

SACRAMENTO COUNTY ECONOMIC FORECAST

Sacramento County is home to the California State Capitol. Sacramento County has a population of 1.5 million people and approximately 613,900 wage and salary jobs. The per capita income is \$46,165 and the average salary per worker is \$74,086. Because it contains the state capitol, the Sacramento County economy is highly influenced by the public sector, with government jobs comprising 26 percent of total wage and salary employment.

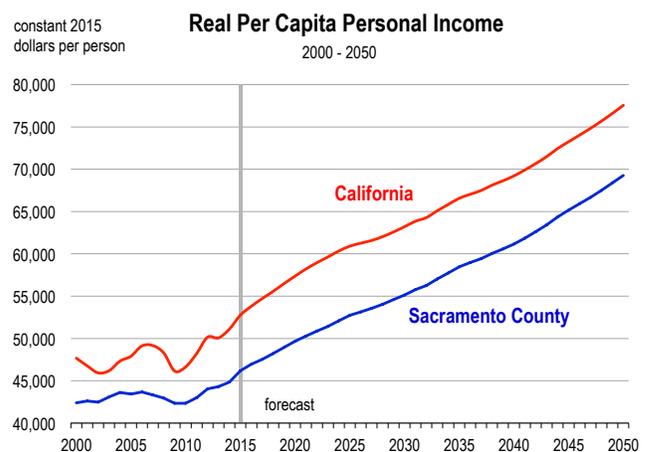
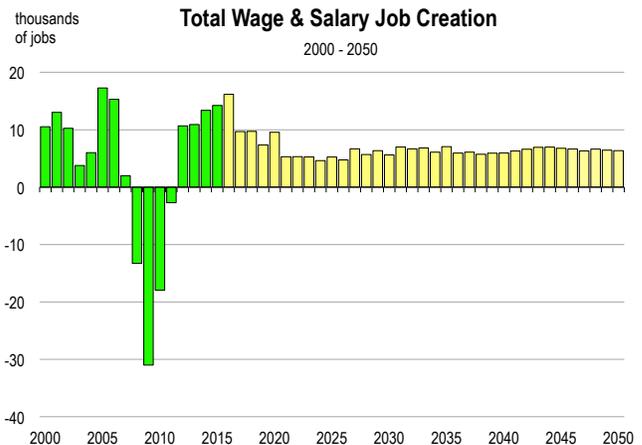
Employment across Northern California increased by 3.3 percent in 2015, whereas employment in the Sacramento Valley (consisting of Sacramento, Yolo, Placer, El Dorado, Yuba and Sutter counties) increased by 2.5 percent. In Sacramento County, 14,200 wage and salary jobs were created, representing a growth rate of 2.4 percent. The unemployment rate improved substantially, falling from 7.3 percent in 2014 to 6.0 percent in 2015.

During 2015, the largest employment gains were observed in construction (+2,800 jobs), leisure and hospitality (+1,900 jobs), wholesale and retail trade (+1,500 jobs), and financial activities (+1,300 jobs). Losses were not observed in any major sector.

From 2010-2015, the population of Sacramento County grew at an annual average rate of 1.0 percent. In-migration has been strong recently, with more than 6,000 net migrants entering the county in each of the past two years.

FORECAST HIGHLIGHTS

- In 2016, total employment is expected to increase by 2.6 percent. From 2016 to 2021, job growth is expected to average 1.3 percent per year.
- Average salaries are above the California state average, and are expected to remain so over the next few years. In Sacramento County, inflation-adjusted salaries will rise by an average of 1.1 percent per year from 2016 to 2021.
- Between 2016 and 2021, employment growth will be greatest in professional and business services, education and healthcare, construction, and government. Together, these industries will account for 78 percent of net job growth in the county.
- Population growth will be relatively strong over the next 5 years, with annual growth averaging 1.1 percent per year.
- Between 2016 and 2021, an average of 8,000 net migrants will enter the county each year, accounting for almost half of all population growth.

