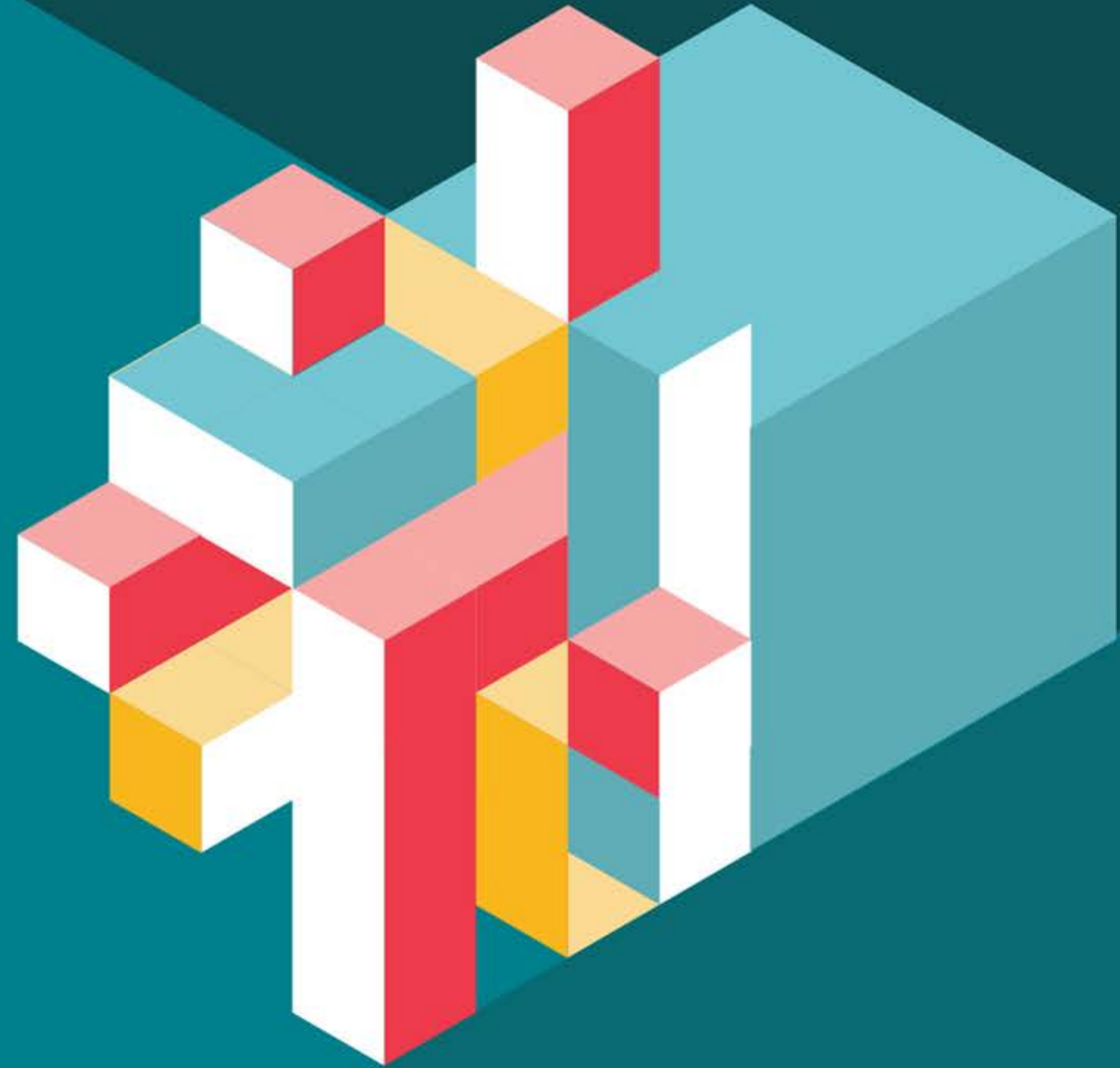


THE EIGHTH ANNUAL  
Southern California Economic Summit  
**The Cost of Not Housing**

