

HUMBOLDT COUNTY ECONOMIC FORECAST

Humboldt County is located on the coast of California in a densely forested and mountainous region. The county is the largest timber producer in California and according to Humboldt State University, approximately 55 percent of manufacturing employment is lumber-based. Humboldt County has a population of 133,269 and 46,783 wage and salary jobs. The per capita income in Humboldt County is \$31,133, and the average salary per worker is \$37,669.

In 2009, total wage and salary employment declined by 2,425 jobs, representing a decline in employment of 4.9 percent. Non-farm employment fell by 2,400 jobs, representing a growth rate of -5.0 percent. Employment in the farm sector fell by 2.1 percent. The unemployment rate increased to 11.4 percent in 2009.

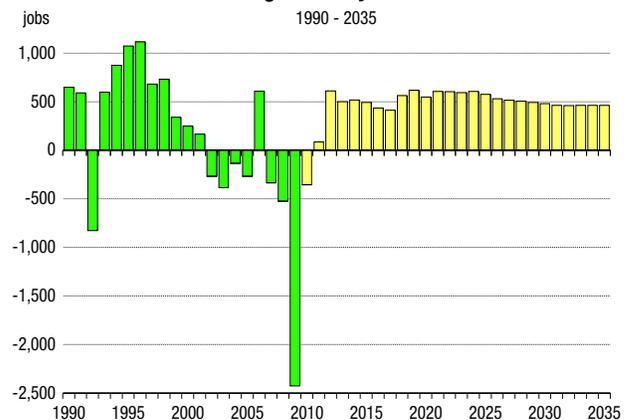
Education and healthcare was the only sector that increased employment in 2009, adding 120 jobs or 2.0 percent. The largest employment losses were in the retail trade (-710 jobs), government (-480 jobs), leisure (-270 jobs), manufacturing (-180 jobs) and construction (-150 jobs) sectors. Manufacturing employment has been steadily declining for over a decade, and now employs only half as many workers as during 1998.

The population in Humboldt County grew at a rate of 0.4 percent in 2009. The largest city in the county is Eureka, with 26,002 residents; there was no population growth between January 2008 and January 2009. Net migration in the county was positive last year, with an estimated total of 193 migrants entering the county.

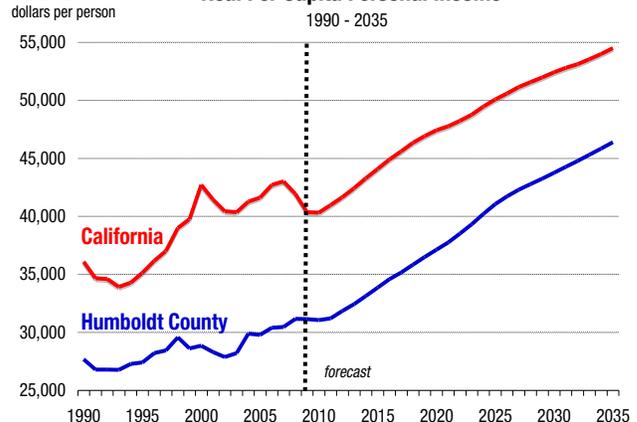
FORECAST HIGHLIGHTS

- Total wage and salary job growth is forecast to remain negative in 2010, at -0.8 percent. From 2010 to 2015, total employment growth averages 0.9 percent per year.
- Average salaries adjusted for inflation are currently below the California state average, and will remain so over the forecast period. Inflation adjusted salaries are expected to rise an average of 0.3 percent per year from 2010 to 2015.
- Between 2010 and 2015, the principle job creation is in healthcare and education, retail trade, leisure, professional services and government. Together they are expected to account for 63 percent of all job creation. All sectors are expected to show at least moderate growth over this period.
- The population in the county will continue to grow, but at a slower rate than the state average. Annual growth in the 2010 to 2015 period averages 0.4 percent per year.

