

ALAMEDA COUNTY ECONOMIC FORECAST

Alameda County is located in the East Bay of the San Francisco Bay Area. The county is home to the Port of Oakland, the fourth busiest container port in the United States. Like other Bay Area counties, Alameda County thrived in the late 1990s when technology was booming, but since the dotcom bust in 2000, the county has been slow to recover. Alameda County has a population of over 1.5 million people and more than 692,000 wage and salary jobs. The per capita income in Alameda County is \$41,134, and the average salary per worker is \$59,501.

Although not nearly as robust as Southern California, employment growth in Northern California was strong in 2005, compared to the previous four years. Employment in the greater Bay Area increased by 0.8 percent last year. In Alameda County, 7,100 jobs were created reversing three straight years of job losses. The wage and salary job growth rate was 1.0 percent. The unemployment rate fell to 5.2 percent.

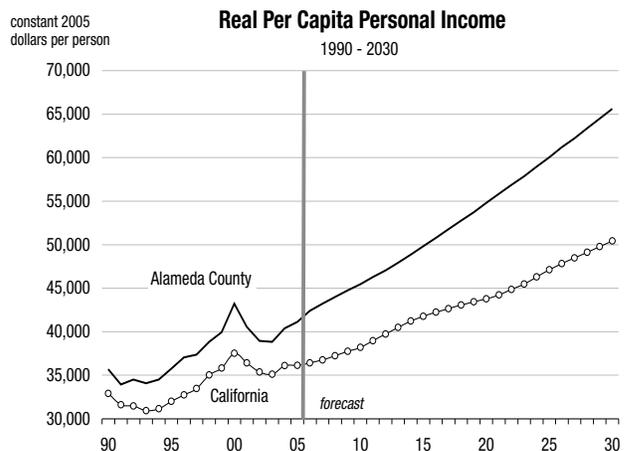
Professional services and construction added the most new jobs in 2005. The manufacturing sector experienced some job growth in 2004, but employment declined by more than 2,000 jobs in 2005. Other sectors adding jobs in 2005 included financial activities, retail trade, healthcare and leisure services.

Population growth remains positive in Alameda County, though the annual rate is very modest at 0.7 percent from January 2005 to January 2006. The fastest growing city in the county is Dublin, which grew 5.4 percent. Population in the largest city in the county, Oakland, rose just 0.3 percent last year.

Employment growth is forecast to slow in Alameda County in 2006. After 2006, both employment growth and population growth will increase modestly.

FORECAST HIGHLIGHTS

- Job growth falls off in 2006, averaging 0.7 percent. From 2006 to 2010, the rate is forecast to increase every year. Over the five year period job growth will average 1.1 percent.
- 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 1.2 percent per year over the next 5 years.
- Between 2006 and 2010, the momentum for employment growth occurs in professional services and government. These sectors account for 64 percent of all jobs created in the county. Information technologies, and transportation and utilities, which are smaller sectors, are also forecast to grow healthily.

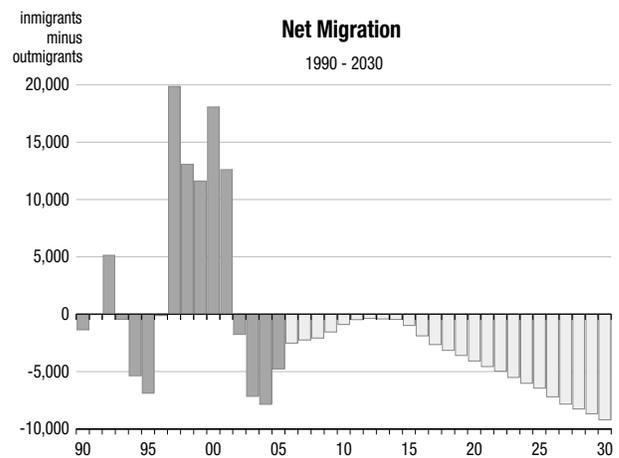
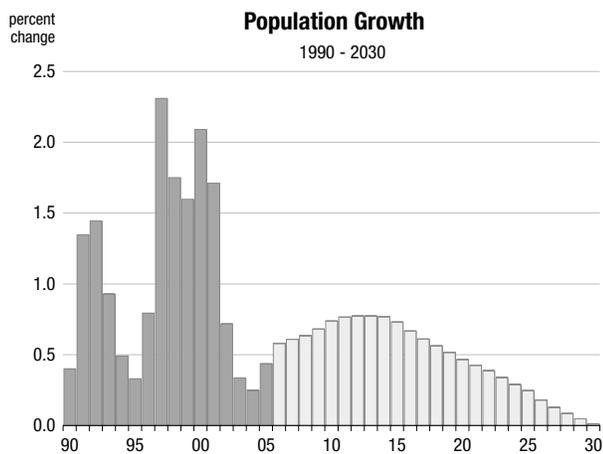


- Population growth is expected to increase to a rate of 0.6 percent in 2006. Annual growth in the 2006 to 2010 period will average 0.7 percent per year.
- Out-migration is expected to slow between now and 2010. Last year, out-migration exceeded in-migration by 4,800 people. In 2006, net migration of 2,500 out-migrants is forecast. Over the next five years net migration will remain negative, averaging -1,800 annually.
- Real per capita incomes increase 3.1 percent in 2005. Over the next five years real per capita incomes are forecast to increase 2.0 percent per year.
- Industrial production is expected to increase 1.8 percent in 2006. Over the next five years the growth rate of industrial production is forecast to rise an average of 1.5 percent per year.

