Appendix E

Target Industry Analysis

Target Industry Analysis
Fullerton General Plan Update

Prepared for:

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SUMMARY OF FINDINGS

The Target Industry Analysis identifies key issues related to the formulation of a strategic economic development framework for the City of Fullerton under its General Plan update process. This section presents a summary of key findings:

Current Economic Trends

- Nation-wide job losses have been observed in most sectors of the economy over the 2007 to 2009 recessionary period, especially in sectors typically associated with residential growth, including construction, finance, insurance and real estate, and retail trade.
- These above sectors of the economy are generally classified as local serving as they depend primarily on levels of consumption by local residents. In contrast, the export-base of the City serves a wider geographic market and is linked to economic cycles at the regional, national and international levels.
- The scaling back of the retail sector over this period has adversely impacted public revenues in most jurisdictions, including Fullerton.
- Total jobs in Fullerton have been decreasing since 2007, reflecting the trends of the larger Los Angeles-Orange County region, which experienced a 5.4 percent drop in jobs over the 2007 to 2009 time period and a 2.4 percent drop in jobs over the longer 2000 to 2009 time period.
- At the same time, over the 2000 to 2009 time period, a number of sectors in the regional economy have shown growth, including Health Care, Accommodation and Food Services, Professional, Scientific and Technical Services, Educational Services, and Arts, Entertainment and Recreation.
- Sectors that have declined the most region-wide over the 2000 to 2009 time period include Manufacturing and Information Services.
- Though Manufacturing declined by the largest number of jobs over the 2000 to 2009 time period, the rate of decline has slowed recently indicating stabilization of this sector and potential for growth in the future.

Post-Recession Strategy

- The current economic climate presents cities with the challenge of stemming job loss, while at the same preparing for potential growth in a post-recessionary scenario. From the economic development perspective, strategies need to be implemented over the short-term to long-term time horizons.
- Over the short to medium-term, efforts are likely to concentrate on bringing jobs back to the pre-recessionary levels. This could mean preserving jobs where possible, including those in the local serving sector.
- In the long-term, efforts could be directed toward diversifying the economic base by attracting export-base industries and reducing dependence on the local serving component.

Fullerton's Competitive Positioning

- The City of Fullerton is favorably positioned to implement a mix of strategies, as it has many supporting factors, including:
    - o Its location between Los Angeles County and Orange County;
    - o Freeway and transit access and regional connectivity;

- Composition of resident labor force, in terms of percent higher education and skills in professional and technical occupations;
- Home to educational institutions, including California State-Fullerton and Fullerton College that can become important agents in attracting technology and emerging industries.

- Fullerton has a diverse economic base, with a large share of the total employment in Manufacturing (14.8 percent), Health Care (13.5 percent), Retail Trade (11.2 percent) and Education (8.0 percent).
- However, only about 11 percent of the resident labor force is currently employed within the City with high levels of out-commuting to work. This indicates an existing mismatch between jobs and labor skills.
- Conversely, nearly 88 percent of individuals employed in Fullerton commute in to work, indicating the potential to improve the housing mix to accommodate some of these workers.
- Further, given the fact that a large percentage of the labor force is employed in professional and technical jobs, there is potential for the economic base to expand further in such economic activities.

<u>Focus Areas Competitive Positioning</u>

For the purpose of the General Plan, the City has been divided into 12 Focus Areas by the General Plan consultants (RBF) and City Staff (See Figure 1-2).

- The Focus Areas of the City contain nearly 80 percent of all jobs in the City.
- An analysis of employment by Focus Areas reveals high concentration of jobs by sectors.
- For example, within the Manufacturing sector, which comprises nearly 25 percent of all jobs within the Focus Areas, the largest manufacturing concentrations are found in the Southeast Industrial Focus Area, North Industrial Area and the Airport Area.
- Health care jobs are concentrated in the North Harbor Corridor; retail jobs are concentrated in the Harbor Gateway and Orangethorpe Nodes, and educational services are concentrated in the Education Focus Area.
- An effective strategy for the City would also be to attract enterprises in newly emerging industries by building on existing Focus Area characteristics.
- For example, green products manufacturing could locate in areas with high concentration of manufacturing activity, especially in the Southeast Industrial Area. Additionally, existing manufacturing firms in these areas could become early adapters of environmental friendly manufacturing processes.
- Similarly, the North Harbor Focus Area could become an innovator in health services and could support the growth of related activities in other areas of the City including manufacturing and wholesale distribution of medical instruments and equipments.
- The Educational Focus Area, through better interaction between California State-Fullerton and local businesses, could play an important role in assisting local businesses in identifying their technological needs and connecting them to different resources.
- Further, there is potential to improve the jobs-housing match in the City by promoting mixed-use developments in the vicinity of the Downtown and Transportation Focus Areas.

Developing a Strategic Economic Development Framework

The Target Industry Analysis was conducted to identify policy areas under a Strategic Economic Development Framework, which could be further specified within the City's Economic Development Plan for attaining short-term and long-term economic goals. As stated in the previous section, these economic goals have been broadly outlined as follows:

- Short to Medium Term – bringing jobs back to pre-recessionary levels and preserving jobs where possible, including those in the local serving sector.
- Long Term - directing efforts toward diversifying the economic base by encouraging export-base industries and reducing dependence on the local serving component.

Policy areas that potentially address the above goals, which could be specified further in an Economic Development Plan, include the following:

- Build upon the Target Industry Analysis to track industrial trends by Focus Areas and identify emerging industries that may need assistance and incentives, thus making Fullerton an attractive locational choice.
- Prepare an annual inventory of firms within the City by Focus Areas to track firm entry and exit activity.
- Coordinate land use changes consistent with ongoing economic development trends. For example, these may include: tracking the concordance between the General Plan and Zoning Plan in accommodating emerging industries and new technologies; enhancing and maintaining older retail and strip commercial; and integrating transit, jobs and housing opportunities.
- Evaluate potential funding programs at the local, state and federal levels towards financing key infrastructure and other public improvements to cater to the City's existing economic base and emerging industries, such as those that come under the gambit of the 'Green Economy' (see Appendix B).
- Examine the potential application of economic development programs, as described in Appendix C, including Enterprise Zones, Empowerment Zones and the use of stimulus funds under the American Recovery and Reinvestment Act.
- Facilitate outreach and coordination between industry groups, the City' educational institutions and other local public agencies. Such efforts could be structured around task forces for specific industries, surveys and focus groups in order to identify opportunities and constraints impacting existing and emerging industries.
- Develop measures to track the City's economic performance. As shown in Appendix D, these could include indicators for employment trends, labor force characteristics, market trends and City fiscal conditions.
- Develop an Economic Development Plan that allows City Staff to pursue economic development opportunities with effective implementation measures and priorities.

CHAPTER 1
INTRODUCTION

1.1 Overview

This report identifies key issues related to the formulation of a strategic economic development framework for the City of Fullerton under its General Plan update process. The analyses in this report helps identify select industry groups within the City and its respective Focus Areas that have future growth potential. Factors influencing such growth industries typically include:

- Overall regional industrial growth dynamics impacting markets for final and intermediate products and services within existing and newly emerging industries;
- Local labor pool skills and education, housing availability, and accessibility, including transit options to promote jobs-housing balance;
- The prudent recycling of land, and investment in infrastructure to keep pace with changing development patterns, especially in built-out cities like Fullerton;
- Growth in local demand for services and goods including retail, food services, educational services and health care, which is influenced by growth in households and household income;
- Growth in demand for hotel and lodging influenced by local household and business growth in Fullerton and surrounding areas.

1.2 Fullerton and its Regional Context

As shown in Figure 1-1, the City of Fullerton is located in northwestern Orange County, approximately 25 miles southeast of downtown Los Angeles, and approximately 11 miles north-northwest of Santa Ana, the Orange County seat. According to the U.S. Census Bureau, the city has a total area of 22.2 square miles. It is bordered by the municipalities of La Habra and Brea to the north, Buena Park to the west, Placentia to the east and Anaheim to the south.

The city is bisected by Burlington Northern Santa Fe (BNSF) railway, along which run Amtrak and Metrolink commuter rail trains. Average trip time on Metrolink or Amtrak to downtown Los Angeles is about 30 minutes. The Fullerton Train Station, located downtown at the Fullerton Transportation Center, also serves as a major bus depot for the Orange County Transportation Authority (OCTA). Although BNSF accommodates passenger rail service, the same track is also used to transport freight. The route is a critical goods movement corridor, connecting the world ports of Los Angeles and Long Beach with the inland U.S. consumer markets. Much of the cargo from these ports is loaded onto rail at BNSF's Hobart intermodal facility in Downtown LA, which currently handles more than 1 million containers a year.[1] From there, the line heads east, passing

1 Streeter, Kurt and Landsberg, Mitchell, "*A Future Tied to the Tracks*," Los Angeles Times, Aug 22, 2003

through Fullerton then turning north, eventually connecting with the more northerly route at Colton in San Bernardino County.

Fullerton is also crossed by three major freeways. California State Route 91 (The Riverside Freeway) runs east-to-west along the length of the city south of Orangethorpe Avenue. It intersects with Interstate 5 (The Santa Ana Freeway) in the southwestern corner of the City, near Magnolia Avenue. The California State Route 57 (The Orange Freeway) runs north-south in the eastern portion of the City near State College Boulevard.

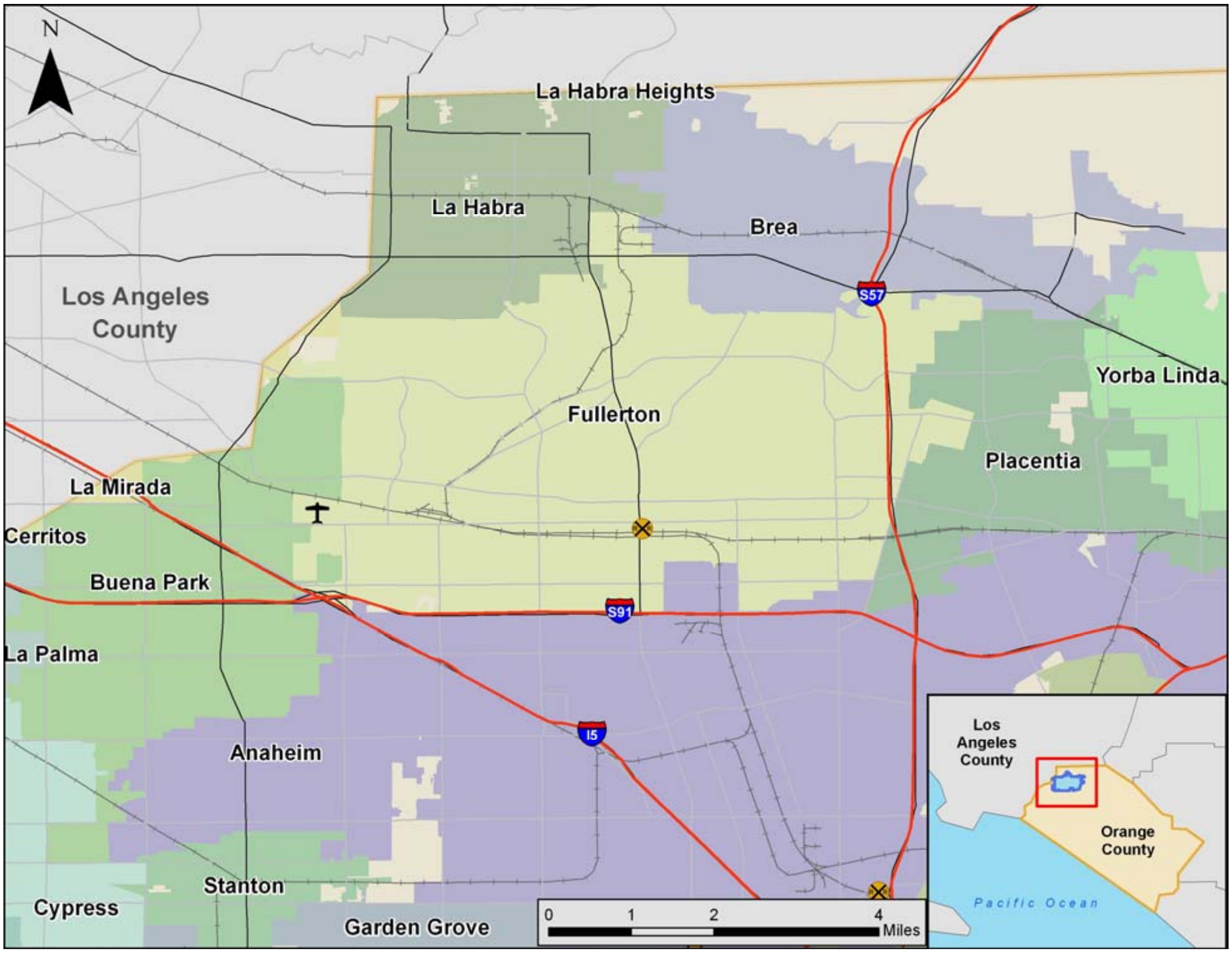
The nearest major commercial airports to Fullerton are the John Wayne Airport, located approximately 18 miles to the south in an unincorporated area of Orange County, and the Ontario Airport, roughly 32 miles to the northeast in San Bernardino County. Fullerton Municipal Airport, located in the southwestern portion of the city, is the only general aviation airport remaining in Orange County. Los Angeles International Airport is located approximately 34 miles to the northwest in the City of Los Angeles.

Fullerton has a diverse economic base with a large representation of businesses in manufacturing, health care services, educational services, information and retail trade. Major businesses among the top employers include St. Jude Medical Group, Raytheon Systems Co., Alcoa Fastening Systems and Terra Universal Inc. Fullerton has several colleges, including the California State University - Fullerton (CSUF) and Fullerton Community College, which together form a large component of the employment in the City.

1.3 City General Plan Focus Areas

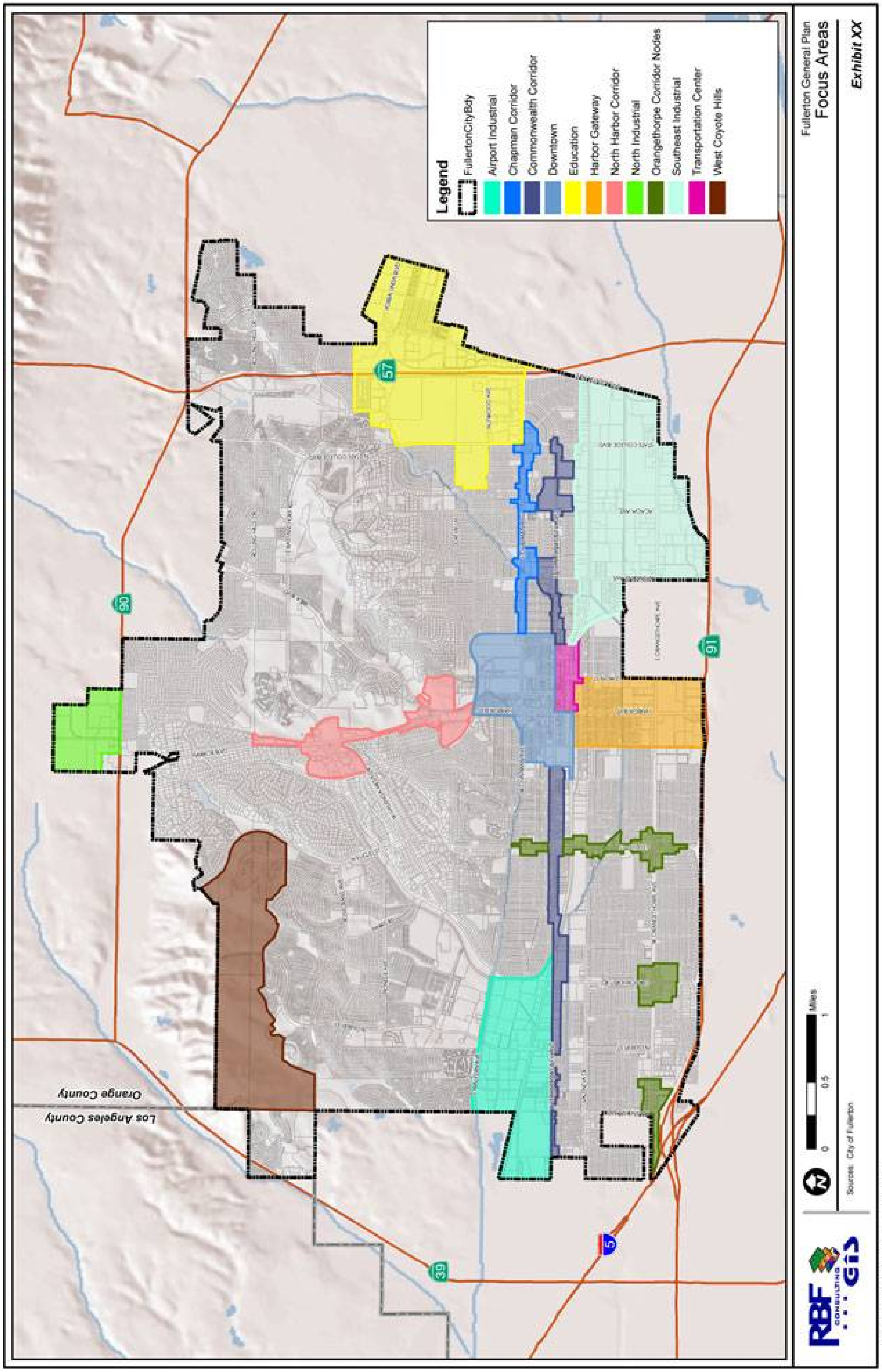
The City has been divided into 12 Focus Areas for the purpose of the General Plan land use update by the General Plan consultants (RBF) and City Staff, as shown in Figure 1-2. For the purpose of the economic study we examine 11 Focus Areas, excluding West Coyote Hills Focus Area, which is primarily open space. Every effort is made to understand and examine data for these Focus Areas, where available. Each of these Focus Areas has unique characteristics and economic growth opportunities, as discussed later in this report. The target industry analysis attempts to make connections between the macro-level regional employment trends and specific realities within the City's Focus Areas.

Figure 1-1
Regional Context Map



Source: Stanley R. Hoffman Associates, Inc.

Figure 1-2
City of Fullerton General Plan Focus Areas



Source: RBF Consulting

1.4 Sources of Information

This study is based upon information from several sources including:

- Annual employment data from 2000 to 2009 (based on all four quarters) from the California Employment Development Department (EDD) for Los Angeles and Orange County.
- Annual employment data from 2005 to 2008 and the first quarter of 2009 for the City of Fullerton from the California Employment Development Department (EDD) and the Census Longitudinal Employee Household Dynamics (LEHD).
- Employment and Sales data from InfoUSA for the year 2008, as provided to the consultants by the Southern California Association of Governments (SCAG), analyzed and organized by Stanley R. Hoffman Associates, Inc. for the 11 General Plan Update Focus Areas.
- Field survey and internet research conducted by Stanley R. Hoffman Associates, Inc. to assess current conditions of the retail, office and industrial real-estate markets and the hotel and lodging industry.
- Information from City Staff and other local sources to assess ongoing business and development changes.

1.5 Overview of the Report

The following sections of the report address the existing economic and market conditions in the City:

- Chapter 2 presents current trends in the Los Angeles and Orange County regional economies at the sector and sub-sector industry level, updated to the most recently released information for 2009 from the California Employment Development Department (EDD);
- Chapter 3 examines the economic base of the City of Fullerton, the North Orange County sub-region and Orange County; analysis is based upon employment and wage data from 2005 to 2008 provided by the EDD at the city-level for Fullerton and by ZIP codes for the sub-region;
- Chapter 4 describes the economic characteristics of the 11 Focus Areas, designated under the City of Fullerton General Plan Update. Analysis is based on employment and sales data obtained from InfoUSA for the year 2008, which was analyzed and organized by the City Focus Areas by Stanley R. Hoffman Associates, Inc.
- Chapter 5 analyzes the resident labor profile - an important component of the City's future growth potential - in terms of education, skills and commute patterns.
- Chapter 6 looks at the current conditions of retail, office and industrial real estate markets and the hotel and lodging industry.
- Chapter 7 contains key issues emerging from the Target Industry Analysis that can assist in the preparation of a strategic economic development plan for the City. The key issues highlight select industries for future growth in the context of background economic and market trends, City labor characteristics and Focus Area strengths and opportunities.

CHAPTER 2
REGIONAL ECONOMIC TRENDS

The following examines economic trends within the Los Angeles County and Orange County regional economies. Specifically, this chapter analyzes the California Employment Development Department (EDD) employment data over the 2000 to 2009 time period for the two counties. Annual Data for 2009 is based on monthly estimates updated to the most recently released data for the month of December. The availability of data for 2009 allows for analysis of the impact of the economic downturn, over approximately the 2007 to 2009 time period, which has impacted both the regional and national economies. The county employment data is organized by the North American Industrial Classification System (NAICS) at the sector level and sub-sector industry level. The sector level analysis provides broad contours of economic change over 2000 to 2009 and 2007 to 2009. The sub-sector (NAICS 3-digit) data allows for a finer grained analysis of industrial change over these time periods within the regional economy, which will be used in identifying potential target industries for the City of Fullerton.

2.1 Sector-level Trends

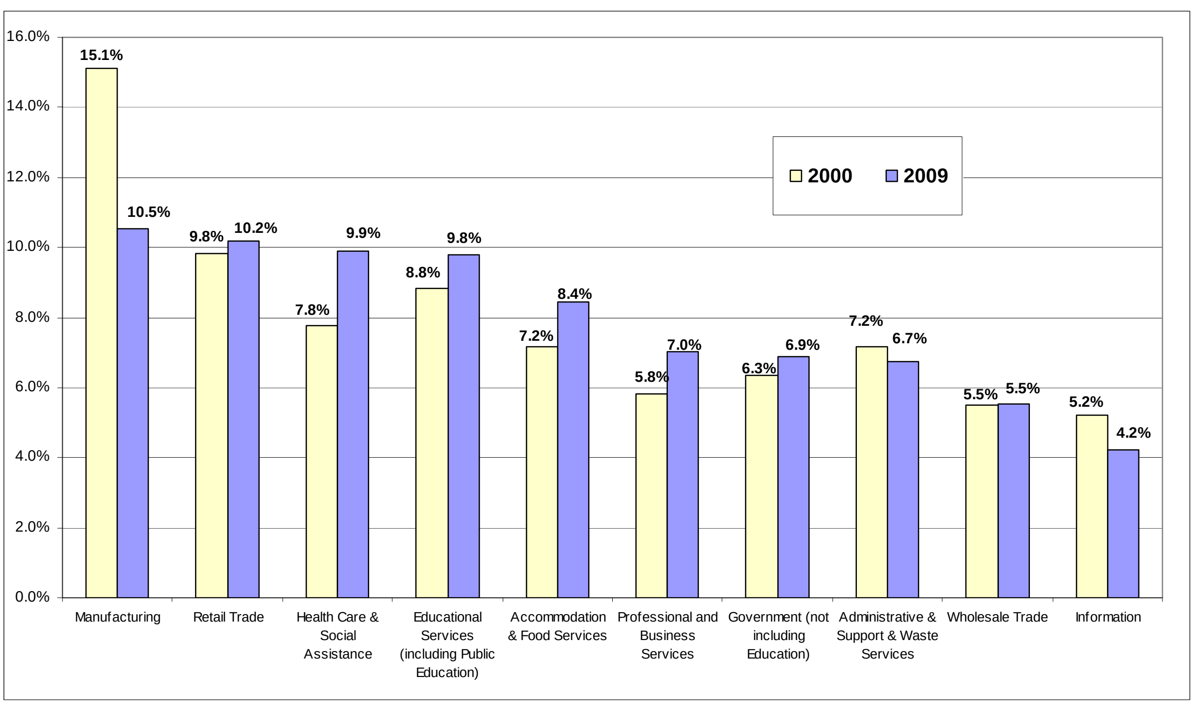
- Total employment in the combined Los Angeles County and Orange County regional economy increased from 5.48 million in 2000 to 5.65 million in 2007, and then declined to 5.35 million in 2009, as shown in Table 2-1.
- This resulted in an overall decrease of 130,292 jobs (-2.4 percent change) over the 2000 to 2009 time period. However, the decline over the 2007 to 2009 time period was higher at 304,092 jobs (-5.4 percent change), an indication of the recent economic downturn.
- As shown in Figure 2-1, in the year 2009, Manufacturing was the largest sector at 10.5 percent share of all jobs within the two counties followed closely by Retail (10.2 percent), Health Care and Social Assistance (9.9 percent) and Educational Services (including public education) (9.8 percent).
- Sectors experiencing the largest absolute growth in jobs over 2000 to 2009 included Health Care and Social Assistance (104,833 jobs), Accommodation and Food Services (57,933 jobs) and Professional, Scientific and Technical (56,892 jobs), as shown in Figure 2-2.
- Sectors with the largest absolute job losses during this period included Manufacturing (265,233 jobs), Information (58,717 jobs) and Management of Companies (46,675), as shown in Figure 2-3.
- In comparison, almost all sectors declined over 2007 to 2009, with the exception of Health Care and Social Assistance, Educational Services and Utilities.
- Construction and Finance and Insurance, linked directly to the housing market collapse, experienced the largest declines in employment over this period, as shown in Table 2-1.
- Interestingly, though manufacturing jobs have been declining overall, the magnitude of decline slowed down over 2007-09 (-10.7 percent) compared to 2000-09 (-32.0 percent), as shown in Table 2-1. This suggests a trend toward stabilization, and possibly a potential uptick in a post-recessionary economic climate.

