

CONTRA COSTA COUNTY ECONOMIC FORECAST

Contra Costa County is located in the East Bay of the San Francisco Bay Area. With a 2011 value of \$92,300, the county had the 5th highest median family income in the state. Contra Costa County has a population of 1.06 million people and 312,700 wage and salary jobs. The per capita income in Contra Costa County is \$59,016, and the average salary per worker is \$72,159.

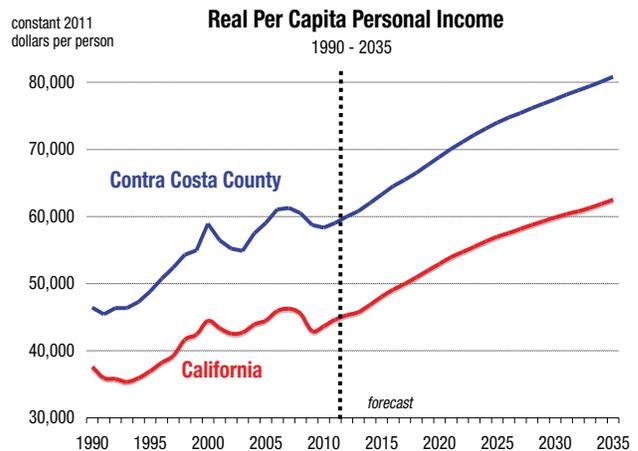
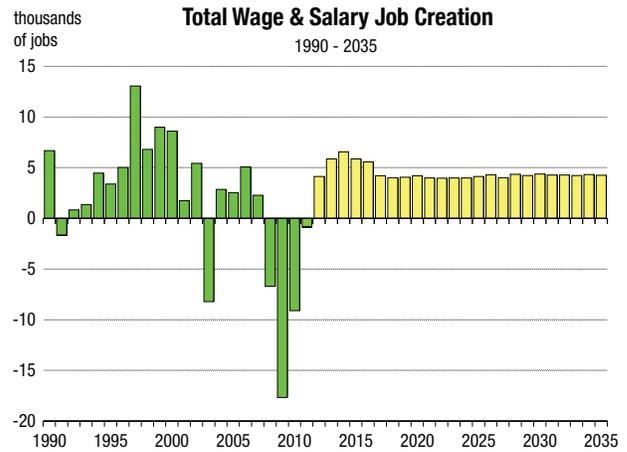
In 2011, employment in Northern California increased by 0.9 percent, whereas employment in the greater Bay Area grew by 1.2 percent. In Contra Costa County, 850 jobs were lost, a decrease of 0.3 percent. The annual unemployment rate, however, improved to 10.4 percent.

During 2011, the farm, transportation, wholesale and retail trade, leisure, education and healthcare, and professional services sectors all added jobs. Employment losses were greatest in government (-1,400 jobs), financial activities (-500 jobs), and information (-400 jobs).

Between 2006 and 2011, the county population increased by 5.7 percent, an annual average rate of 0.9 percent. This growth was largely due to the natural increase (births were greater than deaths), as net migration accounted for only 35 percent of total growth. Net migration should accelerate somewhat over the next five years, as new residents will move to the area to take advantage of relatively inexpensive housing.

FORECAST HIGHLIGHTS

- Job growth will turn positive in 2012, expanding by 1.3 percent. From 2012 to 2017, the rate of employment growth is forecast to average 1.7 percent per year.
- Average salaries are currently well above the California average, and will remain so over the foreseeable future. Adjusted for inflation, average salaries are forecast to rise an average of 1.1 percent per year between 2012 and 2017.
- The professional services sector will lead employment growth with almost 7,500 total jobs created between 2012 and 2017, an increase of nearly 17 percent. Construction adds almost 4,700 jobs, an increase of 25 percent.
- All sectors contribute to job growth between 2012 and 2017.
- Population growth is forecast to rise at an annual average rate of 0.9 percent from 2012 to 2017.
- Net in-migration remains moderate, at approximately the same levels as the past 3 years. From 2012 to 2017, net migration is expected to average 4,300 people per year.

