

## EAST BAY MONTHLY ANALYSIS

### JUNE 2010 EDITION

The **East Bay Monthly Analysis** is prepared by the East Bay Economic Development Alliance (East Bay EDA) and augments the **East Bay Quarterly Forecast** authored by the UCLA Anderson Forecast.

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East Bay EDA welcomes your comments and suggestions. Send your comments, questions or suggestions to [simonyee@eastbayeda.org](mailto:simonyee@eastbayeda.org) (510-272-6342).

### SNAPSHOT: THE EAST BAY IN MAY 2010

- Median home values continued to post annual increases, with sales increasing as well
- Unemployment decreased to 11 percent - down slightly from 11.4 percent in April 2010
- Job losses were concentrated in Construction, Manufacturing, and Trade, Transportation, and Utilities, but Government jobs increased
- Residential and commercial construction permit values continued to post year-over-year declines, but industrial construction permit values increased

### NEXT SECTION: BAY AREA EMPLOYMENT

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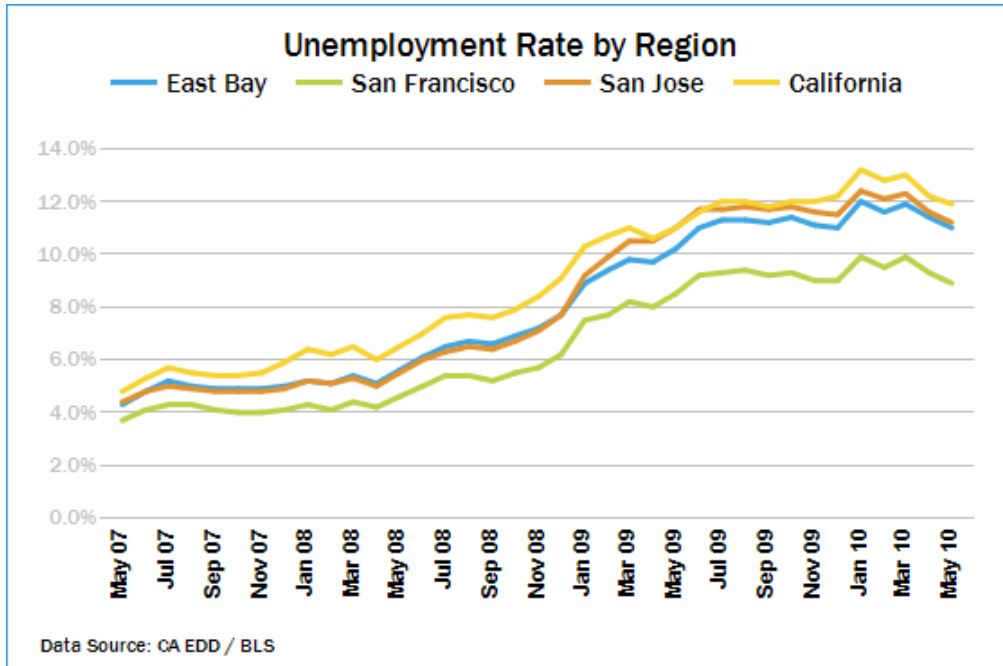


# BAY AREA EMPLOYMENT

## BAY AREA UNEMPLOYMENT

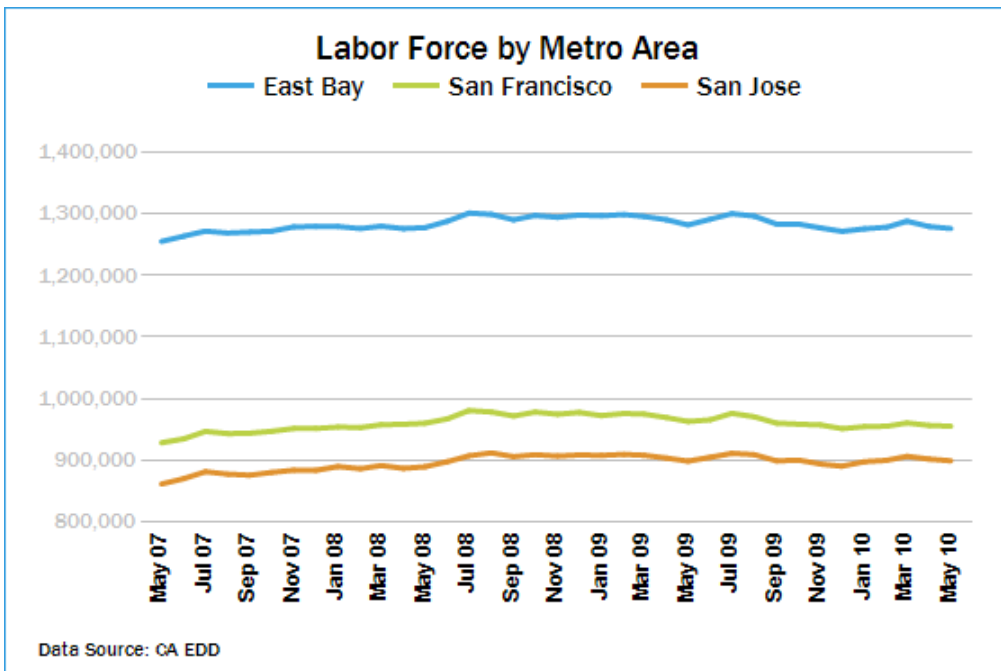
The unemployment rate in the East Bay was 11 percent in May 2010, down from a revised 11.4 percent in April 2010, and above the year-ago estimate of 10.2 percent. This compares with an unadjusted unemployment rate of 11.9 percent for California and 9.3 percent for the nation during the same period. The unemployment rate was 11.1 percent in Alameda County, and 10.9 percent in Contra Costa County.

San Francisco's unemployment rate was 8.9 percent in May – down from 9.3 percent in April, and higher than the May 2009 estimate of 8.5 percent. The unemployment rate in San Jose was 11.2 percent in May, down from a revised 11.6 percent in April, and up from 11 percent in the May 2009 estimate.



