

MARIN COUNTY ECONOMIC FORECAST

Marin County, located north of San Francisco County and southeast of Sonoma County is one of the most affluent counties in the state. Marin County has a population of 256,310 people and 111,800 wage and salary jobs. The per capita income in Marin County is \$79,953, and the average salary per worker is \$62,174. Together with San Francisco and San Mateo Counties, the median household income for 2008 is \$94,300, second highest in the state behind Santa Clara County.

Employment growth in Northern California was modest in 2007, compared to the previous two years. Employment in the greater Bay Area increased by 1.3 percent last year. In 2007, 2,841 jobs were created in Marin County; this 2.6 percent increase is the largest growth in employment since 1999. The unemployment rate increased to 3.7 in 2007, but the rate is still indicative of a very tight labor market.

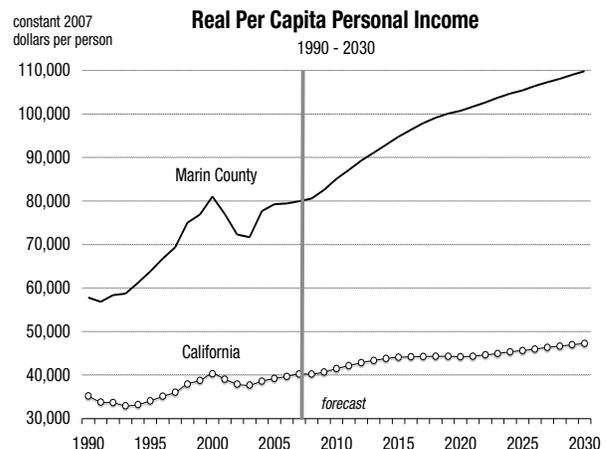
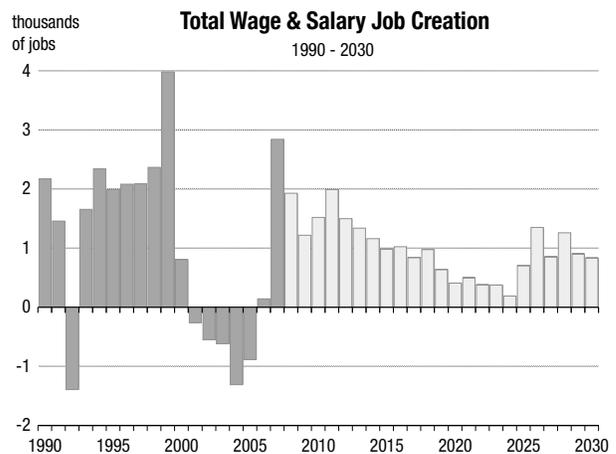
The professional services sector added 880 jobs in 2007, which is 31 percent of total job growth for Marin County. Other growing sectors included construction, healthcare and education and leisure, each of which added more than 350 jobs.

Population growth remains positive, but slow in Marin County. From January 2007 to January 2008, the population grew by 0.9 percent. Each city's population increased between 0.7 and 1.1 percent in 2007. The growth rate over the next 5 years is expected to average just 0.3 percent.

The near-term and long-term forecast calls for employment growth to average 1.4 percent per year. The meager job and population growth are due partially to an older resident population and unprecedented home values, which dampen job creation and net migration.

FORECAST HIGHLIGHTS

- Job growth declines to 1.7 percent in 2008. Over the next five years, from 2008 to 2012, the annual growth rate is forecast to average 1.4 percent per year.
- Average salaries adjusted for inflation are currently well above the California average, and will remain so over the foreseeable future. Real average salaries are forecast to rise an average of 1.7 percent per year over the next 5 years.
- The population will grow at a rate of 0.5 percent in 2008 and decline to 0.3 percent for the annual average from 2008 to 2012.
- Net migration is expected to remain positive but relatively low in 2008 with 400 net migrants. Over the next five years net migration is forecast to average about 55 migrants per year.

