

Long Beach

Regional Economic Update

December 9, 2021

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Outline

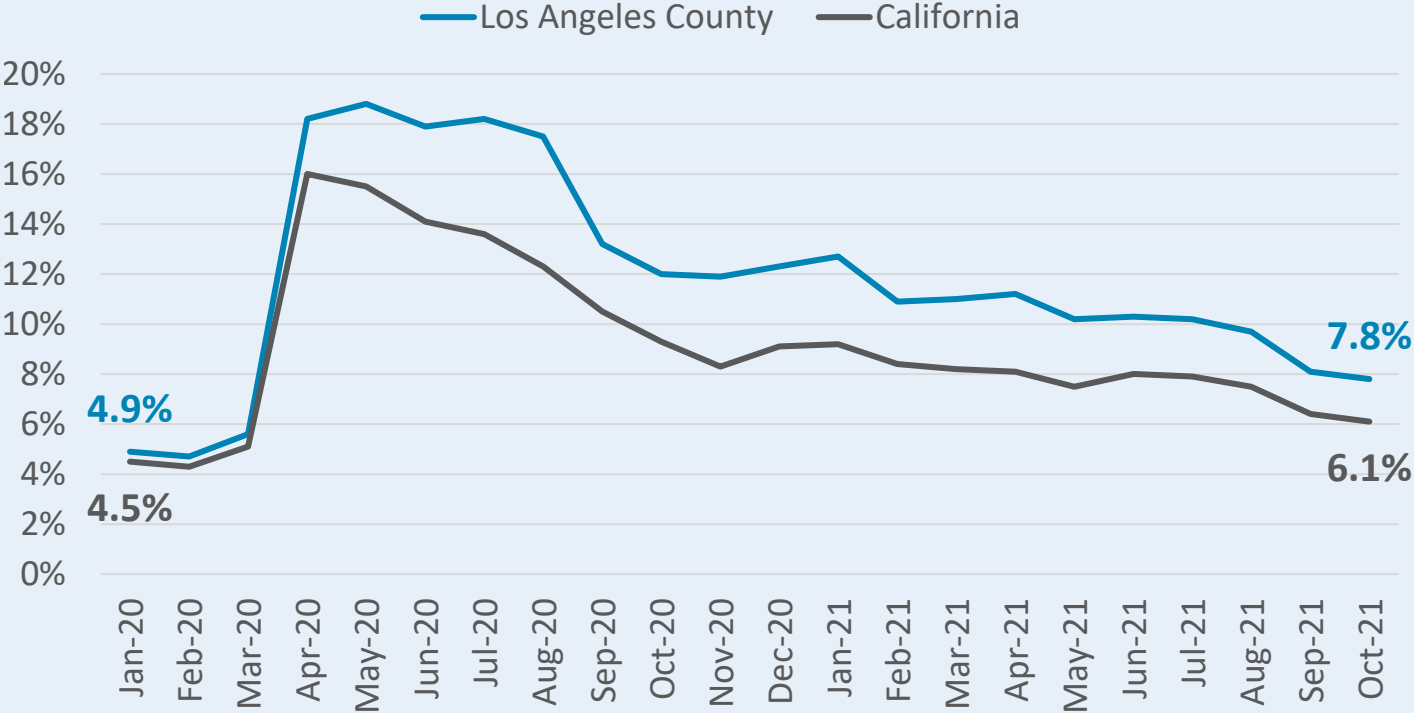
- Los Angeles County Employment Update
- Long Beach Employment Update
- Port of Long Beach Cargo Volumes
- Long Beach Housing Market
- Long Beach Real Estate & Development

Los Angeles County Employment Update



Los Angeles County Unemployment Rate

Unemployment Rate (Jan 2020 – Oct 2021)

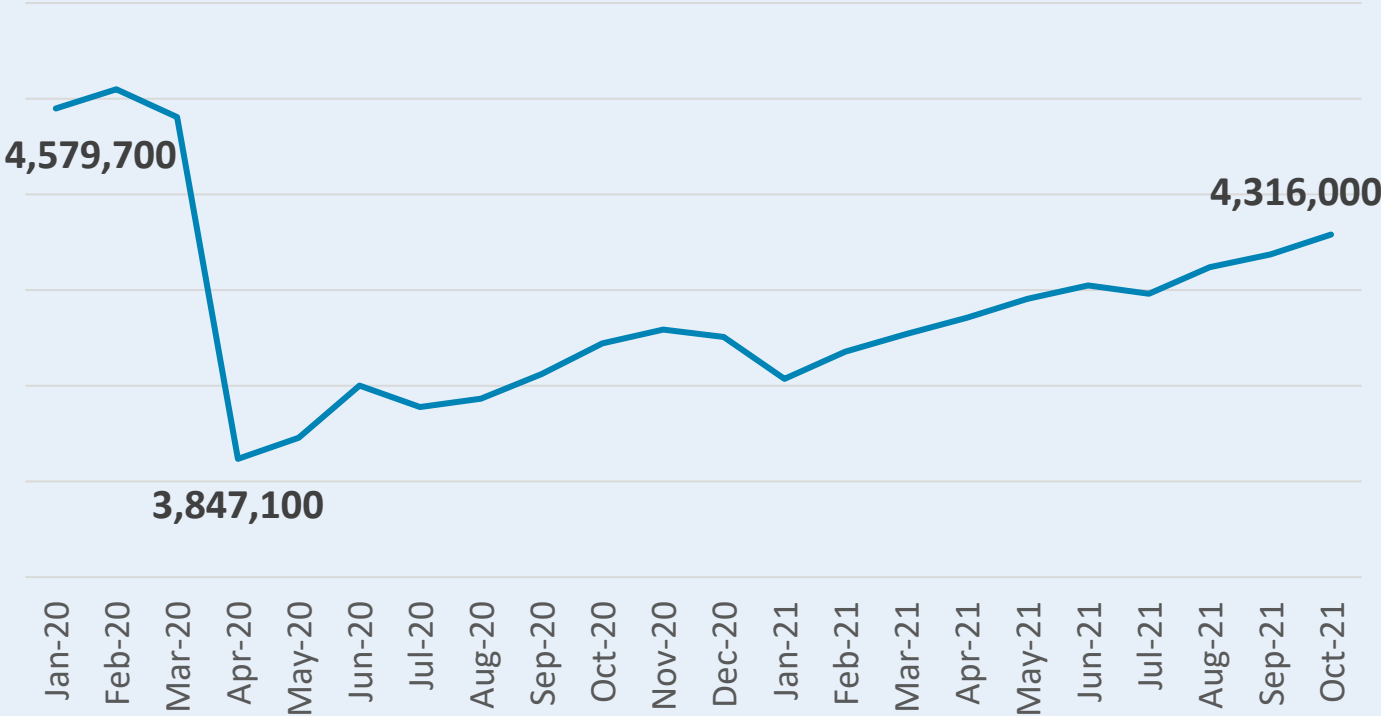


- Los Angeles County Unemployment Rate is **7.8%**
 - California: 6.1%
 - U.S. 4.6% (4.2% in Nov.)

