



# City of Corona Regional Employment Profile

January 2024



# UNITED STATES OUTLOOK

## THE OUTLOOK FOR 2024

Over the past few years, Beacon Economics has commented regularly about the widening gap between our nation's social narratives and its economic realities. But the current interpretations and explanations about what happened to the U.S. economy in 2023 have pushed this chasm to sizable proportions.

Well into 2023 the standard narrative asserted by a majority of economic forecasters and on display by nearly every major news outlet, was that the United States was on the brink of a recession due to inflation and rising interest rates. Yet, according to the narrative, we ultimately dodged that bullet. More significantly, 2023 saw slowing inflation and, since the final Federal Reserve FOMC meeting, the running narrative now includes an expectation of interest rate cuts in the year ahead, which has caused equity markets to surge to near record high levels.

As we see it, the key elements of this narrative are essentially detached from the economic reality of 2023. As Beacon Economics

argued throughout 2023, there was practically no chance of a recession in 2023 outside of the Fed itself causing one through its quixotic monetary policy choices. Our optimism was based on the simple concept that there was no reason for the U.S. economy to slip into a downturn. Inflation is a problem of excess demand, while recessions are caused by a lack of it—one does not lead to the other. And while rising interest rates can cause a recession in the extreme, the changes in rates over the last couple of years extended from absurdly low to normal, vis-à-vis recent decades, a range that does not qualify as extreme.

In short, the Fed did not orchestrate the proverbial ‘soft landing’—a recession was never going to happen in the first place. And as for the recent slowing of inflationary pressures, that has not come from smart Fed policy, given that their primary tool of inflation control—raising the price of and limiting access to credit—was having very little impact on the consumer. Rather, inflation has slowed because of the re-equilibration between the money supply and the size of the economy, at least as indicated by the trend in unit money supply.

### UNIT MONEY SUPPLY



Source: Board of Governors of the federal reserve system; analysis by Beacon Economics

This isn't to say that some sectors of the economy didn't and aren't still feeling stress from the sharp hike in interest rates, as banks, REITS, and real estate brokerages will surely attest. But those pressures are little more than collateral damage, judging by the fact that the U.S. economy averaged 3% growth in 2023, a significantly better year for growth than 2022. It certainly never looked like an economy on the brink of a recession.

But now, the running economic narrative is becoming more optimistic about the year ahead, while the economic reality is looking less so. Beacon Economics doesn't see 2023 as being a positive turning point for the economy, as the narrative suggests. Rather it was a year where the economy experienced another surge of growth largely fueled by excessively high asset values, excessive amounts of on hand household cash, and the stimulus effect of the widening Federal budget deficit. All of these forces are weakening, and as such, so is the consumer.

The other side of the equation is not much prettier. As Beacon Economics recently posted, the chance of rate cuts by the Fed is substantially smaller than what is being priced into the economy by the markets. But this is beside the point. The real issue is that longer-term rates are unlikely to follow short-run rates down, given the Fed's continuing program of quantitative tightening ([read our post on QT](#)). That strategy is causing the money supply to contract as the demand for credit grows due to excessive Federal borrowing and consumers turning to credit now that the cash cushion left over from the pandemic's excessive stimulus is starting to diminish. In a nutshell, the economy will slow in 2024, although it is still far from tipping into a recession.

The ultimate irony is that the Federal Reserve, is being credited for the supposed 'soft landing'. In fact, the Fed is largely responsible for the wild turns in the economy over the past few years; first by profoundly overreacting to the pandemic, and then doing the same in response to inflation. But more significantly its policies have ultimately left the U.S. economy with large imbalances that have yet to be grappled with.

Consider consumer spending. Price levels may be stabilizing, but real consumer spending trends are not. The savings rate is low and consumer spending has risen to 70% of GDP—that is back to the highest level seen in the run up to the 'Great Recession'. This profligate spending is being driven by excessively high asset values—from home values to equity prices—all of which jumped sharply in 2020 and 2021 as a result of the Fed's excessive pandemic stimulus. That assets are overvalued can be clearly seen in what we call our nation's P/E ratio, measured by the ratio of household net worth to nominal GDP. This metric remains near a record high level, suggesting that asset prices are far beyond anything resembling a normal range.

### PRICE-TO-EARNINGS (P/E) RATIO



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM; ANALYSIS BY BEACON ECONOMICS

Then there is the national deficit, which has grown to 8.7% of U.S. GDP, the largest ever seen in a full employment economy. And this is happening as the national debt also hits record levels. With interest rates up, the cost of simply carrying that debt will cause the deficit to grow. Clearly the nation is in the midst of a spending binge, even though consumer confidence is low and political surveys continue to suggest that Americans are upset about the direction of the economy. It really is one of the most bizarre aspects of our world—all the data suggests households have never had it so good, and yet people are so angry.

**U.S. CONSUMER SPENDING AS A PERCENT OF GDP**



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM; ANALYSIS BY BEACON ECONOMICS

The million-dollar question is how the economy will respond when the current driving forces finally peter out, and what economic imbalances will start to form in the meantime. If the drivers end quickly, it may not be too deep a hole to climb out of. The longer they linger, the harder the crash will be when they do come to an end. This is why our uncertainties are growing rather than fading.

## FEDERAL DEFECIT AS A PERCENT OF U.S. GDP



SOURCE: BOARD OF GOVERNERS OF THE FEDERAL RESERVE SYSTEM; ANALYSIS BY BEACON ECONOMICS

To sum up, Beacon Economics' 2024 economic outlook forecasts slower growth than in 2023 but certainly no recession. Labor shortages and higher long-run interest rates will continue to vex businesses and debt-sensitive parts of the economy. Inflation will run warm, not hot, implying fewer rate cuts than the market has priced in. We're saving our biggest worries for the years beyond 2024, where storm clouds are clearly forming even as policymakers and economic pundits continue celebrating a fictitious victory based on a bizarre and false narrative about what has happened to the economy over the past few years.

Economic reality will inevitably impose itself on the festivities, and when it does, it may end up being downright ugly. Considering how angry Americans are in the current era of false prosperity, you can only wonder what public sentiment will look like then.

## U.S. FORECAST - OUTPUT

|                                       | CURRENT  |          | FORECAST |          |          |
|---------------------------------------|----------|----------|----------|----------|----------|
|                                       | Q3-23    | Q4-23    | Q1-24    | Q2-24    | Q3-24    |
| <b>Real GDP (\$ Billions, \$2012)</b> | 19,917.5 | 19,976.3 | 20,042.0 | 20,123.6 | 20,242.7 |
| % Change from Preceding Period, SAAR  | 4.9      | 1.2      | 1.3      | 1.6      | 2.4      |
| <b>Consumption</b>                    | 13,777.6 | 13,858.1 | 13,914.4 | 14,004.6 | 14,105.2 |
| % Change from Preceding Period, SAAR  | 4.0      | 2.4      | 1.6      | 2.6      | 2.9      |
| <b>Investment</b>                     | 3,902.7  | 3,880.8  | 3,915.2  | 3,917.0  | 3,950.3  |
| % Change from Preceding Period, SAAR  | 8.4      | -2.2     | 3.6      | 0.2      | 3.5      |
| <b>Fixed Investment</b>               | 3,745.5  | 3,763.3  | 3,796.4  | 3,813.9  | 3,838.0  |
| % Change from Preceding Period, SAAR  | 0.8      | 1.9      | 3.6      | 1.9      | 2.6      |
| <b>Change in Private Inventories</b>  | 71.3     | 36.7     | 37.3     | 23.4     | 30.9     |
| <b>Government</b>                     | 3,328.1  | 3,333.3  | 3,341.4  | 3,346.8  | 3,351.1  |
| % Change from Preceding Period, SAAR  | 4.6      | 0.6      | 1.0      | 0.6      | 0.5      |
| <b>Net Exports</b>                    | -1,050.2 | -1,063.3 | -1,101.3 | -1,122.4 | -1,143.5 |
| % Change from Preceding Period, SAAR  | 4.4      | 5.1      | 15.1     | 7.9      | 7.7      |
| <b>Exports</b>                        | 2,339.2  | 2,378.1  | 2,389.5  | 2,410.7  | 2,431.2  |
| % Change from Preceding Period, SAAR  | 6.2      | 6.8      | 1.9      | 3.6      | 3.4      |
| <b>Imports</b>                        | 3,389.4  | 3,441.4  | 3,490.8  | 3,533.1  | 3,574.7  |
| % Change from Preceding Period, SAAR  | 5.7      | 6.3      | 5.9      | 4.9      | 4.8      |

SOURCE: U.S. BUREAU OF ECONOMIC ANALYSIS; FORECAST BY BEACON ECONOMICS

## U.S. FORECAST - INFLATION

|  | CURRENT |       | FORECAST |       |       |
|--|---------|-------|----------|-------|-------|
|  | Q3-23   | Q4-23 | Q1-24    | Q2-24 | Q3-24 |
| Personal Consumption Expenditures (% Change, Year-over-Year) | 3.4     | 3.2   | 2.8      | 2.8   | 2.7   |

SOURCE: U.S. BUREAU OF LABOR STATISTICS; FORECAST BY BEACON ECONOMICS

## U.S. FORECAST - KEY INDICATORS

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|   | CURRENT | FORECAST |       |       |        |
|---|---------|----------|-------|-------|--------|
|   | Q3-23   | Q4-23    | Q1-24 | Q2-24 | Q3-24  |
| Industrial Production (2007=100)                  | 103.4   | 102.6    | 103.3 | 102.8 | 102.7  |
| Total Nonfarm Employment (Quarterly Change, 000s) | 608.7   | 559.0    | 80.3  | -98.1 | -204.3 |
| Unemployment Rate (%)                             | 3.7     | 3.8      | 4.0   | 4.2   | 4.3    |

SOURCE: U.S. BUREAU OF LABOR STATISTICS, BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM (US);  
FORECAST BY BEACON ECONOMICS



# ***CALIFORNIA OUTLOOK***

## ***OVERVIEW***

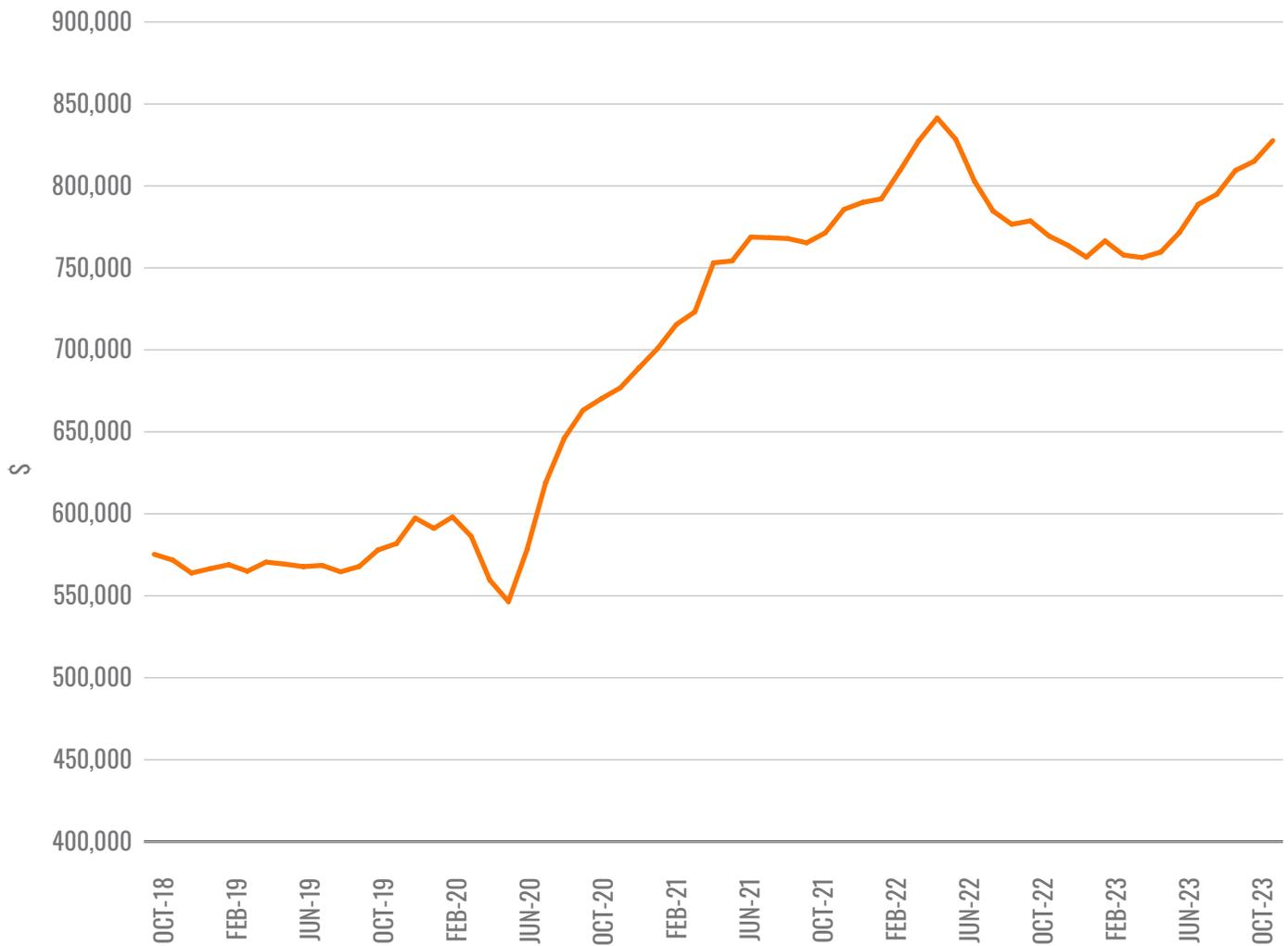
After 29 months of post-pandemic jobs growth dating back to April 2021, employment growth in California was flat in September and declined in October. Unemployment is rising, and California consumers and businesses are dialing back spending. Home sales continue to decline amid rising mortgage rates, accelerating home price growth to levels seen during the peak of the pandemic housing market. The cooler labor market has already negatively impacted the state budget, with officials projecting budget shortfalls on the magnitude of the Great Recession in 2008.

These economic and budget headwinds have occurred despite the economy not falling into a recession. While Beacon Economics does not expect an economic calamity to materialize in California, we expect slower growth in 2024. In fact, in its December fiscal outlook, the California Legislative Analyst's Office (LAO) declared that the California economy is in a 'downturn'.

# HOME PRICES NEARLY BACK TO PEAK

After nine straight months of year-over-year declines stretching back to October 2022, the median sale price for an existing single-family home in California returned to growth in July, rising 1.3%. Since then, price growth has accelerated, reaching 7.6% year-over-year in October 2023, the most recent month of data available. Currently, home prices are 38.5% above the pre-pandemic peak in February 2020, and 1.6% below the pandemic peak in March 2022. On a quarterly basis, Beacon Economics expects home prices to surpass the pandemic peak by mid 2024.

## MEDIAN SALE PRICE FOR SINGLE-FAMILY HOMES

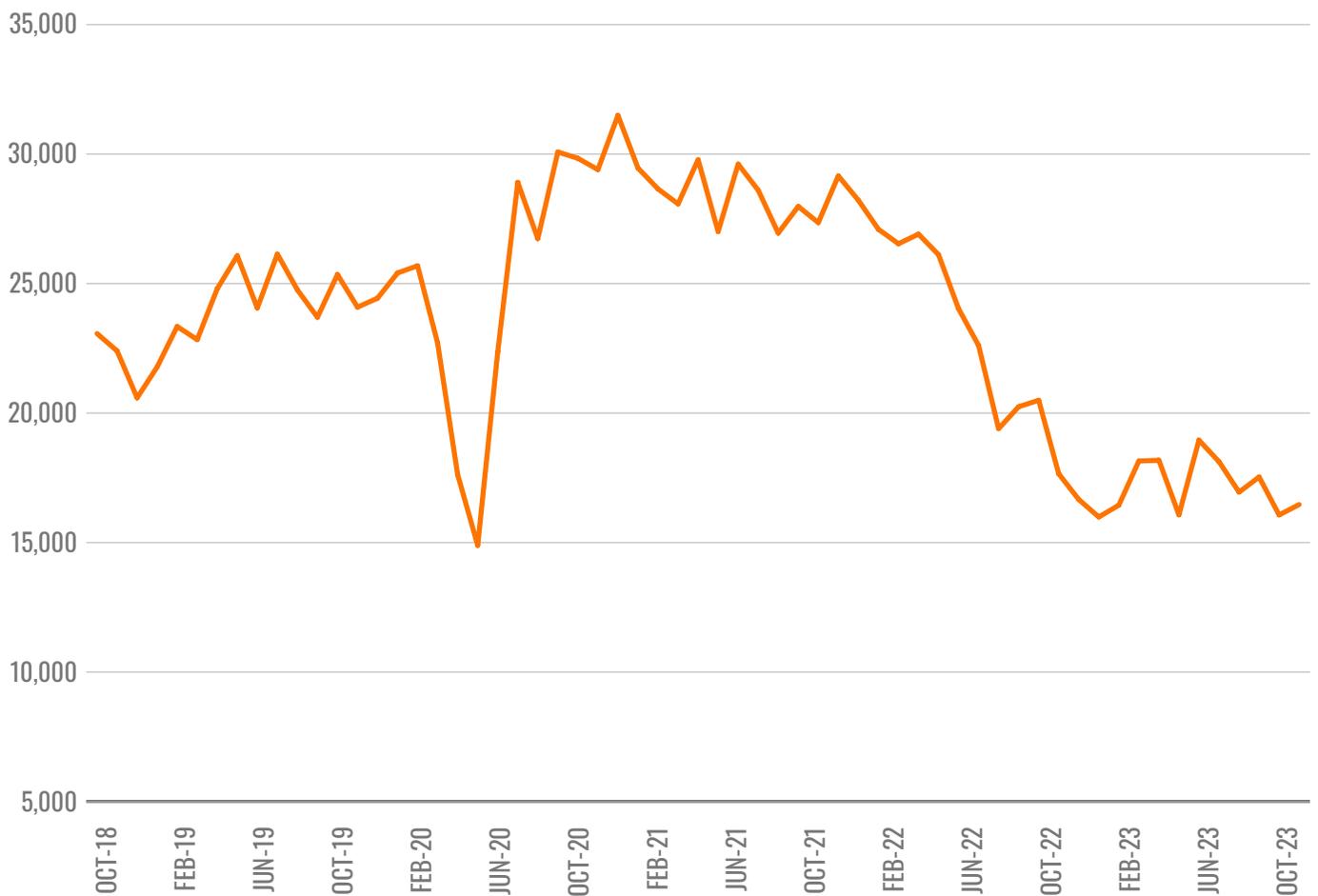


SOURCE: REDFIN; ANALYSIS BY BEACON ECONOMICS

# HOME SALES CONTINUE TO FALL, BUT APPEAR TO BE BOTTOMING OUT

On a year-over-year basis, as of October 2023, seasonally adjusted existing single-family home sales have declined 26 consecutive months, dating back to September 2021. Rapidly rising interest rates have further exacerbated California's chronic housing shortage, as homeowners locked into historically low mortgage rates are either unwilling or financially unable to sell. However, home sales appear to be reaching a trough. In October, home sales fell 6.7%, marking the first single-digit year-over-year decline since April 2022. While home sales are expected to remain weak heading into 2024, Beacon Economics expects the beginnings of a housing market thaw in the latter half of the year as mortgage rates begin leveling off.

