

# SANTA CLARA COUNTY ECONOMIC FORECAST

Santa Clara County is the largest county in the San Francisco Bay Area, in terms of both population and total employment. The northwest portion of the county, known as Silicon Valley, is home to many leading computer and technology companies. Santa Clara County has a population of 1.9 million people and a total of 935,000 wage and salary jobs. The per capita income in Santa Clara County is \$70,772 and the average salary per worker is \$113,951.

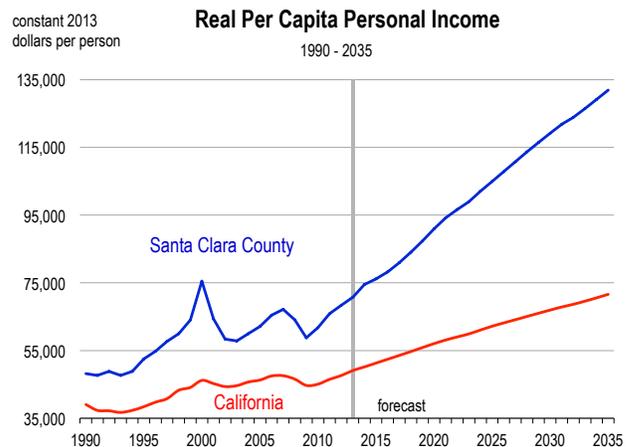
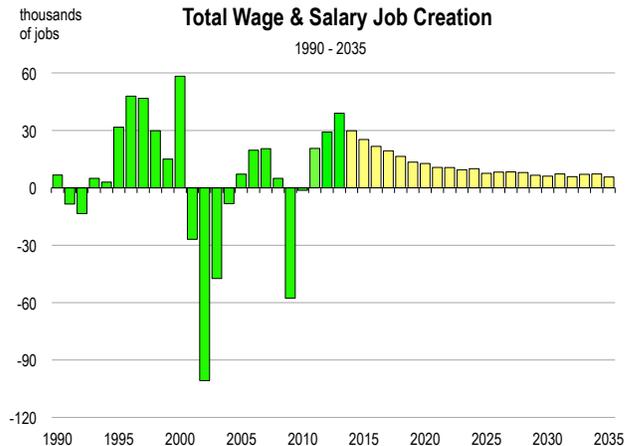
In 2013, employment in Northern California increased by 3.7 percent, whereas employment in the greater Bay Area grew by 4.1 percent. In Santa Clara County, a total of 39,000 wage and salary jobs were created, representing a growth rate of 4.4 percent. The unemployment rate improved significantly, falling from 8.4 percent in 2012 to 6.8 percent in 2013.

Every major sector created jobs in 2013. The largest gains were observed in professional services (+12,600 jobs), education and healthcare (+9,500 jobs), leisure and hospitality (+4,700 jobs), and information (+4,200 jobs). There were no sectors with losses in 2013.

Between the 2008 and 2013, the population of Santa Clara County grew at an annual average rate of 1.0 percent. The majority of this growth was due to the natural increase (new births), as net migration was low.

## FORECAST HIGHLIGHTS

- Total employment will increase by 3.2 percent in 2014. Between 2014 and 2019, the growth rate will average 1.9 percent per year.
- Average salaries are currently well above the California state average, and will remain so over the forecast horizon. In Santa Clara County, inflation-adjusted salaries are expected to rise by an average of 2.5 percent per year from 2014 to 2019.
- Between 2014 and 2019, the largest gain will occur in professional services (+39,300 jobs), which will account for 41 percent of net job creation in the county. Strong growth will also be observed in manufacturing (+14,700 jobs), wholesale and retail trade (+9,700 jobs), information (+9,500 jobs), and education and healthcare (+8,900 jobs).
- The population is expected to increase by 1.4 percent in 2014. Annual growth in the 2014-2019 period is forecasted to average 1.0 percent.
- From 2014 to 2019, an average of 6,300 net in-migrants will enter the county each year.

