

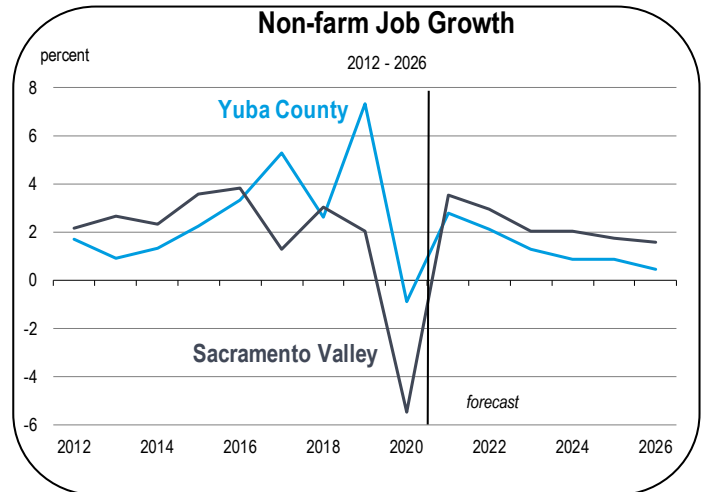
Yuba County Economic Forecast

Forecast Summary

- The Coronavirus Recession had a minimal impact on the Yuba County economy. Yuba County lost only 200 jobs in 2020, a decline of just 1 percent.
- On an annual average basis, total employment will increase by 400 jobs in 2021, making Yuba County the first area of California to fully recover from the recession.
- Over the 2021-2026 forecast period, healthcare will generate the most new jobs.
- Meaningful numbers of jobs will also be created in professional business services and government.
- The unemployment rate averaged 10.5 percent in 2020. It is forecast to average 8.3 percent in 2021 and 7.1 percent in 2022.
- The Yuba County population is expected to grow quickly during the forecast period.
- The median home price increased by 13 percent in 2020. Prices are expected to increase by 10-12 percent in 2021 and another 4-6 percent in 2022.

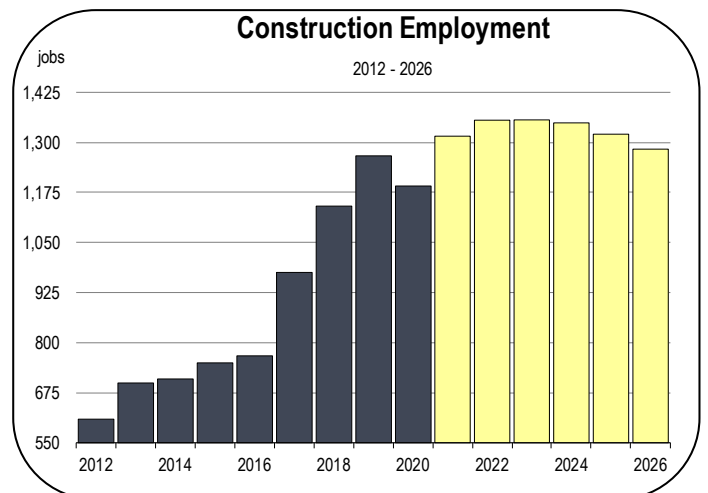
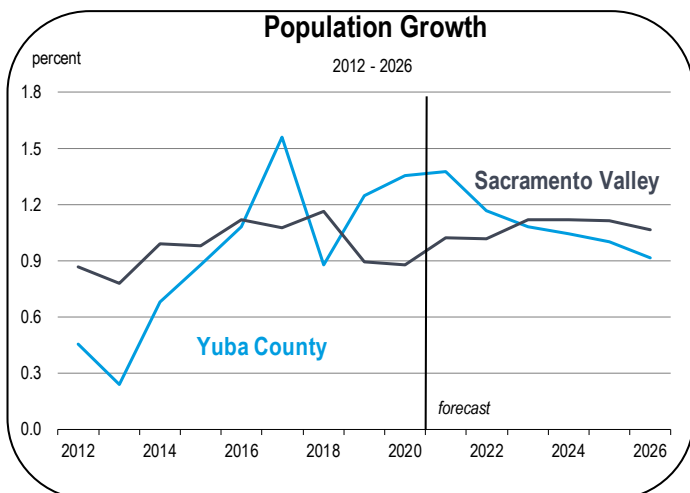
Job Growth

- Total employment is expected to increase by 2.7 percent in 2021.
- Between 2022 and 2026, job growth will average 1.1 percent per year.

