



# State of the City 2016

Presented to the  
Cerritos Chamber of Commerce by  
Cerritos Mayor George Ray  
City Manager Art Gallucci  
May 25, 2016



The Plaza 183 shopping center was renovated with new landscaping, façade improvements and the addition of several new tenants.



Saks Off 5<sup>th</sup> opened at Plaza 183  
in September 2015.



Nordstrom Rack opened a 34,000-square-foot store at Plaza 183 in October 2015.



Old Navy opened at Plaza 183  
in November 2015.



24 Hour Fitness held its grand opening at Plaza 183 in December 2015.



Jersey Mike's Subs and Afters Ice Cream

Blaze Pizza, Pier 76 Fish Grill and The Habit Burger Grill are among the new restaurants at Plaza 183. Also recently opened are Jersey Mike's Subs and Afters Ice Cream.



The Los Cerritos Center completed a major renovation project that included new stores and restaurants.



An 80,000-square-foot Dick's Sporting Goods opened at the Los Cerritos Center in October 2015.



The new Cheesecake Factory restaurant at the Los Cerritos Center features appx. 9,000-square-feet of space and includes outdoor patio seating.



The new state-of-the-art Harkins Theatres features 16 screens and stadium-style seating.



The Los Cerritos Center renovation included a full interior makeover, including an upgraded food court, new flooring, paint, lighting and furniture.



As part of ongoing renovations at the College Square shopping center, a new In-N-Out Burger restaurant was opened in October 2015.



1,650,000 people are served by the City's parks/programs every year. Cerritos has 25 parks and recreation facilities, plus classes, special events and excursions.



The new Camp Liberty picnic shelter was completed in June 2015.



New picnic shelters were constructed at Heritage Park featuring barbeque grills, picnic table seating and upgraded shelter covering.



The Cerritos Park East track was resurfaced last month.



New playground improvements at Liberty Park were recently completed.



The inaugural Cerritos Community Bike Ride was held in October 2015.



The City's reclaimed water system was expanded to serve Forest Lawn Memorial Park in Cypress and is expected to save appx. 250 acre-feet of potable water annually.



The Parks and Trees Division continued an aggressive tree maintenance program, trimming more than 6,800 trees in the past year. The City owns and manages approximately 28,000 trees.

This work has helped the City earn recognition as a Tree City U.S.A. for the 18<sup>th</sup> consecutive year.

# Cerritos Center for the Performing Arts



- Ranked 126 in “Pollstar’s” list of Top 200 Theatre Venues based on worldwide ticket sales from 2015
- Ranked No. 1 in “Venues Today” listing of California “Top Stops” for venues with a capacity of 2,000 or fewer based on concert and event grosses in 2015



“Flame” and “Joker” are two temporary art pieces that will be on display in the Cerritos Sculpture Garden through 2018.

Cerritos Library presented the Smithsonian Institution exhibition “I Want the Wide American Earth: An Asian Pacific American Story” Jan. 4 through Feb. 28, 2016.

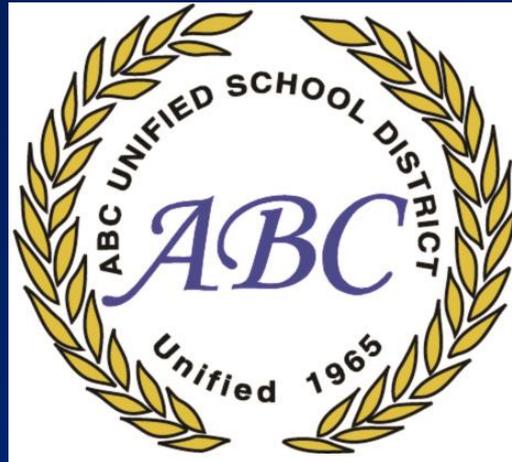


Cerritos Library held Star Wars Day on May the Fourth, 2016.





The City celebrated its 60<sup>th</sup> anniversary with various events during the month of April.



The City of Cerritos congratulates the ABC Unified School District for its many academic achievements. Whitney High School was ranked the #1 high school in the state by “U.S. News & World Report.” Cerritos High School was ranked #61 and Gahr High School #376.



Valley Christian High School will construct a new gym on campus for its students' use.



Current construction projects at Cerritos College: Fine Arts Building, Computer Information Science/Mathematics Building, Learning Resource Center Modernization



CITY OF CERRITOS  
**MEMORIAL DAY CEREMONY**

---

The community is invited to attend the  
City of Cerritos' Memorial Day ceremony.

CERRITOS CIVIC CENTER  
**MONDAY, MAY 30, 2016**

**Prelude Music 9:45 a.m.**

**Formal Ceremony 10 a.m.**

---

For more information, call (562) 865-8101

# Encouraging Your Involvement

- We encourage you to be an ambassador for the City of Cerritos.
- Your comments, questions and suggestions are always welcome. For your reference my contact information follows:
  - Personal phone - (562) 572-8017
  - City Hall - (562) 916-1311

# City of Cerritos funds and the State of California

# City of Cerritos Funds Taken by the State of California

Non-parking fines, cigarette taxes, alcohol taxes, highway carrier fees, inventory exemption reimbursements 1984-1997:	\$633,552
ERAF shifts 1992-1995:	\$4,528,451
Supplemental ERAF* shift 2009-2010:	\$11,812,007
Supplemental ERAF shift 2010-2011:	\$2,326,350
Low/Mod Housing Fund 2012-2013:	\$10,092,815
Due Diligence Review (OFA) 2015:	\$10,843,383
<b>GRAND TOTAL TO DATE:</b>	<b>\$40,236,558</b>

\*ERAF: Educational Revenue Augmentation Funds

# Redevelopment Dissolution Litigation

- The State of California dissolved redevelopment agencies effective February 1, 2012
- Approximately 190 lawsuits were filed against the State of California related to the dissolution of redevelopment.
- The City of Cerritos is currently a plaintiff in one pending Court of Appeal case.
- The City of Cerritos was a party to a lawsuit sponsored by the League of California Cities that challenged property and sales tax clawback provisions of AB 1484. The court has ruled in favor of the League on this matter.

# Cerritos' Business Environment

# Retail Sales Recovering from the Recession

- Overall retail sales in Cerritos are estimated to remain steady at \$3.2 billion in Fiscal Year 2015-2016
- Cerritos Auto Square sales are estimated to improve as follows:
  - 7.5% increase in Fiscal Year 2015-2016
  - 3.7% increase in Fiscal Year 2016-2017

# Automotive Sales Trends

- New car registrations in California increased by 11.1% in 2015 compared to 2014
- New car registrations in California are expected to exceed 2 million units in 2016 (The market has doubled in size since the recessionary low point in 2009)
- Nationwide, 17.47 million cars were sold in the United States in 2015; topping the previous record of 17.35 million cars set in 2000
- Projected 2016 Cerritos Auto Square new and used units sold, leases is more than 64,000

# Cerritos Auto Square



# Cerritos Nissan



Cerritos Nissan will expand its showroom and modernize the building exterior. The project will be completed in 2017.

# Norm Reeves Honda



The Norm Reeves Honda renovation will feature blue and white decorative metal panels and a tower element serving as the focal point for an expanded showroom area. The project is expected to be completed by the end of the year.

