

NAPA COUNTY ECONOMIC FORECAST

Napa County is home to the Napa Valley, a popular tourist destination known for wine grapes and premium wine production. Napa County has a population of 142,300 people and a total of 76,000 wage and salary jobs. The per capita income in Napa County is \$64,279, and the average salary per worker is \$62,797.

Wine grapes account for 99 percent of all agricultural output in Napa County. Red grapes are dominant in the region, with a total value that is almost 5 times that of white grapes. The viticulture industry also attracts a large number of tourists to the county each year, generating a substantial amount of economic activity.

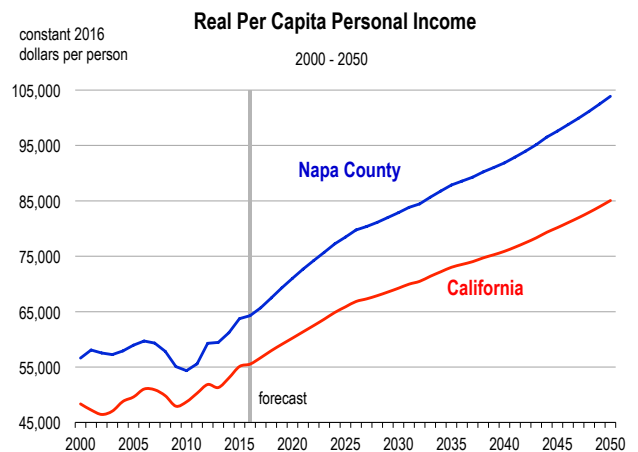
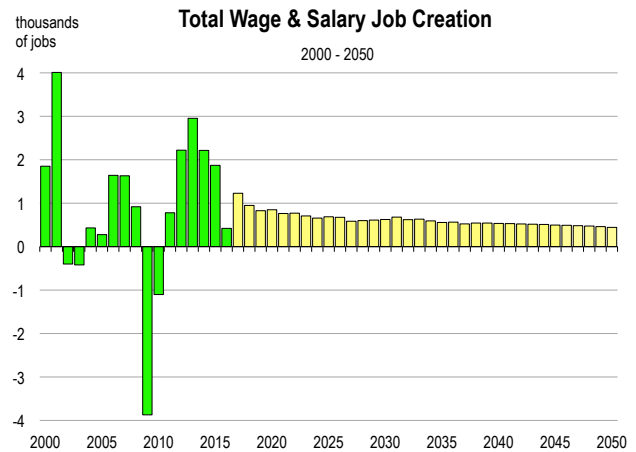
In 2016, employment in Northern California increased by 3.2 percent, whereas employment in the greater Bay Area grew by 3.3 percent. In Napa County, a total of 420 jobs were created, representing a growth rate of 0.6 percent. Non-farm employment increased by 0.7 percent, while farm employment decreased by 1.2 percent. The unemployment rate improved during the year, falling from 4.6 percent in 2015 to 4.3 percent in 2016.

During 2016, the largest employment increases were observed in government (+330 jobs), healthcare and education (+110 jobs), and wholesale and retail trade (+80 jobs). The largest losses were observed in construction (-180 jobs), agriculture (-60 jobs), and information (-30 jobs).

Between 2011 and 2016, the population of Napa County grew at an annual average rate of 0.7 percent. Net migration accounted for almost 75 percent of this growth, with an average of 740 net migrants entering the county each year.

FORECAST HIGHLIGHTS

- Job growth of 1.6 percent is expected in 2017. Between 2017 and 2022, the annual growth rate for total wage and salary jobs will average 1.1 percent.
- Average salaries are below the California average, and will remain so over the foreseeable future. In Napa County, inflation-adjusted salaries are expected to rise by 2.7 percent per year from 2017 to 2022.
- Between 2017 and 2022, job creation will be concentrated in leisure services, professional and business services, and manufacturing. Together, these industries will account for 59 percent of net job creation in the county.
- Population growth is expected to average 0.7 percent per year from 2017 to 2022.

