

Fresno County Economic Forecast

Forecast Summary

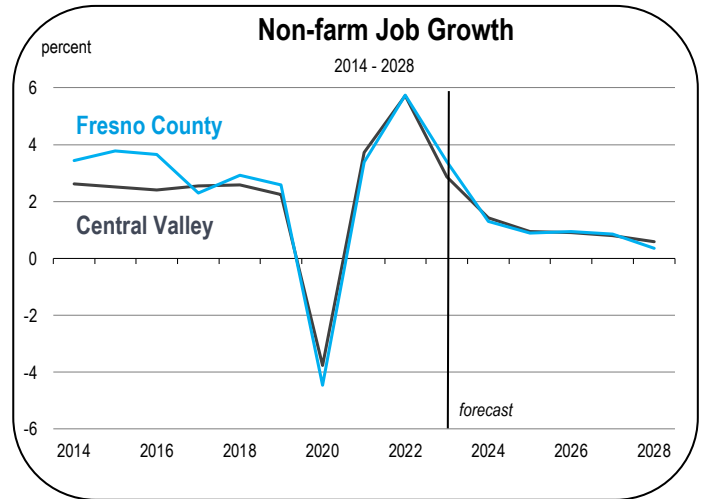
- Fresno gained over 20,000 jobs in 2022. The County will gain an additional 14,000 jobs in 2023.
- The unemployment rate had declined to a record low of 6.4 percent in 2022. The rate will increase in 2023 to 7.1 percent.
- Net in-migration is forecast to rise sharply in 2023 and 2024, and this will hasten the County’s population growth during these years. Net in-migration is forecast to turn negative over the remainder of the forecast period.
- New development is a principal engine of growth for the County’s economy.

Job Growth

- Total employment in Fresno County will grow by 3.4 percent in 2023.
- Between 2024 and 2028, job growth will average 0.9 percent per year.

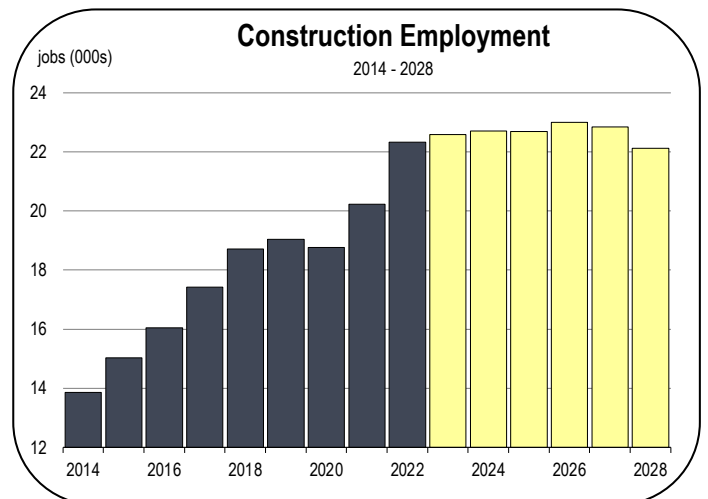
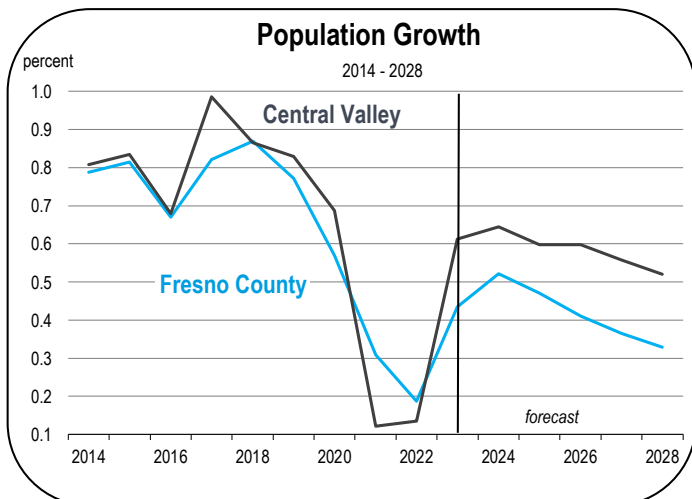
Construction Employment

- The construction workforce in the county has increased by over 60 percent since 2014.
- Employment within the construction trades is forecast to expand by 1.2 percent in 2023. However, growth in this sector will contract on average by 0.4 percent per year between 2024 and 2028.

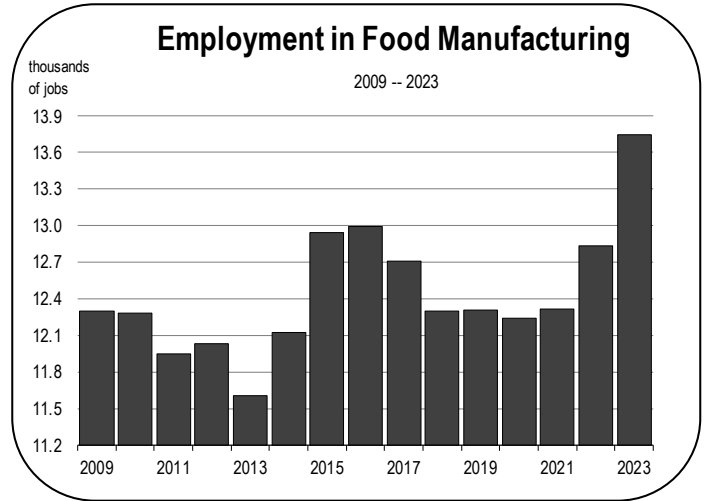
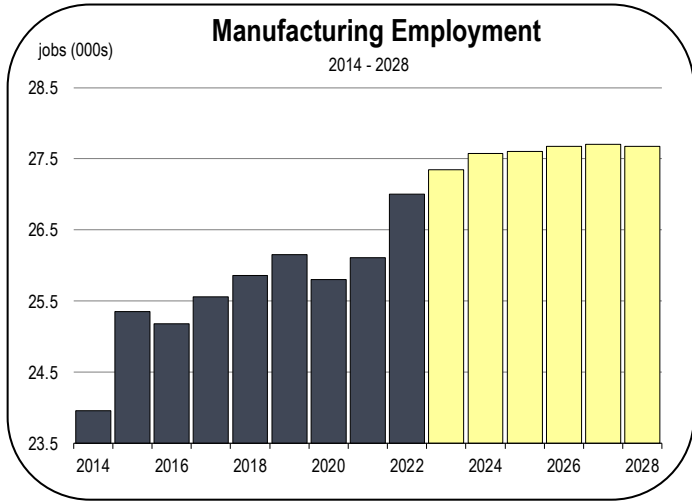