# SCAG REGION ECONOMIC UPDATE

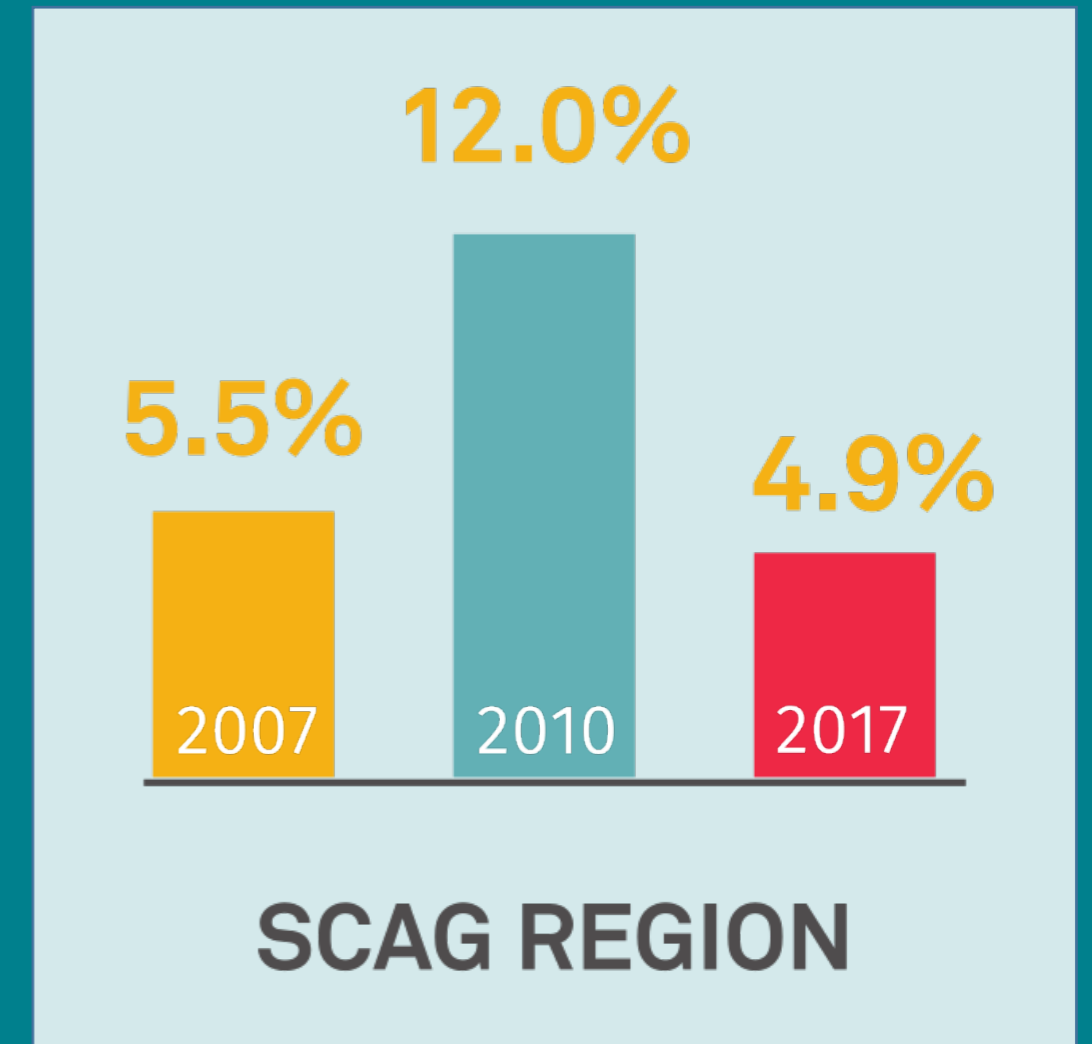
