

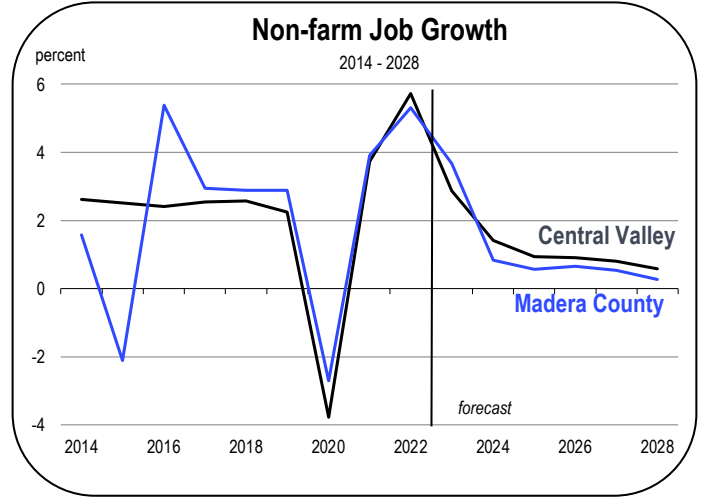
Madera County Economic Forecast

Forecast Summary

- The county’s labor market is continuing its upward trend in job creation. After gaining about 2,500 jobs in 2022 the labor market is on pace to create another 2,200 jobs in 2023. The leading sectors with job gains are:
 - State and local government
 - Leisure and hospitality
 - Professional and business services
 - Healthcare
- The unemployment rate is expected to average 7.2 percent in 2023.
- Inflation soared to 7.3 percent in 2022, its highest rate in 40 years, but will decelerate in 2023 to 3.8 percent.
- Net migration is expected to be a meaningful contributor to population growth as residents relocate from Coastal California or move to Madera from elsewhere for more affordable housing.
- The population will increase over the next 5 years, averaging 0.6 percent growth per year.
- The largest residential project in California is located in Madera County and it is called Rio Mesa. This massive development near Highway 41 and the Fresno County border includes 33,000 homes with potential to accommodate 120,000 residents.

Job Growth

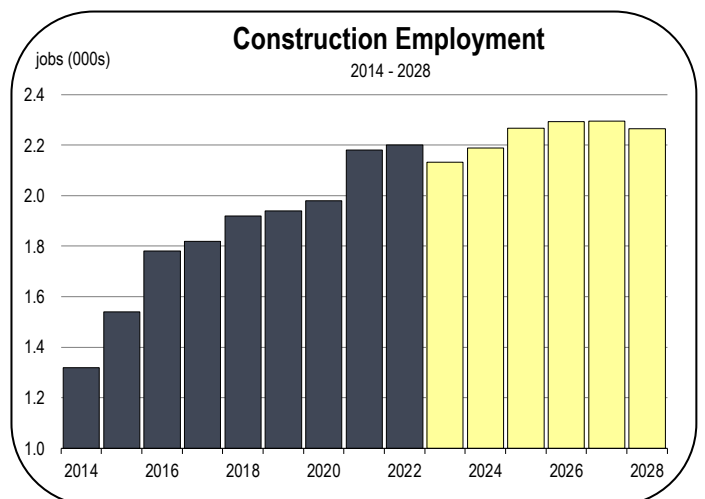
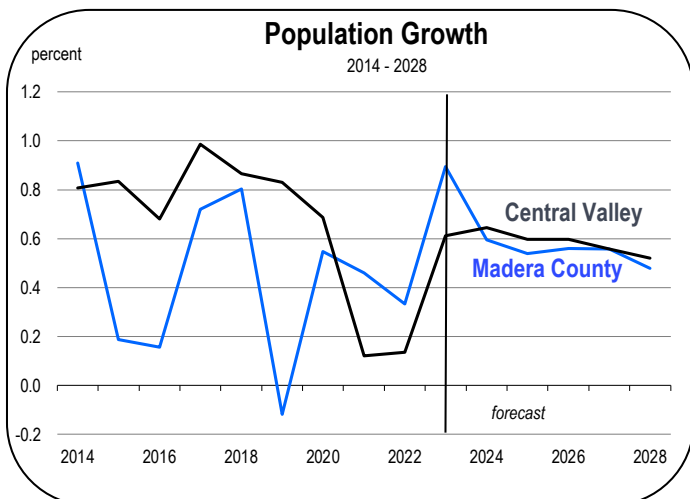
- Total employment in Madera County expanded by 4.9 percent in 2022, adding 2,600 jobs. In 2023, 2,200 jobs will be created representing an increase of 3.9 percent. Job growth levels off significantly over the remainder of the forecast period.



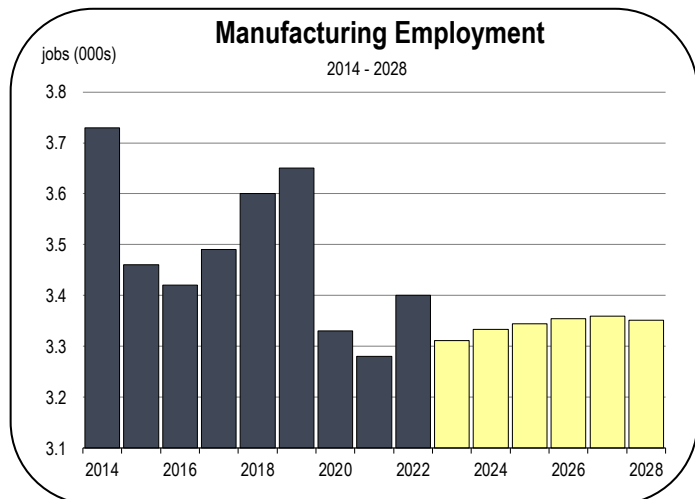
- Between 2017 and 2022, job growth averaged 2.0 percent. Between 2023 and 2028, job growth will also average 1.1 percent per year.

