





Partnership Banking



RIVERSIDE & SAN BERNARDINO COUNTIES, CALIFORNIA VOL. 26 NO. 4

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INLAND EMPIRE CITY PROFILE 2015

John E. Husing, Ph.D.

ow did the Inland Empire's 52 cities rank during the past year? The annual Inland Empire City Profile (Exhibits 1 & 2) provides information to answer this question. The sources are the most recently available data for population, taxable sales, assessed valuation, poverty, housing prices and volumes, income and health insurance coverage.

Population. From 2010-2015, the CA Finance Department reports that the Inland Empire added 187,881 people to reach 4,412,732, up 4.4%. The gain represented 12.9% of California's population growth of 1,460,769. In the year from 2014 to 2015, the area added 48,390 people. Eleven cities continued to have over 100,000 people in 2015, led by Riverside (317,307) and San Bernardino (213,933) followed by Fontana (204,312) and Moreno Valley (200,670). The smallest cities were Needles (4,940), Big Bear Lake (5,165) and Indian Wells (5,194). Five cities added over 8,000 people from 2010-2015: Riverside (13,436), Temecula (8,823), Rancho Cucamonga (8,795), Fontana (8,243), and Indio (8,165). Six cities added under 500 people: Needles (96), Big Bear Lake (146) Indian Wells (236), Grand Terrace (312), Canyon Lake (340) and Calimesa (474). Two cities shrank: Norco (-1,172) and Blythe (-1,908).

Of California's 482 cities, the Inland Empire's five largest places in 2015, four retained their statewide ranks (not shown): Riverside (12th) and San Bernardino (17th), Fontana(fell to 21st), Moreno Valley (22^{nd}) and Rancho Cucamonga (26^{th}) . The housing slowdown continued reducing population growth from 2014-2015. Still, the area had six of the state's 25 fastest growth rates (not shown): Beaumont (4.0%, 6^{th}), Chino (3.4%, 10^{th}), Lake Elsinore (3.1%, 14th), Montclair (3.0%, 16th), Temecula $(2.5\%, 22^{nd})$ and Eastvale $(2.5\%, 22^{nd})$. Two cities ranked in the top 25 in absolute growth: Chino (2,795, 10th) and Corona (2,664; 19th).

Taxable Retail Sales. Taxable sales are a major revenue source for cities that are in recovery from the steep downturn. The CA Board of Equalization reports the data quarterly, a year after they occur. Hinterliter DeLlamas provides data within Continued on page 4

