brookings Institution website. February 12, 2015. Retrieved March 2016.

² Key Industries. San Diego Regional Economic Development Corp. Retrieved April 2016.

³ 2016 News Releases. NASSCO website. Retrieved April 2016.

⁴ Key industries. San Diego Regional Economic Development Corporation website. Retrieved March 2016.

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International Trade

The Port of San Diego's transportation and economic initiatives have made the City a center for international trade. The Port of San Diego offers world class maritime facilities built around one of the world's great natural harbors. According to the International Trade Administration, exports passing through the San Diego-Carlsbad metropolitan statistical area in 2014 was approximately \$18.6 billion. This places San Diego as the 21st largest export market in the United States, represents a \$700 million increase over the 2013 export figures, and accounts for 10 percent of the State of California's total exports. The region benefited immensely from free trade agreements, with exports in this area representing 47 percent of the 2014 total exports. Top trading partners included Mexico, Canada and China.¹

The San Diego Association of Governments (SANDAG), Caltrans and a number of local, state and federal agencies are executing a plan to construct a new border crossing in the San Diego/Baja California region known as the State Route 11/Otay Mesa East Port of Entry Project. The new port of entry will connect roadways in the United States and Mexico east of the existing Otay Mesa border crossing and will reduce congestion giving personal and commercial vehicles a faster and more predictable option for crossing the border. Tolls will serve to provide a majority of the funding for this project which is estimated to cost \$900 million. Other funding sources are being explored on both sides of the border.²

The \$120 million Cross Border Xpress opened in December 2015. The project enables ticketed airline passengers who pay a toll to travel between Tijuana, Mexico's A.L. Rodriguez International Airport and a new, secure passenger facility in Otay Mesa, via an enclosed, elevated pedestrian bridge. The developer estimates between 1.5 to 1.8 million passengers are expected to use the bridge during the first year of operation. There are close to 900 parking spots available as well as local and intercity bus services and designated taxi pick up areas. The project will help alleviate traffic congestion at the San Ysidro and Otay Mesa border crossings and improve economic activity in the region by reducing border crossing delays.³

Innovation

The San Diego region is known for having one of the largest concentrations of high-tech companies in the United States with companies focused on information and communication technology, biotech/life sciences, clean-tech, and maritime technology.

In addition, major pharmaceutical companies including Pfizer, Johnson & Johnson, and Merck maintain a presence in the region to foster collaboration with major research institutes, universities and smaller biotech companies.⁴

¹ Metro Exports Home. International Trade Administration website. Retrieved March 2016.

² Comprehensive Transportation Projects. SANDAG website. Retrieved March 2016.

³ Cross-border airport bridge to open in December. San Diego Union Tribune website. Retrieved March 2016.

⁴ Key industries. San Diego Regional Economic Development Corporation website. Retrieved March 2016.



Thanks to the strong technology sector, local innovators, green practices, smart public planning and an unparalleled quality of life, San Diego was selected by National Geographic as the only North American city to be featured in the "World Smart Cities" documentary series which aired on April 25, 2015 in more than sixty countries. This unprecedented exploration of the world's cities showcased the destinations where technology, talent and innovation are creating new urban environments that will emerge as leading cities in the 21st century.¹ San Diego is the most concentrated scientific R&D market in the United States and a global leader in innovation. San Diego's innovation economy is supported by 16 incubators and accelerators, world-class talent and facilities, and more than 41.8 million square feet of lab and R&D space. Research institutions impact roughly 37,000 jobs and have a combined \$4.6 billion total impact on the region's GRP every year.² Moreover, the San Diego based genome sequencing company Illumina was ranked top of the 50 smartest companies in Massachusetts Institute of Technology (MIT) Technology Review list, gaining grounds over companies like Tesla Motors, Google, Samsung, and others. The City, with the assistance of the San Diego Regional Economic Development Corporation announced a collaborative effort that would help Illumina expand in San Diego; the City provided a tax rebate in exchange for the creation and retention of 300 well-paying jobs.³

In keeping with the City's continued efforts for innovative technology, on March 15, 2016, the City launched a completely redesigned City website located at www.sandiego.gov. The website now features new tools to help residents, businesses and visitors complete web-based tasks quicker and more efficient. There is a modern, sleeker look to the site and it is mobile friendly as well. The web domain was "made by San Diegans for San Diegans" by including feedback from more than 5,000 residents from across the City. In fact, the City is setting a national standard with the unprecedented community outreach and engagement throughout the development process.

