

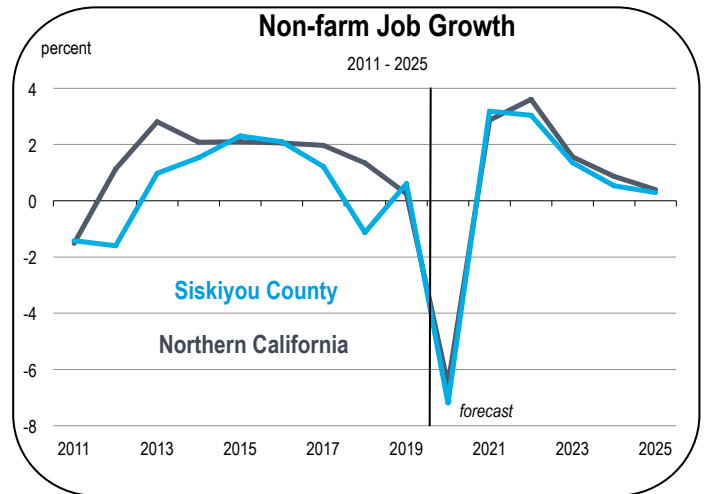
Siskiyou County Economic Forecast

Forecast Summary

- It is estimated that an average of 800 to 1,300 jobs will be lost in Siskiyou County during 2020. Job losses will be heavy in the first half of the year.
- Employment losses will be largest in leisure services, retail, and professional business services.
- The unemployment rate averaged 6.5 percent in 2019. It will average between 9 percent and 12 percent during the 2020 calendar year.
- The Siskiyou County population is expected to decline between 2020 and 2025.
- Home values are expected to increase slowly in 2020 and 2021.
- Housing production during the 2020-2025 forecast period is expected to be similar to housing production in the 2014-2019 period.

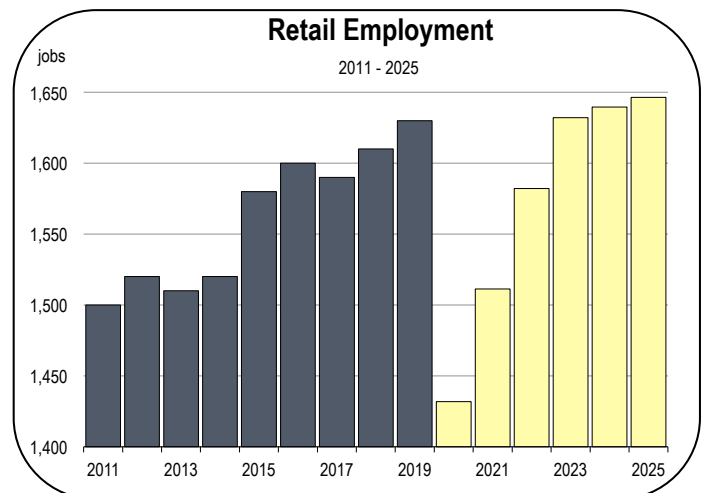
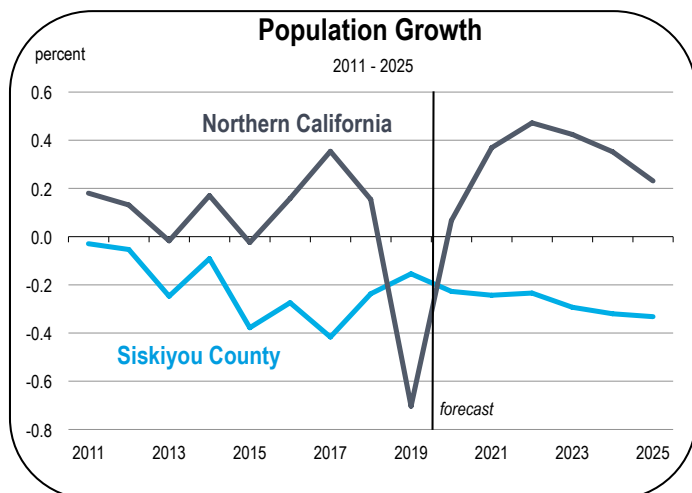
Job Growth

- Total employment in the County will decline by at least 6 percent in 2020. This is an annual average change from 2019.
- In 2021 and 2022, Siskiyou County is expected to re-gain many of the jobs that were lost during the Coronavirus Recession.