Table 2-1
Employment by Sector
Los Angeles and Orange County
2000 to 2009

	2000	2007	2008	2009	2000 to 2009 Change	2000 to 2009 Percent	2007 to 2009 Change	2007 to 2009 Percent
Agriculture	15,300	12,500	11,600	11,208	-4,092	-26.7%	-1,292	-10.3%
Mining and Logging	4,000	5,000	5,000	4,917	917	22.9%	-83	-1.7%
Construction	208,300	260,700	236,300	204,425	-3,875	-1.9%	-56,275	-21.6%
Manufacturing	827,700	629,600	607,600	562,467	-265,233	-32.0%	-67,133	-10.7%
Wholesale Trade	300,200	313,900	310,400	295,433	-4,767	-1.6%	-18,467	-5.9%
Retail Trade	539,000	587,200	573,100	544,525	5,525	1.0%	-42,675	-7.3%
Utilities	15,800	17,000	17,500	17,583	1,783	11.3%	583	3.4%
Transportation & Warehousing	189,100	177,400	173,900	163,683	-25,417	-13.4%	-13,717	-7.7%
Information	284,900	241,000	241,400	226,183	-58,717	-20.6%	-14,817	-6.1%
Finance & Insurance	220,800	254,900	232,500	220,008	-792	-0.4%	-34,892	-13.7%
Real Estate & Rental & Leasing	104,700	118,900	116,600	113,592	8,892	8.5%	-5,308	-4.5%
Professional, Scientific and Technical Services	318,900	387,400	386,600	375,792	56,892	17.8%	-11,608	-3.0%
Management of Companies	124,200	86,700	82,500	77,525	-46,675	-37.6%	-9,175	-10.6%
Administrative & Support & Waste Services	392,300	404,700	383,000	360,558	-31,742	-8.1%	-44,142	-10.9%
Educational Services (including Public Education)	484,275	516,625	524,008	523,742	39,467	8.1%	7,117	1.4%
Health Care & Social Assistance	425,100	508,600	523,200	529,933	104,833	24.7%	21,333	4.2%
Arts, Entertainment & Recreation	98,000	108,300	109,700	107,200	9,200	9.4%	-1,100	-1.0%
Accommodation & Food Services	392,700	462,500	466,500	450,633	57,933	14.8%	-11,867	-2.6%
Other Services	183,900	194,500	194,500	189,392	5,492	3.0%	-5,108	-2.6%
Government (not including Eduction)	347,525	362,975	369,592	367,208	19,683	5.7%	4,233	1.2%
Total, All Industries	**5,476,300**	**5,650,100**	**5,565,500**	**5,346,008**	**-130,292**	**-2.4%**	**-304,092**	**-5.4%**

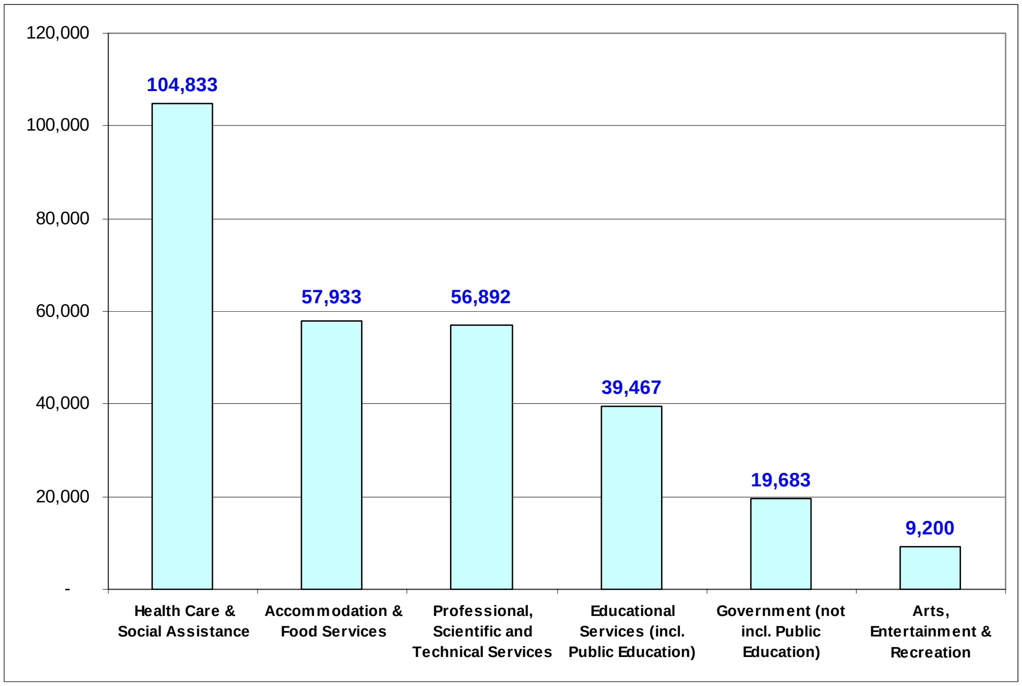
Source: Stanley R. Hoffman Associates, Inc.
California Employment Development Department (EDD).

Figure 2-1
Distribution of Employment by Sector
Los Angeles and Orange County
2000 and 2009



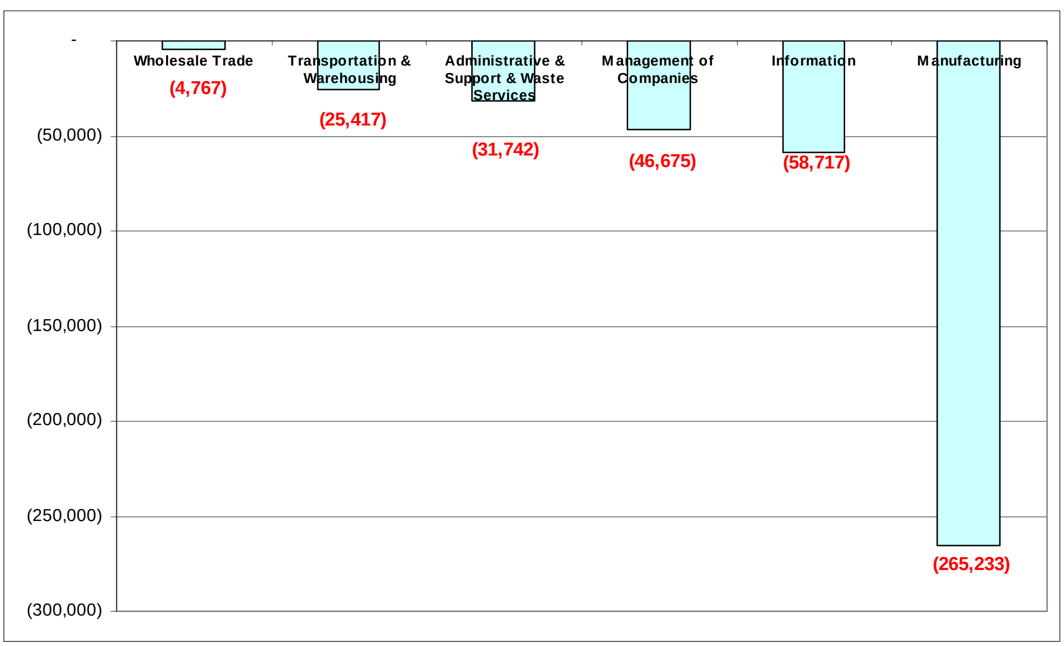
Source: Stanley R. Hoffman Associates, Inc.

Figure 2-2
Sectors with Largest Jobs Increases
Los Angeles and Orange County
2000 to 2009



Source: Stanley R. Hoffman Associates, Inc.

Figure 2-3
Sectors with Largest Jobs Declines
Los Angeles and Orange County
2000 to 2009



Source: Stanley R. Hoffman Associates, Inc.

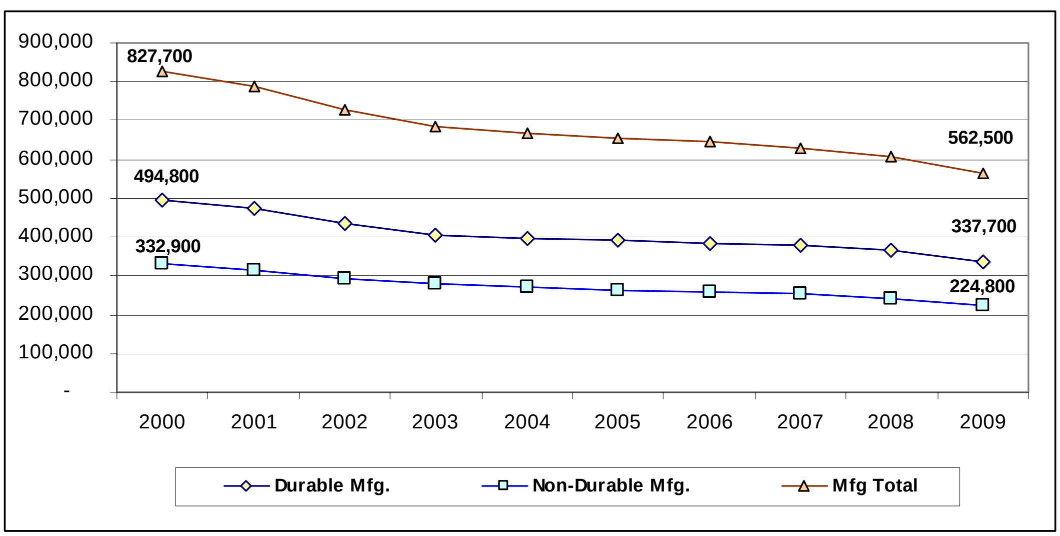
2.2 Sub-Sector Trends

County employment was also obtained from the EDD at the sub-sector NAICS 3-digit. Data is analyzed and presented here for industries that comprise the export-base component of the City of Fullerton's economy. The economy of a place is classified broadly into local serving and export-base jobs. Local serving jobs, by definition, are driven primarily by the spending of local consumers, which is affected by local employment cycles and income and real estate market conditions. In comparison, export base jobs serve a wider market, and therefore, are impacted by larger dynamics at the regional and higher levels. The export base industries analyzed for the City of Fullerton include those within sectors such as Manufacturing, Professional, Scientific and Technical Services, Information Services, and Transportation and Warehousing. Also considered are industries within Educational Services, and Health Care and Social Assistance, which have a substantial presence in Fullerton, serving both local and regional demand for services. The county-level trends are examined here to indentify the regional growth dynamics of the above industries.

Manufacturing

As shown previously in Table 2-1, overall manufacturing declined in Los Angeles and Orange County from 827,700 in 2000 to 562,470 in 2009, a net decline of 32.0 percent. As stated earlier, the pace of decline has slowed down in recent years. Further, both the durable and non-durable goods components of manufacturing declined during this time period, as shown in Figure 2-4, with the share of the durable component remaining at around 60 percent of total over 2000 to 2009 time period. Durable goods manufacturing declined by 12.6 percent over 2007 to 2009.

Figure 2-4
Durable and Non-Durable Manufacturing
Los Angeles and Orange County
2000 to 2009

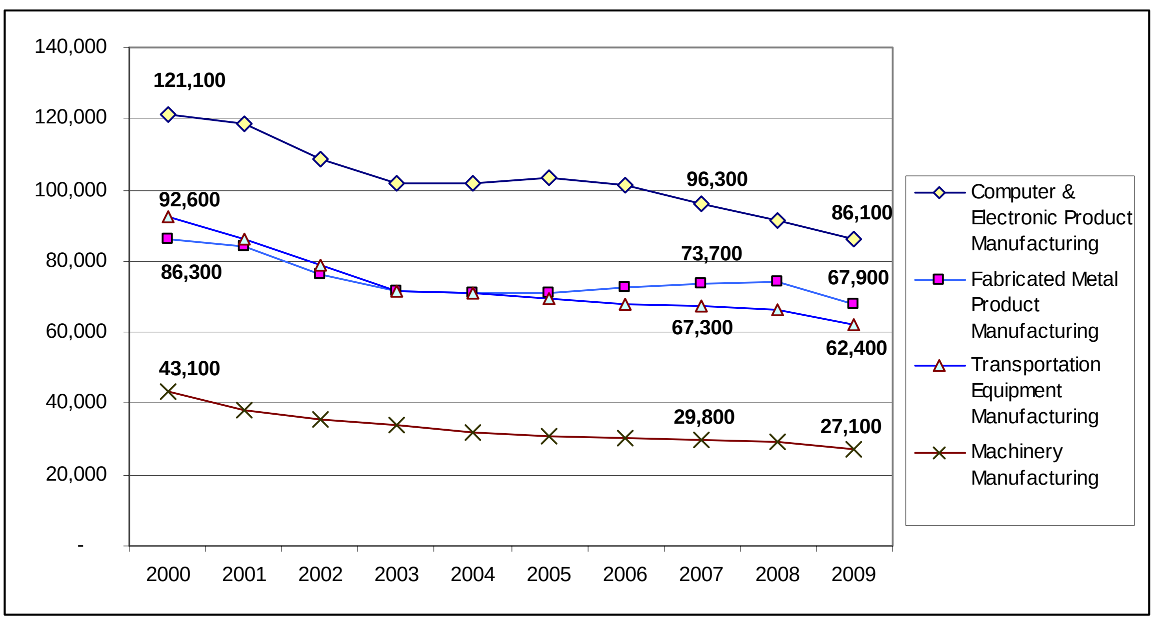


Source: Stanley R. Hoffman Associates, Inc

The following trends are observed for prominent NAICS 3-digit industries in the manufacturing sector for Los Angeles and Orange County taken together:

- As shown in Figure 2-5, Computer and Electronic Product manufacturing comprised the largest industry grouping within durable goods manufacturing at 67,900 (or 26 percent share) of the total 337,700 durable goods manufacturing jobs in 2009.
- Fabricated Metal Product was the second largest durable goods manufacturing group at 67,900 (or 20.1 percent of total). This employment grouping experienced the smallest percent decline over the 2000 to 2009 time period at 21.3 percent compared to almost 34 percent for all durable goods manufacturing.
- Machinery manufacturing experienced the largest decline over the 2000 to 2009 time period at 37.1 percent followed by Transportation Equipment manufacturing at 32.6 percent.
- As stated earlier, durable goods manufacturing declined by 12.6 percent over the 2007 to 2009. Of the major categories, Computer and Electronic Products declined the most at 10.6 percent followed by Machinery manufacturing at 9.1 percent.
- Transportation Equipment manufacturing experienced the least decline during the 2007 to 2009 time period at 7.3 percent.

Figure 2-5
Top 4 Manufacturing NAICS 3-Digit Industries
Los Angeles and Orange County
2000 to 2009



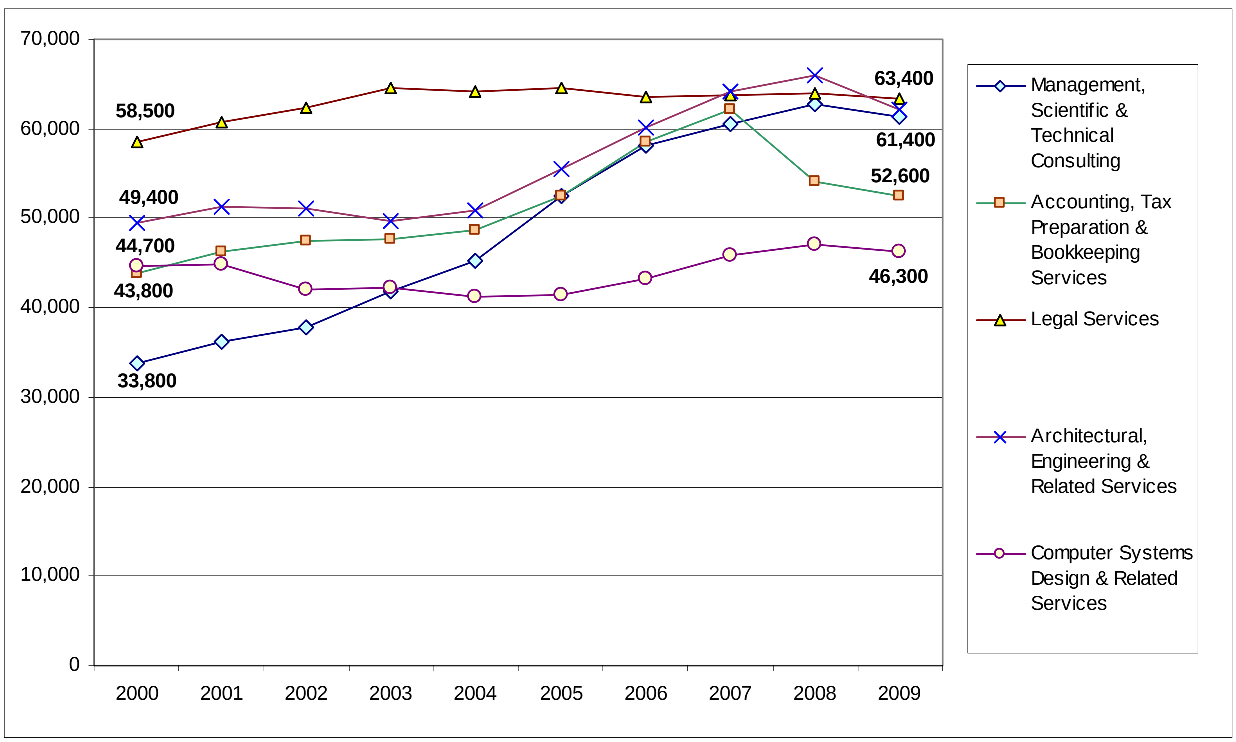
Source: Stanley R. Hoffman Associates, Inc.

Professional, Scientific and Technical Services

As shown previously in Table 2-1, overall Professional, Scientific and Technical Services increased in Los Angeles and Orange County from 318,900 in 2000 to 375,792 in 2009, a net increase of 17.8 percent. However, this sector experienced a decline of 3 percent over the 2007 to 2009 time period. The following trends are observed for some prominent NAICS 3-digit industry level in the Profession, Scientific and Technical Services sector for Los Angeles and Orange County taken together:

- Management, Scientific and Technical Consulting jobs experienced the largest increase of 82 percent over the 2000 to 2009 time period, followed by Architectural, Engineering and Related Services at 25 percent.
- Jobs in Legal Services and Computer Services remained relatively stable over the 2000 to 2009 time period.
- Jobs in Accounting, Tax Preparation and Book-keeping showed significant increase from 2000 to 2007 and then fell sharply from 2007 to 2009.

Figure 2-6
Top 5 Professional, Technical and Scientific NAICS 3-Digit Industries
Los Angeles and Orange County
2000 to 2009



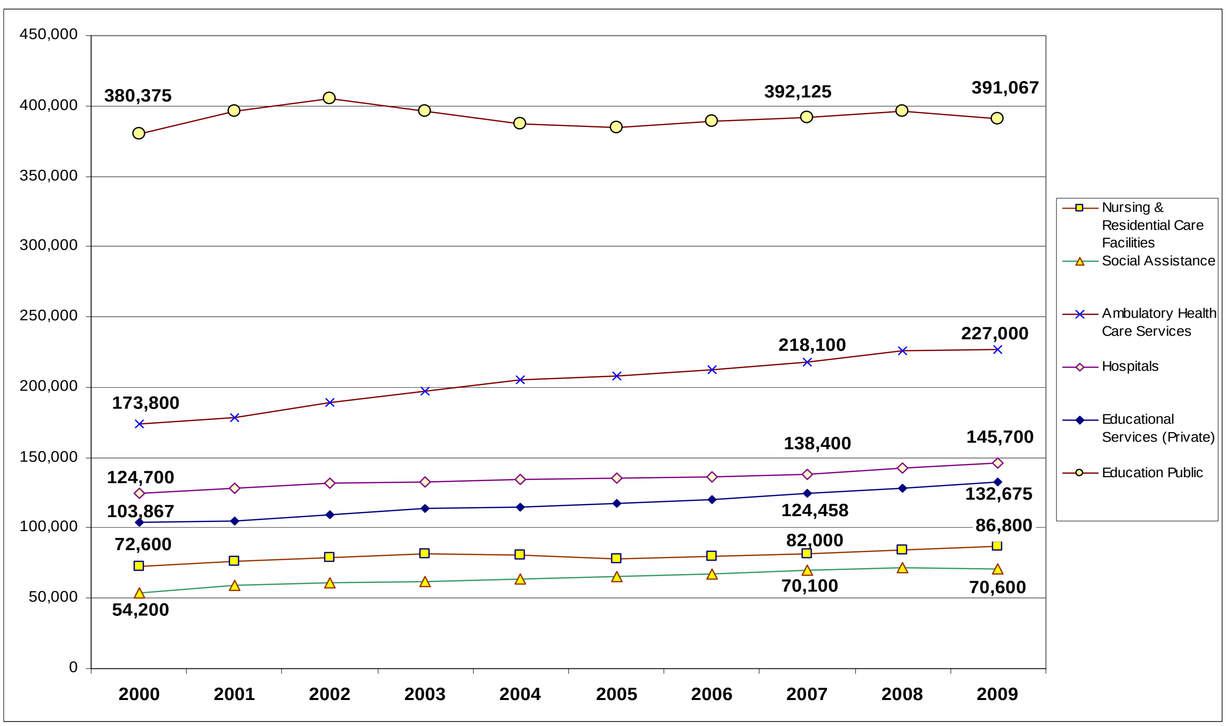
Source: Stanley R. Hoffman Associates, Inc.

Educational and Healthcare Services

As shown previously in Table 2-1, employment increases are shown for Educational Services sector (including public education) (8.2 percent) and Health and Care and Social Assistance sector (24.7 percent) over the 2000 to 2009 time. The following trends are observed in these sectors for Los Angeles and Orange County taken together:

- Educational Services, comprised of public sector employment in State and local educational institutions and private sector services, grew from 484,240 in 2000 to 523,740 in 2009 -- an increase of 8.2 percent.
- As shown in Figure 2-7, while public sector education employment increased by only 2.8 percent from 380,375 in 2000 to 391,067 in 2009, private sector educational services grew by 27.7 percent from 103,867 in 2000 to 132,675 in 2009.
- Within the Health Care sector, Ambulatory Services registered the largest absolute increase in jobs over the 2000 to 2009 time period, growing from 173,800 in 2000 to 227,000 in 2009 at 30.6 percent increase, as shown in Figure 2-7.
- Hospital jobs formed the second largest group in Health Care in 2009, growing from 124,700 in 2000 to 145,700 in 2009 (16.8 percent change).

Figure 2-7
Educational and Healthcare NAICS 3-Digit Industries
Los Angeles and Orange County
2000 to 2009



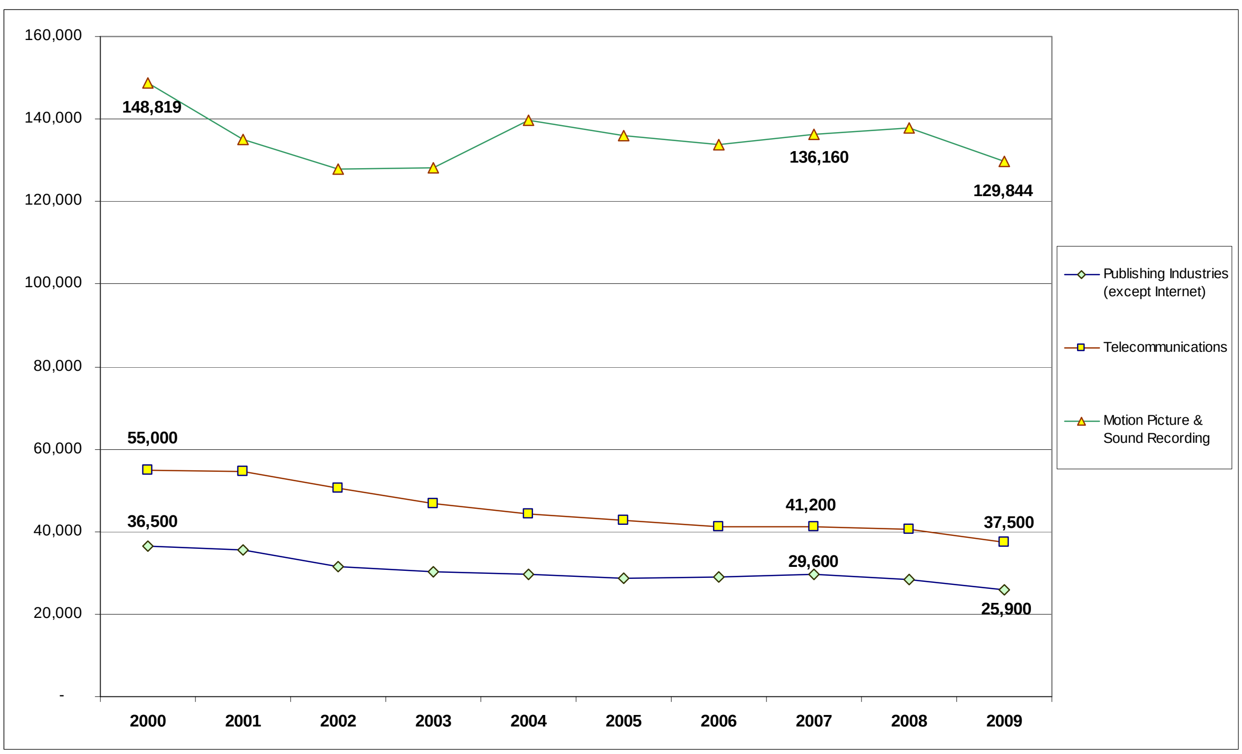
Source: Stanley R. Hoffman Associates, Inc.

Information Services

As shown previously in Table 2-1, employment in the Information Services sector declined by 20.6 percent over the 2000 to 2009 time period. This sector includes the Motion Picture and Sound Production industry, which is one of the most important economic activities within Southern California. The following trends are observed in the Information sector for Los Angeles and Orange County taken together:

- As shown in Figure 2-8, in terms of employment, Motion Picture and Sound Production was by-far the largest industry within the Information sector.
- The Motion Picture and Sound Production industry is estimated to have declined the least in terms of employment among the 3-digit industries within the Information Sector at 12.8 percent over the 2000 to 2009 time period.
- Telecommunications showed the largest decline in employment at 31.8 percent over this time period, dropping from 55,000 jobs in 2000 to 37,500 jobs in 2009.

Figure 2-8
Information Services NAICS 3-Digit Industries
Los Angeles and Orange County
2000 to 2009



Source: Stanley R. Hoffman Associates, Inc.

CHAPTER 3
THE CITY ECONOMY AT THE SECTOR LEVEL

This chapter presents data on the economic base of the City of Fullerton, including information and analysis of employment and wage by economic sector, and the type of major firms operating in the City. Key economic indicators like employment distribution, relative concentration of employment by sector (specialization), and average wages by sectors are compared with the Northern sub-region of Orange County and the larger Orange County region. The definition of the Northern sub-region is based on the selection of ZIP codes as shown in Figure 3-1.

