Regional Jobs Strategy
Business & Tax Climate Dashboard Appendix
August 11, 2016

A limited number of economic metrics are organized into three dashboards to each be released separately: Business & Tax Climate, Affordability, and Standard-of-Living. All three dashboards will be incorporated into the final Regional Jobs Strategy and tracked to ensure accountability as a region.

The competitor metropolitan areas (metros) were selected for competitiveness in the traded economies in which the San Diego region specializes.
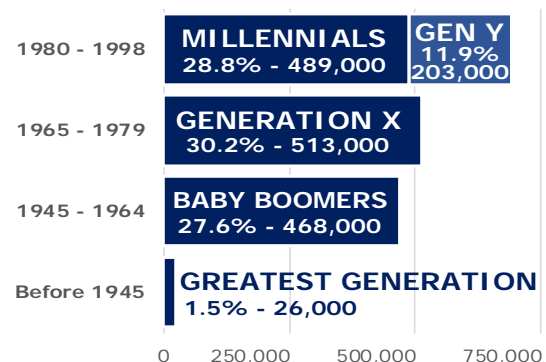
- Austin-Round Rock, TX
- Boston-Cambridge-Newton, MA-NH
- Denver-Aurora-Lakewood, CO
- Los Angeles-Long Beach-Anaheim, CA
- Portland-Vancouver-Hillsboro, OR-WA
- Raleigh, NC
- San Diego-Carlsbad, CA
- San Francisco-Oakland-Hayward, CA
- San Jose-Sunnyvale-Santa Clara, CA
- Seattle-Tacoma-Bellevue, WA

Unless otherwise stated, San Diego data presented in this dashboard is county-wide. Because the geographic boundaries of the San Diego metro, as defined by the Census Bureau, is identical to those of the County, the terms may be used interchangeably within this document.

Workforce Demographics

Generations: The objective was to find the age breakdown of the San Diego workforce and then categorize that breakdown by generations (including Millennials, Gen Y, Gen X, Baby Boomers and Greatest Generation). The only age group that is strictly defined is Greatest Generation done by the Census Bureau and so the rest of the definitions and cutoffs were set based on a review of various definitions including a 2014 article in *The Atlantic*. The generation boundaries were set in the following way:

- Millennials: 18 y/o - 31 y/o
- Gen Y: 32 y/o - 36 y/o
- Generation X: 37 y/o - 51 y/o
- Baby Boomers: 52 y/o - 71 y/o
- Greatest Generation: 72 y/o+

| Birth Years	Generation	% - Count
1980 - 1998	MILLENNIALS	28.8% - 489,000
	GEN Y	11.9% 203,000
1965 - 1979	GENERATION X	30.2% - 513,000
1945 - 1964	BABY BOOMERS	27.6% - 468,000
Before 1945	GREATEST GENERATION	1.5% - 26,000

The source of data for this analysis came from the Census ACS Table B23001, "Sex By Age By Employment Status For The Population 16 Years and Over" for 2014. Other data sources including Census "Single Years of Age and Sex: 2010" Table QT-P2 and a mortality table were used to fit this data to the generation definitions above.

The following tables rank concentrations of millennials in the workforce with comparable metros using the definition described on the previous page and a broader definition of millennials that is inclusive of Gen Y. They indicate that San Diego has the highest concentration of millennials in the workforce whether you include Gen Y within the definition of millennials or not.

Percent Millenials			Percent Millenials + Gen Y		
	Rank	Percent		Rank	Percent
San Diego, CA	1	28.8%	San Diego, CA	1	40.7%
Austin, TX	2	26.6%	Austin, TX	2	40.3%
Boston, MA	3	25.6%	Denver, CO	3	37.6%
Los Angeles, CA	4	25.5%	Los Angeles, CA	4	37.2%
Denver, CO	5	25.2%	Seattle, WA	5	37.2%
Seattle, WA	6	25.0%	Boston, MA	6	36.4%
Portland, OR	7	23.9%	Portland, OR	7	36.0%
Raleigh, NC	8	23.5%	San Jose, CA	8	35.0%
San Jose, CA	9	22.7%	San Francisco, CA	9	34.9%
San Francisco, CA	10	22.5%	Raleigh, NC	10	34.8%

