

CONTRA COSTA COUNTY ECONOMIC FORECAST

Contra Costa County is located in the East Bay of the San Francisco Bay Area. Along with Alameda County to the south, the East Bay metro area had the third highest median family income in California, at \$89,300 in 2009. Contra Costa County has a population of 1.07 million people and nearly 323,000 wage and salary jobs. The per capita income in Contra Costa County is \$53,938, and the average salary per worker is \$64,663.

Employment growth in Northern California was negative in 2009. Employment in the greater Bay Area declined by 4.2 percent last year. In Contra Costa County, 14,900 jobs were lost. The wage and salary job growth rate was -4.4 percent. The annual unemployment rate increased to 8.3 percent.

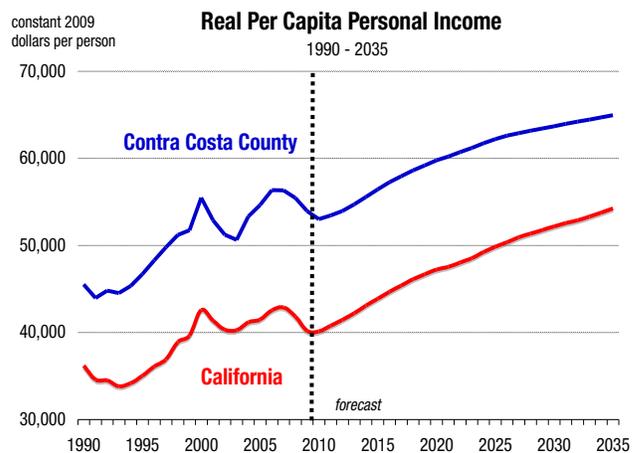
There were no jobs created in the non-farm sector during 2009. The farm sector had minimal job growth, however the amount of employment in the farm sector is immaterial in Contra Costa County. Employment losses were greatest in construction (-3,600 jobs), retail trade (-2,500 jobs), financial activities (-1,800 jobs) and professional services (-2,200 jobs). The education and healthcare, and government sectors were subject to less contraction, declining less than 1.5 percent of their respective workforces.

Population growth remains positive in Contra Costa County. The county grew at a rate of 1.1 percent in the 2008 to 2009 period. The fastest growing cities in the county are Oakley and San Ramon, which grew at 3.9 and 3.3 percent, respectively from January 2008 to January 2009. The largest city in the county, Concord, grew 0.7 percent during this time.

Employment growth is expected to return to higher levels in Contra Costa County in 2011, while population growth will remain modest over the entire forecast.

FORECAST HIGHLIGHTS

- Job growth will be near zero in 2010. From 2010 to 2015, the rate of employment growth is forecast to average 1.5 percent per year.
- Average salaries adjusted for inflation are currently well above the California average, and will remain so over the foreseeable future. Real average salaries are forecast to rise an average of 1.0 percent per year between 2010 and 2015.
- The professional services sector will lead job creation with over 9,000 total jobs created between 2010 and 2015, an increase of nearly 19 percent. Construction adds the next most jobs, with over 5,000 created, an increase of 22 percent for the sector.
- Manufacturing employment continues to decline and loses another 2,300 jobs by 2015.

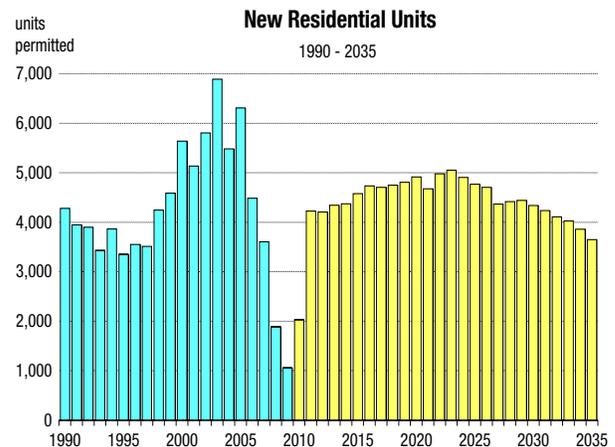
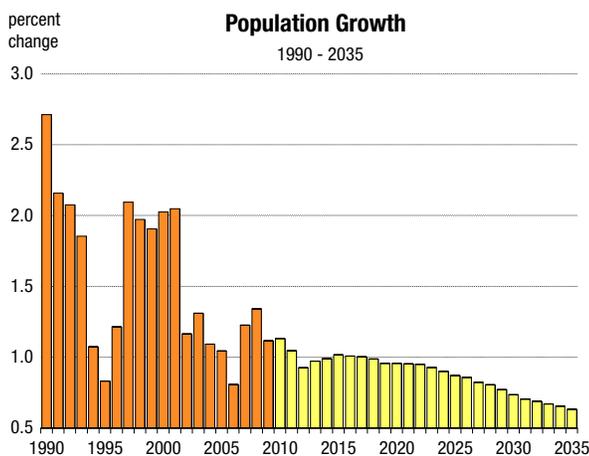