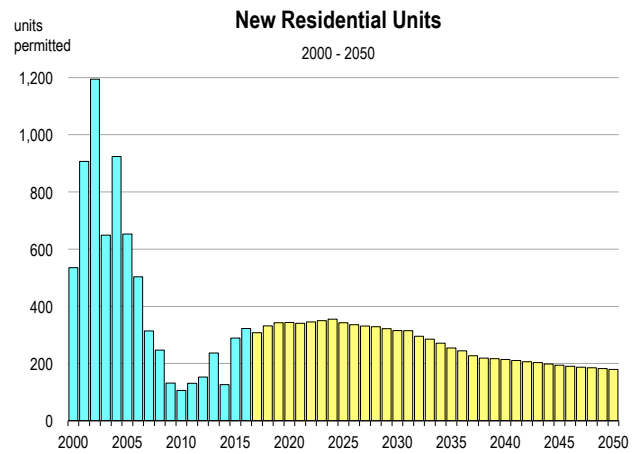
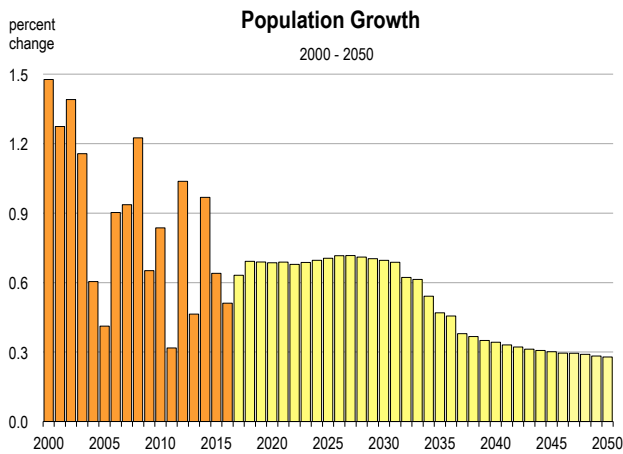


- During the 2017-2022 period, an average of 715 net migrants will enter the county each year, accounting more than 70 percent of all population growth.
- Real per capita income will rise by 2.2 percent in 2017. From 2017 to 2022, real per capita income is expected to increase by 2.5 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 1.4 percent per year between 2017 and 2022.
- Industrial production is expected to rise by 6.4 percent in 2017. From 2017 to 2022, industrial production will grow at an average rate of 2.6 percent per year.
- Farm production is expected to increase by 1.2 percent per year between 2017 and 2022. Wine grapes will continue to account for the vast majority of all output.

