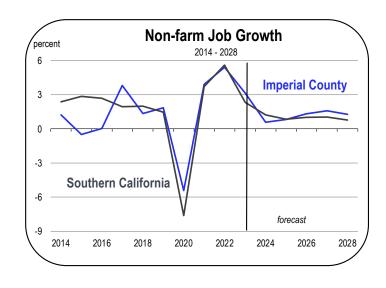
Forecast Summary

- An estimated 1,800 total jobs will be created in Imperial County during 2023, following the 2,300 jobs that were restored in the County during 2022.
- Almost all of the employment gains in 2023 will come from healthcare, the public sector, professional and business services, and manufacturing.
- Over the entire 2023-2028 forecast period, healthcare will generate the most new employment followed by construction.
- The public sector is the largest labor market in Imperial County, representing almost a third of all workers employed.
- The unemployment rate averaged 14.6 percent in 2022. It is forecast to average 17.6 in 2023 and 17.0 percent over the forecast period.
- For the 2023 to 2028 period, population is forecast to average 0.14 percent annual growth.
- The median home price increased by 7 percent in 2022. Home values are projected to fall 2.65 percent in 2023.

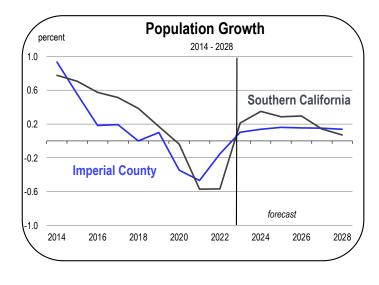
Job Growth

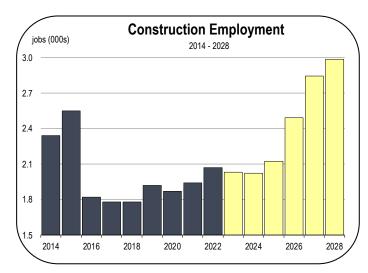
- Total employment in Imperial County expanded 3.6 percent in 2022 and will increase an additional 2.7 percent in 2023.
- Between 2024 and 2028, job growth will average 1.0 percent per year resulting in 3,500 more jobs.

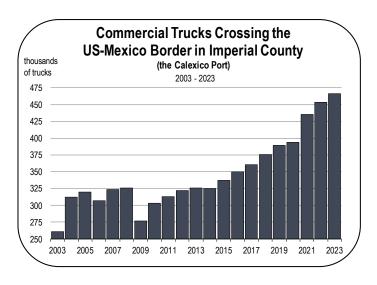


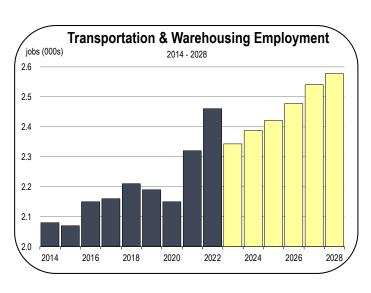
Construction Employment

- Construction industry employment grew by 6.7 percent in 2022 but is expected to decrease 1.9 percent in 2023. The industry will slightly contract 0.4 percent in 2024. However, during the years 2025 through 2028, with the development of Lithium Valley, job growth is forecast to increase sharply, averaging 10.3 percent per year culminating in an additional 1000 jobs over this period.
- Many construction workers are imported into the county for energy projects which have dominated new development in the county for the last several years.









Manufacturing Employment

- Imperial County has a heavy concentration in food and beverage manufacturing, which turns agricultural commodities into finished foods and drinks.
- The largest employers in manufacturing are Spreckels Sugar Company, with 300 workers at its plant in Brawley, and United States Gypsum Company, with an estimated 350 workers at it's facility in Imperial.
- Because of its dependence on the County's agriculture industry, the manufacturing sector is not as vulnerable to offshoring as are manufacturing operations in other California counties.
- Manufacturing employment expanded 9.9 percent in 2022 and will grow an additional 9.9 percent in 2023.
- Manufacturing employment is heavily dependent on local agricultural output, and agricultural output is expected to increase slowly over the forecast period. However, employment in manufacturing is not expected to expand after 2023. Automation in food processing will continue to limit the demand for labor resources in this sector over time. Job growth is forecast to contract modestly, by an average annual rate of 0.2 percent from 2024 through 2028.

