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California Blueprint for a Safer Economy

The Four-tier Reopening Plan...

Tier 1
WIDESPREAD
Many non-essential indoor business operations are closed

Tier 2
SUBSTANTIAL
Some non-essential indoor business operations are closed

Tier 3
MODERATE
Some indoor business operations are open with modifications

Tier 4
MINIMAL
Most indoor business operations are open with modifications

Source: California ALL
California Blueprint for a Safer Economy

Current Tier Assignments as of October 13, 2020

All data and tier assignments are updated weekly every Tuesday.

Statewide metrics

6.8 New COVID-19 positive cases per day per 100K

3.4% Positivity rate

Source: California ALL
New Daily Cases of COVID-19 in the U.S.

(10/16)

Are We Headed for a Third Peak?

July 19
66,690
new cases

Oct 16
56,210
new cases

Note: The seven-day average is the average of a day and the previous six days of data.

These are days with a data reporting anomaly. Read more here.

Source: New York Times
COVID-19 Cases in U.S. Moving Towards a 3rd Peak

New cases reported each day nationwide

The maps show the number of new cases reported in each county in the preceding two weeks.

Source: New York Times
Confirmed COVID-19 Cases
Total Cases Reported in LA County (10/16)

LA County now has 288,136 total confirmed cases (10/16)
33% of Cases in CA
41% of COVID-19 Deaths in CA

Source: LA County
New Daily Cases of COVID-19 in LA County (10/15)

**Testing 7-Day Daily Average** - Target: 15,000  **Actual: 13,628 7-day average** (10/15)

**Testing Positivity Rate**: 3.2% 7-day average (10/15)

**Daily Deaths 7-Day Average** – Target: No increase over past 14 days  **Actual: Down -29%**

**Daily Hospitalizations 3-Day Average** – Target: No increase over past 14 days  **Actual: Down -1%**

**Current Hospitalizations**:  **Actual: 752** (10/16)
CA Stay at home order issued March 19th

- Claims processed over the last six months are **more than triple** the worst full year of the Great Recession in 2010
- Extra $600 federal stimulus payments **ended July 25**
- Extra payment of $300 through the Federal LWA program (started July 26th) **just ended with its 6th payment**
- Total unemployment benefits paid to workers through the pandemic reach **$101 billion in seven months**

Source: CA EDD
September 2020 Employment in Los Angeles County
Unemployment Rate August 2020

LA County Unemployment Rate:
Down by 1.3 pp from last month
Up by 10.8 pp from last year

Unemployment Rate (SA)

Source: CA EDD
Monthly Change in Payroll Employment by Sector
Los Angeles County

Month-Over-Month Change in Jobs by Industry, September 2020 (NSA)

Government: 13,300
Food Services & Drinking Places: 11,200
Administrative & Support & Waste Services: 5,300
Retail Trade: 3,900
Health Care & Social Assistance: 3,500
Wholesale Trade: 2,100
Other Services: 2,000
Educational Services: 1,600
Manufacturing: 1,400
Mfg - Nondurable Goods: 500
Arts, Entertainment & Recreation: -300
Construction: -900
Mfg - Durable Goods: -1,300
Utilities: -1,700
Finance & Insurance: 0
Mining and Logging: 0
Management of Companies & Enterprises: 0
Accommodation: 0
Transportation & Warehousing: 0
Real Estate & Rental & Leasing: 0
Information: 0
Professional, Scientific & Technical Services: 0

Source: BLS
Yearly Change in Payroll Employment by Sector Los Angeles County

Year-Over-Year Change in Jobs by Industry, September 2020 (NSA)

Source: CA EDD
Monthly Change in LA County Payroll Employment

Month-over-month change in nonfarm employment

Recovery:
Nonfarm jobs lost in March & April: 716,100 lost
Nonfarm jobs added May to September: 213,000 added
Only 29.7% of jobs lost in March and April have returned

Source: EDD
### How Many Jobs Have Returned in LA County?

