

# PLACER COUNTY ECONOMIC FORECAST

Rising from 100 feet above sea level on its western border to over 9,000 feet in the eastern Sierra Mountain range, Placer County is located in the northern portion of the Sacramento Valley and has an eastern border that touches the Nevada state line. Placer County has a population of 369,700 people and approximately 144,700 wage and salary jobs. The per capita income in Placer County is \$57,280 and the average salary per worker is \$58,484.

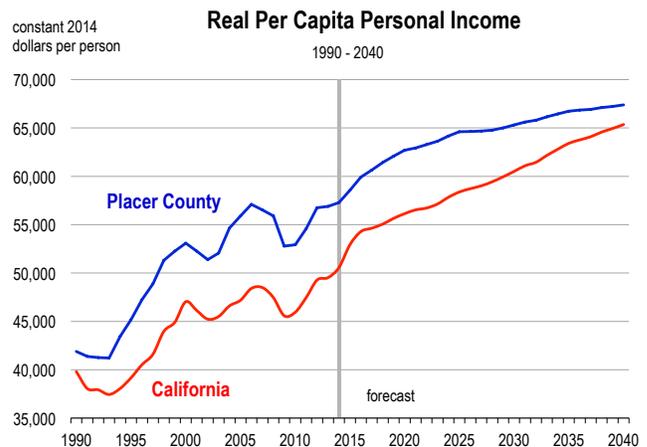
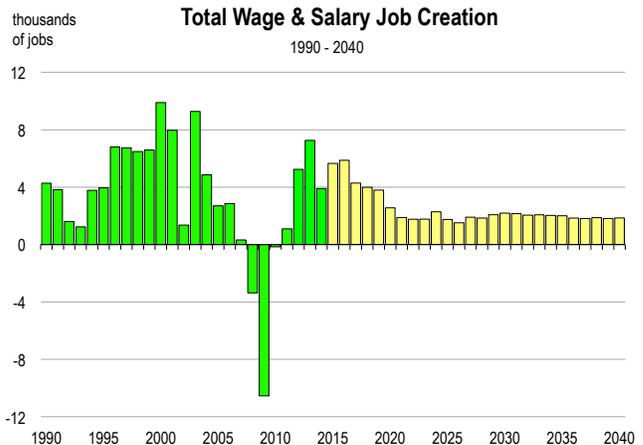
Employment across Northern California increased by 3.4 percent in 2014, whereas employment in the Sacramento Valley (consisting of Sacramento, Yolo, Placer, El Dorado, Yuba and Sutter counties) increased by 2.7 percent. In Placer County, 3,900 wage and salary jobs were created, representing a growth rate of 2.8 percent. The unemployment rate improved markedly, falling from 7.7 percent in 2013 to 6.3 percent in 2014.

During 2014, the largest employment gains were observed in education and healthcare (+1,200 jobs), leisure and hospitality (+710 jobs), professional and business services (+590 jobs), and construction (+500 jobs). The only major sectors with declines were financial activities (-160 jobs) and information (-150 jobs).

Over the 2009-2014 period, the Placer County population increased at a rate of 1.4 percent per year. This growth was largely due to net migration, as an average of 4,100 net migrants entered the county each year.

## FORECAST HIGHLIGHTS

- Job growth will accelerate in 2015, as total employment increases by 3.9 percent. Between 2015 and 2020, growth will average 2.6 percent per year – one of the highest rates in the state.
- Average salaries are currently below the California state average, and will remain so over the foreseeable future. In Placer County, inflation-adjusted salaries are forecasted to rise by 0.8 percent per year between 2015 and 2020.
- Over the next five years, employment growth will be greatest in leisure and hospitality (+5,300 jobs), professional and business services (+3,300 jobs), education and healthcare (+3,200 jobs), and wholesale and retail trade (+2,400 jobs). Combined, these sectors will account for 69 percent of net job creation in the county.
- Annual population growth in the 2015-2020 period will average 1.7 percent per year. The vast majority of this growth will be the result of rapid in-migration. Net migration will average 5,900 people per year, accounting for 89 percent of total population growth.