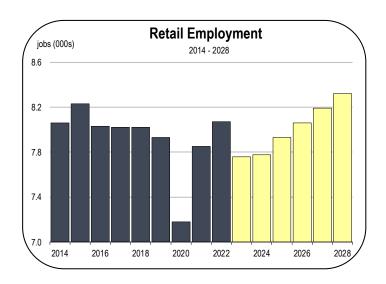
Transportation and Warehousing Employment

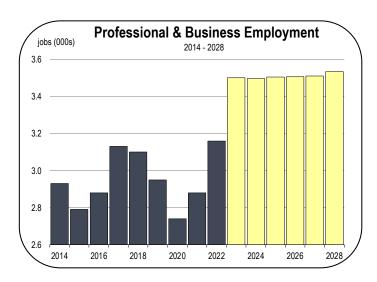
- Most transportation jobs in Imperial County are in trucking and warehousing firms, which transport and store physical goods.
- Cross-border trade with Mexico is a prominent contributor to transportation jobs in Imperial County, and there were more truck crossings in 2022 than in than previous year on record contributing to job growth of 6 percent.

- Employment will contract by 4.8 percent in 2023 in this sector.
- The transportation, warehousing, and utilities sector is forecast to generate approximately 250 jobs by 2028 as trucking, cross-border trade, and solar energy development expands.

Retail Trade Employment

- The Imperial County retail sector has a high share of jobs in department stores and retail super centers, including Costco, Target, and 3 supercenter Walmart's in El Centro, Brawley, and Calexico. These four retailers combined employ just over 1,400 workers.
- As cross border traffic resumes, employment opportunities are expected to increase within the retail sector in Calexico, Imperial, and El Centro.
- The retail sector added an estimated 220 jobs in 2022.

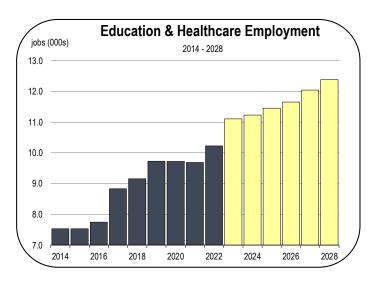




- Putting downward pressure on this job sector is ongoing consumer substitution from physical stores to online e-commerce, and automation. These factors will contribute to the estimated loss of over 300 jobs in this sector in 2023.
- However, due to a forecast of rising population in the county, over 500 jobs will be created during the next 5 years.

Professional and Business Services Employment

- In Imperial County, the professional and business services industry is primarily comprised of corporate security firms, building maintenance companies, and staffing agencies.
- In 2022, growth in employment in this sector was 9.7 percent resulting in 280 new jobs. An additional 350 jobs are projected to be implemented this year.
- Over the forecast period, employment growth of professional business workers in Imperial County will be negligible.

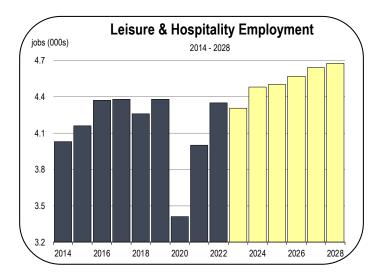


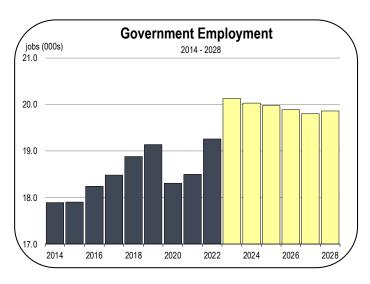
Private Education and Healthcare Employment

- There were 550 jobs added in healthcare during 2022. Job gains of 900 are forecast for 2023.
- In Imperial County, there are only 200 jobs in the private educational services industry (public schools are classified in the government industry).
- The healthcare sector has some of the largest employers in the county. The three largest organizations are:
 - El Centro Regional Medical Center with between 500 and 1,000 workers.
 - Pioneers Memorial Healthcare District with an estimated 750 workers.
 - The Imperial County Behavioral Health Department with between 250 and 500 workers.
- Job creation in healthcare is expected to number approximately 1,300 over the forecast period, outnumbering all other privatesector industries.



Pioneers Memorial Hospital is a 107-bed acute care facility located in Brawley. The company has a number of clinics and medical offices in Brawley and Calexico.