Napa County Economic Forecast

2010-2016 History, 2017-2050 Forecast

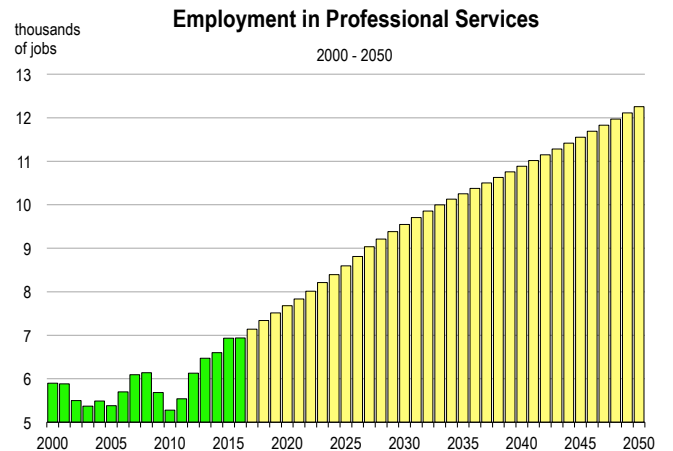
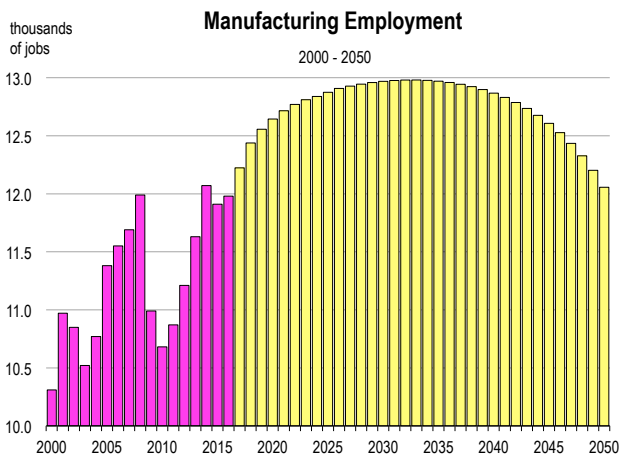
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2010	136,798	648	138	48.9	106	\$2.3	\$6.3	\$54,345	1.3	540.5	2.7	10.3
2011	137,232	75	137	49.0	131	\$2.5	\$6.7	\$55,585	2.7	491.1	2.5	9.8
2012	138,655	1,014	137	49.3	153	\$2.7	\$7.4	\$59,273	2.7	739.4	2.8	8.5
2013	139,298	472	141	49.7	237	\$2.9	\$7.6	\$59,455	2.3	719.7	3.0	6.9
2014	140,646	1,029	143	49.8	126	\$3.1	\$8.1	\$61,185	2.8	761.8	3.2	5.7
2015	141,546	650	146	50.0	289	\$3.3	\$8.8	\$63,736	2.6	570.0	3.2	4.6
2016	142,269	530	149	50.1	323	\$3.4	\$9.1	\$64,279	3.0	608.7	3.3	4.3
2017	143,168	672	150	50.3	308	\$3.5	\$9.7	\$65,698	3.1	619.3	3.5	3.9
2018	144,158	747	151	50.6	332	\$3.7	\$10.3	\$67,461	3.0	622.4	3.6	3.6
2019	145,151	730	152	51.0	343	\$3.9	\$11.0	\$69,291	2.6	628.5	3.7	3.8
2020	146,146	714	153	51.3	344	\$4.0	\$11.7	\$71,020	3.1	642.8	3.8	3.8
2021	147,152	706	154	51.6	341	\$4.2	\$12.4	\$72,671	3.0	649.6	3.8	3.9
2022	148,151	679	156	52.0	346	\$4.4	\$13.1	\$74,198	3.0	657.5	3.9	3.9
2023	149,169	680	157	52.3	350	\$4.6	\$13.9	\$75,697	3.0	654.5	4.0	3.8
2024	150,207	684	157	52.7	355	\$4.8	\$14.7	\$77,246	2.9	661.6	4.1	3.8
2025	151,266	692	158	53.0	343	\$5.0	\$15.4	\$78,458	2.9	671.3	4.2	3.6
2026	152,349	702	159	53.4	336	\$5.2	\$16.2	\$79,768	2.8	681.6	4.3	3.5
2027	153,441	701	160	53.7	331	\$5.5	\$17.0	\$80,385	2.9	691.8	4.4	3.5
2028	154,531	691	161	54.1	329	\$5.7	\$17.7	\$81,134	2.7	702.4	4.5	3.5