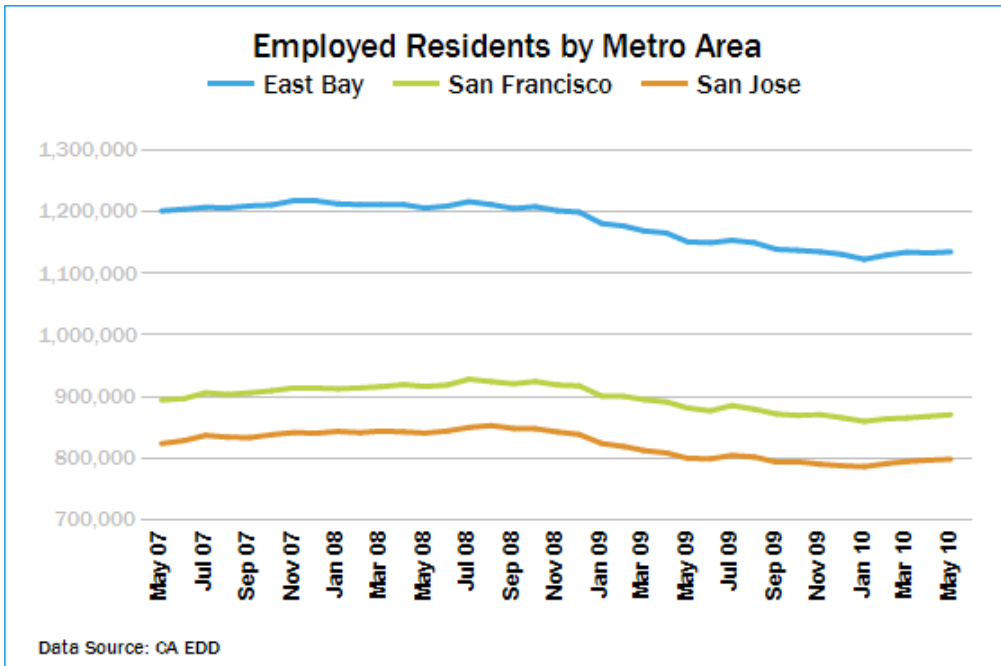
## BAY AREA LABOR FORCE

In a month-over-month comparison, the East Bay's labor force (number of individuals currently employed or actively seeking employment) decreased by 3,200 workers, reducing to 1,275,800 in May 2010. San Francisco's labor force decreased by 1,400 workers, reducing to 955,000 and in San Jose the number of workers decreased 2,800, to 898,900 in May. Except for San Jose, in a year-over-year comparison, each of the Bay Area regions saw a decline in the number of workers. The East Bay had 5,800 fewer workers in May 2010 than in May 2009, San Francisco lost 7,800 workers, but San Jose added 500 workers.



### BAY AREA EMPLOYED RESIDENTS

Between April 2010 and May 2010, the number of employed residents (employed persons who reside within the region) increased 1,800 in the East Bay, increased 2,600 in San Francisco, and increased 1,600 in San Jose. When compared to May 2009, a year-over-year comparison showed the East Bay with 16,000 fewer employed residents, San Francisco with 10,900 fewer and San Jose with 1,400 fewer.

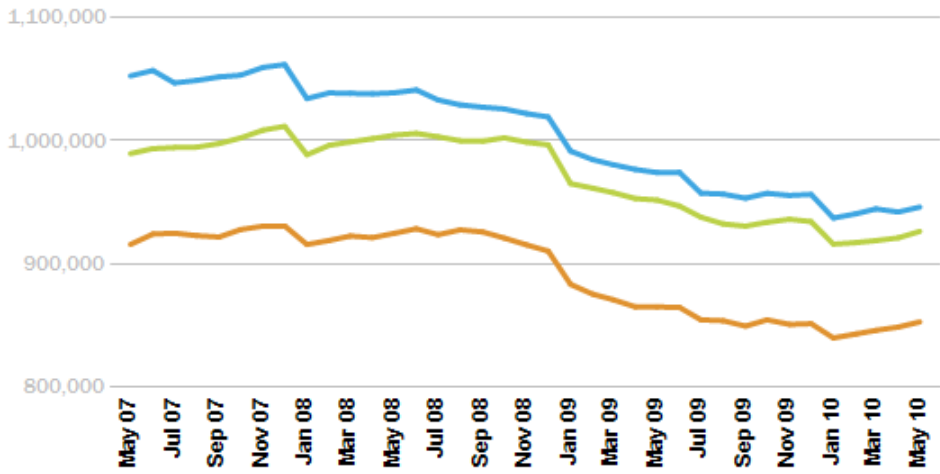


### BAY AREA PAYROLL EMPLOYMENT

Between April 2010 and May 2010, the East Bay added 4,000 payroll jobs (number of jobs located in the specified region, not including those who are self-employed), while San Francisco added 5,300 and San Jose added 4,200. Since May 2009, the East Bay has lost 28,000 jobs, San Francisco has lost 25,400 and San Jose has lost 12,100. A detailed description of East Bay payroll employment by sector follows in the next section.

### Payroll Employment by Metro Area

— East Bay — San Francisco — San Jose



Data Source: CA EDD

**[NEXT SECTION: EAST BAY PAYROLL EMPLOYMENT](#)**

# EAST BAY PAYROLL EMPLOYMENT

## MONTHLY COMPARISON

According to the California Employment Development Department's Labor Market report, between April 2010 and May 2010, the total number of jobs in the East Bay increased 4,000 jobs to reach 945,800.

- Government increased by 3,100 jobs with payrolls at the federal level increasing by 2,700 jobs, while local government added 400 jobs.
- Leisure and hospitality increased by 800 jobs seasonally, with arts, entertainment, and recreation accounting for half of those jobs.
- Construction and trade, transportation, and utilities each added 500 jobs seasonally. Within those major industries, specialty trade contractors added 500 jobs, while retail trade added 400 jobs.
- Private health care decreased 500 jobs, countering its usual seasonal gain of 200 jobs.

## ANNUAL COMPARISON

Between May 2009 and May 2010, the total number of jobs in the East Bay receded by 28,000 or 2.9 percent.

- Construction decreased 6,000 jobs, marking its 37th consecutive month of job losses on a year-over basis. More than three-fifths of the decrease occurred in specialty trade contractors.
- Manufacturing lost 5,700 jobs, mostly in durable goods.
- Trade, transportation, and utilities lost 5,600 jobs and Retail trade lost 2,900 jobs. Transportation, warehousing, and utilities lost 1,400 jobs, and wholesale trade lost another 1,300 jobs.
- Public and private schools decreased payrolls by a combined 4,600 jobs. Local public schools lost 2,500 jobs, while state public schools lost 1,300 jobs. Private schools lost 800 jobs over the year as well.

	May-10	1 Month Change	12 Month Change	12 Month % Change	24 Month Change	24 Month % Change
<b>Educational and Health Services</b>	130,200	-700	-1,900	-1.40%	1,000	0.80%
<b>Information</b>	24,100	100	-900	-3.60%	-4,000	-14.30%
<b>Other Services</b>	34,200	0	-1,100	-3.10%	-2,300	-6.30%
<b>Trans, Warehousing &amp; Utilities</b>	31,700	200	-1,400	-4.20%	-3,900	-10.90%
<b>Wholesale Trade</b>	42,800	-100	-1,300	-2.90%	-5,200	-10.80%
<b>Financial Activities</b>	50,900	0	-1,900	-3.60%	-7,000	-12.10%
<b>Leisure and Hospitality</b>	85,200	800	-600	-0.70%	-4,400	-4.90%
<b>Government</b>	176,300	3,100	-2,100	-1.20%	-5,900	-3.30%
<b>Manufacturing</b>	76,400	0	-5,700	-6.90%	-17,400	-18.60%
<b>Retail Trade</b>	98,100	400	-2,900	-2.90%	-11,600	-10.60%
<b>Construction</b>	47,600	500	-6,000	-11.20%	-18,100	-27.50%
<b>Professional and Business Services</b>	145,300	-300	-2,400	-1.60%	-17,300	-10.70%
<b>Total, All Industries</b>	945,800	4,000	-28,000	-2.90%	-95,900	-9.20%

**INDUSTRY EMPLOYMENT DATA SOURCE: California Employment Development Department**

## EAST BAY CONSTRUCTION EMPLOYMENT

All subsectors of the East Bay's construction sector posted losses in the year-over-year comparison - adding up to a loss of 6,000 jobs between May 2009 and May 2010.