Total Wage & Salary Job Creation



Real Per Capita Personal Income

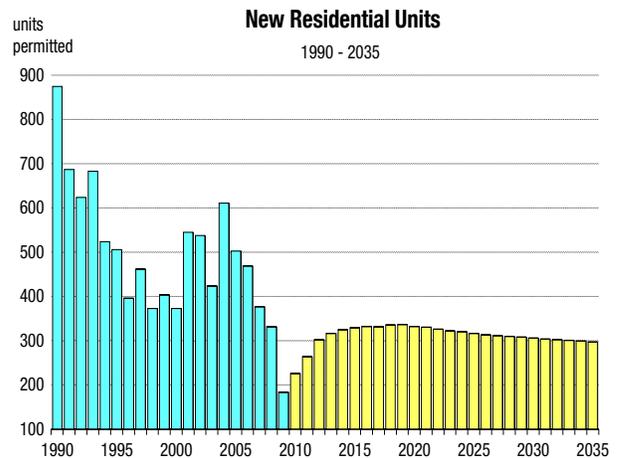
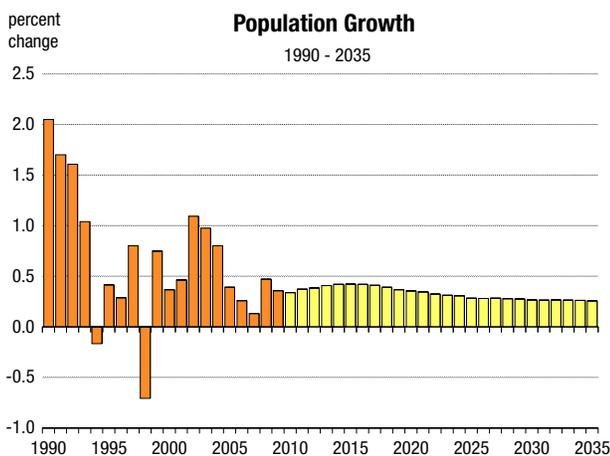


- Net migration is estimated at 226 people in 2010. Over the next five years net migration is expected to average 350 people per year.
- Real per capita income is forecast to decline 0.3 percent in 2010. Between 2010 and 2015 real per capita incomes are expected to increase an average of 1.7 percent per year.
- Total taxable sales, adjusted for inflation, are forecast to fall 0.5 percent in 2010. From 2010 to 2015 real taxable sales are forecast to increase by an average of 2.4 percent per year.
- Industrial production is forecast to increase 1.4 percent in 2010. Over the next five years the growth rate of industrial production averages 2.7 percent per year. Total crop production excluding timber, in real inflation adjusted dollars is expected to grow at an annual rate of 0.8 percent over the same period.