Manufacturing Employment

- 65 percent of total manufacturing employment is in non-durables, largely food processing.
- Major employers include Foster Farms, ConAgra, Cargil, Wawona Frozen Foods, Campbell’s Foods and Tofuji.
- Mild growth in manufacturing is forecast over the next 5 years, though longer term, a contraction is likely due to robotics and other advances in technology.



Fresno County Economic Forecast

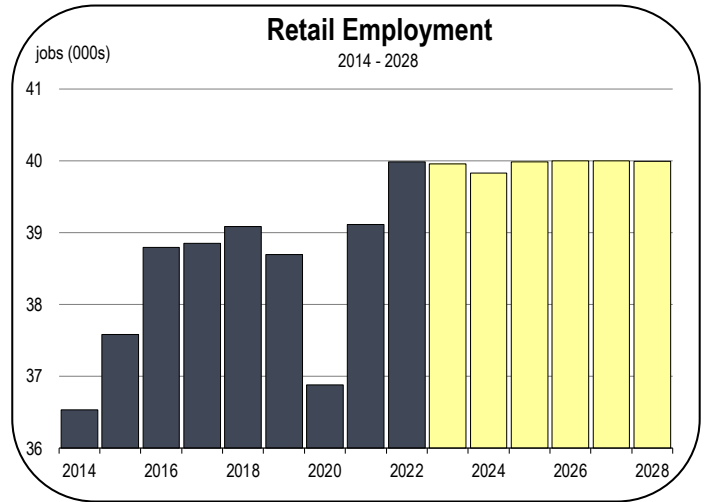
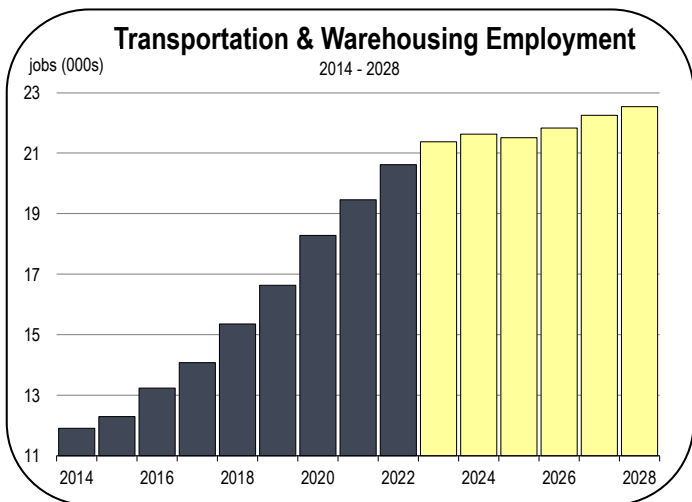


Transportation and Warehousing Employment

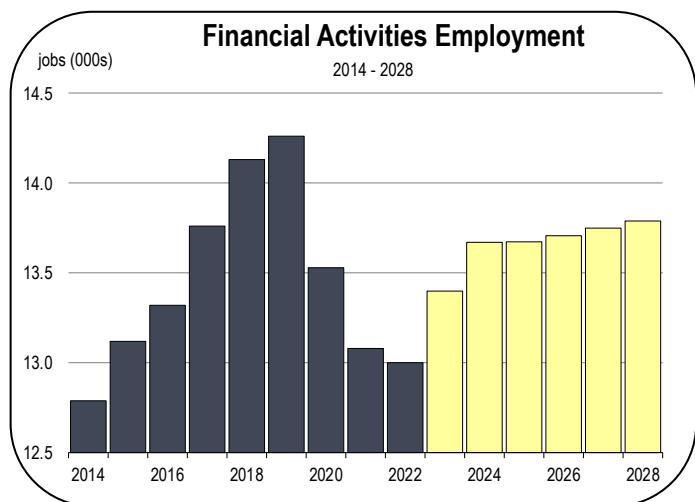
- Most transportation jobs in Fresno County are in trucking and warehousing, where firms deliver goods to and from businesses and store these goods in logistics facilities.
- Job growth in trucking and warehousing has been exceptionally rapid as national and international firms have built new logistics facilities in the county.
- In November 2022, Amazon opened a brand new 184,000 square foot “delivery station” in Fresno. The facility now employs 550 workers and operates 24/7. This is the second Amazon Facility. The first opened in 2018 and in a massive 855,000 square foot building.
- Employment in this sector grew 6.0 percent in 2022, and will increase by 3.7 percent in 2023. The sector will slow down over the forecast period growing an average of 1.1 percent per year.

Retail Trade Employment

- The substitution by consumers to purchase goods online over local retail stores is creating the disruption in the retail trade labor market. Jobs grew by 2.2 percent in 2022 but will decline by 0.1 percent in 2023. Thereafter, employment growth will stagnate between 2024 and 2028.
- Employment at local stores is susceptible to consolidation due to automation and the substitution of fewer but larger facilities for the many smaller operations that have dominated the retail landscape.