	May-10	1 Month Change	12 Month Change	12 Month % Change	24 Month Change	24 Month % Change
<b>Nonresidential Building Construction</b>	4,300	0	-400	-8.50%	-1,400	-24.60%
<b>Building Foundation and Exterior Contractors</b>	7,000	300	-400	-5.40%	-2,500	-26.30%
<b>Building Equipment Contractors</b>	12,500	100	-1,100	-8.10%	-2,300	-15.50%

<b>Residential Building Construction</b>	6,000	0	-1,300	-17.80%	-3,500	-36.80%
<b>Specialty Trade Contractors - Residual</b>	12,000	100	-2,200	-15.50%	-6,500	-35.10%
<b>Heavy and Civil Engineering Construction</b>	5,800	0	-600	-9.40%	-2,000	-25.60%
<b>Construction of Buildings</b>	10,300	0	-1,700	-14.20%	-4,800	-31.80%
<b>Specialty Trade Contractors</b>	31,500	500	-3,700	-10.50%	-11,300	-26.40%
<b>Construction</b>	47,600	500	-6,000	-11.20%	-18,100	-27.50%

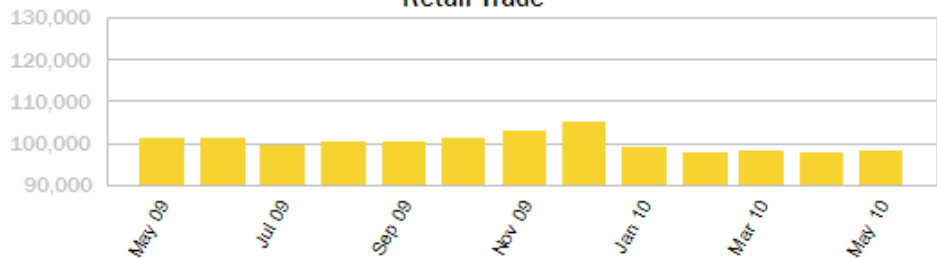
### EAST BAY MANUFACTURING PAYROLL EMPLOYMENT

The East Bay's manufacturing sector showed an overall loss of 5,700 jobs between May 2009 and May 2010.

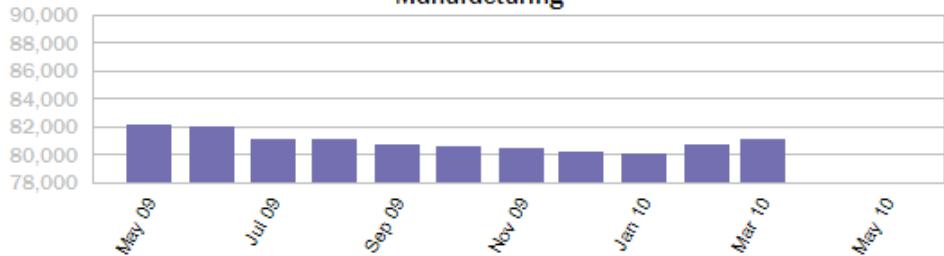
	May-10	1 Month Change	12 Month Change	12 Month % Change	24 Month Change	24 Month % Change
<b>Petroleum and Coal Products Manufacturing</b>	8,000	100	-100	-1.20%	100	1.30%
<b>Transportation Equipment Manufacturing</b>	2,500	0	-4,400	-63.80%	-5,200	-67.50%
<b>Chemical Manufacturing</b>	6,100	0	-300	-4.70%	-700	-10.30%
<b>Nondurable Goods - Residual</b>	17,700	100	-300	-1.70%	-2,600	-12.80%
<b>Computer and Electronic Product Manufacturing</b>	16,400	100	-700	-4.10%	-3,400	-17.20%
<b>Durable Goods - Residual</b>	25,700	-300	100	0.40%	-5,600	-17.90%
<b>Nondurable Goods</b>	31,800	200	-700	-2.20%	-3,200	-9.10%
<b>Durable Goods</b>	44,600	-200	-5,000	-10.10%	-14,200	-24.10%
<b>Manufacturing</b>	76,400	0	-5,700	-6.90%	-17,400	-18.60%



