

APRIL 2017



ECONOMIC ASSESSMENT & SWOT ANALYSIS

CALIFORNIA CITY, CA

ACKNOWLEDGEMENTS

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ECONOMIC ASSESSMENT & SWOT ANALYSIS

To provide a foundation for the planning process, TIP conducted an assessment of demographic and economic factors that impact California City’s competitiveness. Our economic assessment provides a quantitative understanding of the demographic and economic trends impacting the community. Except where specified, the data in this section is for the 93505 ZIP Code, which covers California City.

SWOT ANALYSIS

In addition to our review of economic and demographic data, our understanding of California City was informed by discussions with local community leaders and business owners. Based on this work, as well as our experience working in communities across the US, we have developed an analysis of the community’s strengths, weaknesses, opportunities, and threats, commonly referred to as a SWOT analysis. The results of this analysis are outlined in the table below.

 STRENGTHS
<ul style="list-style-type: none">• Large geographic area covered by city limits (3rd largest city in California in terms of square miles)• Centrally located within East Kern• Lots of available land• California City Correctional Facility provides a large, stable source of employment• California City Municipal Airport, and employers located in the vicinity (Norm Hill Aviation)• Hyundai Test Track and Honda Test Track• Special “parcel tax” on over 50,000 parcels within city limits brings in more than \$7 million in funding to city• Silver Saddle resort• Cal City MX Park (motocross track)• Central Park, 18-hole public golf course, and 18-hole par-3 executive course• Mojave Unified School District requires community service for graduation
 WEAKNESSES
<ul style="list-style-type: none">• Incomplete development of infrastructure and neighborhoods throughout city• Negative perceptions of community due to incomplete development• Limited amount of amenities and retail establishments• No full-service grocery store



OPPORTUNITIES

- Available land provides options for development and potential to grow the population base
- Leverage proximity to employers (Edwards AFB, Mojave Air & Spaceport, Rio Tinto) to grow residential base
- Potential for stronger ties to Edwards AFB, including defense contractors seeking an off-base location
- Large OHV (off highway vehicle) area is an attraction
- Potential for an improved highway interchange at Highway 58 and 140th Street, providing better connections between California City and Edwards AFB
- Special “parcel tax” could be expanded or re-purposed to fund economic development projects or programs
- Leverage large land area and proximity to Los Angeles to attract film industry



THREATS

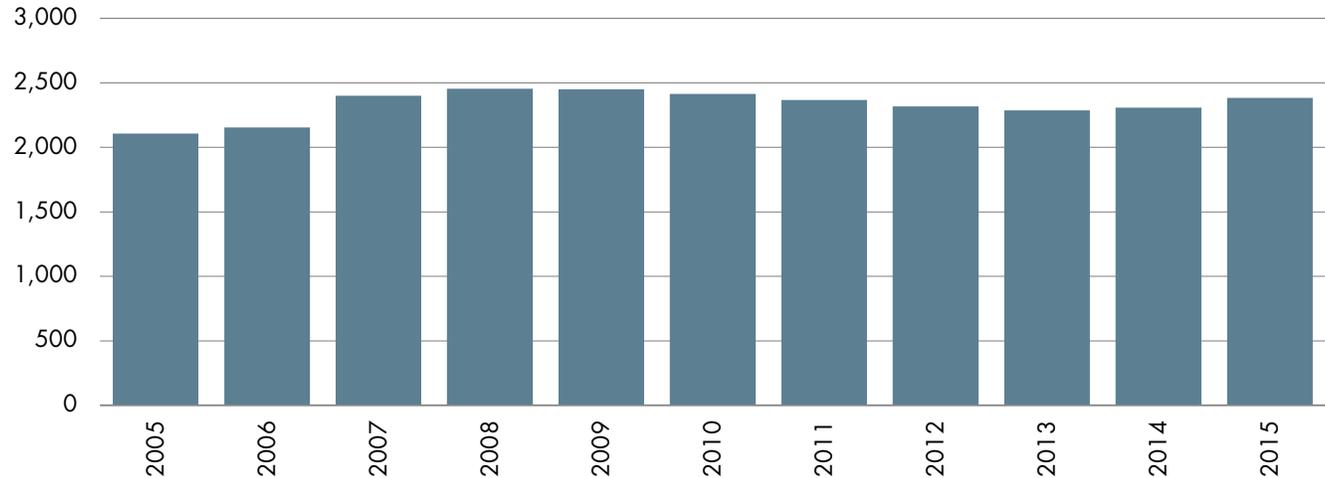
- Challenges associated with maintaining basic infrastructure (e.g., roads, drainage, utilities)
- Recent rise in municipal water rates have increased costs for residents and businesses

BUSINESS, INDUSTRY, & EMPLOYMENT TRENDS

EMPLOYMENT

Total employment in California City has not recovered fully from its pre-recession peak. However, the city’s 2014–2015 growth rate of 3.3 percent outpaced many other East Kern communities, as well as the state (1.9 percent), US (1.4 percent), and East Kern (0.6 percent).

FIGURE 1. EMPLOYMENT TRENDS, 2005-2015
TOTAL ANNUAL EMPLOYMENT IN CALIFORNIA CITY (93505)



Source: EMSI 2016.2 – QCEW Employees, Non-QCEW Employees, and Self-Employed

Despite strong performance in 2015, total employment in California City was still down by 1.2 percent compared to 2010 levels. California City is one of only two communities in East Kern (Mojave is the other) with fewer jobs in 2015 compared to 2010. The median wage of \$27.82 per hour in California City is the highest among all benchmark geographies, likely due to high-wage jobs at the California City Correctional Facility.

FIGURE 2. EMPLOYMENT & WAGES
EMPLOYMENT CHANGE, 2010-2015 & MEDIAN HOURLY WAGE, 2015

Geography	2010	2015	2010 to 2015		Median Hourly Wage
			Net Chg.	% Chg.	
Boron (93516)	1,047	1,268	+221	+21.1%	\$21.86
Kern County	304,055	347,169	+43,114	+14.2%	\$19.81
California	16,565,942	18,392,737	+1,826,795	+11.0%	\$23.28
Greater Antelope Valley	106,645	117,602	+10,957	+10.3%	\$22.17
US	144.2 M	155.3 M	+11.2 M	+7.7%	\$20.82
Tehachapi (93531 & 93561)	5,741	6,013	+272	+4.7%	\$21.01
East Kern	28,754	29,456	+702	+2.4%	\$24.17
Rosamond (93560)	2,477	2,532	+55	+2.2%	\$23.55
Ridgecrest (93527 & 93555)	11,586	11,772	+186	+1.6%	\$24.48
Mojave (93501)	2,828	2,812	-16	-0.6%	\$23.64
California City (93505)	2,414	2,384	-30	-1.2%	\$27.82

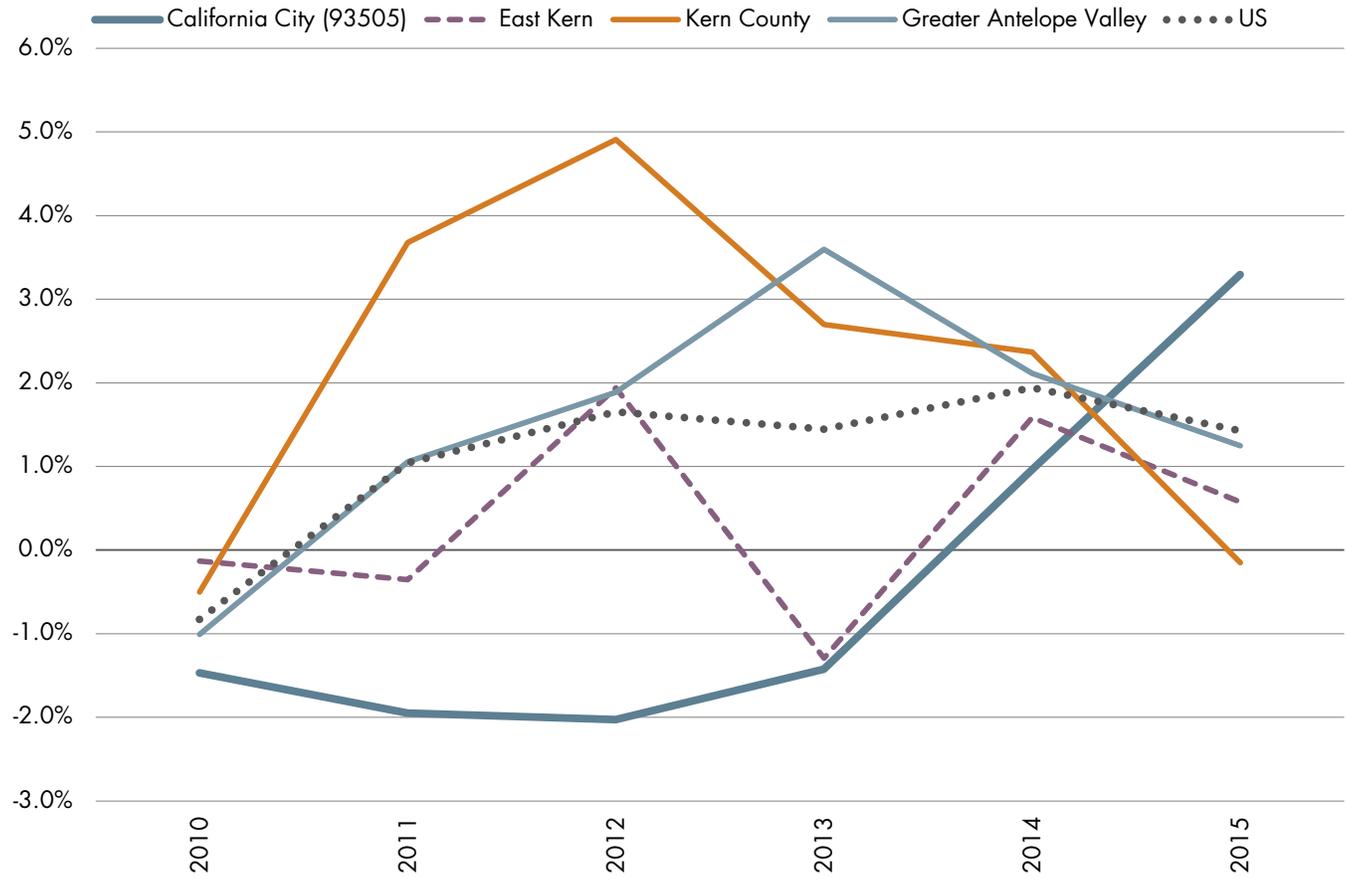
Source: EMSI 2016.2 – QCEW Employees, Non-QCEW Employees, and Self-Employed. Median hourly wages above the US average are shaded.

