

October 27, 2016



## **Economic Overview**

### **Monterey - City**



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# Demographic Profile

In 2010, the population in the Monterey - City\* was 31,615.

The region has a civilian labor force of 16,012 with a participation rate of 55.2%. Of individuals 25 to 64 in the Monterey - City, 50.9% have a bachelor's degree or higher which compares with 30.9% in the nation.

The median household income in the Monterey - City\* is \$67,716 and the median house value is \$631,800.

Summary <sup>1</sup>						
	Percent			Value		
	Monterey - City	California	USA	Monterey - City	California	USA
<b>Demographics</b>						
Population	—	—	—	31,615	37,253,956	308,745,538
Median Age <sup>3</sup>	—	—	—	38.5	35.2	37.2
Under 18 Years	15.8%	25.0%	24.0%	4,990	9,295,040	74,181,467
18 to 24 Years	12.7%	10.5%	9.9%	4,030	3,922,951	30,672,088
25 to 34 Years	16.8%	14.3%	13.3%	5,319	5,317,877	41,063,948
35 to 44 Years	12.3%	13.9%	13.3%	3,884	5,182,710	41,070,606
45 to 54 Years	12.9%	14.1%	14.6%	4,078	5,252,371	45,006,716
55 to 64 Years	13.4%	10.8%	11.8%	4,228	4,036,493	36,482,729
65 to 74 Years	7.7%	6.1%	7.0%	2,444	2,275,336	21,713,429
75 Years, and Over	8.4%	5.3%	6.0%	2,642	1,971,178	18,554,555
Race: White	78.9%	57.6%	72.4%	24,937	21,453,934	223,553,265
Race: Black or African American	2.6%	6.2%	12.6%	821	2,299,072	38,929,319
Race: American Indian and Alaska Native	0.5%	1.0%	0.9%	171	362,801	2,932,248
Race: Asian	8.0%	13.0%	4.8%	2,516	4,861,007	14,674,252
Race: Native Hawaiian and Other Pacific Islander	0.3%	0.4%	0.2%	97	144,386	540,013
Race: Some Other Race	4.6%	17.0%	6.2%	1,468	6,317,372	19,107,368
Race: Two or More Races	5.1%	4.9%	2.9%	1,605	1,815,384	9,009,073
Hispanic or Latino (of any race)	13.1%	37.6%	16.3%	4,142	14,013,719	50,477,594
<b>Economic</b>						
Labor Force Participation Rate and Size (civilian population 16 years and over) <sup>4</sup>	55.2%	63.4%	63.5%	16,012	18,975,006	157,940,014
Armed Forces Labor Force <sup>4</sup>	11.6%	0.4%	0.4%	3,364	133,870	1,025,497
Veterans, Age 18-64 <sup>4</sup>	10.5%	4.0%	5.8%	2,007	968,466	11,371,344
Median Household Income <sup>3,4</sup>	—	—	—	\$67,716	\$61,489	\$53,482
Per Capita Income <sup>3,4</sup>	—	—	—	\$38,529	\$29,906	\$28,555
Poverty Level (of all people) <sup>4</sup>	9.2%	16.4%	15.6%	2,857	6,115,244	47,755,606
Households Receiving Food Stamps <sup>4</sup>	2.6%	8.7%	13.0%	367	1,102,641	15,089,358
Mean Commute Time (minutes) <sup>4</sup>	—	—	—	16.4	27.6	25.7
Commute via Public Transportation <sup>4</sup>	4.5%	5.2%	5.1%	803	859,372	7,157,671
Union Membership <sup>5</sup>	9.6%	16.4%	11.1%	—	—	—

