

KINGS COUNTY ECONOMIC FORECAST

Kings County is located in the San Joaquin Valley, bordering Kern County to the south, Fresno County to the north and west, and Tulare County to the east. Kings County has a population of 153,000 people and 42,500 wage and salary jobs. The per capita income in Kings County is \$26,709, and the average salary per worker is \$54,063.

Employment in Northern California contracted during 2010, consistent with the rest of the state and nation. In 2010, 475 total wage and salary jobs were lost in Kings County, representing a decline of 1.1 percent. Farm employment, which accounts for 16 percent of total employment, grew by 5.4 percent last year, adding 350 jobs. However, farm employment is still off 26 percent from its 2007 level. The non-farm sector lost 825 jobs, a decline of -2.3 percent. The average unemployment rate increased to 16.5 percent in 2010.

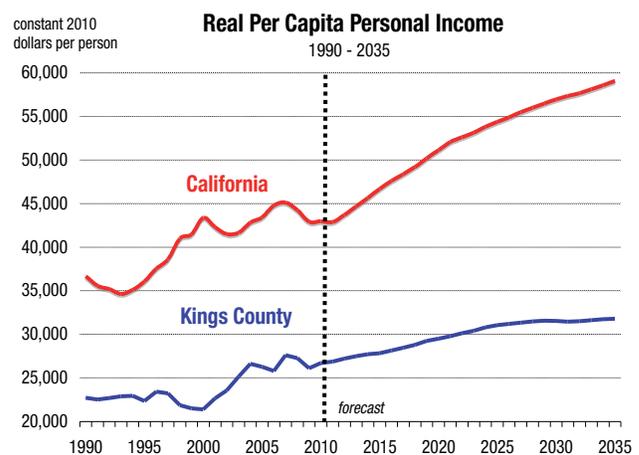
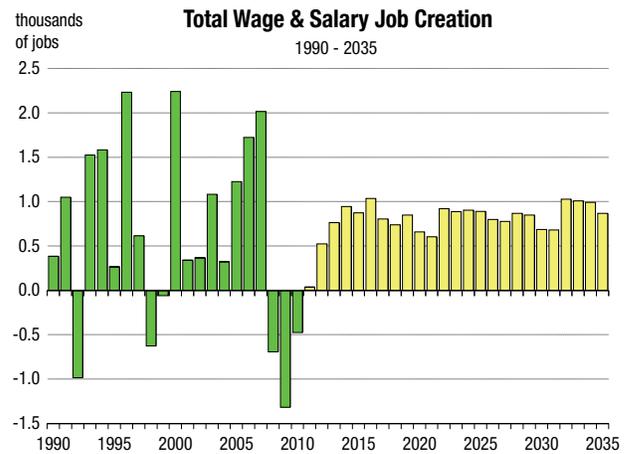
Employment growth in Kings County in 2010 occurred in the transportation and warehousing, leisure services, professional services, and farm sectors. The largest employment losses during 2010 occurred in the government (-590 jobs) and manufacturing (-220 jobs) sectors.

The state penitentiaries in Avenal and Corcoran, as well as the substance abuse treatment facility in Corcoran are among the largest employers in the county. Combined there are 5,600 total jobs at the facilities, and nearly 17,000 inmates.

The population of Kings County grew by 18.2 percent between the 2000 and 2010 census. The largest city, Hanford accounts for over one third of total county population, and grew by 29.5 percent in the past decade.

FORECAST HIGHLIGHTS

- Total wage and salary jobs are expected to remain at the current level in 2011. From 2011 to 2016, total employment growth averages 1.9 percent per year, while non-farm job growth averages 2.0 percent per year.
- Average salaries adjusted for inflation are currently below the California state average, and will remain so over the forecast. Inflation adjusted salaries are expected to rise an average of 0.6 percent per year between 2011 and 2016.
- Between 2011 and 2016, the momentum for employment growth is in the farm, public, leisure services, and professional services sectors. Together they account for 66 percent of all the expected job creation in the county during the next 5 years.
- Population growth in the county is expected to accelerate rapidly from its current depressed levels. Annual growth in the 2011 to 2016 period averages 1.4 percent per year.