- LA County's unemployment rate is greater due, in part, to higher concentrations in:
 - Leisure & Hospitality
 - Motion Picture & Sound

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



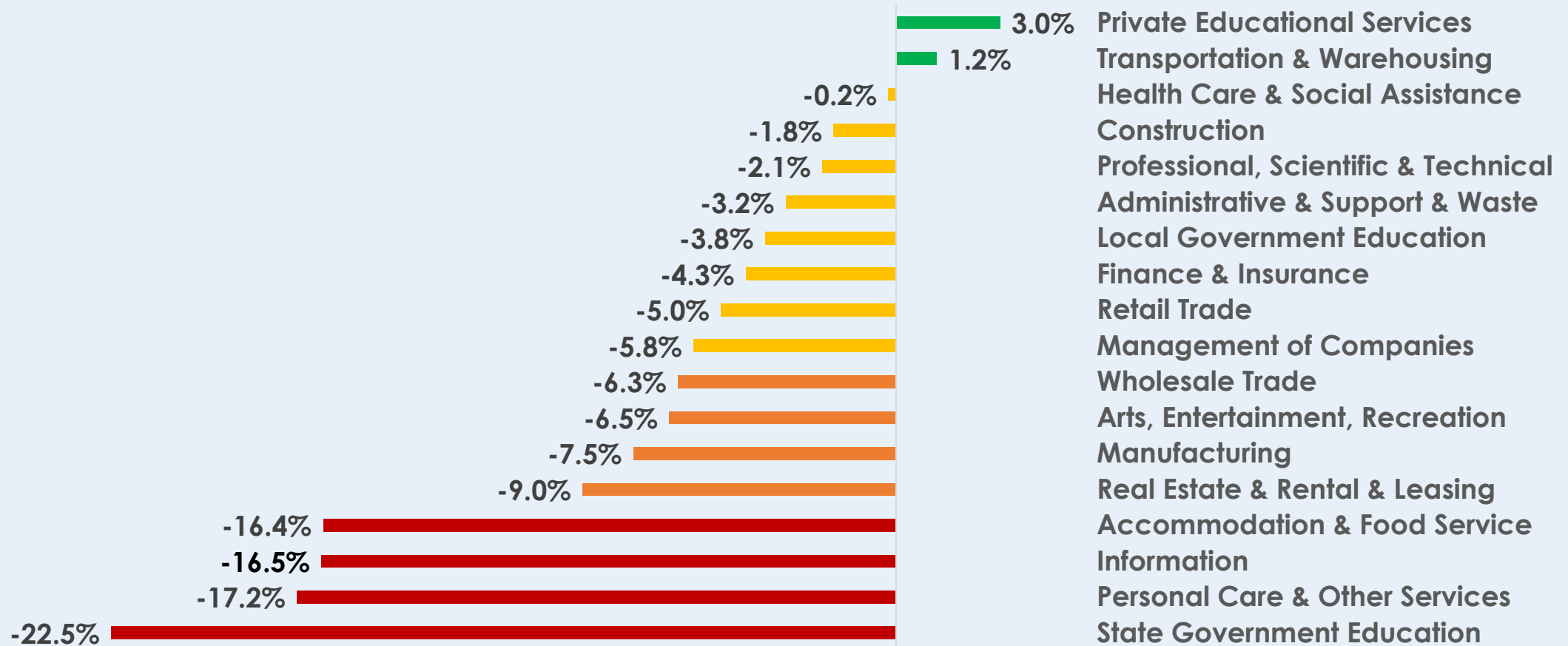
Source: CA Employment Development Department; US Bureau of Labor Statistics CES

Los Angeles County Job Recovery by Industry

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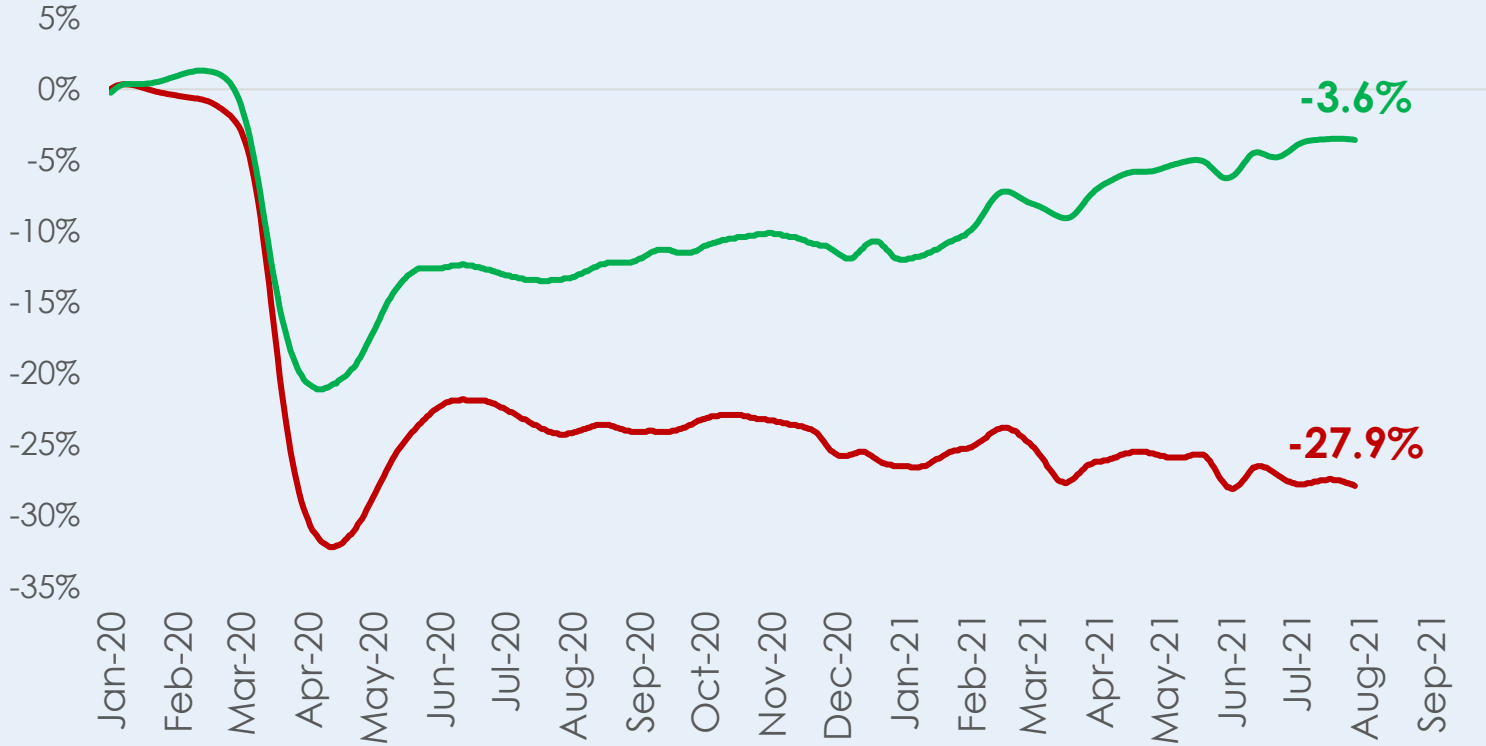
October 2021 Employment compared to January 2020 Employment



