

MENDOCINO COUNTY ECONOMIC FORECAST

Mendocino County is located on the coast of Northern California. The county is noted for its distinctive Pacific Ocean coastline, Redwood forests, and wine production. Redwood Valley is the principal wine-growing region in the county. Lake Mendocino is the largest recreational area, offering year-round boating, fishing, water skiing, and hiking.

Mendocino County has a population of 88,400 people and a total of 32,000 wage and salary jobs. The per capita income in Mendocino County is \$41,547, and the average salary per worker is \$44,314.

In 2015, Mendocino County gained 180 wage and salary jobs, representing an increase of 0.6 percent. The unemployment rate improved substantially, dropping from 7.0 percent in 2014 to 5.9 percent in 2015.

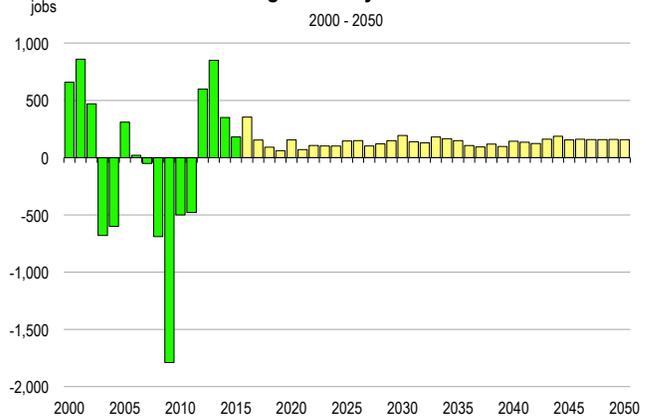
Over the past year, the largest job gains were observed in wholesale and retail trade (+140 jobs) and government (+110 jobs). The largest losses were in education and healthcare (-80 jobs) and agriculture (-70 jobs).

Between 2010 and 2015, the population of Mendocino County increased at an annual average rate of 0.1 percent. This growth was due entirely to the natural increase (new births), as net migration was negative.

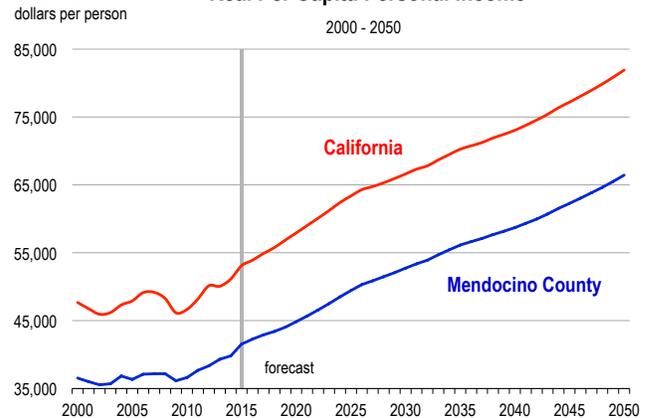
FORECAST HIGHLIGHTS

- In 2016, total wage and salary employment will expand by 1.1 percent. From 2016 to 2021, growth will average 0.3 percent per year.
- Average salaries are currently below the California state average, and will remain so over the forecast period. In Mendocino County, inflation-adjusted salaries are expected to rise by an average of 1.5 percent per year from 2016 to 2021.
- Between 2016 and 2021, the strongest employment growth will be observed in manufacturing, leisure and hospitality, education and healthcare, and wholesale and retail trade. Declines will be recorded in construction and government.
- In the coming years, the population of Mendocino County will increase slowly. Annual population growth in the 2016-2021 period will average 0.2 percent.
- Between 2016 and 2021, an average of 20 net migrants will enter the county each year.