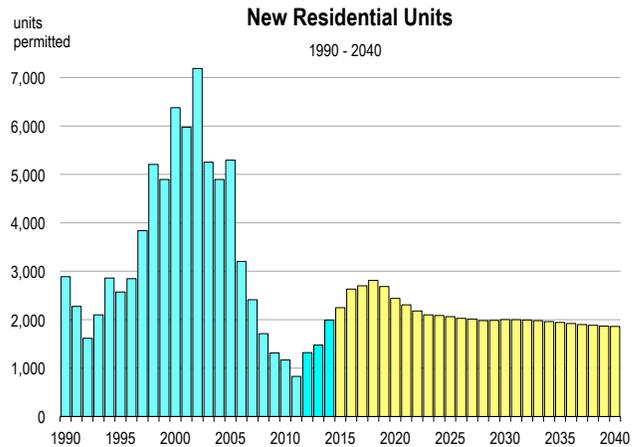
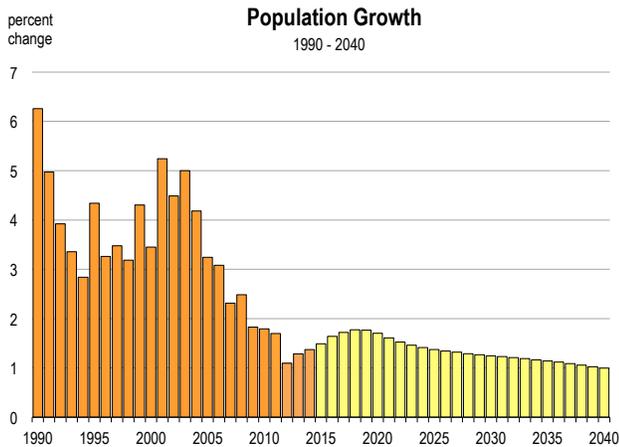


- Over the 2015-2020 period, an average of 2,600 new housing permits will be issued each year. The largest development project will be located in the far southwestern corner of the county, and will produce approximately 14,000 homes. The project could break ground in 2016 or 2017, but complete build-out will occur after the year 2020.
- Real per capita income is expected to increase by 2.3 percent in 2015. During the 2015-2020 period, real per capita income growth will average 1.4 percent per year.
- Total taxable sales, adjusted for inflation, is expected to increase by an average of 3.0 percent per year between 2015 and 2020 – faster than almost any other county in the state.
- Industrial production will increase by 6.7 percent in 2015. From 2015 to 2020, industrial production is forecasted to rise by 4.3 percent per year.

