

PLANNING AND ENVIRONMENTAL TRENDS

NATIONAL AND STATE ECONOMY

South Bay Economic Forecast Summary

Prepared for the South Bay Economic Partnership by
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 October 2006

The National Economy

- Expect the national economy to grow at an annual rate of 3.4%, slightly above the 3.2% pace posted in 2005. The somewhat stronger growth this year is largely attributable to the strong growth in the first half of this year. The economy has slowed markedly in the second half and look for slower growth in 2007.
- By the end of 2007 and with inflation under control, expect the Fed to begin lowering the rates to move the economy back to the trend line growth.
- The housing boom is over and with higher energy costs and interest rates, we expect consumers to become more cautious with their expenditures.
- The outlook for equipment and software expenditures remains strong as firms need to maintain their competitive position.
- Exports will continue to show strength with the improvement in the global economy and the continued depreciation of the dollar.
- Expect little change in crude oil pricing.

Figure 1. Economy to Slow in 2007

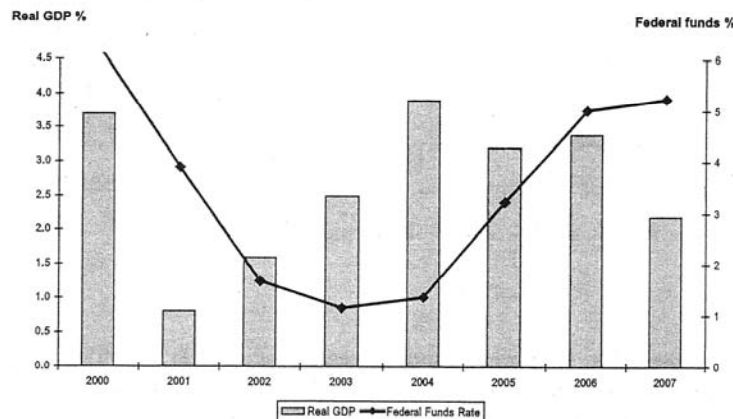
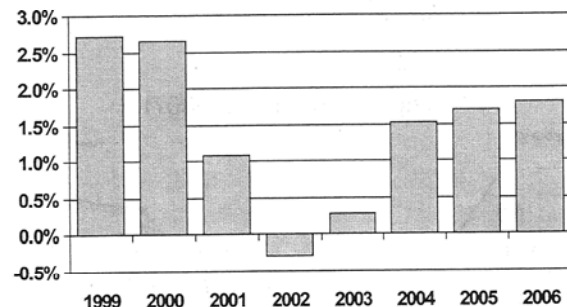


Figure 2. The Region's Economy

The Regional Economy

- Employment growth of 1.5%.
- We expect the regional economy to improve in 2007 with an overall employment growth rate of 1.8%.
- Construction activity will see employment growth of only 2.1% in 2006, slowing to 1.4% by 2007.

The Region's Economy



The Regional Economy

- In 2006, the finance sector will add jobs at a rate of 1.5%. We expect this rate of growth to drop to 1.1% in 2007.
- Business and professional services added jobs at a pace of 3%. The sector will also slow in 2006 but will still generate jobs at a relatively healthy rate of 2.3% and will continue to grow at a pace above 2% throughout the forecast horizon.
- Health and private educational services is expected to be flat this year, followed by 1.8% growth in 2007.
- Leisure and hospitality services also slowed but will benefit in 2006 as a weaker dollar brings increasing numbers of tourists to Southern California.
- Retail sector saw accelerated growth in 2005, posting a gain of 3.1%. Although our forecast calls for a slight slowdown in the rate of taxable sales this year and next, we still anticipate that this sector will continue to add jobs in the range of 2.5 to 3% annually over the next two years.
- The state's budgetary problems continue to pose a constraint to growth in the state and local government sector. But anticipated growth in the range of 1.5 to 1.9% annually is forecasted.

Los Angeles County Economy

- The Los Angeles County economy experienced only minor growth in job formation in 2004 and 2005.
- The 2006 forecast called for growth of 1.2% followed by 1.4% in 2007.
- Much of the improvement in Los Angeles is in the manufacturing sector.
- After several years of employment losses in durable manufacturing, it appears that this sector has stabilized. While this sector will not generate a large number of new jobs, it will no longer be a drag on the county's job growth.
- Construction employment posted a healthy gain of 5.5% in 2005. This sector should slow in 2006 in response to rising interest rates, following a flattening out in 2007.
- Growth in professional and business services surged from 0.4% in 2004 to 1.6% in 2005. This is one of the higher-paying service sectors in the economy, and our forecast calls for the sector to add jobs at a rate of 1.5% in 2006, followed by 1.1% in 2007.
- Employment in health services and private education slowed in 2005, reflecting a slowdown in hiring in hospitals and nursing care facilities. We anticipate that this sector will again be adding jobs by 2007 but will see a slight decline in employment this year.

PLANNING AND ENVIRONMENTAL TRENDS

LOS ANGELES COUNTY AND THE SOUTH BAY

The South Bay Economy

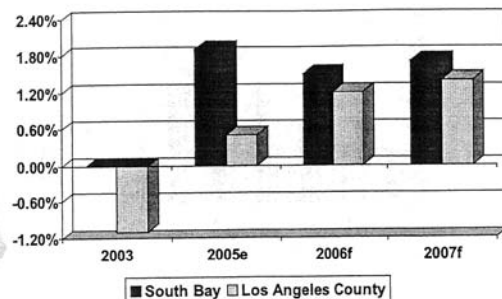
- After several years of employment losses, the South Bay's economy began to rebound in 2005 and added 7,500 new jobs. Expect the economy to add 6,000 jobs in 2006 and 6,500 in 2007.
- The primary strengths of the South Bay's employment outlook are durable goods manufacturing, professional and business services, logistics, and retail trade (comprising almost 60% of employment). In comparison, the county and region have only 45% of their employment in these sectors.

