

# LOS ANGELES COUNTY ECONOMIC FORECAST

Los Angeles County is the largest county in California, with 10.2 million people and 4.3 million wage and salary jobs. The per capita income in Los Angeles County is \$51,427, and the average salary per worker is \$68,366.

In 2015, strong improvement was observed in the Los Angeles County labor market. A total of 84,900 jobs were gained, representing a growth rate of 2.0 percent. However, this was slower than the broader Southern California region, which expanded by 2.6 percent. The unemployment rate in Los Angeles County declined from 8.3 percent in 2014 to 6.7 percent in 2015, which is a significant improvement.

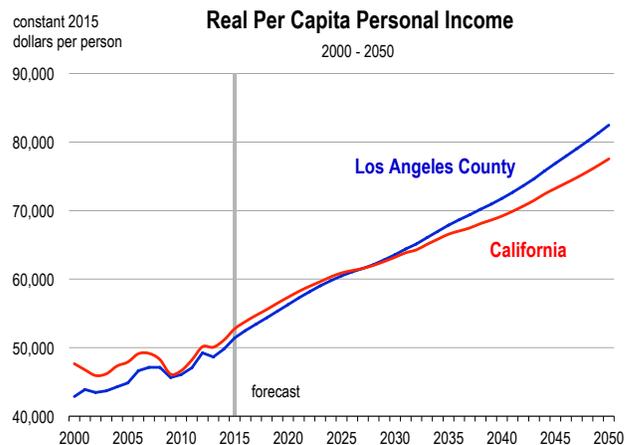
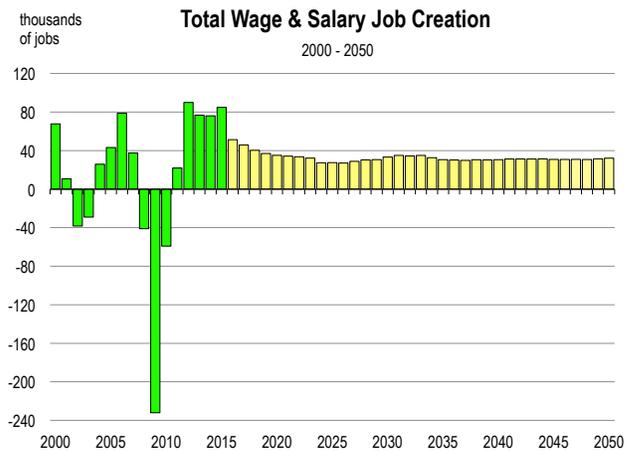
In 2015, employment growth in Los Angeles County was led by education and healthcare (+21,500 jobs), leisure and hospitality (+21,500 jobs), and government (+10,200 jobs). The largest declines occurred in manufacturing (-3,300 jobs).

In previous years, Northern Los Angeles County (the Santa Clarita and Antelope Valleys) was the fastest growing area of the county. Due to a large amount of buildable land, this region was able to construct a substantial number of housing units, generating space for new residents. This trend should continue, and over the long-term, the northern region will be responsible for much of the growth in the county. But a new wave of construction is also occurring in Downtown Los Angeles, primarily in the form of high rise apartment and condo structures. Over the next 10 years, more than 10,000 new housing units could be constructed in the downtown region.

Between 2010 and 2015, the Los Angeles County population increased at an annual average rate of 0.7 percent. This growth was primarily due to the natural increase (new births), as net migration was very low.

