

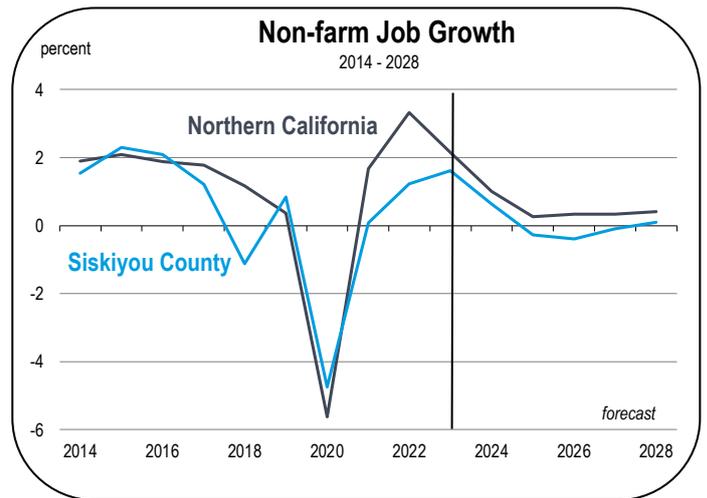
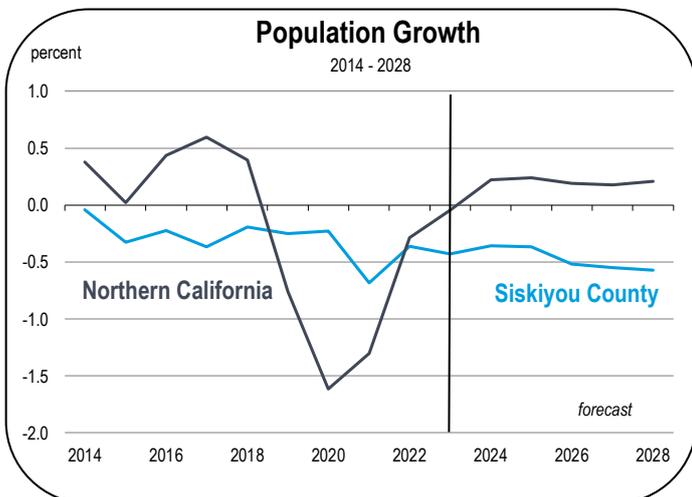
Siskiyou County Economic Forecast

Forecast Summary

- During 2023, the county’s labor market is on pace to create just over 200 jobs, representing a 1.6 percent rate of growth.
- All jobs lost in the pandemic recession will be restored in 2023.
- Over the 2023-2028 forecast period, total employment in Siskiyou County is expected to expand in 2023 and 2024, but contract over the 2025 to 2028 period.
- Healthcare and leisure services will be responsible for most job creation during the forecast period.
- The unemployment rate averaged 5.4 percent in 2022. It is forecast to average 5.7 percent in 2023 and 5.9 percent in 2024.
- The median home price increased by 16 percent in 2021, 10 percent in 2022, and just 2 percent in 2023. Home prices are expected to increase by an average of 2.5 percent per year over the 2023 to 2028 period.
- Skiing on Mt Shasta is the principal tourist attraction to the county, with an estimated 26,000 visitors per year.

Job Growth

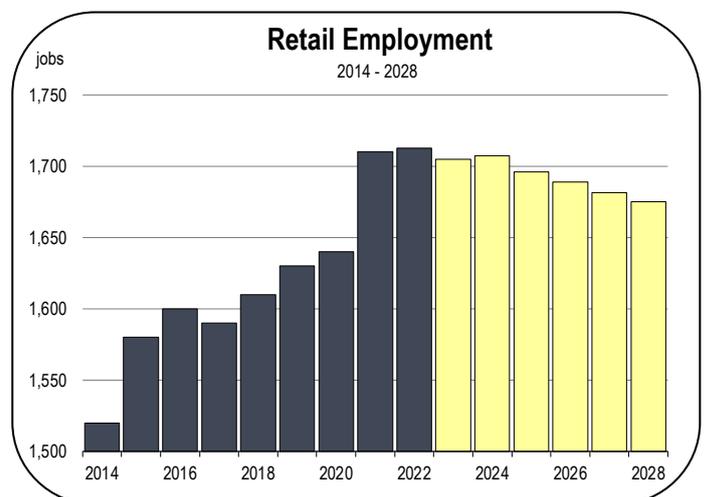
- Total employment in Siskiyou County rose 1.3 percent in 2022 and is on pace to increase 1.6 percent in 2023, adding 172 and 214 jobs respectively.