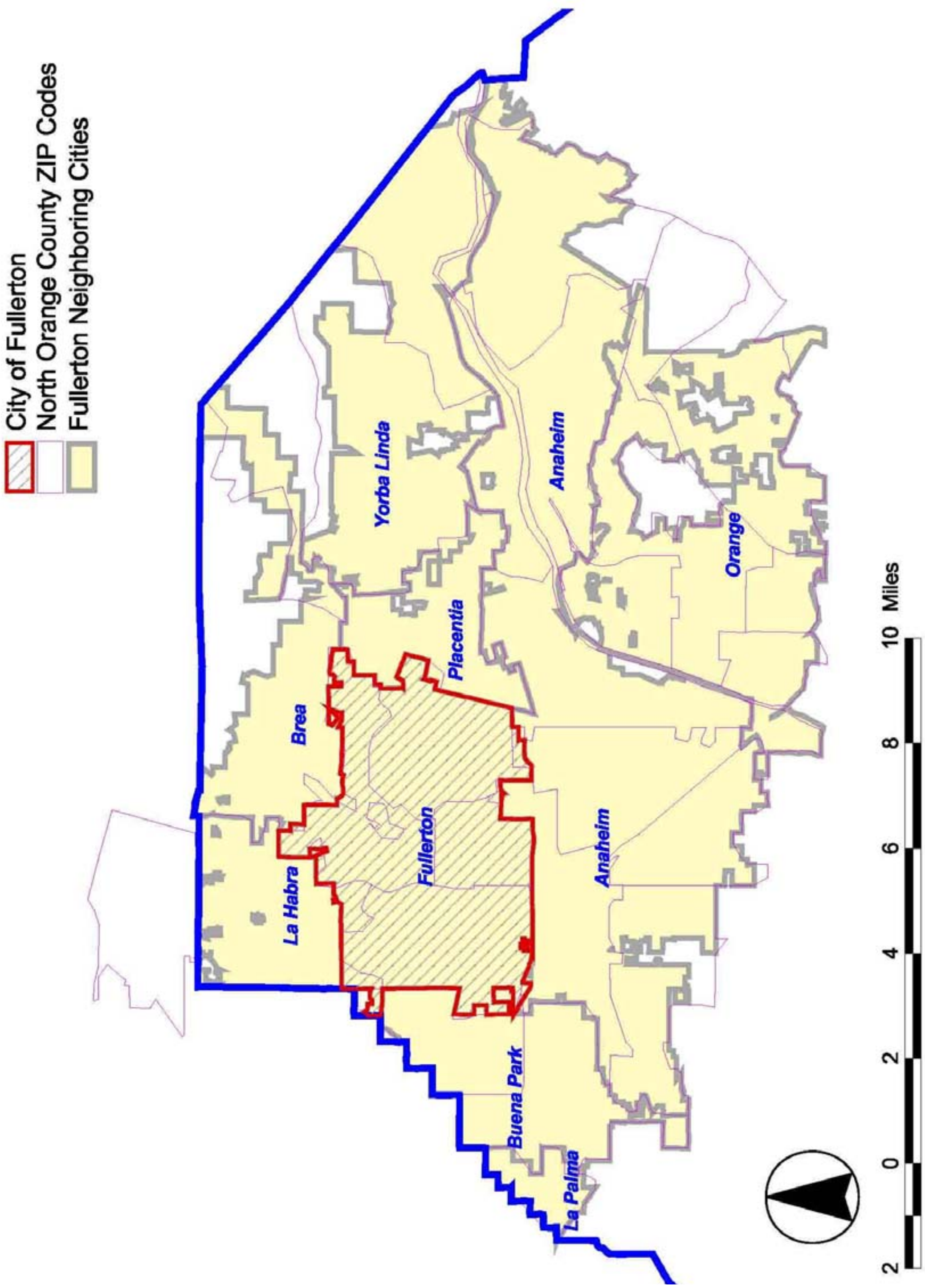
3.1 Overall Employment Trends

- As shown in Table 3-1, according to EDD, the City of Fullerton had an estimated 59,851 jobs in 2008.
- Employment in the neighboring region of North Orange County was estimated at 424,874 jobs. The total employment in the City of Fullerton comprised about 14.1 percent of the total employment base of North Orange County sub-region.
- The North Orange County sub-region comprised about 26.3 percent of the total estimated annual jobs in 2008 for Orange County.
- As shown in Figure 3-2, employment in the North Orange County sub-region grew at a faster annual average growth rate of 0.32 percent over the 2005 to 2008 period when compared to the entire Orange County, which decreased by the rate of 0.16 percent, while Fullerton only declined by 0.02 percent rate

3.2 Employment Distribution by NAICS Categories: 2008

- As shown in Table 3-2, the largest non-government employment categories in the City in 2008 were Manufacturing (14.8 percent), Retail Trade (11.2 percent), and Health Care (13.5 percent), which taken together accounted for 39.5 percent of the total jobs in the City.
- Employment in sectors usually requiring higher education and skills (including Professional, Scientific and Technical, Finance and Insurance, Real Estate and Rental Leasing, Information and Management of Companies and Enterprises) comprised only about 9 percent of the total jobs in the City.
- Local, State and Federal Government jobs comprised about 16.3 percent of the total jobs in the City in 2005. This includes employment in public schools, colleges and universities.
- Growth trends within each sector of Fullerton's economy are shown in Table 3-3.

Figure 3-1
Definition of Economic Sub-region
City of Fullerton and North Orange County



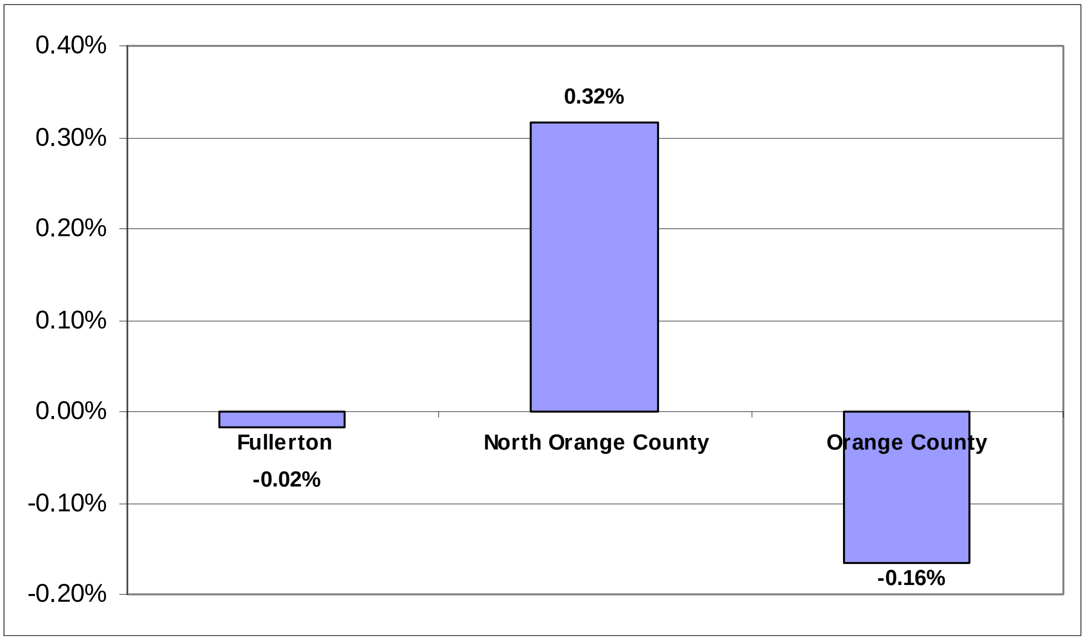
Source: Stanley R. Hoffman Associates, Inc.

Table 3-1
Historic Employment Growth Trends
City of Fullerton and Surrounding Areas
2005 to 2008

	2005	2006	2007	2008	Change 2005 - 2008	Annual Average Growth Rate 2005-2008
Fullerton	59,882	60,617	61,685	59,851	-31	-0.02%
North Orange County	420,871	432,764	428,285	424,874	4,003	0.32%
Fullerton as % North Orange	14.2%	14.0%	14.4%	14.1%		
Orange County	1,621,136	1,649,667	1,642,935	1,613,134	-8,003	-0.16%
North Orange as % Orange County	26.0%	26.2%	26.1%	26.3%		

Source: Stanley R. Hoffman Associates, Inc.
California Employment Development Department (EDD).

Figure 3-2
Comparative Annual Average Employment Growth Rates
City of Fullerton and Surrounding Areas
2005 to 2008



Sources: Stanley R. Hoffman Associates, Inc.
California Employment Development Department, 2005 to 2008

Table 3-2
Employment Distribution by NAICS Sectors: 2008
City of Fullerton

	2008	Percent Distribution
CONSTRUCTION	2,717	4.5%
MANUFACTURING	8,862	14.8%
WHOLESALE TRADE	2,994	5.0%
RETAIL TRADE	6,732	11.2%
TRANSPORTATION & WAREHOUSING	1,057	1.8%
INFORMATION	302	0.5%
FINANCE & INSURANCE	1,170	2.0%
REAL ESTATE & RENTAL & LEASING	943	1.6%
PROFESSIONAL, SCIENTIFIC, & TECHNICAL SKILLS	2,548	4.3%
MANAGEMENT OF COMPANIES AND ENTERPRISES	670	1.1%
ADMIN & SUPPORT & WASTE MGMT & REMEDIATION	4,960	8.3%
EDUCATIONAL SERVICES [1]	667	1.1%
HEALTH CARE & SOCIAL ASSISTANCE	8,096	13.5%
ARTS, ENTERTAINMENT, & RECREATION	532	0.9%
ACCOMMODATION & FOOD SERVICES	4,986	8.3%
OTHER SERVICES	2,634	4.4%
FEDERAL GOVT	204	0.3%
STATE GOVT [2]	4,110	6.9%
LOCAL GOVT [2]	4,931	8.2%
OTHER EMPLOYMENT	734	1.2%
TOTAL EMPLOYMENT	**59,851**	**100.0%**

1. Does not include education-related employment in public schools, colleges and universities.

2. Includes public education employment in schools, colleges and universities.

Source: Stanley R. Hoffman Associates, Inc.
California Employment Development Department (EDD).

Table 3-3
Employment Growth by NAICS Sectors: 2005 to 2008
City of Fullerton

	2005	2006	2007	2008	Change 2005 -2008	Annual Average Growth Rate 2005-2008
CONSTRUCTION	3,054	3,130	3,055	2,717	-337	-3.8%
MANUFACTURING	10,802	10,883	9,439	8,862	-1,940	-6.4%
WHOLESALE TRADE	2,629	3,003	3,071	2,994	366	4.4%
RETAIL TRADE	7,820	7,665	7,597	6,732	-1,088	-4.9%
TRANSPORTATION & WAREHOUSING	1,252	1,163	1,193	1,057	-195	-5.5%
INFORMATION	270	266	313	302	32	3.8%
FINANCE & INSURANCE	1,295	1,371	1,337	1,170	-125	-3.3%
REAL ESTATE & RENTAL & LEASING	985	941	993	943	-41	-1.4%
PROFESSIONAL, SCIENTIFIC, & TECHNICAL SKILLS	2,369	2,183	2,298	2,548	179	2.5%
MANAGEMENT OF COMPANIES AND ENTERPRISES	514	590	619	670	156	9.2%
ADMIN & SUPPORT & WASTE MGMT & REMEDIATION	3,699	3,569	5,007	4,960	1,261	10.3%
EDUCATIONAL SERVICES [1]	815	798	817	667	-148	-6.5%
HEALTH CARE & SOCIAL ASSISTANCE	7,297	7,396	7,760	8,096	799	3.5%
ARTS, ENTERTAINMENT, & RECREATION	479	407	434	532	53	3.6%
ACCOMMODATION & FOOD SERVICES	4,499	4,982	5,110	4,986	487	3.5%
OTHER SERVICES	2,427	2,371	2,505	2,634	207	2.8%
FEDERAL GOVT	175	121	105	204	29	5.2%
STATE GOVT [2]	4,026	4,293	4,342	4,110	84	0.7%
LOCAL GOVT [2]	4,901	4,871	5,034	4,931	30	0.2%
OTHER EMPLOYMENT	573	615	655	734	161	8.6%
TOTAL EMPLOYMENT	**59,882**	**60,617**	**61,685**	**59,851**	**-31**	**0.0%**

1. Does not include education-related employment in public schools, colleges and universities.

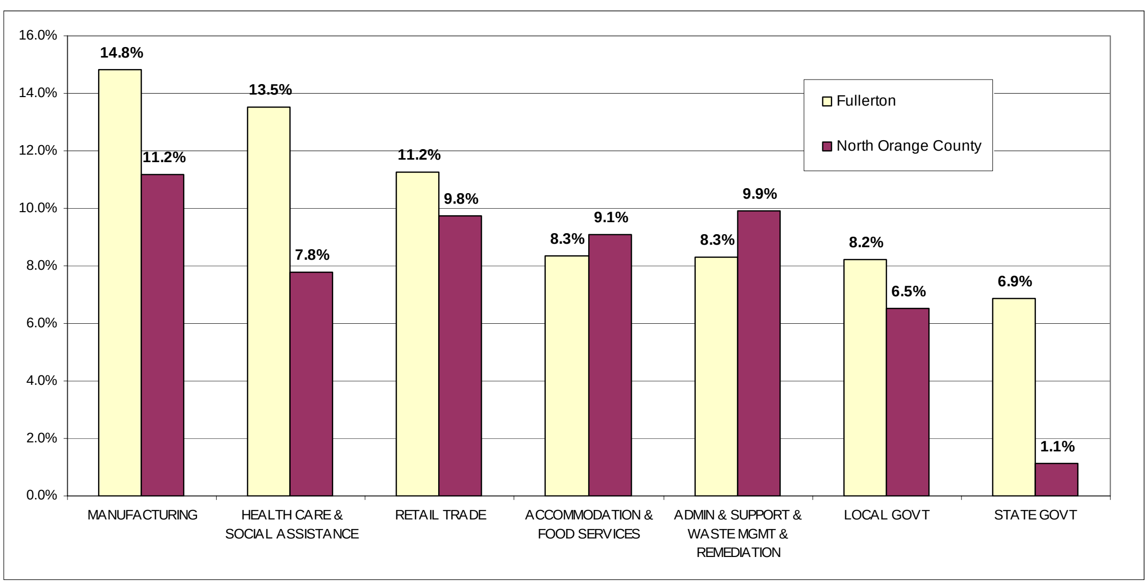
2. Includes public education employment in schools, colleges and universities.

Source: Stanley R. Hoffman Associates, Inc.
California Employment Development Department (EDD).

City of Fullerton and Regional Comparison

- As shown in Figure 3-3, manufacturing-related jobs formed about 14.8 percent of the City employment base compared to 11.2 percent in the North Orange County sub-region.
- The City had a higher share of Manufacturing, Health and Social Services and Retail Trade jobs compared to the sub-region.
- A regional comparison using the location quotient index method is presented in Table 3-4. This index is calculated by benchmarking the employment share of a sector in the City or North Orange County to the same sector in Orange County, thus providing a measure of specialization relative to Orange County.
- The location quotient analysis indicates that in 2008, in comparison to Orange County, the City of Fullerton had the highest concentrations of private sector employment in Health Care (1.58) and Manufacturing (1.35).
- The City had significantly lower concentration of jobs compared to the County in key employment sectors like Information (0.27), Arts, Entertainment, & Recreation (0.34) and Professional, Scientific and Technical Services (0.49).
- Employment associated with the California State University at Fullerton is categorized under the NAICS category "State Government". As shown in Table 3-4, the impact of the University on the City's employment base is captured in the high location index for this sector at 4.99 in 2005, when compared to the County.

Figure 3-3
Top NAICS Sectors Employment Categories
City of Fullerton Compared to North Orange County
2008



Source: Stanley R. Hoffman Associates, Inc.
California Employment Development Department, 2008

Table 3-4
Location Quotients Indexed to Orange County
City of Fullerton and North Orange County
2008

	Fullerton	% Distr.	North Orange County	% Distr.	Orange County	% Distr.
EMPLOYMENT						
CONSTRUCTION	2,717	4.5%	40,715	9.6%	105,139	6.5%
MANUFACTURING	8,862	14.8%	47,542	11.2%	176,307	10.9%
WHOLESALE TRADE	2,994	5.0%	26,221	6.2%	92,990	5.8%
RETAIL TRADE	6,732	11.2%	41,455	9.8%	166,116	10.3%
TRANSPORTATION & WAREHOUSING	1,057	1.8%	11,006	2.6%	26,951	1.7%
INFORMATION	302	0.5%	6,393	1.5%	30,683	1.9%
FINANCE & INSURANCE	1,170	2.0%	18,331	4.3%	81,084	5.0%
REAL ESTATE & RENTAL & LEASING	943	1.6%	8,744	2.1%	44,100	2.7%
PROFESSIONAL, SCIENTIFIC, & TECHNICAL SKILLS	2,548	4.3%	23,260	5.5%	140,154	8.7%
MANAGEMENT OF COMPANIES AND ENTERPRISES	670	1.1%	4,788	1.1%	26,475	1.6%
ADMIN & SUPPORT & WASTE MGMT & REMEDIATION	4,960	8.3%	42,081	9.9%	147,140	9.1%
EDUCATIONAL SERVICES [1]	667	1.1%	4,962	1.2%	22,545	1.4%
HEALTH CARE & SOCIAL ASSISTANCE	8,096	13.5%	32,975	7.8%	138,353	8.6%
ARTS, ENTERTAINMENT, & RECREATION	532	0.9%	26,433	6.2%	41,819	2.6%
ACCOMMODATION & FOOD SERVICES	4,986	8.3%	38,651	9.1%	144,417	9.0%
OTHER SERVICES	2,634	4.4%	15,751	3.7%	62,801	3.9%
FEDERAL GOVT	204	0.3%	334	0.1%	11,698	0.7%
STATE GOVT [2]	4,110	6.9%	4,724	1.1%	22,215	1.4%
LOCAL GOVT [2]	4,931	8.2%	27,632	6.5%	116,783	7.2%
OTHER EMPLOYMENT	734	1.2%	2,877	0.7%	15,363	1.0%
TOTAL EMPLOYMENT	**59,851**	**100.0%**	**424,874**	**100.0%**	**1,613,134**	**100.0%**
LOCATION QUOTIENTS						
CONSTRUCTION		0.70		1.47		1.00
MANUFACTURING		1.35		1.02		1.00
WHOLESALE TRADE		0.87		1.07		1.00
RETAIL TRADE		1.09		0.95		1.00
TRANSPORTATION & WAREHOUSING		1.06		1.55		1.00
INFORMATION		0.27		0.79		1.00
FINANCE & INSURANCE		0.39		0.86		1.00
REAL ESTATE & RENTAL & LEASING		0.58		0.75		1.00
PROFESSIONAL, SCIENTIFIC, & TECHNICAL SKILLS		0.49		0.63		1.00
MANAGEMENT OF COMPANIES AND ENTERPRISES		0.68		0.69		1.00
ADMIN & SUPPORT & WASTE MGMT & REMEDIATION		0.91		1.09		1.00
EDUCATIONAL SERVICES [1]		0.80		0.84		1.00
HEALTH CARE & SOCIAL ASSISTANCE		1.58		0.90		1.00
ARTS, ENTERTAINMENT, & RECREATION		0.34		2.40		1.00
ACCOMMODATION & FOOD SERVICES		0.93		1.02		1.00
OTHER SERVICES		1.13		0.95		1.00
FEDERAL GOVT		0.47		0.11		1.00
STATE GOVT [2]		4.99		0.81		1.00
LOCAL GOVT [2]		1.14		0.90		1.00
OTHER EMPLOYMENT		1.29		0.71		1.00

1. Does not include education-related employment in public schools, colleges and universities.

2. Includes public education employment in schools, colleges and universities.

Source: Stanley R. Hoffman Associates, Inc.
California Employment Development Department (EDD).

3.3 Wage Trends: 2008

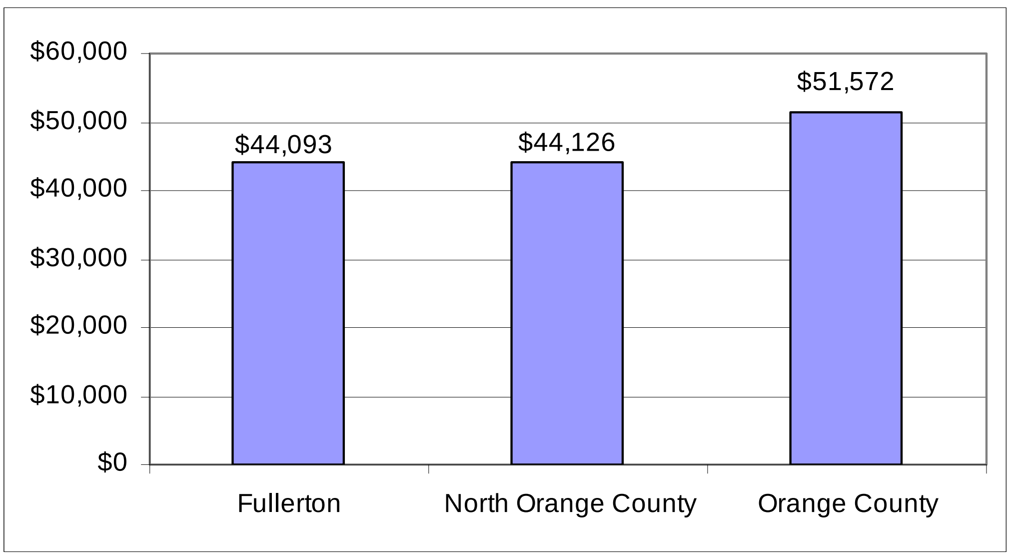
- As shown in Figure 3-4 and Table 3-5, the average annual wage in the City of Fullerton was $44,093 in 2008, in constant 2008 dollars.

- As estimated in 2008, the average wage in the City ($44,093) was only slightly lower compared to the North Orange County sub-region ($44,126); and when compared with Orange County ($51,572), Fullerton is about 15 percent less than the County average.

- Average Wages by NAICS sectors in the City ranged from a high of $68,278 (Management of Companies and Enterprises) to a low of $15,416 (Accommodation & Food Services), with an average wage of around $44,093 across all NAICS sectors.

- The range of wages is comparable to North Orange County, which had average sector wages in 2008 ranging from a high of $71,828 (Management of Companies and Enterprises) to a low of $18,993 (Accommodation & Food Services).

Figure 3-4
Average Wage, All Industries
City of Fullerton, North Orange County and Orange County
2008
(In constant 2008 dollars)



Source: Stanley R. Hoffman Associates, Inc.

Table 3-5
Average Wage by NAICS Sectors
City of Fullerton, North Orange County and Orange County
2008
(In constant 2008 dollars)

	2005	2006	2007	2008	Percent Change 2005 -2008
CONSTRUCTION	$44,636	$46,797	$49,563	$51,323	15.0%
MANUFACTURING	$61,613	$63,502	$60,983	$60,102	-2.5%
WHOLESALE TRADE	$54,777	$55,998	$58,429	$54,171	-1.1%
RETAIL TRADE	$31,156	$30,751	$29,502	$27,505	-11.7%
TRANSPORTATION & WAREHOUSING	$41,632	$41,692	$43,405	$43,061	3.4%
INFORMATION	$53,084	$48,267	$47,247	$42,220	-20.5%
FINANCE & INSURANCE	$55,934	$55,910	$56,227	$55,239	-1.2%
REAL ESTATE & RENTAL & LEASING	$40,117	$39,290	$37,405	$37,494	-6.5%
PROFESSIONAL, SCIENTIFIC, & TECHNICAL SKILLS	$50,706	$54,302	$57,222	$57,704	13.8%
MANAGEMENT OF COMPANIES AND ENTERPRISES	$76,382	$83,513	$90,853	$68,278	-10.6%
ADMIN & SUPPORT & WASTE MGMT & REMEDIATION	$31,386	$28,856	$25,904	$25,866	-17.6%
EDUCATIONAL SERVICES [1]	$29,662	$30,919	$31,026	$28,240	-4.8%
HEALTH CARE & SOCIAL ASSISTANCE	$50,134	$51,363	$52,100	$52,600	4.9%
ARTS, ENTERTAINMENT, & RECREATION	$19,330	$21,109	$17,083	$16,386	-15.2%
ACCOMMODATION & FOOD SERVICES	$15,409	$15,195	$15,577	$15,416	0.0%
OTHER SERVICES	$28,825	$28,824	$28,331	$27,216	-5.6%
FEDERAL GOVT	$61,515	$57,786	$55,226	$54,858	-10.8%
STATE GOVT [2]	$51,580	$51,608	$53,084	$55,239	7.1%
LOCAL GOVT [2]	$47,056	$48,429	$49,290	$50,273	6.8%
TOTAL EMPLOYMENT	**$44,663**	**$45,492**	**$44,562**	**$44,093**	**-1.3%**

1. Does not include education-related employment in public schools, colleges and universities.

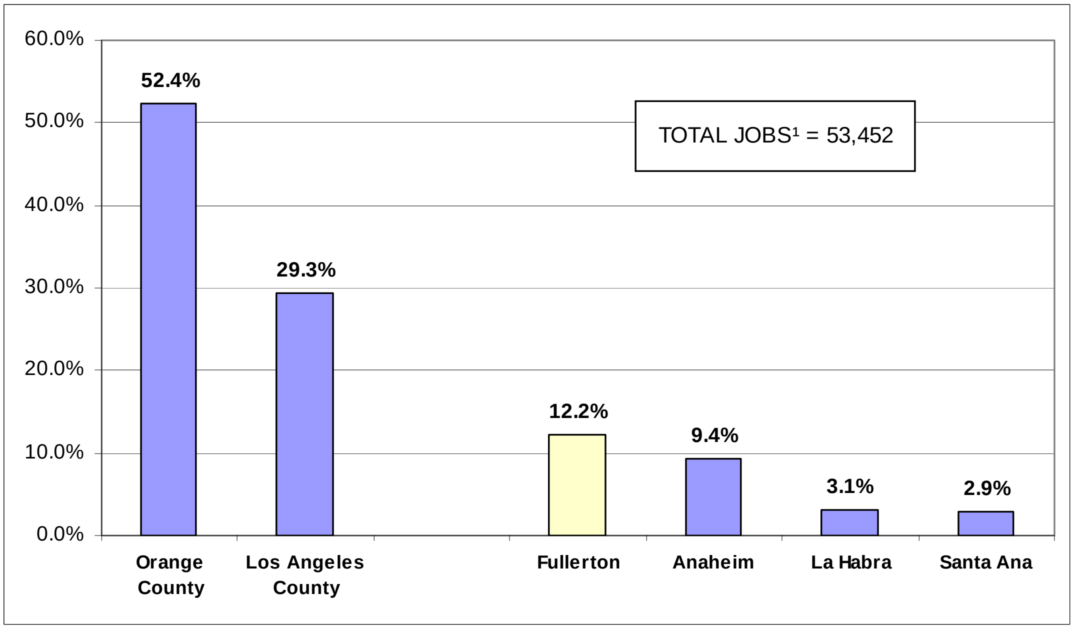
2. Includes public education employment in schools, colleges and universities.

Source: Stanley R. Hoffman Associates, Inc.
California Employment Development Department (EDD).

3.4 Employee Commute Patterns

As shown in Figure 3-5 and Table 3-6, based on 2006 data obtained from the Census Bureau's Longitudinal Employer-Household Dynamics (LEHD), of the total 53,452 private sector employees in the City of Fullerton, about 12.2 percent lived in the City. Nearly 52.4 percent of all employees in the City lived in locations within Orange County (including Fullerton), while 29.3 percent of employees commuted into the City from Los Angeles County in 2006. The extent of cross-commute indicates a mismatch between City labor skills and the type of jobs found in the City, as discussed further in the next section.

Figure 3-5
Employees by Place of Residence
City of Fullerton
2006



1. This employment estimate, as obtained from the Census LEHD, is referenced to the California EDD QWEC statistics and does not claim to include self-employed.

Source: Stanley R. Hoffman Associates, Inc.
Census LEHD, 2006.