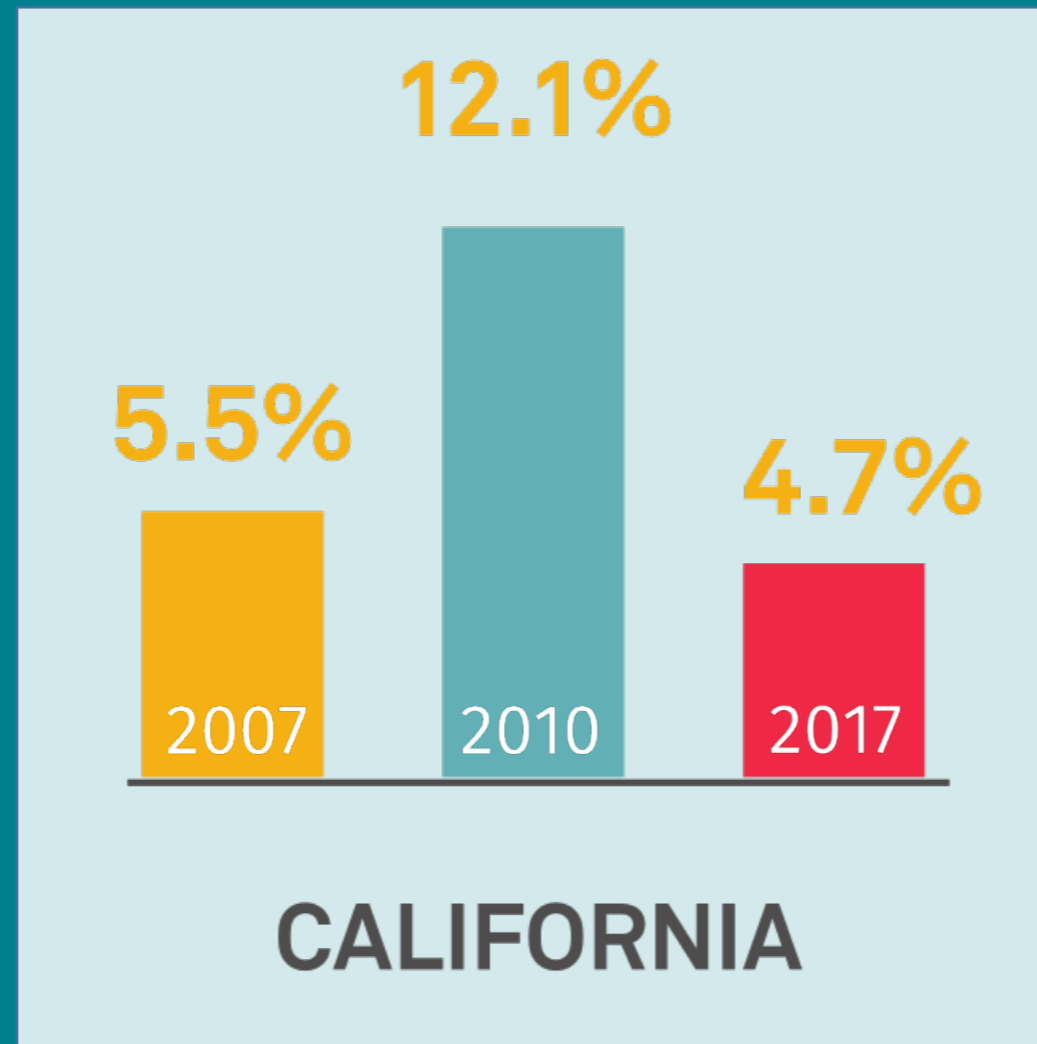
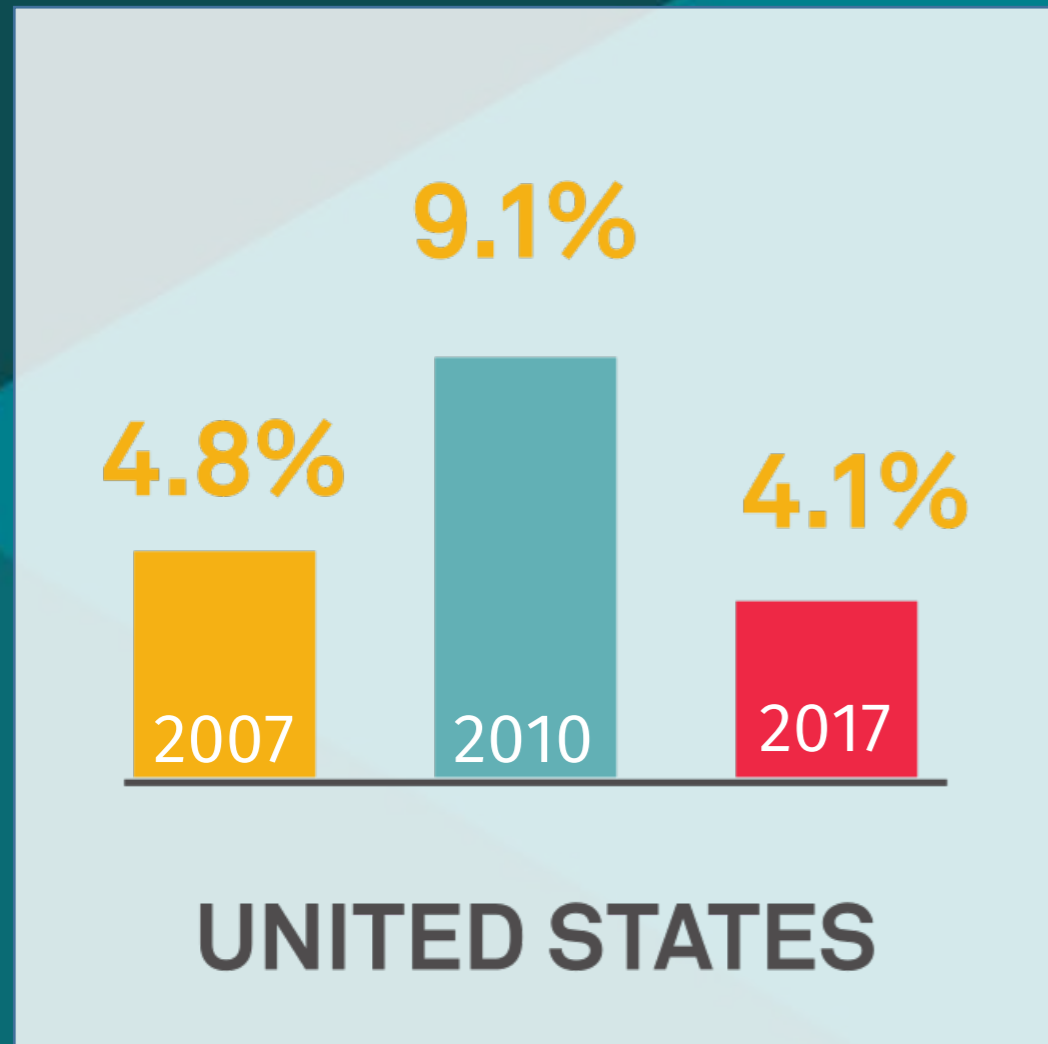