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INLAND	EMPIRE C	ITY P	ROFILE																
	Population Tayable						le Retail	Sales			٨٥٥٥	ecod Va	luation			Poverty			
		Jpula	2010-20	15		201/	ie netan	Dares			- 1 0	155CU VA	Por				Und	or 19	
City	2015 F	Rank	Change	Rank	(mil)	Rank	% Chg.	Capita	Rank	(mil)	Rank	% Chg	Capita	Rank	2013 R	lank	2013	Rank	
						S/	AN BER	RNARD	INO	COUNTY	'		•						
Adelanto	33,084	37	1,319	36	\$185	42	32.6%	\$5,905	45	\$1,765	42	6.5%	\$56,090	44	42.1%	52	51.3%	52	
Apple Valley	71,396	21	2,261	24	\$492	32	1.0%	\$6,921	40	\$5,111	25	5.6%	\$71,584	32	19.5%	35	36.0%	45	
Barstow	23,407	43	768	41	\$679	26	3.4%	\$29,081	4	\$1,176	47	1.8%	\$50,231	48	29.5%	47	45.3%	49	
Big Bear Lake	5,165	51	146	49	\$186	41	5.0%	\$36,175	2	\$3,139	33	4.4%	\$607,668	2	19.4%	34	20.9%	23	
Chino	84,465	15	6,482	11	\$1,856	8	6.8%	\$24,386	7	\$10,671	12	7.4%	\$136,311	8	10.0%	12	16.1%	14	
Chino Hills	77,596	18	2,797	21	\$669	28	6.8%	\$8,708	34	\$10,378	14	4.2%	\$133,745	9	2.2%	1	1.9%	1	
Colton	53,384	26	1,230	37	\$670	27	8.3%	\$12,589	26	\$2,892	35	3.7%	\$54,174	46	24.7%	44	33.6%	43	
Fontana G. Torroco	10.250	3	8,243	4	\$2,890 ¢74	4	10.3%	\$14,253	20	\$15,982 ¢077	C 40	5.0%	\$78,224	27	13.9%	10	19.7% 6.7%	18	
G. Terrace	02 177	47	2 004	47 20	ወ/4 ¢775	49	-13.0%	φ0,974 ¢0 /27	44 26	7 / رەپ 200 جە	40 26	0.0%	\$71,039 \$55.076	33 45	0.0%	10	0.7%	0 40	
Highland	54 332	25	2,004	29 38	\$775 \$107	40	0.9%	\$3,437 \$3,632	51	\$3,095	20	7.0%	\$57 523	43	27.0%	40 30	30.4%	42 30	
Loma Linda	23 751	23 42	490	44	\$442	33	31.6%	\$18 672	14	\$1 795	<u>4</u> 1	1.4%	\$75 574	28	16.2%	26	21 4%	25	
Montclair	38,458	35	1.794	31	\$1.014	17	3.6%	\$26,755	5	\$2.827	37	3.9%	\$73,498	30	15.0%	21	17.8%	17	
Needles	4,940	52	96	50	\$34	51	1.3%	\$6,884	41	\$304	52	-0.5%	\$61,511	40	30.8%	48	44.1%	47	
Ontario	168,777	6	4,853	14	\$6,591	1	7.6%	\$39,233	1	\$20,974	3	5.0%	\$124,270	13	19.3%	32	27.8%	36	
R. Cucamonga	174,064	5	8,795	3	\$2,443	7	7.1%	\$14,388	18	\$22,690	2	5.0%	\$132,570	10	8.1%	7	12.8%	11	
Redlands	70,398	22	1,651	34	\$1,028	16	4.7%	\$14,666	17	\$7,745	19	4.7%	\$110,018	16	16.2%	27	24.6%	30	
Rialto	102,092	11	2,921	20	\$1,055	14	12.3%	\$10,376	31	\$6,937	23	7.3%	\$67,950	35	19.3%	33	22.1%	27	
San Bdno	213,933	2	4,009	16	\$2,692	6	4.8%	\$13,052	23	\$11,924	10	5.5%	\$57,643	42	34.4%	50	46.2%	50	
29 Palms	25,846	41	798	40	\$108	48	3.8%	\$4,126	49	\$841	49	2.2%	\$32,549	52	15.1%	22	16.3%	15	
Upland	75,787	19	2,055	28	\$1,084	13	7.8%	\$14,366	19	\$8,082	15	5.0%	\$106,636	18	15.6%	23	20.9%	22	
Victorville	121,168	8	5,265	13	\$1,715	9	8.3%	\$14,882	16	\$7,560	20	6.7%	\$65,293	36	22.9%	43	25.2%	31	
Yucaipa	52,942	27	1,575	35	\$285	37	11.0%	\$5,391	46	\$3,867	31	4.5%	\$73,050	31	16.1%	25	24.3%	29	
Yucca Valley	21,355	44	655	43	\$267	38	1.2%	\$12,597	25	\$1,503	45	5.0%	\$70,381	34	21.5%	41	31.3%	41	
SB County	2,104,291		69,081		\$33,210		6.5%	\$16,044		\$186,894		5.1%	\$89,804		19.1%		26.6%		
							RIVE	RSIDE	COL	JNTY									
