

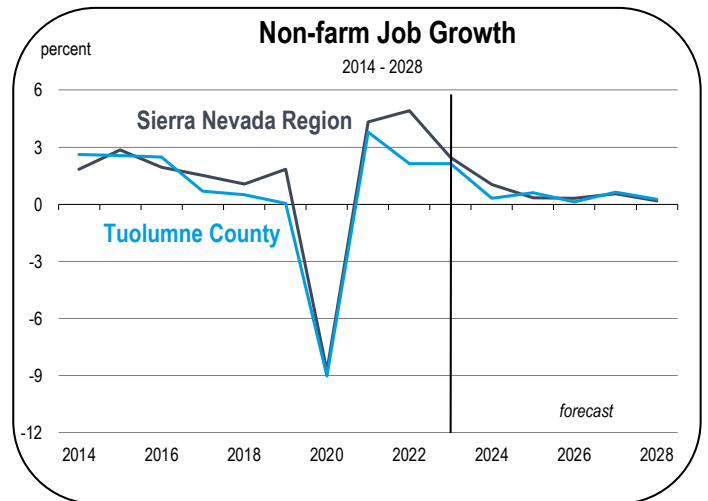
Tuolumne County Economic Forecast

Forecast Summary

- Tuolumne County recorded a 2.1 percent increase in total employment during 2022. This translated into 360 jobs. Almost 70 percent of these jobs were in the leisure and hospitality sector.
- The public sector is leading the labor market growth in 2023 by providing about 95 percent of the 370 new jobs expected.
- Over the 2023-2028 forecast period, total employment in Tuolumne County is expected to increase by over 700 jobs. Healthcare, government, retail, and leisure services will be responsible for virtually all job growth.
- The unemployment rate averaged 4.5 in 2022. It is forecast to stabilize and average 5.0 percent each year between 2023-2028.
- The population is expected to decline over the forecast period because the level of net in-migration is more than offset by the negative natural population rate. In 2022, net in-migration was negative and there were more deaths than births.
- The median home price increased by 9.8 percent in 2022. Home prices are expected to decrease by 2.1 percent in 2023 and appreciate 3.2 percent in 2024.
- The Tuolumne County economy is heavily dependent on tourism. Each year thousands of visitors travel to the region to hike, camp, ski, snowboard, and visit the local casinos.

Job Growth

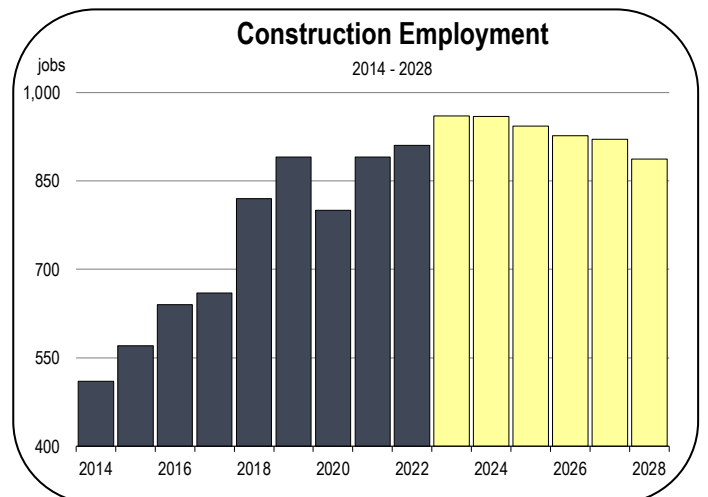
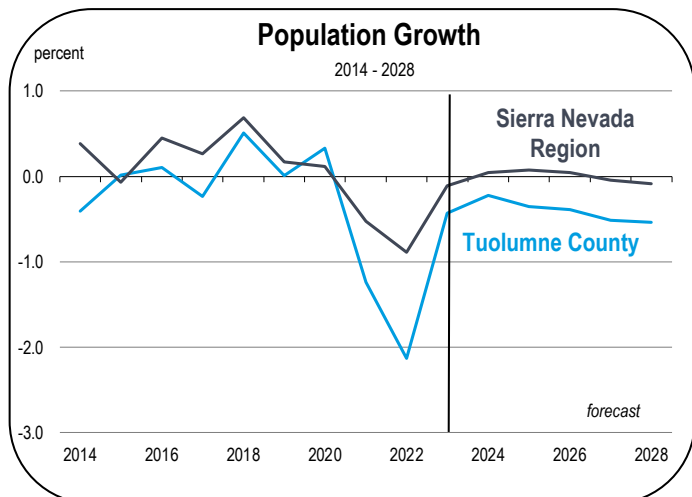
- Total employment in Tuolumne County expanded by 2.1 percent in 2022 with 360 new jobs.
- Job growth in 2023 is on pace to grow 2.1 percent again.



