

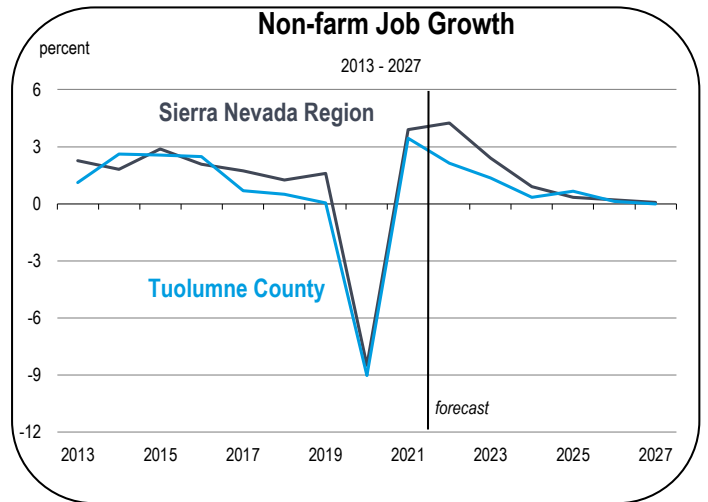
Tuolumne County Economic Forecast

Forecast Summary

- The County recorded a 3.4 percent increase in total employment during 2021. This translated into 560 jobs and over half of them landed in the leisure/hospitality sector.
- The leisure, hospitality, accommodation and recreation sector is also leading the labor market surge in 2022. Another 350 total jobs will be added to total employment.
- Over the 2022-2027 forecast period, total employment in Tuolumne County is expected to increase by 800 jobs. Leisure services, healthcare, and construction will be responsible for virtually all job growth.
- The unemployment rate averaged 7.3 in 2021. It is forecast to average 4.0 percent in 2022 and 4.2 percent in 2023.
- The population is expected to decline over the forecast period, because the disparity between births and deaths widens over time as the population ages.
- The median home price increased by 21 percent in 2021. Home prices are expected to increase by 6 percent in 2022 and less than 2 percent in 2023.
- The Tuolumne County economy is heavily dependent on tourism. Each year thousands of visitors travel to the region to hike, camp, ski, snowboard, and visit local casinos.

Job Growth

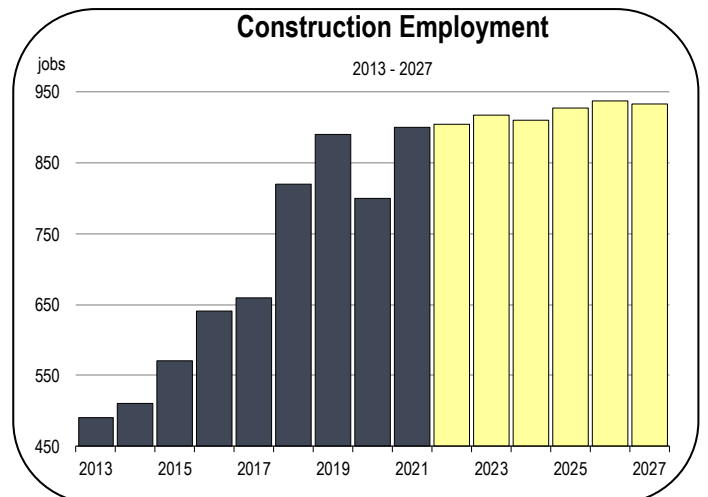
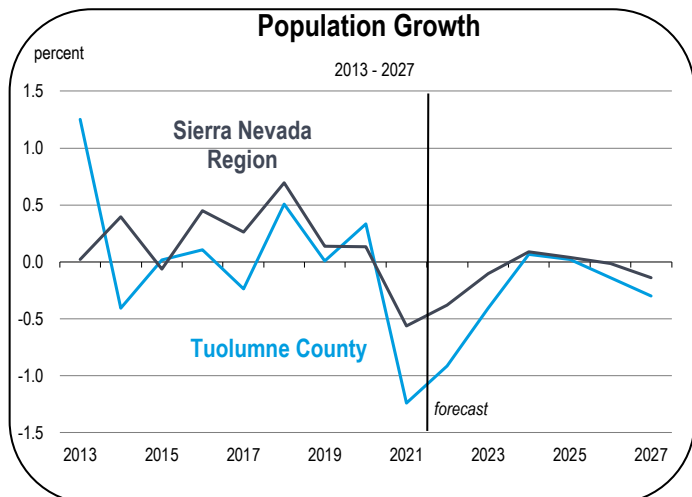
- Total employment in Tuolumne County will expand by 2.1 percent in 2022 on an annual average basis.