Construction Employment

- In the last few years there has been new development momentum in the county. As a result, employment in the construction trades has been steadily rising, and reached 2,200 workers in 2022. This level had not been reached since 2007.
- In the City of Madera, a new 118 affordable unit project called River Grove will start in 2023.
- Meanwhile, Rancho Calera, 140 single family homes in a master planned community of 2,042 homes is underway in the City of Chowchilla.



Madera County Economic Forecast



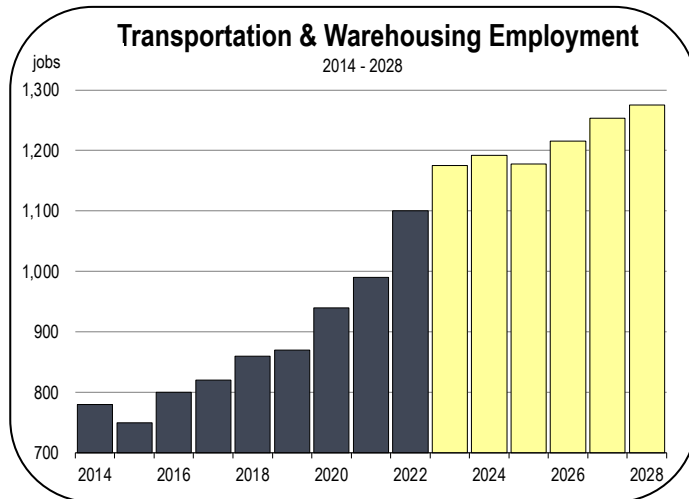
- Along Highway 41 heading towards eastern Madera County, construction continues at a rapid pace for the Tesoro Viejo and Riverstone communities.
- In 2023 the momentum will stall, and there will be a loss of 50-100 jobs. Minimal job growth in this sector will occur over the forecast period.

Manufacturing Employment

- Madera County has a heavy concentration in food and beverage manufacturing firms, which turn agricultural commodities into finished food products.
- Among the largest employers in the county are manufacturing companies including Warnock Food Product, Lion Raisins, EVAPCO, and Baltimore Aircoil Company.
- In 2022 there were 120 jobs created in manufacturing. However, 2023 will see a loss of 100 positions.
- There will be minimal job growth over the forecast period as automation has been substituted for labor in the manufacturing industry.

Transportation and Warehousing Employment

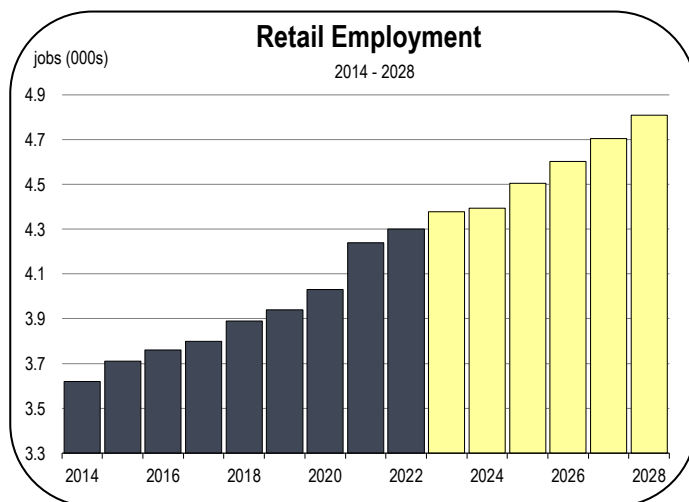
- Most transportation jobs in Madera County are in trucking where firms deliver goods to and from businesses within the county and across California.
- The industry hired 100 new workers in 2022 in response to a surge in online shopping and a higher volume of spending. In 2023, an additional 100 workers will be hired.



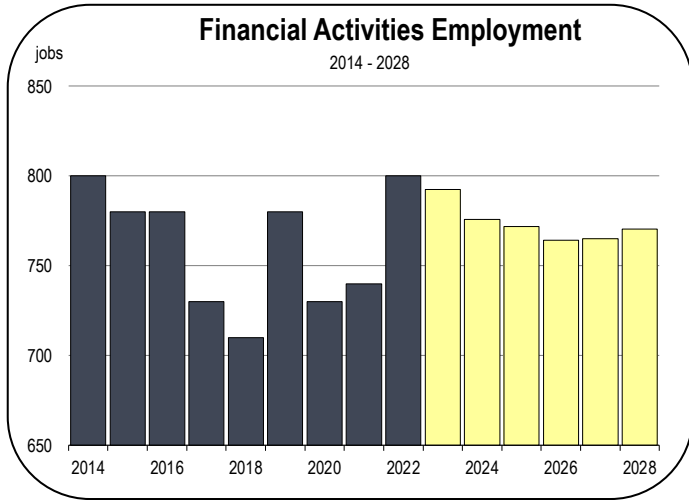
- Job growth will slow over the forecast period as there will be only 100 new jobs created during the forecast period.

