

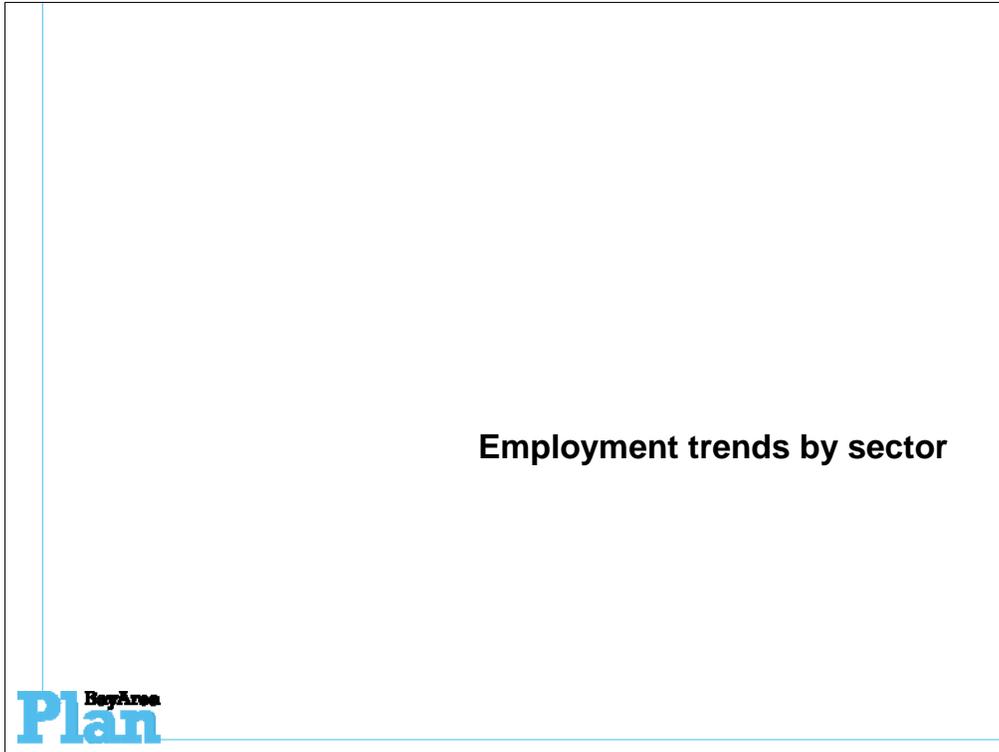
Data sources used for this employment trends analysis of the San Francisco Bay Area include:

California Employment Development Department – 1990-2008 employment by sector and by county

US Census Longitudinal Employer-Household Dynamics – 2008 employment estimates by sector by census block

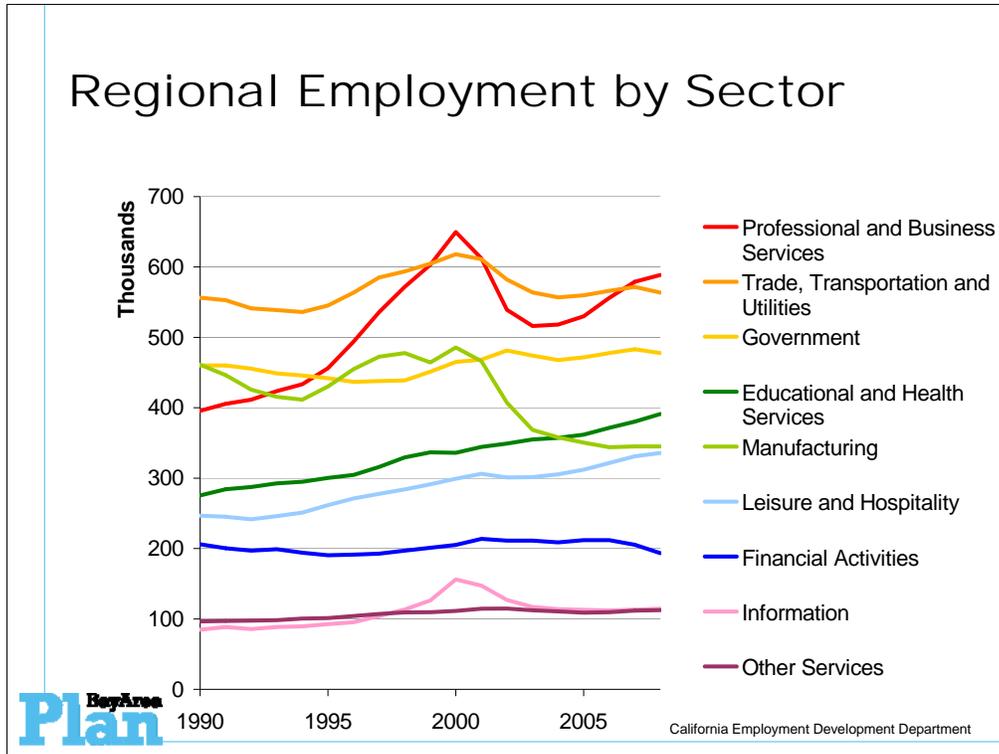
California Employment Development Department, California Department of Transportation, Association of Bay Area Governments – 2018 and 2035 employment forecasts by sector

National Establishment Time-Series database, Association of Bay Area Governments – draft 2010 employment by sector by Priority Development Area and Growth Opportunity Area Place Type

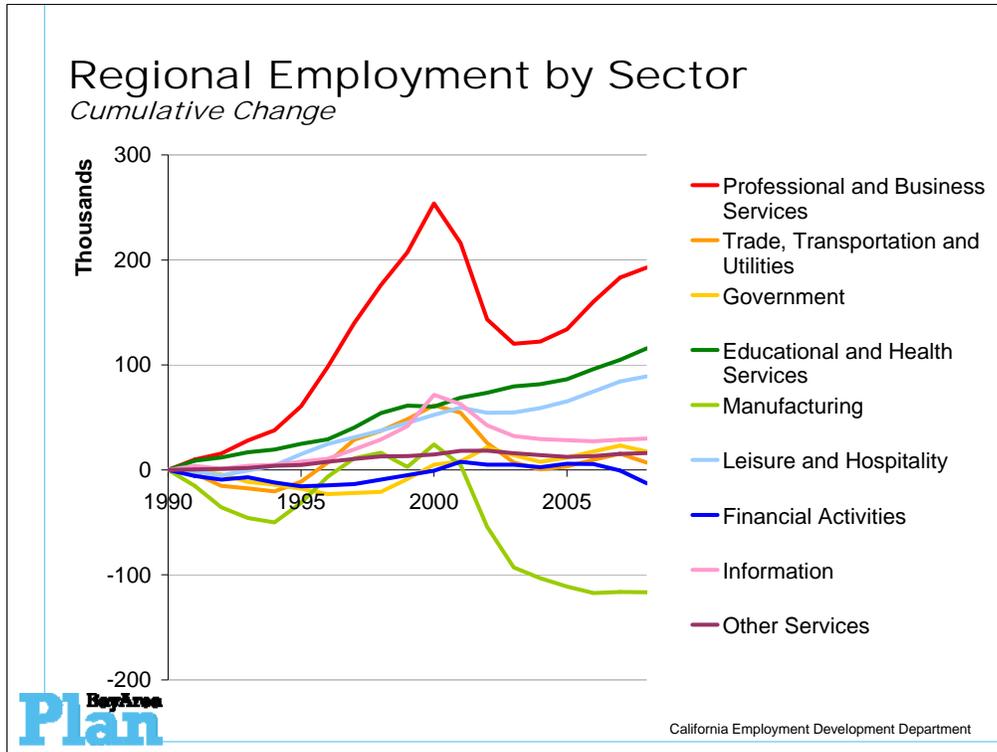


To understand employment trends over the past couple of decades in the Bay Area, we will first look at the distribution of jobs by major industry sector over time.