## SINGLE-FAMILY HOME SALES



SOURCE: REDFIN; ANALYSIS BY BEACON ECONOMICS

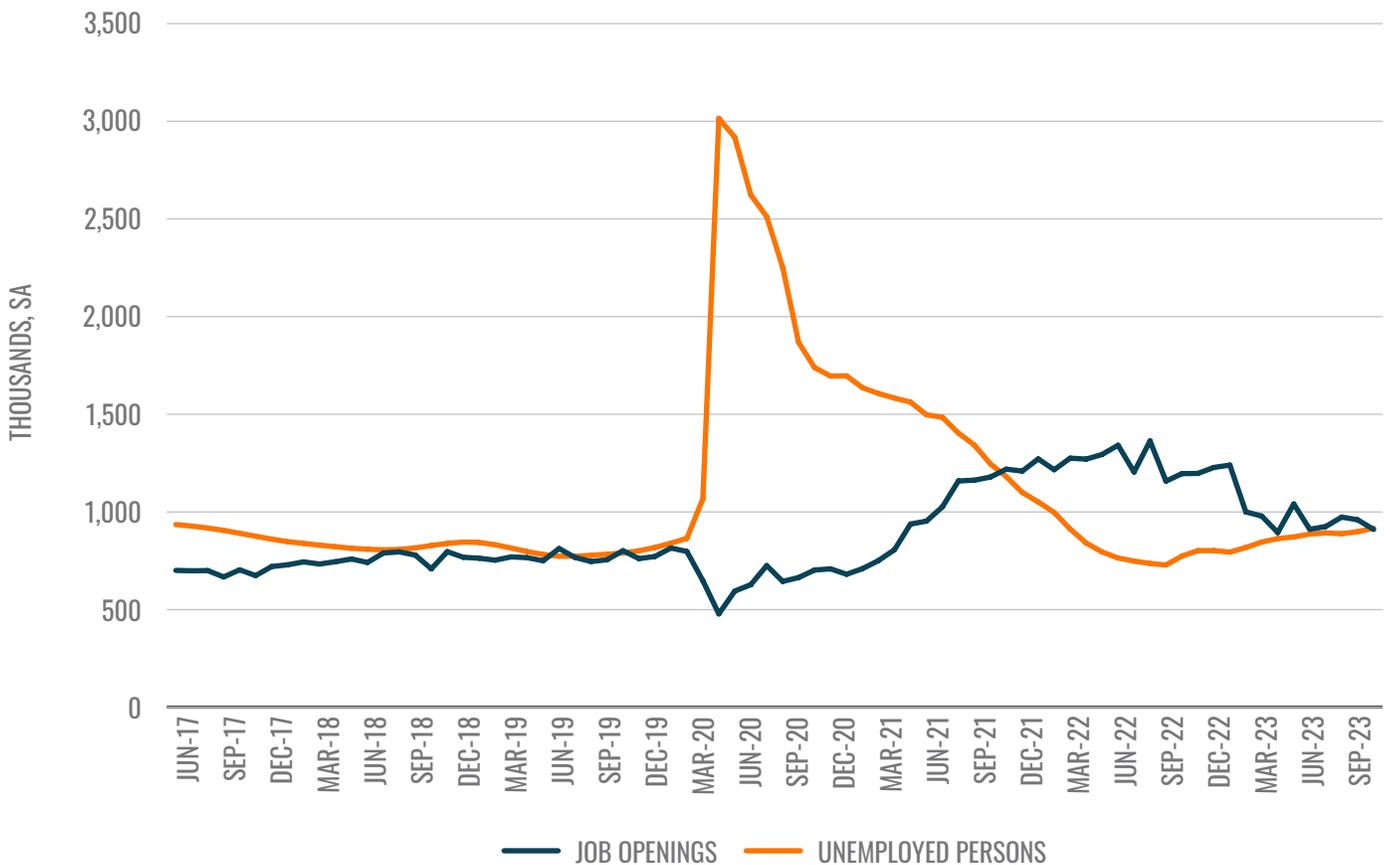
# JOBS GROWTH AT AN INFLECTION POINT

California total nonfarm employment has grown 17.9% since the trough of the pandemic; however, employment declined 0.2% year-over-year in October, the latest data available. Furthermore, on a quarterly basis, employment has declined in each month going back to July. Similarly, the state's unemployment rate increased to 4.8% in October, up from 4.1% a year earlier.

|                          | OCTOBER 2023 | CHANGE SINCE MAY 2020 | CHANGE SINCE OCTOBER 2022 |
|--------------------------|--------------|-----------------------|---------------------------|
| Total Nonfarm Employment | 18,442,100   | 17.9%                 | -0.2%                     |
| Unemployment Rate        | 4.8%         | -10.9pp               | +0.7pp                    |

SOURCE: CALIFORNIA DEPARTMENT OF FINANCE; ANALYSIS BY BEACON ECONOMICS

## CALIFORNIA JOB OPENINGS AND UNEMPLOYED PERSONS



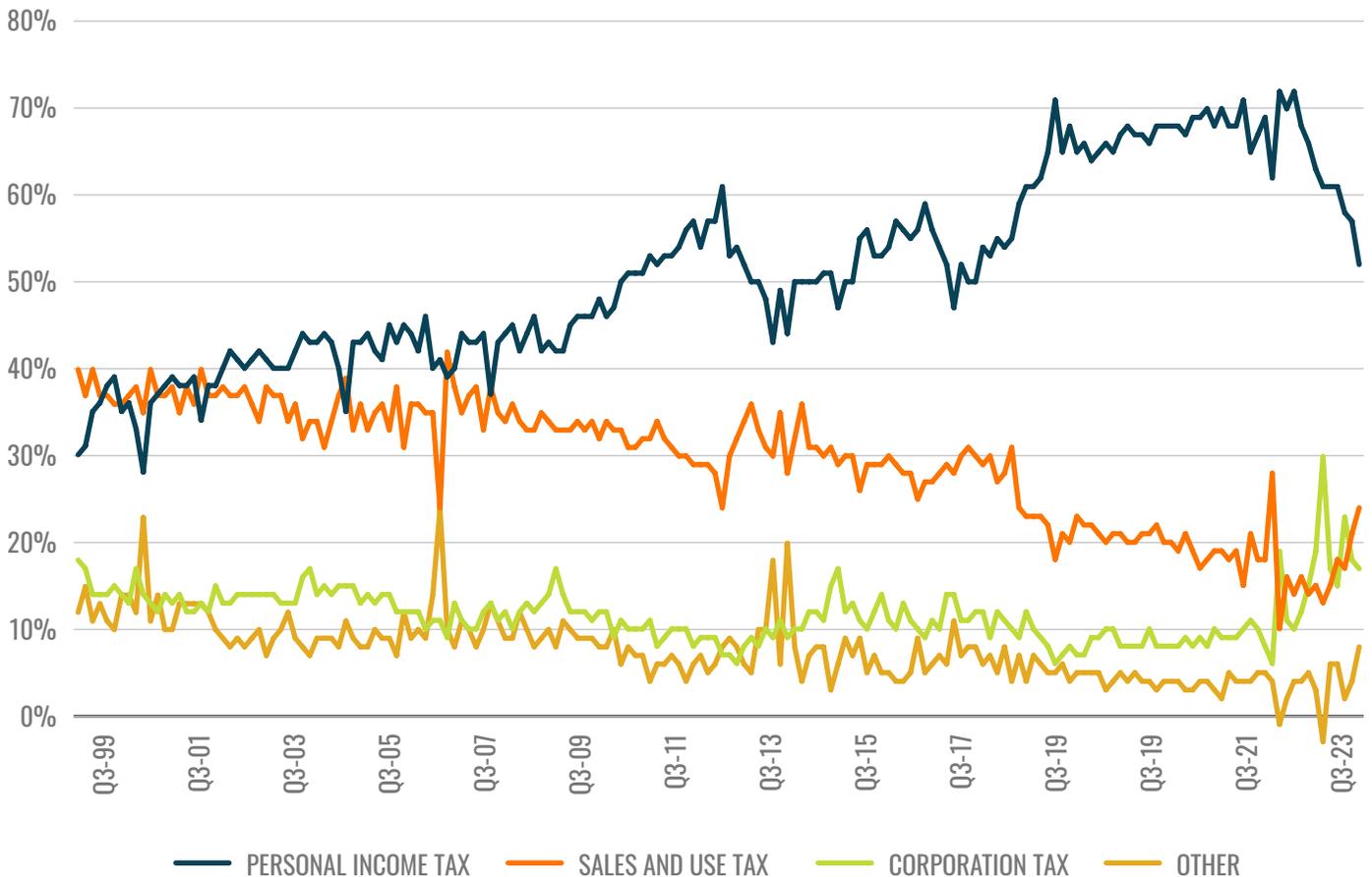
SOURCE: BUREAU OF LABOR STATISTICS; ANALYSIS BY BEACON ECONOMICS

# \$58 BILLION BUDGET DEFICIT PROJECTED THROUGH 2024-25

A bleaker budget outlook is taking shape in Sacramento as various postponed tax payments came in significantly weaker than expected, and as economic headwinds take their toll on state revenues. The nonpartisan Legislative Analyst’s Office (LAO) estimates a budget shortfall of \$26 billion for fiscal year (FY) 2022-23, with a cumulative three-year budget shortfall of \$58 billion through the next two fiscal years.

California is heavily dependent on personal income tax, which accounts for well over half of major general fund money, and which includes volatile capital gains. According to Governor Newsom’s revised 2023-24 budget proposal released in May, the top 1% of income earners paid about half of all personal income taxes in 2021, with more than 11% of all personal income tax coming from capital gains during the same year.

## CALIFORNIA REVENUE RELIES HEAVILY ON PERSONAL INCOME TAX



SOURCE: CALIFORNIA STATE CONTROLLER; ANALYSIS BY BEACON ECONOMICS

The one-two punch of persistent inflation and the Fed’s rapid pace of rate increases has raised borrowing costs and cooled investment, spurring a significant downturn in U.S. stock indices in 2022 after three years of gains. Tighter credit and the cooling labor market have also reduced income tax withholdings from low- and middle-income earners as businesses have less money available to hire additional workers and expand operations. The LAO estimates that the portion of personal income taxes collected directly from employee paychecks was down 2% over the last twelve months compared to the preceding year.

What’s more, monetary tightening has hit startups and the technology sector especially hard, which are segments of the economy that have an outsized importance to California. And despite above-average growth in consumer prices, sales tax revenues have declined, falling 6.6% and 1.7% year-over-year in the second and third quarters of 2023. Moving forward, the LAO is watching for weakness to shift somewhat from personal income tax to sales tax and corporate tax in 2023-24 as the labor market continues to cool.

### CALIFORNIA FORECAST

|                                  | Q3-23     | Q4-23 (F) | Q1-24 (F) | Q2-24 (F) | Q3-24 (F) |
|----------------------------------|-----------|-----------|-----------|-----------|-----------|
| Nonfarm Payrolls (000s, SA)      | 18,104    | 18,292    | 18,318    | 18,331    | 18,345    |
| Unemployment Rate (% , SA)       | 4.6       | 4.7       | 4.8       | 4.9       | 5.0       |
| Real GDP (Millions 2012\$, SAAR) | 3,031,125 | 3,046,713 | 3,065,500 | 3,086,366 | 3,102,421 |
| Home Prices (\$ , SA)            | 694,774   | 697,310   | 694,674   | 700,694   | 710,527   |
|                                  | Q3-23     | Q4-23 (F) | Q1-24 (F) | Q2-24 (F) | Q3-24 (F) |
| Nonfarm Payrolls (000s, SA)      | 18,359    | 18,391    | 18,442    | 18,504    | 18,570    |
| Unemployment Rate (% , SA)       | 5.1       | 5.1       | 5.0       | 4.9       | 4.7       |
| Real GDP (Millions 2012\$, SAAR) | 3,117,880 | 3,136,101 | 3,157,283 | 3,180,970 | 3,204,507 |
| Home Prices (\$ , SA)            | 716,658   | 727,804   | 738,971   | 749,659   | 759,611   |

SOURCE: CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT; CALIFORNIA DEPARTMENT OF FINANCE; REDFIN; ANALYSIS BY BEACON ECONOMICS



# ***CORONA REGIONAL ECONOMIC PROFILE***

Corona's labor market has fully recovered from the COVID-19 pandemic. From first-quarter 2020 to first-quarter 2023, payrolls in Corona grew by 2,700, or 3.1%. This trails the 5.8% increase throughout the rest of Riverside County over the same period.

Corona has not felt the ill effects of the tight labor market as keenly as other parts of California. From February 2020 to November 2023, Corona's labor force expanded 1.8%, a sharp contrast to the -1.2% decline throughout the state. However, labor markets are still tight Corona will have to add housing stock to attract workers.

Consumer spending in Corona continues to grow. Taxable sales in Corona totaled just over \$1.31 billion in the third quarter of 2023, up 5.8% over the last year. This outpaces growth in Orange County (-1.4%), Riverside County (-1.3%), Los Angeles County (-2.5%), and San Bernardino County (-5.9%).

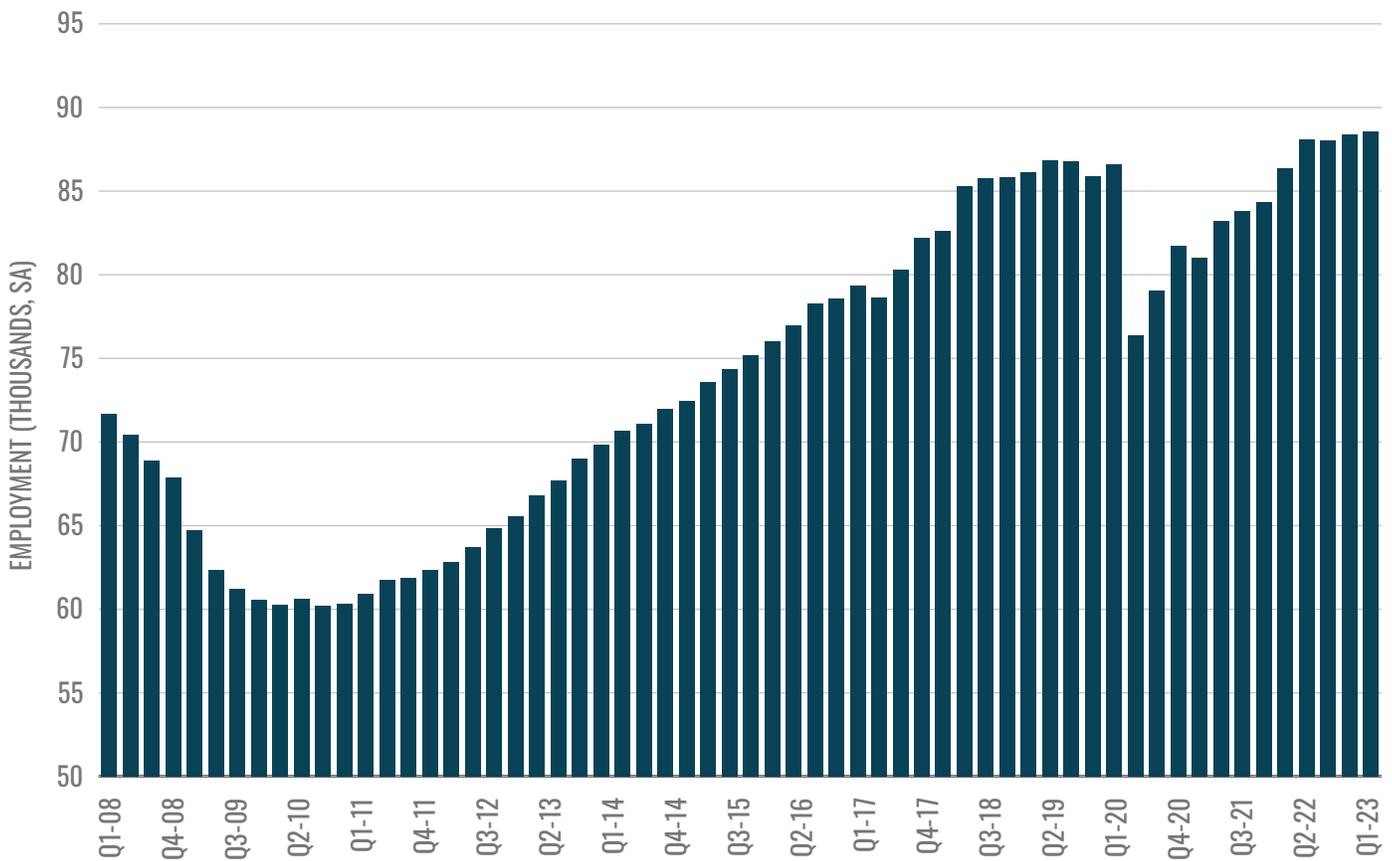
The housing market in Corona is stable, but housing supply across Southern California remains constrained. From third-quarter 2022 to third-quarter 2023, the median single-family home price grew 5.1%. In addition, the rapid rise in median home prices since the start of the pandemic and higher interest rates have negatively impacted affordability in the region. Once a bastion of affordable housing in California, Riverside County is now beyond the reach of most local households. Only 19% of local households can afford to purchase a median-priced home.

Cities like Corona have been at the center of the Inland Empire's economic growth. However, limited housing stock and rising housing costs have caused the city's population to fall -0.1% from 2021 to 2023. This is not unique to Corona; California also saw its population dip -0.9%. Due to limited housing stock and rising housing costs, Corona residents have had to look at more affordable parts of California or other states, much like residents who have been pushed out of California's coastal communities.