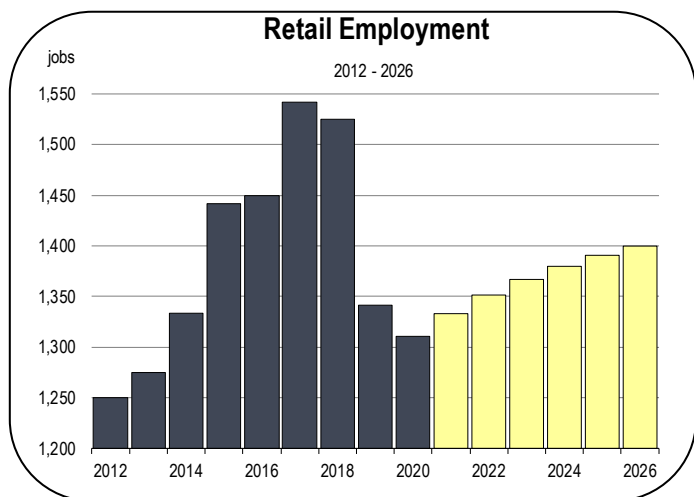


Construction Employment

- The Coronavirus Recession had a minimal impact on the construction industry.
- Construction activity is expected to accelerate over the forecast period, requiring an expansion of the construction workforce in Yuba County.
- However, by 2022 or 2023, the statewide construction workforce will be fully employed, and construction firms will struggle to hire additional workers.



Yuba County Economic Forecast

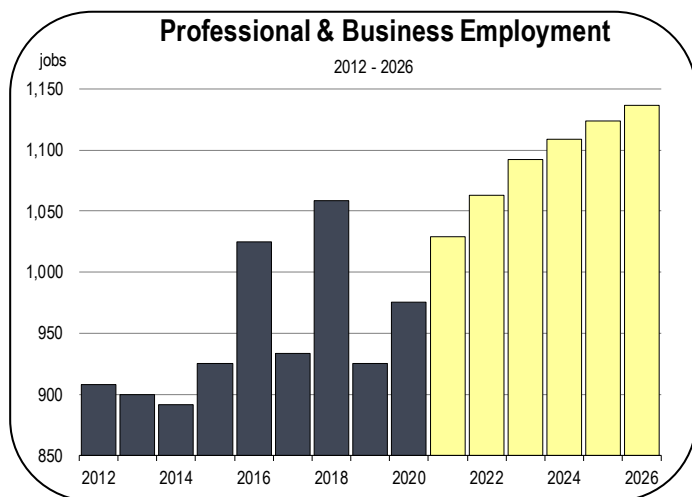


Retail Trade Employment

- The Yuba County population is expanding rapidly, which should boost demand for jobs at grocery stores and other population-serving retail activities.
- Local brick-and-mortar stores are struggling to compete with online retailers outside of Yuba County, which will prevent the overall retail industry from expanding more quickly.
- The largest retail employers are primarily in Marysville, and include Walmart, FoodMaxx, Albertsons, and Hagen.

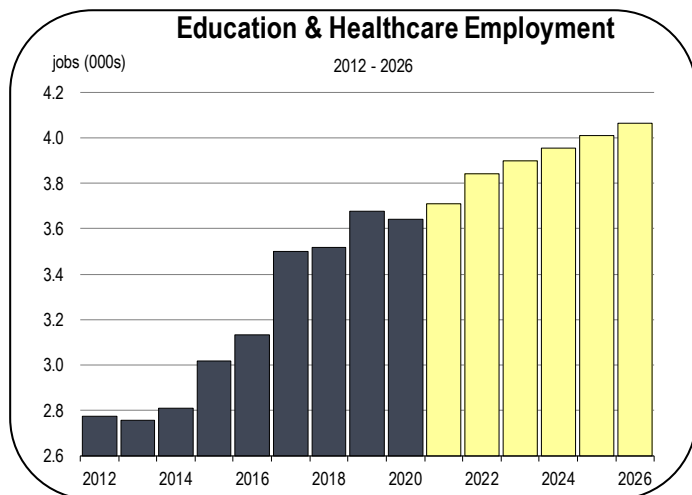
Professional and Business Services Employment