Ethnicities: The information provided here reflects an estimate based on available Census American Community Survey reported labor force participation rates by race "Employment Status" Table S2301. Hispanic/Latino represented here includes those who chose Hispanic or Latino on the ethnicities census question, and selected either white, or "some other race" on the race question. People who selected Hispanic/Latino, and Asian or Black are presented below as "2+ Races." Information that was not available for the workforce was estimated based on overall population data. Asian includes Asian and Pacific Islander. The pie chart represents San Diego County which has identical boundaries as the San Diego metropolitan area. Comparisons made are of metropolitan areas. The data shows that competing California metros benefit from significantly more diverse workforces.
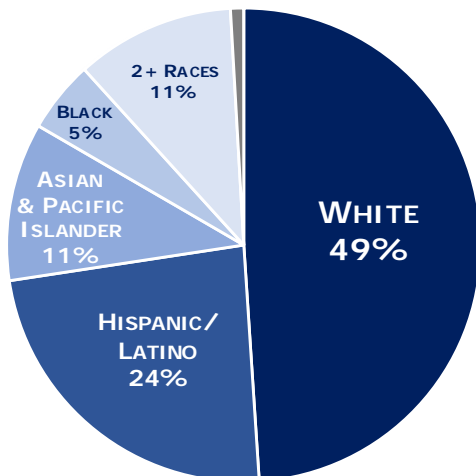
	Shannon-Weiner Diversity Index	Rank
Los Angeles, CA	1.20	1
San Francisco, CA	1.19	2
San Jose, CA	1.15	3
San Diego, CA	1.13	4
Austin, TX	1.03	5
Raleigh, NC	0.96	6
Seattle, WA	0.91	7
Denver, CO	0.86	8
Boston, MA	0.76	9
Portland, OR	0.71	10

Veterans In The Workforce: The graphic to the right shows the proportionality of veterans that make up the San Diego workforce. The source for this information and all the comparable metros was the Census Bureau "Veteran Status" American Community Survey Table S2301, 1-year 2014 estimates. The entire horizontal bar graph represents the entire workforce (100%), the red section of the graph displays non veterans in the workforce (92.7% of the bar graph) and the blue section of the graph displays veterans in the workforce (7.3% of the bar graph). The average proportion of veterans in the workforce for all of the metropolitan areas compared at 4.4%. This goes to show that San Diego's employment of veterans is a lot higher than the average metro. Thus, San Diego ranks highest for veteran employment in the workforce. The table above, derived from the same data source, displays the dispersion of veteran employment and is where the ranking comes from. These results are consistent with the fact that San Diego is highly affiliated with veterans and military personal due to the seven bases in San Diego County operated by the Navy and Marines.

VETERANS IN THE WORKFORCE

	VETERANS: SAN DIEGO RANKS **HIGHEST**	AVERAGE 4.4%
7.3%		

Veterans - Percent of Workforce		
Metro	Percent	Rank
San Diego, CA	**7.3%**	**1**
Seattle, WA	6.5%	2
Raleigh, NC	5.2%	3
Portland, OR	5.2%	4
Austin, TX	5.1%	5
Denver, CO	5.0%	6
Boston, MA	2.9%	7
San Francisco, CA	2.3%	8
Los Angeles, CA	2.2%	9
San Jose, CA	1.9%	10

Women In The Workforce: The graphic to the right shows the proportionality of women that make up the San Diego workforce. The source for this information and all the comparable metros was the Census Bureau "Sex by Age by Employment Status for the Population 16 Years and Over" American Community Survey Table B23001, 1-year 2014. The length of the horizontal bar graph represents the entire workforce (100%), the red section of the graph shows males (56.0% of the bar graph) and the blue section of the graph shows women in the workforce (44.0% of the bar graph). San Diego's large and male-dominated (89.1%) military population could explain the lower percentage of women in the workforce.
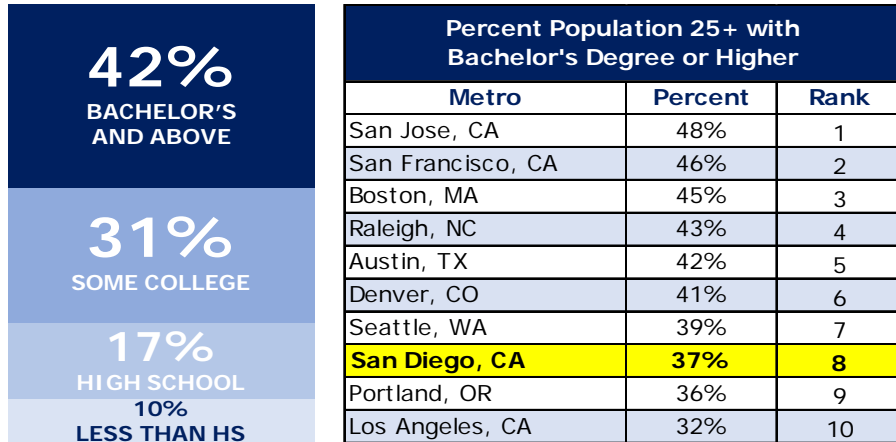
WOMEN IN THE WORKFORCE

