

# IX. Economic Prosperity



## Introduction

Escondido's prosperity relies upon competitive local businesses linked to the regional and international economy, and a commitment from the community to provide the economic foundations and infrastructure necessary for their growth. Major issues facing the community's economic vitality include attracting economic growth, increasing Escondido's median income, and improving the city's jobs and housing balance. Additionally, the city's reliance on retail sales tax and construction related industries as the primary source for financing municipal operations can be uncertain during economic downturns.

The ability to meet labor force requirements is dependent upon collaborations between business, government, and educational institutions. Escondido's economic sustainability is closely linked to its quality of life and its desirability as a place for workers to live and businesses to locate, which correlates the Economic Prosperity Quality of Life Threshold (Figure IX-1).

## The Economic Prosperity Element's Purpose

The purpose of the Economic Prosperity Element is to establish policies that promote the long-term vitality of Escondido's local economy by developing and guiding employment and business opportunities and encouraging appropriate economic and business development in the city. Policies in this element promote a sustainable local economy to benefit current and future generations without compromising resources, and are intended to favorably influence the balance between employment and housing.

The community's vision includes an environment where Escondido is the "economic hub" of inland San Diego North County with desirable workplaces offering diverse employment opportunities. Achieving that vision requires a well qualified and increasingly productive labor force to maintain a competitive edge in a business community that attracts entrepreneurs and fosters opportunities for business expansion and attraction.



Figure IX-1

## GENERAL PLAN

### QUALITY OF LIFE STANDARD #11

#### ECONOMIC PROSPERITY

The city shall implement programs and support efforts to increase Escondido's median household income and per capita wage.

Programs shall focus on actively fostering entrepreneurial opportunities, recruiting new businesses, and encouraging the expansion of existing businesses to increase employment densities. Efforts shall support retaining skilled workers whose wages exceed the San Diego Region's median per capita income, and bringing new dollars into the local economy.

*Westfield Mall provides over 1.6 million square feet of retail space and is one of Escondido's primary sources of economic revenue*

## A. Relationship to Other Elements in the General Plan

The Economic Prosperity Element is most closely related to the Land Use and Community Form, Mobility and Infrastructure, and Housing Elements. Providing properly placed and ample land use designations for retail, office and industrial are important in maintaining a viable economy. The efficient movement of people and goods, as well as adequate infrastructure and utility improvements, are vital considerations for businesses evaluating options for locating and expanding their establishments. Housing to meet the needs of all income levels is a goal of the Housing Element, and a primary factor in attracting jobs and retail businesses whose employers seek workforce housing and a population with a healthy disposable income.

All General Plan Elements must work together to support sustainable development, and improve the quality of life of all residents. Escondido's environment, municipal facilities, cultural resources, recreation, trails, and open space all relate to economic sustainability. For example, maintaining adequate infrastructure, preserving open space, protecting environmental resources, and maintaining recreational amenities will help ensure that the Escondido remains an attractive location for businesses, visitors and residents. The Economic Prosperity Element provides additional guidance for planning and implementing a balanced and city-wide approach to attaining a more economically viable community.



*-Economic Development-  
“Any change in a community that  
enables greater production,  
increased employment, and a better  
distribution of goods and services.”*

*American Planning Association*

## **B. Adequate Supply of Employment Acreage to Support Economic Growth**

Diverse businesses interests are present the community. However, the percent of Escondido’s General Plan Area devoted for employment uses is comparably less than other communities in the region. Many residents currently commute out of the city for employment, contributing to local and regional traffic congestion. Escondido recognizes that the need for growth in the economic sector is a component of an economically healthy community as described in Figure IX-2. An environment for attracting businesses with jobs that raises the community’s median income is critical for economic sustainability and included as a goal in the Economic Prosperity Quality of Life Standard (Figure IX-1). An adequate supply of employment acreage provides Escondido the opportunity to promote technology, manufacturing, office space, professional services and shopping.