Summary <sup>1</sup>						
	Percent			Value		
	Monterey - City	California	USA	Monterey - City	California	USA
<b>Educational Attainment, Age 25-64</b>						
No High School Diploma <sup>4</sup>	4.4%	17.7%	12.0%	790	3,582,292	19,939,890
High School Graduate <sup>4</sup>	13.6%	20.3%	26.5%	2,433	4,103,854	44,000,387
Some College, No Degree <sup>4</sup>	20.2%	22.4%	21.9%	3,609	4,530,225	36,270,359
Associate's Degree <sup>4</sup>	10.9%	8.0%	8.7%	1,950	1,620,584	14,487,486
Bachelor's Degree <sup>4</sup>	28.5%	20.4%	19.7%	5,093	4,131,150	32,646,533
Postgraduate Degree <sup>4</sup>	22.4%	11.3%	11.2%	3,997	2,279,854	18,533,513
<b>Housing</b>						
Total Housing Units <sup>4</sup>	—	—	—	15,865	13,781,929	132,741,033
Median House Value (of owner-occupied units) <sup>3,4</sup>	—	—	—	\$631,800	\$371,400	\$175,700
Homeowner Vacancy <sup>4</sup>	2.8%	1.6%	2.1%	163	114,943	1,591,421
Rental Vacancy <sup>4</sup>	4.8%	4.6%	6.9%	438	275,877	3,105,361
Renter-Occupied Housing Units (% of Occupied Units) <sup>4</sup>	60.8%	45.2%	35.6%	8,525	5,708,355	41,423,632
Occupied Housing Units with No Vehicle Available (% of Occupied Units) <sup>4</sup>	6.0%	7.8%	9.1%	841	984,914	10,594,153
<b>Social</b>						
Enrolled in Grade 12 (% of total population) <sup>4</sup>	0.9%	1.6%	1.4%	292	627,396	4,443,768
Disconnected Youth <sup>4,6</sup>	0.0%	2.7%	3.3%	0	59,427	572,277
Children in Single Parent Families (% of all children) <sup>4</sup>	30.0%	33.8%	34.7%	1,583	2,969,144	24,388,185
Disabled, Age 18-64 <sup>4</sup>	6.0%	8.0%	10.2%	1,148	1,916,028	19,703,061
Disabled, Age 18-64, Labor Force Participation Rate and Size <sup>4</sup>	40.7%	40.5%	41.2%	467	776,518	8,119,295
Foreign Born <sup>4</sup>	16.9%	27.0%	13.1%	5,695	10,290,636	41,056,885
Speak English Less Than Very Well (population 5 yrs and over) <sup>4</sup>	7.6%	19.1%	8.6%	2,421	6,789,522	25,305,202

Source: [JobsEQ®](#)

1, Census 2010, unless noted otherwise

2, Census 2015, annual average growth rate since 2005

3, Median values for certain aggregate regions (such as MSAs) may be estimated as the weighted averages of the median values from the composing counties.

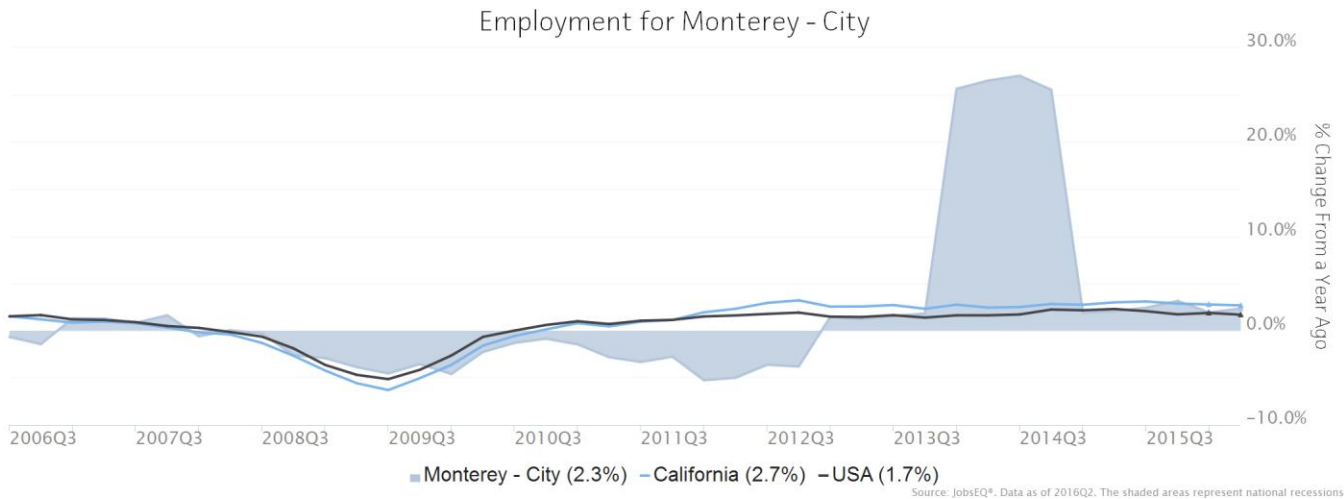
4, ACS 2010-2014

5, 2014; Current Population Survey, unionstats.com, and Chmura; county- and zip-level data are best estimates based upon industry-, MSA-, and state-level data

6, Disconnected Youth are 16-19 year olds who are (1) not in school, (2) not high school graduates, and (3) either unemployed or not in the labor force.