44.0%	WOMEN: SAN DIEGO RANKS LOWEST	AVERAGE 46.2%

Women - Percent of Workforce		
Metro	Percent	Rank
Boston, MA	49.0%	1
Raleigh, NC	47.8%	2
San Francisco, CA	46.8%	3
Portland, OR	46.6%	4
Denver, CO	46.3%	5
Los Angeles, CA	45.9%	6
Seattle, WA	45.7%	7
Austin, TX	45.6%	8
San Jose, CA	44.4%	9
San Diego, CA	**44.0%**	**10**

Educational Attainment: The first educational attainment graphic displays people segmented by the level of education they received. This vertical bar graph represents 100% of the people in the workforce and the differing shades represent their proportional percentage of the workforce. The source for this graphic was the Census Bureau "Educational Attainment and Employment Status by Language Spoken At Home for the Population 25 Years and Over" American Community Survey Table B16010 2014 1-year estimate. San Diego ranks 8th in educational attainment with 42% of the workforce aged 25 or over having a bachelor's degree or higher.

42%
BACHELOR'S
AND ABOVE

31%
SOME COLLEGE

17%
HIGH SCHOOL

10%
LESS THAN HS

| Percent Population 25+ with Bachelor's Degree or Higher		
Metro	Percent	Rank
San Jose, CA	48%	1
San Francisco, CA	46%	2
Boston, MA	45%	3
Raleigh, NC	43%	4
Austin, TX	42%	5
Denver, CO	41%	6
Seattle, WA	39%	7
San Diego, CA	**37%**	**8**
Portland, OR	36%	9
Los Angeles, CA	32%	10

The percentage of bachelor's degrees in San Diego that are STEM/STEM-related are displayed below, in the second graphic. The data source for the percentage of STEM degrees out of all degrees for comparable metros was the Census Bureau "Field Of Bachelor's Degree for First Major for The Population 25 Years and Over" American Community Survey Table B15010 2014 1-year estimates. San Diego ranks 4th for most STEM majors at 49.1%. Of those in San Diego with at least a bachelor's degree, a relatively high proportion hold degrees in STEM/STEM-related fields. This helps foster continuous growth potential in high-demand occupations.

49.1%
STEM
DEGREES

50.9%
OTHER
DEGREES

| Science and Engineering & Related Degrees		
Metro	Percent	Rank
San Jose, CA	63.2%	1
San Francisco, CA	52.4%	2
Seattle, WA	50.7%	3
San Diego, CA	**49.1%**	**4**
Raleigh, NC	48.7%	5
Boston, MA-NH	47.8%	6
Portland, OR	47.6%	7
Denver, CO	46.6%	8
Austin, TX	46.0%	9
Los Angeles, CA	45.1%	10
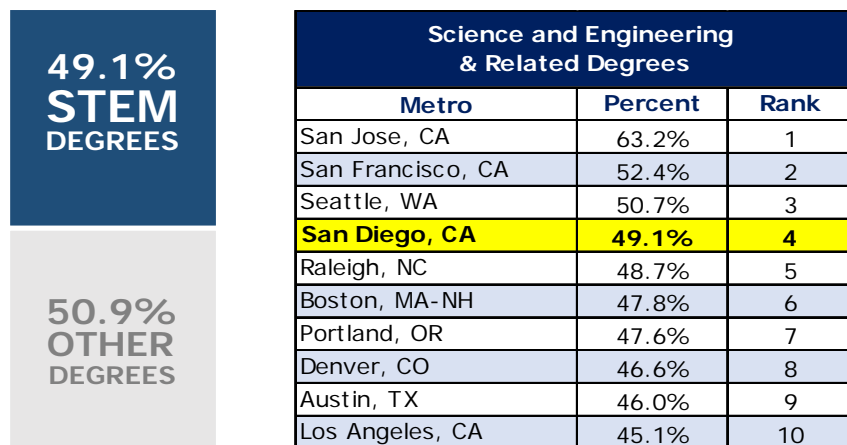
Business Makeup