Fresno County Economic Forecast

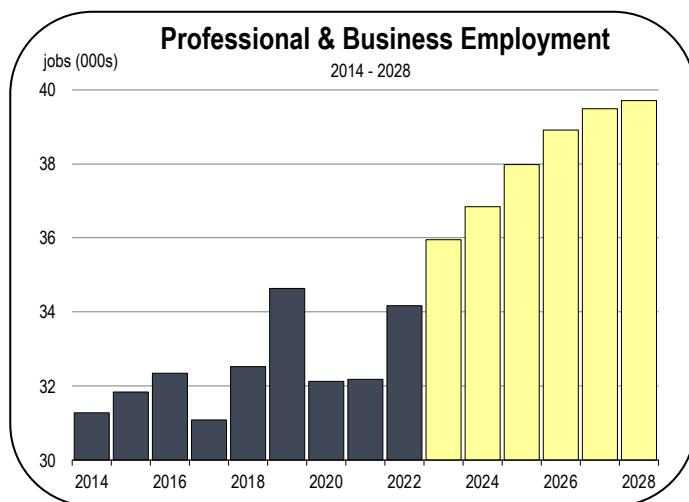


Financial Activities Employment

- Aetna is one of the largest employers in the County, with over 1,000 workers located in a single office building on Shaw Avenue in the City of Fresno. This is the only service operations center for Aetna in California.
- Banks and real estate firms each employ 3,000 to 4,000 workers in the County.
- In 2022, employment in the sector contracted by 0.6 percent due to banks consolidating their employees. Real estate firms increased employment, but not enough to offset sector-wide losses.
- In 2023 the sector will rebound with job growth of 3.2 percent. 2024 will see a 2 percent increase in employment. Thereafter, in the forecast, there will be nominal growth of jobs, averaging 0.2 percent growth per year.
- Between 2024 and 2028, jobs in real estate will be created but no net job gain is forecast for the banking sector.

Professional and Business Services Employment

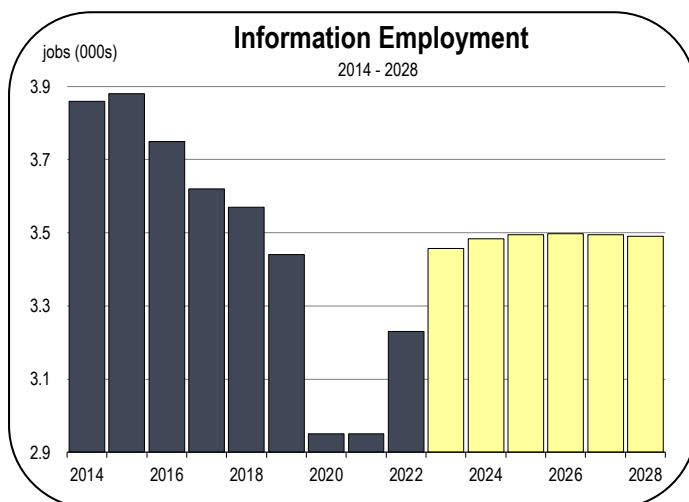
- The professional and business services industry includes professional, scientific and technical service jobs which comprise about 30 percent of the total sector. It also includes administrative service jobs which account for 55 percent of the total. Management of company jobs contribute the balance or about 9 percent.
- Administrative service companies increased their headcounts by approximately 1,800 jobs in 2022, and technical and scientific consulting jobs rose by 400 positions.



- Employment in the overall sector increased 6.2 percent in 2022 and will rise another 5.2 percent in 2023. These rates of growth are exceptionally high and are principally due to the growth of administration support positions which accommodate companies in all labor market sectors.
- The technology services companies provide design and consulting services to high tech product manufacturers both domestically and internationally. This sector will increase jobs over the forecast though at a diminishing rate.

Information Employment

- In Fresno County, the information sector is largely comprised of radio and TV broadcasting, movie theaters, and telecommunications companies like Comcast.



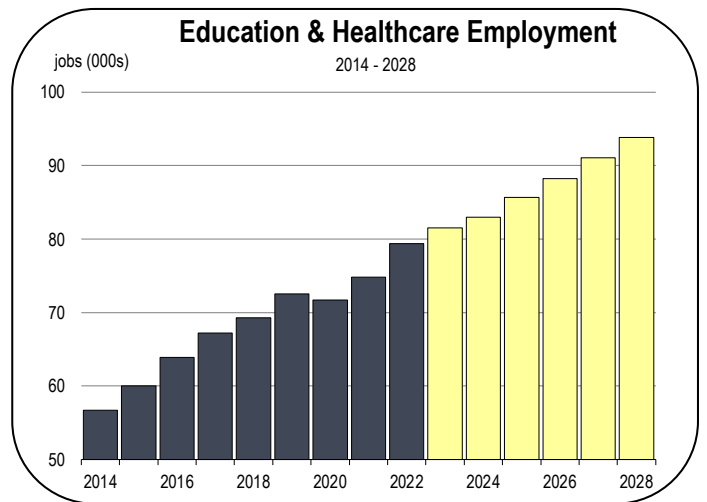
Fresno County Economic Forecast

- Employment grew by 9 percent in 2022, and in 2023 growth will continue at a rate of 7 percent.
- Thereafter, between 2024 and 2028 there will be an average growth rate of 0.02 percent per year. This minimal growth will occur despite a continued decline in future job opportunities because of changing technologies that have resulted in downsizing the domestic telecommunications industry, cable and subscription programming, libraries, movie theaters, book, newspaper, and periodical publishing.
- Employment growth will remain in some radio, TV, and video production, with small numbers of jobs also created in software publishing and data/Internet services.