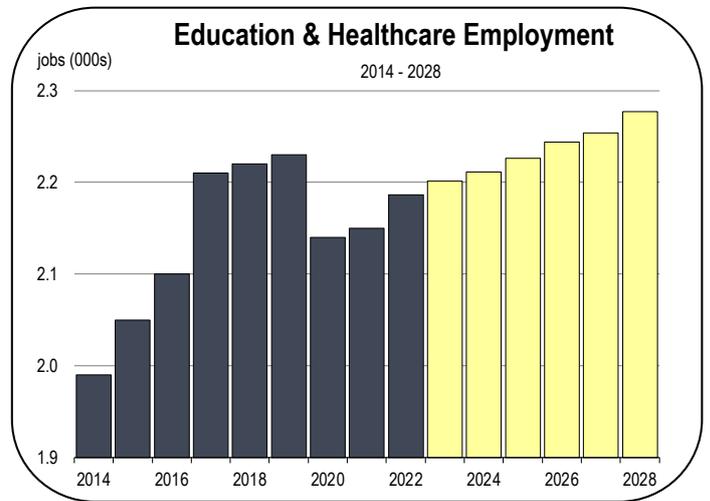
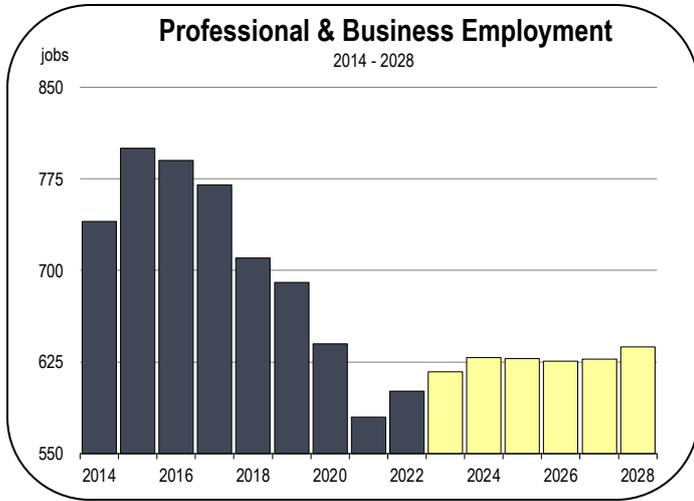
- Growth will continue into 2024 despite a much slower state economic climate. No net job creation is forecast over the 2025 to 2028 period.

Retail Trade Employment

- The County’s retail sector added jobs over the last several years, reaching an all time high in 2022. This has occurred during a time when retail jobs have declined in most California markets.
- It is unlikely that the retail trade labor market will expand further over the forecast. With automation of many retail operations and the popularity of online shopping, retail employment will contract over the forecast.



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Professional & Business Services Employment

- The professional and business services sector has a wide array of organizations that include accounting firms, engineering companies, law offices, business and technical consulting firms, temporary staffing agencies, corporate security firms, landscaping businesses, and janitorial companies.
- Local professional and business services companies are expected to modestly hire and expand over the forecast period as the US and California economies become more reliant on knowledge industries.
- This labor market employs just over 600 workers in the county. In 2022, 21 jobs were created. Between 2023 and 2028, 30 or 40 more jobs will be created.

