

TULARE COUNTY ECONOMIC FORECAST

Tulare County is located in the San Joaquin Valley. Nearly half of all land in the county is devoted to national parks or national forests. It also has a large agricultural sector, and routinely garners one of the highest crop values in the nation. Its most prevalent commodity is milk, which generates more than \$2 billion in annual output. The county is also a large producer of oranges, cattle, and grapes.

Tulare County has a population of 465,000 people and a total of 157,000 wage and salary jobs. The income per capita is \$35,708 and the average salary per worker is \$45,241.

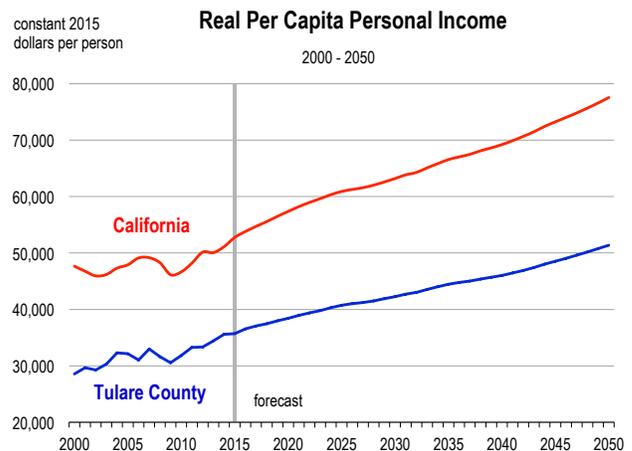
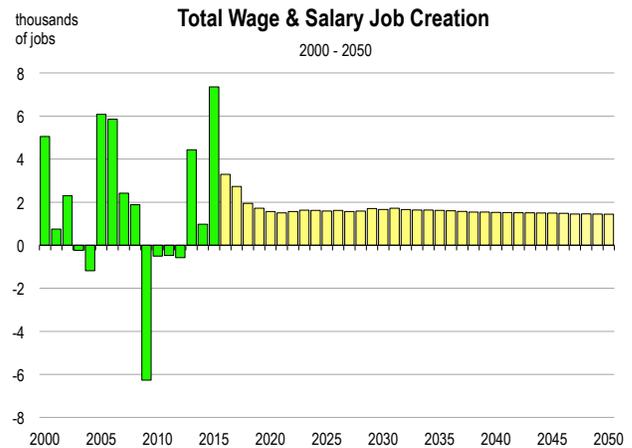
In 2015, employment across Northern California increased by 3.3 percent, whereas employment in the San Joaquin Valley (Fresno, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare counties) grew by 3.1 percent. In Tulare County, 7,400 total wage and salary jobs were gained, representing a growth rate of 4.9 percent. The unemployment rate, while still very high, improved from 13.2 percent in 2014 to 11.7 percent in 2015.

In 2015, the largest employment gains were observed in agriculture (+3,800 jobs), which accounted for more than half of net job creation in the county. Other sectors with large increases were government (+840 jobs), professional and business services (+560 jobs), wholesale and retail trade (+510 jobs), and leisure and hospitality (+510 jobs). Losses were not observed in any major sector.

During the 2010-2015 period, the Tulare County population expanded at a rate of 1.0 percent per year. All of this growth was due to the natural increase (new births), as net migration was negative.

