

Item # 21

File # 19-386



Solano County 2018 Index of Economic and Community Progress

County Administrator's Office
Robert Eyler, Ph.D.

Presented to Board of Supervisors on May 14, 2019



Solano County Standards of Living and Employment

* 2017 the latest data for these variables

- **Jobs Growth Surging with Income Growth Following Jobs**
 - Solano County Non-Farm Employment +4,300 new jobs in 2018
 - Housing prices were up 8.6% in 2018
 - Personal Income/Capita, Median HH Income, GP/Capita all up in 2017*
 - Property and Sales Tax Revenues rising in 2018
 - Population growth positive and slowing a bit in 2018
 - Ag Values up in 2017*, but farm jobs fell
- **Challenges**
 - High School Grad Rates + College Ready Students improving but still behind CA (methods change) in 2018
 - Housing prices and wages rising good and bad in 2018
 - Commute times rising in 2017



Solano County Standards of Living and Employment

- **National/global:**

- Political uncertainty: stock markets and businesses react
- Low interest rates: still pretty good historically
- No recession likely in 2020, maybe 2021 ... but mild growth,
- Likely a mild recession because of mild growth
- Elections coming, budget concerns again in Sept. 2019

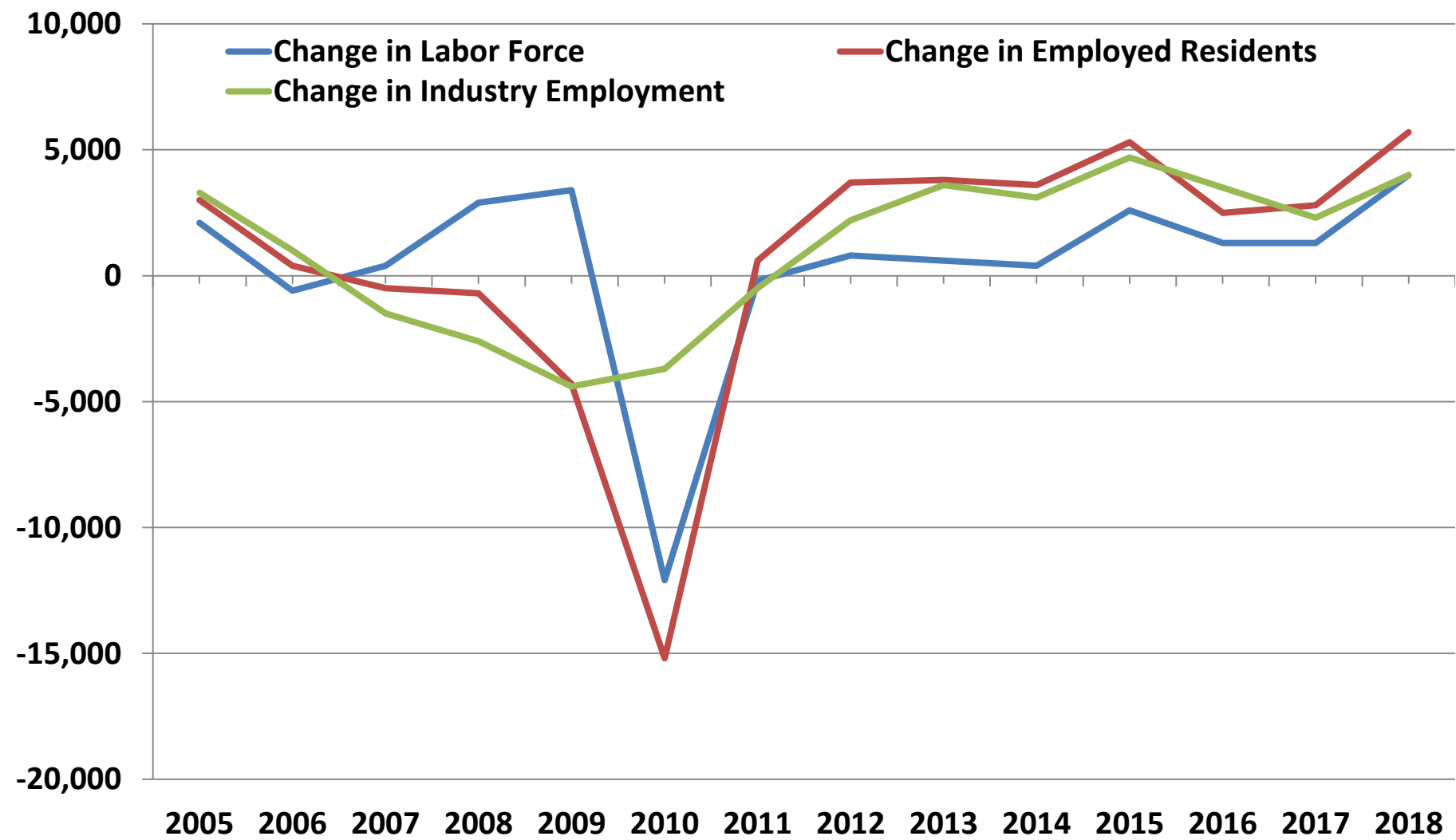
- **California remains in leadership position**

