

TULARE COUNTY ECONOMIC FORECAST

Tulare County is located in the San Joaquin Valley. Nearly half of all land in the county is devoted to national parks or national forests. It also has a large agricultural sector, and routinely garners one of the highest crop values in the nation. Its most prevalent commodity is milk, which generates almost \$2 billion in annual output. The county is also a large producer of oranges, cattle, and grapes.

Tulare County has a population of 459,200 people and a total of 149,300 wage and salary jobs. The income per capita is \$33,237 and the average salary per worker is \$44,819.

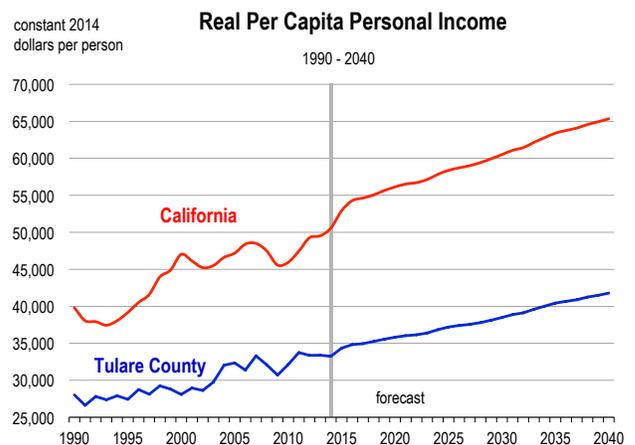
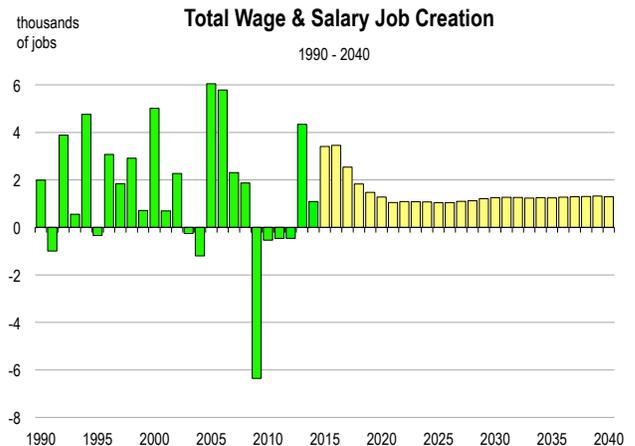
In 2014, employment across Northern California increased by 3.4 percent, whereas employment in the San Joaquin Valley (Fresno, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare counties) grew by 2.5 percent. In Tulare County, 1,100 total wage and salary jobs were gained, representing a growth rate of 0.7 percent. The unemployment rate, while still very high, improved from 14.4 percent in 2013 to 13.2 percent in 2014.

In 2014, the largest employment gains were observed in education and healthcare (+860 jobs), leisure and hospitality (+530 jobs), manufacturing (+440 jobs), and wholesale and retail trade (+400 jobs). The sectors with the largest losses were professional and business services (-760 jobs), government (-570 jobs), and agriculture (-430 jobs).

Population growth in Tulare County has slowed in recent years, but remains near the average for the state as a whole. During the 2009-2014 period, growth averaged 0.9 percent per year in Tulare County. All of this growth was due to natural increase (new births), as overall net migration was negative.