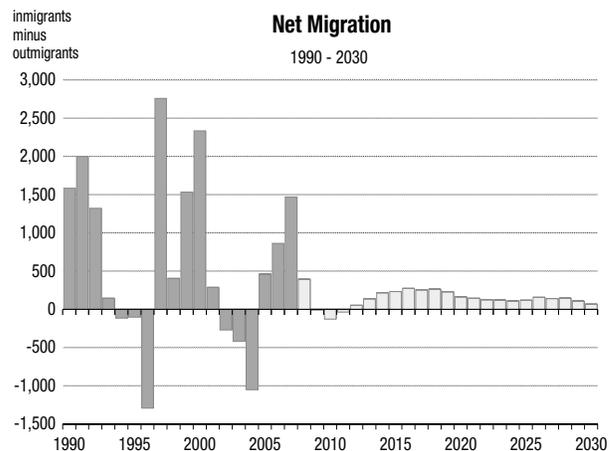
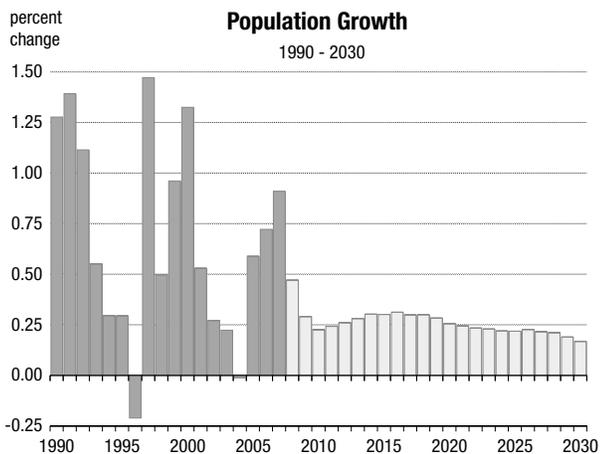


- Between 2008 and 2012, the momentum for employment growth is in professional services, which accounts for 42 percent of net job creation. Retail trade, healthcare and education, and information services are responsible for most of the remaining job growth.
- Real per capita incomes increase at a rate of 0.8 percent in 2008. Over the next five years real per capita incomes are forecast to increase 2.1 percent per year.
- Total taxable sales are expected to increase by an average of 3.9 percent over the next five years. Adjusted for inflation, total taxable sales increase by an average of 1.8 percent over the next five years.
- Industrial production is expected to increase 2.1 percent in 2008. Over the next five years the growth rate of industrial production is forecast to average 3.2 percent per year.