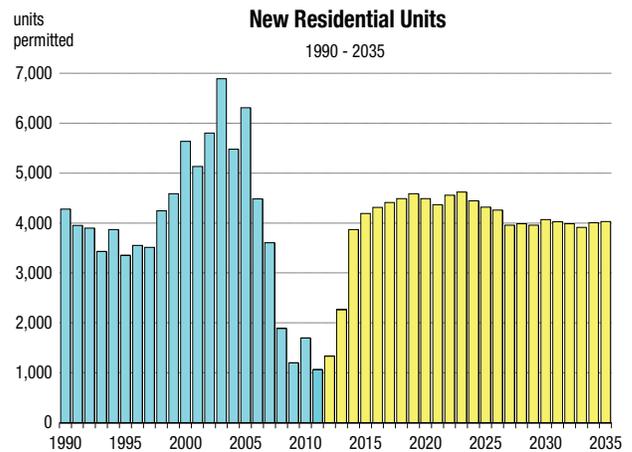
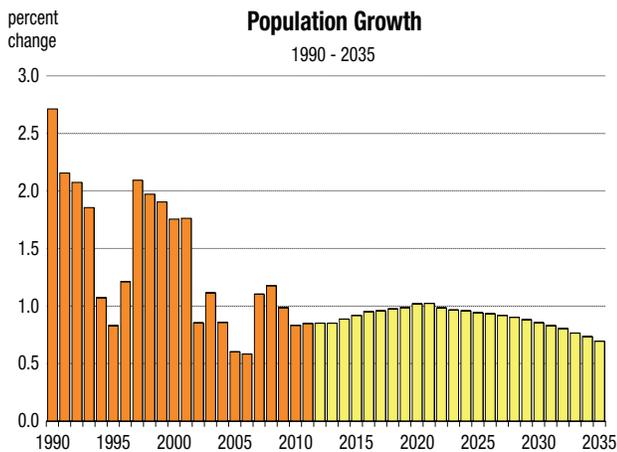


- Real per capita incomes will increase by 1.6 percent in 2012 as the labor market continues to heal. Between 2012 and 2017 real per capita incomes are forecast to grow by 1.7 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 2.9 percent per year from 2012 to 2017.
- Industrial production is expected to increase 3.5 percent in 2012. Between 2012 and 2017 the growth rate of industrial production is forecast to average 2.9 percent per year.