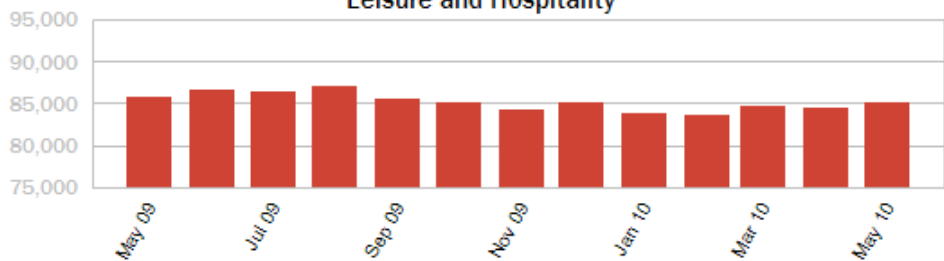
### Retail Trade



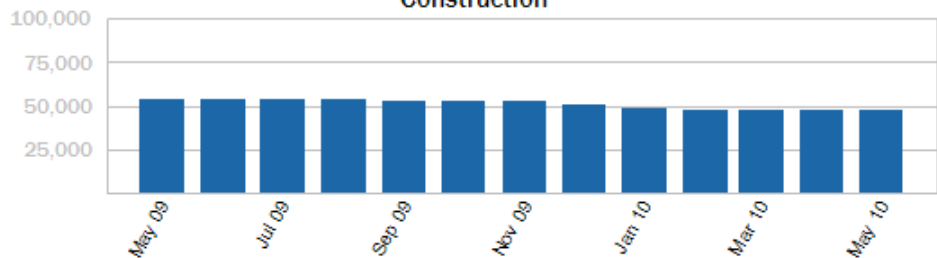
### Manufacturing



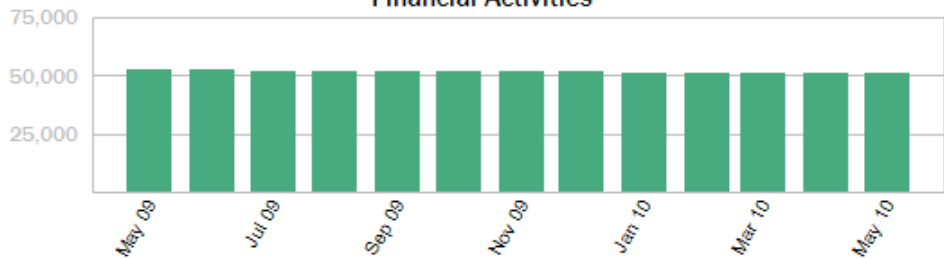
### Leisure and Hospitality



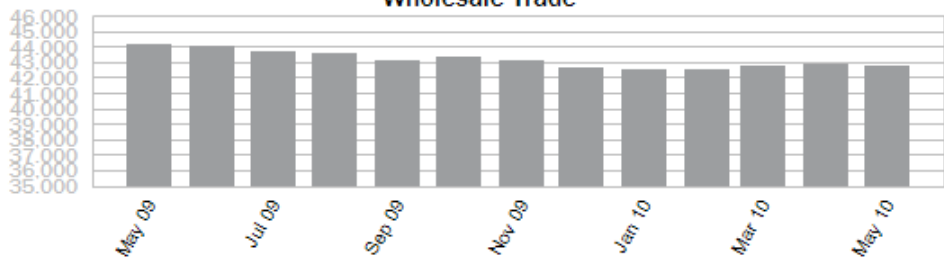
### Construction



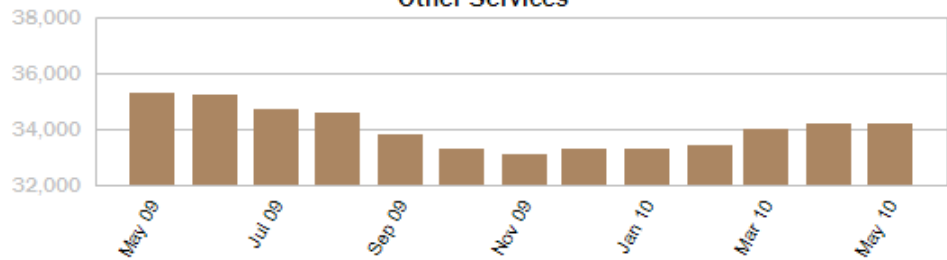
### Financial Activities



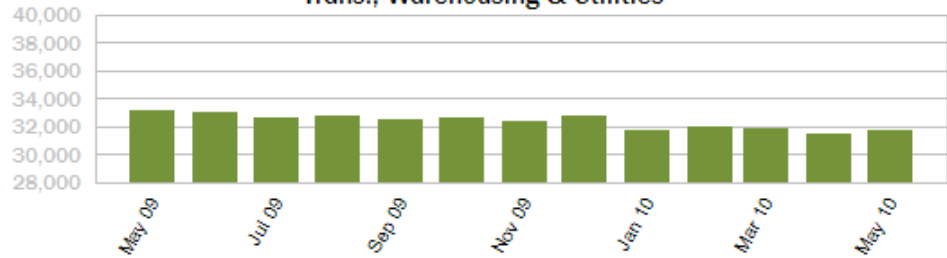
### Wholesale Trade



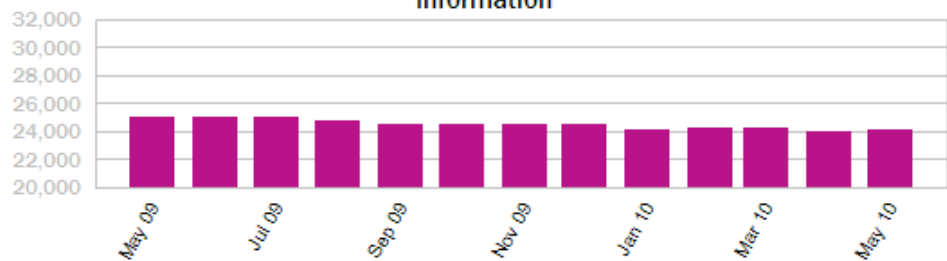
### Other Services



### Trans., Warehousing & Utilities



### Information



**NEXT SECTION: BAY AREA HOME SALES**

# BAY AREA HOME SALES

## BAY AREA HOME SALES

According to MDA DataQuick, the number of Bay Area homes sold in May was above the year-ago level, but still below the May average of number of sales. This was due to increasing sales of mid- to high-end areas, but a decreasing inventory of affordable inland homes. In a year-over-year basis, the median sale price increased for the eighth consecutive month due to fewer low-cost foreclosures being sold and more higher-end homes being turned over this year. A total of 8,264 new and resale houses and condos closed escrow in the nine-county Bay Area in May. That was up 18 percent from 7,003 sales in April and up 11 percent from 7,447 sales in May 2009.

In the East Bay, Alameda County's median value was \$390,000 in May 2010 – an 11.4 percent increase from April and an 18.2 percent increase when compared to May 2009. In Contra Costa County the median home value was \$293,750 – a 7.6 percent increase from April and a 25.3 percent increase when compared to May 2009.

The median price paid for a Bay Area home was \$410,000 in May 2010. That was up 10.8 percent from \$370,000 for the month of April, and up 20.1 percent from \$341,500 for May 2009. This was the first time in 21 months that the median price was over \$400,000. April's total sales tally was 16 percent below the May average of 9,842 sales since 1988, but was the second-highest number of homes sold for the month of May since 2006.

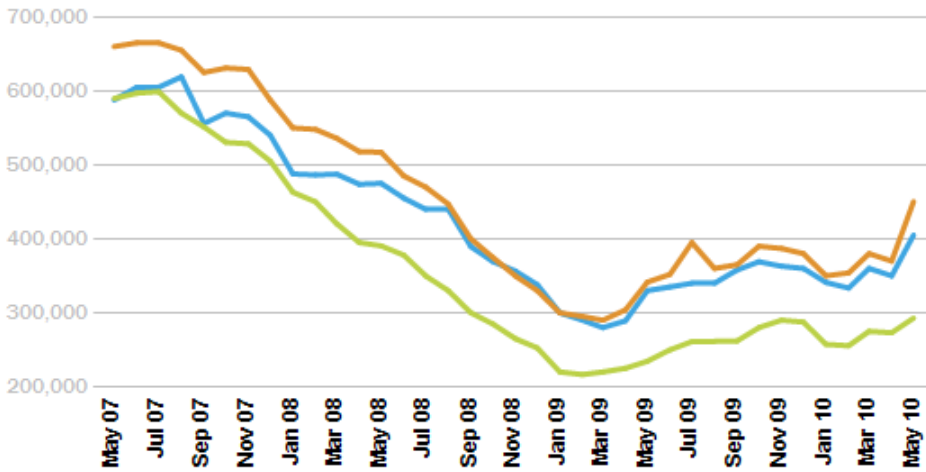
Foreclosure resales – homes that had been foreclosed on in the prior 12 months – decreased to 27.3 percent of the Bay Area's resale market in May. This was the lowest percentage since April 2008 and considerably less than the February 2009 peak of 52 percent.

