

SAN MATEO COUNTY ECONOMIC FORECAST

San Mateo County is located on the Bay Area Peninsula, south of San Francisco County. San Mateo County has a population of 762,300 people and approximately 392,900 wage and salary jobs. The per capita income in San Mateo County is \$88,087, and the average salary per worker is \$98,845.

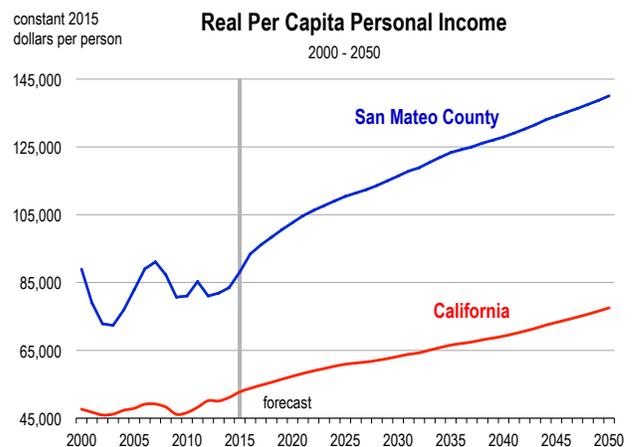
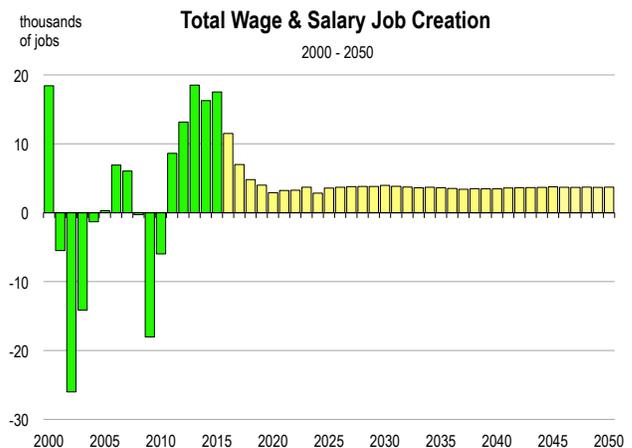
In 2015, employment in Northern California increased by 3.3 percent, whereas employment in the greater Bay Area grew by 3.8 percent. In San Mateo County, total employment grew by 17,500 jobs, representing a growth rate of 4.7 percent. The unemployment rate improved substantially, falling from 4.2 percent in 2014 to 3.4 percent in 2015.

In 2015, the largest employment increases were observed in professional services (+5,300 jobs), construction (+2,800 jobs), information (+2,500 jobs), and leisure and hospitality (+1,800 jobs). No major sectors had job losses.

Between 2010 and 2015, the population of San Mateo County grew at an annual average rate of 1.2 percent. Net migration was responsible for almost half of this growth, with an average of 3,100 net migrants entering the county each year.

FORECAST HIGHLIGHTS

- Total employment is expected to increase by 2.9 percent in 2016. From 2016 to 2021, job growth is projected to average 1.1 percent per year.
- Average salaries are currently well above the California average, and will remain so over the forecast horizon. In San Mateo County, inflation-adjusted salaries are projected to rise by an average of 1.5 percent per year from 2016 to 2021.
- Between 2016 and 2021, employment growth will be led by professional services, information, education and healthcare, and leisure services. Together, these sectors will account for 76 percent of net employment growth over this period.
- The population will grow at a rate of approximately 1.0 percent in 2016. Annual growth in the 2016-2021 period is expected to average 0.6 percent.
- Over the 2016-2021 forecast period, overall net migration will be positive but modest. During this time frame, an average of 790 net migrants will enter the county each year.

