

These Are the 20 Richest Cities in America

The tech boom has shifted the balance of economic power

San Jose, San Francisco, Seattle: These cities house more than the headquarters of the world's largest technology companies. They are also some of the most productive hubs in the U.S. economy.

The San Jose, California metro area had the highest output per resident for 2014, according to a Bloomberg analysis of U.S. Bureau of Economic Analysis data for the 100 largest metropolitan areas. Gross metropolitan product (GMP) per capita in the Silicon Valley epicenter was \$105,482, more than double the national average. Bridgeport, Connecticut ranked second at \$94,349. San Francisco, Seattle and Boston followed.

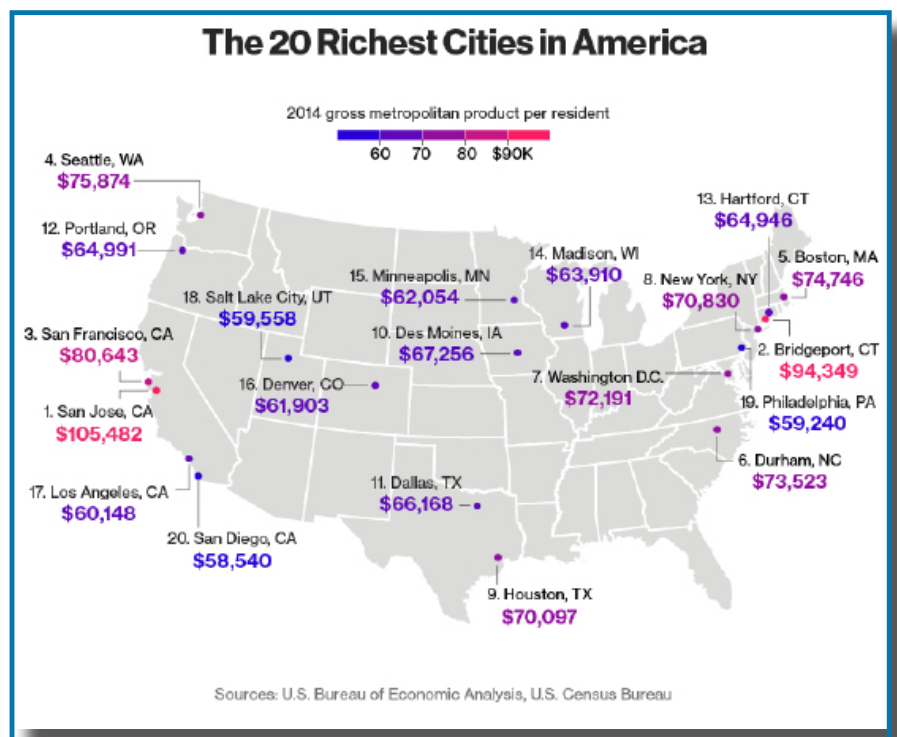
These GMP per capita figures help uncover underlying economic trends, which are often masked by the population inflows and outflows that affect unadjusted output statistics. The 2014 rankings highlight a surge in tech centers since the recession, with San Jose now producing about \$11,000 more per person than No. 2 Bridgeport. Until 2011, the Connecticut suburb for New York bankers held the top spot.

It's no surprise that these high-output cities also have some of the densest concentrations of educated workers, reflecting the soaring returns to schooling in today's job market. Harvard University professor Edward Glaeser says the diverging fates of high-skilled and low-skilled regions has been one of the most significant trends in the U.S. economy as well as other developed economies over the last three decades.

There's an 'ongoing trend towards skilled places being far more compensated than non-skilled places,' said Glaeser, whose research focuses on what causes cities to grow. "The poster-child of this in the data is the San Jose metropolitan area, which is off the charts in terms of income growth."

Tech cities outside the Bay Area have also benefited from the industry's boom. Helped by not only Amazon Inc. but also newer Internet companies like Zulily Inc., Seattle's GMP per capita grew by a cumulative 7.9 percent since 2009, when the economic recovery began. (The cumulative growth since 2008 is a much more tempered 2.5 percent because of the dramatic drop in the financial crisis.) That helped the Washington city catapult to No. 4 from its No. 6 spot in 2008 through 2011. Biotech hotbed Boston also jumped two places since 2008, while Portland, Oregon (sometimes called Silicon Forest) climbed six spots.

These emerging tech hubs will probably expand even more in coming years, according to Luis Torres, a research economist specializing in regional economies at the Texas A&M Real Estate Center. Sky-high rents in northern California force workers and businesses to look elsewhere, Torres said.