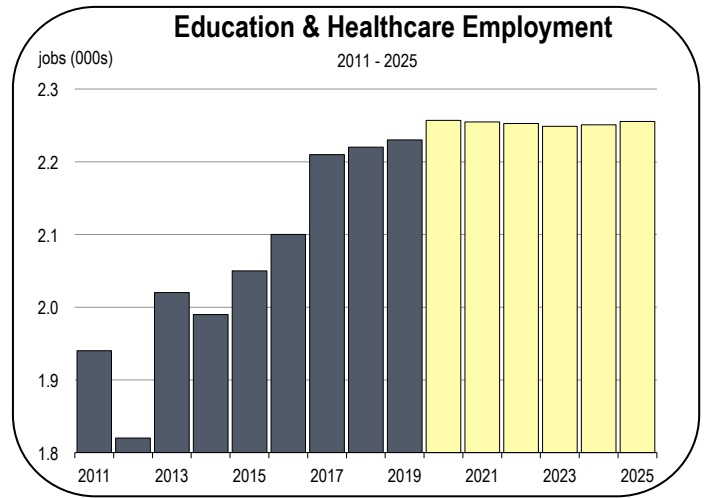
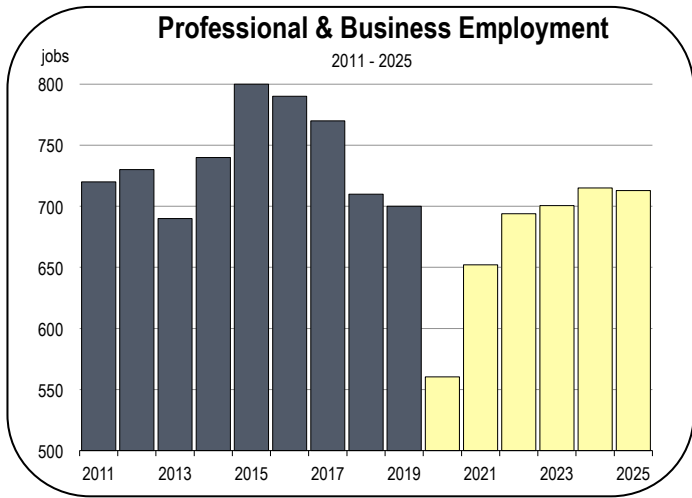


Retail Trade Employment

- The retail sector is expected to lose 150 to 250 jobs in 2020 on an annual average basis.
- The largest retail employers in Siskiyou County are the Raley's and Walmart stores in Yreka. Each employs between 100 and 250 workers.
- Retail trade jobs will return after in-store shopping is permitted in a sustained way, but it is unclear if employment in the retail sector will surpass pre-recession levels before the end of the 2020-2025 forecast period.



Siskiyou County Economic Forecast



Professional & Business Services Employment

- The professional and business services industry has a diverse array of subsectors, and each will be impacted differently during the recession and recovery phases of 2020 and 2021.
- Jobs at staffing agencies declined sharply in April and May of 2020, but are expected to rebound quickly in 2021 and 2022.
- Staffing agencies typically employ temp workers, and temps are usually the first to be laid off in a downturn and the first to be re-hired during an expansion.
- Jobs in building maintenance declined substantially during the shutdowns but are expected to rebound at office and industrial buildings with repopulating employment.