*Underdeveloped area around the  
Interstate 15 and Felicita Road  
Interchange provide opportunities  
for Planned Office development*

Figure IX-2

## FEATURES OF AN ECONOMICALLY HEALTHY COMMUNITY

Meets the Following Criteria:

- Exports goods and services and imports cash
- Meets public service needs / expenditures with revenues
- Maintains a sustainable tax base
- Provides opportunities for personal growth

*-International Economic  
Development Council*

## C. Raising Median Income, Balancing Jobs and Housing

Raising median income and providing higher wage employment opportunities promote economic sustainability. A variety of housing types helps Escondido remain competitive in the regional marketplace in terms of location, amenities, and costs. These attributes assist the city in attracting new, targeted businesses to provide a diversified and abundant employment base for Escondido. It is essential that areas of the city are properly designated for a variety of housing types from high intensity mixed-use, to multi-family, to estate. This will provide a balance of jobs and housing in the local economy, minimize commutes, and reduce regional traffic congestion.

## D. Promoting Small Business and Entre- preneurial Opportunities

Significant sources of new jobs in Escondido's economy are the community's existing locally owned and operated small business enterprises. The continued success of these establishments is important in the diversification and invigoration of the local economy. It is also important to have a long-term economic strategy that focuses on identifying and assisting Escondido's existing and potential high-growth, job-creating firms. The success of small business enterprises will lead to a stronger economy and one that is increasingly driven by locally owned companies, rather than ones that are dependent on decision making from remote locations.

## E. Attracting 21<sup>st</sup> Century High Paying Industries

Opportunity exists in recruiting higher wage jobs in areas such as bio-tech, bio-med, telecommunications, software, and "green" industries. Attracting technology and life-science related industries to Escondido can create desirable jobs for local residents, resulting in higher per capita incomes; more discretionary income to spend on local goods and services generating more local tax revenues for public services; and more income to invest in local improvements and amenities. This, in turn, will help to continue raising the community's overall standard of living.



*Escondido wastewater treatment facility installed California's first "green technology" that converts raw sewage gas into renewable natural gas, clean enough for use in homes and businesses*



## F. Promoting Tourism and Recreational Opportunities

Regional-serving retail centers, hotels, and attractions bring new wealth into a community, create numerous jobs, and help diversify the local economic base. Local investment in these types of venues can also contribute to a higher quality of life for local residents. A high quality of life, in turn, is essential in attracting targeted technology and science related businesses to the community. Escondido has the opportunity to build upon its reputation as a growing progressive community in San Diego North County, and to establish itself as the recognized hub for leisure, recreation, shopping and entertainment throughout the region.

The community's tourist and recreational venues include Escondido's historic downtown and California Center for the Arts, Lakes Dixon and Wohlford, several public golf courses, a renowned public art program (including Queen Califia's Sculpture Garden by Niki de Saint Phalle), Daley Ranch and San Dieguito Open Space Preserves, as well as nearby attractions including the San Diego Zoo Safari Park, Orfila Winery; and Lawrence Welk Resort. Also refer to the Community Health and Services Element for additional information.



*Unique restaurants and revitalized Mercado District street improvements add character to downtown (above, and left)*

*Additional local attractions and events offer a variety of tourist and recreational opportunities for residents and visitors*



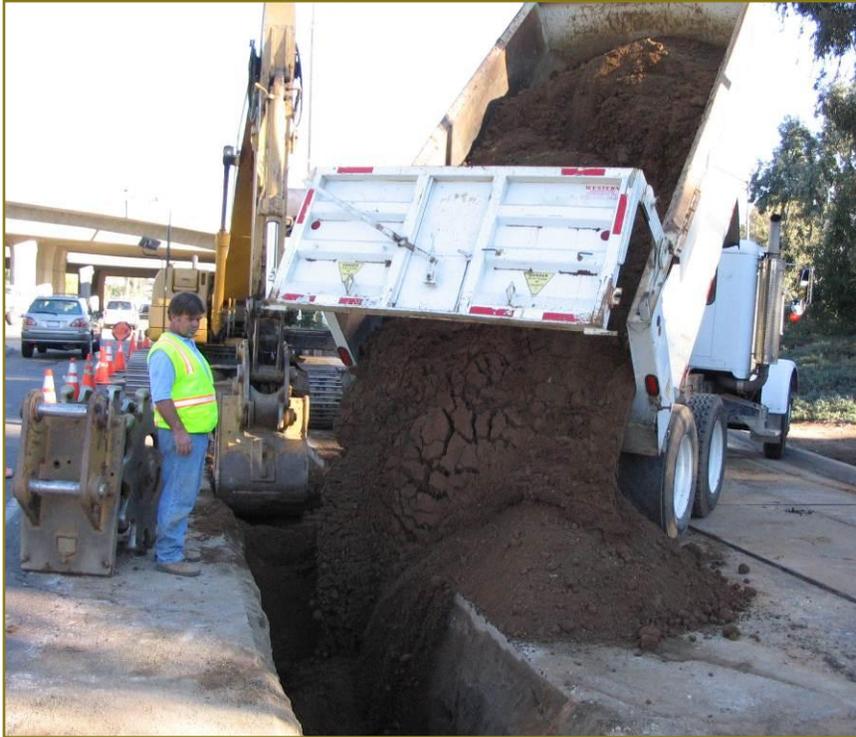
## **G. Strengthening Connections of Existing Economic Districts**