Figure 3. 2005 Employment Concentration between the South Bay and County and Region



- South Bay manufacturing jobs had an average salary of \$63,000 in 2004, the most current year for which data is available, significantly above the South Bay average of \$47,000.
- Professional and business services jobs are relatively high paying jobs. The average wage is \$59,000. This sector will add 2,000 jobs over the next two years.
- Logistics involves the sectors of wholesale trade, and transportation and warehousing. While transportation and warehousing jobs pay average wages, the wholesale trade jobs are similar high wage jobs like professional and business services.
- We expect to add 2,500 new jobs in the logistics sector over the next two years.
- Retail trade represents about 43,000 jobs in the South Bay. It is forecasted to have continued job growth.
- We expect modest job losses over the next two years in the information sector which includes the film and motion picture industry.
- The leisure and hospitality sector is expected to generate over 800 new jobs this year and another 900 next year.
- With only 9% of its job base in government jobs, federal, state or local, the South Bay's economy was less affected by the budgetary problems in Sacramento than other parts of the region. This sector should generate about 500 new jobs in 2007.
- The outlook for the South Bay is fairly upbeat with the South Bay growing faster than Los Angeles County. We expect employment growth of 1.5% this year and 1.7% next year, compared to 1.2% and 1.4% for Los Angeles County.

Figure 4. South Bay and Los Angeles County Annual Job Growth



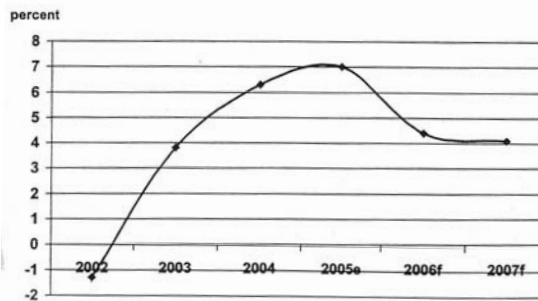
PLANNING AND ENVIRONMENTAL TRENDS

THE SOUTH BAY

The South Bay Economy

- Taxable sales data is lagged and the values for 2005 to 2007 are forecasted. As can be seen from the graph, taxable sales growth has fully recovered from the recession.

Figure 5. South Bay Taxable Sales Growth



- The table below shows that almost half of all taxable sales occur in the cities of Torrance and Carson.

Table 1. Taxable Sales in Incorporated Cities
(Annual averages in millions of current dollars)

City	2001	2002	2003	2004
Carson	1,777	1,729	1,799	1,722
El Segundo	764	667	689	825
Gardena	657	662	702	739
Hawthorne	648	691	808	905
Hermosa Beach	239	225	233	243
Inglewood	745	734	725	833
Lawndale	185	189	200	224
Lomita	118	122	120	129
Manhattan Beach	640	632	637	683
Palos Verdes Estates	24	20	22	22
Rancho Palos Verdes	83	82	87	98
Redondo Beach	726	727	750	801
Rolling Hills Estates	126	128	132	139
Torrance	3,356	3,349	3,438	3,626
Total All Outlets	10,088	9,957	10,342	10,989

- The run up in housing prices is without historical precedent. In 2001, the average price of a home in Carson, Gardena, or Lawndale was about \$170,000. The median home in these jurisdictions in July 2006 was around \$500,00, representing nearly a tripling in value.
- Manhattan Beach and Rancho Palos Verdes have the South Bay's most expensive median housing with values of \$1.5 and \$1.2 million, respectively.
- We expect the regional housing appreciation to slow as interest rates increase and housing prices further reduce affordability. Since the portion of the South Bay economy tied to the booming housing market is relatively small compared with other areas in Southern California, the downturn should have less impact in the South Bay than the outlying counties.

PLANNING AND ENVIRONMENTAL TRENDS

THE SOUTH BAY

The South Bay Economy

Table 2. Employment Status

Note: Data not seasonally adjusted

Area	Labor Force			Employment			Unemployment			Unemployment Rate		
	2003	2004	2005	2003	2004	2005	2003	2004	2005	2003	2004	2005
Alondra Park CDP	4,200	4,300	4,200	3,900	4,000	4,000	300	300	200	7.1%	7.0%	4.8%
Carson city	45,000	45,300	45,400	42,000	42,400	43,100	3,000	2,900	2,300	6.7%	6.4%	5.1%
Del Aire CDP	4,800	4,900	4,900	4,600	4,700	4,800	200	200	100	4.2%	4.1%	2.0%
El Segundo city	10,800	10,800	10,900	10,400	10,500	10,600	400	300	300	3.7%	2.8%	2.8%
Gardena city	28,700	28,900	29,000	26,900	27,200	27,600	1,800	1,700	1,400	6.3%	5.9%	4.8%
Hawthorne city	40,500	40,700	40,700	36,900	37,300	37,900	3,600	3,400	2,800	8.9%	8.4%	6.9%
Hermosa Beach city	14,900	15,000	15,100	14,500	14,600	14,800	400	400	300	2.7%	2.7%	2.0%
Inglewood city	52,200	52,500	52,400	47,700	48,200	48,900	4,500	4,300	3,500	8.6%	8.2%	6.7%
Lawndale city	15,800	16,000	16,000	14,800	15,000	15,200	1,000	1,000	800	6.3%	6.3%	5.0%
Lennox CDP	9,300	9,300	9,300	8,500	8,500	8,700	800	800	600	8.6%	8.6%	6.5%
Lomita city	11,100	11,300	11,300	10,600	10,800	10,900	500	500	400	4.5%	4.4%	3.5%
Manhattan Beach city	22,100	22,400	22,600	21,600	21,900	22,200	500	500	400	2.3%	2.2%	1.8%
Palos Verdes Estates city	6,600	6,600	6,700	6,500	6,500	6,600	100	100	100	1.5%	1.5%	1.5%
Rancho Palos Verdes city	21,200	21,300	21,600	20,700	20,900	21,200	500	400	400	2.4%	1.9%	1.9%
Redondo Beach city	44,400	44,800	45,200	42,900	43,300	44,000	1,500	1,500	1,200	3.4%	3.3%	2.7%
Rolling Hills Estates city	4,000	4,100	4,100	3,900	4,000	4,000	100	100	100	2.5%	2.4%	2.4%
Torrance city	78,600	79,200	80,000	76,000	76,800	78,000	2,600	2,400	2,000	3.3%	3.0%	2.5%
West Athens CDP	4,200	4,300	4,200	3,900	4,000	4,000	300	300	200	7.1%	7.0%	4.8%
Los Angeles County	4,782,000	4,809,700	4,821,200	4,447,800	4,494,000	4,564,700	334,200	315,700	256,500	7.0%	6.6%	5.3%