FORECAST HIGHLIGHTS

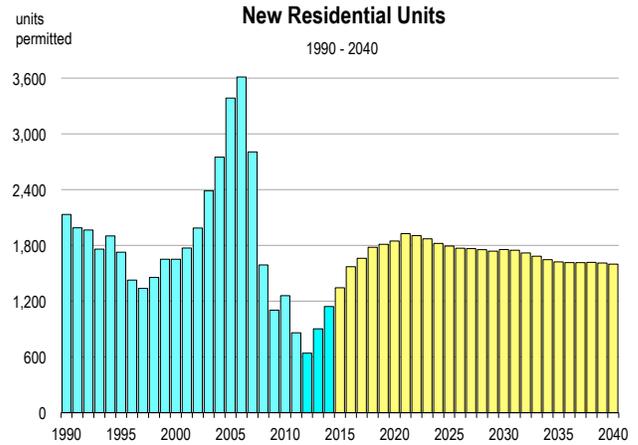
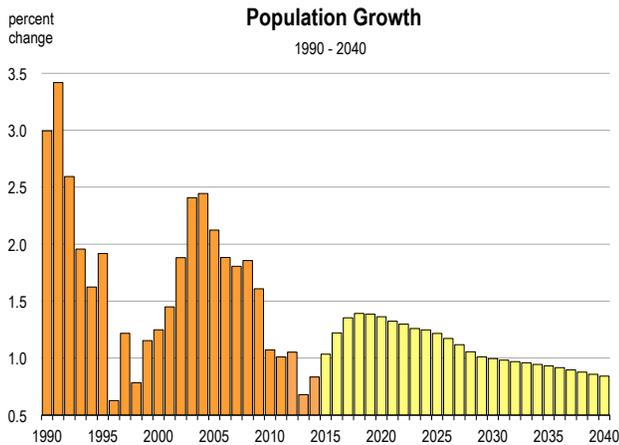
- In 2015, total employment is expected to increase by 2.3 percent, while agricultural employment will rise by 0.3 percent. Between 2015 and 2020, total growth will average 1.3 percent per year and agricultural growth will average 0.2 percent per year.
- Average salaries are currently below the California state average, and will remain so over the forecast period. In Tulare County, inflation-adjusted salaries are expected to rise by an average of 0.5 percent per year between 2015 and 2020.
- Between 2015 and 2020, the largest employment gains will be observed in transportation and utilities (+1,600 jobs), professional and business services (+1,500 jobs), leisure and hospitality (+1,400 jobs), government (+1,200 jobs), and construction (+1,200 jobs). Together, these sectors will account for 65 percent of net job creation in the county.
- In Tulare County, population growth will accelerate. Annual growth in the 2015-2020 period will average 1.3 percent.
- In 2015, net migration will turn positive. Net migration will then increase, and over the entire 2015-2020 period, an average of 1,800 net migrants will enter the county each year.
- Over the next five years, an average of 1,700 housing permits will be issued each year. The largest potential development project is Yokohi Ranch, which would be located 15 miles east of Visalia. The project could contain up to 10,000 homes, but construction may not begin until after the year 2020.
- Real income per capita is projected to rise by 3.3 percent in 2015. Between 2015 and 2020, the growth of real income per capita is expected to average 0.9 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 1.4 percent per year from 2015 to 2020.
- Industrial production is forecasted to rise by 5.1 percent in 2015. During the 2015-2020 period, the growth rate of industrial production will average 3.9 percent per year.
- Farm production is forecasted to increase by 1.0 percent per year between 2015 and 2020. The principal commodity in the county is milk.