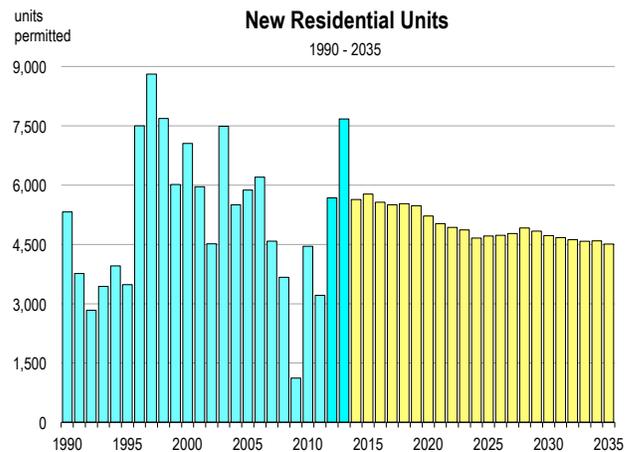
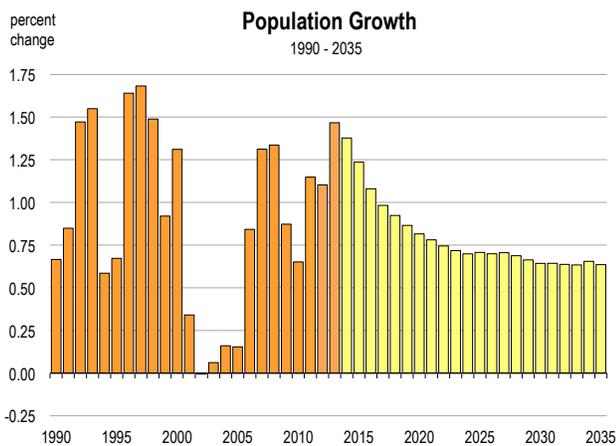


- Real per capita income will rise by 3.5 percent in 2014. During the 2014-2019 period, real per capita income is expected to increase by 3.2 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 3.4 percent per year between 2014 and 2019.
- Industrial production is expected to rise by 4.6 percent in 2014. Over the following five years, the growth is forecasted to average 4.8 percent per year.

