

# SAN FRANCISCO COUNTY ECONOMIC FORECAST

San Francisco County, located on a peninsula north of San Mateo County between the San Francisco Bay and Pacific Ocean, is one of the State's largest tourist destinations. Like most other counties in the Bay Area, the county thrived in the late 1990s when technology was booming, but since the dotcom bust of 2000 the county has been slow to recover. San Francisco County has a population of almost 800,000 people, and 507,000 wage and salary jobs making it a jobs center for the adjacent counties of Marin and San Mateo. The per capita income in San Francisco County is \$59,713, and the average salary per worker is among the highest in the state at \$76,347.

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. Employment grew by 3,400 total jobs in San Francisco County, representing the first year of growth since 2000. Total wage and salary jobs rose by 0.7 percent last year. The unemployment rate fell to 5.1 percent in 2005.

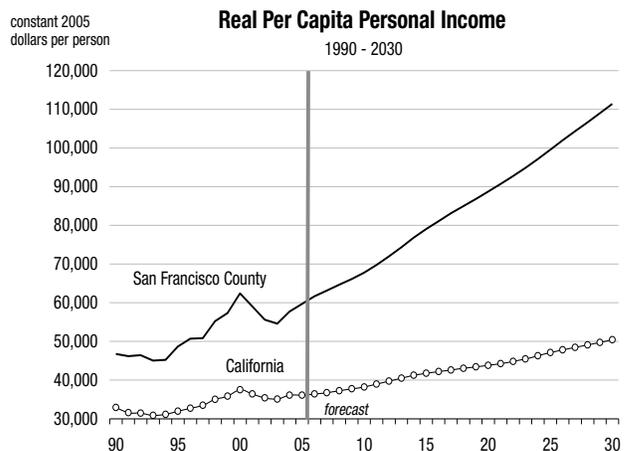
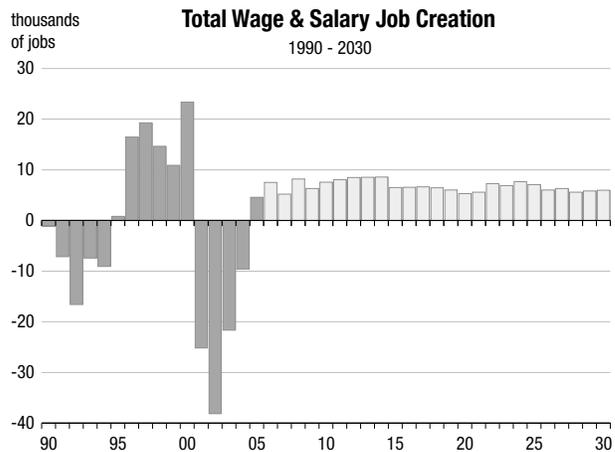
Most of the net job creation in 2005 occurred in the professional services and, leisure and hospitality sectors. Combined, the two sectors added 4,800 jobs during 2005, 3,700 of them in professional services alone. The weakest sector was information technologies, which lost 1,100 jobs, representing a decline of five percent. Construction, manufacturing, and transportation and utilities all had declines in employment in 2005.

The population continues to grow in San Francisco County, but the growth rate remains low at just 0.7 percent between 2005 and 2006. Net migration was minimal with only 730 net migrants entering the county last year.

Employment growth is forecast to move higher in San Francisco County during 2006. The county will create more jobs and higher income levels as it continues to recover from the dotcom bust of 2000. Still, total wage and salary jobs are not forecast to reach the levels of 1999-2001 until the middle of the next decade.

## FORECAST HIGHLIGHTS

- Job growth increases in 2006, averaging 1.5 percent. Job growth declines in 2007, but is still above 1 percent. Over the next five years, from 2006 to 2010, the annual growth rate is forecast to average 1.3 percent per year.
- Average salaries adjusted for inflation are currently well above the California state average, and will remain so over the foreseeable future. Real average salaries are expected to rise an average of 1.5 percent per year over the next 5 years.