Contra Costa County Economic Forecast

2006-2011 History, 2012-2040 Forecast

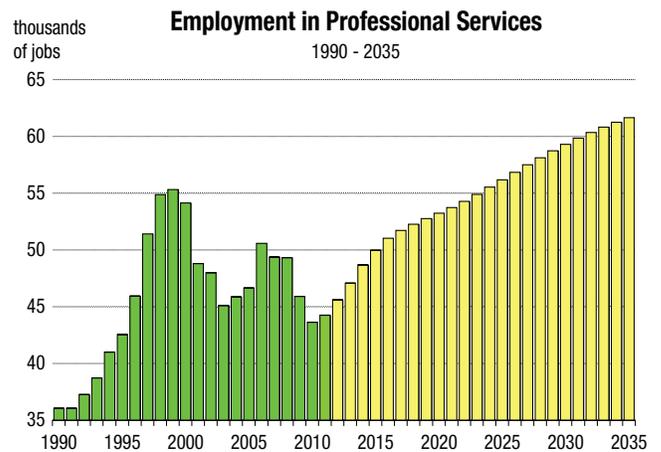
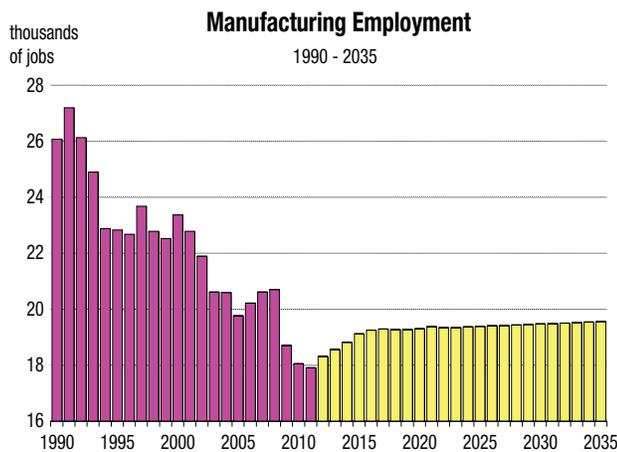
	Population (people)	Net Migration (people)	Registered Vehicles (millions)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2006	1,010,104	-533	0.92	370.0	4,488	\$13.9	\$55.3	\$61,056	3.2	93.0	4.5	4.3
2007	1,021,251	4,402	0.92	373.6	3,607	\$14.1	\$58.0	\$61,259	3.4	82.6	4.7	4.7
2008	1,033,292	5,646	0.92	374.1	1,894	\$13.3	\$59.7	\$60,500	3.0	74.6	5.1	6.1
2009	1,043,501	4,155	0.92	375.0	1,201	\$11.9	\$59.0	\$58,747	0.8	66.9	4.7	10.2
2010	1,052,192	3,043	0.92	375.1	1,699	\$12.0	\$59.9	\$58,319	1.3	81.6	4.7	11.3
2011	1,061,132	3,287	0.93	376.4	1,063	\$12.1	\$62.6	\$59,016	2.5	81.2	4.7	10.4
2012	1,070,183	3,728	0.93	380.2	1,340	\$12.7	\$65.4	\$59,971	1.9	81.5	4.9	9.4
2013	1,079,300	3,725	0.94	382.8	2,269	\$13.2	\$68.3	\$60,800	2.1	82.1	5.0	8.4
2014	1,088,882	4,109	0.94	385.4	3,869	\$13.8	\$71.7	\$61,996	2.1	82.5	5.2	7.8
2015	1,098,897	4,449	0.95	389.5	4,193	\$14.5	\$75.2	\$63,256	1.8	82.6	5.3	7.1
2016	1,109,374	4,810	0.96	394.1	4,314	\$15.4	\$78.8	\$64,491	1.7	82.6	5.5	6.5
2017	1,120,012	4,895	0.96	398.1	4,415	\$16.2	\$82.1	\$65,457	1.7	82.0	5.6	6.1
2018	1,130,941	5,125	0.96	402.0	4,491	\$17.1	\$85.6	\$66,490	1.7	81.0	5.8	5.8
2019	1,142,100	5,340	0.97	406.1	4,587	\$17.9	\$89.4	\$67,693	1.5	80.5	6.0	5.5
2020	1,153,741	5,840	0.97	410.4	4,492	\$18.8	\$93.2	\$68,887	1.4	80.4	6.2	5.3
2021	1,165,557	6,040	0.97	414.5	4,368	\$19.6	\$97.0	\$70,073	1.3	80.3	6.3	5.3
