

VIII. UNIVERSITY STUDENT, VISITOR, AND RETIREE IMPACTS

In addition to the direct spending of UC San Diego itself, the presence of the University attracts students and visitors and also anchors UC San Diego retirees to the local area. Their presence in turn also supports the local, regional, and state economies.

STUDENT EXPENDITURE IMPACTS

UC San Diego students fuel the local economy through their spending.⁶¹ The approximate location and amount of spending by UC San Diego students may be determined using residential data from the Offices of the Registrar and Student Information, as well as spending estimates from the Financial Aid Office. As shown in Table 20, approximately 24,580 undergraduate and graduate students lived in the City of San Diego in FY 2006-07, representing 93.1 percent of total enrollment. About 1,830 students, or 6.9 percent, lived elsewhere in San Diego County.

Table 20 also shows that UC San Diego provided approximately 33.3 percent of all students with housing during FY 2006-07.⁶² More specifically, 34.0 percent of all undergraduate students and 30.4 percent of all graduate students lived in campus housing. In the fall of 2007, 800 beds were added by the East Campus Graduate Housing that opened on campus. With these new beds, UC San Diego has the capacity to house approximately 45.4 percent of its graduate students.

<u>Student Category</u>	<u>City of San Diego</u>	<u>Other San Diego County</u>	<u>Other California</u>	<u>Total</u>
Undergraduate:				
UC San Diego-Owned Housing	7,165	N/A	N/A	7,165
Unaffiliated Off-Campus Housing	12,440	1,459	0	13,899
Total Undergraduate	19,605	1,459	0	21,064
Graduate:				
UC San Diego-Owned Housing	1,627	N/A	N/A	1,627
Unaffiliated Off-Campus Housing	3,351	372	0	3,723
Total Graduate	4,978	372	0	5,350
Grand Total:	24,582	1,832	0	26,414

Sources: UC San Diego Office of the Registrar and Office of Student Research and Information.

Table 21 presents student budget estimates provided by the UC San Diego Financial Aid Office. The data show a fairly economical pattern of annual student spending, suggesting that the estimates are a conservative approximation of actual student spending. The average spending for each student includes rent, food, books and supplies, and transportation during FY 2006-07. Spending for campus provided housing, meal plans, tuition, registration fees, books, and

⁶¹ This first discussion focuses on student impacts of “regular” UC San Diego students, as opposed to students enrolled in UC San Diego’s Extension Programs. The impacts of Extension students are discussed separately later in this chapter.

⁶² $(7,165+1,627) / 26,414 = 33.3$ percent.

supplies are not included in this analysis – as these items represent University revenues rather than contributions to the local economy.⁶³

	<u>Rent</u>	<u>Food</u>	<u>Books & Supplies</u>	<u>Transportation</u>	<u>Total</u>
Undergraduate Students:					
UC San Diego On-Campus Housing	N/A	\$2,853	\$1,504	\$1,097	\$5,454
UC San Diego Off-Campus Housing	N/A	\$2,331	\$1,504	\$1,925	\$5,760
Unaffiliated Off-Campus Housing	\$6,170	\$2,331	\$1,504	\$1,925	\$11,930
Living with Parents	\$1,321	\$1,310	\$1,504	\$1,965	\$6,100
Graduate Students:					
UC San Diego On-Campus Housing	N/A	\$2,331	\$1,504	\$1,097	\$4,932
UC San Diego Off-Campus Housing	N/A	\$2,331	\$1,504	\$1,097	\$4,932
Unaffiliated Off-Campus Housing	\$7,022	\$2,331	\$1,504	\$1,925	\$12,782
Living with Parents	\$1,321	\$1,310	\$1,504	\$1,965	\$6,100

Sources: UC San Diego Office of Financial Aid; and CBRE Consulting.

Table 22 estimates total spending of undergraduate and graduate students based on their residence location. CBRE Consulting and UC San Diego staff developed assumptions about student spending patterns in the City of San Diego and the surrounding areas. These estimated “capture rates” are based on several factors, such as students’ residential locations, the distribution of retail and entertainment venues, and the expectation that students who do not live in San Diego make expenditures there because of time spent on and around campus.⁶⁴ Based on these capture rates and the data on average student spending provided by the Financial Aid Office, it is estimated that for FY 2006-07 UC San Diego undergraduate and graduate students spent \$207.3 million in the City of San Diego, an additional \$35.26 million elsewhere in San Diego County, and \$13.89 million in the rest of California.