Escondido has experienced significant growth in new master planned communities, business parks and commercial shopping centers over the past several decades. Areas within Escondido's urban core represent opportunities for focused reinvestment in existing infrastructure. Revitalizing land uses in Escondido's urban core, and establishing and maintaining attractive and efficient transportation links to outlying areas will support and strengthen the community's overall economic development. These efforts will encourage residents to shop, recreate, seek employment, locate businesses and socialize throughout the community, facilitate a better use of existing commercial areas, and create a more cohesive, fiscally sound and well-balanced city.

## **H. Enhancing Marketability and Image**

Cities have increasingly taken a more proactive approach in their efforts to attract desirable businesses to their community. A community must understand its assets and clearly and appropriately articulate them for a successful marketing approach. Quality of life factors, proximity to markets, costs of doing business, and availability of incentives need to be effectively communicated to gain the attention of companies seeking to relocate or expand. Conveying a progressive and positive image is important as Escondido continues to attract and recruit businesses whose owners and employees demand a high-quality working and living environment.

*Attracting upscale businesses to the community such as the Lexus Lifestyle Center enhances community marketability and image*



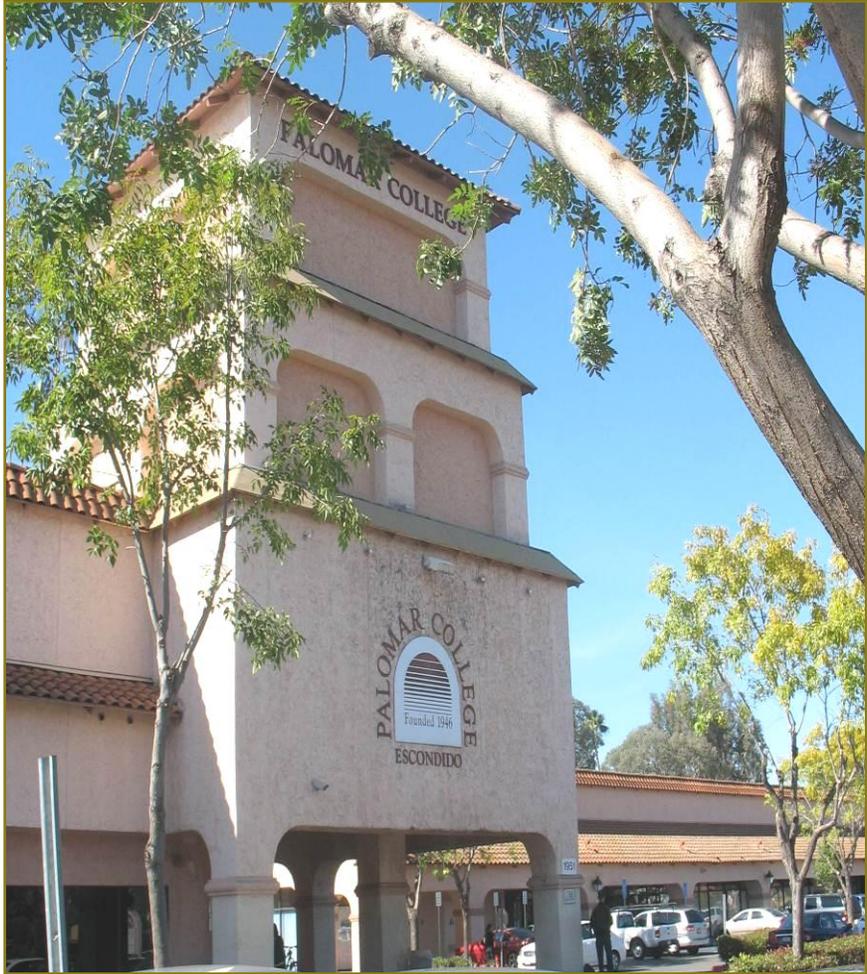
## I. Long-Term Revitalization Efforts

As economic change is inevitable, Escondido must focus on economic revitalization in a variety of ways. There are several older employment areas in the community involving underutilized properties where the General Plan recommends transitioning to higher, more employee-intensive land uses. A proactive approach is the best strategy to encourage a strong local economy. Ongoing long-range planning, as well as building partnerships with local, regional and national business organizations, are ways to plan effectively for the future. Revitalizing the community's older and underutilized employment areas will stimulate economic activity and increase revenue to the city.

## J. Minimize Impediments for Business Attraction and Expansion

Escondido is committed to supporting and providing high-quality infrastructure, exceptional public services, a secure and affordable energy supply, a reliable supply of clean water, and adequate wastewater capacity. This will be accomplished in a manner that does not place excessive financial burdens on the business community and maintains a vibrant local economy for attracting and retaining a healthy mix of businesses.

*Upgrading water lines in El Norte Parkway near I-15 to ensure adequate infrastructure promotes revitalization and minimizes impediments for future business expansion*