CALIFORNIA CITY, CA

Total employment growth in California City has been on a steady upward trajectory since 2012. The city avoided the slowdown in 2015 that characterized employment growth patterns in East Kern, Kern County, and the Greater Antelope Valley.

FIGURE 3. EMPLOYMENT TRENDS, 2010-2015

ANNUAL JOB GROWTH RATE (PERCENT CHANGE FROM PRIOR YEAR)



Source: EMSI 2016.2 – QCEW Employees, Non-QCEW Employees, and Self-Employed

CALIFORNIA CITY, CA

California City's economy is heavily dependent on the public sector. Government accounts for more than one-half of all jobs in the community, with the largest share (37 percent) in the federal workforce. There is also a significantly greater share of jobs in administrative and support services in the community relative to the region as a whole. By contrast, California City's retail and health care sectors are underrepresented, with each accounting for a significantly lower share of total employment compared to the rest of the region.

FIGURE 4. INDUSTRY DISTRIBUTION (% OF TOTAL), 2015

COMPARISON OF CALIFORNIA CITY (93505) WITH SELECTED GEOGRAPHIES AND US

NAICS Code & Description	California City (93505)	East Kern	Kern County	Greater Antelope Valley	US
9011 Federal govt. (civilian)	36.9%	21.1%	2.9%	7.5%	1.9%
56 Admin. & support services	17.3%	5.3%	4.6%	5.5%	6.3%
9039 Local govt.	9.5%	2.9%	3.8%	2.8%	3.6%
9029 State govt.	5.6%	1.7%	2.2%	0.6%	1.5%
44-45 Retail trade	5.4%	10.4%	9.7%	15.9%	10.6%
72 Lodging, restaurants, & bars	5.0%	8.3%	6.6%	10.5%	8.5%
62 Healthcare & social assistance	4.9%	9.3%	10.5%	19.2%	13.3%
31-33 Manufacturing	3.5%	4.6%	4.3%	3.0%	8.2%
53 Property sales & leasing	3.2%	1.7%	1.2%	1.8%	1.7%
54 Professional services	2.9%	8.2%	3.6%	5.9%	6.4%
81 Personal & other services	1.9%	4.7%	3.6%	5.7%	4.9%
42 Wholesale trade	1.1%	1.5%	2.8%	1.5%	3.9%
52 Finance & insurance	0.7%	1.5%	1.7%	2.0%	3.9%
71 Arts, entertainment, & recreation	0.5%	1.2%	0.9%	0.8%	1.7%
21 Mining (incl. oil & gas)	0.2%	2.4%	3.4%	0.6%	0.5%
23 Construction	0.2%	3.0%	6.2%	4.6%	5.4%
51 Information	0.2%	0.5%	0.8%	0.9%	1.9%
61 Education	0.2%	8.0%	8.8%	8.0%	9.4%
48-49 Transportation & warehousing	0.2%	2.3%	2.9%	2.7%	3.4%
11 Agriculture & forestry	0.0%	0.0%	18.0%	0.1%	1.3%
22 Utilities	0.0%	0.8%	0.3%	0.3%	0.4%
55 Corporate & regional offices	0.0%	0.3%	1.0%	0.1%	1.4%

Source: EMSI 2016.2 – QCEW Employees, Non-QCEW Employees, and Self-Employed

Note: Figures exclude military and unclassified employment. Education includes public schools, colleges, and universities. Healthcare & social assistance includes public hospitals. The three largest industries in each geography are highlighted.

CALIFORNIA CITY, CA

Location quotient (LQ) analysis can provide an understanding of an area's relative strengths. The three most concentrated sectors in California City are government: federal government (with an LQ of 19.99), state government (3.99), and local government (2.72). The community also has above-average concentrations of employment in administrative and support services jobs (2.55) and real estate (1.87). The California City Correctional Facility's role as the primary economic driver in the community is visible in this data. There may be an opportunity to develop locally serving businesses, such as retail, restaurants, and personal services, given California City's low LQ scores in these sectors relative to the region, and the availability of higher-paying jobs in the community.

LOCATION QUOTIENT (LQ) ANALYSIS is a statistical technique used to suggest areas of relative advantage based on a region's employment base. LQs are calculated as an industry's share of total local employment divided by the same industry's share of employment at the national level. If the local industry and national industry are perfectly proportional, the LQ will be 1.00. LQs greater than 1.25 are presumed to indicate a comparative advantage; those below 0.75 suggest areas of weakness but may also point to opportunities for expansion or attraction.

FIGURE 5. CONCENTRATION OF EMPLOYMENT BY SECTOR, 2015
LOCATION QUOTIENT (LQ) ANALYSIS BY MAJOR INDUSTRY SECTOR, US=1.00

NAICS Code & Description	California City (93505)	East Kern	Kern County	Greater Antelope Valley	US
9011 Federal govt. (civilian)	19.99	11.23	1.55	4.03	1.00
9029 State govt.	3.99	1.19	1.58	0.38	1.00
9039 Local govt.	2.72	0.81	1.08	0.77	1.00
56 Admin. & support services	2.55	0.81	0.71	0.85	1.00
53 Property sales & leasing	1.87	1.03	0.72	1.07	1.00
72 Lodging, restaurants, & bars	0.62	1.02	0.82	1.26	1.00
44-45 Retail trade	0.53	1.05	0.96	1.51	1.00
54 Professional services	0.43	1.20	0.53	0.90	1.00
31-33 Manufacturing	0.41	0.52	0.51	0.35	1.00
62 Healthcare & social assistance	0.37	0.70	0.79	1.44	1.00
81 Personal & other services	0.35	0.90	0.70	1.15	1.00
71 Arts, entertainment, & recreation	0.32	0.72	0.58	0.53	1.00
42 Wholesale trade	0.26	0.38	0.70	0.37	1.00
51 Information	0.21	0.30	0.50	0.49	1.00
52 Finance & insurance	0.19	0.37	0.42	0.51	1.00
48-49 Transportation & warehousing	0.09	0.70	0.89	0.78	1.00
23 Construction	0.06	0.50	1.05	0.86	1.00
61 Education	0.02	0.85	0.94	0.85	1.00
11 Agriculture & forestry	0.00	0.02	14.89	0.07	1.00
21 Mining (incl. oil & gas)	0.00	4.93	6.15	1.31	1.00
22 Utilities	0.00	2.23	0.87	0.81	1.00
55 Corporate & regional offices	0.00	0.20	0.67	0.07	1.00

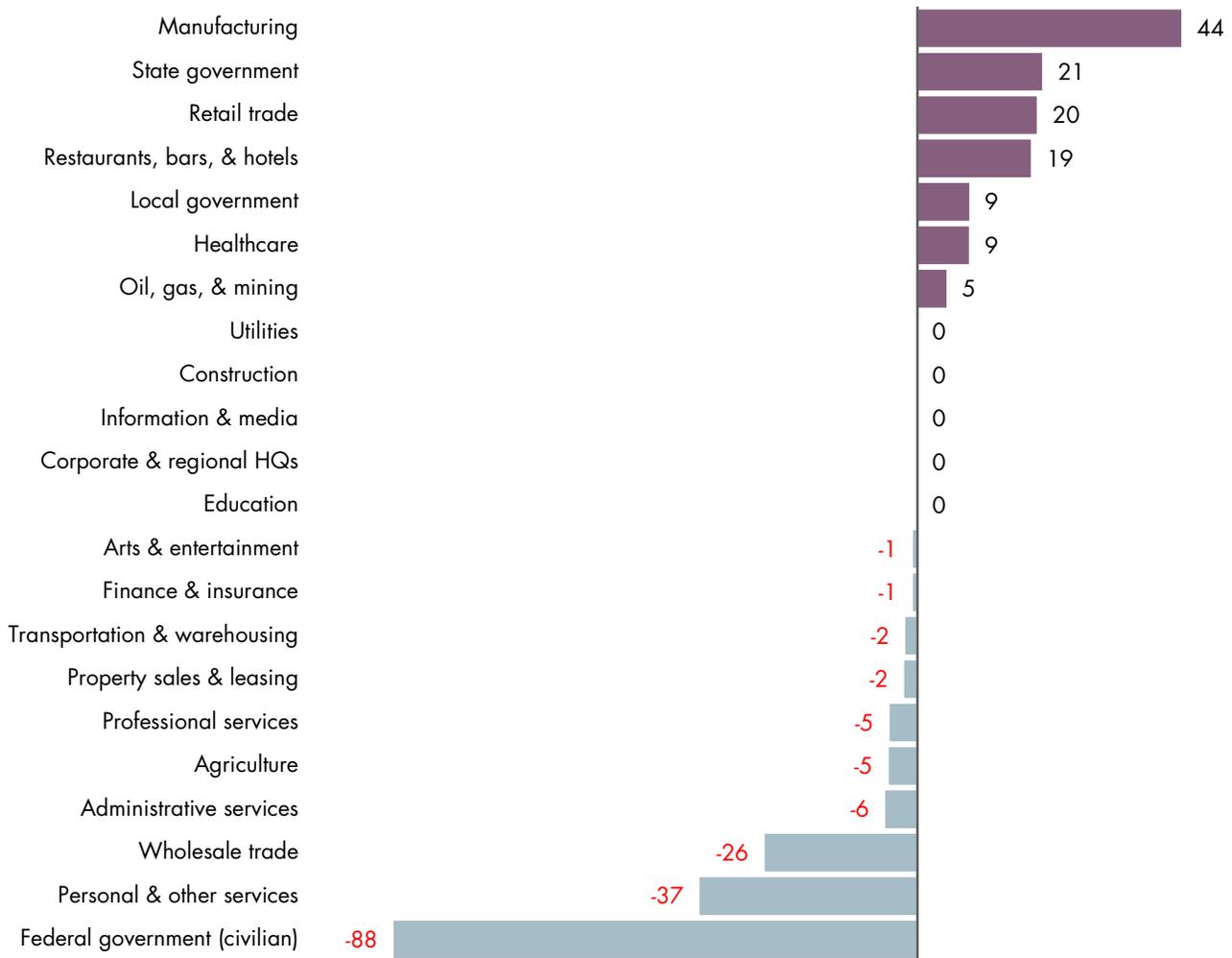
Source: EMSI 2016.2 – QCEW Employees, Non-QCEW Employees, and Self-Employed