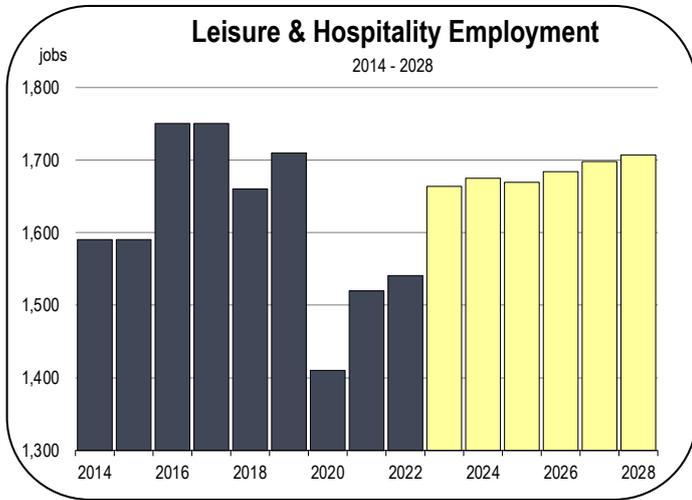
Private Education and Healthcare Employment

- Healthcare is the second largest employment sector in Siskiyou County, behind only the public sector.
- The largest healthcare organization is Fairchild Medical Center, which employs more than 500 workers and has 25 patient beds.
- In 2022, 36 jobs were created in the healthcare sector. During 2023, the labor market is on pace to rise by another 15 jobs.
- Between 2023 and 2028, healthcare will create 90 more jobs in the county.
- In Siskiyou County, there are very few jobs in private educational institutions. Most teachers and education administrators work in the government sector.



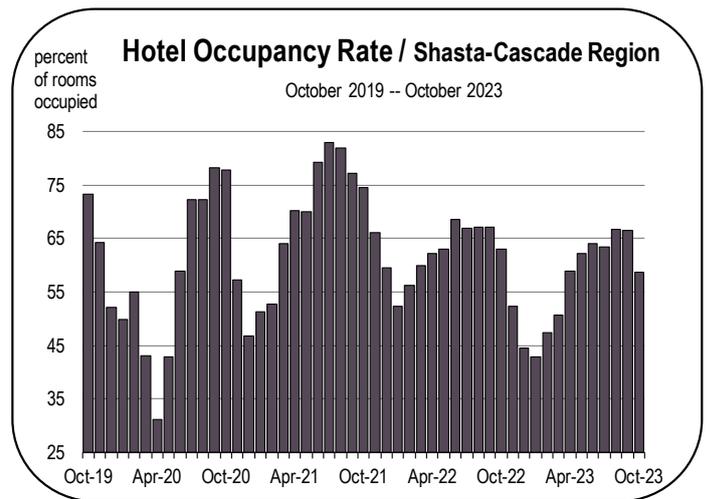
Fairchild Medical Center

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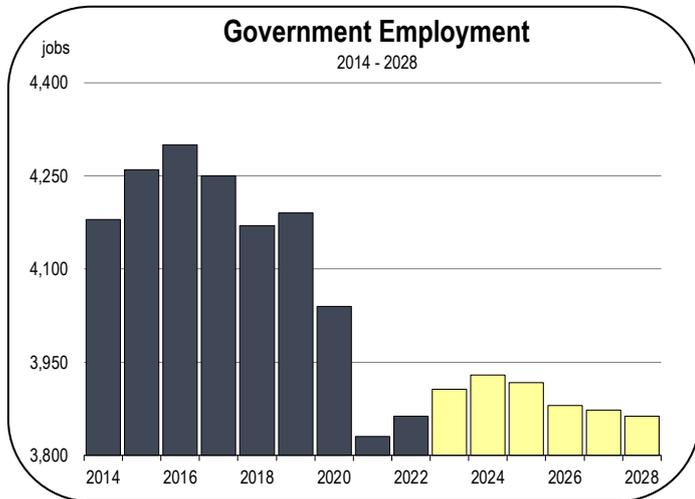
Leisure and Hospitality Employment

- Siskiyou County is home to Klamath National Forest, Cascade-Siskiyou National Monument, and Mount Shasta.
- The annual Siskiyou County Fair held in August is attended by an estimated 42,000 visitors.
- Mount Shasta is the second tallest mountain in California, standing at over 14,000 feet. It offers hiking and mountain biking in the summer and skiing/snowboarding in the winter. It draws approximately 26,000 visitors each year.
- There are a number of lodging options in the towns that surround Mount Shasta. Hotel/motel occupancy rates had rebounded sharply in 2021, but hotel utilization softened in 2022 and has remained relatively at similar to slightly lower levels in 2023.
- Employment within the leisure and hospitality industry rose 1.4 percent in 2022 and is on pace to rise 8 percent in 2023, adding 123 new jobs.