Table 3-6
Employees by Place of Residence
City of Fullerton
2006

	Employees	Percent
Orange County Cities		
Fullerton	6,526	12.2%
Anaheim	5,049	9.4%
La Habra	1,633	3.1%
Santa Ana	1,541	2.9%
Other Orange County Cities	13,264	24.8%
Orange County Total	28,013	52.4%
Los Angeles County	15,666	29.3%
San Bernardino County	3,497	6.5%
Riverside County	3,180	5.9%
Other Locations	3,096	5.8%
Total	**53,452**	**100.0%**

Source: Stanley R. Hoffman Associates, Inc.
US Census Bureau, LEHD (2nd Quarter 2006)

3.5 Relationship between Jobs and Labor

As shown in Table 3-7, based on data obtained from the Census LEHD, a matching of the local jobs to the resident labor-force provides an understanding of the City's economic growth potential and jobs-housing balance issues. When the difference between the labor force and jobs is analyzed, a positive number indicates more labor than jobs in a particular industry, i.e., the potential for the City to tap into this potential by encouraging new non-residential development commensurate with those labor skills. This also indicates that a high proportion of those city residents commute out of the City to their work places. The converse situation of more jobs than labor in particular categories points to the need to have a diverse mix of affordable housing options to encourage employee housing opportunities for those working in the City. A closer analysis of these two separate dynamics would enable the City to have targeted industrial and housing policies. For example, as shown in Table 3-7, Profession-Technical jobs (2,244) are lower than available local labor force (3,501) in the City in these categories for a ratio of 1.6 labor force/jobs. On the other hand, there are more manufacturing jobs (9,678) compared to the resident labor force working in manufacturing (6,878) for a ratio of 0.7 labor force/jobs.

Table 3-7
Comparison of Labor Force and Jobs
City of Fullerton
2006

	LABOR FORCE		JOBS		LABOR Vs. JOBS	
	2006	Percent Change	2006	Percent Change	RATIO [1]	DIFFERENCE
Agriculture, Forestry, Fishing and Hunting	285	0.50%	480	0.9%	0.6	(195)
Mining, Quarrying, and Oil and Gas Extraction	46	0.08%	3	0.0%	15.3	43
Utilities	314	0.55%	285	0.5%	1.1	29
Construction	3,378	5.89%	3,087	5.8%	1.1	291
Manufacturing	6,878	12.00%	9,678	18.1%	0.7	(2,800)
Wholesale Trade	3,824	6.67%	3,039	5.7%	1.3	785
Retail Trade	6,163	10.75%	7,271	13.6%	0.8	(1,108)
Transportation and Warehousing	1,897	3.31%	1,449	2.7%	1.3	448
Information	1,263	2.20%	451	0.8%	2.8	812
Finance and Insurance	2,986	5.21%	1,410	2.6%	2.1	1,576
Real Estate and Rental and Leasing	1,169	2.04%	873	1.6%	1.3	296
Professional, Scientific, and Technical Services	3,501	6.11%	2,244	4.2%	1.6	1,257
Management of Companies and Enterprises	1,084	1.89%	377	0.7%	2.9	707
Admin. & Support, Waste Management and Remediation	4,755	8.30%	3,135	5.9%	1.5	1,620
Educational Services	5,077	8.86%	5,250	9.8%	1.0	(173)
Health Care and Social Assistance	4,688	8.18%	6,339	11.9%	0.7	(1,651)
Arts, Entertainment, and Recreation	1,390	2.43%	380	0.7%	3.7	1,010
Accommodation and Food Services	4,884	8.52%	4,818	9.0%	1.0	66
Other Services (excluding Public Administration)	2,485	4.34%	2,349	4.4%	1.1	136
Public Administration	1,246	2.17%	534	1.0%	2.3	712
TOTALS	***57,313***	***100.00%***	***53,452***	***100.0%***	***1.1***	***3,861***

1. Labor Force by sector divided by Jobs by sector.

Source: Stanley R. Hoffman Associates, Inc.
Census Longitudinal Employment Households Dynamics (LEHD)

CHAPTER 4
FOCUS AREA ECONOMIC CHARACTERISTICS

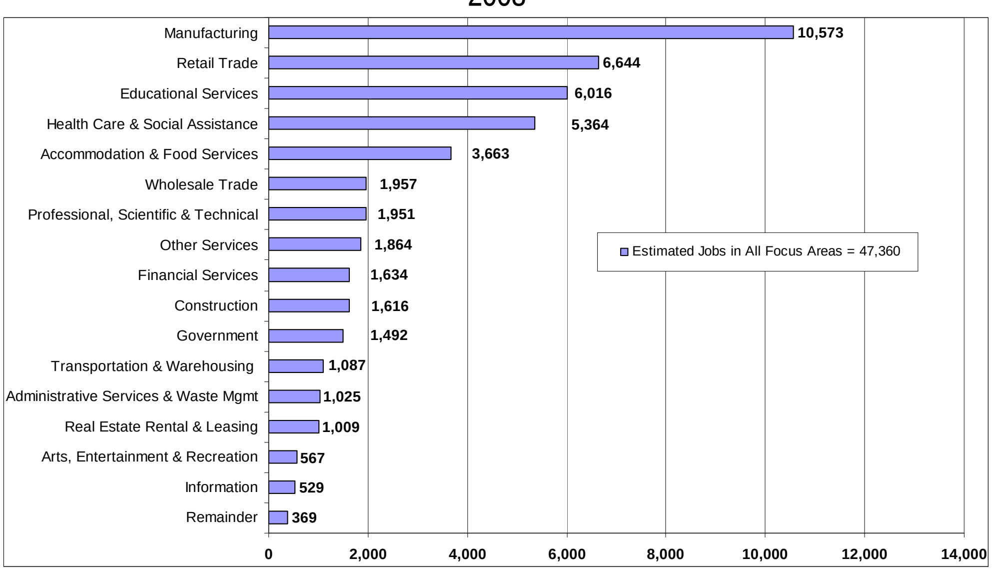
This chapter examines the distribution of the number and type of jobs in the City of Fullerton organized by its General Plan Focus Areas. Also examined in this chapter are the job characteristics and specializations within each Focus Area. The employment data analyzed here at the micro-level is for the year 2008 from InfoUSA as provided by the Southern California Association of Governments (SCAG), which may defer from the City-level EDD data presented in the previous section. The Focus Area data presented here is at the North American Industry Classification System (NAICS) sector level. Additionally, adjustments have been made to the Educational Services sector to include employment reported for California State - Fullerton.

4.1 Citywide Focus Area Characteristics

Employment Distribution by Sector

There are approximately 60,000 jobs in the City of Fullerton, of which an estimated 47,360 (78.9 percent) are located in 11 economic Focus Areas, shown later in Figure 4-3 (the twelfth Focus Area is West Coyote Hills, which is largely open space). As shown in Figure 4-1, the greatest share of all jobs within the City Focus Areas is in Manufacturing, which accounts for an estimated 10,573 jobs, or 22.3 percent of the total. The next largest employment sector is Retail Trade, which contributes 6,644 jobs (14.0 percent), followed closely by Educational Services with 6,016 jobs (12.7 percent) and Health Care and Social Assistance with 5,364 jobs (11.3 percent). The lowest share of jobs (not counting the remainder grouping of miscellaneous employment) is in Information with only 529 jobs (1.1 percent) followed by Arts, Entertainment, and Recreation with 567 jobs (1.2 percent).

Figure 4-1
Employment Distribution by Sector
City of Fullerton Focus Areas
2008

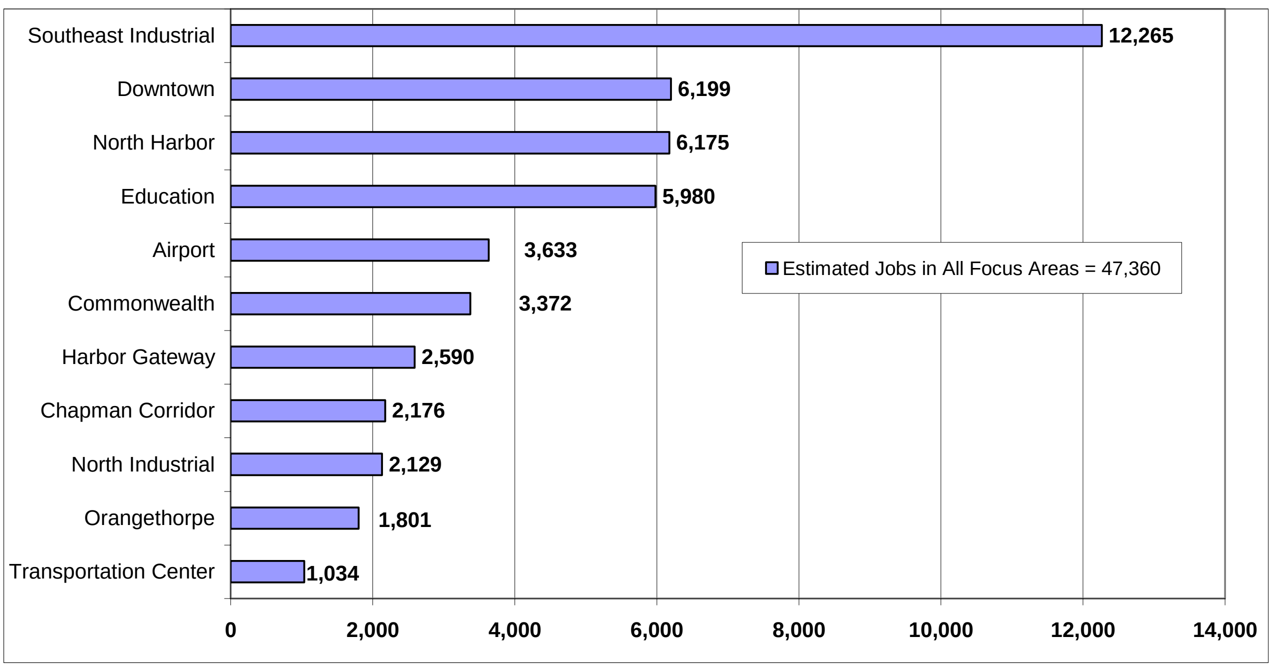


Source: Stanley R. Hoffman Associates, Inc.
InfoUSA 2008, obtained from SCAG.

Employment Distribution by Focus Area

As shown in Figure 4-2, the share of employment across the City of Fullerton's Focus Areas is uneven, with 64.7 percent of jobs concentrated in just four Focus Areas. The largest share of jobs is in the Southeast Industrial Focus Area, which contains an estimated 12,265 jobs, or 25.9 percent of the total among all Focus Areas. The second largest Focus Area is Downtown, which accounts for 6,199 jobs (13.1 percent), followed closely by North Harbor, with 6,175 jobs (13.0 percent) and then Education, with 5,980 jobs (12.6 percent). The remaining jobs are distributed across the remaining seven Focus Areas, with shares ranging from 3,633 jobs in the Airport Focus Area to 1,034 jobs in the Transportation Center.

Figure 4-2
Employment Distribution by Focus Area
City of Fullerton
2008



Source: Stanley R. Hoffman Associates, Inc.
InfoUSA, 2008, obtained from SCAG.

Sectoral Strengths by Focus Area

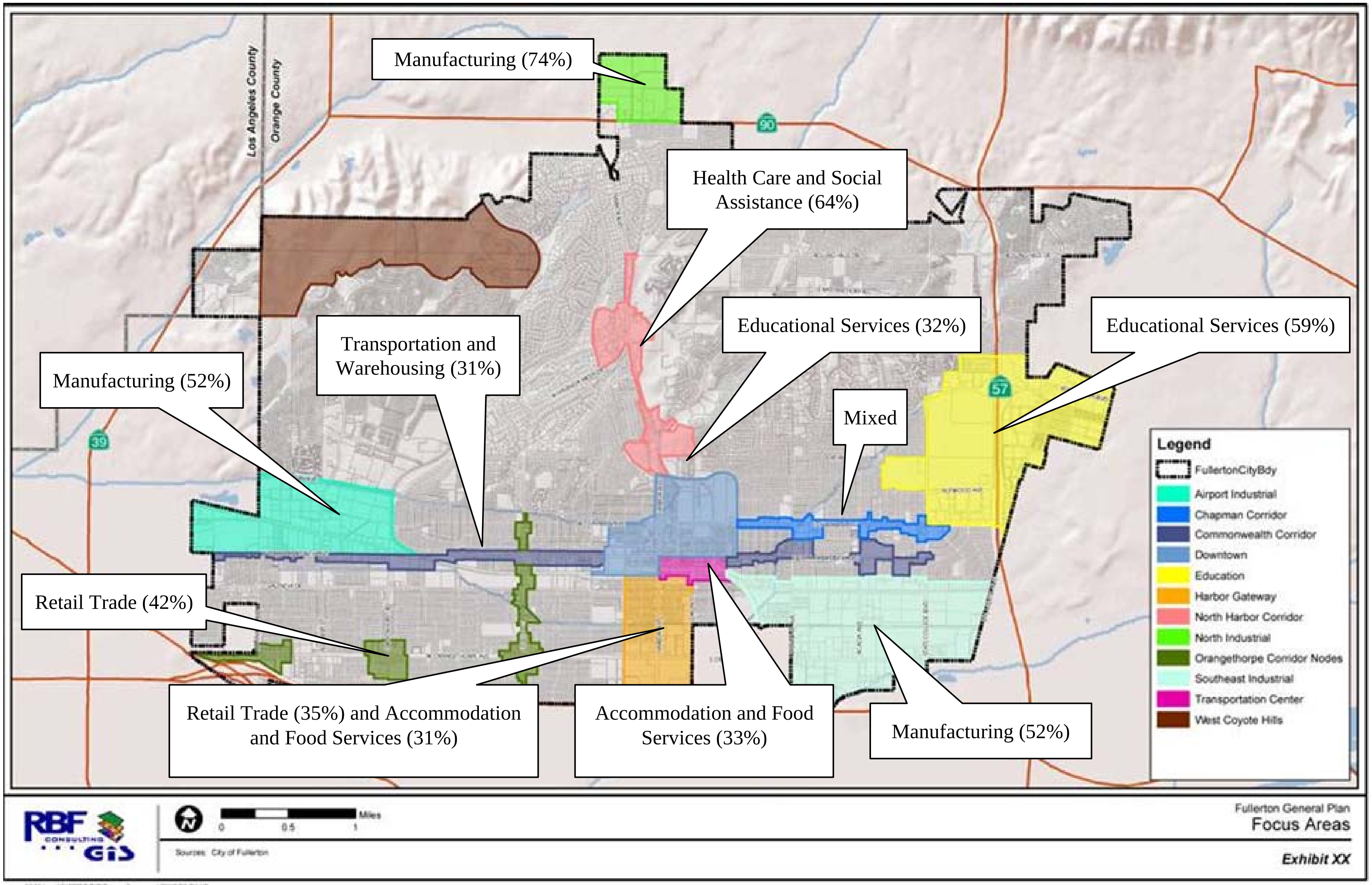
The City's economic base is diverse, with the Focus Areas ranging in their sectoral strengths. Shown in Table 4-1, and highlighted in Figure 4-3, are the predominant sectors in each Focus Area with their share of employment within that Focus Area. Across Focus Areas, the largest concentration of Manufacturing, Wholesale Trade, and Construction jobs is in the Southeast Industrial Focus Area. Health Care and Social Assistance is predominantly located in North Harbor (St. Jude's Medical Center), while Educational Services are concentrated primarily in the Education Focus Area, home to California State-Fullerton, and in the Downtown Area with Fullerton College. Jobs in Retail Trade and Accommodation and Food Services, meanwhile, are relatively concentrated in the Downtown and Harbor Gateway Focus Areas. The majority of Government jobs are located in the Downtown Focus Area.

Table 4-1
Sectoral Strengths by Focus Area
City of Fullerton
2008

Focus Areas	Total Jobs	Sectoral Specialization	
		Largest (% Share)	**Second Largest** (% Share)
Southeast Industrial	12,265	Manufacturing (51.5%)	Retail Trade (14.1%)
Downtown	6,199	Education (32.0%)	Government (17.4%)
North Harbor	6,175	Health Care and Social Assistance (64.2 %)	Financial Services (8.6%)
Education	5,980	Education (59.3%)	Retail Trade (9.7%)
Airport Industrial	3,633	Manufacturing (52.4%)	Transportation and Warehousing (13.0%)
Commonwealth Corridor	3,372	Retail Trade (31.1%)	Manufacturing (11.1%)
Harbor Gateway	2,590	Retail Trade (34.9%)	Accommodation and Food Services (31.1%)
Chapman Corridor	2,176	Accommodation and Food Services (15.3%)	Retail Trade (14.6%)
North Industrial	2,129	Manufacturing (74.1%)	Retail Trade (14.6%)
Orangethorpe Corridor Nodes	1,801	Retail Trade (42.0%)	Accommodation and Food Services (20.9%)
Transportation Center	1,034	Accommodation and Food Services (32.7%)	Other Services (12.8%)

Source: Stanley R. Hoffman Associates, Inc.
InfoUSA 2008, obtained from SCAG.

Figure 4-3
City of Fullerton General Plan Focus Areas [1]
2008



1. For each Focus Area, the share of jobs in the largest sector(s) is indicated.

4.2 Focus Area Economic Characteristics

As shown earlier in Figure 4-3, the City of Fullerton has 12 Focus Areas, of which 11 Focus Areas have been considered in this target industry analysis. As mentioned earlier, the twelfth Focus Area is West Coyote Hills which is largely open space. The following section develops an economic profile for each Focus Area by describing the distribution of employment at the sector level. Also highlighted are particular sectors that have relevance at the citywide level in each Focus Area. Data analyzed and organized by Focus Areas in this section is from InfoUSA for the year 2008.

The economic profiles for the 11 Focus Areas are presented in the following order by their absolute employment size:

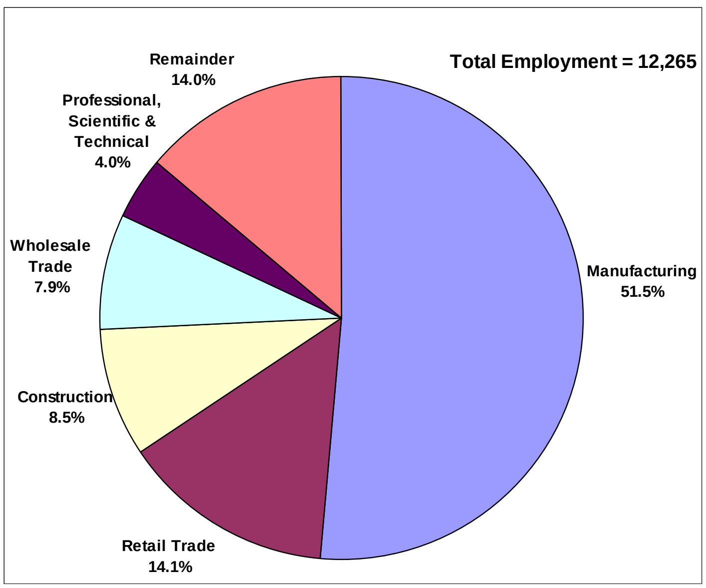
1. Southeast Industrial – 12,265 jobs
2. Downtown – 6,199 jobs
3. North Harbor – 6,175 jobs
4. Education – 5,980 jobs
5. Airport Industrial – 3,633 jobs
6. Commonwealth Corridor – 3,372 jobs
7. Harbor Gateway – 2,590 jobs
8. Chapman Corridor – 2,176 jobs
9. North Industrial – 2,129 jobs
10. Orangethorpe Corridor Nodes – 1,801 jobs
11. Transportation Center – 1,034 jobs

Southeast Industrial (SI) Focus Area

- The Southeast Industrial Focus Area is the largest employment area in the City with an estimated 12,265 jobs. It contains 25.9 percent of all Focus Area jobs and 19.5 percent of all jobs citywide.
- The majority of employment in this area is in the Manufacturing sector, which contains an estimated 6,318 jobs, or approximately 51.5 percent of the Focus Area total.
- As shown in Figure 4-4, Panel B, this area accounts for large percentages of total sector level employment across the 11 Focus Areas. For example, Manufacturing, Construction, and Wholesale Trade jobs each have approximately 50 percent or more share of sectoral employment across the 11 Focus Areas of the City.
- This area also accounts for the majority of Manufacturing jobs in the City (54.8 percent), as well as 39.4 percent of Construction jobs and 36.3 percent of Wholesale Trade jobs.

Figure 4-4
Employment Distribution: 2008
Southeast Industrial Focus Area

A. Employment Distribution in Focus Area



B. Focus Area Comparison to All Focus Areas and Total City

	SI Focus Area		All Focus Areas [1]		SI share of All	City Jobs	SI share of
Sector	Jobs	Distribution	Jobs	Distribution	Focus Areas	Total	City Total
Manufacturing	6,318	51.5%	10,573	22.3%	59.8%	11,519	54.8%
Retail Trade	1,727	14.1%	6,644	14.0%	26.0%	8,768	19.7%
Construction	1,039	8.5%	1,616	3.4%	64.3%	2,638	39.4%
Wholesale Trade	974	7.9%	1,957	4.1%	49.8%	2,680	36.3%
Professional, Scientific, Technical	491	4.0%	1,951	4.1%	25.2%	3,745	13.1%
Subtotal	**10,549**	**86.0%**	**22,741**	**48.0%**	**46.4%**	**29,350**	**35.9%**
Remainder	1,716	14.0%	24,619	52.0%	7.0%	33,629	5.1%
Total	**12,265**	**100.0%**	**47,360**	**100.0%**	**25.9%**	**62,979**	**19.5%**

1. Sum of all Focus Areas.

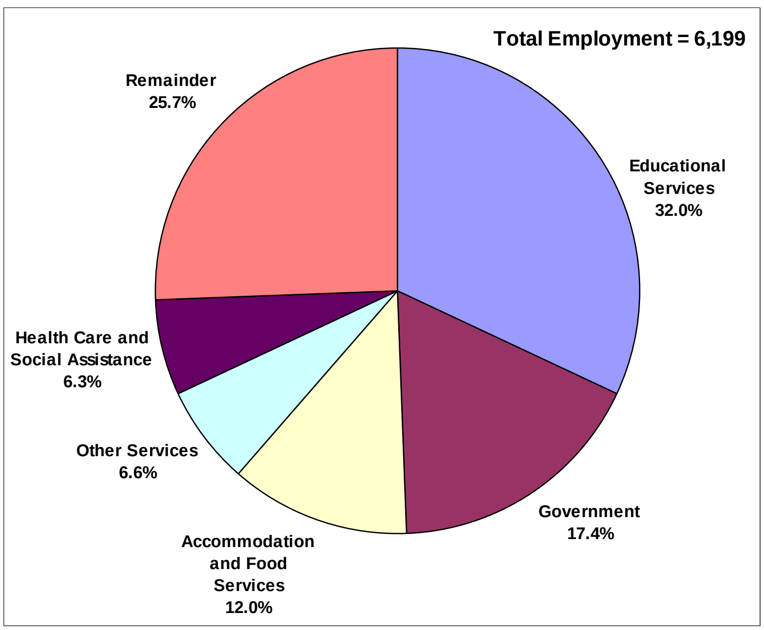
Source: Stanley R. Hoffman Associates, Inc.
InfoUSA 2008, obtained from SCAG.

Downtown (DT) Focus Area

- The Downtown Focus Area is the second largest employment area in the City, with an estimated 6,199 jobs, about 13 percent of all Focus Areas jobs and 10 percent of all jobs citywide.
- The largest share of employment in this area is in the Educational Services sector, which accounts for an estimated 1,983 jobs. This area contains 33 percent of all Educational Services jobs across the 11 Focus Areas and 25 percent of all Educational Services jobs in the City.
- The next largest share is Government jobs (1,077), primarily due to the presence of City Hall. This area represents about 72 percent of all Government jobs in the 11 Focus Areas and 71 percent of all Government jobs in the City.

Figure 4-5
Employment Distribution
Downtown Focus Area

A. Employment Distribution in Focus Area



B. Focus Area Comparison to All Focus Areas and Total City

Sector	DT Focus Area Jobs	DT Focus Area Distribution	City Focus Areas[1] Jobs	City Focus Areas[1] Distribution	DT share of All Focus Areas	City Jobs Total	DT share of City Total
Educational Services	1,983	32.0%	6,016	12.7%	33.0%	8,041	24.7%
Government	1,077	17.4%	1,492	3.2%	72.2%	1,516	71.0%
Accommodation and Food Services	744	12.0%	3,663	7.7%	20.3%	5,009	14.9%
Other Services	411	6.6%	1,864	3.9%	22.0%	3,066	13.4%
Health Care and Social Assistance	393	6.3%	5,364	11.3%	7.3%	6,735	5.8%
Subtotal	**4,608**	**74.3%**	**18,399**	**38.8%**	**25.0%**	**24,367**	**18.9%**
Remainder	1,591	25.7%	28,961	61.2%	5.5%	38,612	4.1%
Total	**6,199**	**100.0%**	**47,360**	**100.0%**	**13.1%**	**62,979**	**9.8%**

1. Sum of all Focus Areas.

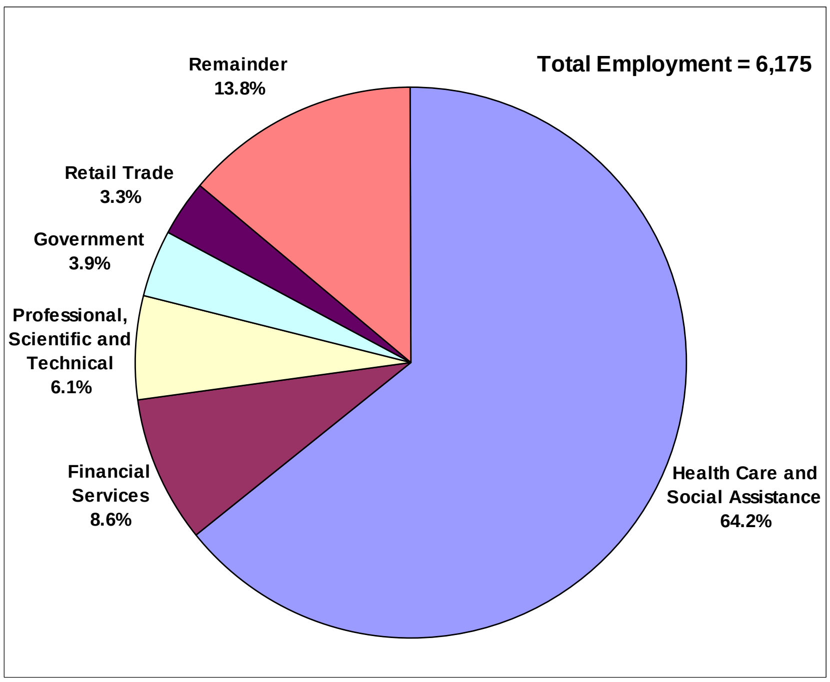
Source: Stanley R. Hoffman Associates, Inc.
InfoUSA 2008, obtained from SCAG.