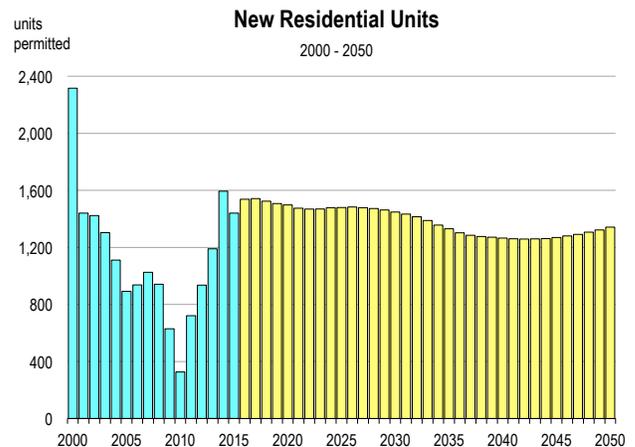
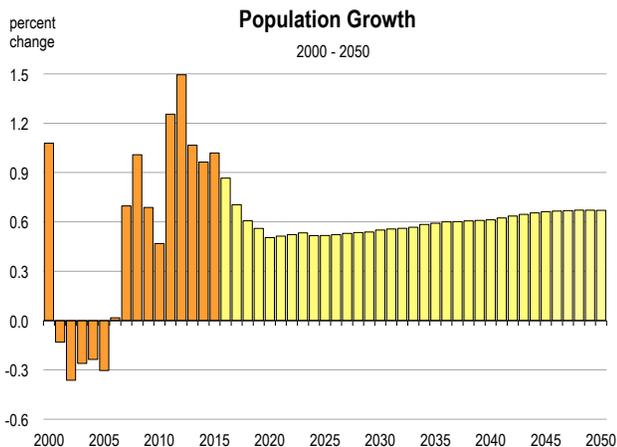


- Between 2016 and 2021, an average of 1,500 housing permits will be issued each year. The largest development project is the Redwood City Saltworks project, which could produce up to 12,000 homes. If the project is approved, construction would not commence for a number of years, and would extend beyond the year 2021.
- Real per capita income will rise by 6.1 percent in 2016. During the 2016-2021 period, real per capita income is expected to increase by 2.3 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 0.9 percent per year from 2016 to 2021.
- Industrial production is forecasted to rise by 1.6 percent in 2016. Over the following five years, the growth rate will average 2.2 percent per year.