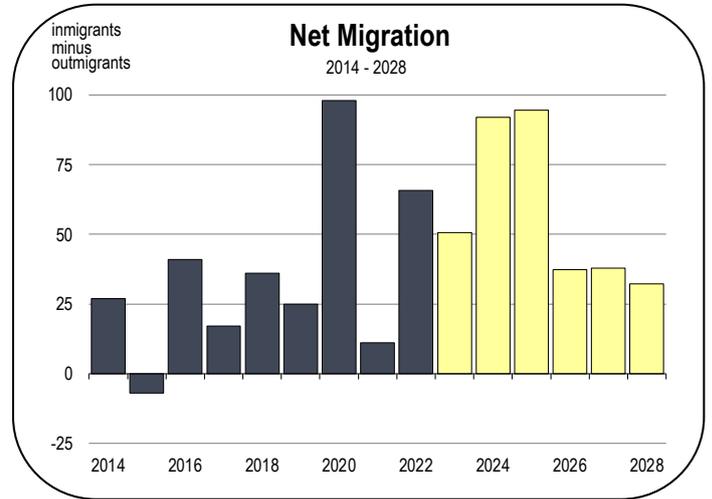
Downtown Mount Shasta

Siskiyou County Economic Forecast



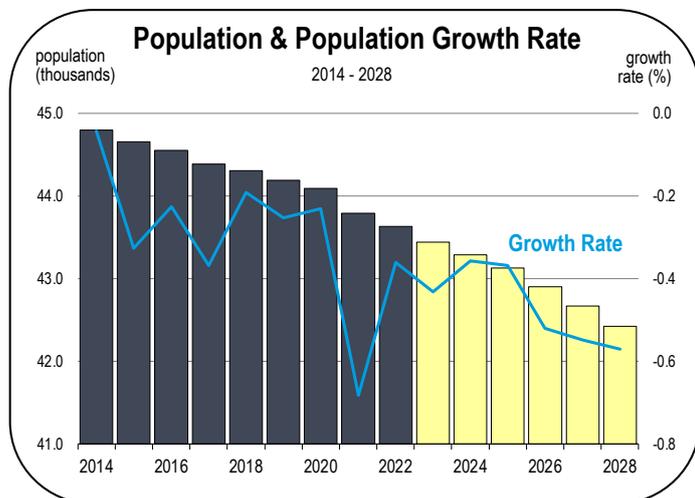
Government Employment

- The public sector is the largest labor market in the county, with 3,900 workers accounting for 28 percent of total employment.
- State and local government employment rose by 80 jobs in 2022. In 2023, the sector will expand by another 46 jobs.
- The National Forests and the U.S. Forest Services are some of the largest employers.
- The College of the Siskiyous is a public community college with campuses in Weed and Yreka. The operation has a staff of 223 and enrollment of 3,600 students in the Fall of 2023.
- Over the 2023 to 2028 period, no net expansion of jobs is forecast in the public sector.