Los Angeles County Job Recovery by Wage Group

Current Employment as % of Jan 2020 Employment

Income < \$37,000 Income > \$37,000



- 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

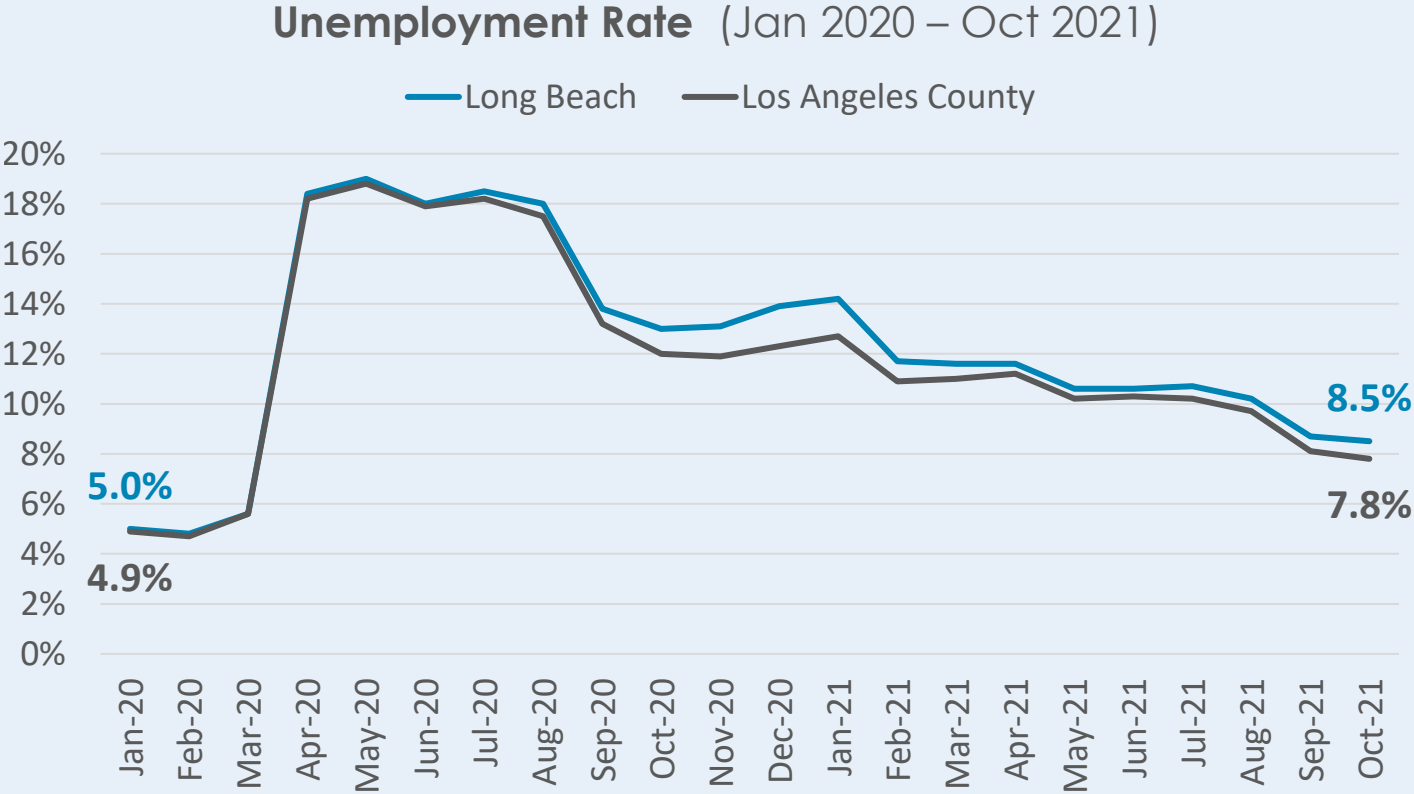
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Long Beach Employment Update