Retail Trade Employment

- Employment grew by 100 jobs in 2022 as more commercial structures were completed and opened during the year. Another 100 jobs will be added in 2023.
- New retail store openings (and new retail jobs) that support all the residential development that has been and will continue to be underway in the County more than offsets declining employment in retail trade due to more online retail.
- Over 300 new jobs will be created over the forecast period.

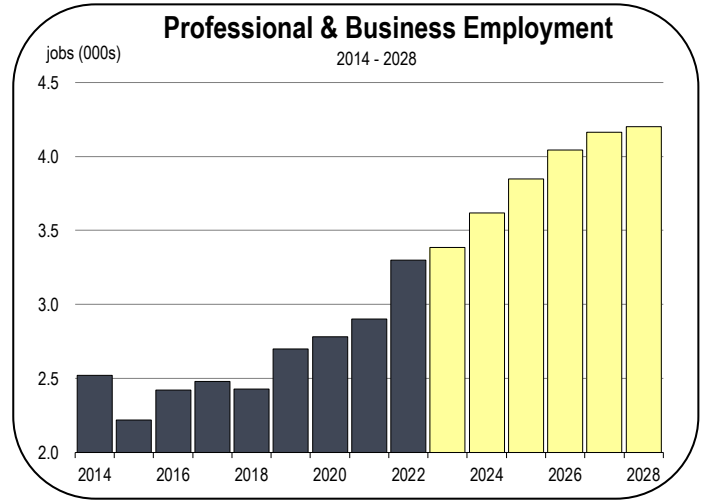


Madera County Economic Forecast



Financial Activities Employment

- The Madera County financial activities industry is mostly comprised of real estate companies and banks.
- No meaningful growth was observed in any of the subsectors in this industry between 2014 and 2022 which represented an expansive economy with a growing population in the County. The industry will continue to maintain existing workforce levels over the forecast.



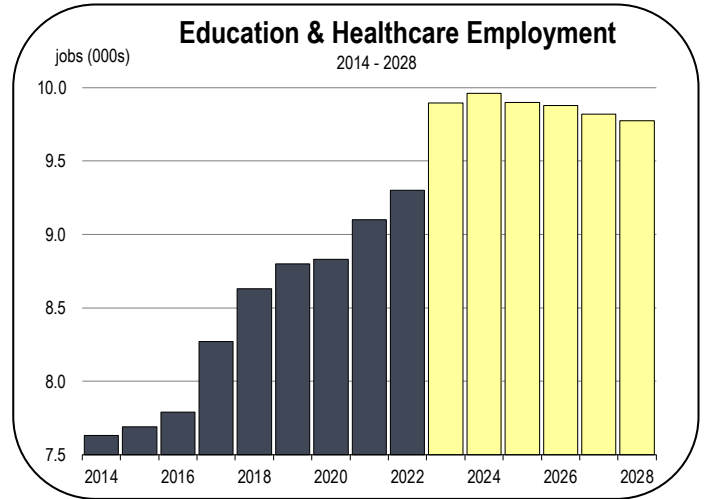
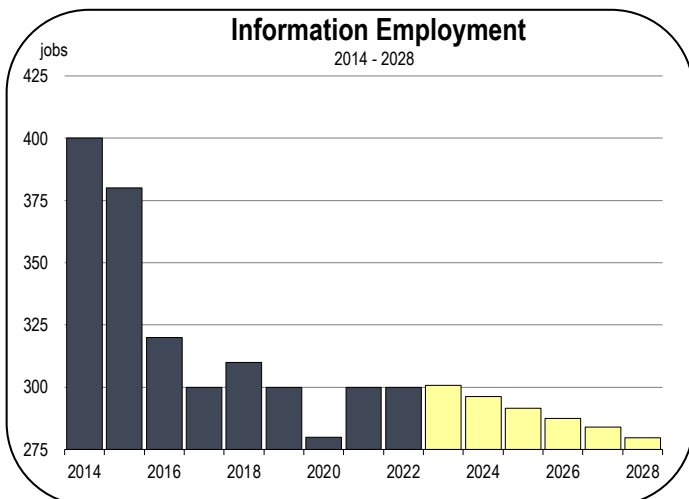
- The sector will average 4.4 percent growth of employment between 2024 and 2028.
- Professional services represents many of the technology companies that provide design and consulting services to high tech product manufacturers both domestically and internationally.