Population Growth

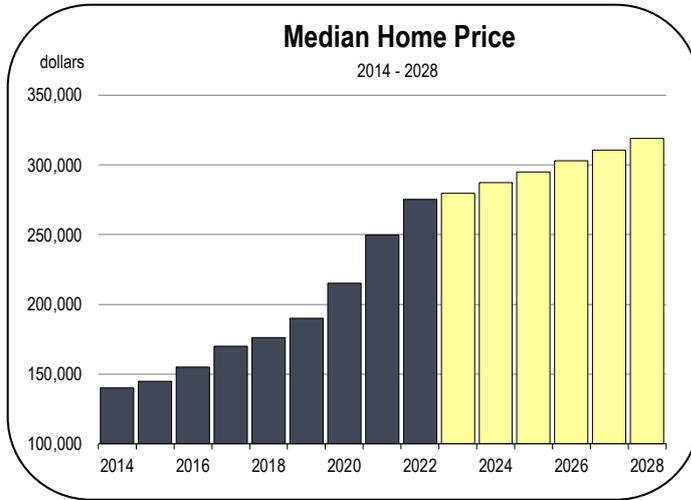
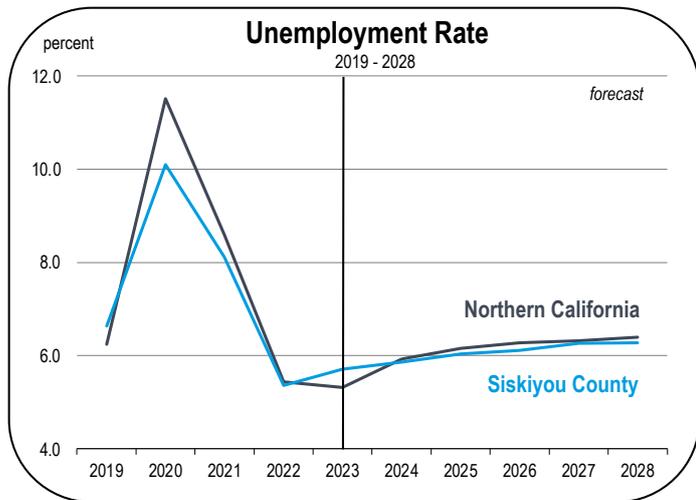
- The population of the county has consistently declined since 2012, and now has a count of 43,443 residents.
- Siskiyou County's population is much older than the statewide average, with a much larger share of residents over the age of 75.
- Because Siskiyou County has a high share of residents aged 75 and older, the number of deaths now exceeds the number of births.
- Between 2023 and 2028, the number of people moving into Siskiyou County is expected to exceed the number of residents moving out of the County, but because deaths will exceed births, the overall population will decline.
- The population is expected to decline by an average -0.5 percent per year over the next six years.
- A declining population can reduce the number of consumers for local businesses, lead to lower demand for schoolteachers and government services, and constrain tax revenues.
- Over the long term (through 2030), the local labor market is not expected to generate a meaningful number of jobs, with population declines contributing to stagnant economic activity.



Unemployment and Inflation Rates

- The unemployment rate in Siskiyou County averaged 5.4 percent in 2022. It is expected to average 5.7 percent in 2023 and 5.9 percent in 2024.

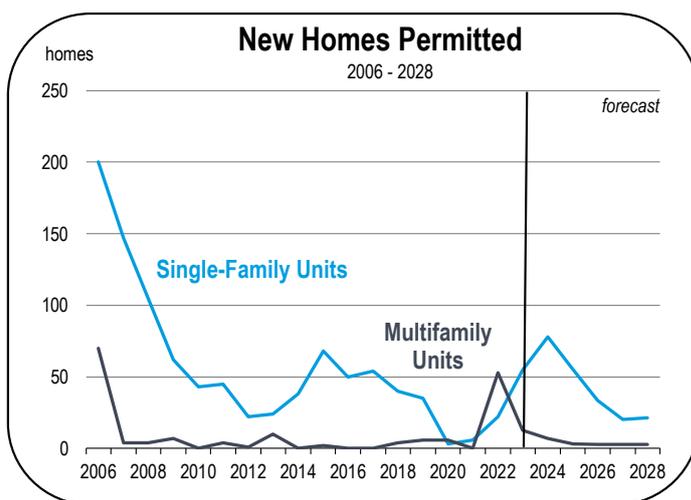
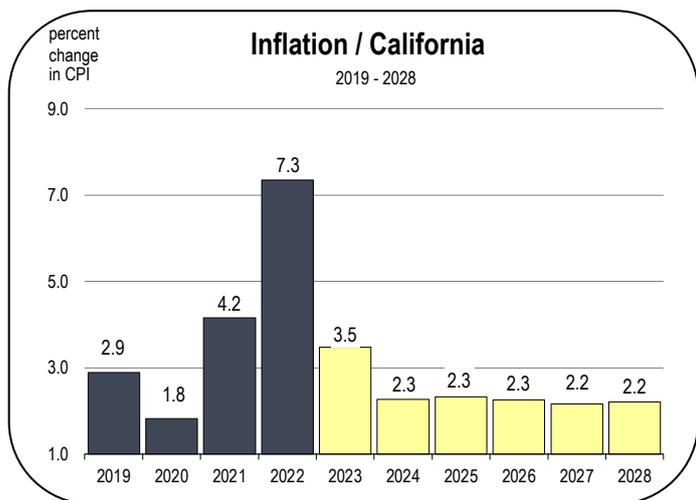
Siskiyou County Economic Forecast