All Homes by County	Number Sold May 2010	Sales Annual Pct. Change	Median May 2010	Median Annual Pct. Change
Alameda	1,596	8.10%	\$390,000	18.20%
Contra Costa	1,704	0.60%	\$293,750	25.30%
Marin	264	20.00%	\$675,500	9.00%
Napa	127	5.00%	\$350,000	-5.40%
San Francisco	616	23.70%	\$636,500	0.40%
San Mateo	640	24.00%	\$605,000	10.00%
Santa Clara	2,164	28.20%	\$525,000	18.00%
Solano	652	-7.60%	\$219,000	15.60%
Sonoma	501	-4.90%	\$335,000	10.90%
Bay Area	8,264	11.00%	\$410,000	20.10%

Source: MDA DataQuick

### Median Home Sale Values, East Bay & Bay Area

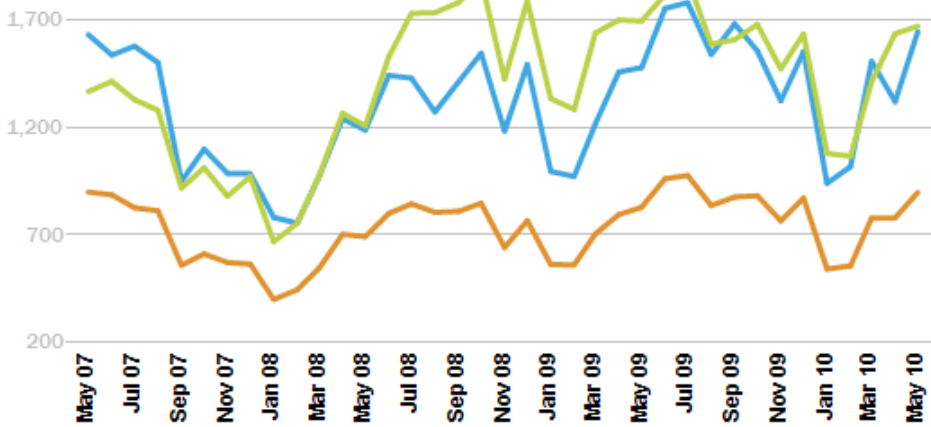
Alameda Contra Costa Bay Area Average



Data Source: MDA DataQuick

### Number of Homes Sold, East Bay & Bay Area Average

Alameda Contra Costa Bay Area Average



Data Source: DataQuick

### EAST BAY HOME SALES

County/City/Area	# Sold	May-10	May-09	% Change
<b>ALAMEDA COUNTY</b>	1,645	\$405,000	\$334,000	21.26%
<b>ALAMEDA</b>	58	\$515,000	\$532,500	-3.29%
<b>ALBANY</b>	19	\$543,000	\$429,000	26.57%
<b>BERKELEY</b>	59	\$680,000	\$557,500	21.97%
<b>CASTRO VALLEY</b>	69	\$405,000	\$460,000	-11.96%
<b>DUBLIN</b>	83	\$462,000	\$470,000	-1.70%

<b>EMERYVILLE</b>	41	\$339,000	\$275,000	23.27%
<b>FREMONT</b>	255	\$525,000	\$432,500	21.39%
<b>HAYWARD</b>	188	\$283,000	\$240,500	17.67%
<b>LIVERMORE</b>	145	\$415,000	\$363,000	14.33%
<b>NEWARK</b>	45	\$335,000	\$320,000	4.69%
<b>OAKLAND</b>	376	\$304,750	\$176,000	73.15%
<b>PLEASANTON</b>	96	\$662,500	\$635,000	4.33%
<b>SAN LEANDRO</b>	94	\$339,000	\$317,500	6.77%
<b>SAN LORENZO</b>	32	\$282,500	\$313,000	-9.74%
<b>UNION CITY</b>	85	\$430,000	\$382,000	12.57%
<b>CONTRA COSTA COUNTY</b>	1,670	\$292,750	\$234,750	24.71%
<b>ALAMO</b>	23	\$1,112,409	\$894,500	24.36%
<b>ANTIOCH</b>	220	\$210,000	\$171,000	22.81%
<b>BRENTWOOD</b>	111	\$275,000	\$308,000	1.85%
<b>CLAYTON</b>	18	\$495,000	\$502,000	-1.39%
<b>CONCORD</b>	169	\$275,000	\$235,000	17.02%
<b>DANVILLE</b>	80	\$850,000	\$785,500	8.21%
<b>DISCOVERY BAY</b>	46	\$295,000	\$302,500	-2.48%
<b>EL CERRITO</b>	31	\$540,000	\$544,000	-0.74%
<b>EL SOBRANTE</b>	31	\$233,000	\$245,000	-4.90%
<b>HERCULES</b>	38	\$315,500	\$250,000	26.20%
<b>LAFAYETTE</b>	34	\$928,500	\$805,000	15.34%
<b>MARTINEZ</b>	47	\$315,000	\$300,750	4.74%
<b>MORAGA</b>	20	\$668,500	\$680,000	-1.69%

<b>OAKLEY</b>	99	\$225,000	\$200,000	12.50%
<b>ORINDA</b>	14	\$882,000	\$925,000	-4.65%
<b>PINOLE</b>	19	\$283,000	\$260,000	8.85%
<b>PITTSBURG</b>	141	\$175,000	\$132,750	31.83%
<b>PLEASANT HILL</b>	39	\$422,000	\$405,000	4.20%
<b>RICHMOND</b>	117	\$170,000	\$97,000	75.26%
<b>RODEO</b>	8	\$279,000	250,500	11.38%
<b>SAN PABLO</b>	56	\$154,500	\$146,750	5.28%
<b>SAN RAMON</b>	146	\$589,750	\$618,500	-4.65%
<b>WALNUT CREEK</b>	150	\$480,000	\$470,000	2.13%