Professional and Business Services Employment

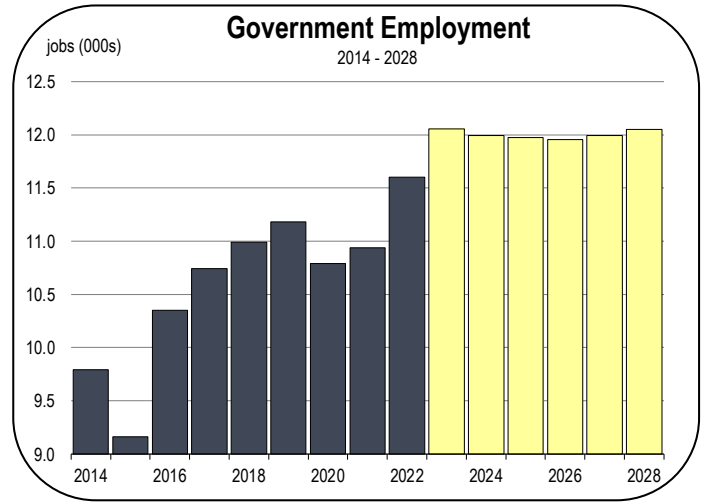
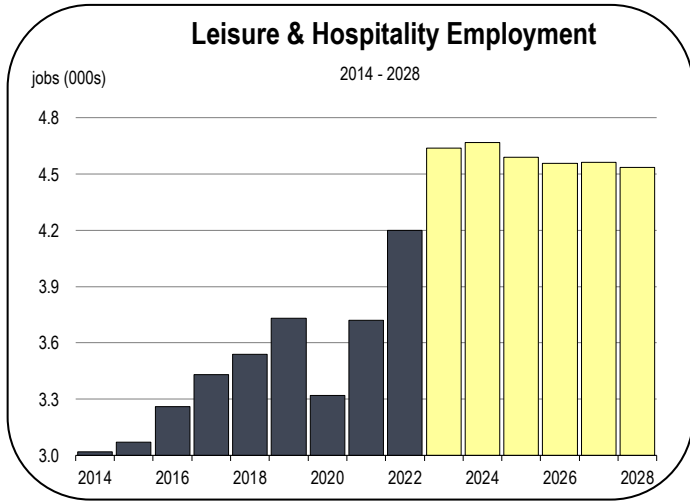
- The professional and business services sector added 400 jobs in 2022; a 13.8 percent increase. Another 100 jobs will be created in 2023.
- This sector is largely serving the resident population which is rising today and will continue to expand over the forecast. Consequently, professional business services is poised to contribute a major share of future jobs in Madera County over the next several years.

Information Employment

- In Madera County, the information sector is almost entirely comprised of telecommunications companies.
- The largest firm is Sierra Tel, which is headquartered in Oakhurst and accounts for approximately half of the 300 Information jobs in the county.
- The entire telecommunications sector has been replacing jobs with technology, which should lead to consolidation of jobs. Even so, there will be no significant change in the employment level in this sector during the forecast period.



Madera County Economic Forecast



Private Education and Healthcare Employment

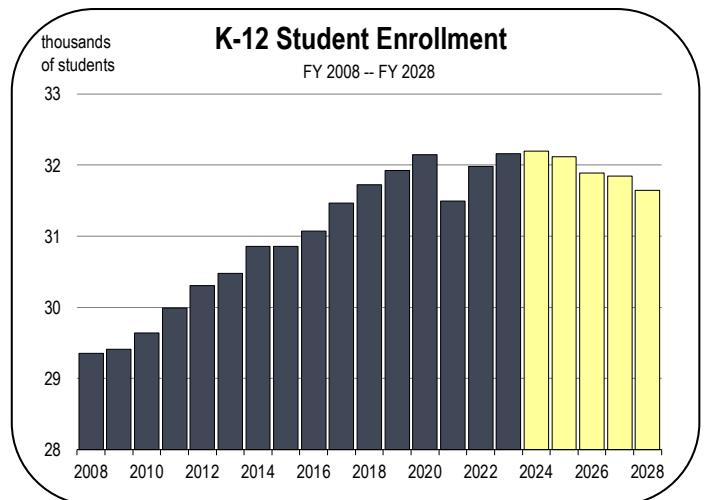
- 200 jobs were added to the sector in 2022, and another 600 jobs will be created in 2023.
- One of the largest employers in the County is Madera Community Hospital, with 750 employees.
- Job growth will slow down over the 2024 to 2028 period, with an average of 50 jobs added per year in healthcare.

Leisure and Hospitality Employment

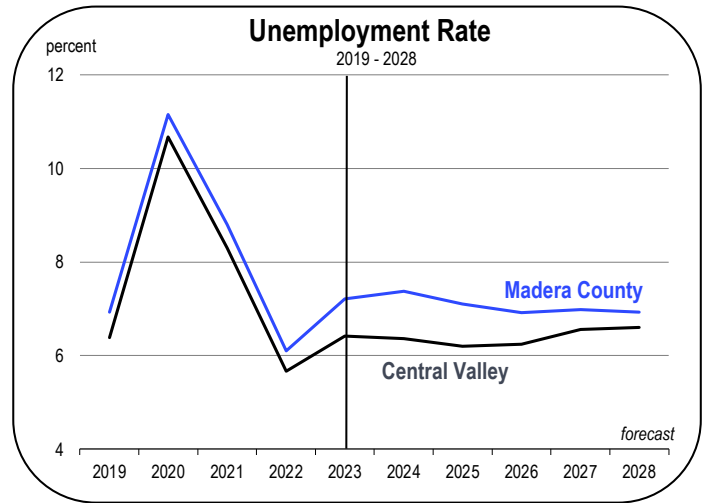
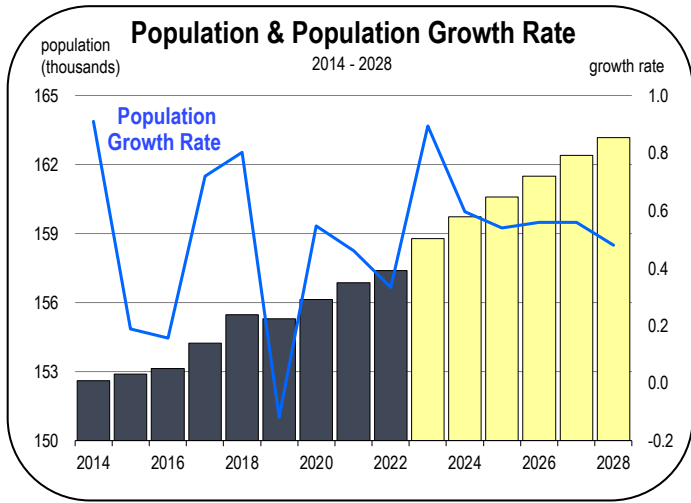
- Employment within the leisure/hospitality sector expanded at a rate of 12.9 percent in 2022 with the addition of 500 jobs. Growth will continue into 2023 with the creation of 450 more job, a 10.5 percent increase.
- The surge in dining, drinking, and recreation throughout California has led to strong demand for food services and lodging workers. The impending recession (or slow down) in 2024 will soften the demand for recreation services and slow the growth of jobs during the forecast period.