Private Education and Healthcare Employment

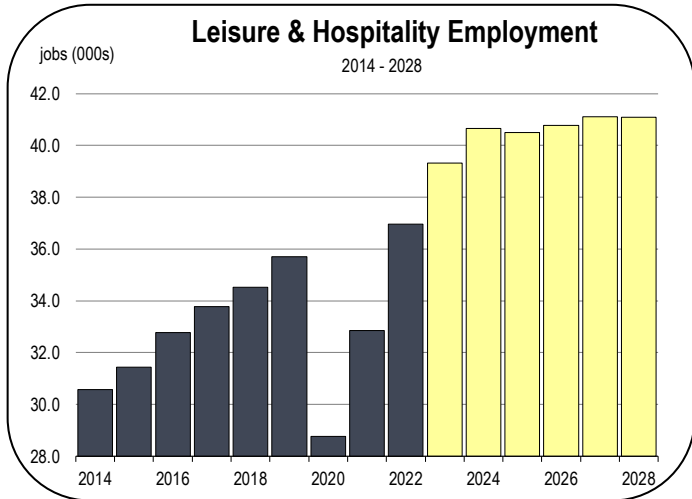
- In 2022 employment grew in this sector by 6.1 percent. 2023 will see continued growth at a rate of 2.1 percent.

- The largest healthcare providers in the County include:
 - Children’s Hospital Central California
 - Community Medical Center
 - St. Agnes Medical Center
 - Kaiser Permanente
- Healthcare services will remain in steady demand over the forecast and for the indefinite future. This is especially true for a County like Fresno where population growth will outpace general growth in the state. Healthcare will create an estimated 14,500 jobs between 2023 and 2028.



St. Agnes Medical Center

Fresno County Economic Forecast

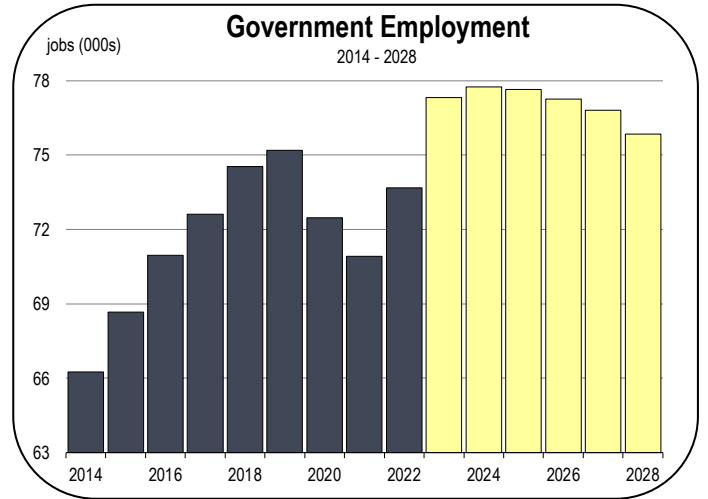


Leisure and Hospitality Employment

- Approximately, 4,100 jobs were gained in leisure and hospitality in 2022 representing an annual growth rate of 12.5 percent.
- This sector is on pace to grow 6.3 percent by creating another 2,350 jobs in 2023, due to a surge in travel, dining, drinking, and recreation throughout Fresno County and California.
- Population growth in the county will continue to maintain demand pressure for jobs in recreation and leisure services through the current decade. The expected average growth rate between 2024 and 2028 is one percent per year.

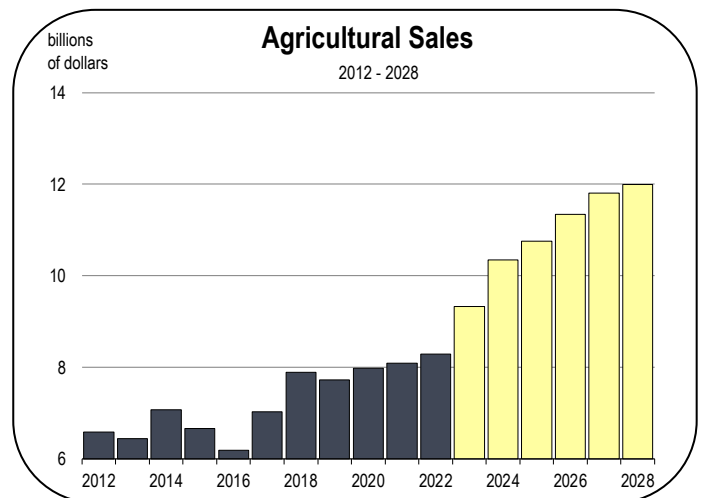
Government Employment

- Education represents a principal public sector job creator in Fresno County. Among the largest employers in the County are:
 - California State University, Fresno
 - Central Unified School District
 - Clovis Unified School District
 - Fresno County Office of Education
 - Fresno Unified School District
 - State Center Community College District
- Government employment increased by 4,500 jobs in 2022, and this sector will increase by 2,200 jobs in 2023. Government employment, mostly from the K-12 school systems, is expected to grow an average of 2,500 jobs per year between 2024 and 2028.