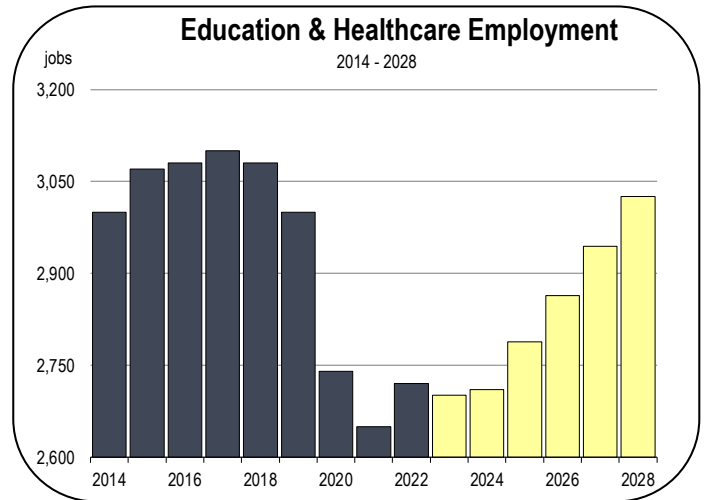
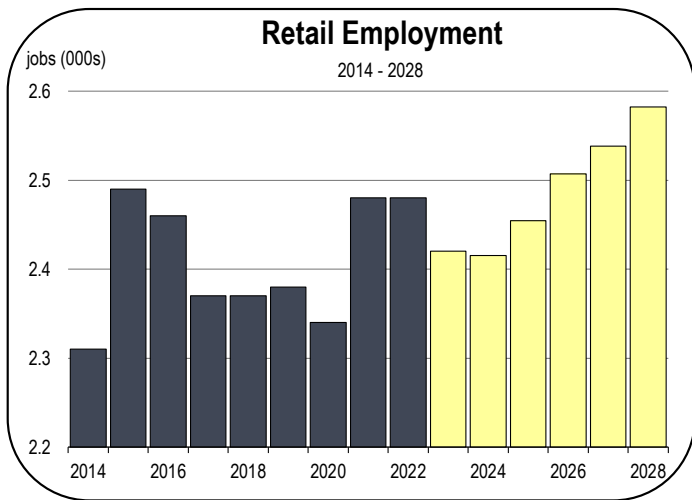
- Between 2024 and 2028, employment gains will average 0.4 percent per year with the addition of 350 new jobs.

Construction Employment

- In 2022, 20 jobs were created in the construction industry.
- The sector is on pace to add 50 jobs in 2023, a growth rate of 5.5 percent.
- Nearly 25 percent more residential units will be built between 2023-2028, compared to the 2017-2022 period.
- The surge in construction jobs occurs in 2023, 2024, and 2025 before cooling off.



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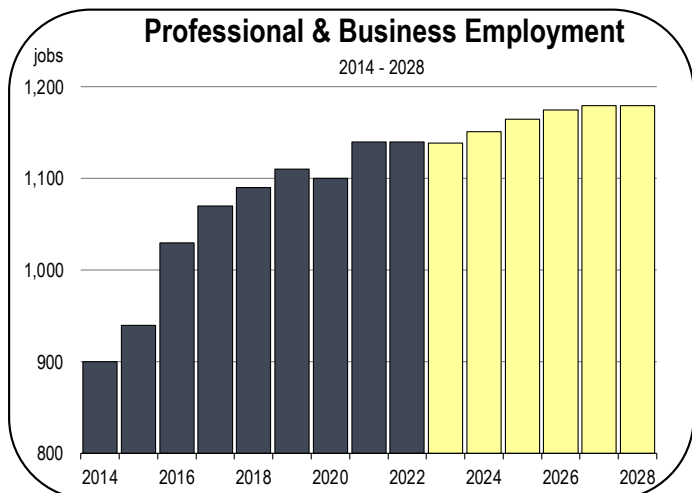


Retail Trade Employment

- Competition from online stores has led to lower levels of employment at local storefronts, and the ongoing transition to online shopping will lead to further consolidation of local retail jobs in 2023.
- Employment in the retail sector was stable in 2022 and is on pace to lose 60 in 2023.
- Over the forecast, the increase in retail jobs will support the steadily rising tourism industry.
- Average annual job growth of 1.3 percent is expected for the duration of the forecast resulting in 160 new jobs by 2028.

Professional Business Services Employment

- Employment in the professional services sector has held at a steady level of 1,140 workers in 2021, 2022, and 2023.



- This labor market is poised to grow gradually over the forecast however because it supports economic activity that is rising in other industries of Tuolumne County. This includes new development, leisure and recreation.
- The forecast calls for gain of 40 to 50 jobs over the next 4 years.