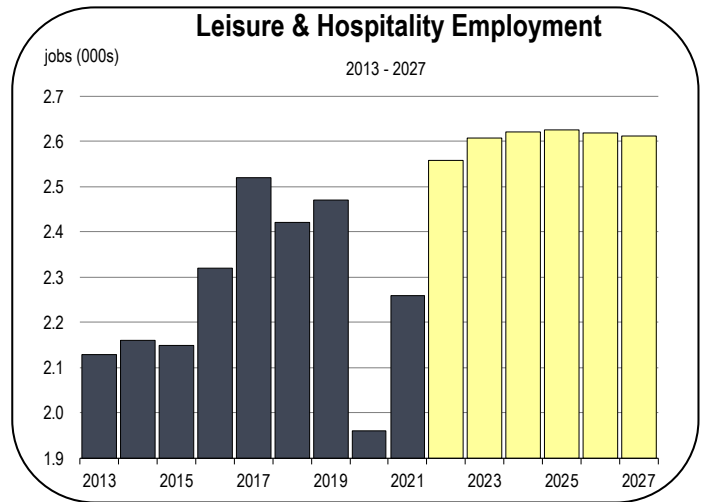
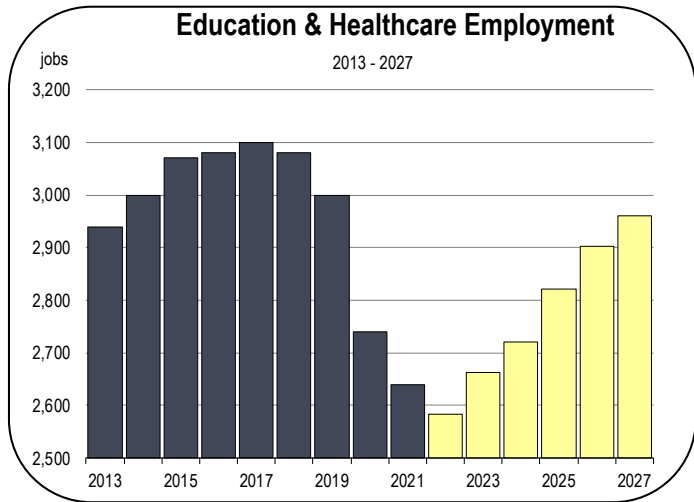
- Between 2023 and 2027, job growth will average 1 percent per year.

Construction Employment

- Construction employment is expected to remain at current record levels over the forecast period.
- From 2022 to 2027, nearly twice as many homes will be built, compared to the 2016-2021 period.
- Non-residential construction activity will also rise, with more investment into office, retail, and warehousing structures.



Tuolumne County Economic Forecast



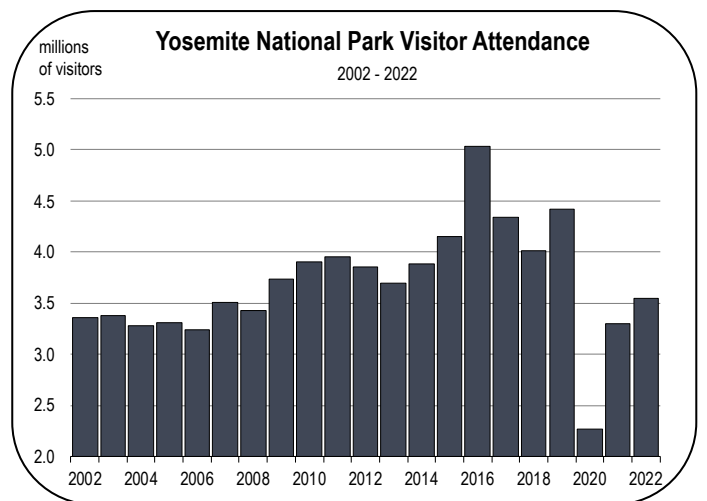
Private Education and Healthcare Employment

- Employment levels in the Tuolumne County healthcare industry have contracted for 4 consecutive years, due largely to layoffs at Adventist Health and to the closure of 2 outpatient care facilities.
- Healthcare employment is expected to expand sharply in 2023 and continue to grow throughout the forecast period.
- Tuolumne County has a high share of residents who are older than 75, and the elderly population is only expected to increase, ultimately necessitating a larger healthcare workforce in the county.