## **K. Education to Strengthen Workforce Qualifications**

For our economy to grow, Escondido must encourage a population of educated workers. Higher levels of training lead to higher earnings and more discretionary income. The ability to meet labor force requirements is largely dependent upon a state-of-the-art education system, job training programs, and collaborations between government, business, and education. Higher education can take many forms from traditional degree programs, vocational education, customized business training, shorter certificate programs, online courses and noncredit, skill-specific classes. The need for a well-qualified, well-trained and increasingly productive labor force is a critical factor in maintaining a competitive position for businesses in the community and a more financially and socially secure citizenry.

*Palomar Community College's  
East Valley Parkway campus*

## L. Government Leadership Promoting Economic Development

A key element of creating and maintaining a thriving local business and industrial environment is the development of effective partnerships with public and private economic development interests. The professional, efficient and effective provision of municipal services affords a positive impression of the city. It also ensures that business needs are appropriately addressed, thereby reducing development costs and time. This creates a business friendly environment that encourages and supports the business community and leads to a diversified and thriving local economy. As the demand on city services continues to grow, Escondido will continue to ensure that its services and materials are provided in a manner to further support these efforts.

## M. Monitoring Economic Development

Economic sustainability and development is influenced by market, physical, regulatory, financial, and political issues. Moreover, economic sustainability is a multifaceted philosophy subject to constantly changing growth pressures. The fundamental purpose of economic sustainability and development is shared between all levels and types of policy and program decision making: namely, to create and maintain an economically healthy community. Monitoring key indicators that measure and compare factors associated with the community's economic strength is important to gauge Escondido's fiscal vitality, as well as for identifying major factors affecting the pace and nature of economic growth and developing measures for improvement.

## N. Economic Prosperity Goals and Policies

A complete list of the General Plan Goals is located in the Vision and Purpose. Specific goals and policies related to economic prosperity are intended to guide development to meet present and future needs, raise median income levels, achieve a vibrant community, and enhance the character of Escondido.

### 1. Employment Acreage

**GOAL 1:** High quality, diversified, and employee-intensive, industrial, retail, technology, manufacturing and service-oriented businesses that create and sustain a strong economic base and provide opportunities for the full employment of a diverse set of skills.



### **Employment Acreage Policy 1.1**

Provide sufficient land at a variety of parcel sizes for industrial and commercial uses to sustain a stable economic base.

### **Employment Acreage Policy 1.2**

Encourage the preservation and expansion of existing industrial uses in appropriate designated areas that are consistent with the city's vision and goals.

### **Employment Acreage Policy 1.3**

Consider the fiscal implications of General Plan Amendments for changes in land use designations that reduce the capacity of industrial and commercial development.