Total Wage & Salary Job Creation



Real Per Capita Personal Income

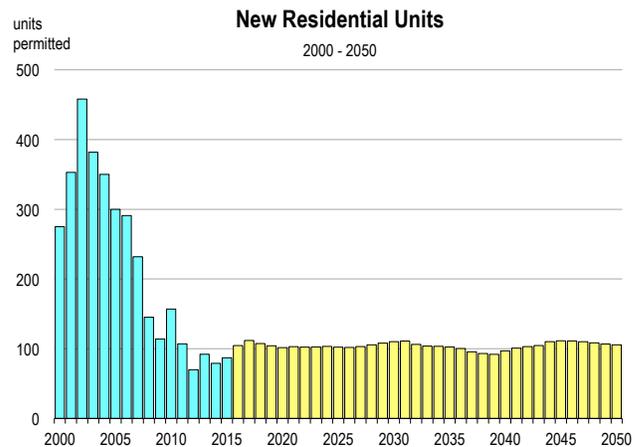
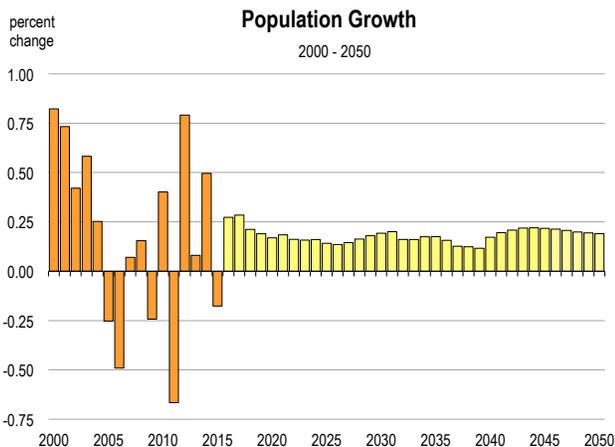


- Real per capita income is forecasted to increase by 1.8 percent in 2016. Between 2016 and 2021, real per capita income is expected to increase at an average rate of 1.6 percent per year.
- Total taxable sales, adjusted for inflation, are forecasted to increase by an average annual rate of 1.4 percent between 2016 and 2021.
- Between 2016 and 2021, the growth rate of industrial production will average 2.2 percent per year. Total crop production is expected to rise by 1.5 percent per year over the same time frame. The principal crop in the county is the wine grape.