Tourism

According to the San Diego Tourism Authority (SDTA) website, the visitor industry employs directly and indirectly almost 181,000 San Diegans. These workers cater to 34 million visitors each year, easily placing the region as a top U.S. travel destination. In addition, annual visitor traffic expends \$9.9 billion each year which translates into a regional impact of over \$16 billion new dollars

¹ San Diego steps into global spotlight. April 10, 2015. City of San Diego website. Retrieved March 2016.

² Economic Impact of Research Institutions. San Diego Regional Economic Development Corp website. Retrieved April 2016.

³ Illumina, City reach proposed deal. July 15, 2014. NBC San Diego website. Retrieved March 2016.

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generated for the local economy. San Diego is considered one of the top five leisure vacation destinations in the U.S. and a top 10 business destination.¹ On March 11, 2016 Money magazine named San Diego the top domestic travel destination out of a pool of the 100 most popular travel destinations in the United States. The magazine cited the City as having the "best combination of outdoor attractions, cultural landmarks, great weather, and affordable hotels in the country".²

San Diego is home to the world-renowned San Diego Zoo, San Diego Zoo Safari Park, and Sea World. In addition, San Diego offers other activities for visitors seeking cultural and recreational experiences. Balboa Park, is a 1,200-acre urban park with 15 major museums, several performing arts venues, lovely gardens, challenging hikes, and many other cultural attractions that brings millions of people to visit the park each year. The City recently celebrated the 100th anniversary of the 1915 Panama-California Exposition, which took place at Balboa Park, throughout calendar year 2015.³

The San Diego Zoo is currently celebrating its centennial having been founded in 1916. Fresh off the centennial celebration, several Balboa Park institutions have joined the festivities planned for 2016 including the San Diego History Center's exhibition: "Lore Behind the Roar: 100 Years of the San Diego Zoo". This exhibit will explore the Zoo's origins from the assortment of animal exhibits displayed at the 1915 Panama-California Exposition which led to the founding of the Zoo at Balboa Park in 1916. Additional exhibits are planned at the San Diego Museum of Art, the San Diego Natural History Museum, the Museum of Photographic Arts and the Timken Museum.⁴

The 2.6 million square foot San Diego Convention Center (Convention Center) located on San Diego Bay and next to San Diego's historic Gaslamp Quarter, is currently celebrating its 25th year in operation. Over the past quarter century, the Convention Center is responsible for generating \$470 million in tax revenues and contributing \$18.2 billion in regional economic impact making it one of San Diego's most important economic drivers for growth in sales, lodging and tourism revenue. During Fiscal Year 2015, the Convention Center drew more than 800,000 attendees participating in one of the 172



events generating \$1.06 billion in regional economic impact. The top five major revenue contributors for Fiscal Year 2015 were San Diego Comic-Con International - \$135.9 million, Cisco Live! - \$70.3 million, Esri User Conference - \$50.1 million, the National Safety Council Congress & Expo - \$44.1 million, and ACC.15: American College of Cardiology Scientific Session - \$42.1 million. For Fiscal Year 2016, the Convention Center is forecasting to deliver \$1.2 billion in regional economic impact and over \$25.6 million in tax revenue. The number of people in attendance is projected to exceed 900,000, each participating in one of the 108 events hosted at the Convention Center. An exciting highlight to this calendar year's schedule is the participation of the Convention Center in the 87th

¹ Industry research. San Diego Tourism Authority website. Retrieved March 2016.

² Money. March 11, 2016. Best in Travel 2016. Retrieved March 2016.

³ History. Balboa Park website. Retrieved April 2016.

⁴ Balboa Park institutions to collaborate with zoo. San Diego Union Tribune. Retrieved March 2016.

Major League Baseball All-Star week; this will be the third time the City has hosted the event and the first time it will take place in downtown San Diego.¹

Major Events

Aside from the many permanent attractions available to visitors, San Diego has also been the host to several major sporting events such as the Rock 'n' Roll San Diego Half Marathon, the San Diego Crew Classic, and the Holiday & Poinsettia Bowls. According to the San Diego Tourism Authority, Golf Digest cites San Diego as one of the “top 50 golf destinations in the world” and Sports Illustrated once dubbed San Diego as “Sports Town U.S.A.” The City’s Torrey Pines Municipal Golf Course is home to the annual Farmers Insurance Open played each January.² PETCO Park in downtown on the San Diego Bay is home to the San Diego Padres professional baseball club and is one of the top ballparks in the country. After more than a dozen years in operation, Petco Park will host the 2016 Major League Baseball (MLB) All-Star Game for the first time which is scheduled for July 12, 2016.