# Placer County Economic Forecast

## 2006-2014 History, 2015-2040 Forecast

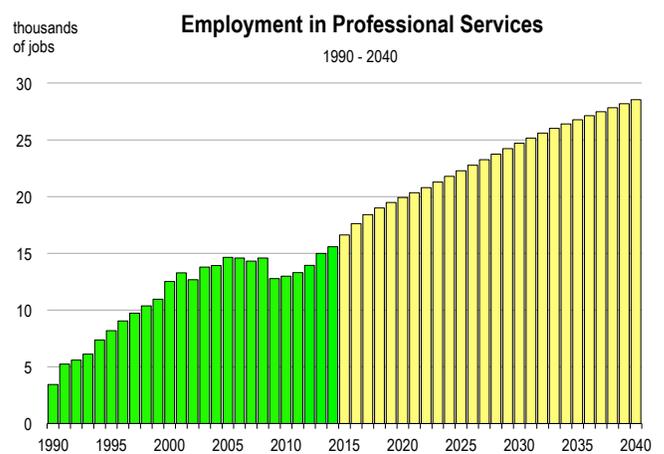
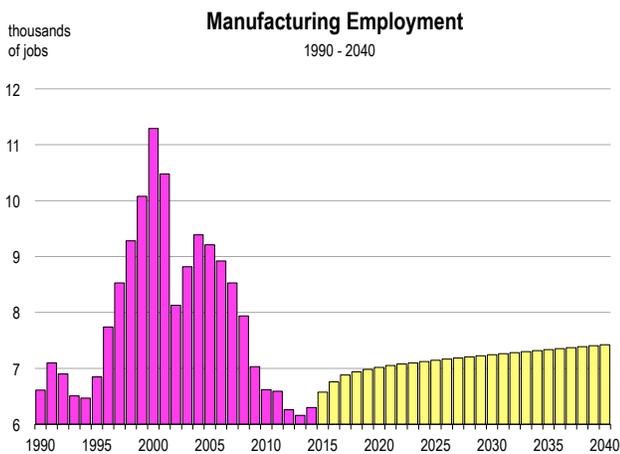
|      | Population<br>(people) | Net<br>Migration<br>(people) | Registered<br>Vehicles<br>(thousands) | Households<br>(thousands) | New Homes<br>Permitted<br>(homes) | Total Taxable<br>Sales<br>(billions) | Personal<br>Income<br>(billions) | Real Per<br>Capita<br>Income<br>(dollars) | Inflation Rate<br>(% change<br>in CPI) | Real Farm<br>Crop Value<br>(millions) | Real Industrial<br>Production<br>(billions) | Unemploy-<br>ment Rate<br>(percent) |
|------|------------------------|------------------------------|---------------------------------------|---------------------------|-----------------------------------|--------------------------------------|----------------------------------|---|--|---------------------------------------|---|-------------------------------------|
| 2006 | 322,270                | 8,184                        | 372                                   | 123.7                     | 3,205                             | \$7.53                               | \$15.3                           | \$57,094                                  | 3.2                                    | 63.6                                  | 2.0   | 4.2                                 |
| 2007 | 329,719                | 5,994                        | 372                                   | 126.9                     | 2,413                             | \$7.43                               | \$16.0                           | \$56,507                                  | 3.4                                    | 61.5                                  | 1.9   | 4.8                                 |
| 2008 | 337,914                | 6,668                        | 371                                   | 129.8                     | 1,713                             | \$6.63                               | \$16.7                           | \$55,902                                  | 2.9                                    | 59.3                                  | 1.8   | 6.5                                 |
| 2009 | 344,088                | 4,812                        | 376                                   | 131.3                     | 1,315                             | \$5.80                               | \$16.2                           | \$52,775                                  | 0.8                                    | 74.7                                  | 1.8   | 10.4                                |
| 2010 | 350,255                | 4,832                        | 376                                   | 132.7                     | 1,169                             | \$6.02                               | \$16.7                           | \$52,912                                  | 1.3                                    | 67.6                                  | 1.7   | 11.6                                |
| 2011 | 356,200                | 4,864                        | 379                                   | 133.6                     | 829                               | \$6.57                               | \$18.0                           | \$54,577                                  | 2.7                                    | 67.1                                  | 1.6   | 10.8                                |
| 2012 | 360,098                | 2,973                        | 380                                   | 134.4                     | 1,320                             | \$7.07                               | \$19.4                           | \$56,744                                  | 2.7                                    | 73.3                                  | 1.6   | 9.4                                 |
| 2013 | 364,724                | 3,770                        | 395                                   | 135.5                     | 1,476                             | \$7.72                               | \$20.2                           | \$56,887                                  | 2.3                                    | 75.5                                  | 1.6   | 7.7                                 |
| 2014 | 369,726                | 4,232                        | 401                                   | 136.7                     | 1,991                             | \$8.10                               | \$21.2                           | \$57,280                                  | 2.8                                    | 75.7                                  | 1.7   | 6.3                                 |
| 2015 | 375,231                | 4,794                        | 407                                   | 138.5                     | 2,248                             | \$8.71                               | \$22.2                           | \$58,568                                  | 1.2                                    | 75.3                                  | 1.8   | 5.5                                 |
| 2016 | 381,383                | 5,432                        | 414                                   | 140.6                     | 2,632                             | \$9.39                               | \$23.9                           | \$59,916                                  | 3.2                                    | 75.8                                  | 1.9   | 4.5                                 |
| 2017 | 387,941                | 5,813                        | 421                                   | 142.9                     | 2,700                             | \$9.98                               | \$25.4                           | \$60,647                                  | 3.2                                    | 76.2                                  | 1.9   | 4.3                                 |
| 2018 | 394,820                | 6,128                        | 427                                   | 145.4                     | 2,812                             | \$10.55                              | \$26.9                           | \$61,444                                  | 3.0                                    | 76.5                                  | 2.0   | 4.2                                 |
| 2019 | 401,792                | 6,193                        | 433                                   | 147.9                     | 2,685                             | \$11.11                              | \$28.5                           | \$62,080                                  | 2.8                                    | 77.0                                  | 2.1   | 4.1                                 |
| 2020 | 408,633                | 6,040                        | 438                                   | 150.3                     | 2,439                             | \$11.75                              | \$30.1                           | \$62,698                                  | 2.9                                    | 77.4                                  | 2.2   | 4.2                                 |
| 2021 | 415,207                | 5,757                        | 442                                   | 152.5                     | 2,307                             | \$12.26                              | \$31.6                           | \$62,934                                  | 3.0                                    | 77.8                                  | 2.3   | 4.3                                 |