- Population growth is forecast at 1.1 percent for 2010 and 1.0 percent for the annual average from 2010 to 2015.
- Net in-migration is not expected to reach the high levels that prevailed between 1997 and 2001. From 2010 to 2015, net migration is expected to average 5,300 people entering the county per year.
- Real per capita incomes decline 1.7 percent in 2010. Between 2010 and 2015 real per capita incomes are forecast to increase 1.3 percent per year.
- Total taxable sales adjusted for inflation are expected to increase by an average of 3.9 percent per year from 2010 to 2015.
- Industrial production is expected to decline 2.4 percent in 2010. Between 2010 and 2015 the growth rate of industrial production is forecast to average only 0.4 percent per year, due to weakness in the manufacturing sector.

Contra Costa County Economic Forecast

2002-2009 History, 2010-2035 Forecast

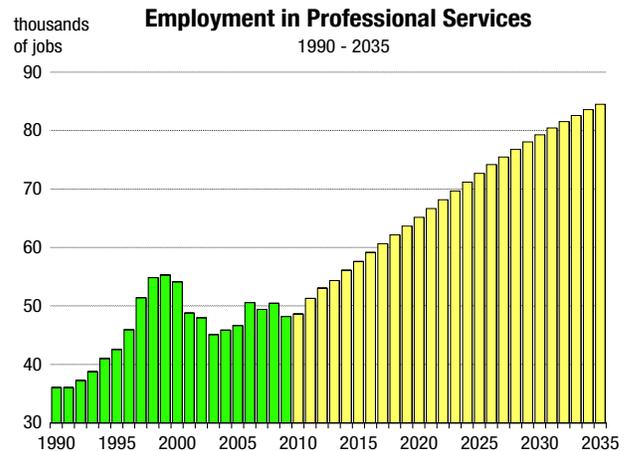
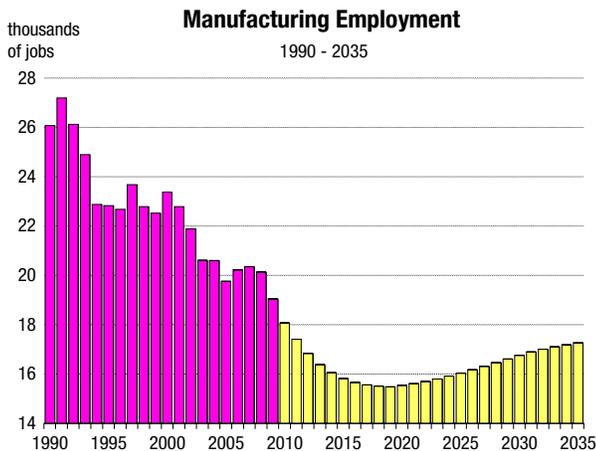
	Population (people)	Net Migration (people)	Registered Vehicles (millions)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2002	987,179	5,189	0.88	351.6	5,805	\$12.2	\$43.5	\$51,220	1.6	116.9	3.5	5.7
2003	1,000,113	6,534	0.87	356.2	6,895	\$12.3	\$44.4	\$50,649	1.8	124.5	3.3	6.1
2004	1,011,040	4,611	0.92	361.4	5,483	\$13.0	\$47.8	\$53,312	1.2	99.9	3.5	5.4
2005	1,021,598	4,073	0.91	367.8	6,312	\$13.5	\$50.4	\$54,629	2.0	96.7	3.6	4.9
2006	1,029,851	1,846	0.92	375.8	4,488	\$13.9	\$54.1	\$56,353	3.2	89.9	3.9	4.3
2007	1,042,488	5,975	0.92	381.5	3,607	\$14.1	\$56.6	\$56,339	3.4	79.8	4.1	4.7
2008	1,056,477	7,471	0.92	384.7	1,894	\$13.7	\$58.2	\$55,442	3.0	72.1	4.1	4.7
2009	1,068,270	5,291	0.91	387.1	1,061	\$13.3	\$57.6	\$53,938	0.8	66.5	4.0	8.3
2010	1,080,365	6,196	0.92	387.4	2,034	\$13.0	\$58.5	\$53,017	2.1	64.9	3.9	8.5
2011	1,091,664	5,504	0.92	389.3	4,230	\$13.4	\$61.0	\$53,449	2.4	64.8	3.9	7.8