Note: Figures exclude military and unclassified employment. Education includes public schools, colleges, and universities. Healthcare & social assistance includes public hospitals. LQs greater than 1.25 are presumed to show competitive advantage and are highlighted.

CALIFORNIA CITY, CA

Declines in California City’s federal government employment between 2010 and 2015 were partially offset by manufacturing job growth. The period also saw modest gains in local services (such as retail and restaurants) and state and local government employment.

FIGURE 6. EMPLOYMENT TRENDS BY SECTOR, 2010-2015
NET CHANGE IN JOBS BY SECTOR IN CALIFORNIA CITY (93505)



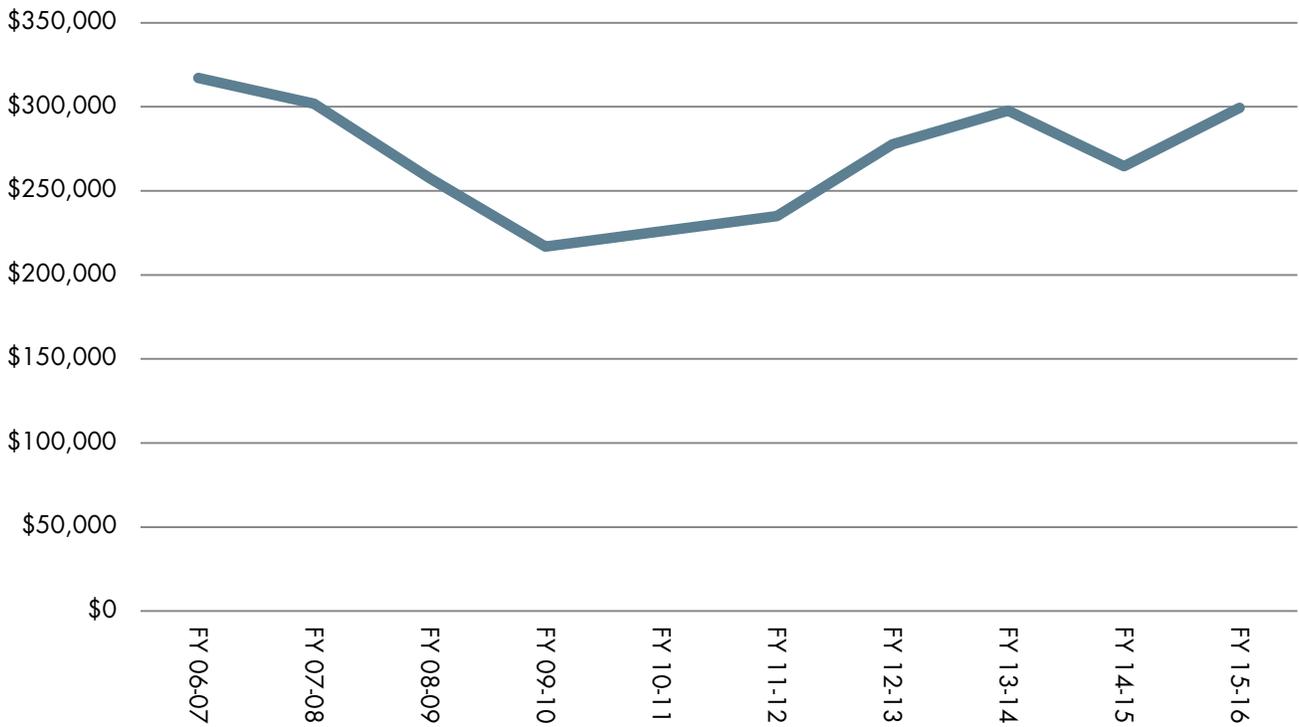
Source: EMSI 2016.2 – QCEW Employees, Non-QCEW Employees, and Self-Employed

Note: Figures exclude military and unclassified employment. Education includes public schools, colleges, and universities. Healthcare & social assistance includes public hospitals.

SALES TAX

Sales tax revenue in California City dipped in fiscal year (FY) 2014-2015, but generally has been on an upward trend since the start of the post-recession recovery in FY 2009-2010. Sales tax revenue is back up to the pre-recession peak of approximately \$300,000 in FY 2007-2008, not adjusted for inflation.

FIGURE 7. PAYMENTS TO CITIES AND COUNTIES FROM THE 1% LOCAL SALES AND USE TAX FUND
CALIFORNIA CITY



Source: California State Board of Equalization
Note: Figures not adjusted for inflation.

RETAIL LEAKAGE

California City’s local retail market, based on estimated expenditures by area households, is approximately \$142 million. Compared with total estimated retail sales of \$154 million, this represents a “surplus” of 8.7 percent. On an aggregate basis, California City’s supply and demand appear relatively balanced. In reality, however, a significant imbalance is masked by the large volume of sales associated with building materials and supplies stores. These stores often feature ancillary services used by consumers and businesses, including truck rentals, gases (e.g., propane and welding), and custom lumber, which may help explain their outsized sales volume.

Outside of this sector, the analysis points to several retail segments with \$15 million or more in expenditures leaking outside the community, including motor vehicles and parts (\$26 million), food and beverage stores (\$21 million), and general merchandise stores (\$17 million). This analysis suggests there are significant opportunities for aspiring and/or existing entrepreneurs to start and grow retail businesses to address unmet demand in these areas.

FIGURE 8. RETAIL GAP ANALYSIS
CALIFORNIA CITY (93505)

Retail Sector	NAICS	Estimated Retail Sales of Area Stores (Supply)	Estimated Retail Purchases of Area Residents (Demand)	Retail Leakage/ Surplus	Leakage/ Surplus Percent
Total Retail Sales Incl. Food & Drink		\$153,985,589	\$141,700,521	\$12,285,068	8.7%
Motor Vehicle & Parts Dealers	441	\$2,620,255	\$28,919,839	-\$26,299,584	90.9%
Automobile Dealers	4411	\$0	\$24,198,529	-\$24,198,529	100.0%
Other Motor Vehicle Dealers	4412	\$880,016	\$3,028,986	-\$2,148,970	70.9%
Auto Parts, Accessories & Tire Stores	4413	\$1,740,239	\$1,692,324	\$47,915	2.8%
Furniture & Home Furnishings Stores	442	\$398,752	\$4,357,431	-\$3,958,679	90.8%
Furniture Stores	4421	\$0	\$2,447,000	-\$2,447,000	100.0%
Home Furnishings Stores	4422	\$398,752	\$1,910,431	-\$1,511,679	79.1%
Electronics & Appliance Stores	443	\$0	\$6,728,577	-\$6,728,577	100.0%
Bldg Materials, Garden Equip. & Supply Stores	444	\$126,341,446	\$5,620,114	\$120,721,332	2148.0%
Bldg Material & Supplies Dealers	4441	\$126,341,446	\$5,013,032	\$121,328,414	2420.3%
Lawn & Garden Equip & Supply Stores	4442	\$0	\$607,082	-\$607,082	100.0%
Food & Beverage Stores	445	\$3,423,664	\$24,455,863	-\$21,032,199	86.0%
Grocery Stores	4451	\$2,922,867	\$21,007,873	-\$18,085,006	86.1%
Specialty Food Stores	4452	\$0	\$2,240,824	-\$2,240,824	100.0%
Beer, Wine & Liquor Stores	4453	\$500,797	\$1,207,166	-\$706,369	58.5%
Health & Personal Care Stores	446	\$8,683,259	\$8,552,453	\$130,806	1.5%
Gasoline Stations	447	\$820,595	\$8,087,352	-\$7,266,757	89.9%
Clothing & Clothing Accessories Stores	448	\$1,037,643	\$8,543,672	-\$7,506,029	87.9%
Clothing Stores	4481	\$649,483	\$6,199,328	-\$5,549,845	89.5%
Shoe Stores	4482	\$388,160	\$922,116	-\$533,956	57.9%
Jewelry, Luggage & Leather Goods Stores	4483	\$0	\$1,422,228	-\$1,422,228	100.0%