Banning	30,491	38	888	39	\$182	43	3.8%	\$6,271	42	\$1,883	40	5.4%	\$64,644	38	19.2%	31	35.3%	44	
Beaumont	42,481	33	5,604	12	\$367 ¢175	35	4.2%	\$8,811 ¢12.011	33	\$3,643	32	10.2%	\$85,763	21	13.4%	15	16.8%	16 24	
Calimesa	10,909	45 ⊿0	(1,900) 474	02 45	۳1/5 \$65	44 50	4.0% 5.0%	\$7.851	37	000¢ 0832	50	3.0% 7.2%	\$40,095 \$82,426	20 22	21.3%	40 14	27.5%	04 13	
Canvon Lake	10,901	48	340	46	\$130	52	-17.2%	\$1 254	52	\$1.577	43	4.9%	\$144 666	7	6.2%	4	6.2%	3	
Cathedral City	52.903	28	1.703	32	\$742	23	3.9%	\$14.076	21	\$3.896	30	5.4%	\$73.636	29	22.1%	42	29.5%	37	
Coachella	43,917	32	3,213	19	\$325	36	4.9%	\$7,431	38	\$1,569	44	8.2%	\$35,725	51	33.9%	49	44.3%	48	
Corona	160,287	7	7,913	6	\$3,244	3	4.2%	\$20,310	12	\$17,908	4	4.4%	\$111,725	15	14.8%	20	20.1%	19	
Dsrt Hot Spr.	28,134	39	2,196	26	\$132	46	-7.3%	\$4,705	48	\$1,388	46	5.7%	\$49,327	49	35.3%	51	49.4%	51	
Eastvale	60,633	23	6,546	10	\$581	29	18.4%	\$9,706	32	\$7,985	16	5.9%	\$131,701	11	5.4%	3	7.5%	6	
Hemet	82,253	17	3,596	18	\$975	18	7.0%	\$11,912	27	\$4,911	27	5.9%	\$59,704	41	27.2%	45	41.6%	46	
Indian Wells	5,194	50	236	48	\$116 ¢077	47	26.9%	\$22,404	10	\$5,200	24	3.5% 8	\$1,001,101	1	5.2%	2	2.2%	2	
Indio Jurupa Vallov	84,201 09.995	10	8,105 2,257	5 22	۱/8¢ دروغ	19	8.7% 16.0%	\$10,654	30	\$7,227 \$7,750	10	8.4% 6.5%	\$80,835 \$79,466	20	10.0%	29 17	27.6%	35 20	
Julupa valley	90,000 58,426	24	2,307	23 Q	३०४८ \$726	20	5.4%	φο,000 \$12 613	30 24	\$7,759	28	6.9%	\$70,400	20 23	16.0%	24	20.3%	20 21	
La Quinta	39 694	34	2 227	25	\$736	24	0.6%	\$18 697	13	\$11,929	9	4.9%	\$300.521	4	8.5%	9	8.6%	7	
Menifee	85.385	14	7.866	7	\$508	30	7.3%	\$6.015	43	\$7.546	21	8.5%	\$88.377	19	9.5%	11	11.5%	, 10	
Moreno Vly.	200,670	4	7,305	8	\$1,465	11	8.6%	\$7,326	39	\$13,082	8	8.4%	\$65,192	37	20.4%	38	29.7%	38	
Murrieta	107,279	10	3,813	17	\$1,221	12	6.4%	\$11,424	28	\$11,518	11	4.9%	\$107,363	17	8.4%	8	11.4%	9	
Norco	25,891	40	(1,172)	51	\$506	31	7.9%	\$22,112	11	\$2,869	36	5.6%	\$122,952	14	8.1%	6	10.0%	8	
Palm Desert	51,053	29	2,608	22	\$1,592	10	4.0%	\$31,385	3	\$13,676	7	5.0%	\$267,886	5	10.6%	13	13.6%	12	
Palm Springs	46,611	30	2,059	27	\$1,047	15	6.2%	\$22,580	9	\$10,612	13	7.5%	\$227,670	6	18.8%	30	31.2%	40	
Perris	72,908	20	4,522	15	\$780	21	5.7%	\$10,767	29	\$4,701	29	8.3%	\$64,484	39	18.1%	28	23.8%	28	
Hancho Mirage	17,889	46	671	42	\$422	34	5.6%	\$23,701	8	\$7,902	17	3.8%	\$441,742	3	13.6%	16	21.7%	26	
HIVERSIDE	317,307	1 04	13,436	1	\$5,011	2	8.6%	\$15,908	15 47	\$25,457	1 20	4.4%	\$80,415	25 47	20.0%	36 27	25.5%	32	
Jan Jacinio	40,895 108 000	اد م	1,090 8 800	აპ ე	⊅210 \$2.766	39 5	J.4% 5.0%	\$25 705	47	⊅2,451 \$12.057	39 8	5.1% 5.2%	303,394 \$128 126	4/ 10	∠0.0% 7.6%	৩/ দ	∠0.5% 6.5%	১ ১ ∕া	
Wildomar	34 148	9 36	1 972	2 30	Ψ <u>2</u> ,700 \$138	45	0.9% 12.7%	\$4 081	50	\$2 792	38	8.2%	\$81 771	12 24	14.3%	19	21.2%	4 24	
Riv County	2.308.441	00	118 800	00	\$32 041	.0	6.6%	\$14.031	50	\$234 974	00	5.9%	\$102 284	- 7	17.3%	10	24.3%	- T	
Int. Empire	A A10 720		187 881		\$65,250		6.5%	\$14,988		\$421 868		5.5%	\$96.352		18.2%		25.4%		