# Employment Trends

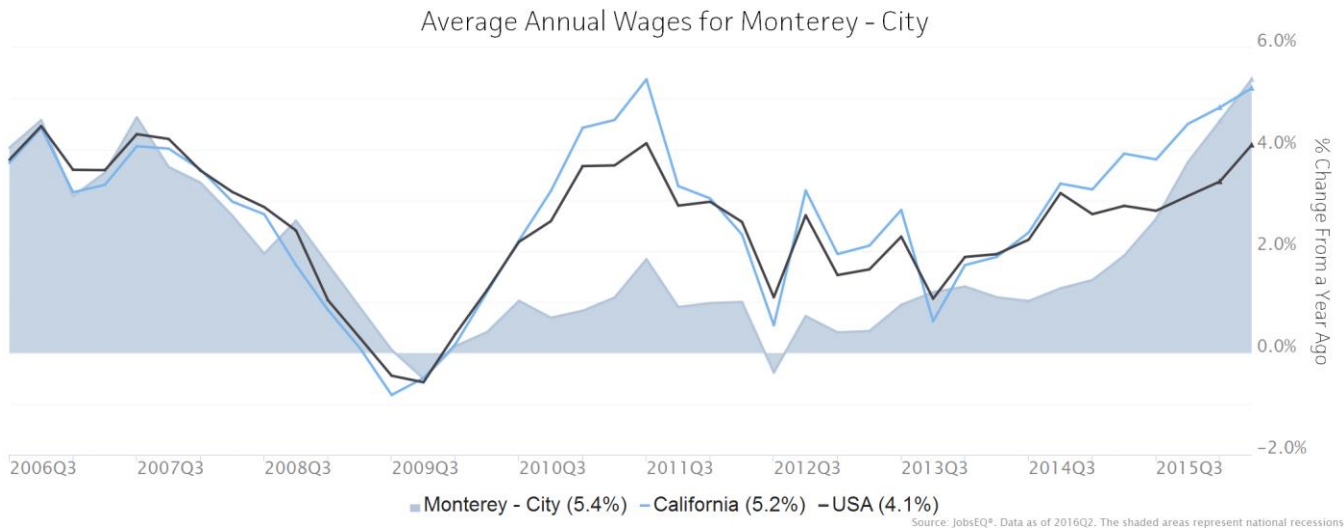
As of 2016Q2, total employment for the Monterey - City was 35,443 (based on a four-quarter moving average). Over the year ending 2016Q2, employment increased 2.3% in the region.



Employment data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and imputed where necessary. Data are updated through 2015Q4 with preliminary estimates updated to 2016Q2.

# Wage Trends

The average worker in the Monterey - City earned annual wages of \$45,323 as of 2016Q2. Average annual wages per worker increased 5.4% in the region during the preceding four quarters. For comparison purposes, annual average wages were \$53,084 in the nation as of 2016Q2.



Annual average wages per worker data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and imputed where necessary. Data are updated through 2015Q4 with preliminary estimates updated to 2016Q2.

# Cost of Living Index

The Cost of Living Index estimates the relative price levels for consumer goods and services. When applied to wages and salaries, the result is a measure of relative purchasing power. The cost of living is 49.1% higher in Monterey - City than the U.S. average.

Cost of Living Information			
	Annual Average Salary	Cost of Living Index (Base US)	US Purchasing Power
Monterey - City	\$45,376	149.1	\$30,424
California	\$63,513	156.8	\$40,505
USA	\$54,152	100.0	\$54,152

Source: [JobsEQ®](#)