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FIGURE 8. RETAIL GAP ANALYSIS (continued)

Retail Sector	NAICS	Estimated Retail Sales of Area Stores (Supply)	Estimated Retail Purchases of Area Residents (Demand)	Retail Leakage/Surplus	Leakage/Surplus Percent
Sporting Goods, Hobby, Book & Music Stores	451	\$1,080,509	\$3,693,132	-\$2,612,623	70.7%
Sporting Goods/Hobby/Musical Instr Stores	4511	\$0	\$3,188,238	-\$3,188,238	100.0%
Book, Periodical & Music Stores	4512	\$1,080,509	\$504,894	\$575,615	114.0%
General Merchandise Stores	452	\$2,511,605	\$19,867,256	-\$17,355,651	87.4%
Department Stores Excluding Leased Depts.	4521	\$1,551,173	\$13,227,004	-\$11,675,831	88.3%
Other General Merchandise Stores	4529	\$960,432	\$6,640,252	-\$5,679,820	85.5%
Miscellaneous Store Retailers	453	\$643,646	\$6,561,653	-\$5,918,007	90.2%
Florists	4531	\$0	\$250,581	-\$250,581	100.0%
Office Supplies, Stationery & Gift Stores	4532	\$0	\$941,479	-\$941,479	100.0%
Used Merchandise Stores	4533	\$58,355	\$442,486	-\$384,131	86.8%
Other Miscellaneous Store Retailers	4539	\$585,291	\$4,927,107	-\$4,341,816	88.1%
Nonstore Retailers	454	\$2,044,039	\$2,999,676	-\$955,637	31.9%
Electronic Shopping & Mail-Order Houses	4541	\$2,044,039	\$2,482,825	-\$438,786	17.7%
Vending Machine Operators	4542	\$0	\$72,089	-\$72,089	100.0%
Direct Selling Establishments	4543	\$0	\$444,762	-\$444,762	100.0%
Food Services & Drinking Places	722	\$4,380,176	\$13,313,503	-\$8,933,327	67.1%
Full-Service Restaurants	7221	\$1,856,330	\$7,429,467	-\$5,573,137	75.0%
Limited-Service Eating Places	7222	\$2,523,846	\$5,380,222	-\$2,856,376	53.1%
Special Food Services	7223	\$0	\$278,792	-\$278,792	100.0%
Drinking Places - Alcoholic Beverages	7224	\$0	\$225,022	-\$225,022	100.0%

Source: ESRI Community Analyst

HOUSING INDICATORS

Approximately 48 percent of housing units in California City are owner-occupied, a slightly lower share than statewide (50.1 percent) and well below national rates of home ownership (56.3 percent). Only two other East Kern communities (Boron and Mojave) have owner occupancy rates below 50 percent. The local housing market also has a relatively high vacancy rate. Nearly one out of four housing units in California City (23.3 percent) is vacant, according to estimates from ESRI. The community is also one of three East Kern communities with median rent of less than \$700 per month according to the most recent figures from the US Census Bureau.

FIGURE 9. HOUSING CHARACTERISTICS
SELECTED INDICATORS, RANKED BY % VACANT

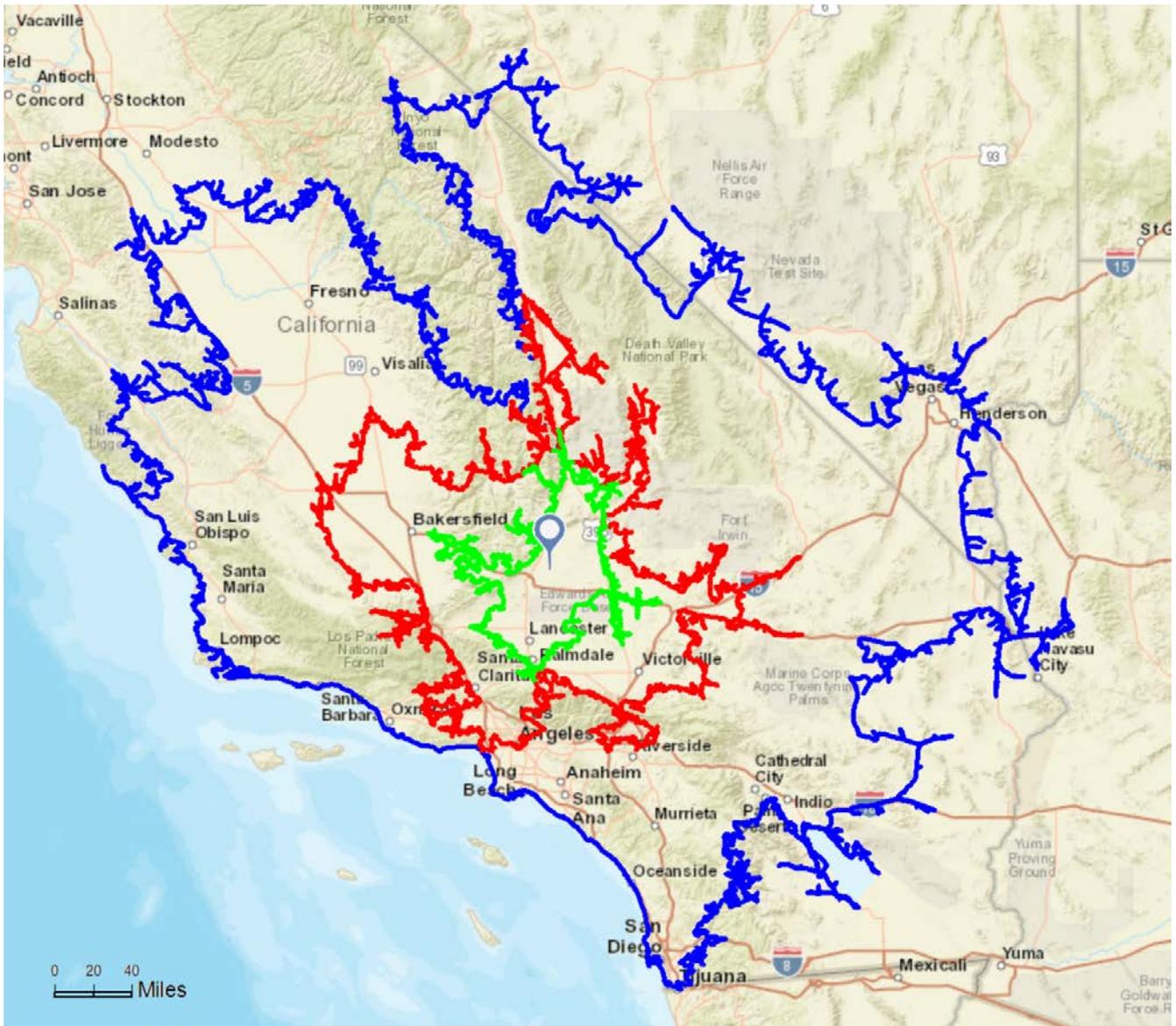
Geography	Total Housing Units	% Owner Occupied	% Renter Occupied	% Vacant	Median Contract Rent	Median Yr. Structure Built
Boron (93516)	1,259	39.2%	27.8%	33.0%	\$561	1959
California City (93505)	6,117	48.1%	28.7%	23.3%	\$638	1991
Mojave (93501)	2,360	42.8%	39.0%	18.2%	\$571	1975
East Kern	48,191	53.2%	29.4%	17.4%	\$725	1984
Rosamond (93560)	7,307	53.0%	30.5%	16.5%	\$842	1992
Tehachapi (93531 & 93561)	13,334	59.5%	24.6%	15.9%	\$774	1987
Ridgecrest (93527 & 93555)	15,985	56.2%	29.8%	14.0%	\$701	1980
US	132.7 M	56.3%	31.2%	12.5%	\$767	1976
Greater Antelope Valley	172,738	56.2%	32.0%	11.9%	\$896	1986
Kern County	287,775	51.2%	38.4%	10.4%	\$746	1981
California	13,781,929	50.1%	41.4%	8.5%	\$1,138	1974

Source: US Census Bureau, 2010-2014 American Community Survey 5-Year Estimates (accessed via ESRI Community Analyst). Shaded figures are above the US average (median rent) or more recent than US (median year built).

MARKET ACCESS

California City's one-hour drive time market contains approximately 432,000 people and the population increased by 4.2 percent during 2010-2016, a net gain of more than 17,000 people. Expanding the market area to a two-hour drive time increases the population to nearly 5.5 million people.

FIGURE 10. DRIVE TIME MAP: CALIFORNIA CITY
ZIP CODES WITHIN 1-, 2-, & 4-HOUR DRIVE TIMES FROM CALIFORNIA CITY



Source: ESRI Community Analyst

CALIFORNIA CITY, CA

Despite its reputation for remoteness—largely due to the vast land area in the community’s “second city”—California City has a relatively central location within East Kern. The community has easy access to a population of more than 430,000 within a one-hour drive time (more than Boron and Ridgecrest), nearly 5.5 million residents within a two-hour drive time (more than Tehachapi and Ridgecrest), and a population of more than 27 million within a four-hour drive time (also more than Tehachapi and Ridgecrest). Population growth rates for California City’s one-hour, two-hour, and four-hour drive time markets are comparable to other East Kern communities. The city’s one-hour drive time area growth rate of 4.2 percent is slower than the regional average. Growth rates for the community’s two-hour and four-hour drive time areas are in line with the rest of the region, however.