### **Employment Acreage Policy 1.4**

Promote quality economic development that fosters job availability, economic revitalization, and tax revenues.

### **Employment Acreage Policy 1.5**

Encourage a variety of economic activities in Escondido that:

- a) Diversifies and balances the economic base and cushions the city's economy from a downturn in any one sector or cyclical fluctuations;
- b) Provides a broad spectrum of employment opportunities ranging from semi-skilled to high-technology positions;
- c) Reduces the need for Escondido residents to commute out of the area for their employment;
- d) Improves the city's fiscal stability;
- e) Enhances overall property values;
- f) Provides support products and services for local businesses;
- g) Expands opportunities for arts and artists supporting the city as a cultural destination; and,
- h) Locates and designs buildings and properties in a campus style environment, where feasible.

## **2. Wage and Job / Housing**

**GOAL 2: A range and balance of job and housing opportunities for all residents.**



*Escondido Research Technology Center (shown in its grading stage) represents a significant percentage of the city's employment acreage available for development*

### **Wage and Jobs / Housing Policy 2.1**

Implement programs and support efforts to increase Escondido's median income and wage by: actively fostering entrepreneurial opportunities, recruiting new businesses, annexing key unincorporated lands, and encouraging existing business expansions that increases employment densities and retains skilled workers whose wages exceed the San Diego Region's median per capita income, and bringing new dollars into the local economy.

### **Wage and Jobs / Housing Policy 2.2**

Facilitate increased employment densities in the Downtown, near transit stations, and along transit routes.

### **Wage and Jobs / Housing Policy 2.3**

Provide opportunities for a balance of local job and housing opportunities offering a diverse supply of housing types at prices and rents correlated with the wage levels of local jobs.

### **Wage and Jobs / Housing Policy 2.4**

Provide economic development incentives to businesses that offer high quality job opportunities which result in raising the median income level for Escondido residents

### **Wage and Jobs / Housing Policy 2.5**

Permit ancillary commercial development in business parks, such as banks, restaurants, and limited retail uses in order to provide amenities for future tenants and enhance economic vitality.

### **Wage and Jobs / Housing Policy 2.6**

Collaborate with nearby jurisdictions to attract and retain large scale, high wage employment businesses that are unable to locate in Escondido but still offer local residents employment opportunities that raise the median income.

### **Wage and Jobs / Housing Policy 2.7**

Establish criteria for the types of businesses that should be actively recruited to locate and/or expand in Escondido. These criteria should be monitored and periodically updated to identify evolving markets and businesses that offer the opportunity to raise Escondido's median income. Criteria could include, but not be limited to:

- a) Level or rate of wages paid to employees;
- b) Benefits provided to employees;
- c) Employee density per acre;
- d) Skills required for employment; and,
- e) Full-time and part-time/contract/seasonal employee ratio.



*Housing units constructed in downtown diversify the community's housing supply and provide opportunities to work closer to home*

### 3. Small Business and Entrepreneurialship

**GOAL 3: Economically viable incubators and small businesses that offer the opportunity for long-term diversification and growth.**

#### **Small Business and Entrepreneurialship Policy 3.1**

Provide assistance and information to facilitate the attraction, retention, and expansion of small and medium size businesses with good growth potential.

#### **Small Business and Entrepreneurialship Policy 3.2**

Identify and remove obstacles to the formation and expansion of local businesses, where appropriate.

#### **Small Business and Entrepreneurialship Policy 3.3**

Encourage and permit the establishment of home-based and entrepreneurial start-up businesses, in locations that are compatible with the surrounding neighborhood.

#### **Small Business and Entrepreneurialship Policy 3.4**

Implement marketing programs to support local businesses and promote Escondido as an ideal location for business development and growth. Emphasize buying locally, including business-to-business transactions.

#### **Small Business and Entrepreneurialship Policy 3.5**

Encourage and facilitate the development of a diversity of small businesses in proximity to one another and avoid redundancy of single types of uses within a block, commercial mall, or neighborhood. However, clusters of mutually supportive businesses such as found in a “restaurant row” shall not be precluded.

### 4. Twenty-First Century Industries

**GOAL 4: Businesses offering cutting-edge technology that enable Escondido to maintain a competitive position in attracting quality jobs and revenue.**

#### **Twenty-First Century Industries Policy 4.1**

Maintain sufficient land for the long-term development of technology industries and corporate headquarter facilities.