Source: SF Chronicle/ MDA DataQuick

**NEXT SECTION: BAY AREA CONSTRUCTION PERMITS**

# BAY AREA CONSTRUCTION PERMITS

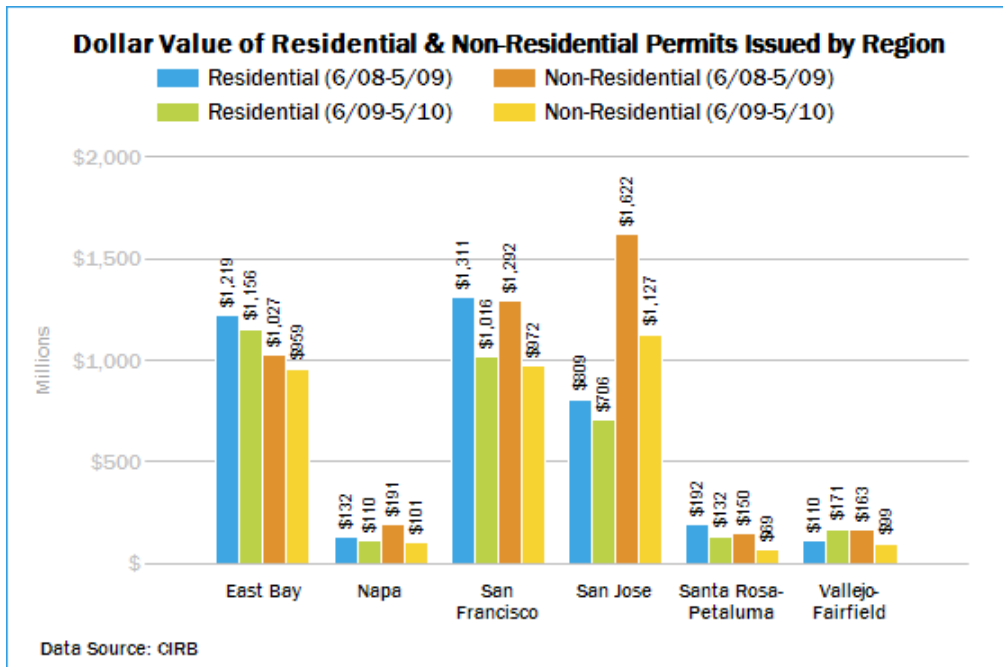
Region	Total Value of Construction Permits 6/09 – 5/10	Annual Change in Total Value of Construction Permits 6/08-5/09 vs. 6/09-5/10	Annual Percent Change
East Bay	\$2,115,016,126	-\$131,303,234	-5.8%
Napa	\$211,338,749	-\$111,537,245	-34.5%
San Francisco	\$1,988,278,406	-\$615,406,302	-23.6%
San Jose	\$1,832,615,697	-\$598,125,012	-24.6%
Vallejo-Fairfield	\$471,261,460	-\$144,406,607	-23.5%

The following tables and graphs compare the 12-month periods of June 2008 to May 2009 and June 2009 to May 2010.

In a comparison of these two 12-month periods, the East Bay showed a decrease in construction permit values, falling 5.8 percent from the previous period. All other Bay Area regions posted losses during this period as well, with Napa showing the sharpest decrease of over 34.5 percent over the previous 12-month period.

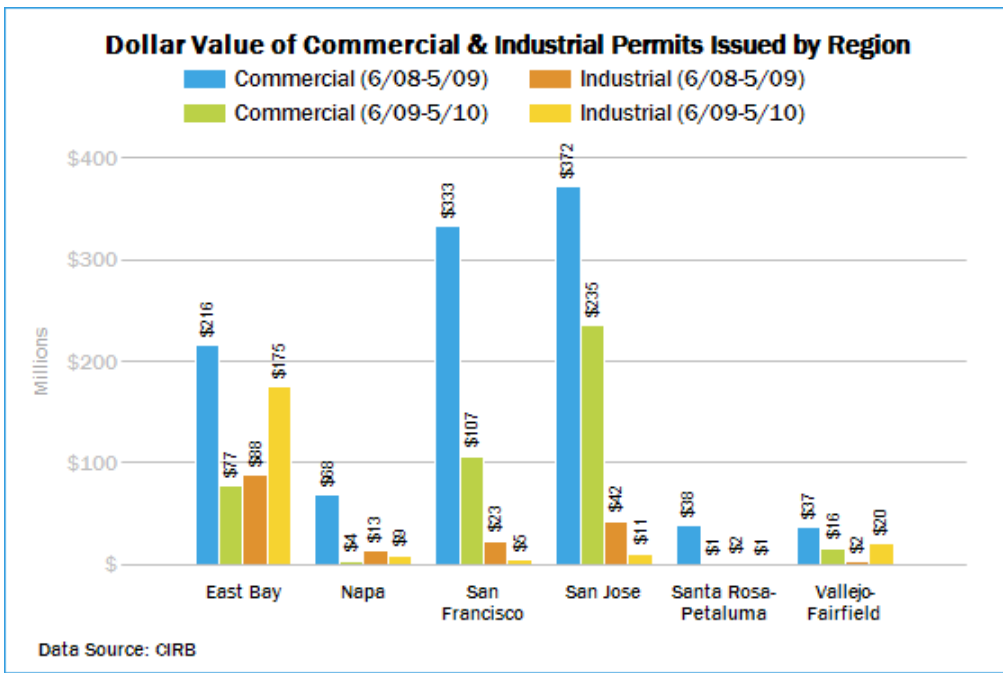
## RESIDENTIAL & NON-RESIDENTIAL PERMITS

When comparing the two previous 12-month periods of June 2008 to May 2009 and June 2009 to May 2010, residential permit values fell throughout the Bay Area with the steepest declines occurring in the San Francisco (down 22.5 percent) and Napa (down 16.4 percent) regions. In the East Bay, residential construction fell 5.2 percent. Non-residential construction permit values also declined in all Bay Area regions during this period, falling 6.6 percent in the East Bay and over 30.5 percent in the San Jose region.



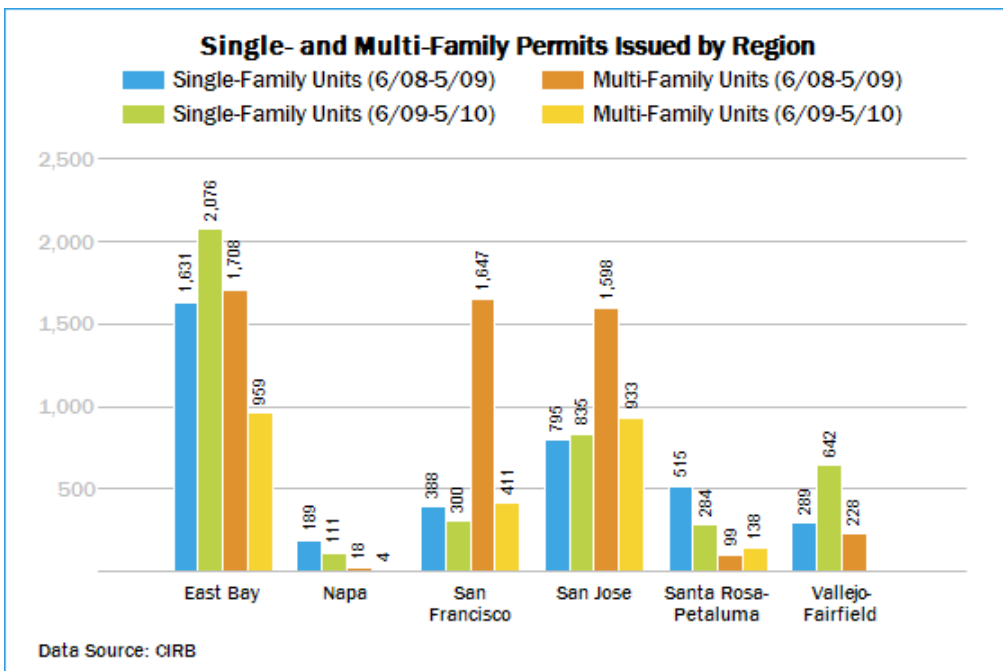
## COMMERCIAL & INDUSTRIAL PERMITS

In a comparison of commercial and industrial construction permits issued during the same two 12-month periods, the dollar value of commercial permits issued in the East Bay fell 64.1 percent when compared with the previous period. Commercial building permit values declined throughout the Bay Area during this period, falling most sharply in the Napa region (down 94.5 percent). Overall industrial permit values were actually up during this period in the Bay Area, due to the East Bay, which experienced a significant 99.3 percent increase. All other Bay Area regions suffered from declines in the same period.