| 2022 | 421,537                | 5,473                        | 446                                   | 154.6                     | 2,180                             | \$12.77                              | \$33.3                           | \$63,273                                  | 3.1                                    | 78.1                                  | 2.3   | 4.3                                 |
| 2023 | 427,693                | 5,270                        | 450                                   | 156.5                     | 2,100                             | \$13.30                              | \$34.9                           | \$63,639                                  | 2.7                                    | 78.4                                  | 2.4   | 4.3                                 |
| 2024 | 433,735                | 5,152                        | 454                                   | 158.4                     | 2,086                             | \$13.86                              | \$36.6                           | \$64,164                                  | 2.6                                    | 78.6                                  | 2.5   | 4.3                                 |
| 2025 | 439,689                | 5,062                        | 458                                   | 160.3                     | 2,063                             | \$14.50                              | \$38.4                           | \$64,616                                  | 2.8                                    | 78.8                                  | 2.6   | 4.3                                 |
| 2026 | 445,592                | 5,008                        | 461                                   | 162.2                     | 2,028                             | \$14.97                              | \$40.0                           | \$64,631                                  | 2.8                                    | 79.1                                  | 2.7   | 4.3                                 |
| 2027 | 451,472                | 4,977                        | 466                                   | 164.0                     | 2,013                             | \$15.45                              | \$41.7                           | \$64,671                                  | 2.8                                    | 79.3                                  | 2.8   | 4.3                                 |
| 2028 | 457,284                | 4,932                        | 470                                   | 165.8                     | 1,981                             | \$16.01                              | \$43.5                           | \$64,776                                  | 2.7                                    | 79.5                                  | 2.9   | 4.3                                 |
| 2029 | 463,078                | 4,912                        | 474                                   | 167.6                     | 1,985                             | \$16.60                              | \$45.3                           | \$65,014                                  | 2.5                                    | 79.7                                  | 3.0   | 4.3                                 |
| 2030 | 468,841                | 4,907                        | 478                                   | 169.4                     | 2,002                             | \$17.25                              | \$47.1                           | \$65,302                                  | 2.4                                    | 79.9                                  | 3.1   | 4.3                                 |
| 2031 | 474,607                | 4,914                        | 483                                   | 171.2                     | 2,000                             | \$17.98                              | \$49.0                           | \$65,613                                  | 2.3                                    | 80.0                                  | 3.2   | 4.3                                 |
| 2032 | 480,346                | 4,916                        | 487                                   | 173.0                     | 1,994                             | \$18.71                              | \$51.0                           | \$65,798                                  | 2.5                                    | 80.2                                  | 3.4   | 4.3                                 |
| 2033 | 486,057                | 4,907                        | 491                                   | 174.8                     | 1,980                             | \$19.49                              | \$52.9                           | \$66,138                                  | 2.1                                    | 80.3                                  | 3.5   | 4.3                                 |
| 2034 | 491,710                | 4,885                        | 494                                   | 176.6                     | 1,961                             | \$20.29                              | \$55.0                           | \$66,444                                  | 2.3                                    | 80.4                                  | 3.6   | 4.3                                 |
| 2035 | 497,319                | 4,857                        | 498                                   | 178.3                     | 1,943                             | \$21.10                              | \$57.2                           | \$66,736                                  | 2.4                                    | 80.5                                  | 3.8   | 4.3                                 |
| 2036 | 502,881                | 4,820                        | 503                                   | 180.1                     | 1,921                             | \$21.87                              | \$59.5                           | \$66,851                                  | 2.8                                    | 80.6                                  | 3.9   | 4.3                                 |
| 2037 | 508,348                | 4,785                        | 508                                   | 181.8                     | 1,900                             | \$22.63                              | \$62.0                           | \$66,926                                  | 2.8                                    | 80.7                                  | 4.0   | 4.3                                 |
| 2038 | 513,717                | 4,754                        | 513                                   | 183.5                     | 1,884                             | \$23.44                              | \$64.5                           | \$67,107                                  | 2.7                                    | 80.8                                  | 4.2   | 4.3                                 |
| 2039 | 518,971                | 4,723                        | 519                                   | 185.2                     | 1,868                             | \$24.24                              | \$67.1                           | \$67,221                                  | 2.8                                    | 80.8                                  | 4.3   | 4.3                                 |
| 2040 | 524,140                | 4,701                        | 524                                   | 186.9                     | 1,861                             | \$25.07                              | \$69.8                           | \$67,383                                  | 2.8                                    | 80.9                                  | 4.5   | 4.3                                 |