Leisure and Hospitality Employment

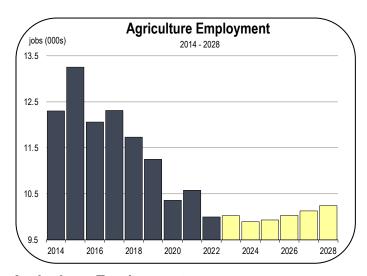
- During 2022, the leisure and hospitality sector added 350 jobs, growing 8.7 percent over the previous year. In 2023, this sector will contract by 1.0 percent, before averaging 1.7 percent job growth over the forecast period.
- Outdoor recreation for visitors includes the Imperial Sand Dunes Recreation Area, a magnet for off-road enthusiasts, and the Sonny Bono Salton Sea National Wildlife Refuge, a renowned birding site.

Government Employment

- Government agencies gained 650 jobs in 2022.
- The forecast for state and local government job creation is for an increase of 850 workers in 2023.
- The largest state-level agencies are Calipatria State Prison and Centinela State Prison. Combined, these two institutions contribute over 2,200 workers to total public sector employment in the county.
- The largest federal agencies are the El Centro Naval Air.



El Centro Naval Air Facility is among the largest employers in Imperial County. It is a primary location for air combat training and houses the Blue Angels, the air force unit that performs at events across the U.S.

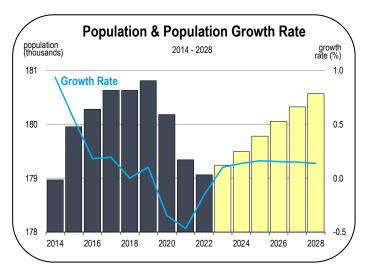


Agriculture Employment

- The agriculture industry is the third largest employer in Imperial County, behind only the public sector and health care. Gross production from all crops for 2022 was valued at \$2.4 billion. The forecast for 2023 is expected to be 0.5 percent higher, due to higher prices for cattle, feed crops, and vegetables. The average growth rate is expected to continue at this pace over the forecast period.
- Prices for lettuces, corn, spinach, melons, and watermelons all moved higher in both 2022 and 2023, contributing to the increase in gross farm valuation.
- The county generates a high volume of agricultural revenue from cattle ranching.
- Employment levels in the agricultural sector fell 5.5 percent in 2022
 as the automation of planting and harvest activities continues to
 replace workers. However, employment gains are still forecast to
 be positive but moderate, averaging 0.4 percent per year between
 2024 and 2028.

Population Growth

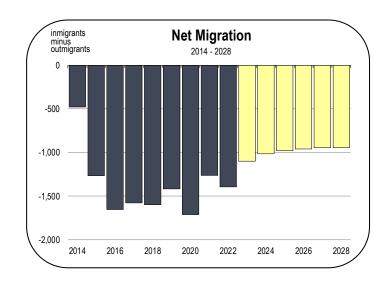
 The Imperial County population declined in 2022, losing approximately 300 residents. Following 3 consecutive years of decline, the population is expected to increase in 2023 by a modest amount. Population is forecast to rise by over 1,300 residents over the forecast period, reaching a level of just over 180,000 residents.

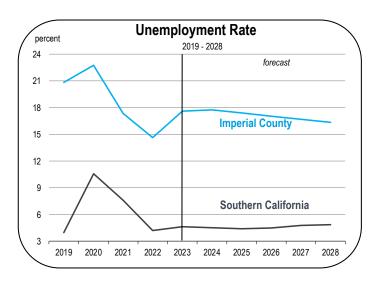


 The natural increase (new births less deaths) will account for most of the population growth over the next 5 years as net migration is only slightly positive.

Unemployment and Inflation Rates

- The unemployment rate in Imperial County averaged 14.6 percent in 2022.
- The unemployment rate in Imperial County is always higher than
 the Southern California average because Imperial County has
 (1) a larger share of seasonal agricultural workers, greater daily
 movement of California and Mexicali residents traversing the
 border, and (3) a lower share of workers with college degrees.
- The unemployment rate is expected to average 17.6 percent in 2023 and 17.0 percent during the forecast period.
- Inflation soared to 7.9 percent in 2022, its highest rate in 40 years.
 but will decelerate in 2023 to 3.7 percent due largely to declining energy costs and the restoration of supply chains.

