

HUMBOLDT COUNTY ECONOMIC FORECAST

Humboldt County is located on the coast of California in a densely forested and mountainous region. The county is the largest timber producer in California and according to Humboldt State University, approximately 55 percent of manufacturing employment is lumber-based. Humboldt County has a population of 134,824 and 46,383 wage and salary jobs. The per capita income in Humboldt County is \$32,909, and the average salary per worker is \$40,170.

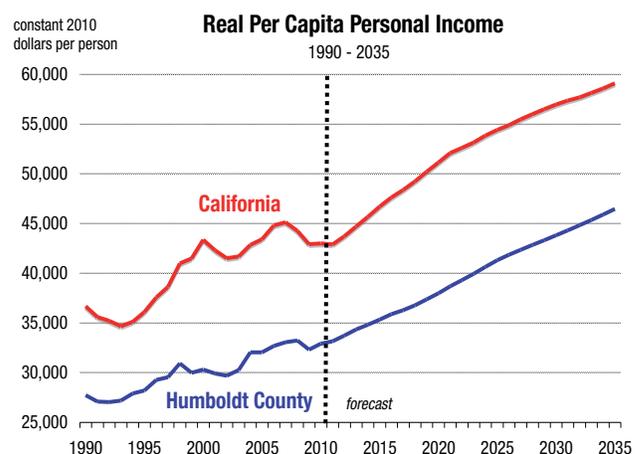
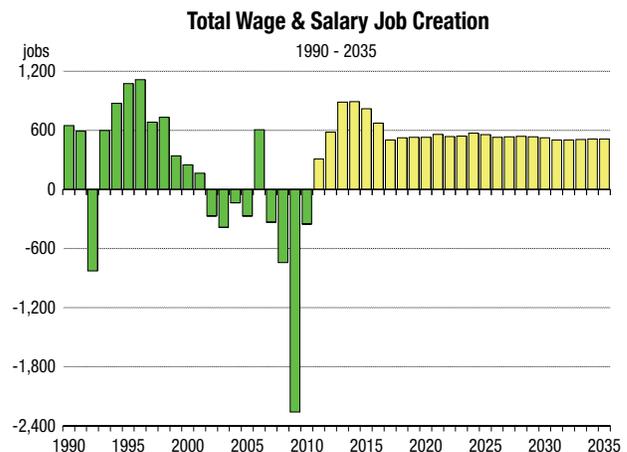
In 2010, total wage and salary employment declined by 350 jobs, representing a decline in employment of 0.7 percent. Non-farm employment fell by 133 jobs, representing a growth rate of -0.3 percent. Employment in the farm sector fell by 21.5 percent. The unemployment rate increased to 11.5 percent in 2010.

The natural resources, transportation and warehousing, retail trade, leisure, education and health service, and professional services sectors all increased employment in 2010. The largest employment losses were in the farm (-220 jobs), government (-180 jobs), construction (-180 jobs), and financial activities (-80 jobs) sectors. Manufacturing employment has been steadily declining for over a decade, and now employs only 38 percent as many workers as during 1996.

The population in Humboldt County grew by 6.4 percent between the 2000 and 2010 census. The largest city in the county is Eureka, with 27,200 residents; population grew by 4.1 percent over the past decade. Net migration in the county was positive last year, with an estimated total of just under 1,000 migrants entering the county.