## FORECAST HIGHLIGHTS

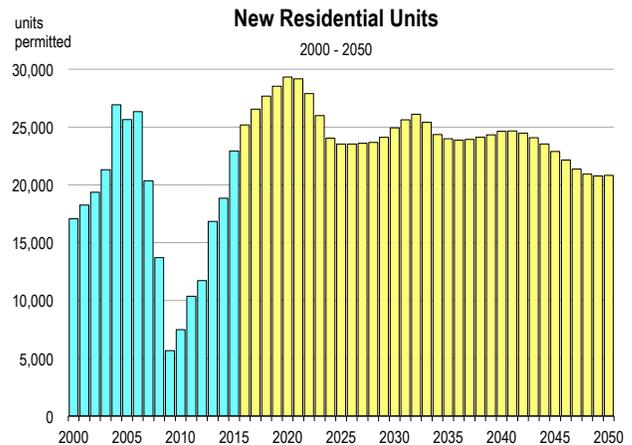
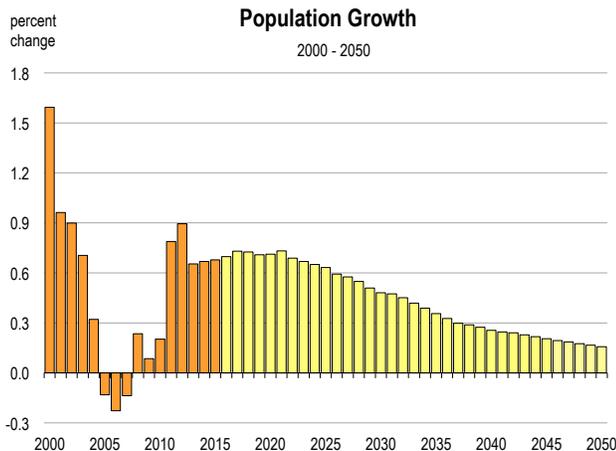
- Total employment is expected to increase by 1.2 percent in 2016. From 2016 to 2021, the growth rate is expected to average 0.9 percent per year.
- Average salaries are marginally lower in Los Angeles County than they are across the state. Real average salaries in Los Angeles County are projected to increase by an average of 1.1 percent per year over the next 5 years, which will be virtually identical to statewide growth.
- Employment growth will be led by education and healthcare, leisure and hospitality, information, professional and business services, and manufacturing. Together, these industries will account for 71 percent of net job creation between 2016 and 2021.
- From 2016 to 2021, population growth will average 0.7 percent per year. The natural increase will be responsible for almost all of this growth, as net migration will be low.
- Over the 2016-2021 period, an average of 28,300 new housing permits will be issued each year. Many of these will be in high rise structures in the downtown region. The Newhall Ranch project, located in the Santa Clarita Valley, may break ground before 2021, but pending legal action could lead to delays.
- Real per capita income will increase at a rate of 2.0 percent in 2016. Over the 2016 to 2021 period, growth is expected to average 1.8 percent per year.
- Total taxable sales are expected to increase by an average of 1.3 percent per year from 2016 to 2021.
- Industrial production is expected to increase by 2.9 percent in 2016. From 2016 to 2021, the growth rate of industrial production is expected to average 2.2 percent per year.