2029	155,617	678	162	54.4	322	\$5.9	\$18.5	\$81,975	2.5	713.1	4.6	3.5
2030	156,701	667	163	54.7	315	\$6.1	\$19.2	\$82,856	2.4	724.0	4.8	3.5
2031	157,778	654	164	55.0	315	\$6.4	\$20.1	\$83,810	2.3	735.1	4.9	3.5
2032	158,760	553	165	55.3	296	\$6.7	\$20.8	\$84,462	2.5	746.4	5.0	3.4
2033	159,734	542	166	55.6	285	\$7.0	\$21.7	\$85,666	2.1	758.0	5.1	3.4
2034	160,599	430	167	55.9	271	\$7.3	\$22.6	\$86,772	2.3	769.7	5.3	3.4
2035	161,353	322	167	56.2	254	\$7.6	\$23.6	\$87,875	2.4	781.7	5.4	3.4
2036	162,088	310	168	56.5	245	\$7.9	\$24.6	\$88,577	2.8	793.8	5.5	3.4
2037	162,703	201	169	56.7	227	\$8.3	\$25.6	\$89,269	2.9	806.3	5.6	3.4
2038	163,300	190	170	56.9	219	\$8.6	\$26.6	\$90,221	2.7	818.9	5.8	3.4
2039	163,872	180	170	57.2	217	\$8.9	\$27.7	\$91,004	2.9	831.7	5.9	3.4
2040	164,433	171	171	57.4	214	\$9.2	\$28.9	\$91,855	2.8	844.9	6.0	3.4
2041	164,977	164	172	57.6	211	\$9.5	\$30.0	\$92,878	2.6	858.2	6.2	3.4
2042	165,508	157	173	57.8	206	\$9.8	\$31.3	\$93,973	2.5	871.9	6.3	3.4
2043	166,025	149	173	58.0	203	\$10.1	\$32.5	\$95,143	2.4	885.7	6.4	3.4
2044	166,535	144	174	58.2	198	\$10.4	\$33.8	\$96,494	2.2	899.8	6.5	3.4
2045	167,037	138	175	58.4	194	\$10.7	\$35.1	\$97,600	2.4	914.2	6.7	3.4
2046	167,530	130	176	58.6	191	\$11.0	\$36.5	\$98,777	2.3	928.9	6.8	3.4
2047	168,024	129	176	58.8	187	\$11.4	\$37.9	\$99,942	2.3	943.8	6.9	3.4
2048	168,511	121	177	59.0	185	\$11.7	\$39.3	\$101,185	2.3	959.0	7.0	3.4
2049	168,988	115	178	59.2	183	\$12.1	\$40.9	\$102,497	2.3	974.5	7.1	3.4
2050	169,459	111	178	59.4	180	\$12.4	\$42.5	\$103,872	2.3	990.3	7.2	3.4