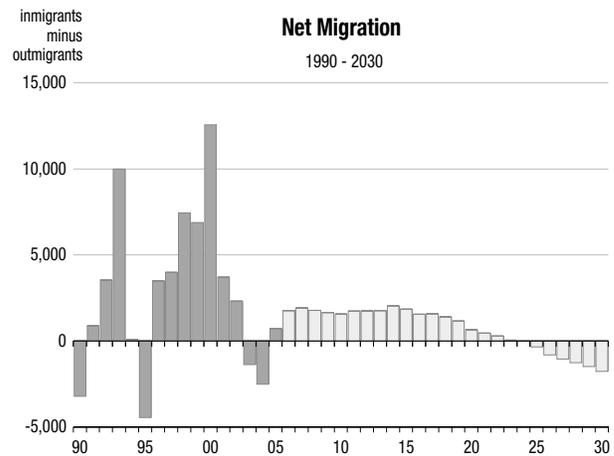
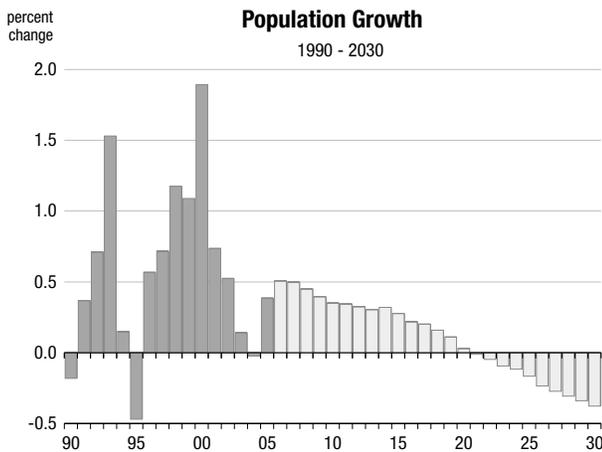


- Over the next five years, the momentum for employment growth is in professional services, leisure services, healthcare services, and information services. These sectors account for almost all of the job growth in the county.
- Population growth remains positive, but modest, averaging 0.4 percent per year from 2006 to 2010.
- Net migration is expected to increase in 2006, to over 1,700 people. Net migration averages 1,700 persons from 2006 to 2010.
- Real per capita incomes are forecast to increase at a rate of 3.2 percent in 2006. Over the next five years real per capita incomes are forecast to increase 2.6 percent per year.
- Industrial production will decrease by 2.3 percent in 2006. Over the next five years industrial production will decline by 1.4 percent annually, as employment shifts to the service sectors.

