

# CITY OF SIMI VALLEY

## Quarterly Economic Review

Welcome to the Simi Valley Quarterly Review, an economic snapshot of valuable information pertaining to the Simi Valley and Ventura County area. As there is always a delay in the reporting of most economic data, the statistics presented are affiliated with the second quarter (April-June) of 2014.

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### Commercial/Industrial Tenant Improvement by Type

Q2, 2014 Type	Square Footage
Restaurant	0
Retail	6,858
Office	61,768
Manufacturing/Warehouse	9,849
<b>Total</b>	<b>78,475</b>

### Residential Building Permit Activity Q2, 2014



498

**City of Simi Valley  
Economic Development Division  
(805) 583-6701**

## COMMERCIAL REAL ESTATE

### Tenant Improvements/Alterations

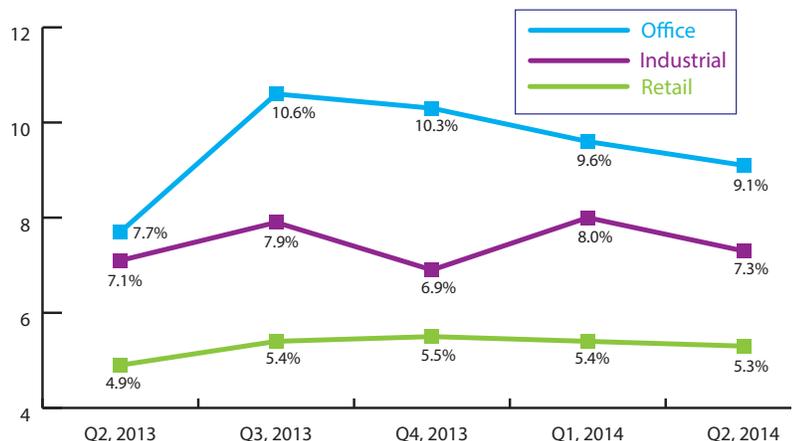
Commercial and Industrial construction continue to improve as businesses relocate or expand operations within the City of Simi Valley.

- In Q2, 2014, a total of 64 tenant improvements were performed resulting in 78,475 of remodeled square footage. In comparison, Q1, 2014 had a total of 83 tenant improvement projects for the first quarter.
- Activity for Q2, 2014 included a large office remodel (19,403 sq. ft.), the construction of the Studio Movie Grill Shell Building (37,313 sq. ft.) along with the demolition of Building 500 at the Simi Valley Town Center.

### Vacancy Rates

- Vacancy Rates for Q2, 2014 for Retail, Industrial, and Office decreased slightly when compared to Q1, 2014; all three sectors presented increases when compared to Q2, 2013 rates.
- Available rates during Q2, 2014 increased for the Retail sector while Industrial and Office presented a small decrease when compared to Q1, 2014; of the three, both the Retail and Office sector increased when compared to Q2, 2013.
- The five-year average vacancy rate is 6.40% for retail, 7.90% for industrial and 8.80% for office.

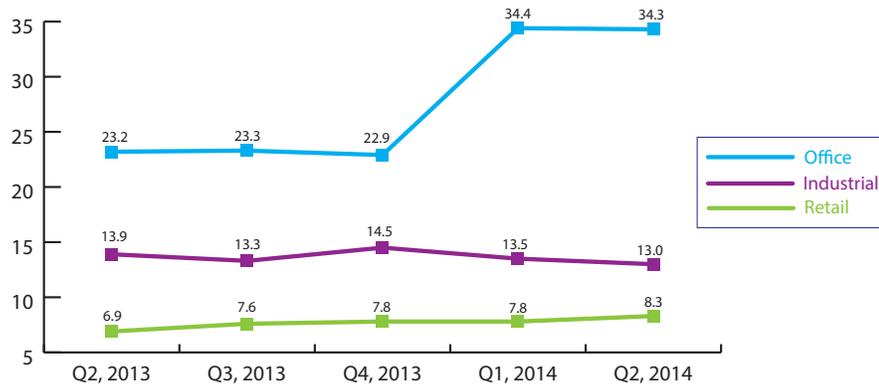
### Simi Valley Vacancy Rates



*Total Vacancy rates refers to space in existing buildings that are vacant and immediately available for direct labor lease, for sublease or sale.*

## Available Rates

- The average available rate (2006 to current) is 8.60% for retail, 15.80% for industrial, and 20.60% for office.