Table 3. Average Wages by Industry Sector, 2002, 2003 and 2004

Average Annual Payroll	2002	2003	% Change	2004	% Change
Construction, Utilities, & Mining	\$51,084	\$53,067	3.9%	\$47,556	-10.4%
Manufacturing	\$56,311	\$59,800	6.2%	\$63,206	5.7%
Wholesale Trade	\$56,742	\$58,155	2.5%	\$59,696	2.6%
Retail Trade	\$27,985	\$28,576	2.1%	\$29,840	4.4%
Transportation & Warehousing	\$38,104	\$39,219	2.9%	\$41,402	5.6%
Information	\$67,525	\$71,699	6.2%	\$80,290	12.0%
Financial & Real Estate Services	\$46,049	\$49,113	6.7%	\$53,688	9.3%
Professional & Business Services; Management & Administrative	\$53,324	\$58,669	10.0%	\$58,853	0.3%
Education & Health	\$32,506	\$34,105	4.9%	\$39,665	16.3%
Leisure & Hospitality	\$26,525	\$26,770	0.9%	\$20,809	-22.3%
Other Services	\$23,641	\$23,744	0.4%	\$25,519	7.5%
Non-Classified	\$38,600	\$30,250	-21.6%	\$35,991	19.0%
Federal Government	\$46,983	\$49,238	4.8%	\$53,807	9.3%
State & Local Government	\$44,749	\$45,390	1.4%	\$47,505	4.7%
Total	\$43,581	\$44,843	2.9%	\$46,988	4.8%
Los Angeles County	\$41,678	\$42,916	3.0%	\$44,945	4.7%

PLANNING AND ENVIRONMENTAL TRENDS

THE SOUTH BAY

The South Bay Economy

Table 4. Median Price of Sold Homes by Area

Area	JULY							
	1999	2000	2001	2002	2003	2004	2005	2006
Carson	\$170,000	\$170,250	\$210,000	\$231,000	\$290,000	\$375,000	\$450,000	\$500,000
El Segundo	\$290,000	\$397,000	\$369,500	\$432,500	\$525,000	\$666,000	\$840,000	\$723,000
Gardena	\$165,000	\$166,500	\$206,250	\$231,387	\$285,500	\$382,000	\$450,000	\$500,000
Hawthorne	\$172,000	\$198,750	\$205,000	\$246,000	\$327,500	\$387,500	\$535,000	\$526,500
Hermosa Beach	\$402,000	\$548,500	\$557,500	\$627,250	\$761,000	\$761,000	\$1,085,250	\$970,000
Inglewood	\$145,000	\$154,000	\$173,000	\$199,000	\$242,500	\$327,500	\$400,000	\$497,000
Lawndale	\$175,228	\$175,000	\$185,000	\$247,000	\$285,000	\$350,000	\$520,000	\$512,000
Lomita	\$240,000	\$250,000	\$240,000	\$324,500	\$423,000	\$470,000	\$600,000	\$562,500
Manhattan Beach	\$630,000	\$722,500	\$712,500	\$850,000	\$1,052,500	\$1,320,000	\$1,450,000	\$1,457,750
Rancho Palos Verdes	\$562,500	\$591,000	\$557,000	\$662,000	\$702,250	\$850,000	\$999,500	\$1,200,000
Redondo Beach	\$318,000	\$346,000	\$400,000	\$447,000	\$550,000	\$651,000	\$770,000	\$750,000
Torrance	\$247,500	\$297,000	\$307,000	\$360,000	\$400,000	\$490,000	\$597,500	\$610,000

Table 5. Median Price of Sold Homes Percent Change

Area	JULY						
	2000	2001	2002	2003	2004	2005	2006
Carson	0.1%	23.3%	10.0%	25.5%	29.3%	20.0%	11.1%
El Segundo	36.9%	-6.9%	17.1%	21.4%	26.9%	26.1%	-13.9%
Gardena	0.9%	23.9%	12.2%	23.4%	33.8%	17.8%	11.1%
Hawthorne	15.6%	3.1%	20.0%	33.1%	18.3%	38.1%	-1.6%
Hermosa Beach	36.4%	1.6%	12.5%	21.3%	0.0%	42.6%	-10.6%
Inglewood	6.2%	12.3%	15.0%	21.9%	35.1%	22.1%	24.3%
Lawndale	-0.1%	5.7%	33.5%	15.4%	22.8%	48.6%	-1.5%
Lomita	4.2%	-4.0%	35.2%	30.4%	11.1%	27.7%	-6.3%
Manhattan Beach	14.7%	-1.4%	19.3%	23.8%	25.4%	9.8%	0.5%
Rancho Palos Verdes	5.1%	-5.8%	18.9%	6.1%	21.0%	17.6%	20.1%
Redondo Beach	8.8%	15.6%	11.8%	23.0%	18.4%	18.3%	-2.6%
Torrance	20.0%	3.4%	17.3%	11.1%	22.5%	21.9%	2.1%

Note: Many factors influence the prices of homes sold in a given period. For areas with small sample size, fluctuations in prices may reflect more of the difference in quality of the units sold rather than changes in market conditions.

Top Ten Business Stories of 2005-2006

BUBBLE TROUBLE

1

Kaboom? Whoosh? Ssssss?

Housing experts spent much of the year trying to predict and pinpoint what sound the deflating housing market will make. Inventories rose, sales fell and for-sale signs lingered a bit longer in 2006, but home prices in the South Bay and Southern California still rose overall, although much more slowly than from 2000 to 2005. So the big question remains: Hard landing or soft landing? The real estate market should know by this time next year.

NISSAN NO MORE

2

Nissan Motor Company’s North American sales and marketing headquarters left Carson for Nashville, Tennessee in July, taking its 1,300 jobs out of the South Bay. More than 40 percent of its local employees moved with their jobs. Nissan wanted to take advantage of Nashville’s lower cost of living, its lower business expenses, an incentive package offered by Tennessee agencies, and its proximity to its Tennessee factories. Nissan’s gleaming landmark headquarters building overlooking the 405 and 100 freeways was sold in September to Kearning Real Estate Company of Los Angeles.

DESTINATION DEL AMO

3

A quarter century after creating the largest mall on the West Coast, Del Amo Fashion Center opened its new lifestyle wing on September 14, offering local consumers an open-air shopping and entertainment experience. The wing, occupying the site of the mall’s former north wing and Montgomery Ward, features a mega-cineplex, bowling alley, restaurants, shops and courtyard. It follows the lead of the Grove at Farmer’s Market, Third Street Promenade and Avenue of the Peninsula—three trendy Los Angeles area open-air retail hotspots.