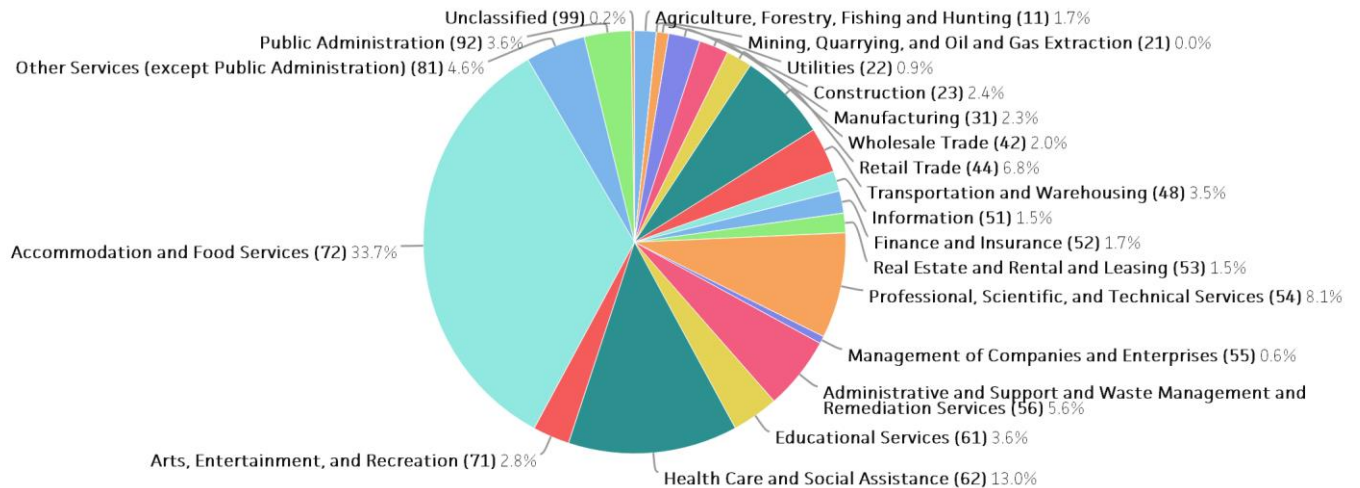
Data as of 2016Q2

The Cost of Living Index is developed by Chmura Economics & Analytics and is updated quarterly.

# Industry Snapshot

The largest sector in the Monterey - City is Accommodation and Food Services, employing 11,946 workers. The next-largest sectors in the region are Health Care and Social Assistance (4,595 workers) and Professional, Scientific, and Technical Services (2,862). High location quotients (LQs) indicate sectors in which a region has high concentrations of employment compared to the national average. The sectors with the largest LQs in the region are Accommodation and Food Services (LQ = 3.80), Utilities (1.73), and Arts, Entertainment, and Recreation (1.44).

Total Workers for Monterey - City by Industry



Source: JobsEQ®, Data as of 2016Q2

Employment data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and imputed where necessary. Data are updated through 2015Q4 with preliminary estimates updated to 2016Q2.

Sectors in the Monterey - City with the highest average wages per worker are Utilities (\$108,511), Finance and Insurance (\$85,928), and Wholesale Trade (\$75,900). Regional sectors with the best job growth (or most moderate job losses) over the last 5 years are Accommodation and Food Services (+6,334 jobs), Administrative and Support and Waste Management and Remediation Services (+661), and Other Services (except Public Administration) (+344).

Over the next 10 years, employment in the Monterey - City is projected to expand by 3,205 jobs. The fastest growing sector in the region is expected to be Health Care and Social Assistance with a +2.1% year-over-year rate of growth. The strongest forecast by number of jobs over this period is expected for Accommodation and Food Services (+1,144 jobs), Health Care and Social Assistance (+1,060), and Professional, Scientific, and Technical Services (+442).