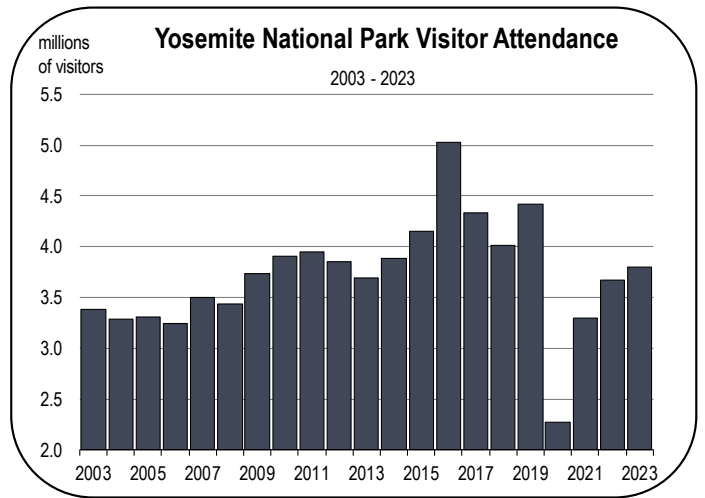
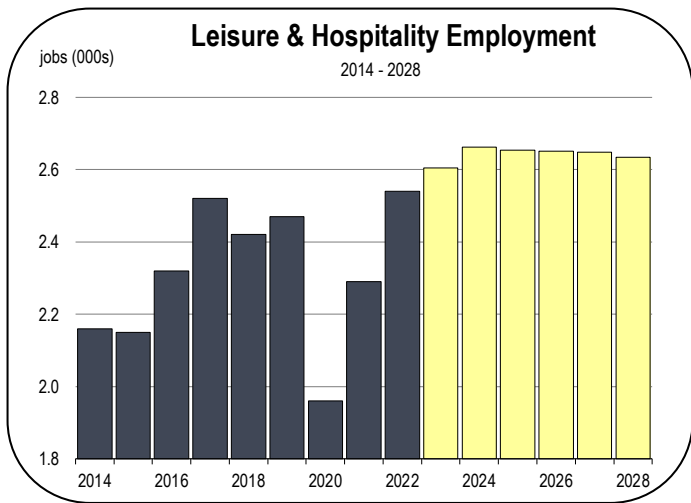
Healthcare Employment

- Employment in the healthcare sector grew 2.6 percent in 2022 with the generation of 70 new jobs.
- The sector is on pace to contract in 2023 with the loss of 20 jobs representing negative growth of 0.7 percent.
- The largest provider is Adventist Health with 152 beds in their hospital in Sonora and 1,491 employees.
- Tuolumne County has a high share of residents who are older than 75, and the elderly population is only expected to increase, ultimately necessitating a larger healthcare workforce in the county.
- Healthcare employment is expected to expand at an average annual rate of 2.3 percent resulting in 325 new jobs between 2024-2028.

Leisure and Hospitality Employment

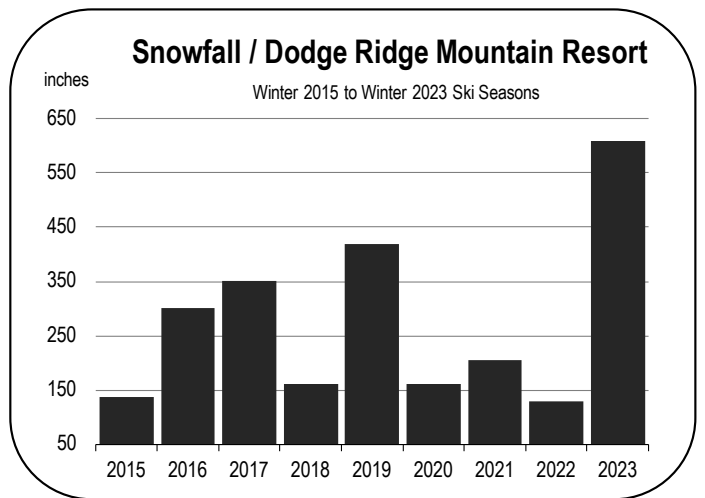
- Yosemite National Park is the primary tourism attraction in Tuolumne County.
- Visitor traffic to Yosemite directly supports jobs at hotels and restaurants, and visitor spending indirectly creates jobs in retail trade and other industries.
- Heightened recreation spending by visitors is dependent on snowfall totals, the availability of campsites at Yosemite, and household incomes of largely California residents.

