# Kings County Economic Forecast

Forecast Summary

- Employment will entirely eclipse pre-pandemic levels due to job creation in Kings County during 2022.

- The leisure and hospitality sector which will recover 670 jobs. Government agencies are expected to regain 360 jobs.

- Over the entire 2022-2027 forecast period, government will generate the most new jobs. Government is the largest employment sector in Kings County, representing almost a third of the labor market.

- The unemployment rate averaged 9.6 percent in 2021. It is forecast to average 6.7 percent in 2022.

- Population growth in Kings County is expected to accelerate over the forecast period, due principally to an increase in annual net in-migration.

- The median home price increased by 11 percent in 2021. Home values are rising approximately 9 percent in 2022 through the first 11 months. They are forecast to stabilize or contract slightly in 2023.

Job Growth

- Total employment in Kings County will expand by 3.2 percent in 2022 on an annual average basis.

- Between 2022 and 2027, job growth will average 2.1 percent per year.

Non-farm Job Growth
2013 - 2027
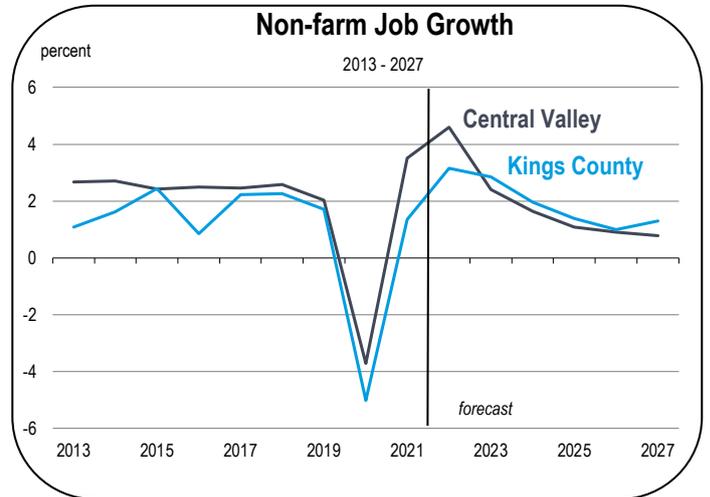
Construction Employment

- Construction employment increased 2 percent in 2021. Employment in the construction trades will rise over the forecast period due to a number of housing and non-residential projects that will be underway over the next 3 years.

- The most substantial construction project in Kings County is the California High Speed Rail. Work on the project is fully underway and is expected to last through at least 2028.

Population Growth
2013 - 2027

Construction Employment
2013 - 2027
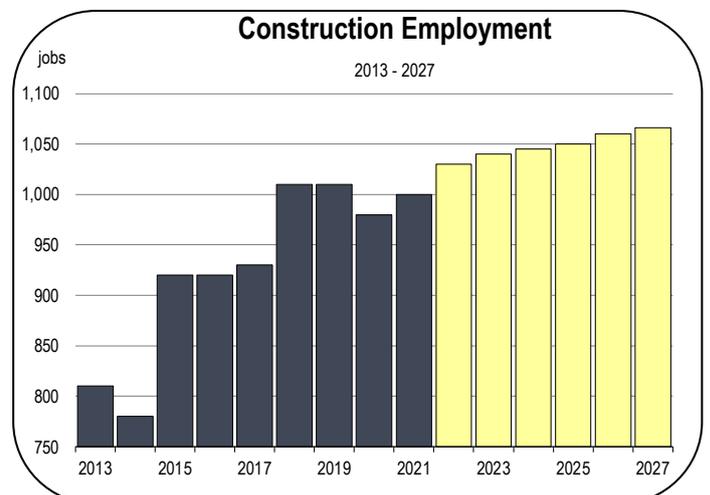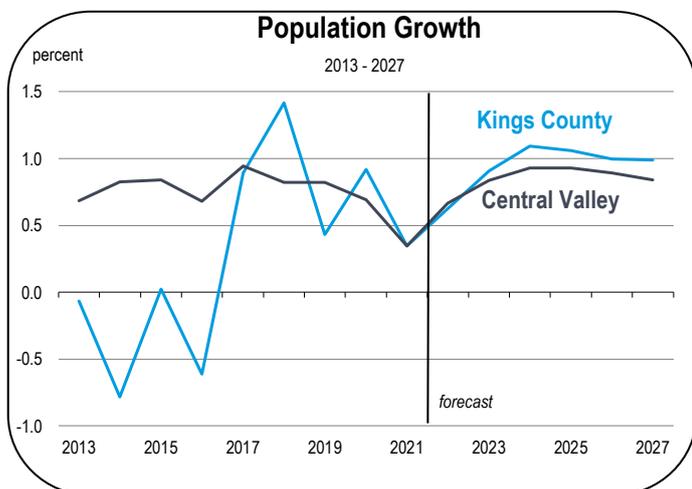
Kings County Economic Forecast