FORECAST HIGHLIGHTS

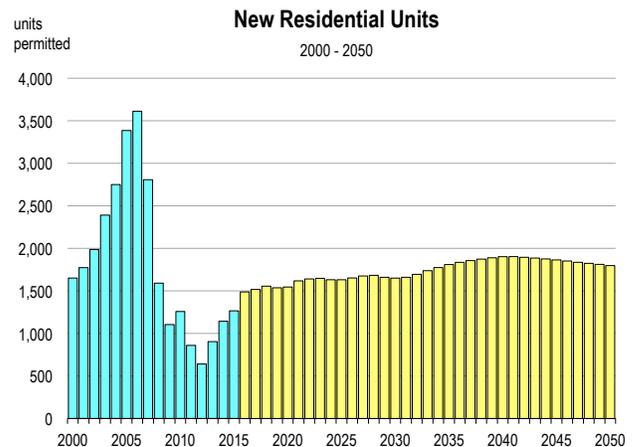
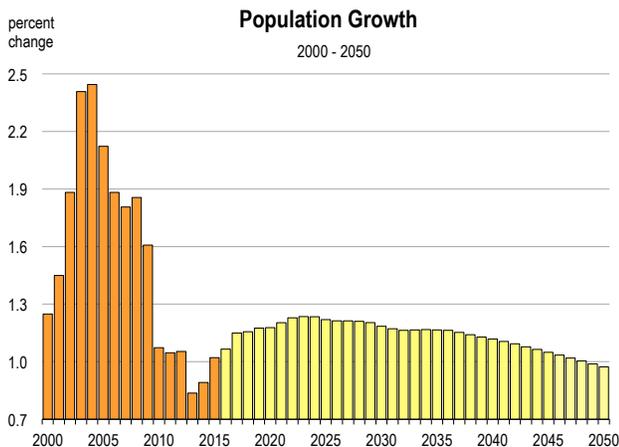
- In 2016, total employment is expected to increase by 2.1 percent. Between 2016 and 2021, total growth will average 1.2 percent per year.
- Average salaries are currently below the California state average, and will remain so over the forecast period. In Tulare County, inflation-adjusted salaries are expected to rise by an average of 1.2 percent per year between 2016 and 2021.
- Between 2016 and 2021, the largest employment gains will be observed in transportation and utilities, professional and business services, government, education and healthcare, and agriculture. Together, these sectors will account for 71 percent of net job creation in the county.
- In Tulare County, population growth will accelerate, with annual growth in the 2016-2021 period averaging 1.2 percent.
- In 2016, net migration will turn positive. Net migration will then increase, and over the entire 2016-2021 period, an average of 730 net migrants will enter the county each year.
- Over the next five years, an average of 1,700 housing permits will be issued each year. The largest potential development project is Yokohl Ranch, which would be located 15 miles east of Visalia. The project could contain up to 10,000 homes, but construction may not begin until after the year 2021.
- Real income per capita is projected to rise by 2.3 percent in 2016. Between 2016 and 2021, the growth of real income per capita is expected to average 1.3 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 1.1 percent per year from 2016 to 2021.
- Industrial production will rise by 3.6 percent in 2016. During the 2016-2021 period, the growth rate of industrial production will average 2.6 percent per year.
- Farm production is forecasted to increase by 0.7 percent per year between 2016 and 2021. The principal commodity in the county is milk.