Source: CA Finance Dept., E-5 Population Report; CA Bd. of Equalization, Taxable Retail Sales; San Bernardino/Riverside Co. Assessors, American Community Survey

2 INLAND	EMPIRE	CITY	PROFILE														
2			EVICTI						N							E	
	2014		2013-14	2015 2nd 0)	2014-15	2014		2013-14	2015 2nd Q		2014-15	2013		2013	C	No Ins.:
City	Volume	Rank	%Chg	Median P	Rank	c%Chg	Volume	Rank	c %Chg	Median P	Rank	%Chg	Median	Rank	(mil.)	Rank	Health
						SA		IARI	DINO CO	OUNTY		-	1				
Adelanto	504	35	-14.0%	\$150,000	49	7.1%	76	24	-3.8%	\$212,000	38	-8.8%	\$32,603	50	\$271	49	18.5%
Apple Valley	1,221	12	-12.7%	\$188,911	45	13.3%	71	26	-53.4%	\$267,737	32	33.6%	\$48,734	32	\$1,598	19	13.6%
Barstow	408	40	7.9%	\$181,500	46	143.6%	16	36	-27.0%	NA	52	NA	\$42,028	40	\$413	43	12.6%
Big Bear Lk	463	37	-11.5%	\$265,000	30	-0.8%	3	48	-38.4%	NA	49	NA	\$33,036	49	\$122	51	31.9%
Chino Chino Lille	619	30	-11.6%	\$417,433	10	5.7%	395	6	2.6%	\$548,000	6	17.7%	\$71,457	10	\$1,742	15	18.4%
Chino Hills	/19	27	-11.3%	\$590,000	3	5.4% 10.0%	0 10	44 20	-79.5%	\$585,000 \$195,000	4	-12.4%	\$94,826 \$40,426	2	\$2,839 ¢722	24	10.1% 27.0%
Fontana	2 118	39 4	-0.1%	\$220,000 \$336 459	39 19	5.0%	211	39 12	-33.4%	\$105,000 \$410,647	41 17	-10.8%	\$40,430 \$64 679	42 14	\$3 580	34 4	27.9%
G. Terrace	110	50	-8.3%	\$295.000	24	8.3%	3	51	23.5%	φ+10,047 NA	46	NA	\$64.129	15	\$356	47	13.3%
Hesperia	1,201	14	-9.1%	\$180,000	47	10.4%	62	28	10.7%	\$228,500	36	13.1%	\$42,990	38	\$1,354	24	20.3%
Highland	604	33	-10.1%	\$275,250	26	10.1%	12	38	9.5%	\$499,500	10	37.8%	\$52,476	26	\$1,017	29	18.4%
Loma Linda	184	48	0.0%	\$335,000	20	23.8%	3	50	NA	NA	47	NA	\$55,776	20	\$687	36	13.2%
Montclair	204	47	-17.4%	\$347,000	18	7.8%	5	45	NA	NA	51	NA	\$48,501	33	\$604	38	23.9%
Needles	34	52	-12.8%	\$54,500	52	9.0%	1	52	0.0%	\$55,000	44	NA	\$30,051	52	\$85	52	20.9%
Ontario	1,054	15	-11.1%	\$347,129	17	7.6%	90	20	19.2%	\$486,250	11	5.1%	\$51,230	28	\$2,824	8	22.5%
R. Cucamonga	1,556	10	-11.3%	\$463,034	15	1.3%	208	13	-28.2%	\$502,302	9	-13.1%	\$82,489 ¢c1.070	10	\$5,360	2	10.9%
Regiands	730	20 21	-12.4%	3301,304 \$266 168	10	7.1% 6.8%	31 83	31 22	210.1%	3013,000 \$351 250	0 24	10.0%	\$10,972 \$10,260	21	\$2,011 \$1 //30	23	10.4%
San Bdno	2 873	21	-3.5%	\$222 025	38	0.0 <i>%</i> 12.5%	313	9	20.6%	\$403 072	18	9.5%	\$37 440	47	\$2 710	10	25.5%
29 Palms	2,070	45	-7.2%	\$90.000	51	16.9%	6	43	-38.4%	\$220.500	37	NA	\$41.727	41	\$444	41	9.7%
Upland	608	32	-16.6%	\$484,409	5	2.9%	89	21	82.7%	\$544,800	7	-1.6%	\$56,782	19	\$2,006	12	13.0%
Victorville	1,384	11	-9.7%	\$189,700	44	12.1%	75	25	-31.6%	\$237,267	35	1.1%	\$42,765	39	\$1,657	18	18.8%
Yucaipa	653	28	-7.9%	\$300,000	23	12.6%	10	41	-41.4%	\$323,500	27	-4.9%	\$55,406	21	\$1,257	26	15.6%
Yucca Valley	493	36	-11.8%	\$139,050	50	11.2%	17	35	7.6%	\$250,000	33	5.0%	\$39,979	43	\$392	44	21.9%
SB County	22,855		-9.4%	\$250,000		6.8%	1,843		-6.9%	\$419,000		1.0%	\$52,323		\$41,087		19.0%
							RIVER	SID	E COUN	ITY							
Banning	460	38	-0.6%	\$191,000	43	9.1%	9	42	-3.1%	\$140,000	42	-33.0%	\$39,690	45	\$577	39	20.2%
Beaumont	764	24	-6.0%	\$255,000	34	2.2%	423	4	-2.4%	\$300,500	29	3.6%	\$65,091	13	\$971	30	13.4%
Blythe	341	43	158.3%	\$265,000	29	158.5%	3	49	158.6%	NA	45	NA	\$43,744	36	\$277	48	16.3%
Calimesa	96	51	-1.0%	\$250,000	35	-14.8%	69	27	104.9%	\$374,500	21	5.5%	\$44,034	35	\$189	50	14.9%
Canyon Lake	300	41	-17.0%	\$350,000 \$360,000	10	9.9%	4	47 27	244.8%	NA 000 000	48	NA 24.0%	\$72,950	8	ზებე დებე	45	11.2%
Coachella	232	34 46	-12.0%	\$200,000 \$212 500	31 40	13.3%	14 40	37 29	-24.7%	\$209,000	30	-11.3%	\$39,773	44 46	\$931 \$457	32 40	29.0% 31.8%
Corona	2.572	-0	-11.8%	\$436,898	-0	1.1%	396	5	-40.9%	\$465.347	13	-12.7%	\$66,094	11	\$3,869	-0	17.7%
Dsrt Hot Spr.	613	31	-10.6%	\$152,813	48	3.1%	10	40	-21.7%	\$194,750	40	3.0%	\$31,377	51	\$358	46	30.4%
Eastvale	957	20	-14.4%	\$454,792	7	0.3%	357	8	-34.0%	\$473,800	12	-12.2%	\$110,974	1	\$1,477	22	12.8%
Hemet	1,739	8	-3.7%	\$192,644	42	5.4%	217	11	63.9%	\$274,308	31	6.2%	\$35,024	48	\$1,312	25	19.2%
Indian Wells	182	49	-12.9%	\$740,000	1	-24.8%	23	34	52.4%	\$795,000	2	-6.5%	\$83,884	4	\$441	42	4.5%
Indio	1,218	13	-12.1%	\$258,708	32	4.2%	383	7	94.0%	\$327,650	26	9.6%	\$51,202	29	\$1,727	16	24.0%
Lk Elsinore	719	26	-23.3%	\$324,746	21	10.5%	31	33	6.8%	\$436,768	14	33.6%	\$53,982	24	\$1,691	17	26.5%
Jurupa Valley	983	18	-8.2%	\$292,255	25	10.5%	445	2	-11.5%	\$353,486	23	5.8%	\$57,199	18	\$1,029	28	20.3%
La Quinta	1,034	16	-14.8%	\$380,000 ¢070,107	12	-14.6%	82	23	-13.9%	\$621,000	3	NA 0.5%	\$65,272	12	\$1,478	21	12.5%
Moreno VIv	1,709	9	-8.4%	\$273,127 \$257,638	27	7.4% 7.7%	491	16	10.1%	\$382,895 \$372,420	20	9.5% 5.0%	\$55,264 \$52,625	22	\$1,871 \$3,251	14	12.8%
Murrieta	1,921	6	-8.2%	\$358,519	13	3.2%	297	10	-37.2%	\$388.070	19	2.2%	\$72,385	25 9	\$2,801	9	23.0% 12.7%
Norco	290	44	-12.1%	\$440.000	8	2.3%	4	46	-31.1%	ф0000,070 NA	50	NA	\$84.756	3	\$675	37	10.6%
Palm Desert	967	19	-11.8%	\$352,981	14	-3.3%	97	18	-21.2%	\$314,357	28	-70.6%	\$51,280	27	\$1,885	13	13.1%
Palm Springs	895	23	-13.0%	\$490,126	4	6.2%	95	19	-10.1%	\$570,816	5	-16.6%	\$43,378	37	\$1,565	20	19.0%
Perris	914	22	-8.3%	\$241,026	37	5.9%	162	14	78.8%	\$336,667	25	18.4%	\$50,035	30	\$963	31	29.1%
Rancho Mirage	366	42	-18.3%	\$602,250	2	-11.3%	31	32	166.9%	\$1,457,250	1	54.8%	\$77,526	7	\$1,062	27	9.9%
Riverside	3,012	1	-13.0%	\$321,290	22	6.8%	116	17	-53.5%	\$435,844	15	NA	\$54,300	23	\$6,205	1	17.7%
San Jacinto	653	29	-15.4%	\$210,090	41	6.9%	39	30	-59.5%	\$248,667	34	77.6%	\$46,449	34	\$721	35	20.7%
Temecula	1,846	7	-7.2%	\$399,676	11	3.9%	438	3	29.6%	\$414,370	16	-10.1%	\$78,165	6	\$2,850	6	13.6%
Wildomar	989	17	-10.3%	\$241,765	36	11.4%	154	15	0.0%	\$92,308	43	-/1./%	\$59,236	17	\$737	33	18.5%
Div County	27 617		-10 50/	C210 000		6 00/	1 3/6		_ 0 00/	6366 000		0.00/			¢60 117		

Source: Dataquick, U.S. Census Bureau, Economics & Politics, Inc.