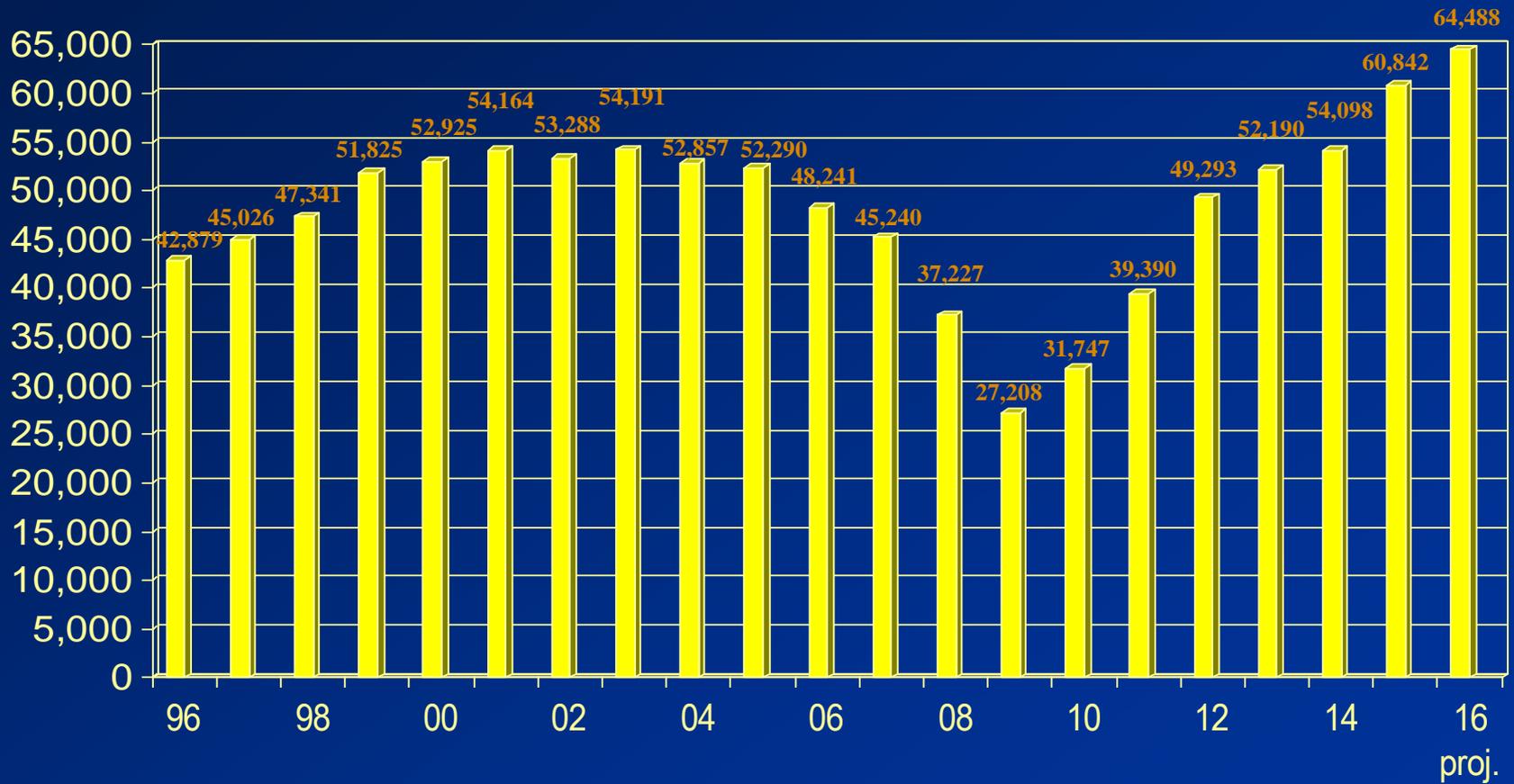
# Cerritos Acura



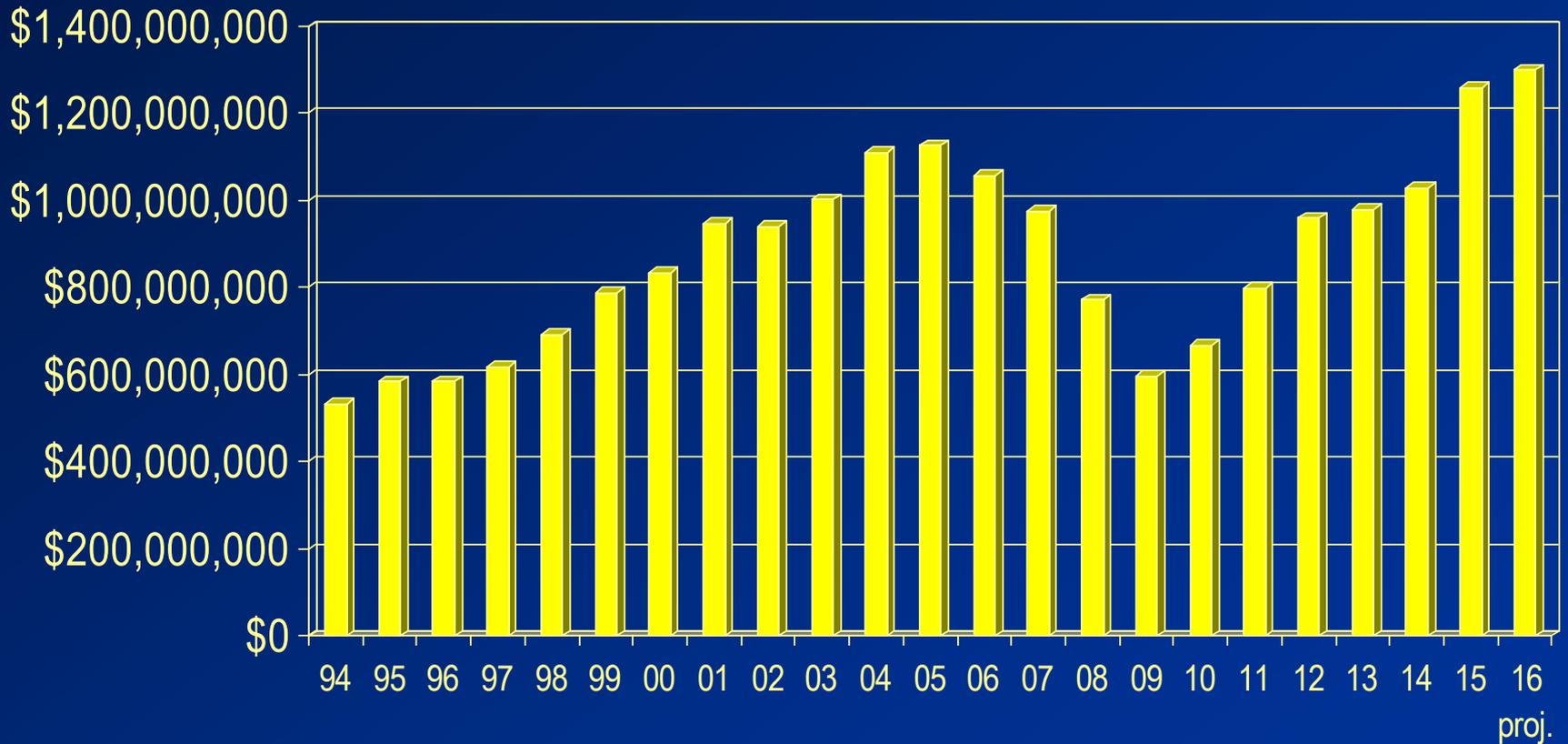
The Cerritos Acura showroom and service building will be renovated with a contemporary design featuring champagne-colored decorative metal panels and a unique entry tower element. The project is slated for completion in early 2017.