- The professional and business services industry has a diverse array of subsectors, and each was affected differently during the recession.
- The largest gains in 2020 were in staffing agencies. In Yuba County, staffing agencies typically work with the agriculture industry, providing workers to local farms on a contract basis.
- Growth was also strong in professional security services and in maintenance/janitorial services.
- The professional and business services sector is forecast to expand rapidly. Employment in this industry is expected to rise at an average annual rate of 2.6 percent per year.
- Meaningful job growth will be observed across numerous subsectors, including building maintenance companies, professional security firms, accounting firms, consulting companies, and others.

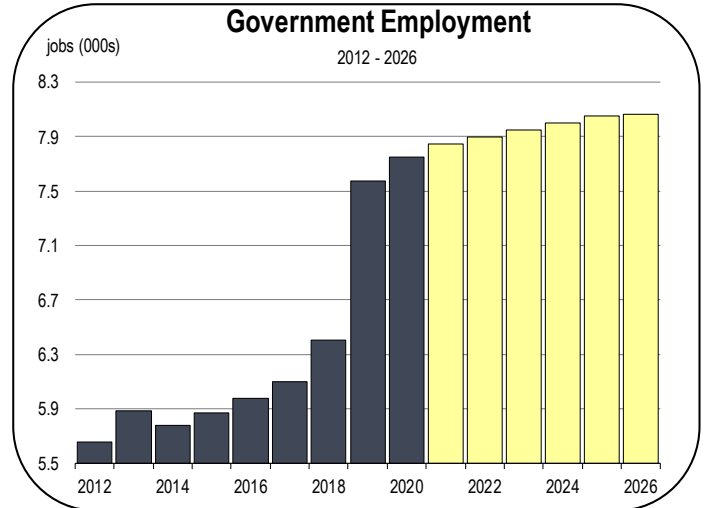
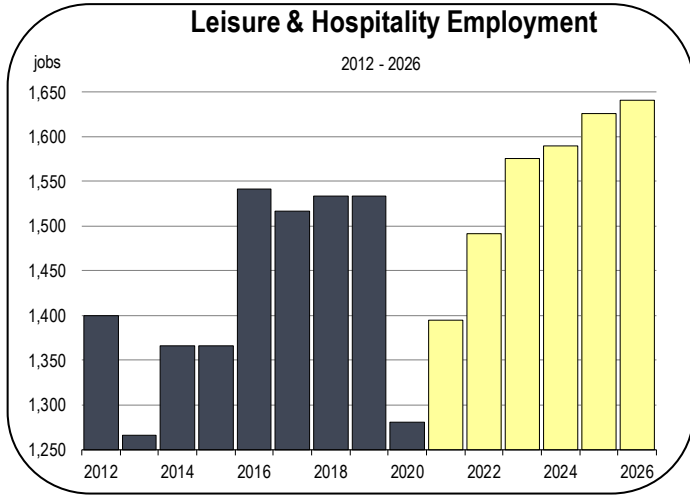


Private Education and Healthcare Employment

- The Coronavirus Recession did not have a major impact on employment levels in healthcare. All jobs should be restored by 2021 or 2022.
- The largest healthcare establishment in the county is Adventist Health, which employs more than 1,000 workers across several facilities throughout the county.
- The private education industry in Yuba County is very small, employing fewer than 100 workers (public schools are classified in the government sector).
- By 2026, healthcare organizations will generate 400 new jobs in Yuba County, representing a larger expansion than any other industry.



Yuba County Economic Forecast



Leisure and Hospitality Employment

- Hotels, restaurants, bars, catering firms, gyms, casinos, and other leisure & hospitality organizations were severely impacted by the Coronavirus Recession and subsequent restricted business conditions.
- More than 250 jobs were lost in 2020 on an annual average basis, a decline of 16 percent.
- 100 jobs are expected to be restored in 2021, with most of these jobs being created in the second half of the year.
- A full recovery is forecast for 2023.