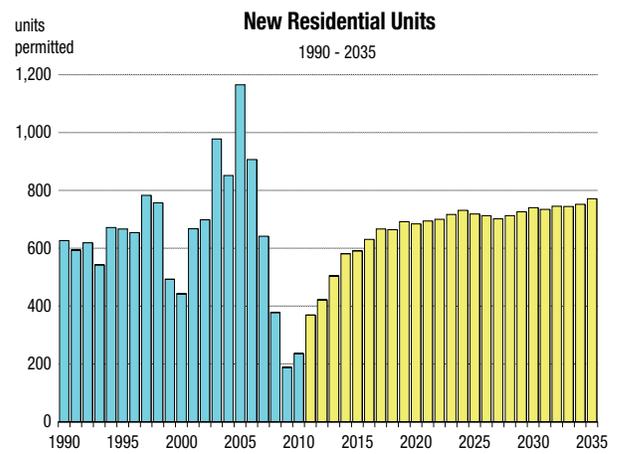
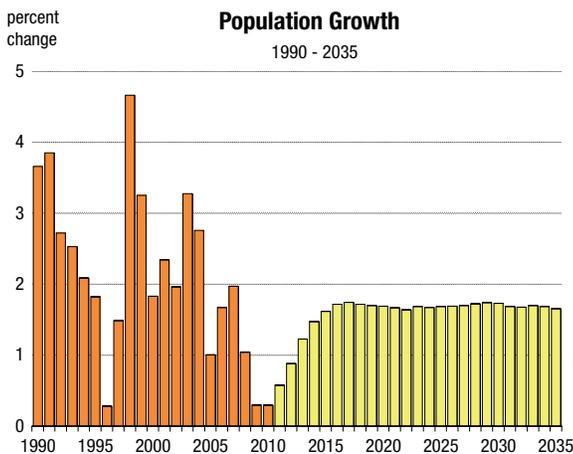


- In 2011 the forecast calls for further out-migration of 1,100 persons. Between 2011 and 2016 migration is expected to average approximately 42 out-migrants leaving the county per year. Net migration turns positive by 2014.
- Real per capita incomes are forecast to rise 0.6 percent in 2011. From 2011 to 2016 real per capita incomes are forecast to increase 0.9 percent per year.
- Total taxable sales adjusted for inflation are expected to increase by an average of 3.6 percent per year during the 2011 to 2016 period.
- Industrial production is forecast to advance 3.9 percent in 2011. From 2011 to 2016 industrial production is forecast to rise 2.5 percent per year.
- Farm production is forecast to increase by 2.0 percent per year between 2011 and 2016. The principal crop in the county is milk.