North Harbor (NH) Focus Area

- The North Harbor Focus Area closely follows the Downtown Focus Area as the third largest employment area. There are an estimated 6,175 jobs in this area, or 13.0 percent of all Focus Area jobs and 9.8 percent of all citywide jobs.
- Employment in this area is dominated by the Health Care and Social Assistance sector, which accounts for 3,962 jobs (64.2 percent of the area total), due primarily to St. Jude Medical Center. This Focus Area contains almost 75 percent of these jobs across the 11 Focus Areas and 60 percent of these jobs citywide.
- About 33 percent of the Financial Services jobs in the 11 Focus Areas and 20 percent of the Financial Services jobs in the City are in this area, the largest share of any Focus Area.

Figure 4-6
Employment Distribution: 2008
North Harbor Focus Area

A. Employment Distribution in Focus Area



B. Focus Area Comparison to All Focus Areas and Total City

Sector	NH Focus Area		City Focus Areas[1]		NH share of All	City Jobs	NH share of
	Jobs	Distribution	Jobs	Distribution	Focus Areas	Total	City Total
Health Care and Social Assistance	3,962	64.2%	5,364	11.3%	73.9%	6,735	58.8%
Financial Services	532	8.6%	1,634	3.5%	32.6%	2,570	20.7%
Professional, Scientific and Technical	379	6.1%	1,951	4.1%	19.4%	3,745	10.1%
Government	243	3.9%	1,492	3.2%	16.3%	1,516	16.0%
Retail Trade	206	3.3%	6,644	14.0%	3.1%	8,768	2.3%
Subtotal	**5,322**	**86.2%**	**17,085**	**36.1%**	**31.2%**	**23,334**	**22.8%**
Remainder	853	13.8%	30,275	63.9%	2.8%	39,645	2.2%
Total	**6,175**	**100.0%**	**47,360**	**100.0%**	**13.0%**	**62,979**	**9.8%**

1. Sum of all Focus Areas.

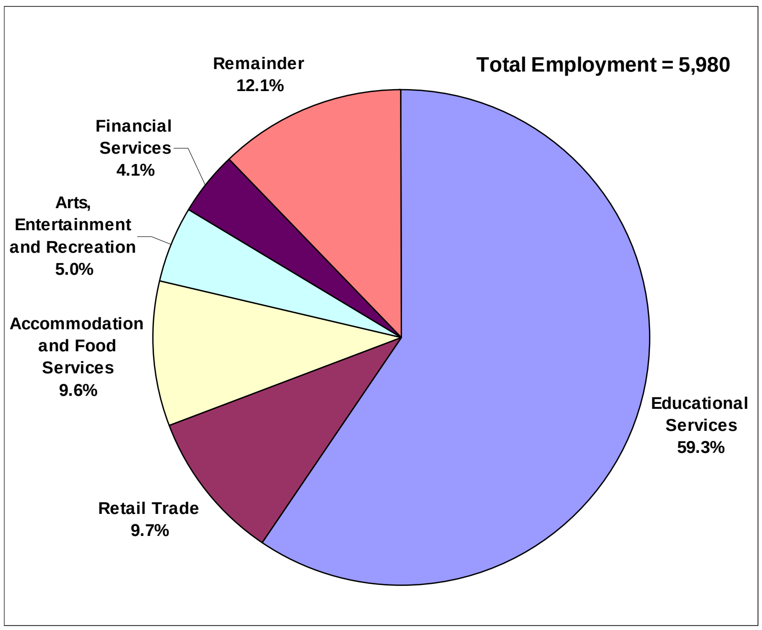
Source: Stanley R. Hoffman Associates, Inc.
InfoUSA 2008, obtained from SCAG.

Education (ED) Focus Area

- The Education Focus Area is the fourth largest employment area in the City, with an estimated 5,980 jobs, or 12.6 percent of all Focus Area jobs and 9.5 percent of all jobs in the City.
- Most employment in this Focus Area is in the Educational Services sector, which accounts for 3,548 jobs, or 59.3 percent of the area total. California State University, Fullerton accounts for an estimated 2,885 of those jobs (81 percent). Approximately 59.0 percent of Educational Services jobs in the 11 Focus Areas and 44.1 percent citywide are located in this Focus Area.
- This area also accounts for the majority (53.1 percent) of total sector level employment in Arts, Entertainment, and Recreation throughout the 11 Focus Areas, and 46 percent of employment in this sector citywide.

Figure 4-7
Employment Distribution: 2008
Education Focus Area

A. Employment Distribution in Focus Area



B. Focus Area Comparison to All Focus Areas and Total City

	ED Focus Area		City Focus Areas[1]		ED share of All	City Jobs	ED share of
Sector	**Jobs**	**Distribution**	**Jobs**	**Distribution**	**Focus Areas**	**Total**	**City Total**
Educational Services	3,548	59.3%	6,016	12.7%	59.0%	8,041	44.1%
Retail Trade	581	9.7%	6,644	14.0%	8.7%	8,768	6.6%
Accommodation and Food Services	577	9.6%	3,663	7.7%	15.8%	5,009	11.5%
Arts, Entertainment and Recreation	301	5.0%	567	1.2%	53.1%	654	46.0%
Financial Services	248	4.1%	1,634	3.5%	15.2%	2,570	9.6%
Subtotal	**5,255**	**87.9%**	**18,524**	**39.1%**	**28.4%**	**25,042**	**21.0%**
Remainder	725	12.1%	28,836	60.9%	2.5%	37,937	1.9%
Total	**5,980**	**100.0%**	**47,360**	**100.0%**	**12.6%**	**62,979**	**9.5%**

1. Sum of all Focus Areas.

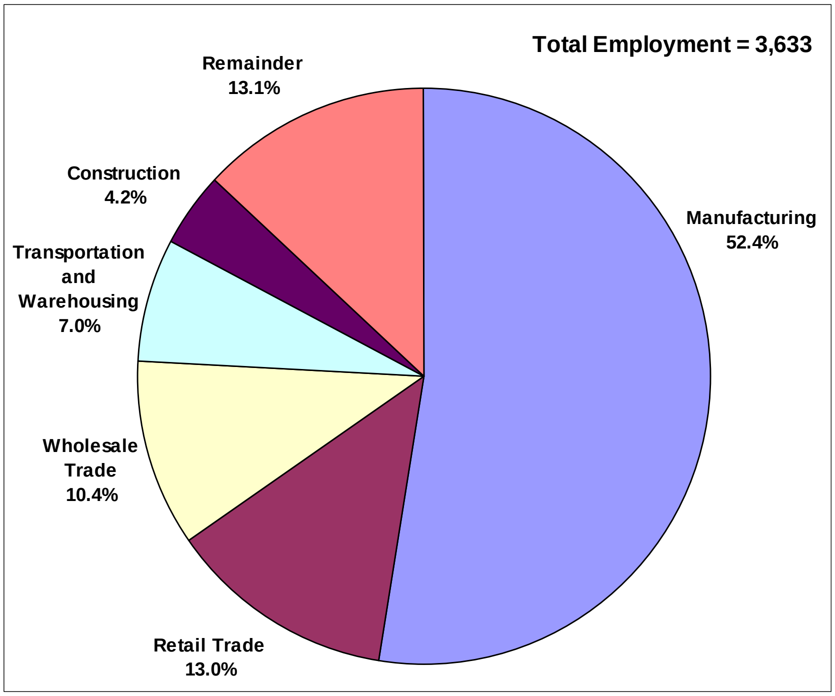
Source: Stanley R. Hoffman Associates, Inc.
InfoUSA 2008, obtained from SCAG.

Airport Industrial (AI) Focus Area

- The Airport Industrial Focus Area has the fifth largest share of Focus Area employment with 3,633 jobs, or 7.7 percent of all Focus Area jobs and 5.8 percent of all jobs in the City.
- Slightly more than half of all employment in this area is in the Manufacturing sector, which accounts for an estimated 1,903 jobs.
- After the Southeast Industrial Focus Area, this area has the second largest number of Manufacturing jobs among the 11 Focus Areas. It accounts for about 18 percent of the total for all Focus Areas and about 17 percent of the total for the City.

Figure 4-8
Employment Distribution: 2008
Airport Industrial Focus Area

A. Employment Distribution in Focus Area



B. Focus Area Comparison to All Focus Areas and Total City

Sector	AI Focus Area Jobs	AI Focus Area Distribution	City Focus Areas[1] Jobs	City Focus Areas[1] Distribution	AI share of All Focus Areas	City Jobs Total	AI share of City Total
Manufacturing	1,903	52.4%	10,573	22.3%	18.0%	11,519	16.5%
Retail Trade	471	13.0%	6,644	14.0%	7.1%	8,768	5.4%
Wholesale Trade	377	10.4%	1,957	4.1%	19.3%	2,680	14.1%
Transportation and Warehousing	253	7.0%	1,087	2.3%	23.3%	1,166	21.7%
Construction	154	4.2%	1,616	3.4%	9.5%	2,638	5.8%
Subtotal	**3,158**	**86.9%**	**21,877**	**46.2%**	**14.4%**	**26,771**	**11.8%**
Remainder	475	13.1%	25,483	53.8%	1.9%	36,208	1.3%
Total	**3,633**	**100.0%**	**47,360**	**100.0%**	**7.7%**	**62,979**	**5.8%**

1. Sum of all Focus Areas.

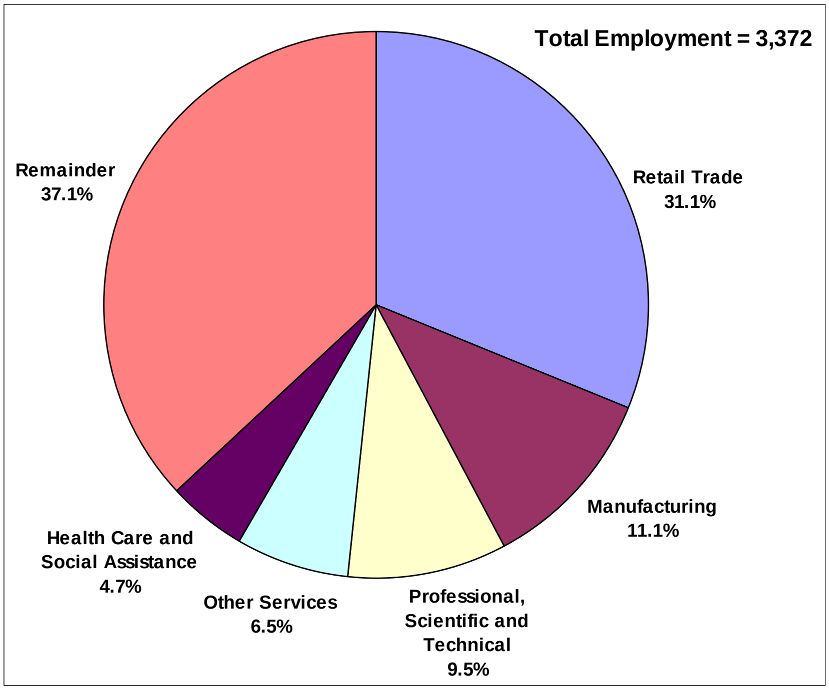
Source: Stanley R. Hoffman Associates, Inc.
InfoUSA 2008, obtained from SCAG.

Commonwealth Corridor (CW) Focus Area

- There are an estimated 3,372 jobs in the Commonwealth Corridor Focus Area, or 7.1 percent of all Focus Area jobs and 5.4% of all citywide jobs, making it the sixth largest employment area in the City.
- The largest share of jobs in this area is in Retail Trade. This sector accounts for an estimated 1,048 jobs, approximately 31.1 percent of the area total.
- This area also has a small concentration of Professional, Scientific, and Technical jobs (322), the second most of any Focus Area.

Figure 4-9
Employment Distribution: 2008
Commonwealth Corridor Focus Area

A. Employment Distribution in Focus Area



B. Focus Area Comparison to All Focus Areas and Total City

Sector	CW Focus Area		City Focus Areas[1]		CW share of All	City Jobs	CW share of
	Jobs	Distribution	Jobs	Distribution	Focus Areas	Total	City Total
Retail Trade	1,048	31.1%	6,644	14.0%	15.8%	8,768	12.0%
Manufacturing	373	11.1%	10,573	22.3%	3.5%	11,519	3.2%
Professional, Scientific and Technical	322	9.5%	1,951	4.1%	16.5%	3,745	8.6%
Other Services	220	6.5%	1,864	3.9%	11.8%	3,066	7.2%
Health Care and Social Assistance	159	4.7%	5,364	11.3%	3.0%	6,735	2.4%
Subtotal	**2,122**	**62.9%**	**26,396**	**55.7%**	**8.0%**	**33,833**	**6.3%**
Remainder	1,250	37.1%	20,964	44.3%	6.0%	29,146	4.3%
Total	**3,372**	**100.0%**	**47,360**	**100.0%**	**7.1%**	**62,979**	**5.4%**

1. Sum of all Focus Areas.

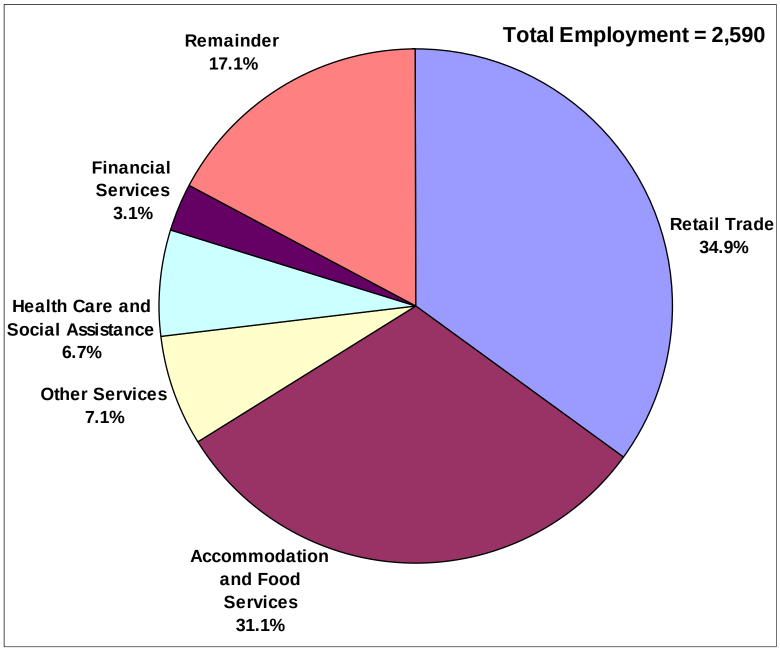
Source: Stanley R. Hoffman Associates, Inc.
InfoUSA 2008, obtained from SCAG.

Harbor Gateway (HG) Focus Area

- The Harbor Gateway Focus Area is the seventh largest employment area in the City, with an estimated 2,590 jobs, or 5.5 percent of all Focus Area jobs and 4.1 percent of all jobs citywide.
- The majority of employment in this area is divided between the Retail Trade sector, with 903 jobs (34.9 percent), and the Accommodation and Food Services sector, with 806 jobs (31.1 percent).
- As shown in Figure 4-10, Panel B, this area contains 22.0 percent of all Accommodation and Food Services jobs across the 11 Focus Areas and 16.1 percent citywide, the largest share of any area. However, an estimated 788 of these jobs are in Food Services, while only 18 are in Accommodations.

Figure 4-10
Employment Distribution: 2008
Harbor Gateway Focus Area

A. Employment Distribution in Focus Area



B. Focus Area Comparison to All Focus Areas and Total City

	HG Focus Area		City Focus Areas[1]		HG share of All	City Jobs	HG share of
Sector	Jobs	Distribution	Jobs	Distribution	Focus Areas	Total	City Total
Retail Trade	903	34.9%	6,644	14.0%	13.6%	8,768	10.3%
Accommodation and Food Services	806	31.1%	3,663	7.7%	22.0%	5,009	16.1%
Other Services	185	7.1%	1,864	3.9%	9.9%	3,066	6.0%
Health Care and Social Assistance	174	6.7%	5,364	11.3%	3.2%	6,735	2.6%
Financial Services	79	3.1%	1,634	3.5%	4.8%	2,570	3.1%
Subtotal	**2,147**	**82.9%**	**19,169**	**40.5%**	**11.2%**	**26,148**	**8.2%**
Remainder	443	17.1%	28,191	59.5%	1.6%	36,831	1.2%
Total	**2,590**	**100.0%**	**47,360**	**100.0%**	**5.5%**	**62,979**	**4.1%**

1. Sum of all Focus Areas.

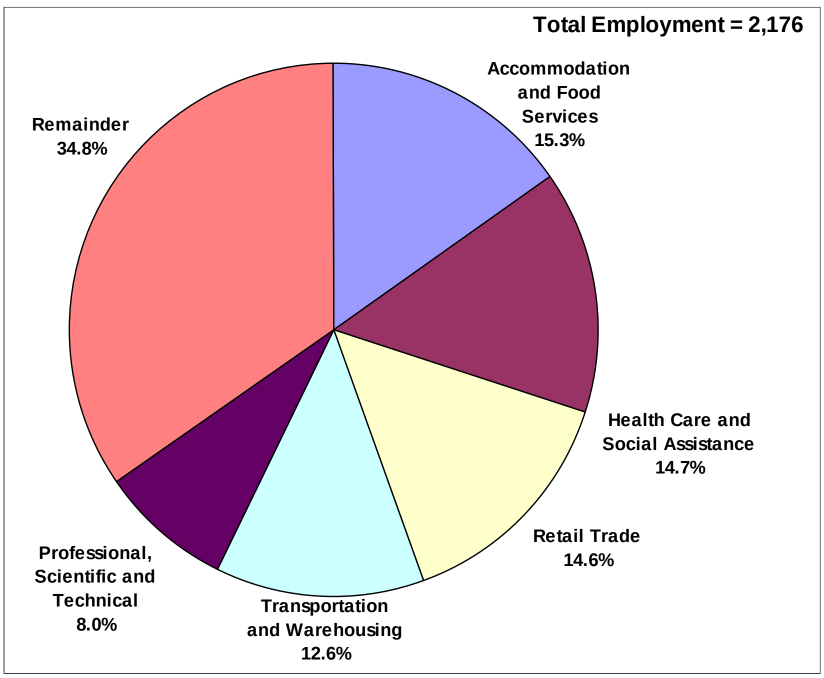
Source: Stanley R. Hoffman Associates, Inc.
InfoUSA 2008, obtained from SCAG.

Chapman Corridor (CC) Focus Area

- The eighth largest employment area in the City is the Chapman Corridor Focus Area. It contains an estimated 2,176 jobs, or 4.6 % of all Focus Area employment and 3.5 percent of all citywide employment.
- Employment in this area is relatively evenly distributed among four sectors. Accommodation and Food Services, Health Care and Social Assistance, Retail Trade, and Transportation and Warehousing each contribute to between 12 and 15 percent of all jobs in this Focus Area.
- This area has the second largest number of Transportation and Warehousing jobs of any Focus Area in the City, with 25.3 percent of the total across all Focus Areas and 23.6 percent of the total citywide.

Figure 4-11
Employment Distribution: 2008
Chapman Corridor Focus Area

A. Employment Distribution in Focus Area



B. Focus Area Comparison to All Focus Areas and Total City

Sector	CC Focus Area Jobs	CC Focus Area Distribution	City Focus Areas[1] Jobs	City Focus Areas[1] Distribution	CC share of All Focus Areas	City Jobs Total	CC share of City Total
Accommodation and Food Services	332	15.3%	3,663	7.7%	9.1%	5,009	6.6%
Health Care and Social Assistance	319	14.7%	5,364	11.3%	5.9%	6,735	4.7%
Retail Trade	318	14.6%	6,644	14.0%	4.8%	8,768	3.6%
Transportation and Warehousing	275	12.6%	1,087	2.3%	25.3%	1,166	23.6%
Professional, Scientific and Technical	174	8.0%	1,951	4.1%	8.9%	3,745	4.6%
Subtotal	**1,418**	**65.2%**	**18,709**	**39.5%**	**7.6%**	**25,423**	**5.6%**
Remainder	758	34.8%	28,651	60.5%	2.6%	37,556	2.0%
Total	**2,176**	**100.0%**	**47,360**	**100.0%**	**4.6%**	**62,979**	**3.5%**

1. Sum of all Focus Areas.

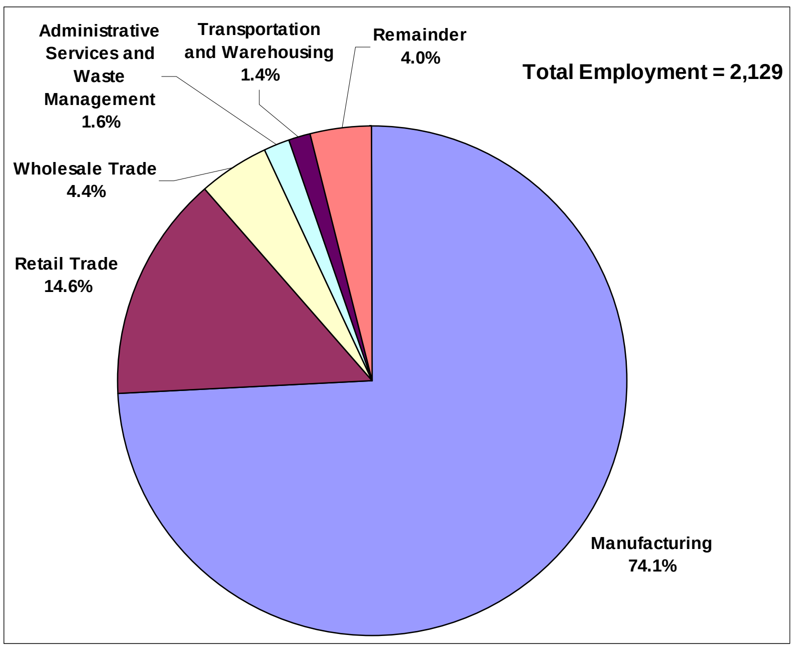
Source: Stanley R. Hoffman Associates, Inc.
InfoUSA 2008, obtained from SCAG.

North Industrial (NI) Focus Area

- The North Industrial Focus Area contains an estimated 2,129 jobs, or 4.5 percent of all Focus Area jobs and 3.4 percent of all jobs citywide, making it the ninth largest employment area in the City.
- The vast majority of employment in this Focus Area is in the Manufacturing sector, which accounts for an estimated 1,577 jobs, or 74.1 percent of the area total. About 14.9 percent of all Manufacturing jobs in the 11 Focus Areas and 13.7 percent of all Manufacturing jobs in the City are located in this area, the third largest share of any Focus Area.
- Two major Manufacturing employers, Beckman Coulter (1,250 jobs) and FoxConn (800 jobs) have already relocated or in the process of relocating outside the City, raising questions about the reuse of their respective properties.

Figure 4-12
Employment Distribution: 2008
North Industrial Focus Area

A. Employment Distribution in Focus Area



B. Focus Area Comparison to All Focus Areas and Total City

	NI Focus Area		City Focus Areas[1]		NI share of All	City Jobs	NI share of
Sector	Jobs	Distribution	Jobs	Distribution	Focus Areas	Total	City Total
Manufacturing	1,577	74.1%	10,573	22.3%	14.9%	11,519	13.7%
Retail Trade	311	14.6%	6,644	14.0%	4.7%	8,768	3.5%
Wholesale Trade	93	4.4%	1,957	4.1%	4.8%	2,680	3.5%
Administrative Services and Waste Management	33	1.6%	1,025	2.2%	3.2%	1,877	1.8%
Transportation and Warehousing	30	1.4%	1,087	2.3%	2.8%	1,166	2.6%
Subtotal	**2,044**	**96.0%**	**21,286**	**44.9%**	**9.6%**	**26,010**	**7.9%**
Remainder	85	4.0%	26,074	55.1%	0.3%	36,969	0.2%
Total	**2,129**	**100.0%**	**47,360**	**100.0%**	**4.5%**	**62,979**	**3.4%**

1. Sum of all Focus Areas.

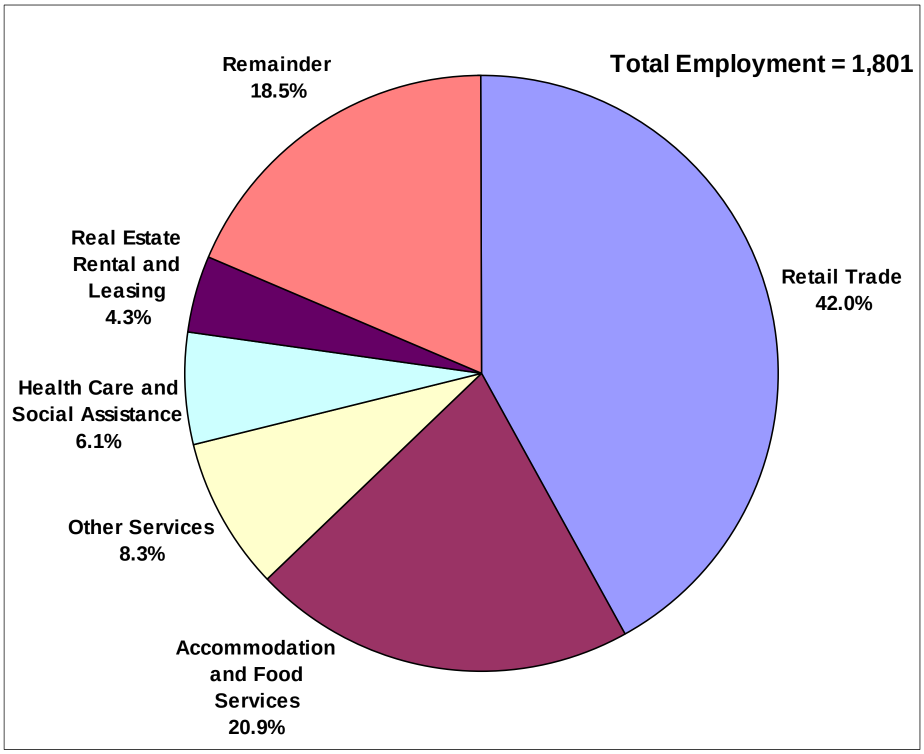
Source: Stanley R. Hoffman Associates, Inc.
InfoUSA 2008, obtained from SCAG.

Orangethorpe Corridor Nodes (OT) Focus Area

- The Orangethorpe Corridor Nodes Focus Area is the tenth largest of the 11 Focus Areas in number of jobs. It contains an estimated 1,801 jobs, or 3.8 percent of all Focus Area jobs and 2.9 percent of all jobs citywide.
- The largest share of jobs in this area is in the Retail Trade sector, which accounts for 756 jobs, or 42.0 percent of the area total.
- Among the 11 Focus Areas, this area is not in the top three in terms of total number of jobs for any specific sector.