Tulare County Economic Forecast

2006-2014 History, 2015-2040 Forecast

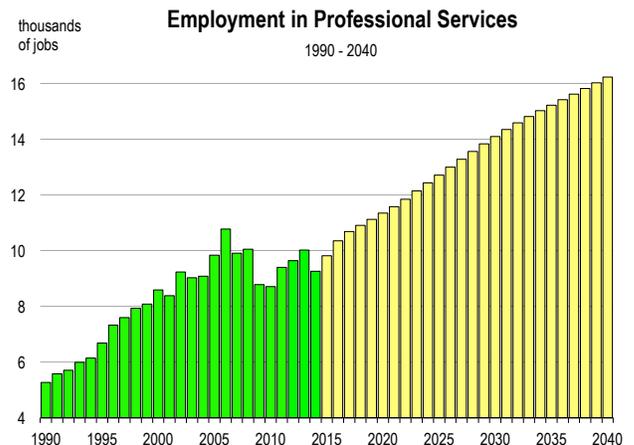
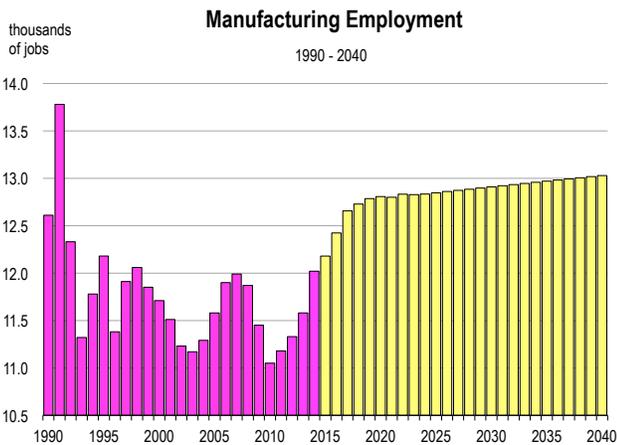
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (billions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2006	416,092	2,395	341	121.4	3,612	\$4.8	\$10.8	\$31,395	3.2	4.67	3.16	8.5
2007	423,608	1,864	343	124.6	2,807	\$4.9	\$12.1	\$33,308	3.4	5.68	3.19	9.2
2008	431,471	2,045	345	127.6	1,590	\$4.8	\$12.2	\$32,069	2.9	5.68	3.44	10.8
2009	438,408	1,179	347	129.4	1,105	\$4.1	\$12.0	\$30,679	0.8	4.54	3.33	15.2
2010	443,111	-891	349	130.3	1,259	\$4.5	\$12.8	\$32,122	1.3	5.39	3.24	17.2
2011	447,591	-822	347	131.1	860	\$5.1	\$14.0	\$33,741	2.7	6.08	3.23	17.1
2012	452,301	-489	348	131.9	641	\$5.5	\$14.3	\$33,350	2.7	6.53	3.44	16.2
2013	455,376	-1,839	360	132.5	903	\$5.8	\$14.8	\$33,386	2.3	8.03	3.55	14.4
2014	459,176	-775	367	133.3	1,143	\$6.1	\$15.3	\$33,237	2.8	8.03	3.71	13.2
2015	463,927	291	371	134.5	1,345	\$6.3	\$16.1	\$34,346	1.2	8.08	3.90	12.1
2016	469,593	1,185	376	135.8	1,571	\$6.7	\$17.1	\$34,833	3.2	8.11	4.07	11.0
2017	475,950	1,818	382	137.4	1,662	\$7.0	\$18.0	\$34,952	3.2	8.19	4.24	10.7
2018	482,576	2,012	388	139.1	1,781	\$7.3	\$18.9	\$35,258	3.0	8.22	4.39	10.6
2019	489,267	2,007	394	140.8	1,813	\$7.6	\$19.9	\$35,542	2.8	8.30	4.56	10.5
2020	495,937	1,936	399	142.6	1,848	\$7.9	\$20.9	\$35,832	2.9	8.48	4.73	10.5
2021	502,505	1,798	404	144.5	1,927	\$8.2	\$22.0	\$36,042	3.0	8.47	4.89	10.7
2022	509,033	1,707	409	146.4	1,907	\$8.6	\$23.1	\$36,153	3.1	8.58	5.06	10.6
2023	515,446	1,548	413	148.3	1,871	\$8.9	\$24.1	\$36,382	2.7	8.62	5.24	10.6
2024	521,877	1,535	418	150.2	1,822	\$9.3	\$25.4	\$36,844	2.6	8.70	5.42	10.7
2025	528,226	1,422	422	152.1	1,794	\$9.7	\$26.6	\$37,206	2.8	8.76	5.61	10.7
2026	534,419	1,240	426	153.9	1,770	\$10.1	\$27.9	\$37,405	2.8	8.83	5.80	10.7
2027	540,393	1,001	429	155.7	1,766	\$10.5	\$29.1	\$37,567	2.8	8.89	6.01	10.8
2028	546,098	729	432	157.4	1,755	\$10.9	\$30.4	\$37,811	2.7	8.96	6.24	10.8
2029	551,621	527	435	159.2	1,739	\$11.4	\$31.8	\$38,134	2.5	9.03	6.49	10.9
2030	557,117	475	437	160.9	1,756	\$11.8	\$33.1	\$38,487	2.4	9.10	6.74	11.0
2031	562,589	428	440	162.7	1,749	\$12.3	\$34.6	\$38,867	2.3	9.18	7.00	11.0
2032	568,043	389	443	164.5	1,719	\$12.8	\$36.0	\$39,117	2.5	9.25	7.28	11.1
2033	573,491	356	445	166.2	1,685	\$13.3	\$37.6	\$39,593	2.1	9.32	7.56	11.1
2034	578,910	321	448	167.9	1,647	\$13.9	\$39.2	\$40,022	2.3	9.39	7.85	11.2
2035	584,304	290	451	169.5	1,623	\$14.4	\$40.9	\$40,432	2.4	9.47	8.15	11.2
2036	589,659	254	455	171.2	1,616	\$15.0	\$42.7	\$40,676	2.8	9.54	8.47	11.3
2037	594,946	218	458	172.8	1,615	\$15.6	\$44.6	\$40,899	2.8	9.62	8.80	11.4
2038	600,166	181	461	174.4	1,618	\$16.3	\$46.6	\$41,232	2.7	9.69	9.13	11.4
2039	605,316	141	464	176.0	1,611	\$16.9	\$48.6	\$41,489	2.8	9.77	9.44	11.5
2040	610,413	109	468	177.7	1,599	\$17.6	\$50.7	\$41,777	2.8	9.85	9.88	11.5