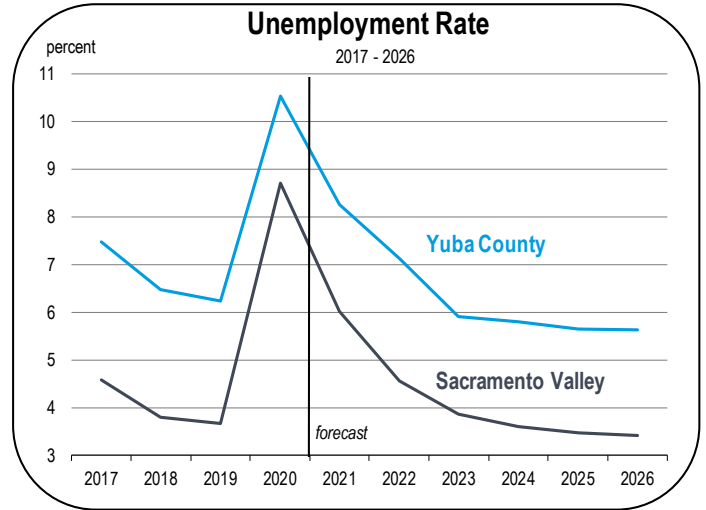
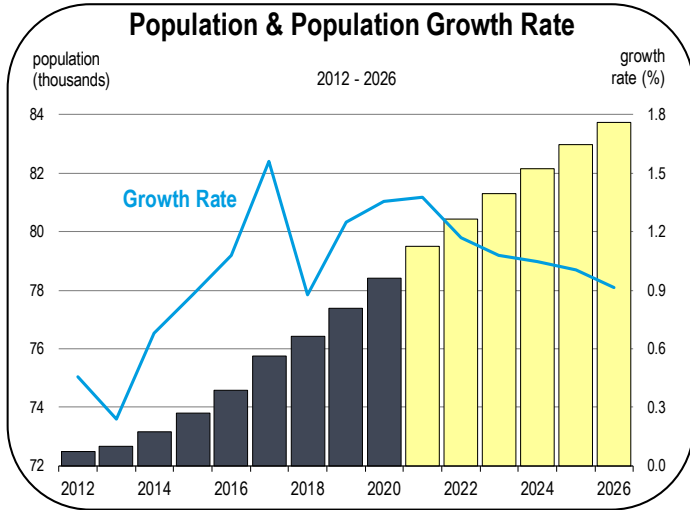
Government Employment

- Local schools were impacted by the Coronavirus Recession and restrictions in the form of job losses. On an annual average basis, employment at local schools declined by 250 jobs in 2020.
- Hiring is expected to resume at local schools in the second half of 2021 as children return to in-person instruction.
- In 2019, the Hard Rock Hotel and Casino opened in Wheatland. Because the facility is owned and operated by the Rancheria Estom Yumeka Maidu Tribe, the jobs at the Hard Rock are classified into the government sector.
- When it opened in 2019, the Hard Rock created more than 1,000 jobs. In mid-2021, a \$65 million dollar expansion was underway that will allow the Hard Rock to add additional employees.