San Diego Business by Employee Size: The source for this information for San Diego and comparable metros was "County Business Patterns: Geography Area Series: County Business Patterns by Employment Size Class" Table CB1400A13 2014 1-year estimates. San Diego has a relatively high percentage of businesses with fewer than 10 employees.
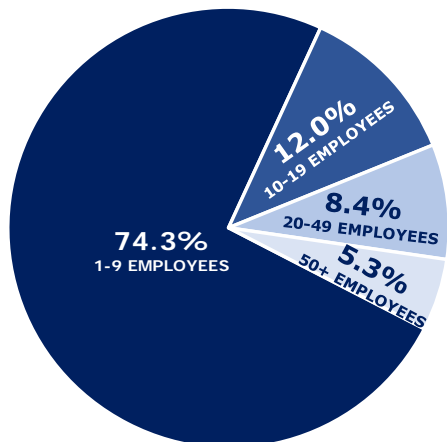
Percent of Firms with Less Than 10 Employees		
Metro	**Percent**	**Rank**
Los Angeles, CA	75.6%	1
San Diego, CA	**74.3%**	**2**
Denver, CO	74.1%	3
Seattle, WA	73.9%	4
Portland, OR	73.3%	5
San Francisco, CA	73.0%	6
San Jose, CA	71.9%	7
Raleigh, NC	71.8%	8
Austin, TX	71.6%	9
Boston, MA	71.4%	10

San Diego Business Owners: Information on ownership of firms is found at "Statistics for All U.S. Firms by Industry, Veteran Status, and Gender for the U.S., States, Metro Areas, Counties, and Places" Table SB1200CSA02 2012 Survey of Business Owners. The graphic in the dashboard displays both solely woman-owned businesses and partially owned woman businesses as "woman-owned." Similarly, the graphic in the dashboard relating to veterans displays both solely veteran-owned businesses and partially veteran-owned businesses as "veteran-owned."

While women represent the lowest proportion of the workforce when compared to our competitor metros, the percentage of businesses that are owned by women in San Diego is ranked substantially higher.
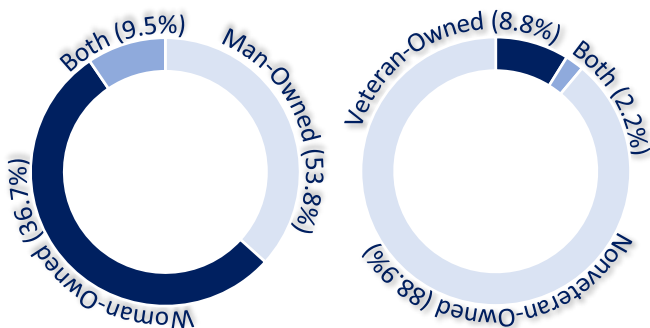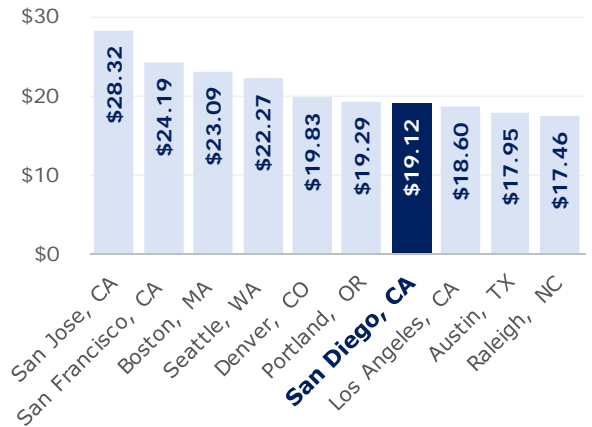
Woman-Owned Businesses		
Metro	**Percent**	**Rank**
Los Angeles, CA	38.3%	1
Portland, OR	38.1%	2
San Francisco, CA	37.8%	3
Denver, CO	37.5%	4
San Jose, CA	37.1%	5
San Diego, CA	**36.7%**	**6**
Seattle, WA	36.5%	7
Raleigh, NC	36.0%	8
Austin, TX	35.8%	9
Boston, MA	34.0%	10