San Mateo County Economic Forecast

2010-2015 History, 2016-2050 Forecast

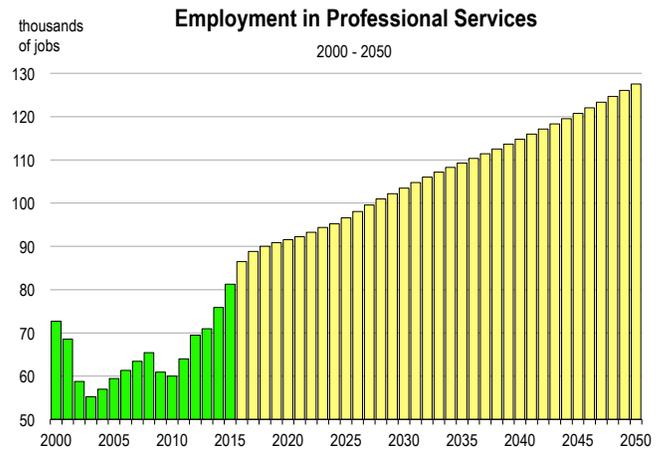
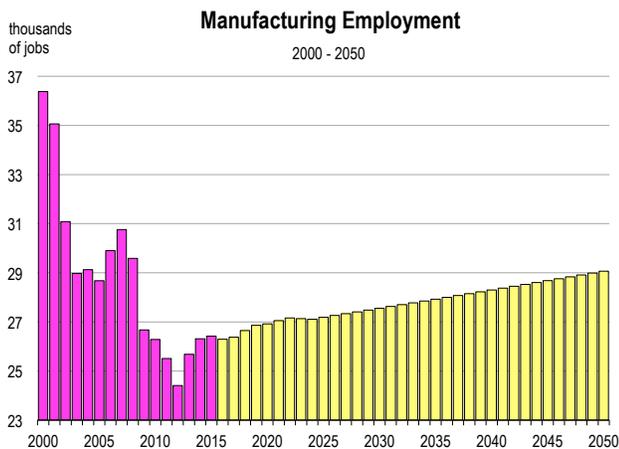
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2010	719,619	-1,560	678	257.8	327	\$12.0	\$51.3	\$81,004	1.3	163.4	9.5	8.4
2011	728,649	4,411	675	258.3	721	\$13.0	\$56.1	\$85,265	2.7	151.7	9.0	7.5
2012	739,544	6,522	684	258.9	935	\$13.9	\$55.6	\$81,047	2.7	151.1	9.0	6.5
2013	747,431	3,522	702	259.3	1,190	\$14.6	\$58.0	\$81,872	2.3	151.0	9.8	5.3
2014	754,639	2,749	716	260.2	1,594	\$15.2	\$61.4	\$83,492	2.8	156.1	9.9	4.2
2015	762,327	3,099	732	261.3	1,441	\$15.7	\$67.2	\$88,087	2.6	158.2	10.0	3.4
2016	768,930	2,415	746	262.4	1,538	\$16.4	\$73.7	\$93,443	2.5	149.9	10.2	3.2
2017	774,346	1,318	755	263.7	1,543	\$17.1	\$79.0	\$96,080	3.6	142.0	10.4	3.1
2018	779,044	639	761	265.1	1,524	\$17.9	\$84.3	\$98,349	3.5	134.5	10.6	3.1
2019	783,411	343	766	266.4	1,508	\$18.5	\$88.7	\$100,593	2.3	127.4	10.9	3.1
2020	787,364	-35	769	267.8	1,498	\$19.1	\$93.1	\$102,707	2.3	120.3	11.1	3.1
2021	791,408	84	773	269.1	1,475	\$19.7	\$97.6	\$104,696	2.3	113.9	11.3	3.0
2022	795,547	203	777	270.4	1,469	\$20.3	\$101.9	\$106,285	2.3	107.6	11.6	3.0
2023	799,789	336	781	271.7	1,470	\$20.9	\$106.1	\$107,657	2.3	101.7	11.8	2.9
2024	803,919	258	785	272.9	1,479	\$21.5	\$110.9	\$109,103	2.6	96.2	12.0	2.9
2025	808,079	335	789	274.2	1,480	\$22.2	\$116.0	\$110,402	2.8	90.9	12.2	2.9
2026	812,300	421	793	275.5	1,484	\$23.0	\$121.0	\$111,434	2.9	85.9	12.4	2.9
2027	816,608	531	798	276.8	1,479	\$23.8	\$126.3	\$112,439	2.9	81.2	12.7	2.8
2028	820,981	616	802	278.1	1,473	\$24.6	\$131.8	\$113,630	2.7	76.7	13.0	2.8