Manufacturing Employment
2013 - 2027
jobs (000s)
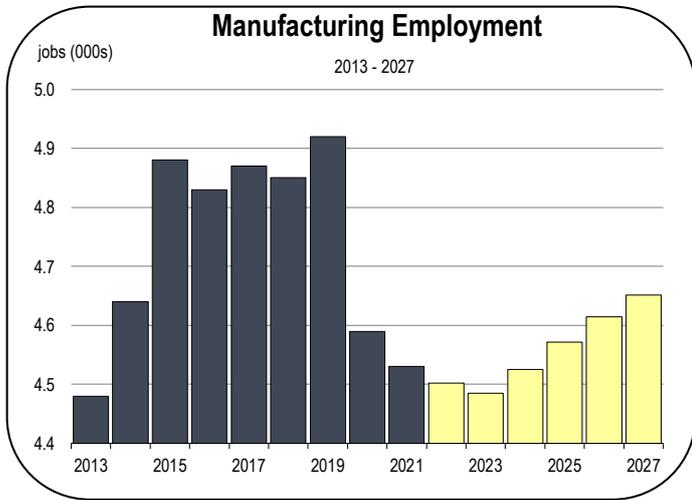
Manufacturing Employment

- Kings County has a heavy concentration in food and beverage manufacturing firms, which turn agricultural commodities into finished food products.

- The largest employers in manufacturing:
  - J.G. Boswell Company (250 employees in Kings County)
  - Del Monte Foods (1,300)
  - Leprino Foods (400)

Transportation, Warehousing, Utilities Employment

- Transportation in Kings County is principally trucking of products to and from businesses within the county and across California.

- Trucking activity is expected to expand as direct-to-consumer shipping becomes more common and as more warehousing facilities are built in neighboring counties, such as Kern and Fresno.

**Retail Employment**
2013 - 2027
jobs (000s)
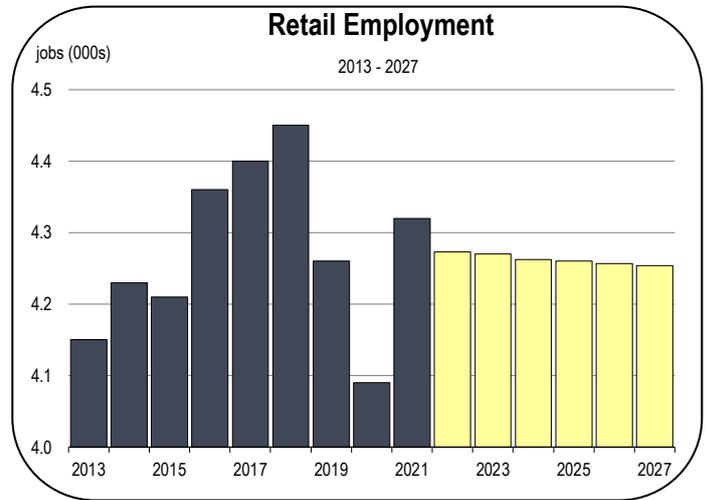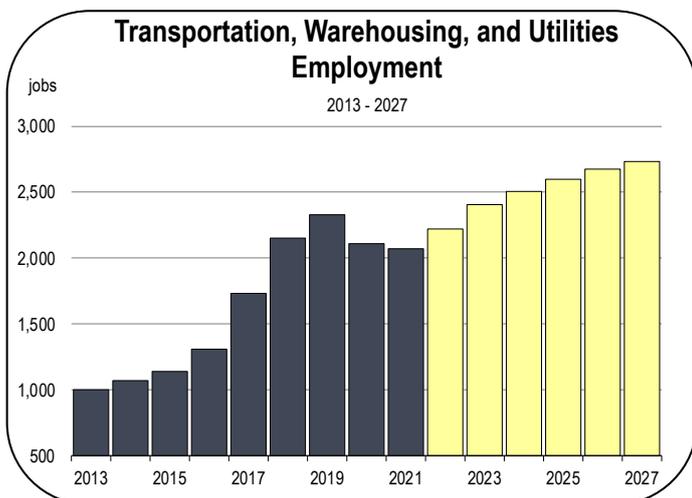
- The sector will add approximately 150 jobs in 2022, due to strength in the warehousing sector and the opening of the Slate Solar Project.

- The Slate Project completed in March 2022 is a solar utility project with the capacity to generate 300 megawatts of electricity and store 140 megawatts. The project is located next to Lemoore Naval Air Station and is now online.

Retail Trade Employment

- Employment in the retail sector will continue to consolidate during the forecast period.

