

**A Study of the Economic Impact and
Benefits of UC San Diego**

Fiscal Year 2006-07

Prepared for:

UC SAN DIEGO

CBRE CONSULTING, INC.

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Re: UC San Diego Economic Impact Report, FY 2006-07

Dear Mr. Xavier:

CBRE Consulting, Inc. is pleased to present this report of the economic impacts and benefits of UC San Diego. The study estimates the quantitative economic impacts, in terms of spending, employment and personal income, of the University on the economies of San Diego, San Diego County, and the State of California. The report also describes in detail additional impacts, including student, visitor, and retiree spending impacts as well as the University's contributions to workforce development, research in the public interest, community outreach, and cultural and recreational programs.

The Summary of Findings Chapter of the report highlights key information and conclusions, fully documented in the body of the report. Please be aware that all of our analysis and conclusions are subject to the Assumptions and General Limiting Conditions included at the end of this report.

It has been a pleasure working with you on this project.

Sincerely,



Amy L. Herman, AICP
Senior Managing Director



Courtney Pash
Director



Justin Bain
Consultant

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I. INTRODUCTION

BACKGROUND

CBRE Consulting, Inc. ("CBRE Consulting") was retained by the San Diego Campus of the University of California to conduct a study of the economic impacts of UC San Diego on the following geographies: the City of San Diego; San Diego County; and the State of California. This study focuses on the quantifiable economic impacts of UC San Diego during the 2006-07 fiscal year (FY) as well as select qualitative impacts and contributions of the University. The purpose of this study is to provide the University with a better understanding of its impact on the local, regional, and state economies.

UC San Diego is a comprehensive, Ph.D. granting, research institution located in La Jolla, California. Founded in 1960 on a commitment to provide strong educational programs in all fields, UC San Diego has become one of the finest public universities in the country, with many world-renowned graduate programs and an outstanding undergraduate program. It is particularly impressive that UC San Diego has achieved this level of excellence in less than 50 years, and has gained increasing momentum in the last 20 years.

UC San Diego is part of the ten-campus University of California system, which educates more than 220,000 students, and includes more than 170,000 faculty and staff. The UC San Diego campus is located on 1,200 acres along the coast of the Pacific Ocean, and total campus enrollment for Fall 2007 was 27,500 students. The National Science Foundation ranks UC San Diego 7th in the nation in federal research and development expenditures, and total research funding for 2005-2006 was approximately \$733.3 million. The University also ranks 7th in the nation in National Academy of Sciences membership. The National Research Council (NRC) ranks UC San Diego 10th in the nation in the quality of its faculty and graduate programs, and also ranks oceanography and neurosciences at UC San Diego as first in the nation.

UC San Diego's graduate and professional schools include the Scripps Institution of Oceanography; the School of Medicine; School of International Relations and Pacific Studies; Skaggs School of Pharmacy; Jacobs School of Engineering; and the Rady School of Management. The campus is also home to the UC San Diego Medical Center, the San Diego Supercomputer Center, and the Center for U.S.-Mexican Studies.

Undergraduate education at UC San Diego is organized around the six colleges, led by college provosts, who have responsibility for the general education curricula; undergraduate majors and degree programs are overseen by divisional deans and department chairs.

SCOPE OF WORK

In undertaking this assignment, CBRE Consulting obtained information from the University, conducted independent research, and analyzed the impact of University operations and related University activities. UC San Diego's academic programs, alumni, faculty, research, employment, spending, students, and visitors were all examined in detail to create an overall picture of the University's economic impacts. Financial data were gathered, including the University's payroll and purchasing as well as student spending. In addition, non-financial data were analyzed and integrated into the report, including UC San Diego's contribution to the regional workforce, business creation, research, and community development efforts. Finally, CBRE Consulting, with input from the economic consulting firm Applied Economics, used the

IMPLAN input-output model to calculate the indirect and induced economic impacts of UC San Diego's spending.

To the extent possible, all data were gathered for three geographic regions: the City of San Diego, San Diego County, and the State of California. The most recent fiscal year for which data were generally available was 2006-07. Therefore, to the extent possible, all data collected and analyzed pertain to this period.

ORGANIZATION OF THE REPORT

Following Chapter II, Summary of Findings, the report begins with a brief overview of the Southern California, San Diego County, and San Diego economies. Next, the report examines the role of UC San Diego in developing the workforce of these economies through its academic mission and programs. The following two chapters analyze and discuss the overall economic impact of UC San Diego in terms of spending, employment, and income. These impacts include direct as well as indirect and induced impacts, as estimated by the IMPLAN input-output model. The report then considers the economic impact of UC San Diego students, visitors, and retirees. Following this, the report considers other, less tangible ways that UC San Diego affects the economy and community through its research and technology transfer, its outreach and community service programs, and its cultural and recreational offerings.

Rounding Standards

Unless otherwise noted, figures in this report are rounded according to the following protocol:

- Billions: to three decimal places;
- Millions: to four significant digits;
- Hundreds of thousands: to the nearest multiple of 100;
- Tens of thousands: to the nearest multiple of ten; and
- Thousands: to the nearest multiple of ten.

As an exception to these rules, all percentages are expressed to one decimal place and all IMPLAN multipliers are expressed to two decimal places, in order to reflect their inherent level of precision.