Tuolumne County Economic Forecast



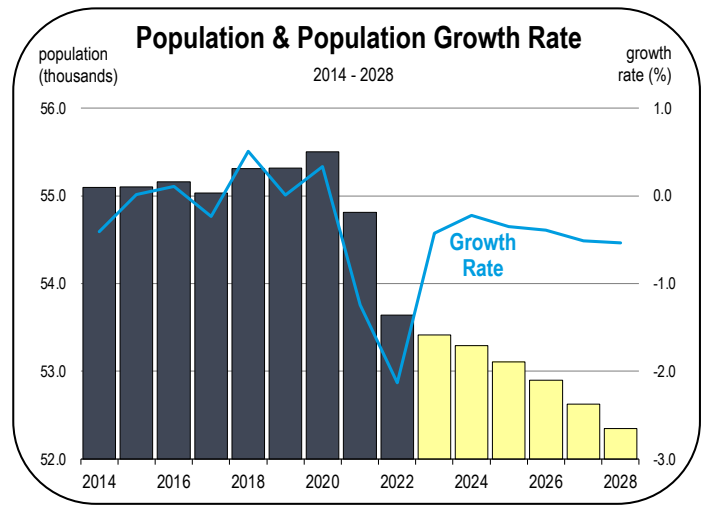
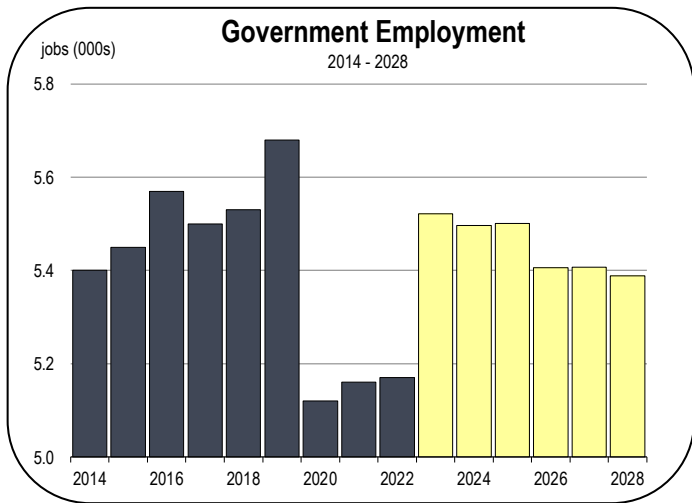
- Aside from Yosemite, visitors travel to Tuolumne County to ski and snowboard at Dodge Ridge Mountain resort, which directly employs up to 1,000 workers during the peak winter months.
- Tuolumne County has two casinos - Black Oak Casino and Chicken Ranch Bingo and Casino - that draw tourists from the Central Valley. Combined, the two Casinos employ up to 800 workers.
- In 2022 the leisure and hospitality sector added 250 jobs, accounting for an employment expansion of 10.9 percent.
- Snowfall hit a record level in the season of 2022-2023, ultimately leading to a larger number of people traveling to Tuolumne County and generating higher levels of demand for leisure and hospitality workers.
- Yosemite National Park visitor attendance is on an upward trend since the pandemic and estimated to be approximately 3.75 million visitors by the end of 2023. In 2019 the park had about 4.4 million visitors.
- The county is on pace to increase employment in the sector by 65 jobs, representing growth of 2.5 percent.

- Additionally in 2023, local leisure and hospitality businesses will generate higher levels of revenue from camping and skiing.
- Job growth is projected to continue in 2024 with 60 new jobs. Slight employment consolidation is expected during 2025-2028.



Dodge Ridge Mountain Resort. Elevation is 8,200 feet at the top. There are 10 lifts and 59 runs with the longest being 2 miles in distance. A daily lift ticket costs \$129 for the 2023-2024 ski season.

Tuolumne County Economic Forecast



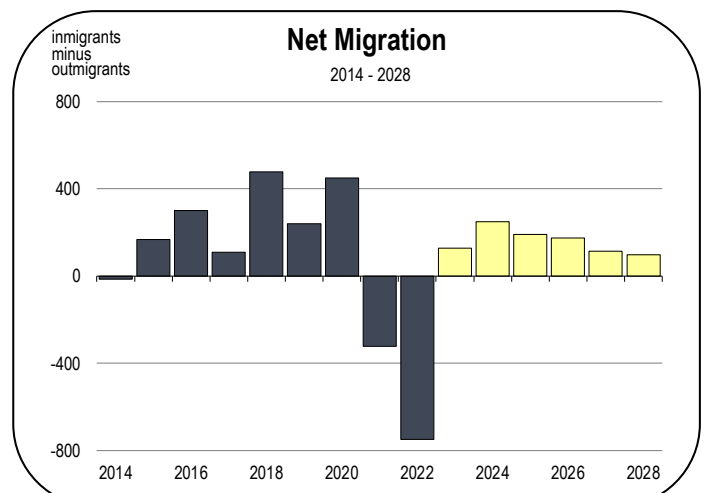
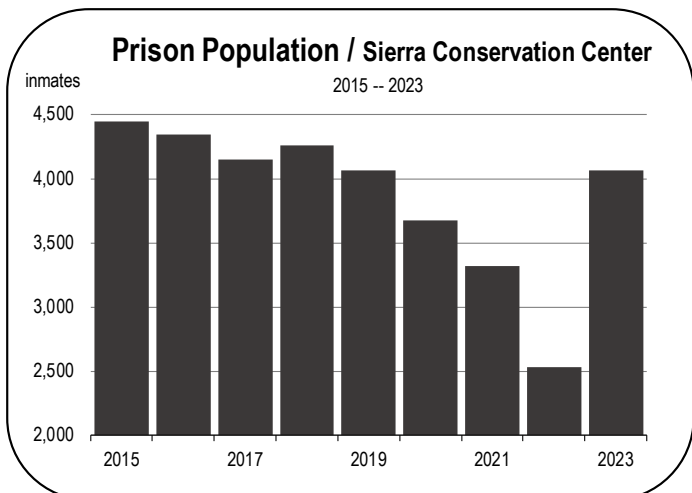
Government Employment

- The California State Government has several large departments located in Tuolumne County, including the Hetch Hetchy Project and the Sierra Conservation Center. Combined, these agencies employ approximately 1,500 local workers.
- The Hetch Hetchy project oversees a dam and reservoir that sends water to the San Francisco Bay Area. It is responsible for the water service to 2.6 million people.
- The Sierra Conservation Center is a 420-acre state prison in Jamestown with an October 2023 inmate population of 4,265 and employment of 1,205 workers. The prison is a low medium custody level facility accommodating those convicted of robbery, homicide, arson, and assault.
- Government agencies added 10 jobs in 2022. Another 50 new jobs are expected in 2023.

