# Roseville Economic and Industrial Outlook

## What Is Industrial Development?

Roseville economic development staff reached out to GSEC to provide analysis on the current unemployment numbers, commercial property vacancy rates and job growth project rates with a focus on industrial development. GSEC used its internal databases including EMSI, CoStar and California Employment Development Department data for the report.

### Unemployment

According the California Employment Development Department (EDD) the July 2020 non-seasonally adjusted unemployment rate for Roseville is 10.1% EDD shows that the labor force for Roseville is 67,800 with 60,900 employed leaving 6,900 unemployed.

Compared to the average annual rates for 2019, the non-seasonally adjusted unemployment rate for Roseville is 3.0% EDD shows that the labor force for Roseville is 69,400 with 67,300 employed leaving 2,100 unemployed.

### Projected Job Growth by Sector

Below is a table of the projected job growth by 2-digit NAICS for the major industry sectors. The top ten industries by number of jobs along with the three manufacturing/industrial related categories are included. This information is retrieved at the zip code level. For Roseville, the following three zip codes were used: 95661, 95678, and 95747.

These are the manufacturing, Wholesale Trade and Transportation and Warehousing. The majority of these job categories work is contained in industrial developments. All three of these categories are outside the top 10 for jobs in Roseville in 2019. While manufacturing jobs are predicted to slow down there should be an increase in jobs in Wholesale trade and Transportation jobs. These forecasts are from EMSI a labor and workforce database and are based upon current trends nationally.

| Description | 2019 Jobs | 2028 Jobs | 2019 - 2028 % Change |
|---|---|---|---|
| Construction | 7,282 | 20,535 | 25% |
| Government | 6,759 | 16,528 | 11% |
| Other Services (except Public Administration) | 4,880 | 10,316 | 16% |
| Retail Trade | 15,388 | 9,072 | 7% |
| Accommodation and Food Services | 8,955 | 7,552 | 15% |
| Finance and Insurance | 5,424 | 7,520 | (4%) |

| | | | |
|---|---|---|---|
| Real Estate and Rental and Leasing | 3,466 | 6,895 | 31% |
| Professional, Scientific, and Technical Services | 5,723 | 5,664 | 20% |
| Administrative and Support and Waste Management and Remediation Services | 6,451 | 5,195 | 17% |
| Health Care and Social Assistance | 16,438 | 4,530 | 25% |
| **Transportation and Warehousing** | **1,537** | **2,059** | **31%** |
| **Wholesale Trade** | **1,625** | **2,006** | **27%** |
| **Manufacturing** | **1,850** | **1,775** | **(4%)** |

## How Does Roseville Fair?

With this in mind, GSEC analyzed over 11 different industry sectors within Roseville to see how it compared to state and national benchmarks. In our analysis we find stunning growth for the region.

• Roseville employed a total of 5,012 workers in industrial jobs. This number is below the national average, but it signifies a tremendous opportunity for growth in for the city.

• Roseville enjoyed a 4.1% year on year change from 2019 to 2020 in industrial labor jobs, **2.6% greater than the national growth rate over the same period and 3.2% above the state average. This displays the relatively strong growth the city is currently undertaking in industrial sectors.**

• Roseville's Gross Regional Product numbers in the industrial development sectors in 2019 were also staggering:

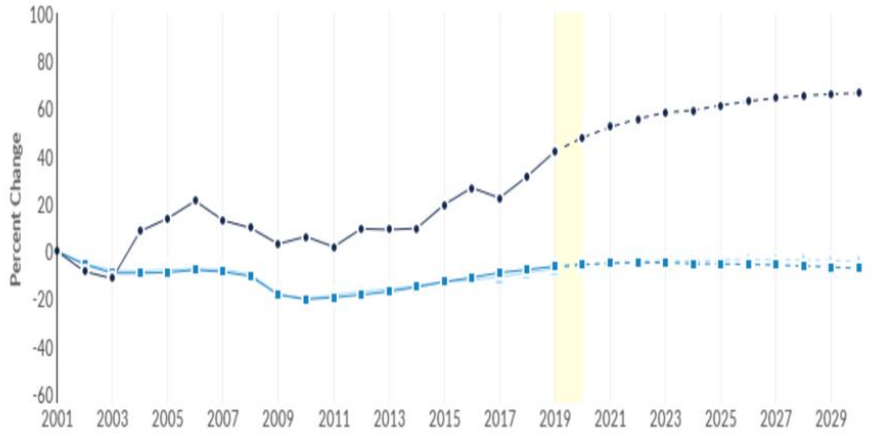
- $447.5M in earnings
- $267.0M in property income
- $105.5M in taxes
- **$820.0M in total gross regional product**

## How Does the Future Look?

• The industrial labor outlook for Roseville (navy circle) looks quite favorable in comparison to the state numbers (blue squares)

• The navy Roseville trend line lies above the blue state trend line consistently for the next 10 years in this forecast.

• Since 2000 Roseville's industrial labor market has grown faster than California. It is projected to continue this massive growth and **grow 17% in the next 10 years while industrial growth for the state is projected to remain flat.**




## Vacancy Rate for City of Roseville

| Office Vacancy Rate | Industrial Vacancy Rate | Retail Vacancy Rate |
|---|---|---|
| 9.3% | 4.1% | 3.8% |

Notes on the state of Roseville Real Estate:

- 173K Square Feet of Industrial and Flex is under construction in Roseville, representing a 176.7% increase from the prior period.
- 12-month net absorption of office space is up to 255K square feet, up 67.2% from the prior period.
- There is 11.1M square feet of retail space inventory in Roseville, up from 10.9M in the prior period.

Source: EDD July 2020 preliminary unemployment, not seasonally adjusted and CoStar 2020.3