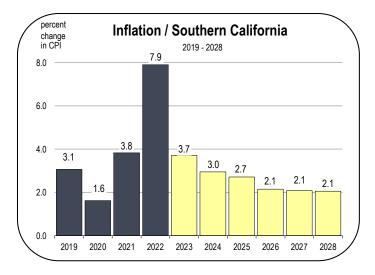


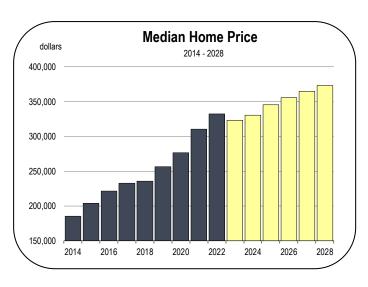


- Ultimately, inflation reduces the purchasing power of households and negatively impacts consumer confidence, limiting the growth potential of the economy in 2023.
- Disinflation will continue into 2024 as the inflation rate will fall to 2.96 percent. The rate will continuously decelerate over the forecast period as the labor force is gradually restored and interest rates subside.

Home Prices & New Housing Production

- The median home price for all homes sold in the County was \$332,000 in 2022. This included all attached and detached homes.
- The median price will fall to \$323,200 in 2023. Price appreciation will recontinue during the forecast period averaging 2.9 percent/ year.

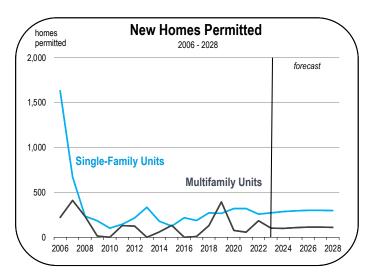


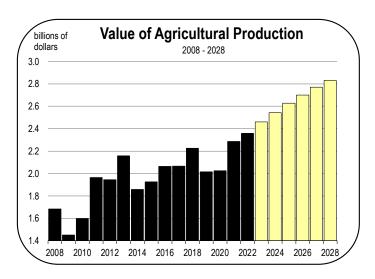


- From 2017 to 2022, an average of 410 new homes were approved per year. Most were single family units.
- An average of 400 homes are expected to be built each year from 2023 to 2028, consisting mostly of single-family homes.

Town Center Phase 4

 A proposed 180-unit apartment complex to be located near the county airport's extended flight path has been approved by the El Centro City Council despite an airport commission's written objection.





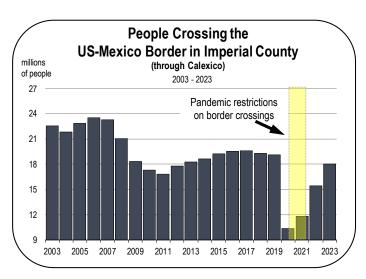


Agriculture

- The county's economy has historically been driven by agriculture, and cross-border family and trade relationships with Mexico.
- The value of agricultural production has eclipsed \$2 billion each year since 2016. The principal crop category is vegetables and melons, comprising nearly half of the dollar value. Cattle ranks as the number one farm commodity with a gross value exceeding \$400 million.
- Employment in farming has declined over time, but still accounts for 17 percent of all jobs in the county. Farm employment is not expected to expand over either the near-or-longer term forecast. However, farm production is expected to remain a key engine of economic growth for the County.

The Mexico-Calexico Border

- Federal government operations include U.S. immigration and Customs enforcement, and the Imperial Regional Detention Facility, both in Calexico. Two U.S. Customs and Border Protection facilities are located in Calexico from either the western or eastern side of Mexicali.
- With Mexicali's population of an estimated 1 million, Imperial Valley's daily population increases exponentially due to the close proximity to the two international ports of entry located in the Mexicali-Calexico border-city region. In 2019, there were nearly 19-million-person crossings between the two countries at these two ports of entry.
- That level of crossings was significantly reduced by the pandemic in 2020 and 2021 as limitations on only essential trips were in effect.



 In 2022, the number of crossings had not yet recovered and in 2023, pedestrian and truck volumes are still below the 2019 pace through the Calexico ports.

Correctional Facilities

- There are two principal correctional facilities within the County.
 Centinela State Prison, located in Imperial currently houses 2,779 inmates, and employs 1,219 workers.
- Calipatria State Prison, located in Calipatria is a male-only facility, having an inmate population of 2,705. The workforce as of July 30, 2023 included 1,171 employees.