		Current			Historical				Forecast		
		Four Quarters Ending with 2016q2			Total Change over the Last 5 Years	Average Annual % Change in Employment 2011q2-2016q2			Over the Next 10 Years		
NAICS	Industry	Empl	Avg. Annual Wages	Location Quotient		Empl	Monterey - City	California	USA	Total Approx Repl Demand	Total Growth Demand
11	Agriculture, Forestry, Fishing and Hunting	589	\$44,252	1.14	256	12.1%	1.3%	1.0%	212	30	0.5%
22	Utilities	332	\$108,511	1.73	211	22.4%	0.2%	0.2%	87	23	0.7%
23	Construction	859	\$51,669	0.44	105	2.6%	5.1%	2.7%	180	137	1.5%
31	Manufacturing	799	\$50,707	0.27	-47	-1.1%	0.7%	1.1%	185	3	0.0%
42	Wholesale Trade	700	\$75,900	0.50	-20	-0.6%	2.0%	1.4%	159	49	0.7%
44	Retail Trade	2,425	\$33,000	0.63	-52	-0.4%	1.7%	1.5%	776	189	0.8%
48	Transportation and Warehousing	1,227	\$51,677	0.84	155	2.7%	3.6%	2.4%	326	56	0.5%
51	Information	549	\$67,890	0.77	-178	-5.5%	3.0%	0.6%	131	-11	-0.2%
52	Finance and Insurance	603	\$85,928	0.43	-135	-4.0%	0.5%	0.9%	147	51	0.8%
53	Real Estate and Rental and Leasing	530	\$53,251	0.88	-25	-0.9%	1.6%	1.7%	123	48	0.9%
54	Professional, Scientific, and Technical Services	2,862	\$68,798	1.23	64	0.5%	2.9%	2.5%	630	442	1.4%
55	Management of Companies and Enterprises	201	\$75,616	0.39	-344	-18.1%	3.5%	3.5%	44	16	0.8%
56	Administrative and Support and Waste Management and Remediation Services	1,978	\$33,249	0.86	661	8.5%	4.0%	2.9%	467	250	1.2%
61	Educational Services	1,266	\$55,190	0.43	-721	-8.6%	1.3%	0.4%	274	101	0.8%
62	Health Care and Social Assistance	4,595	\$54,497	0.92	259	1.2%	6.6%	2.3%	970	1,060	2.1%
71	Arts, Entertainment, and Recreation	1,000	\$37,718	1.44	168	3.7%	2.5%	2.1%	319	114	1.1%
72	Accommodation and Food Services	11,946	\$26,018	3.80	6,334	16.3%	4.2%	3.1%	4,350	1,144	0.9%
81	Other Services (except Public Administration)	1,626	\$29,702	1.03	344	4.9%	-5.0%	-0.1%	422	136	0.8%
92	Public Administration	1,268	\$74,782	0.75	-46	-0.7%	0.0%	-0.4%	310	36	0.3%
99	Unclassified	88	\$34,388	1.27	40	12.7%	15.0%	12.6%	22	8	0.9%
	Total - All Industries	35,443	\$45,323	1.00	7,027	4.5%	2.5%	1.7%	8,953	3,205	0.9%

Source: [JobsEQ®](http://www.chmuraecon.com/jobseq)

Employment data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and imputed where necessary. Data are updated through 2015Q4 with preliminary estimates updated to 2016Q2. Forecast employment growth uses national projections adapted for regional growth patterns.



# Occupation Snapshot

The largest major occupation group in the Monterey - City is Food Preparation and Serving Related Occupations, employing 9,982 workers. The next-largest occupation groups in the region are Office and Administrative Support Occupations (4,472 workers) and Sales and Related Occupations (2,709). High location quotients (LQs) indicate occupation groups in which a region has high concentrations of employment compared to the national average. The major groups with the largest LQs in the region are Food Preparation and Serving Related Occupations (LQ = 3.28), Farming, Fishing, and Forestry Occupations (2.09), and Building and Grounds Cleaning and Maintenance Occupations (1.15).

Occupation groups in the Monterey - City with the highest average wages per worker are Healthcare Practitioners and Technical Occupations (\$104,100), Management Occupations (\$103,100), and Legal Occupations (\$93,300). The unemployment rate in the region varied among the major groups from 0.9% among Legal Occupations to 9.3% among Food Preparation and Serving Related Occupations.

Over the next 10 years, the fastest growing occupation group in the Monterey - City is expected to be Healthcare Support Occupations with a +2.5% year-over-year rate of growth. The strongest forecast by number of jobs over this period is expected for Food Preparation and Serving Related Occupations (+909 jobs) and Healthcare Practitioners and Technical Occupations (+395). Over the same period, the highest replacement demand (occupation demand due to retirements and workers moving from one occupation to another) is expected in Food Preparation and Serving Related Occupations (4,192 jobs) and Office and Administrative Support Occupations (1,072).