# Cerritos Auto Square

## New & Used Units Sold, Leases



# Cerritos Auto Square Total Sales



# Auto Square Employment

- 3,000 people are employed at the Cerritos Auto Square

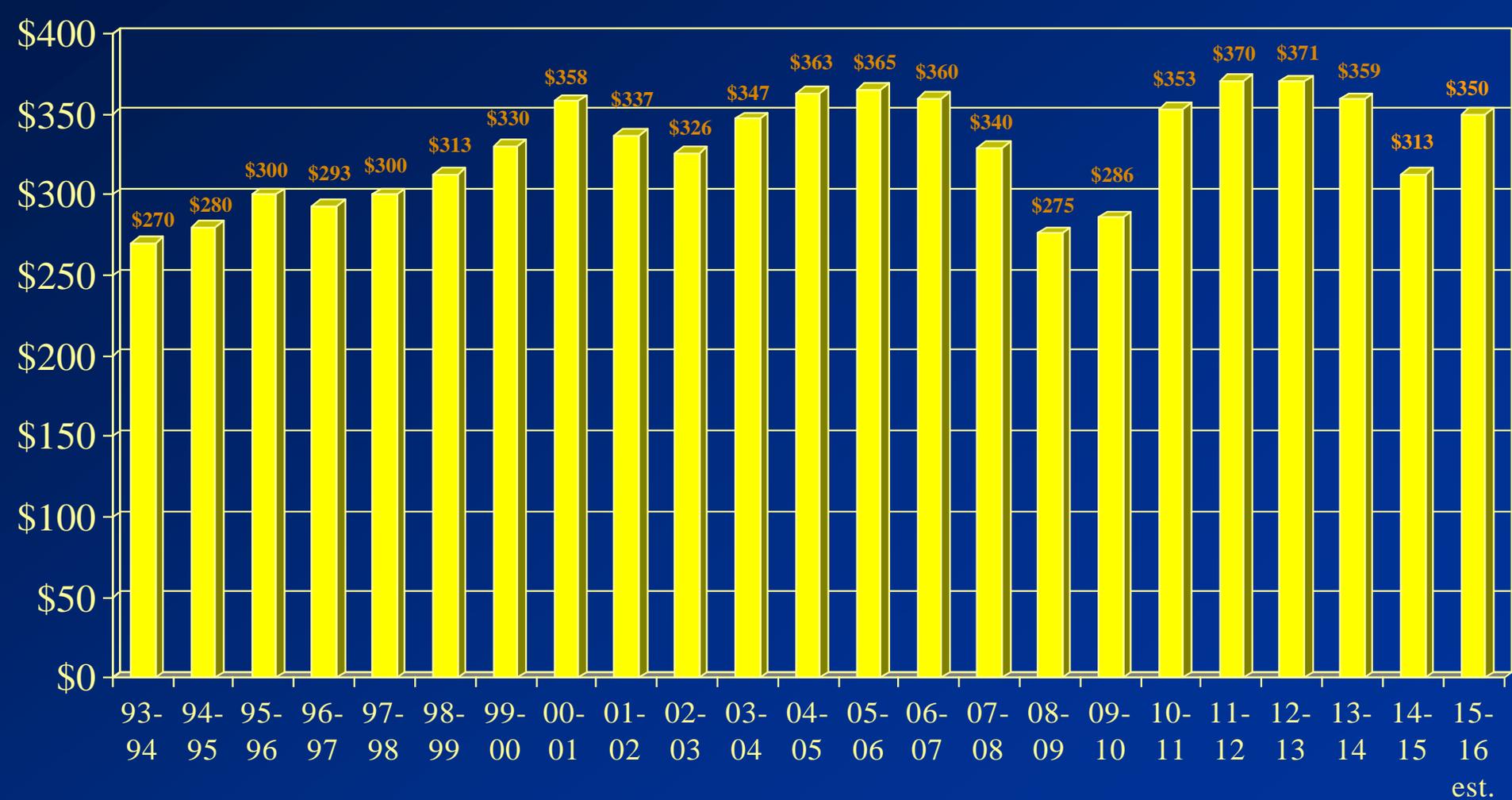
# Los Cerritos Center



1.2 million square feet  
\$800 in sales per square foot in 2015

# Los Cerritos Center Total Sales

In Millions



# Los Cerritos Center Count of Shoppers Entering the Mall in 2015

Busiest Day: Dec. 19.....	appx. 100,000
Second Busiest Day: Black Friday.....	appx. 75,000
Total for 2015.....	9 million
Average daily attendance for 2015 (Jan-Nov).....	23,353
Average daily attendance for 2015 (Dec).....	38,500

# Los Cerritos Center Employment

- 4,890 people are employed at the Los Cerritos Center
  - 530 management employees
  - 870 full-time employees
  - 2,400 part-time employees
  - 1,090 seasonal employees

# Los Cerritos Center

## NEW

Harkins Theatres – opened May 5  
Starbucks – opening May 26  
Chipotle – summer 2016

## REMODELS

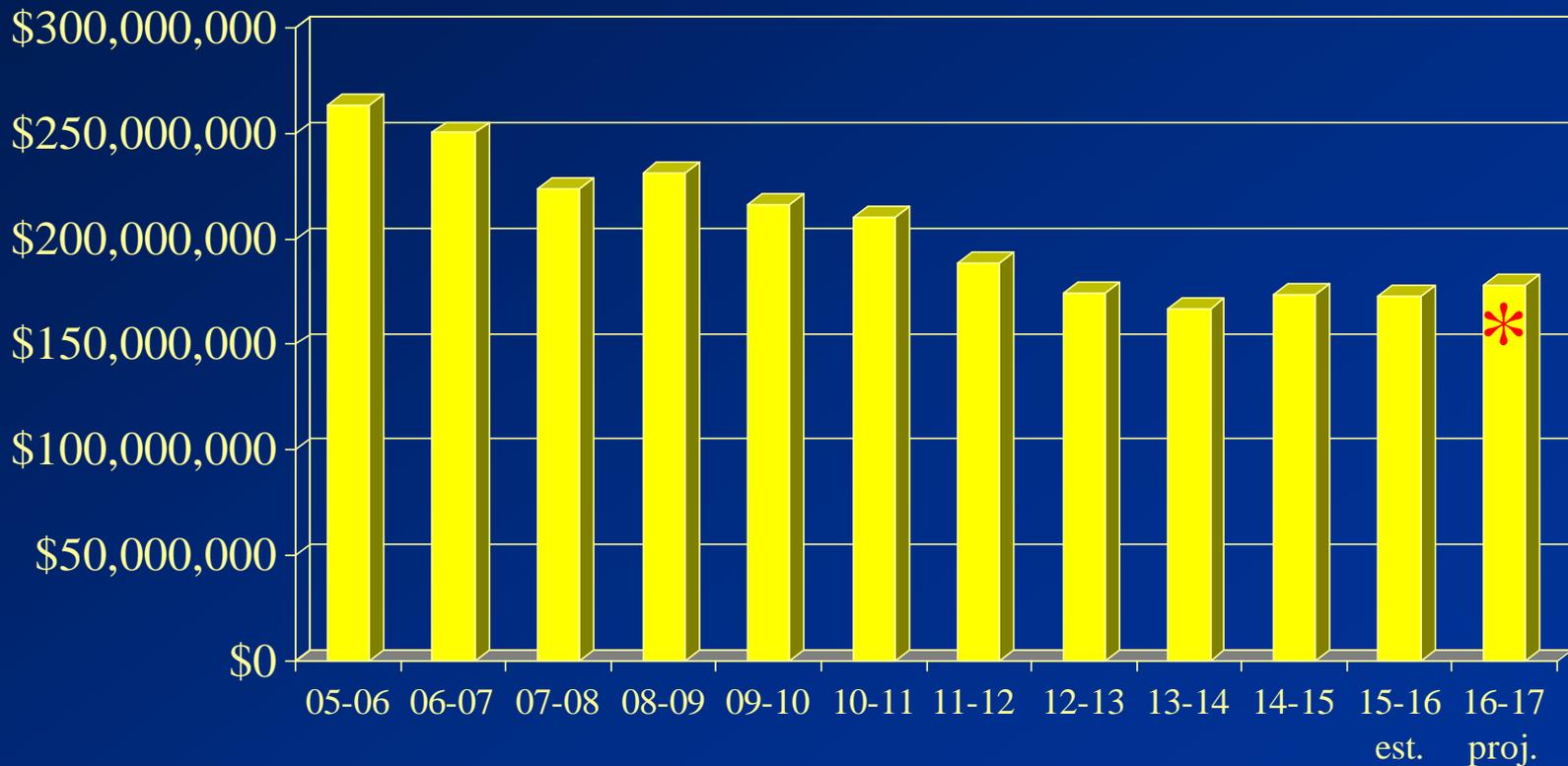
New York & Company – summer 2016

## RETURNING

Godiva Chocolate – opened May 21  
Vans – opening fall 2016  
bebe – opening fall 2016  
Hollister – opening fall 2016  
American Eagle – opening fall 2016