FIGURE 11. MARKET ACCESS

POPULATION LIVING IN ZIP CODES WITHIN 1-, 2-, & 4-HOUR DRIVE TIMES OF EACH COMMUNITY

1 HOUR

Geography	2010	2016	2010 to 2016	
			Net Chg.	% Chg.
Tehachapi	874,066	929,606	+55,540	+6.4%
Rosamond	607,199	638,756	+31,557	+5.2%
Mojave	544,491	569,639	+25,148	+4.6%
California City	414,164	431,520	+17,356	+4.2%
Boron	372,399	391,943	+19,544	+5.2%
Ridgecrest	46,832	48,136	+1,304	+2.8%

2 HOURS

Geography	2010	2016	2010 to 2016	
			Net Chg.	% Chg.
Rosamond	13,059,979	13,559,907	+499,928	+3.8%
Mojave	9,373,018	9,736,283	+363,265	+3.9%
Boron	6,908,695	7,224,771	+316,076	+4.6%
California City	5,252,195	5,478,493	+226,298	+4.3%
Tehachapi	4,654,457	4,858,354	+203,897	+4.4%
Ridgecrest	1,198,858	1,253,281	+54,423	+4.5%

4 HOURS

Geography	2010	2016	2010 to 2016	
			Net Chg.	% Chg.
Rosamond	26,280,775	27,518,233	+1,237,458	+4.7%
Boron	26,216,513	27,476,390	+1,259,877	+4.8%
Mojave	25,936,745	27,170,207	+1,233,462	+4.8%
California City	25,856,592	27,084,228	+1,227,636	+4.7%
Ridgecrest	25,365,524	26,586,529	+1,221,005	+4.8%
Tehachapi	25,049,873	26,203,551	+1,153,678	+4.6%

Source: ESRI Community Analyst

WORKFORCE TRENDS & CHARACTERISTICS

California City’s 2010-2016 population growth rate of 2.2 percent was considerably slower than the countywide, state and US rates, but comparable to the East Kern growth rate (2.0 percent). The median age in California City is 35.2 years, younger than East Kern as a whole and close to the statewide median of 35.8 years.

FIGURE 12. POPULATION & MEDIAN AGE
POPULATION CHANGE, 2010-2016 & MEDIAN AGE, 2016

Geography	2010	2016	2010 to 2016		Median Age
			Net Chg.	% Chg.	
Mojave (93501)	5,408	5,753	+345	6.4%	34.9
Kern County	839,631	888,823	+49,192	5.9%	31.3
US	308.7 M	323.6 M	+14.8 M	4.8%	38.0
California	37,253,956	38,986,171	+1,732,215	4.6%	35.8
Greater Antelope Valley	495,354	517,023	+21,669	4.4%	33.0
Rosamond (93560)	18,850	19,548	+698	3.7%	33.4
Ridgecrest (93527 & 93555)	35,023	35,899	+876	2.5%	37.9
California City (93505)	14,054	14,361	307	2.2%	35.2
East Kern	114,449	116,749	+2,300	2.0%	36.9
Tehachapi (93531 & 93561)	35,149	35,260	+111	0.3%	40.6
Boron (93516)	2,295	2,200	-95	-4.1%	40.1

Source: ESRI Community Analyst (2016 forecast); US Census Bureau, Census 2010 (2010 figures). Median age higher than US is shaded.

Median household income in California City is \$51,824, which is lower than East Kern, but higher than the countywide median. At nearly 24 percent, California City’s poverty rate is considerably higher than state and US rates, but more than ten percentage points under the highest poverty areas in the region, Boron and Mojave.

FIGURE 13. INCOME LEVELS
INCOME LEVELS, 2016 & POVERTY RATE, 2014

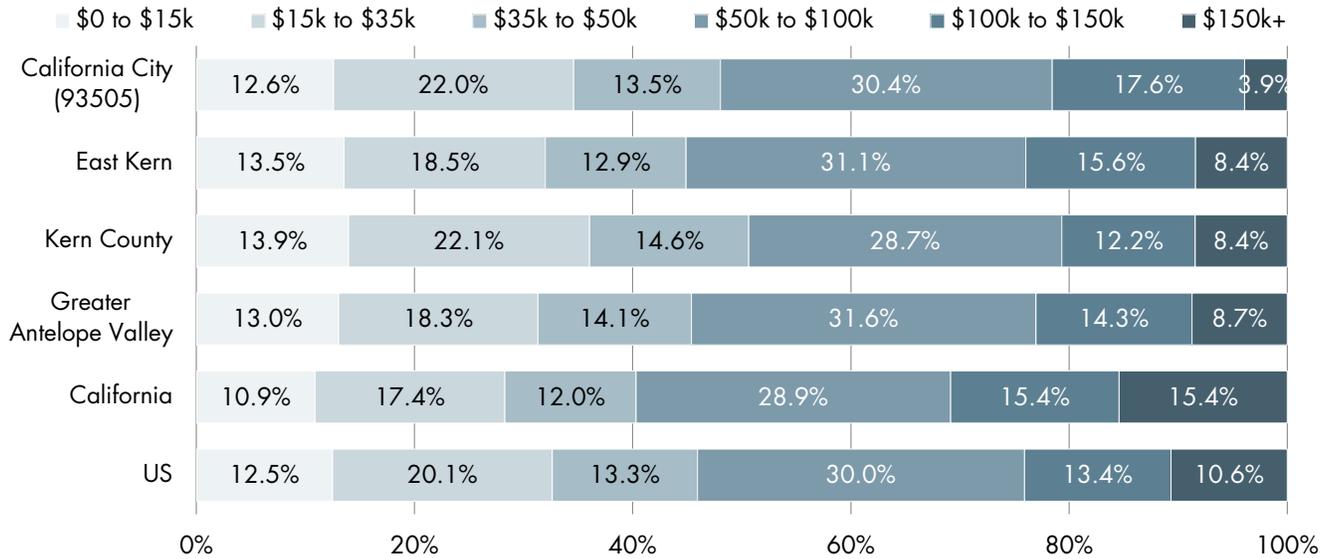
Geography	Median Household Income	Average Household Income	Per Capita Income	Poverty Rate
California	\$62,554	\$90,812	\$30,905	16.4%
Ridgecrest (93527 & 93555)	\$57,957	\$74,855	\$29,488	14.7%
US	\$54,149	\$77,008	\$29,472	15.6%
Tehachapi (93531 & 93561)	\$58,847	\$82,949	\$28,002	12.2%
East Kern	\$54,987	\$72,580	\$26,109	17.0%
Rosamond (93560)	\$53,125	\$67,216	\$22,677	18.0%
California City (93505)	\$51,824	\$63,378	\$22,322	23.9%
Greater Antelope Valley	\$54,580	\$71,887	\$22,318	20.4%
Kern County	\$49,123	\$68,628	\$21,178	23.4%
Boron (93516)	\$36,567	\$49,015	\$19,183	36.8%
Mojave (93501)	\$36,564	\$50,250	\$18,733	35.6%

Source: ESRI Community Analyst (2016 forecast); US Census Bureau, 2010-2014 American Community Survey 5-Year Estimates (poverty rate).

CALIFORNIA CITY, CA

California City's household income distribution largely mirrors the nation's with the exception of the highest income ranges. Approximately 18 percent of households in California City have incomes in the \$100,000-\$150,000 range and 4 percent earn more than \$150,000, compared to 13 percent and 11 percent, respectively, in the US.

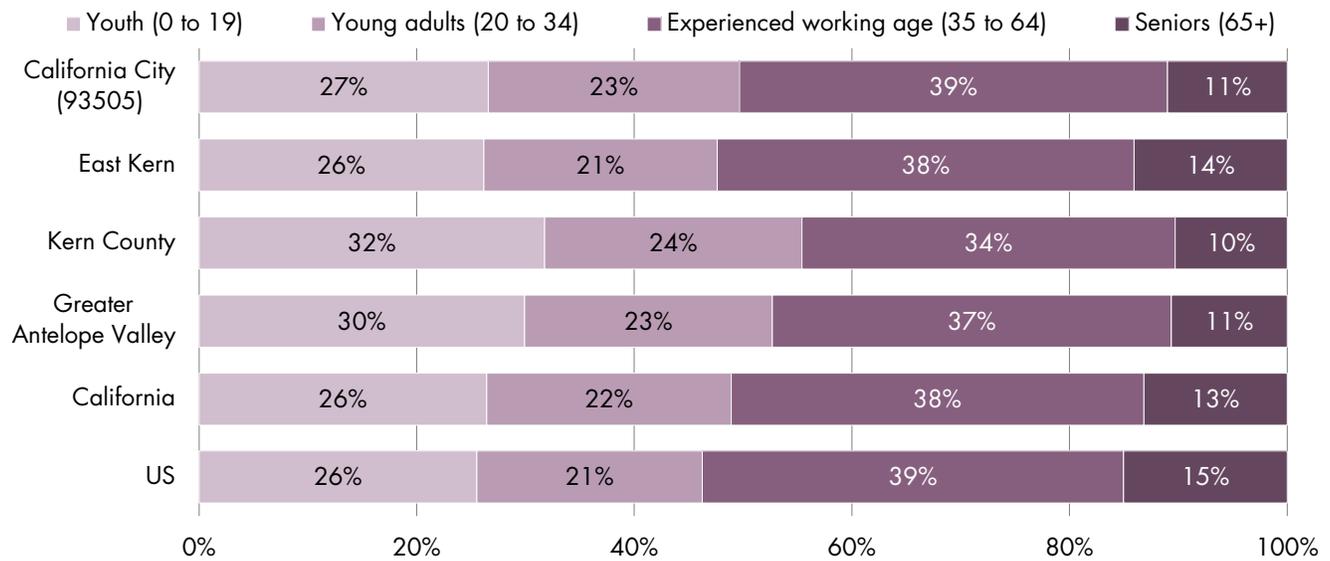
FIGURE 14. HOUSEHOLD INCOME DISTRIBUTION
SHARE OF HOUSEHOLDS BY SELECTED INCOME CATEGORIES



Source: 2010-2014 American Community Survey 5-Year Estimates (DP-02).