Occupation Snapshot in Monterey - City														
		Current					Historical				Forecast			
		Four Quarters Ending with 2016q2			2016q2		Total Change over the Last 5 Years	Avg Ann % Chg in Empl 2011q2-2016q2			Over the Next 10 Years			
SOC	Title	Empl	Avg. Annual Wages <sup>1</sup>	LQ	Unempl	Unempl Rate	Empl	Monterey - City	California	USA	Current Online Job Ads <sup>2</sup>	Total Repl Demand	Total Growth Demand	Avg. Annual Growth Percent
11-0000	Management Occupations	1,718	\$103,100	0.80	22	2.8%	105	1.3%	2.1%	1.5%	83	562	206	1.1%
13-0000	Business and Financial Operations Occupations	1,364	\$79,900	0.79	22	3.8%	-63	-0.9%	2.0%	1.6%	77	307	195	1.3%
15-0000	Computer and Mathematical Occupations	713	\$88,900	0.73	9	3.3%	32	0.9%	4.0%	2.7%	142	116	131	1.7%
17-0000	Architecture and Engineering Occupations	393	\$91,700	0.66	6	3.7%	29	1.6%	1.4%	1.3%	14	99	33	0.8%
19-0000	Life, Physical, and Social Science Occupations	222	\$82,100	0.78	6	4.6%	-7	-0.6%	1.7%	1.1%	27	68	32	1.3%
21-0000	Community and Social Service Occupations	468	\$48,300	0.83	6	2.8%	120	6.1%	4.6%	1.5%	29	107	68	1.4%
23-0000	Legal Occupations	273	\$93,300	0.98	1	0.9%	-28	-2.0%	0.7%	0.2%	0	57	33	1.2%
25-0000	Education, Training, and Library Occupations	1,045	\$60,600	0.52	32	3.9%	-322	-5.2%	1.5%	0.5%	60	242	114	1.0%

### Occupation Snapshot in Monterey - City

		Current					Historical					Forecast			
		Four Quarters Ending with 2016q2			2016q2		Total Change over the Last 5 Years	Avg Ann % Chg in Empl 2011q2-2016q2			Over the Next 10 Years				
SOC	Title	Empl	Avg. Annual Wages <sup>1</sup>	LQ	Unempl	Unempl Rate		Empl	Monterey - City	California	USA	Current Online Job Ads <sup>2</sup>	Total Repl Demand	Total Growth Demand	Avg. Annual Growth Percent
27-0000	Arts, Design, Entertainment, Sports, and Media Occupations	635	\$48,900	1.03	11	4.2%	-6	-0.2%	1.8%	1.2%	42	228	58	0.9%	
29-0000	Healthcare Practitioners and Technical Occupations	1,815	\$104,100	0.91	12	1.8%	-75	-0.8%	2.4%	1.5%	219	429	395	2.0%	
31-0000	Healthcare Support Occupations	1,046	\$34,800	1.01	21	5.3%	61	1.2%	6.4%	2.3%	27	243	287	2.5%	
33-0000	Protective Service Occupations	529	\$50,500	0.77	18	5.8%	-4	-0.1%	1.5%	0.8%	29	120	45	0.8%	
35-0000	Food Preparation and Serving Related Occupations	9,982	\$28,900	3.28	282	9.3%	6,265	21.8%	4.1%	3.0%	130	4,192	909	0.9%	
37-0000	Building and Grounds Cleaning and Maintenance Occupations	1,467	\$31,100	1.15	67	8.1%	-193	-2.4%	-1.8%	1.0%	52	364	164	1.1%	
39-0000	Personal Care and Service Occupations	1,437	\$27,700	1.02	42	6.0%	230	3.6%	5.0%	2.2%	22	410	259	1.7%	
41-0000	Sales and Related Occupations	2,709	\$39,300	0.73	100	6.9%	41	0.3%	1.8%	1.4%	213	923	179	0.6%	
43-0000	Office and Administrative Support Occupations	4,472	\$38,600	0.84	130	6.3%	-75	-0.3%	2.3%	1.6%	131	1,072	310	0.7%	
45-0000	Farming, Fishing, and Forestry Occupations	476	\$24,500	2.09	n/a	n/a	200	11.5%	1.6%	1.4%	2	133	43	0.9%	
47-0000	Construction and Extraction Occupations	751	\$54,300	0.48	43	7.6%	98	2.8%	4.3%	2.3%	6	149	109	1.4%	
49-0000	Installation, Maintenance, and Repair Occupations	913	\$50,700	0.67	31	5.8%	74	1.7%	2.5%	1.7%	19	234	86	0.9%	
51-0000	Production Occupations	1,052	\$35,600	0.48	51	8.1%	136	2.8%	1.7%	1.6%	7	282	65	0.6%	
53-0000	Transportation and Material Moving Occupations	1,933	\$36,200	0.81	91	9.1%	379	4.5%	3.3%	2.3%	15	515	169	0.8%	
00-0000	Total - All Occupations	35,412	\$46,800	1.00	n/a	n/a	6,996	4.5%	2.5%	1.7%	1,346	10,851	3,886	1.0%	

Source: [JobsEQ®](#)

Data as of 2016Q2 unless noted otherwise

Note: Figures may not sum due to rounding.