## EMPLOYMENT OVERVIEW

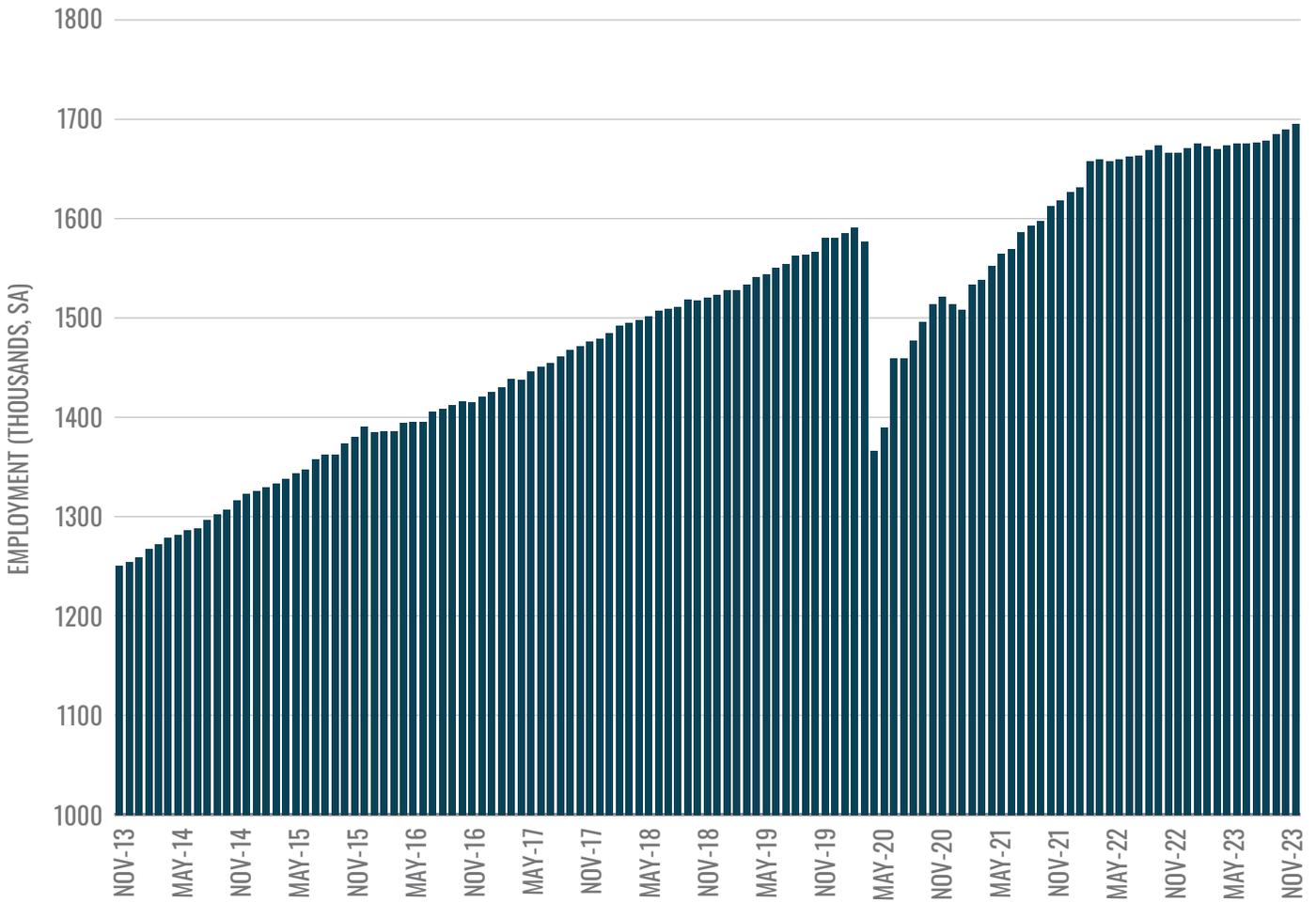
Corona’s labor market has fully recovered from the COVID-19 pandemic, but at a slower pace relative to the balance of Riverside County. From first-quarter 2020 to first-quarter 2023, payrolls in Corona grew by 2,700, or 3.1%. This contrasts with a 5.8% increase throughout the rest of Riverside County. Transportation, Warehousing and Utilities, which accounts for only a small share of the city’s workforce, expanded rapidly during the pandemic in Riverside County overall. This robust growth has offset some of the job losses in other industries, which has contributed to the county balance outpacing growth in Corona.

### PAYROLL EMPLOYMENT: CORONA



SOURCE: CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD); ANALYSIS BY BEACON ECONOMICS

## TOTAL NONFARM EMPLOYMENT: INLAND EMPIRE



SOURCE: CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD); ANALYSIS BY BEACON ECONOMICS

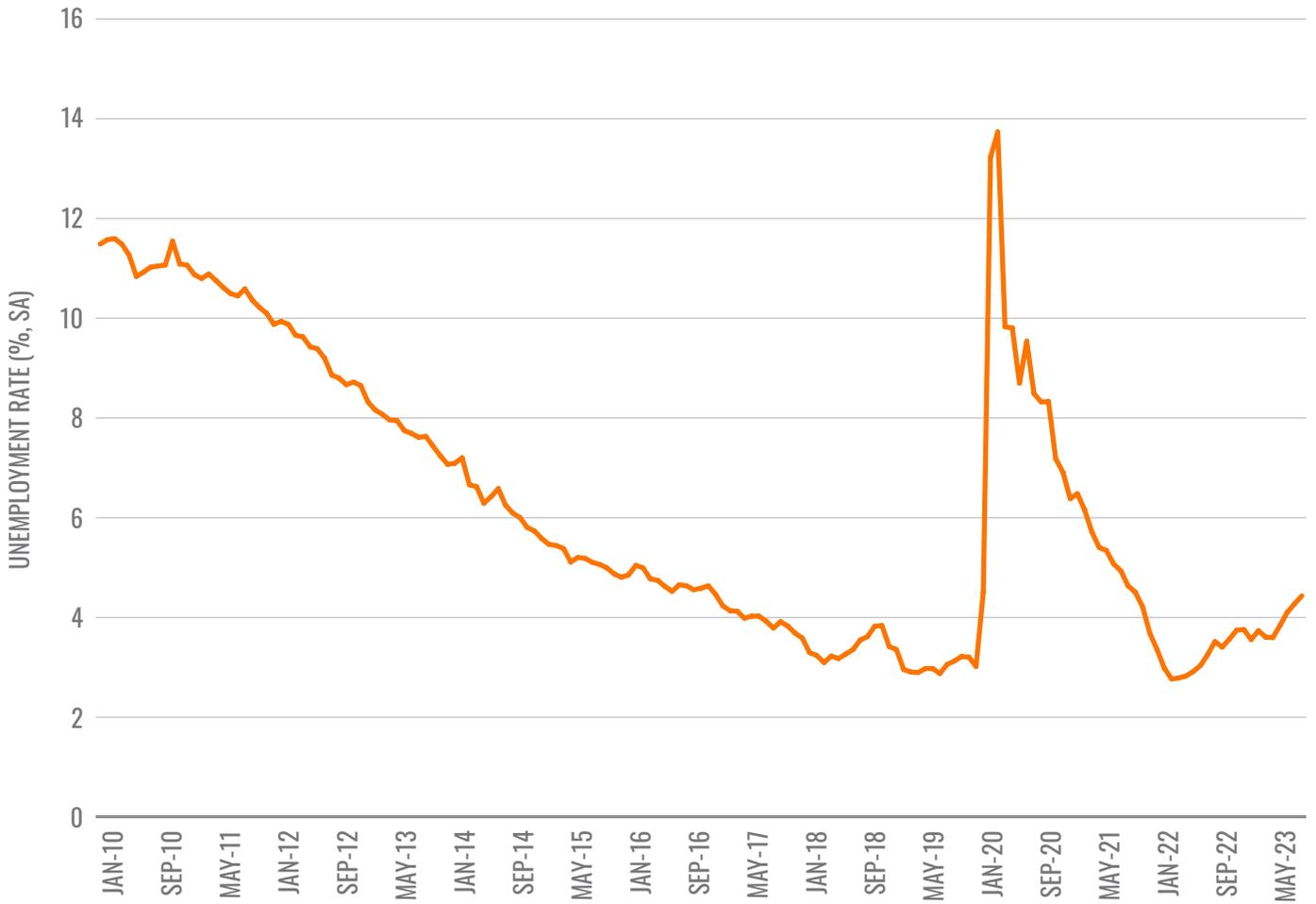
More recently, Corona’s labor market has expanded at a faster pace compared to the balance of Riverside County. From first-quarter 2022 to first-quarter 2023, payrolls in Corona grew by 2,200, or 2.5%, outpacing the 0.9% increase in the balance of Riverside County.

While data is not yet available at the city level, employment throughout the Inland Empire continued growing steadily through November 2023. From November 2022 to November 2023, payrolls expanded by 28,900, or 1.7%. This outshines the 1.5% increase in California.

# LABOR MARKET

Similar to other parts of California, Corona’s unemployment rate increased over the last year but remains low. It was 4.4% in November 2023, or 0.9 percentage points higher than November 2022. This unemployment rate is lower compared to the Inland Empire (5.5%), Los Angeles (MD) (5.3%), and California (4.9%), but slightly higher compared to Orange County (4.2%).

## UNEMPLOYMENT RATE: CORONA



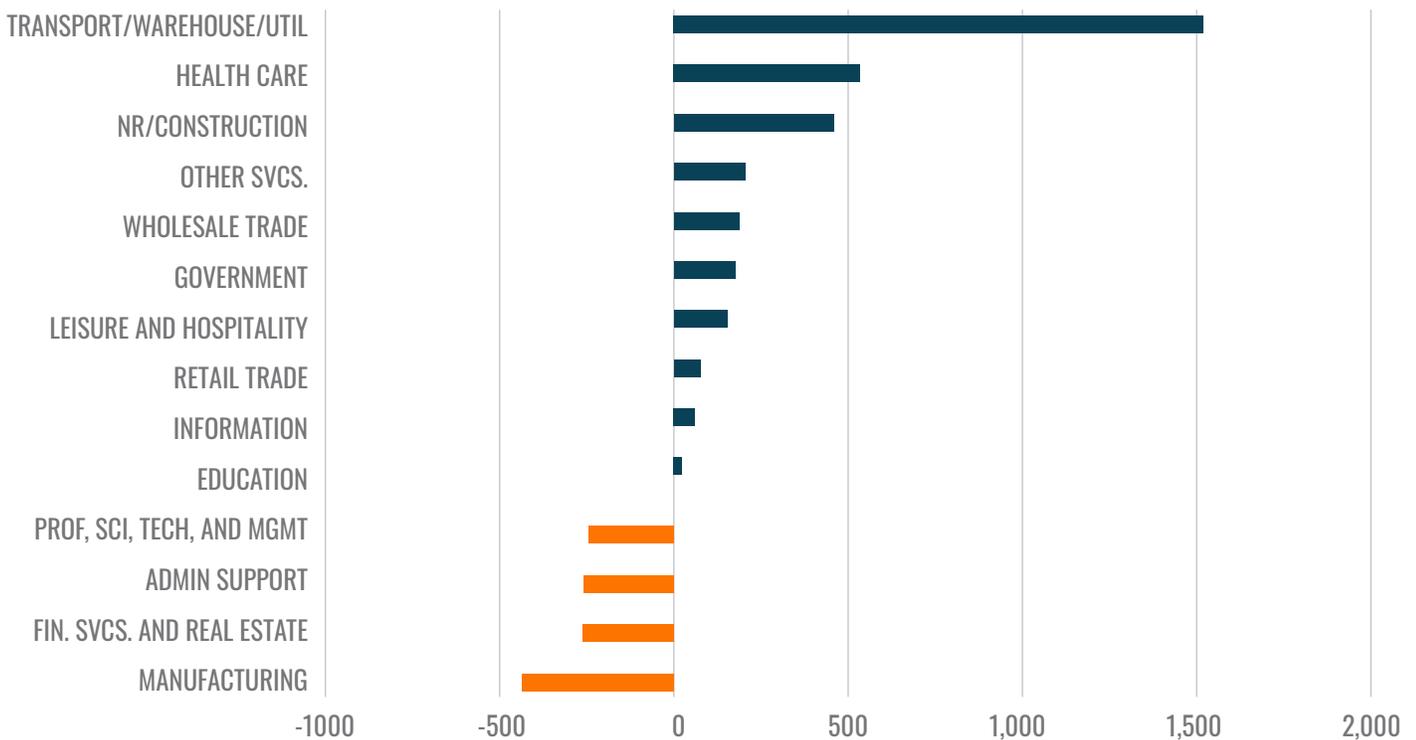
SOURCE: CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD); ANALYSIS BY BEACON ECONOMICS

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Employment growth in Corona has been broad-based, with the city’s largest sectors all expanding their payrolls over the last year. From first-quarter 2022 to first-quarter 2023, Transportation, Warehousing and Utilities led payroll gains in the city, with payrolls expanding by 1,519 (64.5%). This is in stark contrast to the -7.9% decline in the balance of Riverside County. Other sectors posting sizeable gains were Health Care (534 jobs or 5.6%), Natural Resources and Construction (458 jobs or 2.9%), Other Services (205 jobs or 8%), Wholesale Trade (188 jobs or 3.2%), Government (176 jobs or 3.4%), and Leisure and Hospitality (154 jobs or 1.8%).

### EMPLOYMENT GROWTH BY INDUSTRY: CORONA (Q1 2022 - Q1 2023)



SOURCE: CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD); ANALYSIS BY BEACON ECONOMICS

## EMPLOYMENT BY INDUSTRY: CORONA (Q1 2023)

| INDUSTRY                   | EMPLOYMENT<br>(#) | YEAR-OVER-YEAR GROWTH |                       |                             |
|----------------------------|-------------------|-----------------------|-----------------------|-----------------------------|
|                            |                   | CITY<br>(%)           | COUNTY BALANCE<br>(%) | CITY SHARE OF<br>COUNTY (%) |
| NR/Construction            | 16,040            | 2.9                   | -5.5                  | 19.5                        |
| Manufacturing              | 12,604            | -3.3                  | 3.0                   | 27.5                        |
| Health Care                | 9,997             | 5.6                   | 2.2                   | 8.6                         |
| Leisure and Hospitality    | 8,553             | 1.8                   | 6.9                   | 8.1                         |
| Retail Trade               | 8,016             | 1.0                   | 2.7                   | 8.5                         |
| Admin Support              | 7,296             | -3.4                  | -7.1                  | 14.6                        |
| Wholesale Trade            | 6,129             | 3.2                   | 2.8                   | 22.5                        |
| Government                 | 5,304             | 3.4                   | 5.1                   | 4.0                         |
| Prof, Sci, Tech, and Mgmt  | 4,467             | -5.2                  | 4.0                   | 17.3                        |
| Transport/Warehouse/Util   | 3,875             | 64.5                  | -7.9                  | 5.3                         |
| Other Svcs.                | 2,774             | 8.0                   | 4.0                   | 12.3                        |
| Fin. Svcs. and Real Estate | 2,176             | -10.7                 | -3.9                  | 10.2                        |
| Information                | 840               | 7.8                   | 0.1                   | 14.8                        |
| Education                  | 476               | 5.3                   | 3.5                   | 6.1                         |
| Total                      | 88,547            | 2.5                   | 0.9                   | 10.9                        |

SOURCE: CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD); ANALYSIS BY BEACON ECONOMICS

At the subsector level, Rental and Leasing Services (105 jobs or 36.4% increase) was the fastest growing subsector over the last year. Others growing rapidly were Telecommunications (85 jobs or 30.4%), Heavy and Civil Engineering Construction (646 jobs or 18.5%), Nursing and Residential Care Facilities (95 jobs or 18.1%), Membership Associations and Organizations (53 jobs or 14.3%), Truck Transportation (90 jobs or 12%), and Accommodation (31 jobs or 11.8%).

## FASTEST GROWING SUBSECTORS BY EMPLOYMENT: CORONA (Q1 2023)

| SUBSECTOR                                     | EMPLOYMENT | YEAR-OVER-YEAR<br>CHANGE (#) | YEAR-OVER-YEAR<br>CHANGE (%) | CA YEAR-OVER-<br>YEAR CHANGE (%) |
|---|------------|------------------------------|------------------------------|----------------------------------|
| Rental and Leasing Services                   | 394        | 105                          | 36.4                         | 16.0                             |
| Telecommunications                            | 366        | 85                           | 30.4                         | -0.5                             |
| Heavy and Civil Engineering Construction      | 4,149      | 646                          | 18.5                         | 3.4                              |
| Nursing and Residential Care Facilities       | 619        | 95                           | 18.1                         | -1.1                             |
| Membership Associations and Organizations     | 420        | 53                           | 14.3                         | 11.0                             |
| Truck Transportation                          | 840        | 90                           | 12.0                         | 5.4                              |
| Accommodation                                 | 297        | 31                           | 11.8                         | 34.3                             |
| Amusements, Gambling, and Recreation          | 692        | 72                           | 11.6                         | 86.9                             |
| Computer and Electronic Product Manufacturing | 506        | 42                           | 9.0                          | 0.3                              |
| Non-Metallic Mineral Product Manufacturing    | 889        | 53                           | 6.3                          | 1.3                              |

SOURCE: CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD); ANALYSIS BY BEACON ECONOMICS

Outside of sectors employing relatively few workers (and experiencing big swings in wages based on a few workers joining or dropping out of work), wage gains were led by Computer and Electronic Product Manufacturing (23.7%), Telecommunications (18.3%), Transportation Equipment Manufacturing (16.4%), Truck Transportation (16.3%), Waste management and Remediation Services (14.7%), and Insurance Carriers and Related Activities (14.6%).