LAX LOOKS AHEAD

4

Demolition crews began ripping up one of the runways at Los Angeles International Airport in July, launching a \$333 million project to reconfigure the airfield and give airplanes on the ground more room to maneuver. The work will keep the runway, one of four at LAX, closed until next March. Air traffic controllers have said they can work around the closure without too much hassle, but they acknowledge that any further disruptions—such as bad weather—could cause delays. The closed runway will be rebuilt 55 feet closer to El Segundo, creating enough space for a new taxiway alongside it.



Source: The *Daily Breeze* newspaper.

Top Ten Business Stories of 2005-2006

POPULATING PLAYA VISTA

5

As construction continued this year at Playa Vista, hundreds of new residents moved in to the master-planned community near Marina del Rey. Today, 4,500 people live there, and 2,100 homes have been built out of 3,246 planned units. The second phase—a mixed-use development called The Village—will provide another 2,600 residences and new retailers. Yet the development still faces some of the same community opposition that surfaced more than 20 years ago, and a recent court ruling has prompted new studies and hearings on part of the project's methane monitoring plan. Despite claims from environmentalists, however, developers, residents and consultants insist the systems are working as they should.

PALOS VERDES PAINS

6



On the Palos Verdes Peninsula, 2006 was the year major developments experienced growing pains. A Ladies Professional Golf Association event last fall heralded the opening of all 18 holes at Rancho Palos Verdes' Trump National Golf Club six years after 16 acres crumbled into the ocean. But fog and slow play on the cramped \$264 million course meant the nationally televised tournament dragged out longer than expected. Organizers quickly yanked it from the 2006 schedule. Everyday duffers—or at least those able to afford \$300 for a weekend round of golf—finally made it onto the course in January. Still, Donald Trump has yet to satisfy several city requirements related to its construction, and the course is still operating on a temporary permit. Down the coast, only the vast asphalt parking lots remain to remind us that the affectionately-remembered Marineland once sat at Rancho Palos Verdes' Long Point. Dogged by financing problems and soaring costs that have forced its developers to downsize it, the project has had its official groundbreaking postponed repeatedly. The groundbreaking could finally take place this fall.

GROWING SAN PEDRO

7

After years of talk and plans that never went anywhere, several high-profile, loft-style condominiums began springing up this year in the historic but struggling downtown waterfront district. Housing developers were drawn by the solid real estate market and promises by the Port of Los Angeles to remake the industrial waterfront exclusively with recreational and commercial uses. The market-rate housing units have been selling even before they've been built. The first of the project, the Centre Street Lofts, is scheduled to be finished by the end of this year. Retail space will be available on the ground floor. The largest of the housing developments being planned is The Vue, a 16-story glass tower that will have its groundbreaking this fall at 255 W. Fifth Street. Set to open in 2009, it is being built where the old 11-story Pacific Trade Center once stood. The old building, which had been empty and a downtown eyesore for 16 years, was imploded on August 6 as hundreds of onlookers cheered. Meanwhile, Bisno Development is looking for community support to move forward with Ponte Vista, a plan to build 2,300 homes on a 61-acre site in the heart of San Pedro.

Source: The *Daily Breeze* newspaper.

Top Ten Business Stories of 2005-2006

BOEING BOOSTED

8

In January, Boeing Co. won a satellite contract worth up to \$1 billion, the biggest commercial contract for the company's El Segundo-based Satellite Development Center in nine years. The contract called for Boeing to build three of its 702 satellites—the company's largest model—and associated ground systems for Reston, Virginia-based Mobile Satellite Ventures. Mobile Satellite planned to use the geo-mobile satellites to create what is described as the world's first commercial mobile satellite serviced on both space and terrestrial elements. The service was planned for North and South America. The contract carried options for additional satellites. Boeing last won an order of this size in 1997. That was before the commercial satellite market began to tank in about 2000. While a positive sign for the industry, the Mobile Satellite contract does not represent a return to the commercial boom of the 1990's, according to industry experts.

PLAZA EL SEGUNDO

9

Developers behind Plaza El Segundo, a 425,000-square-foot shopping center in the southern end of town, expect construction to wrap up in time for a November 2006 grand opening. El Segundo's first major retail development, the shopping center situated atop a former industrial site on the northeast corner of Sepulveda and Manhattan Beach boulevards, will feature a Whole Foods, Linens 'n Things, Chick's Sporting Goods and Cost Plus World Markets. A second phase for Plaza El Segundo is further down the pike, with developers expecting to see Council approval in Spring 2006.

SPACEX-PLOSION

10

A much-anticipated rocket launch in March by El Segundo-based Space Exploration Technologies ended with an explosion seconds after liftoff. Known as SpaceX, the company started by Internet pioneer Elon Musk had pinned much hope on the successful maiden launch of its Falcon 1 rocket from a launch pad in the Kwajalein Atoll of the Marshall Islands in the Pacific Ocean. But a fuel leak led to an explosion that destroyed the rocket and a military science satellite it was to have carried into orbit. Musk envisioned the Falcon 1 as the first of several low-cost rockets that would be able to put payloads into orbit at a fraction of the cost and time required by current standards. Musk, who has invested \$100 million of his own money into the company, said he will continue developing his low-cost rockets.

Source: The *Daily Breeze* newspaper.

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THE SOUTH BAY

Highlights from the California Association of Realtors

- For the first time since October 2006, time on the market fell below 60 days as we enter the prime home selling season. On the other hand, the inventory of homes for sale continued to increase, a sign of price softness in the coming months.
- Thirty-year fixed-mortgage interest rates averaged 6.16 percent during March 2007, compared with 6.32 percent in March 2006, according to Freddie Mac. Adjustable-mortgage interest rates averaged 5.44 percent in March 2007 compared with 5.42 percent in March 2006.
- Home sales decreased 20.8 percent in March in California compared with the same period a year ago.
- The median number of days it took to sell a single-family home was 56.2 days in March 2007, compared with 44.5 days (revised) for the same period a year ago.
- The median price of an existing, single-family detached home in California during March 2007 was \$580,090, a 3.2 percent increase over the revised \$562,130 median for March 2006. The March 2007 median price increased 3.9 percent compared with February's revised \$558,130 median price.
- California Association of Realtor's Unsold Inventory Index for existing, single-family detached in March 2007 was 8.7 months, compared with 4.7 months for the same period a year ago. The index indicates the number of months needed to deplete the supply of homes on the market at the current sales rate.
- One hundred forty out of 385 cities and communities showed an increase in their respective median home prices from a year ago.
- Statewide, the 10 cities and communities with the highest median home prices in California during March 2007 were: Los Altos, \$1,660,000; Manhattan Beach, \$1,610,000; Saratoga, \$1,569,000; Newport Beach, \$1,400,000; Burlingame, \$1,311,000; Santa Barbara, \$1,100,000; Los Gatos, \$1,079,000; Lafayette, \$1,050,000; **Rancho Palos Verdes, \$1,033,500.**
- Statewide, the 10 cities and communities with the greatest median home price increases in March 2007 compared with the same period a year ago were: Union City, 26.5%; Berkeley, 23.8%; Culver City 22.2%; Los Angeles, 17.9%; San Rafael, 17.8%; Hawthorne, 15.6%; West Hollywood, 14.6%; Claremont, 14.4%; Morgan Hill, 14%; Laguna Nigel, 13.9%.