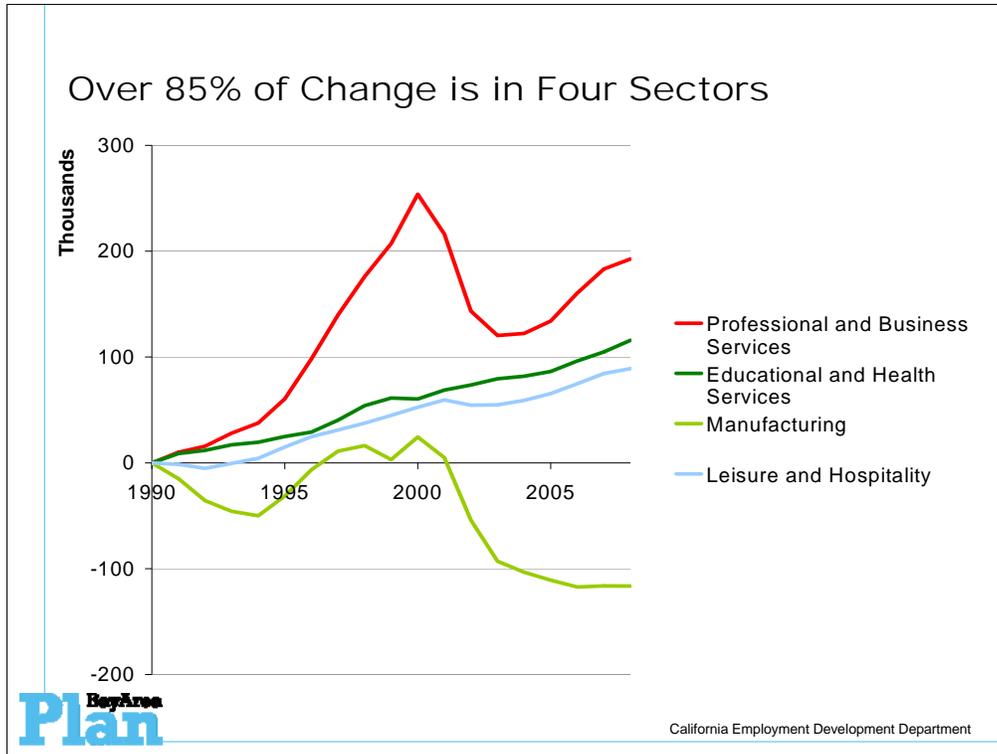
The following charts show total jobs broken out by nine major industry sectors.



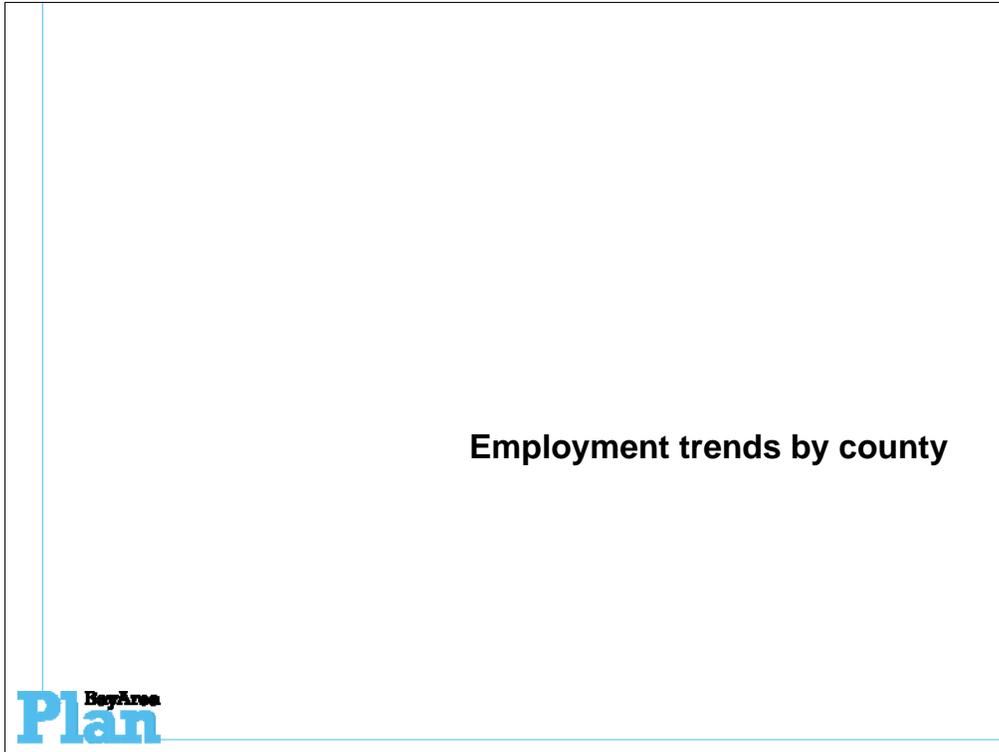
There have been some dramatic fluctuations in employment by major industry sector over the past twenty years.



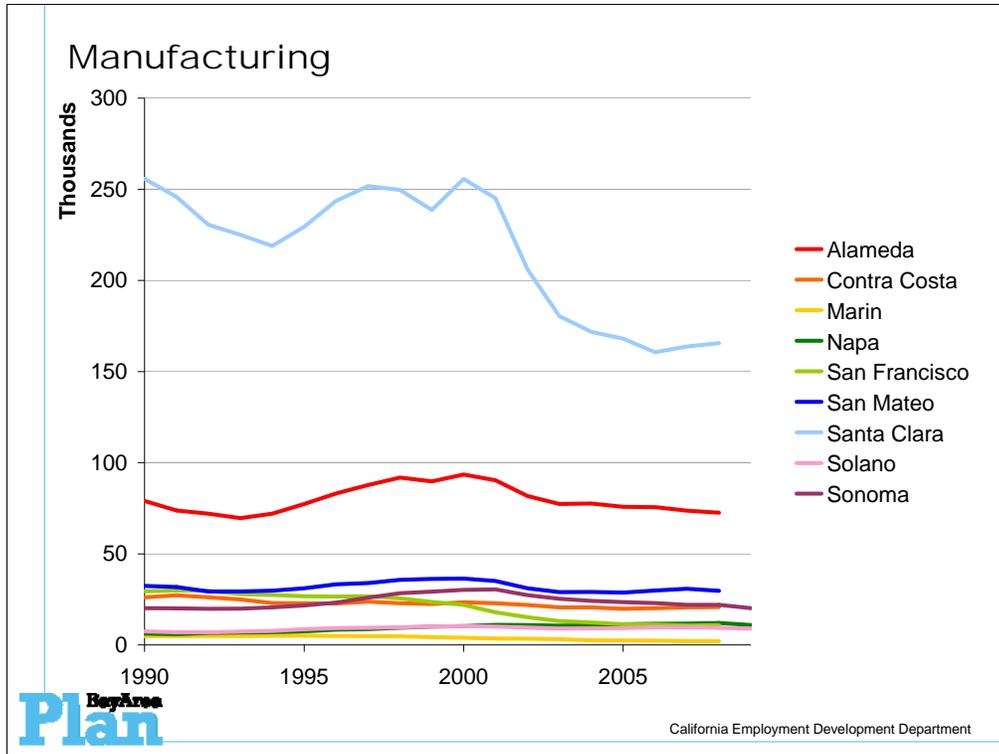
Looking at the cumulative change in number of jobs by sector, we can see that the largest fluctuations were in Professional and Business Services and Manufacturing. Both dropped significantly after the dot com crash, with Manufacturing losses continuing to a lesser degree and Professional and Business Services regaining ground in the period since.