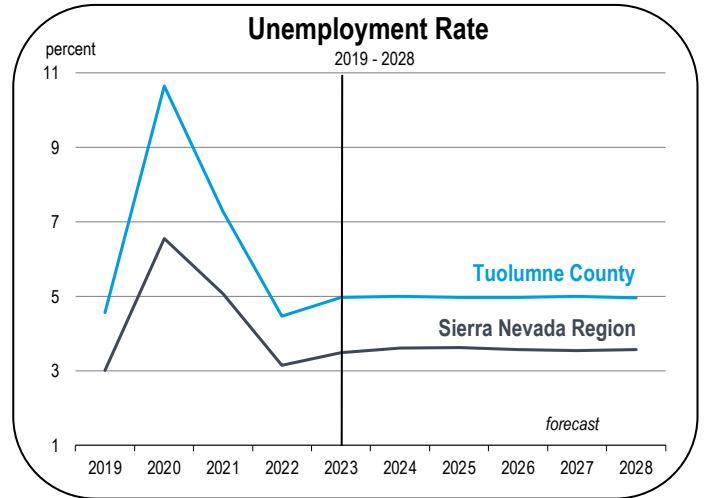
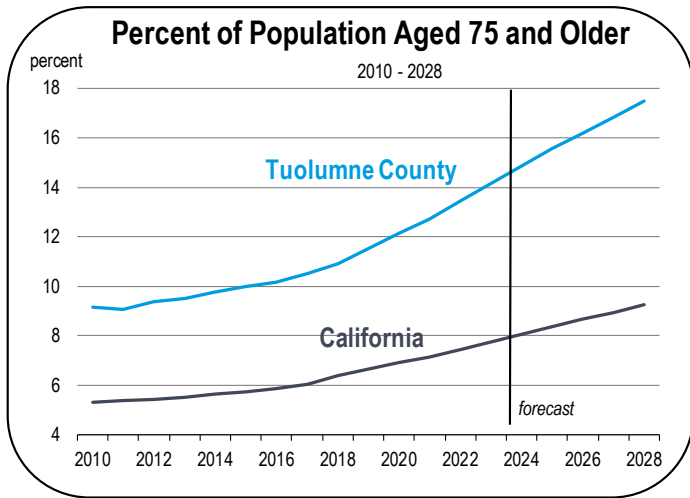
- Public sector employment is expanding in 2023 and will increase by 350 jobs, representing growth of 6.8 percent.
- With K-12 school enrollment in decline, public sector employment may see consolidation over time. Negative annual average growth of 0.5 percent is expected resulting in contraction of 130 positions between 2024-2028.

Population Growth

- By 2022, the county had only 53,600 residents. At its peak in 2006, the population was 56,600.
- Because Tuolumne County has a high share of residents aged 75 and older, the number of deaths exceeds the number of births.
- In 2022, the population decreased 2.1 percent resulting in the loss of 1,150 residents. This was principally due to the largest net out-migration years on record in the county. 750 more residents moved out of the county than moved in.



Tuolumne County Economic Forecast

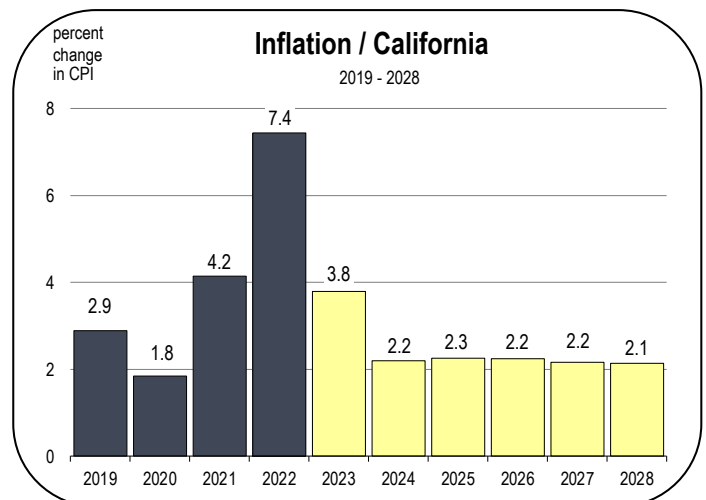
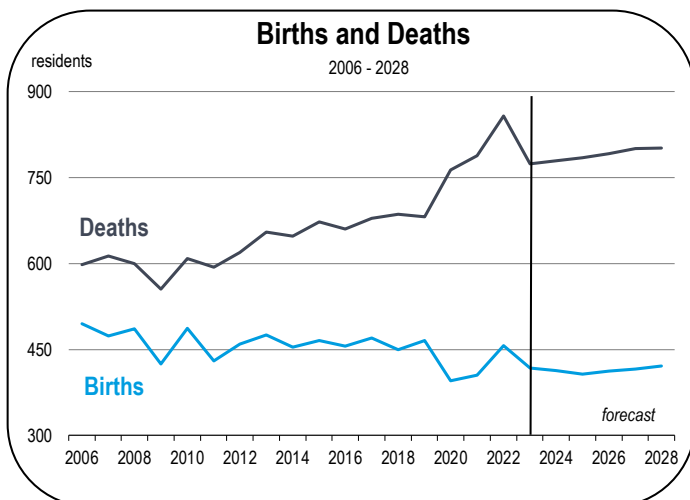


- Net in-migration will be positive in the county in the long run. However, it will not be enough to offset the negative natural population growth rate due to the age structure of the county being tilted toward the elderly.
- The population is expected to incur negative average annual growth of 0.4 percent resulting in the loss of 1,300 residents between 2023-2028.