- Inflation in California, including the Northern California Region, soared to 7.4 percent in 2022, but is expected to decelerate in 2023 to 3.8 percent due largely to declining energy costs, the restoration of supply chains, and stagnant housing costs.
- Ultimately, inflation reduces the purchasing power of households and negatively impacts consumer confidence, limiting the growth potential of the economy in 2023.
- The rate is forecast to continuously decelerate over the forecast period as the labor force is restored, interest rates subside, and wage inflation is contained.
- A risk to the forecast is whether Congressional spending will subside. During 2021 and 2022, this was a principal contributor to the surge of inflation nation-wide. Another risk is whether the economic slowdown will moderate the demand for labor, leading to lower wage inflation.
- Average general inflation rates eventually decline to 3 percent again by 2024.

Home Prices and New Housing Production

- In 2022, the median home price in Siskiyou County was \$275,100 for all housing, and \$336,663 for single family detached housing. The appreciation rate for housing was 11 percent.
- Selling values are expected rise modestly in 2023, by less than 2 percent.
- Over the forecast, the average annual rate of price appreciation is forecast at 2.5 percent.
- In Siskiyou County, the typical household spends less than 20 percent of its income on housing costs. In Coastal California, households often spend 35-50 percent on mortgage payment or rent.
- From 2017 to 2022, an average of 38 new homes were built in the county each year. More than 90 percent were single-family homes.
- Housing production is expected to average 50 units from 2023 to 2028, consisting almost entirely of single-family homes. Approximately half of these will be fire-rebuilds from the McKinney and Mill fires.



Siskiyou County Economic Forecast

Siskiyou County Fires

- The 2021 fire season was especially brutal for the County, commencing in June with the Lava fire which burnt 27,000 acres, followed by the Tennant Fire just four days later which torched 11,000 acres.
- The River Complex fire which started on August 4, 2021 burned 200,000 acres. According to Cal Fire, 142 structures were destroyed and 21 additional structures were damaged, most of these being single family homes. The fire was contained on August 13, 2021.
- The McKinney Fire was a destructive wildfire that burned in the Klamath National Forest in western Siskiyou country. It started in late July 2022 and destroyed over 185 structures, damaged 11 structures, and resulted in 12 injuries and 4 fatalities.
- On September 2, 2022, the Mountain and Mill Fires erupted and ultimately severely damaged or destroyed 108 homes near Weed.
- Rebuilding efforts are now underway for the McKinney and River Complex fires, but very little work has started on home destroyed in 2022. The forecast presented here includes a wave of new housing permits over the 2023 to 2025 period.

New Development in Siskiyou County

Multifamily unit Housing Development construction in Yreka

- Construction began on May 2, 2022 for the No Place like Home housing development which was devised to deliver affordable homes to some of the most affected regions within Siskiyou. This project will bring 50 units of supportive housing for low-income residents and those who have recently faced homelessness. It is funded by public and private funds that have combined to raise a total of \$26 million. The project will be completed by the end of 2023.

Accelerate California inclusive Innovative Hub Program

- Siskiyou was selected as 1 of the 10 grant recipients that received funding to implement a 3-year strategy for economic development, including job creation and partnerships within the county.
- Timber production and general farming are areas where grant funds can be used to foster increased productivity. These industries are an integral part of the county's economy that has not experienced much growth or development in recent years. Many programs like this are needed to jump start the economies of a number of Northern California counties which have been steadily losing both population and economic vitality over time.