Humboldt County Economic Forecast

2002-2009 History, 2010-2035 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)
2002	128,841	1,165	135.8	51.8	538	\$1.33	\$3.08	\$27,867	1.6	116.7	0.75	6.7
2003	130,097	1,055	136.0	52.3	424	\$1.42	\$3.21	\$28,200	1.8	131.2	0.80	6.9
2004	131,142	836	144.5	52.8	611	\$1.52	\$3.47	\$29,893	1.2	142.6	0.84	6.5
2005	131,655	175	143.6	53.2	503	\$1.61	\$3.54	\$29,776	2.0	134.3	0.83	6.2
2006	131,996	-78	146.1	53.6	469	\$1.70	\$3.74	\$30,386	3.2	125.4	0.86	5.5
2007	132,172	-183	147.3	54.0	377	\$1.73	\$3.88	\$30,459	3.4	137.1	0.86	5.9
2008	132,795	272	146.6	54.4	332	\$1.69	\$4.11	\$31,172	3.0	130.3	0.86	7.2
2009	133,269	193	145.6	54.7	184	\$1.64	\$4.15	\$31,134	0.8	127.9	0.79	11.4
2010	133,721	226	144.4	54.9	226	\$1.67	\$4.24	\$31,047	2.1	130.2	0.80	11.5
2011	134,219	275	143.7	55.1	264	\$1.70	\$4.38	\$31,196	2.4	132.7	0.81	10.4
2012	134,736	310	143.8	55.3	302	\$1.78	\$4.58	\$31,833	2.1	134.0	0.84	9.0
2013	135,286	360	144.3	55.6	317	\$1.87	\$4.79	\$32,445	2.2	134.9	0.86	8.2
2014	135,854	397	145.0	55.9	325	\$1.98	\$5.02	\$33,143	2.2	135.6	0.88	7.4
2015	136,429	431	145.8	56.2	330	\$2.10	\$5.26	\$33,852	2.2	135.2	0.91	6.9
2016	137,004	456	146.6	56.5	332	\$2.22	\$5.52	\$34,579	2.2	136.5	0.93	6.5
2017	137,567	457	147.4	56.8	332	\$2.35	\$5.75	\$35,163	2.2	137.5	0.96	6.4
2018	138,107	453	148.3	57.1	336	\$2.48	\$6.02	\$35,831	2.2	138.4	0.99	6.3
2019	138,615	438	149.3	57.4	337	\$2.61	\$6.28	\$36,496	2.2	139.7	1.02	6.2
2020	139,109	432	150.3	57.7	333	\$2.75	\$6.55	\$37,139	2.1	139.0	1.05	6.1
2021	139,591	430	151.4	58.0	331	\$2.90	\$6.85	\$37,743	2.5	138.1	1.08	6.0
2022	140,045	411	152.5	58.3	326	\$3.07	\$7.20	\$38,517	2.6	139.7	1.12	6.0
2023	140,484	409	153.5	58.6	322	\$3.26	\$7.56	\$39,329	2.5	141.0	1.15	5.9
2024	140,916	418	154.6	58.9	321	\$3.45	\$7.94	\$40,211	2.4	142.5	1.18	5.8
2025	141,314	408	155.6	59.2	317	\$3.66	\$8.33	\$41,063	2.5	143.8	1.22	5.7
2026	141,710	421	156.6	59.5	313	\$3.86	\$8.70	\$41,730	2.5	144.4	1.26	5.7
2027	142,112	442	157.6	59.8	312	\$4.05	\$9.07	\$42,294	2.6	144.8	1.30	5.5
2028	142,509	456	158.5	60.1	310	\$4.25	\$9.46	\$42,773	2.8	145.7	1.34	5.4
2029	142,902	466	159.3	60.4	309	\$4.44	\$9.85	\$43,252	2.7	146.3	1.38	5.3
2030	143,285	466	160.2	60.7	306	\$4.65	\$10.26	\$43,754	2.7	145.4	1.43	5.2
2031	143,665	480	161.0	61.0	304	\$4.86	\$10.69	\$44,264	2.7	144.4	1.47	5.0
2032	144,048	487	161.8	61.3	303	\$5.08	\$11.13	\$44,787	2.7	146.7	1.52	4.9
2033	144,429	491	162.6	61.5	301	\$5.30	\$11.59	\$45,312	2.7	148.6	1.57	4.9
2034	144,808	494	163.3	61.8	299	\$5.54	\$12.08	\$45,850	2.7	150.2	1.61	4.9
2035	145,182	496	164.1	62.1	297	\$5.79	\$12.58	\$46,402	2.7	150.5	1.66	4.9