Veteran-Owned Businesses		
Metro	**Percent**	**Rank**
Raleigh, NC	10.7%	1
Denver, CO	9.6%	2
Boston, MA	9.5%	3
Austin, TX	8.9%	4
San Diego, CA	**8.8%**	**5**
Portland, OR	8.7%	6
Seattle, WA	8.6%	7
San Francisco, CA	7.0%	8
Los Angeles, CA	6.3%	9
San Jose, CA	6.0%	10

Wages

Median Wage Per Hour: The data for the median hourly wages was collected from the Bureau of Labor Statistics' [May 2015 Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates](#). This is the most up to date data currently available.

The chart shows San Diego has one of the lowest median wages, ranking 7th among competitor metros. While median wage per hour is a measure of the middle of the wage distribution, wages can vary dramatically based on industry, location, and other factors.
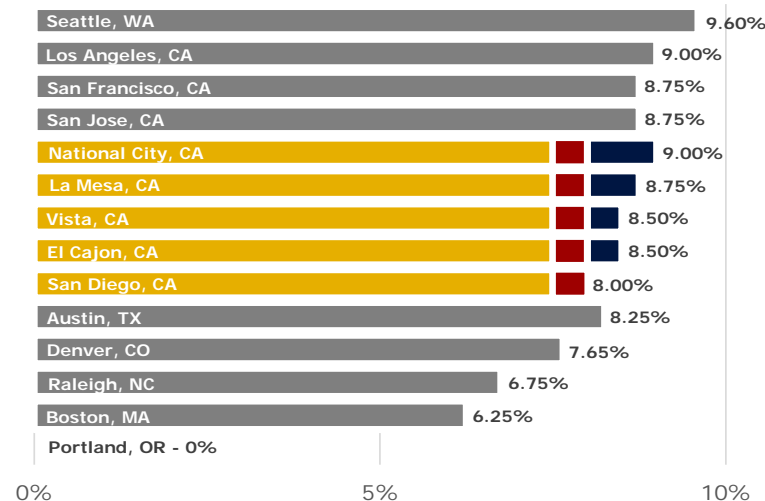

| | $28.32 | $24.19 | $23.09 | $22.27 | $19.83 | $19.29 | $19.12 | $18.60 | $17.95 | $17.46 |

San Jose, CA; San Francisco, CA; Boston, MA; Seattle, WA; Denver, CO; Portland, OR; San Diego, CA; Los Angeles, CA; Austin, TX; Raleigh, NC

State Tax Climate

Tax Foundation State Business Tax Climate Index Rankings							
	TX	**OR**	**WA**	**NC**	**CO**	**MA**	**CA**
Overall Index Rank	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Corporate Taxes	7	5	3	1	2	6	4
Individual Income Tax	1	6	1	4	5	3	7
Sales Tax	4	1	7	3	6	2	5
Unemployment Insurance Tax	3	5	4	1	6	7	2
Property Tax	6	1	4	5	2	7	3

The Tax Foundation, a Washington D.C. based think tank and the nation's leading independent tax policy research organization, ranked the Business Tax Climate for all 50 states in their recently released report "2016 State Business Tax Climate Index" [Table 3](#). The chart above ranks against each other the seven states that include the selected competitor metros. California's tax climate ranks last.

Sales Tax

Seattle, WA	9.60%
Los Angeles, CA	9.00%
San Francisco, CA	8.75%
San Jose, CA	8.75%
National City, CA	9.00%
La Mesa, CA	8.75%
Vista, CA	8.50%
El Cajon, CA	8.50%
San Diego, CA	8.00%
Austin, TX	8.25%
Denver, CO	7.65%
Raleigh, NC	6.75%
Boston, MA	6.25%
Portland, OR - 0%	

The effective sales tax differs throughout the County of San Diego as some cities have passed local sales taxes. All cities within the county pay a half percent sales tax for regional transportation infrastructure through the San Diego Association of Governments (SANDAG). Cities within the County of San Diego are presented in color with gold representing the California required tax, red representing the SANDAG administered tax, and blue representing locally passed taxes.

