Long Beach
Regional Economic Update
December 9, 2021

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Outline

- Los Angeles County Employment Update
- Long Beach Employment Update
- Port of Long Beach Cargo Volumes
- Long Beach Housing Market
- Long Beach Real Estate & Development
Los Angeles County Employment Update
Los Angeles County Unemployment Rate

Unemployment Rate (Jan 2020 – Oct 2021)

- Los Angeles County Unemployment Rate is 7.8%
  - California: 6.1%
  - U.S.: 4.6% (4.2% in Nov.)
- LA County’s unemployment rate is greater due, in part, to higher concentrations in:
  - Leisure & Hospitality
  - Motion Picture & Sound

Source: CA Employment Development Department; US Bureau of Labor Statistics CES
Los Angeles County Job Recovery

Total Nonfarm Employment (Jan 2020 – Oct 2021)

- LA County employment is **5.8%** below its January 2020 level
- **64%** of the jobs lost during the worst of the pandemic have been recovered
- **733,000** jobs lost between January and April 2020
- **467,000** jobs recovered between April 2020 and October 2021

Source: CA Employment Development Department; US Bureau of Labor Statistics CES
Los Angeles County Job Recovery by Industry

October 2021 Employment compared to January 2020 Employment

- 22.5%
- 17.2%
- 16.5%
- 16.4%
- 9.0%
- 7.5%
- 6.5%
- 6.3%
- 5.8%
- 5.0%
- 4.3%
- 3.8%
- 3.2%
- 2.1%
- 1.8%
- 0.2%
- 1.2%
- 3.0%

Private Educational Services
Transportation & Warehousing
Health Care & Social Assistance
Construction
Professional, Scientific & Technical
Administrative & Support & Waste
Local Government Education
Finance & Insurance
Retail Trade
Management of Companies
Wholesale Trade
Arts, Entertainment, Recreation
Manufacturing
Real Estate & Rental & Leasing
Accommodation & Food Service
Information
Personal Care & Other Services
State Government Education

Source: CA Employment Development Department; US Bureau of Labor Statistics CES
Los Angeles County Job Recovery by Wage Group

Current Employment as % of Jan 2020 Employment

- For jobs earning more than $37,000, employment is down 3.6% since Jan 2020
- For jobs earning less than $37,000, employment is down 27.9% since Jan 2020

Source: Opportunity Insights; Paychex; Intuit; Earnin; Chetty et al. (2020)
Long Beach
Employment Update
Long Beach Unemployment Rate

Unemployment Rate (Jan 2020 – Oct 2021)

- Long Beach Unemployment Rate is 8.5%
- 20,000 Long Beach working residents are unemployed
- Long Beach has relatively high concentrations of residents working in service industries

Source: CA Employment Development Department; US Bureau of Labor Statistics CES
Long Beach Unemployment Insurance Claims

Initial Unemployment Claims (Jan 2020 – Oct 2021)

- About twice as many claims in October 2021 as in January 2020
- Federal unemployment insurance programs that expired in September 2021 include:
  - Pandemic Unemployment Assistance
  - Pandemic Additional Compensation

Source: CA Employment Development Department
### Long Beach Initial Unemployment Insurance Claims

**Number of Claims by Industry**  
(October 2021)

<table>
<thead>
<tr>
<th>Industry</th>
<th>Number of Claims</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Care &amp; Social Assistance</td>
<td>481</td>
</tr>
<tr>
<td>Administrative &amp; Support &amp; Waste</td>
<td>446</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>409</td>
</tr>
<tr>
<td>Accommodation &amp; Food Services</td>
<td>397</td>
</tr>
<tr>
<td>Construction</td>
<td>326</td>
</tr>
<tr>
<td>Professional, Scientific, Technical</td>
<td>232</td>
</tr>
<tr>
<td>Transportation &amp; Warehousing</td>
<td>223</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>218</td>
</tr>
<tr>
<td>Private Educational Services</td>
<td>197</td>
</tr>
<tr>
<td>Information</td>
<td>176</td>
</tr>
<tr>
<td>Personal Care &amp; Other Services</td>
<td>144</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>116</td>
</tr>
<tr>
<td>Arts, Entertainment, Recreation</td>
<td>89</td>
</tr>
<tr>
<td>Real Estate &amp; Rental &amp; Leasing</td>
<td>61</td>
</tr>
<tr>
<td>Finance &amp; Insurance</td>
<td>50</td>
</tr>
</tbody>
</table>

