

# SAN FRANCISCO COUNTY ECONOMIC FORECAST

San Francisco County, located on a peninsula north of San Mateo County between the San Francisco Bay and Pacific Ocean, is one of the State's largest tourist destinations. Like most other counties in the Bay Area, the county thrived in the late 1990s when technology was booming, but conditions turned negative in the dotcom bust in 2000. The county and the region have shown signs of recovery in the last two years. San Francisco County has a population of 800,000 people, and 520,000 wage and salary jobs making it a jobs center for the adjacent counties of Marin and San Mateo. The per capita income in San Francisco County is \$66,194, and the average salary per worker is among the highest in the state at \$85,231.

Employment growth in Northern California was strong in 2006, compared to the previous five years. Employment in the greater Bay Area increased by 1.9 percent last year. Employment grew by 10,900 total jobs in San Francisco County, an increase of 2.1 percent. The unemployment rate fell to 4.2 percent in 2006.

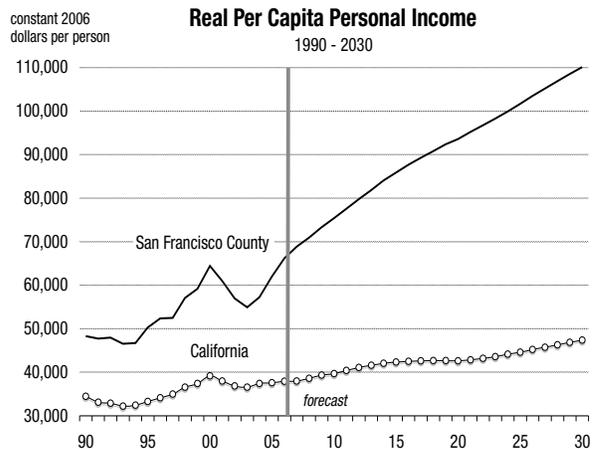
Most of the net job creation in 2006 occurred in the professional services, and leisure and hospitality sectors. Combined, the two sectors added 7,300 jobs during 2006, 4,900 of them in professional services alone. The weakest sector was information technologies, which lost 900 jobs, representing a decline of five percent. The manufacturing sector added 300 jobs in 2006, the first year of job creation since 1997.

The population continues to grow in San Francisco County, but the growth rate remains modest at 1.1 percent between January 2006 and 2007. Net migration increased to over 4,000 people.

Employment growth is forecast to moderate in San Francisco County during 2007 and 2008, but remain positive. The county will create more jobs and higher income levels as it continues to recover from the dotcom bust of 2000. Still, total wage and salary jobs are not forecast to reach the levels of 1999-2001 until the middle of the next decade.

## FORECAST HIGHLIGHTS

- Job growth in 2007 averages 1.9 percent. From 2007 to 2011, the annual growth rate is forecast to average 1.8 percent per year.
- Average salaries adjusted for inflation are currently well above the California state average, and will remain so over the foreseeable future. Real average salaries are expected to rise an average of 1.8 percent per year over the next 5 years.
- Total taxable sales are expected to increase by an average of 5.1 percent over the next five years.

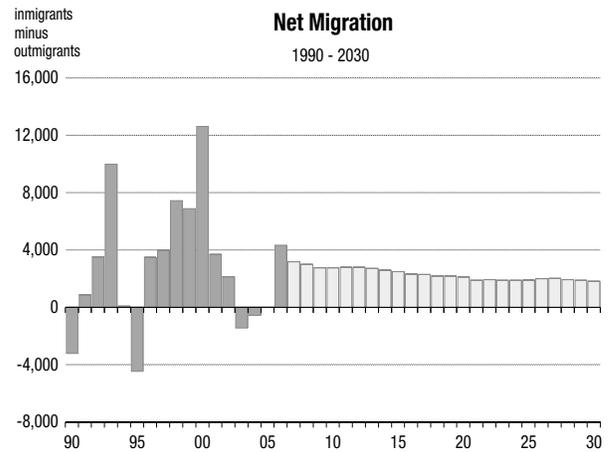
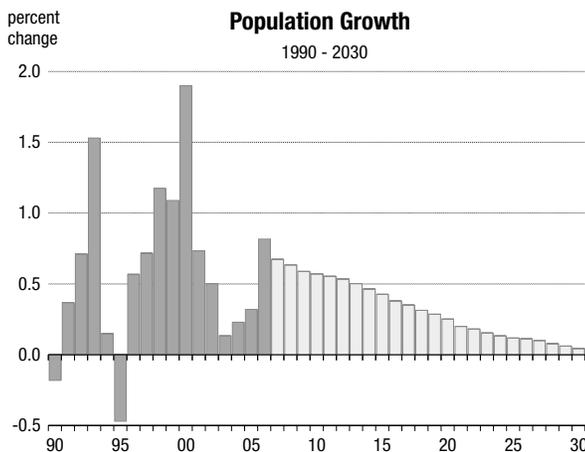


- Over the next five years, the momentum for employment growth is in professional services, leisure services, healthcare services, and information services. These sectors account for nearly 85 percent of the job growth in the county.
- Population growth remains positive, but modest, averaging 0.6 percent per year from 2007 to 2011.
- Net migration is expected to moderate in 2007, to 3,200 people. Net migration averages 2,900 persons from 2007 to 2011.
- Real per capita incomes are forecast to increase at a rate of 4.0 percent in 2007. Over the next five years real per capita incomes are forecast to increase 3.2 percent per year.
- Industrial production will increase by 2.9 percent in 2007. Over the next five years industrial production will increase by 2.8 percent annually.