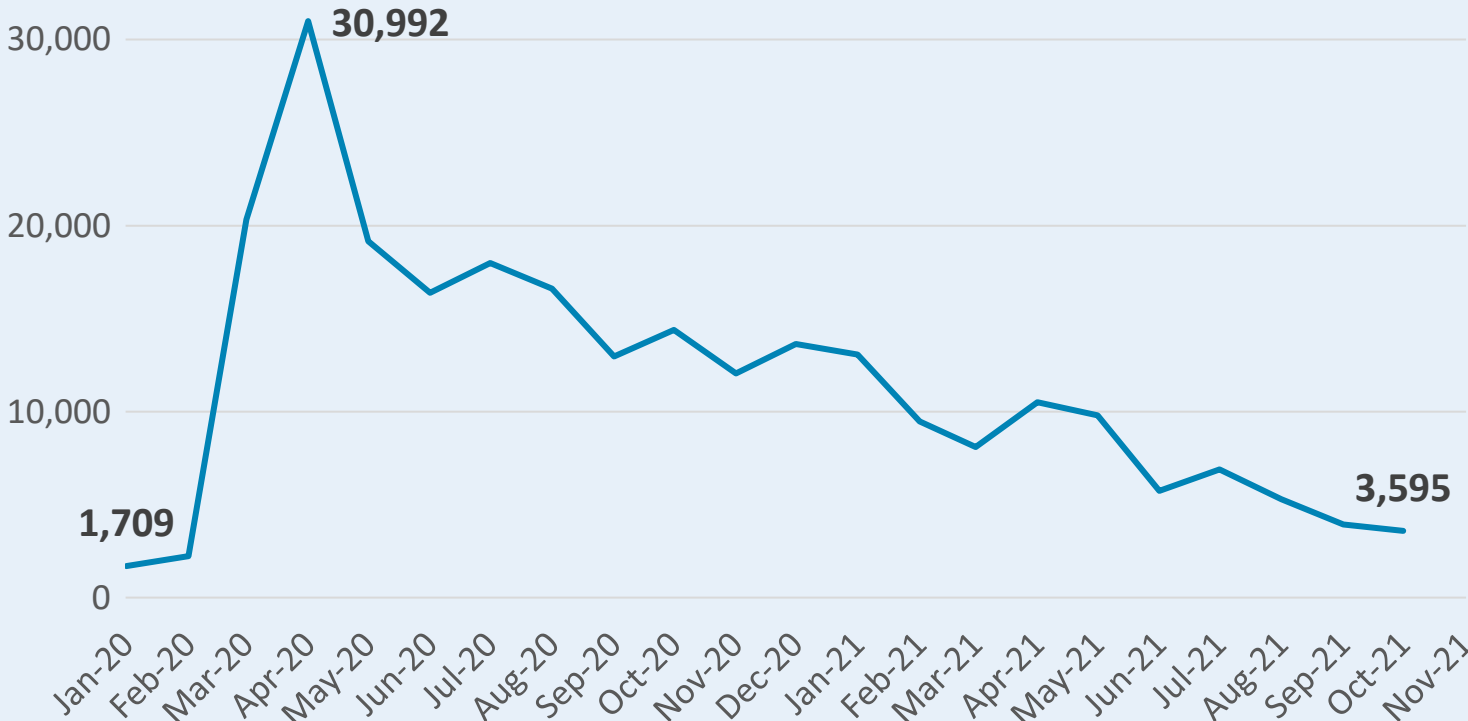
Long Beach Unemployment Rate



- 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

Long Beach Unemployment Insurance Claims

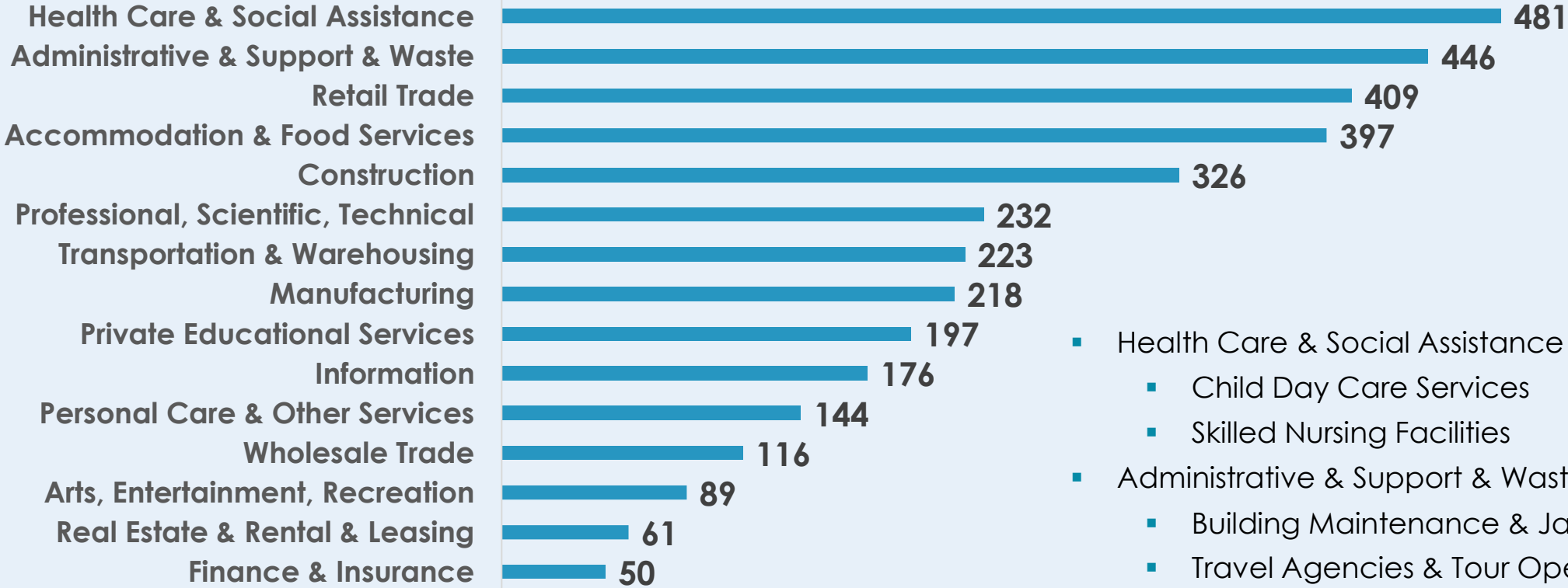
Initial Unemployment Claims (Jan 2020 – Oct 2021)



- 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

Long Beach Initial Unemployment Insurance Claims

Number of Claims by Industry (October 2021)



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

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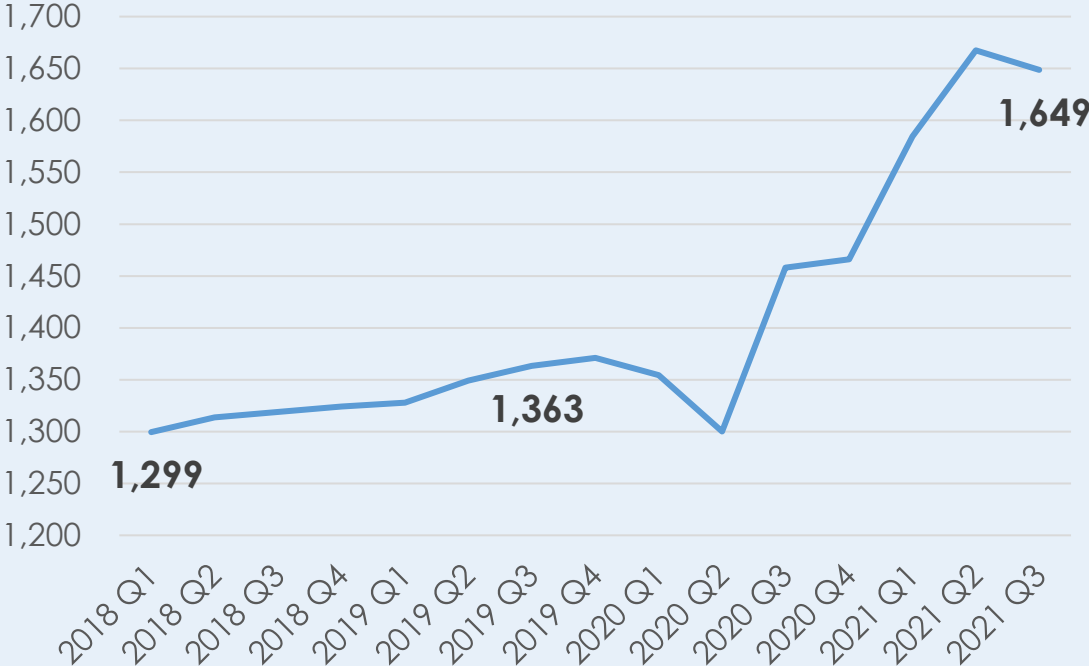
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Port of Long Beach Cargo Volumes