<u>Student Category</u>	<u>Total Number of Students</u>	<u>Estimated Annual Direct Spending In:</u>			<u>Total</u>
		<u>City of San Diego</u>	<u>Other San Diego County</u>	<u>Other California</u>	
Undergraduate:	21,064	\$162,421,055	\$27,554,968	\$10,872,437	\$200,848,460
Graduate:	5,350	\$44,891,479	\$7,702,801	\$3,018,590	\$55,612,870
Total:	26,414	\$207,312,534	\$35,257,769	\$13,891,026	\$256,461,329

Sources: UC San Diego Office of Financial Aid, Student Research and Information, and Registrar; and CBRE Consulting

Notes: Figures may not add due to rounding. Total spending excludes on-campus housing and meal plans, registration and fees, books and supplies, and non-resident tuition.

The \$256.5 million in UC San Diego student spending generated additional sales and wages to other businesses and employees within the City of San Diego, San Diego County, and the State of California. Table 23 shows the total direct, indirect, and induced spending, income, and employment within these geographic areas attributable to UC San Diego student spending.

⁶³ To be conservative, this analysis assumes that all books and supplies are purchased at on-campus bookstores.

⁶⁴ Full details on the capture rate estimates and all other background calculations related to student spending are provided in Appendix B.

Table 23: UC San Diego Student Spending Impacts in California, 2006 07

	<u>City of San Diego</u>	<u>All San Diego County</u>	<u>All California</u>
Student Spending	\$207,312,534	\$242,570,303	\$256,461,329
Spending			
Multiplier	0.54	0.61	0.70
Indirect/Induced Spending	\$112,461,114	\$148,543,092	\$179,012,905
Total Direct, Indirect, and Induced Spending	\$319,773,648	\$391,113,395	\$435,474,235
Jobs			
Multiplier	14.03	14.53	14.17
Indirect and Induced Jobs (FTE)	2,909	3,524	3,635
Income			
Multiplier	0.50	0.52	0.54
Personal Income Generated	\$102,625,158	\$125,087,285	\$139,474,934

Sources: UC San Diego Office of Financial Aid, Student Research and Information, and Registrar; Applied Economics; and CBRE Consulting.

Notes: Figures may not add due to rounding. Spending and multiplier calculations are cumulative of all inclusive geographies. Employment multipliers are calculated per \$1.000 million of output.

Total direct, indirect, and induced UC San Diego student spending in San Diego County was estimated at \$391.1 million, approximately \$148.5 million of which was indirect and induced spending. Direct student spending also supported 3,520 jobs and generated \$125.1 million in personal income in the County.

The City of San Diego received a considerable share of the impacts within San Diego County. Nearly \$319.8 million of direct, indirect, and induced spending occurred in the City of San Diego as a result of UC San Diego student spending. This represents approximately 81.8 percent of total student spending impacts in San Diego County. This spending also resulted in an additional \$102.6 million in earned wages and 2,910 jobs within the city.

UC SAN DIEGO EXTENSION STUDENTS AND INTERNATIONAL STUDENT EXPENDITURE IMPACTS

UC San Diego Extension is the continuing education branch of UC San Diego, which is focused on the professional and continuing education needs of adult learners in San Diego County and other nearby areas of southern California. The International Student program attracts foreign students to week-, month- and semester-long educational opportunities at UC San Diego. Because continuing education and international students differ significantly in their spending habits, this analysis assesses the spending impacts of these two groups of students separately.

Continuing Education Students

As discussed previously in Chapter IV, UC San Diego Contributions to the Regional Workforce, UC San Diego’s Continuing Education program offers approximately 2,000 courses in a wide variety of academic fields. During FY 2006-07, there were an estimated 17,800 enrollments in continuing education courses (excluding 2,200 international students, whose impacts are assessed separately).⁶⁵ The vast majority of UC San Diego’s continuing education students are

⁶⁵ The number of enrollments is equivalent to the number of people taking courses each year. While individual continuing education students may be enrolled in more than one course during the year, this analysis treats each enrollment separately, as the enrollments provide the basis for estimates of student spending impacts. Estimated enrollments and courses are provided by UC San Diego Extension.

working adults who attend courses in the late afternoon or evening, with individual courses meeting an average of 9 times each. UC San Diego Extension officials estimate that approximately 40.0 percent of the enrollments are generated by students who live outside of the City of San Diego.

Table 24: UC San Diego Continuing Education Student Spending Impacts in California, 2006-07			
	<u>City of San Diego</u>	<u>All San Diego County</u>	<u>All California</u>
Continuing Education Student Spending	\$399,427	N/A	N/A
Spending			
Multiplier	0.53	0.63	0.89
Indirect/Induced Spending	\$211,735	\$249,670	\$354,928
Total Direct, Indirect, and Induced Spending	\$611,163	\$649,097	\$754,355
Jobs			
Multiplier	22.12	22.82	23.80
Indirect and Induced Jobs (FTE)	9	9	10
Income			
Multiplier	0.53	0.56	0.63
Total Personal Income Generated	\$213,030	\$224,113	\$250,754

Sources: UC San Diego Office of Financial Aid, University Extension, and International Student Office; Applied Economics; and CBRE Consulting.