Energy Projects

- Imperial County with its abundance of sun is highly attractive to
 utility scale solar production. The first facility was operational in
 the County in 2011. Over the ensuing 12 years, Imperial county
 has approved over 50 solar facilities with 16,107 acres being
 constructed for solar. The County has also developed wind power
 and several battery energy storage system facilities.
- Since 2016, the County has processed or is currently processing 21 solar projects totaling 8,300 acres for 1,400 megawatts of renewable power. Most of the operational facilities are located just west of the city of Calexico in the south, or surrounding the City of Calipatria in the north. Other facilities not yet built are located northwest of Calexico.
- The County of Imperial currently has a total of 2,311 MW of renewable energy (solar) being produced on approximately 16,100 acres of land in full operation. Additionally, one (1) battery storage project of 125 MW is operational on a five (5) acre parcel. Projects pending construction (fully entitled and currently in the permitting process) include an additional 895 MW (solar and battery) on approximately 6,400 acres. There are four (4) projects under active construction which will generate about 140 MW of power and

2,200 MW of battery storage on about 1,185 acres. Additionally, the County of Imperial is currently entitling thirteen (13) new solar and battery projects comprising of 990 MW of solar production and 1,380 MW of battery storage on about 5,600 acres of land.

- Mount Signal Solar is a fully operational power station west of Calexico, consisting of 3 units with a total capacity of 794 megawatts. The plant features 460,000 solar modules.
- Two large solar projects are now operating in the Anza Borrego Desert: The ColGreen North Shore Project in 2018, and the Titan Solar 1 Energy Project which became operational in 2020.
- Imperial Valley-Solar Park is also currently active. The project generates 218,376 megawatts of electricity and supplies enough clean energy to power 60,000 households.
- Construction on the Vikings Energy Farm began in early 2023, and construction is still underway as of the summer of 2023.
 Commercial operation is expected by 2025. The project includes a 137MW solar energy plant and as much as 150MW/600MWh of battery storage. It will supply an estimated 50,000 households with energy.
- Imperial County Solar Photovoltaic Park is a 117 megawatt project that is planned. It is currently under construction and planned to be operational sometime in 2023.
- The Salton Sea is the largest lake totally within the State of California. It is mainly within Imperial County with a small segment in Riverside County. About 70% of the water that sustains the Lake comes from irrigation runoff from the New and Alamo rivers in Imperial County. Flows have been limited however in recent years. Plans now involve covering the exposed shoreline with alternative energy projects including solar arrays, algae farms, and solar gradient ponds.

Lithium Valley

- Imperial County is a producer of geothermal energy. The
 production of geothermal and lithium mining are combined
 industry activities. officials and industry professional envision a
 "Lithium Valley" in Imperial County that would establish California
 as a global production hub that could employ thousands of workers
 and propel the economic future of Imperial County residents for
 generations to come.
- Tax subsidies are being offered to encourage lithium manufacturing operations in the County. Los Angeles-based StateVolt has committed to building a \$4 billion battery manufacturing plant, along with other companies now expressing interest.
- EnergySource Minerals is steaming ahead with plans to build a lithium facility, which could be ready for commercial use by 2025.
 The company is planning to break ground on a billion dollar facility in 2023.
- One (1) new geothermal project is fully entitled and in permit review at current. This project will take current geothermal production and extract lithium. One (1) additional project is under a County of Imperial Environmental Impact Report review and is projected to be considered for approval 4Q23. Nine (9) additional geothermal/lithium projects are under a State of California (California Energy Commission) review process and are expected to be entitled over the next twenty-four (24) mounts. The companies involved in the geothermal/lithium projects include Berkshire Hathaway Energy, Control Thermal Resources and Energy Source.
- Estimates of the amount of lithium in the region are massive.
 Recovery of the metal is estimated to support 7.5 million electric vehicles a year, which is half of the total car and truck sales in the U.S. currently.