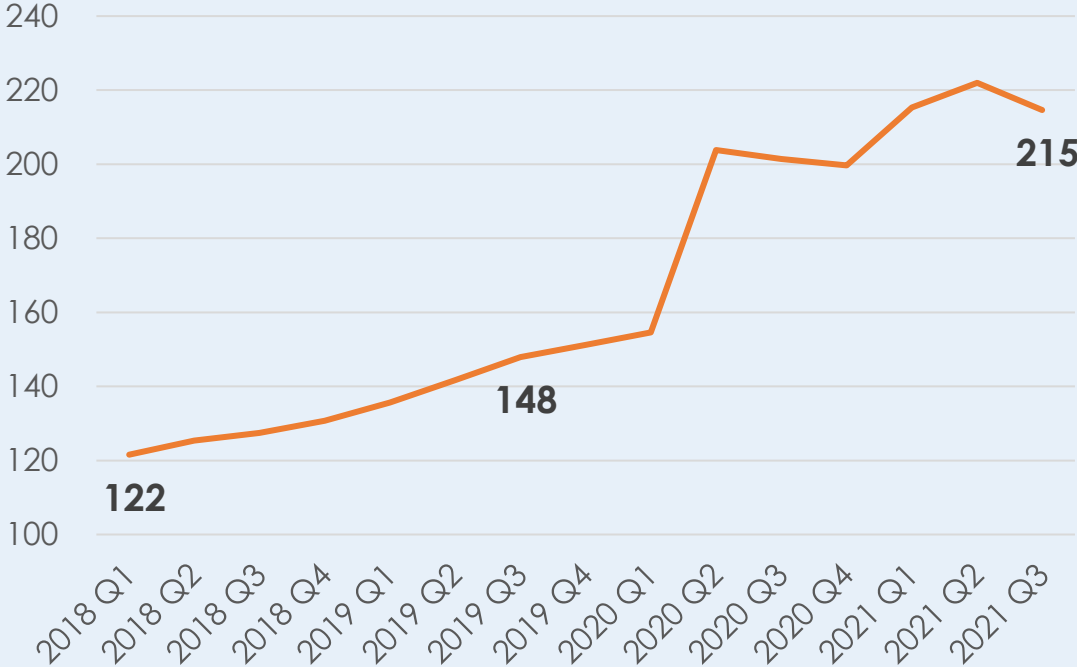
U.S. Total & Online Retail Sales

Total Retail Sales (\$ billions)



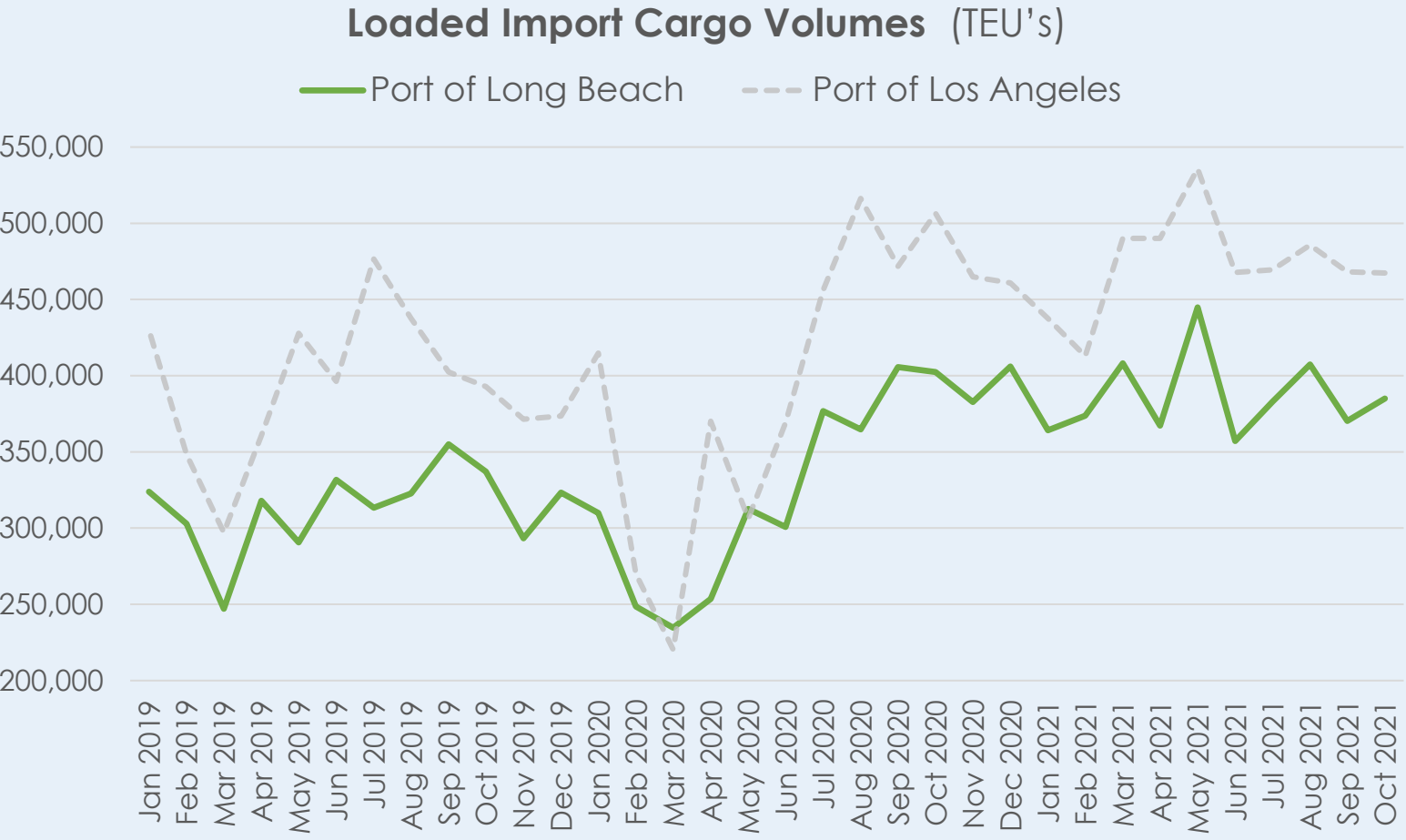
2019 Q3 to 2021 Q3: + **21%**

Online Retail Sales (\$ billions)