Marin County Economic Forecast

1997-2007 History, 2008-2030 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
1997	241,400	2,761	212.3	96.9	598	\$3.11	\$12.4	\$69,372	3.4	77.2	635.1	2.9
1998	242,600	404	225.6	97.7	713	\$3.38	\$13.9	\$75,002	3.2	73.3	640.9	2.4
1999	244,931	1,534	228.1	98.2	736	\$3.67	\$15.0	\$76,866	4.2	67.1	638.5	2.0
2000	248,176	2,336	232.5	100.7	633	\$4.06	\$16.8	\$80,995	4.5	57.8	636.4	2.9
2001	249,492	288	235.7	101.0	375	\$3.95	\$16.9	\$77,063	5.4	57.9	547.6	3.5
2002	250,170	-268	239.7	101.5	440	\$3.85	\$16.2	\$72,305	1.6	49.8	543.8	4.9
2003	250,729	-417	232.7	102.0	712	\$3.89	\$16.3	\$71,644	1.8	53.5	539.5	4.9
2004	250,703	-1,051	243.5	102.5	1,027	\$4.05	\$17.9	\$77,670	1.2	59.7	501.1	4.4
2005	252,179	463	238.0	103.1	476	\$4.17	\$18.8	\$79,253	2.0	56.3	525.5	3.9
2006	254,000	863	242.5	103.3	206	\$4.29	\$19.5	\$79,448	3.2	51.1	540.8	3.5
2007	256,310	1,472	245.1	104.0	157	\$4.33	\$20.5	\$79,953	3.3	51.5	560.5	3.7
2008	257,518	397	246.8	104.1	288	\$4.51	\$21.2	\$80,552	2.0	51.3	572.4	4.0
2009	258,270	-11	248.0	104.3	318	\$4.64	\$22.1	\$82,526	1.8	50.5	588.9	4.1
2010	258,854	-127	249.3	104.6	368	\$4.82	\$23.3	\$85,061	1.9	49.5	608.4	3.8
2011	259,482	-36	250.2	104.9	385	\$5.03	\$24.5	\$87,130	2.4	48.7	630.8	3.7
2012	260,160	54	250.8	105.2	365	\$5.23	\$25.7	\$89,256	2.2	47.8	656.2	3.8
2013	260,892	140	251.4	105.4	348	\$5.43	\$26.9	\$91,096	2.3	46.7	684.5	3.9
2014	261,682	219	252.3	105.7	337	\$5.63	\$28.2	\$92,927	2.3	45.7	712.1	4.0
2015	262,473	236	253.4	106.0	299	\$5.85	\$29.6	\$94,748	2.6	44.6	739.0	4.0
2016	263,293	276	254.6	106.2	321	\$6.09	\$31.0	\$96,377	2.7	43.4	765.8	4.0
2017	264,083	255	256.0	106.5	319	\$6.33	\$32.4	\$97,866	2.7	42.6	792.1	4.1
2018	264,876	265	257.4	106.7	322	\$6.57	\$33.8	\$99,147	2.5	41.7	821.3	4.1
2019	265,629	231	259.1	107.0	308	\$6.80	\$35.0	\$100,085	2.5	40.8	849.0	4.1
2020	266,311	166	260.7	107.2	286	\$7.03	\$36.2	\$100,736	2.5	39.8	880.6	4.1
2021	266,965	145	262.1	107.5	279	\$7.26	\$37.6	\$101,654	2.4	39.3	903.1	4.0
2022	267,591	125	263.3	107.7	270	\$7.51	\$39.0	\$102,649	2.5	38.5	918.2	4.1
2023	268,205	123	264.3	107.9	274	\$7.76	\$40.4	\$103,704	2.5	38.1	932.4	4.1
2024	268,795	110	264.7	108.1	265	\$8.00	\$41.8	\$104,657	2.3	37.2	944.9	4.1
2025	269,383	121	264.7	108.3	286	\$8.25	\$43.2	\$105,425	2.4	36.4	956.4	4.0
2026	269,996	158	264.4	108.5	324	\$8.53	\$44.8	\$106,443	2.4	35.6	970.9	3.9
2027	270,580	143	263.8	108.8	323	\$8.81	\$46.4	\$107,306	2.5	34.7	990.5	4.0
2028	271,152	149	262.9	109.1	336	\$9.12	\$48.1	\$108,088	2.7	34.2	1007.9	3.9
2029	271,667	111	261.9	109.3	317	\$9.43	\$49.8	\$108,980	2.7	33.4	1028.7	3.9
2030	272,123	71	260.8	109.6	305	\$9.74	\$51.6	\$109,856	2.6	32.6	1049.7	3.9