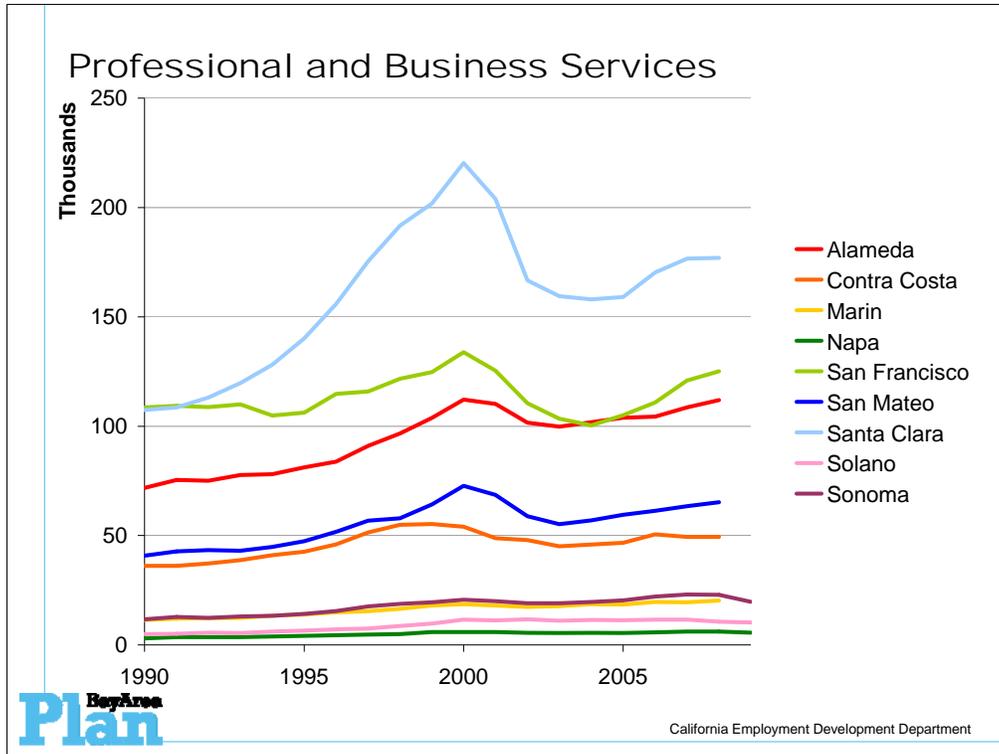
Four of the industry sectors make up over 85% of the cumulative change in jobs since 1990. Aside from Professional and Business Services gains and Manufacturing losses, Educational and health Services and Leisure and Hospitality both added around 100,000 jobs over the 1990-2008 period.



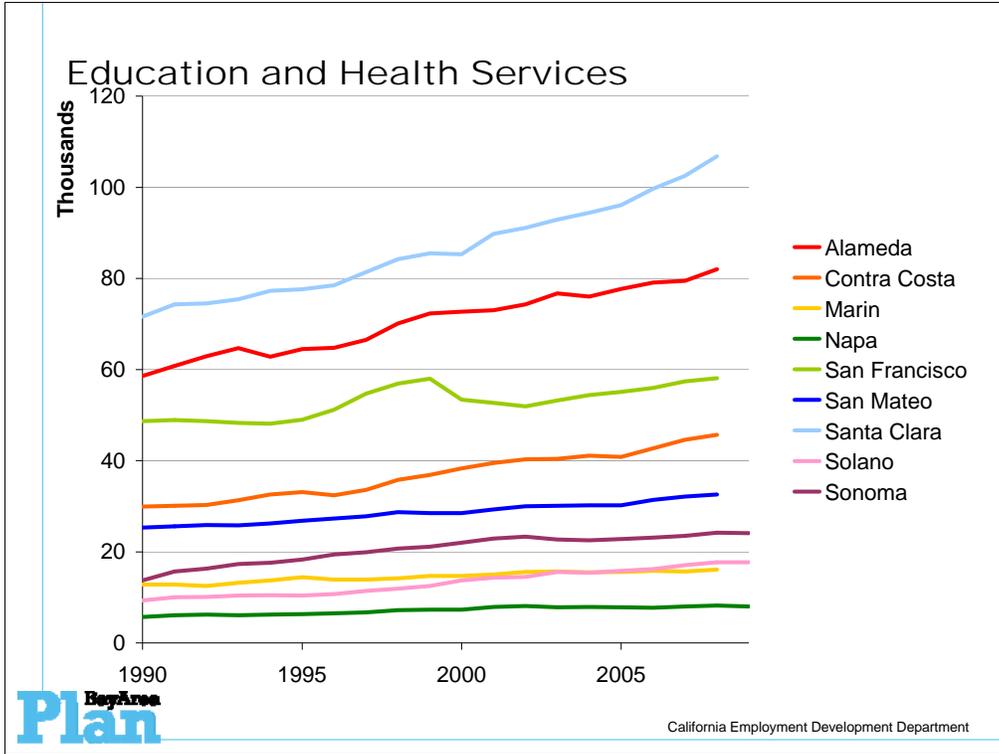
The four employment sectors responsible for the majority of change in regional jobs are not equally distributed throughout the region. We will first look county-by-county at these four sectors that dominate the region's job change over the last couple of decades.



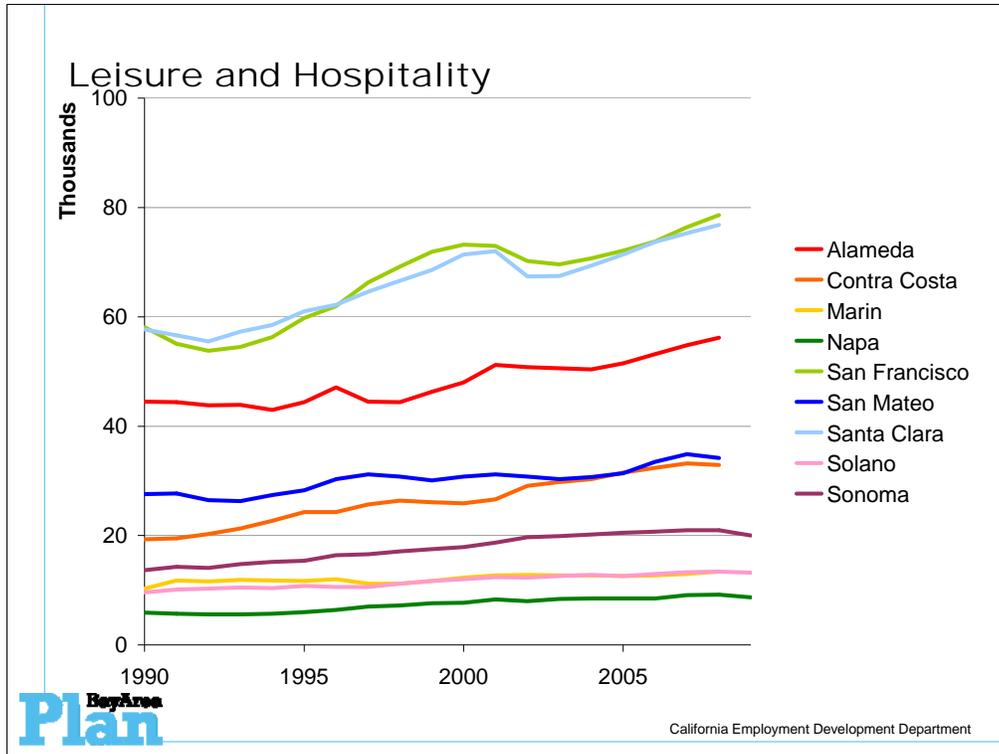
The loss in Manufacturing jobs is largely a story of change in Santa Clara County.