Tulare 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 (billions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2010	443,111	-891	349	130.3	1,259	\$4.5	\$12.8	\$31,819	1.3	5.35	3.29	17.2
2011	447,746	-667	347	131.1	860	\$5.1	\$13.9	\$33,272	2.7	6.03	3.20	17.1
2012	452,461	-484	348	131.9	641	\$5.5	\$14.4	\$33,352	2.7	6.51	3.40	16.2
2013	456,246	-1,129	360	132.6	903	\$5.8	\$15.2	\$34,405	2.3	8.07	3.63	14.4
2014	460,313	-679	367	133.5	1,143	\$6.1	\$16.1	\$35,582	2.8	8.20	3.68	13.2
2015	465,013	-150	377	134.6	1,266	\$6.3	\$16.6	\$35,708	2.6	8.41	3.79	11.7
2016	469,968	198	381	135.8	1,488	\$6.5	\$17.7	\$36,531	2.5	8.44	3.93	11.0
2017	475,371	599	386	137.3	1,517	\$6.8	\$18.8	\$37,044	3.6	8.50	4.05	10.6
2018	480,868	631	391	138.8	1,556	\$7.0	\$19.6	\$37,473	3.5	8.53	4.16	10.6
2019	486,518	725	395	140.4	1,537	\$7.3	\$20.5	\$37,974	2.3	8.61	4.27	10.4
2020	492,247	764	400	141.9	1,546	\$7.5	\$21.5	\$38,439	2.3	8.76	4.36	10.4
2021	498,171	929	404	143.5	1,618	\$7.8	\$22.5	\$38,953	2.3	8.75	4.45	10.4
2022	504,292	1,079	408	145.1	1,641	\$8.0	\$23.5	\$39,386	2.3	8.85	4.57	10.3
2023	510,521	1,146	412	146.7	1,648	\$8.3	\$24.5	\$39,788	2.3	8.88	4.68	10.2
2024	516,822	1,187	417	148.4	1,631	\$8.6	\$25.7	\$40,303	2.6	8.95	4.78	10.1
2025	523,125	1,158	421	150.0	1,631	\$8.9	\$27.0	\$40,743	2.8	9.00	4.89	10.1
2026	529,471	1,175	425	151.7	1,652	\$9.2	\$28.3	\$41,017	2.9	9.06	5.00	10.0
2027	535,893	1,227	429	153.3	1,676	\$9.5	\$29.5	\$41,230	2.9	9.12	5.12	10.0
2028	542,380	1,281	432	155.0	1,683	\$9.8	\$30.9	\$41,519	2.7	9.18	5.26	9.9
2029	548,909	1,296	436	156.7	1,660	\$10.2	\$32.2	\$41,884	2.5	9.24	5.40	9.8
2030	555,411	1,236	440	158.4	1,650	\$10.5	\$33.6	\$42,276	2.4	9.30	5.54	9.8
2031	561,920	1,209	444	160.0	1,660	\$10.9	\$35.1	\$42,711	2.3	9.36	5.69	9.7
2032	568,458	1,210	448	161.7	1,695	\$11.3	\$36.6	\$43,007	2.5	9.43	5.85	9.7
2033	575,084	1,262	452	163.4	1,738	\$11.6	\$38.2	\$43,537	2.1	9.49	6.00	9.6
2034	581,799	1,334	456	165.1	1,774	\$12.0	\$39.9	\$44,016	2.3	9.55	6.16	9.5
2035	588,581	1,385	461	166.9	1,810	\$12.5	\$41.7	\$44,473	2.4	9.62	6.32	9.5
2036	595,429	1,441	465	168.7	1,836	\$12.9	\$43.5	\$44,758	2.8	9.68	6.49	9.4
2037	602,293	1,479	470	170.6	1,856	\$13.4	\$45.5	\$45,021	2.9	9.75	6.66	9.4
2038	609,164	1,502	475	172.4	1,873	\$13.8	\$47.5	\$45,389	2.7	9.82	6.83	9.3
2039	616,040	1,524	481	174.3	1,889	\$14.3	\$49.7	\$45,686	2.9	9.89	7.01	9.3
2040	622,930	1,547	486	176.2	1,902	\$14.8	\$51.9	\$46,022	2.8	9.95	7.19	9.3
2041	629,818	1,557	491	178.1	1,903	\$15.2	\$54.2	\$46,443	2.6	10.02	7.38	9.2
2042	636,704	1,551	497	180.0	1,895	\$15.7	\$56.7	\$46,915	2.5	10.09	7.57	9.2
2043	643,565	1,529	503	181.9	1,886	\$16.2	\$59.2	\$47,428	2.4	10.16	7.77	9.1
2044	650,414	1,502	508	183.8	1,876	\$16.6	\$61.8	\$48,035	2.2	10.23	7.97	9.1
2045	657,237	1,475	514	185.7	1,864	\$17.1	\$64.5	\$48,553	2.4	10.31	8.17	9.0
2046	664,037	1,445	520	187.6	1,852	\$17.6	\$67.3	\$49,070	2.3	10.38	8.38	9.0
2047	670,804	1,414	525	189.5	1,836	\$18.1	\$70.2	\$49,598	2.6	10.45	8.59	9.0
2048	677,538	1,377	531	191.3	1,824	\$18.7	\$73.3	\$50,158	2.6	10.53	8.81	8.9
2049	684,236	1,351	537	193.1	1,812	\$19.2	\$76.6	\$50,758	2.7	10.60	9.04	8.9
2050	690,894	1,321	543	195.0	1,798	\$19.8	\$80.0	\$51,393	2.9	10.68	9.26	8.8