# San Francisco County Economic Forecast

## 1997-2005 History, 2006-2030 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 (billions)	Unemploy- ment Rate (percent)
1997	749,406	3,987	418.5	309.7	1,721	\$11.0	\$30.1	\$50,813	3.4	2.0	4.6	4.1
1998	758,210	7,449	445.7	311.1	2,336	\$11.3	\$34.2	\$55,254	3.2	2.4	4.7	3.7
1999	766,471	6,887	453.9	312.7	3,811	\$12.3	\$37.3	\$57,297	4.2	2.2	4.4	3.1
2000	780,974	12,574	469.6	329.7	3,365	\$14.1	\$43.3	\$62,395	4.5	2.3	4.4	3.4
2001	786,719	3,712	469.1	330.8	1,819	\$12.5	\$43.5	\$59,043	5.4	2.4	3.5	5.1
2002	790,846	2,320	474.5	333.6	1,330	\$11.6	\$41.8	\$55,609	1.6	1.7	3.6	7.0
2003	791,977	-1,371	458.5	336.5	1,582	\$11.5	\$41.9	\$54,607	1.8	2.0	3.6	6.9
2004	791,797	-2,516	476.4	337.6	2,368	\$12.2	\$44.8	\$57,723	1.2	2.0	3.5	5.9
2005	794,850	730	479.2	339.0	2,724	\$12.5	\$47.5	\$59,713	2.0	1.9	3.5	5.1
2006	798,892	1,771	481.3	339.2	2,542	\$13.7	\$51.0	\$61,631	2.7	1.9	3.4	4.8
2007	802,885	1,925	482.3	340.8	2,224	\$14.5	\$54.0	\$63,130	2.1	1.9	3.4	5.1
2008	806,505	1,776	484.1	342.2	2,038	\$15.3	\$57.3	\$64,675	2.3	1.9	3.4	4.9
2009	809,703	1,648	485.8	343.5	1,813	\$16.0	\$60.5	\$66,091	2.2	1.9	3.3	4.9
2010	812,550	1,573	487.3	344.7	1,742	\$16.8	\$64.3	\$67,794	2.4	1.9	3.3	4.8
2011	815,359	1,737	488.3	345.8	1,757	\$17.6	\$68.4	\$69,726	2.3	1.9	3.3	4.9
2012	818,019	1,757	488.6	346.9	1,823	\$18.3	\$72.9	\$71,975	2.1	1.9	3.4	4.9
2013	820,524	1,760	488.4	348.1	1,767	\$19.1	\$77.8	\$74,358	2.2	1.9	3.5	5.0
2014	823,163	2,043	488.1	349.2	1,578	\$19.9	\$83.1	\$76,810	2.2	1.9	3.5	5.1
2015	825,457	1,844	487.7	350.2	1,352	\$20.8	\$88.5	\$79,016	2.4	1.9	3.4	5.2
2016	827,278	1,549	487.2	351.1	1,200	\$21.7	\$94.0	\$81,111	2.5	1.9	3.5	5.2
2017	828,957	1,581	486.6	351.9	1,049	\$22.7	\$99.8	\$83,109	2.6	1.9	3.5	5.3
2018	830,284	1,400	486.2	352.5	892	\$23.7	\$105.5	\$84,980	2.4	1.9	3.7	5.3
2019	831,215	1,166	486.6	353.1	876	\$24.7	\$111.3	\$86,810	2.4	1.9	3.7	5.3
2020	831,475	654	487.3	353.7	850	\$25.8	\$117.3	\$88,729	2.3	1.9	3.6	5.3
2021	831,388	453	488.4	354.2	888	\$26.9	\$123.6	\$90,689	2.3	1.9	3.7	5.3
2022	831,001	292	489.6	354.8	952	\$28.1	\$130.4	\$92,769	2.4	1.9	3.7	5.2
2023	830,232	43	491.0	355.4	984	\$29.3	\$137.4	\$94,830	2.3	1.9	3.8	5.2
2024	829,284	-26	492.6	356.0	1,024	\$30.6	\$144.7	\$97,151	2.2	1.9	3.7	5.2
2025	827,921	-341	494.5	356.7	1,036	\$31.9	\$152.6	\$99,583	2.2	1.9	3.7	5.2
2026	825,988	-815	496.5	357.3	1,023	\$33.3	\$160.7	\$101,974	2.3	1.9	3.8	5.2
2027	823,748	-1,043	498.3	358.0	1,022	\$34.7	\$169.1	\$104,342	2.3	1.9	3.8	5.2
2028	821,232	-1,263	499.9	358.6	1,005	\$36.3	\$178.0	\$106,649	2.5	1.9	3.9	5.3
2029	818,456	-1,485	501.3	359.3	1,000	\$37.9	\$187.3	\$108,997	2.5	1.9	4.0	5.2
2030	815,375	-1,767	502.4	359.9	998	\$39.5	\$196.9	\$111,397	2.5	1.9	4.0	5.2