Source: California Association of Realtors (<http://www.car.org/index.php?id=MzcyNDM> and <http://www.car.org/index.php?id=MzcyNDY=>), May 23, 2007.

Highlights from the California Association of Realtors

County/City/Area	Mar 2007	Mar 2006	Y-T-Y % Change
Los Angeles County	\$540,000	\$510,000	5.9%
Carson	\$500,000	\$485,000	3.1%
Culver City	\$595,000	\$487,000	22.2%
El Segundo	\$845,000	\$811,750	4.1%
Gardena	\$515,000	\$486,000	6.0%
Harbor City	\$479,000	\$439,000	9.1%
Hawthorne	\$577,750	\$500,000	15.6%
Inglewood	\$475,000	\$433,000	9.7%
Lawndale	\$490,000	\$500,000	-2.0%
Long Beach	\$525,000	\$500,000	5.0%
Manhattan Beach	\$1,610,000	\$1,625,000	-0.9%
Rancho Palos Verdes	\$1,035,000	\$1,073,000	-3.5%
Redondo Beach	\$782,500	\$820,000	-4.6%
San Pedro	\$518,000	\$580,500	-10.8%
Santa Clarita	\$552,500	\$575,000	-3.9%
Torrance	\$600,000	\$594,000	1.0%
Wilmington	\$454,000	\$447,000	1.6%
Los Angeles Selected Areas			
Westside	\$840,000	\$1,132,500	-25.8%
West LA	\$777,000	\$714,750	8.7%
Downtown LA/Central City	\$710,500	\$680,000	4.5%
South LA	\$457,250	\$421,500	8.5%
North East LA	\$499,000	\$465,000	7.3%
Southwest Los Angeles Selected Areas			
Beach Cities	\$1,033,250	\$1,100,000	-6.1%
South Bay	\$655,500	\$640,000	2.4%
Long Beach (90810)	\$442,500	\$430,000	2.9%
Mar Vista	\$823,000	\$728,000	13.0%
Palos Verdes Peninsula Area	\$1,250,000	\$1,075,000	16.3%
Westchester	\$762,500	\$740,000	3.0%

Source: California Association of Realtors (<http://www.car.org/index.php?id=MzcyNDM> and <http://www.car.org/index.php?id=MzcyNDY=>), May 23, 2007.

PLANNING AND ENVIRONMENTAL TRENDS

THE SOUTH BAY

Cost of Living Index¹

Area	Com- posite Index ² 100%	Grocery Items 13%	Housing 29%	Utilities 10%	Trans- portation 8%	Health Care 4%	Misc. Goods & Services ³ 35%
San Francisco	177.0	137.9	308.2	107.0	125.9	126.6	121.8
Los Angeles	153.1	120.1	245.4	121.3	116.5	114.2	111.7
San Diego	141.0	116.6	212.4	93.0	119.7	119.4	112.5

1. Data is from the second quarter 2004 through first quarter 2005.
2. Indicates relative price levels for consumer goods and services. The average composite index for the nation is 100%, and each city's index is read as a percentage of the overall average.
3. Miscellaneous goods and services readily available across the U.S., including fast food, haircut, toiletries, denim jeans, newspaper subscription, movie ticket, beer, and wine.

The American Chamber of Commerce Researchers Association (ACCRA) developed the Cost of Living Index to provide a reasonable accurate measure of living cost differences among urban areas. The index measures relative price levels for consumer goods and services in participating areas. The average for all participating places equals 100 and each composite index is read as a percentage of the average for all places. The index reflects cost differentials for professional and executive household in the top income quintile. Homeownership costs, for example, are more heavily weighted than they would be if the index reflected a clerical worker standard of living or average costs for all urban consumers. Weights for component indexes appear above column headings, e.g. 16% for grocery items. To avoid complex and inaccurate comparisons between many areas, the index excludes all state and local taxes. Areas included are those where chambers of commerce have volunteered to participate.

One of the uses of the ACCRA Cost of Living Index is to measure how much income is needed to maintain a similar standard of living when relocating to/from an area. From the table above we see that Lancaster-Palmdale is more affordable than other areas within the state.

