

A Look at the San Diego Region Through the COVID-19 Pandemic

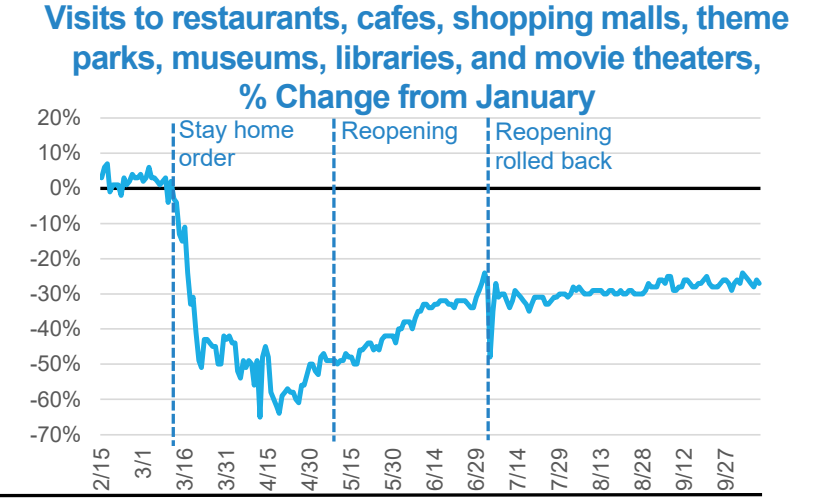
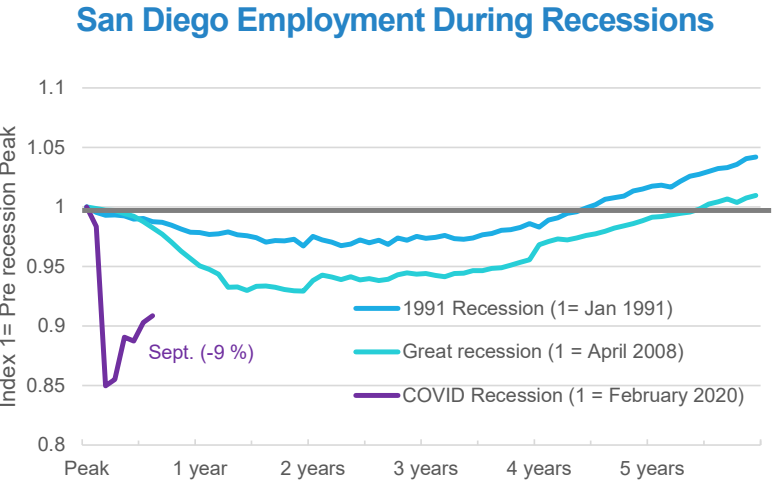


APWA Economic Roundtable

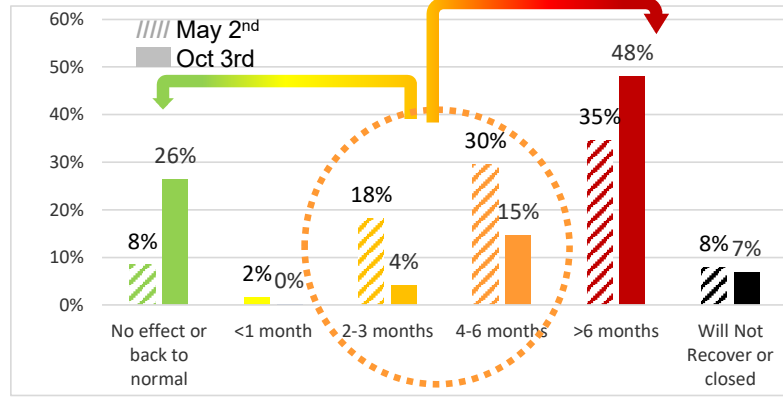
November 12, 2020

Presented by
Ray Major, Chief Economist

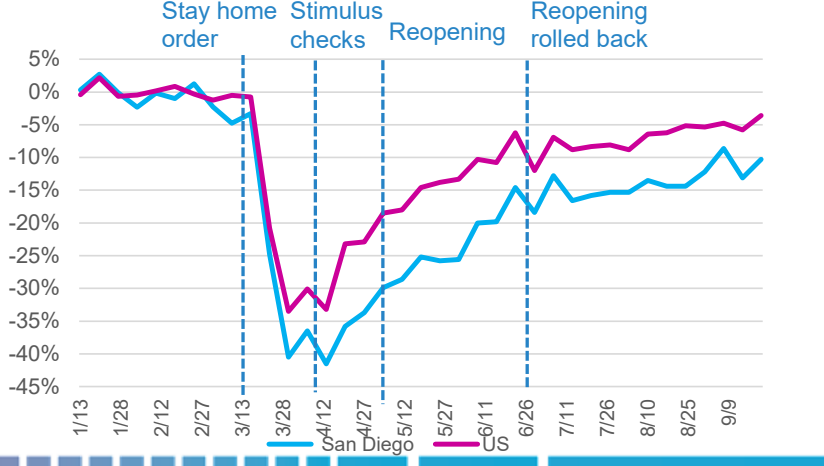
SAN DIEGO REGIONAL ECONOMY: STILL A LONG WAY TO GO



Small Business Survey, San Diego: How long before this business returns to its normal level of operations?