**FASTEST GROWING SUBSECTORS BY AVERAGE ANNUAL WAGES: CORONA (Q1 2023)**

| SUBSECTOR                                     | EMPLOYMENT | AVERAGE ANNUAL WAGE (\$) | YEAR-OVER-YEAR CHANGE (%) | LQ  |
|---|------------|--------------------------|---------------------------|-----|
| Computer and Electronic Product Manufacturing | 506        | 75,002                   | 23.7                      | 0.3 |
| Telecommunications                            | 366        | 99,660                   | 18.3                      | 1.2 |
| Transportation Equipment Manufacturing        | 1,012      | 62,330                   | 16.4                      | 1.5 |
| Truck Transportation                          | 840        | 64,908                   | 16.3                      | 1.1 |
| Waste Management and Remediation Services     | 318        | 86,413                   | 14.7                      | 1.1 |
| Insurance Carriers and Related Activities     | 411        | 117,814                  | 14.6                      | 0.4 |
| Electrical Equipment and Appliance Mfg.       | 395        | 74,295                   | 13.8                      | 2.7 |
| Personal and Laundry Services                 | 1,047      | 31,980                   | 13.2                      | 1.2 |
| Plastics and Rubber Products Manufacturing    | 1,809      | 59,815                   | 11.6                      | 8.1 |
| Machinery Manufacturing                       | 935        | 69,675                   | 11.2                      | 2.4 |

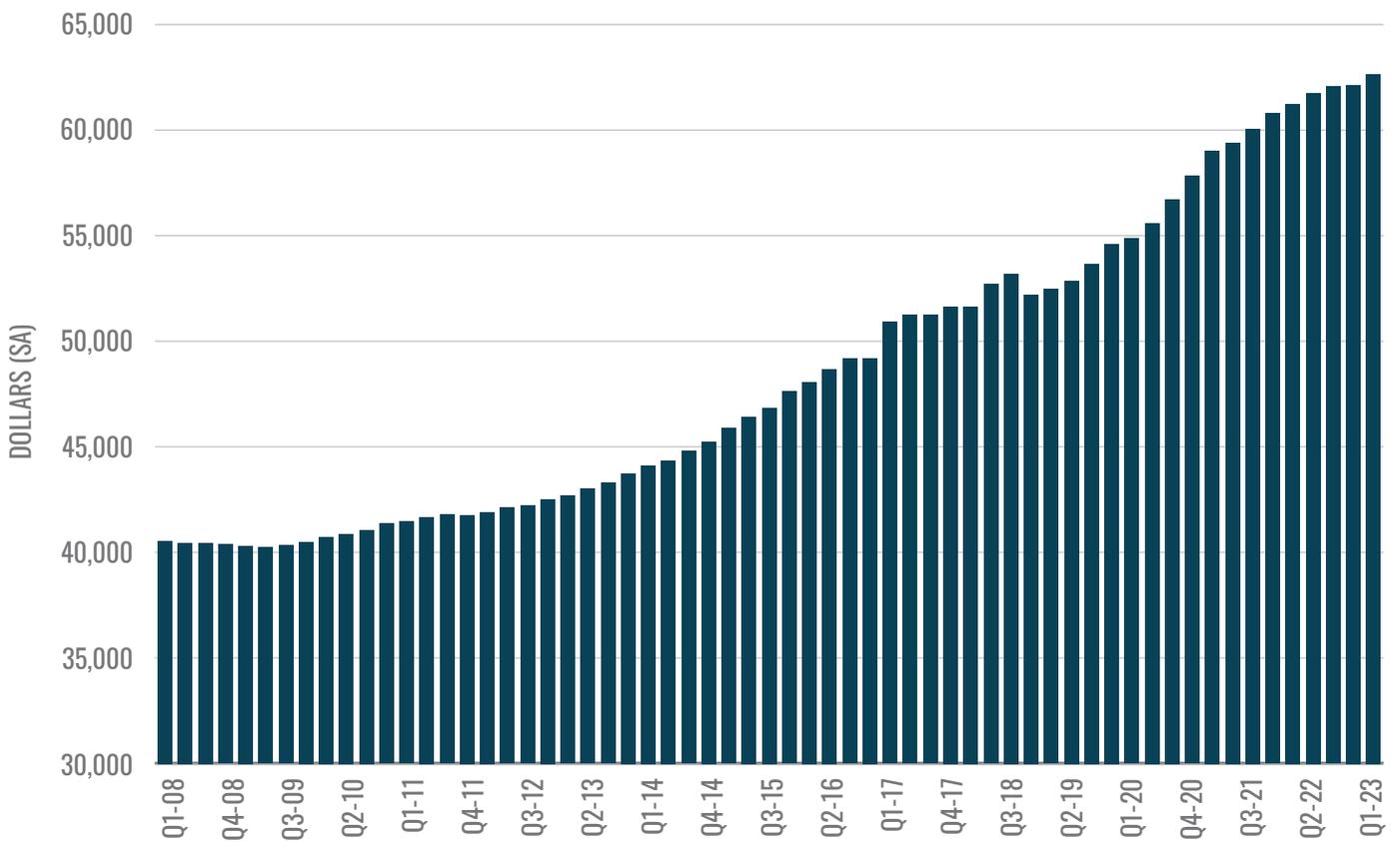
SOURCE: CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD); ANALYSIS BY BEACON ECONOMICS



# WAGES

With this strong year of economic growth, average annual wages in Corona reached \$62,600, or 12.4% above average annual wages in the balance of Riverside County. Overall wages in Corona have been steadily rising. From first-quarter 2022 to first-quarter 2023, wages in the city grew 2.3%, trailing the 2.9% increase throughout the rest of the county. However, this marks a decrease in real wages during the period due to high consumer inflation.

## AVERAGE ANNUAL WAGE: CORONA



SOURCE: CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD); ANALYSIS BY BEACON ECONOMICS

Average annual wages were up across most industries in Corona over the last year. As employers compete for workers due to labor shortages, wages have grown rapidly in some industries. Transportation, Warehousing and Utilities (9.3%) experienced the largest year-over-year increase in percentage terms. Due to rapid expansion, logistics has struggled to attract workers and employers have had to raise wages to attract workers. Other sectors experiencing rapid wage growth were Education (6.1%), Other Services (3.9%), Administrative Support (3.8%), Professional, Scientific, and Technical Services and Management (3.5%), Information (3.3%), and Health Care (3.1%).

### **AVERAGE ANNUAL WAGE BY INDUSTRY: CORONA (Q1 2023)**

| INDUSTRY                   | AVERAGE ANNUAL WAGE (\$, 000S) | YEAR-OVER-YEAR GROWTH |                    | CITY VS. COUNTY BALANCE (%)* |
|----------------------------|--------------------------------|-----------------------|--------------------|------------------------------|
|                            |                                | CITY (%)              | COUNTY BALANCE (%) |                              |
| Information                | 95.8                           | 3.3                   | -2.4               | 39.0                         |
| Prof, Sci, Tech, and Mgmt  | 92.9                           | 3.5                   | 0.2                | 20.9                         |
| Wholesale Trade            | 92.0                           | 0.0                   | 2.2                | 30.2                         |
| Fin. Svcs. and Real Estate | 86.5                           | -1.1                  | -1.1               | 22.3                         |
| Government                 | 86.5                           | 2.3                   | 3.1                | 13.6                         |
| NR/Construction            | 78.4                           | 2.7                   | 3.9                | 26.9                         |
| Manufacturing              | 65.5                           | 1.5                   | 2.7                | 1.8                          |
| Transport/Warehouse/Util   | 64.1                           | 9.3                   | 3.9                | 12.4                         |
| Admin Support              | 52.1                           | 3.8                   | 4.9                | 24.3                         |
| Other Svcs.                | 44.7                           | 3.9                   | 5.0                | -1.2                         |
| Retail Trade               | 44.5                           | 2.8                   | 2.0                | 4.3                          |
| Health Care                | 40.6                           | 3.1                   | 3.7                | -24.9                        |
| Education                  | 26.2                           | 6.1                   | 4.5                | -49.0                        |
| Leisure and Hospitality    | 25.4                           | 2.1                   | 3.6                | -18.2                        |
| Total                      | 62.6                           | 2.3                   | 2.9                | 12.4                         |

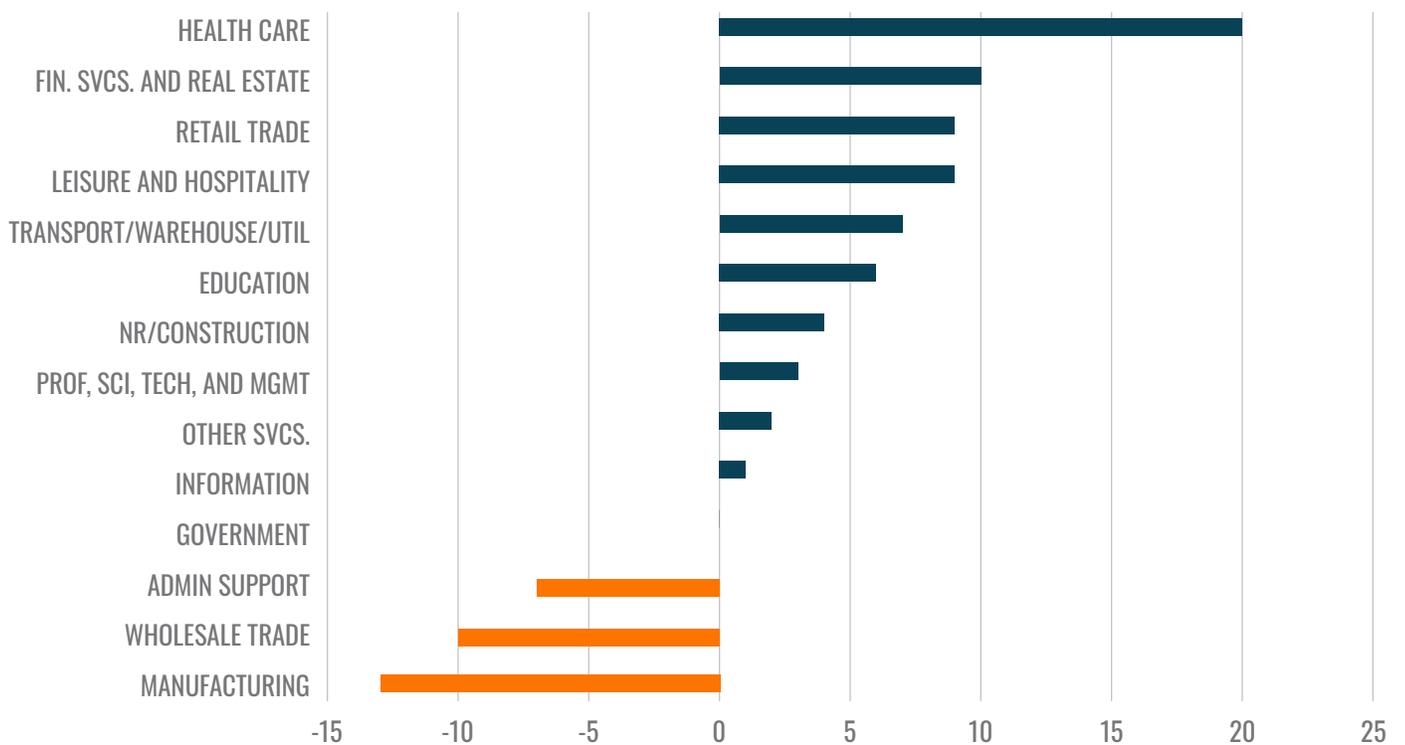
SOURCE: CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD); ANALYSIS BY BEACON ECONOMICS

\*INDUSTRY WAGE RELATIVE TO THE AVERAGE ANNUAL WAGE FOR THE INDUSTRY IN THE COUNTY BALANCE.

## BUSINESS ESTABLISHMENTS

The number of business establishments in Corona have also expanded over the last year. The total grew by 41 from first-quarter 2022 to first-quarter 2023, an increase of 1.5%. Health Care led this expansion, with the number of establishments growing by 20, a 7.5% increase. Other industries with large increases were Financial Services and Real Estate (10 establishments or 6.9%), Leisure and Hospitality (9 establishments or 2.6%), Retail Trade (9 establishments or 3.1%), Transportation, Warehousing, and Utilities (7 establishments or 7.6%), Education (6 establishments or 18.2%), and Natural Resources and Construction (4 establishments or 1.1%).

### ESTABLISHMENT GROWTH BY INDUSTRY: CORONA (Q1 2022 - Q1 2023)



SOURCE: CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD); ANALYSIS BY BEACON ECONOMICS

NOTE: ONLY COUNTS BUSINESS ESTABLISHMENTS WITH THREE OR MORE EMPLOYEES.

Business establishments did not increase across the board, however. The number of Manufacturing establishments decreased by 13 over the last year, a -4.5% decline. Other industries experiencing declines were Wholesale Trade (-10 establishments or -4.8%) and Administrative Support (-7 establishments or -4.3%).

Through the first quarter of 2023, growth has been mixed across establishment sizes in Corona. Employment levels at establishments with 200 or more employees led gains, with payrolls expanding 4.7%. This was followed by growth at establishments with less than 10 employees (1.1%) and 10 to 49 employees (0.2%). In contrast, employment levels at establishments with 50 to 99 employees (-1.3%) and 100 to 199 employees (-2.1%) declined over the last year.

**EMPLOYMENT GROWTH IN 2023 (YTD) BY BUSINESS ESTABLISHMENT SIZE: CORONA**

| ESTABLISHMENT SIZE     | TOTAL EMPLOYMENT | ANNUAL GROWTH (%) |
|------------------------|------------------|-------------------|
| Less than 10 Employees | 13,543           | 1.1               |
| 10 to 49 Employees     | 25,537           | 0.2               |
| 50 to 99 Employees     | 15,427           | -1.3              |
| 100 to 199 Employees   | 12,768           | -2.1              |
| 200 or More Employees  | 21,088           | 4.7               |

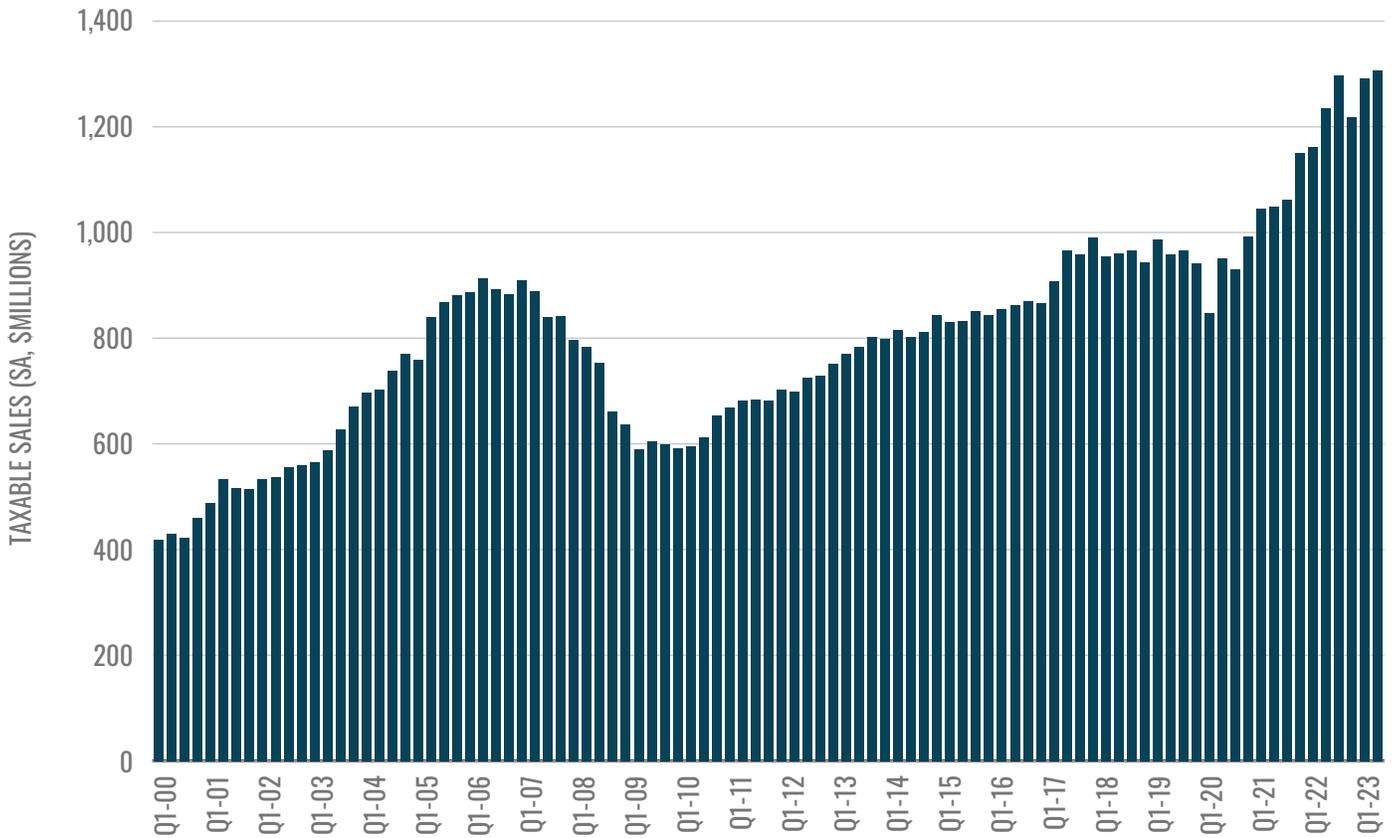
SOURCE: CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD); ANALYSIS BY BEACON ECONOMICS



# LOCAL SPENDING

Taxable sales in Corona totaled just over \$1.31 billion in the third quarter of 2023, up 5.8% over the last year. This outpaces growth in Orange County (-1.4%), Riverside County (-1.3%), Los Angeles County (-2.5%), and San Bernardino County (-5.9%).

## CORONA TAXABLE SALES



SOURCE: CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION (CDTFA); ANALYSIS BY BEACON ECONOMICS

Consumer spending has declined in Riverside County over the last year. From third-quarter 2022 to third-quarter 2023, taxable receipts in Riverside County fell -1.9%, driven by lower fuel prices and less spending on Building and Construction and Food and Drugs.

Due in part to lower fuel prices, Fuel and Service Stations spending fell -8% over the last year. However, Fuel and Service Stations spending remains 30.6% above levels from the fourth quarter of 2019. Other sectors with significant declines in taxable receipts were Building and Construction (-3.2%), Food and Drugs (-3.1%), Autos and Transportation (-2.4%), the County and State Pool (-2%), and General Consumer Goods (-1.7%).

Despite overall taxable receipts falling, Restaurants and Hotels continues to post gains. From third-quarter 2022 to third-quarter 2023, taxable receipts at Restaurants and Hotels increased 1.6%. Business and Industry (0.5%) was the only other sector with increased spending levels.