Source: <http://www.infoplease.com/ipa/A0883960.html>

PLANNING AND ENVIRONMENTAL TRENDS

THE SOUTH BAY

Race and Ethnicity, 2005

Community	Zip Code	White	Latino	Afr Amer	Amer Indian	Asian Pac Islander	Other	Two or More Races	Total
Carson	90745	6,660	26,049	5,196	140	21,366	93	1,424	60,928
	90746	1,645	5,257	16,204	36	1,830	66	561	25,599
	90747	82	106	521	2	39	-	13	763
	<i>Subtotal</i>	<i>8,387</i>	<i>31,412</i>	<i>21,921</i>		<i>23,235</i>	<i>159</i>	<i>1,998</i>	<i>87,290</i>
Gardena	90247	3,735	23,313	10,287	134	11,803	77	901	50,250
	90248	1,277	3,726	1,774	24	2,964	20	255	10,040
	90249	3,450	9,079	9,785	75	209	81	679	23,358
	<i>Subtotal</i>	<i>8,462</i>	<i>36,118</i>	<i>21,846</i>	<i>233</i>	<i>14,976</i>	<i>178</i>	<i>1,835</i>	<i>83,648</i>
Harbor City LA	90710	6,413	11,833	3,951	94	3,850	46	499	26,686
Lomita	90717	10,402	6,305	1,018	98	2,745	46	688	21,302
Long Beach	90802	12,269	18,234	7,587	293	2,407	140	1,179	42,109
	90803	25,825	3,707	829	142	1,689	120	737	33,049
	90804	9,535	20,094	7,678	163	6,496	134	1,313	45,413
	90805	10,677	50,171	21,965	297	12,065	130	1,843	97,148
	90806	4,080	23,342	8,751	161	9,139	48	1,078	46,599
	90807	12,810	6,342	5,843	131	5,006	87	913	31,132
	90808	26,894	5,813	1,224	117	2,839	77	995	37,959
	90810	2,979	19,029	5,760	174	9,694	55	824	38,515
	90813	3,570	42,377	7,507	265	9,447	41	1,148	64,355
	90814	10,290	4,774	1,821	128	1,624	89	612	19,338
	90815	25,156	5,331	1,622	154	3,873	110	1,091	37,337
	90840	799	352	220	14	313	-	63	1,761
	<i>Subtotal</i>	<i>144,884</i>	<i>199,566</i>	<i>70,807</i>	<i>2,039</i>	<i>64,592</i>	<i>1,031</i>	<i>11,796</i>	<i>494,715</i>
Palos Verdes	90274	19,499	1,017	290	53	5,028	88	581	26,556
	90275	26,536	2,485	839	39	11,897	100	1,097	42,993
	<i>Subtotal</i>	<i>46,035</i>	<i>3,502</i>	<i>1,129</i>	<i>92</i>	<i>16,925</i>	<i>188</i>	<i>1,678</i>	<i>69,549</i>
San Pedro LA	90731	21,835	32,141	4,802	310	2,937	104	1,636	63,765
	90732	12,543	4,566	651	62	1,134	28	429	19,413
	<i>Subtotal</i>	<i>34,378</i>	<i>36,707</i>	<i>5,453</i>	<i>372</i>	<i>4,071</i>	<i>132</i>	<i>2,065</i>	<i>83,178</i>
Torrance	90501	13,227	18,238	2,999	128	8,355	119	997	44,063
	90502	4,014	6,643	1,528	74	5,579	40	469	18,347
	90503	21,272	4,586	879	83	16,439	145	1,180	44,584
	90504	11,677	6,483	1,393	112	12,686	88	1,256	33,695
	90505	21,544	3,678	659	107	10,258	120	1,090	37,456
	<i>Subtotal</i>	<i>71,734</i>	<i>39,628</i>	<i>7,458</i>	<i>504</i>	<i>53,317</i>	<i>512</i>	<i>4,992</i>	<i>178,145</i>
Wilmington LA	90744	2,867	48,264	1,506	168	1,470	53	437	54,765

Source: Zip Code Data Book for L.A. County Service Planning Area 8, May 2007, *United Way of Greater Los Angeles* (<http://www.unitedwayla.org/getinformed/rr/socialreports/Pages/2007zipcode.aspx>), May 29, 2007.

PLANNING AND ENVIRONMENTAL TRENDS

THE SOUTH BAY

Population and Household, 2005

Community	Zip Code	Square Miles	Population		Households	Persons Per Household
			2000	2005		
Carson	90745	9.4	55,473	60,928	16,016	3.8
	90746	4.2	25,561	25,599	7,556	3.4
	90747	0.6	n/a	763	249	3.1
	<i>Subtotal</i>	<i>14.2</i>	<i>81,034</i>	<i>87,290</i>	<i>23,821</i>	<i>3.7</i>
Gardena	90247	3.7	47,741	50,250	16,687	3.0
	90248	4.4	9,944	100,440	3,377	3.0
	90249	3.0	26,433	27,358	9,022	3.0
	<i>Subtotal</i>	<i>11.1</i>	<i>84,118</i>	<i>178,048</i>	<i>29,086</i>	<i>3.0</i>
Harbor City LA	90710	2.3	24,640	26,686	9,119	2.9
Lomita	90717	2.1	21,060	21,302	8,343	2.6
Long Beach	90802	5.0	38,419	42,109	20,131	2.1
	90803	4.8	31,349	33,049	18,808	1.8
	90804	2.2	43,466	45,413	15,597	2.9
	90805	7.5	91,663	97,148	27,090	3.6
	90806	3.8	49,641	46,599	12,950	3.6
	90807	4.4	31,549	31,132	12,207	2.6
	90808	8.4	37,403	37,959	14,488	2.6
	90810	6.3	35,637	38,515	9,858	3.9
	90813	4.0	63,129	64,355	16,751	3.8
	90814	1.3	19,014	19,338	9,444	2.0
	90815	6.9	38,892	37,337	14,842	2.5
	90840	0.5	n/a	1,761	14	125.8
	<i>Subtotal</i>	<i>55.1</i>	<i>480,162</i>	<i>494,715</i>	<i>172,180</i>	<i>2.9</i>
Palos Verdes	90274	12.1	24,976	26,556	9,979	2.7
	90275	13.5	41,261	42,993	16,164	2.7
	<i>Subtotal</i>	<i>25.6</i>	<i>66,237</i>	<i>69,549</i>	<i>26,143</i>	<i>2.7</i>
San Pedro LA	90731	8.3	58,622	63,765	23,315	2.7
	90732	3.3	21,264	19,413	7,948	2.4
	<i>Subtotal</i>	<i>11.6</i>	<i>79,886</i>	<i>83,178</i>	<i>31,263</i>	<i>2.7</i>
Torrance	90501	5.7	40,697	44,063	14,819	3.0
	90502	2.2	17,038	18,347	5,925	3.1
	90503	6.1	41,970	44,584	17,628	2.5
	90504	3.7	31,664	33,965	12,410	2.7
	90505	5.7	34,855	37,456	15,002	2.5
	<i>Subtotal</i>	<i>23.4</i>	<i>166,224</i>	<i>178,415</i>	<i>65,784</i>	<i>2.7</i>
Wilmington LA	90744	8.7	53,308	54,765	13,963	3.9

Source: Zip Code Data Book for L.A. County Service Planning Area 8, May 2007, *United Way of Greater Los Angeles* (<http://www.unitedwayla.org/getinformed/rr/socialreports/Pages/2007zipcode.aspx>), May 29, 2007.