Government Employment

- State and local government agencies gained 640 jobs in 2022, representing an employment increase of 6.0 percent across the sector.
- Jobs will continue to grow 4 percent in 2023 with the addition of 450 jobs.
- State and local public sector employment accounts for 98 percent of all public sector employment. Schools account for the major share of local government employment.
- K-12 student enrollment peaked in 2020 and will decline modestly over the remainder of the decade. Employment opportunities in the public sector will nevertheless grow as municipalities expand due to rising population over the forecast.



Madera County Economic Forecast

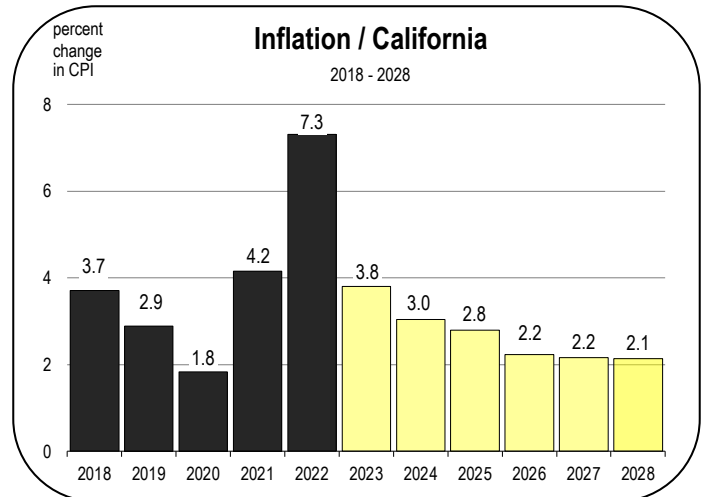
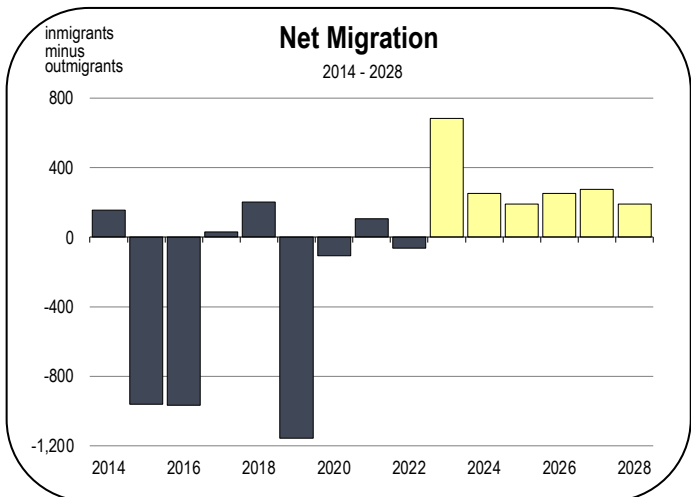


Population Growth

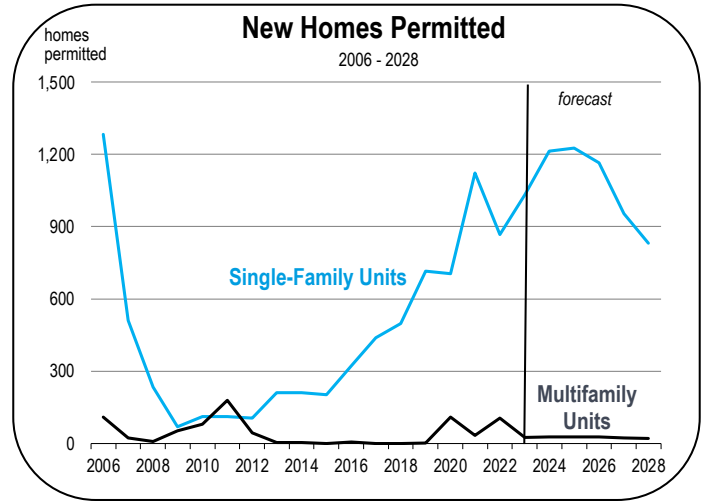
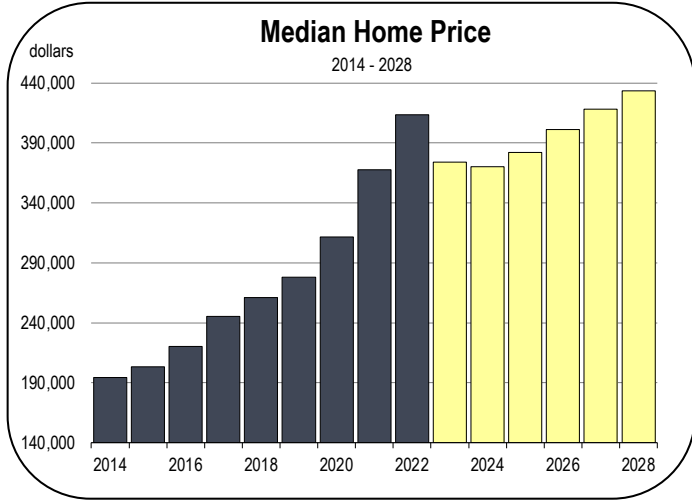
- The Madera County population is expected to expand more quickly than the California average between 2023 and 2028.
- Net migration is expected to be a meaningful contributor to population growth as residents relocate from Coastal California or move to Madera from elsewhere for more affordable housing.
- An average of 300 net migrants are expected to move into Madera County each year between 2023 and 2028.
- Madera County has a young population with a high birth rate, and births will also contribute substantially to population growth.
- The population will expand at an annual average rate of 0.6 percent from 2023 to 2028. By 2028 the Madera County population will surpass 163,000 residents.