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three months. In calendar year 2014, San Bernardino County's sales rose 6.5% to \$33.2 billion. Riverside County's sales increased 6.6% to \$32.0 billion (*Exhibit 1*). The combined Inland Empire growth (6.5%) was well above that of California (4.4%). In the first half of 2014, inland sales expanded by another 5.9%. If that continues for all of 2015, the inland area will reach \$68.9 billion in sales, putting it 12.8% above the 2006 record of \$61.1 billion. It needed to be up 16.0% to completely overcome inflation since that time.

In 2014, retail sales were led by Ontario ($$6.59 \, bil$ lion) and Riverside ($$5.01 \, billion$), followed by Corona ($$3.24 \, billion$), Fontana ($$2.90 \, billion$) and Temecula ($$2.77 \, billion$). San Bernardino ($$2.69 \, billion$) ranked sixth followed by Rancho Cucamonga ($$2.44 \, billion$), Chino ($$1.86 \, billion$), Victorville ($$1.72 \, billion$) and Palm Desert ($$1.59 \, billion$). Of the 52 cities, the largest percentage gains were Adelanto (32.6%), Loma Linda (31.6%), Indian Wells (26.9%), Eastvale (18.4%) and Jurupa Valley (16.0%).

Per capita sales reveal how well sales taxes finance city services for each resident. In 2014, the leaders were unchanged: Ontario (\$39,223), Big Bear Lake (\$36,175), Palm Desert (\$31,385), Barstow (\$29,081) and Montclair (\$26,755). The weakest were Canyon Lake (\$1,254), Highland (\$3,632), Wildomar (\$4,081), Twentynine Palms (\$4,126) and Desert Hot Springs (\$4,705) [Note: inmates not in per capita calculations].

Assessed Valuation. Assessed valuation is important since property taxes are also a major municipal revenue source with values now beginning to turnaround. On July 1, 2015, San Bernardino County's valuation was \$186.9 billion, up 5.1%. Riverside County's was \$235.0 billion, up 5.9%. Both counties finally exceeded their 2008 record level. For cities, assessed valuation tends to follow industrial and housing development. In 2015, the top five cities were: Riverside (\$25.4 billion; 4.4%), Rancho Cucamonga (\$22.7 billion; 5.0%), Ontario (*\$21.0 billion; 5.0%*), Corona (*\$17.9 billion;* 4.4%) and Fontana (\$16.0 billion; 5.0%). Though San Bernardino is second in population and has an industrial base, its low home values put its valuation (\$11.9 billion; 5.5%) at tenth. All but one of 52 cities saw their FY 2014 assessed valuation increase: Needles (\$304 million; -0.5%). Assessment growth was again led by five Riverside County cities: Beaumont (10.2%), Menifee (8.5%), Moreno Valley (8.4%), Indio (18.3%; 8.4%) and Perris (8.3%). San Bernardino County was led by Hesperia (7.8%).

Assessed value per capita measures the ability of property taxes to support city services for each resident. Here, five Coachella Valley cities continued to be strong led by Indian Wells (\$1,001,101) and third ranked Rancho Mirage (\$441,742) followed by La Quinta (\$300,521), Palm Desert (\$267,886) and Palm Springs (\$227,670). Two smaller cities did well: second ranked Big Bear Lake (\$607,668) and seventh ranked Canyon Lake (\$144,666). Ranked eighth to tenth were cities near Los Angeles County: Chino (\$136,311), Chino Hills (\$133,745), and Rancho Cucamonga (\$132,570). Three East SB Valley cities were weak: San Bernardino (42nd, \$57,643) Highland (43rd, \$57,523), and Colton (46th, \$54,174). Outlying desert cities ranked in the bottom tier: Desert Hot Springs (49th, \$49,327), Blythe (50th, \$48,695), Coachella (51st, \$35,725), and Twentynine Palms $(52^{nd}, \$32, 549).$

Poverty. Increasingly, the levels of poverty in the Inland Empire have been recognized as a threat to the region's public health. In 2014, the Census Bureau's American Community Survey showed that 19.1% of San Bernardino County's population was below the federal poverty level. It was 26.6% for the county's children under 18. In Riverside County, the share of all people was 17.3%. It was 24.3% for the county's children.

Data for all cities was available for 2013. Except for 3rd highest San Bernardino (34.4% for adults, 46.2% for children), the highest poverty levels were in desert cities: Adelanto (42.1%; 51.3%), Desert Hot Springs (35.3%, 49.4%), Coachella (33.9%, 44.3%) and Needles (30.8%; 44.1%). Among other cities of over 100,000 people, the difficulty was most prominent in #10, Victorville (22.9%, 25.2%) and #15 Moreno Valley (20.4%, 29.7%). The least poverty occurred in two larger and two smaller cities: Chino Hills (2.2%, 1.9%), Indian Wells (5.2%, 2.2%), Eastvale (5.4%, 7.5%) and Canyon Lake (6.2%, 6.2%).

Home Sales Volumes. CoreLogic provides home deed recordings by zip code using county re-corders' data. In 2014, existing home sales were still in the doldrums due to continued consumer fear and lack of access to credit despite low interest rates and price affordability. San Bernardino County's 2014 existing home sales recordings fell -9.4% to 22,855 units; Riverside County's sales decreased by -10.5% to 27,617 sales (Exhibit 2). Except for Ontario (1,054, 15th), the largest cities had the most existing home sales. The leaders were Riverside (3,021) and San Bernardino (2,873) followed by Corona (2,572), Fontana (2,118) and Moreno Valley (2,073). Just two desert cities saw existing home sales growth: Blythe (158.3%) and Barstow (7.9%). Loma Linda was flat. Otherwise, the smallest losses were in Banning (-0.6%), Calimesa (-1.0%), Rialto (-2.5%), San Bernardino (-3.5%) and Hemet (-3.7%).