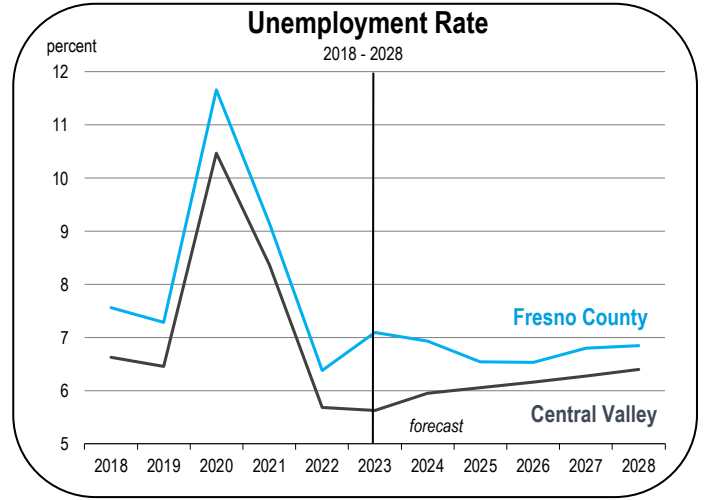
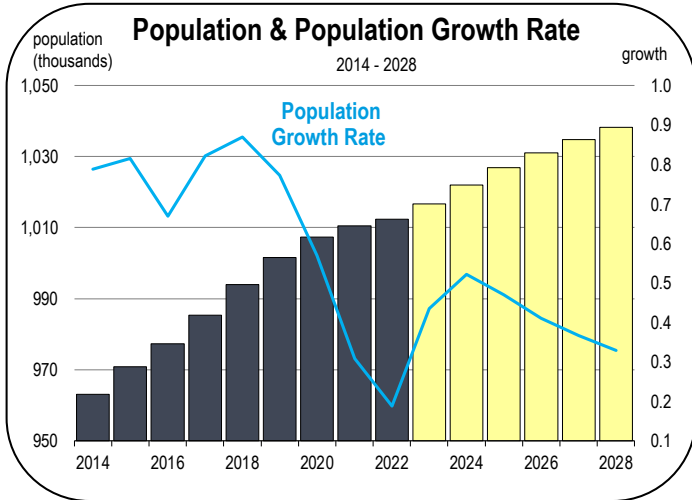


Agriculture

- Jobs in the farming sector will grow by 3 percent in 2023 after falling by 0.7 percent in 2022.
- Though employment in farming has generally declined over time, it still represents almost 10 percent of total employment in the County. Minimal job growth, 1.3 percent average annual growth rate between 2024-2028, is forecast because labor replacing technologies are now dominating many of the farming operations in California.
- Crop values declined by 4.6 percent in 2022, but will increase by 8.4 percent in 2023, Values will expand an additional 7.6 percent in 2024, and are expected to expand in Fresno County over the forecast period reaching an all-time high by 2027.



Fresno County Economic Forecast



- Almonds, pistachios, and grapes are the top crop values in Fresno County.
- Chickens and milk are also important farm products that generate significant sales for the farming community of Fresno County.

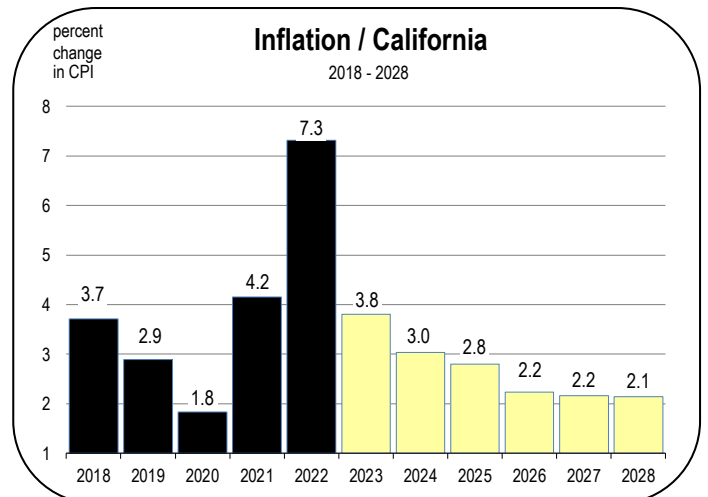
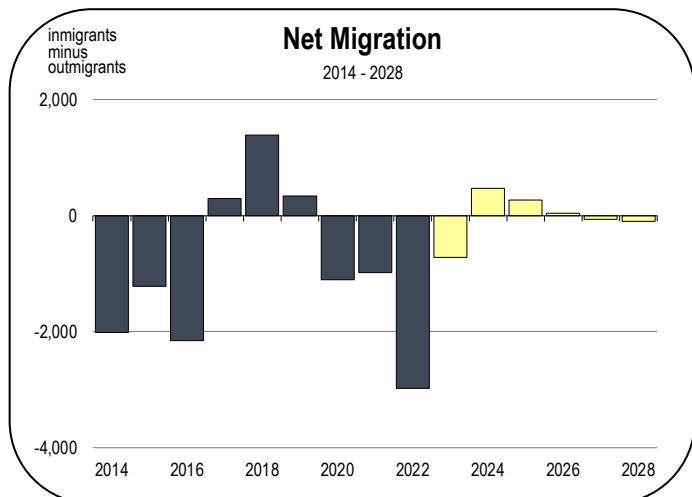
- The population will expand over the forecast period at an average rate over 4,300 people per year.
- By 2028, The Fresno County population will surpass 1.038 million residents.

Population Growth

- The Fresno County population will grow slightly faster in 2023, 2024 and 2025 because net migration is forecast to turn positive.
- Residents of Coastal California and elsewhere will relocate to Fresno County (and other inland areas) to buy affordable housing.
- Net migration is then forecast to level off or become negative between after 2025 as job growth slows.

Unemployment and Inflation Rates

- The unemployment rate in Fresno County fell over 30 percent to 6.4 percent in 2022. An unemployment rate below 8.0 percent signifies a fully employed workforce in Fresno County.
- The unemployment rate is expected to average 7.1 percent in 2023 and 6.9 percent in 2024.



Fresno County Economic Forecast

- Inflation soared to 7.3 percent in 2022, its highest rate in 40 years. but will decelerate in 2023 to 3.8 percent due largely to declining energy costs and the restoration of supply chains.
- Ultimately, inflation reduces the purchasing power of households and negatively impacts consumer confidence, limiting the growth potential of the economy in 2023.
- Disinflation will continue into 2024, and the inflation rate will eventually fall to below 3 percent by 2025 as the labor force is gradually restored and interest rates subside.