# Cerritos' Fund Balances

# City of Cerritos and Cerritos Successor Agency Summary of All Funds 2005-2017 (includes fixed assets)

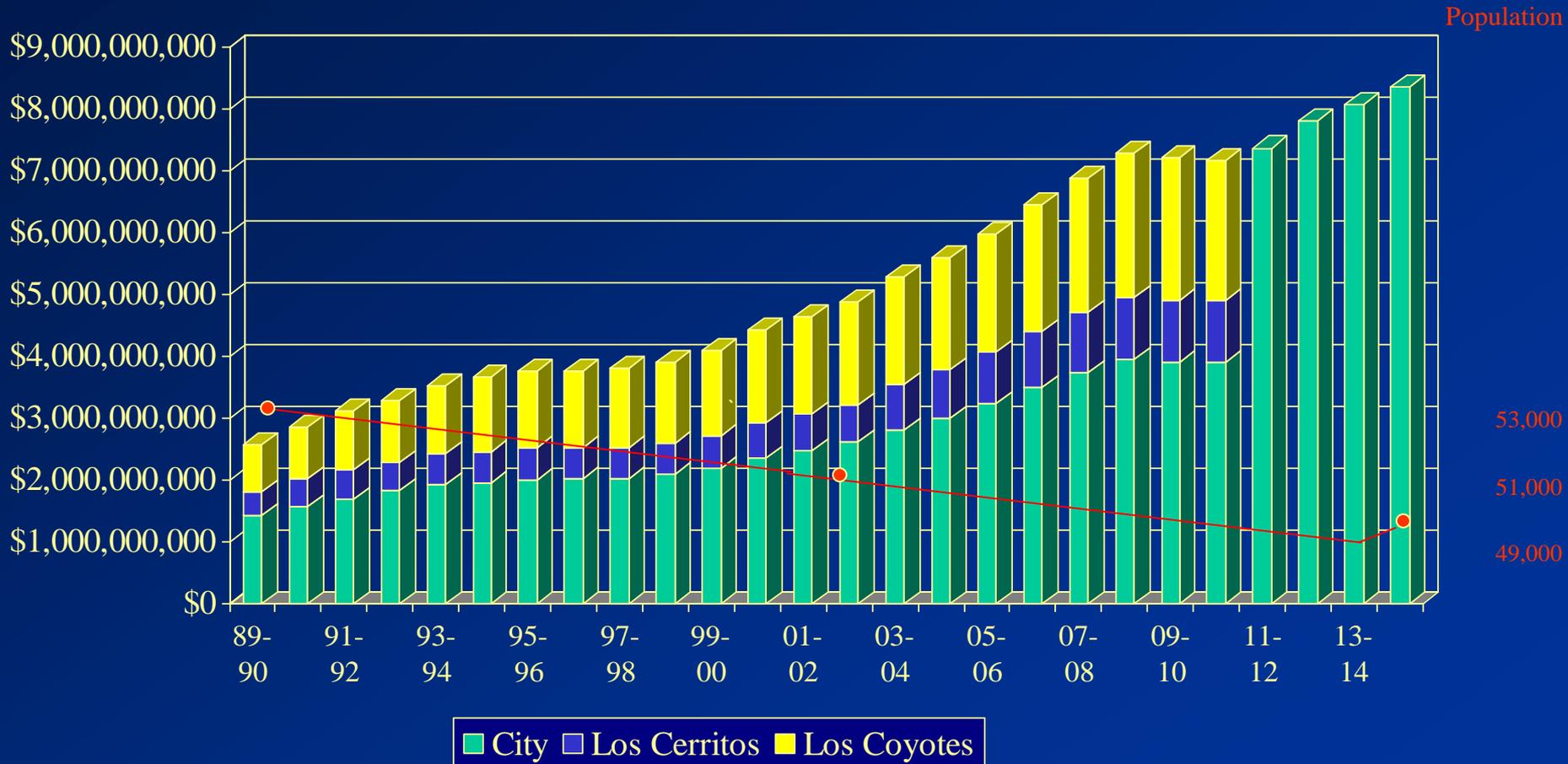


\* City Funds only = \$178,257,760  
Successor Agency Funds = \$60,226,320

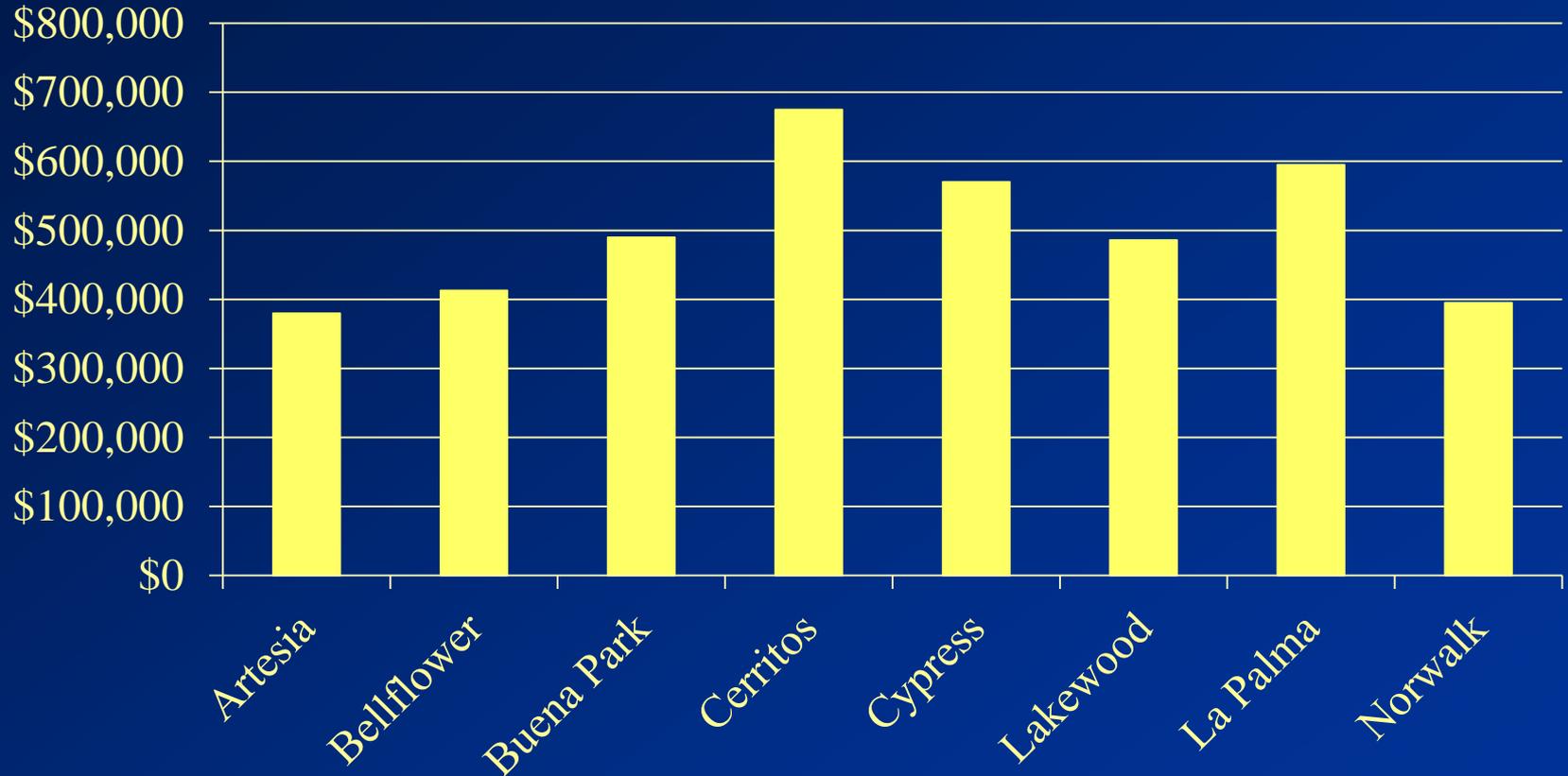
# City of Cerritos Budget

# Cerritos Assessed Valuation

## \$8,366,583,729



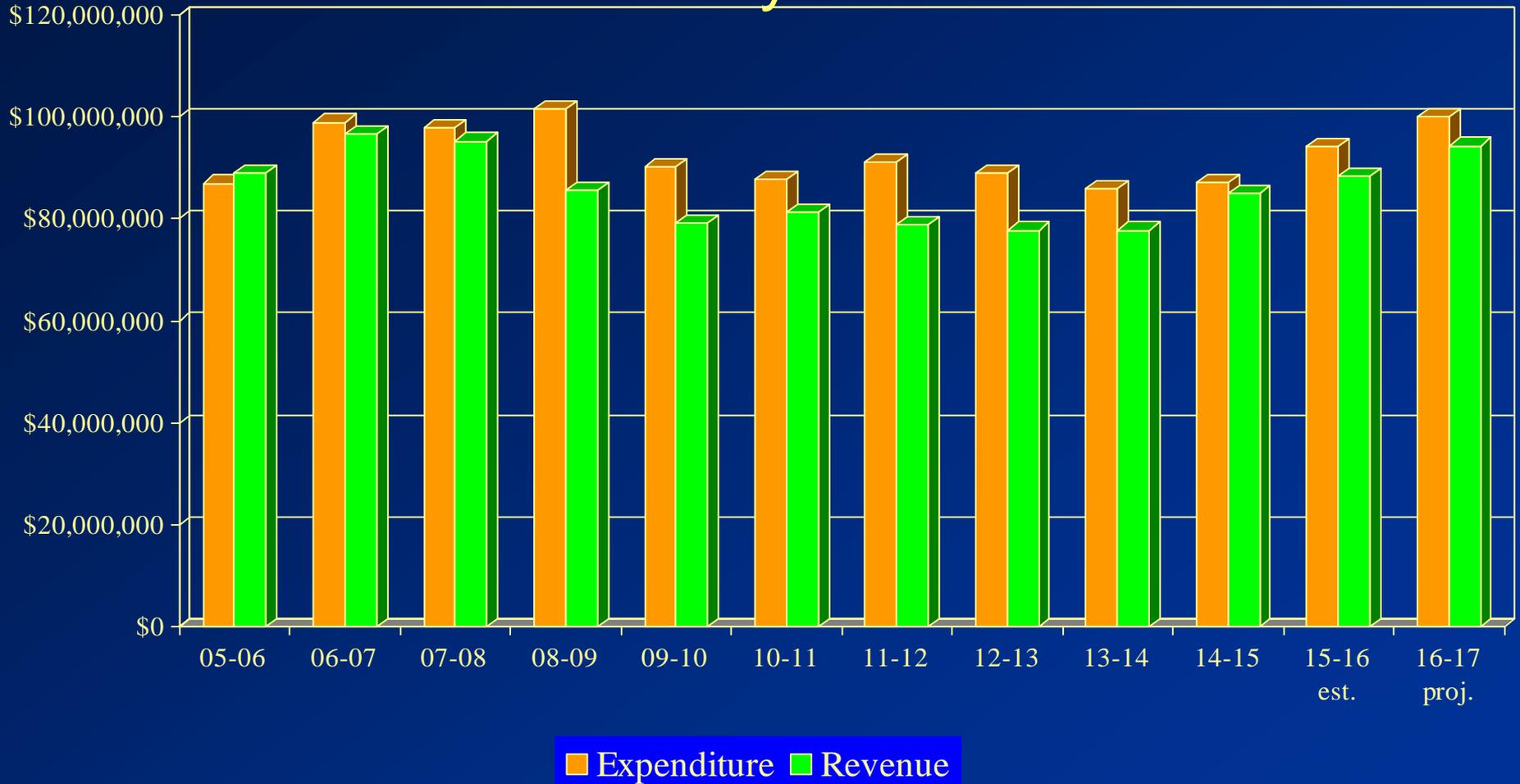
# Single-Family Houses Median Resale Prices March 2016