Source: CoStar Group

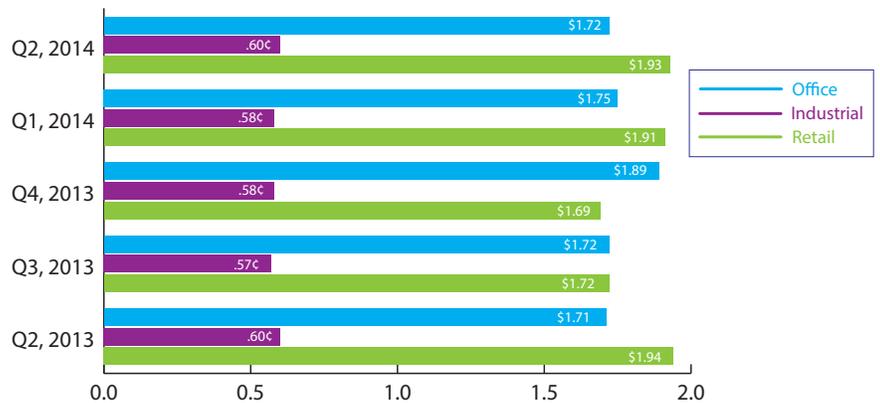
Available Rates refer to all space that is currently marketed for occupancy, includes space which may be currently occupied or which may be under construction or renovation.

## Preliminary Q2, 2014 Asking Rents

Type	Asking Rent
Retail	\$1.72 NNN psf
Industrial	\$0.60 NNN psf
Office	\$1.93 Full Service

Source: CoStar Group

## Asking Rents Q2, 2014



Source: CoStar Group

## RESIDENTIAL REAL ESTATE ACTIVITY

### Simi Valley Single Family Home & Condominium Sales Data

- The median home value has increased to **\$480,000** for the Q2, 2014 period, an increase of **1.05%** from the median home value of \$475,000 for Q1, 2013
- A total of 312 single-family homes were sold during the Q2, 2014 period, an increase of **59.18%** when compared to home sales of 196 during Q1, 2013.
- The median condominium value decreased to **\$275,000** for the Q2, 2014 period, a decrease of **8.33%** when compared to the median condominium value of \$300,000 for Q1, 2013.
- A total of 53 condominiums were sold during the Q2, 2014 period, up **6.00%** from 50 condominium sales in Q1, 2013.

Source: Area Market Survey, Local Multiple Listing Service

## APARTMENT RENTALS

Average apartment rents for a one and two-bedroom unit in Simi Valley amounted to \$1,532 and \$1,815 respectively for Q2, 2014, and rental rates vary when compared with neighboring communities such as Moorpark, Thousand Oaks, and Camarillo. According to Hendricks-Berkadia Apartment Guide, the average asking rent for Ventura County was \$1,699 during Q2, 2014.

### Asking Rents, Q2, 2014



Source: RentJungle.com, findthedata.com, apartmentupdate.com

## FILM PERMITS AND PERCENTAGE OF FILMING DAYS

The City of Simi Valley encourages filming projects within the City and recognizes the economic benefits it provides to our community.

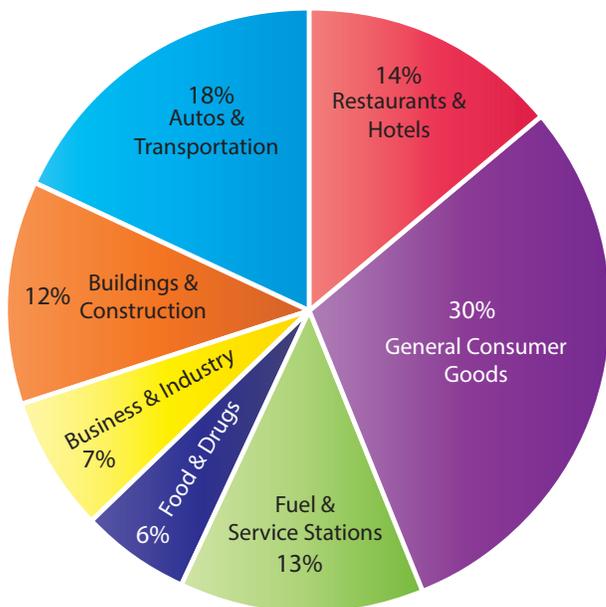
- In Q2, 2014, 28 film permits were issued, an increase from the 24 permits issued in Q2, 2013.
- The 28 permits represent a total of 66 filming days in Simi Valley for the quarter, up from 40 days in Q2, 2013.
- Q2, 2014 film days include: 52 for television shows and movies, 7 for commercials, 2 for reality television shows, 4 for student films, and 1 for web series.