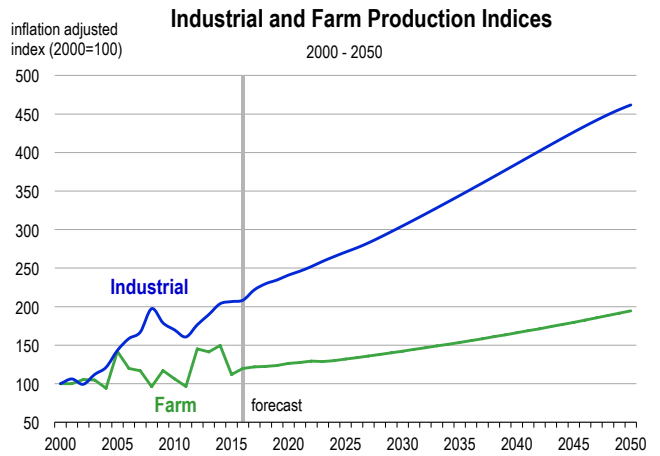
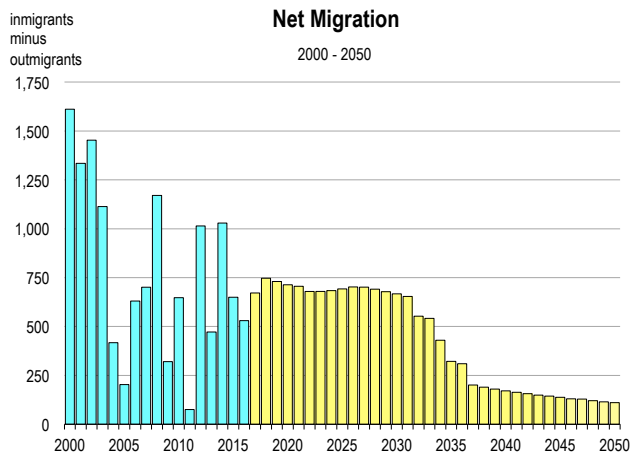
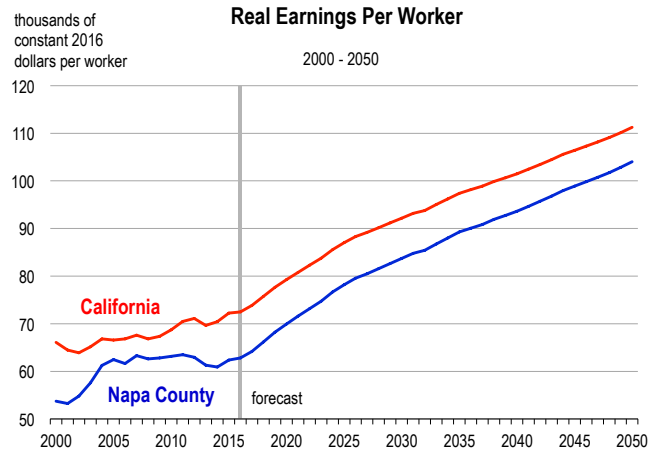
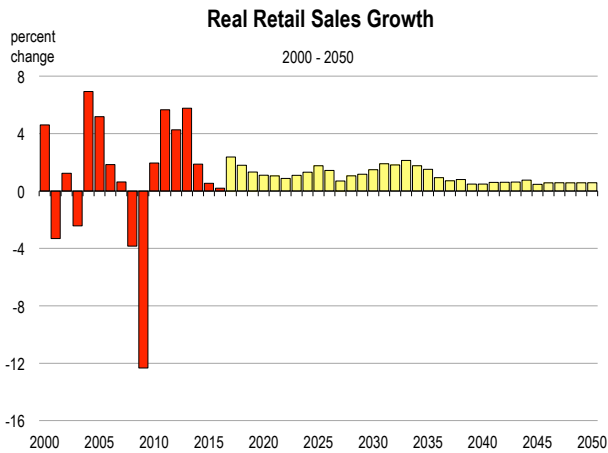