Home Prices and New Housing Production

- In 2022 the median home value in Fresno County was \$406,000, an increase of 12.3 percent from the previous year. Median home prices will decline by 5.5 percent in 2023, and rebound in the positive direction over the forecast period..
- Homes in Fresno County are more affordable than homes across California, especially Coastal California. In Fresno County, the typical household spends less than 25 percent of its pre-tax income on mortgage payments or rent.
- Along Coastal California the typical household spends more than 35 percent of income on housing costs, and in very expensive markets like San Francisco, housing costs often account for more than 50 percent of income.
- From 2017 to 2022, an average of 3,180 new homes were started per year in Fresno County. Approximately 77 percent were single-

family homes. Housing production is expected to average 3,300 homes per year from 2023 to 2028, consisting mostly of single-family homes.

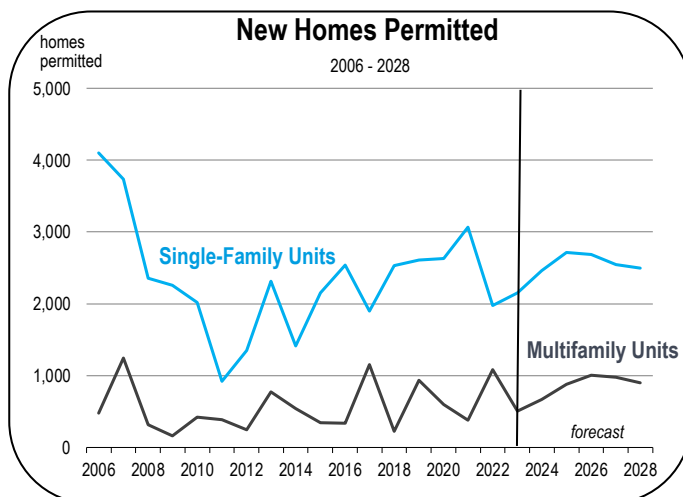
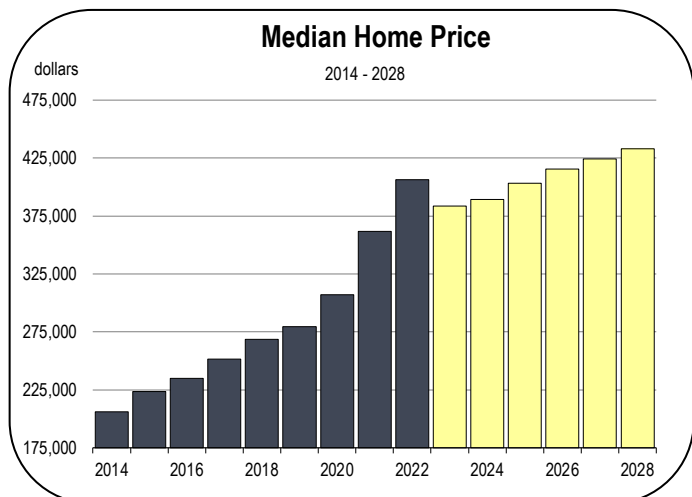
- New homes will be built in many parts of the county, but activity will be heavily concentrated in downtown Fresno.
- The City of Fresno has a vibrant array of development projects in its pipeline.

Southeast Development Area

- The Southeast Development Area is a 9,000-acre area that has the potential to accommodate 45,000 homes and 37,000 jobs by 2050. Plans for this areas use were submitted in early 2022.
- The Central Southeast Area Specific Plan, a subdivision of the Southeast Development Area, is a brand new long-range planning document outlining a vision of growth for the City of Fresno. The plan covers the development of a 2,200-acre development southeast of downtown Fresno over the next 20-30 years.
- As of February 2023, the city of Fresno has reportedly put the breaks on this specific plan, delaying the project even further.

West Area Neighborhoods Specific Plan

- The West Area Neighborhoods Specific Plan outlines the development and growth of the West Area in Fresno. The Specific Plan would allow the development of residential and non-residential uses. The land proposes includes schools, churches, parks, and open space.



Fresno County Economic Forecast

- The West Area Neighborhoods Specific Plan is currently waiting for their plan and EIR to be heard by the Planning Commission. This is scheduled to occur in Summer 2022.

Costco Wholesale Corporation

- The Costco Wholesale Corporation has proposed to construct a new Costco facility with an attached tire center, detached gas station, and a drive-through car wash in the City of Fresno. The entire building comprises 241,000 square feet, making it the biggest Costco in the world.
- The new Costco would be located at the northeast corner of the intersection of West Herndon Ave and North Riverside Boulevard. The Costco proposed site is 22.4 acres.
- The project is awaiting Environmental Impact Report approval from the Fresno Planning Commission and City Council as of July 2023.

Downtown Fresno Projects

- Downtown Fresno has many development projects in its pipeline under various stages of planning:
 - The Clinton Avenue Apartments (78 units)
 - The Park at South Stadium (54 units)
 - Courtyard by Marriott (144-room)
 - The Monarch @ Chinatown (57 units)
 - The Villages at Broadway (25 units)



The Monarch in Chinatown, Downton Fresno

Fresno County Economic Forecast

Sarah's Court

- Sarah's Court is a development with 120 new affordable housing units. Construction began in February of 2023 and is estimated to take 24 months to complete.
- In February of 2022, the City of Fresno approved a 55-year, \$6.2 million loan with a 3% interest rate to help in securing state housing tax credits necessary to complete Sarah's Court. The California Housing Finance Agency granted the Low-Income Housing Tax Credits in September 2022.
- Sarah's Court is located at 200 N. Salma Ave. near Clovis and Tulare avenues.

Jensen Landing mixed-use development project

- Located at 4645 E. Jensen Ave. near Maple Avenue, plans for Jensen Landing include a 170,000 square-foot, four-story apartment building with a 4,000 square-foot day care center, 4,000 square-foot convenience store/fueling station and 73,000 square feet of retail/office buildings. Ground broke in July of 2022, and retail spaces are now being put up for rent!