Utility Rates

Water Rates:

The typical commercial user in the City of San Diego uses approximately 26 Hundred Cubic Feet (HCF) of water over the two month billing cycle through a ¾ inch meter. A hypothetical bill was created for this typical commercial customer under the rate

Commercial Water Rates / Typical Bill				
Metro	Base Charge	$/HCF	2-Month Bill @ 26 HCF	Rank
San Francisco, CA	$27.36	$7.14	$213.00	1
Austin, TX	$58.00	$4.50	$174.88	2
Seattle, WA	$28.30	$5.52	$171.73	3
San Diego, CA	**$22.26**	**$5.02**	**$152.78**	**4**
San Jose, CA	$33.68	$4.44	$149.15	5
Portland, OR	$38.25	$4.22	$147.87	6
Boston, MA	$0.00	$5.05	$131.29	7
Los Angeles, CA	$0.00	$4.75	$123.50	8
Raleigh, NC	$16.24	$3.20	$99.44	9
Denver, CO	$17.58	$2.00	$69.70	10

structures for each of the competitor metros' major provider. Some assumptions were necessary for comparison purposes including consistent usage across all months throughout the year. A central location was used when possible, and the average across zones was used when necessary. The results show that water rates vary drastically and San Diego ranks fourth highest.

Electricity Rates:

The source for this indicator is the U.S. Energy Information Administration's "Electric power sales, revenue, and energy efficiency Form EIA-861 detailed data files" 2014 data. Electricity rates are higher in San Diego. However, the moderate climate allows for less use of electricity, so bills are not necessarily higher. Also having a direct result on rates in San Diego is the utilities leadership role in transitioning to renewable energy sources.

Average Retail Price of Electricity Sold to Ultimate Commercial Consumer per Kilowatt Hour			
Metro	Utility	Cost	Rank
San Diego, CA	**San Diego Gas & Electric Co**	**$0.20**	**1**
San Jose, CA	Pacific Gas & Electric Co	$0.18	2
San Francisco, CA	Pacific Gas & Electric Co	$0.18	3
Boston, MA	NSTAR eletric company	$0.16	4
Los Angeles, CA	Los Angeles Department of Water & Power	$0.15	5
Austin, TX	Austin Energy	$0.10	6
Denver, CO	Public Service Co of Colorado	$0.10	7
Seattle, WA	Puget Sound Energy Inc	$0.09	8
Portland, OR	Portland General Electric Co	$0.09	9
Raleigh, NC	Duke Energy Progress - (NC)	$0.09	10

Average Retail Price of Electricity Sold to Ultimate Industrial Consumer per Kilowatt Hour			
Metro	Utility	Cost	Rank
San Diego, CA	**San Diego Gas & Electric Co**	**$0.17**	**1**
Boston, MA	NSTAR eletric company	$0.15	2
San Jose, CA	Pacific Gas & Electric Co	$0.14	3
San Francisco, CA	Pacific Gas & Electric Co	$0.14	4
Los Angeles, CA	Los Angeles Department of Water & Power	$0.14	5
Austin, TX	Austin Energy	$0.10	6
Seattle, WA	Puget Sound Energy Inc	$0.09	7
Denver, CO	Public Service Co of Colorado	$0.07	8
Raleigh, NC	Duke Energy Progress - (NC)	$0.07	9
Portland, OR	Portland General Electric Co	$0.06	10

About the Regional Jobs Strategy

The Regional Jobs Strategy is an initiative of the San Diego Regional Chamber of Commerce in Partnership with the City of San Diego, the County of San Diego, SANDAG, and dozens of other groups that are all focused on job creation. Through dashboards, a regional inventory of job creation initiatives, a "Strengths, Weaknesses, Opportunities and Threats" analysis, and ultimately a final report, the Regional Jobs Strategy is designed to place the attention of the entire business community on proven strategies and the issues that matter most for job creation.

About the San Diego Regional Chamber Foundation

The San Diego Regional Chamber Foundation is a 501(c)3 foundation. The Foundation's mission is to create the most business-friendly region in California through investment in research, education, and leadership. The Foundation focuses its research, education, and leadership cultivation around the issues that influence San Diego's business climate: workforce development, cross-border business, veterans employment, infrastructure, and quality of life.