

## REGIONAL PROFILE

Innovate78 is the collaborative outcome of five cities in North County San Diego - Carlsbad, Escondido, Oceanside, San Marcos and Vista - coming together with a shared vision to boost economic prosperity along the 78 Corridor. From tech startups to life sciences and communications, North County is the place where innovation and lifestyle collide. Here, in the five forward-thinking communities that comprise the 78 Corridor, creative leaders are gathering to continue this momentum of innovation and success.

Together, we represent Innovate78, a hub of innovation that is driving talent and creative capital to the 78 Corridor. Join us to see what were all about.

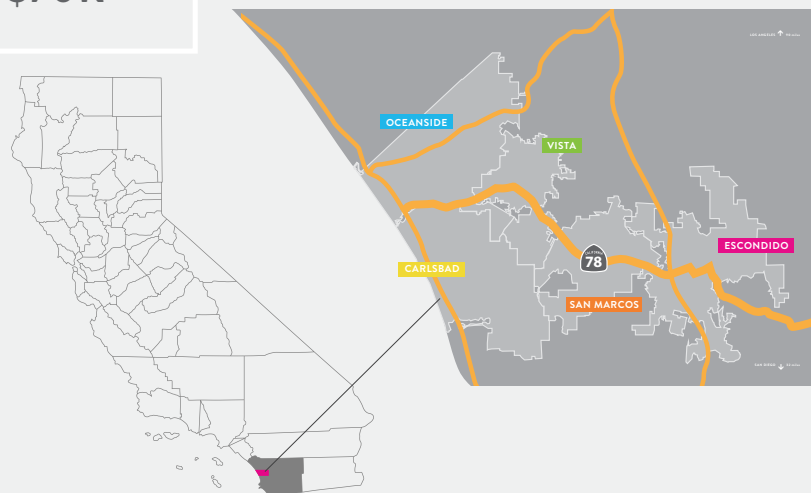
### WHY COLLABORATE?

To us, collaboration is more than just another buzzword. It is our core value - a key building block to everything we do. We collaborate to compete. Together, we are home to leading companies and universities, cutting edge research institutions and hospitals, world-class tourist destinations and a lifestyle second to none.

**POP:** 642,611

**UNEMPLOYMENT:** 3.2%

**AVG INCOME:** \$70K



# AT A GLANCE

Innovate78's economic dashboard uses a range of metrics to track the 78 Corridor's economic health, quality of life, demographics, talent profile and real estate. All data is annual from the most recent report, unless the month or quarter is available.

## ECONOMICS

**291,400**

EMPLOYMENT

**3.2%**

UNEMPLOYMENT

**1,034**

PATENTS

**\$8.6M**

IN CAL COMPETES  
TAX CREDITS

## DEMOGRAPHICS

**642,611**

POPULATION

**37.7**

MEDIAN AGE

**22.5%**

FOREIGN  
BORN POP.

**23.4%**

MILLENNIAL POP.

## REAL ESTATE

**\$581,575**

AVG HOME  
PRICE

**\$1,522**

MEDIAN RENT

**8.9%**

HOME PRICE  
CHANGE SINCE  
2017

**5.6%**

INDUSTRIAL  
VACANCY

**15.5%**

OFFICE  
VACANCY

**4.6%**

RETAIL  
VACANCY

## QUALITY OF LIFE

**27 MINS**

AVG TRAVEL TIME TO WORK

**\$70,493**

AVG INCOME

**47**

BREWRIES

**19**

GOLF COURSES

## TALENT

**35.5%**

BACHELOR'S OR HIGHER

**13.4%**

ADVANCED DEGREES

**1.6%**

PHD'S

**41%**

SCIENCE &  
ENGINEERING GRADS

# SAN DIEGO'S UPSIDE

The 78 Corridor is home to thriving industries that fuel our economy. The companies within these industries aren't just focused on doing business along the corridor. They are nationally and globally recognized leaders in innovation. More importantly, they are Innovate78 companies. From life sciences to military and defense, to manufacturing and action sports, the 78 Corridor is at the cutting edge of products that change the way we live, change the way our military communicates and change the way we think about the future.

## CARLSBAD

### THE INNOVATION CENTER

Pop: 114,622



In Carlsbad you'll find some of the most innovative companies in San Diego – from genome sequencing, to manufacturing of advanced satellites and the development of robotic vehicles used for the military and the future of transportation.

**ACTION SPORTS MFG**  
**LIFE SCIENCES**  
**CLEANTECH**  
**INFORMATION & COMMUNICATION TECH**

COOLA Suncare  
Verve  
Ionis Pharmaceuticals Reef  
TaylorMade Golf  
Thermo Fisher Scientific  
Viasat

## ESCONDIDO

### THE ENTREPRENEURIAL NEXUS

Pop: 151,478



The most inland of the five cities, Escondido's economy is one of the most diversified. From computers to craft beer, Escondido is rich in the entrepreneurial spirit that defines the San Diego region.