2012	1,101,776	4,328	0.93	393.2	4,210	\$14.3	\$63.5	\$53,940	2.1	64.9	3.9	6.9
2013	1,112,496	4,924	0.94	397.1	4,347	\$15.3	\$66.5	\$54,712	2.2	64.9	3.9	6.3
2014	1,123,504	5,166	0.94	401.2	4,375	\$16.3	\$69.6	\$55,565	2.2	64.7	4.0	5.7
2015	1,134,934	5,549	0.95	405.2	4,579	\$17.5	\$73.1	\$56,444	2.2	64.5	4.0	5.3
2016	1,146,375	5,530	0.96	409.5	4,737	\$18.7	\$76.5	\$57,255	2.2	64.3	4.1	5.0
2017	1,157,885	5,589	0.97	413.9	4,705	\$19.9	\$79.9	\$57,951	2.2	63.6	4.1	4.9
2018	1,169,326	5,530	0.97	418.3	4,754	\$21.0	\$83.4	\$58,622	2.2	62.6	4.2	4.9
2019	1,180,512	5,295	0.98	422.7	4,810	\$22.2	\$86.9	\$59,200	2.2	61.9	4.3	4.8
2020	1,191,817	5,457	0.99	427.1	4,919	\$23.5	\$90.5	\$59,790	2.1	61.2	4.5	4.7
2021	1,203,195	5,587	0.99	431.7	4,678	\$24.8	\$94.3	\$60,209	2.5	61.0	4.6	4.7
2022	1,214,638	5,745	1.00	436.1	4,981	\$26.0	\$98.5	\$60,712	2.6	61.1	4.7	4.6
2023	1,225,920	5,707	1.01	440.7	5,055	\$27.3	\$102.7	\$61,182	2.5	61.2	4.9	4.5
2024	1,236,966	5,620	1.02	445.4	4,907	\$28.6	\$107.1	\$61,728	2.4	61.3	5.0	4.4
2025	1,247,750	5,536	1.02	449.9	4,773	\$30.1	\$111.6	\$62,221	2.5	61.3	5.2	4.4
2026	1,258,461	5,657	1.03	454.4	4,709	\$31.5	\$116.1	\$62,602	2.5	61.4	5.4	4.4
2027	1,268,821	5,520	1.04	458.8	4,371	\$33.1	\$120.6	\$62,907	2.6	61.3	5.6	4.4
2028	1,279,044	5,609	1.05	462.8	4,421	\$34.7	\$125.5	\$63,184	2.8	61.4	5.8	4.3
2029	1,288,927	5,484	1.06	466.9	4,442	\$36.3	\$130.4	\$63,432	2.7	61.4	6.0	4.3
2030	1,298,415	5,278	1.07	471.1	4,341	\$38.0	\$135.4	\$63,688	2.7	61.2	6.2	4.3
2031	1,307,568	5,120	1.08	475.1	4,236	\$39.8	\$140.6	\$63,959	2.7	61.1	6.4	4.2
2032	1,316,587	5,152	1.09	479.0	4,111	\$41.7	\$146.0	\$64,217	2.7	61.3	6.7	4.2
2033	1,325,421	5,121	1.10	482.8	4,027	\$43.6	\$151.5	\$64,453	2.7	61.5	6.9	4.2
2034	1,334,101	5,116	1.12	486.6	3,862	\$45.6	\$157.1	\$64,701	2.7	61.7	7.1	4.3
2035	1,342,557	5,035	1.13	490.2	3,651	\$47.7	\$163.0	\$64,960	2.7	61.7	7.4	4.3