Leisure and Hospitality Employment

- Yosemite National Park is the primary tourism attraction in Tuolumne County.
- Visitor traffic to Yosemite directly supports jobs at hotels and restaurants, and visitor spending indirectly creates jobs in retail trade and other industries.
- Aside from Yosemite, visitors travel to Tuolumne County to ski and snowboard at Dodge Ridge Mountain resort, which directly employs up to 1,000 workers during the peak winter months.
- Tuolumne County has 2 casinos - Black Oak Casino and Chicken Ranch Bingo and Casino - that draw tourists from the Central Valley.

- In 2021 the leisure and hospitality sector added 300 jobs, accounting for an employment expansion of 15 percent.
- Another surge in recreation employment along with hospitality is occurring in 2022. The county is on pace to add another 350 jobs.
- In 2023, local leisure and hospitality businesses will generate higher levels of revenue from camping and skiing. Heightened recreation spending by visitors however is dependent on snowfall totals, the availability of campsites at Yosemite, and household incomes of largely California residents.



Tuolumne County Economic Forecast

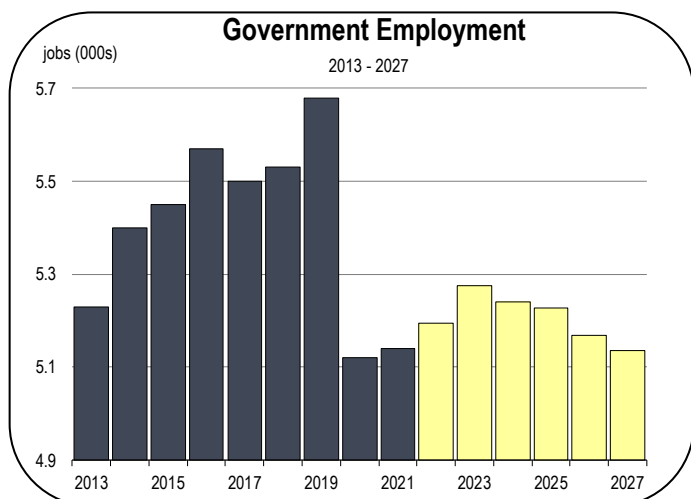


Hetch Hetchy Reservoir

Government Employment

- The California State Government has several large departments that are located in Tuolumne County, including the Hetch Hetchy Project and the Sierra Conservation Center. Combined, these agencies employ more than 1,000 local workers.
- The Hetch Hetchy project oversees a dam and reservoir that sends water to the San Francisco Bay Area.
- The dam was built in response to a San Francisco water crisis in the 1910s and was completed in 1923.