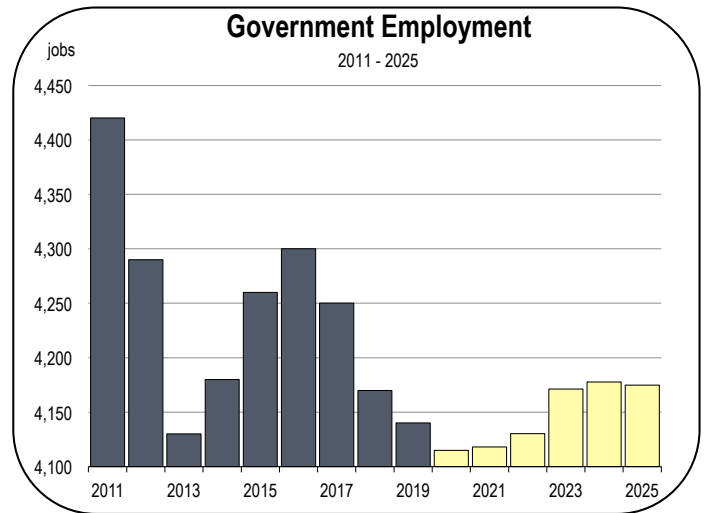
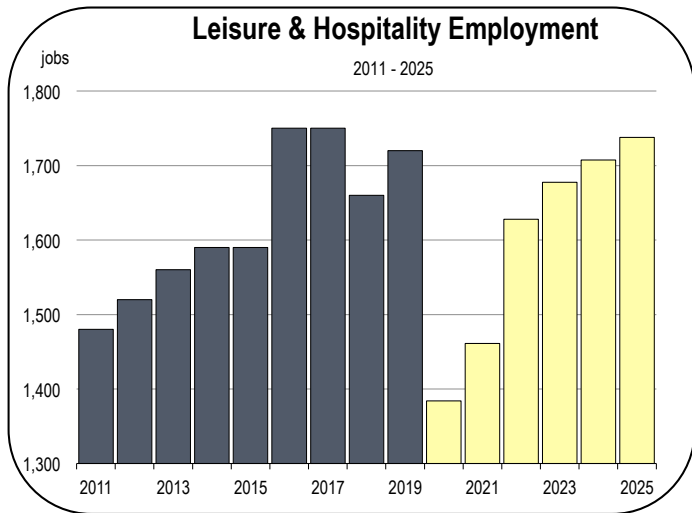
Professional & Business Services Sub-Sectors 2019	Jobs in Subsector	Subsector's Share of Overall Industry
Staffing Agencies	200	29.6%
Building Maintenance	150	22.2%
Accounting & Bookkeeping	75	11.1%
Law	50	7.4%
Engineering & Architecture	50	7.4%
Business & Technical Consulting	50	7.4%
Corporate Headquarters	25	3.7%
Veterinary Services	25	3.7%
Other	50	7.4%

- Veterinary services have experienced a decline in customers, as unemployed residents have prioritized their newly limited budgets away from pet care.
- Aside from staffing agencies, building maintenance, and veterinarians, most subsectors of the professional business services industry were able to operate remotely and were largely unaffected by the shutdowns, although some had layoffs due to the recessionary macroeconomic conditions that persisted throughout the nation.

Private Education and Healthcare Employment

- There were approximately 2,200 healthcare and social assistance jobs in Siskiyou County in 2019.
- Healthcare jobs were recession proof during the 2008-2009 financial crisis, and in Siskiyou County, the impact from the Coronavirus Recession of 2020 is expected to be minimal.
- Jobs in social assistance, including industries like childcare, housing shelters, and non-medical care for senior citizens, were mostly classified as essential during the shutdowns and there were very few layoffs.
- The number of jobs in private educational institutions in Siskiyou County is very small.
- Very little job creation in the private education and healthcare industry is expected over the 2020-2025 forecast period.

Siskiyou County Economic Forecast



Leisure and Hospitality Employment

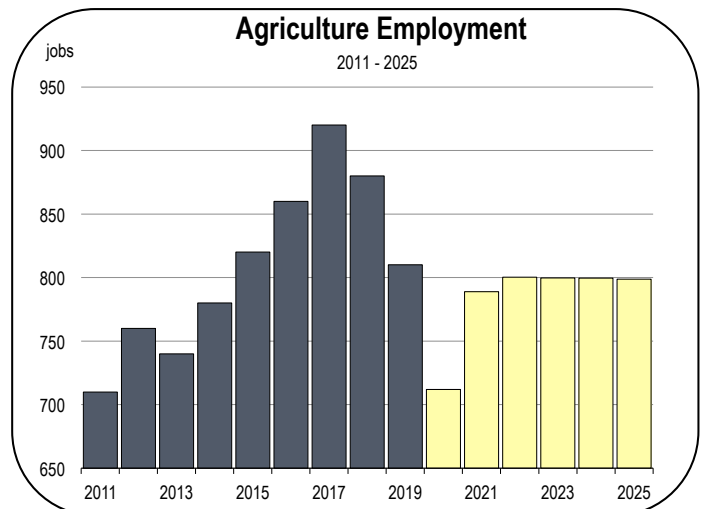
- In 2019, Siskiyou County had more than 1,700 jobs in restaurants, hotels, bars, gyms, and recreation facilities.
- Approximately 40 percent of leisure and hospitality workers were laid off in March and April of 2020. Another 20 to 30 percent had their hours cut or were furloughed without pay.
- Leisure and hospitality employment is expected to rebound slowly in 2021 and 2022, and all jobs lost during the Coronavirus Recession may not be recovered for several years.