Source: CoreLogic

# Revenue v. Budgeted Expenditures

## All City Funds



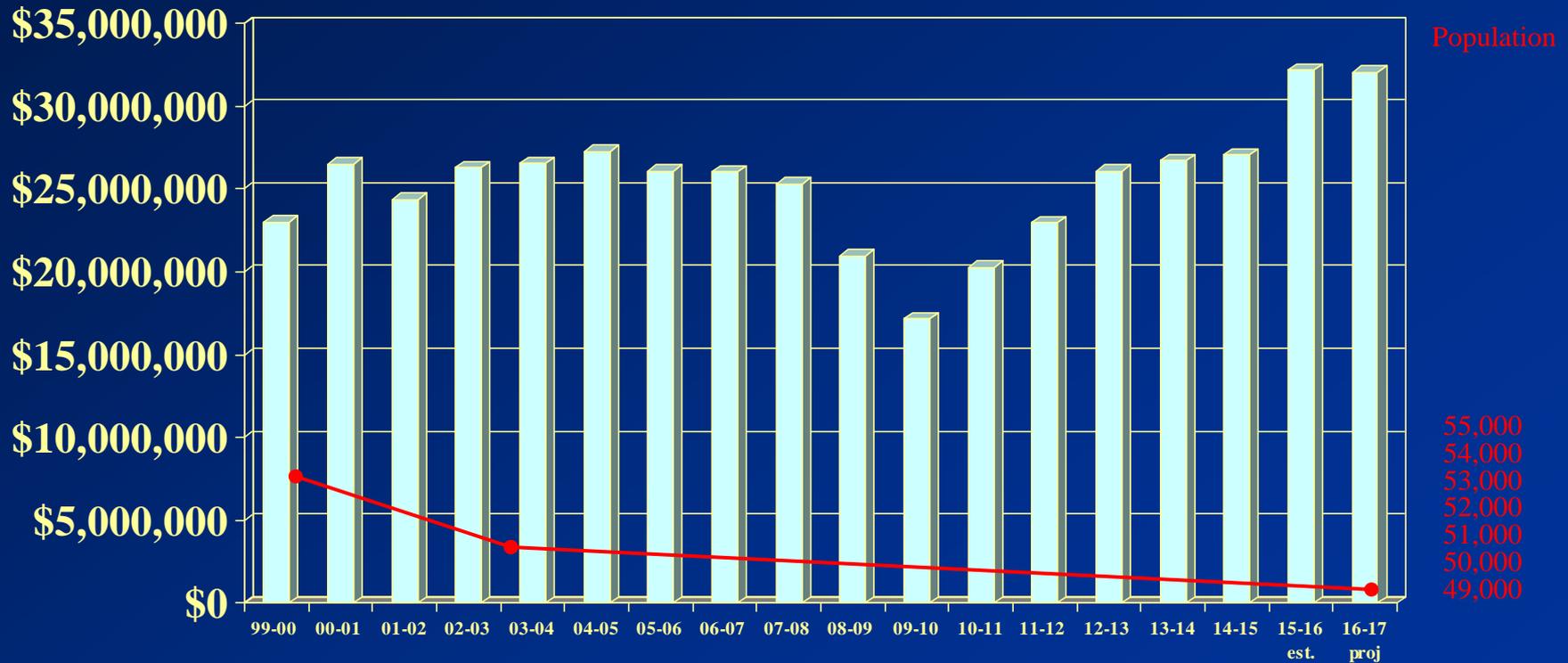
Projections for FY 2016-2017 include capital improvement expenditures and revenue, and other offsets due to anticipated uses of funds.

# Budget Balancing Actions

- Annual operating budget remains lower than FY 2008-2009 despite significant increases in expenses for contract labor, materials, insurance, etc.
- Savings achieved from not filling more than 58 City positions totals approximately \$6.4 million per year
- Additional savings have been achieved through operating expenditure reductions

# City Sales Tax Revenue

\$32 million projected for FY 2016-2017



# Retail Sales in Cerritos

2016-2017 projection = \$3,207,220,000

Average sales per day = \$8,786,904

# Rent Revenue for City of Cerritos

## 2015-2016 est.

Cerritos Towne Center	\$4,802,400
Jaguar/Land Rover	\$274,400
KIA	\$519,400
Auto Storage	\$408,220
Lincoln Station	\$453,530
<b>TOTAL</b>	<b>\$6,457,950</b>

# Cerritos and the State

## 2016-2017

Projected “No-/Low-” Property Tax (revenue from State)	\$3,030,000
Vehicle License Fee Revenue (paid by residents to State)	<u>\$4,911,300</u>
Total State-related revenue	\$7,941,300

City Operating Budget (proposed)	\$87,769,551
-------------------------------------	--------------

Amount of City Operating Budget funded by the City	\$79,858,251
---	--------------

# California Cities Sales Tax Rankings

- Cerritos ranks number 48 out of 520 cities in total sales tax collected
- Followed by Rancho Cucamonga (53), Ventura (60), Santa Barbara (71), Brea (79) and Mission Viejo (106)