People age 65 or older make up a smaller share of California City's population compared to East Kern, but otherwise the city's age structure tracks the region fairly closely. Kern County and the Greater Antelope Valley have younger populations relative to the other geographies, with 56 percent and 53 percent, respectively, below the age of 35.

FIGURE 15. AGE STRUCTURE
SHARE OF POPULATION BY SELECTED AGE GROUPS

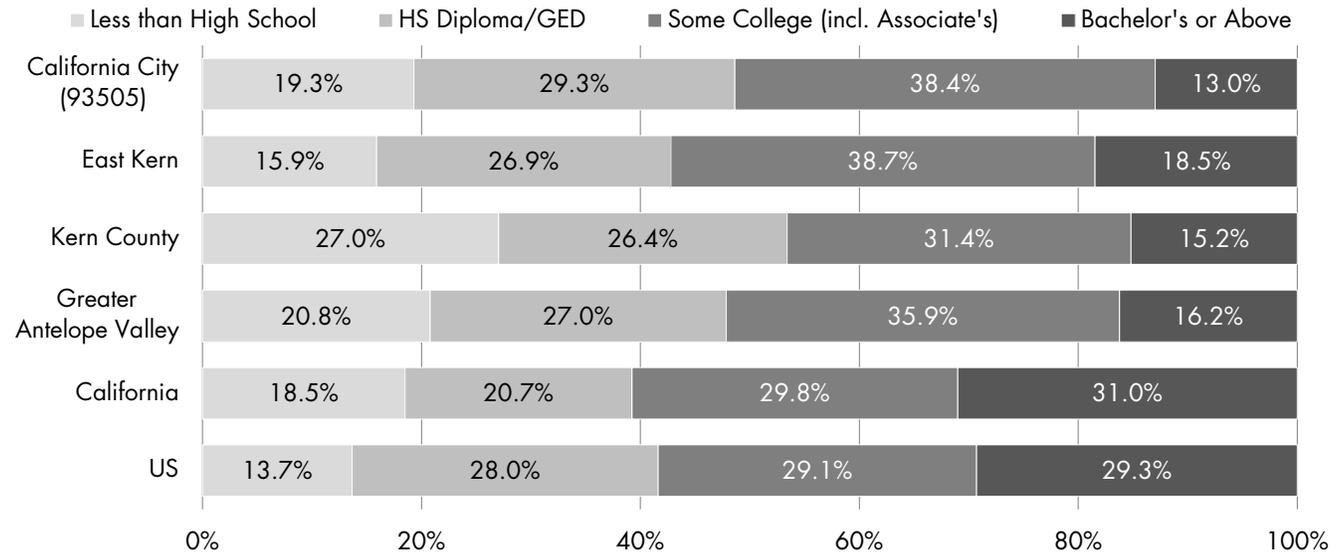


Source: ESRI Community Analyst

CALIFORNIA CITY, CA

California City has lower educational attainment levels than the region. Just 13 percent of the population age 25 or older in California City have a bachelor's degree or higher, compared to more than 18 percent in East Kern and 15 percent in Kern County. Like East Kern, a large portion of California City residents have completed some college (38 percent), but may not have graduated with an associate's degree or other form of postsecondary credential.

FIGURE 16. EDUCATIONAL ATTAINMENT
HIGHEST LEVEL OF ATTAINMENT, POPULATION AGE 25+



Source: 2010-2014 American Community Survey 5-Year Estimates (DP-02).

Unemployment is a significant challenge for California City. The community's 2014 unemployment rate of 23.4 percent was the region's second highest. Labor force participation in California City is approximately 54 percent, which is slightly under East Kern's rate (55.2 percent), but well above the communities in the region with the lowest rates: Boron (38 percent) and Tehachapi (48 percent).

FIGURE 17. LABOR FORCE & UNEMPLOYMENT
LABOR FORCE, UNEMPLOYMENT & LABOR FORCE PARTICIPATION RATES

Geography	Population		Unemployment		Labor Force Participation Rate
	Age 16+	Labor Force	Unemployment	Rate	
Boron (93516)	1,664	627	165	26.3%	37.7%
California City (93505)	10,595	5,751	1,345	23.4%	54.3%
Mojave (93501)	3,928	2,210	497	22.5%	56.3%
Greater Antelope Valley	373,976	209,844	27,778	13.2%	56.1%
Kern County	630,972	372,092	49,041	13.2%	59.0%
Rosamond (93560)	14,843	8,401	1,085	12.9%	56.6%
East Kern	88,971	49,097	6,020	12.3%	55.2%
California	29,934,838	19,108,876	2,084,564	10.9%	63.8%
Ridgecrest (93527 & 93555)	27,036	16,835	1,668	9.9%	62.3%
US	248.8 M	159.0 M	14.5 M	9.1%	63.9%
Tehachapi (93531 & 93561)	28,197	13,570	1,118	8.2%	48.1%

Source: US Census Bureau, 2010-2014 American Community Survey 5-Year Estimates.

CALIFORNIA CITY, CA

The three largest shares of total employment by occupation in California City are in protective services, office and administrative support, and business and financial operations. Protective services, in particular, stands out with a significantly larger share of total employment in California City (15 percent) than East Kern as a whole, a direct result of the employment impact of the California City Correctional Facility. Occupational groups with a significantly lower share of total workers in California City compared to East Kern include sales, food preparation, and transportation jobs.

FIGURE 18. OCCUPATIONAL DISTRIBUTION (% OF TOTAL), 2015
COMPARISON OF CALIFORNIA CITY (93505) WITH SELECTED GEOGRAPHIES AND US

SOC Code & Description	California City (93505)				
	California City (93505)	East Kern	Kern County	Greater Antelope Valley	US
33 Protective Service	14.8%	4.0%	3.0%	2.2%	2.3%
43 Office & Administrative Support	12.2%	12.9%	11.2%	15.4%	15.4%
13 Business & Financial Operations	10.4%	7.5%	3.5%	4.9%	5.0%
17 Architecture & Engineering	7.4%	6.1%	2.2%	2.3%	1.7%
49 Installation, Maintenance, & Repair	5.7%	5.5%	4.2%	3.6%	3.8%
41 Sales & Related	5.4%	8.4%	8.1%	12.1%	10.3%
29 Healthcare Practitioners & Technical	5.4%	4.8%	3.9%	6.6%	5.4%
35 Food Preparation & Serving Related	5.1%	7.8%	6.5%	10.2%	8.4%
11 Management	4.7%	5.0%	4.9%	5.0%	5.5%
37 Building/Grounds Cleaning & Maint.	4.6%	3.0%	3.1%	3.7%	3.9%
53 Transportation & Material Moving	3.7%	6.2%	7.5%	5.8%	6.6%
51 Production	3.2%	3.6%	3.6%	3.1%	6.1%
19 Life, Physical, & Social Science	3.1%	2.0%	0.9%	1.1%	0.8%
15 Computer & Mathematical	3.0%	3.7%	1.4%	2.5%	2.7%
21 Community & Social Service	2.8%	2.1%	1.9%	2.4%	1.6%
31 Healthcare Support	1.8%	1.8%	2.0%	3.0%	2.8%
25 Education, Training, & Library	1.5%	6.0%	6.2%	5.6%	5.8%
39 Personal Care & Service	1.5%	3.6%	3.0%	4.5%	4.0%
47 Construction & Extraction	1.4%	3.4%	6.0%	3.8%	4.5%
27 Arts, Design, Entertainment, & Media	0.8%	1.5%	1.1%	1.3%	1.8%
23 Legal	0.7%	0.4%	0.4%	0.6%	0.8%
45 Farming, Fishing, & Forestry	0.7%	0.5%	15.4%	0.2%	0.8%

Source: EMSI 2016.2 – QCEW Employees, Non-QCEW Employees, and Self-Employed

Note: Figures exclude military and unclassified employment. The three largest occupations in each geography are highlighted.

CALIFORNIA CITY, CA

A look at location quotients reveals several potential comparative advantages in specialized workforce categories, including protective services (with an LQ of 6.54) and science, technology, engineering, and math (STEM) fields. STEM-related jobs include those in architecture & engineering and life, physical, & social sciences occupations. Employment in these occupational groups is more than three times as concentrated in California City as in the US workforce, as evidenced by their LQs of 4.40 and 3.73, respectively. There are a total of six occupational groups for which employment levels are significantly more concentrated than would be expected in a labor market of California City's size (i.e., with LQs above 1.25).