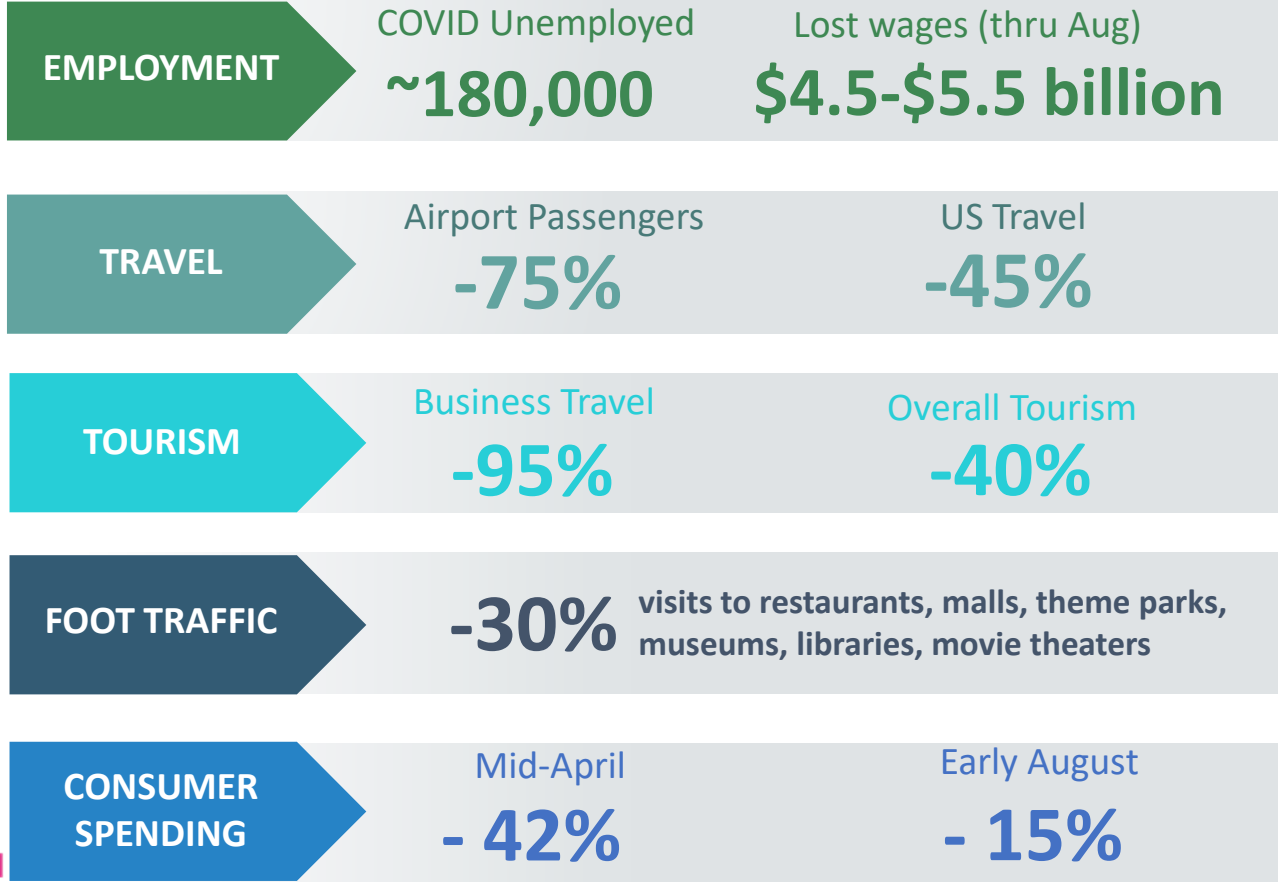


Credit/Debit Card Spending, % Change from January



Source: BEA, Census Bureau Solutions, Google mobility report, Opportunity Insights