In addition, as part of its commitment to deliver world-class major championship competition and its long-standing support of public golf, the United States Golf Association announced Torrey Pines Golf Course as the site of the 2021 U.S. Open Championship (U.S. Open).³ In 2008, San Diego hosted the U.S. Open at Torrey Pines which resulted in the second highest attendance in U.S. Open history, generating a direct economic impact estimated at \$73.6 million which

in turn created an indirect impact of \$68.5 million to the County of San Diego.⁴ The early announcement of the U.S. Open is expected to once again make Torrey Pines an instant tourist destination, and serve as a major benefit to the local economy. The City also hosts major holiday celebrations including Big Bay Boom on the Fourth of July and Balboa Park December Nights during the winter holiday season. San Diego is also home to the MCAS Miramar Air Show, an air show featuring civilian and military aircraft.

Transportation

Underlying all components of the San Diego economy is a transportation system of freeways and surface streets that make it possible to travel from one end of the City to the other in less than 30 minutes. Passage in and out of the region is provided by four major freeways running north and south, and four freeways running east and west. San Diego is served by the San Diego International Airport at Lindbergh Field, a major commercial airport that serves about 17 million people each year and brings approximately \$10 billion in revenue to the region.⁵ In January 2015, the airport

¹ San Diego Convention Center 2016 Forecast. San Diego Convention Center Corporation website. Retrieved March 2016.

² San Diego's Golf Recognitions. San Diego Tourism Authority website. Retrieved March 2016.

³ News Release. 2021 U.S. Open at Torrey Pines. City of San Diego website. Retrieved April 2016.

⁴ 2008 U.S. Open Economic Impact Analysis. San Diego State University Center for Hospitality and Tourism Research. Retrieved March 2016.

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announced that it had served a record 18.8 million passengers in calendar year 2014, the highest number since 2007 (18.3 million passengers) and an increase of six percent over 2013's total of 17.7 million passengers. The airport reported approximately 673,000 people flew to and from international destinations, a 7.2 percent increase over 2013. San Diego International Airport has seen strong and steady growth in recent years due to many factors including an increase in the number of nonstop flights, new routes and destinations, enhancements of airport and airline capacity, and a steady improvement in the economy.¹ Further, according to preliminary data, the Airport surpassed 20 million passengers for calendar year 2015, with 700,000 passengers traveling internationally. Additionally, the Airport Authority is anticipating to construct a parking plaza adjacent to the newly expanded Terminal 2. The parking plaza will be a parking structure with three parking levels and approximately 3,000 parking stalls with integrated parking technology and customer service measures.²

Most recently completed at the San Diego International Airport is the construction of a consolidated rental car center on the north side of the airfield, which opened in January 2016. The 2 million-square-foot rental car center houses a majority of the rental car companies serving the airport in one central location off Pacific Coast Highway. Rental car customers will be carried to and from the airport in 16 new alternative fuel shuttles which operate almost exclusively on a new interior airport road. This new fleet replaces approximately 81 shuttles operated by the various rental car companies further easing congestion on the already busy Harbor Drive. The \$316 million facility provided approximately 4,600 construction jobs, with \$186 million in construction contracts going to local businesses, and approximately \$70.4 million going to small businesses.³

Besides its system of freeways and surface streets, the City, in cooperation with the San Diego Metropolitan Transit Development Board (MTDB), has established a light-rail system that connects San Diego's downtown with outlying communities in the eastern and southern portions of the county. A 43-mile Coaster Commuter rail line from Oceanside to downtown San Diego links communities along the coast from Oceanside to downtown San Diego and is operated by San Diego Northern Railway on behalf of the North County Transit District.

The Coaster and Amtrak trains provide passenger rail service to the City along the coastal rail corridor. Passenger and freight trains also share the predominately single-track corridor. The Coaster provides commuter rail service between Oceanside and downtown San Diego with stations in the City at Sorrento Valley, Old Town, and the Santa Fe Depot. Amtrak provides intercity passenger rail service from downtown San Diego to Los Angeles, and north to San Luis Obispo, which is the second most heavily traveled intercity passenger rail corridor in the nation.