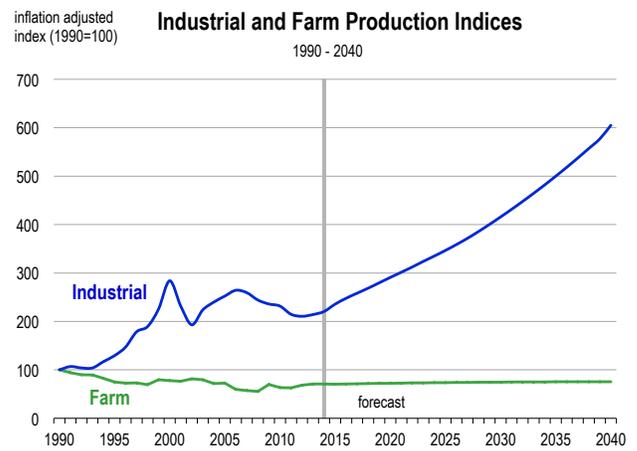
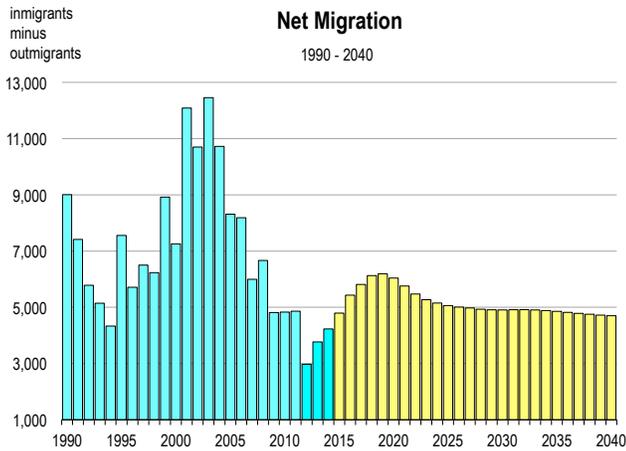
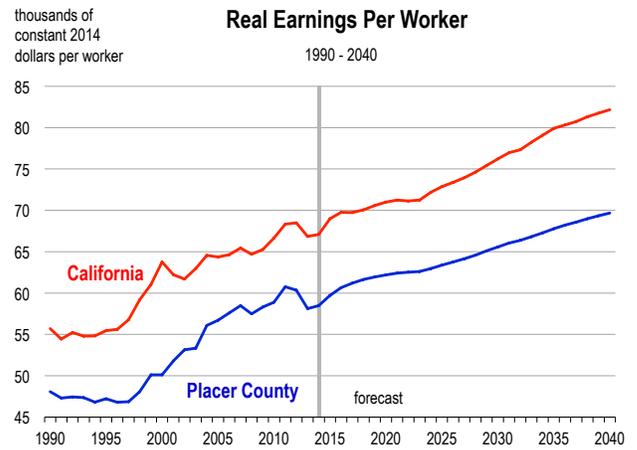
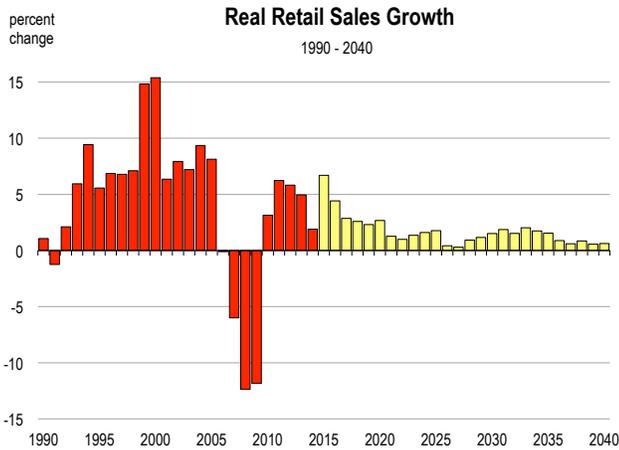