Kings County Economic Forecast

2006-2010 History, 2011-2040 Forecast

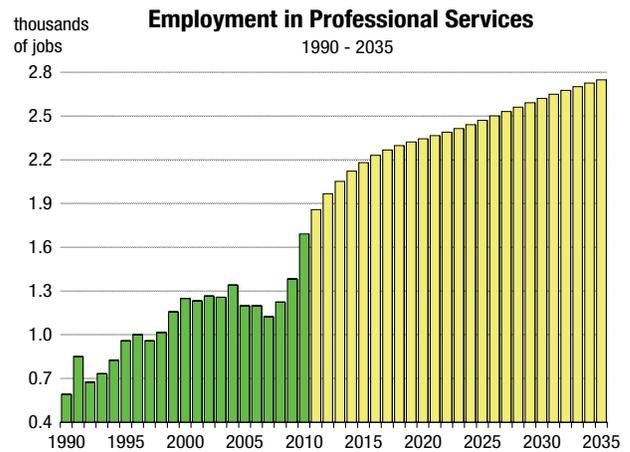
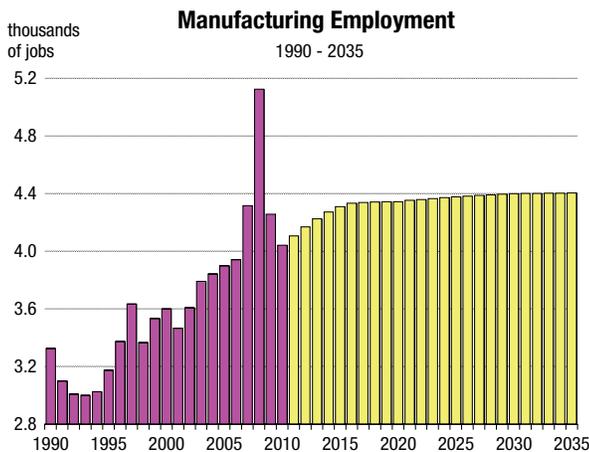
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (billions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2006	147,604	651	102.7	38.3	907	\$1.30	\$3.50	\$25,801	3.2	1.40	0.78	8.5
2007	150,516	980	103.7	39.2	642	\$1.33	\$3.95	\$27,610	3.4	1.85	0.86	8.7
2008	152,088	-421	104.1	39.8	378	\$1.39	\$4.06	\$27,273	3.0	1.77	1.16	10.5
2009	152,537	-1,340	104.1	40.1	188	\$1.17	\$3.93	\$26,114	0.8	1.32	1.07	14.6
2010	152,987	-1,391	104.2	40.3	236	\$1.17	\$4.09	\$26,709	1.3	1.35	1.05	16.5
2011	153,870	-1,050	105.5	40.6	369	\$1.25	\$4.27	\$26,871	3.3	1.44	1.09	15.4
2012	155,228	-610	107.0	40.9	421	\$1.33	\$4.47	\$27,199	2.3	1.49	1.12	14.6
2013	157,133	-95	108.8	41.3	505	\$1.41	\$4.69	\$27,503	2.3	1.53	1.15	13.7
2014	159,454	289	110.8	41.8	582	\$1.49	\$4.91	\$27,719	2.4	1.55	1.18	12.8
2015	162,038	522	112.9	42.4	591	\$1.58	\$5.13	\$27,844	2.1	1.54	1.20	12.1
2016	164,825	694	115.1	43.0	631	\$1.67	\$5.38	\$28,145	2.1	1.59	1.23	11.5
2017	167,705	753	117.5	43.6	667	\$1.75	\$5.65	\$28,445	2.1	1.62	1.27	11.2
2018	170,588	724	119.9	44.2	665	\$1.84	\$5.93	\$28,779	2.0	1.66	1.31	10.9
2019	173,491	710	122.4	44.9	692	\$1.93	\$6.25	\$29,247	1.9	1.71	1.35	10.6
2020	176,427	713	124.8	45.6	685	\$2.02	\$6.52	\$29,500	1.7	1.68	1.39	10.4
2021	179,378	696	127.2	46.2	695	\$2.10	\$6.81	\$29,771	1.7	1.65	1.44	10.4
2022	182,321	658	129.5	46.9	700	\$2.20	\$7.15	\$30,113	2.2	1.71	1.48	10.2
2023	185,398	763	131.8	47.6	717	\$2.30	\$7.51	\$30,406	2.2	1.76	1.53	10.1
2024	188,502	761	134.1	48.3	732	\$2.41	\$7.89	\$30,787	2.1	1.82	1.57	10.1
2025	191,684	813	136.3	49.0	719	\$2.53	\$8.26	\$31,047	2.1	1.87	1.62	10.0
2026	194,929	849	138.4	49.7	713	\$2.65	\$8.62	\$31,188	2.1	1.89	1.67	10.0
2027	198,248	899	140.6	50.4	702	\$2.77	\$8.99	\$31,337	2.1	1.90	1.73	10.0
2028	201,671	980	142.8	51.0	713	\$2.90	\$9.39	\$31,486	2.1	1.94	1.78	9.9
2029	205,187	1,051	145.0	51.7	726	\$3.03	\$9.78	\$31,573	2.1	1.96	1.84	9.8
2030	208,743	1,069	147.2	52.4	740	\$3.17	\$10.15	\$31,526	2.1	1.93	1.90	9.8
2031	212,269	1,016	149.5	53.2	735	\$3.30	\$10.52	\$31,441	2.2	1.89	1.96	9.8
2032	215,828	1,026	151.9	53.9	745	\$3.44	\$10.95	\$31,518	2.2	1.98	2.02	9.7
2033	219,500	1,114	154.3	54.6	745	\$3.60	\$11.42	\$31,623	2.1	2.05	2.08	9.6
2034	223,203	1,121	156.8	55.3	753	\$3.76	\$11.90	\$31,718	2.2	2.11	2.14	9.6
2035	226,905	1,096	159.4	56.1	771	\$3.92	\$12.39	\$31,777	2.2	2.12	2.21	9.6
2036	230,599	1,065	162.1	56.8	765	\$4.09	\$12.93	\$31,948	2.1	2.22	2.28	9.5
2037	234,349	1,099	164.9	57.5	748	\$4.27	\$13.46	\$32,037	2.2	2.27	2.35	9.5
2038	238,068	1,044	167.8	58.3	751	\$4.46	\$13.94	\$31,986	2.1	2.20	2.43	9.6
2039	241,747	981	170.7	59.0	737	\$4.65	\$14.53	\$32,154	2.1	2.26	2.50	9.4
2040	245,525	1,054	173.7	59.7	723	\$4.86	\$15.13	\$32,292	2.1	2.30	2.58	9.4