Growth in Professional and Business Services were seen in Santa Clara and Alameda, as well as San Francisco and San Mateo counties. Major boom/bust fluctuations can be seen in Santa Clara and San Francisco.



Gains in education and health jobs are more evenly shared throughout the region.

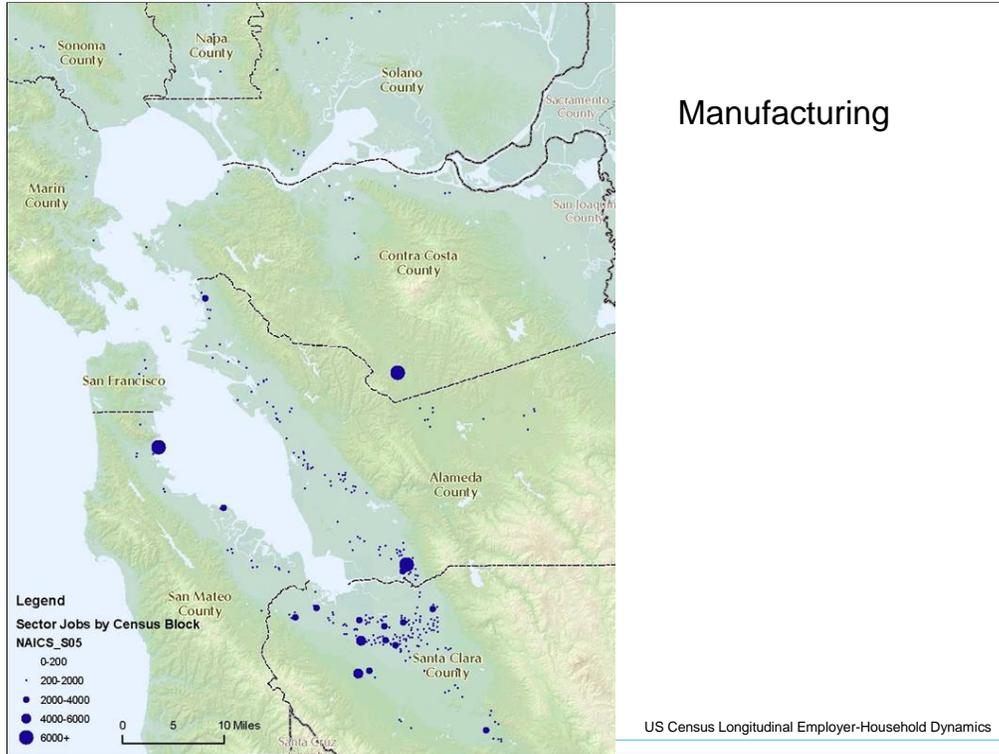


Similarly, leisure and hospitality job gains are distributed throughout the nine counties.

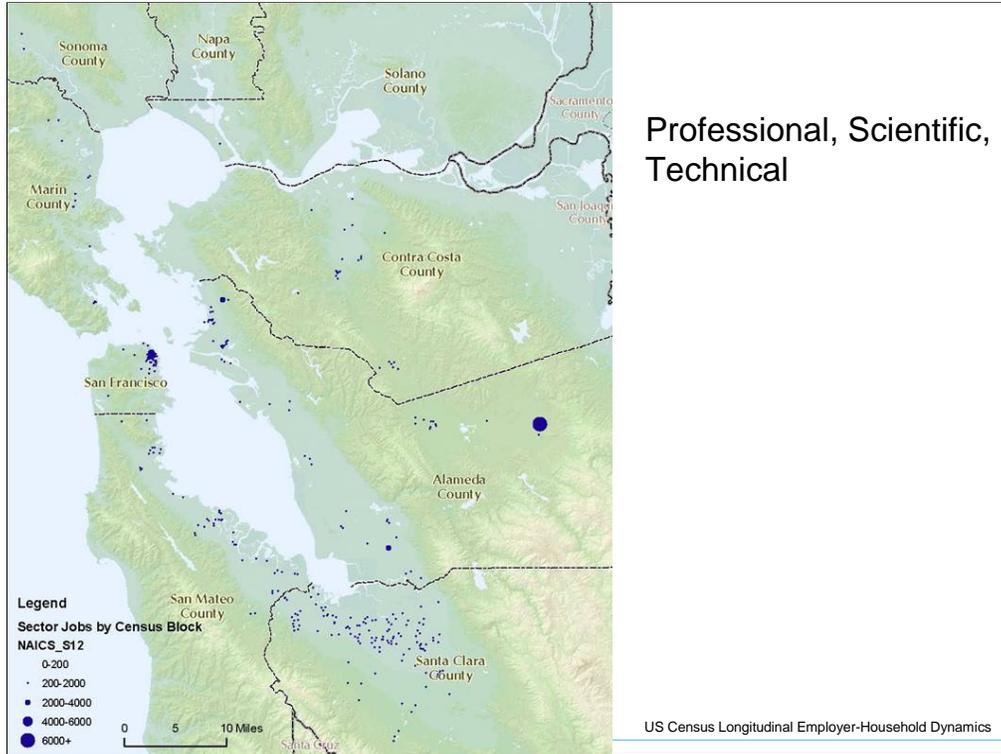


We can also look at the spatial distribution of jobs by various industry sector. The subsequent maps show the number of jobs in a particular sector within each census block. The larger the dot, the more jobs there are in a particular census block. The more dots there are together, the more jobs there are clustered together in neighboring census blocks. The sectors shown best match the four major change sectors explored above.

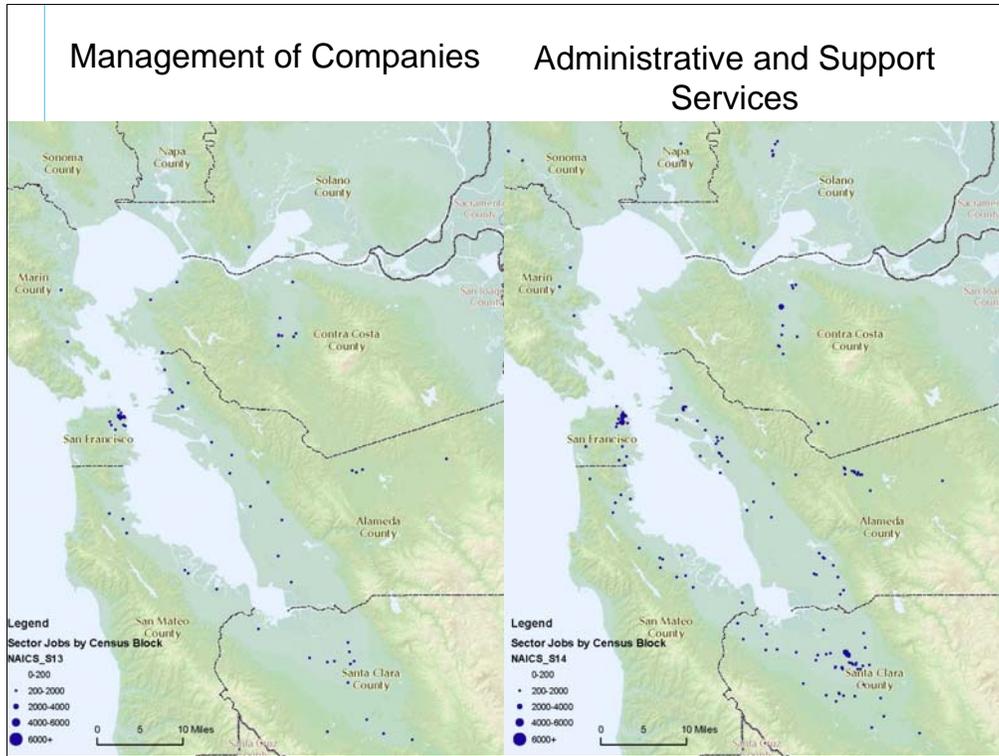
The job scale used for these maps was not very useful for the North Bay. The North Bay county totals are presented above, but the spatial distribution of the jobs in the North Bay is not captured in the following maps.