# Los Angeles County Economic Forecast

## 2010-2015 History, 2016-2050 Forecast

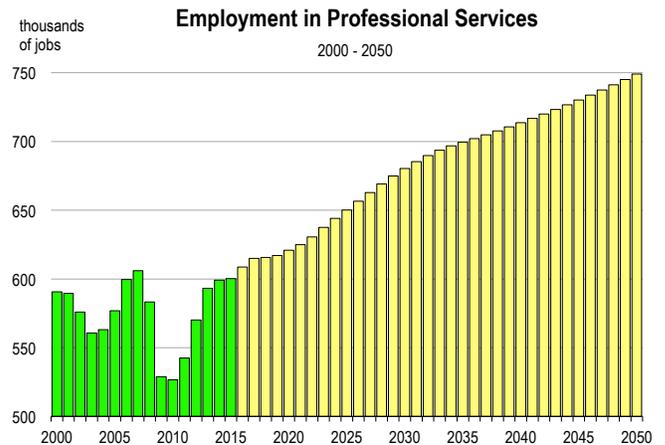
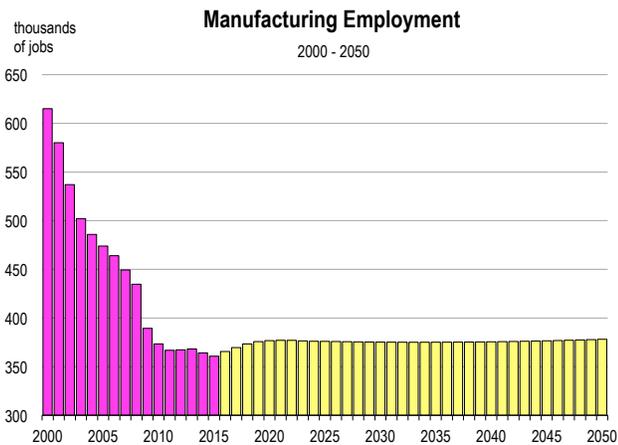
	Population (people)	Net Migration (people)	Registered Vehicles (millions)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2010	9,825,077	-58,953	7.4	3,239.3	7,468	\$116.9	\$418.0	\$46,079	1.2	188.5	103.2	12.5
2011	9,902,593	2,899	7.4	3,244.1	10,362	\$126.4	\$441.7	\$47,050	2.7	182.6	99.1	12.2
2012	9,991,159	17,344	7.4	3,250.5	11,715	\$135.3	\$475.9	\$49,242	2.0	196.4	101.5	10.9
2013	10,056,433	-5,254	7.6	3,260.5	16,850	\$140.1	\$478.4	\$48,646	1.1	205.4	104.4	9.8
2014	10,123,688	-4,183	7.7	3,271.5	18,841	\$146.4	\$499.8	\$49,814	1.3	174.7	103.4	8.3
2015	10,192,374	-3,651	7.8	3,285.3	22,935	\$150.8	\$524.2	\$51,427	0.9	167.9	104.3	6.7
2016	10,263,480	758	7.9	3,304.0	25,187	\$157.2	\$548.5	\$52,467	1.9	165.8	107.3	5.7
2017	10,338,440	4,939	8.0	3,326.5	26,553	\$163.7	\$579.5	\$53,433	3.0	163.8	109.7	5.2
2018	10,413,450	5,405	8.0	3,349.8	27,682	\$170.9	\$611.1	\$54,371	2.9	161.9	112.4	5.0
2019	10,487,260	4,907	8.1	3,374.0	28,539	\$176.2	\$636.5	\$55,339	1.6	160.0	114.9	4.9
2020	10,561,950	6,937	8.2	3,399.2	29,333	\$181.2	\$662.7	\$56,297	1.6	158.3	117.2	4.8
2021	10,639,260	10,731	8.2	3,425.4	29,175	\$186.1	\$690.2	\$57,276	1.6	156.6	119.4	4.9
2022	10,712,510	8,486	8.3	3,450.7	27,900	\$190.7	\$717.3	\$58,175	1.6	155.0	121.7	4.8
2023	10,784,140	8,239	8.3	3,475.1	25,996	\$195.6	\$744.6	\$59,028	1.6	153.4	124.1	4.8
2024	10,854,310	8,486	8.4	3,497.9	24,044	\$200.9	\$773.7	\$59,794	1.9	152.0	126.1	4.8
2025	10,922,940	8,675	8.4	3,519.0	23,537	\$206.4	\$804.3	\$60,490	2.1	150.6	128.3	4.8
2026	10,987,700	6,359	8.4	3,539.3	23,540	\$211.9	\$834.7	\$61,057	2.2	149.2	130.7	4.8
2027	11,050,980	7,038	8.4	3,560.0	23,603	\$218.0	\$865.2	\$61,567	2.2	148.0	133.3	4.8
2028	11,111,640	6,486	8.5	3,580.6	23,675	\$224.6	\$895.8	\$62,144	2.0	146.7	136.2	4.8