2029	825,402	664	806	279.4	1,463	\$25.4	\$137.4	\$114,982	2.5	72.5	13.3	2.8
2030	829,946	775	811	280.7	1,448	\$26.2	\$143.2	\$116,404	2.4	68.5	13.6	2.8
2031	834,568	817	815	282.0	1,434	\$27.2	\$149.2	\$117,867	2.3	64.8	13.9	2.8
2032	839,250	828	819	283.3	1,415	\$28.1	\$155.1	\$118,862	2.5	61.2	14.2	2.8
2033	844,014	832	823	284.5	1,389	\$29.1	\$161.5	\$120,508	2.1	57.8	14.6	2.7
2034	848,946	909	827	285.7	1,357	\$30.1	\$168.2	\$121,965	2.3	54.6	14.9	2.7
2035	853,973	916	831	286.9	1,331	\$31.1	\$175.2	\$123,356	2.4	51.6	15.2	2.7
2036	859,100	926	834	288.1	1,302	\$32.2	\$182.4	\$124,220	2.8	48.8	15.6	2.7
2037	864,270	911	838	289.2	1,285	\$33.3	\$190.0	\$125,019	2.9	46.1	15.9	2.7
2038	869,509	944	842	290.4	1,277	\$34.4	\$198.0	\$126,116	2.7	43.5	16.3	2.7
2039	874,805	972	845	291.5	1,272	\$35.5	\$206.3	\$126,988	2.9	41.1	16.6	2.7
2040	880,166	1,000	849	292.6	1,266	\$36.6	\$215.0	\$127,928	2.8	38.8	17.0	2.7
2041	885,658	1,095	853	293.7	1,261	\$37.8	\$223.9	\$129,060	2.6	36.7	17.4	2.6
2042	891,287	1,193	856	294.8	1,259	\$38.9	\$233.1	\$130,265	2.5	34.7	17.8	2.6
2043	897,044	1,284	860	295.9	1,260	\$40.1	\$242.5	\$131,536	2.4	32.7	18.3	2.6
2044	902,919	1,369	864	297.0	1,262	\$41.2	\$252.3	\$133,008	2.2	30.9	18.7	2.6
2045	908,897	1,457	867	298.1	1,270	\$42.4	\$262.4	\$134,170	2.4	29.2	19.1	2.5
2046	914,949	1,516	871	299.2	1,281	\$43.6	\$272.4	\$135,266	2.3	27.6	19.6	2.5
2047	921,067	1,574	875	300.4	1,292	\$44.9	\$283.6	\$136,348	2.6	26.1	20.0	2.5
2048	927,252	1,637	878	301.5	1,307	\$46.3	\$295.4	\$137,508	2.6	24.6	20.5	2.5
2049	933,476	1,686	882	302.7	1,323	\$47.7	\$308.1	\$138,756	2.7	23.2	21.0	2.5
2050	939,734	1,740	885	303.8	1,342	\$49.3	\$322.2	\$140,092	2.9	21.9	21.5	2.4