Figure 4-13
Employment Distribution: 2008
Orangethorpe Corridor Nodes Focus Area

A. Employment Distribution in Focus Area



B. Focus Area Comparison to All Focus Areas and Total City

	OT Focus Area		City Focus Areas[1]		OT share of All	City Jobs	OT share of
Sector	Jobs	Distribution	Jobs	Distribution	Focus Areas	Total	City Total
Retail Trade	756	42.0%	6,644	14.0%	11.4%	8,768	8.6%
Accommodation and Food Services	376	20.9%	3,663	7.7%	10.3%	5,009	7.5%
Other Services	150	8.3%	1,864	3.9%	8.0%	3,066	4.9%
Health Care and Social Assistance	109	6.1%	5,364	11.3%	2.0%	6,735	1.6%
Real Estate Rental and Leasing	77	4.3%	1,009	2.1%	7.6%	1,501	5.1%
Subtotal	**1,468**	**81.5%**	**18,544**	**39.2%**	**7.9%**	**25,079**	**5.9%**
Remainder	333	18.5%	28,816	60.8%	1.2%	37,900	0.9%
Total	**1,801**	**100.0%**	**47,360**	**100.0%**	**3.8%**	**62,979**	**2.9%**

1. Sum of all Focus Areas.

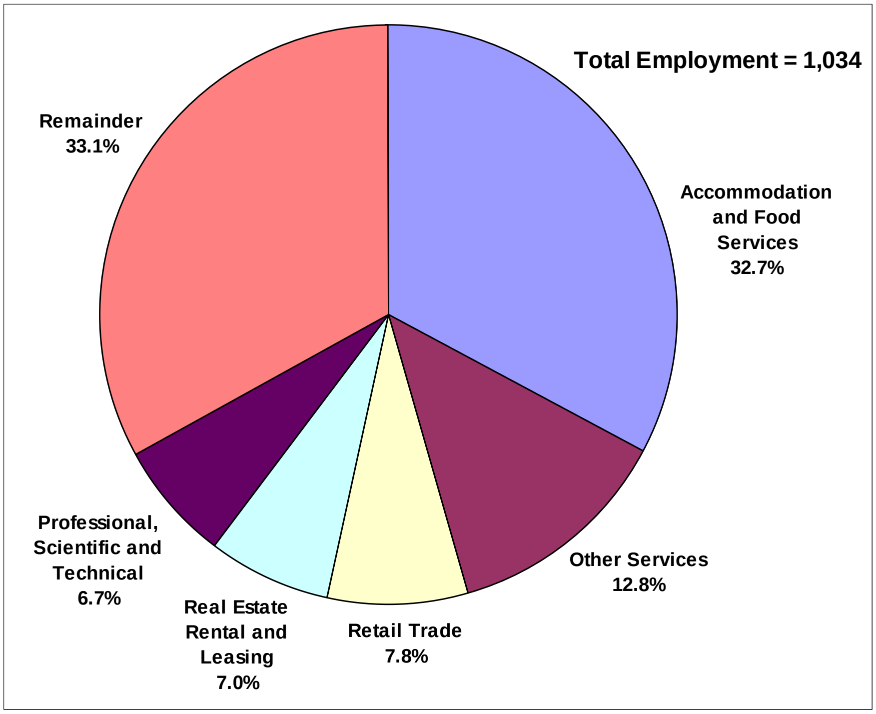
Source: Stanley R. Hoffman Associates, Inc.
InfoUSA 2008, obtained from SCAG.

Transportation Center (TC) Focus Area

- With 1,034 jobs, the Transportation Center Focus Area, adjacent to the southern side of the Downtown, has the fewest number of jobs of any Focus Area. It contains only 2.2 percent of all Focus Area jobs and 1.6 percent of all jobs citywide.
- Accommodation and Food Services accounts for the largest share of jobs in this area. This sector contains an estimated 338 jobs, or 32.7 percent of the area total.
- This area is not in the top three in terms of total number of jobs in any sector among the 11 Focus Areas.

Figure 4-14
Employment Distribution: 2008
Transportation Center Focus Area

A. Employment Distribution in Focus Area



B. Focus Area Comparison to All Focus Areas and Total City

Sector	TC Focus Area Jobs	TC Focus Area Distribution	City Focus Areas[1] Jobs	City Focus Areas[1] Distribution	TC share of All Focus Areas	City Jobs Total	TC share of City Total
Accommodation and Food Services	338	32.7%	3,663	7.7%	9.2%	5,009	6.7%
Other Services	132	12.8%	1,864	3.9%	7.1%	3,066	4.3%
Retail Trade	81	7.8%	6,644	14.0%	1.2%	8,768	0.9%
Real Estate Rental and Leasing	72	7.0%	1,009	2.1%	7.1%	1,501	4.8%
Professional, Scientific and Technical	69	6.7%	1,951	4.1%	3.5%	3,745	1.8%
Subtotal	**692**	**66.9%**	**15,131**	**31.9%**	**4.6%**	**22,089**	**3.1%**
Remainder	342	33.1%	32,229	68.1%	1.1%	40,890	0.8%
Total	**1,034**	**100.0%**	**47,360**	**100.0%**	**2.2%**	**62,979**	**1.6%**

1. Sum of all Focus Areas.

Source: Stanley R. Hoffman Associates, Inc.
InfoUSA 2008, obtained from SCAG.

4.3 NAICS 3-Digit Manufacturing by Focus Area

A closer examination of the manufacturing sector at the NAICS 3-digit level is conducted based on the distribution of the InfoUSA data by the City Focus Areas. As shown in Table 4-1, Fabricated Metal Product manufacturing forms nearly 17.4 percent of the total 10,573 manufacturing jobs within the City Focus Areas. This is followed by Chemical Manufacturing (15.2 percent) and Miscellaneous Manufacturing (14.3 percent), which includes Surgical and Medical Instruments manufacturing at the NAICS 4-digit level. As shown in Table 4-2, the largest manufacturing groupings are spread unevenly across the City's Focus Areas. The Southeast Industrial Area forms the bulk of the production of Fabricated Metal, Surgical Instruments, Paper, Plastics and Rubber, Machinery, Electrical Appliances and Components. The North Industrial Area specializes in Chemical and Computer manufacturing, while the Airport Area specializes in Furniture manufacturing.

Table 4-2
Manufacturing NAICS 3-Digit Employment Distribution
City of Fullerton Focus Areas
2008

NAICS 3-DIGIT CATEGORIES	Jobs	% Dist.
Fabricated Metal Product Manufacturing	1,836	17.4%
Chemical Manufacturing	1,603	15.2%
Miscellaneous Manufacturing [1]	1,510	14.3%
Paper Manufacturing	932	8.8%
Plastics and Rubber Products Manufacturing	932	8.8%
Food Manufacturing	807	7.6%
Computer and Electronic Product Manufacturing	507	4.8%
Machinery Manufacturing	496	4.7%
Electrical Equipment, Appliance, and Component Manufacturing	439	4.2%
Printing and Related Support Activities	423	4.0%
Furniture and Related Product Manufacturing	321	3.0%
Textile Mills	284	2.7%
Primary Metal Manufacturing	120	1.1%
Nonmetallic Mineral Product Manufacturing	82	0.8%
Apparel Manufacturing	77	0.7%
Transportation Equipment Manufacturing	74	0.7%
Wood Product Manufacturing	65	0.6%
Beverage and Tobacco Product Manufacturing	36	0.3%
Textile Product Mills	21	0.2%
Petroleum and Coal Products Manufacturing	8	0.1%
Manufacturing Total	**10,573**	**100.0%**

1. Includes manufacturing of surgical and medical instruments.

Source: Stanley R. Hoffman Associates, Inc.
Info USA 2008.

Table 4-3
Manufacturing NAICS 3-Digit Employment Distribution by Focus Area
City of Fullerton
2008

NAICS 3	Description	Airport	Chapman	Commonwealth	Downtown	Education	Harbor Gateway	North Harbor	North Industrial	Orangethorpe	Southeast Industrial	Transportation Center	West Coyote	Total
311	Food Manufacturing	313	21	120	108		10				229	6		807
312	Beverage and Tobacco Product Manufacturing	35					1							36
313	Textile Mills	180		4							100			284
314	Textile Product Mills			8							13			21
315	Apparel Manufacturing	17		1							59			77
321	Wood Product Manufacturing	54									11			65
322	Paper Manufacturing	149		11							772			932
323	Printing and Related Support Activities	109	2	16	48					1	240	7		423
324	Petroleum and Coal Products Manufacturing							8						8
325	Chemical Manufacturing	12							1,200		391			1,603
326	Plastics and Rubber Products Manufacturing	460		2							470			932
327	Nonmetallic Mineral Product Manufacturing	55		2	4						21			82
331	Primary Metal Manufacturing							4			116			120
332	Fabricated Metal Product Manufacturing	89		17	11	2	14		102		1,598	3		1,836
333	Machinery Manufacturing	165		30	14				15	2	270			496
334	Computer and Electronic Product Manufacturing	65		6	2			16	260	50	108			507
335	Electrical Equipment, Appliance, and Component Manufacturing			50							389			439
336	Transportation Equipment Manufacturing									18	56			74
337	Furniture and Related Product Manufacturing	150		85			2				83	1		321
339	Miscellaneous Manufacturing	50	1	21			6	3		5	1,392	32		1,510
	MANUFACTURING TOTAL	1,903	24	373	187	2	33	31	1,577	76	6,318	49	-	10,573

Source: Stanley R. Hoffman Associates, Inc.
Info USA 2008.

CHAPTER 5
LABOR FORCE CHARACTERISTICS

5.1 Growth in Labor Force

- Labor characteristics data for the City and Orange County have been obtained from the latest available American Community Survey (ACS) for 2008.
- Population in the City grew from 126,003 in 2000 to 137,624 at an annual average growth rate of about 1.0 percent.
- As shown in Table 5-1, based on data from the U.S. Bureau of the Census, the labor force (population 16 years and over) by place-of-residence in the City increased from 59,332 in 2000 to 67,288 in 2008.
- In 2008, about 41 percent of the City's labor force was employed in management, professional and related occupations. This was about 12 percent higher than the percent employed in 2000 at 37 percent.
- Sales and office related occupations comprised the second largest occupational group in the City in 2008 at 26.9 percent.
- The labor force structure of the City in 2008 was similar to that of Orange County with about 82 to 83 percent of the resident workforce employed in management, professional, office-related, sales and other service occupations.

Table 5-1
Labor Force 16 Years and Over
City of Fullerton and Orange County
2000 and 2008

	2000	Percent of Total	2008	Percent of Total
City of Fullerton				
Management, professional, and related occupations	21,958	37.0%	27,848	41.4%
Service occupations	7,553	12.7%	9,959	14.8%
Sales and office occupations	17,521	29.5%	18,102	26.9%
Farming, fishing, and forestry occupations	98	0.2%	0	0.0%
Construction, extraction, and maintenance occupations	4,046	6.8%	4,713	7.0%
Production, transportation, and material moving occupations	8,156	13.7%	6,666	9.9%
	59,332	100.0%	67,288	100.0%
Orange County				
Management, professional, and related occupations	509,542	38.1%	580,997	38.9%
Service occupations	177,001	13.2%	235,231	15.8%
Sales and office occupations	383,888	28.7%	409,560	27.4%
Farming, fishing, and forestry occupations	4,067	0.3%	5,145	0.3%
Construction, extraction, and maintenance occupations	97,456	7.3%	105,021	7.0%
Production, transportation, and material moving occupations	166,884	12.5%	157,084	10.5%
	1,338,838	100.0%	1,493,038	100.0%

Source: Stanley R. Hoffman Associates, Inc.
U.S. Bureau of the Census, 2000
American Community Survey, 2008

5.2 Education

- As shown in Table 5-2, the levels of educational attainment in 2008 were similar in the City and the County with approximately 35 to 39 percent or more of the population aged 25 years and over having a bachelor's degree or higher.

- In the year 2008, about 19.5 percent of the population 25 years and over in the City lacked a high school diploma, compared to about 17.9 percent in the County.

- The percent of the population aged 25 years or older with a bachelor's degree or higher has increased at both the City and County levels between 1990 and 2008, rising from 29.8 percent in 1990 to 38.6 percent in 2008 in Fullerton, and from 24.4 percent to 35.5 percent in Orange County.

Table 5-2
Educational Attainment of Population 25 Years and Over
City of Fullerton and Orange County
1990, 2000 and 2008

Jurisdiction	1990	Percent of Total	2000	Percent of Total	2008	Percent of Total
City of Fullerton						
Less than 9th grade	5,803	8.0%	7,033	8.8%	9,324	10.9%
9th to 12th grade, no diploma	6,746	9.3%	7,542	9.4%	7,361	8.6%
High school graduate (includes equivalency)	14,626	20.1%	15,018	18.8%	14,127	16.4%
Some college, no degree	16,891	23.3%	18,827	23.5%	16,450	19.1%
Associate degree	6,889	9.5%	6,554	8.2%	5,484	6.4%
Bachelor's degree	14,049	19.3%	16,425	20.5%	22,644	26.4%
Graduate or professional degree	7,611	10.5%	8,611	10.8%	10,511	12.2%
Total Persons	**72,615**	**100.0%**	**80,010**	**100.0%**	**85,901**	**100.0%**
Orange County						
Less than 9th grade	167,782	9.2%	191,242	10.5%	186,876	9.6%
9th to 12th grade, no diploma	211,082	11.6%	181,177	10.0%	162,325	8.3%
High school graduate (includes equivalency)	379,306	20.8%	317,332	17.5%	346,845	17.8%
Some college, no degree	468,551	25.7%	423,265	23.3%	408,610	21.0%
Associate degree	151,505	8.3%	141,697	7.8%	153,909	7.9%
Bachelor's degree	304,470	16.7%	370,454	20.4%	451,118	23.2%
Graduate or professional degree	139,945	7.7%	188,289	10.4%	238,703	12.3%
Total Persons	**1,822,641**	**100.0%**	**1,813,456**	**100.0%**	**1,948,386**	**100.0%**

Sources: Stanley R. Hoffman Associates, Inc.
U.S. Bureau of the Census 1990 and 2000
American Community Survey, 2008

5.3 Household Income

- Based upon information from the U.S. Census American Community Survey (ACS) and as shown in Table 5-3, the median household income for the City was $65,466 in 2008. This is about 13 percent lower than the median household income for the County at $75,078 in 2008.
- The average household income in the City in 2008 was $85,567, compared to $101,611 in the County or about 16 percent lower.
- In 2008, the largest share of households, 32.0 percent, earned an income of $100,000 or more.
- As shown in Table 5-3, the median household income (in 2008 dollars) declined about 12 percent in the City from $73,520 in 1990 to $65,466 in 2008. However, the average household income (in 2008 dollars) for the City only slightly decreased from $87,117 in 1990 to $85,567 in 2008, or about 2 percent.

Table 5-3
Aggregate and Average Household Income[1]
City of Fullerton and Orange County
1990 to 2008

Income Category	1990	Percent Distribution	2000	Percent Distribution	2008	Percent Distribution
City of Fullerton						
Less than $10,000	3,082	7.5%	2,844	6.5%	2,828	6.2%
$10,000 to $24,999	7,518	18.3%	6,434	14.7%	6,030	13.3%
$25,000 to $49,999	14,009	34.1%	12,407	28.4%	8,562	18.9%
$50,000 to $99,999	12,491	30.4%	14,396	33.0%	13,438	29.6%
$100,000 or more	3,925	9.6%	7,597	17.4%	14,512	32.0%
Total Households	**41,025**	**100.0%**	**43,678**	**100.0%**	**45,370**	**100.0%**
Average Household Income (Actual dollars)	$49,674		$66,465		$85,567	
Average Household Income (in 2008 dollars)	**$87,117**		**$90,037**		**$85,567**	
Median Household Income (Actual dollars)	$41,921		$50,269		$65,466	
Median Household Income (in 2008 dollars)	**$73,520**		**$68,097**		**$65,466**	
Orange County						
Average Household Income (Actual dollars)	$50,734		$77,543		$101,611	
Average Household Income (in 2008 dollars)	**$88,975**		**$105,044**		**$101,611**	
Median Household Income (Actual dollars)	$45,922		$58,820		$75,078	
Median Household Income (in 2008 dollars)	**$80,536**		**$79,681**		**$75,078**	

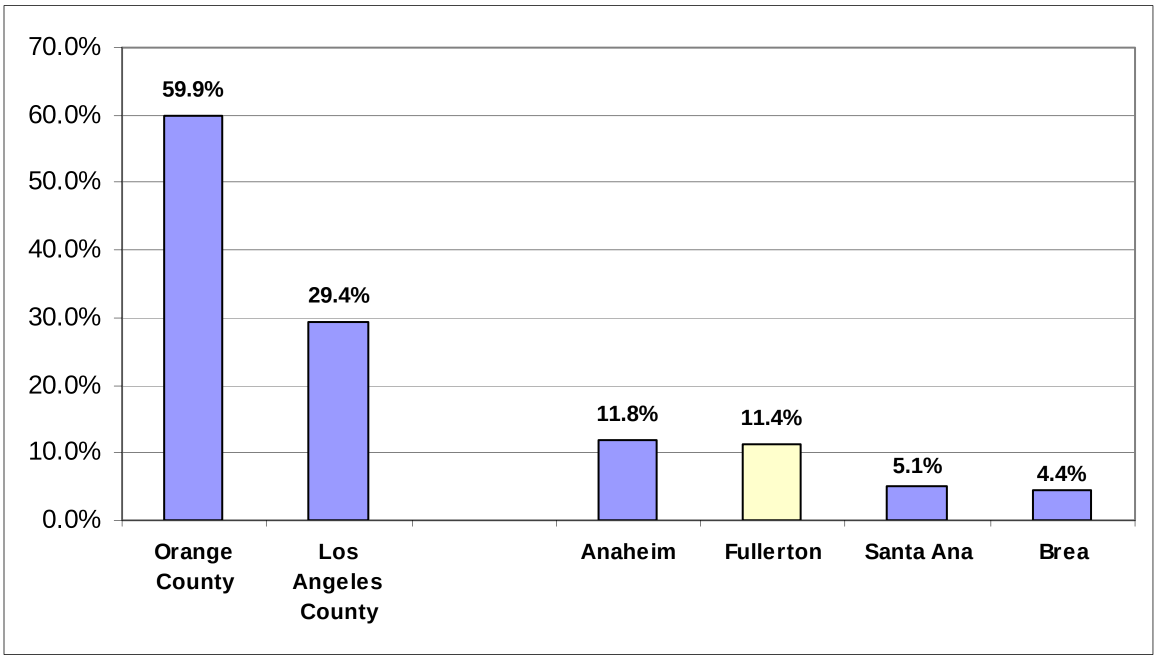
1. In nominal year dollars as reported in the U.S. Census.

Sources: Stanley R. Hoffman Associates Inc.
U.S. Bureau of the Census 1990 and 2000
2008 American Community Survey

5.4 Labor Force Commute Patterns

As shown in Figure 5-1, based on home-to-workplace data obtained from the Census Bureau's Longitudinal Employer-Household Dynamics (LEHD), only 11.4 percent of the City's labor force in 2006 was employed within Fullerton, while 48.5 percent of the labor force was employed in all other locations within Orange County. About 29.4 percent of the City's labor force commuted into Los Angeles County for work.

Figure 5-1
City Labor Force by Place of Work
City of Fullerton
2006



Source: Stanley R. Hoffman Associates, Inc.

CHAPTER 6
SELECTED MARKET TRENDS

This chapter presents selected market trends for the City of Fullerton that can be useful in the target industry analysis, with comparisons to neighboring cities and Orange County. The purpose of this chapter is to identify the existing conditions of the retail, commercial and industrial inventory in the City of Fullerton. In addition, data is also presented for commercial vacancy rates and rental rates, and general retail center conditions. The information provided draws on the General Plan Economic Background Report prepared by Stanley R. Hoffman Associates in January, 2010, which has been updated with field trips and internet research conducted in February, 2010.

6.1 Retail Market

The City of Fullerton currently has a total of 22 retail centers ranging from about 14,000 square feet to about 417,000 square feet totaling about 3 million square feet of gross leasable area (GLA) based on a field survey conducted in January, 2010. The majority of retail centers in Fullerton are Neighborhood retail centers typically with less than 100,000 square feet of gross leasable area. Table 6-1 presents the estimated vacant space as well as the anchors stores in the retail centers. The average vacancy rate for the 22 retail centers is estimated at 9.7 percent. In 2007, the vacancy rate of these retail centers was 1.8 percent based on a field survey. Vacancy was highest in regional retail centers with 16.0 percent, as shown in Table 6-1. Community retail centers had the lowest vacancy rate with 6.8 percent. Two centers in the City – the Best Buy Center and the Orange Fair Marketplace – showed 65 percent of the total vacant square footage. The City witnessed the closure of two Mervyns (one replaced by Kohl's) and a Circuit City (replaced by Best Buy) over the last year.

As shown in Table 6-2, Panel B, Fullerton is compared with its neighboring cities for taxable retail sales per capita performance for the year 2007. Fullerton registered taxable retail sales of $9,217 per capita, which was only slightly higher than Anaheim at $9,194 and Placentia at $6,870. Brea, with a population of only 39,571, has the highest per capita taxable retail sales at $31,235 in 2007. Fullerton's per capita retail sales of $9,217 is $3,368 under the average for all six cities combined, as shown under the Sub-Region Total, and $3,440 less than the per capita retail sales for all of Orange County.

In Table 6-2 Panel B, taxable retail per capita sales by city have been converted into an index relative to Orange County for each retail category. This "leakage index" is an indicator of the relative strengths and weaknesses among cities by retail category. Based on this analysis, Fullerton's overall index of 0.73 indicates that Fullerton captures less retail sales compared to the countywide and the sub-regional per capita averages. The only retail categories in Fullerton that are performing at par with the Orange County per capita averages are Food Stores (1.06), Service Stations (1.05), and General Merchandise (1.02). The less-than-average per capita taxable retail sales performance in Apparel Stores, Home Furnishings & Appliances, and Building Materials & Supplies are indications of potential opportunity for additional retail sales in these categories.

Table 6-1
Retail Market Characteristics
City of Fullerton
2010

Center Name	Address	Estimated Total GLA	Estimated Vacant GLA[1]	Stores	Anchor 1	Square Footage	Anchor 2	Square Footage	Anchor 3	Square Footage
1 Villa Del Sol Shopping Center	305 N Harbor Blvd	14,000	0	30	n/a		n/a		n/a	
2 Harbor Towne Center	101-139 W Orangethorpe Ave	50,000	2,000	20	n/a		n/a		n/a	
3 Raymond Square	115-177 N Raymond Ave	78,000	0	7	Albertsons	40,000	n/a		n/a	
4 East Fullerton Shopping Center	1240-1350 E Chapman Ave	40,000	0	18	Walgreens	15,000	n/a		n/a	
5 Fullerton Marketplace	930 W Orangethorpe Ave	91,694	3,000	5	Food 4 Less	45,000	n/a		n/a	
6 Loehmann's Plaza	2217-2251 N Harbor Blvd	30,875	8,000	10	Long's Drugs	10,000	n/a		n/a	
7 Rusty Leaf Plaza	2400-2520 E Chapman Ave	99,069	25,000	0	Smart and Final	27,500	Office Depot	25,000	n/a	
8 Camino Del Sol Shopping Center	1031 W Rosecrans Ave	25,700	3,000	28	n/a		n/a		n/a	
9 Morningside Plaza	1000-1088 E Bastanchury Rd	91,390	2,000	26	Stater Bros	44,000	n/a		n/a	
10 West Fullerton Shopping Center	1837 W Orangethorpe Ave	70,000	10,000	23	99 Cents Store	22,300	n/a		n/a	
11 Meadowbrook Plaza	707-821 N Placentia Ave	22,900	900	9	n/a		n/a		n/a	
12 Orangethorpe Center	NWC Euclid & Orangethorpe	50,000	6,000		Fresh & Easy	10,000	RiteAide	15,000		
	Total Neighborhood Center GLA	**663,628**	**59,900**							
	Neighborhood Center Vacancy		**9.0%**							
13 La Mancha Shopping Center	1001-1235 N Harbor Blvd	109,358	1,000	14	Ralph's	45,000	n/a		n/a	
14 Fullerton Metro Center	1307-1447 S Harbor Blvd	242,080	5,000	48	Henry's Farmers	22,000	Target	125,000	Pet's Mart	22,000
15 Sunrise Valley Shopping Center	1751-1891 N Euclid St	114,485	4,000	41	CVS Pharmacy	15,000	n/a		n/a	
16 College Plaza Shopping Center	2403-2495 E Chapman Ave	105,400	1,000	21	Big Lots	27,000	99 Cents store		n/a	
17 Amerige Heights Town Center	1985 W Malvern Ave	417,111	14,927	42	Albertsons	22,000	Ross	30,200	Target	142,600
18 Fullerton University Shopping Center	2920-2990 Yorba Linda Blvd	161,000	3,600	25	Target	150,000	n/a		n/a	
19 Crossroads Shopping Center	3021-3316 Yorba Linda Blvd	218,642	2,000	33	Ralph's	52,000	Kohl's	80,000	n/a	
20 Best Buy Center	130-200 E Imperial Hwy	225,808	76,360	12	Best Buy	45,000	Office Depot	25,000	n/a	
	Total Community Center GLA	**1,593,884**	**107,887**							
	Comunity Center Vacancy		**6.8%**							
21 Fullerton Town Center	1020-1160 S Harbor Blvd	411,527	13,225	37	Costco	200,000	Toy's R Us	39,000	Office Depot	25,000
22 Orange Fair Marketplace	211 Orange Fair Mall	403,648	116,800	50	Marshall's	30,000	Factory 2-U	25,000	Michael's Arts	18,000
	Total Regional Center GLA	**815,175**	**130,025**							
	Regional Center Vacancy		**16.0%**							
	Total	**3,072,687**	**297,812**							
	Vacancy as % of Total GLA		**9.7%**							

1. Vacancy estimate based on field survey conducted by Stanley R.Hoffman Associates, January 2010.

Sources: Stanley R. Hoffman Associates, Inc.
CB Richard Ellis
Field Survey January 2010.