OVERALL COVID-19 IMPACT ON THE SAN DIEGO REGIONAL ECONOMY



San Diego GRP

Calendar year 2020

↓ **\$10-15 billion**

-3.8% to -5.7%

During the Great Recession, San Diego GRP was down 5% in 2009

Taxable Sales

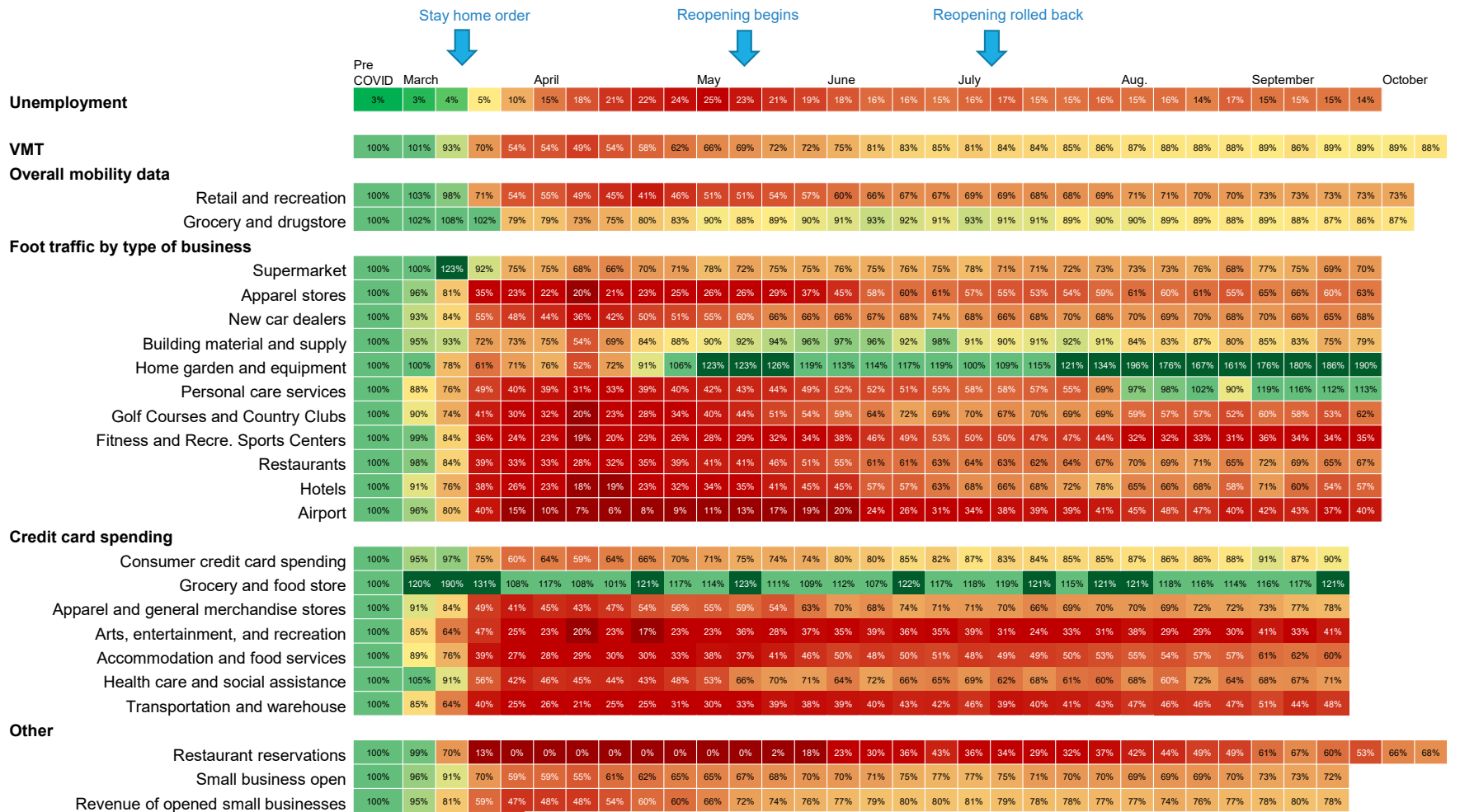
Calendar year 2020

↓ **\$5-7 billion**

-8% to -11%

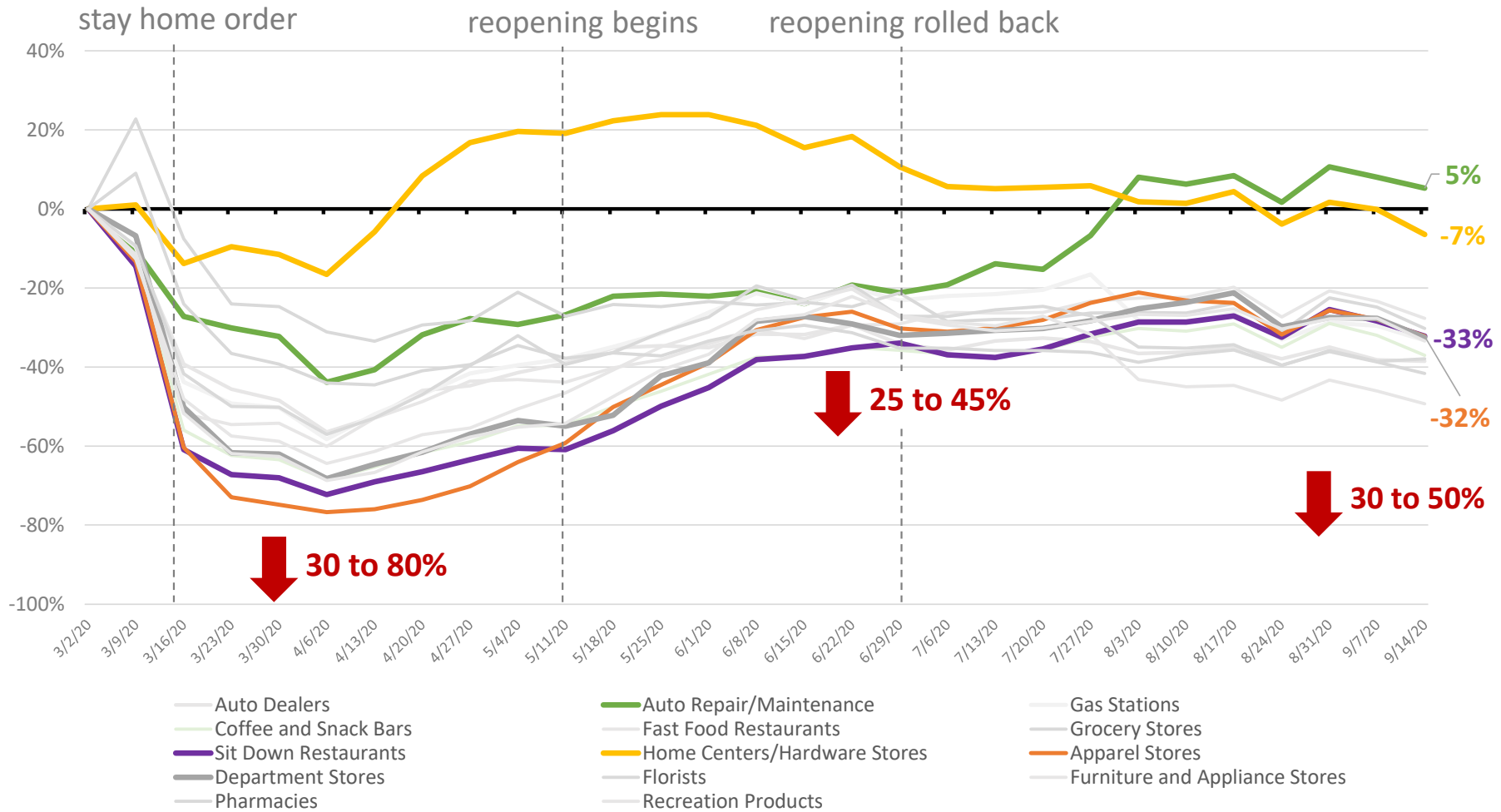
During the Great Recession, taxable sales were down 12% in 2009