Notes: Figures may not add due to rounding. Spending and multiplier calculations are cumulative of all inclusive geographies. Employment multipliers are calculated per \$1.000 million of output.

Based on this information, CBRE Consulting estimated the potential direct spending impacts of continuing education students on the City of San Diego. Assuming two out of every three visits to campus generate average spending of \$12 per visit, and setting aside the spending of the estimated share of students assumed to live in the City of San Diego, CBRE Consulting estimates that in FY 2006-07, continuing education students generated approximately \$399,400 in annual spending in the City of San Diego that otherwise would not have occurred in the city.⁶⁶

This direct spending of continuing education students in San Diego generated additional spending, income, and employment within the City of San Diego as well as elsewhere throughout the county, region, and state, as depicted in Table 24. It was estimated that this direct spending supported an additional \$211,700 in indirect and induced spending in the City of San Diego, as well as 9 jobs and \$213,000 in personal income.

UC San Diego International Students

Approximately 2,200 international students attended UC San Diego for periods ranging from four weeks to a full school year, which equates to 585 students on a FTE basis. International students have several housing options, including on-campus UC San Diego housing, off-campus apartment rentals, and home-stay (living with a local family). Off-campus and home stay students generally live in the City of San Diego, although some live elsewhere in San Diego County. Because students' expenditures on rent, food, and transportation differ based on where students live, estimates of international student spending impacts reflect these differences.

⁶⁶ The \$12 figure is the estimated cost of a light dinner; the CBRE Consulting estimate of \$399,400 reflects the following calculations and assumptions = 13,800 (number of enrollments excluding international students and on-line students) x 9 (average campus visits per enrollment) x 40.0 percent (share of enrollments by non-San Diego residents) x 66.7 percent (share of visits assumed to generate spending) x \$12 (estimated cost of a light dinner).

Estimates of international student spending were based in part on the Financial Aid Office survey of regular UC San Diego undergraduate students, with refinements made by CBRE Consulting and the International Student office staff to reflect the unique experiences of international students. CBRE Consulting also interviewed a representative from San Diego Homestay, a San Diego agency that places UC San Diego international students with local host families. The one major way in which the spending of international students differs from that of regular UC San Diego students is with respect to personal expenditures. For the vast majority of international students, the journey to the U.S. to attend classes at UC San Diego also provides an opportunity for vacation and further travel – and their spending reflects the habits of both students and tourists. It was estimated that each international student spends an average of approximately \$3,160 per visit to the U.S.

Based on these spending estimates, CBRE Consulting found that UC San Diego international students’ direct spending totaled approximately \$7.004 million in the City of San Diego, an additional \$1.082 million elsewhere in San Diego County, and another \$2.272 million in the rest of California.⁶⁷ Including indirect and induced impacts, international student spending generated a total of \$18.46 million in spending, 186 jobs, and \$6.580 million in personal income throughout the State of California.

Table 25: UC San Diego International Student Spending Impacts in California, 2006-07

	<u>City of San Diego</u>	<u>All San Diego County</u>	<u>All California</u>
International Student Spending	\$7,004,197	\$8,086,684	\$10,358,903
Spending			
Multiplier	0.58	0.66	0.78
Indirect/Induced Spending	\$4,093,756	\$5,376,049	\$8,101,155
Total Direct, Indirect, and Induced Spending	\$11,097,953	\$13,462,733	\$18,460,058
Jobs			
Multiplier	16.74	17.18	17.97
Indirect and Induced Jobs (FTE)	117	139	186
Income			
Multiplier	0.56	0.58	0.64
Personal Income Generated	\$3,924,959	\$4,704,122	\$6,580,096

Sources: UC San Diego Office of Financial Aid, and International Student Office; San Diego Homestay; Applied Economics; and CBRE Consulting.

Notes: Figures may not add due to rounding. Spending and multiplier calculations are cumulative of all inclusive geographies. Employment multipliers are calculated per \$1.000 million of output.

Cumulative Extension and International Student Impacts

As shown in Table 26, total direct, indirect, and induced impacts of spending by UC San Diego’s continuing education and international students in the State of California in FY 2006-07 was estimated at \$19.21 million; approximately \$8.456 million was indirect and induced spending. Direct student spending also supported 196 jobs and generated \$6.831 million in personal income in the State of California.