- **Health Care & Social Assistance** includes:
  - Child Day Care Services
  - Skilled Nursing Facilities
- **Administrative & Support & Waste** includes:
  - Building Maintenance & Janitorial Services
  - Travel Agencies & Tour Operators

Source: CA Employment Development Department
Port of Long Beach
Cargo Volumes
U.S. Total & Online Retail Sales

Source: Port of Long Beach; Port of Los Angeles

2019 Q3 to 2021 Q3: +21%

2019 Q3 to 2021 Q3: +45%

Source: Port of Long Beach; Port of Los Angeles
Port of Long Beach Import Cargo Volumes

Source: Port of Long Beach; Port of Los Angeles

Port of Long Beach Import Container Volumes for January-October 2021 are:

- 20% greater than in 2020
- 23% greater than in 2019
San Pedro Bay Ports Import Cargo Volumes

San Pedro Bay Ports Import Volumes for January-October 2021 are:

- 21% greater than in 2020
- 21% greater than in 2019

Loaded Import Cargo Volumes (TEU’s)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>7,111,327</td>
<td>7,110,948</td>
<td>8,585,359</td>
</tr>
</tbody>
</table>

Source: Port of Long Beach; Port of Los Angeles
Long Beach Housing Market
## Long Beach Home Purchase Prices

### Median Home Prices

<table>
<thead>
<tr>
<th>Year</th>
<th>Long Beach</th>
<th>Los Angeles and Orange Counties</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$512k</td>
<td>$579k</td>
</tr>
<tr>
<td>2019</td>
<td>$597k</td>
<td>$666k</td>
</tr>
<tr>
<td>2021</td>
<td>$720k</td>
<td>$796k</td>
</tr>
</tbody>
</table>

### Average Prices

<table>
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</tr>
<tr>
<td>2021</td>
<td>$720k</td>
<td>$796k</td>
</tr>
</tbody>
</table>

### Percentage Changes

<table>
<thead>
<tr>
<th>Year</th>
<th>Long Beach</th>
<th>Los Angeles and Orange Counties</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 Year</td>
<td>41%</td>
<td>37%</td>
</tr>
<tr>
<td>2 Year</td>
<td>21%</td>
<td>20%</td>
</tr>
<tr>
<td>1 Year</td>
<td>14%</td>
<td>13%</td>
</tr>
</tbody>
</table>

### Source

Zillow Research; PolicyMap
Long Beach Home Purchase Prices

Median Home Prices

Source: Zillow Research; PolicyMap; Federal Reserve Bank of St. Louis FRED

ACCELERATE LONG BEACH
// Real Estate & Development

Interest Rates

Source: Zillow Research; PolicyMap; Federal Reserve Bank of St. Louis FRED
Long Beach Home Rental Prices

<table>
<thead>
<tr>
<th>Zip Code</th>
<th>2019 Avg. Rent</th>
<th>2021 Avg. Rent</th>
<th>5 Year % Change</th>
<th>2 Year % Change</th>
<th>1 Year % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>90802</td>
<td>$1,856</td>
<td>$2,001</td>
<td>30%</td>
<td>8%</td>
<td>6%</td>
</tr>
<tr>
<td>90803</td>
<td>$1,977</td>
<td>$2,143</td>
<td>21%</td>
<td>8%</td>
<td>5%</td>
</tr>
<tr>
<td>90804</td>
<td>$1,670</td>
<td>$1,834</td>
<td>35%</td>
<td>10%</td>
<td>6%</td>
</tr>
<tr>
<td>90805</td>
<td>$1,564</td>
<td>$1,676</td>
<td>32%</td>
<td>7%</td>
<td>2%</td>
</tr>
<tr>
<td>90806</td>
<td>$1,510</td>
<td>$1,657</td>
<td>46%</td>
<td>10%</td>
<td>4%</td>
</tr>
<tr>
<td>90807</td>
<td>$1,659</td>
<td>$1,788</td>
<td>24%</td>
<td>8%</td>
<td>5%</td>
</tr>
<tr>
<td>90808</td>
<td>$2,806</td>
<td>$3,092</td>
<td>26%</td>
<td>10%</td>
<td>6%</td>
</tr>
<tr>
<td>90813</td>
<td>$1,407</td>
<td>$1,531</td>
<td>40%</td>
<td>9%</td>
<td>5%</td>
</tr>
<tr>
<td>90814</td>
<td>$1,783</td>
<td>$1,956</td>
<td>34%</td>
<td>10%</td>
<td>6%</td>
</tr>
<tr>
<td>90815</td>
<td>$2,085</td>
<td>$2,291</td>
<td>22%</td>
<td>10%</td>
<td>7%</td>
</tr>
</tbody>
</table>

Source: Zillow Research; PolicyMap
About 2% of Long Beach private employment is in Real Estate.