- Local brick-and-mortar stores will struggle to compete with online retailers that are located outside of Kings County.

- The largest local retailer is the Walmart Super Center in Hanford, which has 500 employees. It is not anticipated that any new, large stores will open between 2022 and 2027.

Transportation, Warehousing, and Utilities Employment
2013 - 2027
jobs

Battery Storage for the Slate Project

Kings County Economic Forecast

Professional & Business Employment

jobs

2013 - 2027

Education & Healthcare Employment

jobs (000s)

2013 - 2027
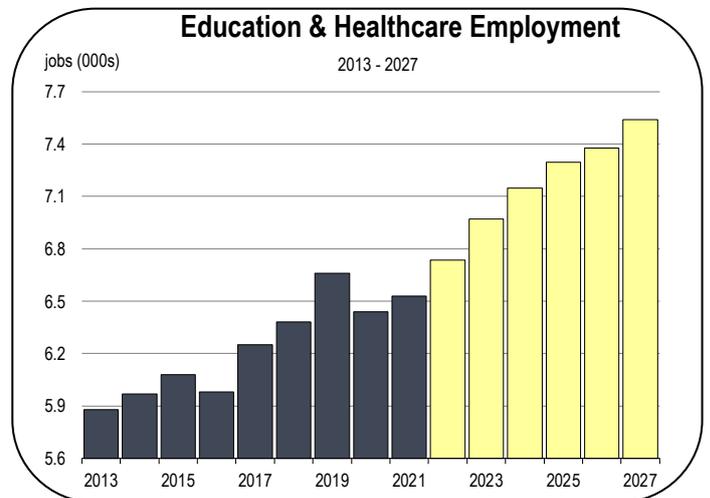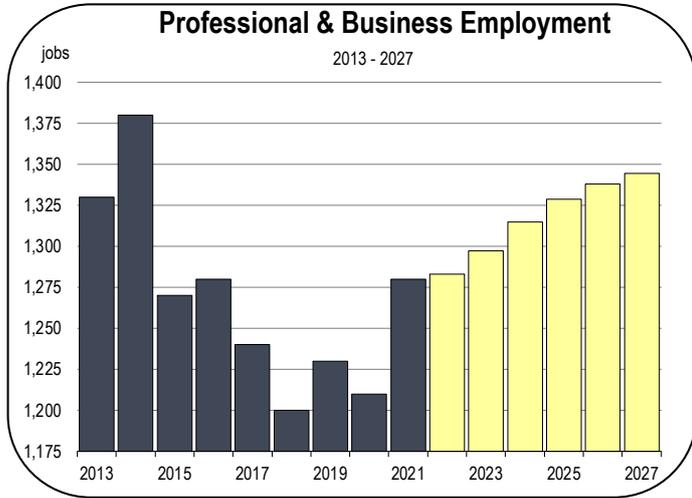
## Professional and Business Services Employment

- In Kings County, the professional and business services industry is primarily comprised of corporate security firms, building maintenance companies, and staffing agencies. These subsectors had significant growth in 2021.

- Over the forecast period, the professional and business services industry will expand quickly, growing at an annual rate of 0.9 percent, placing it among the fastest growing industries in the county.

Private Education and Healthcare Employment

- Job gains in healthcare were minimal in 2021. In general it was more common for healthcare organizations to issue part-time furloughs than full-time layoffs, meaning employment numbers have been relatively unaffected over the past couple years.

- In Kings County, there are only 200 jobs in the private educational services industry (public schools are classified in the government industry).

- The largest healthcare employers in the county are:
  - Adventist Health (1,900 employees in Kings County)
  - Pioneers Memorial Healthcare District (700)
  - Naval Hospital Lemoore (500)

- Job creation in healthcare is expected to be substantial over the forecast period, outnumbering all other private-sector industries.

Adventist Health employs 1,900 workers across multiple facilities in Kings County.