## SALES TAX - CITY OF SIMI VALLEY

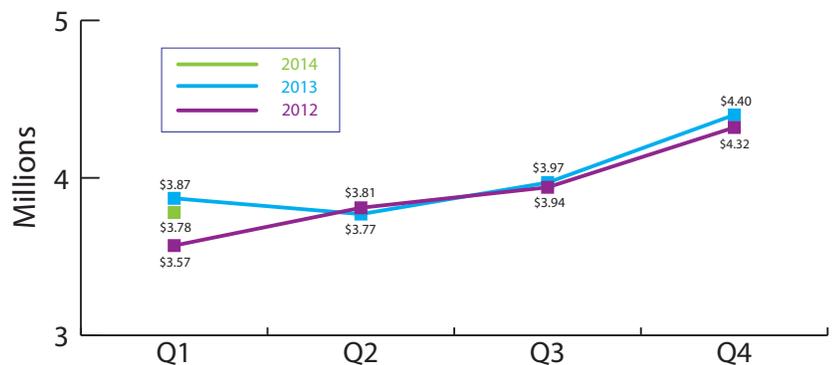
Sales Tax currently represents a significant source of income to fund City services and serves as a measure to evaluate local market conditions.

- Sales Tax figures reported for Q1, 2014 amount to \$3,786,291, which are lower when compared to Q4, 2013.
- Sales tax revenues for Q1, 2014 represents a 14% decrease from the \$4,402,679 generated in Q4, 2013 and a 2.37% decrease from the \$3,878,457 generated in Q1, 2013.