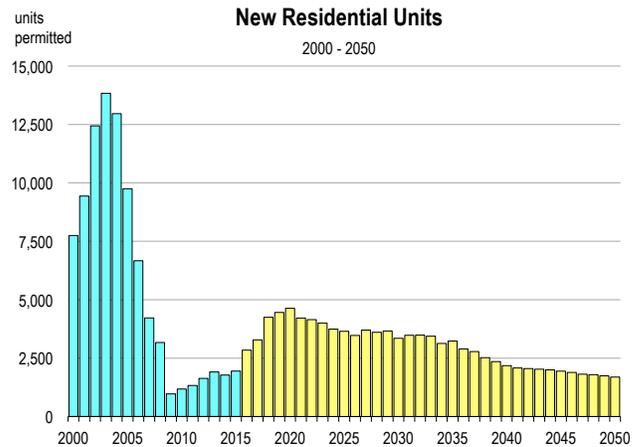
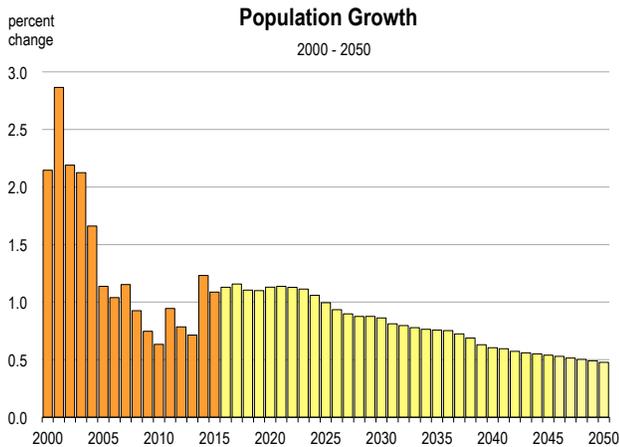


- Over the 2016-2021 period, an average of 3,900 housing permits will be issued each year. There are a number of large-scale development projects in the region. The most prevalent activity will occur in the area north of Elk Grove and east of Florin, which could see more than 30,000 new homes within the next few decades.
- Real per capita income is expected to rise by 1.7 percent in 2016. Between 2016 and 2021, growth will average 1.4 percent per year.
- Total taxable sales, adjusted for inflation, are expected to rise by 1.4 percent per year from 2016 to 2021.
- Industrial production is expected to rise by 2.6 percent in 2016. Between 2016 and 2021, industrial production is forecasted to rise by an average of 2.0 percent per year.