# Placer County Employment Forecast

## 2006-2014 History, 2015-2040 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                                     | 140.9               | 0.35 | 16.1         | 8.9           | 3.1                        | 25.4                     | 11.5                 | 14.6                  | 2.9         | 14.7               | 18.7    | 20.3       |
| 2007                                     | 141.2               | 0.34 | 14.7         | 8.5           | 3.1                        | 26.1                     | 11.3                 | 14.3                  | 2.6         | 16.7               | 19.1    | 20.0       |
| 2008                                     | 137.9               | 0.40 | 12.3         | 7.9           | 2.9                        | 25.0                     | 10.6                 | 14.6                  | 2.4         | 17.7               | 19.3    | 19.9       |
| 2009                                     | 127.3               | 0.34 | 9.2          | 7.0           | 3.0                        | 23.0                     | 10.0                 | 12.8                  | 2.5         | 18.1               | 18.0    | 18.7       |
| 2010                                     | 127.2               | 0.34 | 8.4          | 6.6           | 3.0                        | 23.0                     | 9.7                  | 13.0                  | 2.5         | 19.1               | 18.1    | 19.0       |
| 2011                                     | 128.3               | 0.35 | 8.1          | 6.6           | 2.8                        | 23.5                     | 9.7                  | 13.3                  | 2.3         | 20.2               | 18.5    | 18.2       |
| 2012                                     | 133.5               | 0.33 | 8.6          | 6.3           | 2.9                        | 24.7                     | 10.3                 | 13.9                  | 2.3         | 21.4               | 19.0    | 18.7       |
| 2013                                     | 140.8               | 0.38 | 9.7          | 6.2           | 3.1                        | 25.5                     | 11.2                 | 15.0                  | 2.2         | 23.0               | 20.0    | 19.1       |
| 2014                                     | 144.7               | 0.39 | 10.2         | 6.3           | 3.2                        | 25.8                     | 11.0                 | 15.6                  | 2.0         | 24.1               | 20.7    | 19.6       |
| 2015                                     | 150.3               | 0.39 | 10.4         | 6.6           | 3.4                        | 26.4                     | 11.2                 | 16.6                  | 2.1         | 25.2               | 22.2    | 19.8       |
| 2016                                     | 156.2               | 0.39 | 11.5         | 6.8           | 3.5                        | 27.1                     | 11.4                 | 17.6                  | 2.1         | 26.0               | 23.2    | 20.1       |
| 2017                                     | 160.5               | 0.40 | 11.9         | 6.9           | 3.7                        | 27.6                     | 11.4                 | 18.4                  | 2.2         | 26.4               | 24.3    | 20.3       |
| 2018                                     | 164.5               | 0.43 | 12.2         | 6.9           | 3.8                        | 28.0                     | 11.5                 | 19.0                  | 2.2         | 27.1               | 25.4    | 20.6       |
| 2019                                     | 168.3               | 0.45 | 12.5         | 7.0           | 3.9                        | 28.4                     | 11.6                 | 19.5                  | 2.2         | 27.7               | 26.7    | 20.9       |
| 2020                                     | 170.8               | 0.47 | 12.2         | 7.0           | 4.0                        | 28.8                     | 11.7                 | 19.9                  | 2.3         | 28.4               | 27.5    | 21.2       |
| 2021                                     | 172.7               | 0.47 | 12.0         | 7.1           | 4.1                        | 29.1                     | 11.7                 | 20.3                  | 2.3         | 29.0               | 27.6    | 21.4       |
| 2022                                     | 174.5               | 0.48 | 11.9         | 7.1           | 4.2                        | 29.2                     | 11.7                 | 20.8                  | 2.3         | 29.7               | 27.6    | 21.7       |
| 2023                                     | 176.2               | 0.48 | 11.8         | 7.1           | 4.3                        | 29.4                     | 11.7                 | 21.3                  | 2.4         | 30.4               | 27.6    | 21.9       |
| 2024                                     | 178.5               | 0.49 | 12.1         | 7.1           | 4.4                        | 29.6                     | 11.7                 | 21.8                  | 2.4         | 31.0               | 27.7    | 22.1       |
| 2025                                     | 180.3               | 0.49 | 12.0         | 7.1           | 4.5                        | 29.9                     | 11.7                 | 22.3                  | 2.4         | 31.6               | 27.8    | 22.3       |
| 2026                                     | 181.8               | 0.49 | 11.7         | 7.2           | 4.6                        | 30.0                     | 11.7                 | 22.8                  | 2.4         | 32.1               | 27.9    | 22.5       |
| 2027                                     | 183.7               | 0.50 | 11.8         | 7.2           | 4.7                        | 30.0                     | 11.7                 | 23.3                  | 2.5         | 32.6               | 28.1    | 22.7       |
| 2028                                     | 185.5               | 0.50 | 11.7         | 7.2           | 4.8                        | 30.2                     | 11.7                 | 23.7                  | 2.5         | 33.2               | 28.4    | 23.0       |
| 2029                                     | 187.6               | 0.50 | 11.7         | 7.2           | 4.9                        | 30.4                     | 11.7                 | 24.2                  | 2.5         | 33.7               | 28.7    | 23.2       |
| 2030                                     | 189.8               | 0.50 | 11.8         | 7.2           | 5.0                        | 30.6                     | 11.7                 | 24.7                  | 2.6         | 34.3               | 29.1    | 23.3       |
| 2031                                     | 192.0               | 0.50 | 11.8         | 7.3           | 5.0                        | 30.8                     | 11.7                 | 25.2                  | 2.6         | 34.8               | 29.5    | 23.5       |
| 2032                                     | 194.0               | 0.51 | 11.8         | 7.3           | 5.1                        | 31.0                     | 11.7                 | 25.6                  | 2.6         | 35.4               | 29.9    | 23.7       |
| 2033                                     | 196.1               | 0.51 | 11.7         | 7.3           | 5.2                        | 31.3                     | 11.7                 | 26.0                  | 2.6         | 36.0               | 30.3    | 23.9       |
| 2034                                     | 198.1               | 0.51 | 11.7         | 7.3           | 5.3                        | 31.5                     | 11.7                 | 26.4                  | 2.7         | 36.5               | 30.7    | 24.1       |
| 2035                                     | 200.1               | 0.51 | 11.7         | 7.3           | 5.4                        | 31.8                     | 11.7                 | 26.8                  | 2.7         | 37.1               | 31.1    | 24.3       |
| 2036                                     | 202.0               | 0.52 | 11.6         | 7.4           | 5.5                        | 31.9                     | 11.6                 | 27.1                  | 2.7         | 37.7               | 31.5    | 24.5       |
| 2037                                     | 203.8               | 0.52 | 11.6         | 7.4           | 5.6                        | 32.0                     | 11.6                 | 27.5                  | 2.8         | 38.2               | 31.9    | 24.6       |
| 2038                                     | 205.7               | 0.52 | 11.5         | 7.4           | 5.7                        | 32.2                     | 11.5                 | 27.8                  | 2.8         | 38.8               | 32.3    | 24.8       |
| 2039                                     | 207.5               | 0.52 | 11.5         | 7.4           | 5.8                        | 32.3                     | 11.5                 | 28.2                  | 2.8         | 39.4               | 32.7    | 25.0       |
| 2040                                     | 209.3               | 0.53 | 11.5         | 7.4           | 5.9                        | 32.4                     | 11.4                 | 28.5                  | 2.9         | 39.9               | 33.1    | 25.1       |