Table 6-2
Retail Sales Trends
City of Fullerton and Surrounding Cities
2007

PANEL A - Taxable Retail Transactions by Jurisdiction (in thousands)

Retail Group	Fullerton	Brea	La Habra	Anaheim	Placentia	Buena Park	Sub-Region Total[1]	Orange County
Apparel Stores	$49,430	$176,306	$38,495	$80,506	$3,754	$414,131	$762,622	$2,217,996
General Merchandise	$265,549	$314,675	$230,889	$245,939	$24,796	$178,446	1,260,294	$5,856,810
Food Stores	$85,540	$33,497	$34,402	$141,046	$33,242	$38,334	366,061	$1,815,201
Eating & Drinking Places	$197,302	$178,352	$84,166	$592,135	$63,512	$142,258	1,257,725	$5,296,863
Home Furnishings & Appliances	$31,934	$69,978	$52,727	$139,894	$9,214	$31,747	335,494	$2,079,957
Building Materials & Farm Implem.	$56,752	$136,461	$99,139	$484,109	$2,164	$32,304	810,929	$2,798,938
Auto Dealers & Auto Supplies	$156,282	$22,704	$87,349	$574,083	$71,616	$560,408	1,472,442	$7,366,864
Service Stations	$191,603	$64,646	$87,888	$444,710	$61,367	$66,318	916,532	$4,102,725
Other Retail Stores	$223,280	$239,364	$65,398	$450,895	$81,472	$742,876	1,803,285	$7,452,873
Retail Subtotal	$1,257,672	$1,235,983	$780,453	$3,153,317	$351,137	$2,206,822	8,985,384	$38,988,227
% of Sub-Region	14.0%	13.8%	8.7%	35.1%	3.9%	24.6%	100.0%	
% of County	3.2%	3.2%	2.0%	8.1%	0.9%	5.7%	23.0%	100.0%

PANEL B - Per Capita Taxable Retail Transactions

Retail Group	Fullerton	Brea	La Habra	Anaheim	Placentia	Buena Park	Sub-Region Total[1]	Orange County
Apparel Stores	$362	$4,455	$621	$235	$73	$5,060	$1,068	$720
General Merchandise	1,946	7,952	3,723	717	485	2,180	1,765	1,901
Food Stores	627	847	555	411	650	468	513	589
Eating & Drinking Places	1,446	4,507	1,357	1,726	1,243	1,738	1,762	1,720
Home Furnishings & Appliances	234	1,768	850	408	180	388	470	675
Building Materials & Farm Implem.	416	N/A	1,599	1,411	42	395	1,136	909
Auto Dealers & Auto Supplies	1,145	574	1,408	1,674	1,401	6,848	2,062	2,392
Service Stations	1,404	1,634	1,417	1,297	1,201	810	1,284	1,332
Other Retail Stores	1,636	6,049	1,054	1,315	1,594	9,077	2,526	2,419
Retail Subtotal	$9,217	$31,235	$12,584	$9,194	$6,870	$26,965	$12,585	$12,657
2007 Population	136,446	39,571	62,020	342,990	51,110	81,840	713,977	3,080,383

PANEL C - Comparison of Orange County Cities to County Per Capita Retail Transactions

Retail Group	Fullerton	Brea	La Habra	Anaheim	Placentia	Buena Park	Sub-Region Total[1]	Orange County
Apparel Stores	0.50	6.19	0.86	0.33	0.10	7.03	1.48	1.00
General Merchandise	1.02	4.18	1.96	0.38	0.26	1.15	0.93	1.00
Food Stores	1.06	1.44	0.94	0.70	1.10	0.79	0.87	1.00
Eating & Drinking Places	0.84	2.62	0.79	1.00	0.72	1.01	1.02	1.00
Home Furnishings & Appliances	0.35	2.62	1.26	0.60	0.27	0.57	0.70	1.00
Building Materials & Farm Implem.	0.46	N/A	1.76	1.55	0.05	0.43	1.25	1.00
Auto Dealers & Auto Supplies	0.48	0.24	0.59	0.70	0.59	2.86	0.86	1.00
Service Stations	1.05	1.23	1.06	0.97	0.90	0.61	0.96	1.00
Other Retail Stores	0.68	2.50	0.44	0.54	0.66	3.75	1.04	1.00
Retail Subtotal	0.73	2.47	0.99	0.73	0.54	2.13	0.99	1.00

1. Sub Region represents a sum of taxable sales for the listed cities of Fullerton, Brea, La Habra, Anaheim, Placentia, and Buena Park only.

Sources: Stanley R. Hoffman Associates, Inc.
California State Board of Equalization, 2007
California Department of Finance, 2007

Table 6-3
Household Expenditure Potential and Reported Retail Sales
City of Fullerton
2007

Number of Households	45,870
Average Household Income (2007 Dollars) [1]	$82,828
Aggregate Household Income (AHI)	$3,799,337,953
Estimated Share of Taxable Retail Expenditures @ 32 percent of AHI	$1,215,788,145
2007 Reported Taxable Retail Sales in State of Board of Equalization (SBOE)	$1,257,672,000
Ratio of Reported to Estimated Potential	1.034

1. Reported Average Household Income in the 2006 to 2008 American Community Survey, reported in 2008 dollars, has been deflated to year 2007 dollars.

Source: Stanley R. Hoffman Associates, Inc.
California State Board of Equalization, 2009.

Household retail expenditures potential for the City is compared to the actual point of sales data reported by the California State Board of Equalization (SBOE) for the City of Fullerton in 2007 in order to establish an order of magnitude indication of retail sales capture within the City. As shown in Table 6-3, based on the estimated number of households in the City in 2007 at 45,870 and the average household income reported in the American Community Survey, 2006-08 at $82,828 (in 2007 dollars), the aggregate household income in the City is estimated at $3.799 billion. Assuming conventional relationships, about 32 percent share of household income typically results in taxable retail expenditures. Using this relationship, the potential taxable household retail expenditure in the City was estimated at $1.216 billion in 2007. In comparison, as shown previously in Table 6-2, the California SBOE reported a total of $ 1.258 billion in taxable retail transactions within the City of Fullerton in 2007. While not all retail expenditures in the City are from local residents, this does suggest a significant capture from local households. At the same time, as discussed previously, Fullerton shows a lower per capita taxable retail sales figure compared to Orange County. This could be because of fewer regional shopping centers than in other parts of the County.

6.2 Office Market

As shown in Table 6-4, Panel A, as of February 2010, the office market in the City had an estimated 247,264 square feet of office space available for lease, based on a sample of 1.38 million square feet of office properties. Lease rates for the available space in the City are estimated to fall in the range $0.70 to $3.15.

Small buildings in the range 0 to 9,999 square feet are observed to have the highest vacancy rates at 56.6 percent. Most of the space available for lease was found in office buildings in the More than 100,000 square feet category. As shown in Table 6-4, Panel B, buildings classified in the age group 30-39 years had the highest amount of available leasable space.

Table 6-4
Office Space Available for Lease
City of Fullerton
2010

Category	Total Number of Spaces Available	Total Building Size (Sq. Ft.)	Total Space Available (Sq. Ft.)	Range of Lease Rate (Per Sq. Ft. Per Month)
PANEL A				
Building Size				
0 to 9,999 Sq. Ft.	19	76,519	43,333	$0.95-$3.10
10,000 to 49,999 Sq. Ft.	41	449,243	82,851	$1.00-$3.00
50,000 to 99,999 Sq. Ft.	6	190,550	37,934	$1.39-$3.15
More than 100,000 Sq. Ft.	38	660,811	83,146	$0.70-$2.50
Total	**104**	**1,377,123**	**247,264**	**$0.70-$3.15**
PANEL B				
Building Age				
0 to 19 Years Old	12	257,521	66,559	$1.60-$3.15
20 to 29 Years Old	19	449,705	59,053	$0.70-$2.50
30 to 39 Years Old	51	498,479	81,466	$1.00-$2.85
More than 40 Years Old	16	125,985	31,455	$1.40-$1.95
N/A	6	45,433	8,731	$0.90-$1.95
Total	**104**	**1,377,123**	**247,264**	**$0.70-$3.15**

Source: Stanley R. Hoffman Associates, Inc.
Loopnet.com, obtained February, 2010

6.3 Industrial Market

As shown in Table 6-5, Panel A, as of February 2010, the industrial market in the City had an estimated 2.83 million square feet of industrial space available for lease, based on a sample of 4.89 million square feet of industrial properties. The lease rates for the available industrial space in the City ranges from $0.33 to $4.18.

Buildings larger than 100,000 square feet formed the bulk of the available industrial space in the City totaling at 2.24 million square feet (or 79 percent of the total available space). Nearly, 1.34 million square feet of industrial space (or 27.4 percent of the sample) fall in the 30 to 39 years range.

Table 6-5
Industrial Space Available for Lease
City of Fullerton
2010

Category	Total Number of Spaces Available	Total Building Size (Sq. Ft.)	Total Space Available (Sq. Ft.)	Range of Lease Rate (Per Sq. Ft. Per Month)
PANEL A				
Building Size				
0 to 9,999 Sq. Ft.	11	56,778	53,578	\$0.58-\$0.85
10,000 to 49,999 Sq. Ft.	32	523,258	234,039	\$0.34-\$4.18
50,000 to 99,999 Sq. Ft.	7	498,894	300,502	\$0.33-\$0.75
More than 100,000 Sq. Ft.	44	3,808,148	2,240,023	\$0.39-\$1.36
Total	**94**	**4,887,078**	**2,828,142**	**\$0.33-\$4.18**
PANEL B				
Building Age				
0 to 19 Years Old	8	767,500	630,526	\$0.39-\$0.64
20 to 29 Years Old	23	1,014,329	322,083	\$0.45-\$1.36
30 to 39 Years Old	23	1,339,658	814,471	\$0.33-\$4.18
More than 40 Years Old	15	973,341	556,146	\$0.35-\$0.85
N/A	25	792,250	504,916	\$0.34-\$0.89
Total	**94**	**4,887,078**	**2,828,142**	**\$0.33-\$4.18**

Source: Stanley R. Hoffman Associates, Inc.
Loopnet.com, obtained February, 2010

6.4 Lodging Industry

The City of Fullerton has a total of 10 hotels and motels based on the AAA Southern California and Las Vegas Tour Book, Trip Advisor, and Priceline.com as shown in Table 6-5. There were a total of 1,242 hotel rooms and the weighted average room rate for all the hotels was $87 a night. Table 6-6 presents the estimated average occupancy rate based on transient occupancy tax from actual 2007-08 figures to estimated 2009-2010 figures from the 2009-10 – 2010-11 Operating Budget. Given this information, the estimated average occupancy rate for hotels in The City of Fullerton over the 2007-08 to 2009-10 periods was 52.9 percent.

Table 6-6
Hotel and Motel Inventory
City of Fullerton
2010

Name	Address	Average Rates	Rooms
Crowne Plaza Fullerton	1500 S Raymond Ave.	$85	250
Fullerton Marriott Hotel	2701 E Nutwood Ave.	$109	224
Fullerton Plaza Inn	1415 S Euclid St.	$70	45
Heritage Inn	333 E Imperial Hwy.	$85	123
Holiday Inn & Suites	2932 E Nutwood Ave.	$101	96
Wyndham Anaheim Park Hotel	222 W Houston Ave.	$94	289
Fullerton Inn	2601 W Orangethorpe Ave.	$55	43
Fullerton Motor Lodge	815 S Harbor Blvd.	$53	45
Grand Inn	1000 S Euclid St.	$52	62
Willow Tree Lodge	1015 S Harbor Blvd.	$52	65
		Total Rooms	**1,242**
		Average Room Rate	**$87**

Source: Stanley R. Hoffman Associates, Inc.
AAA Southern California & Las Vegas Tour Book
www.tripadvisor.com
www.priceline.com

Table 6-7
Estimated Average Occupancy Rate
City of Fullerton
2007-08 to 2009-10

	Actual FY 2007-08	Estimated FY 2008-09	Estimated FY 2009-10
Transient Occupancy Tax (TOT)	$1,935,044	$2,171,600	$2,063,000
TOT Rate	10%	10%	10%
Estimated Gross Receipts[1]	$19,350,440	$21,716,000	$20,630,000
Gross Receipts in 2009 Constant $'s	$19,735,262	$21,920,037	$20,630,000
Average Gross Receipts[2]			**$20,761,766**
Estimated Maximum Gross Receipts[3]			**$39,232,755**
Estimated Average Occupancy Rate			**52.9%**

1. This is the estimated annual gross hotel receipts based on the average TOT rate.
2. This is the average of estimated gross receipts over the 3-year period in constant 2009 dollars.
3. This is the estimated maximum annual gross hotel receipts based on 365 days in a year times, total rooms and times the average room rate. The total rooms and average room rates can be found in Table 6-5.

Source: Stanley R. Hoffman Associates, Inc.
City of Fullerton, Operating Budget 2009/10 to 2010/11

Table 6-8
Hotel and Lodging Performance
Orange County
2008 to 2009

Statistics And Trends Of Rooms Business In Orange County
PKF Consulting

BY LOCATION	AVERAGE DAILY RATE			OCCUPANCY PERCENT			REVPAR		
	2009	2008	VAR	2009	2008	VAR	2009	2008	VAR
MONTH OF DECEMBER 2009									
ANAHEIM	$135.71	$142.61	-4.8%	68.72%	68.46%	0.4%	$93.26	$97.62	-4.5%
COSTA MESA	$98.61	$112.77	-12.6%	54.44%	54.51%	-0.1%	$53.69	$61.47	-12.7%
ORANGE COUNTY AIRPORT	$91.68	$105.67	-13.2%	60.72%	59.02%	2.9%	$55.67	$62.37	-10.7%
NORTH ORANGE COUNTY	$84.99	$94.44	-10.0%	61.82%	62.55%	-1.2%	$52.54	$59.07	-11.1%
SOUTH ORANGE COUNTY	$169.41	$198.90	-14.8%	47.20%	46.33%	1.9%	$79.96	$92.15	-13.2%
NEWPORT BEACH	$128.80	$154.65	-16.7%	55.76%	48.51%	15.0%	$71.82	$75.01	-4.3%
HUNTINGTON BEACH	$143.68	$157.23	-8.6%	43.26%	45.23%	-4.4%	$62.15	$71.12	-12.6%
OVERALL AVERAGE	**$124.20**	**$136.93**	**-9.3%**	**60.45%**	**59.38%**	**1.8%**	**$75.08**	**$81.31**	**-7.7%**

	AVERAGE DAILY RATE			OCCUPANCY PERCENT			REVPAR		
	2009	2008	VAR	2009	2008	VAR	2009	2008	VAR
JANUARY TO DECEMBER 2009									
ANAHEIM	$137.81	$149.00	-7.5%	69.83%	75.11%	-7.0%	$96.23	$111.92	-14.0%
COSTA MESA	$106.52	$127.82	-16.7%	68.87%	71.54%	-3.7%	$73.36	$91.44	-19.8%
ORANGE COUNTY AIRPORT	$103.59	$122.76	-15.6%	69.06%	72.52%	-4.8%	$71.54	$89.03	-19.6%
NORTH ORANGE COUNTY	$93.19	$103.09	-9.6%	65.89%	71.90%	-8.4%	$61.41	$74.13	-17.2%
SOUTH ORANGE COUNTY	$208.43	$244.53	-14.8%	60.08%	67.10%	-10.4%	$125.23	$164.07	-23.7%
NEWPORT BEACH	$149.04	$184.18	-19.1%	63.63%	68.55%	-7.2%	$94.83	$126.26	-24.9%
HUNTINGTON BEACH	$180.62	$201.57	-10.4%	61.54%	69.48%	-11.4%	$111.16	$140.05	-20.6%
OVERALL AVERAGE	**$135.49**	**$155.02**	**-12.6%**	**67.19%**	**72.24%**	**-7.0%**	**$91.04**	**$111.99**	**-18.7%**

Source: PKF Consulting, Trends in the Hotel Industry, Orange County, December 2009

As shown in Table 6-8, based on information obtained for Orange County from PKF Consulting (see Project References), the performance of the hotel and lodging industry in Fullerton is below par compared to the overall County but comparable to the North Orange County area. The estimated average daily room rate of $87 in the City was slightly lower than the 2009 (January to December) estimates for North Orange County at $93 but significantly lower than the County average of about $135, as shown in Table 6-8. However, the estimated average occupancy rate in the City at about 53 percent is significantly lower when compared to both areas, which fall in the 65 percent to 72 percent range. As shown in Table 6-8, on the whole, over the 2008 to 2009 time period, average daily room rates have decreased in Orange County, while occupancy rates have increased. This is a clear indication of the 2007-09 recessionary period. As a result, the revenue per available room (RevPAR), estimated as total revenues divided by total rooms, has decreased throughout Orange County. It is projected by PKF Consulting that the performance of the hotel industry in Orange County may first steady over 2010 and then improve gradually in the early part of 2011.

APPENDIX A
CITY EMPLOYMENT DATA

Organization of EDD Employment and Payroll Data

Employment and payroll data by Place Code for the City of Fullerton was provided by the California Employment Development Department (EDD) from annually 2005 to 2008. All EDD data for years 2001 and after are organized on the North American Industry Classification System (NAICS), a system that replaced the Standard Industrial Classification (SIC) in 1997, following the signing of the North American Free Trade Area (NAFTA) agreement. It should be noted that EDD provides employment and payroll information as reported by enterprises or firms and does not include the self-employed.

Employment and payroll data from EDD are provided at three levels -- the place code level, the ZIP code level and the County level. While employment data for the City of Fullerton was obtained from the EDD aggregated on a Place-code basis, data for the North Orange County sub-region was assembled by selecting ZIP codes approximately coterminous with the sub-regional boundary, as shown in Figure A-1 and Appendix Table A-1. Annual Employment Data for Orange County was already aggregated for 2008 at the County level.

Additionally, annual historic data from 2005 to 2008 is used to examine relative employment growth performances by different study geographies. Historic EDD employment and payroll data for the period 2005 to 2008 is available only at the ZIP code and County-level basis. Although data for the City of Fullerton can be obtained at the ZIP code level by selecting City coterminous ZIP codes, an examination of this annual data for 2005 was found to be only about half the total employment (including self-employment) reported by SCAG for 2005 in their RTP 2007 forecasts.

The above difference cannot be explained by just the non-inclusion of the self-employed, and for this reason data for Fullerton is presented here on a Place-code basis for 2005, which was observed to be reasonable when compared to SCAG numbers. The difference between SCAG's total employment estimates and EDD payroll employment numbers aggregated by ZIP codes for the North Orange County sub-region and the County-level data for Orange County is less (explained by self-employment). Employment data for the North Orange County sub-region and Orange County are shown in Appendix Table A-2 and Appendix Table A-3, respectively.

Figure A-1
ZIP Codes by Geography
City of Fullerton and North Orange County

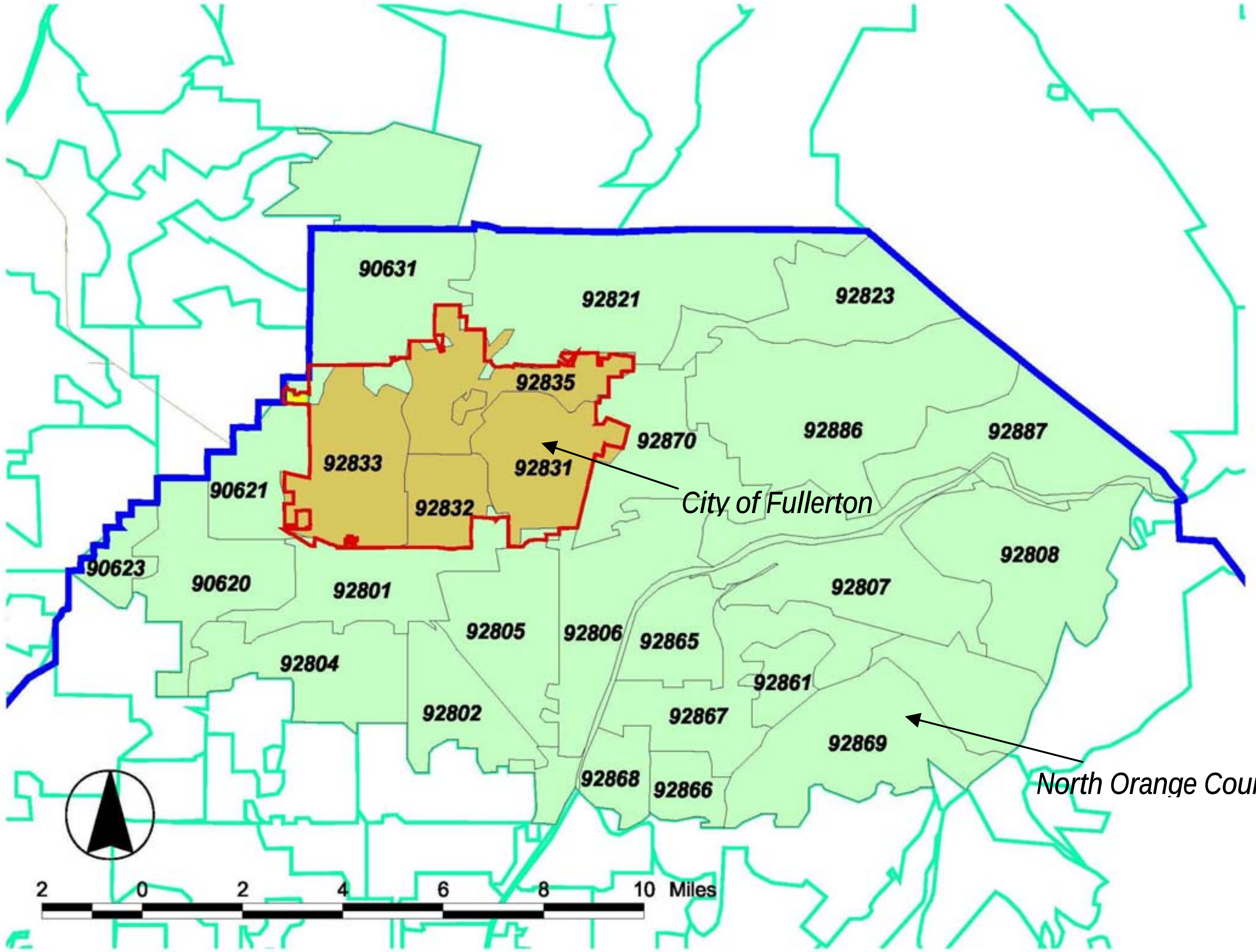


Table A-1
Zip Codes for Aggregation of Employment Data
North Orange County Sub-region

ZIP CODE	CITY
92835	City of Fullerton
92833	City of Fullerton
92831	City of Fullerton
92832	City of Fullerton
90620	Buena Park
90621	Buena Park
90623	La Palma
90631	La Habra
92801	Anaheim
92802	Anaheim
92804	Anaheim
92805	Anaheim
92806	Anaheim
92807	Anaheim
92807	Anaheim
92808	Anaheim
92821	Brea
92823	Brea
92861	Villa Park
92865	Orange
92866	Orange
92867	Orange
92868	Orange
92869	Orange
92870	Placentia
92886	Yorba Linda
92887	Yorba Linda
92887	Yorba Linda

Source: Stanley R.Hoffman Associates, Inc.

Table A-2
Historic Employment[1] by NAICS Categories
North Orange County Sub-region
2005 to 2008

	2005	2006	2007	2008	Change 2005-2008	Annual Average Growth Rate 2005-2008
CONSTRUCTION	46,009	48,529	45,631	40,715	-5,294	-4.0%
MANUFACTURING	51,916	51,505	49,494	47,542	-4,374	-2.9%
WHOLESALE TRADE	24,154	25,262	26,077	26,221	2,067	2.8%
RETAIL TRADE	37,998	40,345	41,883	41,455	3,458	2.9%
TRANSPORTATION & WAREHOUSING	10,626	10,623	10,890	11,006	380	1.2%
INFORMATION	8,351	8,145	7,784	6,393	-1,958	-8.5%
FINANCE & INSURANCE	26,734	23,628	21,404	18,331	-8,403	-11.8%
REAL ESTATE & RENTAL & LEASING	7,953	8,578	9,274	8,744	791	3.2%
PROFESSIONAL, SCIENTIFIC, & TECHNICAL SKILLS	20,991	22,561	22,129	23,260	2,270	3.5%
MANAGEMENT OF COMPANIES AND ENTERPRISES	5,428	5,718	5,110	4,788	-640	-4.1%
ADMIN & SUPPORT & WASTE MGMT & REMEDIATION	44,999	48,132	45,437	42,081	-2,919	-2.2%
EDUCATIONAL SERVICES	3,338	3,530	3,967	4,962	1,624	14.1%
HEALTH CARE & SOCIAL ASSISTANCE	28,914	30,003	30,824	32,975	4,061	4.5%
ARTS, ENTERTAINMENT, & RECREATION	23,310	23,374	25,157	26,433	3,123	4.3%
ACCOMMODATION & FOOD SERVICES	33,795	36,050	36,366	38,651	4,856	4.6%
OTHER SERVICES	12,852	12,715	12,340	15,751	2,899	7.0%
FEDERAL GOVT	646	583	327	334	-312	-19.7%
STATE GOVT	4,409	4,682	4,715	4,724	315	2.3%
LOCAL GOVT	27,012	27,235	27,901	27,632	620	0.8%
OTHER EMPLOYMENT [2]	1,437	1,567	1,575	2,877	1,440	26.0%
TOTAL EMPLOYMENT	**420,871**	**432,764**	**428,285**	**424,874**	**4,003**	**0.3%**

1. Adjusted for self-employment.
2. Other Employment includes agriculture, utilities and mining.

Source: Stanley R. Hoffman Associates, Inc.
California Employment Development Department (EDD).

Table A-3
Historic Employment[1] by NAICS Categories
Orange County
2005 to 2008

	2005	2006	2007	2008	Change 2005-2008	Annual Average Growth Rate 2005-2008
CONSTRUCTION	116,836	124,336	119,234	105,139	-11,697	-3.5%
MANUFACTURING	186,457	186,495	180,553	176,307	-10,150	-1.8%
WHOLESALE TRADE	87,969	88,096	95,293	92,990	5,021	1.9%
RETAIL TRADE	168,755	171,606	171,746	166,116	-2,639	-0.5%
TRANSPORTATION & WAREHOUSING	25,779	25,516	27,224	26,951	1,172	1.5%
INFORMATION	33,860	32,522	31,433	30,683	-3,177	-3.2%
FINANCE & INSURANCE	110,200	105,481	94,969	81,084	-29,116	-9.7%
REAL ESTATE & RENTAL & LEASING	44,664	47,003	45,698	44,100	-564	-0.4%
PROFESSIONAL, SCIENTIFIC, & TECHNICAL SKILLS	124,515	132,836	136,360	140,154	15,639	4.0%
MANAGEMENT OF COMPANIES AND ENTERPRISES	30,675	29,326	28,497	26,475	-4,200	-4.8%
ADMIN & SUPPORT & WASTE MGMT & REMEDIATION	156,268	160,637	154,666	147,140	-9,128	-2.0%
EDUCATIONAL SERVICES	18,653	19,755	20,742	22,545	3,891	6.5%
HEALTH CARE & SOCIAL ASSISTANCE	123,904	128,717	132,423	138,353	14,449	3.7%
ARTS, ENTERTAINMENT, & RECRETION	38,917	38,831	40,201	41,819	2,902	2.4%
ACCOMMODATION & FOOD SERVICES	135,563	140,154	142,114	144,417	8,854	2.1%
OTHER SERVICES	61,388	61,511	61,199	62,801	1,412	0.8%
FEDERAL GOVT	11,607	11,446	11,478	11,698	91	0.3%
STATE GOVT	21,498	21,972	22,225	22,215	717	1.1%
LOCAL GOVT	112,157	113,753	116,357	116,783	4,626	1.4%
OTHER EMPLOYMENT [2]	11,472	9,674	10,523	15,363	3,892	10.2%
TOTAL EMPLOYMENT	**1,621,136**	**1,649,667**	**1,642,935**	**1,613,134**	**-8,003**	**-0.2%**

1. Adjusted for self-employment.
2. Other Employment includes agriculture, utilities and mining.

Source: Stanley R. Hoffman Associates, Inc.
California Employment Development Department (EDD).