Sacramento County Economic Forecast

2010-2015 History, 2016-2050 Forecast

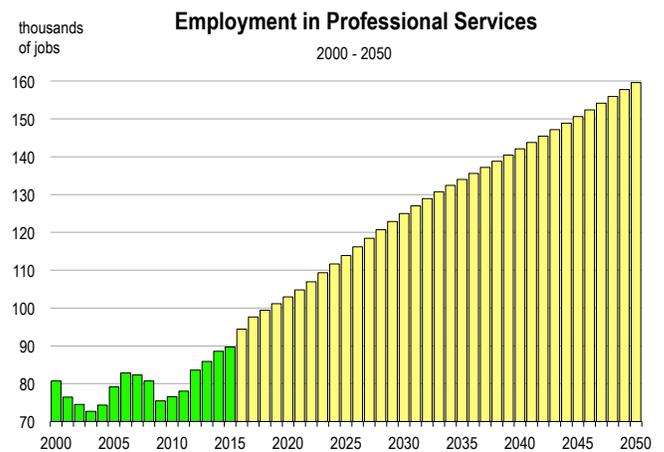
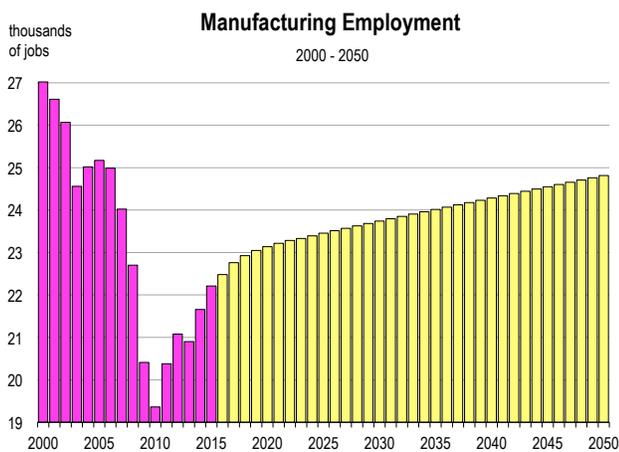
	Population (people)	Net Migration (people)	Registered Vehicles (millions)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2010	1,420,331	-1,719	1.16	514.0	1,181	\$16.9	\$54.7	\$42,335	1.3	409.4	5.8	12.6
2011	1,433,766	3,471	1.14	514.9	1,332	\$18.0	\$57.6	\$43,019	2.7	434.2	5.9	12.1
2012	1,445,019	2,236	1.14	516.3	1,633	\$19.1	\$60.7	\$44,034	2.7	482.7	6.3	10.5
2013	1,455,343	1,409	1.18	518.0	1,909	\$20.1	\$62.4	\$44,323	2.3	472.5	6.4	8.9
2014	1,473,279	8,931	1.21	520.0	1,772	\$21.0	\$65.1	\$44,839	2.8	502.5	6.5	7.3
2015	1,489,308	6,543	1.27	521.6	1,947	\$21.9	\$68.8	\$46,165	2.6	515.2	6.7	6.0
2016	1,506,130	7,516	1.29	523.4	2,841	\$23.2	\$72.7	\$46,940	2.5	513.5	6.9	5.0
2017	1,523,565	8,109	1.30	526.0	3,280	\$24.4	\$77.2	\$47,546	3.6	516.8	7.1	4.7
2018	1,540,398	7,541	1.32	529.1	4,248	\$25.3	\$80.8	\$48,232	3.5	517.4	7.2	4.6
2019	1,557,344	7,622	1.33	533.1	4,455	\$26.2	\$84.6	\$48,939	2.3	516.9	7.4	4.5
2020	1,574,946	8,270	1.34	537.3	4,633	\$27.1	\$88.7	\$49,667	2.3	516.9	7.5	4.4
2021	1,592,857	8,575	1.35	541.6	4,215	\$28.0	\$92.7	\$50,278	2.3	516.0	7.6	4.5
2022	1,610,835	8,535	1.35	545.6	4,147	\$28.8	\$96.8	\$50,874	2.3	515.7	7.8	4.4
2023	1,628,774	8,378	1.36	549.5	4,003	\$29.7	\$101.1	\$51,418	2.3	515.3	8.0	4.4
2024	1,646,029	7,671	1.37	553.2	3,742	\$30.7	\$105.9	\$52,089	2.6	515.0	8.1	4.4
2025	1,662,410	6,864	1.38	556.8	3,648	\$31.8	\$111.1	\$52,723	2.8	514.7	8.2	4.5
2026	1,677,947	6,133	1.38	560.2	3,470	\$32.8	\$116.1	\$53,141	2.9	514.5	8.4	4.6
2027	1,693,019	5,856	1.39	563.4	3,700	\$34.0	\$121.3	\$53,566	2.9	514.3	8.6	4.6
2028	1,707,848	5,851	1.40	566.9	3,605	\$35.3	\$126.5	\$54,037	2.7	514.2	8.8	4.6