Lithium Valley

Economic Indicators

2015-2022 History, 2023-2050 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)	Unemploymer Rate (percent)	Production	
2015 2016 2017 2018 2019 2020 2021 2022 2023 2025 2026 2027 2028 2029 2030 2031 2032 2034 2035 2036 2037 2038 2038 2039	(people) 179,952 180,280 180,627 180,809 180,182 179,340 179,062 179,243 179,489 179,777 180,051 180,368 180,763 180,936 181,070 181,183 181,252 181,299 181,317 181,298 181,251 181,168 181,058	holds (thousands) 49.6 49.8 49.9 50.1 50.3 52.1 52.4 53.3 53.5 53.8 54.1 54.5 54.9 55.3 55.7 56.1 56.5 56.9 57.3 57.7 58.1 58.5 58.9	Migration (people) -1,266 -1,652 -1,576 -1,599 -1,418 -1,712 -1,263 -1,393 -1,099 -1,015 -979 -958 -946 -944 -947 -951 -955 -959 -962 -964 -966 -968 -968 -969	Permitted (homes) 258 217 193 400 660 394 373 440 373 382 400 413 411 405 398 393 388 384 381 379 377 376 376 376 375	Věhicles (thousands) 181 192 195 199 206 214 224 227 229 231 234 238 243 247 249 252 254 255 257 259 261 262 263 264 265	Income (billions) \$6.5 \$6.4 \$6.5 \$6.5 \$6.8 \$8.1 \$8.6 \$8.2 \$8.7 \$9.1 \$9.5 \$9.9 \$10.2 \$10.6 \$10.9 \$11.3 \$11.6 \$11.9 \$12.2 \$12.6 \$12.9 \$13.3 \$13.7 \$14.1	Retail Sales (billions) \$1.6	Taxable Sales (billions) \$2.7	\$1.8 \$1.9 \$1.9 \$1.9 \$2.1 \$2.3 \$2.3 \$2.3 \$2.4 \$2.5 \$2.6 \$2.7 \$2.7 \$2.7 \$2.8 \$2.8 \$2.9 \$2.9 \$2.9 \$2.9 \$2.9 \$2.9 \$2.9 \$2.9	per Capita Income (dollars) \$46,138 \$44,304 \$43,921 \$41,964 \$42,890 \$50,245 \$51,564 \$45,684 \$46,878 \$47,462 \$48,191 \$48,887 \$49,660 \$50,317 \$51,213 \$51,621 \$51,288 \$52,257 \$52,601 \$52,965 \$53,196 \$53,356 \$53,356 \$53,356	Raté (percent) 24.6 24.2 19.7 18.9 20.8 22.8 17.4 14.6 17.6 17.7 17.4 17.0 16.7 16.3 17.4 17.2 17.1 16.8 16.8 16.9 17.1 17.2 17.1	nt Farm Production (billions) (billions) (bi	Rate percent) 0.9 1.9 2.8 3.8 3.1 1.6 3.8 7.9 3.7 3.0 2.7 2.1 2.1 2.0 2.1 2.0 2.2 1.8 2.0 2.1 2.5 2.6 2.4 2.6
2040 2041 2042 2043 2044 2045 2046 2047 2048 2049 2050	180,939 180,805 180,668 180,512 180,338 180,148 179,946 179,729 179,481 179,233 178,961	60.1 60.5 60.8 61.2 61.6 62.0 62.4 62.8 63.2 63.6 63.9	-970 -970 -970 -971 -971 -971 -972 -972 -972 -973	374 374 373 373 373 373 372 372 371 371	266 268 269 270 272 274 275 276 277 278 279	\$14.9 \$15.3 \$15.7 \$16.1 \$16.5 \$16.9 \$17.3 \$17.7 \$18.2 \$18.6 \$19.0	\$4.4 \$4.5 \$4.6 \$4.7 \$4.9 \$5.0 \$5.1 \$5.3 \$5.4 \$5.6 \$5.8	\$6.5 \$6.6 \$6.8 \$7.0 \$7.2 \$7.4 \$7.6 \$7.8 \$8.1 \$8.3	\$3.0 \$3.0 \$3.0 \$3.0 \$3.1 \$3.1 \$3.1 \$3.1 \$3.1 \$3.1	\$54,085 \$54,410 \$54,742 \$55,103 \$55,539 \$55,939 \$56,286 \$56,610 \$56,866 \$57,142	17.2 17.3 17.0 17.0 16.9 16.9 17.0 16.9 17.0 16.9	\$2.5 \$2.5 \$2.5 \$2.5 \$2.5 \$2.5 \$2.5 \$2.5	2.5 2.1 2.0 1.9 1.7 1.8 1.9 2.1 2.2 1.9