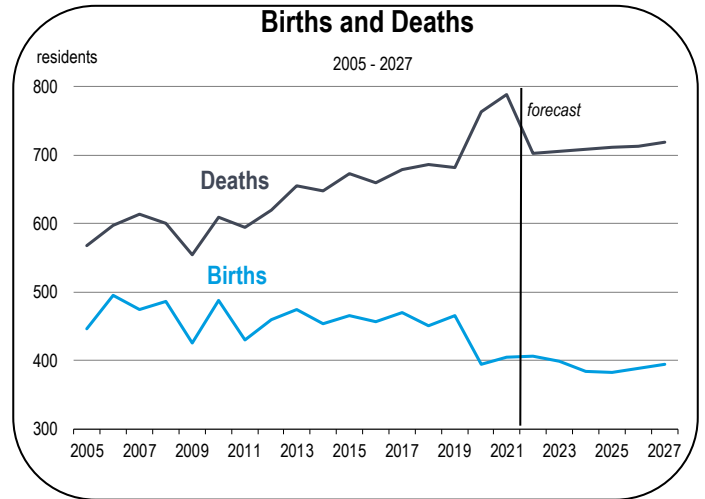
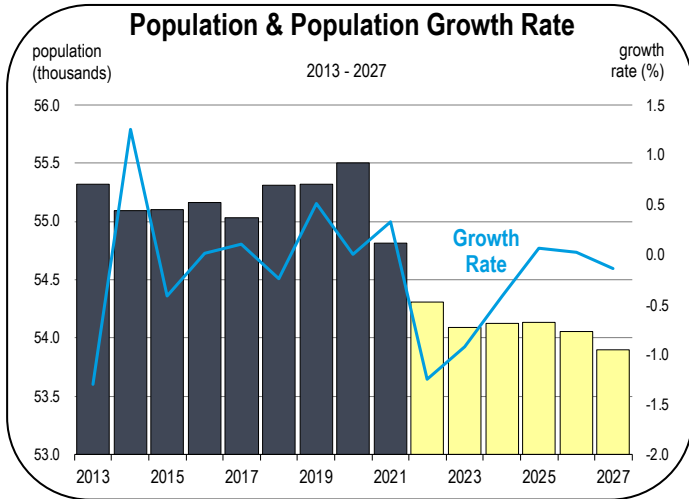
- Today, the Hetch Hetchy Project is responsible for the water service of 2.6 million people.
- The Sierra Conservation Center is a correctional facility in Jamestown that houses 3,300 inmates and employs more than 500 workers.
- Government agencies added 20 jobs in 2021. Another 50 jobs are expected to be added in 2022.
- With K-12 school enrollment in decline, public sector employment may see consolidation over time. There are no net jobs created over the forecast through 2027.



Population Growth

- By 2021, the county had only 54,800 residents. At its peak in 2006, the county had 56,600 residents.
- Tuolumne County’s population is much older than the statewide average.
- As of 2021, more than 12 percent of Tuolumne County’s population was age 75 or older, compared to just 7 percent of California’s population.
- Because Tuolumne County has a high share of residents aged 75 and older, the number of deaths exceeds the number of births.