### Sales Tax by Major Industry Groups Q1, 2014



### Sales Tax



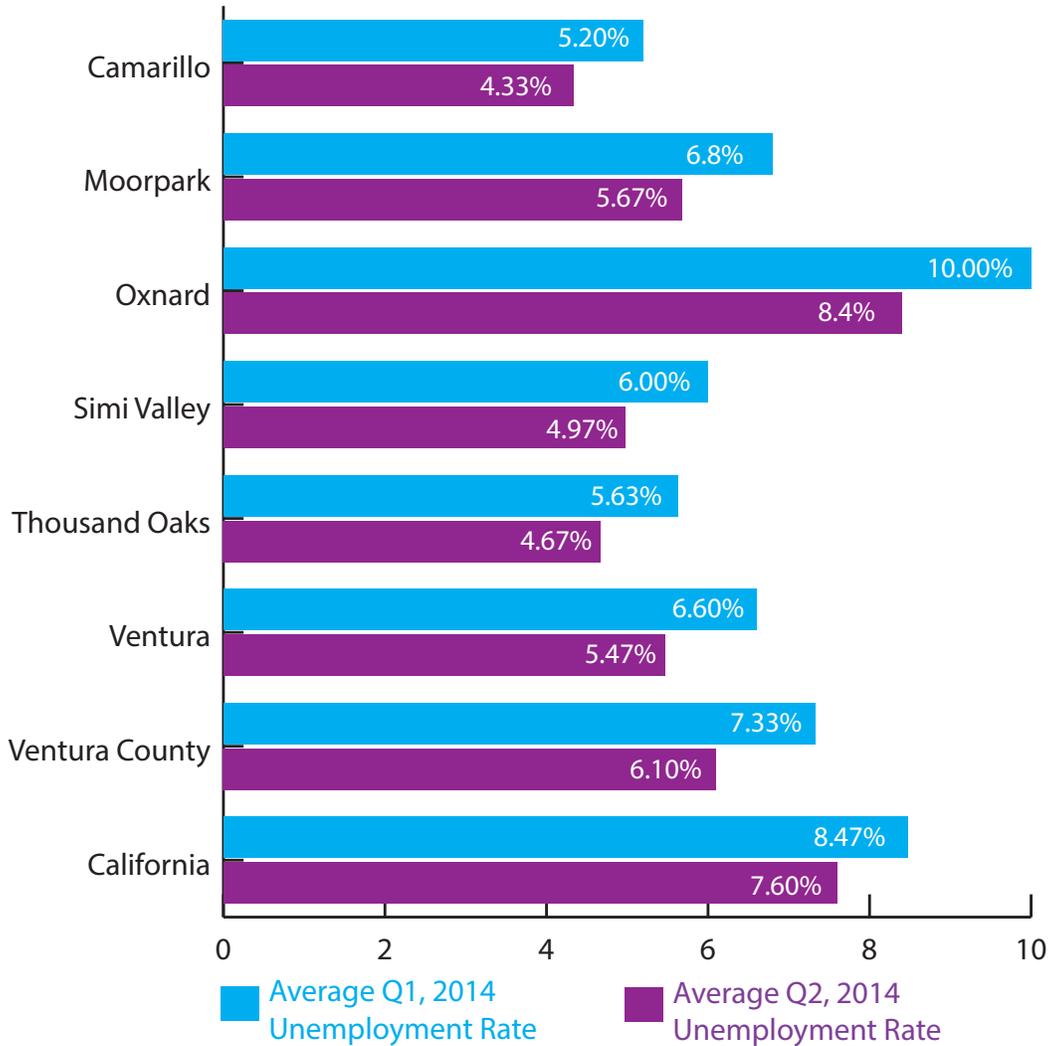
Source: City of Simi Valley

**Note: Sales Tax revenue figures presented are adjusted for economic data, which removes retroactive payments of \$5,000 or more into the actual quarter the sale was initiated.**

## UNEMPLOYMENT RATE

- The preliminary unemployment rate averaged 4.97% for the City in Q2, 2014 compared to 6.10% for Ventura County and 7.60% for California.
- The City's current preliminary unemployment rate average is lower than the average for Q2, 2013 when the rate was 5.77%.
- The Chamber of Commerce, the Ventura County Workforce Investment Board, the Simi Valley City Council and the Economic Development Division work diligently to attract employers, create hiring opportunities, and provide training programs for the area.

**Average Unemployment Rate Comparison  
Q1, 2014/Q2, 2014**



*(Data not seasonally adjusted)*

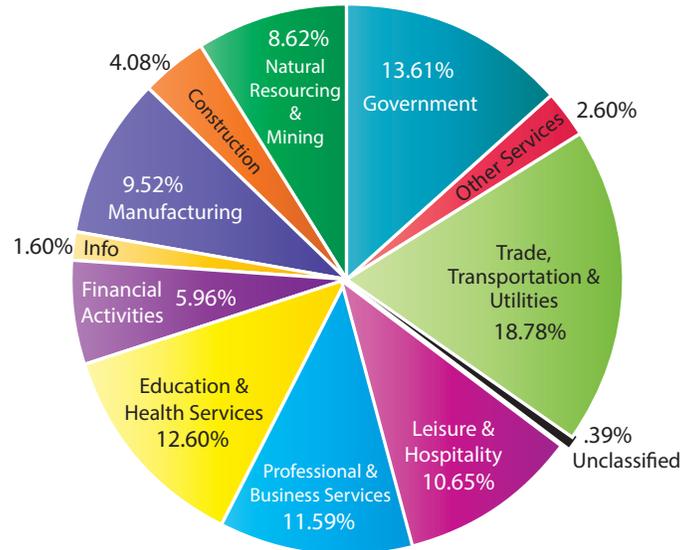
*Source: California Employment Development Department*

**The East County Jobs and Career Center, located in Simi Valley, provides a variety of no cost, high value employment and training services to employers and job seekers. The East County Jobs and Career Center offers a variety of services to business owners and resources to job seekers who are entering or re-entering the workforce. And, all services are FREE! For more information regarding the East County Jobs and Career Center, call (805) 955-2282 or visit [www.venturacountyjcc.org](http://www.venturacountyjcc.org).**