## County Economic and Demographic Indicators

### Projected Economic Growth (2015-2020)

|                                  |                  |
|----------------------------------|------------------|
| Expected retail sales growth:    | 15.7%            |
| Expected job growth:             | 13.6%            |
| Fastest growing jobs sector:     | Leisure Services |
| Expected personal income growth: | 16.6%            |

|  |       |
|--|-------|
| Expected population growth:            | 8.9%  |
| Net migration to account for:          | 88.6% |
| Expected growth in number of vehicles: | 7.5%  |

### Demographics (2015)

|   |       |
|---|-------|
| Unemployment rate (March 2015):           | 5.1%  |
| County rank* in California (58 counties): | 11th  |
| Working age (16-64) population:           | 62.5% |

|                                   |           |
|-----------------------------------|-----------|
| Population with B.A. or higher:   | 34.8%     |
| Median home selling price (2014): | \$376,000 |
| Median household income:          | \$69,438  |

### Quality of Life

|   |                         |
|---|-------------------------|
| Violent crime rate (2013):                | 181 per 100,000 persons |
| County rank* in California (58 counties): | 4th                     |
| Average commute time to work (2015):      | 28.0 minutes            |

|  |      |
|--|------|
| High school drop out rate (2014):        | 4.7% |
| Households at/below poverty line (2015): | 6.9% |

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