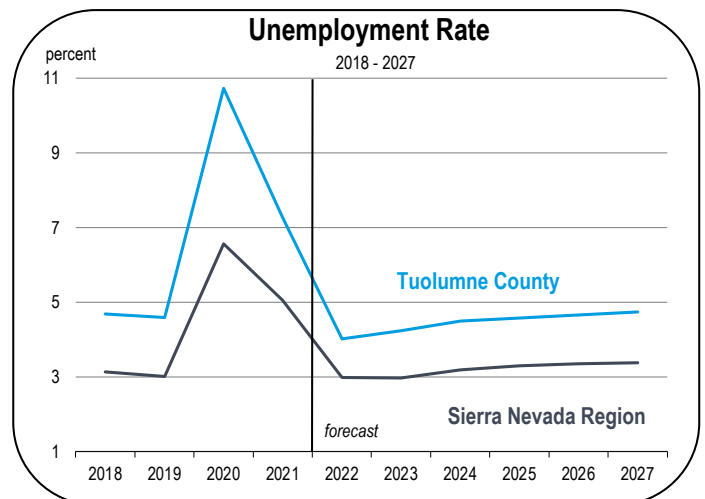
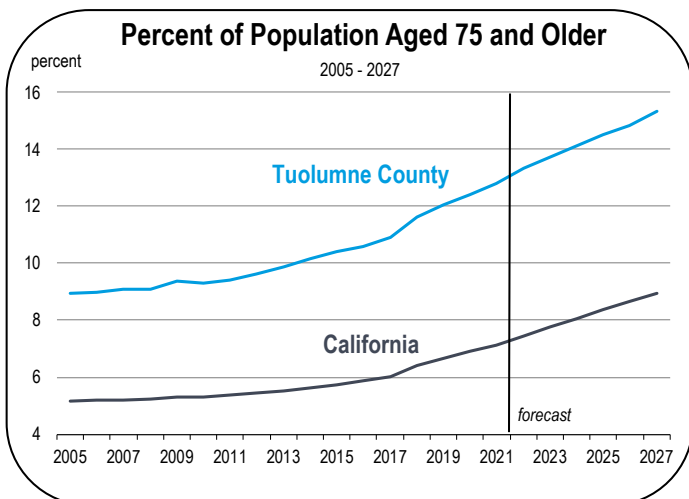
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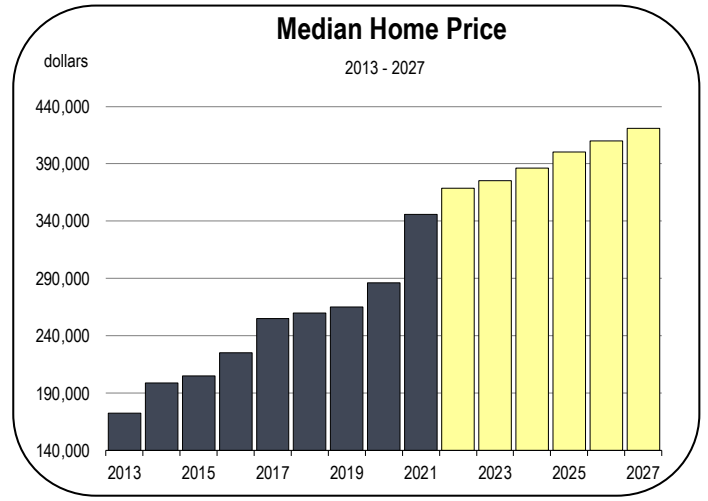
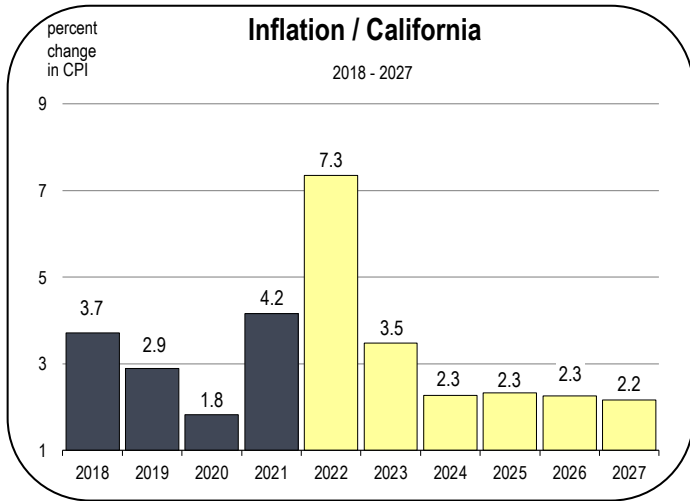
- Over the forecast period, the number of people moving into the county will be approximately equal to the number of people moving out. However, because deaths will exceed births, the overall population will decline.
- The population declined at an average rate of 0.09 percent annually over the last six years. It is expected to decline by 0.3 percent annually over the next six years.

Unemployment and Inflation Rates

- The unemployment rate in Tuolumne County averaged 7.3 percent in 2021.
- An unemployment rate below 6.0 percent signifies a fully employed workforce in Tuolumne County.
- The unemployment rate is expected to average 4.0 percent in 2022 and 4.2 percent in 2023.



Tuolumne County Economic Forecast

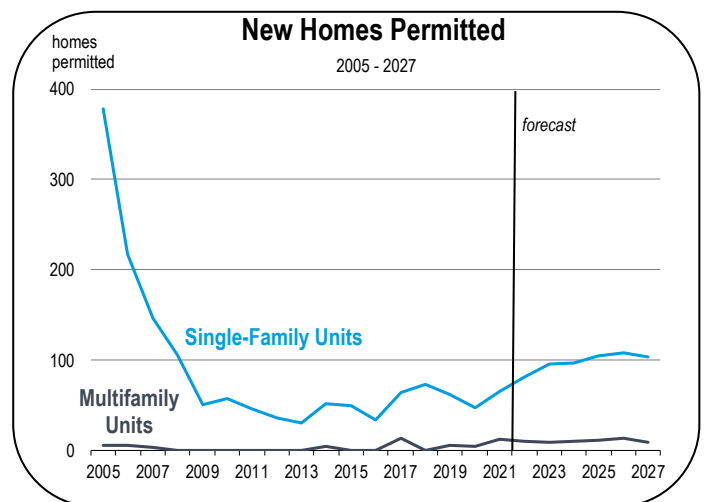


- Inflation decelerated sharply in 2020, largely because energy prices declined when the demand for fuels plunged.
- Inflation soared in 2021 and is expected to remain elevated for several years.
- During 2022 and into 2023, there will be a number of factors that will contribute to higher inflation. 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
- 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 begin to decelerate after 2022 as supply chains and the labor force are restored, eventually falling to below 3 percent again by 2024.