# Santa Clara County Economic Forecast

## 2006-2013 History, 2014-2040 Forecast

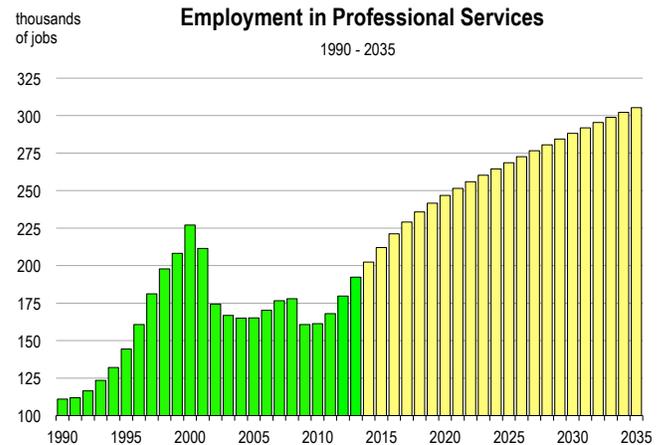
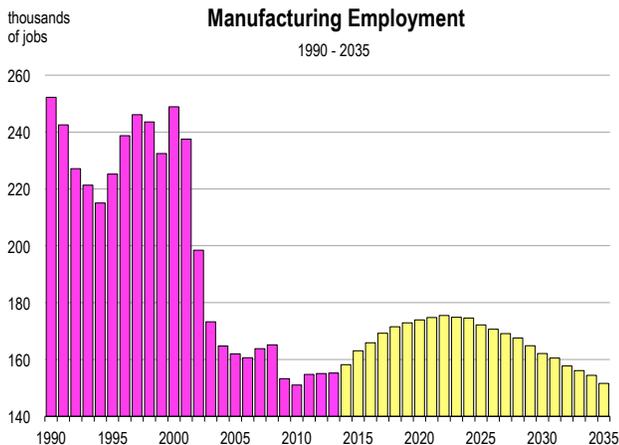
	Population (people)	Net Migration (people)	Registered Vehicles (millions)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2006	1,713,839	-3,423	1.50	591.6	6,204	\$32.3	\$95.7	\$65,456	3.2	286.4	23.5	4.5
2007	1,736,327	4,088	1.52	595.4	4,583	\$33.7	\$102.9	\$67,148	3.4	288.8	24.5	4.7
2008	1,759,534	4,769	1.51	599.9	3,671	\$32.3	\$102.4	\$64,058	3.0	272.8	25.1	6.0
2009	1,774,890	-1,958	1.51	602.5	1,117	\$27.4	\$95.6	\$58,769	0.8	284.5	24.9	10.8
2010	1,786,443	-4,002	1.52	604.1	4,453	\$30.5	\$102.4	\$61,751	1.3	286.6	24.3	11.0
2011	1,806,953	5,626	1.52	605.4	3,212	\$33.4	\$113.5	\$65,870	2.7	260.2	25.2	9.8
2012	1,826,878	5,529	1.53	608.8	5,677	\$36.2	\$122.3	\$68,390	2.7	266.5	27.0	8.4
2013	1,853,677	11,997	1.55	611.4	7,674	\$38.6	\$131.2	\$70,772	2.2	268.6	28.0	6.8
2014	1,879,210	11,470	1.57	619.1	5,636	\$41.8	\$143.8	\$74,497	2.7	260.5	29.3	5.7
2015	1,902,455	9,429	1.59	624.5	5,773	\$44.2	\$153.6	\$76,152	3.2	254.9	31.1	5.3
2016	1,923,000	7,060	1.61	629.9	5,567	\$46.9	\$164.5	\$78,257	3.1	249.4	32.4	5.0
2017	1,941,899	5,727	1.62	635.1	5,503	\$49.7	\$175.7	\$80,930	2.3	244.5	34.0	4.9
2018	1,959,835	5,028	1.64	640.1	5,530	\$52.8	\$188.1	\$83,998	2.2	239.9	35.6	4.8
2019	1,976,795	4,313	1.66	645.2	5,479	\$56.2	\$201.9	\$87,344	2.3	235.2	37.0	4.8
2020	1,992,919	3,668	1.68	650.1	5,218	\$59.9	\$216.8	\$90,981	2.3	232.4	38.4	4.8
2021	2,008,481	3,296	1.70	654.8	5,025	\$63.4	\$231.7	\$94,205	2.4	231.3	39.8	4.9
2022	2,023,445	2,872	1.71	659.4	4,930	\$66.4	\$245.5	\$96,685	2.5	228.9	41.1	4.9
2023	2,037,969	2,567	1.73	663.8	4,867	\$69.4	\$259.1	\$98,919	2.4	225.8	42.3	4.9
2024	2,052,211	2,435	1.74	668.2	4,660	\$73.4	\$275.9	\$102,111	2.4	221.9	43.5	4.9
2025	2,066,726	2,883	1.76	672.5	4,713	\$77.3	\$292.6	\$104,977	2.4	217.8	44.2	4.7
2026	2,081,180	2,949	1.77	676.7	4,731	\$81.4	\$310.1	\$107,865	2.4	214.0	45.2	4.6
2027	2,095,864	3,334	1.79	681.0	4,776	\$85.8	\$328.3	\$110,729	2.4	211.0	46.3	4.5
2028	2,110,280	3,185	1.80	685.4	4,916	\$90.5	\$347.5	\$113,654	2.4	207.8	47.4	4.5
2029	2,124,280	2,852	1.82	689.8	4,836	\$95.4	\$367.3	\$116,508	2.4	204.8	48.3	4.6
2030	2,137,942	2,574	1.83	694.1	4,724	\$100.4	\$387.4	\$119,212	2.4	203.5	49.2	4.6
2031	2,151,700	2,655	1.84	698.4	4,673	\$105.9	\$408.2	\$121,849	2.4	203.6	50.5	4.6
2032	2,165,411	2,542	1.85	702.6	4,619	\$111.0	\$427.7	\$123,857	2.4	201.4	51.4	4.6
2033	2,179,138	2,483	1.86	706.7	4,580	\$116.9	\$450.1	\$126,455	2.4	197.8	52.7	4.6
2034	2,193,411	2,985	1.88	710.9	4,590	\$123.2	\$474.0	\$129,169	2.4	193.5	54.0	4.5
2035	2,207,354	2,666	1.89	715.0	4,509	\$129.7	\$498.9	\$131,911	2.4	190.0	54.9	4.5
2036	2,221,122	2,515	1.90	719.1	4,441	\$136.4	\$525.0	\$134,687	2.4	184.9	56.2	4.5
2037	2,234,755	2,354	1.91	723.0	4,383	\$143.3	\$552.3	\$137,491	2.4	179.8	57.1	4.5
2038	2,248,298	2,274	1.92	727.0	4,331	\$150.7	\$581.7	\$140,541	2.4	178.0	58.4	4.5
2039	2,261,886	2,328	1.94	730.9	4,294	\$158.4	\$612.4	\$143,582	2.4	175.1	59.8	4.5
2040	2,275,332	2,192	1.95	734.8	4,246	\$166.2	\$643.7	\$146,492	2.4	171.6	60.0	4.5