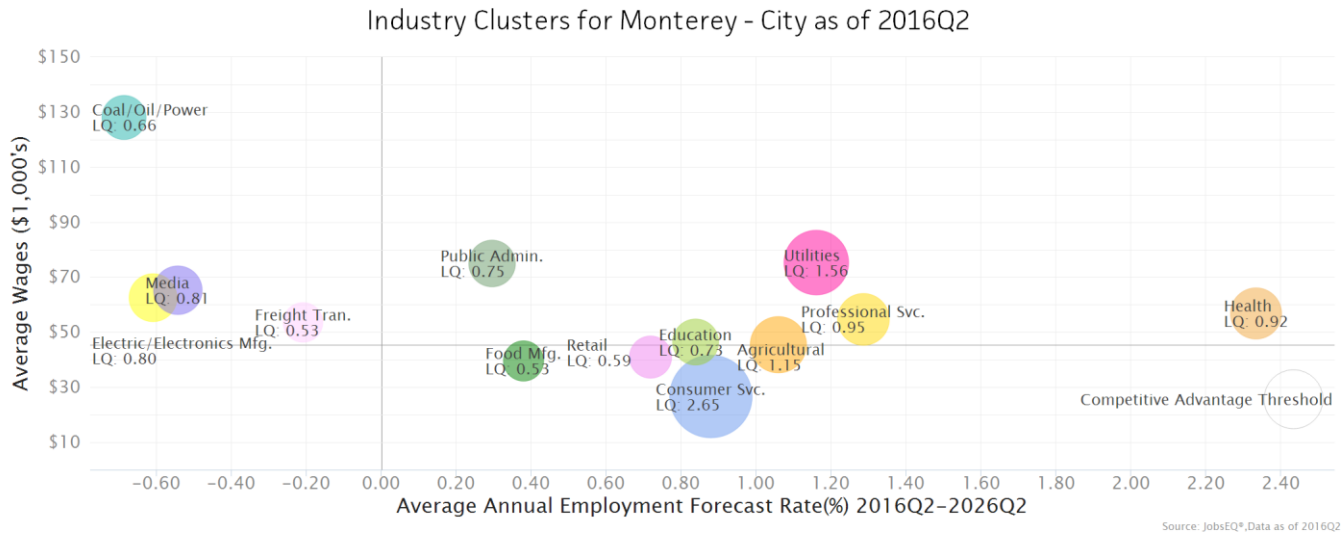
1. Occupation wages are as of 2015 and should be taken as the average for all Covered Employment

2. Data represent found online ads active within the last thirty days in any zip code intersecting or within the selected region; data represents a sampling rather than the complete universe of postings; the listing search uses keywords that are similar to but not the equivalent of the SOC occupation definitions.

Occupation employment data are estimated via industry employment data and the estimated industry/occupation mix. Industry employment data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and currently updated through 2015Q4, imputed where necessary with preliminary estimates updated to 2016Q2. Wages by occupation are as of 2015 provided by the BLS and imputed where necessary. Forecast employment growth uses national projections from the Bureau of Labor Statistics adapted for regional growth patterns.

# Industry Clusters

A cluster is a geographic concentration of interrelated industries or occupations. The industry cluster in the Monterey - City with the highest relative concentration is Consumer Svc. with a location quotient of 2.65. This cluster employs 14,141 workers in the region with an average wage of \$26,644. Employment in the Consumer Svc. cluster is projected to expand in the region about 0.9% per year over the next ten years.