FIGURE 19. CONCENTRATION OF EMPLOYMENT BY OCCUPATION, 2015
LOCATION QUOTIENT (LQ) ANALYSIS BY MAJOR GROUP, US=1.00

SOC Code & Description	California City (93505)	East Kern	Kern County	Greater Antelope Valley	US
33 Protective Service	6.54	1.76	1.32	0.98	1.00
17 Architecture & Engineering	4.40	3.66	1.32	1.35	1.00
19 Life, Physical, & Social Science	3.73	2.45	1.07	1.31	1.00
13 Business & Financial Operations	2.08	1.51	0.70	0.98	1.00
21 Community & Social Service	1.74	1.29	1.18	1.46	1.00
49 Installation, Maintenance, & Repair	1.48	1.43	1.10	0.93	1.00
37 Building/Grounds Cleaning & Maint.	1.20	0.78	0.81	0.95	1.00
15 Computer & Mathematical	1.11	1.36	0.51	0.92	1.00
29 Healthcare Practitioners & Technical	0.99	0.88	0.73	1.22	1.00
45 Farming, Fishing, & Forestry	0.88	0.62	20.11	0.27	1.00
11 Management	0.86	0.92	0.90	0.92	1.00
23 Legal	0.81	0.52	0.43	0.67	1.00
43 Office & Administrative Support	0.80	0.84	0.73	1.00	1.00
31 Healthcare Support	0.66	0.65	0.72	1.08	1.00
35 Food Preparation & Serving Related	0.61	0.93	0.78	1.22	1.00
53 Transportation & Material Moving	0.57	0.94	1.13	0.89	1.00
41 Sales & Related	0.53	0.82	0.78	1.17	1.00
51 Production	0.52	0.59	0.58	0.51	1.00
27 Arts, Design, Entertainment, & Media	0.47	0.83	0.60	0.72	1.00
39 Personal Care & Service	0.36	0.90	0.74	1.11	1.00
47 Construction & Extraction	0.32	0.76	1.33	0.84	1.00
25 Education, Training, & Library	0.26	1.04	1.06	0.97	1.00

Source: EMSI 2016.2 – QCEW Employees, Non-QCEW Employees, and Self-Employed

Note: Figures exclude military and unclassified employment. LQs greater than 1.25 are presumed to show competitive advantage and are highlighted.

COMMUTING PATTERNS

California City is a net exporter of workers, with 86 percent of the city's 2,653 employed residents commuting to jobs located outside the community in 2014. This translates to nearly 2,300 residents leaving the community for work. California City is also heavily reliant on inbound commuters to fill local jobs. More than two out of three jobs located in California City (69 percent) are held by people who live outside the area.

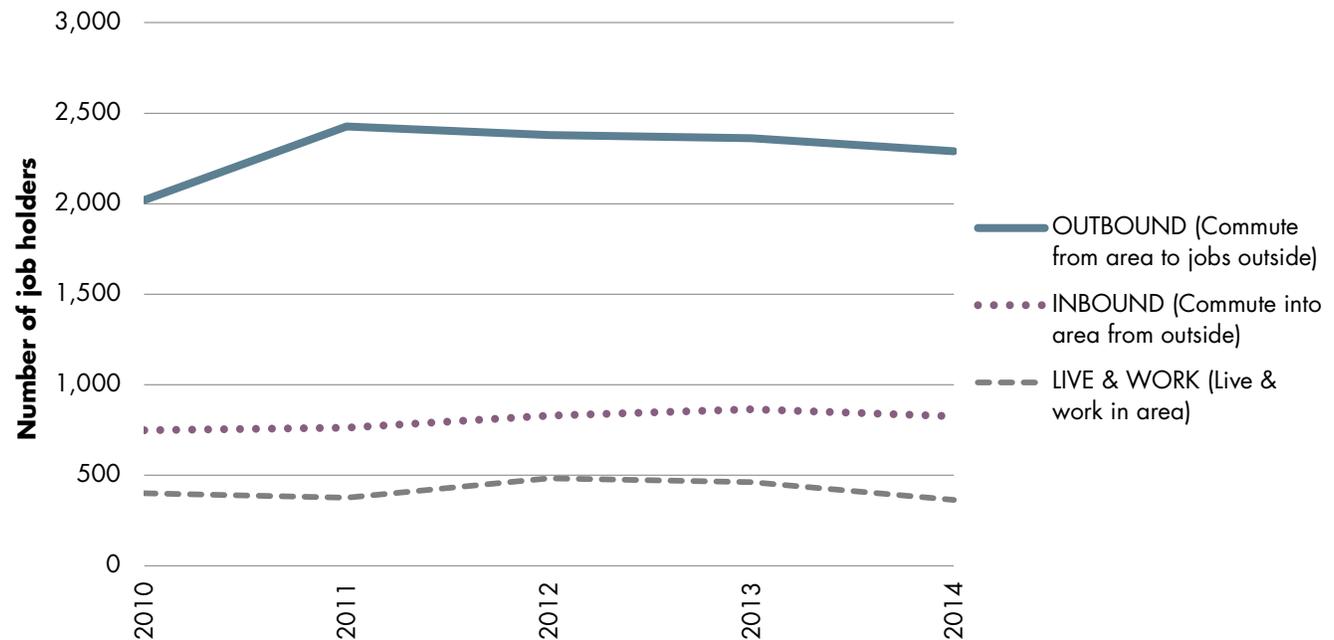
FIGURE 20. INFLOW/OUTFLOW FOR CALIFORNIA CITY (93505), 2014
FLOW OF WORKERS TO/FROM THE AREA



Source: US Census Bureau, Local Employment Dynamics.

Notes: Overlay arrows are for illustrative purposes and do not indicate directionality of worker flow between home and employment locations.

FIGURE 21. COMMUTING FLOWS, 2010-2014



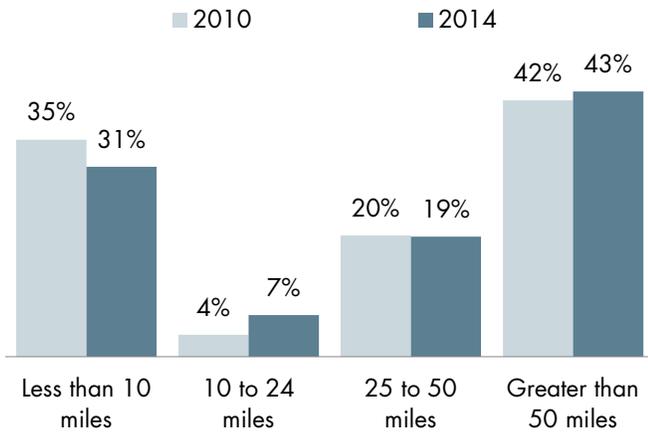
Source: US Census Bureau, Local Employment Dynamics.

CALIFORNIA CITY, CA

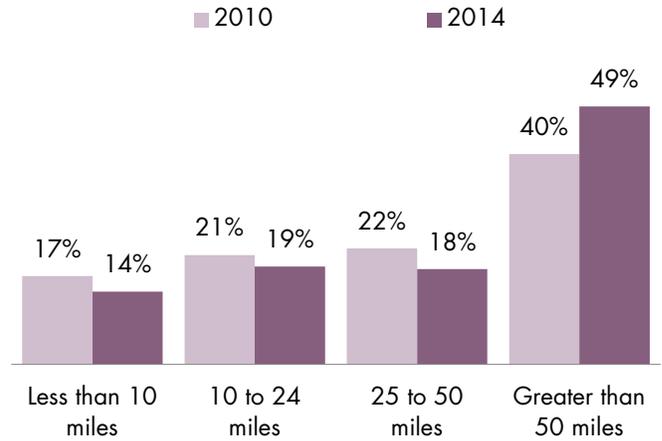
The majority of people working in jobs located in California City (62 percent) commuted from at least 25 miles away in 2014, compared to 31 percent who lived less than 10 miles from their work locations. A slightly larger percentage of California City’s employed residents (67 percent) commute to jobs at least 25 miles away. The share of California City residents driving more than 50 miles to work saw the largest increase of any category, expanding from 40 percent of employed residents in 2010 to 49 percent just four years later.

FIGURE 22. DISTANCE TRAVELED, 2010 VS. 2014
SHARE OF JOBHOLDERS

PEOPLE WHO WORK IN CALIFORNIA CITY (93505)

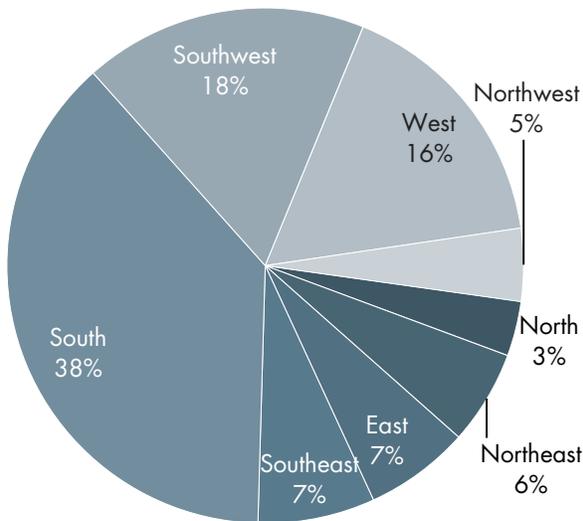


EMPLOYED PEOPLE WHO LIVE IN CALIFORNIA CITY (93505)



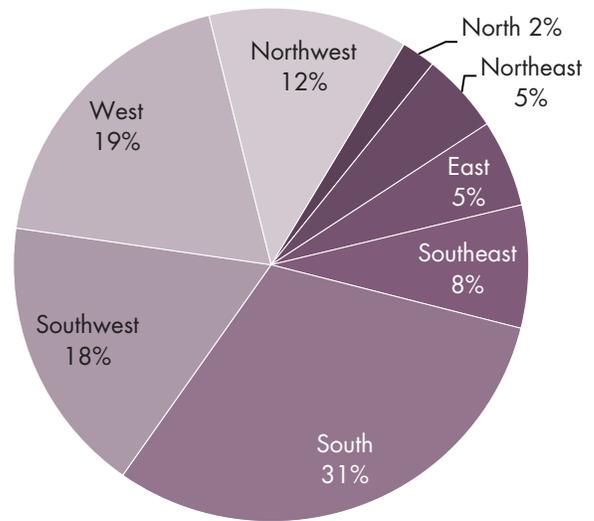
Source: US Census Bureau, Local Employment Dynamics.