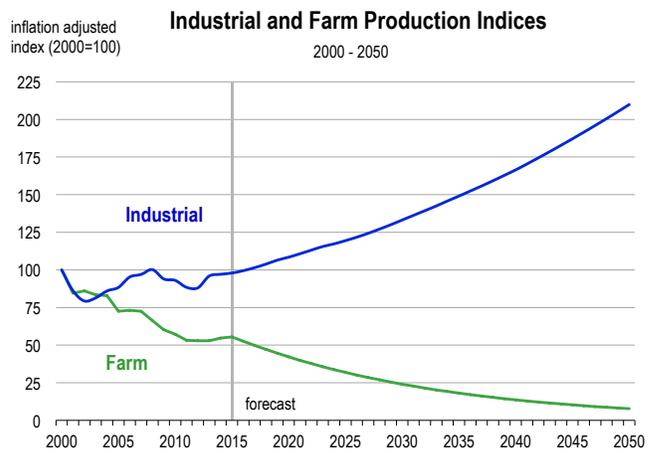
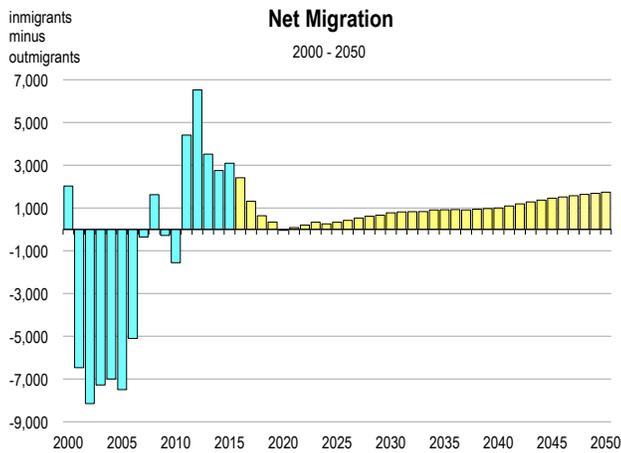
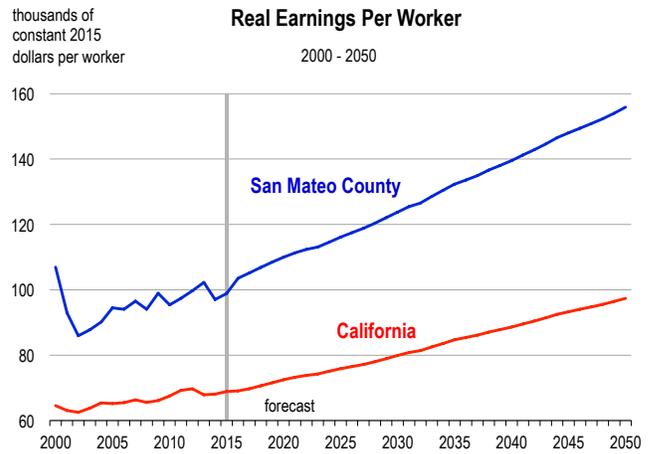
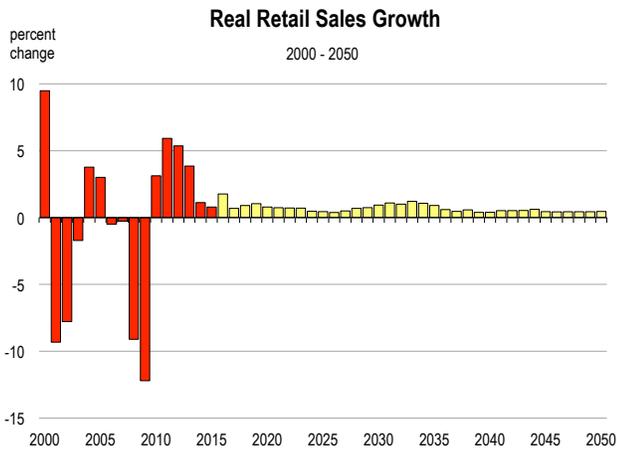