**HEALTHCARE**  
**SPECIALTY FOOD & BEV.**  
**AGRICULTURE**  
**PRECISION MFG**

Buster Biofuels  
Henry Avocado Co.  
JP Catholic University  
Palomar Medical Center  
San Diego Zoo Safari Park  
Stone Brewing Co.  
Transpower

## OCEANSIDE

### BIOTECH BY THE BEACH

Pop: 177,362



Taking advantage of the nexus between oceanfront living and thriving businesses, Oceanside is attracting the attention of quickly growing life sciences companies that fuel a robust business climate.

**LIFE SCIENCES**  
**MEDTECH**  
**ACTION SPORTS MANUFACTURING**

Genentech  
Gilead Sciences  
Hydranautics  
Hydroflex Surfboards  
MagnaFlow  
MiraCosta College  
TE Connectivity

## SAN MARCOS

### THE EDUCATION HUB

Pop: 95,768



San Marcos is the location of the Corridor's only public university – California State University San Marcos. Because of this, San Marcos has one of the highest concentrations of STEM degrees.

**HIGHER EDUCATION MANUFACTURING**  
**SPECIALTY FOOD & BEV.**  
**INFORMATION & COMMUNICATION TECH**

Cliniq  
Hunter Industries  
Baja Designs  
Landsberg Orora  
Teamwork Athletic  
Avista Technologies  
Hughes Circuits

## VISTA

### WHERE IDEAS COME TO LIFE

Pop: 103,381



While Vista is without a doubt the 78 Corridor's craft beer capital, many of San Diego County's most prominent companies in maritime, medical device manufacturing and action sports manufacturing are located in Vista's vibrant 14 million ft<sup>2</sup> of business park.

**LIFE SCIENCES**  
**PRECISION MFG**  
**LIFESTYLE PRODUCT MFG**  
**INFORMATION & COMMUNICATION TECH**

18+ Breweries  
Aqua Lung  
Applied Membranes  
DJO Global  
Dr. Bronners  
Leidos  
Solatube International

# INDUSTRY SPOTLIGHTS

With breakthrough technology companies and research organizations, a large population of military personnel and a strong tourism industry, the 78 Corridor contributes to the greater regional economy in a big way. California's second largest metro by population, San Diego County has one of the most diverse, dynamic economies in the country.

## ACTION SPORTS

**#2** LARGEST IN THE US AND **\$1.4B** ECONOMIC IMPACT



The action sports industry is rapidly becoming recognized as a major driver of San Diego's regional economy. This sector includes both products and services that facilitate participation in sports and an active lifestyle. For example, the 78 Corridor is home to some of the world's best known golf companies. It also has a range of enterprises that provide specialized business services to these companies as well as businesses that focus on training and coaching, facilities and event planning.

**COMPANIES ON THE 78: AQUALUNG, SKLZ, TAYLORMADE GOLF, TITLEIST, HOBIE CAT**

## DEFENSE

**300K+** JOBS TIED TO DEFENSE AND **\$9.2B** IN DOD CONTRACTS



San Diego's defense cluster continues to play a critical role in the region's innovation and military economy and the United States' national security priorities. San Diego is home to the largest concentration of military assets in the world and the largest federal military workforce in the country. Jobs supported as a result of defense spending include uniformed military, federal government employees and defense contractors, as well as employees in healthcare, engineering, construction, hospitality and tourism.

**COMPANIES ON THE 78: CARBON BY DESIGN, COORSTEK, LEIDOS, ONE STOP SYSTEMS, VIASAT**

## TOURISM

**35M** VISITORS IN 2017 AND **\$17.9B** ECONOMIC IMPACT



With more than 70 miles of coastline, state of the art hotel and convention spaces, and an array of entertainment options throughout the region, San Diego is positioned as one of the top visitor and convention destinations in the world. San Diego's world-class waterfront and award-winning international airport make it accessible from destinations across the globe. The 78 Corridor is home to many of the top-visited destinations in the County.

**KEY ATTRACTIONS ON THE 78: CARLSBAD STATE BEACH, STONE BREWING BISTRO & GARDENS, SAN DIEGO ZOO SARAFI PARK, OCEANSIDE PIER & HARBOR, OLD CALIFORNIA RESTAURANT ROW, VISTA BREWERIES**

## MANUFACTURING

**3K+** MANUFACTURERS AND **108K** MFG JOBS



The San Diego region is home to a vibrant manufacturing cluster that spans across many industries, including the defense, aerospace, shipbuilding and repair, medical devices, craft brewing and action sports manufacturing. With a highly-skilled workforce, robust training programs and close proximity to Mexico, San Diego is a hub for advanced manufacturing companies.