TRACKING THE RECOVERY



Sources: SANDAG based on Applied Geographic Solutions, Inc., Thousand Oaks, California; Caltrans PeMS, Google mobility, SafeGraph COVID-19 Response Dataset - Weekly Patterns, Open table; "How Did COVID-19 and Stabilization Policies Affect Spending and Employment? A New Real-Time Economic Tracker Based on Private Sector Data", by Raj Chetty, John Friedman, Nathaniel Hendren, Michael Stepner, and the Opportunity Insights Team. June 2020. Available at: https://opportunityinsights.org/wp-content/uploads/2020/05/tracker_paper.pdf

ACTIVITY LEVELS AT BUSINESSES IN THE SAN DIEGO REGION

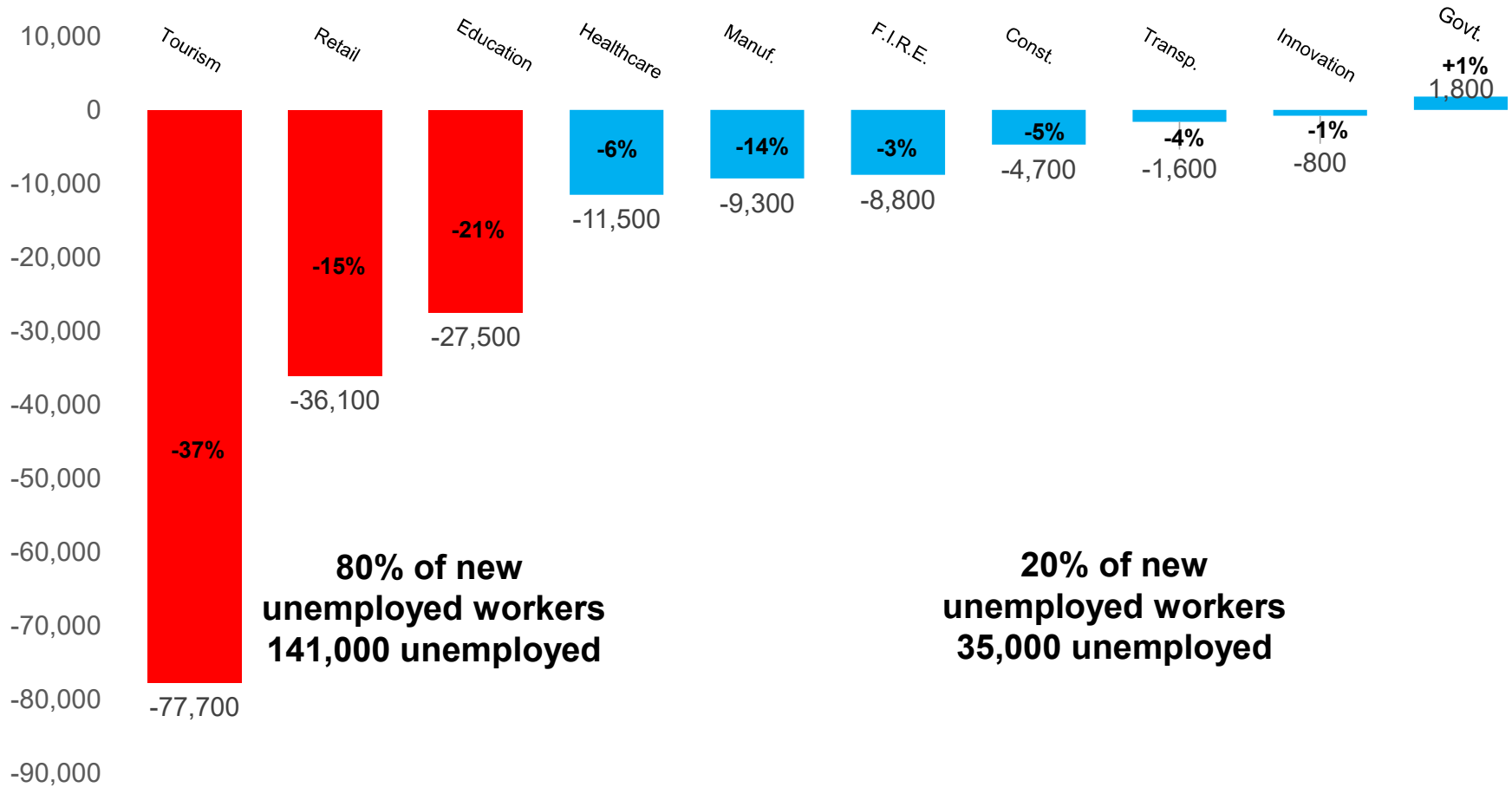


Sources: SafeGraph COVID-19 Response Dataset - Weekly Patterns



SAN DIEGO REGION ESTIMATED JOB LOSS BY KEY ECONOMIC SECTOR – AUGUST 2019 TO AUGUST 2020

Data Science & Analytics



**80% of new unemployed workers
141,000 unemployed**

**20% of new unemployed workers
35,000 unemployed**

Source: SANDAG estimates using August 2020 Employment Development Department Industry employment Release date September 18, 2020; and Applied Geographic Solutions, Inc., Thousand Oaks, California, Weekly Release September 14, 2020. Note: does not include uniformed service military employment.

JOB LOSS IN TOURISM, RETAIL, AND EDUCATION SECTORS

80% of job loss due to COVID-19 was in the tourism, retail, and education sectors

TOURISM

Pre-COVID

13% of regional employment
202,500 jobs

COVID-19 Impact (first six months)

77,700 total jobs lost
37% job loss in sector
\$1.4 billion in lost wages

Job Losses

- Female = 37,000
- Youth (16-24) = 23,800
- Black = 2,700
- Hispanic = 32,300

RETAIL

Pre-COVID

15% of regional employment
245,400 jobs

COVID-19 Impact (first six months)

36,100 total jobs lost
15% job loss in sector
\$765 million in lost wages

Job Losses

- Female = 18,100
- Youth (16-24) = 6,100
- Black = 1,300
- Hispanic = 13,800

EDUCATION

Pre-COVID

- 9% of regional employment
- 144,000 jobs

COVID-19 Impact (first six months)