2029	1,722,813	6,113	1.41	570.3	3,661	\$36.6	\$131.9	\$54,593	2.5	514.0	9.0	4.6
2030	1,737,681	6,224	1.42	573.7	3,349	\$38.0	\$137.3	\$55,140	2.4	513.9	9.2	4.5
2031	1,751,790	5,589	1.44	576.9	3,477	\$39.6	\$143.0	\$55,780	2.3	513.7	9.4	4.5
2032	1,765,747	5,591	1.45	580.1	3,484	\$41.3	\$148.7	\$56,255	2.5	513.6	9.6	4.5
2033	1,779,493	5,431	1.46	583.4	3,439	\$43.0	\$154.8	\$57,034	2.1	513.5	9.8	4.5
2034	1,793,091	5,354	1.48	586.6	3,128	\$44.8	\$161.2	\$57,739	2.3	513.3	10.1	4.5
2035	1,806,678	5,410	1.49	589.6	3,231	\$46.5	\$168.1	\$58,471	2.4	513.2	10.3	4.4
2036	1,820,280	5,431	1.50	592.6	2,892	\$48.2	\$175.2	\$58,958	2.8	513.1	10.5	4.4
2037	1,833,464	5,105	1.51	595.3	2,781	\$50.0	\$182.7	\$59,435	2.9	513.0	10.8	4.4
2038	1,846,087	4,600	1.53	597.9	2,519	\$51.9	\$190.5	\$60,032	2.7	512.8	11.0	4.4
2039	1,857,722	3,755	1.54	600.3	2,351	\$53.7	\$198.6	\$60,575	2.9	512.7	11.3	4.5
2040	1,868,947	3,422	1.55	602.5	2,178	\$55.5	\$207.0	\$61,165	2.8	512.6	11.5	4.5
2041	1,880,078	3,430	1.56	604.5	2,079	\$57.3	\$215.7	\$61,860	2.6	512.5	11.8	4.4
2042	1,890,847	3,112	1.58	606.5	2,052	\$59.1	\$224.6	\$62,616	2.5	512.3	12.1	4.5
2043	1,901,426	3,027	1.59	608.4	2,026	\$60.9	\$233.8	\$63,433	2.4	512.2	12.4	4.4
2044	1,911,897	2,969	1.60	610.3	1,998	\$62.6	\$243.3	\$64,348	2.2	512.1	12.6	4.4
2045	1,922,211	2,936	1.61	612.2	1,943	\$64.3	\$253.1	\$65,141	2.4	512.0	12.9	4.4
2046	1,932,388	2,871	1.61	614.0	1,887	\$66.0	\$263.1	\$65,914	2.3	511.8	13.2	4.4
2047	1,942,329	2,765	1.62	615.8	1,813	\$67.7	\$273.4	\$66,683	2.6	511.7	13.5	4.4
2048	1,952,097	2,675	1.63	617.5	1,791	\$69.5	\$284.3	\$67,507	2.6	511.6	13.8	4.4
2049	1,961,674	2,650	1.64	619.2	1,742	\$71.4	\$295.7	\$68,366	2.7	511.5	14.1	4.4
2050	1,971,038	2,567	1.64	620.8	1,689	\$73.4	\$307.6	\$69,265	2.9	511.3	14.5	4.4