2019 Q3 to 2021 Q3: + **45%**

Port of Long Beach Import Cargo Volumes

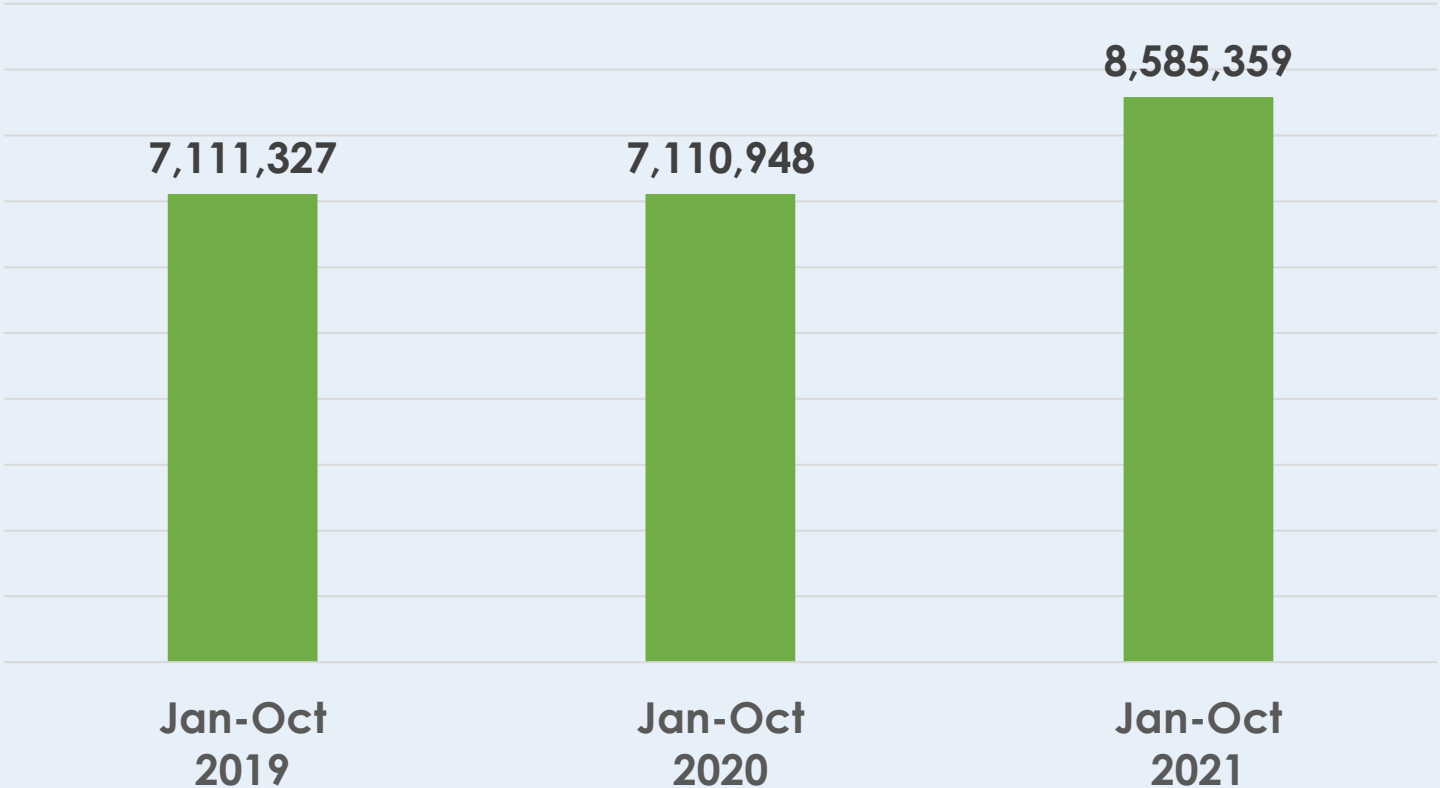


Port of Long Beach Import Container Volumes for January-October 2021 are:

- **20%** greater than in 2020
- **23%** greater than in 2019

San Pedro Bay Ports Import Cargo Volumes

Loaded Import Cargo Volumes (TEU's)



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

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

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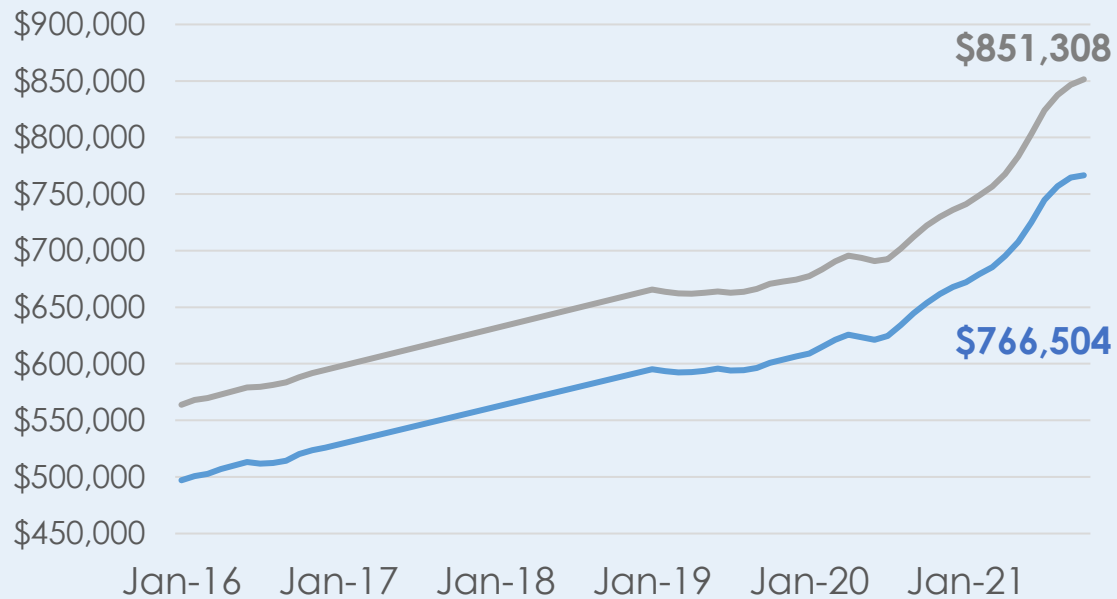
Long Beach Housing Market