Alameda County Economic Forecast

1997-2005 History, 2006-2030 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)
1997	1,376,800	19,874	1.02	495.6	6,500	\$18.5	\$40.7	\$37,360	3.4	60.0	10.6	4.5
1998	1,400,900	13,090	1.10	498.9	5,897	\$19.2	\$44.4	\$38,842	3.2	41.4	11.7	4.2
1999	1,423,300	11,626	1.12	504.4	4,511	\$20.7	\$48.3	\$39,924	4.2	46.9	12.6	3.5
2000	1,453,053	18,084	1.18	523.4	4,208	\$23.8	\$55.8	\$43,226	4.5	35.9	14.1	3.6
2001	1,477,920	12,618	1.19	527.3	3,236	\$22.8	\$56.1	\$40,567	5.4	37.9	11.8	4.8
2002	1,488,521	-1,746	1.21	530.7	3,572	\$21.3	\$55.2	\$38,949	1.6	31.5	11.8	6.8
2003	1,493,534	-7,144	1.18	534.5	4,520	\$21.4	\$56.2	\$38,837	1.8	38.5	12.2	6.9
2004	1,497,251	-7,846	1.23	538.1	5,691	\$23.0	\$59.3	\$40,397	1.2	41.0	12.9	6.0
2005	1,503,790	-4,778	1.24	542.0	4,842	\$23.7	\$61.9	\$41,134	2.0	41.1	13.1	5.2
2006	1,512,514	-2,514	1.25	545.9	4,769	\$25.5	\$65.9	\$42,409	2.7	40.3	13.3	5.0
2007	1,521,739	-2,236	1.26	550.3	4,603	\$26.9	\$68.9	\$43,210	2.1	39.6	13.3	4.9
2008	1,531,405	-2,060	1.27	554.6	4,581	\$28.2	\$72.2	\$43,983	2.3	38.9	13.6	4.7
2009	1,541,860	-1,545	1.28	558.8	4,325	\$29.4	\$75.7	\$44,753	2.2	38.2	13.8	4.5
2010	1,553,260	-887	1.30	562.8	4,288	\$30.8	\$79.3	\$45,468	2.4	37.6	14.1	4.4
2011	1,565,155	-472	1.31	566.8	4,247	\$32.2	\$83.2	\$46,287	2.3	37.1	14.6	4.2
2012	1,577,290	-364	1.33	570.7	4,265	\$33.6	\$87.0	\$47,045	2.1	36.6	15.2	4.2
2013	1,589,518	-392	1.34	574.6	4,298	\$35.0	\$91.3	\$47,931	2.2	36.1	16.1	4.1
2014	1,601,762	-449	1.36	578.6	4,213	\$36.5	\$95.8	\$48,855	2.2	35.6	17.0	4.1
2015	1,613,485	-971	1.38	582.5	4,048	\$38.2	\$100.8	\$49,816	2.4	35.2	17.7	4.2
2016	1,624,271	-1,871	1.39	586.3	3,882	\$39.9	\$106.1	\$50,779	2.5	34.9	18.3	4.3
2017	1,634,207	-2,630	1.40	589.8	3,652	\$41.7	\$111.6	\$51,758	2.6	34.5	18.8	4.4
2018	1,643,416	-3,149	1.42	593.2	3,476	\$43.5	\$117.1	\$52,766	2.4	34.2	19.4	4.4
2019	1,651,916	-3,581	1.43	596.4	3,349	\$45.4	\$122.8	\$53,734	2.4	33.9	20.0	4.4
2020	1,659,647	-4,070	1.44	599.5	3,204	\$47.3	\$128.7	\$54,785	2.3	33.6	20.6	4.5
2021	1,666,727	-4,547	1.46	602.5	3,194	\$49.3	\$134.8	\$55,839	2.3	33.3	21.0	4.5
2022	1,673,195	-4,964	1.47	605.5	3,220	\$51.4	\$141.1	\$56,865	2.4	33.1	21.2	4.5
2023	1,678,881	-5,497	1.48	608.4	3,161	\$53.5	\$147.4	\$57,867	2.3	32.8	21.1	4.6
2024	1,683,774	-6,007	1.49	611.4	3,047	\$55.6	\$153.9	\$58,954	2.2	32.6	20.9	4.6
2025	1,687,961	-6,437	1.51	614.2	2,923	\$57.8	\$160.6	\$60,036	2.2	32.4	20.6	4.6
2026	1,691,016	-7,196	1.52	616.9	2,755	\$60.1	\$167.7	\$61,210	2.3	32.3	20.7	4.7
2027	1,693,196	-7,821	1.53	619.4	2,715	\$62.5	\$174.7	\$62,226	2.3	32.1	20.7	4.7
2028	1,694,663	-8,254	1.54	621.9	2,690	\$65.1	\$182.6	\$63,366	2.5	31.9	21.0	4.7
2029	1,695,477	-8,678	1.55	624.4	2,532	\$67.7	\$190.6	\$64,488	2.5	31.8	21.3	4.7
2030	1,695,689	-9,202	1.56	626.8	2,416	\$70.4	\$198.7	\$65,620	2.5	31.7	21.4	4.8