West Fresno Community Centers Rehabilitation Planning Project

- The City of Fresno Parks, After School, Recreation and Community Services (PARCS) Department intends to undertake a master planning effort to identify opportunities for site improvements at four (4) West Fresno Community Centers – Sunset, Mary Ella Brown, Maxie L. Parks, and Frank H. Ball.

Fresno County Economic Forecast

Economic Indicators

2015-2022 History, 2023-2050 Forecast

	Population (people)	House- holds (thousands)	Net Migration (people)	New Homes Permitted (homes)	Registered Vehicles (thousands)	Personal Income (billions)	Taxable Retail Sales (billions)	Total Taxable Sales (billions)	Real Industrial Production (billions)	Real per Capita Income (dollars)	Unemployment Rate (percent)	Real Farm Production (billions)	Inflation Rate (percent)
2015	970,859	300.6	-1,222	2,496	780	\$37.6	\$9.2	\$14.2	\$6.2	\$49,606	10.2	\$8.5	1.4
2016	977,361	303.9	-2,158	2,877	805	\$38.7	\$9.6	\$14.2	\$6.5	\$49,496	9.5	\$7.7	2.3
2017	985,393	306.3	291	3,050	812	\$39.6	\$9.9	\$14.8	\$7.2	\$48,759	8.6	\$8.5	3.0
2018	993,965	309.2	1,389	2,759	829	\$40.9	\$10.4	\$15.4	\$7.0	\$48,159	7.6	\$9.2	3.7
2019	1,001,640	311.7	338	3,544	861	\$43.2	\$10.9	\$16.2	\$7.4	\$49,100	7.3	\$8.8	2.9
2020	1,007,344	319.3	-1,102	3,223	874	\$48.8	\$11.5	\$17.1	\$7.0	\$54,024	11.7	\$8.9	1.8
2021	1,010,453	320.8	-983	3,446	886	\$52.1	\$16.5	\$23.0	\$7.4	\$55,372	9.1	\$8.7	4.2
2022	1,012,350	324.1	-2,978	3,054	899	\$51.5	\$17.0	\$24.2	\$7.2	\$50,914	6.4	\$8.3	7.3
2023	1,016,747	326.2	-720	2,658	917	\$54.8	\$17.5	\$25.4	\$7.3	\$51,880	7.1	\$9.0	3.8
2024	1,022,053	328.5	471	3,133	915	\$57.8	\$18.0	\$26.2	\$7.5	\$52,875	6.9	\$9.7	3.0
2025	1,026,859	331.2	266	3,593	916	\$60.6	\$19.1	\$27.7	\$7.6	\$53,651	6.5	\$9.8	2.8
2026	1,031,076	334.2	36	3,691	922	\$63.0	\$20.2	\$29.2	\$7.6	\$54,371	6.5	\$10.1	2.2
2027	1,034,847	337.4	-65	3,521	928	\$65.5	\$21.3	\$30.8	\$7.7	\$55,074	6.8	\$10.3	2.2
2028	1,038,255	340.5	-99	3,397	935	\$67.9	\$22.6	\$32.5	\$7.7	\$55,769	6.9	\$10.2	2.1
2029	1,041,233	343.7	-191	3,327	944	\$70.1	\$23.6	\$34.0	\$7.8	\$56,191	6.8	\$10.6	2.1
2030	1,043,849	346.7	-77	3,255	952	\$72.3	\$24.6	\$35.5	\$7.8	\$56,623	6.8	\$10.8	2.2
2031	1,046,219	349.8	72	3,209	953	\$74.5	\$25.6	\$37.0	\$7.8	\$56,956	6.7	\$11.0	2.1
2032	1,048,315	352.8	186	3,171	951	\$76.9	\$26.6	\$38.4	\$7.8	\$57,358	6.5	\$11.2	2.3
2033	1,049,987	355.7	243	3,151	956	\$79.2	\$27.6	\$39.7	\$7.8	\$57,875	6.5	\$11.2	1.9
2034	1,051,269	358.6	332	3,128	963	\$81.7	\$28.5	\$41.1	\$7.9	\$58,441	6.6	\$11.3	2.1
2035	1,052,174	361.5	424	3,006	969	\$84.1	\$29.4	\$42.3	\$7.9	\$58,825	6.7	\$11.5	2.2
2036	1,052,774	364.3	520	2,895	971	\$86.7	\$30.2	\$43.6	\$7.9	\$59,079	6.8	\$11.5	2.6
2037	1,053,034	367.1	576	2,790	973	\$89.7	\$30.9	\$44.7	\$7.9	\$59,443	6.9	\$11.5	2.7
2038	1,052,949	369.8	664	2,782	974	\$92.5	\$31.7	\$45.8	\$7.9	\$59,847	7.0	\$11.5	2.5
2039	1,052,541	372.4	761	2,685	971	\$95.4	\$32.5	\$46.9	\$7.9	\$60,131	6.9	\$11.5	2.7
2040	1,051,738	374.9	829	2,673	967	\$98.7	\$33.3	\$48.2	\$7.9	\$60,638	7.1	\$11.5	2.6
2041	1,050,520	377.4	869	2,669	966	\$101.8	\$34.0	\$49.2	\$7.9	\$61,264	7.1	\$11.6	2.2
2042	1,048,930	379.9	894	2,772	969	\$104.9	\$35.0	\$50.5	\$7.9	\$61,935	7.0	\$11.6	2.1
2043	1,046,977	382.4	928	2,668	976	\$108.1	\$36.0	\$52.0	\$7.9	\$62,691	7.0	\$11.6	2.0
2044	1,044,769	384.9	975	2,649	982	\$111.0	\$37.2	\$53.6	\$7.9	\$63,412	7.0	\$11.6	1.8
2045	1,042,274	387.3	993	2,617	987	\$114.0	\$38.4	\$55.3	\$7.9	\$64,062	7.1	\$11.7	1.9
2046	1,039,596	389.7	1,040	2,589	989	\$116.9	\$39.5	\$56.9	\$7.9	\$64,572	7.1	\$11.7	2.0
2047	1,036,753	392.1	1,071	2,549	993	\$120.0	\$40.7	\$58.7	\$7.9	\$64,996	7.1	\$11.7	2.2
2048	1,033,588	394.5	1,090	2,514	997	\$123.4	\$42.0	\$60.5	\$7.9	\$65,530	7.1	\$11.8	2.3
2049	1,030,174	396.7	1,111	2,472	1,002	\$126.5	\$43.3	\$62.4	\$7.9	\$66,111	7.1	\$11.8	2.0
2050	1,026,477	399.0	1,126	2,414	1,007	\$129.9	\$44.8	\$64.4	\$7.9	\$66,699	7.1	\$11.8	2.1