FIGURE 23. DIRECTION TRAVELED FROM WORK TO HOME, 2014
SHARE OF PEOPLE THAT WORK IN CALIFORNIA CITY (93505)



Source: US Census Bureau, Local Employment Dynamics.

FIGURE 24. DIRECTION TRAVELED FROM HOME TO WORK, 2014
SHARE OF PEOPLE THAT LIVE IN CALIFORNIA CITY (93505)

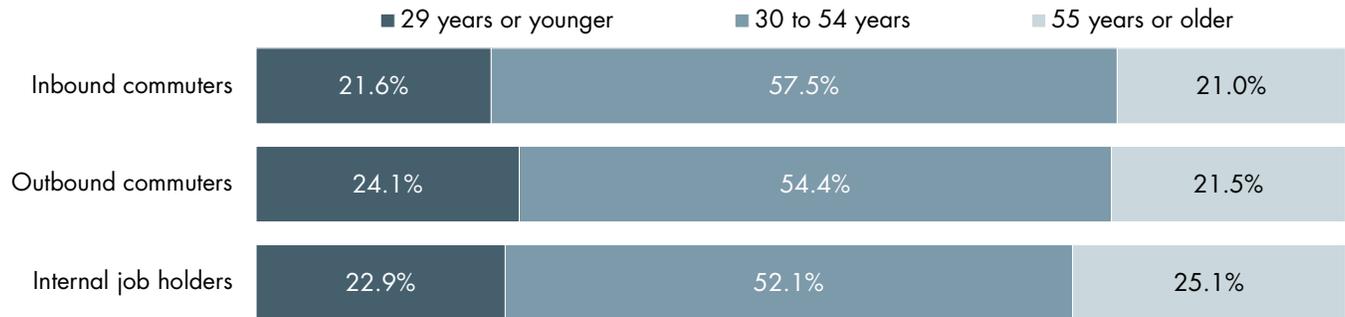


Source: US Census Bureau, Local Employment Dynamics.

FIGURE 25. SELECTED JOBHOLDER CHARACTERISTICS, 2014
SHARE OF WORKERS BY TYPE OF COMMUTING FLOW

AGE

Internal jobholders, or people living and working in California City, tend to be slightly older than outbound and inbound commuters, but otherwise the distribution looks similar across age cohorts.



EARNINGS

Inbound commuters are much more likely to be in higher-paying jobs than internal jobholders and outbound commuters. Nearly 54 percent of inbound commuters to California City are in jobs that earn more than \$3,333 per month, compared to 43 percent of outbound commuters and only 20 percent of people living and working in California City. This data is likely a result of the high-wage employment at the California City Correctional Facility.



INDUSTRY CLASS

The starkest differences in the characteristics of California City’s commuting flows are by industry. Approximately one out of four outbound commuters leaves the community for jobs in the goods-producing sector (manufacturing), compared to less than 10 percent of internal jobholders and inbound commuters. Nearly 90 percent of inbound commuters work in service jobs.

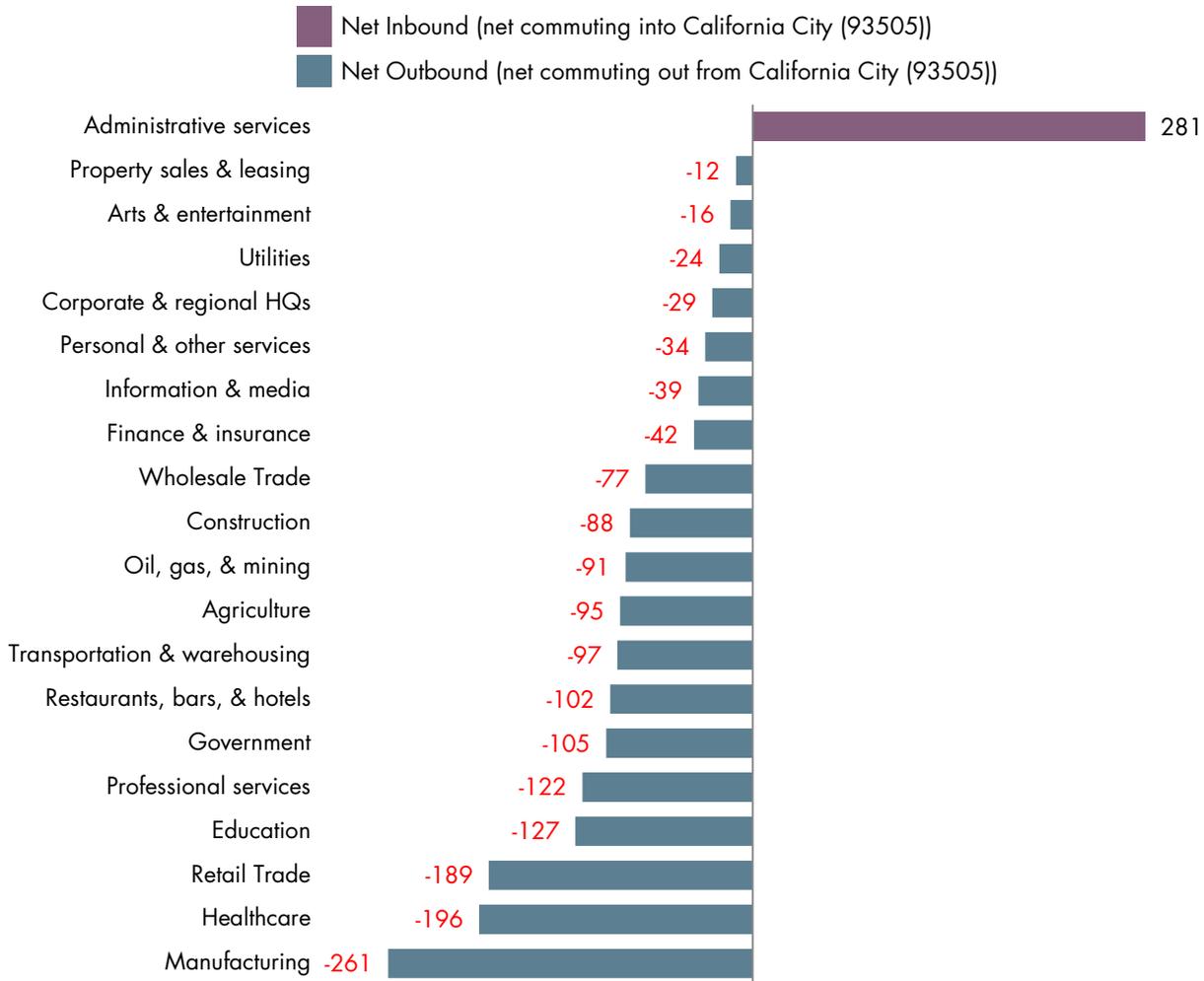


Source: (all above) US Census Bureau, Local Employment Dynamics

CALIFORNIA CITY, CA

California City is a net exporter of workers to employment locations outside the community in every industry, with the exception of administrative services. This sector includes firms that perform routine support activities for the day-to-day operations of other organizations. Activities performed include office administration; human resource management; document preparation and similar clerical services; solicitation, collection, security and surveillance services; cleaning; and waste disposal services. The net number of workers gained in California City in administrative services jobs is roughly equivalent to the net number of workers who leave for manufacturing jobs.

FIGURE 26. DAILY NET INFLOW/OUTFLOW OF WORKERS BY SECTOR, 2014
NET INBOUND/OUTBOUND COMMUTING FLOWS BY SECTOR



Source: US Census Bureau, Local Employment Dynamics

CALIFORNIA CITY, CA

Nearly one-third of people working in California City also live in the community. California City is the work location for approximately 14 percent of employed residents, followed by Mojave (9.8 percent), Lancaster (7.3 percent), Los Angeles (5.8 percent), and Bakersfield (5.5 percent).

FIGURE 27. LABORSHED & COMMUTE SHED DESTINATIONS, 2014

TOP 10 PLACES IN CALIFORNIA CITY'S LABORSHED (WHERE WORKERS LIVE) & COMMUTE SHED (WHERE EMPLOYED RESIDENTS WORK)

WHERE CALIFORNIA CITY (93505) WORKERS LIVE

City (Place)	Count	Share
1 California City city, CA	364	30.6%
2 San Diego city, CA	103	8.7%
3 Chula Vista city, CA	77	6.5%
4 Lancaster city, CA	60	5.1%
5 Rosamond CDP, CA	42	3.5%
6 Mojave CDP, CA	41	3.5%
7 Los Angeles city, CA	31	2.6%
8 Palmdale city, CA	29	2.4%
9 Tehachapi city, CA	26	2.2%
10 Golden Hills CDP, CA	22	1.9%
All Other Locations	393	33.1%
Total	1,188	100.0%

WHERE EMPLOYED CALIFORNIA CITY (93505) RESIDENTS WORK

City (Place)	Count	Share
1 California City city, CA	363	13.7%
2 Mojave CDP, CA	259	9.8%
3 Lancaster city, CA	193	7.3%
4 Los Angeles city, CA	155	5.8%
5 Bakersfield city, CA	145	5.5%
6 Palmdale city, CA	95	3.6%
7 Boron CDP, CA	90	3.4%
8 Ridgecrest city, CA	55	2.1%
9 Santa Clarita city, CA	37	1.4%
10 Edwards AFB CDP, CA	36	1.4%
All Other Locations	1,225	46.2%
Total	2,653	100.0%

Source: US Census Bureau, Local Employment Dynamics

Note: The commuting patterns analysis was conducted for the 93505 ZIP Code, not California City, in order to be consistent with other data elements presented in this report. The slight discrepancy between the number of workers that live in California City (364) and the number of employed California City residents that work in California City (363) is a result of the difference in the boundaries of the two geographies.

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