HdL STATE OF CALIFORNIA - ALL AGENCIES					
SALES TAX REVENUE (POINT OF SALE (1%) & COUNTY/STATE POOLS)					
CALENDAR YEAR 2012					
Rank	City	Jan	Rank	City	Jan
1	Los Angeles	49,262,957	54	Duena Park	24,554,043
2	Ran Diego	29,604,007	55	San Bernardino Unincorporated	24,207,167
3	San Francisco	152,062,647	56	Palo Alto	23,913,749
4	San Jose	159,525,496	57	Shirley	23,411,525
5	Fresno	75,561,418	58	Santa Fe Springs	23,361,505
6	Sacramento Unincorporated	33,603,859	59	Carson	22,805,566
7	Sakramento	66,347,827	60	El Cajon	21,859,391
8	Oakland	55,404,772	61	San Leandro	21,742,775
9	Sacramento	62,576,759	62	Livermore	21,459,381
10	Anaheim	61,426,439	63	Ventura	21,070,799
11	Los Angeles Unincorporated	58,391,546	64	Tustin	20,949,155
12	Long Beach	59,015,507	65	Milpitas	20,497,359
13	Korn Unincorporated	32,457,995	66	Reading	20,421,895
14	Irvine	50,456,911	67	Walnut Creek	20,210,239
15	Riverside	47,454,801	68	Placentia	20,153,569
16	Oakland	47,104,152	69	Santa Barbara	19,867,299
17	Costa Mesa	45,056,604	70	Carson Grove	19,601,788
18	Santa Clara	43,600,459	71	Redwood City	19,159,510
19	Roseville	41,691,759	72	Tulsa	18,753,515
20	Tulare	41,502,980	73	Elk Grove	18,719,490
21	Santa Ana	38,846,434	74	Brea	18,451,464
22	Stockton	37,353,535	75	Oceanside	18,397,460
23	Fremont	36,344,851	76	San Mateo Unincorporated	18,223,705
24	Orange	34,038,233	77	San Mateo	18,053,529
25	Huntington Beach	33,611,611	78	Compton	17,964,422
26	Santa Monica	33,157,574	79	Culver City	17,070,020
27	Corona	32,496,348	80	Santa Maria	17,859,345
28	Pasadena	31,423,522	81	Chico	17,755,628
29	Sunnyvale	31,370,799	82	Chico	17,741,690
30	Santa Clarita	30,904,306	83	San Luis Obispo Unincorporated	17,345,365
31	Hayward	30,156,396	84	Fresno	17,339,459
32	Santa Rosa	30,474,810	85	Hanford	17,143,782
33	Clendale	29,850,474	86	San Ramon	17,140,580
34	Placentia	29,562,518	87	Berkeley	15,843,591
35	Fresno	29,064,326	88	Yuba City	15,818,259
36	Hawes Unincorporated	29,008,346	89	Mountain View	15,815,215
37	Yuba City	28,381,579	90	Sacramento Unincorporated	15,813,657
38	Industry	28,320,039	91	Dublin	15,676,257
39	Carlsbad	28,169,401	92	Folsom	15,477,515
40	Newport Beach	28,159,125	93	Palm Desert	15,456,031
41	Chico Vista	28,133,213	94	Vacaville	15,420,105
42	Temecula	28,075,542	95	Mission Viejo	15,159,015
43	Porter	27,608,877	96	Simi Valley	15,026,036
44	San Bernardino	27,161,074	97	Falinda	15,000,260
45	Thousand Oaks	26,764,858	98	San Joaquin Unincorporated	15,473,634
46	Riverly Hills	26,613,701	99	Contra Costa	15,432,256
47	Concord	26,110,034	100	Downey	15,153,991
48	Quaberno	26,010,785	101	Fresno Unincorporated	15,029,529
49	Visalia	25,731,201	102	West Sacramento	14,890,224
50	Cerritos	25,465,275	103	Corona Valley	14,600,858
51	Rancho Cucamonga	25,352,853	104	San Marcos	14,741,361
52	San Diego Unincorporated	25,359,841	105	National City	14,532,325
53	Ontario	25,273,325	106	El Monte	14,481,185

Cerritos is estimated to receive \$32.1 million in sales tax revenue in the current fiscal year.

# California Cities Sales Tax Rankings (per capita)

- Cerritos ranks number 17 out of 520 cities in sales tax per capita
- Followed by Culver City (23), Ontario (25), Costa Mesa (26), Brea (27), Santa Monica (41), Newport Beach (42) and Buena Park (113)

**Hdl** STATE OF CALIFORNIA - ALL AGENCIES  
COMPANIES SALES TAX PER CAPITA (POINT OF SALE (1%) & COUNTY STATE POOLS) CALENDAR YEAR 2015

Rank	Agency	Taxable Cash	Rank	Agency	Taxable Cash
1	Tracy	87,783	84	West Sacramento	306
2	Yuba City	81,778	85	Presbyterian	302
3	San Jose	73,012	86	Buena Vista	301
4	Colton	4,660	87	La Palma	287
5	Merced	2,604	88	Napa Unincorporated	284
6	San Jose	1,119	89	San Rafael	284
7	Comstock	1,399	90	Goleta	282
8	Signal Hill	1,055	91	San Mateo Unincorporated	281
9	San Jose	210	92	Napa City	280
10	Emeryville	775	93	Taft	287
11	Beverly Hills	773	94	Burbank	286
12	Shafter	681	95	Torrance	284
13	Costa Mesa	603	96	Ukiah	283
14	E. Segundo	572	97	Pleasanton	282
15	Bishop	571	98	Victorville	281
16	Spokane	564	99	Altamont	278
17	Camas	541	100	Woodbridge	277
18	<b>Cerritos</b>	<b>517</b>	101	Clayton	276
19	Costa	483	102	Marlinton Beach	276
20	Culver City	459	103	Menlo Park	274
21	Brea	450	104	Los Gatos	274
22	Cupertino	437	105	Tustin	274
23	Westlake Village	433	106	Alhambra	273
24	Contra Costa	419	107	Terrace Park	272
25	Costa Mesa	407	108	Carlebad	264
26	Grass Valley	402	109	San Carlos	263
27	Ontario	394	110	Jackson	263
28	St. Helena	393	111	Livermore	260
29	De Mar	385	112	Petaluma	258
30	Wood	375	113	Alameda Unincorporated	254
31	Walsh	373	114	San Leandro	250
32	San Jose	363	115	Orange	246
33	Santa Clara	357	116	National City	247
34	Auburn	300	117	Cerritos	246
35	Palo Alto	332	118	Rodgers City	244
36	San Jose	334	119	San Jose	244
37	Dublin	324	120	Rancho Madera	242
38	Burlington	320	121	Berkeley	241
39	Yuba City	341	122	Poway	241
40	Revere	341	123	El Centro	240
41	Collax	340	124	Menlo Park	236
42	Fluke	336	125	San Jose	237
43	Ferris	333	126	San Jose	235
44	Newport Beach	327	127	Orange	236
45	Alhambra	320	128	Yuba City	233
46	Burlington	318	129	Yuba	233
47	Flower	315	130	Colton	232
48	Hayward	318	131	Cypress	226
49	Trinidad	317	132	Folsom	227
50	Palo Alto	315	133	Redding	226
51	Menlo Park	310	134	Pasadena	226
52	San Jose	310	135	Livermore	226
53	Yuba City	306	136	Newark	226

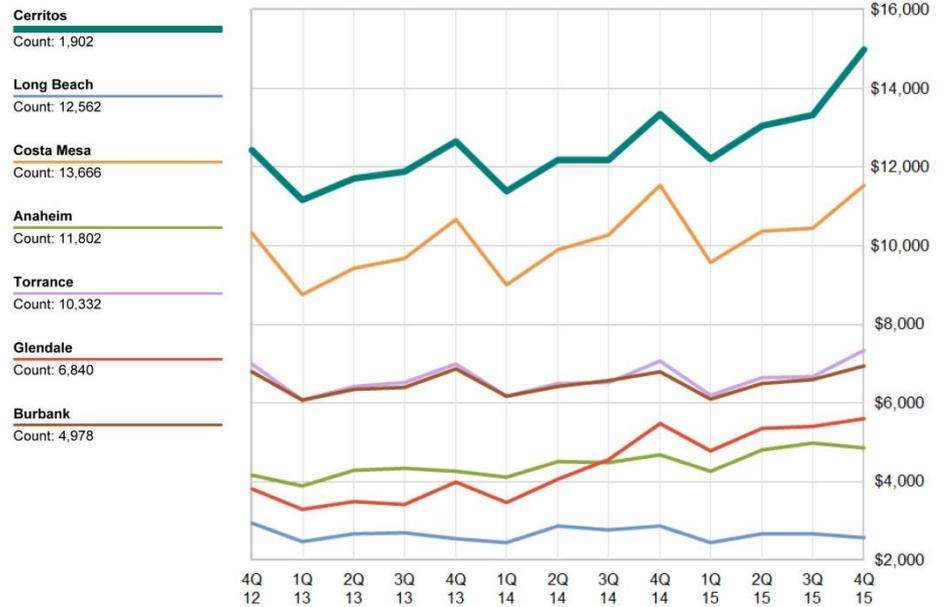
03/20/16 2:21pm Hdl • 908.581.4335 • www.hdlcompanies.com Page 1/18

Cerritos received \$607 per capita in sales tax revenue in 2015.