PLANNING AND ENVIRONMENTAL TRENDS

THE SOUTH BAY

Age, 2005

Community	Zip Code	Persons by Age Group			Total
		0 to 17	18 to 64	65 Plus	
Carson	90745	16,405	37,381	7,142	60,928
	90746	6,426	16,027	3,146	25,599
	90747	138	515	110	763
	<i>Subtotal</i>	<i>22,969</i>	<i>53,923</i>	<i>10,398</i>	<i>87,290</i>
Gardena	90247	13,740	30,576	5,934	50,250
	90248	2,448	5,910	1,682	10,040
	90249	7,368	17,211	2,779	27,358
	<i>Subtotal</i>	<i>23,556</i>	<i>53,697</i>	<i>10,395</i>	<i>87,648</i>
Harbor City LA	90710	7,286	16,485	2,915	26,686
Lomita	90717	5,611	13,341	2,350	21,302
Long Beach	90802	9,540	28,851	3,718	42,109
	90803	3,751	24,869	4,429	33,049
	90804	13,438	29,566	2,409	45,413
	90805	33,717	57,448	5,983	97,148
	90806	15,922	27,302	3,375	46,599
	90807	7,224	19,652	4,256	31,132
	90808	8,982	23,312	5,665	37,959
	90810	12,317	22,194	4,004	38,515
	90813	24,353	36,814	3,188	64,355
	90814	3,431	14,104	1,803	19,338
	90815	7,613	23,571	6,153	37,337
	90840	8	1,752	1	1,761
	<i>Subtotal</i>	<i>140,296</i>	<i>309,435</i>	<i>44,984</i>	<i>494,715</i>
Palos Verdes	90274	5,857	15,238	5,461	26,556
	90275	9,203	25,353	8,437	42,993
	<i>Subtotal</i>	<i>15,060</i>	<i>40,591</i>	<i>13,898</i>	<i>69,549</i>
San Pedro LA	90731	17,200	40,536	6,029	63,765
	90732	3,926	11,933	3,554	19,413
	<i>Subtotal</i>	<i>21,126</i>	<i>52,469</i>	<i>9,583</i>	<i>83,178</i>
Torrance	90501	12,140	28,218	3,705	44,063
	90502	4,289	11,422	2,636	18,347
	90503	9,656	28,470	6,458	44,584
	90504	7,613	21,539	4,543	33,695
	90505	8,309	23,210	5,937	37,456
	<i>Subtotal</i>	<i>42,007</i>	<i>112,859</i>	<i>23,279</i>	<i>178,145</i>
Wilmington LA	90744	18,836	32,509	3,420	54,765

Source: Zip Code Data Book for L.A. County Service Planning Area 8, May 2007, *United Way of Greater Los Angeles* (<http://www.unitedwayla.org/getinformed/rr/socialreports/Pages/2007zipcode.aspx>), May 29, 2007.

PLANNING AND ENVIRONMENTAL TRENDS

THE SOUTH BAY

Educational Attainment, 2005

Community	Zip Code	Less Than High School	High School Grad	Some College	Associate's Degree	Bachelor's Degree	Graduate Degree	Total
Carson	90745	12,328	8,468	8,015	2,774	5,631	1,244	38,460
	90746	3,515	3,207	4,768	1,675	2,073	1,187	16,425
	90747	87	100	131	54	70	30	472
	<i>Subtotal</i>	<i>15,930</i>	<i>11,775</i>	<i>12,914</i>	<i>4,503</i>	<i>7,774</i>	<i>2,461</i>	<i>55,357</i>
Gardena	90247	10,679	7,623	7,103	1,949	3,638	1,097	32,089
	90248	1,774	1,595	1,530	482	1,055	325	6,761
	90249	4,231	4,500	4,503	1,366	2,161	766	17,527
	<i>Subtotal</i>	<i>16,684</i>	<i>13,718</i>	<i>13,136</i>	<i>3,797</i>	<i>6,854</i>	<i>2,188</i>	<i>56,377</i>
Harbor City LA	90710	4,512	3,807	4,052	1,250	2,462	1,011	17,094
Lomita	90717	2,824	3,335	3,631	1,129	2,219	1,014	14,152
Long Beach	90802	7,359	5,436	7,062	1,988	4,733	2,376	28,954
	90803	1,004	2,920	6,377	2,302	9,576	5,747	27,926
	90804	8,671	5,018	6,059	1,642	3,317	1,564	26,271
	90805	21,028	12,195	12,356	2,994	3,365	1,171	53,109
	90806	10,801	5,107	5,448	1,360	2,070	836	25,622
	90807	2,493	4,113	5,926	1,876	4,700	2,485	21,593
	90808	1,964	5,354	7,569	2,626	5,638	2,999	26,150
	90810	8,841	5,367	4,177	1,125	2,037	417	21,964
	90813	20,075	5,845	3,927	862	1,173	464	32,346
	90814	1,538	2,122	3,675	1,359	3,565	2,277	14,536
	90815	2,104	4,140	6,722	2,711	6,522	3,677	25,876
	90840	2	-	16	4	3	-	25
	<i>Subtotal</i>	<i>85,880</i>	<i>57,617</i>	<i>69,314</i>	<i>20,849</i>	<i>46,699</i>	<i>24,013</i>	<i>304,372</i>
Palos Verdes	90274	460	1,716	3,073	1,108	6,824	5,539	18,720
	90275	1,304	3,640	5,781	2,136	9,697	7,980	30,538
	<i>Subtotal</i>	<i>1,764</i>	<i>5,356</i>	<i>8,854</i>	<i>3,244</i>	<i>16,521</i>	<i>13,519</i>	<i>49,258</i>
San Pedro LA	90731	11,972	9,092	9,571	2,683	4,950	2,479	40,747
	90732	1,649	3,024	3,385	1,267	3,125	1,679	14,129
	<i>Subtotal</i>	<i>13,621</i>	<i>12,116</i>	<i>12,956</i>	<i>3,950</i>	<i>8,075</i>	<i>4,158</i>	<i>54,876</i>
Torrance	90501	7,619	6,244	6,216	2,161	3,790	1,700	27,730
	90502	3,510	2,518	2,865	876	2,087	726	12,582
	90503	2,279	5,806	7,379	2,948	8,822	4,216	31,450
	90504	3,129	5,696	6,271	2,054	4,559	1,436	23,145
	90505	1,746	4,991	6,371	2,326	6,977	3,848	26,259
	<i>Subtotal</i>	<i>18,283</i>	<i>25,255</i>	<i>29,102</i>	<i>10,365</i>	<i>26,235</i>	<i>11,926</i>	<i>121,166</i>
Wilmington LA	90744	18,226	5,878	3,337	684	902	599	29,626

Source: Zip Code Data Book for L.A. County Service Planning Area 8, May 2007, *United Way of Greater Los Angeles* (<http://www.unitedwayla.org/getinformed/rr/socialreports/Pages/2007zipcode.aspx>), May 29, 2007.