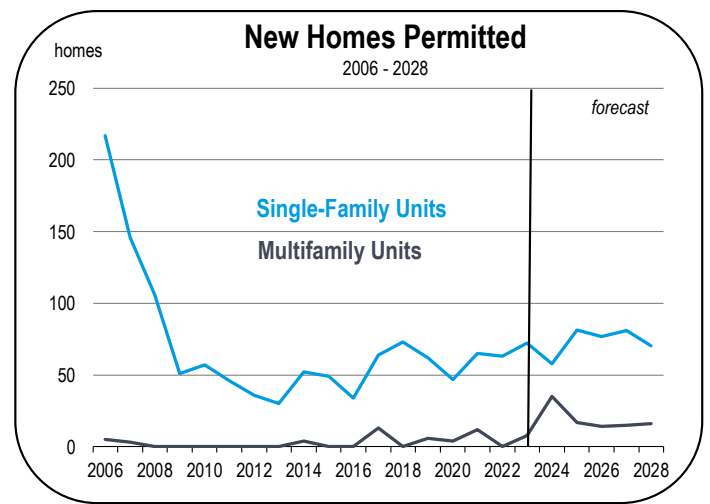
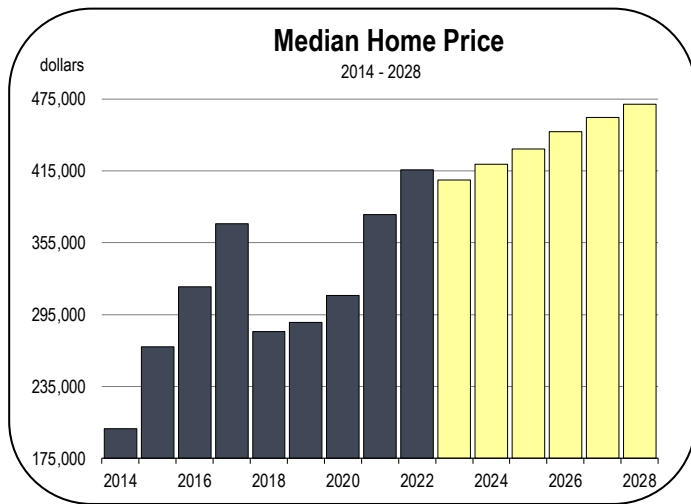
Unemployment and Inflation Rates

- The unemployment rate in Tuolumne County averaged 4.5 percent in 2022.
- An unemployment rate below 6.0 percent signifies a fully employed workforce in Tuolumne County.
- The unemployment rate is expected to average 5.0 percent annually for the duration of the forecast period.

- Inflation in California, including the Sierra Region, soared to 7.4 percent in 2022, but is expected to decelerate in 2023 to 3.8 percent due largely to declining energy costs, the restoration of supply chains, and stagnant housing costs.
- Ultimately, inflation reduces the purchasing power of households and negatively impacts consumer confidence, limiting the growth potential of the economy in 2023.
- The rate is forecast to continuously decelerate over the forecast period as the labor force is restored, interest rates subside, and wage inflation is contained.
- A risk to the forecast is whether Congressional spending will subside. During 2021 and 2022, this was a principal contributor to the surge of inflation nation-wide.
- Another risk is whether the economic slowdown will moderate the demand for labor, leading to lower wage inflation.
- Average general inflation rates eventually decline to 3 percent again by 2024.



Tuolumne County Economic Forecast



Home Prices and New Housing Production

- In 2022 the median home value in Tuolumne County was \$416,000, representing a 9.8 percent increase over the previous year.
- The median price has softened in 2023 and is on pace to fall 2.1 percent.
- Price appreciation is expected to be 3.2 percent in 2024, while averaging 2.9 percent per year from 2025-2028.
- From 2017 to 2022, an average of 68 new residential units were started per year in Tuolumne County. 91 percent were single-family homes.
- More approvals of new housing projects including apartment projects are now occurring in the unincorporated area of the county and in Sonora, the largest city.
- Housing production is expected to average 91 homes per year from 2023 to 2028. Eighty percent will be single-family units.

New Development in Tuolumne County

- In September 2023, the Tuolumne County Board of Supervisors approved a General Plan amendment allowing scaled-back redevelopment plans for 37 apartment units at Twain Harte Village Shopping Center. The project would be the largest multi-family housing project permitted in Tuolumne County since 1998.
- The County is planning to purchase four properties totaling \$3.5 million for homeless housing projects. Three of the properties are in Sonora and one is in Jamestown. People living at the site would be expected to pay rent and qualify for services related to available funding. The properties currently have structures located on them that would be demolished, converted to residential use, or remodeled.
- The engineering division in Tuolumne County is currently working on over two dozen capital improvement projects. The engineering team is planning improvements from bridge replacement to traffic signal installation.