FORECAST HIGHLIGHTS

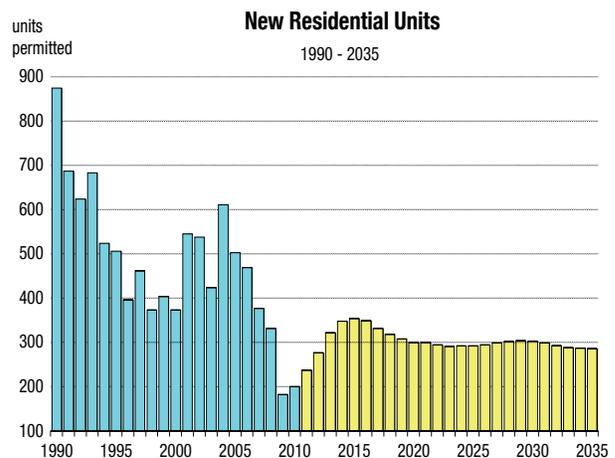
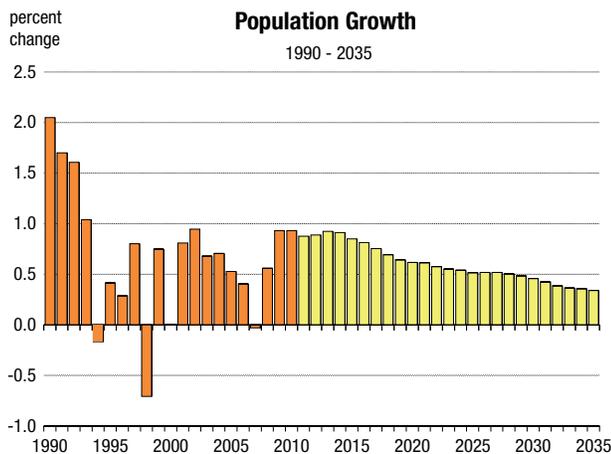
- Total wage and salary job growth is forecast to turn positive in 2011, at 0.7 percent. From 2011 to 2016, total employment growth averages 1.6 percent per year.
- Average salaries adjusted for inflation are currently below the California state average, and will remain so over the forecast period. Inflation adjusted salaries are expected to rise an average of 0.4 percent per year from 2011 to 2016.
- Between 2011 and 2016, the momentum for employment growth is in healthcare and education, manufacturing, leisure, professional services and government. Together they are expected to account for 61 percent of all job creation. All sectors are expected to show at least moderate growth over this period.
- The population in the county will continue to grow, but at a slower rate than the state average. Annual growth in the 2011 to 2016 period averages 0.9 percent per year.
- Net migration is estimated at 903 people in 2011. Between 2011 and 2016 net migration is expected to average 1,000 people entering the county per year.
- Real per capita income is forecast to rise 0.7 percent in 2011. Between 2011 and 2016 real per capita incomes are expected to increase an average of 1.6 percent per year.
- Total taxable sales, adjusted for inflation, are forecast to rise 3.0 percent in 2011. From 2011 to 2016 real taxable sales are forecast to increase by an average of 1.9 percent per year.
- Industrial production is forecast to increase 2.7 percent in 2011. Over the next five years the growth rate of industrial production averages 3.1 percent per year. Total crop production excluding timber, in real inflation adjusted dollars is expected to grow at an annual rate of 0.8 percent over the same period.



Humboldt County Economic Forecast

2006-2010 History, 2011-2040 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 (billions)	Unemploy- ment Rate (percent)
2006	131,642	112	146.1	53.6	469	\$1.70	\$3.96	\$32,692	3.2	127.1	0.95	5.5
2007	131,605	-396	147.3	54.0	377	\$1.73	\$4.13	\$33,047	3.4	138.9	0.97	5.9
2008	132,341	466	146.6	54.4	332	\$1.69	\$4.30	\$33,222	3.0	134.1	1.00	7.2
2009	133,577	949	147.1	54.7	182	\$1.54	\$4.26	\$32,319	0.8	113.2	0.76	10.9