Alameda County Employment Forecast

1997-2005 History, 2006-2030 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	639.1	1.03	28.0	87.3	31.1	103.1	26.3	90.9	17.5	66.5	44.5	122.3
1998	660.5	0.97	30.9	91.8	31.6	105.3	25.5	96.7	19.2	70.1	44.4	123.3
1999	683.6	0.93	35.5	89.6	33.3	110.4	25.0	104.8	19.1	72.3	46.3	125.8
2000	711.0	0.79	38.3	93.1	32.9	114.0	24.3	116.0	21.6	72.5	47.9	128.4
2001	719.5	0.93	40.9	90.4	32.3	115.8	29.9	110.2	20.9	73.0	51.2	129.2
2002	699.6	0.82	39.3	81.7	30.2	111.7	31.7	101.6	19.2	74.3	50.8	133.6
2003	693.8	0.63	40.2	77.4	28.1	109.7	35.3	99.8	18.8	76.7	50.6	132.1
2004	685.1	0.61	40.8	78.0	26.7	106.6	34.9	100.8	17.0	76.3	50.4	129.7
2005	692.1	0.62	43.3	75.8	26.9	107.1	36.3	102.8	16.6	77.3	51.6	129.9
2006	696.9	0.62	43.4	75.1	27.1	107.5	37.0	105.8	16.6	78.0	52.1	130.8
2007	702.5	0.62	43.5	73.1	27.3	108.2	37.4	109.4	16.7	78.7	52.6	131.9
2008	710.0	0.61	43.4	72.2	28.1	109.0	38.1	111.7	17.2	79.3	53.2	134.0
2009	719.6	0.61	43.5	71.1	29.1	110.1	38.7	115.1	17.7	79.8	53.9	136.5
2010	730.6	0.60	43.7	70.7	30.2	111.5	39.4	118.5	18.2	80.3	54.6	138.9
2011	742.7	0.59	44.4	70.7	31.4	113.0	40.0	122.0	18.8	81.0	55.5	141.2
2012	755.4	0.58	45.0	70.8	32.5	114.6	40.7	126.1	19.2	81.7	56.5	143.3
2013	769.5	0.57	45.6	71.9	33.5	116.2	41.4	130.5	19.6	82.5	57.6	145.2
2014	783.2	0.57	46.1	72.8	34.6	117.9	42.1	134.9	20.0	83.5	58.8	146.9
2015	795.0	0.56	46.3	72.9	35.6	119.5	42.8	138.6	20.2	84.7	59.9	148.7
2016	806.2	0.55	46.5	72.5	36.6	121.1	43.5	142.1	20.4	85.9	61.0	150.4
2017	817.0	0.55	46.3	72.1	37.6	122.8	44.2	145.7	20.5	87.3	62.0	152.2
2018	827.9	0.54	46.4	71.2	38.7	124.4	44.8	149.0	20.7	88.8	62.9	154.2
2019	838.4	0.54	46.3	70.6	40.0	126.0	45.4	151.9	20.8	90.1	63.8	156.4
2020	848.6	0.53	46.0	70.4	41.2	127.7	46.0	155.0	21.0	91.3	64.6	158.2
2021	858.9	0.53	45.6	70.0	42.4	129.3	46.6	158.3	21.1	92.4	65.4	160.2
2022	868.7	0.52	44.9	69.3	43.7	130.9	47.2	161.4	21.3	93.5	66.3	162.3
2023	878.0	0.52	44.0	68.7	45.0	132.5	47.9	164.4	21.4	94.5	67.3	164.2
2024	888.1	0.52	42.6	68.5	46.2	134.0	48.5	168.3	21.6	95.4	68.3	166.0
2025	896.8	0.51	41.3	68.7	47.4	135.5	49.2	170.8	21.9	96.2	69.5	167.5
2026	905.1	0.51	40.6	68.7	48.5	137.0	49.9	172.9	22.2	96.8	70.7	168.8
2027	913.5	0.51	39.9	68.8	49.4	138.4	50.6	175.2	22.5	97.3	71.9	170.2
2028	922.0	0.50	39.6	68.8	50.3	139.9	51.3	177.5	22.9	97.7	73.0	171.6
2029	930.1	0.50	39.3	68.8	51.3	141.3	51.9	179.4	23.3	98.0	74.2	172.9
2030	938.2	0.50	38.9	68.8	52.2	142.8	52.6	181.3	23.6	98.2	75.4	174.3