- 27,500 total jobs lost
- 21% job loss in sector
- \$827 million in lost wages

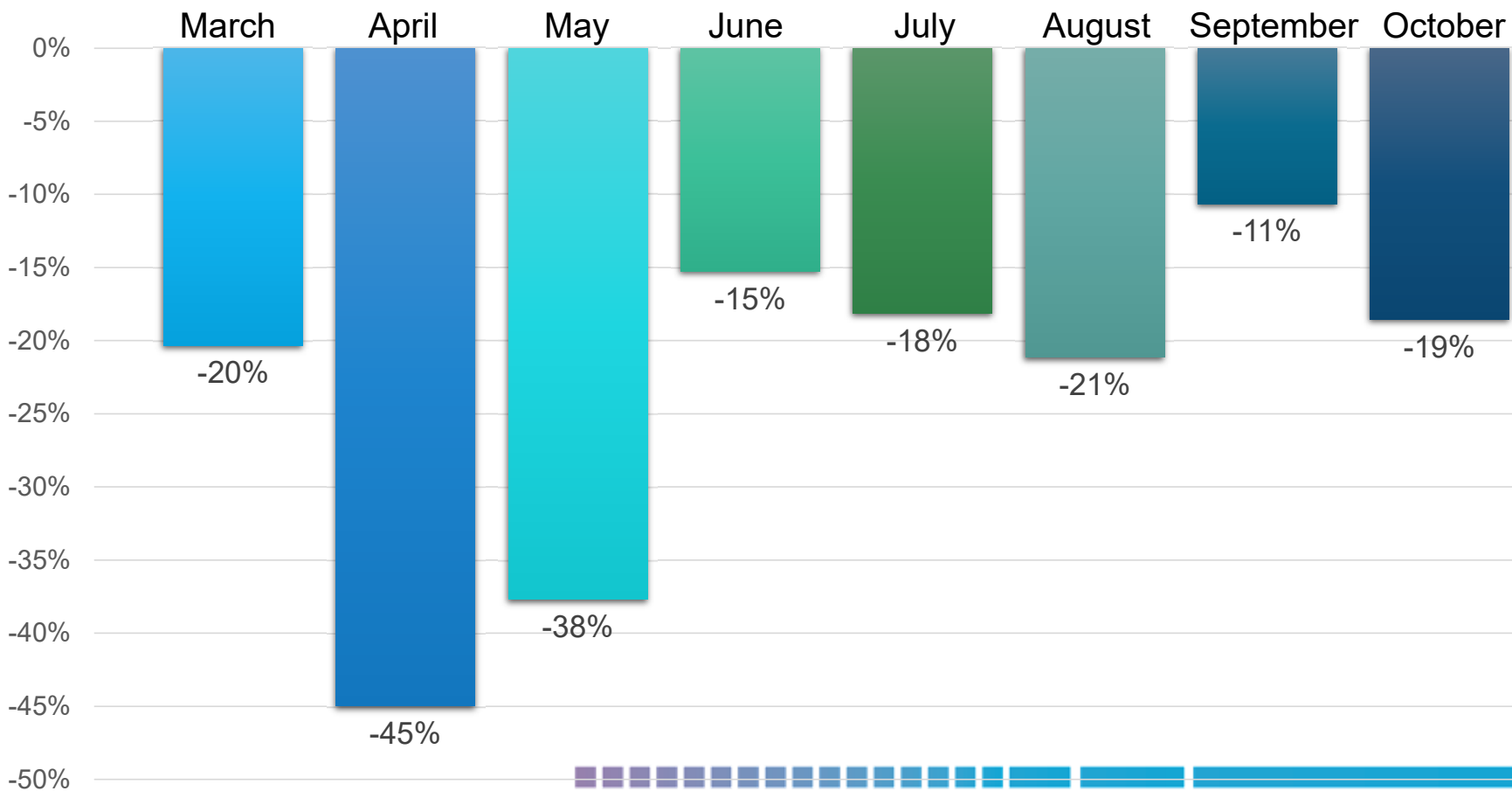
Job Losses

- Female = 18,800
- Youth (16-24) = 2,800
- Black = 1,400
- Hispanic = 7,600



FREEWAY TRAVEL TRENDS

Average Decreases in Vehicle Miles Traveled
Total % Change 2019 to 2020



Source: Performance Measurement System (PeMS), Caltrans



SPECIFIC ECONOMIC CHALLENGES DURING COVID-19

REOPENING GUIDELINES

County risk level

WIDESPREAD

Many non-essential indoor business operations are closed

SUBSTANTIAL

Some non-essential indoor business operations are closed

MODERATE

Some indoor business operations are open with modifications

MINIMAL

Most indoor business operations are open with modifications

TOURISM

- 13% of Local Economy
- \$11.8 billion Contribution
- 200,000 Jobs pre-COVID
- 78,000 Jobs lost due to COVID