Long Beach Home Purchase Prices

Median Home Prices

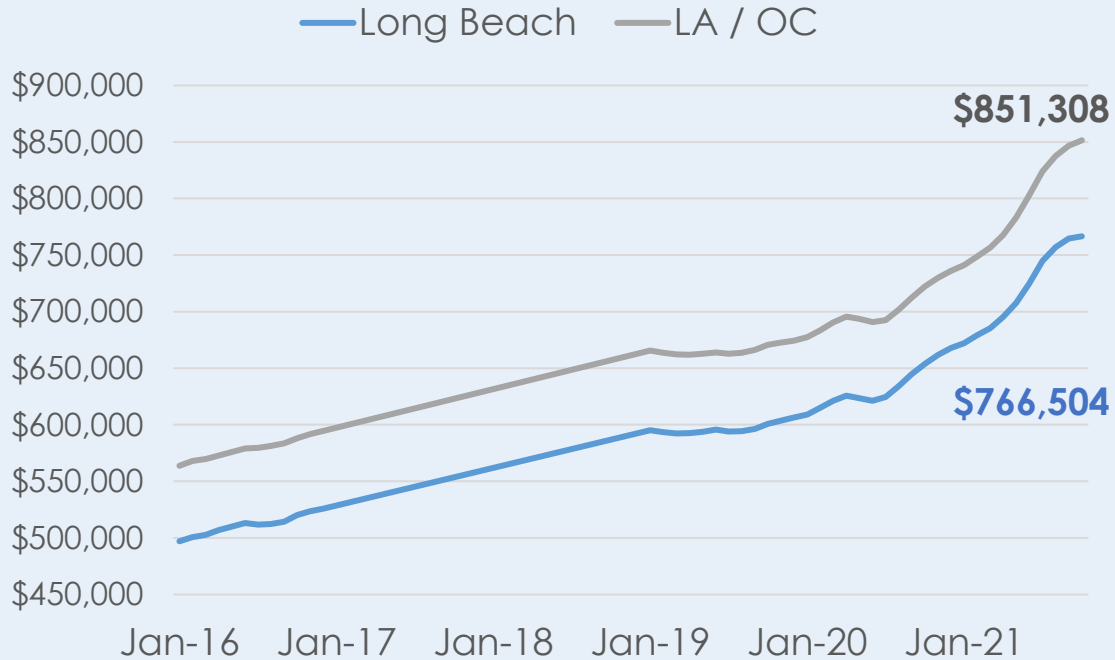
— Long Beach — LA / OC



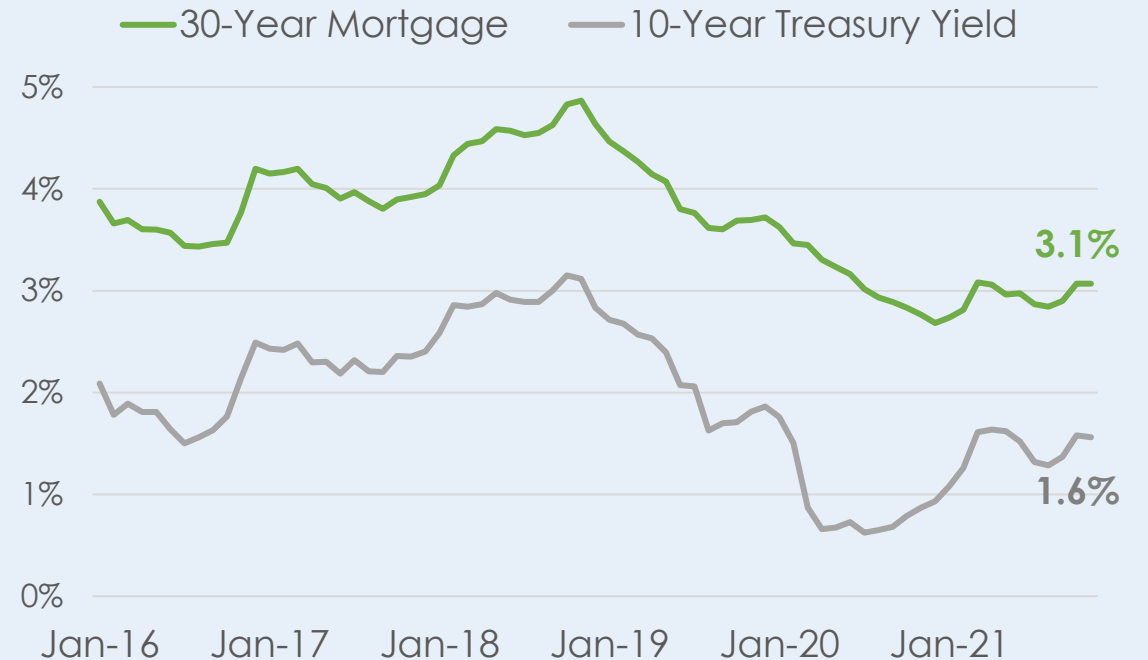
	2016 Avg. Price	2019 Avg. Price	2021 Avg. Price	5 Year % Change	2 Year % Change	1 Year % Change
Long Beach	\$512k	\$597k	\$720k	41%	21%	14%
Los Angeles and Orange Counties	\$579k	\$666k	\$796k	37%	20%	13%

Long Beach Home Purchase Prices

Median Home Prices



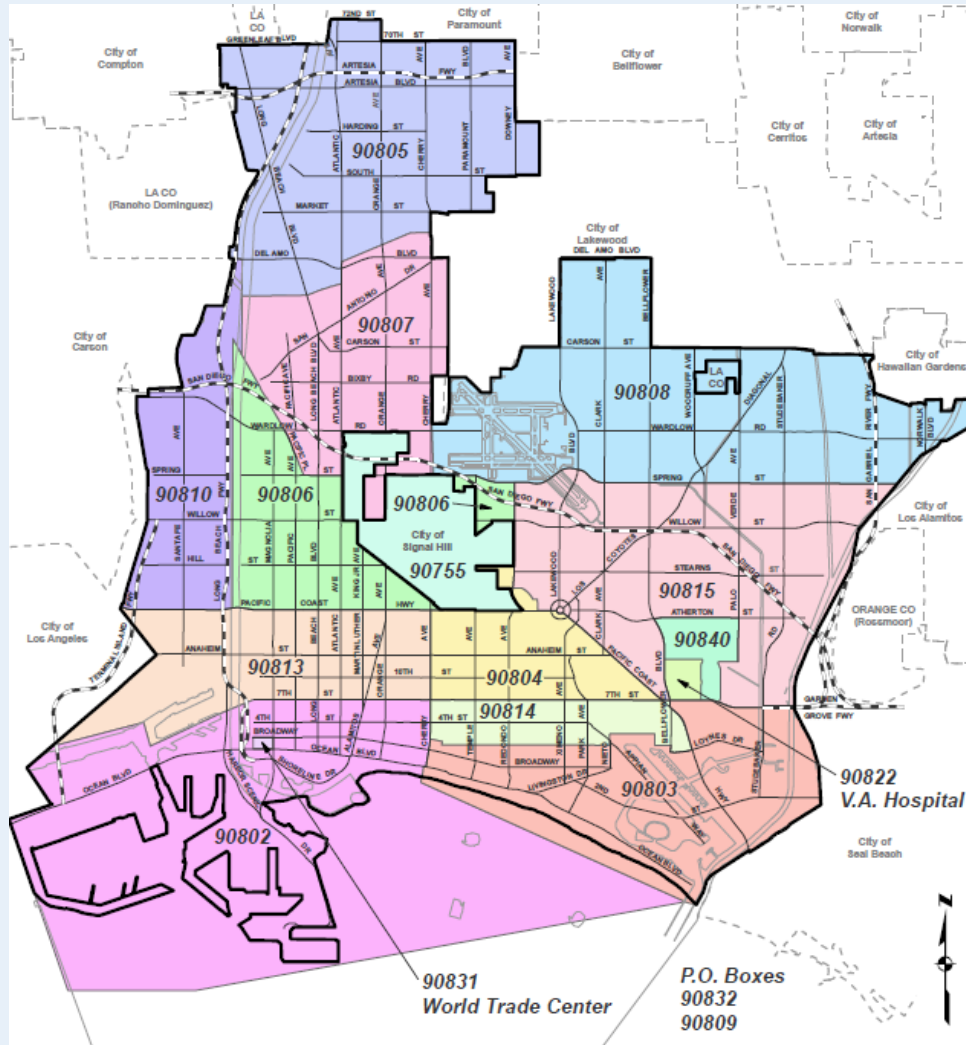
Interest Rates



Long Beach Home Rental Prices

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

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Long Beach Real Estate & Development