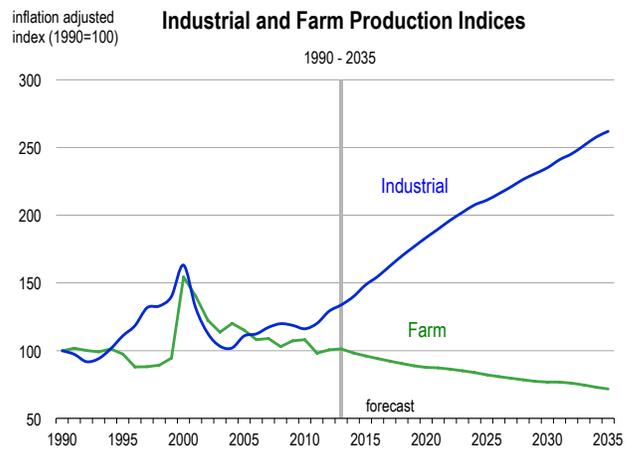
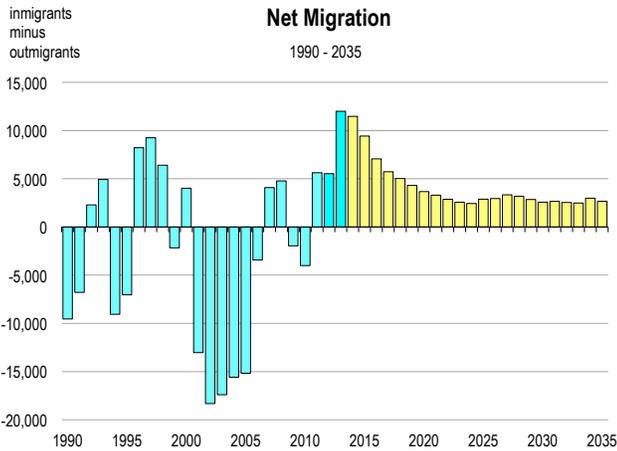
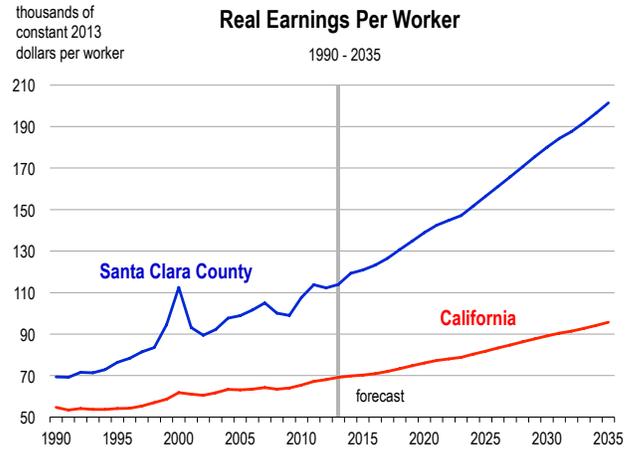
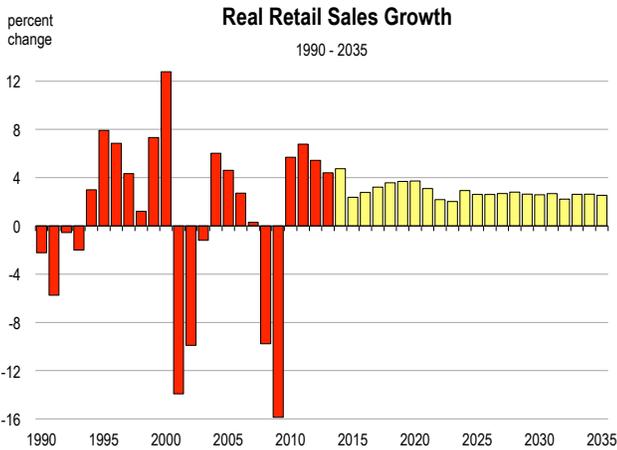