Kings County Economic Forecast

Leisure & Hospitality Employment
jobs (000s)
2013 - 2027

Government Employment
jobs (000s)
2013 - 2027
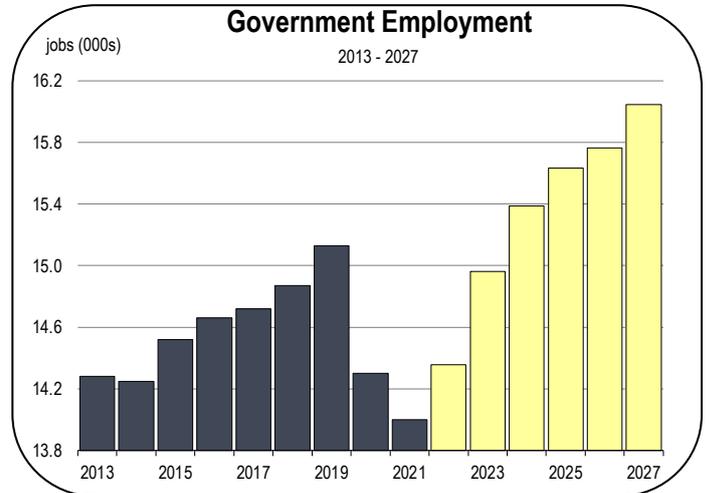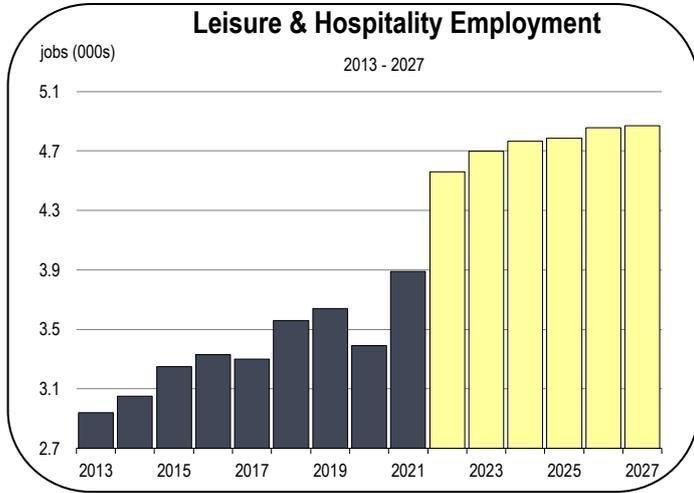
Leisure and Hospitality Employment

• The recovery of the leisure and hospitality sector has been in line with expectations. A total of 500 jobs were restored in 2021 and nearly 600 more will be added in 2022.

• The largest leisure and hospitality attraction is the Tachi Palace Hotel & Casino, located in Lemoore.

• Tachi Palace has a 255 room hotel, various gambling activities, and sporting events. It employs 1,300 staff members.

Government Employment

• The 2021 employment averages for the public sector reported a 300 worker consolidation. All of these jobs are being restored in 2022. Total federal government jobs are now at peak levels.

• The largest state-level agencies are Avenal State Prison and California State Prison Corcoran. Avenal has a capacity of 2,909, and Corcoran is designed for 3,424 inmates. The Corcoran prison is a substance abuse treatment facility with a current inmate population of 4,656, the largest number of inmates for any facility in California. As of December 2022, the two facilities employed 3,074 workers.

• The largest federal agency is Naval Air Station Lemoore. The facility has approximately 8,000 military employees and 1,000 civilian employees.

• Government agencies will generate approximately 2,200 new jobs by 2026, which is more than any other industry in Kings County.

Tachi Palace & Hotel

Kings County Economic Forecast

Population & Population Growth Rate

Unemployment Rate
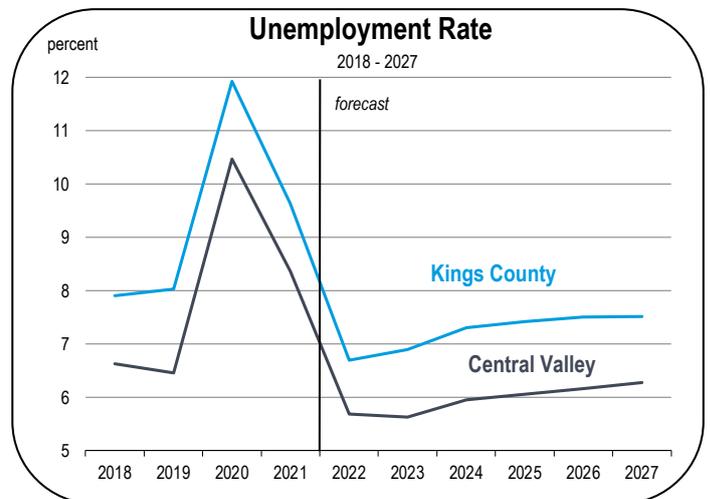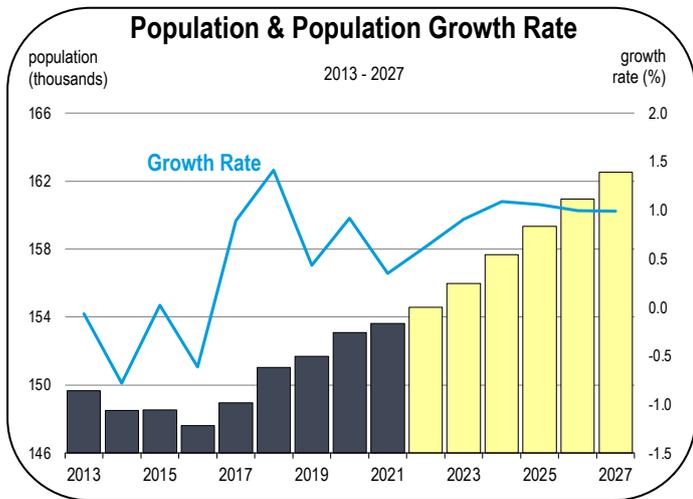
Population Growth

- The Kings County population is expected to expand more quickly than the Central Valley average between 2022 and 2027.