## SINGLE AND MULTI-FAMILY PERMITS

The Bay Area regions saw overall residential construction increases when compared with the previous 12-month period in single-family units, with the East Bay increasing 27.3 percent. However, the Bay Area regions saw overall residential construction decreases when compared with the previous 12-month period in multi-family units, with the East Bay decreasing at 43.9 percent.

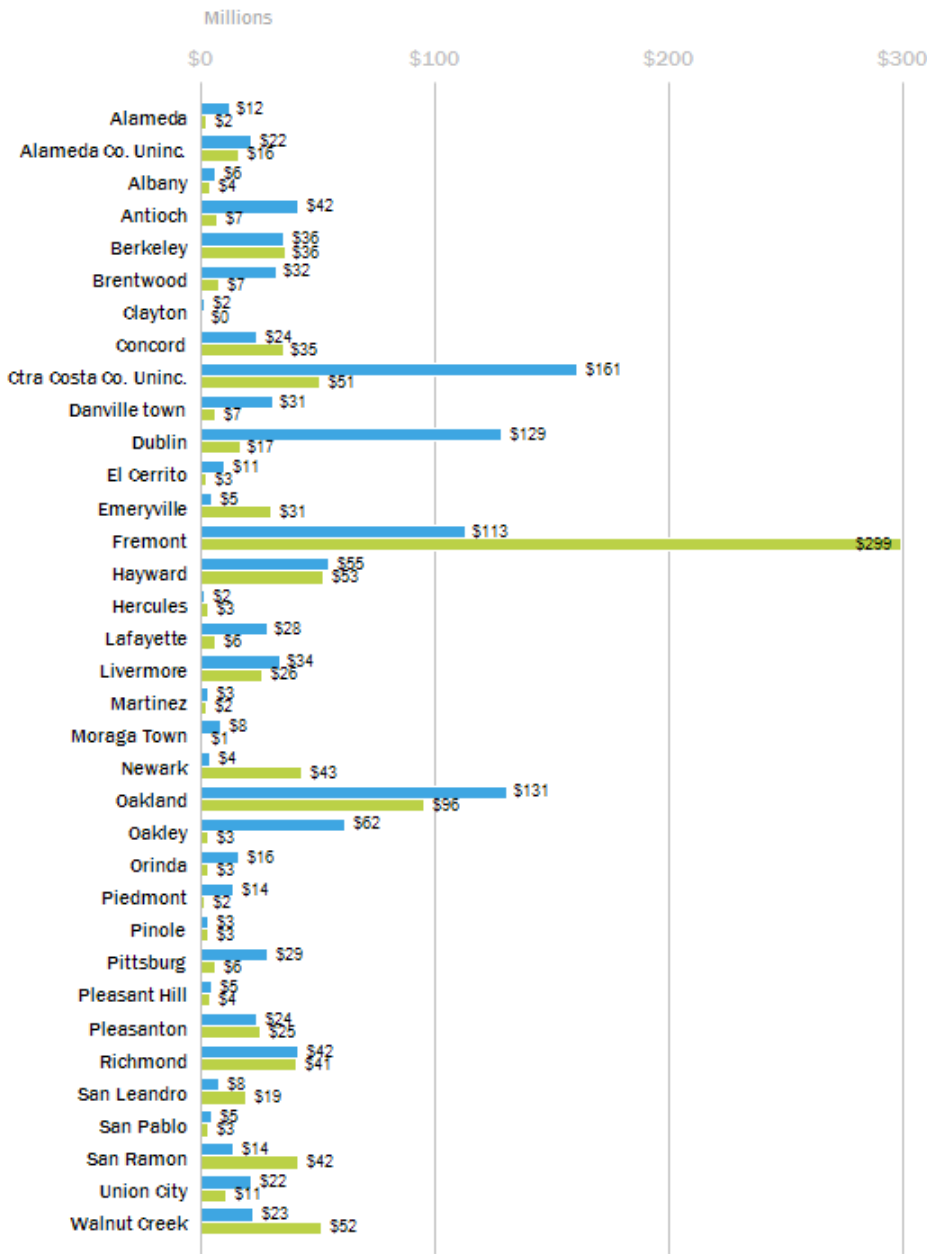


## EAST BAY CONSTRUCTION

The following charts show the number and value of single, multi-family, residential and non-residential construction permits issued in East Bay cities for the twelve-month period ending May 2010.

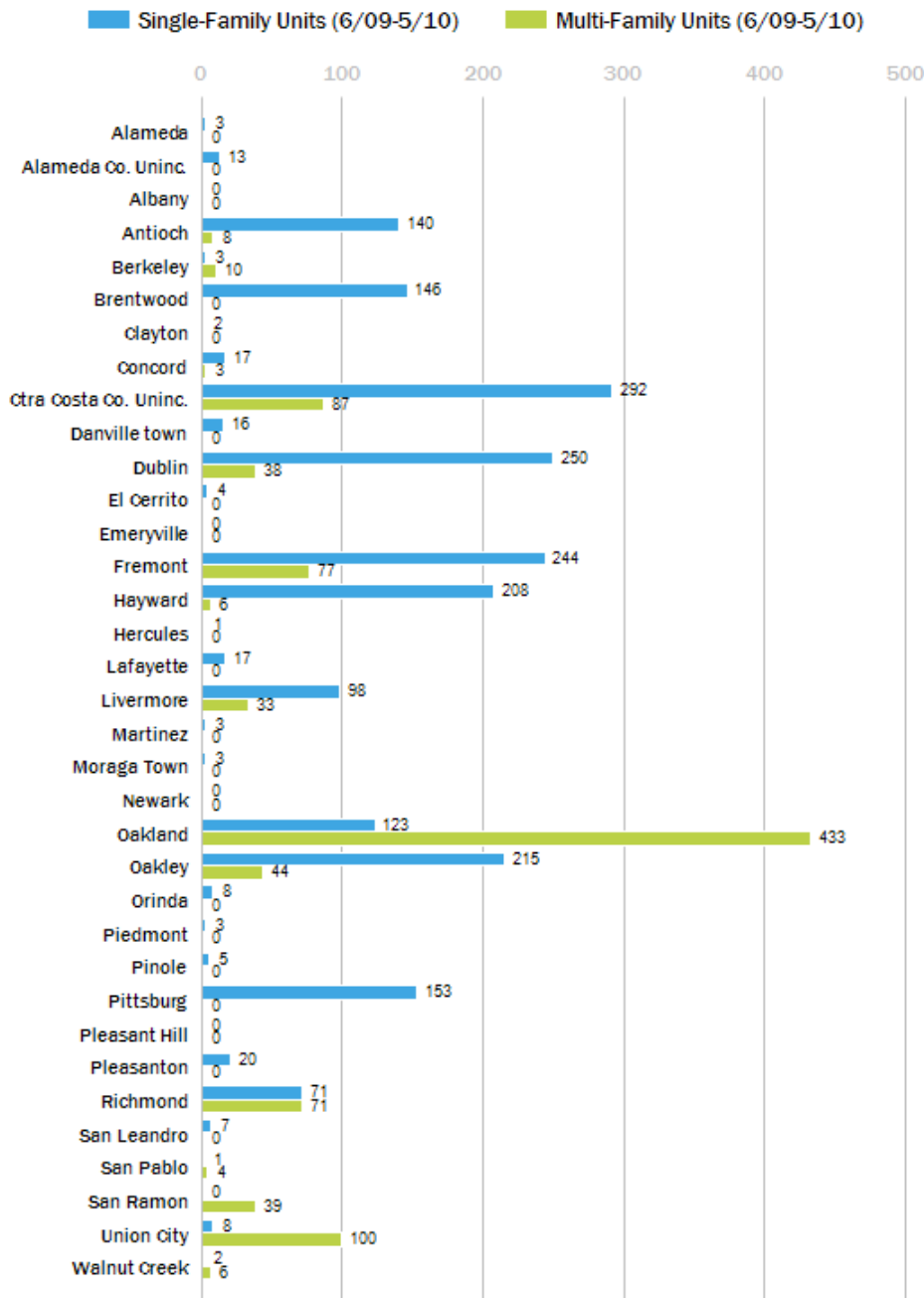
### Dollar Value of Permits Issued by East Bay City