### SALES TAX RECEIPTS BY CATEGORY: RIVERSIDE COUNTY

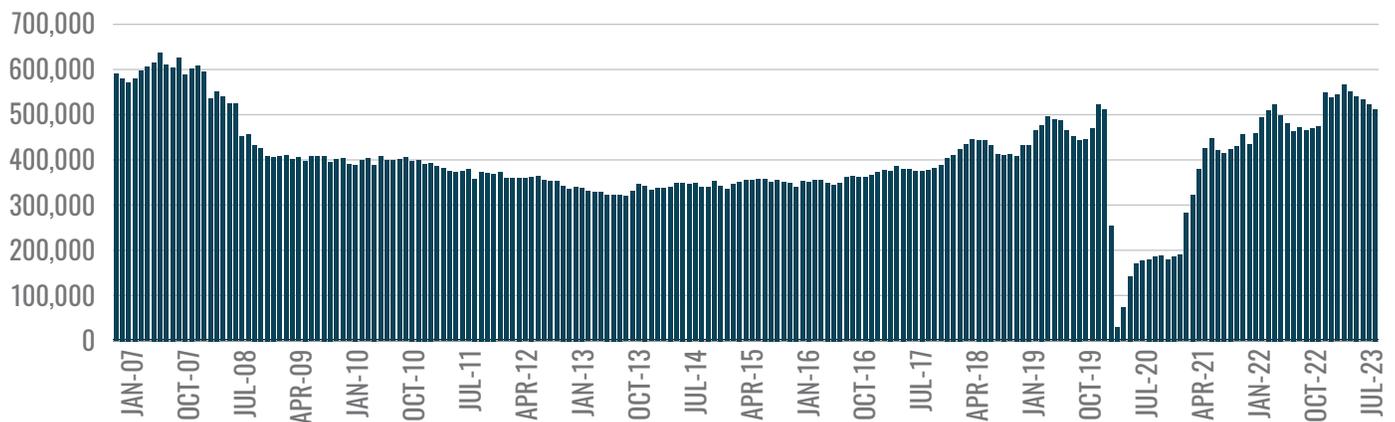
| CATEGORY                  | Q3-23 (\$, 000S) | 1-YEAR CHG. (%) | CHG. SINCE 4Q-19 (%) |
|---------------------------|------------------|-----------------|----------------------|
| Restaurants and Hotels    | 15,820           | 1.6             | 31.6                 |
| Business and Industry     | 34,036           | 0.5             | 127.3                |
| General Consumer Goods    | 23,772           | -1.7            | 16.0                 |
| County & State Pool       | 22,339           | -2.0            | 52.3                 |
| Autos and Transportation  | 23,132           | -2.4            | 29.5                 |
| Food and Drugs            | 6,744            | -3.1            | 25.0                 |
| Building and Construction | 16,721           | -3.2            | 40.6                 |
| Fuel and Service Stations | 12,467           | -8.0            | 30.6                 |
| Total                     | 155,878          | -1.9            | 46.3                 |

SOURCE: HDL COMPANIES; ANALYSIS BY BEACON ECONOMICS

Passenger traffic at Ontario International Airport continues to grow. A total of 5.9 million passengers passed through the airport during the first 11 months of 2023, an 11.7% increase over 2022. More importantly, passenger traffic is now 16% above 2019 levels.

Ontario International Airport remains a major mover of freight, with 629,606 tons passing through the airport during the first 11 months of 2023, an -11.6% decrease over 2022. Freight traffic through the airport is now -6.3% below 2019 levels.

### ONTARIO AIRPORT TOTAL PASSENGERS

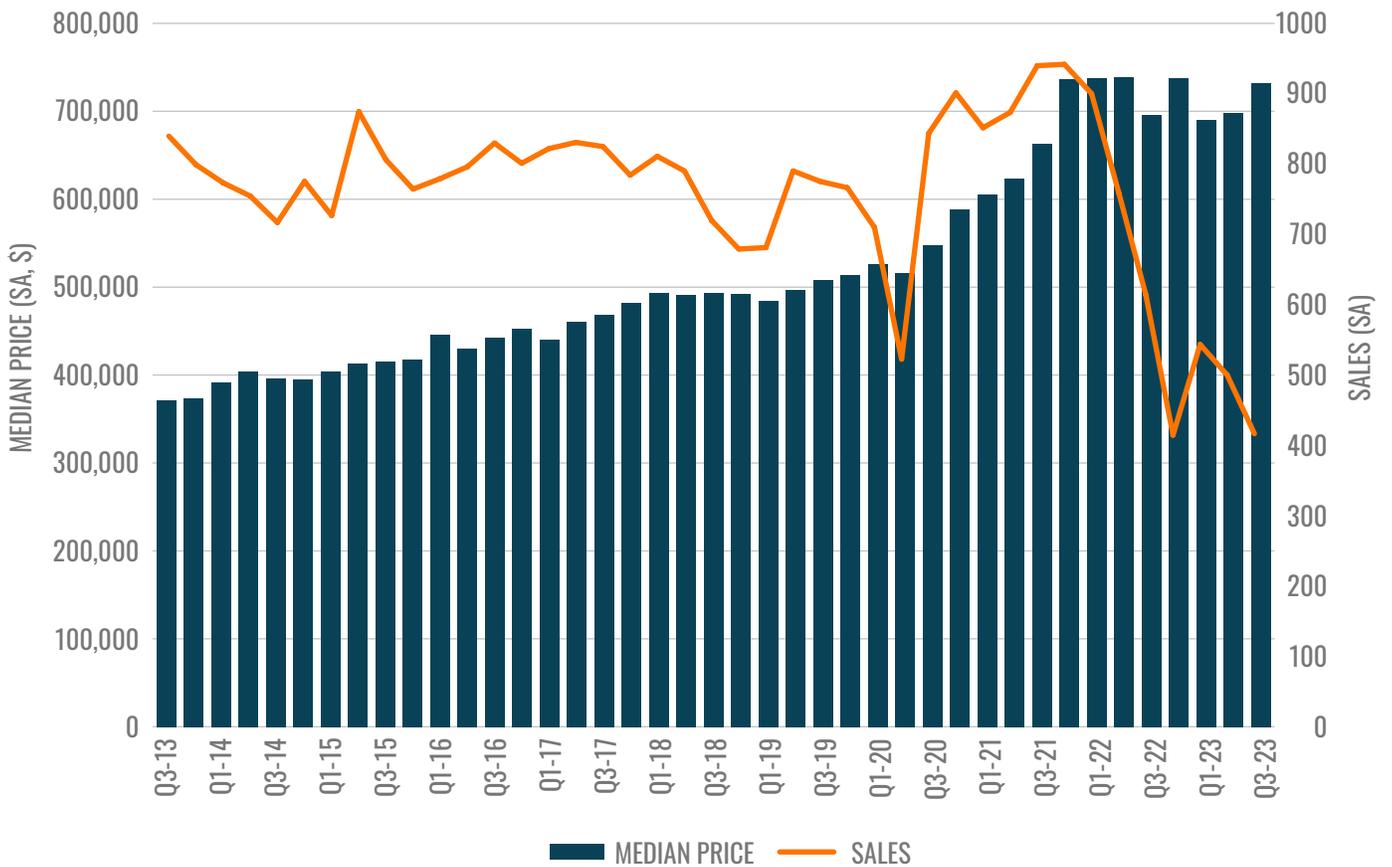


SOURCE: VISIT CALIFORNIA; ANALYSIS BY BEACON ECONOMICS

# RESIDENTIAL REAL ESTATE

The housing market in Corona has slowed down but remains stable. There are several factors affecting local housing activity. First, high mortgage interest rates are putting downward pressure on home sales; however, house price depreciation has been modest due to limited supply. Despite recent price declines, values are still significantly elevated compared to their pre-pandemic peak. Additionally, consumer balance sheets are relatively strong and unemployment remains low. As a result, a collapse in housing is doubtful.

## CORONA HOME PRICES AND SALES



SOURCE: CORELOGIC; ANALYSIS BY BEACON ECONOMICS

Against this backdrop, home prices in Corona are 39.2% above pre-pandemic levels and continuing to grow modestly. From third-quarter 2022 to third-quarter 2023, the median single-family home price increased 5.1%, a more rapid rise compared to the cities of Los Angeles (1.4%), Riverside (-1.6%), and San Bernardino (0.7%), but a modest increase compared to Orange (9.8%) and San Diego (10.4%).

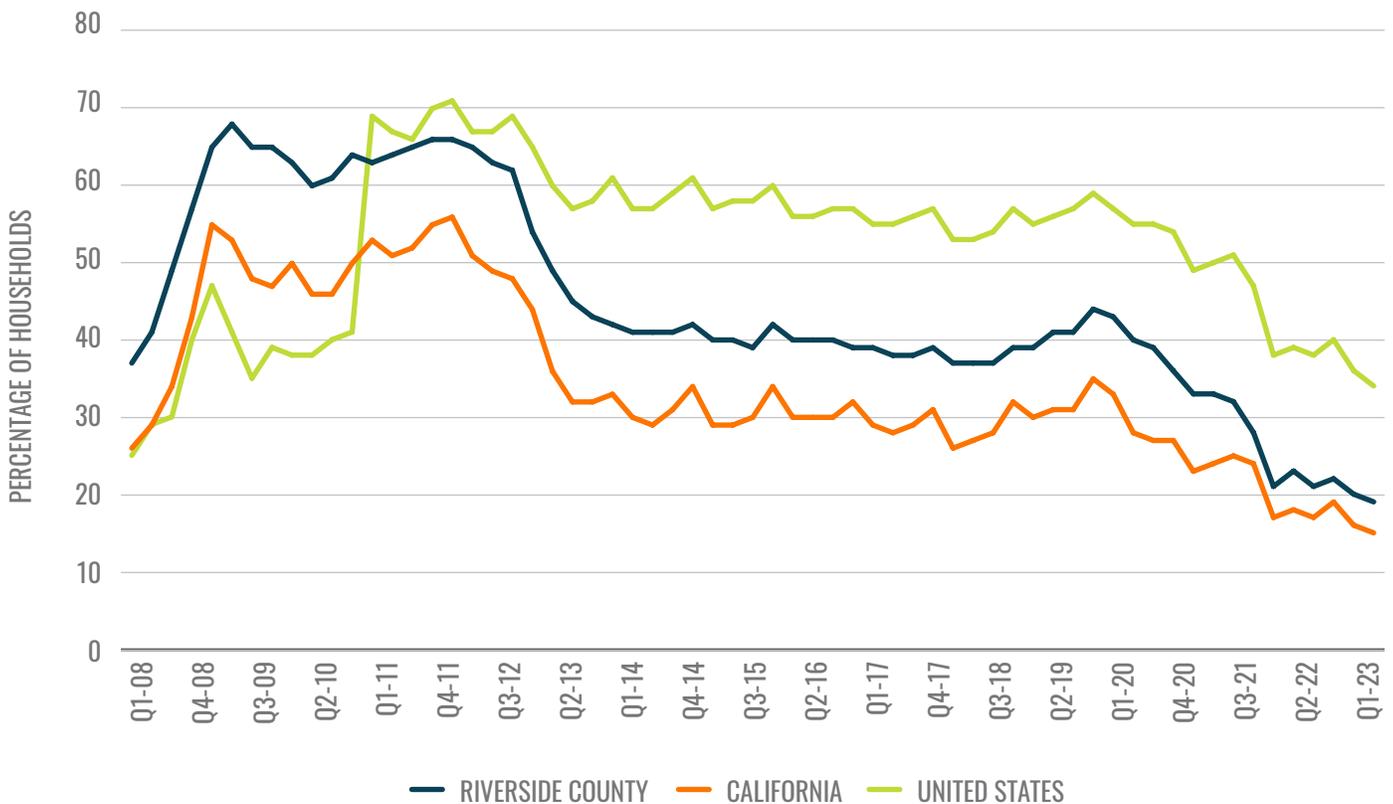
Corona remains relatively affordable by Southern California standards. At a median price of \$731,400, its existing single-family homes are significantly more affordable than Los Angeles County (\$1.04 million), Orange County (\$1.26 million), and San Diego County (\$999,300). However, buyers in Corona pay a premium relative to buyers in Riverside (\$556,900) and San Bernardino (\$493,300) counties.

The rapid rise in median home prices and high interest rates have negatively impacted affordability in the region. Once a bastion of affordable housing in California, Riverside County is now beyond the reach of most local households. Only 19% of local households can afford to purchase a median-priced home as of the third quarter of 2023, down from 44% in the first quarter of 2020. This makes the region more affordable than California (15%) but less affordable than the United States overall (34%).

Local home inventory throughout California remains low. In November 2023, there was only 3.6 months of housing supply available for purchase in Riverside County. A balanced market typically equates to six to seven months of supply, a buyer's market to seven months and above of supply, and a seller's market to six months and below of supply.<sup>1</sup>

With low inventory and rising mortgage rates limiting potential buyers, the number of homes sold in Corona has declined. Existing single-family home sales declined -32.3% in the city from third-quarter 2022 to third-quarter 2023, a steeper decline relative to Orange (-12.6%), Los Angeles (-15.7%), Riverside (-21.6%), San Bernardino (-20%), and San Diego (-29.1%) counties.

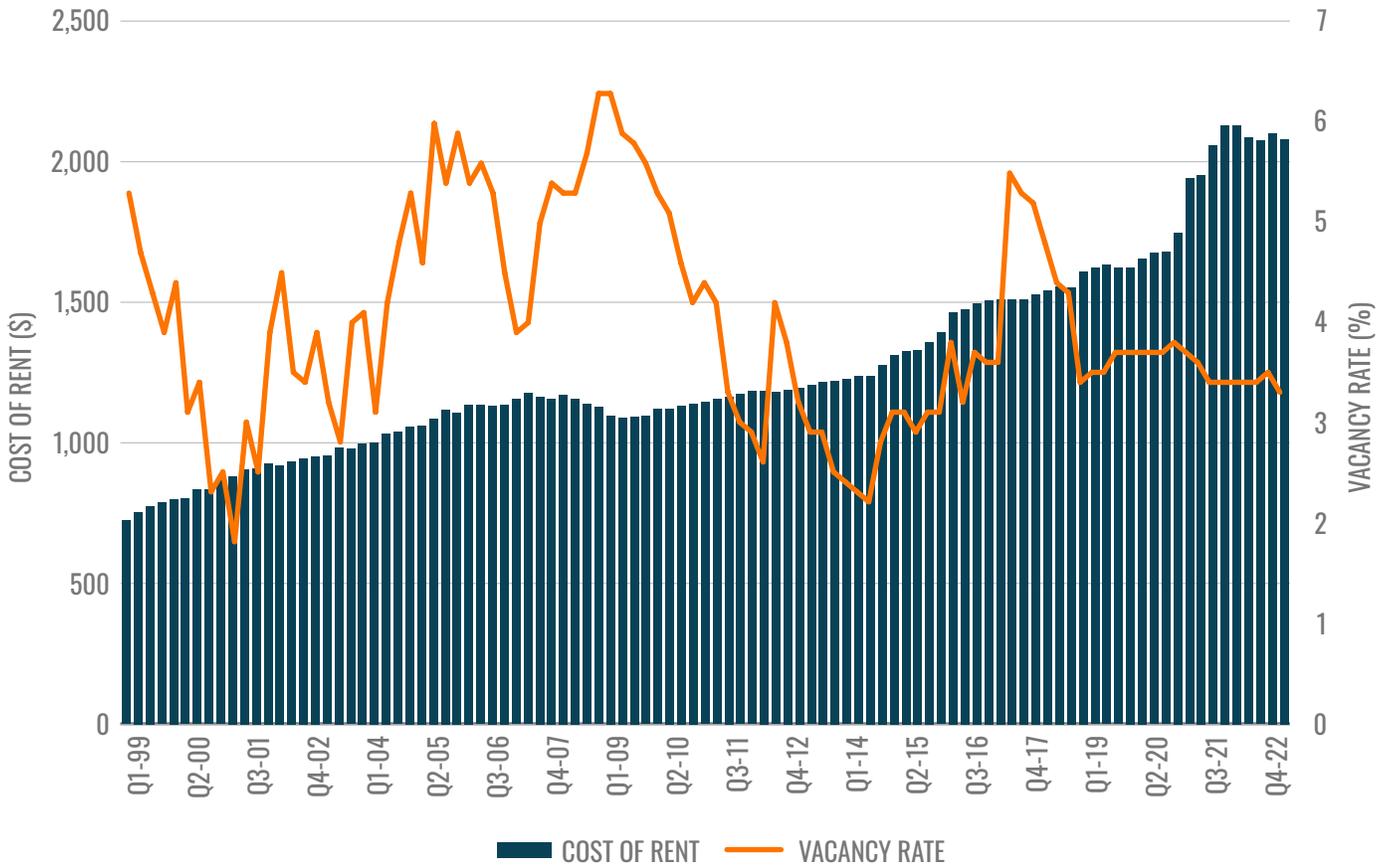
### TRADITIONAL HOUSING AFFORDABILITY



SOURCE: CALIFORNIA ASSOCIATION OF REALTORS (CAR); ANALYSIS BY BEACON ECONOMICS

Demand for apartments in Corona remains strong. The apartment vacancy rate fell to 3.4% in the third quarter of 2023, a -0.1 percentage-point decline from one year ago. Vacancy rates are higher in Los Angeles (4%), Orange (3.5%), and San Diego (3.8%) counties. Asking rents fell -2.2% to \$2,080 per-unit per month in the third quarter of 2023 but still remain 27.4% above levels from the fourth quarter of 2019. While renters in Corona pay a premium compared to the Inland Empire overall (\$1,822), the city is still more affordable than Los Angeles (\$2,440), Orange (\$2,503), and San Diego (\$2,385) counties.