2029	11,168,230	4,474	8.5	3,601.2	24,118	\$231.2	\$926.7	\$62,821	1.8	145.6	139.4	4.8
2030	11,221,940	3,676	8.5	3,622.2	24,937	\$238.4	\$958.4	\$63,588	1.7	144.4	142.6	4.8
2031	11,275,170	5,126	8.5	3,644.2	25,631	\$246.7	\$991.6	\$64,414	1.6	143.4	145.9	4.8
2032	11,326,040	4,567	8.6	3,666.6	26,112	\$255.6	\$1,025.8	\$65,150	1.8	142.3	149.3	4.8
2033	11,373,470	3,019	8.6	3,689.3	25,425	\$264.6	\$1,059.4	\$66,064	1.4	141.4	152.7	4.8
2034	11,417,680	1,723	8.6	3,711.4	24,357	\$273.6	\$1,095.6	\$66,971	1.6	140.4	156.3	4.8
2035	11,458,310	178	8.7	3,732.6	23,995	\$282.4	\$1,133.6	\$67,881	1.7	139.5	160.0	4.8
2036	11,495,730	-1,115	8.7	3,753.5	23,876	\$291.1	\$1,174.6	\$68,658	2.1	138.7	163.7	4.8
2037	11,529,970	-2,408	8.7	3,774.2	23,937	\$299.4	\$1,216.9	\$69,385	2.2	137.8	167.6	4.8
2038	11,563,220	-1,696	8.8	3,795.3	24,123	\$307.4	\$1,259.5	\$70,195	2.0	137.1	171.5	4.7
2039	11,594,910	-1,987	8.8	3,816.4	24,332	\$315.4	\$1,305.0	\$70,961	2.2	136.3	175.6	4.7
2040	11,624,540	-3,025	8.8	3,837.6	24,643	\$323.0	\$1,351.1	\$71,765	2.1	135.6	179.8	4.7
2041	11,653,110	-3,314	8.9	3,859.1	24,669	\$330.5	\$1,397.6	\$72,664	1.9	134.9	184.1	4.7
2042	11,681,150	-3,350	8.9	3,880.7	24,480	\$337.9	\$1,445.4	\$73,628	1.8	134.3	188.6	4.7
2043	11,707,840	-4,386	9.0	3,902.1	24,084	\$345.1	\$1,494.2	\$74,659	1.7	133.6	193.1	4.7
2044	11,733,290	-5,420	9.0	3,923.1	23,543	\$352.1	\$1,543.5	\$75,801	1.5	133.0	197.8	4.7
2045	11,757,360	-6,463	9.0	3,943.6	22,890	\$358.9	\$1,595.9	\$76,890	1.7	132.5	202.6	4.7
2046	11,780,170	-7,516	9.1	3,963.5	22,152	\$365.3	\$1,647.7	\$77,967	1.6	131.9	207.5	4.7
2047	11,802,070	-8,309	9.1	3,982.8	21,368	\$372.8	\$1,705.5	\$79,042	1.9	131.4	212.6	4.7
2048	11,822,770	-9,362	9.1	4,001.4	20,931	\$380.4	\$1,765.5	\$80,141	1.9	130.9	217.8	4.7
2049	11,842,440	-10,166	9.2	4,019.7	20,773	\$388.5	\$1,829.7	\$81,282	2.0	130.4	223.2	4.7
2050	11,861,060	-10,980	9.2	4,037.8	20,824	\$397.5	\$1,900.5	\$82,470	2.2	130.0	228.7	4.7