# Santa Clara County Employment Forecast

## 2006-2013 History, 2014-2040 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	879.8	3.78	44.9	160.6	12.7	121.8	36.5	170.3	37.4	99.9	73.7	93.6
2007	900.3	3.85	45.5	163.8	13.3	124.0	36.5	176.6	39.5	102.8	75.3	94.3
2008	905.2	3.68	42.8	165.2	13.3	122.1	33.9	178.0	42.2	107.5	76.6	94.9
2009	847.6	3.53	33.4	153.3	11.9	112.4	31.2	160.7	41.5	108.5	73.5	93.5
2010	846.2	3.53	31.4	151.0	11.7	111.4	30.7	161.3	43.8	112.0	73.8	91.5
2011	866.8	3.42	30.9	154.7	11.8	113.2	32.1	167.9	48.3	114.7	76.3	89.2
2012	896.0	3.33	34.2	155.1	12.6	116.0	33.4	179.7	50.1	117.7	80.8	88.7
2013	935.0	3.44	37.1	155.2	13.6	118.6	33.6	192.3	54.3	127.2	85.5	89.1
2014	964.8	3.38	40.1	158.2	14.2	122.9	34.0	202.3	57.6	129.4	87.1	89.6
2015	990.0	3.35	40.6	163.1	14.5	124.8	34.2	212.0	60.3	131.5	88.7	90.4
2016	1,011.7	3.32	41.1	165.9	14.8	126.8	34.5	221.2	62.5	133.0	90.2	91.0
2017	1,031.0	3.30	41.1	169.2	15.0	128.7	34.6	229.0	64.3	134.8	91.6	91.5
2018	1,047.5	3.28	41.0	171.5	15.1	130.7	34.9	235.8	65.9	136.5	92.4	92.0
2019	1,060.9	3.25	41.0	172.9	15.2	132.6	35.0	241.6	67.1	138.3	92.9	92.1
2020	1,073.6	3.24	41.1	173.9	15.3	134.5	35.2	246.8	68.2	140.2	93.0	92.9
2021	1,084.2	3.23	41.1	174.8	15.3	136.0	35.4	251.5	69.2	142.1	93.2	92.8
2022	1,094.8	3.22	41.5	175.5	15.4	137.2	35.6	255.9	70.0	144.1	93.2	93.0
2023	1,104.3	3.21	42.1	174.9	15.5	138.4	35.7	260.3	70.7	146.2	93.3	93.2
2024	1,114.3	3.19	42.9	174.6	15.6	139.9	36.0	264.5	71.4	148.0	93.4	93.6
2025	1,121.9	3.17	43.5	172.2	15.8	141.5	36.3	268.6	72.1	149.7	93.5	93.9
2026	1,130.1	3.15	44.0	170.6	15.9	143.0	36.6	272.6	72.7	151.4	93.6	94.2
2027	1,138.4	3.13	44.5	169.1	16.0	144.5	36.9	276.6	73.3	153.1	93.7	94.5
2028	1,146.4	3.12	44.9	167.6	16.1	146.0	37.3	280.5	74.0	154.9	93.8	94.9
2029	1,153.0	3.10	45.2	164.8	16.2	147.3	37.6	284.4	74.6	156.7	93.9	95.2
2030	1,159.1	3.09	45.1	162.1	16.2	148.7	37.8	288.2	75.2	158.6	93.9	95.6
2031	1,166.3	3.09	45.0	160.5	16.3	150.1	38.1	291.9	75.8	160.5	94.0	95.9
2032	1,172.1	3.08	44.9	157.7	16.5	151.4	38.3	295.4	76.5	162.4	94.1	96.2
2033	1,179.2	3.07	44.9	156.1	16.6	152.8	38.6	298.9	77.1	164.3	94.2	96.5
2034	1,186.4	3.04	44.9	154.4	16.7	154.2	38.8	302.2	77.8	166.3	94.3	96.9
2035	1,192.1	3.03	44.9	151.6	16.8	155.6	39.1	305.3	78.4	168.2	94.4	97.2
2036	1,198.7	3.00	44.7	149.9	16.9	156.9	39.4	308.3	79.1	170.2	94.5	97.6
2037	1,204.0	2.98	44.6	147.0	17.0	158.2	39.6	311.3	79.7	172.2	94.6	97.9
2038	1,210.6	2.97	44.5	145.3	17.1	159.5	39.9	314.2	80.4	174.2	94.6	98.3
2039	1,217.2	2.95	44.5	143.6	17.2	160.9	40.2	317.0	81.1	176.2	94.7	98.6
2040	1,223.5	2.93	44.4	141.9	17.3	162.1	40.4	319.8	81.7	178.2	94.8	99.0





## County Economic and Demographic Indicators

### Projected Economic Growth (2014-2019)

Expected retail sales growth:	16.6%
Expected job growth:	10.0%
Fastest growing jobs sector:	Professional Services
Expected personal income growth:	23.3%

Expected population growth:	5.2%
Net migration to account for:	32.3%
Expected growth in number of vehicles:	6.0%

### Demographics (2014)

Unemployment rate (April 2014):	5.3%
County rank* in California (58 counties):	7th
Working age (16-64) population:	66.8%

Population with B.A. degree or higher:	45.7%
Median home selling price (2013):	\$645,000
Median household income:	\$88,478

### Quality of Life

Violent crime rate (2012):	267 per 100,000 persons
County rank* in California (58 counties):	15th
Average commute time to work (2014):	27.3 minutes

High school drop out rate (2012):	15.4%
Households at/below poverty line (2014):	6.9%

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