### RIVERSIDE COUNTY/CORONA APARTMENT MARKET

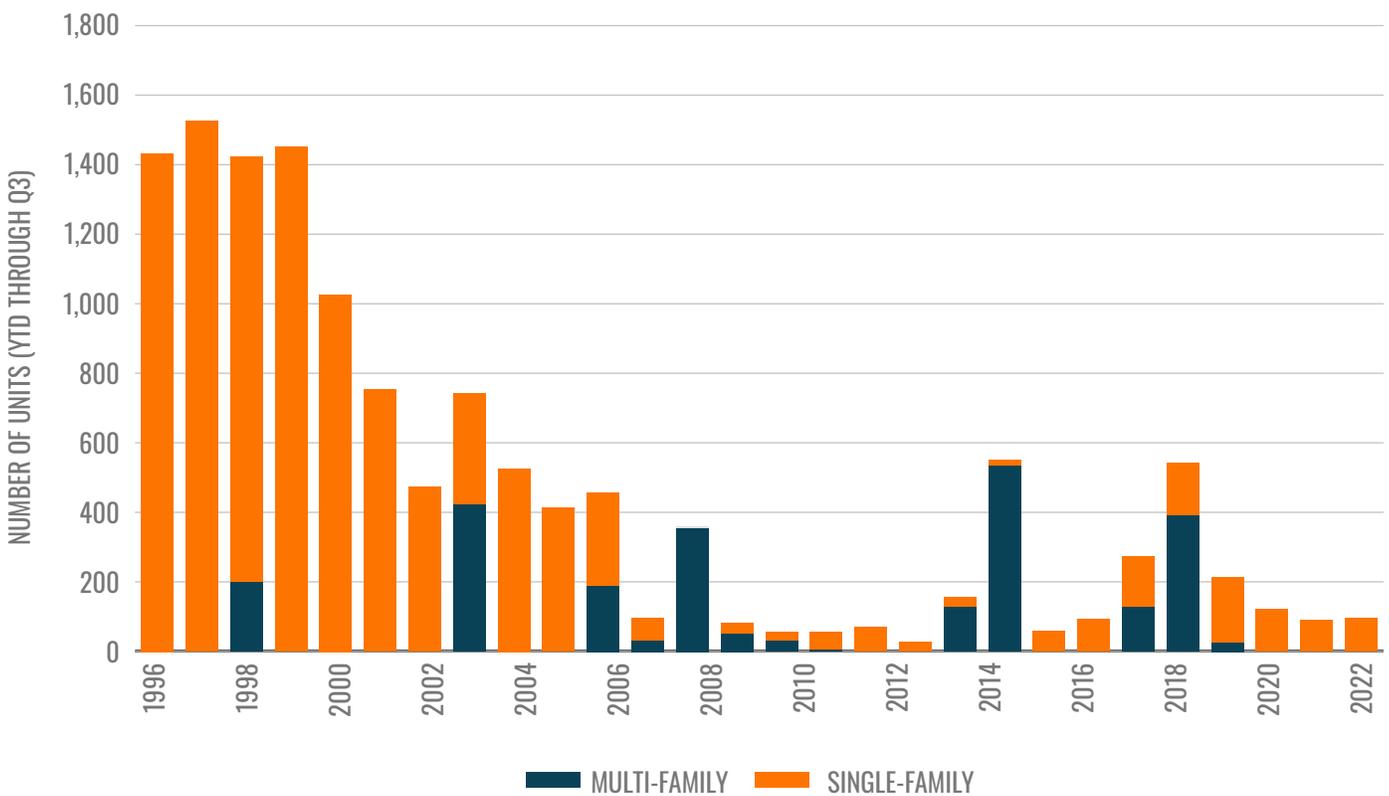


SOURCE: REIS; ANALYSIS BY BEACON ECONOMICS

# HOUSING STOCK

In 2023, there were 50,604 housing units in Corona. The city’s housing stock has expanded 2.7% over the last five years, trailing growth in Orange County (5.1%) and Riverside County (3.8%). Residential construction grew modestly over the last year in Corona. Multi-family and single-family building permits issued by the city totaled just 97 units during the first three quarters of 2023, a 6.6% increase compared to the same period in 2022, but the second-to-lowest level of residential permitting activity since 2017. Southern California continues to be in the middle of a housing shortage, exacerbating affordability and limiting growth in the region’s labor force.

## CORONA RESIDENTIAL PERMITS YTD

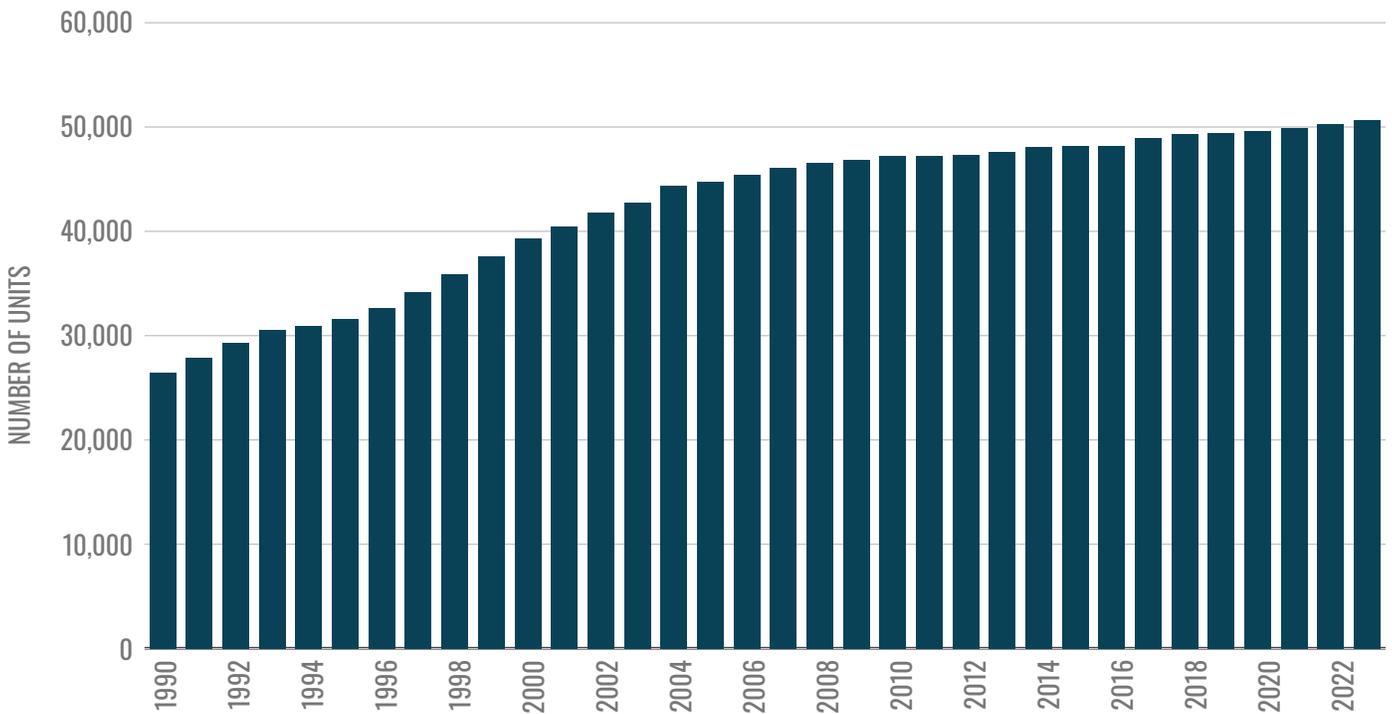


SOURCE: CONSTRUCTION INDUSTRY RESEARCH BOARD (CIRB); ANALYSIS BY BEACON ECONOMICS

Despite ongoing affordability issues, Corona is one of the more affordable cities in Southern California. In 2022, the city’s homeownership rate was 62.4%, significantly higher than Los Angeles County (45.4%), Orange County (55.8%), and California (55.8%). With lower housing costs and proximity to job centers in Southern California, Corona is at the forefront of fast-growing suburban communities that have led the Inland Empire’s population growth over the last decade.

Corona and the Inland Empire lack the multi-family housing that coastal communities in Southern California have. In 2023, residential buildings with five or more units made up just 21.6% of Corona’s housing stock, well below Los Angeles County (35.6%), Orange County (26.9%), and California (24.1%). With single-family homes making up a larger share of its housing, Corona has more people per household than other parts of California. In 2023, the average household size in Corona was 3.19, which is significantly larger compared to Los Angeles County (2.75), Orange County (2.83), and California (2.77). However, similar to much of the state, household size has declined significantly post-pandemic in Corona, falling from an average household size of 3.49.

## CORONA HOUSING STOCK

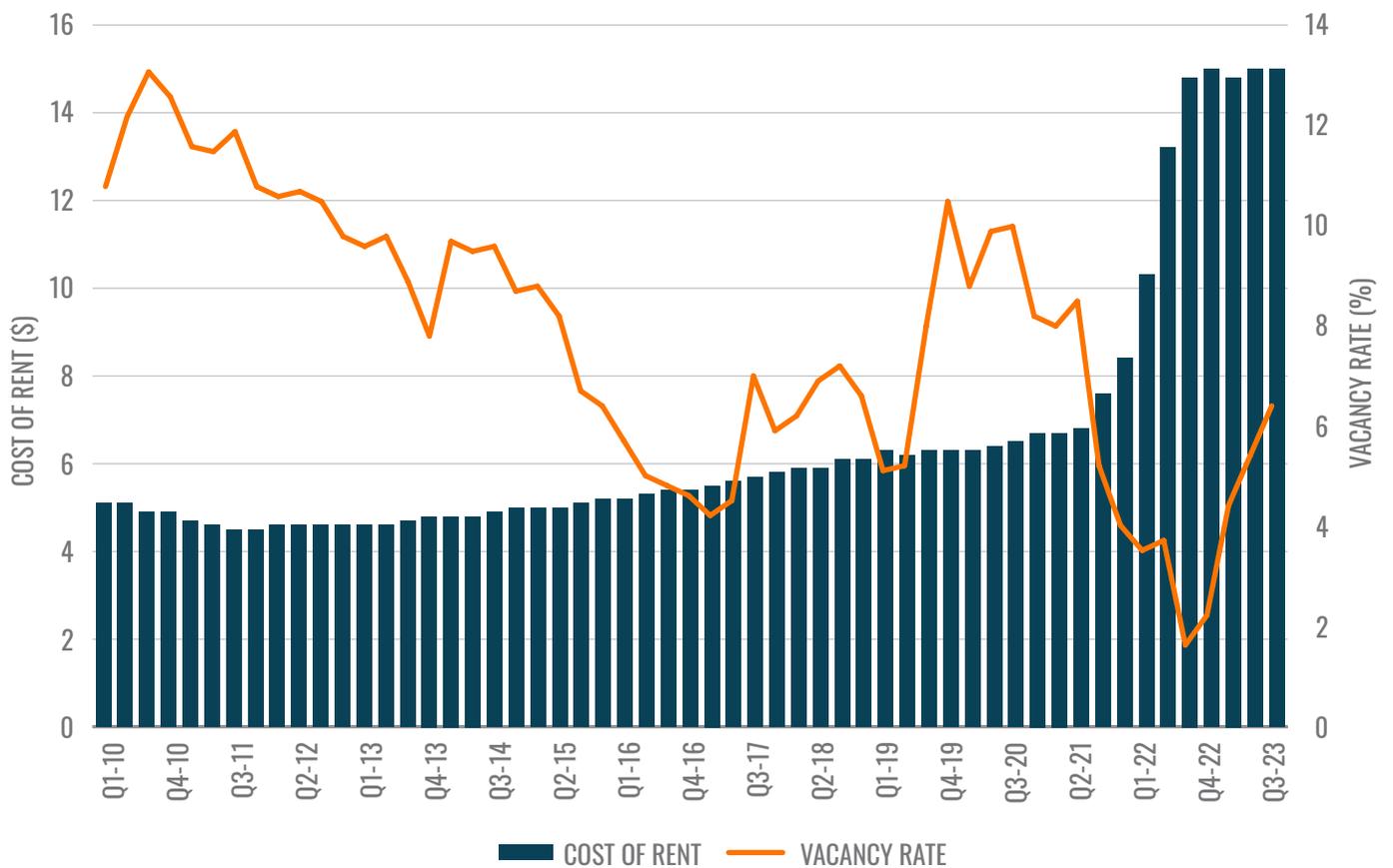


SOURCE: CALIFORNIA DEPARTMENT OF FINANCE (CDF); ANALYSIS BY BEACON ECONOMICS

# COMMERCIAL REAL ESTATE

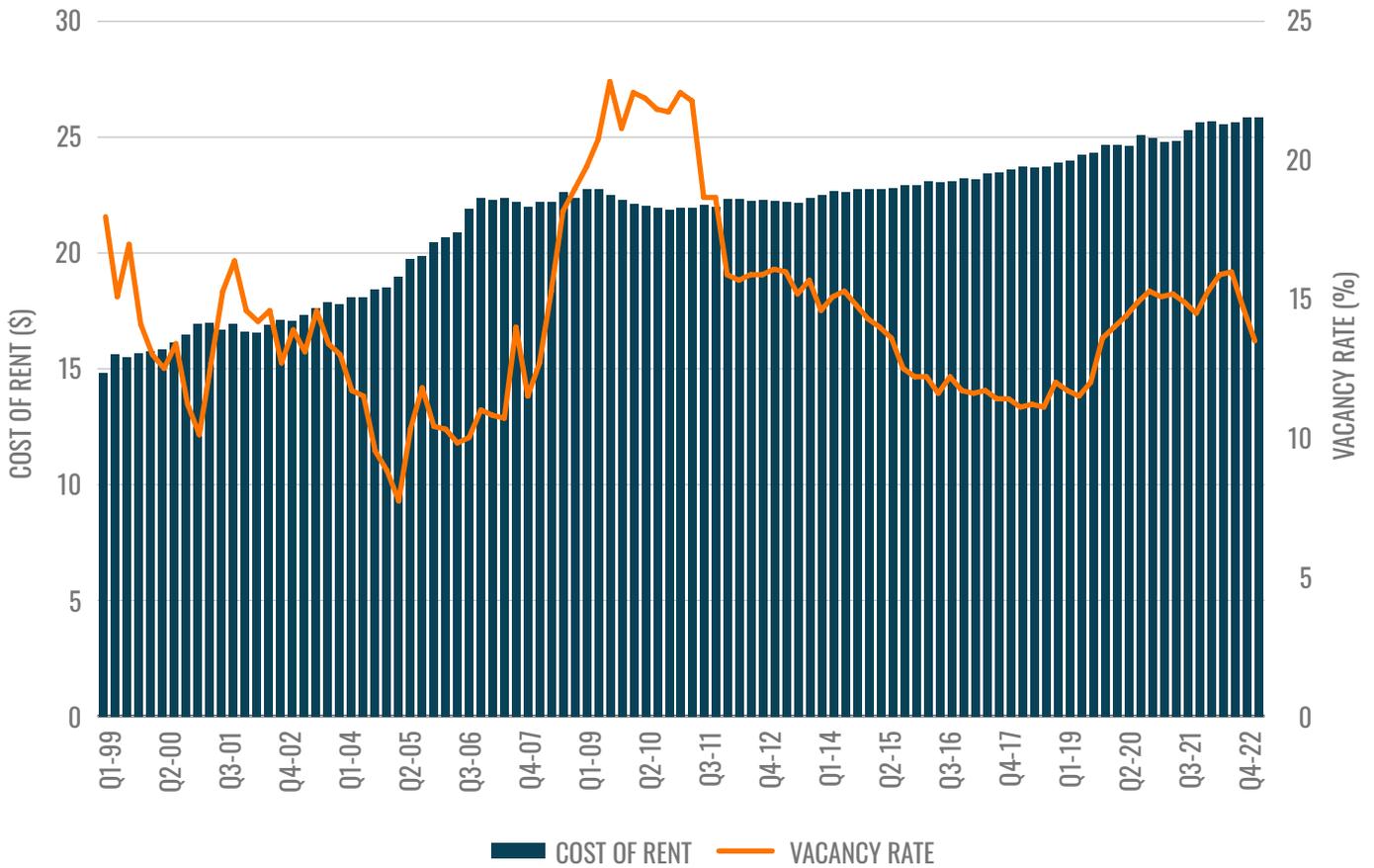
The vacancy rate for Warehouse properties in Corona’s submarket grew 6.4% in the third quarter of 2023, a 4.8 percentage-point increase from a year earlier. This increase was driven by 7.7 million square feet of Warehouse space being added to Corona’s submarket stock, a substantial 16.2% increase. Vacancy rates are lower in the Inland Empire (4.7%), Los Angeles (2.4%), Orange (1.9%), and San Diego (2.2%) counties. In addition, asking rents grew by 2% to an average annual rate of \$15.04 per square-foot, which marks a premium compared to the Inland Empire overall (\$12.84), Los Angeles (\$12.98), Orange (\$10.56), and San Diego (\$11.82) counties.

## CORONA WAREHOUSE MARKET



SOURCE: REIS; ANALYSIS BY BEACON ECONOMICS

## CORONA/RIVERSIDE/MORENO VALLEY OFFICE MARKET

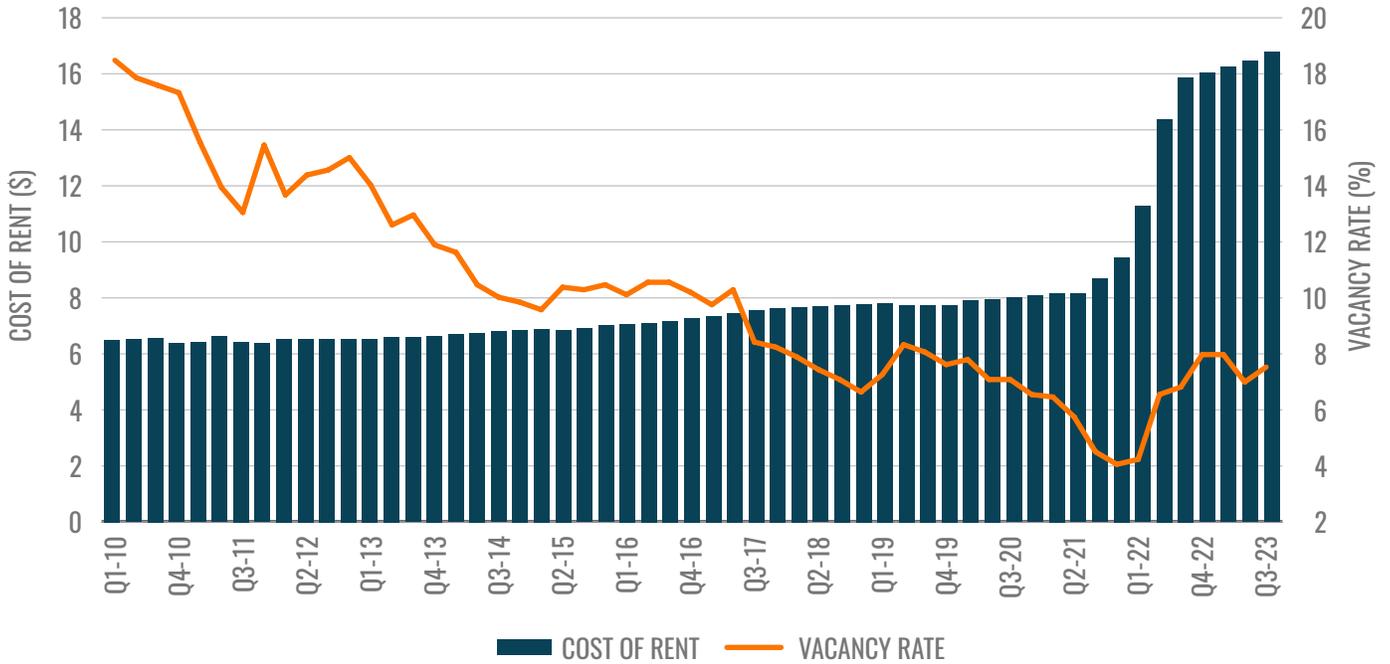


SOURCE: REIS; ANALYSIS BY BEACON ECONOMICS

Despite a rise in work-from-home activity, firms haven’t abandoned offices and Office vacancy rates have not collapsed. So far, offices are being used differently than they were before the pandemic. Ultimately, the longevity of the work-from-home trend will influence Office real estate markets. Labor shortages have given workers the leverage to continue working from home and employers have acquiesced to worker demands. An economic slowdown would weaken worker autonomy and likely strengthen employer demands to have a greater employee presence in offices.