- Due to housing affordability and job creation, net migration is expected to be positive during most of the forecast period, with more residents moving into the county than moving out.

- Kings County has a young population with a high birth rate, and births will account for the majority of all population growth between 2022 and 2027.

- The population will expand at an annual average rate of 1.0 percent per year. By the end of the forecast period, the Kings County population will surpass 160,000 residents.

Unemployment and Inflation Rates

- The unemployment rate in Kings County averaged 9.6 percent in 2021.

- The unemployment rate is expected to average 6.7 percent in 2022 and 6.9 percent in 2023.

- 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.

- During 2022 and into 2023, there will be a number of factors that will contribute to higher inflation. The most prominent will be:

  - Record spending by consumers and the federal government during 2021 and 2022

  - 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

Net Migration

Inflation / California
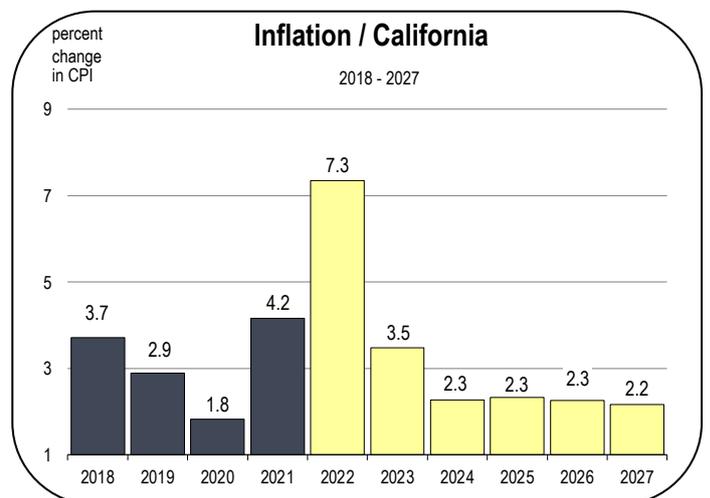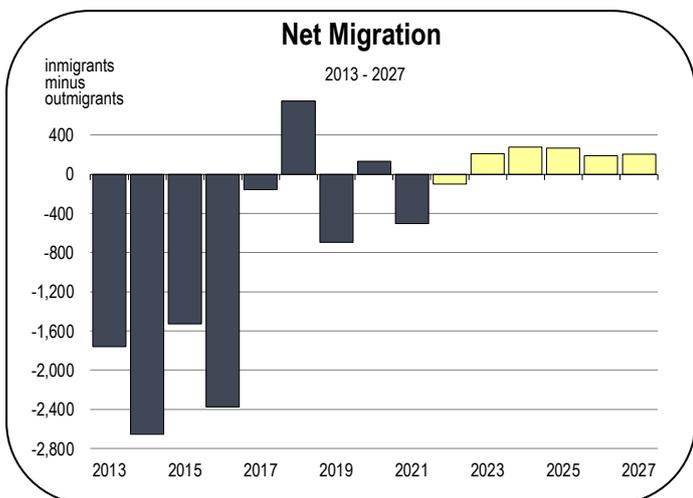
Kings County Economic Forecast

High Speed Rail Construction

- Combined, these factors have pushed inflation to its highest rate in 40 years. Ultimately, inflation reduces the purchasing power of households and negatively impacts consumer confidence, limiting the growth potential of the economy in 2022.

- However, inflation will gradually decelerate in 2023 as supply chains are restored, and the impending economic slowdown moderates the demand for labor and wage increases. Average inflation rates eventually decline to 3 percent again by 2024.

Home Prices and New Housing Production

- In 2021 the median home value in Kings County was $292,500; an increase of 11 percent from the previous year. The California Association of Realtors pegged the median selling price of single family homes at $308,700 in 2021.

- The median price is has increased 9 percent in 2022, to $373,400. Housing values are forecast to slow in 2023 extending into 2024.

- Homes in Kings County are more affordable than homes across California. In Kings County, the typical household spends less than 25 percent of its pre-tax income on mortgage payments or rent. Across Coastal California, households typically spend 35 percent to 50 percent of pre-tax income on housing costs.

- From 2017 to 2022, an average of 380 new homes were started per year in Kings County. Most were single-family homes.