2022	1,177,028	5,664	0.98	418.3	4,561	\$20.4	\$100.9	\$71,136	1.5	80.6	6.5	5.3
2023	1,188,393	5,541	0.98	422.4	4,623	\$21.2	\$104.9	\$72,141	1.5	80.8	6.7	5.3
2024	1,199,802	5,571	0.98	426.6	4,449	\$22.2	\$109.1	\$73,115	1.6	81.0	6.9	5.2
2025	1,211,134	5,500	0.99	430.5	4,322	\$23.3	\$113.3	\$74,006	1.7	81.3	7.1	5.2
2026	1,222,438	5,483	0.99	434.3	4,260	\$24.4	\$117.5	\$74,753	1.7	81.4	7.3	5.2
2027	1,233,679	5,447	1.00	438.1	3,961	\$25.6	\$121.7	\$75,437	1.7	81.5	7.5	5.2
2028	1,244,815	5,390	1.01	441.7	3,988	\$26.8	\$126.0	\$76,142	1.7	81.7	7.7	5.2
2029	1,255,793	5,282	1.01	445.3	3,957	\$28.0	\$130.4	\$76,814	1.7	81.8	8.0	5.2
2030	1,266,549	5,118	1.02	448.9	4,073	\$29.3	\$135.0	\$77,491	1.7	81.8	8.2	5.2
2031	1,277,075	4,948	1.03	452.6	4,026	\$30.6	\$139.6	\$78,163	1.7	81.7	8.4	5.2
2032	1,287,376	4,786	1.05	456.2	3,989	\$31.8	\$144.3	\$78,796	1.7	82.0	8.7	5.2
2033	1,297,255	4,427	1.06	459.7	3,913	\$33.0	\$149.1	\$79,434	1.7	82.3	9.0	5.2
2034	1,306,805	4,176	1.07	463.2	4,006	\$34.2	\$154.0	\$80,105	1.7	82.5	9.2	5.2
2035	1,315,915	3,819	1.09	466.7	4,031	\$35.4	\$159.1	\$80,808	1.7	82.6	9.5	5.2
2036	1,324,794	3,671	1.10	470.3	4,065	\$36.6	\$164.4	\$81,517	1.7	82.9	9.8	5.2
2037	1,333,455	3,533	1.12	473.8	4,186	\$37.8	\$169.9	\$82,260	1.7	83.1	10.1	5.2
2038	1,341,900	3,397	1.13	477.4	4,111	\$39.0	\$175.6	\$83,020	1.7	83.0	10.4	5.2
2039	1,350,147	3,279	1.15	480.9	4,149	\$40.2	\$181.4	\$83,830	1.7	83.2	10.7	5.2
2040	1,358,193	3,161	1.16	484.4	4,084	\$41.4	\$187.4	\$84,661	1.7	83.4	11.1	5.2