# San Francisco County Economic Forecast

## 1997-2006 History, 2007-2030 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
1997	749,406	3,987	418.5	309.7	1,721	\$11.0	\$30.1	\$52,482	3.4	2.1	4.77	4.1
1998	758,210	7,449	445.7	311.1	2,336	\$11.3	\$34.2	\$57,069	3.2	2.5	4.78	3.7
1999	766,471	6,887	453.9	312.7	3,811	\$12.3	\$37.3	\$59,179	4.2	2.3	4.45	3.1
2000	781,028	12,628	469.6	329.7	3,365	\$14.1	\$43.3	\$64,440	4.5	2.3	4.43	3.4
2001	786,766	3,705	469.1	330.8	1,819	\$12.5	\$43.5	\$60,978	5.4	2.5	3.66	5.1
2002	790,716	2,143	474.5	332.9	1,330	\$11.6	\$41.5	\$56,971	1.6	1.8	3.42	7.0
2003	791,778	-1,440	458.5	335.7	1,582	\$11.5	\$40.8	\$54,924	1.8	2.0	3.33	6.9
2004	793,601	-561	476.4	336.9	2,368	\$12.2	\$43.1	\$57,245	1.2	2.0	3.18	5.9
2005	796,150	-6	465.0	338.2	2,724	\$13.0	\$47.8	\$61,971	2.0	1.9	3.08	5.1
2006	802,651	4,342	468.8	339.6	2,992	\$13.5	\$53.1	\$66,194	3.3	1.8	3.11	4.2
2007	808,060	3,196	471.9	340.2	1,926	\$14.7	\$57.3	\$68,857	2.9	1.8	3.20	4.2
2008	813,197	3,011	474.3	341.4	1,517	\$15.4	\$60.5	\$70,923	2.0	1.8	3.26	4.5
2009	817,980	2,762	476.8	342.4	1,360	\$16.0	\$64.2	\$73,308	2.0	1.8	3.34	4.4
2010	822,653	2,773	479.0	343.3	1,332	\$16.7	\$68.1	\$75,408	2.5	1.8	3.43	4.3
2011	827,213	2,794	481.0	344.1	1,445	\$17.3	\$72.1	\$77,559	2.4	1.8	3.57	4.3
2012	831,639	2,804	482.3	345.1	1,578	\$17.9	\$76.2	\$79,756	2.2	1.8	3.68	4.4
2013	835,825	2,719	483.3	346.1	1,549	\$18.5	\$80.4	\$81,836	2.3	1.8	3.78	4.5
2014	839,718	2,600	484.0	347.1	1,436	\$19.2	\$84.9	\$84,054	2.3	1.8	3.87	4.6
2015	843,311	2,493	484.5	348.0	1,283	\$19.9	\$89.4	\$85,897	2.6	1.8	3.93	4.7
2016	846,530	2,325	484.9	348.8	1,224	\$20.6	\$94.1	\$87,707	2.7	1.8	4.10	4.7
2017	849,510	2,299	485.4	349.6	1,184	\$21.4	\$98.7	\$89,278	2.7	1.8	4.25	4.7
2018	852,176	2,198	486.1	350.4	1,035	\$22.2	\$103.2	\$90,791	2.5	1.8	4.43	4.7
2019	854,616	2,187	487.4	351.0	1,093	\$23.0	\$108.0	\$92,395	2.5	1.8	4.58	4.6
2020	856,772	2,121	489.0	351.7	1,010	\$23.8	\$112.4	\$93,608	2.5	1.8	4.63	4.7
2021	858,491	1,897	491.0	352.4	1,055	\$24.7	\$117.4	\$95,210	2.4	1.8	4.71	4.7
2022	860,050	1,940	493.2	353.1	1,065	\$25.6	\$122.5	\$96,766	2.5	1.8	4.77	4.7
2023	861,377	1,896	495.6	353.8	1,067	\$26.5	\$127.7	\$98,279	2.5	1.8	4.87	4.7
2024	862,532	1,896	498.3	354.4	1,082	\$27.4	\$133.0	\$99,928	2.3	1.8	4.98	4.7
2025	863,549	1,912	501.3	355.1	1,089	\$28.4	\$138.6	\$101,650	2.4	1.8	5.08	4.7
2026	864,529	2,011	504.5	355.8	1,103	\$29.4	\$144.7	\$103,516	2.4	1.8	5.19	4.6
2027	865,405	2,027	507.8	356.6	1,095	\$30.5	\$150.9	\$105,188	2.5	1.8	5.28	4.6
2028	866,086	1,941	511.0	357.3	1,084	\$31.6	\$157.5	\$106,882	2.7	1.8	5.40	4.6
2029	866,617	1,887	514.2	358.0	1,076	\$32.8	\$164.3	\$108,511	2.7	1.8	5.54	4.6
2030	867,001	1,827	517.1	358.6	1,077	\$34.0	\$171.1	\$110,110	2.6	1.8	5.67	4.6