PLANNING AND ENVIRONMENTAL TRENDS

THE SOUTH BAY

Household Income, 2005

Community	Zip Code	Less than \$15,000	\$15,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 to \$149,999	\$150,000 or more	Total Households
Carson	90745	1,609	3,049	2,306	3,679	2,457	2,165	751	16,016
	90746	515	972	967	1,799	1,358	1,304	641	7,556
	90747	33	47	41	48	32	32	16	249
	<i>Subtotal</i>	<i>2,157</i>	<i>4,068</i>	<i>3,314</i>	<i>5,526</i>	<i>3,847</i>	<i>3,501</i>	<i>1,408</i>	<i>23,821</i>
Gardena	90247	3,206	4,553	2,731	3,276	1,639	1,011	271	16,687
	90248	394	810	577	680	379	430	107	3,377
	90249	1,273	1,910	1,336	1,801	1,092	1,205	405	9,022
	<i>Subtotal</i>	<i>4,873</i>	<i>7,273</i>	<i>4,644</i>	<i>5,757</i>	<i>3,110</i>	<i>2,646</i>	<i>783</i>	<i>29,086</i>
Harbor City LA	90710	1,216	2,179	1,426	1,682	1,083	1,057	476	9,119
Lomita	90717	965	1,721	1,520	1,499	1,121	1,046	471	8,343
Long Beach	90802	5,544	6,374	3,053	2,639	1,170	909	442	20,131
	90803	1,332	2,683	2,658	3,716	2,541	2,867	3,011	18,808
	90804	3,732	4,953	2,443	2,411	1,137	624	297	15,597
	90805	5,486	8,010	4,767	4,616	2,209	1,459	543	27,090
	90806	3,155	3,954	1,688	1,918	1,089	867	279	12,950
	90807	1,161	2,253	1,845	2,294	1,553	1,808	1,293	12,207
	90808	1,029	2,048	1,568	2,861	2,433	3,050	1,499	14,488
	90810	1,824	2,538	1,586	1,827	1,089	734	260	9,858
	90813	6,208	6,316	1,921	1,378	538	253	137	16,751
	90814	1,243	1,894	2,074	1,675	974	953	631	9,444
	90815	1,204	2,193	1,902	2,907	2,344	2,776	1,516	14,842
	90840	4	10	-	-	-	-	-	14
	<i>Subtotal</i>	<i>31,922</i>	<i>43,226</i>	<i>25,505</i>	<i>28,242</i>	<i>17,077</i>	<i>16,300</i>	<i>9,908</i>	<i>172,180</i>
Palos Verdes	90274	285	635	669	1,032	1,096	2,033	4,229	9,979
	90275	526	1,391	1,501	2,183	2,367	3,386	4,810	16,164
	<i>Subtotal</i>	<i>811</i>	<i>2,026</i>	<i>2,170</i>	<i>3,215</i>	<i>3,463</i>	<i>5,419</i>	<i>9,039</i>	<i>26,143</i>
San Pedro LA	90731	4,259	6,116	3,598	3,837	2,322	2,206	977	23,315
	90732	543	1,163	925	1,557	1,310	1,502	948	7,948
	<i>Subtotal</i>	<i>4,802</i>	<i>7,279</i>	<i>4,523</i>	<i>5,394</i>	<i>3,632</i>	<i>3,708</i>	<i>1,925</i>	<i>31,263</i>
Torrance	90501	1,946	3,630	2,394	2,782	1,658	1,599	810	14,819
	90502	529	1,108	985	1,303	832	839	329	5,925
	90503	1,510	2,617	2,527	3,410	2,627	3,116	1,821	17,628
	90504	1,344	2,327	2,028	2,544	1,776	1,773	618	12,410
	90505	1,098	2,237	2,102	2,943	2,199	2,550	1,873	15,002
	<i>Subtotal</i>	<i>6,427</i>	<i>11,919</i>	<i>10,036</i>	<i>12,982</i>	<i>9,092</i>	<i>9,877</i>	<i>5,451</i>	<i>65,784</i>
Wilmington LA	90744	2,811	4,518	2,221	2,231	1,021	779	382	13,963

Source: Zip Code Data Book for L.A. County Service Planning Area 8, May 2007, *United Way of Greater Los Angeles* (<http://www.unitedwayla.org/getinformed/rr/socialreports/Pages/2007zipcode.aspx>), May 29, 2007.

PLANNING AND ENVIRONMENTAL TRENDS

THE SOUTH BAY

Port of Los Angeles

The Port of Los Angeles is an independent, self-supporting department of the City of Los Angeles, California. The Port is under the control of a five-member Board of Harbor Commissioners appointed by the Mayor and approved by the City Council and is administered by an executive director.

Founded:	Harbor Commission established in 1907
Container Volume: <i>In Twenty-foot Equivalent Units (TEUs)</i>	8.5 million TEUs (CY 2006) 7.5 million TEUs (CY 2005)
Cargo Tonnage: <i>In Million Metric Revenue Tons</i>	181.6 MMRT (FY 2006) 162.1 MMRT (FY 2005)
Cargo Value:	\$205.6 billion (FY 2006) \$145.1 billion (FY 2005)
Ranking by Container Volume:	1st busiest container port in the United States (#1 since 2000) 8th busiest container port in the world 5th busiest container complex in the world when combined with neighboring Port of Long Beach
Containerized Imports: <i>Top five, in TEUs, FY 2006</i>	Furniture (578,052) Clothing and Shoes (448,630) Computers and Office Machines (195,864) Autos, Trucks and Motorcycles (166,131) Toys (163,406)
Containerized Exports: <i>Top five, in TEUs, FY 2006</i>	Paper Products (172,588) Cotton (113,334) Pet Animal Feed (69,231) Metal Scrap (63,213) Resins, Plastics and Rubber (56,650)
Top Trading Partners: <i>Top five, in cargo value, FY 2006</i>	China (\$94.5 billion) Japan (\$36.8 billion) Taiwan (\$13.6 billion) South Korea (\$7.6 billion) Thailand (\$6.9 billion)
Waterfront:	43 miles
Acreeage:	7,500 (3,800 water; 3,700 land)
Total Operating Revenue:	\$412.1 million (FY 2006) \$368.8 million (FY 2005)
Net Income:	\$92.6 million (FY 2006) \$95.1 million (FY 2005)
Employment (Port):	847 (authorized for FY 2007)
Employment (Related):	16,000 local jobs 259,100 regional jobs 1 million national jobs

Source: http://www.portoflosangeles.org/factsfigures_Portatag glance.htm, May 23, 2007.