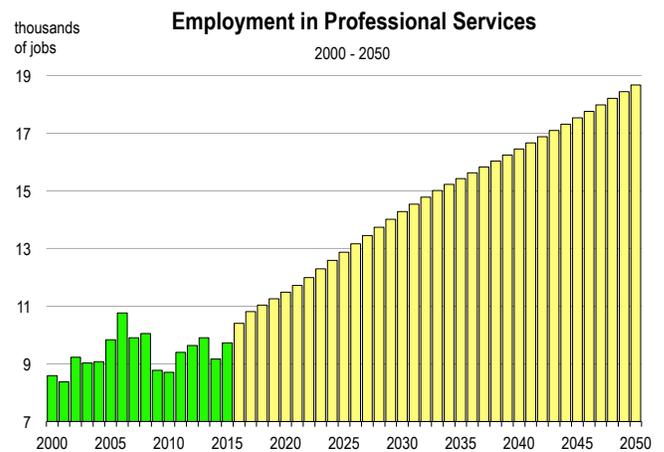
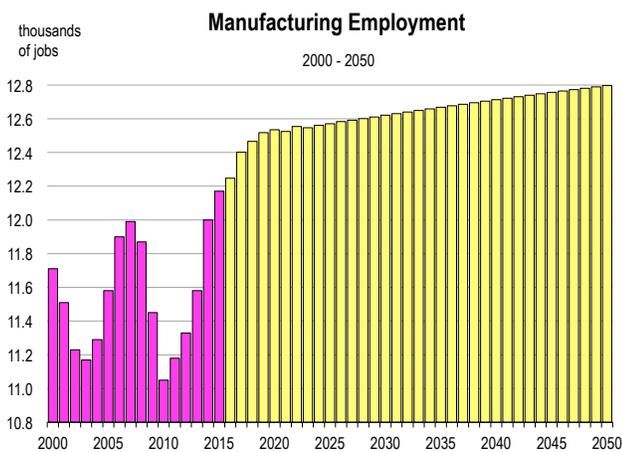


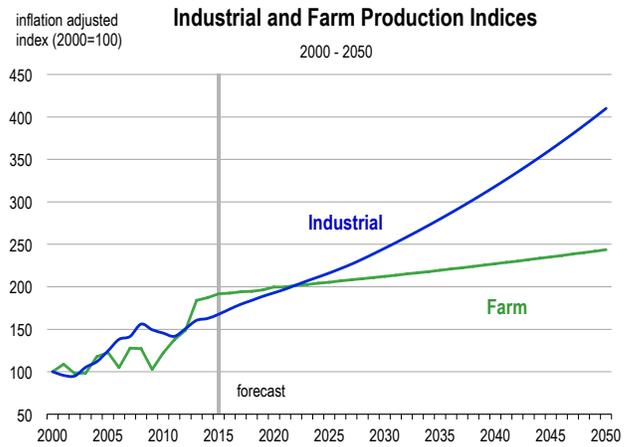
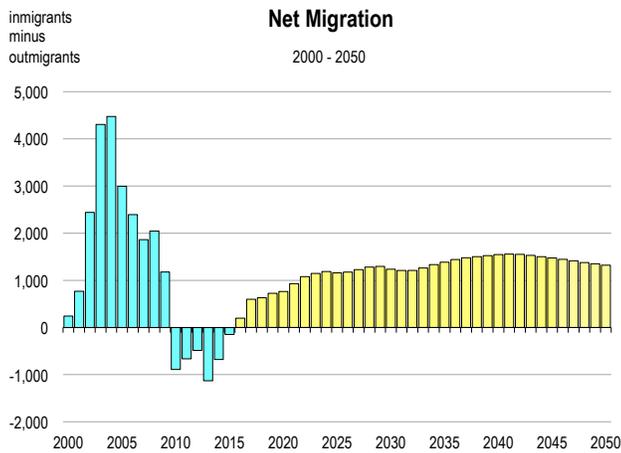
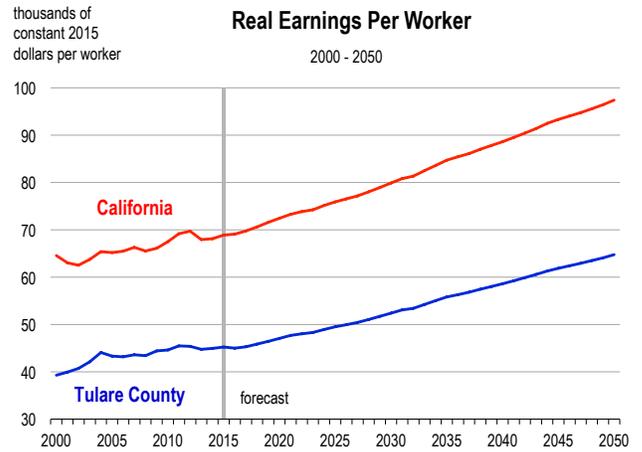
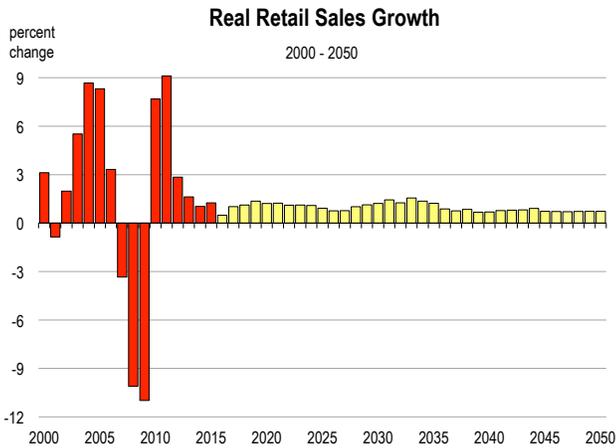
Tulare County Employment Forecast