@SCAGmpo

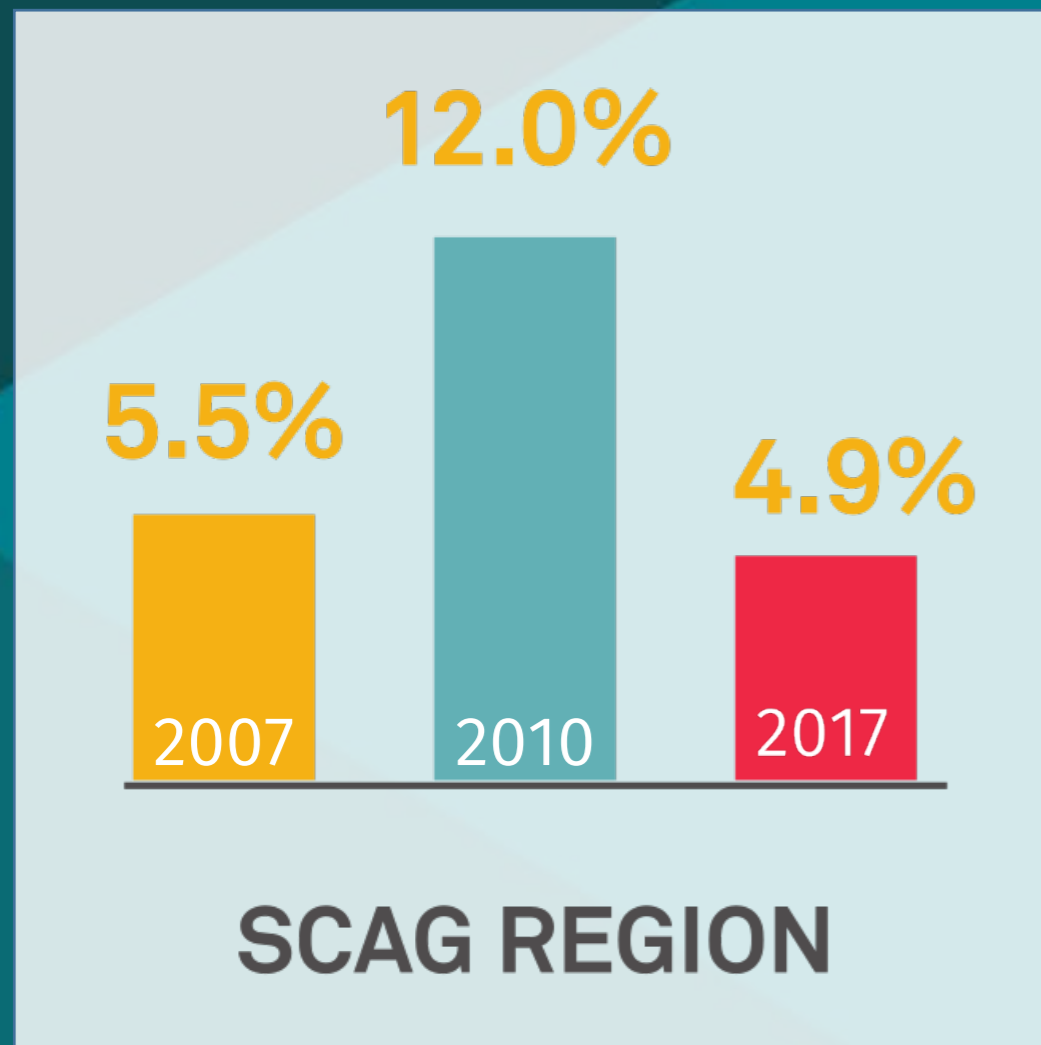


@SCAGnews #SoCalEconomicSummit

# UNEMPLOYMENT AT A GLANCE



# SCAG REGION OVERVIEW

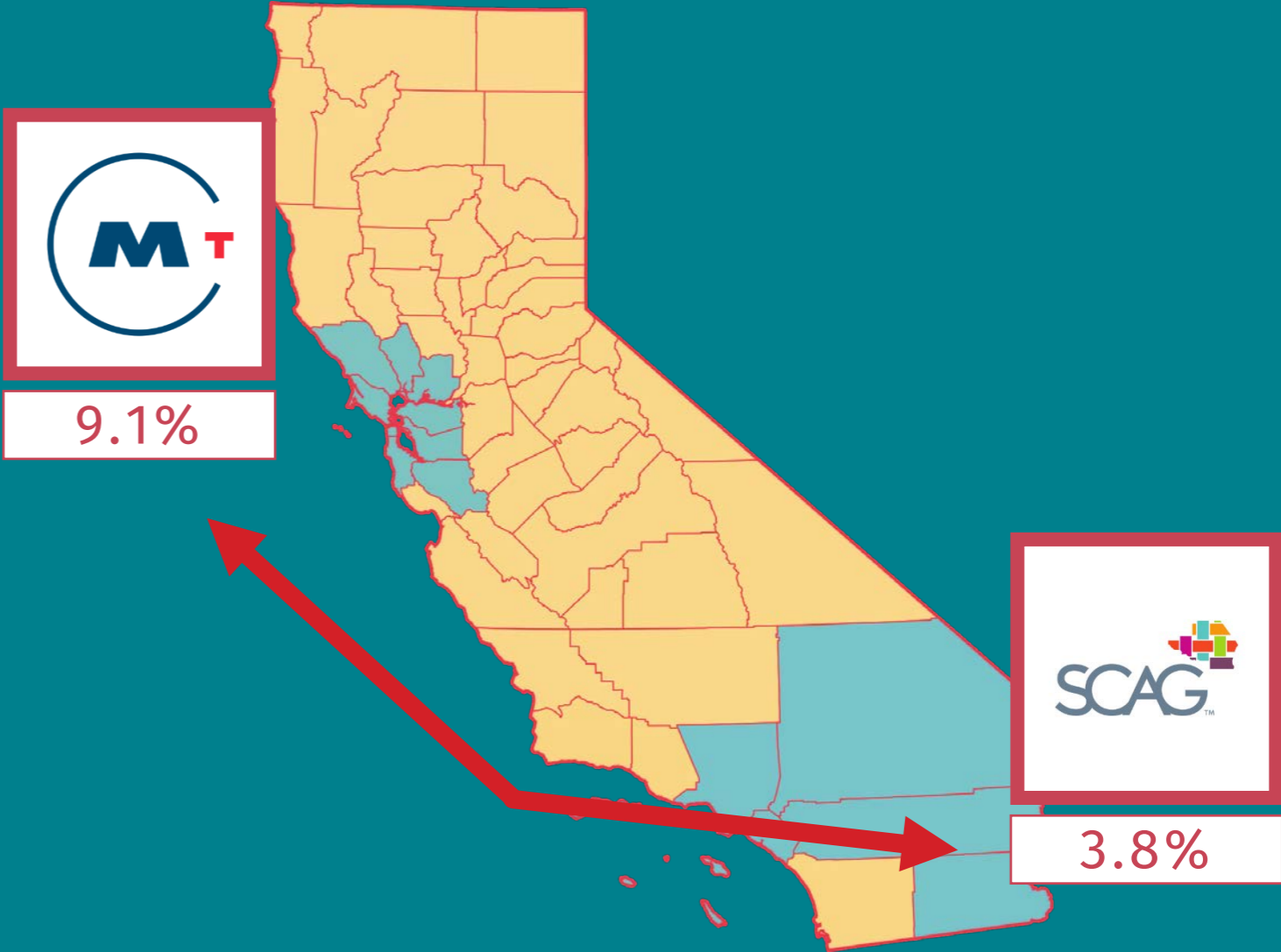


- Almost 8.9 million are employed in the SCAG region, with approximately 455,000 unemployed. Unemployment rates will likely continue to fall for the rest of 2017.
- All 6 SCAG counties have more than recovered jobs lost during the recession.
- Construction, Healthcare, and Professional & Business Services have driven employment growth regionally.
- Median household income increased 3.8% to \$64,794, with poverty dropping to 15.2%.
- Key regional issues:
  - Educational attainment rising, but needs to accelerate.
  - Income and poverty trends heading in the right direction, but divergence with Bay Area continues to grow.
  - Housing supply and affordability – high demand and low supply.