- Feeling a lot more like 2000 than 2007
- Watching Bay Area major employers closely



Solano County Labor Force Indicators (EDD)

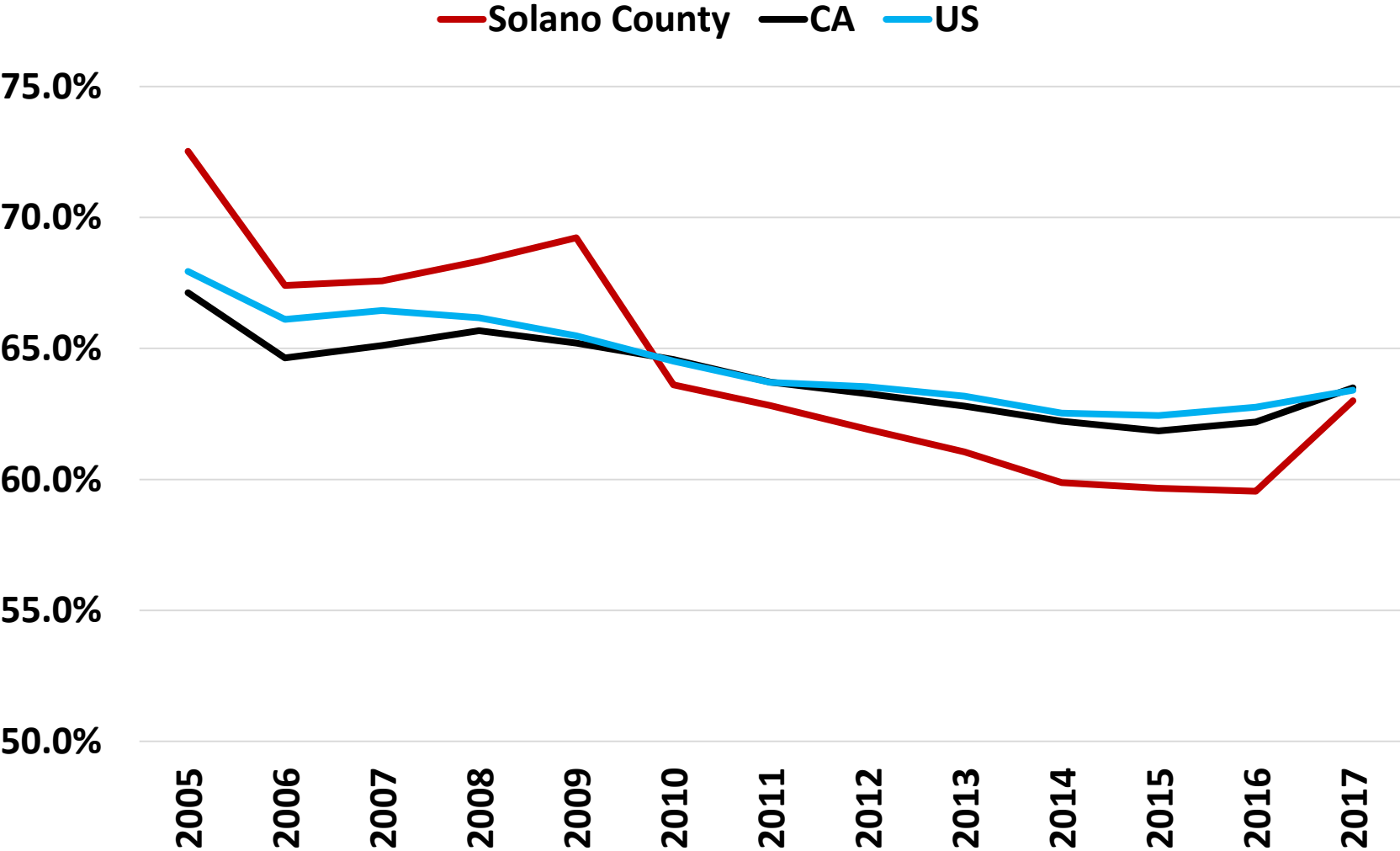
Workers 2005 – 2018 = modest employment growth and 3.8% unemployment