- Housing production is expected to average 400 homes per year from 2022 to 2027, consisting mostly of single-family homes.

Median Home Price
2013 - 2027
dollars

New Homes Permitted
2005 - 2027
homes permitted

forecast

Single-Family Units

Multifamily Units
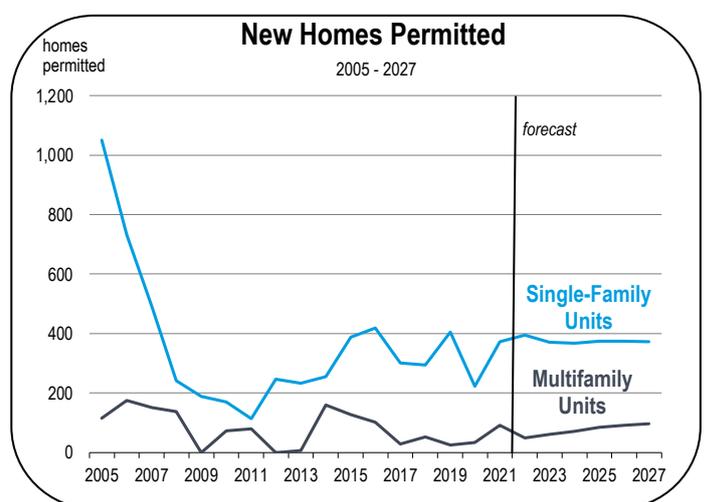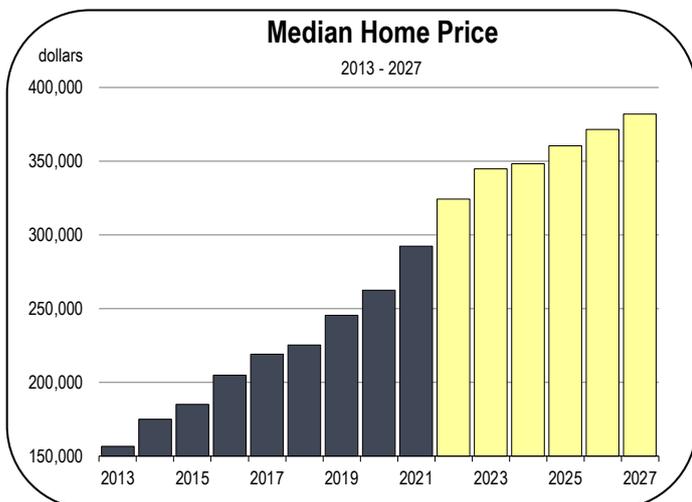
Kings County Economic Forecast

- A major attraction in Kings County is world renowned surfer Kelly Slater's Surf Ranch. Referred to as the Surf Ranch, it is 1 of only 19 wave pools in the entire world. Located in Lemoore, the Surf ranch is a 155-acre compound.

- The Surf Ranch can create both left and right breaking waves that are over 100 yards long. Time on each wave is around 45 seconds. The waves also have an emphasis on being hollow to allow surfers to stay inside the wave.

- The wave pool runs hour-long heats in which there are 15 waves per heat. Each day sees 8 heats, so in total, there are 120 waves per day.

- Kelly Slater's Surf Ranch is an expensive experience. Full day rental of 120 waves, a site tour, video, advisors, equipment, and food can run a party $85,000 in high season. For a party of 10 surfers, the daily per person rate would be $8,500. Per wave this comes out to be around $700.

- Taking into account high and low season costs, a conservative estimate of per year revenue comes out to be $26 million.

- Unfortunately, the Surf Ranch is a very private attraction that can only be experienced by booking, if you have the right connections.