The site for the 50 unit complex in Yreka

Siskiyou County Economic Forecast

Economic Indicators

2015-2022 History, 2023-2050 Forecast

	Population (people)	Households (thousands)	Net Migration (people)	New Homes Permitted (homes)	Registered Vehicles (thousands)	Personal Income (billions)	Taxable Retail Sales (millions)	Total Taxable Sales (millions)	Real Industrial Production (millions)	Real per Capita Income (dollars)	Unemployment Rate (percent)	Real Farm Production (millions)	Inflation Rate (percent)
2015	44,655	19.5	-7	70	65	\$1.8	\$384	\$590	\$188	\$48,932	9.4	\$350	1.4
2016	44,554	19.5	41	50	67	\$1.9	\$388	\$578	\$213	\$49,510	8.6	\$327	2.3
2017	44,390	19.6	17	54	66	\$1.9	\$413	\$593	\$230	\$49,610	7.3	\$314	3.0
2018	44,305	19.7	36	44	65	\$2.0	\$421	\$565	\$209	\$49,493	6.8	\$347	3.7
2019	44,193	19.7	25	41	66	\$2.1	\$432	\$593	\$213	\$50,191	6.6	\$385	2.9
2020	44,091	19.7	98	9	66	\$2.1	\$498	\$716	\$220	\$50,749	10.1	\$391	1.8
2021	43,790	19.7	11	6	67	\$2.4	\$585	\$838	\$244	\$54,506	8.1	\$398	4.2
2022	43,632	19.7	66	75	66	\$2.5	\$555	\$846	\$242	\$52,948	5.4	\$395	7.3
2023	43,444	19.8	51	68	67	\$2.6	\$575	\$852	\$242	\$53,677	5.7	\$395	3.5
2024	43,289	19.8	92	85	68	\$2.7	\$590	\$864	\$246	\$54,336	5.9	\$395	2.3
2025	43,129	19.8	94	58	67	\$2.8	\$600	\$877	\$251	\$55,338	6.0	\$394	2.3
2026	42,905	19.9	37	36	67	\$2.9	\$608	\$889	\$254	\$56,181	6.1	\$392	2.2
2027	42,670	19.9	38	23	67	\$3.0	\$614	\$899	\$254	\$57,032	6.3	\$388	2.2
2028	42,426	19.9	32	24	67	\$3.0	\$622	\$911	\$255	\$57,884	6.3	\$384	2.2
2029	42,217	20.0	69	23	67	\$3.1	\$635	\$927	\$256	\$58,425	6.3	\$384	2.2
2030	41,981	20.0	42	22	67	\$3.2	\$649	\$945	\$257	\$59,003	6.3	\$385	2.2
2031	41,758	20.0	58	21	66	\$3.3	\$661	\$963	\$258	\$59,540	6.4	\$386	2.1
2032	41,541	20.0	65	20	66	\$3.4	\$675	\$983	\$258	\$59,942	6.3	\$384	2.3
2033	41,316	20.0	58	20	66	\$3.5	\$687	\$1,000	\$260	\$60,548	6.3	\$385	1.9
2034	41,085	20.0	48	19	66	\$3.5	\$700	\$1,019	\$261	\$61,100	6.2	\$383	2.1
2035	40,823	20.1	16	18	66	\$3.6	\$715	\$1,041	\$262	\$61,608	6.2	\$385	2.2
2036	40,535	20.1	-9	17	65	\$3.7	\$733	\$1,067	\$262	\$61,953	6.1	\$384	2.6
2037	40,225	20.1	-35	16	65	\$3.8	\$751	\$1,094	\$262	\$62,199	6.0	\$384	2.7
2038	39,954	20.1	1	15	65	\$3.9	\$768	\$1,119	\$262	\$62,546	5.7	\$383	2.5
2039	39,727	20.1	40	14	65	\$4.0	\$788	\$1,148	\$262	\$62,787	5.4	\$384	2.7
2040	39,516	20.1	53	14	64	\$4.1	\$807	\$1,175	\$262	\$63,033	5.1	\$383	2.6
2041	39,345	20.1	82	13	64	\$4.2	\$823	\$1,199	\$262	\$63,428	5.0	\$382	2.2
2042	39,156	20.1	54	12	64	\$4.3	\$839	\$1,222	\$264	\$63,876	4.9	\$384	2.1
2043	38,973	20.1	51	11	64	\$4.4	\$855	\$1,245	\$265	\$64,385	4.9	\$382	2.0
2044	38,757	20.2	12	11	64	\$4.5	\$868	\$1,265	\$267	\$64,971	5.0	\$383	1.8
2045	38,578	20.2	45	10	64	\$4.6	\$884	\$1,288	\$268	\$65,525	5.1	\$382	1.9
2046	38,410	20.2	52	9	63	\$4.7	\$901	\$1,312	\$269	\$65,998	5.2	\$383	2.0
2047	38,244	20.2	44	8	63	\$4.8	\$919	\$1,339	\$270	\$66,354	5.3	\$382	2.2
2048	38,079	20.2	37	7	63	\$4.9	\$939	\$1,368	\$271	\$66,658	5.5	\$383	2.3
2049	37,907	20.2	21	7	63	\$5.0	\$957	\$1,394	\$272	\$67,110	5.8	\$382	2.0
2050	37,767	20.2	43	6	63	\$5.1	\$977	\$1,422	\$273	\$67,518	6.1	\$383	2.1