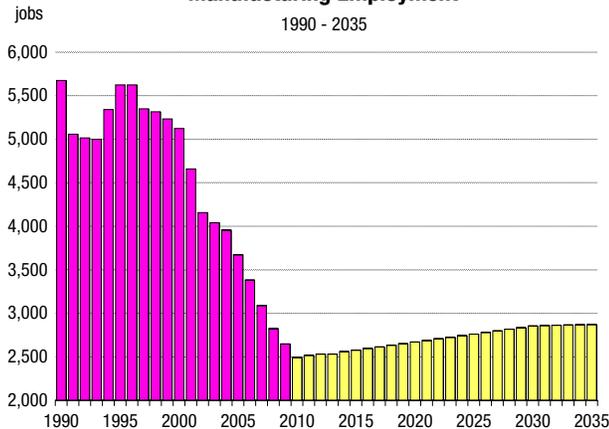


Humboldt County Employment Forecast

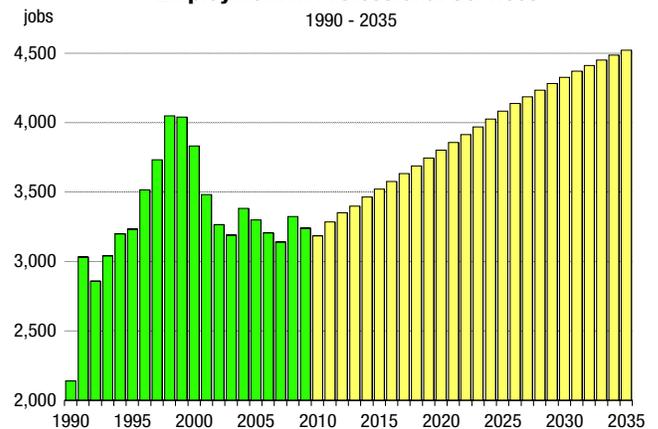
2002-2009 History, 2010-2035 Forecast

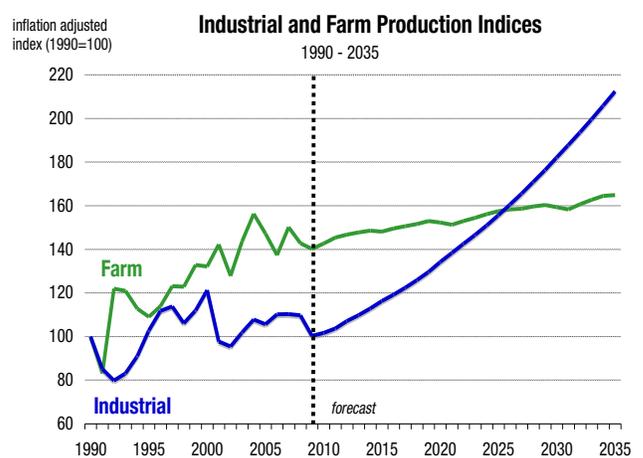
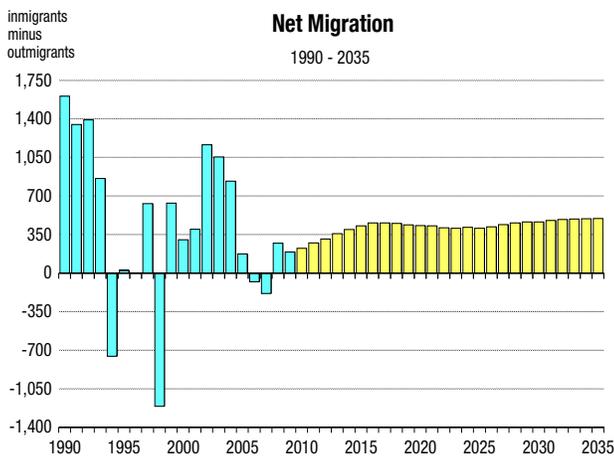
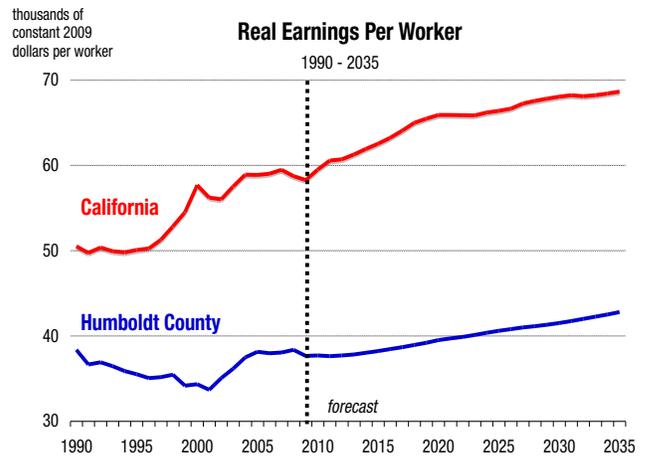
	Total Wage & Salary	Farm	Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
2002	50.2	1.13	2.0	4.2	1.5	8.3	2.0	3.3	0.6	6.2	5.4	13.5
2003	49.9	1.09	2.0	4.0	1.5	8.2	1.9	3.2	0.6	6.1	5.3	13.6
2004	49.7	1.13	2.4	4.0	1.5	8.2	2.0	3.4	0.6	5.8	5.3	13.2
2005	49.5	1.17	2.4	3.7	1.4	8.4	1.9	3.3	0.7	5.8	5.2	13.3
2006	50.1	1.23	2.6	3.4	1.4	8.4	2.0	3.2	0.7	5.9	5.3	13.8
2007	49.7	1.26	2.4	3.1	1.4	8.4	2.0	3.1	0.7	5.8	5.2	13.9
2008	49.2	1.18	2.4	2.8	1.4	8.3	1.8	3.3	0.7	5.9	5.2	14.0
2009	46.8	1.15	2.2	2.7	1.3	7.5	1.7	3.2	0.7	6.0	4.9	13.5
2010	46.4	1.16	2.2	2.5	1.3	7.6	1.7	3.2	0.7	5.9	5.0	13.1
2011	46.5	1.17	2.2	2.5	1.4	7.6	1.7	3.3	0.7	5.9	5.0	12.8
2012	47.1	1.18	2.3	2.5	1.4	7.6	1.8	3.4	0.7	6.0	5.1	13.0
2013	47.6	1.19	2.3	2.5	1.4	7.7	1.8	3.4	0.7	6.1	5.1	13.2
2014	48.1	1.19	2.3	2.6	1.5	7.7	1.8	3.5	0.7	6.1	5.2	13.3
2015	48.6	1.20	2.3	2.6	1.5	7.8	1.8	3.5	0.7	6.2	5.2	13.4
2016	49.1	1.20	2.3	2.6	1.5	8.0	1.8	3.6	0.7	6.3	5.3	13.5
2017	49.5	1.21	2.3	2.6	1.5	8.1	1.9	3.6	0.7	6.3	5.3	13.5
2018	50.1	1.21	2.3	2.6	1.6	8.2	1.9	3.7	0.7	6.4	5.4	13.7
2019	50.7	1.22	2.3	2.7	1.6	8.3	1.9	3.7	0.7	6.5	5.4	13.9
2020	51.2	1.22	2.3	2.7	1.6	8.4	1.9	3.8	0.8	6.6	5.5	14.1
2021	51.8	1.22	2.4	2.7	1.6	8.5	1.9	3.9	0.8	6.7	5.5	14.3
2022	52.4	1.22	2.4	2.7	1.7	8.6	1.9	3.9	0.8	6.8	5.6	14.5
2023	53.0	1.22	2.4	2.7	1.7	8.8	1.9	4.0	0.8	6.9	5.6	14.6
2024	53.6	1.23	2.4	2.7	1.7	8.9	1.9	4.0	0.8	7.1	5.6	14.8