Mendocino County Economic Forecast

2010-2015 History, 2016-2050 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 (millions)	Unemploy- ment Rate (percent)
2010	87,921	51	111.7	34.9	157	\$1.08	\$2.93	\$36,624	1.3	127.8	769.9	11.6
2011	87,336	-773	110.2	35.0	107	\$1.16	\$3.07	\$37,680	2.7	123.7	775.3	11.4
2012	88,027	371	108.9	35.2	70	\$1.22	\$3.22	\$38,332	2.7	152.0	875.7	10.1
2013	88,098	-154	111.6	35.3	92	\$1.30	\$3.35	\$39,299	2.3	161.8	890.1	8.4
2014	88,535	213	113.1	35.4	79	\$1.35	\$3.47	\$39,820	2.8	141.5	866.7	7.0
2015	88,379	-307	115.6	35.5	87	\$1.38	\$3.67	\$41,547	2.6	146.5	943.0	5.9
2016	88,620	59	116.3	35.6	105	\$1.45	\$3.84	\$42,288	2.7	153.1	965.1	4.5
2017	88,873	77	116.9	35.7	112	\$1.51	\$4.04	\$42,894	3.4	157.3	982.9	4.2
2018	89,061	21	117.4	35.7	107	\$1.58	\$4.23	\$43,409	3.4	160.1	1,014.1	4.4
2019	89,230	5	117.9	35.8	104	\$1.65	\$4.42	\$44,050	3.0	162.1	1,031.0	4.4
2020	89,381	-10	118.4	35.9	102	\$1.72	\$4.63	\$44,850	3.0	163.7	1,051.0	4.4
2021	89,546	9	118.8	35.9	103	\$1.79	\$4.86	\$45,669	2.9	164.9	1,073.5	4.3
2022	89,691	-1	119.2	36.0	102	\$1.87	\$5.10	\$46,575	2.9	166.0	1,093.8	4.3
2023	89,833	3	119.6	36.1	103	\$1.95	\$5.34	\$47,509	2.8	166.9	1,114.1	4.2
2024	89,977	9	119.9	36.1	103	\$2.03	\$5.60	\$48,504	2.6	167.8	1,131.6	4.1
2025	90,105	-2	120.2	36.2	102	\$2.12	\$5.85	\$49,440	2.5	168.7	1,152.0	4.0
2026	90,227	-3	120.5	36.2	102	\$2.20	\$6.09	\$50,296	2.5	169.6	1,177.2	3.8
2027	90,358	9	120.9	36.3	103	\$2.28	\$6.33	\$50,869	2.9	170.5	1,203.0	3.8
2028	90,506	27	121.2	36.4	106	\$2.36	\$6.58	\$51,464	2.7	171.4	1,230.9	3.8
2029	90,668	41	121.5	36.4	108	\$2.45	\$6.82	\$52,088	2.5	172.3	1,261.1	3.8
2030	90,843	54	121.8	36.5	110	\$2.54	\$7.08	\$52,739	2.4	173.2	1,292.0	3.8
2031	91,025	56	122.1	36.5	111	\$2.64	\$7.33	\$53,382	2.3	174.0	1,323.9	3.8
2032	91,172	12	122.4	36.6	106	\$2.74	\$7.58	\$53,910	2.5	174.9	1,356.0	3.8
2033	91,319	4	122.8	36.7	104	\$2.85	\$7.85	\$54,704	2.1	175.8	1,389.1	3.8
2034	91,478	7	123.1	36.7	103	\$2.96	\$8.14	\$55,432	2.3	176.6	1,423.7	3.8
2035	91,639	0	123.5	36.8	103	\$3.07	\$8.44	\$56,131	2.4	177.4	1,458.3	3.8
2036	91,782	-17	123.9	36.8	100	\$3.18	\$8.75	\$56,627	2.8	178.2	1,494.2	3.8
2037	91,899	-51	124.2	36.9	96	\$3.29	\$9.07	\$57,092	2.9	179.0	1,531.3	3.8
2038	92,013	-60	124.6	37.0	93	\$3.40	\$9.40	\$57,680	2.7	179.8	1,569.1	3.8
2039	92,120	-64	124.9	37.0	92	\$3.52	\$9.75	\$58,176	2.9	180.6	1,607.4	3.8
2040	92,279	-18	125.3	37.1	97	\$3.64	\$10.11	\$58,719	2.8	181.3	1,647.3	3.8
2041	92,459	2	125.6	37.1	101	\$3.75	\$10.49	\$59,333	2.6	182.1	1,688.1	3.8
2042	92,652	11	126.0	37.2	103	\$3.87	\$10.87	\$59,981	2.5	182.8	1,729.7	3.8
2043	92,855	18	126.4	37.3	105	\$3.99	\$11.26	\$60,698	2.4	183.5	1,773.1	3.8
2044	93,059	20	126.8	37.3	110	\$4.12	\$11.67	\$61,534	2.2	184.2	1,817.4	3.8
2045	93,261	16	127.2	37.4	111	\$4.24	\$12.10	\$62,258	2.4	184.9	1,862.9	3.8
2046	93,460	11	127.6	37.4	111	\$4.37	\$12.53	\$63,034	2.3	185.6	1,909.2	3.8
2047	93,654	2	128.0	37.5	110	\$4.50	\$12.98	\$63,824	2.3	186.3	1,956.8	3.8
2048	93,840	-9	128.5	37.6	108	\$4.64	\$13.45	\$64,652	2.3	186.9	2,005.1	3.8
2049	94,023	-19	128.9	37.6	107	\$4.78	\$13.95	\$65,519	2.3	187.6	2,054.8	3.7
2050	94,202	-25	129.3	37.7	106	\$4.93	\$14.46	\$66,421	2.3	188.2	2,105.4	3.7