Riverside County's 2014 new home sales fell -2.3% to 4,346 units; San Bernardino County's dropped -6.8% to 1,843. Sales exceeded 400 units in Menifee (491), Lake Elsinore (445), Temecula (438) and Beaumont (423), all in Riverside County. In San Bernardino County, Chino led (395). Twenty-three of 52 cities had increased new home sales indicating some life is return-ing to the markets. Growth rates were led by gains in smaller markets Canyon Lake (244.8% to 4 sales), Colton (228.8% to 12), Redlands (218.1% to 31), Rancho Mirage (166.9% to 31) and Blythe (158.6% to 3).

Home Prices. From second quarter 2014-2015, Riverside County's median existing home price rose 6.2% to \$310,000; San Bernardino County's rose 6.8% to \$250,000. These homes were affordable to 42% of Riverside County's families and 58% of those in San Bernardino County. The highest 2015 prices were in Indian Wells (\$740,000), Rancho Mirage (\$602,250), Chino Hills (\$590,000), Palm Springs (\$490,126) and Upland (\$484,409). Several outlying desert cities again saw the lowest prices: Needles (\$54,500), Twentynine Palms (\$90,000), Yucca Valley (\$139,050), Adelanto (\$150,000), and Desert Hot Springs (\$152,813). Prices increased in 46 of 52 cities led by Blythe (158.5% to \$265,000), Barstow (143.6% to \$181,500), Loma Linda (23.8% to \$335,000), Twentynine Palms (16.9% to \$90,000), plus Coachella (13.3% to \$212,500) and Apple Valley (13.3% to \$188,911). Six cities saw price declines led by Indian Wells (-24.8% to \$740,000) and Calimesa (-14.8% to \$250,000).

San Bernardino County's median new home price from second quarter 2014-2015 rose 1.0% to \$419,000; Riverside County's increased 9.0% to \$386,000. The highest prices were in Rancho Mirage (\$1,454,250; 31 sales), Indian Wells (\$795,000; 23 sales), La Quinta (\$621,000; 82 sales), Chino Hills (\$585,000, 6 sales) and Palm Springs (\$570,816; 95 sales). Under \$200,000 were Desert Hot Springs (\$194,750), Colton (\$185,000), Banning (\$140,000), Wildomar (\$92,308) and Needles (\$55,000). Eight cities saw no new homes sold.

Income. The 2013 median household income of Riverside County was \$54,095. It was \$52,323 in San Bernardino County. The income levels for 22 cities of 65,000 or more are from the 2013 American Community Survey (ACS). Another 23 cities with 20,000-64,999 people are from 2011-2013. The seven cities under 20,000 people are from 2009-2013 data. The highest median incomes were in Eastvale (\$110,974), Chino Hills (\$94,826), Norco (\$84,756), Indian Wells (\$83,884) and Rancho Cucamonga (\$82,489). For comparison, Irvine was \$87,830; Santa Mon-ica was \$67,060. Total personal income was led by Riverside (\$6.21 billion), Rancho Cucamonga (\$5.36 billion), Corona (\$3.87 billion), Fontana (\$3.58 billion) and Moreno Valley (\$3.25 billion).

Lack of Health Insurance. Recently, there has been a major focus of national policy of late. In San Bernardino County, the shares of people without insurance in 2013 was 19.0% down from 20.6%. In Riverside County it was 19.7% down from 20.4%. Among cities, the highest shares without coverage were in Big Bear Lake (31.9%, down from 34.5%), Coachella (31.8% down from 34.0%) and Cathedral City (29.6% from 30.3%). Of the 11 cities with over 100,000 people, seven had more than 20% of their populations without health insurance: Moreno Valley (25.6%), San Bernardino (25.5%), Rialto (22.7%), Ontario (22.5%), Fontana (22.2%). Two major cities dropped off of this list: Riverside (17.7%) and Victorville (18.8%).

Most Prosperous? Which Inland Empire cities are the most economically prosperous? Sum-ming city rankings for per capita retail sales, per capita assessed value and poverty share, as well as the rankings for absolute population growth, median income and median price of all homes, plus jobs:housing balance and share with no health insurance could yield a perfect score of 8 for eight first places or a worst score of 416 from nine 52nd places. In 2014, the best 10 scores on these criteria were: Rancho Cucamonga (58), Temecula (64), Indian Wells (68), Chino Hillls (75), Eastvale (79), Rancho Mirage (82), Chino (84), La Quinta (86), Corona (102), Palm Desert (102).

INLAND EMPIRE EMPLOYMENT ... Strong Jobs, Balanced Growth From 2011-2015!

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rom 2011-2015, the CA Employment Development Department (EDD) has shown that the Inland Empire gained 189,693 jobs (Exhibits 3-4). The loss from the Great Recession was -142,933, meaning the area has added 46,760 more jobs than were lost. In the growth period, 55.8% of jobs added in the Inland Empire were in the two moderate (\$40,000-\$55,000) and one good paying (\$55,000 plus) groups, leaving 44.2% in low paying sectors (under \$30,000). This was a far better record than California where 51.3% of job growth was in the lower paying sectors (not shown). The difference is because Inland Empire added 72,161 moderate paying blue collar and technical jobs or 38.0% of its new jobs; California added just 18.7% in that part of its economy. This underscores the state's problems with middle class employment. The state did much better in higher paying jobs (15.6% v. 0.9%), though management & professions did add 5.1% of local jobs.

CLEAN WORK, GOOD PAY: 1,721 JOBS (*I.E. 0.9% SHARE V. CA 15.6%*) [SAND COLORED BARS]

Higher paying inland sectors showed weak-

ness in 2011- 2015, in large part due to problems with local government (-5,089; -2.7% of growth) and state and federal government (-4,275; -2.3% of growth). However, management and professions showed some strength, up 9,645 jobs. Its 0.9% of local job growth was well under California's 15.6%. Higher education was 0.8% of the local expansion (1,520 jobs). Mining was responsible for 0.1% (197 jobs). Utilities cost -0.1% of growth (-272 jobs).