Napa County Employment Forecast

2010-2016 History, 2017-2050 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	65.5	4.67	2.6	10.7	1.5	7.3	2.3	5.3	0.6	9.0	9.3	10.4
2011	66.3	4.80	2.5	10.9	1.6	7.1	2.3	5.5	0.6	9.1	10.0	10.1
2012	68.5	4.81	2.7	11.2	1.8	7.3	2.3	6.1	0.5	9.4	10.7	9.9
2013	71.5	4.95	3.2	11.6	1.9	7.7	2.2	6.5	0.5	9.7	11.3	10.0
2014	73.7	4.94	3.7	12.1	2.0	7.9	2.3	6.6	0.5	9.9	11.9	10.0
2015	75.6	5.02	4.3	11.9	2.0	8.1	2.3	6.9	0.4	9.8	12.6	10.2
2016	76.0	4.96	4.1	12.0	2.0	8.2	2.4	6.9	0.4	9.9	12.6	10.5
2017	77.2	5.03	4.2	12.2	2.0	8.3	2.4	7.1	0.4	10.0	12.9	10.5
2018	78.1	5.05	4.2	12.4	2.1	8.4	2.4	7.3	0.4	10.1	13.1	10.6
2019	79.0	5.08	4.3	12.6	2.1	8.5	2.4	7.5	0.4	10.2	13.3	10.6
2020	79.8	5.17	4.3	12.6	2.1	8.6	2.4	7.7	0.4	10.2	13.5	10.7
2021	80.6	5.21	4.3	12.7	2.2	8.6	2.4	7.8	0.4	10.3	13.7	10.7
2022	81.4	5.26	4.3	12.8	2.2	8.7	2.4	8.0	0.4	10.4	14.0	10.7
2023	82.1	5.24	4.3	12.8	2.2	8.8	2.5	8.2	0.4	10.5	14.2	10.8
2024	82.7	5.29	4.3	12.8	2.2	8.8	2.5	8.4	0.4	10.5	14.4	10.8
2025	83.4	5.35	4.3	12.9	2.3	8.9	2.5	8.6	0.4	10.6	14.4	10.9
2026	84.1	5.41	4.3	12.9	2.3	8.9	2.5	8.8	0.4	10.7	14.5	11.0
2027	84.7	5.48	4.2	12.9	2.4	9.0	2.5	9.0	0.4	10.8	14.6	11.0
2028	85.3	5.54	4.2	12.9	2.4	9.0	2.5	9.2	0.4	10.9	14.7	11.0
2029	85.9	5.61	4.2	13.0	2.4	9.1	2.5	9.4	0.4	11.0	14.8	11.1
2030	86.5	5.68	4.2	13.0	2.4	9.1	2.6	9.5	0.4	11.1	15.0	11.1
2031	87.2	5.74	4.2	13.0	2.5	9.2	2.6	9.7	0.4	11.3	15.1	11.1
2032	87.8	5.82	4.2	13.0	2.5	9.3	2.6	9.9	0.4	11.4	15.3	11.2
2033	88.4	5.89	4.2	13.0	2.5	9.3	2.6	10.0	0.4	11.5	15.4	11.2
2034	89.0	5.96	4.1	13.0	2.6	9.4	2.6	10.1	0.4	11.6	15.6	11.2
2035	89.6	6.03	4.1	13.0	2.6	9.5	2.6	10.3	0.4	11.8	15.7	11.2
2036	90.2	6.11	4.1	13.0	2.6	9.5	2.6	10.4	0.4	11.9	15.9	11.3
2037	90.7	6.19	4.0	12.9	2.6	9.5	2.6	10.5	0.4	12.0	16.0	11.3
2038	91.2	6.27	4.0	12.9	2.6	9.6	2.6	10.6	0.4	12.1	16.2	11.3
2039	91.8	6.35	4.0	12.9	2.7	9.6	2.6	10.8	0.4	12.3	16.3	11.4
2040	92.3	6.43	4.0	12.9	2.7	9.6	2.6	10.9	0.4	12.4	16.5	11.4
2041	92.8	6.51	4.0	12.8	2.7	9.6	2.6	11.0	0.4	12.5	16.6	11.4
2042	93.4	6.59	4.0	12.8	2.7	9.7	2.6	11.1	0.4	12.6	16.8	11.4
2043	93.9	6.68	4.0	12.7	2.7	9.7	2.6	11.3	0.4	12.7	17.0	11.5
2044	94.4	6.77	4.0	12.7	2.7	9.7	2.6	11.4	0.4	12.8	17.1	11.5
2045	94.9	6.86	4.0	12.6	2.7	9.7	2.6	11.6	0.4	12.9	17.3	11.5
2046	95.4	6.95	4.0	12.5	2.8	9.8	2.6	11.7	0.4	13.0	17.4	11.6
2047	95.9	7.04	4.0	12.4	2.8	9.8	2.6	11.8	0.4	13.1	17.6	11.6
2048	96.3	7.14	4.0	12.3	2.8	9.8	2.6	12.0	0.4	13.2	17.8	11.6
2049	96.8	7.23	4.0	12.2	2.8	9.8	2.6	12.1	0.4	13.3	17.9	11.6
2050	97.2	7.33	4.0	12.1	2.8	9.8	2.6	12.3	0.4	13.4	18.1	11.7





County Economic and Demographic Indicators

Projected Economic Growth (2017-2022)

Expected retail sales growth:	6.3%
Expected job growth:	5.4%
Fastest growing jobs sector:	Professional Services
Expected personal income growth:	16.9%

Expected population growth:	3.5%
Net migration to account for:	71.8%
Expected growth in number of vehicles:	4.0%

Demographics (2017)

Unemployment rate (April 2017):	3.4%
County rank* in California (58 counties):	8th
Working age (16-64) population:	63.5%

Population with B.A. or higher:	33.0%
Median home selling price (2016):	\$555,000
Median household income:	\$77,511

Quality of Life

Violent crime rate (2015):	276 per 100,000 persons
County rank* in California (58 counties):	15th
Average commute time to work (2017):	26 minutes

High School drop out rate (2016):	4.5%
Households at/below poverty line (2017):	6.6%

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