**COMPANIES ON THE 78: AMERICAN INNOTEK, HUNTER INDUSTRIES, MAGNAFLOW, SOLATUBE INTERNATIONAL, NORDSON**

## LIFE SCIENCES

**1,225+** LIFE SCIENCE COMPANIES AND **80+** RESEARCH INSTITUTES



The life sciences industry is a major driver of the innovation economy in the San Diego region. The research institutes provide the sector with breakthrough technologies that fuel company growth and product development. Major life sciences companies maintain a presence along the 78 Corridor to foster collaboration with major research institutes, universities and smaller biotech companies. These unique assets, combined with one of the most talented labor forces in the world, make San Diego one of the top life sciences markets.

**COMPANIES ON THE 78: CLINIQA CORP, GENENTECH, IONIS PHARMACEUTICALS, THERMO FISHER SCIENTIFIC**

# LIFE ON THE 78

The 78 Corridor's opportunities for success aren't the only thing we've got to boast – the quality of life in the Corridor makes working here easy. From beautiful beaches and weather year-round to great schools and neighborhoods, the 78 is a place to live where you work, and enjoy it.



CARLSBAD FLOWER FIELDS



STONE BREWING BISTRO & GARDENS, ESCONDIDO



SKYDIVING OVER OCEANSIDE



DISCOVERY LAKE, SAN MARCOS



VISTA VILLAGE

47+

BREWERIES

19

GOLF COURSES

175

MILES OF TRAILS

## ATTRACTIONS & FAMILY FUN

California Welcome Center  
Carlsbad Flower Fields  
Lake Wohlford  
LEGOLAND California Resort  
Oceanside Harbor & Village  
Oceanside Pier & Harbor  
OMNI La Costa Resort & Spa  
Park Hyatt Aviara  
Queen Calafia Magical Garden  
San Diego Zoo Safari Park  
San Luis Rey Bike Trail  
Stone Brewing Co.  
San Marcos Restaurant Row  
Wave Waterpark

## MUSEUMS & HISTORIC SITES

Antique Gas & Steam Engine Museum  
California Surf Museum  
Gemological Institute of America  
Mission San Luis Rey  
Museum of Making Music  
Oceanside Museum of Art  
Railroad Museum  
Rancho Guajome Adobe  
Roynon Museum of Paleontology  
San Diego Archeological Center  
San Diego Children's Discovery Museum

## ARTS & NATURE

AVO Playhouse  
Buena Vista Audubon  
California Center for the Arts  
Daley Ranch  
Discovery Lake  
Dixon Lake  
Double Peak Park  
Moonlight Amphitheater  
Patio Playhouse  
Star Theatre  
Sunshine Brooks Theatre  
Walnut Grove Equestrian Center

## AFFORDABLE LIVING



Carlsbad  
\$842,633



Escondido  
\$524,867



Oceanside  
\$506,375



San Marcos  
\$587,142



Vista  
\$526,858



Carlsbad  
\$2,429



Escondido  
\$1,787



Oceanside  
\$1,903



San Marcos  
\$2,202



Vista  
\$1,844

AVERAGE SALE PRICE, 2018

AVERAGE RENT PRICE, 2018 - 2BR



# REGIONAL RESOURCES

San Diego benefits from strong partnerships between government and business, and a uniquely collaborative political environment that provides stability for the growing local economy. Below are a few examples of regional partners and trade organizations.



**INNOVATE78** is the collaborative outcome of five cities – Carlsbad, Escondido, Oceanside, San Marcos and Vista – coming together with a shared vision to boost economic prosperity along the 78 Corridor. The Innovate78 initiative is managed by the San Diego Regional EDC.  
[innovate78.com](http://innovate78.com)



**THE ALLIANCE FOR REGIONAL SOLUTIONS** is a collaborative of North County leaders and decision makers from across all sectors of the region who agree to work together to insure that current and emerging human needs are justly met for the greater good of the North County San Diego region.  
[regionalsolutions.net](http://regionalsolutions.net)



**NORTH COUNTY ECONOMIC DEVELOPMENT COUNCIL** works to build a stronger North County San Diego economy through regional collaboration and leadership. SDNEDC leverages public sector, private sector and community partnerships to sustain and strategically grow the economic base of North San Diego County.  
[sdnecdc.org](http://sdnecdc.org)



**SD SPORT INNOVATORS (SDSI)** is a non-profit, business accelerating, trade organization that connects and drives the growth of Southern California's vibrant sports economy by offering elite level networking, innovative programs and services for startups, mature companies and service providers.  
[sdsportinnovators.org](http://sdsportinnovators.org)