Employment Sectors

2015-2022 History, 2023-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade (jobs)	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
2015	13,710	820	340	700	320	1,820	290	800	140	2,050	1,590	4,260
2016	14,020	860	360	730	320	1,810	280	790	140	2,100	1,750	4,300
2017	14,240	920	390	860	300	1,790	280	770	140	2,210	1,750	4,250
2018	14,050	880	440	890	270	1,820	290	710	130	2,220	1,660	4,170
2019	14,100	820	460	890	270	1,860	300	690	130	2,230	1,710	4,190
2020	13,660	1,010	470	870	270	1,850	300	640	120	2,140	1,410	4,040
2021	13,650	990	520	890	290	1,900	280	580	130	2,150	1,520	3,830
2022	13,820	1,008	523	922	302	1,906	263	601	131	2,186	1,541	3,863
2023	14,040	1,016	527	922	304	1,900	269	617	126	2,201	1,664	3,907
2024	14,100	996	538	919	302	1,903	266	629	121	2,211	1,675	3,929
2025	14,060	995	515	917	301	1,892	263	628	121	2,226	1,670	3,917
2026	14,000	985	484	912	299	1,884	267	626	118	2,244	1,684	3,880
2027	13,980	973	477	905	295	1,875	269	627	116	2,254	1,698	3,873
2028	13,970	950	467	900	292	1,867	278	637	113	2,277	1,707	3,863
2029	13,930	947	457	897	291	1,850	272	634	110	2,274	1,714	3,866
2030	13,880	947	446	894	289	1,834	287	623	108	2,267	1,720	3,846
2031	13,830	948	443	891	288	1,818	288	615	104	2,258	1,726	3,839
2032	13,770	948	435	889	286	1,813	289	606	102	2,249	1,713	3,830
2033	13,710	947	425	887	285	1,798	289	598	102	2,238	1,719	3,816
2034	13,680	948	425	885	284	1,793	289	590	101	2,226	1,724	3,802
2035	13,620	947	429	884	283	1,788	288	581	101	2,210	1,719	3,778
2036	13,560	948	429	883	282	1,782	287	570	101	2,191	1,723	3,755
2037	13,480	947	423	881	281	1,777	287	559	101	2,168	1,715	3,732
2038	13,440	947	423	880	281	1,771	286	548	101	2,149	1,709	3,733
2039	13,400	946	422	880	280	1,767	286	540	101	2,135	1,705	3,737
2040	13,370	947	421	879	280	1,762	286	532	101	2,121	1,700	3,732
2041	13,340	946	419	879	279	1,758	285	525	101	2,111	1,698	3,736
2042	13,300	946	419	878	279	1,754	286	518	101	2,099	1,694	3,721
2043	13,260	947	418	878	278	1,750	285	511	101	2,086	1,690	3,713
2044	13,200	946	416	877	278	1,746	285	502	101	2,070	1,686	3,691
2045	13,170	947	415	877	278	1,742	285	492	101	2,057	1,682	3,694
2046	13,130	946	414	876	277	1,738	285	482	101	2,045	1,679	3,688
2047	13,090	947	414	876	277	1,735	285	473	101	2,032	1,676	3,680
2048	13,050	946	413	876	277	1,731	284	463	101	2,020	1,672	3,671
2049	13,010	946	413	876	277	1,728	284	453	101	2,006	1,669	3,659
2050	12,980	945	412	875	276	1,725	284	445	101	1,995	1,666	3,662

Siskiyou County Economic Forecast

Socioeconomic Indicators