Long Beach Real Estate employment has grown by 9% over the last 5 years.
Long Beach Real Estate Employment by Sector

Real Estate Employment by Sector (2021)

- Lessors of Residential & Nonresidential Buildings: 32%
- Real Estate Agents & Brokers: 28%
- Residential & Nonresidential Property Managers: 26%
- Escrow Agents, Appraisers, & Others: 14%

Source: CA Employment Development Department (Cleared for Public Release); Emsi Burning Glass
Long Beach Gross Regional Product: Select Industries

<table>
<thead>
<tr>
<th>Industry</th>
<th>Pre-COVID Gross Regional Product ($ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Estate</td>
<td>962</td>
</tr>
<tr>
<td>Hospitals</td>
<td>835</td>
</tr>
<tr>
<td>Medical Offices, Care Facilities, &amp; Labs</td>
<td>983</td>
</tr>
<tr>
<td>Port Operations &amp; Marine Cargo Handling</td>
<td>483</td>
</tr>
<tr>
<td>Restaurants &amp; Bars</td>
<td>768</td>
</tr>
<tr>
<td>Food &amp; Beverage Stores</td>
<td>342</td>
</tr>
<tr>
<td>Hotels</td>
<td>346</td>
</tr>
</tbody>
</table>

- Long Beach’s Real Estate industry annually contributes $962 million to the City’s gross regional product.
- Every 100 Real Estate jobs in Long Beach supports an additional 33 jobs in the regional economy.

Source: Emsi Burning Glass

ACCELERATE LONG BEACH
// Real Estate & Development
### Long Beach Major Real Estate Development Projects

#### Major Real Estate Projects

<table>
<thead>
<tr>
<th>Category</th>
<th>Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>28</td>
</tr>
<tr>
<td>Commercial</td>
<td>22</td>
</tr>
<tr>
<td>Mixed Residential/Commercial</td>
<td>30</td>
</tr>
<tr>
<td>Hotel &amp; Mixed Residential/Hotel</td>
<td>2</td>
</tr>
<tr>
<td>Industrial</td>
<td>3</td>
</tr>
<tr>
<td>Recreational</td>
<td>3</td>
</tr>
<tr>
<td>Other</td>
<td>5</td>
</tr>
</tbody>
</table>

- 93 major real estate projects under development or recently completed in Long Beach
- Over 7,000 residential units are under development or recently completed, including:
  - 4,631 units in mixed-use developments
  - 941 affordable housing units
  - 968 hotel rooms

Source: City of Long Beach Economic Development Department
Takeaways
Employment

- Los Angeles County overall employment is now only 6% below its pre-pandemic level
  - Service industries, which often employ lower-wage workers, and those relying heavily on face-to-face interaction are still behind in the recovery
  - Employment among lower-wage workers is still 30% below pre-pandemic levels

- Long Beach unemployment is down to 8.5%
  - Slightly higher than in county due, in part, to relatively high concentrations of residents working in service industries
  - Unemployment insurance claims are dissipating, but still twice pre-pandemic levels
  - About 20,000 Long Beach working residents remain unemployed
Port of Long Beach Cargo Volumes

- The Port of Long Beach is handling more import cargo than ever before
  - 23% more import cargo than before the pandemic
  - Record import volumes are driven by sharp increases in retail and online shopping

- Long Beach’s supply-chain infrastructure is not broken
  - It is being overwhelmed by a massive surge in the demand for goods
Housing Market

- Long Beach home prices have risen sharply since the beginning of the pandemic
  - Due, in part, to low interest rates and limited housing supply
  - Median home price is currently around $767,000
    - Over 40% higher than 5 years ago

- Long Beach rents are increasing at a greater rate than before the pandemic began
  - Due, in part, to rising home prices
  - Rents are 21% to 46% greater than 5 years ago, depending on neighborhood
Long Beach Real Estate & Development

- Long Beach’s Real-Estate industry is a top contributor to the City’s economic output
  - Contributes nearly $1 Billion annually to Long Beach’s gross regional product

- Real Estate Development in Long Beach is booming
  - Mixed-use development is especially strong, with over 30 major projects underway
  - Over 7,000 new residential units will increase the City’s housing stock by about 4%
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