Government Employment

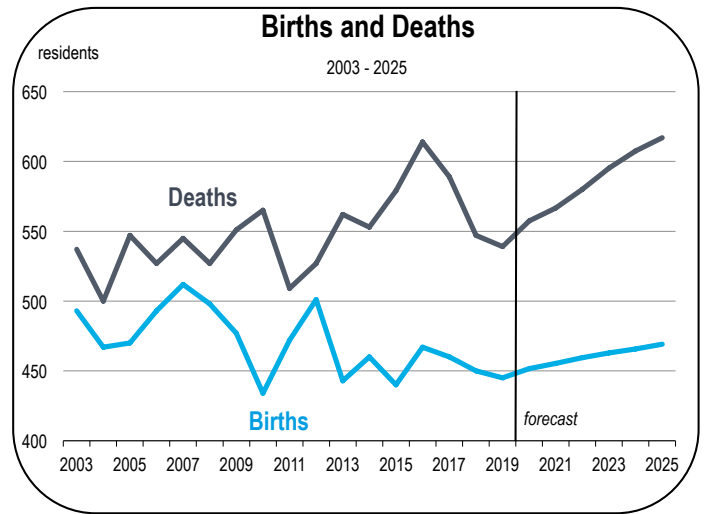
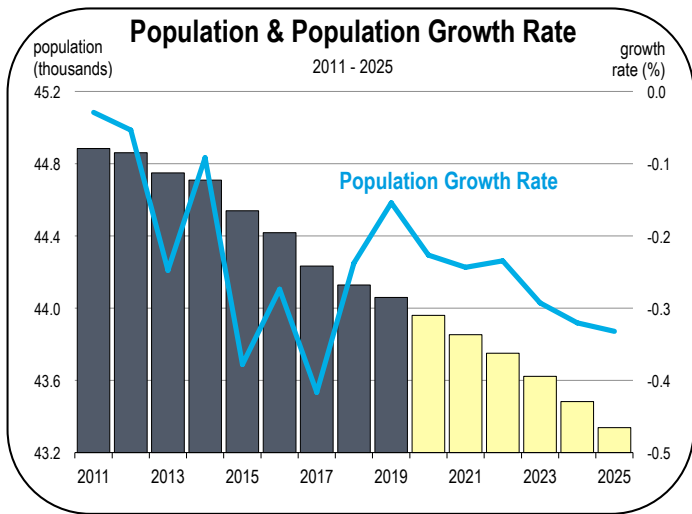
- Government agencies are expected to lose revenue from taxes and fees in 2020, and these revenue shortfalls will likely persist into 2021 and 2022.
- When government agencies need to reduce expenditures on salaries, many workers are expected to be given unpaid furlough days that are distributed throughout the year, and many staffing reductions could be the result of hiring freezes rather than layoffs.
- However, if revenue shortfalls are severe and Congress does not appropriate funding to mitigate these shortfalls, government agencies may have no choice but to issue layoffs.

Agriculture Employment

- Farms, ranches, orchards, and other agricultural businesses are expected to shed at least 50 jobs in 2020 on an annual average basis.
- Nearly all farm sector jobs are expected to be restored in 2021 and 2022.
- The leading crops in Siskiyou County are hay, wheat, and potatoes.