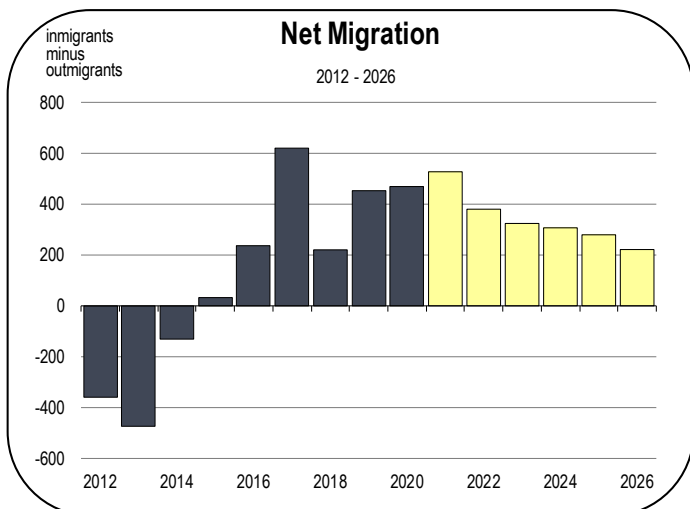
Hard Rock Hotel and Casino in Wheatland

Yuba County Economic Forecast



Population Growth

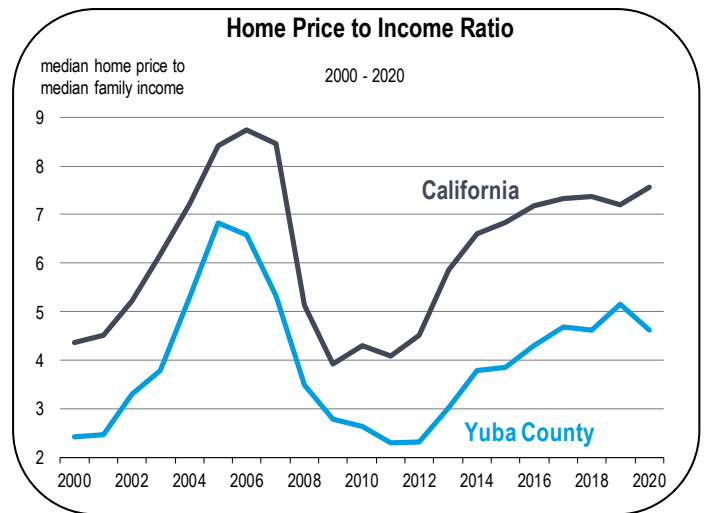
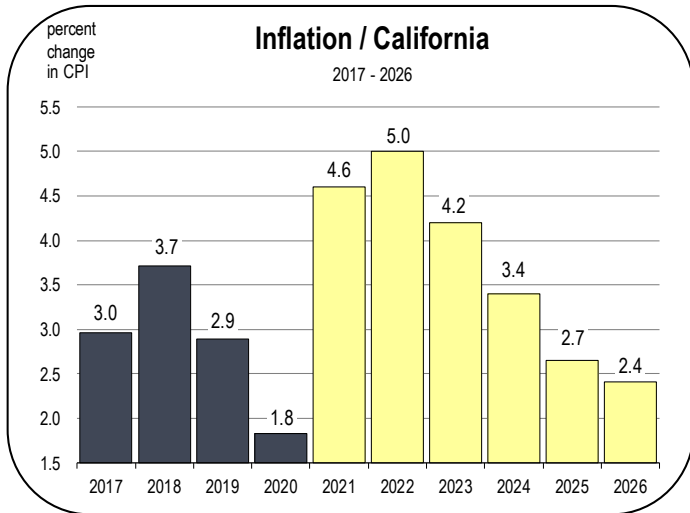
- The Yuba County population is expected to grow rapidly.
- Between 2021 and 2026, there will be more people who move into Yuba County than residents who move out. This migratory process will add an average of 340 residents to the Yuba County population each year.
- Yuba County has a relatively young population with a high birth rate. Over the forecast period, the natural increase (births minus deaths) will add approximately 550 residents to the county each year.
- The population will expand at an annual average rate of 1.1 percent per year and by 2026 the Yuba County population will surpass 83,000 residents.



Unemployment and Inflation Rates

- The unemployment rate in Yuba County averaged 10.5 percent in 2020.
- The unemployment rate in Yuba County is always higher than the Sacramento Valley average because a large share of the Yuba County workforce does not have a college degree, and unemployment rates are typically higher for workers without college training.
- An unemployment rate below 8.0 percent signifies a fully employed workforce in Yuba County.
- The unemployment rate is expected to average 8.3 percent in 2021 and 7.1 percent in 2022.
- Inflation decelerated sharply in 2020, largely because energy prices declined when the demand for fuels plunged.
- Inflation soared in 2021 and is expected to remain elevated for several years.
- Over the forecast period, there will be a number of factors that will contribute to high inflation. The most prominent will be:
 - Record levels of spending by consumers and government agencies
 - Fractures in the global supply chain that raise the cost of production for many businesses
 - Sharp increases in the cost of housing and energy
 - Labor market recruitment challenges that force companies to raise wages

