

San Diego's Housing Industry Supports the Economy

San Diego's entire home building industry (including all support services, suppliers and trades) has historically been one of 6 bright spots in California's economy. Together, in a strong market, housing production in six major economic regions of the state (San Diego, Los Angeles, San Francisco, Riverside, Sacramento and San Jose) produces tens of billions of dollars in economic output and hundreds of thousands of jobs. San Diego has been among the top three with the highest output levels over the past decade.

An August 2008 study showed that with 11% of the entire state's economic activity, California's total housing industry has been more significant than the wholesale and retail trade; professional, scientific, and technical services; or finance and insurance.

In San Diego, home building is an important part of our region's economic strength. The home building industry employs approximately 100,000 people, and in 2007 generated \$21 billion in direct and indirect economic activity locally!

Source: Sacramento Regional Research Institute, August 2008.

In 2006, the entire housing industry was 12% of San Diego County's Gross Regional Product. By comparison, San Diego's biotech and pharmaceutical companies employ 38,934 and generate \$8.5 billion in total economic output. Information technology employs 30,524 and generates \$9.1 billion. The defense manufacturing industry employs 31,519 and has a \$23.8 billion impact.

The new home construction (and commercial building) industry is represented by the Building Industry Association of San Diego County (BIA). The organization represents approximately 1,000 companies and their employees.

New Home Numbers

Average New Home Price 1st Qtr 2009

Attached: \$461,832
Detached: \$658,596

Number of New Home Sales

1st Qtr 2009: 459
4th Qtr 2008: 461

Land Usage in San Diego County

Parks & Rec or Undeveloped: 76%

Urban uses (homes, offices, commercial/ industrial projects): 10%

Agriculture: 7%

Public Facilities: 7%

NOT MEETING THE NEED

To meet the housing needs of our increasing population (1 million more in 20 years) and to sustain our economic strength, SANDAG has called for approximately 18,000 new homes each year. Only once in a 15-year span did we meet this projected need. It was 2003.

LOCAL NEW HOMES PERMITTED OVER THE YEARS

	SFU	MFU	Total
1990	6621	9175	15796
1991	5342	2566	7908
1992	3762	2297	6059
1993	4076	1526	5602
1994	5247	1688	6935
1995	4736	1872	6608
1996	5816	1052	6868
1997	8338	3064	11402
1998	9160	3013	12173
1999	9993	6434	16427
2000	9167	6760	15927
2001	9312	6326	15638
2002	9749	5989	15738
2003	9455	8859	18314
2004	9555	7751	17306
2005	7878	7323	15258
2006	4727	6040	10767
2007	3508	3928	7436



For more information,
please visit www.biasandiego.org.