2010-2015 History, 2016-2050 Forecast

Total Wage & Salary Farm Construction Manufac- turing Transportation & Utilities Wholesale & Retail Trade Financial Activities Professional Services Information Health & Education Leisure Government
 -----employment (thousands of jobs)-----

Year	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
2010	145.3	37.7	3.9	11.1	5.1	18.4	3.8	8.7	1.1	12.5	8.9	31.0
2011	144.8	36.4	3.9	11.2	5.6	18.6	3.8	9.4	1.0	12.4	8.9	30.6
2012	144.2	33.7	4.0	11.3	6.1	19.4	3.8	9.6	0.9	12.1	9.5	30.6
2013	148.6	35.1	4.2	11.6	6.4	20.3	3.8	9.9	0.9	13.3	10.0	30.0
2014	149.6	34.9	4.5	12.0	6.4	20.7	3.9	9.2	0.9	13.7	10.6	29.5
2015	157.0	38.7	4.9	12.2	6.8	21.2	4.1	9.7	1.0	13.7	11.1	30.3
2016	160.3	39.2	5.1	12.2	7.2	21.5	4.1	10.4	1.0	14.1	11.3	30.6
2017	163.0	39.6	5.5	12.4	7.6	21.7	4.1	10.8	1.1	14.3	11.5	30.9
2018	164.9	40.0	5.6	12.5	7.9	21.8	4.2	11.0	1.1	14.5	11.7	31.1
2019	166.7	40.2	5.7	12.5	8.1	21.9	4.2	11.3	1.1	14.8	11.8	31.4
2020	168.2	40.5	5.7	12.5	8.3	22.0	4.3	11.5	1.1	15.1	11.8	31.7
2021	169.7	40.6	5.8	12.5	8.6	22.1	4.3	11.7	1.1	15.4	11.9	31.9
2022	171.3	40.8	5.9	12.6	8.8	22.2	4.3	12.0	1.1	15.7	11.9	32.1
2023	172.9	40.9	6.0	12.5	9.0	22.3	4.4	12.3	1.2	16.0	11.9	32.4
2024	174.5	41.1	6.0	12.6	9.3	22.4	4.4	12.6	1.2	16.4	11.9	32.8
2025	176.1	41.2	6.0	12.6	9.5	22.5	4.5	12.9	1.2	16.7	11.9	33.1
2026	177.8	41.3	6.0	12.6	9.7	22.6	4.5	13.2	1.2	17.0	12.0	33.5
2027	179.3	41.4	6.1	12.6	10.0	22.7	4.6	13.5	1.2	17.3	12.0	33.8
2028	180.9	41.4	6.1	12.6	10.2	22.8	4.6	13.7	1.3	17.6	12.1	34.1
2029	182.6	41.5	6.1	12.6	10.5	22.9	4.7	14.0	1.3	18.0	12.2	34.5
2030	184.3	41.6	6.1	12.6	10.7	23.0	4.7	14.3	1.3	18.3	12.3	34.9
2031	186.0	41.7	6.1	12.6	10.9	23.1	4.8	14.5	1.3	18.7	12.4	35.3
2032	187.6	41.7	6.1	12.6	11.2	23.2	4.8	14.8	1.3	19.0	12.6	35.7
2033	189.3	41.8	6.1	12.6	11.4	23.3	4.9	15.0	1.4	19.3	12.7	36.0
2034	190.9	41.9	6.2	12.7	11.6	23.5	4.9	15.2	1.4	19.7	12.8	36.3