**Change in Jobs May-August 2020 as a Share of Jobs Lost in March-April 2020**

<table>
<thead>
<tr>
<th>Industry</th>
<th>Jobs Recovered</th>
<th>Jobs Lost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food Services &amp; Drinking Places</td>
<td>43.9%</td>
<td>56.1%</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>64.3%</td>
<td>36.6%</td>
</tr>
<tr>
<td>Information</td>
<td>53.6%</td>
<td>96.4%</td>
</tr>
<tr>
<td>Motion Picture &amp; Sound Recording</td>
<td>44.4%</td>
<td>95.6%</td>
</tr>
<tr>
<td>Social Assistance</td>
<td>26.7%</td>
<td>73.3%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>49.6%</td>
<td>50.4%</td>
</tr>
<tr>
<td>Administrative &amp; Support Services</td>
<td>49.8%</td>
<td>50.2%</td>
</tr>
<tr>
<td>Individual &amp; Family Services</td>
<td>11.6%</td>
<td>88.4%</td>
</tr>
<tr>
<td>Other Services</td>
<td>12.1%</td>
<td>87.9%</td>
</tr>
<tr>
<td>Arts, Entertainment &amp; Recreation</td>
<td>10.7%</td>
<td>89.3%</td>
</tr>
<tr>
<td>Clothing &amp; Clothing Accessories Stores</td>
<td>63.2%</td>
<td>36.8%</td>
</tr>
<tr>
<td>Professional, Scientific &amp; Technical Services</td>
<td>14.2%</td>
<td>85.8%</td>
</tr>
<tr>
<td>Personal &amp; Laundry Services</td>
<td>29.4%</td>
<td>70.6%</td>
</tr>
<tr>
<td>Employment Services</td>
<td>63.8%</td>
<td>36.2%</td>
</tr>
<tr>
<td>Amusement, Gambling &amp; Recreation</td>
<td>1.3%</td>
<td>98.7%</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>53.8%</td>
<td>46.2%</td>
</tr>
<tr>
<td>Accommodation</td>
<td>2.3%</td>
<td>97.7%</td>
</tr>
<tr>
<td>Construction</td>
<td>75.1%</td>
<td>24.9%</td>
</tr>
<tr>
<td>Transportation &amp; Warehousing</td>
<td>25.6%</td>
<td>74.4%</td>
</tr>
<tr>
<td>Offices of Dentists</td>
<td>47.7%</td>
<td>52.3%</td>
</tr>
<tr>
<td>General Merchandise Stores</td>
<td>46.8%</td>
<td>53.2%</td>
</tr>
<tr>
<td>Apparel Manufacturing</td>
<td>36.8%</td>
<td>63.2%</td>
</tr>
<tr>
<td>Real Estate &amp; Rental &amp; Leasing</td>
<td>25.5%</td>
<td>74.5%</td>
</tr>
<tr>
<td>Motor Vehicle &amp; Parts Dealer</td>
<td>49.5%</td>
<td>50.5%</td>
</tr>
<tr>
<td>Department Stores</td>
<td>28.4%</td>
<td>71.6%</td>
</tr>
<tr>
<td>Child Day Care Services</td>
<td>65.9%</td>
<td>34.1%</td>
</tr>
<tr>
<td>Repair &amp; Maintenance</td>
<td>15.5%</td>
<td>84.5%</td>
</tr>
<tr>
<td>Services to Buildings &amp; Dwellings</td>
<td>41.8%</td>
<td>58.2%</td>
</tr>
</tbody>
</table>
# Halloween Restrictions in LA County

<table>
<thead>
<tr>
<th>Permitted &amp; Recommended</th>
<th>Not Recommended</th>
<th>Not Permitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online parties/contests</td>
<td>Door to door trick or treating</td>
<td>Halloween gatherings with non-household members (even outdoors)</td>
</tr>
<tr>
<td>Car parades/ vehicle-based activities (drive by, drive through, drive in events)</td>
<td>Car to car trick or treating (a.k.a. trunk or treating)</td>
<td>Carnivals, festivals, live entertainment, and haunted house attractions</td>
</tr>
<tr>
<td>Halloween movie nights at drive in theaters (complying with guidance)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Themed meals at outdoor restaurants (complying with guidance)</td>
<td></td>
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<tr>
<td>Halloween themed art installations at an outdoor museum (complying with guidance)</td>
<td></td>
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</tr>
<tr>
<td>Dressing up homes and yards</td>
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</tr>
</tbody>
</table>
Tyler Laferriere
ASSOCIATE ECONOMIST
INSTITUTE FOR APPLIED ECONOMICS
Real Estate Markets: Houses and Warehouses

LAEDC INSTITUTE FOR APPLIED ECONOMICS
Median Home Prices (Single, Condo, Townhome, 2-4 unit), SoCal5

Source: Redfin
% Change in Median Home Prices, Y to Y

Source: Redfin
# of Homes Sold

Source: Redfin
Home Inventories
Source: Redfin
Traditional Affordability Index
Source: California Association of Realtors
Average Rental Prices, Seasonally Adjusted

Source: Zillow
Greater LA (LA and Ventura Counties) Office

Figure 4: Average Asking Lease Rate (SPSF/NO/FSG)

Figure 6: Overall Vacancy Rate (%)

Figure 8: Net Absorption by Class (SF)

Source: CBRE
Greater LA (LA and Ventura Counties) Industrial

Source: Cushman & Wakefield
Greater Los Angeles County Retail

Figure 4: Average Asking Lease Rate (SPSF/MO/NNN)

Figure 6: Overall Vacancy Rate (%)

Figure 9: Under Construction (SF)

Source: CBRE
Orange County Industrial

SPACE DEMAND / DELIVERIES

OVERALL VACANCY & ASKING RENT

Source: Cushman & Wakefield
Inland Empire Office

Source: Cushman & Wakefield
Inland Empire Industrial (Q2)

SPACE DEMAND / DELIVERIES

OVERALL VACANCY & ASKING RENT

Source: Cushman & Wakefield
Final Thoughts

Packing to Move

How it begins:
It's important to individually wrap each item...

How it ends:
Too much crap! Must hurry! AHHHHHHH!

The Moving Game

Pick a box. Whatever you're looking for is not in there.

Natalie Dee.com
QUESTIONS
Thank you!

• Next LAEDC Economic Briefing: January

• Visit the LAEDC COVID-19 Response page for additional resources at https://laedc.org/coronavirus/.

• Do you have questions you would like answered on these webinars? Please send to shane.cullen@laedc.org.