Siskiyou County Economic Forecast

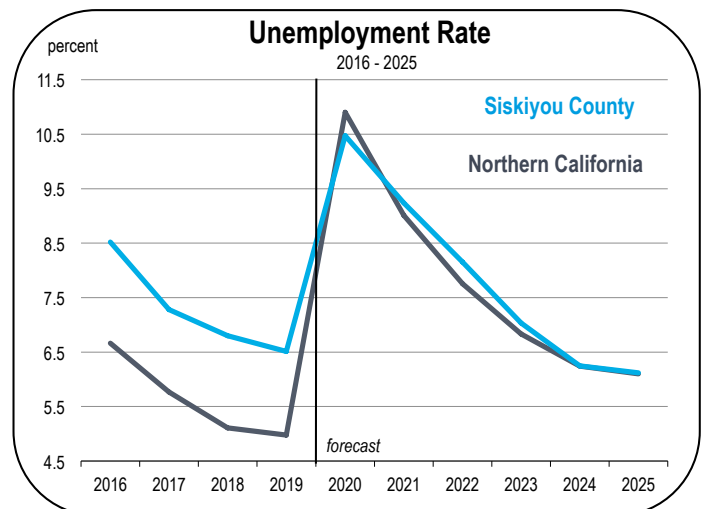
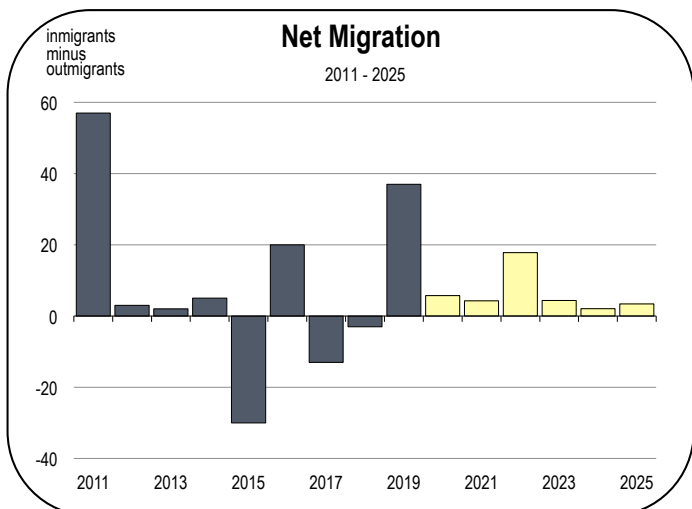


Population Growth

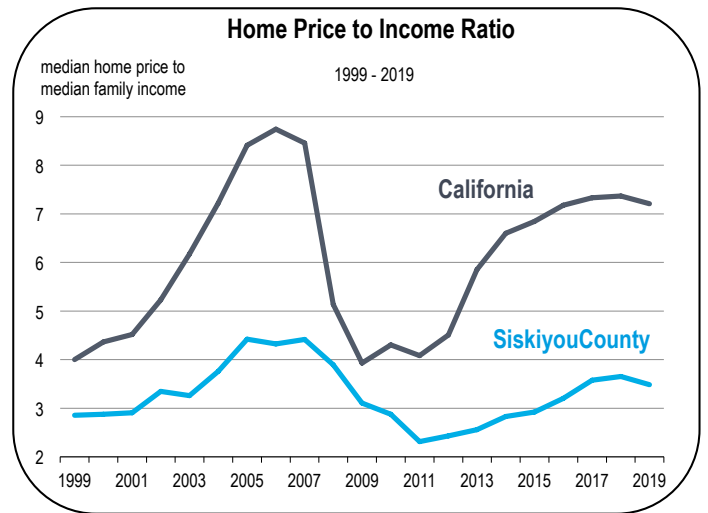
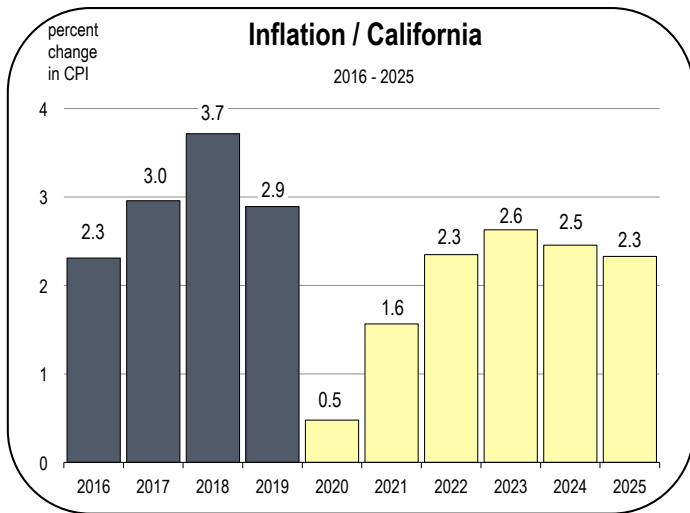
- The Siskiyou County population is expected to decline between 2020 and 2025.
- The forecast for net migration over the next 5 years is not significantly different from the recent history. Annual net immigration is forecast to be zero to slightly positive, which prevents the population forecast from declining more rapidly.
- Siskiyou County has an older population with a low birth rate, and the number of deaths has begun to exceed the number of births. This situation will persist throughout the forecast period, leading to overall population decline.
- Between 2020 and 2025, the population is expected to shrink at an annual average rate of 0.3 percent.
- By 2025, the population is forecast to fall below 44,400 residents.