WIDESPREAD

Hotels and Lodging

open with modifications

fitness centers outdoors only with modifications

spas closed

Restaurants

Outdoor only with modifications

Bars, Breweries and Distilleries

Closed

Museums, Zoos, and Aquariums

Outdoor only with modifications

MINIMAL

Hotels and Lodging

open with modifications

fitness centers 50%

spas at 50%

Restaurants

Max 50% capacity

Bars, Breweries and Distilleries

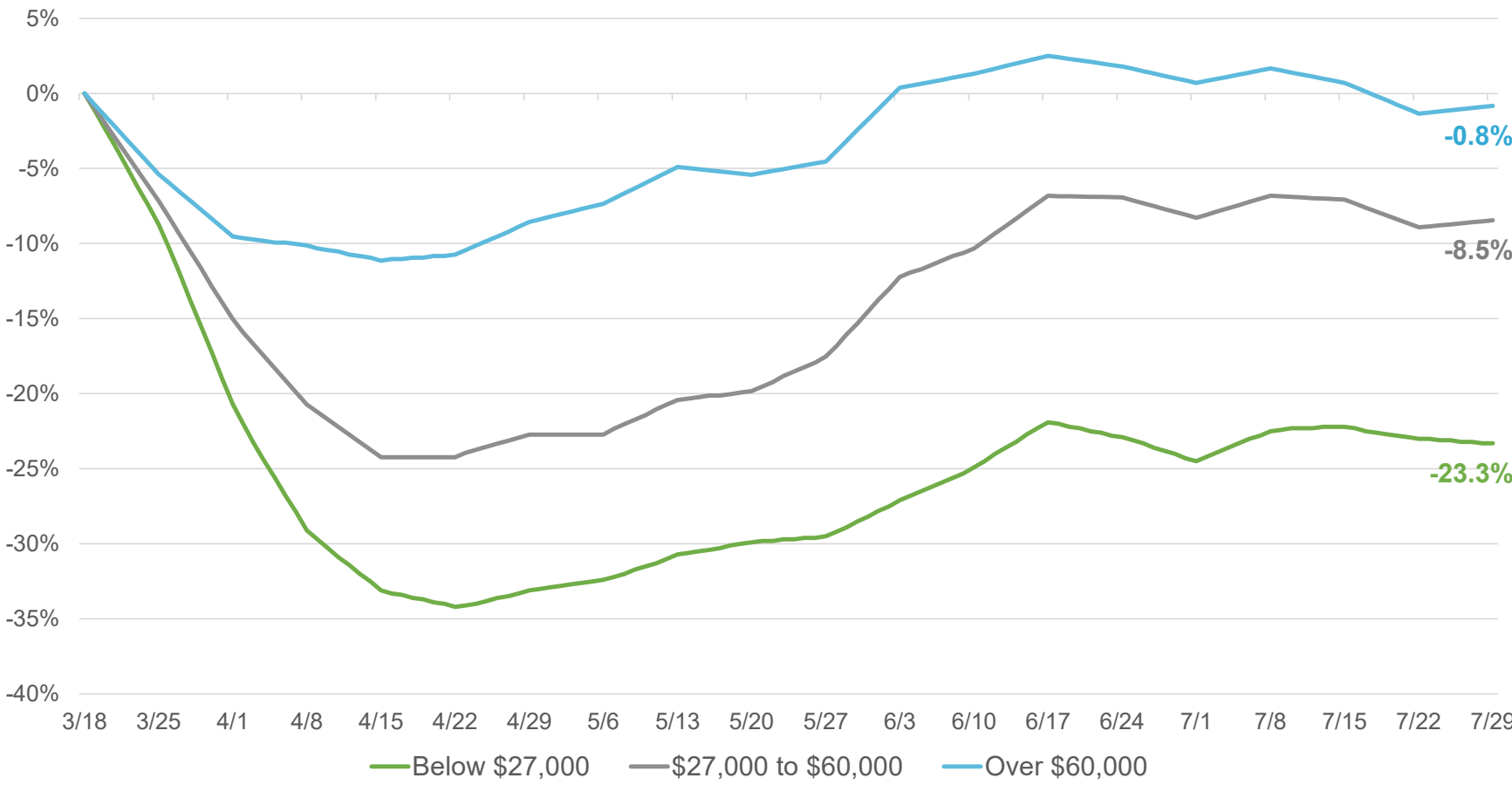
Max 50% capacity

Museums, Zoos, and Aquariums

Open with modifications



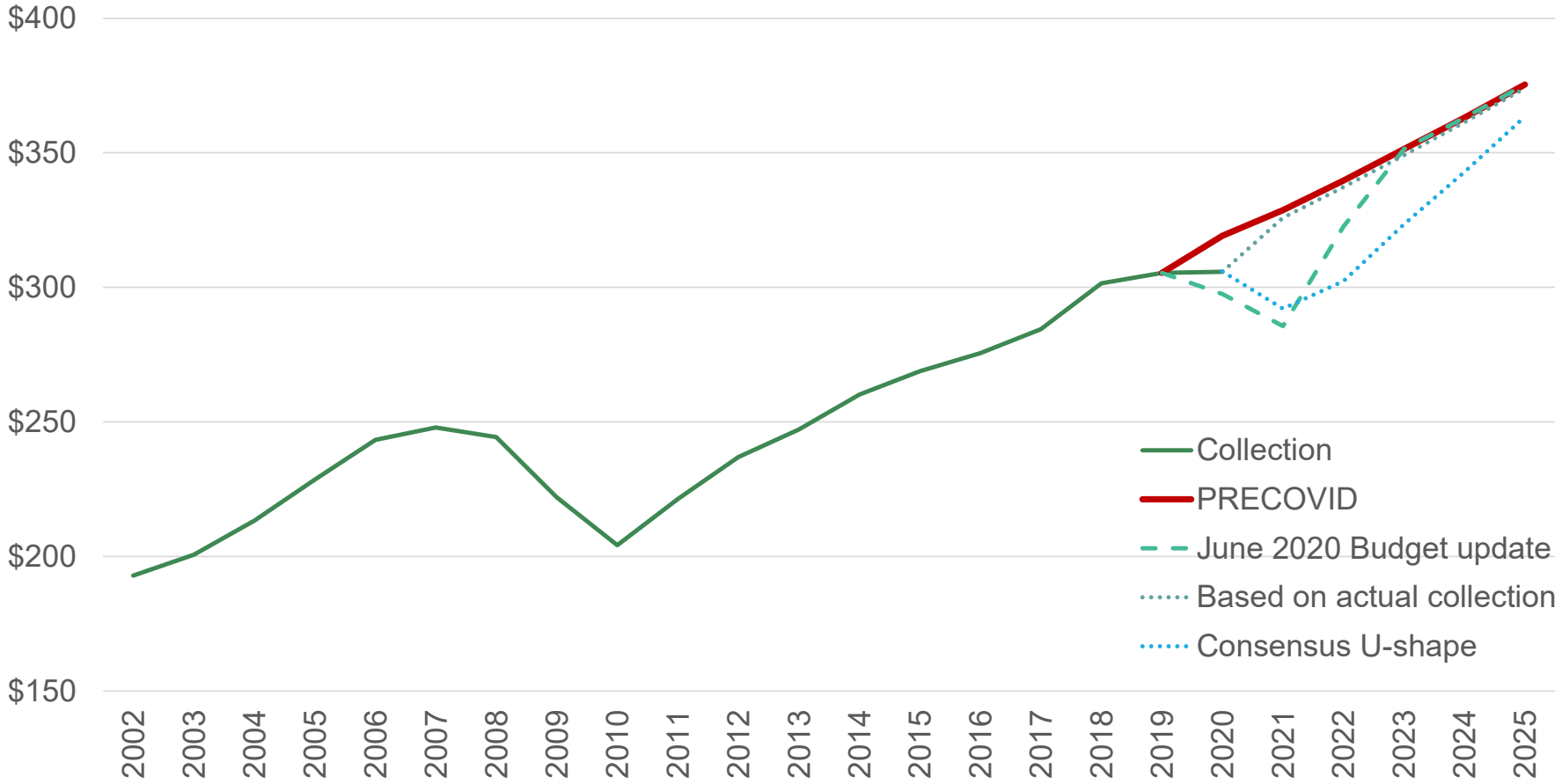
PERCENT CHANGE IN EMPLOYMENT BY INCOME CATEGORY IN THE SAN DIEGO REGION



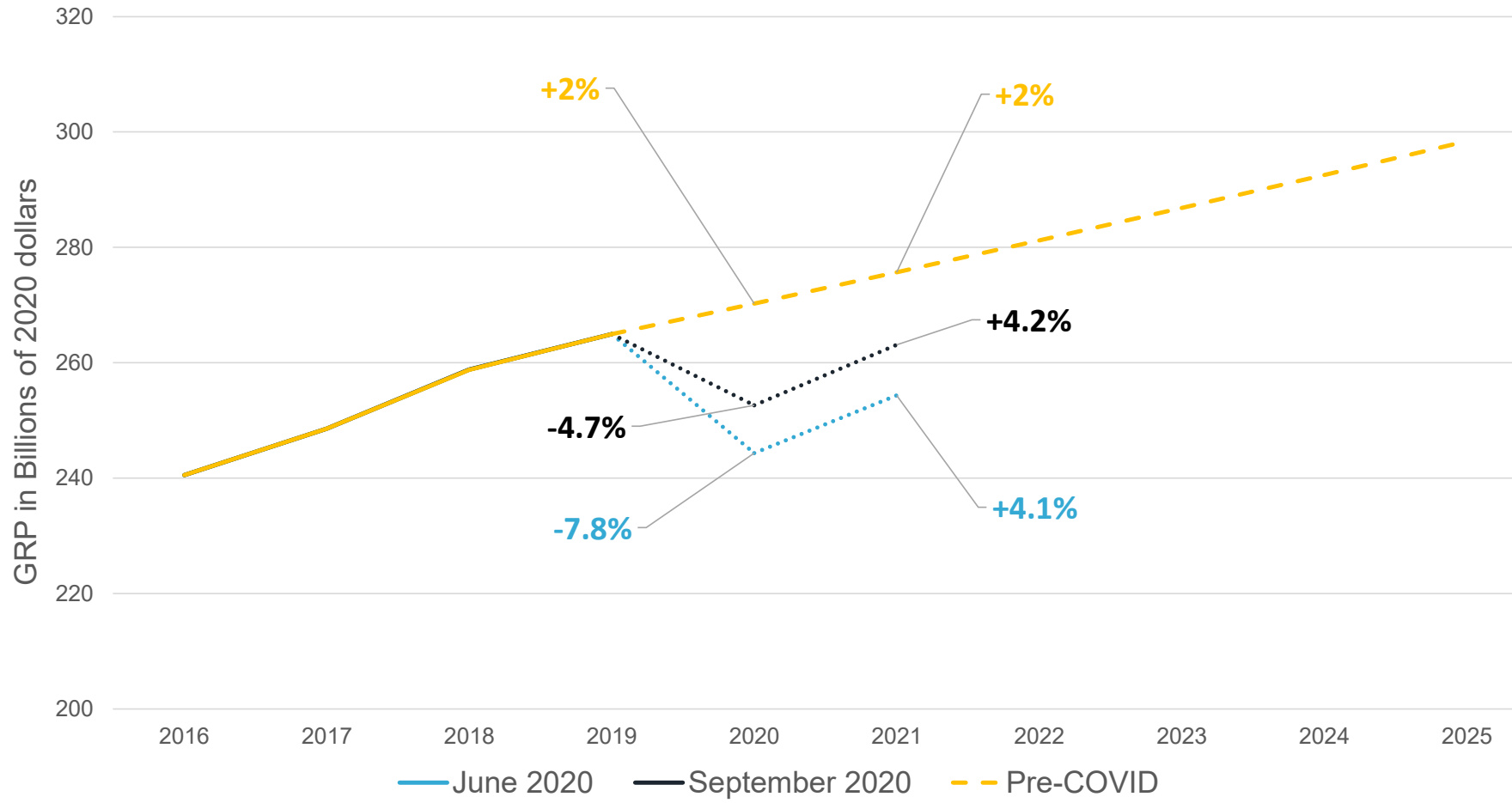
Source: Estimates based on data from Opportunity Insights Economic Tracker based on research from Raj Chetty, John N. Friedman, Nathaniel Hendren, Michael Stepler, and the Opportunity Insights Team tracktherecovery.org/.

TRANSNET SALES TAX FORECAST SCENARIOS

Data Science & Analytics



ECONOMIC OUTLOOK





THANK YOU!

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DATA SCIENCE AND ANALYTICS AT SANDAG

As the regional leader in economic analysis, the SANDAG Data Science and Analytics team uses complex, descriptive, and predictive data to inform and support policy decisions that promote economic, social, and environmental prosperity in the San Diego region. The team works to provide critical information for policy makers and elected officials to make intelligent investments for the San Diego region.