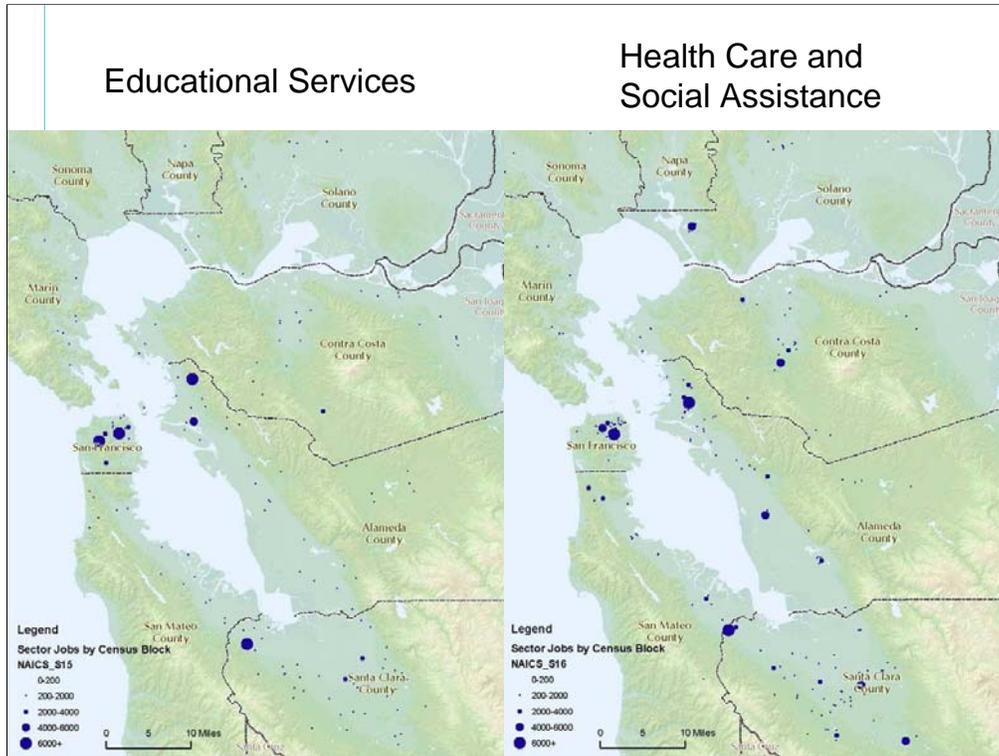
Manufacturing jobs are a mix of large companies and a wider spread of smaller companies. Job losses in the sector were concentrated in Santa Clara county, at least over 1990-2008, as Silicon Valley shifted towards more Professional and Business Services.



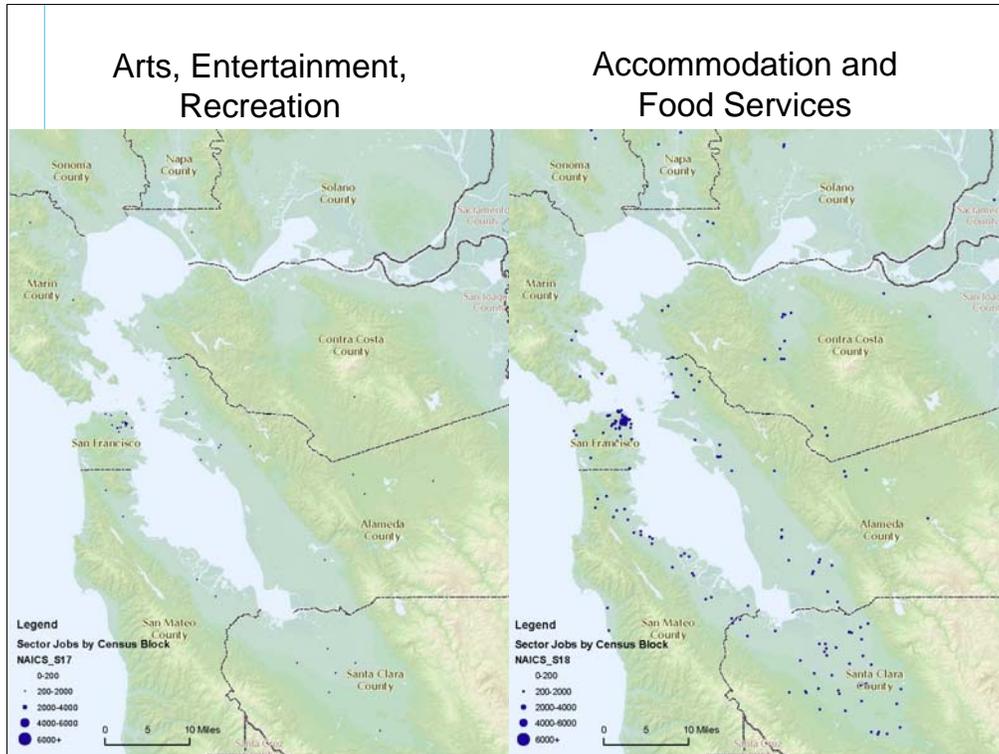
Professional, Scientific, and Technical industries reflect lower spatial concentration within particular census blocks.



Management of Companies and Administrative and Support Services are also part of the Professional and Business Services sector. These jobs show some significant concentrations in some of the more suburban employment areas in the region.



Educational Services jobs are highly concentrated in major institutions, but there is also considerable concentration in Health Care and Social Assistance jobs in key facilities. These industries also have a portion of jobs that are more local-serving and more distributed throughout the region.