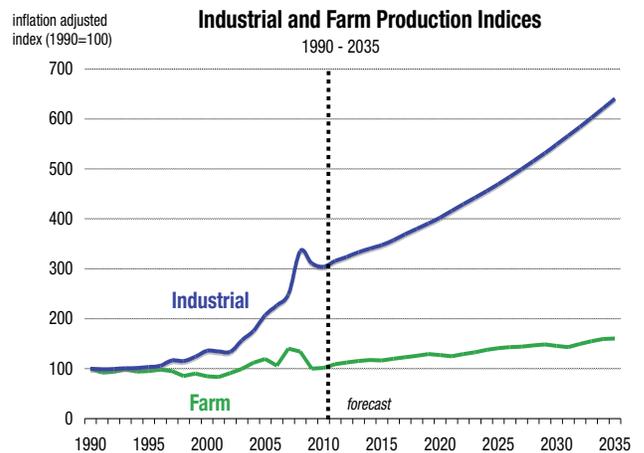
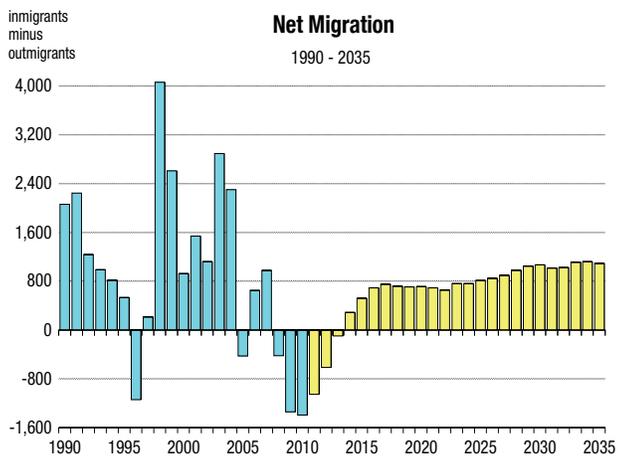
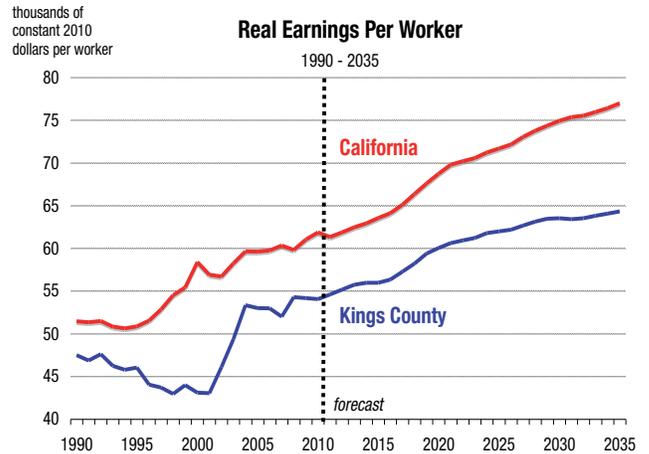
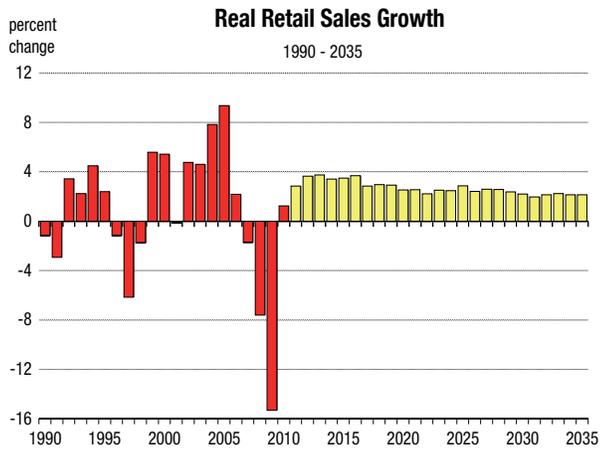