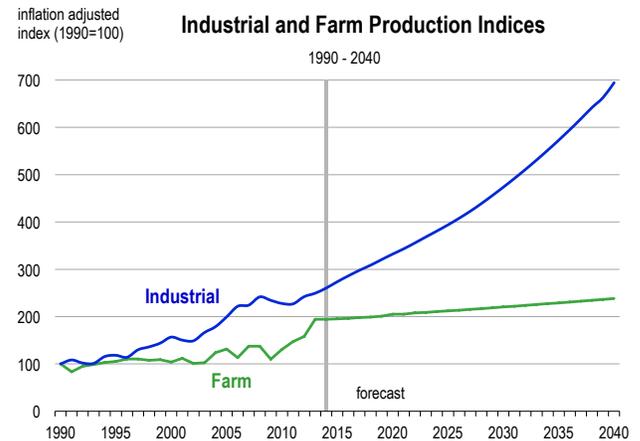
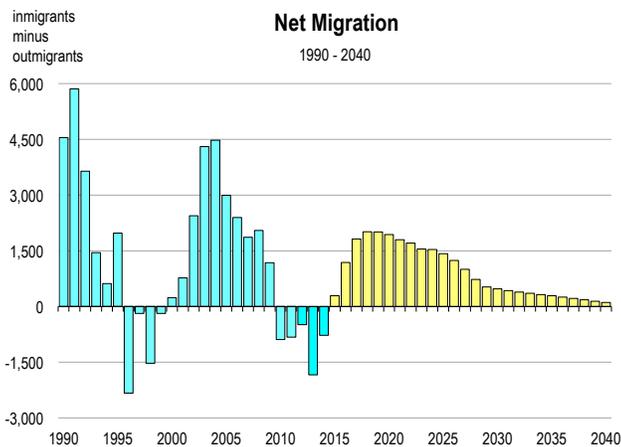
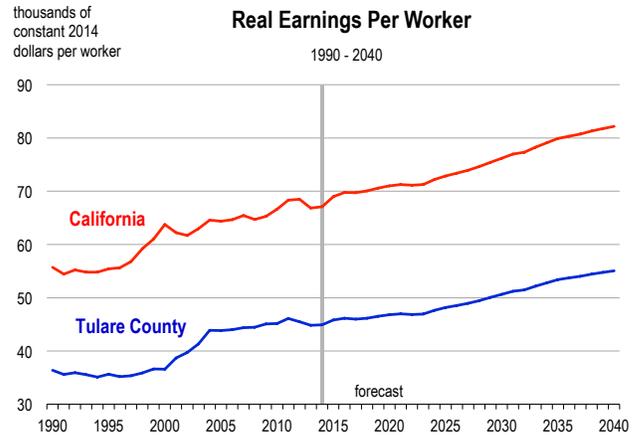
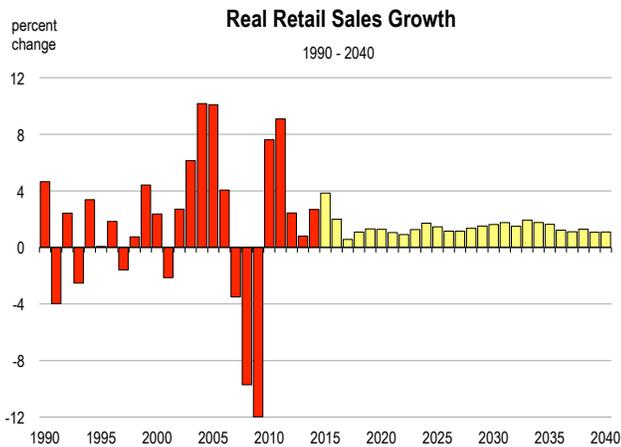