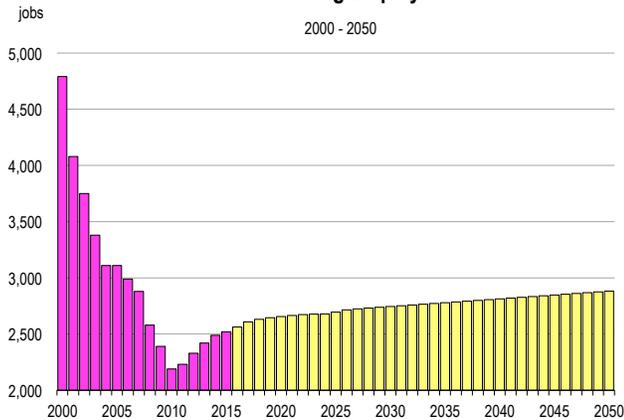


Mendocino County Employment Forecast

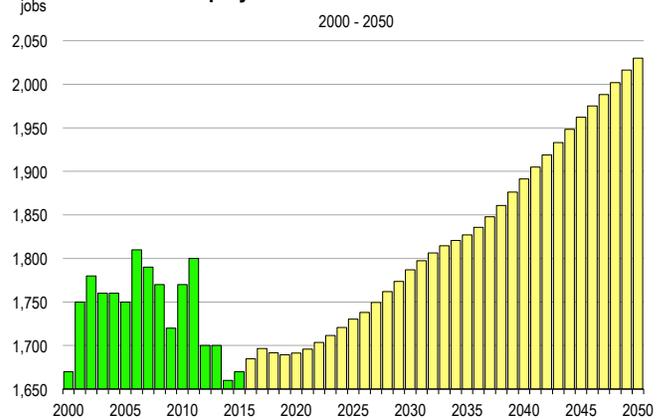
2010-2015 History, 2016-2050 Forecast

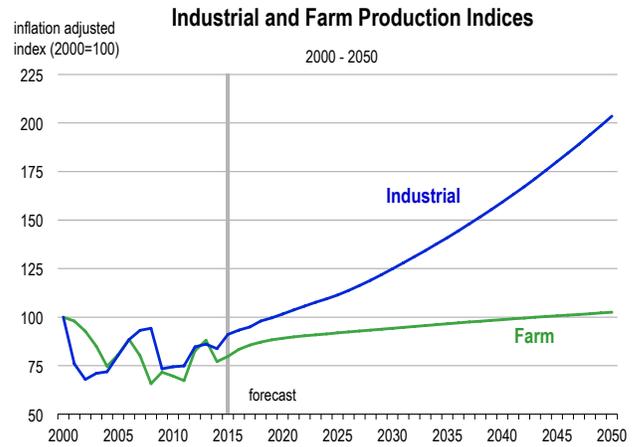
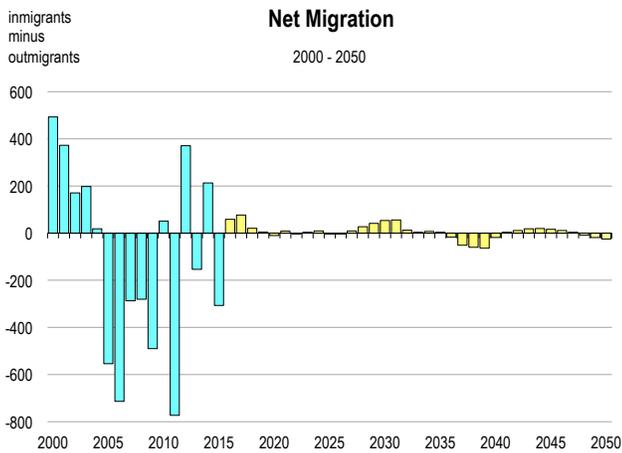
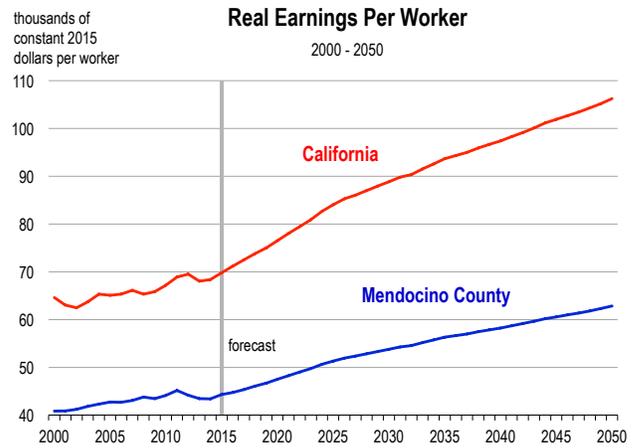
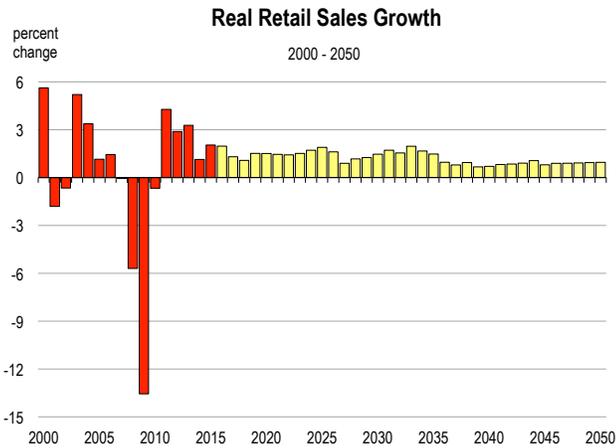
	Total Wage & Salary	Farm	Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
2010	30.5	1.6	0.9	2.2	0.6	5.1	1.2	1.8	0.3	4.9	3.7	7.3
2011	30.0	1.5	0.9	2.2	0.6	5.0	1.1	1.8	0.3	4.9	3.6	7.1
2012	30.6	1.5	1.0	2.3	0.6	5.1	1.1	1.7	0.3	5.3	3.7	6.9
2013	31.4	1.5	1.0	2.4	0.7	5.2	1.0	1.7	0.3	5.5	4.2	7.0
2014	31.8	1.5	1.0	2.5	0.7	5.2	1.1	1.7	0.3	5.6	4.2	7.0
2015	32.0	1.5	1.0	2.5	0.7	5.4	1.0	1.7	0.3	5.5	4.3	7.1
2016	32.3	1.4	1.0	2.6	0.7	5.4	1.0	1.7	0.3	5.6	4.4	7.2
2017	32.5	1.4	1.0	2.6	0.7	5.4	1.0	1.7	0.3	5.6	4.4	7.2
2018	32.6	1.4	1.0	2.6	0.7	5.4	1.0	1.7	0.3	5.6	4.4	7.2
2019	32.6	1.4	1.0	2.6	0.7	5.5	1.0	1.7	0.3	5.6	4.5	7.2
2020	32.8	1.4	1.0	2.7	0.7	5.5	1.0	1.7	0.3	5.7	4.5	7.2
2021	32.8	1.4	1.0	2.7	0.7	5.5	1.1	1.7	0.3	5.7	4.6	7.2
2022	33.0	1.4	1.0	2.7	0.7	5.5	1.1	1.7	0.3	5.7	4.6	7.2
2023	33.1	1.5	1.0	2.7	0.7	5.5	1.1	1.7	0.3	5.7	4.7	7.2
2024	33.2	1.5	1.0	2.7	0.7	5.5	1.1	1.7	0.3	5.8	4.7	7.2