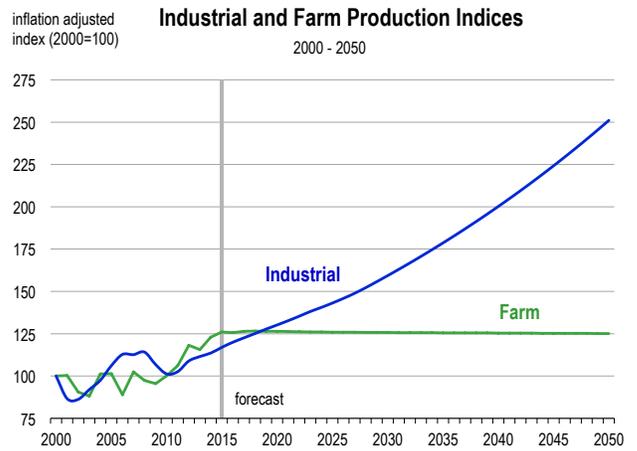
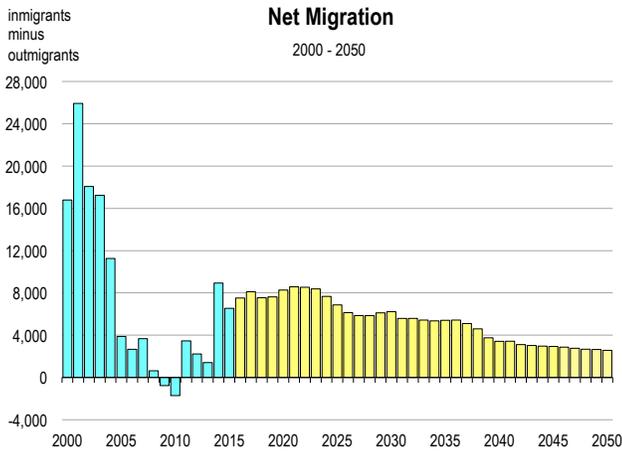
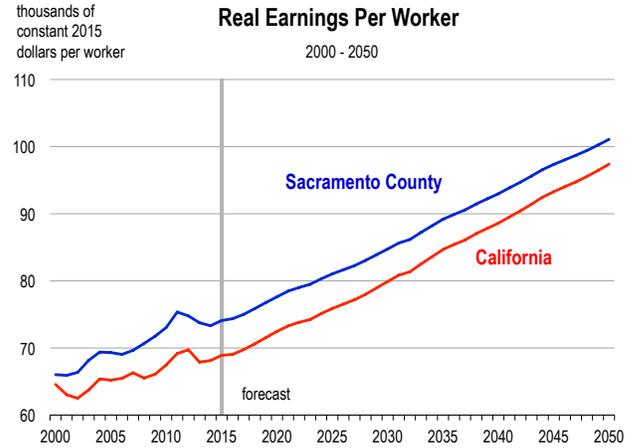
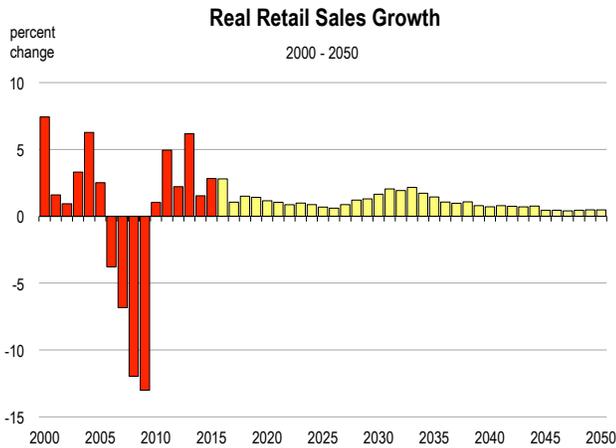