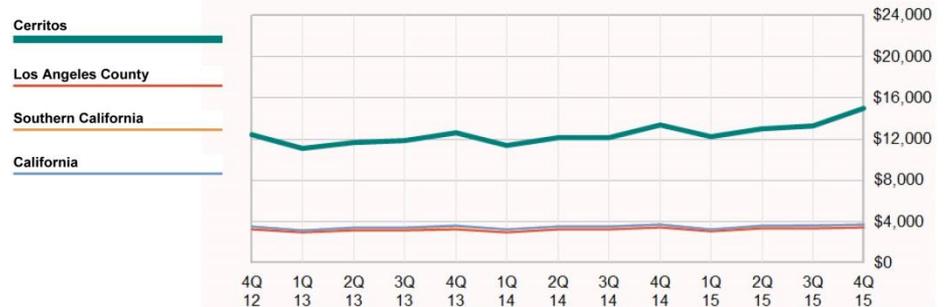
# Cerritos Per Capita Agency Comparison Chart Quarterly



Per Capita Sales



Per Capita Sales

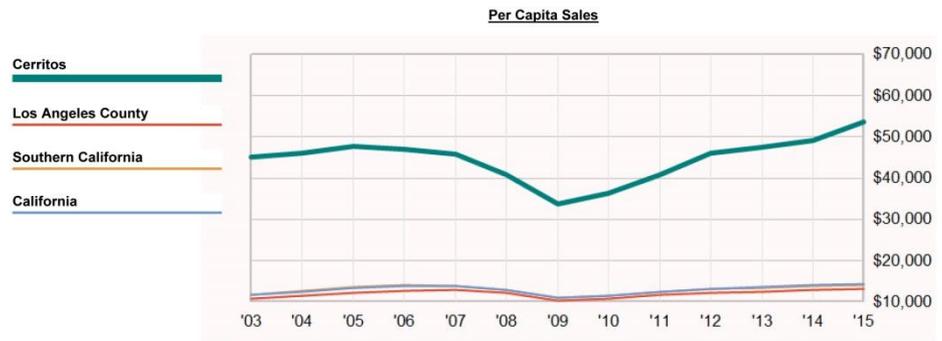
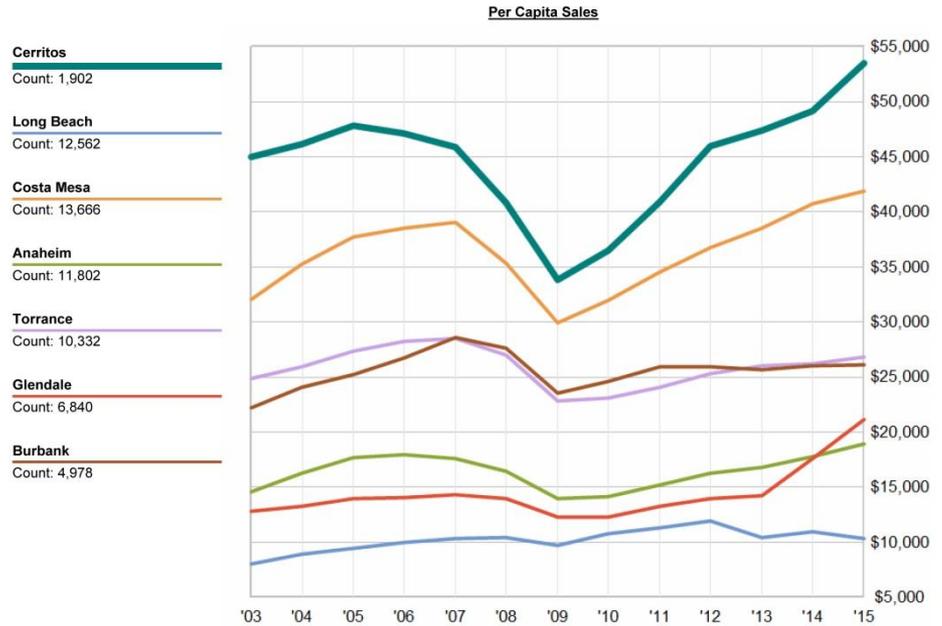


Periods shown reflect the period in which the sales occurred - Point of Sale

# Cerritos Per Capita Agency Comparison Chart Calendar Year



## CITY OF CERRITOS AGENCY COMPARISONS

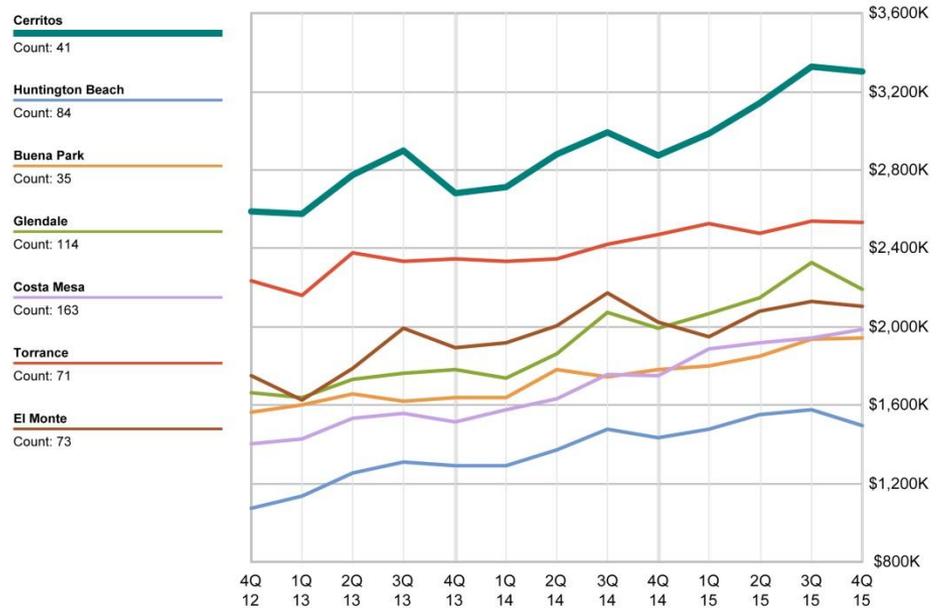


Periods shown reflect the period in which the sales occurred - Point of Sale

# Auto Sales & Leases Agency Comparisons



## CITY OF CERRITOS AGENCY COMPARISONS - AUTO SALES & LEASES



Periods shown reflect the period in which the sales occurred - Point of Sale

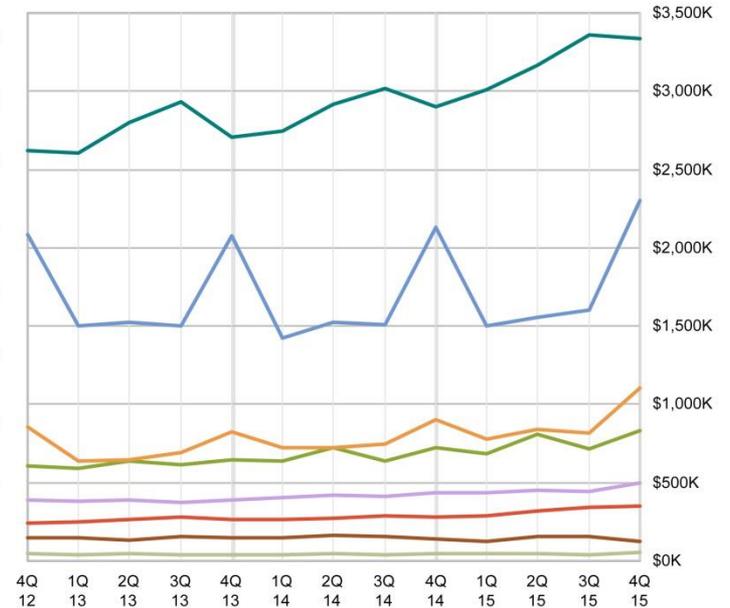
# Sales Tax by Major Industry Groups and Cerritos Agency Trend



## CITY OF CERRITOS MAJOR INDUSTRY GROUPS - 13 QUARTER HISTORY

Sales Tax by Major Industry Group

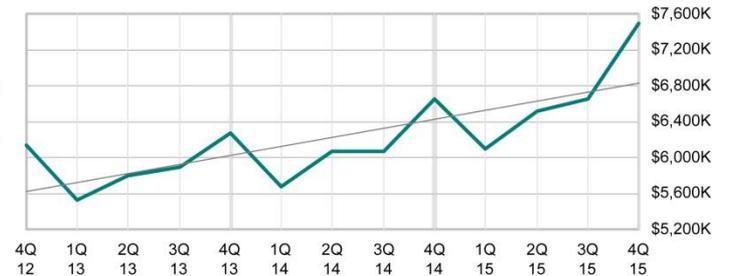
- Autos And Transportation**  
Count: 92
- General Consumer Goods**  
Count: 744
- State & County Pools**
- Business And Industry**  
Count: 726
- Restaurants And Hotels**  
Count: 207
- Building And Construction**  
Count: 63
- Fuel And Service Stations**  
Count: 16
- Food And Drugs**  
Count: 49



Agency Trend

- Cerritos**

13 Quarter Trend: +21.6%



Periods shown reflect the period in which the sales occurred - Point of Sale



- 59 sworn Sheriff's deputies, 16 professional staff and five reserve deputies provide law enforcement services
- Seven full-time and 42 part-time Community Safety employees provide code enforcement, parking control and crossing guard services
- Annual Community Safety budget is \$15,250,000