Kings County Employment Forecast

2006-2010 History, 2011-2040 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)-----												
2006	43.0	8.68	1.37	3.94	0.82	4.63	1.08	1.20	0.30	3.56	2.82	13.97
2007	45.0	9.30	1.26	4.32	0.82	4.71	1.08	1.13	0.33	3.88	2.83	14.73
2008	44.3	6.69	1.14	5.13	0.87	4.63	1.08	1.23	0.30	4.36	2.74	15.47
2009	43.0	6.51	0.91	4.26	0.78	4.46	0.99	1.38	0.28	4.53	2.74	15.61
2010	42.5	6.86	0.84	4.04	0.80	4.38	0.90	1.69	0.20	4.51	2.75	15.02
2011	42.5	6.96	0.86	4.11	0.82	4.41	0.91	1.86	0.21	4.52	2.80	14.56
2012	43.0	7.10	0.87	4.17	0.85	4.46	0.93	1.97	0.22	4.56	2.87	14.51
2013	43.8	7.20	0.89	4.23	0.87	4.51	0.96	2.05	0.22	4.62	2.94	14.71
2014	44.8	7.27	0.91	4.27	0.90	4.57	0.98	2.12	0.22	4.69	3.03	15.12
2015	45.6	7.24	0.93	4.31	0.93	4.62	0.99	2.18	0.23	4.76	3.14	15.57
2016	46.7	7.38	0.94	4.33	0.95	4.68	1.00	2.23	0.23	4.85	3.24	16.06
2017	47.5	7.48	0.96	4.34	0.98	4.73	1.02	2.27	0.23	4.94	3.32	16.41
2018	48.2	7.58	0.98	4.34	1.01	4.77	1.03	2.30	0.23	5.04	3.39	16.73
2019	49.1	7.72	1.00	4.34	1.03	4.82	1.03	2.32	0.24	5.14	3.45	17.12
2020	49.7	7.65	1.01	4.34	1.06	4.86	1.04	2.34	0.24	5.25	3.51	17.54
2021	50.3	7.55	1.03	4.35	1.09	4.90	1.05	2.37	0.24	5.36	3.56	17.93
2022	51.2	7.72	1.04	4.36	1.12	4.94	1.06	2.39	0.24	5.48	3.60	18.36
2023	52.1	7.86	1.05	4.37	1.15	4.99	1.07	2.41	0.25	5.59	3.65	18.80
2024	53.0	8.03	1.07	4.37	1.18	5.04	1.07	2.44	0.25	5.71	3.69	19.20
2025	53.9	8.17	1.08	4.38	1.21	5.09	1.08	2.47	0.25	5.83	3.73	19.63
2026	54.7	8.23	1.09	4.38	1.24	5.13	1.09	2.50	0.25	5.94	3.77	20.05
2027	55.5	8.27	1.09	4.39	1.27	5.18	1.10	2.53	0.25	6.06	3.81	20.49
2028	56.4	8.37	1.10	4.39	1.29	5.23	1.11	2.56	0.25	6.17	3.85	20.93
2029	57.2	8.44	1.11	4.40	1.32	5.28	1.12	2.59	0.25	6.28	3.89	21.39
2030	57.9	8.34	1.13	4.40	1.34	5.33	1.13	2.62	0.25	6.40	3.93	21.86
2031	58.6	8.23	1.13	4.40	1.37	5.38	1.14	2.65	0.26	6.51	3.98	22.34
2032	59.6	8.47	1.14	4.40	1.39	5.43	1.15	2.68	0.26	6.62	4.02	22.81
2033	60.6	8.68	1.15	4.40	1.42	5.48	1.16	2.70	0.26	6.73	4.06	23.30
2034	61.6	8.85	1.15	4.40	1.44	5.53	1.17	2.73	0.26	6.84	4.10	23.81
2035	62.5	8.89	1.16	4.41	1.47	5.59	1.17	2.75	0.27	6.95	4.15	24.33
2036	63.6	9.16	1.17	4.41	1.49	5.64	1.18	2.77	0.27	7.06	4.19	24.85
2037	64.6	9.30	1.17	4.41	1.52	5.70	1.19	2.79	0.27	7.17	4.24	25.39
2038	65.3	9.09	1.18	4.41	1.54	5.75	1.20	2.81	0.27	7.28	4.28	25.93
2039	66.3	9.26	1.18	4.41	1.56	5.81	1.21	2.84	0.28	7.40	4.33	26.49
2040	67.4	9.40	1.19	4.41	1.59	5.88	1.22	2.86	0.28	7.51	4.38	27.06





County Economic and Demographic Indicators

Projected Economic Growth (2011-2016)

Expected retail sales growth:	19.4 %
Expected job growth:	9.8 %
Fastest growing jobs sector:	Professional Business Services
Expected personal income growth:	12.2 %

Expected population growth:	7.1 %
Net migration to account for:	7.3 %
Expected growth in number of vehicles:	9.1 %

Demographics (2011)

Unemployment rate (June 2011):	16.7 %
County Rank* in California (58 counties):	47th
Working age (16-64) population:	67.4 %

Population with B.A. Degree or higher:	11.8 %
Median Home Selling Price:	\$159,000
Median Household Income:	\$44,480

Quality of Life

Violent Crime rate (2009):	363 per 100,000 persons
County Rank* in California (58 counties):	24th
Average Commute Time to work (2011):	23.2 minutes

High School drop out rate (2009):	24.5 %
Households at/below poverty line:	14.7 %

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