Sacramento County Employment Forecast

2010-2015 History, 2016-2050 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)-----												
2010	567.4	2.57	23.5	19.4	11.9	69.7	32.0	76.6	13.2	85.6	48.5	164.3
2011	564.7	2.47	22.6	20.4	11.5	71.2	30.5	78.1	12.6	86.2	49.5	159.9
2012	575.4	2.61	23.6	21.1	12.2	74.1	31.2	83.6	11.8	87.7	51.3	156.4
2013	586.3	2.59	27.0	20.9	13.0	74.7	31.5	85.9	11.3	90.3	53.2	156.2
2014	599.7	2.68	28.3	21.7	13.1	75.3	31.2	88.6	10.6	92.8	55.1	159.8
2015	613.9	2.70	31.1	22.2	13.5	76.8	32.5	89.7	10.8	97.0	56.9	160.2
2016	630.1	2.69	32.9	22.5	13.7	78.1	33.8	94.4	11.2	99.7	58.7	161.5
2017	639.8	2.71	33.1	22.8	13.9	79.2	33.5	97.6	11.4	101.9	59.9	162.7
2018	649.5	2.71	35.4	22.9	14.1	79.9	33.4	99.4	11.5	104.3	60.7	163.5
2019	656.8	2.71	35.2	23.0	14.3	80.5	33.4	101.2	11.6	106.8	61.1	165.0
2020	666.4	2.71	38.0	23.1	14.5	80.9	33.6	103.0	11.8	109.1	61.3	166.3
2021	671.7	2.70	37.3	23.2	14.7	81.2	33.3	104.8	11.9	111.5	61.5	167.1
2022	677.0	2.70	36.4	23.3	14.9	81.4	33.5	106.9	12.0	113.8	61.5	167.8
2023	682.3	2.70	35.3	23.3	15.1	81.7	33.4	109.3	12.1	116.1	61.6	168.5
2024	686.9	2.70	34.5	23.4	15.3	82.0	33.1	111.7	12.2	117.9	61.6	169.0
2025	692.1	2.70	34.3	23.5	15.5	82.2	33.2	113.9	12.3	119.6	61.8	169.5
2026	696.9	2.70	33.6	23.5	15.7	82.5	33.2	116.2	12.4	121.2	62.0	169.8
2027	703.5	2.69	34.6	23.6	15.9	82.7	33.5	118.4	12.5	122.8	62.2	170.1
2028	709.2	2.69	34.5	23.6	16.1	83.1	33.6	120.7	12.6	124.5	62.6	170.4
2029	715.6	2.69	34.5	23.7	16.3	83.4	33.7	122.9	12.7	126.4	63.0	170.9
2030	721.2	2.69	33.8	23.7	16.5	83.8	33.6	125.0	12.8	128.5	63.6	171.6
2031	728.2	2.69	34.1	23.8	16.7	84.2	33.6	127.0	12.9	130.6	64.1	172.4
2032	734.9	2.69	34.1	23.9	16.9	84.6	33.6	128.9	13.0	132.9	64.7	173.2
2033	741.7	2.69	34.1	23.9	17.1	85.1	33.6	130.7	13.1	135.2	65.2	174.1
2034	747.8	2.69	33.6	24.0	17.3	85.5	33.5	132.4	13.2	137.7	65.8	175.0
2035	754.8	2.69	33.7	24.0	17.5	85.8	33.8	134.0	13.3	140.2	66.3	176.0
2036	760.8	2.69	33.1	24.1	17.7	86.1	33.8	135.6	13.5	142.7	66.9	176.7
2037	766.9	2.69	32.9	24.1	17.9	86.3	33.9	137.2	13.6	145.4	67.4	177.1
2038	772.6	2.69	32.4	24.2	18.1	86.6	33.9	138.8	13.7	148.1	68.0	177.4
2039	778.5	2.69	32.0	24.2	18.3	86.8	34.0	140.4	13.8	151.0	68.6	177.7
2040	784.5	2.68	31.6	24.3	18.5	87.0	33.9	142.1	13.9	153.8	69.2	178.0
2041	790.8	2.68	31.5	24.3	18.7	87.2	34.0	143.8	14.0	156.7	69.8	178.4
2042	797.4	2.68	31.4	24.4	18.9	87.5	34.0	145.5	14.2	159.5	70.4	178.9
2043	804.3	2.68	31.5	24.4	19.1	87.7	34.1	147.2	14.3	162.3	70.9	179.6
2044	811.3	2.68	31.5	24.5	19.3	88.0	34.2	148.9	14.4	165.0	71.5	180.5
2045	818.1	2.68	31.4	24.5	19.5	88.2	34.2	150.6	14.5	167.5	72.2	181.4
2046	824.7	2.68	31.3	24.6	19.7	88.4	34.3	152.4	14.7	169.9	72.8	182.4
2047	831.0	2.68	31.1	24.7	19.9	88.6	34.3	154.2	14.8	172.3	73.4	183.2
2048	837.6	2.68	31.0	24.7	20.1	88.8	34.4	156.0	14.9	174.6	74.0	184.1
2049	844.1	2.68	30.9	24.8	20.3	89.0	34.5	157.8	15.0	176.8	74.6	184.9
2050	850.5	2.68	30.8	24.8	20.5	89.3	34.5	159.6	15.2	179.0	75.3	185.8





County Economic and Demographic Indicators

Projected Economic Growth (2016-2021)

Expected retail sales growth:	6.3%
Expected job growth:	6.6%
Fastest growing jobs sector:	Construction
Expected personal income growth:	13.3%

Expected population growth:	5.8%
Net migration to account for:	46.3%
Expected growth in number of vehicles:	4.3%

Demographics (2016)

Unemployment rate (April 2016):	5.2%
County rank* in California (58 counties):	20th
Working age (16-64) population:	65.1%

Population with B.A. or higher:	28.2%
Median home selling price (2015):	\$275,000
Median household income:	\$56,286

Quality of Life

Violent crime rate (2014):	488 per 100,000 persons
County rank* in California (58 counties):	45th
Average commute time to work (2016):	28.0 minutes

High school drop out rate (2015):	11.5%
Households at/below poverty line (2016):	14.4%

* The county ranked 1st corresponds to the lowest rate in California