

CARLSBAD MAYOR DISCUSSES HIS CITY'S GROWTH STORY

By Bisnow

Once a small beach town referred to as the Village by the Sea, Carlsbad is now the fastest-growing city in San Diego County, nearly doubling its population from 67,833 residents in 1990 to an estimated 112,310 in 2017. The city's population growth is the result of a healthy economy that has made Carlsbad one of the 10 wealthiest cities in the nation with a median household income of \$105K.



The city's growth is the result of advantages afforded by the location, climate and lifestyle, as well as work by city leaders to make Carlsbad as business-friendly as possible. Carlsbad Mayor Matthew Hall said North San Diego County cities, including Carlsbad, Escondido, Oceanside, San Marcos and Vista, have formed a collaboration branded Innovate78, which has helped to boost economic prosperity in all North County cities.

Representing North County's innovation hub, these five communities work together to drive talent and creative capital to North County cities along the state Route 78 corridor. Innovate78's website provides resources for businesses, from development opportunities to information on starting a business, information on job openings, schools, housing, public transportation and things to see and do for residents.

The city's growth is the result of advantages afforded by the location, climate and lifestyle, as well as work by city leaders to make Carlsbad as business-friendly as possible. Carlsbad Mayor Matthew Hall said North San Diego County cities, including Carlsbad, Escondido, Oceanside, San Marcos and Vista, have formed a collaboration branded Innovate78, which has helped to boost economic prosperity in all North County cities.

Carlsbad's growing industry clusters, including tech/digital, life science, action sports and cleantech, provide more than 15,000 high-tech jobs. Additionally, several sectors are emerging within these clusters: robotics in the tech cluster and medical device R&D in the life science/biotech cluster. Twenty tech/digital, 42 life science/biotech and 35 cleantech companies have set up shop in the city over the last year, according to the City of Carlsbad. Employees in these clusters earn from about \$115K to more than \$145K annually on average.

The largest cluster is the tech/digital sector, which includes 261 companies with 7,000 employees. The city's high level of digital engagement caused Google to name Carlsbad the "Digital Capital of California," Hall said, noting recent expansion by ViaSat, the world's largest satellite internet provider.

He said the life science/biotech sector is a strong economic force, with big names like Thermo Fisher Scientific, OptumRX, Genoptix, DNA Electronics and Ionis Pharmaceuticals. This is the second-largest cluster in Carlsbad, with nearly 197 companies and 5,000 workers.

Home to the Claude "Bud" Lewis Carlsbad Desalination Plant, the largest, most technologically advanced and energy-efficient seawater desalination plant in the nation, Carlsbad's large cleantech cluster includes 26 companies with nearly 3,000 employees. The city's action sports cluster, which includes FUNBOX Skateboards, GoPro, Prana, Callaway Golf, Taylor Made Golf and Cobra Golf, SpyOptic and SKLZ, includes more than a dozen companies with more than 2,000 workers.

Carlsbad also has a robust hospitality/tourism industry, generating employment for 13,300 workers and hotel stays and hotel tax revenue second only to San Diego. Approximately 3.5 million people visit Carlsbad annually, attracted by seven miles of beaches and 50 miles of bike and nature trails, as well as other attractions like the Legoland California theme park, Sea Life Aquarium, world-class golf courses and three lagoons.

The city, which has 4,400 hotel rooms, is home to major resort hotels: Omni's La Costa Resort & Spa; The Cape Rey Carlsbad, a Hilton Hotel; the Park Hyatt Aviara Resort; and Grand Pacific Resort's complex between Legoland and The Crossing at Carlsbad Golf Course.

More hotel rooms are under construction or planned, Hall said. A 250-room Castle Hotel is underway at Legoland, and Grand Pacific Resorts is adding 150 rooms to its 250-room Sheraton Hotel & Resort, as well as a Westin Resort with 71 rooms and 36 time-shares. A 142-room Home2 Suites by Hilton is planned near the McClellan-Palomar Airport and a Marriott.

Carlsbad Village and Barrio, the city's original downtown, is in the throes of an ongoing redevelopment program aimed at increasing residential density around public transportation hubs and creating a more lively, pedestrian-oriented commercial district that connects the Village to the coast and adjacent historic Carlsbad Barrio.

Hall said an updated master plan for Carlsbad's downtown core is in the works, which encompasses both the Village and Barrio. The draft plan calls for continued smart growth and pedestrian-friendly development that preserves the historic character of the area. Some of the ideas in the plan include increasing setbacks for new construction and reducing Grand Avenue, one of the two main streets through the Village, from four

to two lanes, widening sidewalks and providing room for restaurants to create outside seating, as well as seating along the street and other hardscape improvements.

A number of new restaurants and shops have already opened in the Village and Barrio areas, along with development of mixed-use and multifamily projects. Hall said about 450 residential units have been completed or are under construction or planned in the Village and Barrio. This includes a 33-unit luxury condominium project by McKellar-McGowan at 800 Grand Ave.; Pacific Wind, an affordable housing project with nearly 100 units, at 901 Magnolia St.; and Carlsbad Village Lofts, a \$30M, 104-unit project, by local developer The Gerber Group at 1044 Carlsbad Village Drive.



State & Oak, a project that would replace seven aging single-family homes on a 0.41-acre site at the corner of State Street and Oak Avenue was approved by the city council, but never built. The site, which is listed for sale on LoopNet for \$3.7M, is entitled for a four-story, mixed-use project that includes eight apartments and 13 time-shares on the top three levels and 4,500 SF of ground-level commercial space.



Other projects in the pipeline or proposed in downtown include:

- Laguna Breeze, a three-story condo project Laguna Drive;
- Grand Madison, a four-story, mixed-use project with apartments, offices and retail;
- Beachwalk at Madison, a two-building, multistory condo project;
- Town House, a four-story, eight-unit condo project with ground-floor commercial space at 2677 State St.;
- Tyler Street Residences, an eight-unit townhouse project at 337 Tyler St.;
- The Wave, a four-story mixed-use project consisting of residential, time-share and retail components; and Carlsbad Village Center, a proposed mixed-use project at 430 Carlsbad Village Drive.

The city also recently began construction of a new \$8.5M community center and gardens project at Pine Avenue Community Park in the Barrio just south of the Village. The community center, at the corner of Pine Avenue and Harding Street, will feature a community gym with a multi-sport court, a general multi-purpose activity room, a teen center, a state-of-the-art computer room, a homework room, a large second-floor balcony, a courtyard and an administrative office.

The gardens, on a 1.5-acre site at the corner of Madison Street and Chestnut Avenue, will feature drought-tolerant plants and provide a community plaza, shade structure, picnic areas, artwork and seating. It will offer more than 30 raised planters for lease and provide an area for gardening education and demonstrations.

Hear more from Hall and other North County leaders at Bisnow's Future of North County event on Aug. 8.