- The median price has continued to rise in 2022 though a peak for the cycle was reached in the March to May period. Selling prices have since softened.
- Price appreciation during 2022 is expected to finish up 7 percent.
- Home prices are not expected to rise much in 2023. The forecast for Tuolumne County has home prices up less than 2.0 percent.
- From 2016 to 2021, an average of 44 new homes were started per year in Tuolumne County. Virtually all were single-family homes.
- Housing production is expected to average 65 to 75 homes per year from 2022 to 2027, consisting mostly of single-family homes.
- A number of capital improvement projects are also expected to break ground, including several bridge replacements and road reconstructions.

Home Prices and New Housing Production

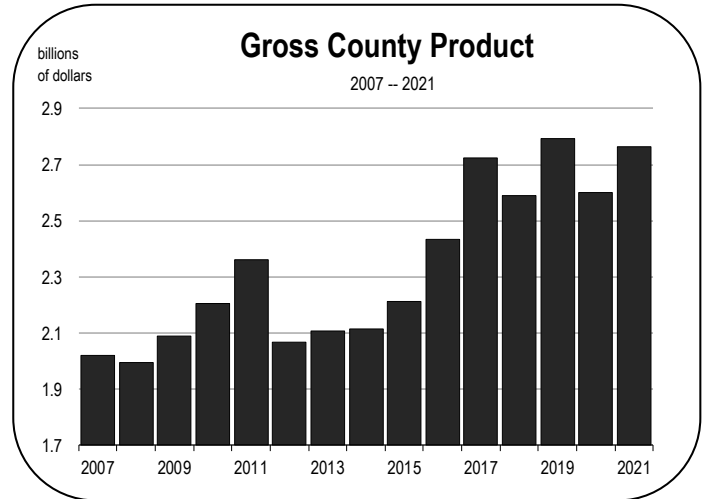
- In 2021 the median home value in Tuolumne County was \$346,000. For single family detached homes, the median selling price was \$380,000.



Tuolumne County Economic Forecast

New Development

- Tuolumne County’s development pipeline involves a mix of capital improvement projects, commercial projects, and residential projects.
- The engineering division in Tuolumne County is currently working on over two dozen capital improvement projects. The engineering team is planning improvements from bridge replacement to traffic signal installation.
- Two community centers have recently been completed in Tuolumne and Groveland. The two centers are sized at 17,550 square feet and estimated to cost a total of \$25 million. They contain a lobby area, commercial kitchen, office space, and two classrooms.
- Valley Vista Village is a huge housing project located in Jamestown. The 239-unit housing project will include 187 single family homes. Construction for the project is under way with the first phase of houses expected in the Fall of 2022.
- Phase one of the development project includes 71 homes over six models.
- Affordable apartments are coming to Sonora after getting approved in January 2022. The complex will incorporate 72 units and be 3 stories tall. Units are intended to be affordable for households earning 30 to 50 percent of the area’s median income.



Gross County Product

- The U.S. Bureau of Economic Analysis estimates that the size of the Tuolumne County economy is valued at \$2.8 billion. The largest contributors to the economy are:
 - (1) Real Estate
 - (2) the Public Sector
 - (3) Utilities
 - (4) Professional and Business Services, and
 - (5) Healthcare
- These 5 sectors account for 73 percent of total gross county product.