#### **Twenty-First Century Industries Policy 4.2**

Publicize the economic and social benefits of technology-based industries, emphasizing the health of the Escondido economy, and the community value of well-paying high-benefit industrial employment.



### **Twenty-First Century Industries Policy 4.3**

Continue to recruit and promote the establishment of life sciences, biotech, bio-med, software, telecommunications, and “green” industries as well as research and development facilities that promote technologies.

### **Twenty-First Century Industries Policy 4.4**

Work with local service providers to ensure that appropriate and adequate infrastructure is provided to support high technology and “green” businesses.

## **5. Tourism and Recreation**

**GOAL 5: Viable tourist, recreation, and arts/cultural-based businesses.**

### **Tourism and Recreation Policy 5.1**

Encourage the development of a mix of hotel, motel, arts-related and arts-compatible businesses, specialty retail, restaurants and entertainment, as well as family-serving and visitor-serving uses.

### **Tourism and Recreation Policy 5.2**

Promote and protect the diversity of local natural and historic resources in Escondido to preserve and cultivate tourism, commercial recreation, and eco-tourism. Such locations include: Daley Ranch, Lake Wohlford, Lake Dixon, Grape Day Park, Kit Carson Park, community parks, Old Escondido Neighborhood, and other important historic resources.

## **6. Existing Economic Districts**

**GOAL 6: Vigorous and economically prosperous commercial and business districts.**

### **Existing Economic Districts Policy 6.1**

Revitalize the Downtown, East Valley Parkway, Center City Parkway, and Escondido Boulevard commercial areas by upgrading their appearance and achieving a coordinated land use pattern that includes retail, office, visitor serving, and residential development of appropriate density and intensity.

### **Existing Economic Districts Policy 6.2**

Establish incentives, implement improvements, provide funding, and maintain fees for the revitalization of existing older industrial and commercial areas, as well as for the purpose of attracting a broad spectrum of new businesses.



*Crusin' Grand provides tourism and recreation amenities for the community*

### Existing Economic Districts Policy 6.3

Coordinate appropriate transportation linkages that facilitate the flow of vehicular, transit, pedestrian, and bicycle traffic between Escondido's commercial and business centers.

## 7. Marketing and Image

### GOAL 7: Distinct identities for the City and its centers, districts, and neighborhoods.

#### Marketing and Image Policy 7.1

Promote the identity of Escondido and its key districts through a variety of efforts, including but not limited to: the city's website, telecasts, social media, newsletter publications, branding/logo development, and image enhancement and marketing programs.

#### Marketing and Image Policy 7.2

Designate and distinguish the location, function, and characteristics of primary gateways and key corridors through their land uses, urban form, and streetscape improvements.

#### Marketing and Image Policy 7.3

Market the City's economic opportunities to encourage entrepreneurial investment, attract new businesses, and foster job growth that contributes to the diversification and stabilization of the local economy.

#### Marketing and Image Policy 7.4

Collaborate with local businesses and organizations to promote a calendar of celebrations, events, and activities such as farmers markets, parades, 5K/10K races, arts fairs, community picnics, and similar activities to promote the identity of the City and key districts.

## 8. Long-Term Economic Wellbeing

### GOAL 8: A sustainable economy and businesses.

#### Long-Term Economic Wellbeing Policy 8.1

Work with businesses and other stakeholders to identify and implement programs and measures for the revitalization and/or transition of underutilized and obsolete employment areas. This may include:

- a) Developing incentives and other strategies to promote re-investment; and,
- b) Targeting investments in public infrastructure that may be catalysts for new private sector investment.



*Unique restaurants are important businesses that instill unique character to the community, offer employment opportunities, and generate tourist dollars*

### **Long-Term Economic Wellbeing Policy 8.2**

Encourage redevelopment of underutilized and economically marginal employment areas to create higher paying new jobs and new retail businesses and entertainment opportunities.

### **Long-Term Economic Wellbeing Policy 8.3**

Encourage and support the renovation, lot consolidation, and reuse of underutilized or vacant land and buildings for uses providing employment for Escondido's residents.