2010	134,824	983	148.7	55.0	200	\$1.62	\$4.44	\$32,909	1.3	113.5	0.79	11.5
2011	136,006	903	149.6	55.2	237	\$1.73	\$4.66	\$33,154	3.3	119.4	0.81	10.9
2012	137,216	959	150.6	55.4	276	\$1.81	\$4.89	\$33,729	2.3	121.0	0.83	10.1
2013	138,484	1,044	151.7	55.6	322	\$1.89	\$5.14	\$34,341	2.3	122.2	0.86	9.1
2014	139,749	1,067	152.8	55.9	348	\$1.97	\$5.38	\$34,809	2.4	123.0	0.89	8.0
2015	140,938	1,026	154.1	56.3	354	\$2.04	\$5.63	\$35,332	2.1	122.6	0.92	7.0
2016	142,086	1,016	155.4	56.6	349	\$2.12	\$5.88	\$35,880	2.1	124.2	0.95	6.3
2017	143,158	957	156.7	56.9	332	\$2.19	\$6.11	\$36,283	2.1	125.3	0.97	6.0
2018	144,153	906	158.0	57.2	319	\$2.26	\$6.37	\$36,775	2.0	126.5	1.00	5.7
2019	145,081	860	159.3	57.5	308	\$2.33	\$6.63	\$37,368	1.9	128.1	1.02	5.4
2020	145,976	842	160.6	57.8	300	\$2.41	\$6.90	\$37,978	1.7	127.3	1.05	5.2
2021	146,876	861	161.9	58.1	300	\$2.48	\$7.19	\$38,684	1.7	126.1	1.08	5.1
2022	147,721	823	163.1	58.3	295	\$2.57	\$7.51	\$39,303	2.2	128.1	1.11	5.2
2023	148,538	813	164.4	58.6	291	\$2.66	\$7.84	\$39,945	2.2	129.6	1.15	5.2
2024	149,342	823	165.7	58.9	292	\$2.75	\$8.19	\$40,639	2.1	131.6	1.18	5.2
2025	150,115	823	166.9	59.2	292	\$2.85	\$8.54	\$41,306	2.1	133.2	1.22	5.2
2026	150,896	853	168.2	59.4	294	\$2.94	\$8.88	\$41,858	2.1	133.9	1.25	5.1
2027	151,681	880	169.4	59.7	299	\$3.04	\$9.22	\$42,358	2.1	134.3	1.29	5.0
2028	152,445	886	170.7	60.0	302	\$3.14	\$9.57	\$42,841	2.1	135.5	1.33	4.9
2029	153,186	885	171.9	60.3	304	\$3.24	\$9.94	\$43,326	2.1	136.3	1.37	4.8
2030	153,890	869	173.1	60.5	303	\$3.34	\$10.31	\$43,809	2.1	135.1	1.42	4.8
2031	154,544	843	174.3	60.8	299	\$3.45	\$10.70	\$44,308	2.2	133.9	1.46	4.7
2032	155,144	804	175.4	61.1	293	\$3.56	\$11.10	\$44,825	2.2	136.7	1.50	4.6
2033	155,710	785	176.6	61.4	288	\$3.67	\$11.52	\$45,361	2.1	139.0	1.55	4.5
2034	156,267	794	177.8	61.6	287	\$3.79	\$11.95	\$45,893	2.2	141.0	1.60	4.5
2035	156,801	787	178.9	61.9	286	\$3.91	\$12.40	\$46,461	2.2	141.4	1.65	4.4
2036	157,308	777	180.0	62.2	285	\$4.04	\$12.87	\$47,055	2.1	144.5	1.69	4.4
2037	157,788	765	181.1	62.4	284	\$4.17	\$13.36	\$47,665	2.2	146.1	1.75	4.4
2038	158,240	751	182.2	62.7	282	\$4.30	\$13.87	\$48,310	2.1	143.7	1.80	4.4
2039	158,665	739	183.3	63.0	281	\$4.44	\$14.40	\$48,993	2.1	145.7	1.85	4.4
2040	159,072	736	184.4	63.2	280	\$4.58	\$14.95	\$49,718	2.1	147.2	1.91	4.3