Vista Valley Village

Tuolumne 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 (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	55,104	22.2	167	49	76.9	\$2.3	\$495	\$651	\$433	\$50,169	7.1	\$33.3	1.4
2016	55,162	22.1	300	34	78.9	\$2.4	\$515	\$696	\$594	\$51,371	6.2	\$32.3	2.3
2017	55,032	22.2	109	77	78.0	\$2.5	\$540	\$730	\$770	\$50,904	5.4	\$36.1	3.0
2018	55,311	22.3	477	73	79.0	\$2.6	\$550	\$729	\$527	\$50,548	4.7	\$44.6	3.7
2019	55,316	22.4	240	68	80.5	\$2.7	\$570	\$773	\$648	\$51,017	4.6	\$43.5	2.9
2020	55,500	22.4	450	51	80.0	\$2.7	\$628	\$838	\$551	\$51,264	10.7	\$39.4	1.8
2021	54,811	22.5	-321	77	81.2	\$2.9	\$714	\$838	\$605	\$52,727	7.3	\$39.8	4.2
2022	54,309	22.5	-206	91	81.4	\$3.1	\$834	\$1,064	\$612	\$52,387	4.0	\$40.0	7.3
2023	54,088	22.6	85	105	81.9	\$3.2	\$849	\$1,121	\$614	\$53,049	4.2	\$40.1	3.5
2024	54,123	22.7	360	107	82.3	\$3.3	\$858	\$1,140	\$621	\$53,684	4.5	\$40.1	2.3
2025	54,135	22.8	339	116	82.5	\$3.4	\$869	\$1,155	\$630	\$54,486	4.6	\$40.0	2.3
2026	54,060	22.9	249	121	83.1	\$3.5	\$877	\$1,167	\$634	\$55,222	4.7	\$40.0	2.3
2027	53,897	23.0	162	112	83.4	\$3.7	\$886	\$1,178	\$637	\$56,031	4.7	\$40.1	2.2
2028	53,673	23.0	110	100	83.5	\$3.8	\$895	\$1,189	\$641	\$56,779	4.8	\$40.1	2.2
2029	53,438	23.1	114	98	83.4	\$3.9	\$919	\$1,217	\$643	\$57,400	4.8	\$40.1	2.3
2030	53,198	23.2	115	102	83.5	\$4.0	\$947	\$1,253	\$643	\$57,956	4.8	\$40.2	2.2
2031	52,947	23.3	117	100	83.2	\$4.1	\$967	\$1,281	\$642	\$58,667	4.8	\$40.3	2.1
2032	52,685	23.4	116	98	83.2	\$4.2	\$992	\$1,314	\$642	\$59,146	4.8	\$40.3	2.3
2033	52,417	23.5	116	95	83.0	\$4.3	\$1,014	\$1,343	\$641	\$59,859	4.8	\$40.4	1.9
2034	52,152	23.5	117	93	83.1	\$4.4	\$1,037	\$1,373	\$641	\$60,484	4.8	\$40.5	2.1
2035	51,889	23.6	119	91	83.0	\$4.6	\$1,066	\$1,411	\$640	\$61,083	4.8	\$40.5	2.2
2036	51,632	23.7	121	88	82.6	\$4.7	\$1,101	\$1,457	\$639	\$61,461	4.8	\$40.5	2.6
2037	51,371	23.8	124	86	81.8	\$4.8	\$1,133	\$1,501	\$638	\$61,795	4.8	\$40.5	2.7
2038	51,108	23.8	126	78	80.9	\$5.0	\$1,166	\$1,544	\$636	\$62,227	4.8	\$40.6	2.5
2039	50,843	23.9	129	74	79.8	\$5.1	\$1,200	\$1,590	\$634	\$62,558	4.8	\$40.7	2.7
2040	50,580	23.9	132	70	79.1	\$5.2	\$1,231	\$1,632	\$631	\$62,890	4.8	\$40.7	2.6
2041	50,318	24.0	134	64	78.2	\$5.3	\$1,260	\$1,670	\$628	\$63,401	4.8	\$40.7	2.2
2042	50,061	24.1	137	62	77.7	\$5.5	\$1,288	\$1,707	\$625	\$63,971	4.8	\$40.7	2.1
2043	49,804	24.1	139	58	77.2	\$5.6	\$1,318	\$1,747	\$623	\$64,561	4.8	\$40.7	2.0
2044	49,555	24.2	142	60	76.6	\$5.7	\$1,342	\$1,779	\$621	\$65,248	4.8	\$40.8	1.8
2045	49,307	24.2	144	58	76.3	\$5.9	\$1,374	\$1,820	\$619	\$65,855	4.8	\$40.8	1.9
2046	49,067	24.3	146	58	76.2	\$6.0	\$1,404	\$1,861	\$617	\$66,372	4.8	\$40.8	2.0
2047	48,834	24.3	148	54	76.2	\$6.2	\$1,435	\$1,903	\$616	\$66,730	4.8	\$40.9	2.2
2048	48,611	24.3	150	52	76.2	\$6.3	\$1,473	\$1,953	\$615	\$67,024	4.8	\$40.9	2.3
2049	48,396	24.4	152	50	76.3	\$6.4	\$1,508	\$1,999	\$614	\$67,472	4.8	\$41.0	2.0
2050	48,181	24.4	154	43	76.3	\$6.6	\$1,545	\$2,048	\$613	\$67,801	4.8	\$41.0	2.1