Source: EDD (<http://www.labormarketinfo.edd.ca.gov/>), Labor Market Information



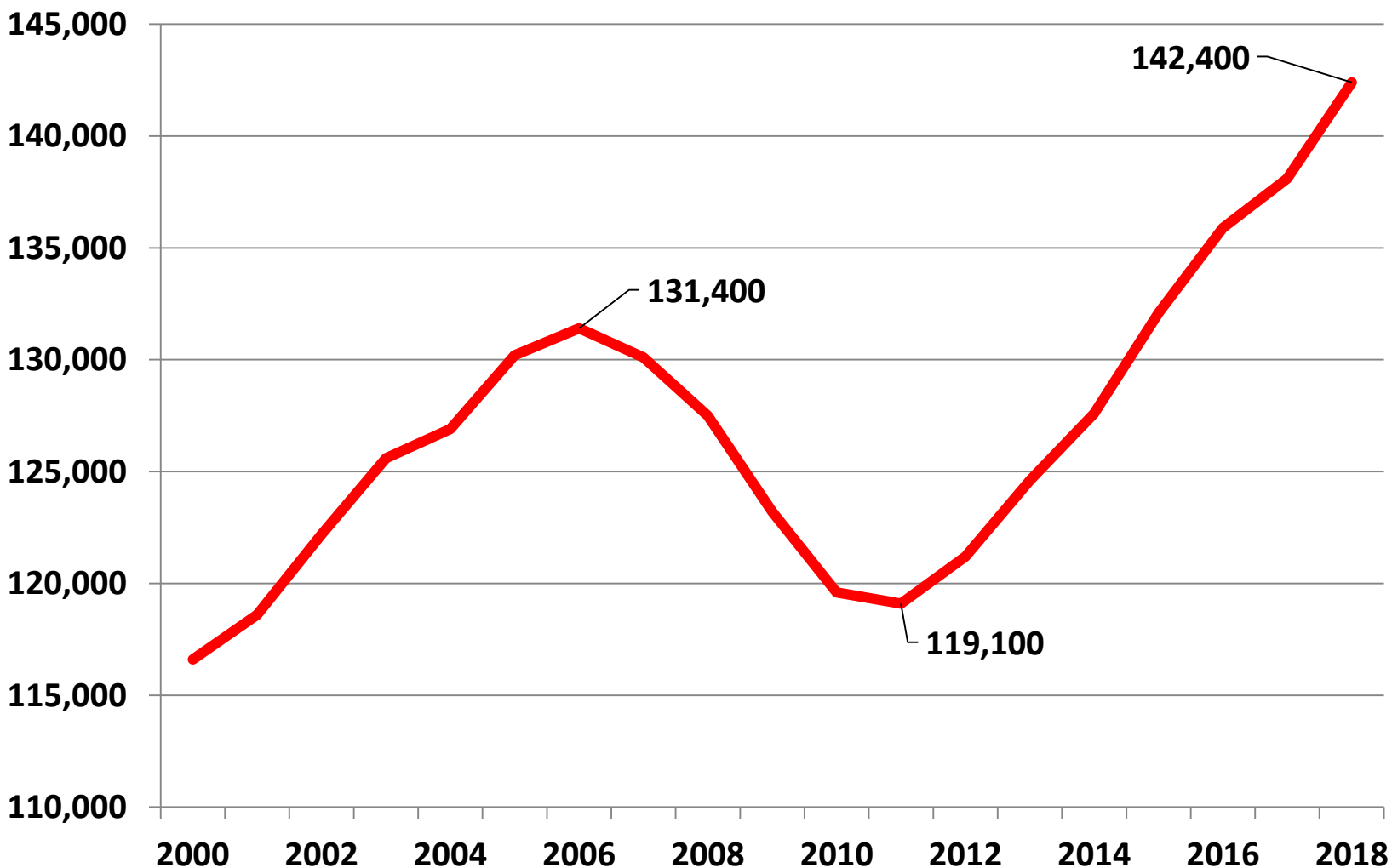
Solano County Labor Force (LF) Participation (% in LF) 2005-18, Ages 18-64