Unemployment and Inflation Rates

- The unemployment rate in Siskiyou County averaged 6.5 percent in 2019, which was above the composite rate for the Northern California region.
- The unemployment rate is expected to average between 9 and 12 percent in 2020.
- The unemployment rate is expected to remain elevated for several years, but is likely to improve more quickly than after the 2008-2009 recession.
- Inflation decelerated in 2019 as energy prices declined and home prices increased more slowly than the previous year.
- Inflation is expected to be very low in 2020 but could accelerate in 2021 or 2022.



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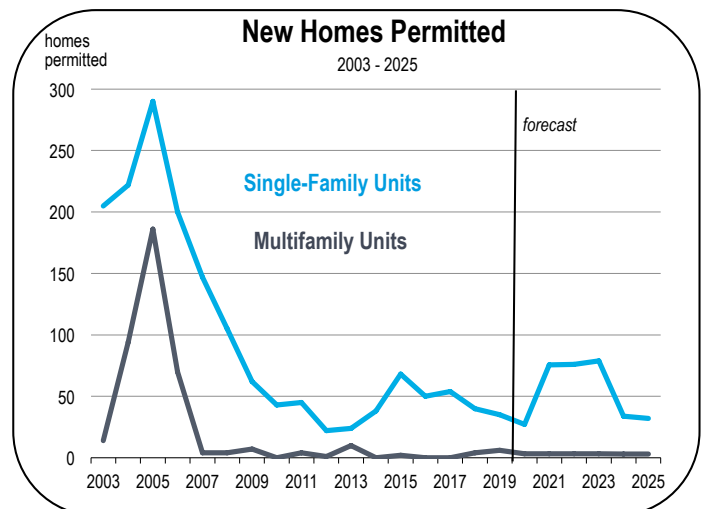
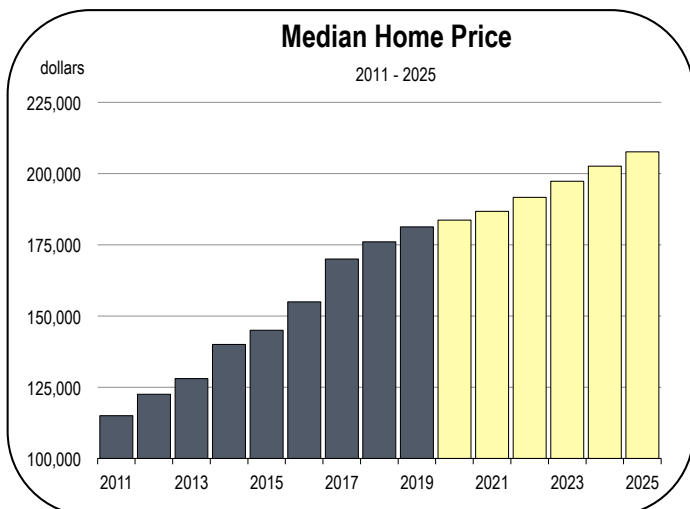


Home Prices and New Housing Production

- In 2019 the median home price in Siskiyou County was \$181,300. The median price is not expected to change substantially in 2020 or 2021.
- In Siskiyou County, the typical household spends less than 20 percent of its pre-tax income on mortgage payments or rent.
- Along Coastal California, the typical household spends more than 35 percent of income on housing costs, and in very expensive

markets like San Francisco, housing costs often account for more than 50 percent of income.

- From 2014 to 2019, an average of 50 new homes were started per year in Siskiyou County. Almost all were single-family homes.
- Housing production is expected to average 45 to 65 units per year from 2020 to 2025, consisting primarily of single-family homes.