Unemployment and Inflation Rates

- The unemployment rate averaged 6.1 percent in 2022. An unemployment rate below 7.0 percent signifies a fully employed workforce in Madera County.
- The unemployment rate is expected to average 7.2 percent in 2023 and 7.4 percent in 2024 before moving back to a level below 7 percent in 2026.
- Inflation soared to 7.3 percent in 2022, its highest rate in 40 years, but will decelerate in 2023 to 3.8 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, and the inflation rate will eventually fall to below 3 percent by 2025 as the labor force is gradually restored and interest rates subside.



Madera County Economic Forecast



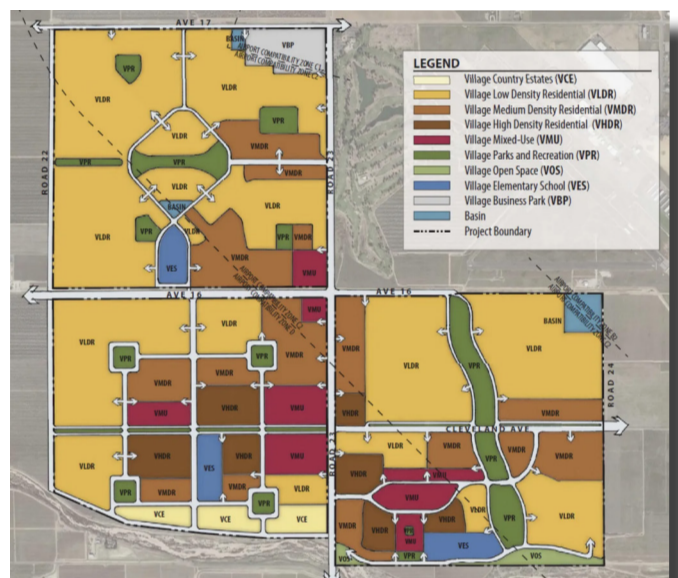
Home Prices and New Housing Production

- The median home selling price in Madera County was \$414,000 in 2022, and is on pace to decline 9.6 percent in 2023, to 374,000.
- A reversal in home prices occurs in 2024 and values are forecast to appreciate an average of 3.0 percent per year between 2024 and 2028.
- From 2017 to 2022, an average of 750 new homes were started per year in Madera County. Ninety-five percent of new homes started were single-family detached units.
- Housing production is expected to average almost 1,100 homes per year from 2023 to 2028. Ninety-eight percent will be single-family units.

New Development in Madera County

Villages at Almond Grove

- The City of Madera approved a master plan for 10,800 new residential units and 2.1 million square feet of retail, office and industrial space. The project has been designed to incorporate sustainability principles and strategies, and it has been selected to receive the 2023 Excellence and Achievement in Planning by the American Planning Association.



The Villages at Almond Grove Legend

Madera County Economic Forecast

River Grove

- The largest affordable housing project in the County was proposed in December 2022 by the Self-Help Enterprises. The applicant hopes for a simple ministerial process in obtaining permits for the development, and that construction will commence in 2023.
- The project calls for 118 rental units that would accommodate an estimated 342 residents.

Tesoro Viejo

- Tesoro Village is a 1,600-acre area with access to San Joaquin Village in Madera County.
- The inaugural village at Tesoro Viejo is Hillside Village, an 800-home development including parks and schools.
- The entire master planned community has 9 residential villages totaling 5,200 homes and 3 million SF of office, retail, commercial, and light industrial space. A new Madera County Fire Station has also been built in the community.
- There are 4 developers working on Tesoro Village: De Young Properties, KB Home, McCaffrey Homes, and Terrace Estates.



Hillside Village at Tesoro Viejo Map

Madera County Economic Forecast

Rio Mesa

- The largest project in Madera County is Rio Mesa, a massive development near Highway 41 and the Fresno County border.
- The Project Specific Plan can accommodate 33,000 homes which would house an estimated 120,000 residents. The two largest developments within the project site are Tesoro Viejo and Riverstone which are currently underway. Full buildout is not expected until 2050.