The vacancy rate for Flex/Research and Development (R&D) properties in the Corona submarket grew to 6.1% in the third quarter of 2023, a 0.8 percentage-point increase from a year earlier. Vacancy rates are lower in the Inland Empire (3.5%), Los Angeles (4.3%), Orange (2.7%), and San Diego (4.5%) counties. Asking rents grew by 5.8% to an annual rate of \$16.77 per square-foot, which marks a premium compared to the Inland Empire (\$15.01) and Orange County (\$15.85) but keeps Flex/R&D space in the Corona submarket more affordable than the Los Angeles (\$18.66) and San Diego (\$18.47) counties.

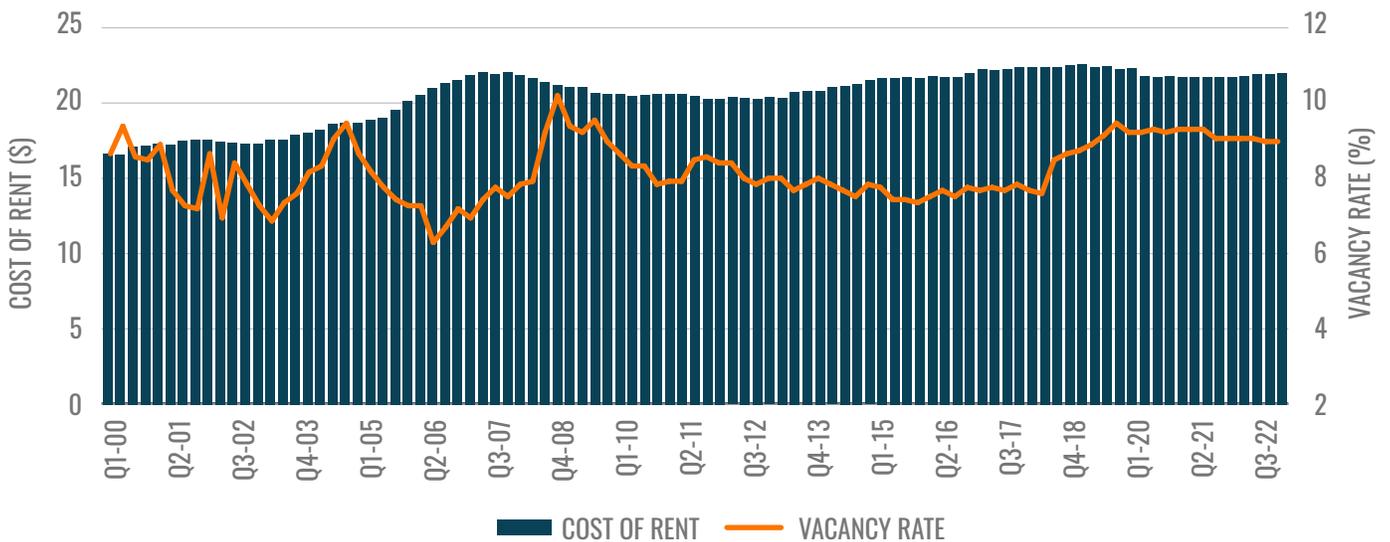
## CORONA FLEX/R&D MARKET



SOURCE: REIS; ANALYSIS BY BEACON ECONOMICS

Demand for Retail space in the Moreno Valley/Riverside/Corona submarket has grown modestly over the last year. The vacancy rate fell to 8.5% in the third quarter of 2023, a -0.1 percentage-point decline from a year earlier. Retail vacancy rates are higher in the Inland Empire (10.1%) but remain lower in Los Angeles (8.1%), Orange (6.5%), and San Diego (6.9%) counties. Asking rents grew 1.2% to an annual rate of \$21.99 per square-foot, which keeps Retail space in the submarket more affordable than the Inland Empire (\$22.85), Los Angeles (\$34.21), Orange (\$34.61), and San Diego (\$32.55) counties.

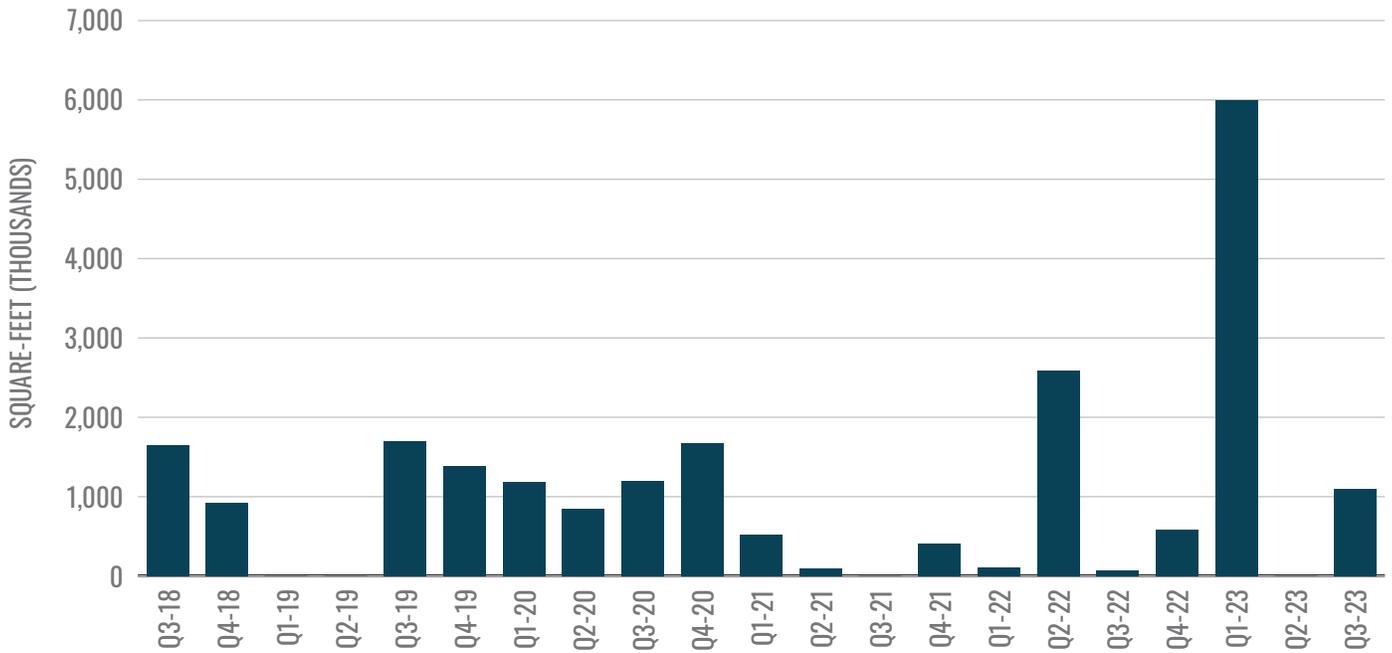
## CORONA /MORENO VALLEY/RIVERSIDE RETAIL MARKET



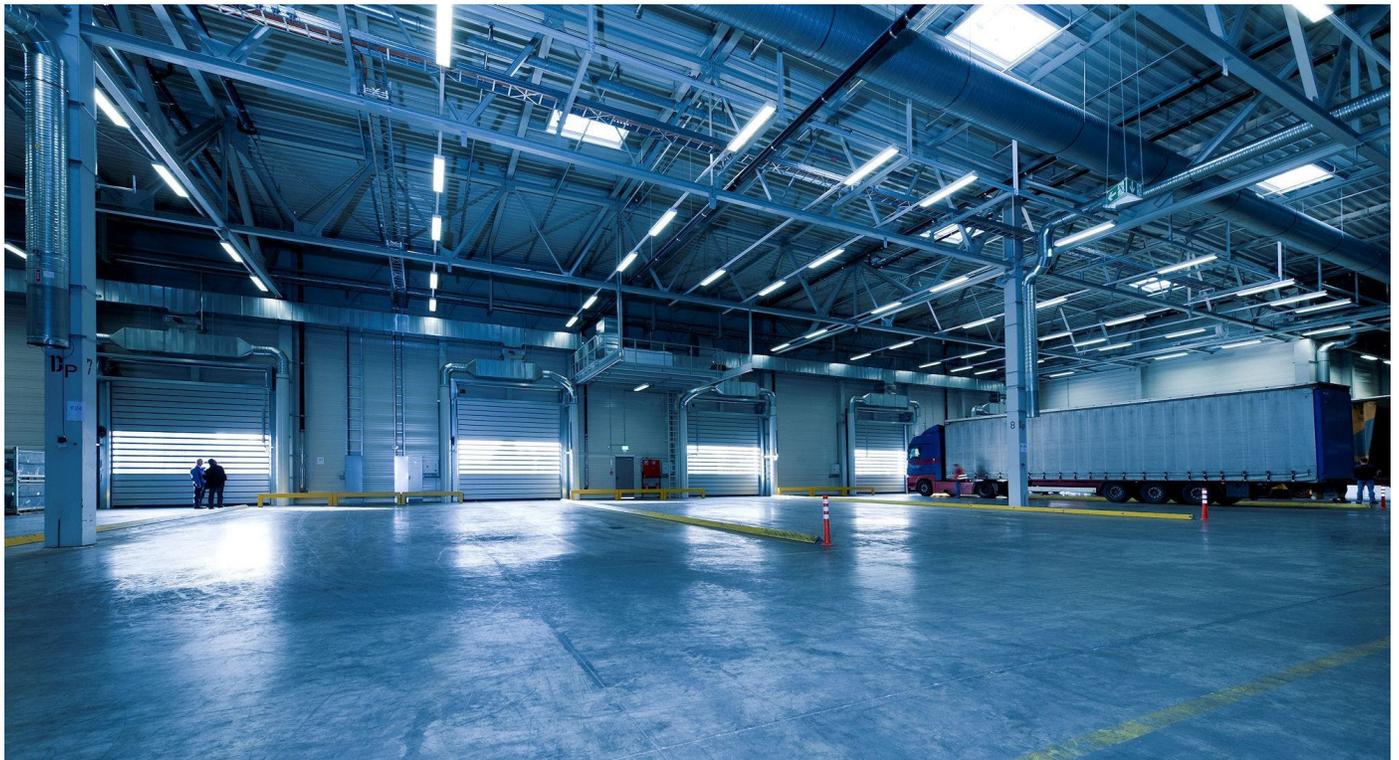
SOURCE: REIS; ANALYSIS BY BEACON ECONOMICS

The industrial Warehouse market was the only property type to experience new stock come online over the last year in Corona. From third-quarter 2022 to third-quarter 2023, 7.7 million square feet of Warehouse space was added to Corona's submarket stock, a substantial 16.2% increase.

### CORONA WAREHOUSE MARKET COMPLETIONS



SOURCE: REIS; ANALYSIS BY BEACON ECONOMICS



# DEMOGRAPHICS

Cities like Corona have been at the center of the Inland Empire’s economic growth. However, limited housing stock and rising housing costs have caused Corona’s population to fall -0.1% from 2021 to 2023. California also experienced its population dip -0.9%. Due to limited housing stock and rising housing costs, Corona residents have had to look at more affordable parts of California or other states, much like residents who have been pushed out of California’s coastal communities.

## INBOUND MIGRATION BY EDUCATIONAL ATTAINMENT: CORONA

| EDUCATIONAL ATTAINMENT                      | 2022 SHARE OF INBOUND MIGRANTS (%) |
|---|------------------------------------|
| Less than high school graduate              | 12.7                               |
| High school graduate (includes equivalency) | 32.4                               |
| Some college or associate’s degree          | 21.6                               |
| Bachelor’s degree                           | 22.9                               |
| Graduate or professional degree             | 10.5                               |

SOURCE: U.S. CENSUS BUREAU AMERICAN COMMUNITY SURVEY; ANALYSIS BY BEACON ECONOMICS

Currently, inbound migrants to Corona make up 10.1% of the city’s population. Inbound migrants are slightly more educated than the city’s population overall. In 2022, 33.3% of inbound migrants held a bachelor’s degree or higher, slightly more than the 30% with a bachelor’s degree or higher in the city overall.

The Education and Health Care industry employs the highest share of the city’s residents (21.8%), followed by Leisure and Hospitality (13%), Manufacturing (10.8%), Professional and Business Services (10.8%), Retail Trade (9.7%), and Construction (8.6%). Education and Health Care continues to be one of the largest sectors in the U.S. economy and will continue expanding as the population ages. On the other hand, the large share of employment in Manufacturing is a unique feature of Corona’s economy. In 2022, 10.8% of Corona residents were employed in Manufacturing, while at the state level only 8.7% of residents were employed in this sector and just 7.6% of Riverside County residents. Compared to other areas in the Inland Empire, Corona’s economy is less dependent on Warehousing, which employed 5.8% of Corona residents in 2022 compared to 7.8% in Riverside County.

In terms of occupations, the largest share (25%) of city residents work in sales and office occupations, followed by service occupations (17.7%), management, business and financial occupations (15.4%), and production, transportation and material-moving occupations (12.9%). Corona has a larger share of employment in management, business, and financial occupations compared to Riverside County, with management, business and financial occupations accounting for 15.4% of total occupations. However, Corona has a smaller share of employment in service occupations compared to Riverside County, with service occupations accounting for 17.7% of total occupations.

## RESIDENT EMPLOYMENT BY INDUSTRY: CORONA

| INDUSTRY                                     | 2022          | CITY SHARE (%) | COUNTY SHARE (%) |
|--|---------------|----------------|------------------|
| <b>Total</b>                                 | <b>81,209</b> | <b>100.0</b>   | <b>100.0</b>     |
| Natural Resources and Mining                 | 509           | 0.6            | 1.4              |
| Construction                                 | 6,968         | 8.6            | 9.2              |
| Manufacturing                                | 8,748         | 10.8           | 7.6              |
| Wholesale trade                              | 1,576         | 1.9            | 2.7              |
| Retail trade                                 | 7,897         | 9.7            | 11.9             |
| Transportation, warehousing, and utilities   | 4,725         | 5.8            | 7.8              |
| Information                                  | 1,133         | 1.4            | 1.4              |
| Financial Activities                         | 5,282         | 6.5            | 5.2              |
| Professional and Business Services           | 8,101         | 10.0           | 10.4             |
| Education and Health Care                    | 17,743        | 21.8           | 20.5             |
| Leisure and Hospitality                      | 10,582        | 13.0           | 11.9             |
| Other services, except public administration | 3,805         | 4.7            | 5.0              |
| Public administration                        | 4,140         | 5.1            | 4.9              |

SOURCE: U.S. CENSUS BUREAU AMERICAN COMMUNITY SURVEY; ANALYSIS BY BEACON ECONOMICS

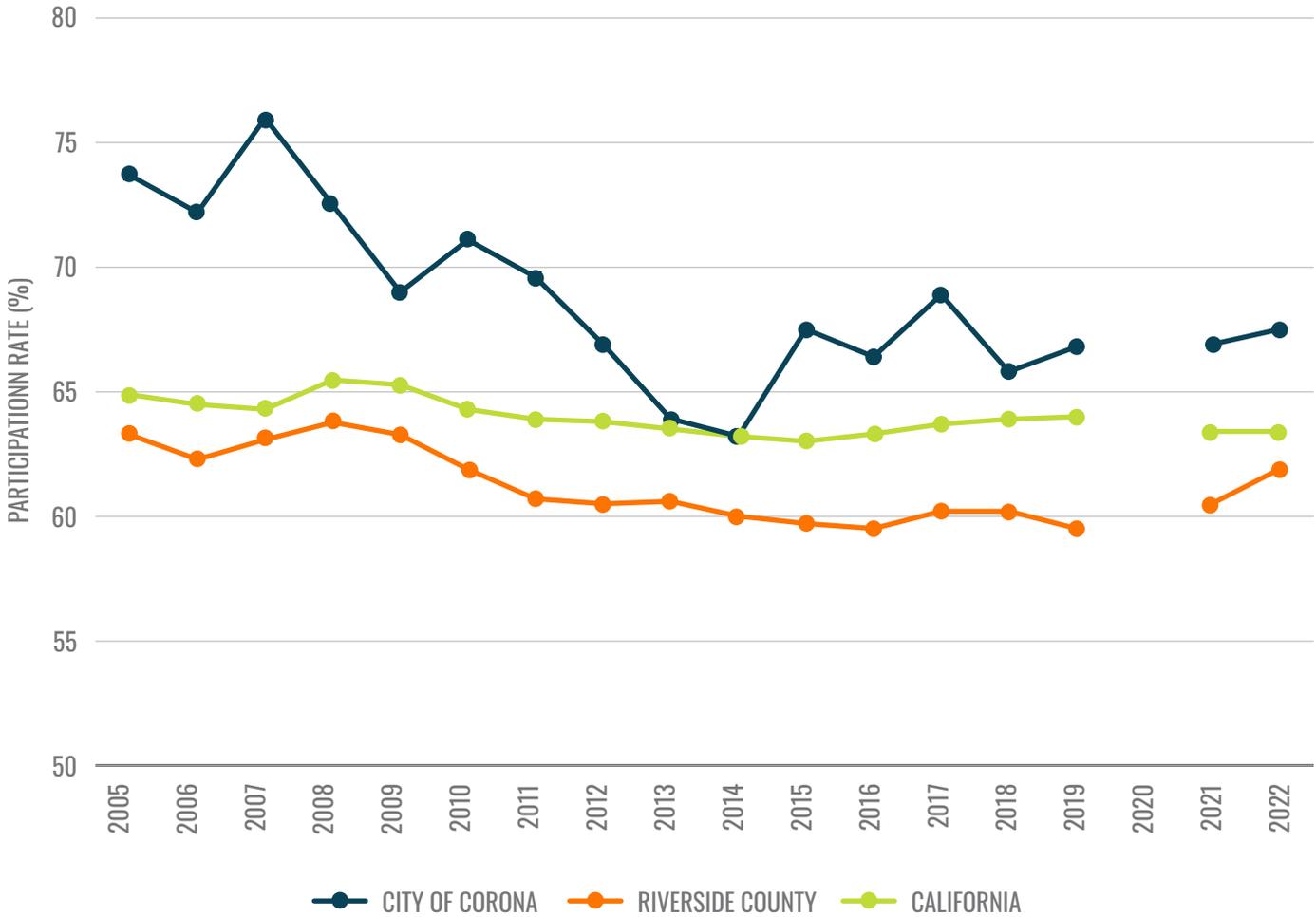
## RESIDENT EMPLOYMENT BY OCCUPATION: CORONA

| OCCUPATION   | 2022          | CITY SHARE (%) | COUNTY SHARE (%) |
|--|---------------|----------------|------------------|
| <b>Total</b>   | <b>81,209</b> | <b>100.0</b>   | <b>100.0</b>     |
| Management, business, and financial occupations                  | 12,538        | 15.4           | 13.6             |
| Computer, engineering, and science occupations                   | 3,791         | 4.7            | 3.9              |
| Education, legal, community service, arts, and media occupations | 8,643         | 10.6           | 9.4              |
| Healthcare practitioners and technical occupations               | 4,654         | 5.7            | 5.3              |
| Service occupations  | 14,391        | 17.7           | 20.2             |
| Sales and office occupations                                     | 20,303        | 25.0           | 21.5             |
| Natural resources, construction, and maintenance occupations     | 6,432         | 7.9            | 10.9             |
| Production, transportation, and material moving occupations      | 10,457        | 12.9           | 15.2             |

SOURCE: U.S. CENSUS BUREAU AMERICAN COMMUNITY SURVEY; ANALYSIS BY BEACON ECONOMICS

At 67.5%, Corona has a higher labor force participation rate (the percentage of all people of working age who are employed or actively seeking work) compared to Riverside County (61.9%) and California (63.4%).