Tulare County Employment Forecast

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	147.5	33.7	8.4	11.9	5.3	18.9	4.5	10.8	1.1	11.1	8.6	30.2
2007	149.8	35.0	7.6	12.0	5.4	19.6	4.5	9.9	1.1	11.6	9.0	31.0
2008	151.7	36.7	6.2	11.9	5.3	20.0	4.4	10.1	1.4	12.0	8.9	31.8
2009	145.3	36.4	4.7	11.5	5.0	18.6	4.0	8.8	1.2	12.0	9.0	31.3
2010	144.8	37.7	3.9	11.1	5.1	18.4	3.8	8.7	1.1	12.0	8.9	31.0
2011	144.3	36.4	3.9	11.2	5.6	18.6	3.8	9.4	1.0	11.9	8.9	30.6
2012	143.8	33.7	4.0	11.3	6.1	19.4	3.8	9.6	0.9	11.8	9.5	30.6
2013	148.2	35.1	4.2	11.6	6.4	20.3	3.8	10.0	0.9	12.7	10.0	30.0
2014	149.3	34.7	4.5	12.0	6.4	20.7	3.8	9.3	0.9	13.6	10.5	29.4
2015	152.7	34.8	4.9	12.2	6.9	20.9	3.9	9.8	1.0	14.0	11.0	29.8
2016	156.1	34.9	5.3	12.4	7.3	21.2	3.9	10.4	1.1	14.2	11.6	30.2
2017	158.7	35.0	5.6	12.7	7.6	21.4	4.0	10.7	1.1	14.3	12.0	30.5
2018	160.5	35.0	5.8	12.7	7.9	21.6	4.0	10.9	1.1	14.5	12.2	30.7
2019	162.0	35.1	6.0	12.8	8.2	21.7	4.0	11.1	1.1	14.6	12.4	30.9
2020	163.3	35.1	6.1	12.8	8.4	21.8	4.1	11.3	1.2	14.8	12.5	31.0
2021	164.3	35.1	6.2	12.8	8.6	21.9	4.1	11.6	1.2	15.0	12.5	31.1
2022	165.4	35.1	6.2	12.8	8.9	22.0	4.2	11.8	1.2	15.2	12.5	31.2
2023	166.5	35.0	6.2	12.8	9.1	22.1	4.2	12.1	1.2	15.5	12.5	31.3
2024	167.5	35.0	6.2	12.8	9.4	22.2	4.3	12.4	1.2	15.7	12.5	31.4
2025	168.6	34.9	6.1	12.8	9.6	22.4	4.3	12.7	1.3	15.8	12.6	31.5
2026	169.6	34.9	6.1	12.9	9.9	22.5	4.4	13.0	1.3	16.0	12.6	31.6
2027	170.7	34.8	6.1	12.9	10.1	22.6	4.4	13.3	1.3	16.2	12.7	31.7
2028	171.8	34.7	6.1	12.9	10.4	22.7	4.5	13.6	1.3	16.3	12.8	31.8
2029	173.1	34.6	6.1	12.9	10.7	22.9	4.5	13.8	1.3	16.6	12.9	31.9
2030	174.3	34.6	6.1	12.9	10.9	23.0	4.5	14.1	1.4	16.8	13.0	32.0
2031	175.6	34.4	6.1	12.9	11.2	23.2	4.6	14.3	1.4	17.1	13.1	32.1
2032	176.8	34.3	6.1	12.9	11.5	23.3	4.6	14.6	1.4	17.4	13.3	32.2
2033	178.1	34.2	6.1	12.9	11.8	23.5	4.7	14.8	1.4	17.7	13.4	32.3
2034	179.3	34.1	6.1	13.0	12.1	23.7	4.7	15.0	1.4	18.0	13.6	32.4
2035	180.6	33.9	6.1	13.0	12.4	23.8	4.8	15.2	1.5	18.3	13.7	32.5
2036	181.8	33.8	6.0	13.0	12.7	24.0	4.8	15.4	1.5	18.6	13.8	32.6
2037	183.1	33.6	6.1	13.0	13.0	24.2	4.8	15.6	1.5	19.0	14.0	32.7
2038	184.4	33.4	6.1	13.0	13.3	24.3	4.9	15.8	1.5	19.4	14.1	32.8
2039	185.8	33.2	6.1	13.0	13.6	24.5	4.9	16.0	1.5	19.8	14.3	32.9
2040	187.0	33.0	6.1	13.0	14.0	24.6	5.0	16.2	1.6	20.2	14.5	33.0





County Economic and Demographic Indicators

Projected Economic Growth (2015-2020)

Expected retail sales growth:	6.4%
Expected job growth:	6.9%
Fastest growing jobs sector:	Construction
Expected personal income growth:	11.5%

Expected population growth:	6.9%
Net migration to account for:	28.0%
Expected growth in number of vehicles:	7.5%

Demographics (2015)

Unemployment rate (March 2015):	13.2%
County rank* in California (58 counties):	56th
Working age (16-64) population:	61.9%

Population with B.A. or higher:	14.2%
Median home selling price (2014):	\$170,000
Median household income:	\$41,336

Quality of Life

Violent crime rate (2013):	460 per 100,000 persons
County rank* in California (58 counties):	39th
Average commute time to work (2015):	23.9 minutes

High school drop out rate (2014):	11.3%
Households at/below poverty line (2015):	23.8%

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