Riverstone

- Riverstone is a 2,000 acre, 8 district, community set to contain 6,578 residences at build out. Riverstone is located in the City of Madera. 2.6 million square feet of commercial office and retail space are also planned for the community.
- Of the 8 districts, one is sold out, one is leasing for commercial and retail, and two are in the process of selling houses. All other districts are still in planning.
- The first district is The Lodge, which includes 860 single family units, an elementary school, Riverstone Farms and Market, and future retail and commercial space. The Lodge District is sold out and construction is nearly complete.



Riverstone Map

Madera County Economic Forecast

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 (millions)	Real per Capita Income (dollars)	Unemployment Rate (percent)	Real Farm Production (billions)	Inflation Rate (percent)
2015	152,897	44.4	-961	203	137	\$5.3	\$1.0	\$1.5	\$891	\$44,285	10.6	\$2.6	1.4
2016	153,136	44.9	-966	329	141	\$5.5	\$1.0	\$1.5	\$992	\$45,191	9.3	\$2.3	2.3
2017	154,238	45.1	30	438	142	\$5.7	\$1.1	\$1.6	\$1,068	\$44,964	8.2	\$2.4	3.0
2018	155,476	45.7	202	498	145	\$5.8	\$1.1	\$1.7	\$913	\$44,004	7.1	\$2.4	3.7
2019	155,291	45.8	-1,155	718	150	\$6.1	\$1.2	\$1.8	\$987	\$44,952	6.9	\$2.3	2.9
2020	156,141	45.6	-108	814	153	\$6.9	\$1.4	\$2.0	\$929	\$49,425	11.2	\$2.2	1.8
2021	156,860	45.2	107	1,157	158	\$7.3	\$1.7	\$2.4	\$1,003	\$49,923	8.8	\$2.2	4.2
2022	157,382	45.7	-62	972	162	\$7.3	\$1.8	\$2.6	\$985	\$46,119	6.1	\$2.1	7.3
2023	158,789	46.9	682	1,056	163	\$7.7	\$1.8	\$2.7	\$1,010	\$46,968	7.2	\$2.2	3.8
2024	159,736	48.0	252	1,241	164	\$8.1	\$1.9	\$2.8	\$1,016	\$47,497	7.4	\$2.2	3.0
2025	160,597	49.2	190	1,252	165	\$8.5	\$2.1	\$3.0	\$1,020	\$48,316	7.1	\$2.2	2.8
2026	161,495	50.5	252	1,191	166	\$8.9	\$2.2	\$3.2	\$1,024	\$48,877	6.9	\$2.3	2.2
2027	162,398	51.7	275	976	167	\$9.2	\$2.3	\$3.4	\$1,025	\$49,390	7.0	\$2.3	2.2
2028	163,175	52.7	190	852	166	\$9.5	\$2.4	\$3.6	\$1,025	\$49,794	6.9	\$2.3	2.1
2029	163,952	53.5	224	768	167	\$9.8	\$2.5	\$3.7	\$1,026	\$50,139	6.9	\$2.3	2.1
2030	164,721	54.3	272	702	167	\$10.1	\$2.7	\$3.9	\$1,026	\$50,296	6.8	\$2.3	2.2
2031	165,456	55.0	298	652	167	\$10.4	\$2.8	\$4.1	\$1,027	\$50,528	6.7	\$2.3	2.1
2032	166,140	55.7	307	611	167	\$10.7	\$2.9	\$4.2	\$1,029	\$50,539	6.4	\$2.4	2.3
2033	166,732	56.3	300	579	168	\$11.0	\$3.0	\$4.4	\$1,032	\$50,768	6.3	\$2.4	1.9
2034	167,236	56.9	292	531	168	\$11.3	\$3.1	\$4.5	\$1,033	\$51,016	6.3	\$2.4	2.1
2035	167,660	57.4	291	497	169	\$11.7	\$3.2	\$4.7	\$1,036	\$51,217	6.4	\$2.4	2.2
2036	167,987	57.9	275	457	169	\$12.0	\$3.3	\$4.8	\$1,038	\$51,195	6.5	\$2.4	2.6
2037	168,214	58.3	249	417	169	\$12.3	\$3.3	\$4.9	\$1,039	\$51,141	6.6	\$2.4	2.7
2038	168,363	58.8	246	390	170	\$12.7	\$3.4	\$5.1	\$1,040	\$51,211	6.7	\$2.4	2.5
2039	168,422	59.1	229	414	170	\$13.0	\$3.5	\$5.2	\$1,041	\$51,131	6.7	\$2.4	2.7
2040	168,414	59.6	247	443	170	\$13.4	\$3.6	\$5.3	\$1,043	\$51,253	6.8	\$2.4	2.6
2041	168,309	60.0	229	465	171	\$13.7	\$3.7	\$5.4	\$1,044	\$51,487	6.9	\$2.4	2.2
2042	168,251	60.5	352	554	171	\$14.1	\$3.8	\$5.6	\$1,047	\$51,871	6.9	\$2.4	2.1
2043	168,009	61.0	242	610	172	\$14.5	\$3.9	\$5.7	\$1,049	\$52,306	6.9	\$2.4	2.0
2044	167,587	61.6	124	505	172	\$14.9	\$4.0	\$5.9	\$1,051	\$52,874	6.9	\$2.4	1.8
2045	166,986	62.1	7	497	172	\$15.2	\$4.2	\$6.1	\$1,051	\$53,415	7.0	\$2.4	1.9
2046	166,412	62.6	81	488	172	\$15.6	\$4.3	\$6.3	\$1,051	\$53,859	7.0	\$2.4	2.0
2047	165,794	63.1	76	428	172	\$16.0	\$4.4	\$6.5	\$1,051	\$54,218	7.1	\$2.4	2.2
2048	165,101	63.5	66	388	172	\$16.4	\$4.6	\$6.7	\$1,050	\$54,532	7.1	\$2.4	2.3
2049	164,343	63.9	56	371	171	\$16.8	\$4.7	\$6.9	\$1,049	\$55,014	7.1	\$2.4	2.0
2050	163,570	64.3	90	320	171	\$17.2	\$4.9	\$7.2	\$1,049	\$55,528	7.1	\$2.4	2.1