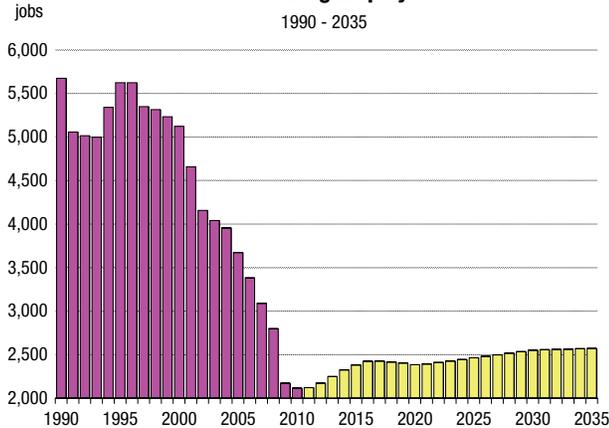


Humboldt County Employment Forecast

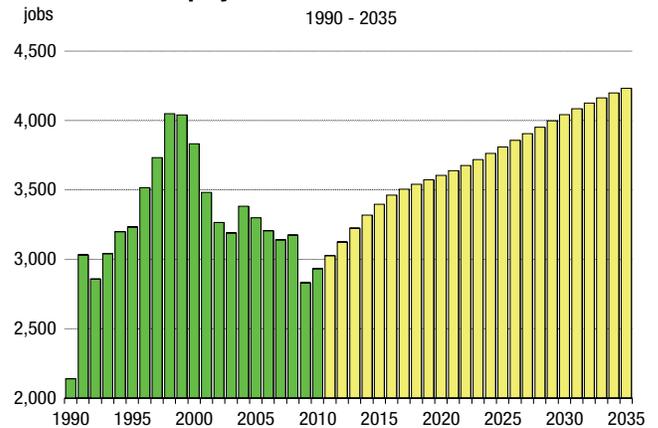
2006-2010 History, 2011-2040 Forecast

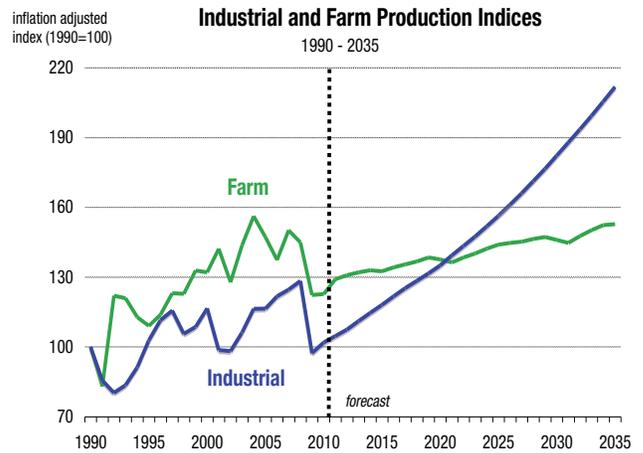
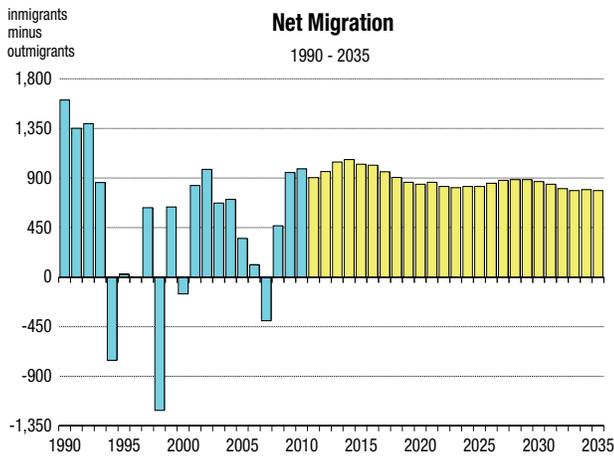
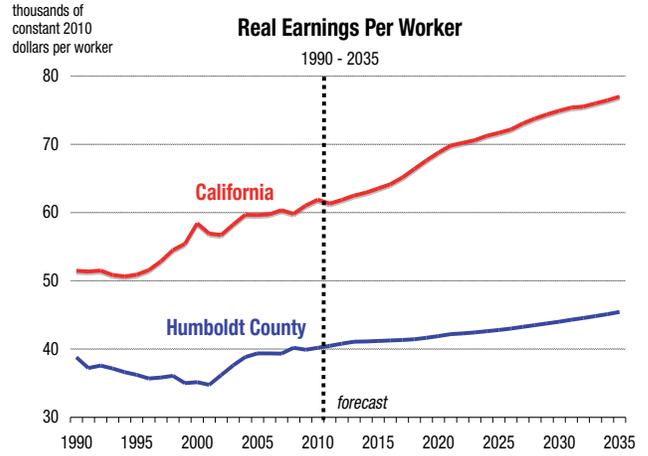
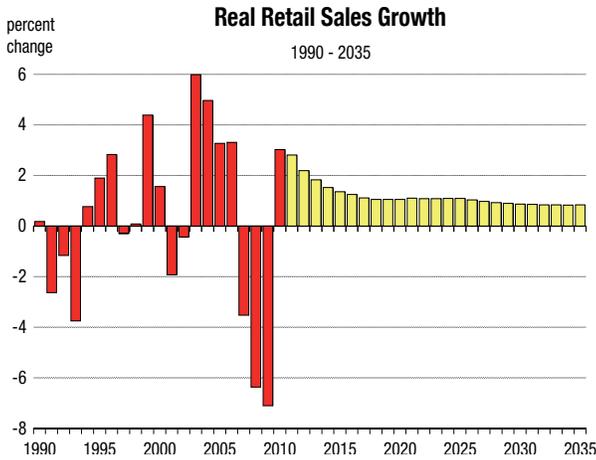
	Total Wage & Salary	Farm	Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	-----employment (thousands of jobs)-----											
2006	50.1	1.23	2.6	3.4	1.4	8.4	2.0	3.2	0.7	5.9	5.3	13.8
2007	49.7	1.26	2.4	3.1	1.4	8.4	2.0	3.1	0.7	5.8	5.2	13.9
2008	49.0	1.16	2.3	2.8	1.3	8.3	1.8	3.2	0.7	5.9	5.2	14.0
2009	46.7	1.01	1.9	2.2	1.2	7.9	1.7	2.8	0.6	6.4	5.1	13.8
2010	46.4	0.79	1.7	2.1	1.3	7.9	1.6	2.9	0.6	6.4	5.2	13.6
2011	46.7	0.87	1.8	2.1	1.3	7.9	1.6	3.0	0.6	6.5	5.2	13.4
2012	47.3	0.92	1.8	2.2	1.3	8.0	1.6	3.1	0.6	6.5	5.3	13.4
2013	48.2	0.95	1.9	2.3	1.3	8.1	1.7	3.2	0.6	6.6	5.4	13.6
2014	49.1	0.98	2.0	2.3	1.4	8.2	1.7	3.3	0.6	6.7	5.5	13.8
2015	49.9	1.00	2.0	2.4	1.4	8.3	1.7	3.4	0.6	6.8	5.6	14.0
2016	50.5	1.01	2.1	2.4	1.4	8.3	1.7	3.5	0.6	6.8	5.7	14.2
2017	51.1	1.02	2.1	2.4	1.5	8.4	1.7	3.5	0.7	6.9	5.8	14.4
2018	51.6	1.03	2.1	2.4	1.5	8.4	1.7	3.5	0.7	6.9	5.9	14.6
2019	52.1	1.04	2.1	2.4	1.5	8.5	1.8	3.6	0.7	7.0	6.0	14.8
2020	52.6	1.04	2.1	2.4	1.6	8.5	1.8	3.6	0.7	7.1	6.0	15.1
2021	53.2	1.04	2.1	2.4	1.6	8.6	1.8	3.6	0.7	7.1	6.1	15.3
2022	53.7	1.05	2.1	2.4	1.6	8.6	1.8	3.7	0.7	7.2	6.1	15.6
2023	54.3	1.05	2.1	2.4	1.7	8.6	1.8	3.7	0.7	7.2	6.2	15.8
2024	54.9	1.06	2.1	2.4	1.7	8.7	1.8	3.8	0.7	7.3	6.2	16.1
2025	55.4	1.07	2.2	2.5	1.7	8.7	1.8	3.8	0.7	7.4	6.3	16.3
2026	55.9	1.07	2.2	2.5	1.7	8.8	1.8	3.9	0.7	7.4	6.3	16.5
2027	56.5	1.08	2.2	2.5	1.8	8.8	1.8	3.9	0.7	7.5	6.4	16.7