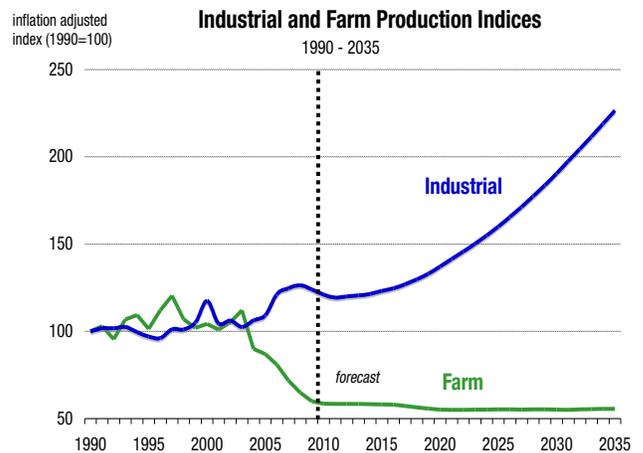
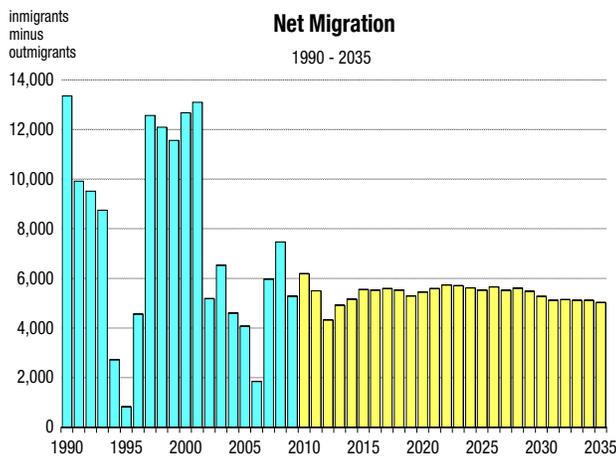
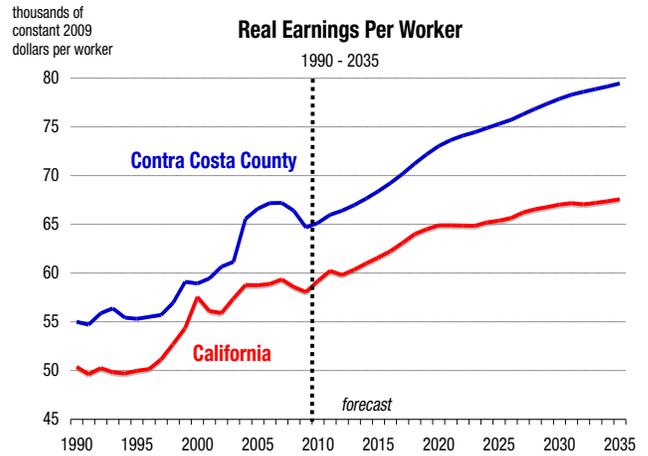
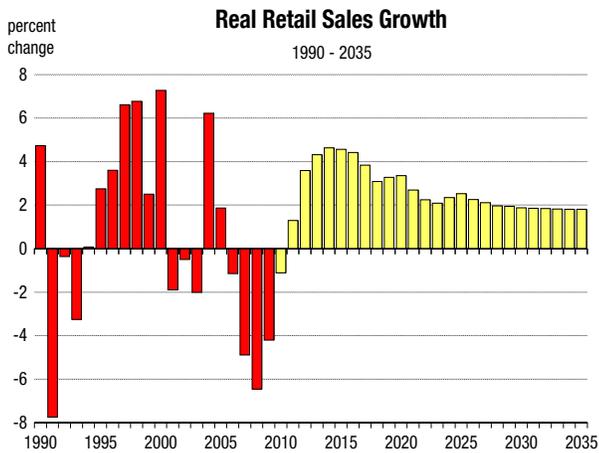