APPENDIX B
GREEN ECONOMY INDUSTRY SEGMENTS

Presented in this section are findings of reports commissioned by various public agencies to define the scope of the 'Green Economy' in California and other states. These reports identify industries across various sectors of the economy - e.g. the manufacturing sector and services sector - that could potentially be classified in the future as 'Green Industries'.

Introduction: The study on Green Jobs in California and other states was initiated under the Workforce Information Council (WIC) which chartered the Green Jobs Study Group in March 2009 (See Project References for study details). The WIC (2009) study wanted to address three goals:

- Define green jobs and identify what needs to be measured related to green jobs;
- Develop alternative methods of measuring green jobs; and
- Develop an action plan.

The Bureau of Labor Statistics (BLS) initiated a green jobs occupational survey and individual states such as California followed suit. This was made possible through the application for state Labor Market Information (LMI) improvement grants to collect, analyze, and disseminate labor market information.

The California Employment Development Department (EDD) sent out a California Green Economy Survey for occupational employment measurement in the Green Industry in 2009. The purpose of the EDD (2009) survey was to estimate the current number of green jobs and to identify occupations in the green economy and its influence on the total labor force.

Definition: According to the California Green Economy Survey, a Green Job is defined as a job that **produces goods or services** in any of the five green economic categories:

- Generating and storing renewable energy
- Recycling existing materials
- Energy efficient product manufacturing, distribution, construction, installation, and maintenance
- Education, compliance, and awareness
- Natural and sustainable product manufacturing

California's Green Economy Survey also asks to specify:

- How many employees **produce goods and services and currently work any of their time** in one of the green economic activity categories, and of these,
- How many work **50% or more of their time** in one of the green economic categories?

Caveat: The Labor Market Information Division (LMID) focuses on businesses that produce products or services for the survey. However, businesses that practice sustainability are also important to California's Green Economy. Sustainable businesses can increase the demand for sustainable products and services, which in turn would lead to an increase in the business that produce these goods.

What Industries are considered Green?

- The Bureau of Labor Statistics identified 62 NAICS codes as green. The survey results have shown that businesses that represent 381 NAICS codes have reported green employment.
- California identified 19 industries at the 2-digit level and 23 industries at the 3-digit level for a total of 42 NAICS (Table 1).
- The EDD (2009) California Green Economy Survey also includes a list of 34 Green Job Descriptions listed below Table B-1.

Table B-1
Green Industries Definition
California Green Economy Survey
3-Digit Level NAICS Industries

NAICS CODE	NAICS Industry
236	Construction of Buildings
237	Heavy and Civil Engineering Construction
238	Specialty Trade Contractors
321	Wood Product Manufacturing
322	Paper Manufacturing
323	Printing and Related Support Activities
324	Petroleum and Coal Products Manufacturing
325	Chemical Manufacturing
326	Plastics and Rubber Products Manufacturing
327	Nonmetallic Mineral Product Manufacturing
331	Primary Metal Manufacturing
332	Fabricated Metal Product Manufacturing
333	Machinery Manufacturing
334	Computer and Electronic Product Manufacturing
335	Electrical Equipment, Appliance, and Component Manufacturing
336	Transportation Equipment Manufacturing
337	Furniture and Related Product Manufacturing
339	Miscellaneous Manufacturing
561	Administrative and Support Services
562	Waste Management and Remediation Services
811	Repair and Maintenance
812	Personal and Laundry Services
813	Religious, Grantmaking, Civic, Professional, and Similar Organizations

Source: Stanley R. Hoffman Associates, Inc.
California Employment Development Department (EDD), 2009.

Air Quality Engineers; Air Pollution Specialists; Air Resources Engineers: Design, plan, or perform engineering duties in the prevention, control, and remediation of environmental health hazards.

Alternative Energy Engineers: Identify and support the development and implementation of alternative energy solutions (fuel, energy or heat) from biomass, landfill, solar, wind, geothermal, and/or other sources.

Alternative Fuel Vehicle Technicians: Perform specialized service procedures, including field retrofits and advanced electrical and mechanical troubleshooting on hybrid, electric, hydrogen, and other alternative fuel vehicles.

Architects, Except Landscape: Plan and design energy efficient structures (such as LEED certified), including private residences, office buildings, theaters, factories, and other structural properties.

Assemblers: Rotate through all the tasks required in a production process to make green products such as energy efficient appliances, hybrid vehicle parts, and solar panels. Determine work assignments and procedures. Shovel and sweep work areas. Operate heavy equipment. Provide assistance in the production of wiring assemblies.

Battery Engineers; Energy Storage Project Engineers: Generate plans, and perform tests of advanced battery systems and chargers for vehicles, and other storage applications.

Biological Technicians (involved in green activities): Assist biological scientists in laboratories. Set up, operate, and maintain laboratory instruments and equipment, monitor experiments, make observations, and calculate and record results.

Biomass Collectors: Gather waste wood, sawdust from lumber mills, garbage, yard clippings and livestock manure. Burn on-site or place waste products into trucks and deliver to off-site biomass power plants or fuel producers.

Building Performance or Retro-Fitting Specialists: Provide green building consulting services including analysis of the potential environmental impact of materials choices; develop energy efficiency analysis proposals including budgets and work scopes.

Carpenters (involved in green activities): Construct, erect, install, or repair structures and fixtures made of wood, such as concrete forms; building frameworks, including partitions, joists, studding, and rafters; wood stairways, window and door frames, and hardwood floors.

Chemical Technicians: Conduct chemical and physical laboratory tests to assist scientists in making qualitative and quantitative analyses of solids, liquids and gaseous materials for purposes such as research and development of fuels, green products or processes, quality control, and maintenance of environmental standards.

Civil Engineers: Plan, produce and/or design green land development projects (project management, surveying, water/wastewater, and grading).

Construction Managers: Manage green construction site/activity including planning, scheduling, constructing, monitoring, forecasting, resource allocation and cost control.

Electrical Engineers: Develop models for distributed generation equipment (photovoltaic, wind, fuel cells, batteries, turbines, and inverters) and conduct simulation studies for interconnections of distributed generation, electrical distribution systems, and hybrid and electric trucks and cars.

Electricians (involved in green activities): Install, maintain, and repair electrical wiring, equipment, and fixtures. May install solar electric systems.

Energy Auditors, Home and Commercial: Conduct energy assessments to identify energy efficiency and renewable energy improvement opportunities and offer recommendations for insulation upgrades.

Explain incentives, loans, and tax credits for energy efficiency improvements.

Energy Regulation Specialists: Perform policy research. Analyze, evaluate, develop and recommend alternatives on various regulatory issues and consult with and advise management, staff and other interested parties.

Environmental Engineers: Collaborate with environmental scientists, planners, and hazardous waste technicians to address environmental problems. Inspect industrial, municipal facilities, and programs to ensure compliance with environmental regulations.

Farmers, Sustainable: Operate farms or ranches. Plant, cultivate, harvest, and market crops and livestock without using up soil, water, or other resources faster than they can be replaced. May generate own energy from biomass.

Hazardous Materials Removal Workers: Identify, remove, pack, transport, or dispose of hazardous materials, including asbestos, lead-based paint, waste oil, fuel, transmission fluid, radioactive materials, and contaminated soil, etc.

Heating and Air Conditioning Technicians and Installers (involved in green activities): Install, service, and repair energy efficient geothermal or solar heating and air conditioning systems in residences and commercial establishments.

Industrial Production Managers: Review processing schedules and production orders to make decisions concerning inventory, staffing requirements, and work procedures considering budgetary limitations.

Insulation Workers, Floor, Ceiling, and Wall (Weatherization Workers): Line and cover structures with insulating materials. May work with batt, roll, or blown insulation materials.

Mechanical Engineers (involved in green activities): Plan and design tools, engines, machines, and other mechanically functioning equipment to be used in green industries. Oversee installation, operation, maintenance, and repair of equipment used in alternative energy technologies.

Plumbers, Pipefitters, and Steamfitters (involved in green activities): Assemble, install, alter, and repair tankless hot water heaters, as well as pipelines or pipe systems that carry water, steam, air, or other liquids or gases.

Recycling Center Operators: Receive, unload, sort, and weigh recycled materials. Operate forklifts.

Bale aluminum and cardboard, and make ready for sale. Prepare shipping and monthly reports.

Remediation Technology Engineers: Design, construct, operate, and write reports on environmental remediation systems such as groundwater treatment, bioremediation, and pesticide/herbicide impacted soils and groundwater.

Soil and Plant Scientists: Conduct research in breeding, physiology, production, yield, and management of crops and agricultural plants, their growth in soils, and control of pests; or study the chemical, physical, biological, and mineralogical composition of soils as they relate to crop growth.

Solar Photovoltaic Panel Installers and Technicians: Install rooftop solar panels and electric systems.

Perform wiring, mounting, carpentry and handyman tasks, troubleshooting, and customer interaction.

Solar Thermal Installers and Technicians: Install solar hot water and pool heating systems, including pipes, tanks, solar collectors, and electrical control systems. Troubleshoot problems and make repairs.

Sustainability Planners: Develop and help implement sustainability recommendations and plans for city, county, or private facilities. Educate public and do outreach. Research, prepare, and present reports (e.g. environmental impact).

Sustainability Program Coordinators/Managers: Responsible for the development and implementation of a firm's sustainability strategy and initiatives. Promotes efficient, cost effective technologies and operations of the company with the objective of being environmentally responsible and economically viable.

Wastewater Technicians and Operators: Operate or control an entire process or system of machines, often through the use of control boards, to transfer or treat water or liquid waste.

Wind Turbine Technicians: Build and service wind turbines. Use computers and must have an understanding of hydraulics, welding, electricity, algebra and meteorology. Ability to climb 300-ft. high towers.

The findings of the various WIC studies commissioned to examine the scope of the 'Green Economy' are summarized in Table B-2. These include studies undertaken by the states of California, Michigan, Oregon and Washington.

Table B-2
Summary of Green Economy Studies under the WIC

WIC State Study/Survey	Definition of Green Jobs	Green Economic Activity Categories
California (Survey underway with planned publication in late 2009)	(see column to the right). *Qualifier: Two-tiered approach: how many employees* ***produce goods and services and currently work any of their time*** *in one of the green economic activity categories, and of these, how many work* ***50% or more of their time*** *in one of the green economic categories?*	• Generating and storing renewable energy • Recycling existing materials • Energy efficient product manufacturing, distribution, construction, installation, and maintenance • Education, compliance, and awareness • Natural and sustainable

		product manufacturing Survey includes examples of businesses to be included for each green economic activity category.
Michigan *Michigan Green Jobs Report: Occupations and Employment in the New Green Economy* (2009)	"Jobs directly involved in generating or supporting a firm's green-related products and services." *Qualifier: Estimate employees that have a **primary focus** in one of the categories to the right.* The questionnaire notes that jobs in businesses that supply parts, components, products, or services to support the green economic activity categories are included.	• Renewable energy production • Increased energy efficiency • Pollution prevention or environmental cleanup • Clean transportation and fuels • Sustainable Agriculture and natural resource conservation A two-page set of definitions of core green-related activities was included with the questionnaire.
Oregon *The Greening of Oregon's Workforce: Jobs, Wages, and Training* (2009)	Green job: a job that provides a service or produces a product in any of the five green categories. *Qualifier: Only list jobs where work in green categories was **essential to the job in 2008**. The survey instrument specifies jobs engaged in producing or delivering products and services.*	• Producing energy efficiency • Producing renewable energy • Preventing, reducing, or mitigating environmental degradation • Cleaning up and restoring the natural environment • Providing education, consulting, policy promotion, accreditation, trading and offsets or similar services supporting the above 4 categories The questionnaire includes specific examples of what should be included or excluded as green for each of the five green economic activity categories.
Washington Report published in 2009	Green Jobs: jobs that promote environmental protection and energy security. Jobs that directly support environmental protection and clean energy in one of the four green categories. *Qualifier: Staff that worked in any one of the core areas as their **primary job function**…in the **past three months**.*	• Renewable energy • Energy efficiency • Mitigation and cleanup of pollution • Preventing or reducing pollution

Source: Stanley R. Hoffman Associates, Inc.
Workforce Information Council.

APPENDIX C
ECONOMIC DEVELOPMENT PROGRAMS

Several selected programs have been identified in discussions with City staff that may have applicability in the City of Fullerton. Three programs that should be given further attention are: 1) Enterprise Zones; 2) Empowerment Zones and Renewal Communities; and 3) the American Recovery and Reinvestment Act of 2009 stimulus funds. The following section briefly examines each of these programs and details some of the potential benefits that may be available to the City of Fullerton.

C.1 Enterprise Zones [2]

The California Enterprise Zone (EZ) Program was established in 1984 to encourage business investment and job creation in economically distressed areas through the provision of state and local incentives. There are currently 42 Enterprise Zones in the State of California, including one in Orange County. The Orange County EZ, awarded in 1993 and renewed in 2008, is located in the City of Santa Ana and encompasses over 16 square miles of industrial and commercial land.

State and Local Incentives

Enterprise Zones are designed to support the establishment, expansion and retention of businesses through a wide range of state and local incentives. At the state level, these include:

- *Hiring tax credits:* State tax credit of $36,000 or more over five years for each qualified employee hired.
- *Sales or use tax credits:* State tax credit for sales and use taxes paid, up to $20 million per year, on qualified machinery and machinery parts purchases.
- *Increased expense deductions:* Accelerated expense deductions for certain depreciable property.
- *Net operating loss carry forward:* Up to 100 percent net operating loss deduction and a 15-year carry forward.
- *New interest deduction for lenders:* Net interest deductions for lenders on loans made to firms within an EZ.
- *State preference points:* EZ companies can earn preference points on state contracts.

Additional local benefits may also be available and vary by EZ.

2 . Information obtained from the California Department of Housing and Community Development (www. hcd.ca.gov), the California Association of Enterprise Zones (www.caez.org), and EZ Policy Blog (www.ezpolicyblog.com)

Enterprise Zone Eligibility

The EZ Program is administered by the California Department of Housing and Community Development (HCD). Cities and counties may apply to HCD to a have a geographic area designated as an Enterprise Zone. According to HCD, eligibility is based on distress factors such as:

- High unemployment
- High poverty rates
- Plant closures
- Gang activity
- Substantial economic distress

The City of Fullerton may be eligible to have an EZ designated within its boundaries based on the recent closure of the Foxconn and Beckman Coulter facilities, which resulted in the loss of an estimated 2,050 jobs according to City sources. According to HCD, applications are ranked based on their economic development strategy and implementation plan, including the extent to which the strategy addresses the economic needs of the community, its businesses and residents. EZ designations are effective for 15 years.

When to Apply

To establish an Enterprise Zone, communities must submit their application for EZ designation to HCD by the stated due date of an announced designation round. The next deadline has not been officially announced; however, it is expected to be in August 2010 to replace two Enterprise Zones that expire this year. Additionally, two more Enterprise Zones expire in early 2012. Unless the California State Legislature authorizes the creation of new Enterprise Zones, there will not be another opportunity to apply for EZ status until 2020, when the Stanislaus County EZ expires. In September 2009, however, Assembly Bill ABX3 82 was introduced to create 10 additional temporary Enterprise Zones which will have normal 15-year designations, but then expire. This legislation is currently pending.

C.2 Empowerment Zones and Renewal Communities [3]

Empowerment Zones and Renewal Communities are part of the federal Community Renewal Initiative designed to assist distressed communities with real opportunities for growth and revitalization. Currently, the U.S. Department of Housing and Urban Development (HUD) and the Department of Health and Human Services (HHS) jointly oversee 30 urban Empowerment Zones and 40 urban and rural Renewal Communities throughout the United States. Of those, four

3. Information obtained from the U.S. Department of Housing and Urban Development (www.hud.gov).

Empowerment Zones, three urban Renewal Communities and two rural Renewal Communities are in California. The only designation in Orange County is located in the City of Santa Ana and covers a four square mile area.

Federal Incentives

Like Enterprise Zones, Empowerment Zones and Renewal Communities offer a variety of incentives and benefits designed to stimulate job growth, promote economic development and create affordable housing opportunities. Federal level incentives available to businesses include:

- *Wage credits:* Up to a $3,000 credit for every newly hired or existing employee who lives in the Empowerment Zone.
- *Work opportunity credits:* Up to $2,400 against their Federal tax liability for each employee hired from groups with traditionally high unemployment rates or other special employment needs, including youth, who live in the Empowerment Zone.
- *Welfare to Work credits:* Up to $3,500 (in the first year of employment) and $5,000 (in the second year) for each newly hired long-term welfare recipient.
- *Tax-exempt facility bonds:* Lower-cost loans to finance property, purchase equipment and develop business sites within theses communities.
- *Qualified zone academy bonds:* Allows state and local governments to match no-interest loans with private funding sources to finance public school renovations and programs.
- *Capital gains:* Businesses can postpone or only partially recognize the gain on the sale of certain assets, including stock and partnership interests, in order to reduce their capital gains tax liability.
- *Increased expense deductions:* Under Section 179 of the tax code, businesses may claim increased expensing deductions up to $35,000 for depreciable property such as equipment and machinery.
- *Environmental cleanup cost deductions:* Allows businesses to deduct qualified cleanup costs in Brownfields.

Empowerment Zone Eligibility

The U.S. Department of Housing and Urban Development (HUD) is currently the designating agency for urban Empowerment Zones and urban and rural Renewal Communities. To date, there have been three rounds of designations, which occurred in 1994, 1999 and 2001. During the most recent round, HUD designated eight new Empowerment Zones after receiving 35 applications from urban communities across the country. According to HUD, successful applicants had to satisfy a two-part selection process that weighed certain population and poverty criteria as well as the quality of the community's strategic plan. The next round of designations has not been announced.

C.3 American Recovery and Reinvestment Act of 2009 [4]

In February 2009, the United States government passed the American Recovery and Reinvestment Act. Intended as a direct response to the recent economic crisis, the Recovery Act authorized $787 billion in stimulus funds toward the following:

- Providing $288 billion in tax cuts and benefits for millions of working families and businesses
- Increasing federal funds for education and health care as well as entitlement programs (such as extending unemployment benefits) by $224 billion
- Making $275 billion available for federal contracts, grants and loans.

Stimulus Funds Awarded Through 2009

As part of the Recovery Act, the federal government established a website to provide program accountability and transparency (www.recovery.gov). According to the site, as of February 10, 2010, approximately $199 billion in federal contracts, grants and loans was awarded during calendar year 2009. Of that, an estimated $21.5 billion was awarded throughout California, including approximately $700 million in Orange County. As detailed in Table C-1, public and private organizations within the City of Fullerton received 37 grants and contracts totaling approximately $35 million. Roughly $23.9 million went to local school districts, $5.8 million went to California State - Fullerton, and $2.9 million went to the City of Fullerton. Awards are made to both private and public entities, and the City of Fullerton may wish to pursue additional stimulus funds, particularly those focused on public infrastructure improvements.

4. Information obtained from www.recovery.gov and www.recovery.ca.gov.

Table C-1
Recovery Act Grants and Contracts
City of Fullerton
2009

No.	Recipient	Award #	Agency	Award Type	Amount	Recipient Role[1]
Zip Code: 92831						
1	AERO ENGINEERING, INC.	NAS5-02200	National Aeronautics and Space Administration	Contracts	$ 46,775	S
2	Associated Students, California State University, Fullerton, Inc	POOO033A090295	N/A	Grants	205,217	S
3	CALIFORNIA STATE UNIVERSITY, FULLERTON	G10AC00033	Department of the Interior	Grants	150,000	P
4	CALIFORNIA STATE UNIVERSITY, FULLERTON	3T34GM008612-14S1	Department of Health and Human Services	Grants	64,092	P
5	CALIFORNIA STATE UNIVERSITY, FULLERTON	3R01HL079503-04S1	Department of Health and Human Services	Grants	24,068	S
6	CALIFORNIA STATE UNIVERSITY, FULLERTON	929076	National Science Foundation	Grants	1,619,598	P
7	Crittenton Florence Service of Orange County Inc	7CA340CA3	Department of Agriculture	Grants	5,000	S
8	LANGE PRECISION, INC	NAS5-02200	National Aeronautics and Space Administration	Contracts	89,970	S
9	PRE-FAB BUILDERS, INC.	N62473-08-D-8645	Department of the Navy	Contracts	37,517	S
10	S K C WEST INC	DE-AC06-08RL14788	Department of Energy	Contracts	32,850	S
11	SOUTHERN CALIFORNIA COLLEGE OF OPTOMETRY	T0AHP15882-01-00	Department of Health and Human Services	Grants	70,417	P
				Total 92831	**$ 2,345,504**	
Zip Code: 92832						
12	BOYS & GIRLS CLUB OF FULLERTON	2009-SC-B9-K010	Department of Justice	Grants	$ 42,500	S
13	FULLERTON INTERFAITH EMERGENCY SERVICE	S09-MY-06-0504	Department of Housing and Urban Development	Grants	285,786	S
14	FULLERTON INTERFAITH EMERGENCY SERVICE	S09-MY-06-0504	Department of Housing and Urban Development	Grants	288,904	S
15	FULLERTON, CITY OF	SC0003286	Department of Energy	Grants	1,246,100	P
16	FULLERTON, CITY OF	S09-MY-06-0504	Department of Housing and Urban Development	Grants	28,020	P
17	FULLERTON, CITY OF	5133038	Department of Transportation	Grants	1,178,639	S
18	FULLERTON, CITY OF	B-09-MY-06-0504	Department of Housing and Urban Development	Grants	407,273	P
19	MOORE IACOFANO GOLTSMAN, INCORPORATED	W912PL-09-D-0026	Corps of Engineers	Contracts	31,610	S
20	NORTH ORANGE COUNTY COMMUNITY COLLEGE DISTRI(	Federal Work Study	Department of Education	Grants	44,529	P
				Total 92832	**$ 3,553,361**	
Zip Code: 92833						
21	DEPT OF EDUCATION, ORANGE COUNTY	H392A090120	Department of Education	Grants	$ 335,949	S
22	DEPT OF EDUCATION, ORANGE COUNTY	H391A090116	Department of Education	Grants	9,456,050	S
23	DEPT OF EDUCATION, ORANGE COUNTY	H391A090116	Department of Education	Grants	503,737	S
24	FULLERTON JOINT UNION HIGH SCHOOL DISTRICT	S394A090005	Department of Education	Grants	7,367,941	S
25	FULLERTON JOINT UNION HIGH SCHOOL DISTRICT	S389A090005	Department of Education	Grants	751,445	S
26	FULLERTON JOINT UNION HIGH SCHOOL DISTRICT	S387A090005	Department of Education	Grants	20,350	S
27	Fullerton School District Capital Facilities Corporation	S389A090005	Department of Education	Grants	971,396	S
28	Fullerton School District Capital Facilities Corporation	S387A090005	Department of Education	Grants	13,700	S
29	Fullerton School District Capital Facilities Corporation	S394A090005	Department of Education	Grants	4,509,392	S
				Total 92833	**$ 23,929,960**	
Zip Code: 92834						
30	BECKMAN COULTER, INC.	HHSN268200900416P	Department of Health and Human Services	Contracts	$ 7,216	P
31	BECKMAN COULTER, INC.	HHSN272200900260U/0001	Department of Health and Human Services	Contracts	105,204	P
32	CALIFORNIA STATE UNIVERSITY, FULLERTON	DUE-0934910	National Science Foundation	Grants	899,998	P
33	CALIFORNIA STATE UNIVERSITY, FULLERTON	DUE-0929076	National Science Foundation	Grants	2,094,045	P
34	CALIFORNIA STATE UNIVERSITY, FULLERTON	934910	National Science Foundation	Grants	899,998	P
35	CALIFORNIA STATE UNIVERSITY, FULLERTON	3R01HD046949-05S1	Department of Health and Human Services	Grants	15,131	P
				Total 92834	**$ 4,021,592**	
Zip Code: 92835						
36	ELENA ARI	N6247309C2008	Department of the Navy	Contracts	$ 636,722	P
37	Q-MAX CONSTRUCTION COMPANY, INC.	N62473-09-C-2008	Department of the Navy	Contracts	636,722	P
				Total 92835	**$ 1,273,445**	
				TOTAL CONTRACTS	**$ 1,624,586**	
				TOTAL GRANTS	**$ 33,499,275**	
				TOTAL	**$ 35,123,861**	

1. Indicates the type of recipient:
P = Prime Recipient: A non-federal entity that receives Recovery Act funding in the form of a contract, grant, or loan, directly from the federal government.
S = Sub-Recipient: A non-federal entity awarded Recovery funding from a prime recipient to support a project or program for which the prime recipient received Recovery funding.

Source: Stanley R. Hoffman Associates, Inc.
Recovery.gov, as of 02/10/10.

APPENDIX D
ECONOMIC PERFORMANCE MEASURES

I. Employment Trends

Employment Change by Industry
Average Wage by Industry
Number of Businesses by Industry
Entry and Exit of Firms by Industry
Comparison to Sub-region and County

II. Labor Force Characteristics

Education Profile
Skills Profile (Industry of Employment)
Household Income Trends
Labor Commute to Jobs
Comparison to Sub-region and County
Median Home Prices
Median Residential Rental Rates

III. Market Performance Measures

<u>Retail</u>
Total Taxable Retail Sales
Sales per Square Foot
Vacancy Rates
Comparison to Sub-region and County

<u>Office and Industrial</u>
Vacancy Rates
Lease Rates
Total Non-Retail Taxable Sales
Comparison to Sub-region and County

<u>Hotel Market</u>
Hotel and Motel Inventory
Average Rates per Room
Occupancy Rates
Comparison to Sub-region and County

IV. Fiscal Performance Measures

<u>Public Revenues</u>
Trends by Revenue Type
Per Capita Revenue

<u>Public Costs of Services</u>
Trends by Service Cost Type
Per Capita Service Costs

<u>Infrastructure Development</u>
Redevelopment Property Tax Increment
Other Sources of Revenues

Source: Stanley R. Hoffman Associates, Inc.

APPENDIX E
PROJECT CONTACTS AND REFERENCES

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WEBSITES CONSULTED

American Recovery and Reinvestment Act of 2009
www.recovery.gov

CB Richard Ellis
http://www.cbre.com

California Association of Enterprise Zones
www.caez.org

California Department of Finance
http://www.dof.ca.gov

California Department of Housing and Community Development
www.hcd.ca.gov

California Economic Recovery Portal
http://www.recovery.ca.gov/

City of Fullerton
http://www.ci.fullerton.ca.us

Enterprise Zone Policy Blog
www.ezpolicyblog.com

Orange County
http://www.oc.ca.gov

The Fox Fullerton Theater
http://www.foxfullerton.org

U.S. Bureau of the Census
http://www.census.gov