CLEAN WORK, MODERATE PAY: 31,892 JOBS (I.E. 16.8% SHARE V. CA 14.4%) [LT. BLUE BARS]

Inland sectors paying moderate incomes to white collar office workers during 2011-2015 were relatively strong, adding 31,892 positions (*16.8% share*). This exceed the state's 14.4% share. Health care has added 21,664 jobs or 11.4% of new jobs. K-12 education rebounded, up 9,692 positions (*5.1% share*). Financial activities sectors gained a 1.8% share (*3,417*). The publishing and information group lost -2,880 (-*1.5% share*). The decline was likely in journalism.

DIRTY WORK, MODERATE PAY: 72,161 JOBS (I.E. 38.0% SHARE V. CA 18.7%) [DK. BLUE BARS]

In 2011-2015, the blue collar sectors that fundamentally drive the Inland Empire's economy gained 72,161 jobs (38.0% share of growth). Distribution and transportation added 42,7688 jobs (22.5% share of growth) as fulfillment centers and international trade boosted employment. Construction activity continued its return adding 21,299 jobs (11.2% of growth). Manufacturing was up 8,095 positions (4.3% share) as growing demand offset California's poor climate for the sector. Each of these metrics far exceeded state shares of its job growth (respectively: 9.0%; 8.3%; 1.5%).

LOWER PAYING JOBS: 83,913 JOBS (I.E. 44.2% SHARE V. CA 51.3%) [RED-BROWN BARS]

There was an increase of 83,913 jobs in lower paying sectors a 44.2% share of the inland expansion from 2011-2015. That compared very favorably with the state's 51.2%. Eating and drinking had a 13.0% share of new jobs (24,745). Social assistance grew by 18,488 jobs

2011-2015e								
Sector	2011	2012	2013	2014	2015ytd	2011-2015	IE Share	CA Share
						Change		
Mgmt & Professions	792	967	1,517	2,750	3,620	9,645	5.1%	14.4%
Higher Education	317	(150)	225	433	695	1,520	0.8%	2.5%
Mining	42	150	8	75	(78)	(197	0.1%	0.2%
Utilities	(1 075)	(42)	(167)	(117)	(22)	(272)	-0.1%	0.1%
Federal & State	(1,975)	(1,392)	(1,000)	(75)	107	(4,275)	-2.3%	-1.4%
Clean Work, Good Pay	(4,283)	(2,125)	(108)	3,750	4,465	1,727	0.9%	15.6%
Health Care	4,883	5,167	3,275	4,008	4,331	21,664	11.4%	8.4%
K-12 Education	(1,467)	850	3,308	3,575	3,425	9,692	5.1%	1.8%
Financial Activities	(1,033)	917	1,300	542	1,692	3,417	1.8%	1.9%
Publish, telecomm, Other	(1,817)	(483)	(183)	(308)	(89)	(2,880)	-1.5%	2.3%
Clean Work, would rate ray	507	0,450	1,100	1,011	9,550	31,092	10.0%	14.4%
Distribution & Transportation	2,517	8,192	9,8/5	10,600	11,584	42,768	22.5%	8.9%
Manufacturing	(625)	3,550	625	0,94Z 2,892	4,032 3,020	21,299	4.3%	8.3% 1.5%
Dirty Work, Moderate Pay	1,833	13,367	17,892	20,433	18,578	72,161	38.0%	18.7%
Eating & Drinking	1,600	4.517	5.092	7.000	6.537	24,745	13.0%	13.7%
Social Assistance	(1,550)	3,925	12,700	4,125	(712)	18,488	9.7%	11.0%
Retail Trade	3,000	3,842	2,467	3,917	483	13,708	7.2%	7.8%
Admin. Support	717	1,833	2,367	800	5,289	11,005	5.8%	3.9%
Employment Agencies	917	(1,317)	1,025	1,8/5	4,107	6,607 5,552	3.5%	6.8% 3.4%
	(425)	400	1,007	2,007	1 289	5,552 2,972	2.9%	3.4 % 2 1%
Accommodation	75	433	367	758	33	1 667	0.9%	0.9%
Agriculture	(125)	83	(500)	(125)	(165)	(831)	-0.4%	1.7%
Lower Paying Jobs	5,075	14,692	25,592	21,117	17,338	83,913	44.2%	51.3%
Total, All Industries	3,192	32,383	51,075	53,117	49,704	189,693	100.0%	100.0%

2015e based upon January through September growth by sector Source: CA Employment Development Department

(9.7% share). Retailing was up 13,708 positions (7.2% share). Business administrative support jobs added 11,005 (5.8% share) as office sectors added a little strength. Employment agencies added 6,607 jobs or a 3.5% share, far less than the share anticipated by those criticizing the area's job mix. Other services were up 5,552 jobs (2.9% share). Amusement added 2,972 workers (1.6% share). Accommodation has yet to really take off, up 1,667 jobs (0.9% share) in part due to lack of activity at Ontario International Airport. Agriculture lost -831 jobs (-0.4% share) because of water issues and greater efficiency.

COMMENT

2015 marks the third year in a row that the Inland Empire is expanding by roughly 50,000 jobs, an historical first. Not only has the region reached new records in employment, its job quality is as good as it was before the recession. This stands in contrast to the state's record where middle income sectors (\$40,000-\$55,000) are growing weakly. The main issue is the need to expand private sector high paying sectors and college employment.



Source: CA Employment Development Department U.S. Bureau of Labor Statistics, Economics & Politics, Inc.