Yuba County Economic Forecast



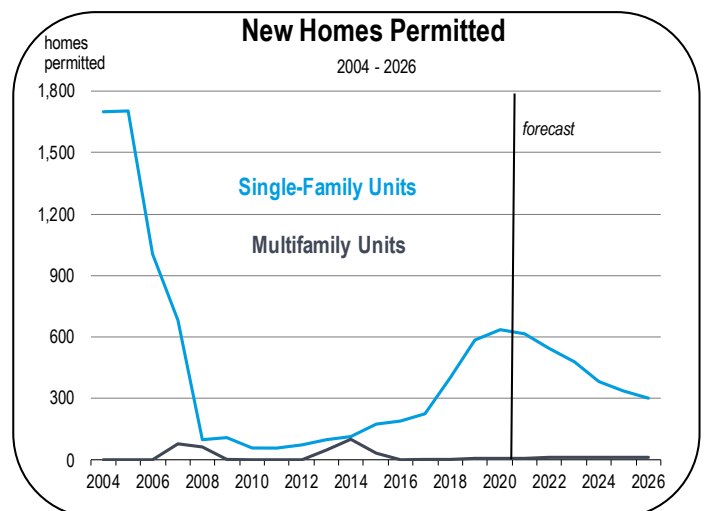
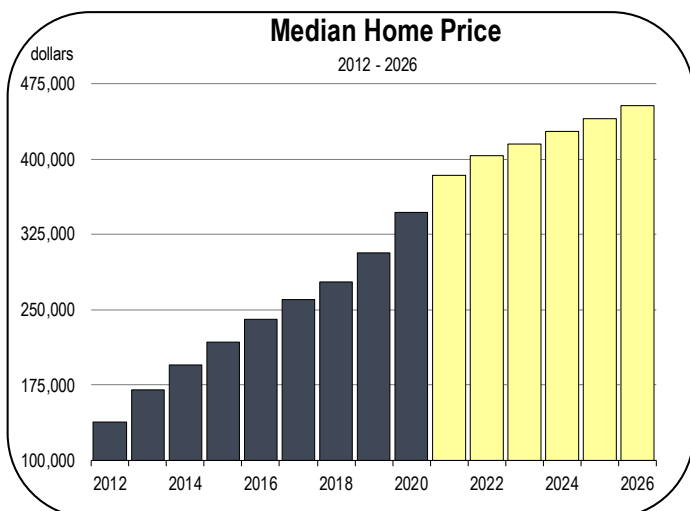
- Combined, these factors will push inflation to its highest rates in 30 years. Ultimately, it will reduce the purchasing power of households and negatively impact consumer confidence, limiting the growth potential of the economy in 2022.
- However, inflation will begin to decelerate as supply chains and the labor force are restored by the second half of the forecast period, eventually falling below 3 percent.

- Despite surging values, Yuba County homes are still affordable to many households. In 2020, a typical household in Yuba County would have had to spend just 20 percent of its pre-tax income on mortgage payments in order to afford the median-priced home, which is well below the California average.
- How can rapid price increases be compatible with an affordable housing market? Because interest rates are near historic lows, which keeps mortgage payments low even when prices rise.

Home Prices and New Housing Production

- In 2020 the median home price in Yuba County was \$346,400. Home prices increased by 13 percent in 2020.
- Home prices have increased rapidly in Yuba County for most of the last decade. From 2010 to 2020, the median price increased at an average rate of 9 percent per year.
- Home prices in Yuba County are forecast to rise by 10 to 12 percent in 2021, in tandem with rapid increases across most of California.

- At the same time, incomes have risen in tandem with housing values. By 2020, the median family income in Yuba County was \$75,000. In 2010 it was just \$55,000.
- From 2015 to 2020, an average of 380 new homes were started per year in Yuba County. Virtually all were single-family homes.
- Housing production is expected to average 425 to 475 homes per year from 2021 to 2026, consisting almost entirely of single-family homes.