Employment Sectors

2015-2022 History, 2023-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	(thousands of jobs)											
2015	371.8	47.3	15.0	25.4	12.3	51.1	13.1	31.8	3.9	60.0	31.4	68.7
2016	383.3	46.9	16.0	25.2	13.2	52.8	13.3	32.4	3.8	63.9	32.8	71.0
2017	390.2	46.1	17.4	25.6	14.1	52.9	13.8	31.1	3.6	67.2	33.8	72.6
2018	398.4	44.2	18.7	25.9	15.4	53.5	14.1	32.5	3.6	69.3	34.5	74.5
2019	407.4	44.1	19.0	26.2	16.6	53.4	14.3	34.6	3.4	72.5	35.7	75.2
2020	387.3	40.3	18.8	25.8	18.3	51.3	13.5	32.1	3.0	71.7	28.8	72.5
2021	399.3	40.5	20.2	26.1	19.5	54.0	13.1	32.2	3.0	74.8	32.9	70.9
2022	419.6	40.2	22.3	27.0	20.6	56.0	13.0	34.2	3.2	79.4	37.0	73.7
2023	433.7	41.4	22.6	27.3	21.4	56.5	13.4	36.0	3.5	81.5	39.3	77.3
2024	439.4	42.0	22.7	27.6	21.6	56.5	13.7	36.8	3.5	83.0	40.7	77.8
2025	443.3	42.4	22.7	27.6	21.5	56.6	13.7	38.0	3.5	85.7	40.5	77.7
2026	447.7	43.0	23.0	27.7	21.8	56.5	13.7	38.9	3.5	88.2	40.8	77.3
2027	451.7	43.6	22.8	27.7	22.2	56.4	13.7	39.5	3.5	91.1	41.1	76.8
2028	453.9	44.3	22.1	27.7	22.5	56.2	13.8	39.7	3.5	93.9	41.1	75.8
2029	456.9	44.7	21.6	27.8	22.8	56.1	13.8	39.9	3.5	96.8	41.3	75.4
2030	460.0	44.9	21.3	27.8	23.1	56.0	13.9	40.0	3.5	99.7	41.5	75.1
2031	463.3	44.9	21.1	27.8	23.3	55.9	13.9	40.2	3.4	102.6	41.6	75.2
2032	466.1	44.8	20.6	27.8	23.5	55.9	13.9	40.3	3.4	105.4	41.7	75.3
2033	469.0	44.6	20.2	27.8	23.7	55.8	13.9	40.5	3.4	108.2	41.9	75.4
2034	472.0	44.5	19.9	27.8	24.0	55.9	14.0	40.6	3.4	110.9	42.1	75.5
2035	475.1	44.5	19.6	27.8	24.2	55.9	14.0	40.7	3.4	113.8	42.2	75.5
2036	477.8	44.5	19.2	27.8	24.4	55.9	14.0	40.9	3.4	116.4	42.4	75.6
2037	480.7	44.4	18.9	27.8	24.6	55.8	14.0	41.0	3.4	118.8	42.6	75.8
2038	483.9	44.4	18.8	27.8	24.7	55.8	14.1	41.1	3.4	121.3	42.8	76.2
2039	487.0	44.4	18.7	27.8	24.9	55.8	14.1	41.3	3.5	123.7	43.0	76.3
2040	489.7	44.5	18.6	27.8	25.1	55.8	14.1	41.4	3.5	125.9	43.2	76.5
2041	492.4	44.5	18.6	27.8	25.2	55.8	14.1	41.5	3.5	128.0	43.4	76.6
2042	495.1	44.5	18.6	27.8	25.4	55.8	14.1	41.6	3.5	129.8	43.6	76.7
2043	497.7	44.5	18.8	27.8	25.5	55.9	14.1	41.7	3.5	131.7	43.8	76.9
2044	500.0	44.6	18.7	27.8	25.7	56.0	14.2	41.8	3.5	133.4	44.0	77.0
2045	502.4	44.6	18.6	27.9	25.8	56.1	14.2	41.9	3.5	135.1	44.1	77.1
2046	504.6	44.6	18.5	27.9	25.9	56.1	14.2	42.0	3.5	136.7	44.3	77.2
2047	506.6	44.7	18.5	27.9	26.1	56.2	14.2	42.1	3.5	138.2	44.4	77.4
2048	508.5	44.7	18.4	27.9	26.2	56.2	14.2	42.2	3.5	139.7	44.6	77.5
2049	510.3	44.7	18.3	27.9	26.3	56.3	14.2	42.3	3.5	140.9	44.7	77.6
2050	512.1	44.8	18.3	27.9	26.4	56.4	14.2	42.4	3.5	142.3	44.9	77.7

Fresno County Economic Forecast

Socioeconomic Indicators