2025	33.3	1.5	1.0	2.7	0.7	5.6	1.1	1.7	0.3	5.8	4.7	7.2
2026	33.5	1.5	1.0	2.7	0.7	5.6	1.1	1.7	0.3	5.8	4.7	7.2
2027	33.6	1.5	1.0	2.7	0.7	5.6	1.1	1.7	0.3	5.8	4.7	7.3
2028	33.7	1.5	1.0	2.7	0.7	5.6	1.1	1.8	0.3	5.9	4.8	7.3
2029	33.8	1.5	1.0	2.7	0.7	5.6	1.1	1.8	0.3	5.9	4.8	7.3
2030	34.0	1.5	1.0	2.7	0.7	5.6	1.1	1.8	0.3	5.9	4.8	7.4
2031	34.2	1.5	1.0	2.8	0.7	5.6	1.1	1.8	0.3	6.0	4.8	7.4
2032	34.3	1.5	1.0	2.8	0.7	5.7	1.1	1.8	0.3	6.0	4.9	7.5
2033	34.5	1.5	1.0	2.8	0.7	5.7	1.1	1.8	0.3	6.0	4.9	7.6
2034	34.6	1.6	1.0	2.8	0.7	5.7	1.1	1.8	0.3	6.0	4.9	7.6
2035	34.8	1.6	1.0	2.8	0.7	5.7	1.1	1.8	0.3	6.1	4.9	7.7
2036	34.9	1.6	1.0	2.8	0.7	5.7	1.1	1.8	0.3	6.1	5.0	7.7
2037	35.0	1.6	1.0	2.8	0.7	5.7	1.1	1.8	0.3	6.1	5.0	7.7
2038	35.1	1.6	1.0	2.8	0.7	5.8	1.1	1.9	0.3	6.1	5.0	7.8
2039	35.2	1.6	1.0	2.8	0.7	5.8	1.1	1.9	0.3	6.2	5.0	7.8
2040	35.3	1.6	1.0	2.8	0.7	5.8	1.1	1.9	0.3	6.2	5.1	7.8
2041	35.5	1.6	1.0	2.8	0.7	5.8	1.1	1.9	0.3	6.2	5.1	7.8
2042	35.6	1.6	1.0	2.8	0.7	5.8	1.1	1.9	0.3	6.2	5.1	7.9
2043	35.8	1.6	1.0	2.8	0.8	5.8	1.1	1.9	0.3	6.3	5.2	7.9
2044	35.9	1.6	1.0	2.8	0.8	5.8	1.1	1.9	0.3	6.3	5.2	8.0
2045	36.1	1.6	1.0	2.8	0.8	5.8	1.1	2.0	0.3	6.3	5.2	8.1
2046	36.3	1.6	1.0	2.9	0.8	5.8	1.1	2.0	0.3	6.3	5.2	8.1