Yuba County Economic Forecast

Economic Indicators

2015-2020 History, 2021-2050 Forecast

	Population (people)	House- holds (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	73,792	25.2	\$33	209	69.8	\$2.8	\$335.4	\$498	\$156	\$43,834	9.4	\$265	1.4
2016	74,588	25.4	\$235	190	71.6	\$2.9	\$360.4	\$525	\$169	\$44,222	8.6	\$240	2.3
2017	75,751	25.7	\$620	225	71.2	\$3.0	\$392.0	\$578	\$181	\$43,659	7.5	\$246	3.0
2018	76,416	26.0	\$219	405	72.4	\$3.2	\$419.2	\$623	\$358	\$44,165	6.5	\$253	3.7
2019	77,368	26.4	\$454	593	75.1	\$3.4	\$445.3	\$672	\$192	\$45,077	6.2	\$239	2.9
2020	78,416	26.8	\$469	645	75.9	\$3.7	\$512.6	\$765	\$214	\$46,601	10.5	\$246	1.8
2021	79,496	27.4	\$527	622	77.7	\$3.9	\$492.4	\$729	\$217	\$47,302	8.3	\$250	4.6
2022	80,426	27.9	\$380	552	78.9	\$4.0	\$511.7	\$755	\$216	\$46,551	7.1	\$252	5.0
2023	81,295	28.5	\$324	487	80.2	\$4.1	\$528.0	\$776	\$220	\$47,060	5.9	\$253	4.2
2024	82,144	28.9	\$307	393	81.3	\$4.3	\$543.2	\$797	\$225	\$47,669	5.8	\$254	3.4
2025	82,967	29.3	\$279	349	82.4	\$4.5	\$557.1	\$817	\$231	\$48,286	5.7	\$255	2.7
2026	83,724	29.6	\$221	310	83.4	\$4.7	\$569.0	\$835	\$236	\$48,689	5.6	\$255	2.4
2027	84,424	29.9	\$168	231	84.3	\$4.9	\$581.1	\$852	\$240	\$49,087	5.7	\$256	2.2
2028	85,040	30.1	\$92	198	85.2	\$5.1	\$592.5	\$870	\$245	\$49,474	5.7	\$256	2.3
2029	85,579	30.3	\$24	181	86.1	\$5.3	\$608.5	\$892	\$248	\$49,825	5.8	\$256	2.2
2030	86,060	30.5	-\$25	162	86.9	\$5.5	\$624.6	\$914	\$252	\$50,206	5.9	\$256	2.2
2031	86,524	30.6	-\$21	154	87.7	\$5.7	\$640.3	\$935	\$255	\$50,674	5.9	\$256	2.3
2032	86,997	30.8	\$5	151	88.5	\$5.9	\$657.7	\$959	\$258	\$50,981	5.9	\$256	2.2
2033	87,432	30.9	-\$25	153	89.4	\$6.1	\$672.6	\$979	\$262	\$51,525	5.8	\$256	2.0
2034	87,830	31.1	-\$45	158	90.1	\$6.3	\$688.3	\$1,001	\$265	\$52,014	5.8	\$256	2.1
2035	88,188	31.2	-\$59	158	90.9	\$6.5	\$705.6	\$1,025	\$269	\$52,498	5.8	\$257	2.1
2036	88,529	31.4	-\$67	154	91.6	\$6.7	\$725.8	\$1,053	\$271	\$52,770	5.8	\$257	2.2
2037	88,829	31.5	-\$98	149	92.4	\$7.0	\$746.1	\$1,082	\$274	\$53,012	5.8	\$257	2.2
2038	89,104	31.6	-\$111	144	93.1	\$7.2	\$766.1	\$1,111	\$277	\$53,402	5.8	\$257	2.2
2039	89,364	31.8	-\$114	139	93.8	\$7.5	\$787.8	\$1,141	\$279	\$53,748	5.8	\$257	2.2
2040	89,620	31.9	-\$113	136	94.5	\$7.8	\$809.3	\$1,172	\$282	\$54,089	5.8	\$257	2.1
2041	89,873	32.0	-\$112	136	95.2	\$8.0	\$829.1	\$1,199	\$285	\$54,583	5.8	\$257	2.2
2042	90,139	32.2	-\$110	133	95.8	\$8.3	\$847.8	\$1,226	\$288	\$55,065	5.7	\$257	2.1
2043	90,415	32.3	-\$103	133	96.4	\$8.6	\$867.1	\$1,252	\$291	\$55,610	5.7	\$257	2.0
2044	90,702	32.4	-\$97	134	97.0	\$8.9	\$885.3	\$1,277	\$295	\$56,226	5.7	\$257	2.2
2045	90,992	32.5	-\$89	134	97.6	\$9.1	\$904.9	\$1,303	\$298	\$56,761	5.7	\$257	2.2
2046	91,287	32.7	-\$88	133	98.1	\$9.4	\$925.2	\$1,331	\$301	\$57,231	5.7	\$257	2.2
2047	91,590	32.8	-\$86	129	98.5	\$9.7	\$945.8	\$1,361	\$303	\$57,508	5.7	\$257	2.2
2048	91,899	32.9	-\$83	126	99.0	\$10.0	\$967.6	\$1,392	\$306	\$57,799	5.7	\$257	2.3
2049	92,218	33.0	-\$80	128	99.4	\$10.3	\$988.4	\$1,421	\$309	\$58,273	5.7	\$257	2.0
2050	92,551	33.1	-\$74	126	99.8	\$10.7	\$1,009.8	\$1,452	\$313	\$58,734	5.7	\$257	2.1