Source: Bureau of Labor Statistics (www.bls.gov) and California EDD (www.edd.ca.gov)



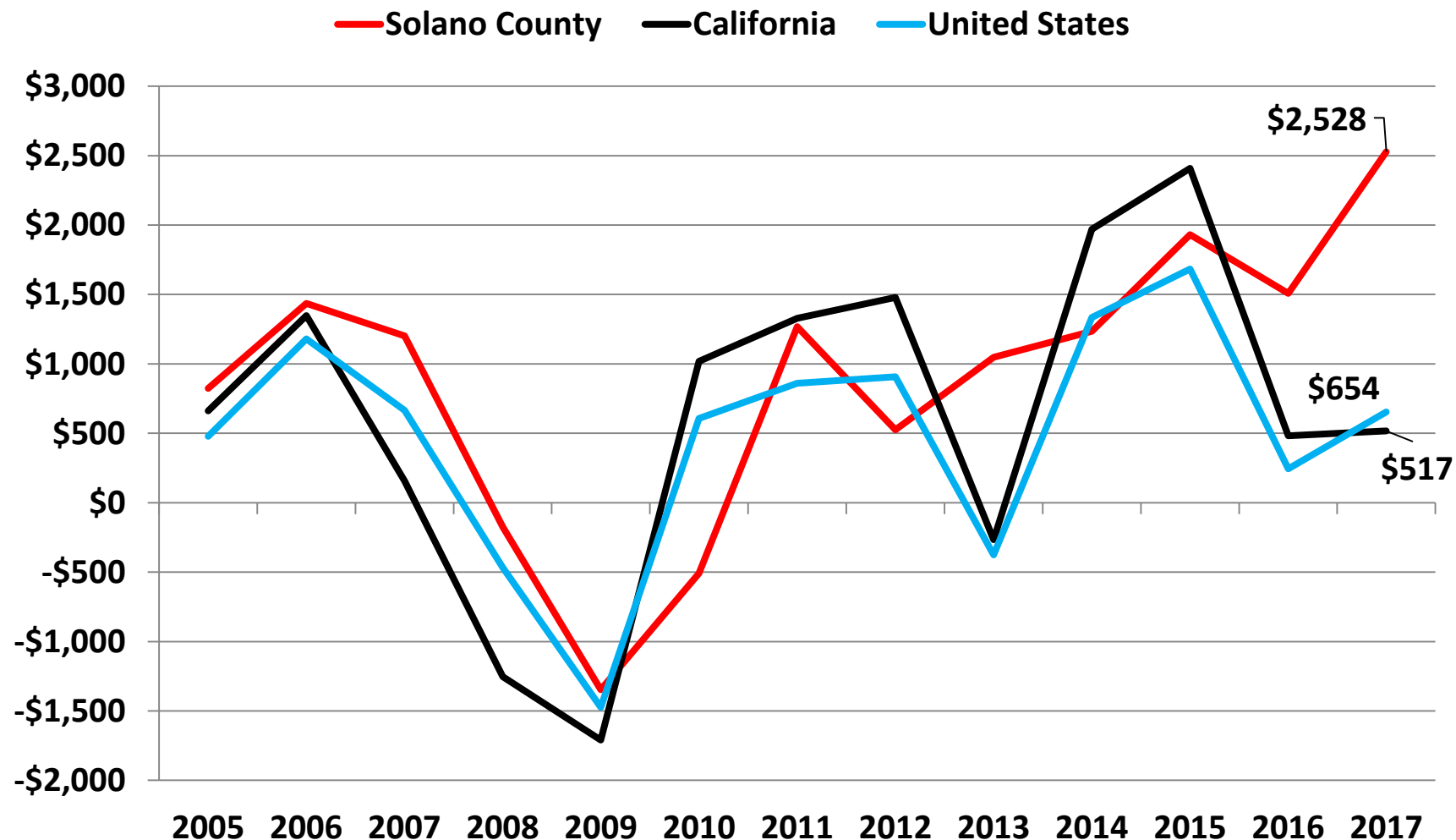
Solano County Non-Farm Employment (EDD) Number of Workers, 2000-18