2025	54.2	1.23	2.4	2.8	1.7	9.1	1.9	4.1	0.8	7.2	5.7	14.9
2026	54.7	1.24	2.4	2.8	1.8	9.2	1.9	4.1	0.8	7.3	5.7	15.1
2027	55.3	1.24	2.4	2.8	1.8	9.3	2.0	4.2	0.8	7.3	5.8	15.2
2028	55.8	1.24	2.4	2.8	1.8	9.4	2.0	4.2	0.8	7.4	5.8	15.3
2029	56.3	1.25	2.4	2.8	1.8	9.5	2.0	4.3	0.8	7.5	5.8	15.5
2030	56.7	1.25	2.4	2.9	1.8	9.6	2.0	4.3	0.8	7.6	5.9	15.6
2031	57.2	1.25	2.4	2.9	1.8	9.7	2.0	4.4	0.8	7.6	5.9	15.8
2032	57.7	1.25	2.4	2.9	1.9	9.8	2.0	4.4	0.9	7.7	6.0	15.9
2033	58.1	1.25	2.4	2.9	1.9	9.9	2.0	4.5	0.9	7.8	6.0	16.0
2034	58.6	1.26	2.4	2.9	1.9	10.0	2.0	4.5	0.9	7.8	6.0	16.2
2035	59.1	1.26	2.4	2.9	1.9	10.1	2.0	4.5	0.9	7.9	6.1	16.3

Manufacturing Employment



Employment in Professional Services





County Economic and Demographic Indicators

Projected Economic Growth (2010-2015)

Expected retail sales growth:	11.4%
Expected job growth:	4.8%
Fastest growing jobs sector:	Transportation, Warehousing, Utilities
Expected personal income growth:	11.2%

Expected population growth:	2.0%
Net migration to account for:	65.5%
Expected growth in number of vehicles:	1.0%

Demographics (2009)

Unemployment rate (December)	11.5%
County Rank* in California (58 counties):	18th
Working age (16-64) population:	69.3%

Population with B.A. Degree or higher:	23.3%
Median Home Selling Price:	\$265,815
Median Household Income:	\$38,373

Quality of Life

Violent Crime rate (2008):	347 per 100,000 persons
County Rank* in California (58 counties):	21st
Average Commute Time to work (2009):	19.6 minutes

High School drop out rate (2008):	16.9%
Households at/below poverty line:	12.9%

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