Employment Sectors

2015-2021 History, 2022-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade (jobs)	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
2015	17,360	60	570	800	240	2,670	510	940	210	3,070	2,150	5,450
2016	17,800	70	640	790	250	2,630	490	1,030	210	3,080	2,320	5,570
2017	17,930	80	660	800	210	2,540	490	1,070	190	3,100	2,520	5,500
2018	18,000	60	820	820	200	2,540	490	1,090	160	3,080	2,420	5,530
2019	18,040	90	890	840	200	2,540	500	1,110	130	3,000	2,470	5,680
2020	16,420	90	800	830	180	2,480	460	1,100	120	2,740	1,960	5,120
2021	16,980	90	900	880	190	2,610	430	1,140	120	2,640	2,260	5,140
2022	17,340	91	905	874	201	2,687	399	1,133	140	2,584	2,558	5,194
2023	17,570	91	917	874	214	2,672	402	1,139	138	2,663	2,607	5,275
2024	17,630	91	911	874	221	2,662	410	1,146	139	2,720	2,621	5,240
2025	17,750	91	928	873	226	2,652	412	1,149	138	2,821	2,625	5,228
2026	17,770	91	938	874	234	2,639	412	1,150	137	2,903	2,620	5,168
2027	17,770	91	933	872	238	2,628	412	1,150	135	2,961	2,612	5,136
2028	17,770	91	906	870	239	2,616	411	1,151	132	3,007	2,606	5,136
2029	17,840	91	911	869	239	2,619	408	1,150	128	3,040	2,612	5,177
2030	17,870	91	920	868	241	2,628	404	1,148	123	3,071	2,607	5,168
2031	17,920	91	917	867	240	2,627	400	1,146	119	3,100	2,602	5,210
2032	17,890	91	912	866	242	2,629	397	1,143	115	3,126	2,597	5,174
2033	17,860	92	908	866	242	2,632	393	1,141	110	3,149	2,592	5,146
2034	17,830	92	903	865	243	2,632	389	1,138	106	3,152	2,587	5,131
2035	17,800	92	899	864	243	2,637	385	1,136	101	3,153	2,583	5,112
2036	17,750	92	894	864	242	2,643	381	1,133	97	3,154	2,578	5,084
2037	17,700	92	899	863	238	2,645	378	1,131	92	3,153	2,573	5,050
2038	17,650	92	892	863	234	2,648	374	1,128	88	3,150	2,569	5,023
2039	17,590	92	892	862	230	2,649	370	1,125	83	3,146	2,564	4,988
2040	17,510	92	882	862	227	2,649	367	1,123	79	3,141	2,559	4,949
2041	17,450	92	867	862	224	2,649	363	1,120	75	3,134	2,554	4,927
2042	17,410	92	862	861	223	2,650	359	1,117	70	3,127	2,560	4,909
2043	17,370	92	852	861	221	2,653	356	1,114	66	3,119	2,565	4,888
2044	17,340	92	859	861	219	2,652	352	1,111	62	3,110	2,570	4,873
2045	17,310	92	855	861	219	2,656	349	1,108	58	3,101	2,576	4,855
2046	17,270	92	853	860	220	2,658	346	1,106	54	3,091	2,581	4,835
2047	17,220	92	845	860	221	2,658	342	1,103	50	3,081	2,586	4,804
2048	17,160	92	840	860	221	2,660	339	1,100	46	3,071	2,592	4,770
2049	17,120	93	836	860	222	2,663	336	1,097	42	3,061	2,597	4,745
2050	17,030	93	817	860	222	2,666	333	1,095	38	3,050	2,602	4,681

Tuolumne County Economic Forecast

Socioeconomic Indicators