Employment Sectors

2015-2020 History, 2021-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade (jobs)	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
2015	16,380	775	750	708	608	1,642	233	925	100	3,017	1,367	5,867
2016	16,630	508	767	700	592	1,650	233	1,025	100	3,133	1,542	5,975
2017	17,740	775	975	708	608	1,825	275	933	100	3,500	1,517	6,100
2018	18,160	750	1,142	700	575	1,725	275	1,058	100	3,517	1,533	6,408
2019	19,320	633	1,267	775	608	1,583	242	925	100	3,675	1,533	7,575
2020	19,120	599	1,191	726	728	1,545	235	975	75	3,640	1,281	7,749
2021	19,630	602	1,316	731	745	1,571	222	1,029	88	3,710	1,395	7,846
2022	20,040	605	1,355	750	752	1,591	214	1,063	86	3,842	1,492	7,897
2023	20,290	602	1,356	757	759	1,609	208	1,092	85	3,899	1,576	7,948
2024	20,450	595	1,349	764	767	1,623	204	1,109	84	3,955	1,590	8,000
2025	20,610	588	1,321	770	774	1,636	202	1,124	84	4,010	1,626	8,051
2026	20,700	584	1,283	776	781	1,647	200	1,137	83	4,065	1,641	8,064
2027	20,800	578	1,249	782	788	1,656	198	1,146	83	4,118	1,659	8,087
2028	20,850	576	1,222	786	794	1,664	198	1,157	83	4,170	1,672	8,057
2029	20,990	577	1,206	791	800	1,671	197	1,165	82	4,222	1,679	8,118
2030	21,120	578	1,200	795	806	1,676	196	1,175	82	4,273	1,687	8,156
2031	21,280	579	1,197	798	812	1,681	196	1,183	82	4,323	1,695	8,231
2032	21,420	571	1,191	801	818	1,686	195	1,188	82	4,371	1,706	8,308
2033	21,550	567	1,188	804	823	1,689	195	1,194	81	4,419	1,718	8,360
2034	21,650	571	1,184	807	829	1,693	195	1,198	81	4,466	1,729	8,387
2035	21,760	560	1,179	809	834	1,696	194	1,204	81	4,513	1,741	8,429
2036	21,840	557	1,173	811	838	1,698	194	1,209	81	4,558	1,752	8,449
2037	21,900	553	1,167	813	843	1,700	194	1,215	80	4,602	1,764	8,448
2038	21,980	550	1,161	815	848	1,702	193	1,218	80	4,646	1,775	8,465
2039	22,050	547	1,155	817	852	1,704	193	1,223	80	4,688	1,787	8,477
2040	22,130	547	1,147	818	856	1,706	192	1,227	79	4,730	1,799	8,496
2041	22,240	543	1,142	819	860	1,707	192	1,232	79	4,770	1,811	8,543
2042	22,310	536	1,132	821	864	1,709	192	1,235	79	4,810	1,823	8,573
2043	22,410	533	1,132	822	867	1,710	191	1,241	79	4,849	1,834	8,613
2044	22,530	529	1,132	823	871	1,711	191	1,244	78	4,887	1,846	8,673
2045	22,630	533	1,132	823	874	1,712	190	1,246	78	4,925	1,858	8,713
2046	22,730	529	1,132	824	877	1,713	190	1,250	78	4,961	1,870	8,751
2047	22,770	526	1,131	825	880	1,714	190	1,253	77	4,997	1,882	8,742
2048	22,790	523	1,131	825	883	1,715	189	1,256	77	5,032	1,895	8,715
2049	22,850	516	1,131	826	886	1,716	189	1,258	77	5,066	1,907	8,727
2050	22,890	512	1,131	827	889	1,717	188	1,260	76	5,099	1,919	8,714

Yuba County Economic Forecast

Socioeconomic Indicators