Tuolumne County Economic Forecast

- Valley Vista Village is one of the largest housing projects permitted in the county since the Great Recession, located in Jamestown. The 230-unit housing project will include 187 single family homes. Construction for the project is under way. A total of 71 homes comprising phase 1 was completed in the fall of 2023.
- A 72-unit affordable apartment project was approved in January 2022. The complex will incorporate all units in a complex of five buildings, 3 stories tall. Units are intended to be affordable for households earning 30 to 50 percent of the area's median income.

Chicken Ranch Casino

- Construction of the all-new Chicken Ranch Casino Resort continues on-schedule to open next year. The new property will include a casino, hotel and conference center. Construction of the new Chicken Ranch Casino Resort began in late 2021. Completion is scheduled for 2024.
- The new casino will replace the existing Chicken Ranch Casino, which continues to operate 24/7. The old casino is 30,000 square feet with 600 slot machines, 9 table games and a 900-seat bingo hall.



Vista Valley Village



The new Chicken Ranch Casino and Resort is currently under construction in Jamestown.

Tuolumne County Economic Forecast

Economic Indicators

2015-2022 History, 2023-2050 Forecast

	Population (people)	Households (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	55,104	22.2	167	49	76.9	\$2.2	\$495	\$652	\$465	\$51,991	7.1	\$35.7	1.4
2016	55,162	22.1	300	34	78.9	\$2.3	\$515	\$697	\$637	\$52,808	6.2	\$34.7	2.3
2017	55,032	22.2	109	77	78.0	\$2.4	\$540	\$731	\$830	\$52,451	5.4	\$38.8	3.0
2018	55,311	22.3	477	73	79.0	\$2.4	\$551	\$730	\$568	\$51,542	4.7	\$47.9	3.7
2019	55,316	22.4	240	68	80.5	\$2.5	\$570	\$774	\$693	\$52,360	4.6	\$46.7	2.9
2020	55,500	22.7	450	51	80.0	\$2.8	\$628	\$839	\$575	\$55,536	10.7	\$42.3	1.8
2021	54,811	22.7	-321	77	81.2	\$2.9	\$715	\$839	\$570	\$57,198	7.3	\$41.9	4.2
2022	53,642	22.8	-748	63	79.2	\$3.0	\$739	\$1,015	\$527	\$55,908	4.5	\$38.5	7.4
2023	53,412	22.5	127	80	79.2	\$3.1	\$736	\$995	\$533	\$54,955	5.0	\$41.5	3.8
2024	53,294	22.5	248	93	79.2	\$3.2	\$755	\$1,009	\$538	\$55,819	5.0	\$41.6	2.2
2025	53,106	22.6	190	98	79.1	\$3.3	\$804	\$1,064	\$546	\$56,914	5.0	\$41.9	2.3
2026	52,900	22.7	173	91	79.4	\$3.4	\$866	\$1,143	\$551	\$57,656	5.0	\$42.1	2.2
2027	52,628	22.7	113	96	79.5	\$3.5	\$912	\$1,209	\$554	\$58,675	5.0	\$42.2	2.2
2028	52,346	22.8	98	86	79.8	\$3.7	\$973	\$1,289	\$558	\$59,576	5.0	\$42.0	2.1
2029	52,058	22.9	103	73	80.1	\$3.8	\$1,022	\$1,358	\$560	\$60,425	4.8	\$42.4	2.2
2030	51,757	22.9	104	83	80.2	\$3.9	\$1,073	\$1,428	\$561	\$61,006	4.9	\$42.5	2.2
2031	51,438	23.0	105	79	80.3	\$4.0	\$1,121	\$1,494	\$561	\$61,694	4.9	\$42.7	2.3
2032	51,116	23.1	110	77	80.4	\$4.0	\$1,168	\$1,559	\$561	\$61,849	4.7	\$42.8	2.3
2033	50,781	23.1	110	74	80.5	\$4.1	\$1,212	\$1,619	\$562	\$62,386	4.8	\$42.9	2.4
2034	50,435	23.2	107	72	80.5	\$4.2	\$1,255	\$1,678	\$562	\$63,075	5.0	\$42.9	2.4
2035	50,079	23.3	106	70	80.4	\$4.3	\$1,296	\$1,734	\$562	\$63,637	5.1	\$42.9	2.5
2036	49,716	23.3	106	68	80.1	\$4.4	\$1,331	\$1,785	\$562	\$63,901	5.2	\$42.9	2.5
2037	49,346	23.4	104	65	79.7	\$4.5	\$1,365	\$1,832	\$561	\$64,128	5.3	\$42.9	2.6
2038	48,972	23.4	105	58	79.4	\$4.6	\$1,398	\$1,876	\$559	\$64,538	5.5	\$42.9	2.6
2039	48,603	23.5	110	54	79.2	\$4.7	\$1,432	\$1,923	\$558	\$64,582	5.4	\$42.9	2.7
2040	48,228	23.5	109	50	79.0	\$4.9	\$1,470	\$1,972	\$557	\$65,052	5.6	\$42.9	2.7
2041	47,852	23.5	110	44	78.8	\$5.0	\$1,500	\$2,013	\$556	\$65,699	5.7	\$42.9	2.8
2042	47,484	23.6	118	43	78.5	\$5.1	\$1,546	\$2,071	\$555	\$66,420	5.5	\$43.0	2.8
2043	47,116	23.6	120	39	78.3	\$5.2	\$1,595	\$2,136	\$554	\$67,164	5.6	\$43.0	2.9
2044	46,748	23.7	122	41	78.2	\$5.3	\$1,652	\$2,210	\$553	\$68,045	5.6	\$43.0	2.9
2045	46,381	23.7	123	40	78.2	\$5.5	\$1,708	\$2,287	\$552	\$68,824	5.7	\$43.0	3.0
2046	46,010	23.7	123	40	78.2	\$5.6	\$1,761	\$2,359	\$551	\$69,527	5.7	\$43.0	3.1
2047	45,641	23.7	126	36	78.2	\$5.7	\$1,818	\$2,437	\$551	\$70,071	5.7	\$43.0	3.1
2048	45,272	23.8	129	34	78.2	\$5.8	\$1,874	\$2,515	\$550	\$70,565	5.7	\$43.0	3.2
2049	44,903	23.8	131	32	78.1	\$5.9	\$1,940	\$2,601	\$550	\$71,246	5.7	\$43.0	3.2
2050	44,532	23.8	133	26	78.0	\$6.1	\$2,010	\$2,694	\$549	\$71,797	5.8	\$43.1	3.3