Kings County Economic Forecast

Economic Indicators — 2015-2021 History, 2022-2050 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	148,525	42.5	-1,525	515	110	$5.1	$1.0	$1.7	$0.9	$41,238	10.6	$2.4	1.4
2016	147,615	42.9	-2,374	519	113	$5.3	$1.1	$1.7	$0.9	$41,550	10.0	$2.3	2.3
2017	148,933	43.5	-158	329	114	$5.5	$1.2	$1.7	$1.0	$41,517	9.0	$2.3	3.0
2018	151,040	43.9	747	347	115	$5.6	$1.2	$1.7	$1.0	$40,427	7.9	$2.6	3.7
2019	151,691	44.3	-692	430	119	$6.0	$1.3	$1.8	$1.0	$42,177	8.0	$2.3	2.9
2020	153,085	44.7	131	257	121	$6.1	$1.5	$2.1	$1.0	$41,830	11.9	$2.3	1.8
2021	153,617	44.9	-504	465	123	$6.6	$1.7	$2.5	$1.0	$43,281	9.6	$2.2	4.2
2022	154,578	45.1	-100	444	124	$7.1	$1.7	$2.5	$1.0	$42,752	6.7	$2.3	7.3
2023	155,977	45.6	212	432	125	$7.4	$1.8	$2.6	$1.0	$42,777	6.9	$2.4	3.5
2024	157,680	46.0	280	438	127	$7.8	$1.8	$2.6	$1.0	$43,284	7.3	$2.4	2.3
2025	159,349	46.4	267	460	128	$8.1	$1.9	$2.7	$1.1	$43,777	7.4	$2.4	2.3
2026	160,935	46.9	188	467	129	$8.5	$1.9	$2.7	$1.1	$44,307	7.5	$2.4	2.3
2027	162,529	47.3	207	468	131	$8.9	$1.9	$2.8	$1.1	$44,935	7.5	$2.5	2.2
2028	164,204	47.8	306	457	132	$9.3	$2.0	$2.8	$1.2	$45,406	7.6	$2.5	2.2
2029	165,843	48.3	285	449	134	$9.6	$2.0	$2.9	$1.2	$45,636	7.6	$2.5	2.3
2030	167,358	48.7	183	446	135	$10.0	$2.1	$3.0	$1.2	$45,907	7.6	$2.5	2.2
2031	168,845	49.1	173	442	137	$10.3	$2.1	$3.1	$1.2	$46,187	7.6	$2.6	2.1
2032	170,200	49.6	64	435	138	$10.7	$2.2	$3.1	$1.2	$46,353	7.6	$2.6	2.3
2033	171,521	50.0	67	430	140	$11.1	$2.2	$3.2	$1.2	$46,738	7.6	$2.6	1.9
2034	172,919	50.4	171	423	141	$11.5	$2.3	$3.3	$1.3	$47,028	7.6	$2.6	2.1
2035	174,393	50.8	268	417	143	$11.9	$2.3	$3.4	$1.3	$47,254	7.6	$2.6	2.2
2036	175,831	51.2	264	416	144	$12.3	$2.4	$3.5	$1.3	$47,328	7.6	$2.6	2.6
2037	177,267	51.6	281	414	145	$12.8	$2.5	$3.6	$1.3	$47,371	7.6	$2.6	2.7
2038	178,693	52.1	288	411	147	$13.2	$2.6	$3.7	$1.3	$47,510	7.6	$2.6	2.5
2039	180,104	52.5	296	409	148	$13.7	$2.6	$3.8	$1.3	$47,570	7.6	$2.7	2.7
2040	181,491	52.9	301	405	149	$14.2	$2.7	$3.9	$1.3	$47,647	7.6	$2.7	2.6
2041	182,868	53.3	304	401	150	$14.7	$2.8	$4.0	$1.3	$47,864	7.6	$2.7	2.2
2042	184,121	53.7	207	396	151	$15.2	$2.8	$4.1	$1.3	$48,120	7.6	$2.7	2.1
2043	185,351	54.0	206	392	152	$15.7	$2.9	$4.2	$1.4	$48,405	7.6	$2.7	2.0
2044	186,671	54.4	318	387	153	$16.2	$3.0	$4.2	$1.4	$48,731	7.6	$2.7	1.8
2045	187,980	54.8	327	382	155	$16.7	$3.0	$4.3	$1.4	$48,992	7.6	$2.7	1.9
2046	189,284	55.2	333	381	156	$17.2	$3.1	$4.4	$1.4	$49,185	7.6	$2.7	2.0
2047	190,578	55.6	341	380	157	$17.7	$3.2	$4.5	$1.4	$49,272	7.6	$2.7	2.2
2048	191,856	55.9	350	377	158	$18.3	$3.2	$4.7	$1.4	$49,318	7.6	$2.7	2.3
2049	193,127	56.3	357	373	159	$18.8	$3.3	$4.8	$1.4	$49,485	7.6	$2.7	2.0
2050	194,358	56.7	360	372	159	$19.4	$3.4	$4.9	$1.4	$49,615	7.6	$2.7	2.1