# THE SCAG REGION VS. THE BAY AREA INCOME

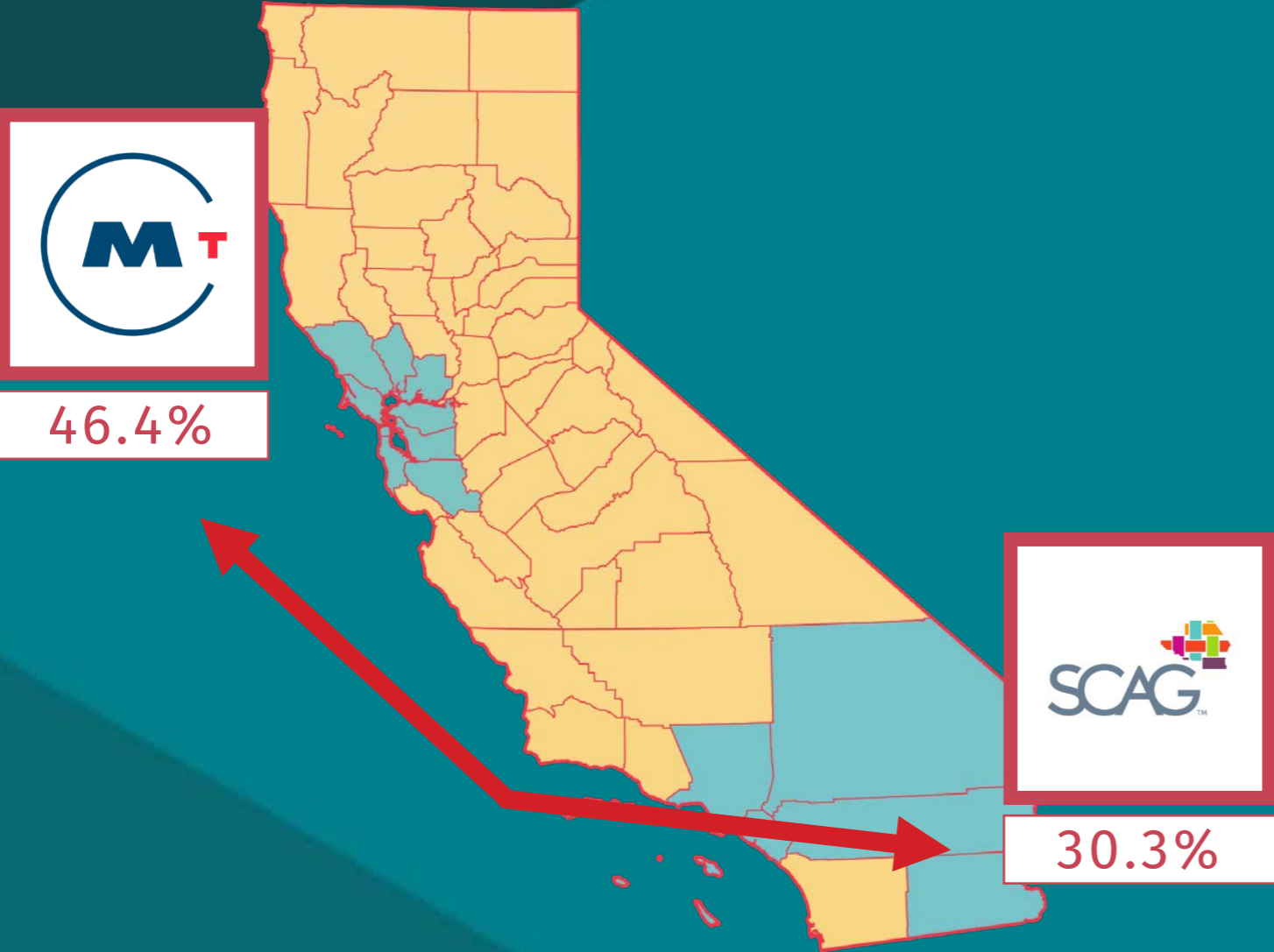


MEDIAN HOUSEHOLD INCOME

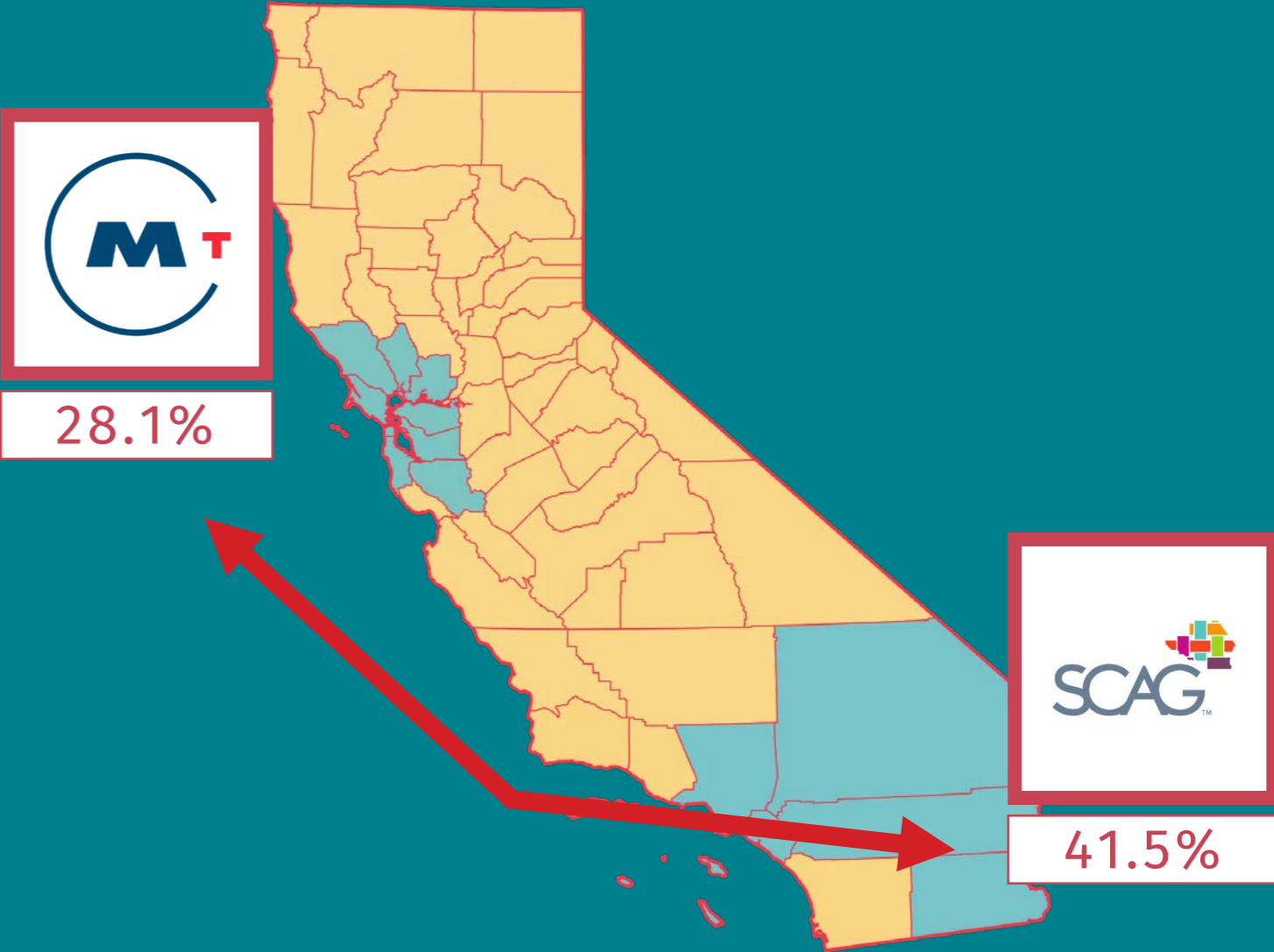


PERCENT INCREASE FROM 2015

# THE SCAG REGION VS. THE BAY AREA EDUCATION

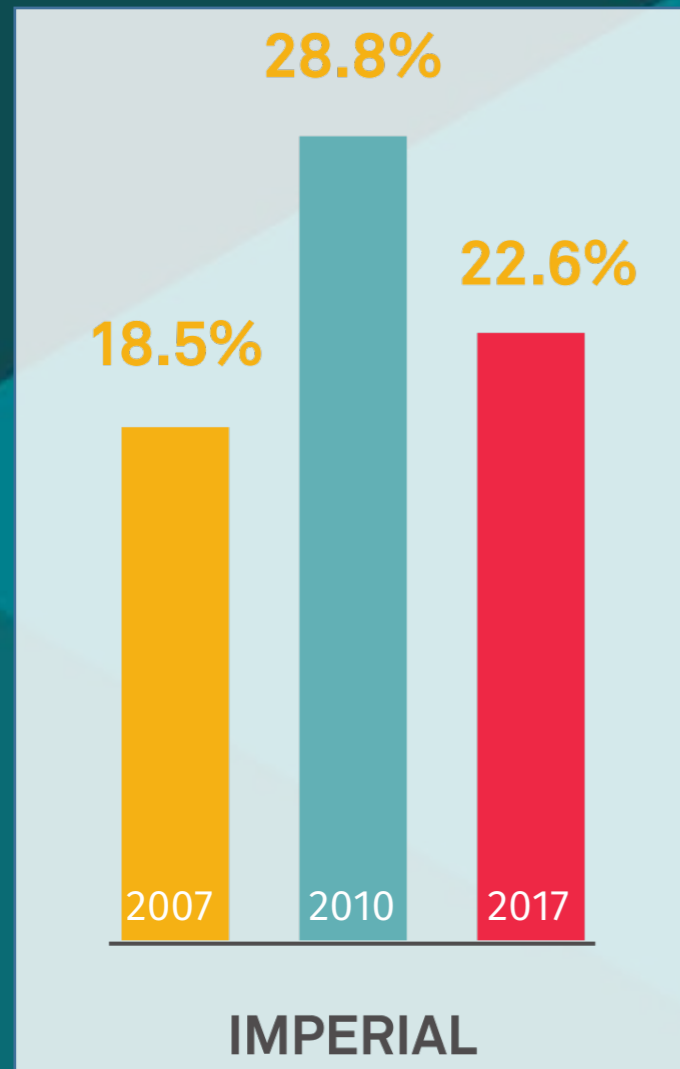


BACHELOR'S DEGREE OR HIGHER



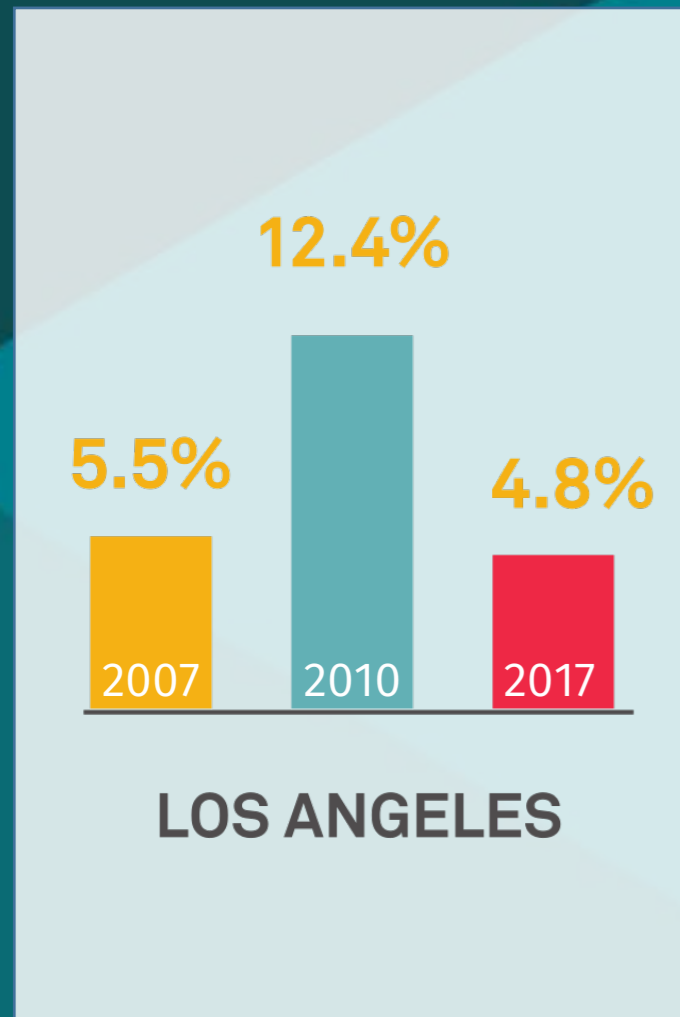
HIGH SCHOOL DIPLOMA OR BELOW

# COUNTY OF IMPERIAL



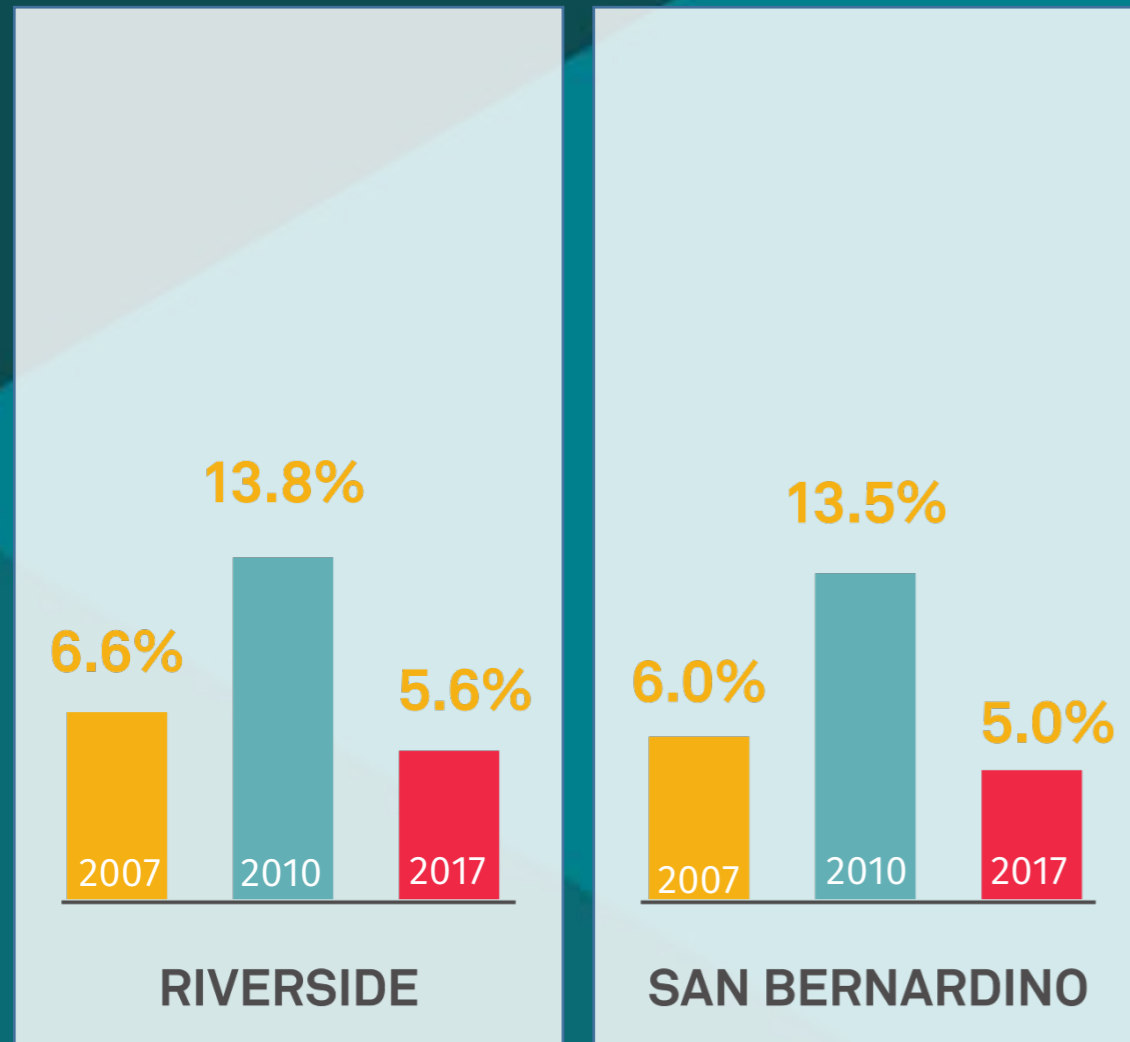
- Unemployment Rate: 22.6%
- Total Employment: 58,900
- Total Unemployed: 17,200
- Growth Occupations since 2016:
  - Healthcare Practitioners +900
  - Office/Administrative +800
  - Construction +600
- Agriculture production 2016: \$2.06 billion
- Renewable Energy: 3rd Largest Producing County in CA from 43 projects
- MOST Affordable Housing in Southern California: Median Home Price \$206,000