Marin County Employment Forecast

1997-2007 History, 2008-2030 Forecast

	Total Wage & Salary	Farm	Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
1997	105.2	0.51	5.7	4.8	1.3	18.3	10.3	15.4	5.0	13.9	11.2	14.0
1998	107.6	0.45	6.4	4.7	1.5	17.8	9.7	16.5	6.0	14.2	11.2	14.2
1999	111.6	0.48	7.3	4.3	1.4	18.9	9.9	18.0	5.4	14.7	11.7	14.7
2000	112.4	0.46	8.0	3.9	1.4	18.6	10.0	18.6	5.0	14.7	12.3	14.8
2001	112.1	0.47	8.2	3.5	1.6	18.8	9.9	18.0	4.1	15.0	12.7	15.1
2002	111.6	0.49	8.4	3.4	1.5	18.8	9.7	17.4	3.7	15.6	12.8	15.1
2003	111.0	0.59	8.3	3.1	1.4	19.0	9.7	17.7	3.3	15.7	12.7	14.8
2004	109.7	0.72	8.5	2.6	1.3	17.8	9.4	18.6	3.3	15.5	12.7	14.4
2005	108.8	0.59	8.4	2.5	1.4	17.5	9.3	18.5	3.1	15.6	12.6	14.7
2006	108.9	0.59	8.0	2.4	1.3	17.1	9.3	19.5	2.2	16.0	12.7	14.9
2007	111.8	0.57	8.4	2.4	1.3	17.4	9.4	20.3	2.2	16.4	13.2	15.1
2008	113.7	0.59	8.6	2.3	1.4	17.6	9.3	21.5	2.3	16.7	13.1	15.2
2009	114.9	0.59	8.6	2.3	1.4	17.8	9.3	21.8	2.5	16.9	13.2	15.3
2010	116.4	0.59	8.9	2.3	1.5	18.0	9.4	22.2	2.6	17.2	13.2	15.4
2011	118.4	0.59	9.0	2.3	1.5	18.1	9.4	23.0	3.1	17.5	13.3	15.4
2012	119.9	0.59	8.9	2.3	1.5	18.3	9.3	23.7	3.3	17.7	13.4	15.5
2013	121.3	0.59	9.0	2.3	1.5	18.4	9.3	24.4	3.4	18.0	13.4	15.6
2014	122.4	0.59	9.0	2.3	1.5	18.5	9.3	24.9	3.5	18.3	13.5	15.7
2015	123.4	0.59	9.0	2.3	1.5	18.6	9.3	25.3	3.5	18.6	13.6	15.7
2016	124.4	0.59	9.1	2.3	1.5	18.7	9.3	25.6	3.7	18.8	13.6	15.7
2017	125.3	0.59	9.2	2.3	1.6	18.8	9.3	25.9	3.7	19.0	13.7	15.7
2018	126.3	0.59	9.3	2.3	1.6	18.9	9.3	26.2	3.9	19.2	13.8	15.7
2019	126.9	0.59	9.3	2.3	1.6	18.9	9.3	26.5	4.0	19.4	13.8	15.7
2020	127.3	0.59	9.2	2.3	1.6	19.0	9.2	26.8	3.9	19.5	13.9	15.7
2021	127.8	0.59	9.2	2.3	1.6	19.0	9.2	27.0	3.9	19.7	13.9	15.7
2022	128.2	0.59	9.2	2.3	1.6	19.1	9.2	27.2	3.8	19.8	13.9	15.7
2023	128.6	0.59	9.2	2.2	1.6	19.2	9.2	27.5	3.6	19.9	14.0	15.7
2024	128.7	0.59	9.2	2.2	1.6	19.2	9.2	27.7	3.2	20.1	14.0	15.8
2025	129.5	0.59	9.3	2.2	1.6	19.2	9.2	27.9	3.1	20.3	14.0	16.0
2026	130.8	0.59	9.5	2.2	1.6	19.3	9.2	28.1	3.6	20.4	14.0	16.1
2027	131.7	0.59	9.6	2.2	1.7	19.3	9.2	28.4	3.6	20.6	14.1	16.3
2028	132.9	0.59	9.7	2.2	1.7	19.4	9.2	28.6	4.0	20.8	14.1	16.5
2029	133.8	0.59	9.8	2.2	1.7	19.4	9.2	28.8	4.2	20.9	14.1	16.7
2030	134.7	0.59	9.9	2.2	1.7	19.5	9.2	29.0	4.2	21.1	14.2	16.9