Siskiyou County Economic Forecast

Economic Indicators

2015-2019 History, 2020-2050 Forecast

	Population (people)	House- holds (thousands)	Net Migration (people)	New Homes Permitted (homes)	Registered Vehicles (thousands)	Personal Income (billions)	Taxable Retail Sales (millions)	Total Taxable Sales (millions)	Real Industrial Production (millions)	Real per Capita Income (dollars)	Unemployment Rate (percent)	Real Farm Production (millions)	Inflation Rate (percent)
2015	44,540	19.7	-30	70	65	\$1.8	\$384	\$590	\$161	\$45,454	9.3	\$330	1.4
2016	44,418	19.8	20	50	67	\$1.9	\$388	\$578	\$178	\$46,151	8.5	\$309	2.3
2017	44,233	19.8	-13	54	66	\$1.9	\$413	\$593	\$188	\$46,097	7.3	\$296	3.0
2018	44,128	19.9	-3	44	65	\$2.0	\$421	\$565	\$168	\$45,955	6.8	\$283	3.7
2019	44,060	19.9	37	41	66	\$2.1	\$431	\$593	\$168	\$46,543	6.5	\$272	2.9
2020	43,960	19.9	6	30	66	\$2.0	\$401	\$569	\$165	\$45,981	10.5	\$271	0.5
2021	43,853	19.9	4	79	66	\$2.0	\$429	\$581	\$162	\$45,670	9.2	\$270	1.6
2022	43,750	20.0	18	79	66	\$2.1	\$444	\$600	\$166	\$46,710	8.2	\$269	2.3
2023	43,622	20.0	4	82	65	\$2.2	\$462	\$622	\$169	\$47,636	7.0	\$269	2.6
2024	43,483	20.0	2	37	65	\$2.3	\$472	\$640	\$171	\$48,482	6.2	\$268	2.5
2025	43,338	20.0	3	35	65	\$2.4	\$482	\$655	\$174	\$49,339	6.1	\$267	2.3
2026	43,170	20.1	-16	34	64	\$2.5	\$490	\$668	\$177	\$50,057	5.9	\$264	2.3
2027	42,983	20.1	-25	34	64	\$2.6	\$501	\$681	\$179	\$50,660	5.7	\$259	2.2
2028	42,798	20.1	-20	33	63	\$2.6	\$512	\$696	\$181	\$51,227	5.6	\$256	2.2
2029	42,625	20.2	-2	33	63	\$2.7	\$524	\$712	\$182	\$51,638	5.5	\$255	2.3
2030	42,464	20.2	14	33	62	\$2.8	\$536	\$728	\$184	\$52,042	5.4	\$256	2.2
2031	42,290	20.2	4	33	62	\$2.8	\$547	\$743	\$185	\$52,460	5.2	\$256	2.1
2032	42,064	20.2	-43	32	62	\$2.9	\$559	\$760	\$186	\$52,793	5.2	\$255	2.3
2033	41,788	20.2	-92	32	61	\$3.0	\$569	\$774	\$188	\$53,326	5.1	\$255	1.9
2034	41,558	20.3	-46	32	61	\$3.1	\$581	\$790	\$189	\$53,872	5.2	\$254	2.1
2035	41,252	20.3	-119	32	60	\$3.1	\$594	\$808	\$190	\$54,392	5.2	\$254	2.2
2036	40,945	20.3	-118	32	59	\$3.2	\$610	\$829	\$191	\$54,873	5.1	\$253	2.6
2037	40,687	20.3	-71	31	59	\$3.3	\$626	\$851	\$191	\$55,253	5.1	\$253	2.7
2038	40,446	20.4	-59	30	59	\$3.4	\$641	\$872	\$192	\$55,751	5.0	\$252	2.5
2039	40,166	20.4	-102	30	58	\$3.5	\$658	\$895	\$193	\$56,171	5.1	\$252	2.7
2040	39,921	20.4	-73	29	58	\$3.6	\$675	\$918	\$193	\$56,710	5.1	\$251	2.6
2041	39,624	20.4	-130	28	57	\$3.7	\$689	\$938	\$195	\$57,361	5.2	\$250	2.2
2042	39,412	20.4	-55	28	57	\$3.8	\$703	\$957	\$196	\$58,116	5.2	\$251	2.1
2043	39,213	20.4	-50	27	56	\$3.9	\$717	\$976	\$197	\$58,894	5.3	\$250	2.0
2044	39,016	20.5	-56	27	56	\$4.0	\$730	\$993	\$199	\$59,791	5.2	\$250	1.8
2045	38,846	20.5	-37	26	56	\$4.1	\$744	\$1,012	\$201	\$60,637	5.0	\$249	1.9
2046	38,672	20.5	-45	25	56	\$4.2	\$759	\$1,032	\$203	\$61,483	5.3	\$249	2.0
2047	38,505	20.5	-47	25	55	\$4.4	\$775	\$1,054	\$205	\$62,284	5.3	\$248	2.2
2048	38,378	20.5	-17	24	55	\$4.5	\$793	\$1,078	\$207	\$63,128	5.5	\$248	2.3
2049	38,264	20.6	-15	23	55	\$4.7	\$809	\$1,100	\$209	\$64,112	5.7	\$247	2.0
2050	38,163	20.6	-6	23	55	\$4.8	\$827	\$1,124	\$211	\$65,090	5.8	\$247	2.1