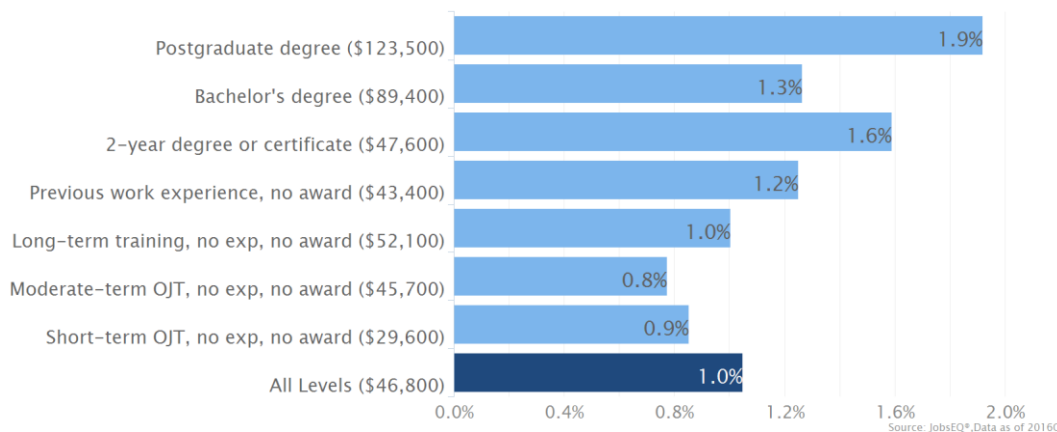


Location quotient and average wage data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics, imputed where necessary, and updated through 2015Q4 with preliminary estimates updated to 2016Q2. Forecast employment growth uses national projections from the Bureau of Labor Statistics adapted for regional growth patterns.

# Education Levels

Expected growth rates for occupations vary by the education and training required. While all employment in the Monterey - City is projected to grow 1.0% over the next ten years, occupations typically requiring a postgraduate degree are expected to grow 1.9% per year, those requiring a bachelor's degree are forecast to grow 1.3% per year, and occupations typically needing a 2-year degree or certificate are expected to grow 1.6% per year.

Annual Average Projected Job Growth by Training Required for Monterey - City



Employment by occupation data are estimates as of 2016Q2. Education levels of occupations are based on BLS assignments. Forecast employment growth uses national projections from the Bureau of Labor Statistics adapted for regional growth patterns.

# Region Definition

Monterey - City is defined as the following zip code tabulation areas: ZCTA 93940

# FAQ

## What is a location quotient?

A location quotient (LQ) is a measurement of concentration in comparison to the nation. An LQ of 1.00 indicates a region has the same concentration of an industry (or occupation) as the nation. An LQ of 2.00 would mean the region has twice the expected employment compared to the nation and an LQ of 0.50 would mean the region has half the expected employment in comparison to the nation.

## What is replacement demand?

Replacement demand is the number of jobs required due to replacements—retirements and turnover resulting from workers moving from one occupation into another. Note that replacement demand does not include all turnover—it does not include when workers stay in the same occupation but switch employers. The replacement demand shown in this report may also be understated; thus, it can be taken to be a minimum measure of the number of workers who will need to be trained for the occupation due to replacements. The total projected demand for an occupation is the sum of the replacement demand and the growth demand (which is the increase or decrease of jobs in an occupation expected due to expansion or contraction of the overall number of jobs in that occupation).

## What is a cluster?

A cluster is a geographic concentration of interrelated industries or occupations. If a regional cluster has a location quotient of 1.25 or greater, the region is considered to possess a *competitive advantage* in that cluster.

## What is the difference between industry wages and occupation wages?

Industry wages and occupation wages are estimated via separate data sets, often the time periods being reported do not align, and wages are defined slightly differently in the two systems (for example, certain bonuses are included in the industry wages but not the occupation wages). It is therefore common that estimates of the average industry wages and average occupation wages in a region do not match exactly.

## What is NAICS?

The North American Industry Classification System (NAICS) is used to classify business establishments according to the type of economic activity. The NAICS Code comprises six levels, from the “all industry” level to the 6-digit level. The first two digits define the top level category, known as the “sector,” which is the level examined in this report.

## What is SOC?

The Standard Occupational Classification system (SOC) is used to classify workers into occupational categories. All workers are classified into one of over 820 occupations according to their occupational definition. To facilitate classification, occupations are combined to form 23 major groups, 96 minor groups, and 449 occupation groups. Each occupation group includes detailed occupations requiring similar job duties, skills, education, or experience.

## About This Report

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