2035	192.5	41.9	6.2	12.7	11.9	23.6	4.9	15.4	1.4	20.0	12.9	36.6
2036	194.1	42.0	6.3	12.7	12.1	23.7	5.0	15.6	1.4	20.3	13.1	36.9
2037	195.7	42.1	6.3	12.7	12.4	23.8	5.0	15.8	1.4	20.6	13.2	37.2
2038	197.2	42.1	6.3	12.7	12.6	23.9	5.1	16.0	1.5	20.9	13.4	37.5
2039	198.8	42.2	6.4	12.7	12.8	24.0	5.1	16.2	1.5	21.3	13.5	37.8
2040	200.3	42.3	6.4	12.7	13.1	24.1	5.1	16.5	1.5	21.6	13.6	38.1
2041	201.8	42.3	6.4	12.7	13.3	24.2	5.2	16.7	1.5	21.9	13.8	38.4
2042	203.3	42.4	6.4	12.7	13.5	24.3	5.2	16.9	1.5	22.2	13.9	38.6
2043	204.8	42.5	6.4	12.7	13.8	24.4	5.3	17.1	1.6	22.5	14.1	38.9
2044	206.3	42.5	6.4	12.7	14.0	24.5	5.3	17.3	1.6	22.8	14.2	39.1
2045	207.8	42.6	6.4	12.8	14.3	24.6	5.3	17.5	1.6	23.1	14.4	39.4
2046	209.3	42.7	6.4	12.8	14.5	24.6	5.4	17.8	1.6	23.4	14.6	39.6
2047	210.8	42.7	6.4	12.8	14.7	24.7	5.4	18.0	1.6	23.7	14.7	39.8
2048	212.2	42.8	6.4	12.8	15.0	24.8	5.5	18.2	1.7	24.0	14.9	40.0
2049	213.7	42.9	6.3	12.8	15.2	24.9	5.5	18.4	1.7	24.3	15.1	40.2
2050	215.1	42.9	6.3	12.8	15.4	25.0	5.5	18.7	1.7	24.6	15.2	40.4





County Economic and Demographic Indicators

Projected Economic Growth (2016-2021)

Expected retail sales growth:	6.1%
Expected job growth:	5.9%
Fastest growing jobs sector:	Transportation & Utilities
Expected personal income growth:	13.0%

Expected population growth:	6.0%
Net migration to account for:	12.9%
Expected growth in number of vehicles:	6.0%

Demographics (2016)

Unemployment rate (April 2016):	10.8%
County rank* in California (58 counties):	35th
Working age (16-64) population:	61.5%

Population with B.A. or higher:	13.5%
Median home selling price (2015):	\$185,000
Median household income:	\$40,697

Quality of Life

Violent crime rate (2014):	404 per 100,000 persons
County rank* in California (58 counties):	35th
Average commute time to work (2016):	24.0 minutes

High school drop out rate (2015):	8.2%
Households at/below poverty line (2016):	24.1%

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