# San Francisco County Employment Forecast

## 1997-2005 History, 2006-2030 Forecast

	Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
1997	549.5	0.22	15.1	26.3	24.2	55.7	59.3	124.1	20.1	53.8	65.1	80.0
1998	564.1	0.27	16.7	25.2	24.1	57.6	60.8	130.5	21.6	55.9	68.1	77.0
1999	574.9	0.21	18.1	23.1	21.7	58.4	61.6	134.2	25.9	56.9	70.7	78.8
2000	598.1	0.27	18.8	21.6	21.2	60.8	62.9	144.2	34.7	52.6	72.2	83.8
2001	573.0	0.19	19.7	17.8	18.9	59.1	68.2	129.7	29.8	51.9	72.2	80.8
2002	534.9	0.25	17.9	15.1	17.9	56.2	63.5	111.6	23.7	51.7	69.9	84.4
2003	513.2	0.32	17.3	13.1	16.9	54.3	59.1	103.4	20.5	53.2	69.6	83.7
2004	503.6	0.39	16.9	12.2	15.4	54.3	57.7	100.5	19.5	53.8	70.5	81.6
2005	507.0	0.34	16.6	11.9	14.9	54.6	58.0	104.2	18.5	54.2	71.6	82.2
2006	514.6	0.33	16.4	11.5	14.1	54.4	58.4	107.9	18.7	55.1	73.7	82.8
2007	519.8	0.32	15.7	11.7	13.3	54.1	58.6	111.0	19.3	55.8	75.4	83.1
2008	528.0	0.32	15.7	11.7	12.6	54.3	59.2	114.8	19.8	57.5	77.4	83.3
2009	534.4	0.32	15.5	11.7	12.0	54.4	59.6	117.7	20.2	59.0	79.1	83.4
2010	542.0	0.32	15.5	11.6	11.4	54.5	60.1	121.9	20.5	60.4	80.7	83.5
2011	550.0	0.32	15.5	11.9	10.9	54.5	60.6	125.8	20.5	61.7	83.0	83.5
2012	558.5	0.32	15.6	12.1	10.4	54.6	61.1	129.7	20.8	62.8	85.4	83.6
2013	567.1	0.32	15.6	12.3	10.0	54.7	61.6	133.7	21.0	63.8	88.0	83.7
2014	575.6	0.32	15.4	12.2	9.6	54.8	62.1	138.1	21.2	64.8	90.4	83.8
2015	582.2	0.32	15.2	11.7	9.2	54.8	62.7	141.2	21.6	65.8	92.5	84.0
2016	588.7	0.32	15.2	11.7	8.9	54.9	63.2	144.1	21.8	66.8	94.3	84.1
2017	595.4	0.32	15.1	11.9	8.6	54.9	63.8	147.0	22.0	67.8	95.9	84.3
2018	601.9	0.32	15.1	12.2	8.4	55.0	64.3	149.6	21.9	69.1	97.6	84.5
2019	607.9	0.32	15.1	12.1	8.1	55.1	64.7	152.1	22.1	70.4	98.9	84.7
2020	613.2	0.32	15.0	11.6	7.9	55.3	65.2	154.4	22.5	71.6	100.1	85.0
2021	618.8	0.32	15.0	11.5	7.7	55.5	65.7	156.4	22.7	72.7	101.3	85.3
2022	626.1	0.32	15.1	12.0	7.5	55.6	66.1	158.7	23.1	74.1	102.9	85.6
2023	633.0	0.32	15.3	12.3	7.4	55.7	66.7	160.6	23.6	75.3	104.8	85.9
2024	640.7	0.32	15.5	12.6	7.2	55.9	67.2	162.5	24.3	76.4	107.1	86.2
2025	647.8	0.32	15.6	13.0	7.1	56.1	67.8	164.0	24.6	77.4	109.5	86.5
2026	653.8	0.32	15.7	13.4	7.0	56.3	68.3	165.3	24.1	78.2	112.1	86.8
2027	660.2	0.32	15.9	13.7	6.8	56.5	68.8	166.7	24.2	79.1	114.4	87.1
2028	665.8	0.32	16.1	14.0	6.7	56.6	69.4	168.1	23.8	79.9	116.6	87.4
2029	671.6	0.32	16.3	14.2	6.6	56.7	69.9	169.4	23.7	80.7	118.7	87.7
2030	677.6	0.32	16.5	14.5	6.4	56.9	70.4	170.8	23.8	81.5	120.9	88.0