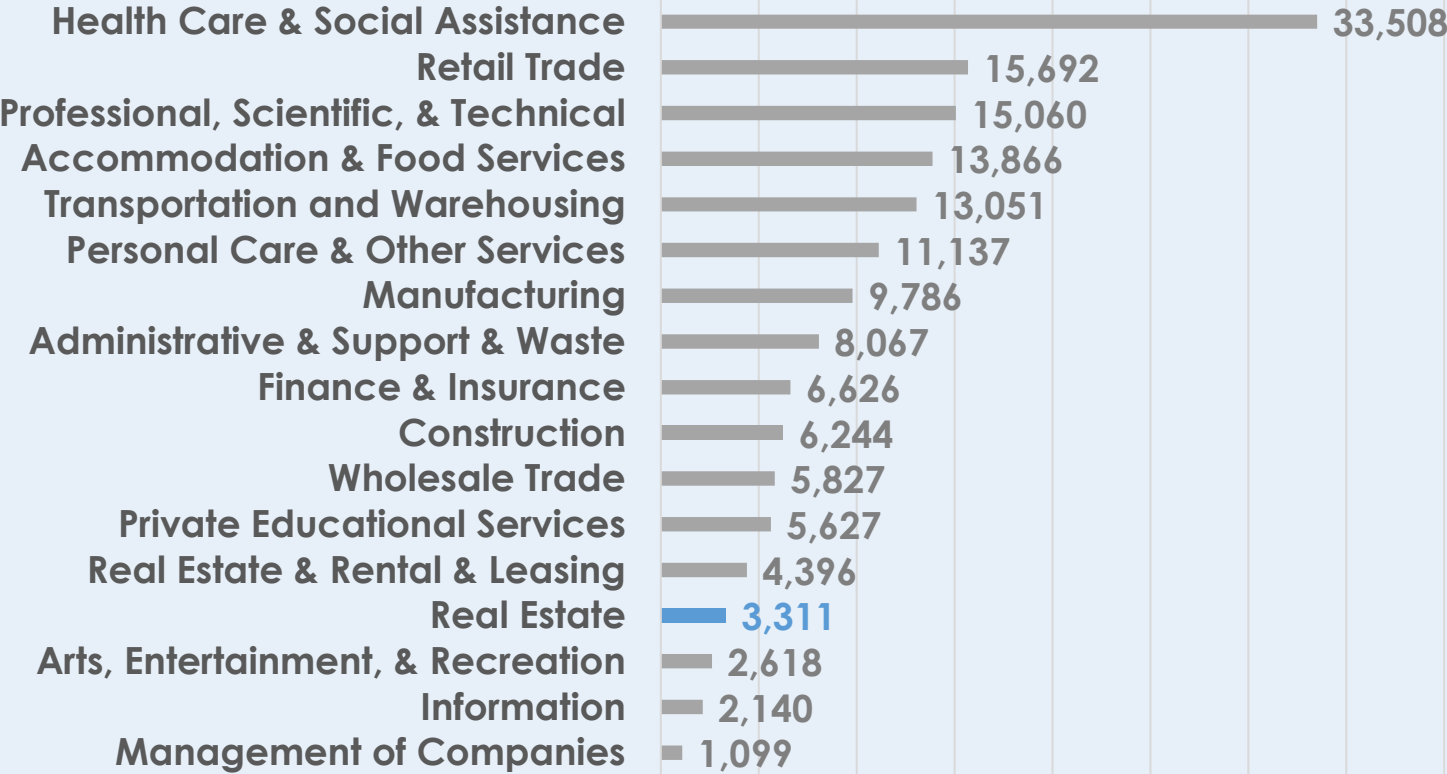


Long Beach
Economic
Partnership



Long Beach Employment by Industry

2021 Employment (Including Self-Employed)



- 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

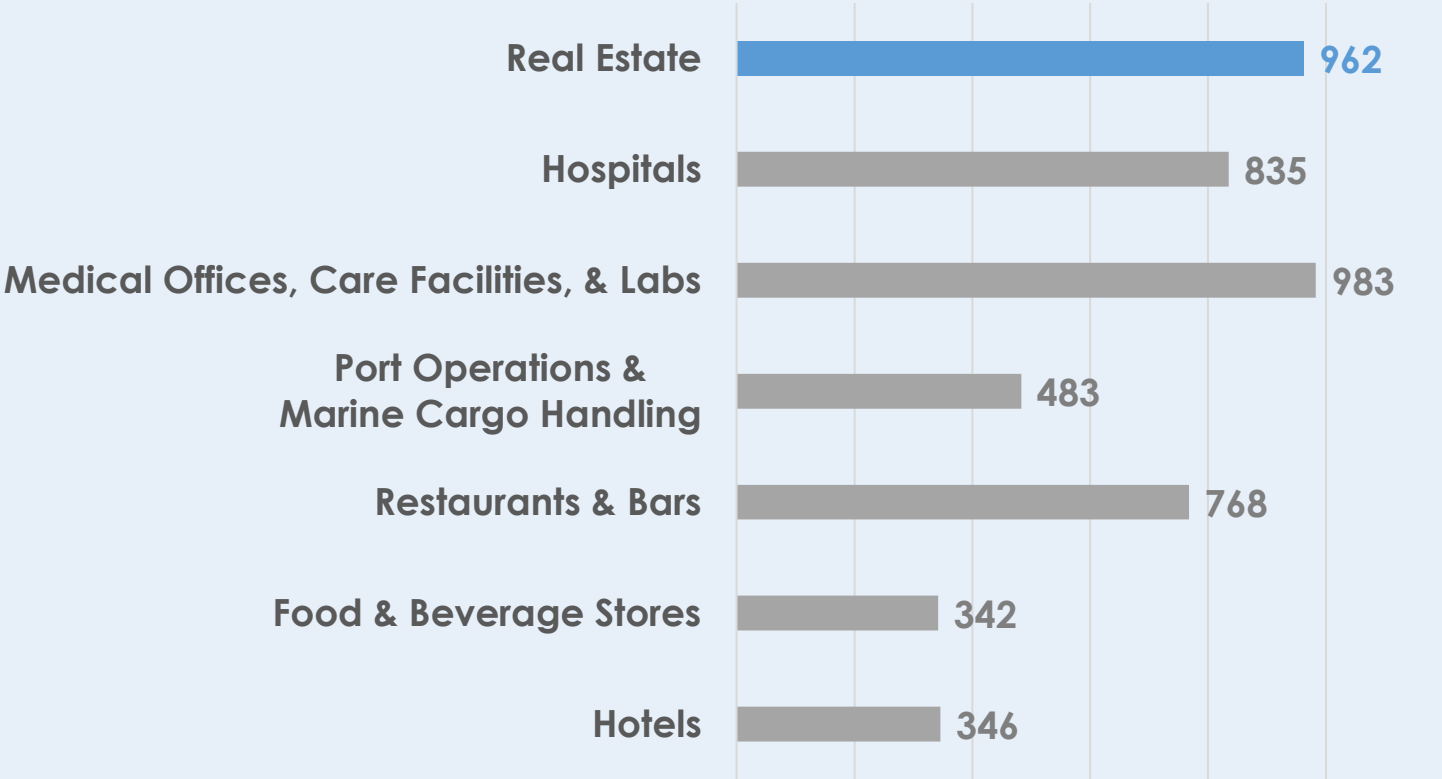
Long Beach Real Estate Employment by Sector

Real Estate Employment by Sector (2021)



Long Beach Gross Regional Product: Select Industries

Pre-COVID Gross Regional Product (\$ millions)



- 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

Long Beach Major Real Estate Development Projects



- **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

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Takeaways



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

Takeaways

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

Takeaways

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

Takeaways

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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