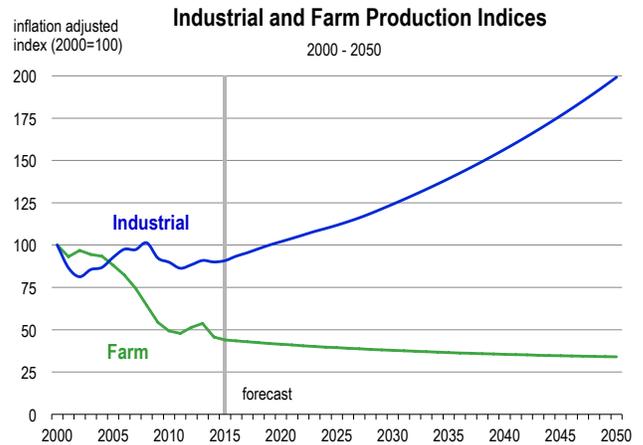
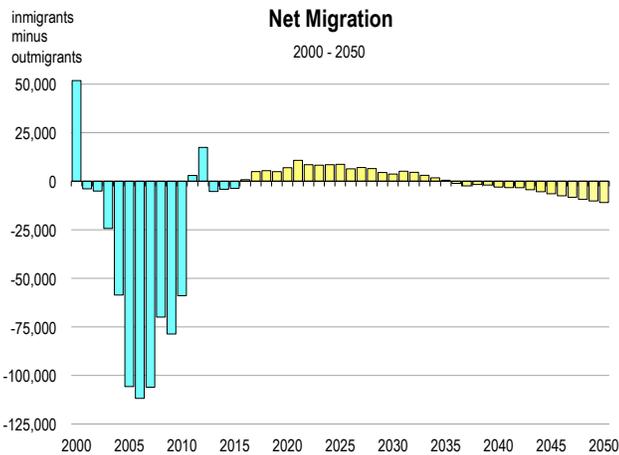
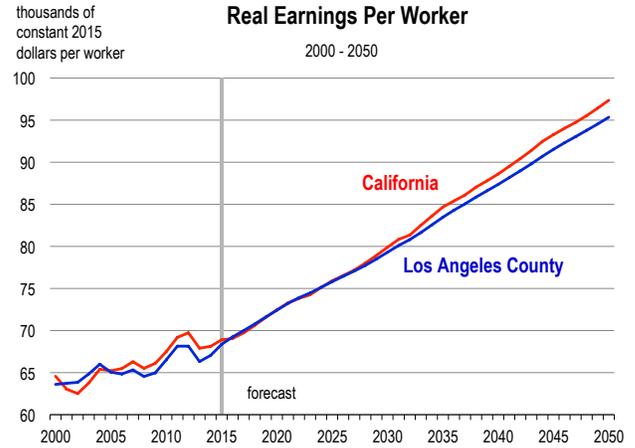
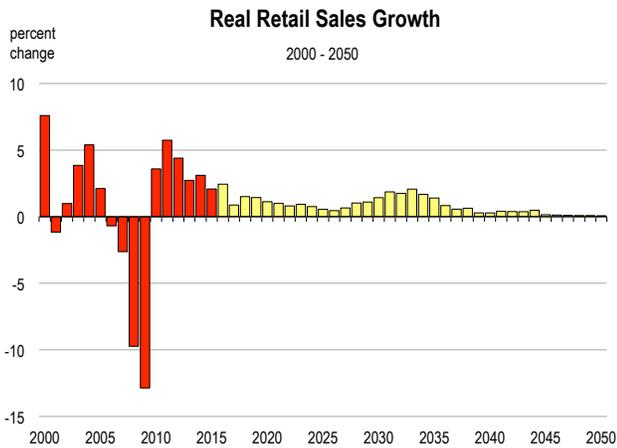