# Cerritos Center for the Performing Arts



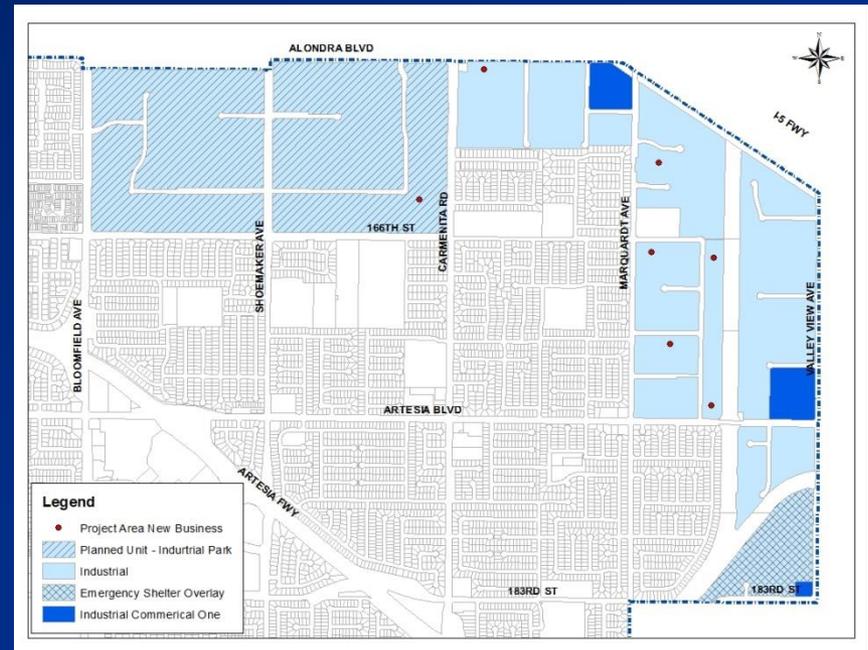
2015-2016 Season sales total \$2,947,320  
with 45,403 seats sold.

# 7 new businesses opened in the Cerritos Industrial Park (January 2016 through March 2016)

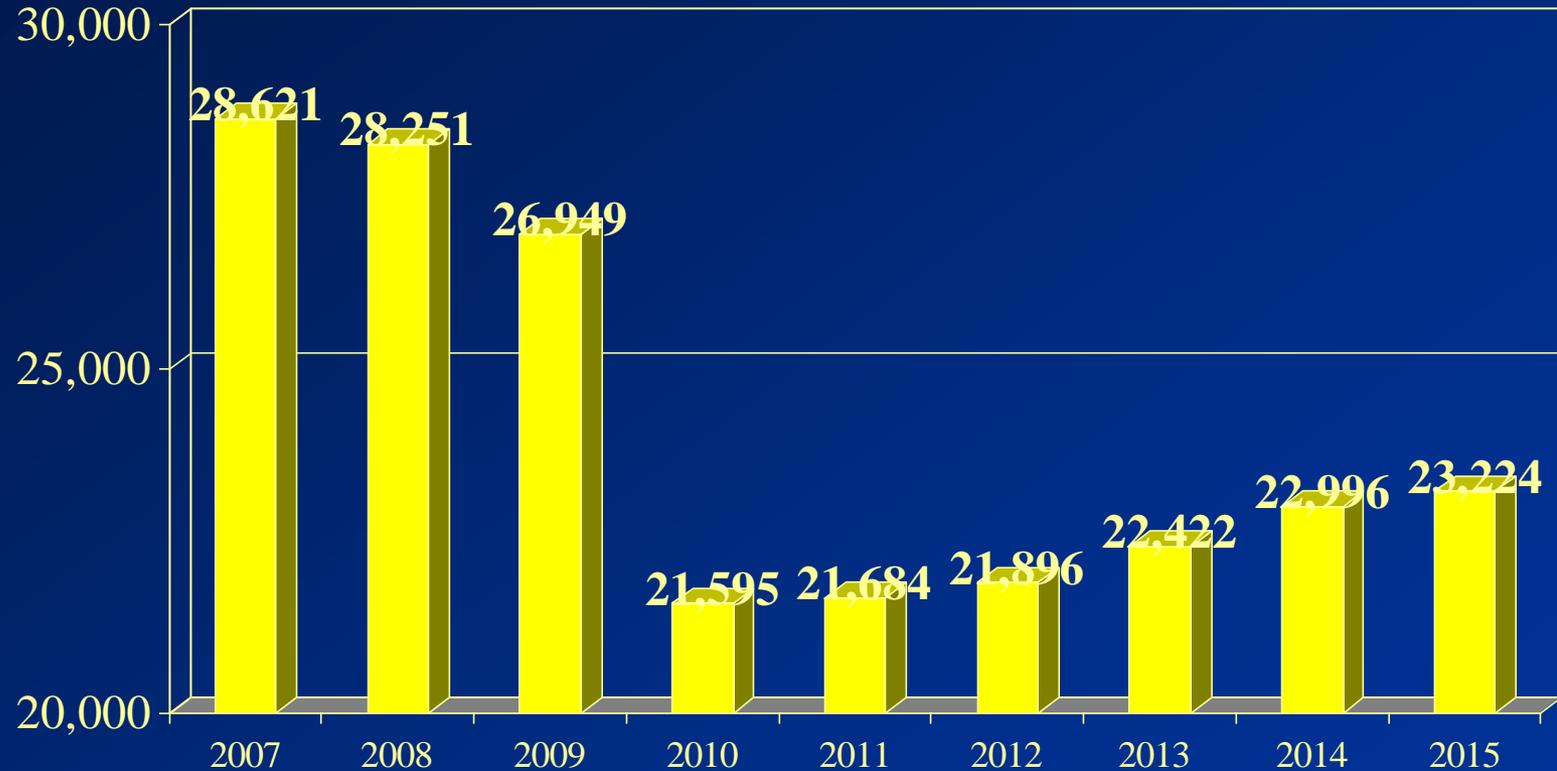
## List of Businesses

Name	Address
Eminent Inc	16610 Marquardt
Wintech America, Inc.	13438 Alondra
Unified Hospice Care, LLC	17316 Edwards
Jenkor, LLC	16624 Edwards
Zero Energy Contracting, Inc.	13850 Cerritos Corporate
Vatech America, Inc.	16444 Manning
Nippon Carbide Industries, Inc.	13856 Bettencourt

## Locations



# City of Cerritos Total Jobs 2007-2015



Unemployment rate in Cerritos is 3.7%

Sources: Bureau of Labor Statistics and the Employment Development Department

# Cerritos Industrial Park



- Cerritos Industrial Park has 5,227,200 square feet of space
- Cerritos Industrial Park vacancy rate is 1%
- L.A. County industrial real estate vacancy rate is 2.2%
- Orange County industrial vacancy rate is 2.6%

# New Development Projects

# Aria Luxury Apartment Development



Construction is nearing completion on Aria, a 198-unit luxury apartment development located at the northeast corner of Bloomfield Avenue and Artesia Boulevard.

# Sage Luxury Apartment Development



The Sage luxury apartment development will feature 132 units. The development is scheduled for completion in 2017 and will be located directly adjacent to Aria.

# Plaza 183



The current El Torito Restaurant building at Plaza 183 will be replaced by a two-tenant restaurant building reflecting the new Santa Barbara-inspired architectural design of the remodeled shopping center.

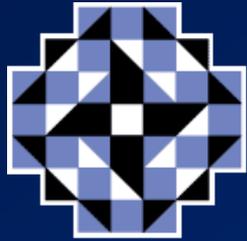
# Cerritos Towne Center



An Islands Restaurant will open at the Cerritos Towne Center in early 2017.



Video



**Cerritos Center**  
**for the Performing Arts<sup>SM</sup>**

**2016-2017 Season**  
**Preview**



Sophia Loren opens the 2016-2017 Season  
on September 16, 2016.



Donny and Marie Osmond will present a holiday show on December 15, 2016.



Frankie Avalon & The Surfari's will perform in "Rockin' at the Beach" on March 11, 2017.

CERRITOS CENTER  
FOR THE PERFORMING ARTS

SEASON 16/17  
SEASON BROCHURE

YOUR FAVORITE ENTERTAINERS, YOUR FAVORITE THEATER

Call or go online today to place your ticket order. See page 28 for ordering information.



The CCPA will present 98 performances this season, a 75 percent increase compared to last season.