Based on these statewide figures, total international and extension student spending impacts in San Diego County were estimated at approximately \$14.11 million. This represents 73.4 percent of total student spending impacts in the State of California. Direct extension

⁶⁷ Full details on international student budget estimates in Appendix B.

student spending also supported 148 jobs and generated \$4.928 million in personal income in San Diego County.

The City of San Diego received a considerable share of extension student spending impacts. Approximately \$11.71 million, or 60.9 percent, of the statewide direct, indirect, and induced spending impacts occurred in the City of San Diego. This spending also resulted in an additional \$4.138 million in earned wages and 126 jobs within the city.

Table 26: Total UC San Diego Extension Student Spending Impacts in California 2006-07

	<u>City of San Diego</u>	<u>All San Diego Co.</u>	<u>All California</u>
Total Extension Student Spending	\$7,403,624	\$8,486,111	\$10,758,331
Spending			
Multiplier	0.58	0.66	0.79
Indirect/Induced Spending	\$4,305,491	\$5,625,719	\$8,456,083
Total Direct, Indirect, and Induced Spending	\$11,709,115	\$14,111,830	\$19,214,413
Jobs			
Multiplier	17.03	17.44	18.19
Indirect and Induced Jobs (FTE)	126	148	196
Income			
Multiplier	0.56	0.58	0.63
Personal Income Generated	\$4,137,990	\$4,928,235	\$6,830,849

Sources: UC San Diego Office of Financial Aid; UC San Diego Extension; Applied Economics; and CBRE Consulting.

Notes: Figures may not add due to rounding. Spending and multiplier calculations are cumulative of all inclusive geographies. Employment multipliers are calculated per \$1.000 million of output.

CAMPUS VISITOR EXPENDITURE IMPACTS

Each year, UC San Diego attracts visitors to its conferences, libraries, museums, performances, athletic events, and other special events. While no comprehensive source of data exists to measure the total number of visitors to the UC San Diego campus, the University does keep records of attendance at certain campus events that give an estimate of the number of annual visitors. According to various campus departments including Housing and Dining Services, Conference Services, the Office of Special Events and Protocol, Career Services, Campus Libraries, Admissions, the Registrar, and the Athletic Department, a total of 1.431 million visitors came to the UC San Diego campus during FY 2006-07 for a variety of events that ranged from a few hours to many weeks in duration.

It should be noted that the estimates of event attendance were gathered with great effort to estimate only visitor attendance and to exclude UC San Diego students, staff, and faculty. Therefore, the economic impacts attributed to attendance can be interpreted as being in addition to the impacts of student, staff, and faculty, which were estimated separately and discussed previously in this report.

Many UC San Diego visitors spend their entire stay on the campus and therefore are not likely to make any expenditures in the City of San Diego or elsewhere in the San Diego region. However, it is also likely that many visitors shop and eat outside of the campus, and some stay in local hotels.

Based on information regarding the nature of the various events – including a profile of attendees, length of stay, and activities conducted – CBRE Consulting sorted campus visitors into five categories: short day visitors; long day visitors; overnight visitors; short multi-night visitors; and long multi-night visitors. A conservative estimate of average per-visitor spending was developed for each of the spending categories. For short day visitors, it was assumed that 75.0 percent incurred no local spending. The remaining 25.0 percent were estimated to spend \$5 per person, to reflect the fact that some short day visitors might have purchased a cup of coffee and a snack while on their trip to campus. For long day visitors, 50.0 percent were assumed to incur no local expenditures and the remaining 50.0 percent were estimated to spend \$25 per person, to reflect the likelihood that some long day visitors might have purchased a meal and incidentals during their day on campus. For overnight visitors, it was assumed that 20.0 percent made no purchases, while it was assumed that the remaining 80.0 percent spent on average \$100 per day, to reflect the cost of hotel accommodations and one meal.⁶⁸

Campus visitors who stayed for more than one night predominantly comprise visitors to summer camps and workshops hosted by HD&S Conference Services (although there are other departments that host multi-night visitors as well). Based on estimates provided to CBRE Consulting by that department, roughly 3.0 percent of all multi-night visitors stayed for an average of 3 nights, while the remaining 97.0 percent of multi-night visitors were on campus for an average of 10 nights. Multi-night visitor spending was estimated differently from other visitor spending because these visitors tend to stay on campus, where lodging and meals are provided to them by their host program. Their expenses are mostly accounted for in University revenues, although HD&S Conference Services estimates that 10.0 percent of short multi-night visitors and 30.0 percent of long multi-night visitors did incur some expenses off campus, in the amount of \$30 per day.