2028	57.0	1.08	2.2	2.5	1.8	8.9	1.8	4.0	0.7	7.6	6.4	16.9
2029	57.6	1.09	2.2	2.5	1.8	8.9	1.8	4.0	0.8	7.6	6.5	17.2
2030	58.1	1.09	2.2	2.6	1.8	8.9	1.9	4.0	0.8	7.7	6.5	17.4
2031	58.6	1.09	2.2	2.6	1.8	9.0	1.9	4.1	0.8	7.7	6.6	17.6
2032	59.1	1.09	2.3	2.6	1.8	9.0	1.9	4.1	0.8	7.8	6.6	17.8
2033	59.6	1.10	2.3	2.6	1.9	9.1	1.9	4.2	0.8	7.9	6.7	18.0
2034	60.1	1.10	2.3	2.6	1.9	9.1	1.9	4.2	0.8	7.9	6.7	18.3
2035	60.6	1.11	2.3	2.6	1.9	9.1	1.9	4.2	0.8	8.0	6.8	18.5
2036	61.1	1.12	2.3	2.6	1.9	9.2	1.9	4.3	0.8	8.0	6.8	18.7
2037	61.7	1.13	2.3	2.6	1.9	9.2	1.9	4.3	0.8	8.1	6.9	19.0
2038	62.2	1.13	2.3	2.6	2.0	9.2	1.9	4.3	0.8	8.2	6.9	19.2
2039	62.7	1.13	2.3	2.6	2.0	9.3	1.9	4.4	0.8	8.2	7.0	19.4
2040	63.3	1.14	2.3	2.6	2.0	9.3	2.0	4.4	0.8	8.3	7.0	19.7

Manufacturing Employment



Employment in Professional Services





County Economic and Demographic Indicators

Projected Economic Growth (2011-2016)

Expected retail sales growth:	8.4%
Expected job growth:	8.3%
Fastest growing jobs sector:	Wholesale Trade
Expected personal income growth:	13.1%

Expected population growth:	4.5%
Net migration to account for:	84.1%
Expected growth in number of vehicles:	3.9%

Demographics (2011)

Unemployment rate (June 2011)	11.4%
County Rank* in California (58 counties):	18th
Working age (16-64) population:	68.0%

Population with B.A. Degree or higher:	26.5%
Median Home Selling Price:	\$233,000
Median Household Income:	\$37,266

Quality of Life

Violent Crime rate (2009):	408 per 100,000 persons
County Rank* in California (58 counties):	32nd
Average Commute Time to work (2011):	19.0 minutes

High School drop out rate (2009):	17.4%
Households at/below poverty line:	13.2%

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