**LABOR FORCE PARTICIPATION RATE**

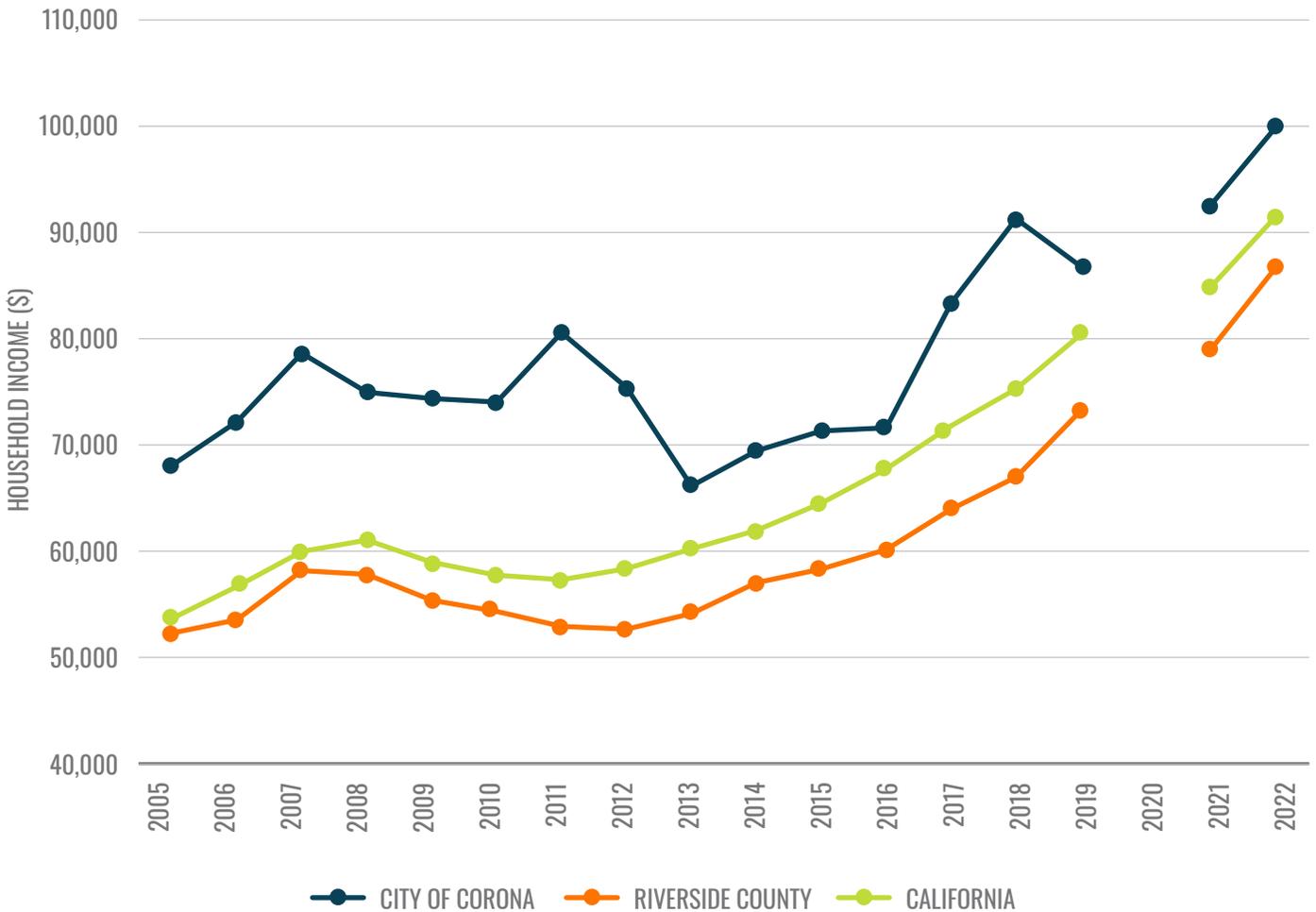


SOURCE: U.S. CENSUS BUREAU AMERICAN COMMUNITY SURVEY; ANALYSIS BY BEACON ECONOMICS  
 NOTE: DATA UNAVAILABLE FOR 2020



In 2022, median household income in Corona was \$99,953, considerably higher than Riverside County’s \$87,748 and California’s \$91,551. Median household income in the city has grown 19.9% over the last five years. Rising incomes have also given way to lower poverty rates in Corona. In 2022, the city’s poverty rate was 7.5%, lower than Riverside County’s 10.7% and California’s 12.2%.

### MEDIAN HOUSEHOLD INCOME



SOURCE: U.S. CENSUS BUREAU AMERICAN COMMUNITY SURVEY; ANALYSIS BY BEACON ECONOMICS  
 NOTE: DATA UNAVAILABLE FOR 2020

Corona has a lower percentage of residents with a college degree or higher compared to educational attainment levels in California. While 22.5% of Californians have a bachelor’s degree, 20.2% of Corona residents have one. Similarly, only 9.8% of Corona residents have reached the graduate/professional level compared to 14.4% of all Californians.

### EDUCATIONAL ATTAINMENT: CORONA

| EDUCATIONAL ATTAINMENT             | 2017 (%) | 2022 (%) |
|------------------------------------|----------|----------|
| Less than high school              | 12.9     | 15.7     |
| High school diploma                | 24.6     | 27.7     |
| Some college or associate’s degree | 35.9     | 26.6     |
| Bachelor’s degree                  | 17.2     | 20.2     |
| Graduate/professional degree       | 9.4      | 9.8      |

SOURCE: U.S. CENSUS BUREAU AMERICAN COMMUNITY SURVEY; ANALYSIS BY BEACON ECONOMICS

The college degrees of Corona residents span a wide range of disciplines. Arts, humanities, and “other” account for the largest share of degrees held in the city (26.8%). Other prominent degree fields were business (20.4%), science and engineering related fields (10%), engineering (8.7%), education (7.7%), and computers, mathematics and statistics (6.8%).

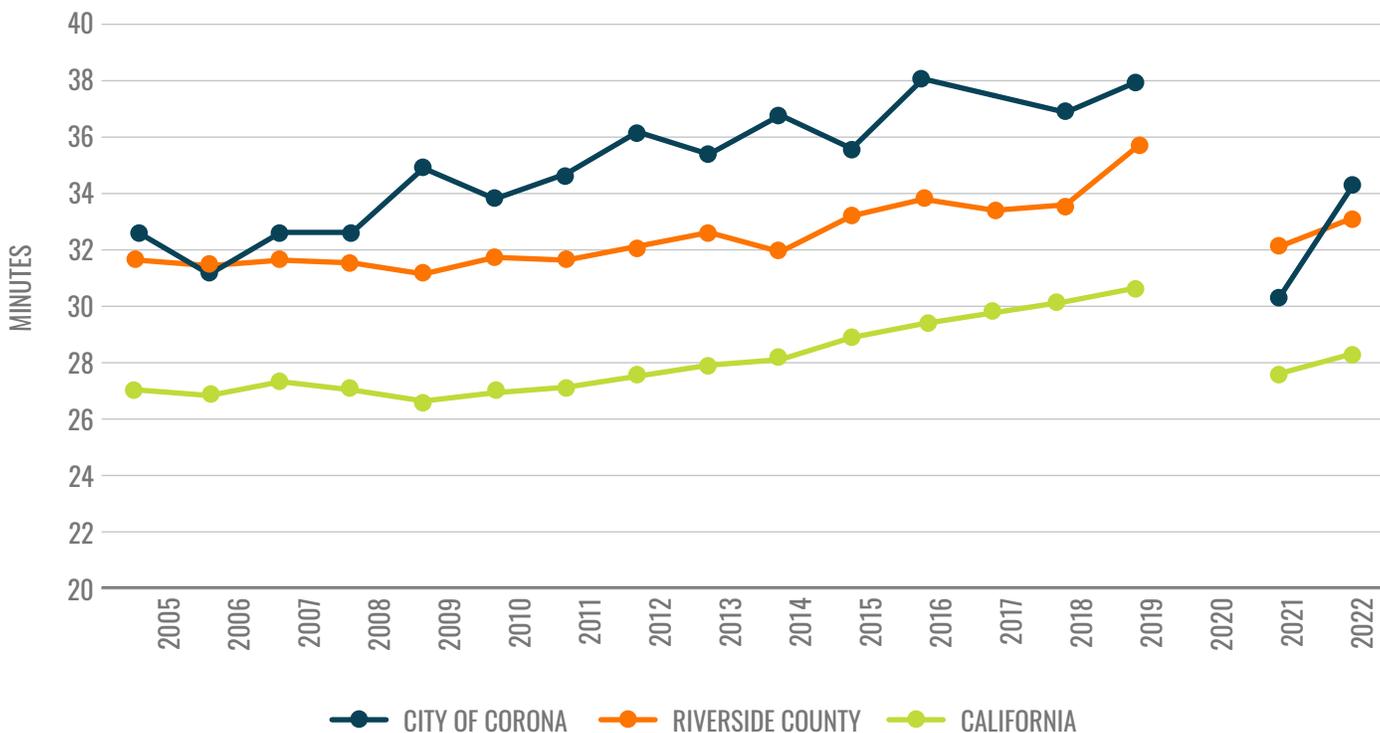
### COLLEGE DEGREES BY TYPE: CORONA

| TYPE OF DEGREE                                       | 2022   | SHARE (%) |
|--|--------|-----------|
| Total Degree Holders                                 | 32,344 | 100.0     |
| Arts, Humanities, and Other                          | 8,664  | 26.8      |
| Business   | 6,593  | 20.4      |
| Science and Engineering Related Fields               | 3,235  | 10.0      |
| Engineering  | 2,824  | 8.7       |
| Education  | 2,503  | 7.7       |
| Computers, Mathematics and Statistics                | 2,193  | 6.8       |
| Biological, Agricultural, and Environmental Sciences | 2141   | 6.6       |
| Social Sciences                                      | 1,814  | 5.6       |
| Psychology   | 1,181  | 3.7       |
| Physical and Related Sciences                        | 993    | 3.1       |
| Multidisciplinary Studies                            | 203    | 0.6       |

SOURCE: U.S. CENSUS BUREAU AMERICAN COMMUNITY SURVEY; ANALYSIS BY BEACON ECONOMICS

With more people returning to the office, commute times have grown; however, they still remain below pre-pandemic levels. The average commute time in Corona grew to 34.2 minutes in 2022 from 30.3 minutes in 2021. Still, congestion remains a concern among Corona residents, especially regarding the 91 Freeway which connects commuters in the Inland Empire to job centers by the coast.

### AVERAGE COMMUTE TIME



SOURCE: U.S. CENSUS BUREAU AMERICAN COMMUNITY SURVEY; ANALYSIS BY BEACON ECONOMICS

NOTE: DATA UNAVAILABLE FOR 2020

Due to its proximity to job centers in Los Angeles and Orange counties, Corona has traditionally been seen as a bedroom community for commuters to the coast. However, this has shifted as more companies have continued to open in Riverside County. In 2022, 62.8% of Corona residents worked in Riverside County, up from just 51.8% in 2012. In 2022, just 8.2% of local residents worked in Los Angeles County and 18.4% worked in Orange County.

### COUNTY OF WORK: CORONA RESIDENTS

| COUNTY         | 2022 (%) |
|----------------|----------|
| Los Angeles    | 8.2      |
| Orange         | 18.4     |
| Other          | 3.4      |
| Riverside      | 61.6     |
| San Bernardino | 8.4      |

SOURCE: U.S. CENSUS BUREAU AMERICAN COMMUNITY SURVEY; ANALYSIS BY BEACON ECONOMICS



Commuting varies significantly across industries for Corona residents. The industry with the largest share of local residents working in Riverside County is Wholesale Trade (75.4%), which is followed by Other Services (74.3%), Leisure and Hospitality (72.9%), Professional and Business Services (67.6%), Retail Trade (66.3%), and Government (61.9%). The industries with the lowest share of workers working in Riverside County are Information (28%), Natural Resources and Construction (50.8%), and Financial Activities (51.5%).

### COUNTY OF WORK BY INDUSTRY: CORONA RESIDENTS

| INDUSTRY                                   | RIVERSIDE COUNTY (%) | ORANGE COUNTY (%) | SAN BERNARDINO COUNTY (%) | LOS ANGELES COUNTY (%) | OTHER (%) | TOTAL (%) |
|--|----------------------|-------------------|---------------------------|------------------------|-----------|-----------|
| Education and Health Care                  | 58.2                 | 19.6              | 8.5                       | 10.1                   | 3.6       | 100.0     |
| Financial Activities                       | 51.5                 | 30.5              | 3.2                       | 4.0                    | 10.8      | 100.0     |
| Government                                 | 61.9                 | 12.0              | 10.2                      | 10.0                   | 6.0       | 100.0     |
| Information                                | 28.0                 | 37.0              | 11.3                      | 20.1                   | 3.5       | 100.0     |
| Leisure and Hospitality                    | 72.9                 | 20.9              | 2.8                       | 3.0                    | 0.4       | 100.0     |
| Manufacturing                              | 57.7                 | 23.8              | 10.5                      | 6.3                    | 1.7       | 100.0     |
| NR/Construction                            | 50.8                 | 14.0              | 10.2                      | 21.1                   | 3.9       | 100.0     |
| Other Services                             | 74.3                 | 12.6              | 1.0                       | 5.2                    | 6.8       | 100.0     |
| Professional and Business Services         | 67.6                 | 15.4              | 11.7                      | 4.0                    | 1.3       | 100.0     |
| Retail Trade                               | 66.3                 | 18.8              | 6.5                       | 7.3                    | 1.2       | 100.0     |
| Transportation, Warehousing, and Utilities | 55.8                 | 12.4              | 16.1                      | 6.5                    | 9.3       | 100.0     |
| Wholesale Trade                            | 75.4                 | 8.3               | 14.6                      | 1.7                    | 0.0       | 100.0     |

SOURCE: U.S. CENSUS BUREAU AMERICAN COMMUNITY SURVEY; ANALYSIS BY BEACON ECONOMICS

There is also significant variation in commuting across income levels. In 2022, 71.8% of workers earning under \$25,000 per year living in Corona worked in Riverside County. Workers living in Corona and working in Riverside County earning between \$25,000 and \$49,999 also accounted for a larger share of the workforce compared to the city overall. Corona has a smaller share of its middle-income workforce working in Riverside County, with most being a significant portion of middle-income earners commuting or telecommuting to Los Angeles County or Orange County.

### **COUNTY OF WORK BY WAGES: CORONA RESIDENTS**

| WAGES                  | RIVERSIDE COUNTY (%) | ORANGE COUNTY (%) | SAN BERNARDINO COUNTY (%) | LOS ANGELES COUNTY (%) | OTHER (%) | TOTAL (%) |
|------------------------|----------------------|-------------------|---------------------------|------------------------|-----------|-----------|
| \$24,999 and Under     | 71.8                 | 11.3              | 5.5                       | 6.3                    | 5.1       | 100.0     |
| \$25,000 to \$49,999   | 63.7                 | 19.4              | 8.8                       | 4.7                    | 3.4       | 100.0     |
| \$50,000 to \$74,999   | 48.1                 | 26.3              | 12.9                      | 10.2                   | 2.6       | 100.0     |
| \$75,000 to \$99,999   | 55.2                 | 24.4              | 8.3                       | 10.3                   | 1.7       | 100.0     |
| \$100,000 to \$149,999 | 60.6                 | 19.2              | 9.3                       | 7.9                    | 3.0       | 100.0     |
| \$150,000 to \$199,999 | 54.5                 | 12.1              | 5.5                       | 23.4                   | 4.4       | 100.0     |
| \$200,000 to \$250,000 | 75.7                 | 15.4              | 5.6                       | 3.4                    | 0.0       | 100.0     |
| Over \$250,000         | 46.2                 | 8.4               | 7.7                       | 37.6                   | 0.0       | 100.0     |

SOURCE: U.S. CENSUS BUREAU AMERICAN COMMUNITY SURVEY; ANALYSIS BY BEACON ECONOMICS



# ***About Beacon Economics***

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