Employment Sectors — 2015-2021 History, 2022-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac-turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
2015	46.1	7.4	0.9	4.9	1.1	4.8	1.0	1.3	0.2	6.1	3.3	14.5
2016	46.4	7.4	0.9	4.8	1.3	5.0	0.9	1.3	0.2	6.0	3.3	14.7
2017	47.7	7.8	0.9	4.9	1.7	5.0	1.0	1.2	0.2	6.3	3.3	14.7
2018	48.3	7.6	1.0	4.9	2.2	5.0	0.9	1.2	0.2	6.4	3.6	14.9
2019	49.0	7.5	1.0	4.9	2.3	4.9	0.9	1.2	0.1	6.7	3.6	15.1
2020	46.7	7.3	1.0	4.6	2.1	4.7	0.9	1.2	0.1	6.4	3.4	14.3
2021	47.1	7.2	1.0	4.5	2.1	4.9	0.9	1.3	0.1	6.5	3.9	14.0
2022	48.6	7.4	0.9	4.5	2.2	4.9	0.9	1.3	0.1	6.7	4.6	14.4
2023	49.8	7.5	0.9	4.5	2.4	4.9	0.9	1.3	0.1	7.0	4.7	15.0
2024	50.7	7.5	0.9	4.5	2.5	4.9	0.9	1.3	0.1	7.1	4.8	15.4
2025	51.3	7.5	0.9	4.6	2.6	4.9	0.9	1.3	0.1	7.3	4.8	15.6
2026	51.8	7.5	1.0	4.6	2.7	4.9	0.9	1.3	0.1	7.4	4.9	15.8
2027	52.4	7.6	1.0	4.7	2.7	4.9	0.9	1.3	0.1	7.5	4.9	16.0
2028	52.8	7.6	0.9	4.7	2.8	4.9	0.9	1.4	0.1	7.6	4.9	16.2
2029	53.2	7.6	0.9	4.7	2.8	4.9	0.9	1.4	0.1	7.7	5.0	16.4
2030	53.5	7.7	0.9	4.7	2.8	4.9	0.9	1.4	0.1	7.8	5.0	16.5
2031	53.8	7.7	0.9	4.7	2.8	4.9	0.9	1.4	0.1	7.9	5.0	16.7
2032	54.1	7.7	0.9	4.7	2.9	4.9	0.9	1.4	0.1	8.0	5.1	16.8
2033	54.4	7.7	0.9	4.7	2.9	4.9	0.9	1.4	0.1	8.1	5.1	16.9
2034	54.7	7.8	0.9	4.7	2.9	4.9	0.9	1.4	0.1	8.1	5.1	17.0
2035	55.0	7.8	0.9	4.8	2.9	4.9	0.9	1.4	0.1	8.2	5.1	17.2
2036	55.3	7.8	0.9	4.8	2.9	4.9	0.9	1.4	0.1	8.3	5.2	17.3
2037	55.5	7.8	0.9	4.8	2.9	4.9	0.9	1.4	0.1	8.4	5.2	17.4
2038	55.8	7.8	0.9	4.8	3.0	4.9	0.9	1.4	0.1	8.5	5.2	17.5
2039	56.0	7.8	0.9	4.8	3.0	4.9	1.0	1.4	0.1	8.5	5.2	17.7
2040	56.3	7.8	0.9	4.8	3.0	4.9	1.0	1.4	0.1	8.6	5.3	17.8
2041	56.5	7.8	0.9	4.7	3.0	4.9	1.0	1.4	0.1	8.7	5.3	17.9
2042	56.8	7.8	0.9	4.7	3.0	4.9	1.0	1.4	0.1	8.7	5.3	18.0
2043	57.0	7.8	0.9	4.7	3.0	4.9	1.0	1.4	0.1	8.8	5.3	18.2
2044	57.2	7.9	0.9	4.7	3.0	4.9	1.0	1.4	0.1	8.9	5.4	18.3
2045	57.5	7.9	0.9	4.7	3.0	4.9	1.0	1.4	0.1	8.9	5.4	18.4
2046	57.7	7.9	0.9	4.7	3.0	4.9	1.0	1.4	0.1	9.0	5.4	18.5
2047	57.9	7.9	0.9	4.7	3.0	4.9	1.0	1.4	0.1	9.1	5.4	18.6
2048	58.1	7.9	0.9	4.7	3.0	4.9	1.0	1.4	0.1	9.1	5.5	18.8
2049	58.4	7.9	0.9	4.7	3.0	4.9	1.0	1.4	0.1	9.2	5.5	18.9
2050	58.6	7.9	0.9	4.7	3.0	4.9	1.0	1.4	0.1	9.2	5.5	19.0

(thousands of jobs)

Kings County Economic Forecast

Socioeconomic Indicators

Students Proficient in English Language Arts/Literacy Grades 3-8 & 11

percent of students tested

2022

- Kings County: 25
- Central Valley: 22
- California: 49

Poverty Rate

percent of households below poverty line

2022

- Kings County: 13.7
- Central Valley: 14.8
- California: 8.9

Median Household Income

dollars per household

2022

- Kings County: 62,500
- Central Valley: 65,500
- California: 89,000

Median Home Selling Price

dollars

2021

- Kings County: 292,500
- Central Valley: 370,000
- California: 659,200

Average Travel Time to Work

minutes each way

2022

- Kings County: 25
- Central Valley: 29
- California: 33

Percent of Population Age 25+ With at Least a 4-Year College Degree

percent

2022

- Kings County: 16.6
- Central Valley: 18.0
- California: 34.5