Employment Sectors

2016-2022 History, 2023-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
							sands of jobs					
2015	63.9	13.3	2.6	1.0	2.1	10.0	1.5	2.8	0.3	7.5	4.2	17.9
2016	62.7	12.1	1.8	1.1	2.2	9.8	1.4	2.9	0.3	7.8	4.4	18.2
2017 2018	64.9 65.0	12.3 11.7	1.8 1.8	1.5 1.6	2.2 2.2	9.8 9.8	1.3 1.3	3.1 3.1	0.3 0.3	8.8 9.2	4.4 4.3	18.5 18.9
2019	65.5	11.7	1.9	1.8	2.2	9.7	1.3	3.1	0.3	9.2	4.3	19.1
2020	61.7	10.4	1.9	2.0	2.2	8.9	1.1	2.7	0.3	9.7	3.4	18.3
2021	63.9	10.4	1.9	2.0	2.3	9.6	1.1	2.9	0.2	9.7	4.0	18.5
2022	66.2	10.0	2.1	2.3	2.5	9.9	1.1	3.2	0.2	10.2	4.4	19.3
2023	68.0	10.0	2.0	2.6	2.3	9.6	1.1	3.5	0.2	11.1	4.3	20.1
2024	68.2	9.9	2.0	2.6	2.4	9.6	1.1	3.5	0.2	11.2	4.5	20.0
2025	68.7	9.9	2.1	2.6	2.4	9.8	1.1	3.5	0.2	11.5	4.5	20.0
2026	69.5	10.0	2.5	2.6	2.5	9.9	1.1	3.5	0.2	11.6	4.6	19.9
2027	70.6	10.1	2.8	2.6	2.5	10.1	1.1	3.5	0.2	12.0	4.6	19.8
2028	71.5	10.2	3.0	2.5	2.6	10.2	1.1	3.5	0.2	12.4	4.7	19.9
2029	71.9	10.2	3.0	2.5	2.6	10.3	1.1	3.5	0.2	12.8	4.7	19.7
2030	72.3	10.2	3.0	2.5	2.6	10.4	1.1	3.5	0.2	13.2	4.7	19.7
2031	72.6 72.9	10.2 10.2	3.0	2.5	2.7	10.4	1.1	3.5	0.2	13.5	4.7	19.6
2032 2033	72.9	10.2	3.0 3.0	2.5 2.5	2.7 2.7	10.5 10.6	1.1 1.1	3.5 3.5	0.2 0.2	13.9 14.3	4.7 4.7	19.5 19.3
2033	73.5	10.2	2.9	2.5	2.7	10.6	1.1	3.5	0.2	14.5	4.7	19.3
2035	73.9	10.2	2.9	2.4	2.7	10.7	1.1	3.5	0.2	14.8	4.7	19.4
2036	74.2	10.2	2.9	2.4	2.7	10.7	1.1	3.5	0.2	15.1	4.7	19.4
2037	74.4	10.2	2.9	2.4	2.7	10.7	1.1	3.5	0.2	15.2	4.7	19.6
2038	74.7	10.2	2.8	2.4	2.8	10.7	1.1	3.6	0.2	15.4	4.7	19.7
2039	74.9	10.2	2.8	2.4	2.8	10.7	1.1	3.6	0.2	15.5	4.7	19.8
2040	75.2	10.2	2.8	2.4	2.8	10.7	1.1	3.6	0.2	15.7	4.7	19.8
2041	75.4	10.2	2.8	2.4	2.8	10.7	1.1	3.6	0.2	15.9	4.8	19.9
2042	75.7	10.2	2.8	2.4	2.8	10.7	1.1	3.6	0.2	16.0	4.8	19.9
2043	75.9	10.2	2.8	2.4	2.8	10.8	1.1	3.6	0.2	16.2	4.8	20.0
2044	76.2	10.2	2.7	2.4	2.8	10.8	1.1	3.6	0.2	16.3	4.8	20.0
2045	76.4	10.2	2.7	2.4	2.8	10.9	1.1	3.6	0.2	16.5	4.8	20.0
2046	76.6	10.2	2.7	2.4	2.8	10.9	1.1	3.6	0.2	16.7	4.8	20.0
2047	76.9	10.2	2.7	2.4	2.8	10.9	1.1	3.6	0.2	16.8	4.8	20.1
2048 2049	77.1 77.3	10.3 10.3	2.6 2.6	2.4 2.4	2.8 2.8	11.0 11.0	1.1 1.1	3.6	0.2 0.2	17.0 17.2	4.8 4.8	20.1 20.1
2049	77.5	10.3	2.5	2.4	2.8	11.0	1.1	3.6 3.6	0.2	17.2	4.6	20.1
2030	11.5	10.3	2.3	2.4	2.0	11.1	1.1	3.0	0.2	17.3	4.0	20.1

Socioeconomic Indicators