# COUNTY OF LOS ANGELES



- 132,900 new jobs between 2016 and 2021 at an average annual rate of 0.7 percent
- The September unemployment rate in Los Angeles County was 5.4 percent, almost 8.0 percentage points below its July 2010 peak of 13.2 percent but still higher than the pre-recession low of 4.3 percent
- Most industries will add jobs over the next 5-years.
  - Job growth in terms of numbers of jobs will be in service providing industries
  - Highest growth expected in health, administrative support, accommodation and food services, and education.
- Emerging industries continue to offer promise for high wage growth in industries such as advanced transportation and fuels, biosciences and digital media.
- Occupational forecasts show most job openings over the next 5-years will be in relatively low-paying jobs that require little educational attainment/experience.
- This presents challenges to long-term economic prosperity in the county and exacerbates economic disparities.

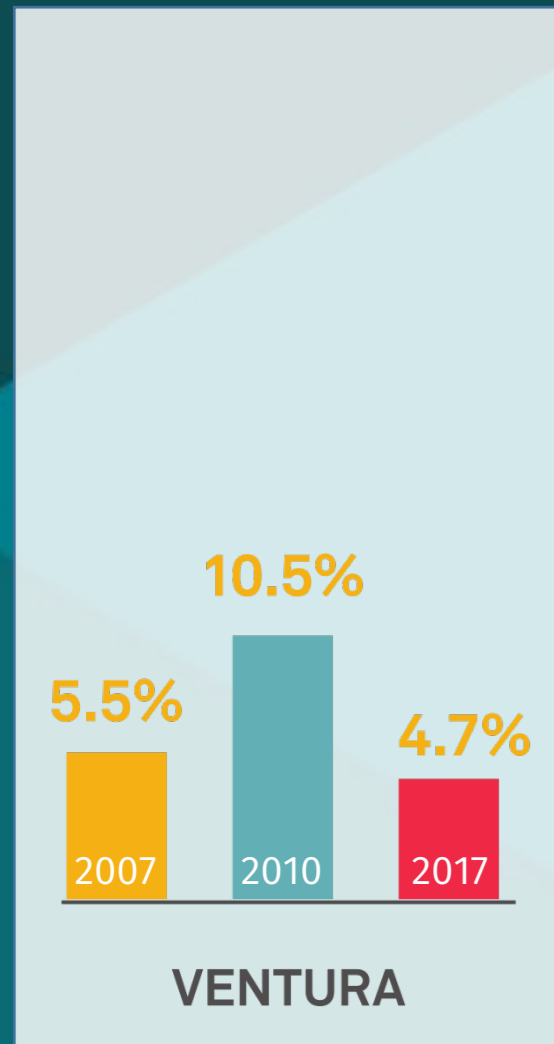
# COUNTIES OF RIVERSIDE & SAN BERNARDINO



- Unemployment Rates: Riverside County
  - December 2007: 6.6%
  - December 2010: 13.3%
  - September 2017: 5.6%
- Unemployment Rates: San Bernardino County
  - December 2007: 6.0%
  - December 2010: 13.0%
  - September 2017: 5.0%
- Comments:
  - Annual Job Level Exceeding 2007 By 150,900 in 2017 (up 11.5%)
  - 2018 Job Growth Should Reach 35,000
  - 2011-2017 Share of Jobs Paying \$30,000 or Less is 39.8% vs. CA's 45.9%
  - 2011-2017 Share of Jobs Paying \$45,000-\$60,000 is 7.5% vs. CA's 7.1%
  - 2011-2017 Share of Jobs Paying \$60,000 or More is 10.9% vs. CA's 26.3%
  - Greatest Challenge is 2016 poverty of 16.4% down from 2015's 17.5%