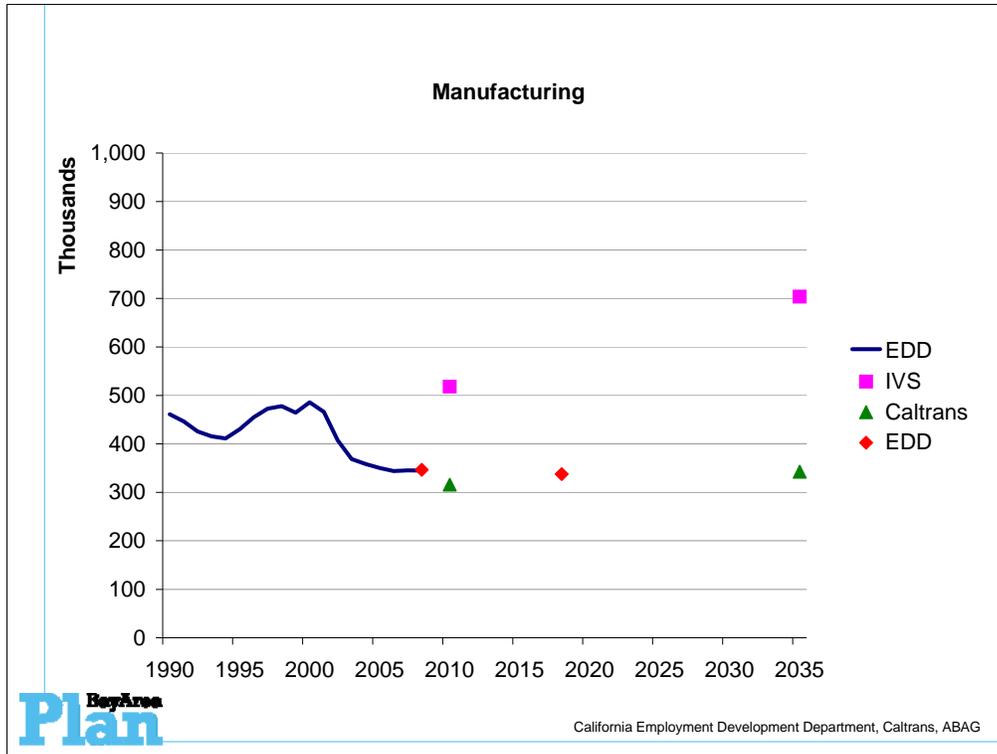
While Arts, Entertainment, and Recreation has seen significant growth, Accommodation and Food Services makes up a much larger share of Leisure and Hospitality jobs. These jobs are widely distributed, as well as showing significant numbers in numerous census blocks in downtown San Francisco.



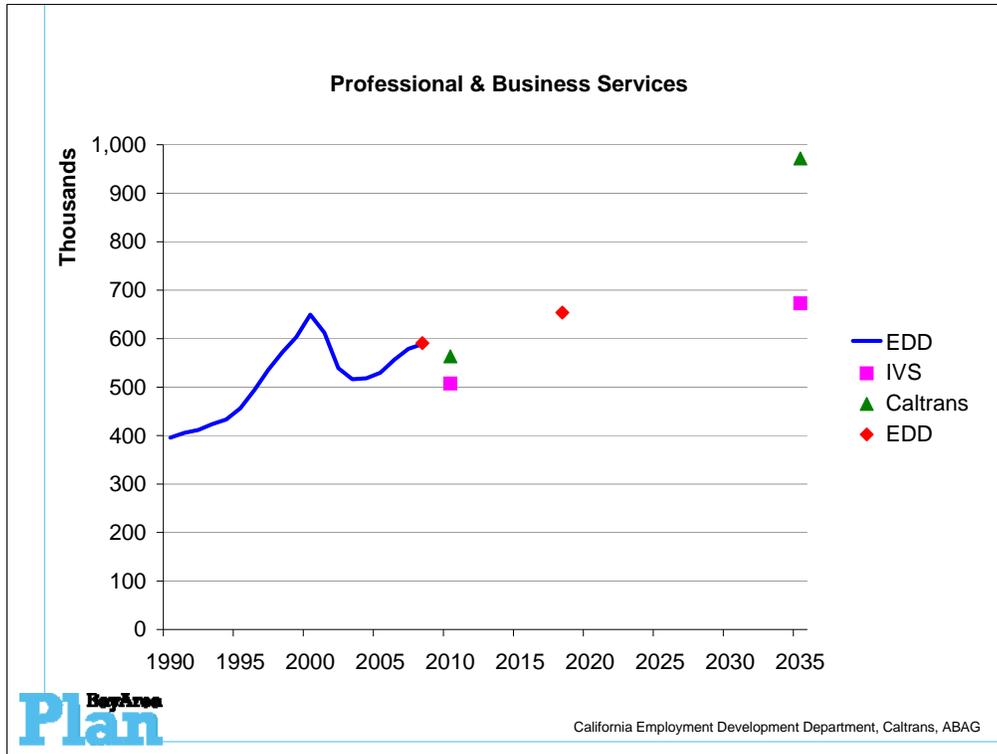
There is a wide range in variability of various outside forecasts of future job growth by sector. Much of the difference can be attributed to differences in classification – each forecast has a different method for grouping various industries into the larger sectors for which they forecast.

The big difference between Caltrans and the Initial Vision Scenario forecasts for Manufacturing and Professional and Business Services is illustrative. Some industries are classified as Manufacturing in the Initial Vision Scenario and as Professional and Business Services in the Caltrans forecast. The ABAG forecast also groups Wholesale Trade into the Manufacturing category rather than Retail, as our interest is in the land use and spatial needs associated with the various jobs.

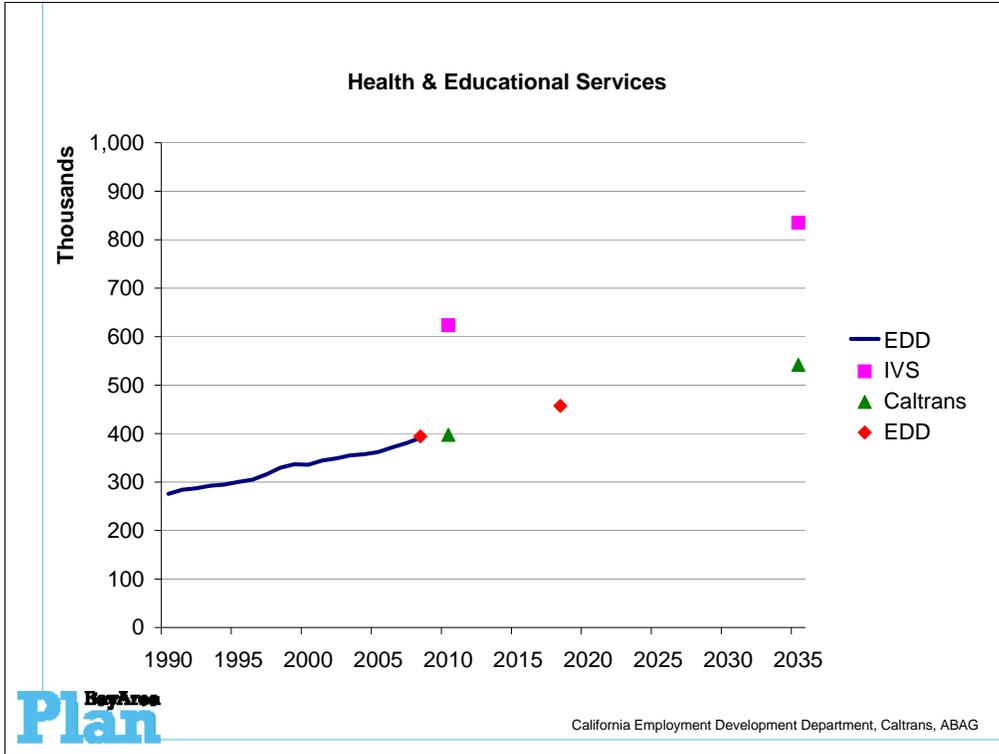
The important element for the forecast of different sector jobs will be what they mean for the spatial distribution of those future jobs. However the future jobs are sliced by sector, our interest is in looking at those jobs in the future that might reflect different spatial patterns than we see today.