Employment Sectors

2015-2022 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
	(thousands of jobs)											
2015	46.2	11.5	1.5	3.5	0.8	4.7	0.8	2.2	0.4	7.7	3.1	9.2
2016	48.9	12.2	1.8	3.4	0.8	4.7	0.8	2.4	0.3	7.8	3.3	10.4
2017	49.7	12.0	1.8	3.5	0.8	4.7	0.7	2.5	0.3	8.3	3.4	10.7
2018	50.9	12.1	1.9	3.6	0.9	4.9	0.7	2.4	0.3	8.6	3.5	11.0
2019	52.2	12.3	1.9	3.7	0.9	4.9	0.8	2.7	0.3	8.8	3.7	11.2
2020	50.4	11.5	2.0	3.3	0.9	4.9	0.7	2.8	0.3	8.8	3.3	10.8
2021	52.3	12.0	2.2	3.3	1.0	5.1	0.7	2.9	0.3	9.1	3.7	10.9
2022	54.9	12.4	2.2	3.4	1.1	5.2	0.8	3.3	0.3	9.3	4.2	11.6
2023	57.1	13.0	2.1	3.3	1.2	5.3	0.8	3.4	0.3	9.9	4.6	12.1
2024	57.5	13.0	2.2	3.3	1.2	5.3	0.8	3.6	0.3	10.0	4.7	12.0
2025	57.8	13.1	2.3	3.3	1.2	5.4	0.8	3.8	0.3	9.9	4.6	12.0
2026	58.1	13.1	2.3	3.4	1.2	5.5	0.8	4.0	0.3	9.9	4.6	12.0
2027	58.2	13.0	2.3	3.4	1.3	5.6	0.8	4.2	0.3	9.8	4.6	12.0
2028	58.2	12.9	2.3	3.4	1.3	5.7	0.8	4.2	0.3	9.8	4.5	12.1
2029	58.3	12.9	2.2	3.4	1.3	5.8	0.8	4.2	0.3	9.8	4.5	12.1
2030	58.3	12.9	2.1	3.4	1.3	5.9	0.8	4.3	0.3	9.7	4.5	12.1
2031	58.4	12.9	2.0	3.4	1.3	5.9	0.8	4.3	0.3	9.7	4.5	12.1
2032	58.5	13.0	2.0	3.4	1.4	6.0	0.8	4.3	0.3	9.7	4.5	12.2
2033	58.7	13.0	1.9	3.4	1.4	6.0	0.8	4.3	0.3	9.7	4.5	12.3
2034	58.8	13.0	1.9	3.4	1.4	6.1	0.8	4.3	0.3	9.8	4.5	12.3
2035	59.0	13.0	1.9	3.4	1.4	6.1	0.8	4.4	0.3	9.9	4.5	12.3
2036	59.2	13.0	1.8	3.4	1.4	6.1	0.8	4.4	0.3	10.0	4.5	12.4
2037	59.3	13.0	1.8	3.4	1.4	6.1	0.8	4.4	0.3	10.1	4.5	12.4
2038	59.4	13.0	1.7	3.4	1.5	6.1	0.8	4.4	0.3	10.2	4.5	12.4
2039	59.4	13.0	1.7	3.4	1.5	6.1	0.8	4.5	0.3	10.2	4.5	12.4
2040	59.6	13.0	1.7	3.4	1.5	6.1	0.8	4.5	0.2	10.3	4.5	12.5
2041	59.7	13.0	1.7	3.4	1.5	6.1	0.8	4.5	0.2	10.3	4.6	12.5
2042	59.9	13.0	1.8	3.4	1.5	6.1	0.8	4.5	0.2	10.3	4.6	12.5
2043	60.1	13.0	1.9	3.4	1.5	6.2	0.8	4.5	0.2	10.3	4.6	12.5
2044	60.2	13.0	1.9	3.4	1.5	6.2	0.8	4.5	0.2	10.4	4.6	12.5
2045	60.3	13.0	1.9	3.4	1.5	6.3	0.8	4.6	0.2	10.4	4.6	12.4
2046	60.2	13.0	1.8	3.4	1.5	6.3	0.8	4.6	0.2	10.4	4.6	12.4
2047	60.2	13.0	1.8	3.4	1.6	6.3	0.8	4.6	0.2	10.3	4.6	12.4
2048	60.1	13.0	1.8	3.4	1.6	6.4	0.8	4.6	0.2	10.3	4.6	12.4
2049	60.0	13.0	1.7	3.4	1.6	6.4	0.8	4.6	0.2	10.2	4.6	12.3
2050	60.0	13.0	1.6	3.5	1.6	6.5	0.8	4.6	0.2	10.1	4.6	12.3

Madera County Economic Forecast

Socioeconomic Indicators