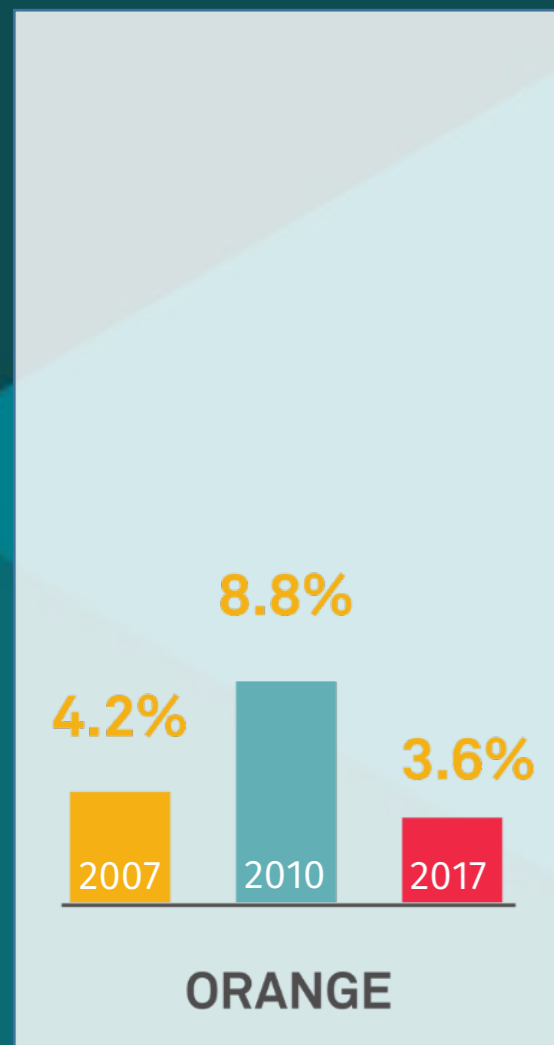


# COUNTY OF VENTURA



- Unemployment Rates: Ventura County
  - December 2007 5.5%
  - December 2010 10.6%
  - September 2017 4.7%
- Comments:
  - Decline in total economic output: The past three years mark a period of growth slower even than the Financial Crisis and the Great Recession.
  - The County's population growth has declined to near historic lows, driven by net outmigration. Population growth is forecasted to decline further in 2018 and 2019.
  - Long-term occupational forecasts foresee continued changes in job composition, continuing the hollowing out of the County's Middle Class.
  - Ventura County has the most stringent urban containment policies in the nation, resulting in property value growth which exceeds income growth.
  - Housing affordability is relatively low and expected to decline further, causing the outmigration of households and businesses to accelerate.

# COUNTY OF ORANGE



- Employment growth has been focused in Construction and Leisure & Hospitality. Educational & Health Services added 4,400 jobs last month.
- Several innovative life science/tech clusters of national importance have driven economic activity, venture capital investments, and patent growth — Medical Devices, Biopharmaceuticals, and IT & Analytical Instruments.
- Home and rent prices continue to reach new records as high demand and low supply apply significant upward pressure. OC median household incomes grew by 4.3% to \$81,837 and poverty rates have dropped to 11%.
- Office asking lease rates have surpassed previous peaks, with many new, innovative spaces coming online. Steady demand for industrial and warehousing properties continues to be supported by growing e-commerce trends.

# SCAG'S ECONOMIC TEAM

## **IMPERIAL COUNTY**

Michael Bracken, M.P.A. | Development Management Group, Inc.

## **LOS ANGELES COUNTY**

Somjita Mitra, Ph.D. | Los Angeles County Economic Development Corporation

## **ORANGE COUNTY**

Wallace Walrod, Ph.D. | Orange County Business Council

## **RIVERSIDE & SAN BERNARDINO COUNTIES**

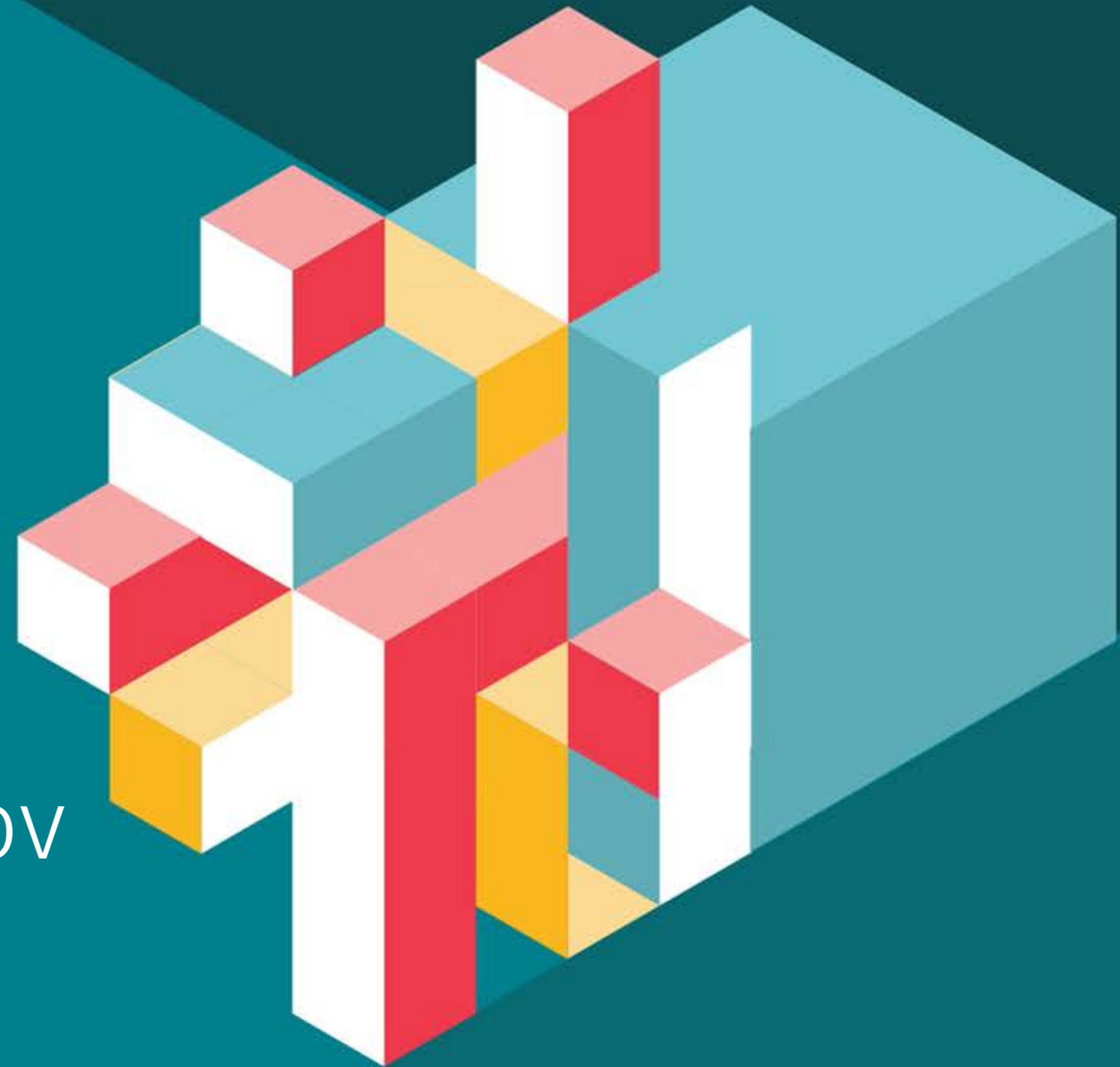
John Husing, Ph.D. | Economics & Politics, Inc.

## **VENTURA COUNTY**

Matthew Fienup, M.A. | California Lutheran University

THE EIGHTH ANNUAL  
Southern California Economic Summit  
**The Cost of Not Housing**

**DOWNLOAD ALL OF  
TODAY'S MATERIALS AT:**  
<http://economy.scag.ca.gov>



@SCAGmpo



@SCAGnews #SoCalEconomicSummit