The City has also established Amtrak and Coaster commuter trains linking communities and travelers from Los Angeles and Orange Counties to downtown San Diego and coastal North County, and includes stops in Old Town, Sorrento Valley, Solana Beach, Encinitas, Carlsbad and Oceanside. The Metropolitan Transit System's San Diego Trolley includes three lines serving many popular areas and attractions, such as Downtown, the Convention Center, San Diego State University, Old Town, and the Mexican Border.⁴ A proposed project to extend Trolley service, the Mid-Coast Corridor Transit Project, is anticipated to begin in 2016, with service starting in 2018. The Trolley

⁵ Economic Impact. San Diego County Regional Airport Authority website. Retrieved March 2016.

¹ CAFR - Fiscal Years Ended June 30, 2015 & 2014. San Diego County Regional Airport Authority website. Retrieved March 2016.

² Airport Projects. San Diego County Regional Airport Authority website. Retrieved April 2016.

³ New Rental Car Center Opens. Jan 20, 2016. San Diego County Regional Airport Authority website. Retrieved March 2016.

⁴ San Diego Trolley Inc. Feb 2013. San Diego Metropolitan Transit System International Airport website. Retrieved March 2016.

extension project will extend Trolley service from Santa Fe Depot in Downtown San Diego to the University City community, serving major activity centers such as Old Town, the University of California, San Diego (UCSD), and Westfield University Towne Center.¹

With the City's high quality of life, business opportunities, educational opportunities, and diversified economy, San Diego will continue to be a thriving city.

General City Statistics

The following tables provide general statistics for the City of San Diego and the Park & Recreation, Library, Public Safety, and Public Utilities Departments.

General Information ¹	
Area of City (square miles)	325
Population (California Department of Finance, as of January 1, 2015)	1,368,061
Median Age	35.3
Housing Units	526,762
2010 Median Household Income ²	\$64,328
Ethnicity-Persons	
Hispanic	29.9%
Non-Hispanic	70.1%
White	43.9%
Asian & Pacific Isl.	16.8%
Black	5.6%
Other	3.8%

¹ Demographics in the San Diego Region. Jan 2016. SANDAG website. Retrieved March 2016, unless otherwise noted

² 2010 Dollars

Park & Recreation ¹	
Acres of Park Land (excluding water acres)	35,735
Acres of Regional Parks (Balboa Park, Mission Bay, and Mission Regional Trails)	13,651
Acres of Major Open Space Parks (Black Mountain Park, Los Penasquitos Canyon Preserve, Otay Valley Regional Park, San Pasqual, and Tri-Canyon Open Space Parks)	9,881
Number of Recreation Centers	57
Golf Courses	3
Swimming Pools	13
Tennis Courts	159
Seniors Centers	5
Skate Parks	5

¹ Estimates through June 2016

City of San Diego, Park & Recreation Department

Libraries ¹	
Number of Libraries	36
Library Books and Audio-Visual Materials	3,758,090

¹ Transportation. Economic Development - City of San Diego website. Retrieved SANDAG website, March 2016.

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Libraries ¹	
Government Documents	1,667,856
Items Checked-Out (Circulation)	6,924,735

¹ Fiscal Year 2016
City of San Diego, Library Department

Public Safety ¹	
Fire Equipment	
Number of Fire Stations	48
Type I Engines	48
Truck Companies	13
Crash Rescue (Airport)	2
Type III Engines	11
Water Tenders	3
Water Fire Hydrants	25,436
Lifeguard Equipment ²	
4-wheel Drive Vehicles	34
Surf Rescue Patrol Vessels	9
Fire Boats	3
Personal Watercraft for Rescue and Patrol	12
Multi-Purpose Emergency Rescue Vehicle (MERV)	1
All-terrain Vehicle	17
Police Equipment ³	
Police Vehicles	1,371
Motorcycles and Scooters	120
Canines	34
Aircraft	4
Police Stations	10

¹ Estimates through June 2016
² City of San Diego, Fire Department
³ City of San Diego, Police Department

Public Utilities ¹	
Miles of Water Mains	3,384
Number of Meters in Service	279,625
Number of Impounding Dams and Reservoirs	10
Number of Water Treatment Plants	3
Miles of Municipal Sewer Mains	3,026
Millions of Gallons of Sewage Treated Per Day (on average)	149.0

¹ City of San Diego, Public Utilities Department