2015e is based on growth by sector for January thru September



A.A. & Higher. The Inland Empire would like to see better paying sectors and jobs expand in the region. Largely, this is dependent on the availability of a competitive labor force. For 23 local cities over 65,000, 2014 data is now available. For each, the American Community Survey shows the share of residents with Associate of Arts or higher degrees. 2013 data for three strong smaller cities are also included. The data reveals three inland nodes that have become competitive with the coastal counties: the Western edge of both counties, southwestern Riverside County and the Redlands-Loma Linda area.



Assessed Valuation. As of July 1, 2015, the assessed valuation in Riverside County (\$235.0 billion) and San Bernardino County (\$186.9 billion) are at or near record levels. Riverside was just short of its 2008 high (\$236.9 billion) by -\$1.9 billion or -0.8%. San Bernardino exceeded its 2008 high by \$5.1 billion or 2.8%. Again, these levels lag behind the 8.5% inflation between 2008-2015. The purchasing power of the property taxes collected in the two counties still has quite a way to grow enough to reach the record level that existed in 2008 in both places.



Taxable Sales. Based on six months data, San Bernardino County (\$35.8 billion) and Riverside County (\$33.1 billion) are seeing record taxable retail sales in 2015. San Bernardino will exceed its 2006 high (\$31.3 billion) by \$4.5 billion or 14.4%. Riverside will exceed its 2006 high by \$3.3 billion or 11.1%. While strong, the growth lags behind the 16.0% inflation between 2006-2015. While closing in, the purchasing power of the record sales taxes collected in the two counties still has not grown enough to reach the record level that existed in 2006.

Note: 2014-2015 = Hinderliter DeLlamas estimated percentage growth

Source: CA State Board of Equalization



Ethnicity. There are some differences between the population composition of the Inland Empire and the balance of Southern California. Both have an identical population of White non-Hispanics at 33.9%. The Inland Empire's share of Hispanics at 49.4% is higher than the balance of the region at 43.1%. The share of inland Asians & Pacific populations at 6.7% is less than half the 14.3% elsewhere in Southern California. African Americans are a slightly larger share in the inland area at 6.8% than outside the area at 5.8%. The same is true of other population groups at 3.2% versus 2.9%.

SINGLE I 3rd Ouar	AMILY HOME	PRICES	
County	3rd-2014	3rd-2015	% Chg.
	NEW HOM	ES	
Riverside	\$355.500	\$383.000	7.7%
an Bernardino	387,000	440,000	13.7%
	500,500	FCE E00	6.00/
s Angeles	529,500	000,000	0.0%
range	802,500	825,000	2.8%
an Diego	607,500	625,000	2.9%
entura	495,000	495,000	0.0%
o California	\$553,800	\$543 700	-1.8%
o. oanorna	\$000,000		1.070
	EXISTING HO	MES	
iverside	\$293,000	\$310,000	5.8%
an Bernardino	231.000	255,000	10.4%
	490,000	520,000	6.2%
LUS Allyeles	409,000	520,000	0.3 /0
Jrange	645,500	680,000	5.3%
San Diego	489,000	515,000	5.3%
/entura	540,000	562,000	4.1%
So. California	\$439,800	\$466,700	6.1%
		Sourc	e. Dataquick

Source: Dataquick

HOME MARKETS: Price Rises Continue, Volume Stepping Up!

In third quarter 2015, the Inland Empire recorded 16,286 *seasonally adjusted* existing and new home sales. Volume was flat for six quarters before jumping in the past two (*Exhibit 11*). For the first nine months of 2015, the inland region was again responsible for 33.4% of all home sales in Southern California (*Mexican border to Ventura County*). Meanwhile, the median existing home price in the two county area rose to \$284,950 (*Exhibit 12*) and the new home price was \$401,706. These levels are roughly the same as prices just before, 2004-2005, and just after 2007-2008, the speculative price surge between those periods.

SALES

Riverside County had 8,548 existing home sales in third quarter 2015, up 14.0% from 2014. As recordings come at the end of escrow, this included many second quarter sales. Corona, Norco, Eastvale had the highest percentage gain (645 units; 21.5%). The southwest county area was the volume leader (1,858 sales; 9.9%). The county's 1,305 new home sales were up 16.2% from 2014 (*Exhibit 10*). Riverside, Jurupa Valley had the fastest growth (130 units, 381.5%). The Southwest county area was again the volume leader (344 sales; 5.2%).

San Bernardino County's existing home sales rose 10.2% to 6,570 units. Redlands, Loma Linda, Yucaipa had the largest percentage increase (*583 sales, 24.3%*). The Westend led in volume (*1,454 sales; 10.1%*). New home sales in third quarter 2015 rose 58.9% to 637 units. Redlands, Loma Linda, Yucaipa also had the fastest growth rate (*41 sales; 720.0%*). The Westend led in volume (*261 sales; 62.1%*).



PRICES

Riverside County's third quarter 2015 median new home price was \$383,000, down slightly from \$386,000 in the prior quarter but up 7.7% from 2014 (\$355,500) (*Exhibit 9*). The median existing home price was \$310,000, up 5.8% from \$293,000 in 2014 and equal to the prior quarter's \$310,000. San Bernardino County's median new home price was \$440,000, up 13.7% from 2014 (\$387,000) and well over second quarter's \$419,000. Its existing median home price of \$255,000 was 10.4% above 2014 (\$231,000) and up from second quarter's \$250,000. Southern California's new home price of \$543,700 was down -1.8% from 2014 (\$553,800). The region's existing home price of \$466,700 was up 6.1% from \$439,600 in 2014.

SUMMARY

The Inland Empire's housing markets are in the early stages of a recovery. Prices are up strongly due to lack of supply. Demand is increasing as the general rise in Southern California's economy is causing a gain in consumer confidence. Affordability is high in San Bernardino County where 56% of local families can afford the median priced home. It is 40% in Riverside County. In the coastal counties just 20%-30% of families in each county can afford their county's median priced homes. That affordability factor has historically driven buyers inland. ■