### **Long-Term Economic Wellbeing Policy 8.4**

Develop strategies to minimize impacts on adjoining residential neighborhoods as a result of the revitalization of an employment area.

### **Long-Term Economic Wellbeing Policy 8.5**

Facilitate and work with property owners and area residents to redevelop and reinvigorate older neighborhood shopping centers that are in decline. In appropriate locations, these centers can be transformed into high quality, dynamic retail/mixed-use commercial areas that also provide gathering places and a sense of community for the neighborhood.

### **Long-Term Economic Wellbeing Policy 8.6**

Facilitate and work with the private sector to evaluate economic trends, opportunities, and needs of key industries, with the intention of anticipating issues and taking early action to avoid decline in the community's commercial and employment areas.

## **9. Minimizing Infrastructure Impediments**

**GOAL 9: Adequate infrastructure to support and maintain the economic vitality of Escondido's businesses.**

### **Minimizing Infrastructure Impediments Policy 9.1**

Plan for and coordinate sufficient water, sewer, telecommunication, and other infrastructure capacity to support new business development, while continuing to support the existing business base.

### **Minimizing Infrastructure Impediments Policy 9.2**

Work with regional agencies to develop and implement public improvements that benefit Escondido and all of San Diego North County, including, but not limited to: roadways, transit, energy, and telecommunications infrastructure.



*New business construction and existing business expansion provide short- and long-term employment opportunities, and are signs of a healthy economy*



### **Minimizing Infrastructure Impediments Policy 9.3**

Pursue state and federal grants for the construction of infrastructure improvements for areas accommodating the development of new and expanded businesses.

### **Minimizing Infrastructure Impediments Policy 9.4**

Periodically review and evaluate the city's permit fees for new and existing businesses to ensure competitiveness with other communities.

## **10. Strengthening Workforce Qualifications**

### **GOAL 10: An educated and skilled workforce.**

#### **Strengthening Workforce Qualifications Policy 10.1**

Promote partnerships between businesses and educational institutions that promote continuing education and raise student performance to enhance job skills to remain competitive in the changing job market.

#### **Strengthening Workforce Qualifications Policy 10.2**

Promote an “educational corridor” in the East Valley Parkway Area Plan, in which additional education, job training and vocational instruction facilities are developed.

#### **Strengthening Workforce Qualifications Policy 10.3**

Collaborate with educational institutions, industries, and trade organizations in defining criteria for locating educational and job training facilities in the community.

#### **Strengthening Workforce Qualifications Policy 10.4**

Promote and encourage job training programs and support local organizations that work with youth to provide training for life skills, job readiness, and internships in target industries.

#### **Strengthening Workforce Qualifications Policy 10.5**

Facilitate employment of local residents by encouraging transportation, childcare, job training opportunities, and other employment readiness factors.

## **11. City Leadership**

### **GOAL 11: Responsive and accessible governmental leadership that supports a vigorous local economy.**

#### **City Leadership Policy 11.1**

Continue to foster a municipal organizational structure that values and rewards quality customer service and promotes a high standard of excellence and professionalism.

*Business expansion and development relies on adequate infrastructure to facilitate their needs*

### **City Leadership Policy 11.2**

Maintain ongoing communication with the business community at the local, regional, national, and international levels to identify opportunities and mitigate economic development constraints.

### **City Leadership Policy 11.3**

Consider the provision of economic development incentives that leverage resources to support, develop and fund strategic economic development programs.

## **12. Economic Development Monitoring**

**GOAL 12: An up-to-date database to enable the City to respond to evolving market demands and opportunities.**

### **Economic Development Monitoring Policy 12.1**

Monitor commercial, office and industrial vacancy rates and the amount of land available for the development of these uses in the City. Periodically compare these with the vacancy rates and acreages in the San Diego region to determine the need to adjust the inventory of designated and zoned properties.

### **Economic Development Monitoring Policy 12.2**

Periodically report on Escondido's economic performance and growth in the region based on indicators such as:

- a) Job growth over a defined period;
- b) Building permit valuation;
- c) Sales tax revenues;
- d) Average wage in the community;
- e) Unemployment rate;
- f) Availability of trained workforce residing in Escondido;
- g) Number of residents who work in Escondido; and,
- h) Composition of employment.