Based on the proceeding methodology, CBRE Consulting estimated that visitors to UC San Diego campus events generated \$6.266 million in total spending in San Diego County during the 2006-07 fiscal year, \$5.710 million of which was spent within the City of San Diego. This UC San Diego visitor spending in San Diego City and County generated additional sales, wages, and jobs within the county and beyond. It was estimated that this direct spending supported an additional \$3.068 million in indirect and induced spending in the City of San Diego as well as 121 total jobs and \$3.071 million in personal income. Table 27 shows the additional indirect and induced spending, income, and jobs within the city, county, and state geographies.

⁶⁸ For the \$100 daily travel expense assumption, CBRE Consulting referenced a 2005 study commissioned by the California Travel and Tourism Commission titled “California Travel Impacts by County,” March 2007 by Dean Runyan Associates. The figures in this report were inflated to 2007 dollars and substantiate that average daily visitor spending in San Diego County is roughly \$100.

Table 27: UC San Diego Visitor Spending Impacts in California 2006-07

	<u>City of San Diego</u>	<u>All San Diego Co.</u>	<u>All California</u>
Visitor Spending	\$5,709,713	\$6,266,336	N/A
Spending			
Multiplier	0.54	0.63	0.88
Indirect/Induced Spending	\$3,068,379	\$3,957,308	\$5,496,801
Total Direct, Indirect, and Induced Spending	\$8,778,092	\$10,223,645	\$11,763,137
Jobs			
Multiplier	21.26	22.03	22.93
Indirect and Induced Jobs (FTE)	121	138	144
Income			
Multiplier	0.54	0.57	0.63
Total Personal Income Generated	\$3,070,510	\$3,542,364	\$3,937,169

Sources: UC San Diego Housing and Dining Services, Conference Services, Athletic Department, Office of Special Events and Protocol, Career Services, Libraries, Admissions, Registrar, Extension, and Music Department; ArtPower; La Jolla Playhouse; Mandeville Center; UC San Diego Bookstore; Student Life Annual Report 2007; Scripps Institution of Oceanography; Applied Economics; and CBRE Consulting.

Notes: Figures may not add due to rounding. Spending and multiplier calculations are cumulative of all inclusive geographies. Job multipliers are calculated per \$1.00 million of output.

UC SAN DIEGO RETIREES IN SAN DIEGO COUNTY

According to data from the UC Office of the President, in January 2008 there were approximately 4,750 retired employees from UC San Diego, 3,910 of whom lived in the State of California.⁶⁹ Of these California retirees, 1,870, or 48.0 percent, lived in the City of San Diego and 1,690, or about 43.3 percent, lived elsewhere in San Diego County. Total annual payments to retirees in San Diego County during the fiscal year were \$94.80 million, with \$41.26 million received by retirees in the City of San Diego and \$53.54 million received by retirees elsewhere in San Diego County.

Table 28: Retirement Payment Impacts from UC San Diego 2006-07

	<u>City of San Diego</u>	<u>All San Diego County</u>	<u>All California</u>
Retiree Payments	\$41,262,509	\$94,797,562	\$101,577,720
Spending			
Multiplier	1.16	1.17	1.31
Indirect and Induced Spending	\$47,774,758	\$111,056,793	\$133,492,551
Jobs			
Multiplier	6.82	7.00	7.84
Indirect Jobs	281	663	796
Income			
Multiplier	1.29	1.29	1.35
Indirect and Induced Personal Income Generated	\$11,942,643	\$27,630,277	\$35,939,470
Total Direct, Indirect, and Induced Personal			
Income Generated	\$53,205,152	\$122,427,839	\$137,517,190

Sources: UC Office of the President; Applied Economics; and CBRE Consulting.

Notes: Figures may not add due to rounding. Retirement payments and multiplier calculations are cumulative of all inclusive geographies. Job multipliers are calculated per \$1.00 million of output.

⁶⁹ Figure also includes the beneficiaries of deceased UC San Diego retirees.

Total direct, indirect, and induced spending generated by payments received by UC San Diego retirees in California was approximately \$133.5 million. Direct retiree payments also supported 796 jobs and generated \$137.5 million in personal income in California.

Of this impact in California, UC San Diego retirees generated approximately \$111.1 million of total spending in San Diego County. In addition, retiree spending supported 663 jobs in San Diego County and generated \$122.4 million in personal income.

It is estimated that \$47.77 million, or 35.8 percent, of direct, indirect, and induced spending occurred in the City of San Diego as a result of retirees' spending. This spending also resulted in \$53.21 million in earned wages and 281 jobs within the city.