San Mateo County Employment Forecast

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	318.7	1.73	12.9	26.3	24.4	44.0	18.6	60.0	17.5	36.9	33.8	31.3
2011	327.3	1.58	14.2	25.5	24.1	44.3	19.4	64.0	17.9	38.2	35.4	30.6
2012	340.5	1.61	15.2	24.4	25.5	44.6	20.0	69.5	20.9	38.8	36.8	30.3
2013	359.0	1.62	16.7	25.7	27.1	45.1	20.2	71.0	23.6	38.7	39.5	30.4
2014	375.3	1.72	18.5	26.3	27.8	46.5	20.6	75.9	26.0	39.5	41.2	30.9
2015	392.9	1.72	21.3	26.4	28.5	48.0	21.4	81.3	28.4	40.7	42.7	31.8
2016	404.4	1.73	21.6	26.3	29.2	48.3	21.6	86.5	30.4	42.2	43.6	32.0
2017	411.4	1.74	21.8	26.4	29.8	48.7	21.6	88.8	31.5	43.4	44.3	32.1
2018	416.2	1.74	21.5	26.6	30.4	49.0	21.6	90.0	32.3	44.6	44.8	32.3
2019	420.2	1.75	21.5	26.9	30.9	49.2	21.6	90.9	33.0	45.7	45.0	32.4
2020	423.1	1.76	21.1	26.9	31.4	49.4	21.6	91.5	33.4	46.9	45.1	32.5
2021	426.4	1.77	21.1	27.1	31.8	49.5	21.6	92.2	34.0	47.9	45.2	32.6
2022	429.6	1.78	20.9	27.2	32.3	49.7	21.6	93.3	34.4	48.9	45.3	32.7
2023	433.3	1.79	21.1	27.1	32.9	49.9	21.6	94.4	34.7	49.9	45.3	32.7
2024	436.2	1.80	21.0	27.1	33.3	50.0	21.7	95.2	35.1	50.8	45.3	32.8
2025	439.8	1.81	20.9	27.2	33.7	50.1	21.7	96.6	35.6	51.7	45.4	32.9
2026	443.5	1.82	20.8	27.3	34.1	50.3	21.8	98.1	36.1	52.5	45.5	32.9
2027	447.3	1.83	20.8	27.3	34.5	50.4	21.8	99.6	36.5	53.4	45.7	33.0
2028	451.1	1.84	20.8	27.4	34.9	50.6	21.9	101.0	36.9	54.2	45.9	33.0
2029	454.9	1.84	20.8	27.5	35.3	50.8	22.0	102.2	37.5	55.0	46.2	33.1
2030	458.9	1.85	20.8	27.6	35.8	51.0	22.0	103.5	38.1	55.8	46.5	33.1
2031	462.8	1.86	20.8	27.6	36.2	51.3	22.1	104.8	38.6	56.5	46.8	33.2
2032	466.5	1.87	20.7	27.7	36.5	51.5	22.2	106.0	39.2	57.2	47.1	33.2
2033	470.1	1.88	20.6	27.8	36.8	51.8	22.2	107.2	39.8	58.0	47.4	33.2
2034	473.8	1.89	20.5	27.9	37.3	52.0	22.3	108.3	40.4	58.8	47.8	33.3
2035	477.5	1.90	20.4	27.9	37.6	52.2	22.4	109.3	41.0	59.7	48.1	33.3
2036	481.0	1.91	20.3	28.0	37.9	52.4	22.5	110.3	41.5	60.4	48.4	33.4
2037	484.4	1.92	20.2	28.1	38.2	52.6	22.5	111.4	42.1	61.1	48.8	33.4
2038	487.9	1.93	20.2	28.1	38.5	52.8	22.6	112.5	42.8	61.7	49.1	33.5
2039	491.4	1.94	20.2	28.2	38.8	52.9	22.6	113.7	43.4	62.3	49.5	33.5
2040	494.9	1.95	20.2	28.3	39.2	53.1	22.6	114.8	44.0	62.9	49.8	33.6
2041	498.5	1.96	20.2	28.4	39.6	53.3	22.6	116.0	44.6	63.4	50.1	33.6
2042	502.1	1.97	20.3	28.5	40.1	53.4	22.7	117.1	45.2	63.9	50.5	33.7
2043	505.8	1.98	20.3	28.5	40.5	53.6	22.7	118.3	45.9	64.4	50.8	33.7
2044	509.4	1.99	20.4	28.6	40.9	53.8	22.8	119.5	46.5	64.8	51.2	33.8
2045	513.2	2.00	20.5	28.7	41.4	54.0	22.8	120.8	47.2	65.3	51.6	33.8
2046	516.9	2.01	20.6	28.8	41.8	54.1	22.9	122.0	47.8	65.7	51.9	33.9
2047	520.6	2.02	20.6	28.8	42.2	54.3	22.9	123.3	48.5	66.1	52.3	33.9
2048	524.3	2.03	20.7	28.9	42.6	54.5	22.9	124.7	49.1	66.4	52.7	34.0
2049	528.0	2.04	20.8	29.0	43.0	54.6	23.0	126.1	49.8	66.7	53.0	34.0
2050	531.7	2.06	20.9	29.1	43.4	54.8	23.0	127.5	50.5	66.9	53.4	34.1





County Economic and Demographic Indicators

Projected Economic Growth (2016-2021)

Expected retail sales growth:	4.2%
Expected job growth:	5.4%
Fastest growing jobs sector:	Health & Education
Expected personal income growth:	15.3%

Expected population growth:	2.9%
Net migration to account for:	10.4%
Expected growth in number of vehicles:	3.6%

Demographics (2016)

Unemployment rate (April 2016):	2.9%
County rank* in California (58 counties):	1st
Working age (16-64) population:	65.4%

Population with B.A. or higher:	45.6%
Median home selling price (2015):	\$950,000
Median household income:	\$96,765

Quality of Life

Violent Crime rate (2014):	202 per 100,000 persons
County rank* in California (58 counties):	7th
Average commute time to work (2016):	30.0 minutes

High School drop out rate (2015):	5.1%
Households at/below poverty line (2016):	4.7%

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