**CONNECT** has assisted in the formation and development of more than 2,000 companies since 1985. The incubator is widely regarded as the world's most successful regional program linking inventors and entrepreneurs with the resources needed for the commercialization of products.  
[connect.org](http://connect.org)



**SAN DIEGO WORKFORCE PARTNERSHIP** funds job training programs to meet the region's demand for qualified workers. The programs benefit local employers, unemployed and recently laid-off adults, as well as at-risk youth ages 14 to 21.  
[workforce.org](http://workforce.org)



**WTC SAN DIEGO (WTCSD)** a member of the more than 300 World Trade Center global network– works to cultivate a pipeline of export-ready firms, facilitate the growth of foreign investing firms in San Diego and amplify the region's global identity abroad.  
[globalsd.org](http://globalsd.org)



**SAN DIEGO  
REGIONAL  
EDC**

**SAN DIEGO REGIONAL ECONOMIC DEVELOPMENT CORPORATION** works to maximize the region's economic prosperity and global competitiveness. As an independently funded nonprofit organization, EDC promotes the region, facilitates corporate expansion across diverse industry sectors and supports the talent pool that drives their success.

**COMPANY SUPPORT // RESEARCH // REGIONAL MARKETING // ADVOCACY**

[sandiegobusiness.org](http://sandiegobusiness.org)

# INCENTIVES ON THE 78

We, the five cities of Innovate78, commit to cultivating a region that promotes innovation, collaboration and economic prosperity. We seek to maximize opportunity for ALL businesses and residents; we collaborate to compete.

## CALIFORNIA STATE INCENTIVES

**California Competes Tax Credit** is a prospective income tax credit made available to businesses which have plans to grow in California. Companies outline planned investments and additional full-time hires over a five-year period and enter an agreement with the state which awards credits annually as growth milestones are achieved. The budget for FY 2017-18 of the program is \$230 million with designated application periods.

**Research and Development Tax Credit** is an up to 15 percent credit for qualified in-house research expenses and a 24 percent credit for basic research payments to an outside organization, offered to companies that conduct qualified research activities in California. A federal research credit is also available.

**Manufacturing and R&D Equipment Exemption** is available to manufacturers and certain research and development companies. Companies may qualify for a partial exemption of sales and use tax on certain manufacturing and research and development equipment purchases and leases. Qualified companies will pay only 3.3125 percent sales or use tax until 2022 on qualifying purchases and leases. Qualifying purchases are limited to \$200 million in a calendar year.

### FEDERAL INCENTIVES

#### TRADE INCENTIVES

**Interest Charge Domestic International Sales Corporation Return (IC-DISC)** is a federal tax incentive for exporters of products made in the U.S. California manufacturers who receive 50 percent of their net income from foreign sales may be subject to a significantly reduced U.S. income tax rate.

**Export-Import Bank** finances the export of U.S. goods and services to international markets by providing working capital guarantees (pre-export financing), export credit insurance and loan guarantees and direct loans.

## FINANCING

**EB-5 Financing** provides foreign nationals the opportunity to become conditional residents for a period of two years upon making an investment of \$1 million, or \$500,000 in a designated Targeted Employment Area, in a new commercial enterprise. Each unit of investment must create at least ten new, direct or indirect jobs for U.S. workers.

## WORKFORCE DEVELOPMENT

**Work Opportunity Tax Credit** is available to employers for hiring individuals from certain target groups that have consistently faced significant barriers to employment.

## HIRING TAX CREDITS

**New Markets Tax Credit** program awards companies a tax credit against their Federal income in exchange for making equity investments in specialized financial institutions called Community Development Entities (CDEs).

## ECONOMIC DEVELOPMENT CONTACTS

### CARLSBAD

**Christie Marcella**  
Economic Development Manager  
City of Carlsbad  
c: (760) 429-8421  
christie.marcella@carlsbadca.gov

### SAN MARCOS

**Tess Sangster**  
Economic Development Manager  
City of San Marcos  
c: (760) 885-3827  
tsangster@san-marcos.net

### ESCONDIDO

**Michelle Geller**  
Economic Development Manager  
City of Escondido  
c: (760) 213-9561  
mgeller@escondido.org

### VISTA

**Kevin Ham**  
Economic Development Director  
City of Vista  
c: (760) 809-6782  
kham@cityofvista.com

### OCEANSIDE

**Deanna Lorson**  
Assistant City Manager  
City of Oceanside  
c: (760) 435-3065  
dlorson@ci.oceanside.ca.us

### INNOVATE78

**Kierstin Rielly**  
Economic Development Manager  
San Diego Regional EDC  
c: (760) 473-3273  
kr@sandiegobusiness.org



[INNOVATE78.COM](http://INNOVATE78.COM)

THE  
COLLABORATIVE  
CULTURE OF  
NORTH COUNTY