2047	36.4	1.6	1.0	2.9	0.8	5.8	1.1	2.0	0.3	6.4	5.3	8.2
2048	36.6	1.6	1.0	2.9	0.8	5.9	1.1	2.0	0.3	6.4	5.3	8.3
2049	36.7	1.7	1.0	2.9	0.8	5.9	1.0	2.0	0.3	6.4	5.3	8.3
2050	36.9	1.7	1.0	2.9	0.8	5.9	1.0	2.0	0.3	6.4	5.3	8.4

Manufacturing Employment



Employment in Professional Services





County Economic and Demographic Indicators

Projected Economic Growth (2016-2021)

Expected retail sales growth:	7.1%
Expected job growth:	1.7%
Fastest growing jobs sector:	Leisure Services
Expected personal income growth:	9.1%

Expected population growth:	1.0%
Net migration to account for:	10.9%
Expected growth in number of vehicles:	2.2%

Demographics (2016)

Unemployment rate (April 2016):	5.2%
County rank* in California (58 counties):	20th
Working age (16-64) population:	61.6%

Population with B.A. degree or higher:	24.3%
Median home selling price (2015):	\$295,000
Median household income:	\$45,141

Quality of Life

Violent crime rate (2014):	569 per 100,000 persons
County rank* in California (58 counties):	53rd
Average commute time to work (2016):	20.0 minutes

High School drop out rate (2015):	8.7%
Households at/below poverty line (2016):	14.9%

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