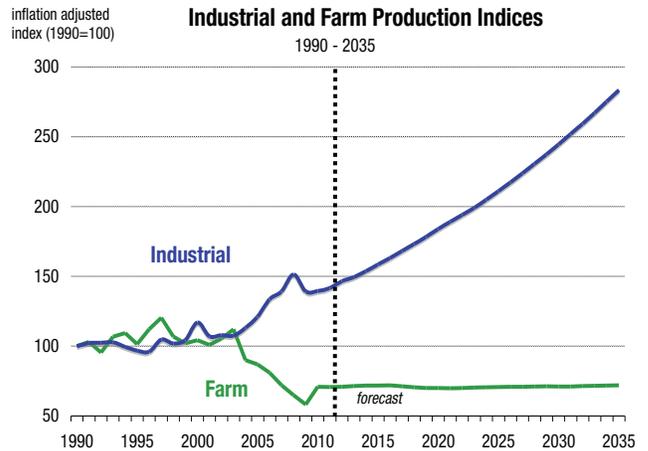
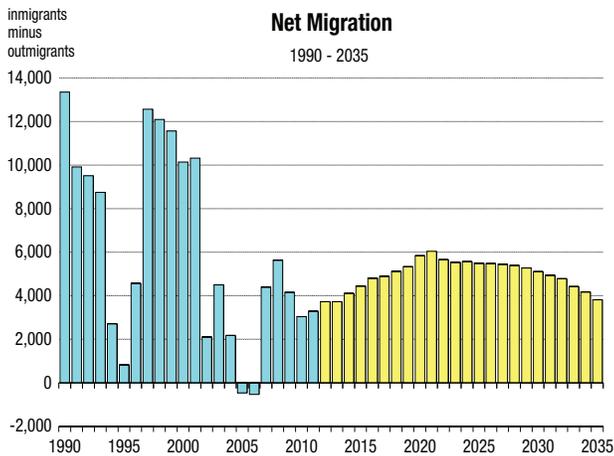
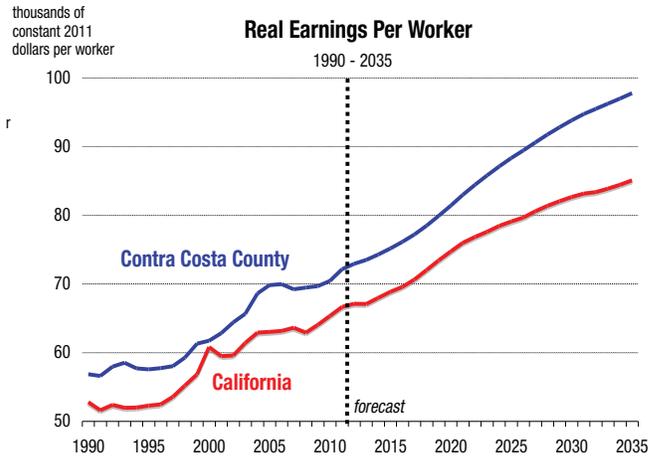
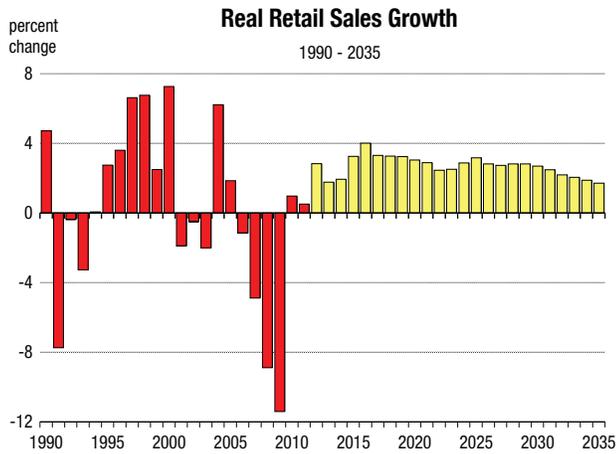