Contra Costa County Employment Forecast

2002-2009 History, 2010-2035 Forecast

	Total Wage & Salary	Farm	Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
2002	342.4	2.14	27.3	21.9	9.3	53.5	30.8	48.0	16.0	40.3	29.1	50.5
2003	333.7	1.96	26.9	20.6	7.9	51.5	32.4	45.1	13.8	40.4	29.8	50.2
2004	336.5	0.84	28.0	20.6	7.5	52.4	32.6	45.9	14.0	41.1	30.3	49.3
2005	339.4	0.81	29.6	19.8	7.6	52.8	33.9	46.7	13.5	40.8	31.5	50.2
2006	343.9	0.73	29.5	20.2	8.4	53.1	32.1	50.6	13.4	42.7	32.4	48.5
2007	343.9	0.79	28.9	20.4	8.9	53.3	29.2	49.4	13.1	44.7	33.3	49.8
2008	337.7	0.74	26.0	20.1	8.7	52.1	26.6	50.5	12.6	46.0	33.7	48.5
2009	322.8	0.76	22.5	19.0	8.3	49.3	24.7	48.2	12.2	45.9	32.3	47.8
2010	322.9	0.73	23.6	18.1	8.3	49.3	24.5	48.6	11.8	46.2	32.7	47.4
2011	328.8	0.73	26.1	17.4	8.5	49.5	24.7	51.3	11.7	46.7	33.1	47.0
2012	333.7	0.73	27.0	16.8	8.6	50.5	25.0	53.1	11.8	47.2	33.5	47.3
2013	338.1	0.73	27.8	16.4	8.8	51.5	25.3	54.4	11.9	47.6	33.9	47.6
2014	342.9	0.73	28.2	16.1	8.9	52.7	25.5	56.1	12.1	48.0	34.3	47.8
2015	347.9	0.73	28.8	15.8	9.1	53.9	25.7	57.6	12.3	48.5	34.7	48.2
2016	352.6	0.72	29.3	15.7	9.2	55.0	25.9	59.1	12.4	48.9	35.0	48.5
2017	356.8	0.71	29.4	15.6	9.4	56.0	26.3	60.7	12.6	49.2	35.4	48.8
2018	360.7	0.69	29.5	15.5	9.5	56.8	26.3	62.2	12.7	49.5	35.8	49.1
2019	364.3	0.68	29.6	15.5	9.6	57.6	26.3	63.7	12.8	49.9	36.2	49.3
2020	368.3	0.67	29.7	15.5	9.8	58.5	26.4	65.2	12.9	50.2	36.6	49.5
2021	372.4	0.67	29.6	15.6	9.9	59.2	26.5	66.7	13.0	50.7	36.9	50.0
2022	376.9	0.67	29.9	15.7	10.1	59.9	26.8	68.2	13.0	51.3	37.3	50.4
2023	381.5	0.67	30.1	15.8	10.3	60.6	27.1	69.7	13.1	51.9	37.6	50.8
2024	385.9	0.67	30.2	15.9	10.4	61.3	27.4	71.2	13.3	52.4	38.0	51.1
2025	390.2	0.67	30.3	16.0	10.5	62.0	27.9	72.7	13.4	52.9	38.3	51.4
2026	394.4	0.67	30.4	16.2	10.7	62.7	28.3	74.2	13.5	53.4	38.6	51.5
2027	398.2	0.67	30.1	16.3	10.8	63.4	28.7	75.5	13.7	53.9	38.9	51.8
2028	402.2	0.67	30.0	16.5	10.9	64.0	29.2	76.8	13.8	54.6	39.3	51.9
2029	406.2	0.67	29.9	16.6	11.0	64.6	29.6	78.1	14.0	55.2	39.6	52.1
2030	410.1	0.67	29.8	16.8	11.1	65.3	30.0	79.3	14.2	55.9	39.8	52.3
2031	414.1	0.67	29.8	16.9	11.2	65.9	30.4	80.5	14.3	56.8	40.1	52.4
2032	417.9	0.67	29.7	17.0	11.4	66.5	30.8	81.6	14.5	57.6	40.4	52.6
2033	421.8	0.68	29.6	17.1	11.5	67.1	31.2	82.6	14.6	58.5	40.7	52.7
2034	425.5	0.68	29.4	17.2	11.6	67.7	31.6	83.6	14.8	59.5	41.0	52.8
2035	429.2	0.68	29.2	17.3	11.8	68.3	32.1	84.5	14.9	60.5	41.3	52.9





County Economic and Demographic Indicators

Projected Economic Growth (2010-2015)

Expected retail sales growth:	19.8 %
Expected job growth:	7.7 %
Fastest growing jobs sector:	Construction
Expected personal income growth:	11.8 %

Expected population growth:	5.1 %
Net migration to account for:	46.7 %
Expected growth in number of vehicles:	3.6 %

Demographics (2009)

Unemployment rate (December):	11.0 %
County Rank* in California (58 counties):	14th
Working age (16-64) population:	66.6 %

Population with B.A. Degree or higher:	34.1 %
Median Home Selling Price:	\$610,900
Median Household Income:	\$78,815

Quality of Life

Violent Crime rate (2008):	439 per 100,000 persons
County Rank* in California (58 counties):	32nd
Average Commute Time to work (2009):	37.8 minutes

High School drop out rate (2008):	16.0 %
Households at/below poverty line:	5.5 %

* The county ranked 1st corresponds to the lowest rate in California