NOVEMBER 2015

UNEMPLOYMENT	Region				Percentage Point Change	
		October 2014	September 2015	October 2015	1 month	12 months
	San José MSA	5.0%	3.7%	4.0%	+ 0.3	- 1.0
San Francisco MD	4.0%	3.1%	3.3%	+ 0.2	- 0.7	
California	7.0%	5.5%	5.7%	+ 0.2	- 1.3	
United States	5.5%	4.9%	4.8%	- 0.1	- 0.7	

INDUSTRY EMPLOYMENT	Sector (October 2015)				Percentage Change (Combined Region)	
		San Jose MSA	San Francisco MD	Combined Region	1 month	12 months
	Total Nonfarm	1,074,300	1,075,500	2,149,800	+ 1.0	+ 4.9
Construction	45,300	38,600	83,900	- 0.4	+ 9.8	
Manufacturing	164,700	36,500	201,200	- 0.4	+ 2.5	
Retail Trade	85,800	85,400	171,200	+ 1.1	+ 2.5	
Information	77,400	58,700	136,100	- 0.1	+ 9.5	
Professional & Business Services	228,900	273,700	502,600	+ 1.1	+ 9.3	
Educational Services	45,500	29,300	74,800	+ 6.9	+ 3.2	
Health Care & Social Services	116,000	106,700	222,700	+ 1.5	+ 4.8	
Hospitality & Leisure	94,200	136,900	231,100	+ 0.2	+ 1.5	
Government	98,000	125,000	223,000	+ 2.2	+ 2.2	

NOTE: San José MSA (San José-Sunnyvale-Santa Clara Metropolitan Statistical Area) = Santa Clara and San Benito Counties
 San Francisco MD (San Francisco-Redwood City-South San Francisco Metropolitan Division) = San Mateo and San Francisco Counties

Source: California Employment Development Department, LMID

LABOR FORCE & ANNUAL CHANGE	9-County San Francisco Bay Area									
	Labor Force			Employed			Unemployment			
	October 2014	October 2015	Change	October 2014	October 2015	Change	October 2014	October 2015	Change	
California	18,945,000	19,017,200	+ 0.4%	17,621,300	17,936,900	+ 1.8%	7.0%	5.7%	- 1.3	
Alameda County	816,900	822,500	+ 0.7%	771,700	785,100	+ 1.7%	5.5%	4.5%	- 1.0	
Contra Costa County	547,600	550,400	+ 0.5%	515,900	524,500	+ 1.7%	5.8%	4.7%	- 1.1	
Marin County	140,800	145,200	+ 3.1%	135,100	140,300	+ 3.8%	4.1%	3.3%	- 0.8	
Napa County	76,300	76,800	+ 0.7%	72,600	73,600	+ 1.4%	4.8%	4.2%	- 0.7	
San Francisco County	539,400	555,300	+ 2.9%	517,500	536,200	+ 3.6%	4.1%	3.4%	- 0.6	
San Mateo County	436,500	449,100	+ 2.9%	419,200	434,700	+ 3.7%	4.0%	3.2%	- 0.8	
Santa Clara County	1,005,900	1,040,100	+ 3.4%	956,900	999,500	+ 4.5%	4.9%	3.9%	- 1.0	
Solano County	204,800	207,500	+ 1.3%	191,000	195,900	+ 2.6%	6.7%	5.6%	- 1.1	
Sonoma County	259,400	262,600	+ 1.2%	246,000	251,700	+ 2.3%	5.2%	4.2%	- 1.0	
SF Bay Area (sum)	4,027,600	4,109,500	+ 2.0%	3,825,900	3,941,500	+ 3.0%	5.0%	4.1%	- 0.9	

NOTE: Totals may not add correctly due to rounding

Source: California Employment Development Department, LMID

REGIONAL LAYOFF ACTIVITY	October 2015 Events			WARN SUMMARY	
	Company	Location	# Affected	Events YTD †:	33
	Intuit	Multiple cities	53	Individuals Affected YTD :	2,214
Motorola Mobility	Santa Clara	213	Individuals Previous YTD ‡:	2,428	
Western Digital Technologies	Mountain View	58			
	Total		324		

WARN SUMMARY

Events YTD †: 33
 Individuals Affected YTD : 2,214
 Individuals Previous YTD ‡: 2,428

* **WARN: Worker Adjustment and Retraining Notification** (notice of mass layoff or closure)

† **YTD: Year to Date** (Program year: July 1–June 30)

‡ **Previous YTD:** No data available for San Mateo County, FY2014/15

NOTE: Layoff data are preliminary and should be considered an estimate of monthly regional activity

Source: NOVA's internal Rapid Response database