Employment Sectors

2015-2019 History, 2020-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade (jobs)	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
2015	13,710	820	340	700	320	1,820	290	800	140	2,050	1,590	4,260
2016	14,020	860	360	730	320	1,810	280	790	140	2,100	1,750	4,300
2017	14,240	920	390	860	300	1,790	280	770	140	2,210	1,750	4,250
2018	14,050	880	440	890	270	1,820	290	710	130	2,220	1,660	4,170
2019	14,060	810	460	890	270	1,860	300	700	130	2,230	1,720	4,140
2020	13,010	712	409	853	214	1,638	253	560	112	2,257	1,384	4,115
2021	13,480	789	472	855	236	1,734	264	652	123	2,255	1,461	4,118
2022	13,870	800	472	868	257	1,811	291	694	125	2,253	1,628	4,130
2023	14,050	800	474	878	265	1,863	293	701	126	2,249	1,678	4,171
2024	14,120	800	472	880	267	1,873	294	715	127	2,251	1,707	4,178
2025	14,160	799	461	883	269	1,881	294	713	127	2,255	1,738	4,175
2026	14,150	798	440	885	271	1,878	295	709	127	2,257	1,749	4,178
2027	14,150	796	440	887	273	1,875	297	711	127	2,259	1,751	4,166
2028	14,150	792	440	889	275	1,872	298	718	127	2,257	1,755	4,165
2029	14,140	790	430	891	276	1,859	297	715	127	2,259	1,759	4,166
2030	14,120	789	420	892	277	1,846	297	708	127	2,260	1,763	4,166
2031	14,100	790	418	892	278	1,833	297	704	127	2,262	1,767	4,159
2032	14,070	790	411	893	278	1,830	297	700	127	2,262	1,762	4,148
2033	14,020	789	401	894	279	1,817	297	694	127	2,261	1,754	4,139
2034	14,050	789	401	895	280	1,814	297	691	127	2,262	1,758	4,163
2035	14,020	788	406	896	280	1,810	296	686	127	2,260	1,750	4,145
2036	14,010	789	406	897	281	1,807	295	680	127	2,257	1,742	4,153
2037	14,020	787	401	897	282	1,804	294	675	127	2,258	1,736	4,180
2038	14,040	788	401	898	282	1,801	294	672	127	2,262	1,743	4,193
2039	14,040	787	401	899	283	1,798	293	669	126	2,264	1,748	4,186
2040	14,070	787	400	900	284	1,796	292	668	127	2,268	1,756	4,206
2041	14,060	786	398	901	284	1,793	292	665	126	2,270	1,762	4,195
2042	14,110	786	398	902	285	1,791	292	665	126	2,277	1,772	4,232
2043	14,150	786	397	902	286	1,790	292	666	126	2,286	1,783	4,243
2044	14,180	785	396	903	287	1,788	291	667	127	2,294	1,794	4,251
2045	14,220	785	394	904	287	1,787	291	666	127	2,303	1,807	4,267
2046	14,240	784	394	905	288	1,786	291	664	128	2,313	1,819	4,271
2047	14,280	785	394	906	289	1,785	291	665	128	2,325	1,833	4,279
2048	14,340	784	394	907	289	1,785	290	666	129	2,340	1,850	4,299
2049	14,390	784	394	908	290	1,785	289	669	129	2,357	1,868	4,309
2050	14,450	783	393	908	291	1,785	290	673	130	2,375	1,887	4,320

Siskiyou County Economic Forecast

Socioeconomic Indicators