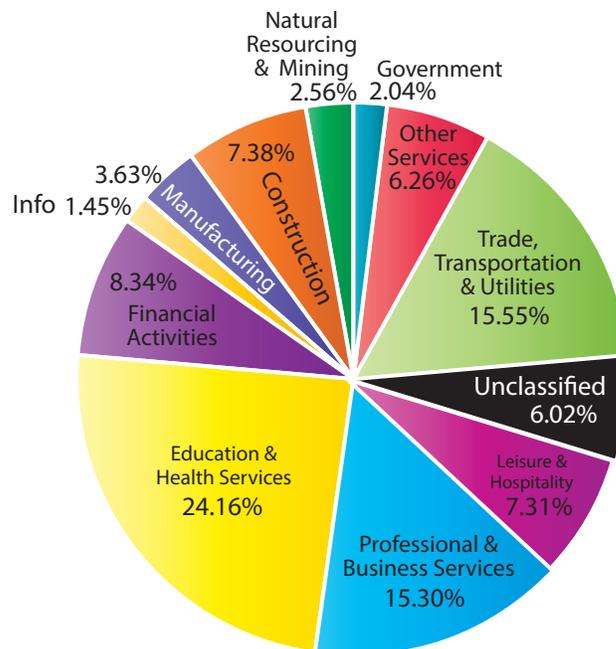
## EMPLOYMENT - VENTURA COUNTY & CITY OF SIMI VALLEY

- The preliminary average for total employment in the City of Simi Valley for Q2, 2014 amounted to 66,801 jobs. Employment figures for Q2, 2014 increased .58% when compared to the average of 66,412 jobs for Q1, 2014 and increased .82% when compared to the Q2, 2013 average of 66,258.
- The current Quarterly Census of Employment and Wages (QCEW) for Q4, 2013 reports an estimated average weekly wage of \$1,033.66 resulting in an average annual salary of \$53,719 for Ventura County.

**Employment by Industry - Monthly Average  
Ventura County - Q4, 2013**



**Business by Industry - Monthly Average  
Ventura County - Q4, 2013**



Source: California Employment Development Department  
 1) Quarterly Census of Employment and Wages  
 2) Occupational Employment Statistics (OES) Survey

## Partnering Agencies

### **Economic Development Collaborative - Ventura County (EDC-VC)**

[www.edc-vc.com](http://www.edc-vc.com)

(805) 384-1800

### **Small Business Development Center**

[www.edc-vc.com/sbdc.htm](http://www.edc-vc.com/sbdc.htm)

(805) 384-1800

### **Workforce Investment Board - Ventura County (WIB)**

[www.wib.ventura.org](http://www.wib.ventura.org)

(805)477-5306

### **East County Jobs and Career Center (JCC)**

[www.venturacountyjcc.org](http://www.venturacountyjcc.org)

(805) 955-2282

### **Service Corps of Retired Executives (SCORE)**

[www.venturascore.org](http://www.venturascore.org)

(805) 204-6022

## City of Simi Valley - Office of Economic Development

Are you starting a new venture, growing an existing business or looking to relocate to Simi Valley? Look no further as the City's Economic Development Office has dedicated staff waiting to assist you. Did you know that the City subscribes to proprietary software, which gives staff the ability to provide custom reports of available properties and vacant spaces? Our reporting services can include listings of building and tenant spaces available, asking rents and sales prices, comparable data for lease rates, demographic and analytical property data. Moving, building, or simply expanding, we understand the urgency to getting a business up and running. Our staff partners with business owners to ensure that deadlines are met; the Office of Economic Development will assemble staff project teams to assist business owners from the beginning stages of development permit processing through construction inspection and obtaining a Certificate of Occupancy. Our services don't end here. Through local partnerships, the City is able to call upon persons and organizations with expertise in various fields to help businesses in our community succeed. So, if training, recruitment, staffing, or loan financing becomes a concern, let us call upon our partners to lend a helping hand to your organization. **For more information regarding services offered by the City's Office of Economic Development, contact Brian Gabler at (805) 583-6701 or Linda Swan at (805) 583-6853.**