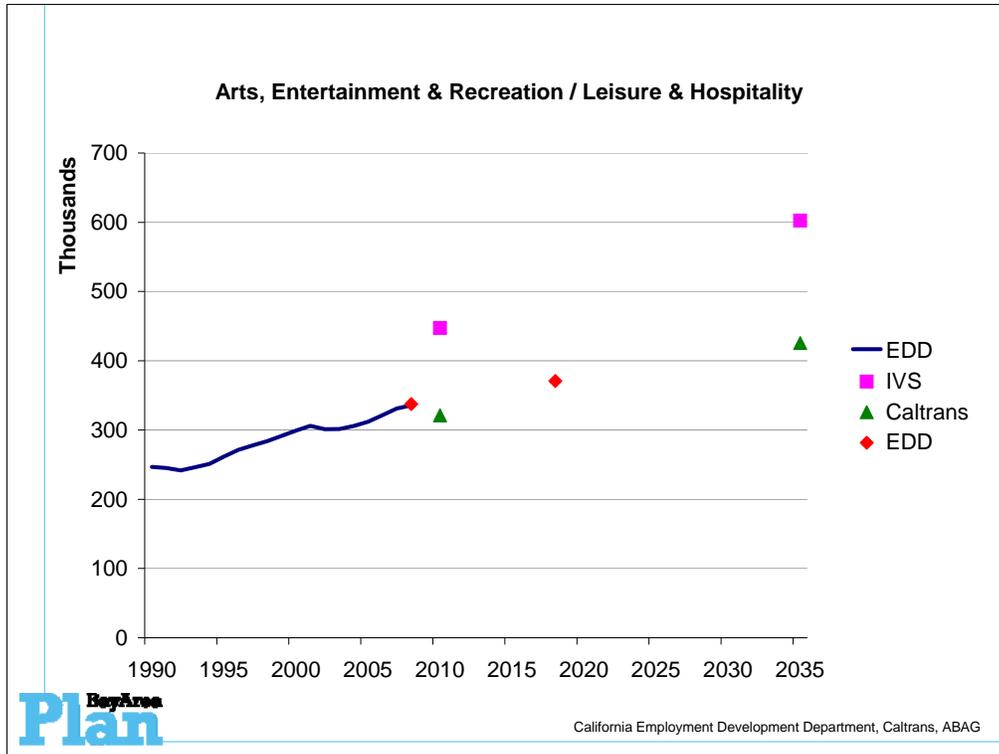
Caltrans and EDD show Manufacturing growth flat, while the Initial Vision Scenario shows higher employment in this sector. Some is attributed to the inclusion of Wholesale Trade, and some is a difference in what is Manufacturing and what is Professional and Business Services, but we will be looking at these sectors more closely for the employment distribution in the Alternative Scenarios.



As discussed above, the Initial Vision Scenario shows lower growth in Professional & Business Services, attributing more to Manufacturing.



While the base 2010 numbers are different between the Initial Vision Scenario and other forecasts, all show similar rates of growth in Health & Educational Services.

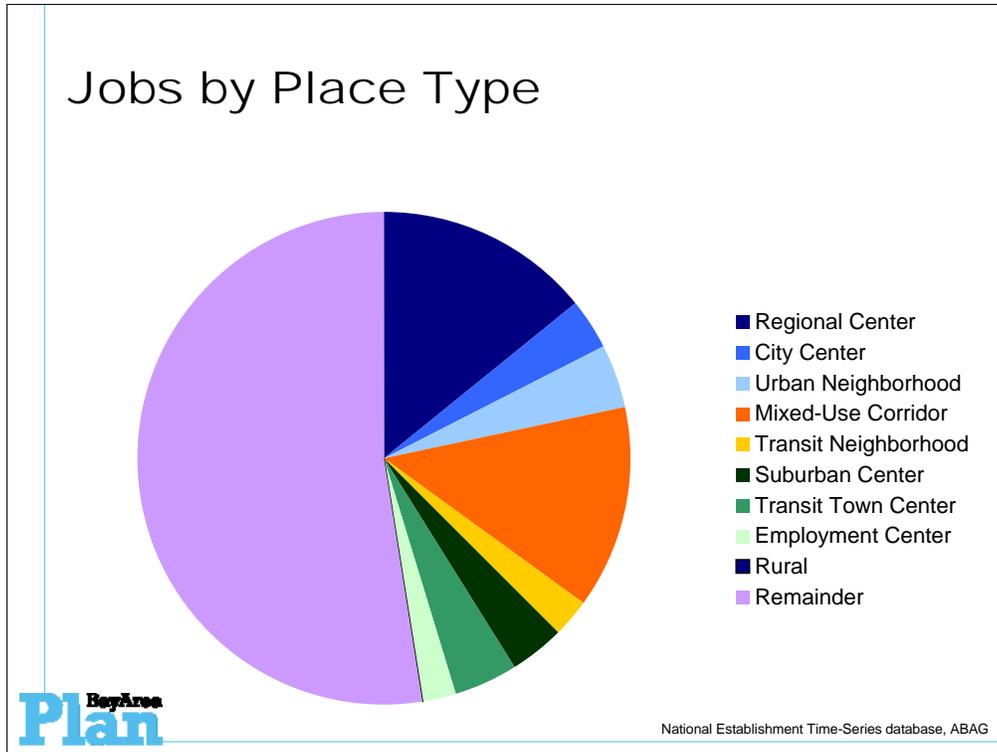


Again, although base numbers are different, the various forecasts show similar growth rates in the future for Arts, Entertainment & Recreation / Leisure & Hospitality.

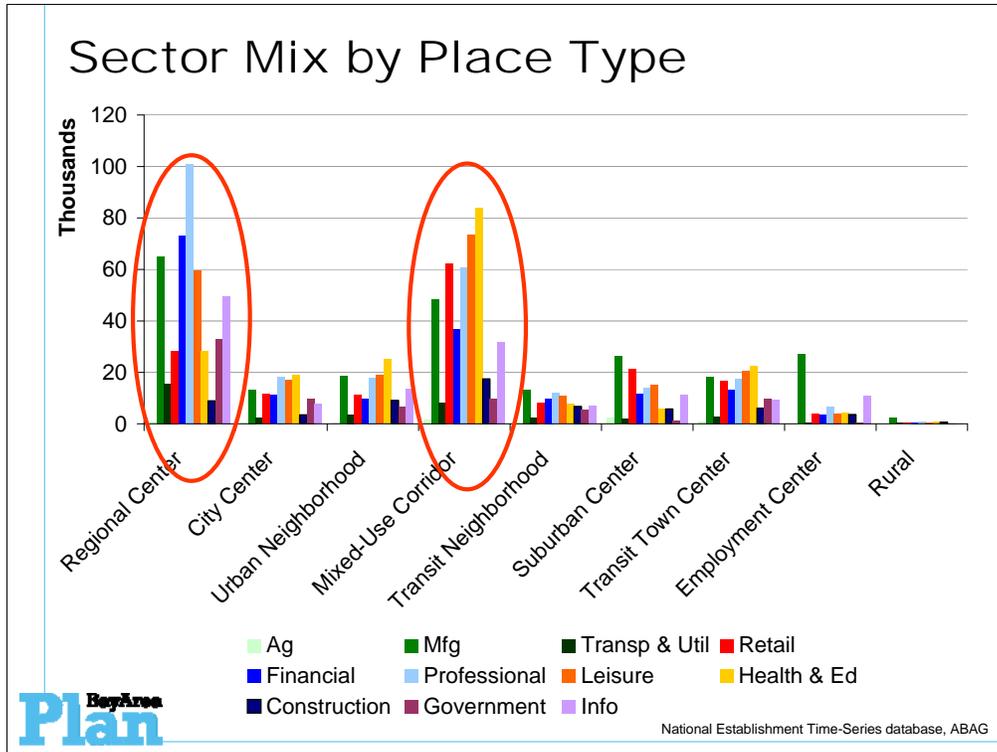
The employment role of PDAs and Growth Opportunity Areas