Employment Sectors

2015-2022 History, 2023-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade (jobs)	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
2015	17,360	60	570	800	240	2,670	510	940	210	3,070	2,150	5,450
2016	17,800	70	640	790	250	2,630	490	1,030	210	3,080	2,320	5,570
2017	17,930	80	660	800	210	2,540	490	1,070	190	3,100	2,520	5,500
2018	18,000	60	820	820	200	2,540	490	1,090	160	3,080	2,420	5,530
2019	18,040	90	890	840	200	2,540	500	1,110	130	3,000	2,470	5,680
2020	16,420	90	800	830	180	2,480	460	1,100	120	2,740	1,960	5,120
2021	17,040	90	890	880	190	2,610	440	1,140	120	2,650	2,290	5,160
2022	17,400	90	910	850	200	2,610	440	1,140	120	2,720	2,540	5,170
2023	17,770	91	960	837	206	2,549	432	1,139	120	2,701	2,604	5,522
2024	17,820	91	959	838	206	2,544	429	1,151	114	2,711	2,662	5,496
2025	17,930	92	943	839	204	2,583	426	1,164	113	2,789	2,654	5,501
2026	17,950	92	926	841	209	2,635	423	1,175	112	2,864	2,650	5,406
2027	18,070	92	920	842	211	2,666	424	1,180	113	2,945	2,648	5,407
2028	18,110	92	887	843	214	2,709	416	1,179	112	3,026	2,634	5,389
2029	18,210	93	876	845	215	2,736	409	1,178	112	3,124	2,637	5,380
2030	18,290	93	868	846	216	2,762	401	1,177	110	3,220	2,630	5,359
2031	18,360	93	852	847	218	2,785	399	1,176	109	3,314	2,622	5,350
2032	18,430	93	849	848	219	2,803	396	1,174	107	3,406	2,612	5,339
2033	18,510	93	845	849	220	2,821	394	1,173	104	3,496	2,605	5,328
2034	18,560	93	842	849	221	2,835	391	1,171	101	3,564	2,597	5,315
2035	18,600	93	838	850	221	2,845	388	1,169	98	3,629	2,589	5,301
2036	18,620	93	835	851	220	2,845	385	1,167	94	3,693	2,581	5,287
2037	18,620	93	841	851	218	2,844	382	1,165	91	3,755	2,573	5,241
2038	18,610	93	836	852	218	2,842	378	1,163	87	3,815	2,566	5,196
2039	18,600	94	837	852	217	2,840	376	1,162	84	3,873	2,558	5,151
2040	18,630	94	829	853	217	2,839	373	1,160	80	3,929	2,551	5,148
2041	18,650	94	815	853	217	2,837	369	1,158	77	3,984	2,544	5,150
2042	18,700	94	812	853	216	2,846	367	1,156	74	4,037	2,547	5,153
2043	18,740	94	803	854	215	2,857	364	1,154	70	4,089	2,550	5,150
2044	18,810	94	811	854	216	2,874	362	1,152	67	4,139	2,553	5,147
2045	18,850	94	807	854	217	2,889	359	1,150	63	4,188	2,555	5,143
2046	18,890	94	806	854	217	2,899	357	1,148	60	4,235	2,556	5,140
2047	18,920	94	800	855	218	2,909	355	1,145	56	4,281	2,557	5,131
2048	18,950	94	796	855	218	2,917	352	1,143	53	4,325	2,558	5,122
2049	18,980	94	793	855	218	2,931	349	1,141	49	4,368	2,559	5,112
2050	18,970	94	776	855	218	2,945	347	1,138	45	4,410	2,560	5,067

Tuolumne County Economic Forecast

Socioeconomic Indicators