# San Francisco County Employment Forecast

## 1997-2006 History, 2007-2030 Forecast

	Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
1997	549.5	0.22	15.5	26.3	24.2	55.7	59.3	124.1	20.1	53.8	65.1	80.0
1998	564.1	0.27	17.0	25.2	24.1	57.6	60.8	130.5	21.6	55.9	68.1	77.0
1999	574.9	0.21	18.3	23.1	21.7	58.4	61.6	134.2	25.9	56.9	70.7	78.8
2000	598.2	0.27	18.9	21.6	21.2	60.8	62.9	144.2	34.7	52.6	72.2	83.8
2001	573.0	0.19	19.7	17.8	18.9	59.1	68.2	129.7	29.8	51.9	72.2	80.8
2002	534.9	0.25	17.9	15.1	17.9	56.2	63.5	111.6	23.7	51.7	69.9	84.4
2003	513.2	0.32	17.3	13.1	16.9	54.3	59.1	103.4	20.5	53.2	69.6	83.7
2004	502.8	0.26	16.0	12.3	15.4	54.6	57.0	100.4	19.1	54.4	70.7	81.7
2005	509.1	0.13	16.7	11.8	14.7	55.3	57.5	104.8	17.6	54.6	71.8	82.6
2006	520.0	0.14	17.3	12.1	14.4	55.5	58.3	109.6	16.7	56.2	74.3	83.5
2007	529.6	0.11	17.1	12.2	14.3	55.9	58.2	114.2	16.6	57.3	76.7	84.4
2008	537.1	0.10	16.8	12.1	14.2	56.2	58.6	117.4	16.8	58.2	79.4	85.1
2009	547.0	0.10	16.2	12.1	14.1	56.6	59.0	121.5	17.2	59.2	82.5	85.6
2010	557.4	0.10	15.9	12.0	14.2	57.0	59.5	125.1	18.4	60.6	84.8	86.1
2011	568.7	0.10	15.9	12.3	14.2	57.4	59.9	128.5	19.6	61.9	87.3	86.6
2012	579.3	0.10	16.1	12.3	14.3	57.8	60.4	132.0	20.7	63.0	89.7	87.2
2013	589.0	0.10	16.2	12.3	14.4	58.2	60.9	135.5	21.7	64.0	91.9	87.7
2014	599.4	0.10	16.2	12.0	14.6	58.6	61.4	140.2	22.5	65.1	93.9	88.3
2015	607.2	0.10	16.0	11.6	14.8	59.0	61.9	143.3	23.1	66.1	95.4	88.9
2016	616.0	0.10	15.8	12.0	15.1	59.4	62.4	146.8	23.8	67.1	96.7	89.5
2017	623.8	0.10	15.7	12.0	15.4	59.9	63.1	149.8	24.5	68.1	97.5	90.1
2018	632.2	0.10	15.4	12.2	15.7	60.3	63.6	153.2	25.2	69.3	98.2	90.7
2019	641.8	0.10	15.4	12.1	16.0	60.9	64.0	157.9	25.8	70.7	98.6	91.4
2020	647.4	0.10	15.3	11.6	16.4	61.3	64.4	159.9	26.3	71.8	98.8	92.1
2021	655.0	0.10	15.3	11.2	16.8	61.9	64.9	162.9	26.7	73.0	99.3	92.9
2022	662.1	0.10	15.3	10.9	17.2	62.3	65.3	165.0	27.2	74.3	100.2	93.6
2023	668.9	0.10	15.3	10.7	17.6	62.8	65.8	166.8	27.6	75.5	101.2	94.4
2024	676.2	0.10	15.2	10.7	18.0	63.3	66.3	168.5	28.0	76.6	102.6	95.2
2025	683.6	0.10	15.2	10.6	18.5	63.9	66.8	170.4	28.5	77.6	104.0	96.1
2026	691.7	0.10	15.3	10.5	18.9	64.4	67.3	172.7	28.9	78.5	105.7	96.9
2027	698.8	0.10	15.3	10.5	19.4	64.9	67.8	174.2	29.3	79.3	107.4	97.8
2028	706.3	0.10	15.3	10.5	19.8	65.4	68.3	175.9	29.7	80.1	109.1	98.6
2029	713.5	0.10	15.3	10.5	20.2	65.9	68.9	177.4	30.2	80.9	110.8	99.5
2030	720.6	0.10	15.3	10.6	20.7	66.4	69.3	178.8	30.6	81.7	112.4	100.5