# Los Angeles County Employment Forecast

## 2010-2015 History, 2016-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	-----employment (thousands of jobs)-----											
2010	3,929.5	6.23	104.5	373.3	150.6	589.9	211.1	526.6	191.6	670.5	384.8	579.6
2011	3,951.3	5.63	105.1	366.9	151.8	598.8	210.1	542.5	192.0	677.3	394.7	565.5
2012	4,041.4	5.40	109.2	367.4	154.5	612.9	212.4	570.1	191.5	699.5	415.8	556.8
2013	4,118.2	5.48	116.2	368.2	157.5	624.3	213.0	593.2	196.4	702.1	440.5	551.2
2014	4,194.2	5.20	119.6	364.1	163.4	635.5	211.1	599.1	198.0	720.7	466.6	556.2
2015	4,279.2	4.97	126.1	360.8	170.4	647.4	214.2	600.3	202.7	742.2	488.1	566.4
2016	4,330.5	4.94	125.9	365.5	173.2	652.6	216.1	608.7	206.7	753.6	497.9	568.1
2017	4,376.5	4.91	128.5	369.6	174.9	653.9	218.2	615.0	209.6	765.8	506.5	570.6
2018	4,416.8	4.88	130.8	373.3	177.1	655.6	219.4	615.7	211.8	780.7	513.4	573.5
2019	4,453.8	4.85	132.8	375.7	178.9	658.2	220.4	617.1	213.5	796.4	517.9	576.2
2020	4,488.9	4.82	134.1	376.7	181.1	660.4	221.3	620.9	215.2	812.3	520.4	578.8
2021	4,523.2	4.79	136.9	377.0	183.3	662.3	222.1	624.9	216.9	828.5	522.1	580.5
2022	4,556.9	4.77	138.7	377.0	185.4	664.0	222.7	630.6	218.2	845.2	522.8	581.9
2023	4,589.1	4.74	137.8	376.4	187.7	665.8	223.2	637.5	219.4	862.4	523.4	583.6
2024	4,616.5	4.72	135.4	376.1	189.9	667.3	223.5	644.1	220.7	877.2	523.9	585.3
2025	4,644.0	4.69	134.0	376.0	192.1	668.5	224.0	650.1	222.1	891.3	524.6	586.8
2026	4,671.1	4.67	133.0	375.8	194.3	669.5	224.3	656.6	223.4	904.5	525.7	588.1
2027	4,700.0	4.65	133.0	375.6	196.5	670.8	224.5	662.9	224.8	918.0	527.2	589.4
2028	4,730.4	4.63	133.5	375.4	198.7	672.7	224.5	669.1	226.1	931.5	529.2	590.8
2029	4,761.1	4.61	133.1	375.3	200.9	674.8	224.7	674.9	227.4	945.4	531.9	592.3
2030	4,794.4	4.60	134.1	375.2	203.1	677.3	225.0	680.4	228.7	959.8	535.1	593.9
2031	4,829.4	4.58	136.1	375.2	205.3	680.6	225.4	685.3	230.1	974.2	538.6	595.4
2032	4,863.9	4.56	138.3	375.1	207.5	683.7	225.7	689.8	231.4	988.5	542.3	596.9
2033	4,899.0	4.55	141.1	375.1	209.7	687.4	225.7	693.6	232.7	1,002.8	545.9	598.5
2034	4,931.7	4.53	142.5	375.1	211.9	690.5	225.9	696.9	234.1	1,017.2	549.7	600.1
2035	4,962.3	4.52	142.8	375.1	214.1	693.2	226.2	699.4	235.4	1,031.6	553.4	601.7
2036	4,992.6	4.50	143.7	375.1	216.3	695.0	226.4	702.1	236.7	1,046.0	557.2	603.1
2037	5,022.5	4.49	144.9	375.2	218.5	696.3	226.2	704.9	238.1	1,060.4	561.1	604.5
2038	5,053.0	4.48	146.3	375.3	220.7	697.6	226.1	707.7	239.4	1,075.0	564.9	606.0
2039	5,083.4	4.46	148.0	375.4	222.9	698.4	226.1	710.7	240.7	1,089.5	568.8	607.4
2040	5,114.0	4.45	149.8	375.5	225.1	699.1	226.0	713.7	242.1	1,104.1	572.7	608.8
2041	5,145.4	4.44	152.0	375.7	227.3	700.0	225.9	716.8	243.4	1,118.5	576.7	610.3
2042	5,176.7	4.43	154.0	375.9	229.5	700.9	225.9	720.0	244.7	1,133.0	580.7	611.9
2043	5,208.0	4.42	155.7	376.1	231.7	701.7	226.0	723.3	246.0	1,147.4	584.7	613.5
2044	5,239.5	4.41	157.1	376.3	233.9	702.7	226.1	726.7	247.4	1,161.9	588.8	615.1
2045	5,270.4	4.40	158.2	376.5	236.1	703.3	226.2	730.2	248.7	1,176.5	592.8	616.7
2046	5,301.2	4.39	159.2	376.8	238.3	703.7	226.3	733.8	250.0	1,191.2	597.0	618.3
2047	5,332.2	4.38	160.0	377.1	240.5	704.1	226.3	737.5	251.4	1,206.0	601.1	619.9
2048	5,363.0	4.38	160.4	377.4	242.7	704.5	226.3	741.2	252.7	1,220.9	605.3	621.6
2049	5,394.4	4.37	161.3	377.8	244.9	704.9	226.3	745.1	254.0	1,236.0	609.5	623.2
2050	5,426.6	4.36	162.5	378.1	247.1	705.2	226.3	749.1	255.4	1,251.3	613.8	624.8





## County Economic and Demographic Indicators

### Projected Economic Growth (2016-2021)

Expected retail sales growth:	6.1%
Expected job growth:	4.5%
Fastest growing jobs sector:	Health and Education
Expected personal income growth:	13.2%

Expected population growth:	3.7%
Net migration to account for:	8.8%
Expected growth in number of vehicles:	4.6%

### Demographics (2016)

Unemployment rate (April 2016):	4.8%
County rank* in California (58 counties):	15th
Working age (16-64) population:	67.3%

Population with B.A. or higher:	29.9%
Median home selling price (2015):	\$485,500
Median household income:	\$57,864

### Quality of Life

Violent crime rate (2014):	401 per 100,000 persons
County rank* in California (58 counties):	34th
Average commute time to work (2016):	33.0 minutes

High school drop out rate (2015):	12.8%
Households below poverty line (2016):	14.9%

\* The county ranked 1st corresponds to the lowest rate in California