BayArea
Plan

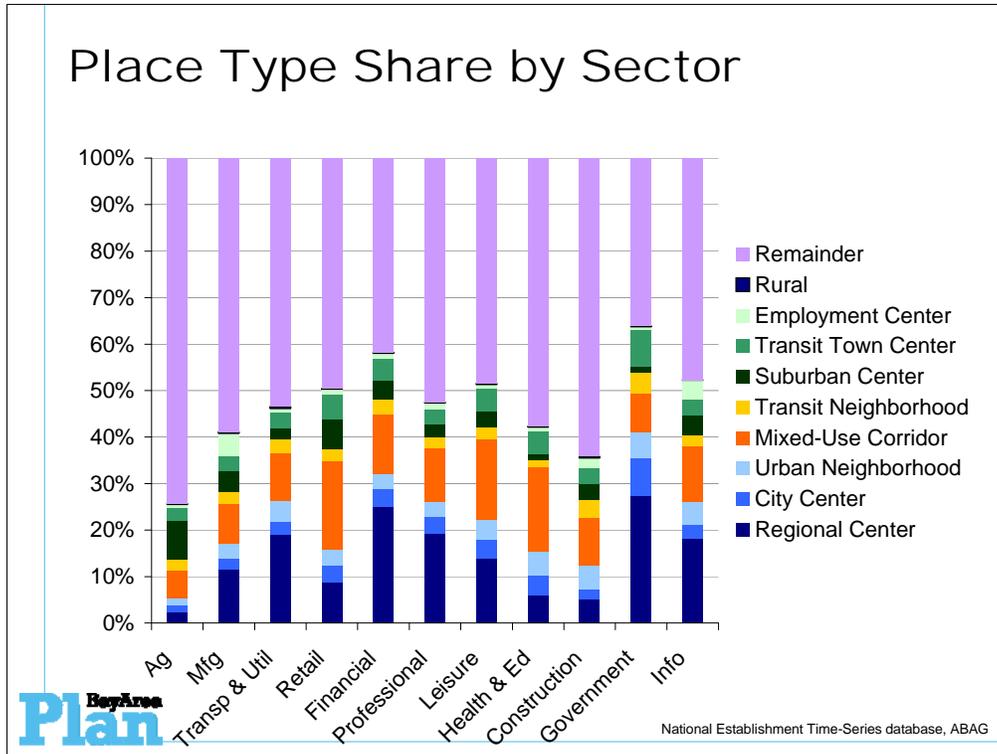
Using new employment data, we have begun to further analyze the role of Priority Development Areas and Growth Opportunity Areas in the regional economy today.



Today, Priority Development Areas and Growth Opportunity Areas contain close to half of the region's jobs. While this means over half of the jobs are still outside of these areas, this is a higher concentration than there is currently in housing. Regional Centers, City Centers, and Urban Neighborhoods make up about 20% of the region's jobs, while Mixed-Use Corridors and Transit Neighborhoods comprise a similar percentage.



Place Types also reflect different sector profiles. Regional Centers have more Professional and Financial jobs, while Mixed-Use Corridors have more Health & Education, Leisure, and Retail jobs. Employment Centers and Suburban Centers are dominated by Manufacturing.



We can also look at the Place Type share of different sectors. Agriculture and Construction are, as might be expected, the least concentrated in Priority Development Areas and Growth Opportunity Areas. Government, Financial, Information, and Leisure are the most concentrated.

Alternative employment distribution

These final slides discuss initial thoughts on the approach to employment distribution between the various Alternatives to be developed for the Sustainable Communities Strategy.

Potential Shifts by Sector Characteristics

- **Agriculture, Manufacturing, Transportation & Utilities** – no change (or some shift to outer nodes)
- **Retail, Health & Education, Leisure, Construction** – shift relative share of local-serving to follow housing growth
- **Financial, Professional, Information** – shift a portion of vertical office to centers (or possibly outer nodes)
- **Major facilities: universities, hospitals, government facilities, regional retail** – Transit to existing and siting of new major facilities



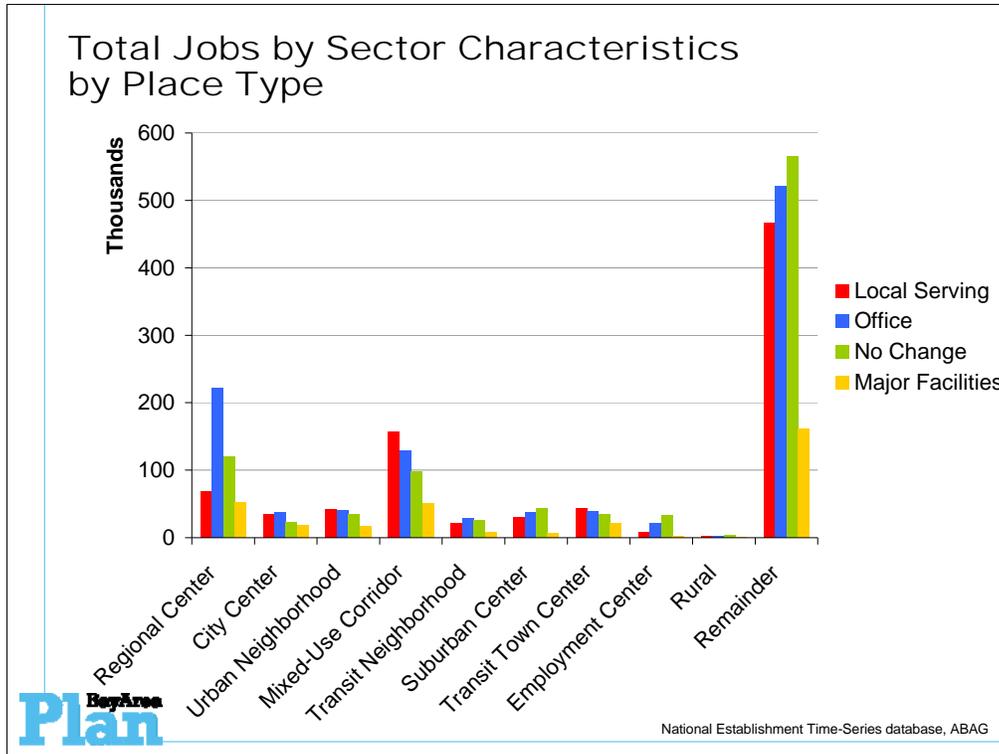
In order to discuss potential changes in job distribution in the future, we can regroup jobs into four categories according to their spatial configuration and location requirements. These categories can then be treated independently to reflect different distribution outcomes associated with the various scenarios.

Some industry sectors would not likely be shifted between scenarios, or possibly would see some concentration in Priority Development Areas or Growth Opportunity Areas in a scenario that sees additional outward job growth, as these sectors are more dominant in some of the Place Types more represented in outlying areas. These sectors require specific locations (agriculture) or are land-intensive and not likely to concentrate in the denser, mixed-use locations represented by most Priority Development Areas and Growth Opportunity Areas (light and heavy manufacturing, goods movement).

Local-serving jobs (such as retail, construction, and food service) tend to locate near where people live. Jobs in these industries are likely to shift to some extent to match the location of housing growth in the alternative scenarios.

Industries that utilize more vertical office space (financial, professional, information) might see additional concentration in different locations among the scenarios. Vertical office uses show higher compatibility for mixed-use, denser, and transit-served locations. While these jobs tend to locate near where they are already concentrated, some shift over time to follow the labor pool, infrastructure investments, and potential changing policy and behavior could be anticipated.

Transit to major employers or institutions (universities, hospitals, malls) and/or policies that might influence siting of new facilities might also be considered within the alternative scenarios.



Using this reclassification on the existing distribution of jobs, different Place Types show different profiles, which would support further emphasizing growth of different types of jobs in the scenarios that push growth in different places.