Residential (6/09-5/10)    Non-Residential (6/09-5/10)



Data Source: CIRB

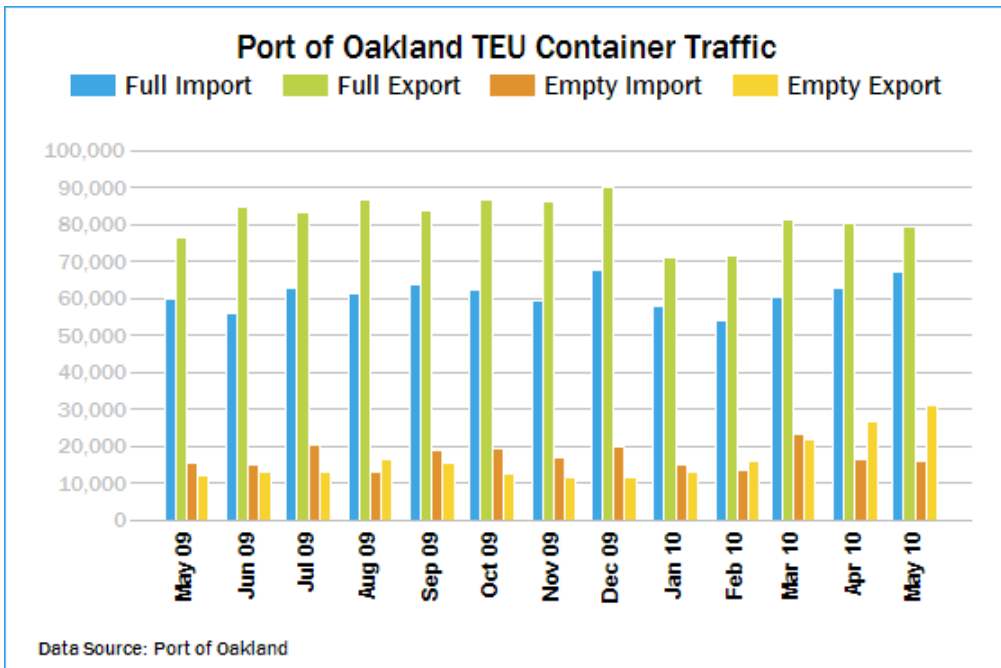
## Single- and Multi-Family Permits Issued by East Bay City



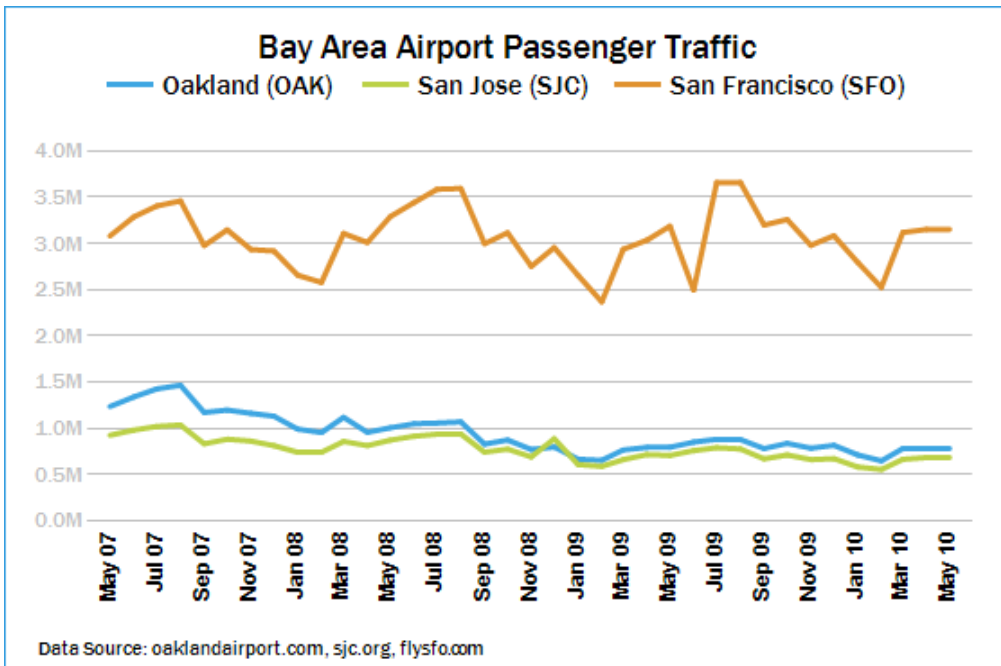
Data Source: CIRB

**NEXT SECTION: TRADE & TRAVEL**

# TRADE & TRAVEL



Traffic of full import containers traveling through the Port of Oakland increased at 13 percent between May 2009 and May 2010, while full exports increased 4.5 percent. Empty container imports increased at 4 percent and empty exports increased 166.7 percent.



At Oakland International Airport, ridership decreased 0.3 percent between May 2009 and May 2010. Traffic through San Francisco International increased 6.4 percent annually, and at San Jose Mineta Airport traffic decreased 4.4 percent during the same period.