Contra Costa County Employment Forecast

2006-2011 History, 2012-2040 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)-----												
2006	344.7	0.73	30.0	20.2	8.4	53.1	32.1	50.6	13.4	42.7	32.4	48.9
2007	347.0	0.73	29.4	20.6	8.8	53.5	29.1	49.4	13.0	44.6	33.2	52.2
2008	340.3	0.67	26.6	20.7	8.9	52.3	26.6	49.3	11.8	45.6	32.8	52.6
2009	322.6	0.76	22.1	18.7	8.3	49.0	25.7	45.9	10.4	47.7	31.2	51.3
2010	313.6	0.76	19.7	18.1	7.9	47.7	25.5	43.7	9.8	48.6	31.5	48.9
2011	312.7	0.82	19.2	17.9	7.9	47.7	25.0	44.3	9.5	49.0	32.0	47.5
2012	316.9	0.86	20.2	18.3	8.0	48.1	25.1	45.6	9.6	49.2	32.4	47.4
2013	322.7	0.87	21.7	18.6	8.1	48.6	25.5	47.1	9.9	49.6	32.7	47.7
2014	329.3	0.88	23.2	18.8	8.3	49.2	26.0	48.7	10.2	50.2	33.1	48.1
2015	335.2	0.88	23.5	19.1	8.5	50.0	26.8	50.0	10.6	50.9	33.6	48.4
2016	340.8	0.88	24.0	19.3	8.6	51.1	27.7	51.0	11.0	51.4	34.0	48.7
2017	345.0	0.87	23.9	19.3	8.7	52.1	28.6	51.7	11.2	51.8	34.5	49.0
2018	349.0	0.85	23.9	19.3	8.8	52.9	29.6	52.3	11.4	52.2	35.0	49.4
2019	353.1	0.84	24.0	19.3	9.0	53.7	30.7	52.8	11.6	52.5	35.4	49.8
2020	357.3	0.84	24.1	19.3	9.2	54.5	32.0	53.2	11.7	52.8	35.8	50.3
2021	361.3	0.84	24.1	19.4	9.4	55.2	33.3	53.7	11.8	53.0	36.1	50.8
2022	365.3	0.84	24.2	19.3	9.6	56.1	34.5	54.3	11.8	53.1	36.4	51.3
2023	369.3	0.85	24.2	19.3	9.7	56.9	35.7	54.9	11.8	53.2	36.6	51.9
2024	373.3	0.85	24.1	19.4	9.8	57.7	36.9	55.5	11.8	53.4	36.8	52.6
2025	377.4	0.85	24.1	19.4	10.0	58.6	38.1	56.2	12.0	53.7	37.0	53.2
2026	381.7	0.86	24.0	19.4	10.1	59.6	39.2	56.8	12.1	53.9	37.2	53.9
2027	385.8	0.86	23.8	19.4	10.2	60.5	40.3	57.5	12.3	54.3	37.3	54.5
2028	390.1	0.86	23.9	19.4	10.3	61.5	41.4	58.1	12.5	54.8	37.5	55.1
2029	394.4	0.86	23.9	19.5	10.4	62.4	42.3	58.7	12.6	55.3	37.6	55.7
2030	398.8	0.86	23.9	19.5	10.5	63.4	43.3	59.3	12.7	55.9	37.7	56.3
2031	403.1	0.86	23.9	19.5	10.6	64.4	44.2	59.8	12.9	56.6	37.9	57.0
2032	407.3	0.87	23.9	19.5	10.7	65.3	45.1	60.3	13.0	57.3	38.0	57.6
2033	411.6	0.87	23.8	19.5	10.9	66.2	46.1	60.8	13.1	58.1	38.2	58.2
2034	415.9	0.88	23.9	19.5	11.0	67.0	47.0	61.3	13.3	58.9	38.3	58.9
2035	420.2	0.88	23.9	19.6	11.1	67.8	47.9	61.7	13.4	59.7	38.5	59.5
2036	424.5	0.88	23.9	19.6	11.2	68.6	48.9	62.1	13.6	60.6	38.6	60.2
2037	429.0	0.88	24.0	19.6	11.4	69.3	49.9	62.5	13.7	61.5	38.8	60.8
2038	433.2	0.88	24.0	19.6	11.5	70.0	51.0	62.9	13.9	62.5	38.9	61.5
2039	437.6	0.89	24.0	19.6	11.6	70.7	52.0	63.3	14.0	63.4	39.1	62.1
2040	441.9	0.89	23.9	19.7	11.7	71.3	53.1	63.7	14.2	64.3	39.2	62.7





County Economic and Demographic Indicators

Projected Economic Growth (2012-2017)

Expected retail sales growth:	18.4 %
Expected job growth:	10.3 %
Fastest growing jobs sector:	Construction
Expected personal income growth:	17.1 %

Expected population growth:	5.6 %
Net migration to account for:	43.7 %
Expected growth in number of vehicles:	3.5 %

Demographics

Unemployment rate (March 2012):	9.9 %
County Rank* in California (58 counties):	14th
Working age (16-64) population:	65.8 %

Population with B.A. Degree or higher:	37.7 %
Median Home Selling Price:	\$254,100
Median Household Income:	\$75,551

Quality of Life

Violent Crime rate (2010):	401 per 100,000 persons
County Rank* in California (58 counties):	33rd
Average Commute Time to work (2012):	35.1 minutes

High School drop out rate (2010):	12.3 %
Households at/below poverty line:	6.7 %

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