Source: EDD (<http://www.labormarketinfo.edd.ca.gov/>), Labor Market Information



Per Capita Personal Income Change 2009 Dollars, 2005-17

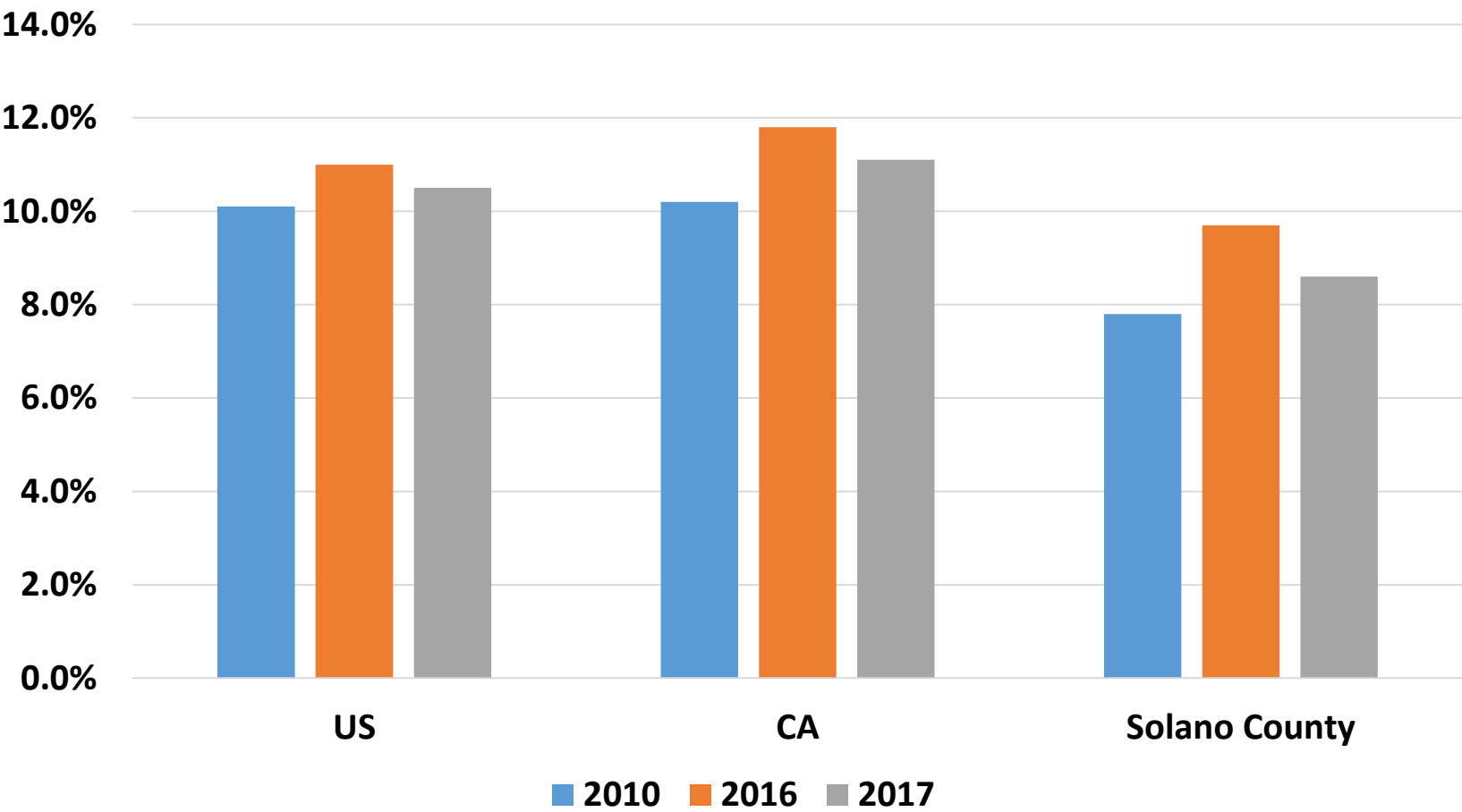


Source: Bureau of Economic Analysis (www.bea.gov)



Poverty Rates: 2010, 2016 and 2017

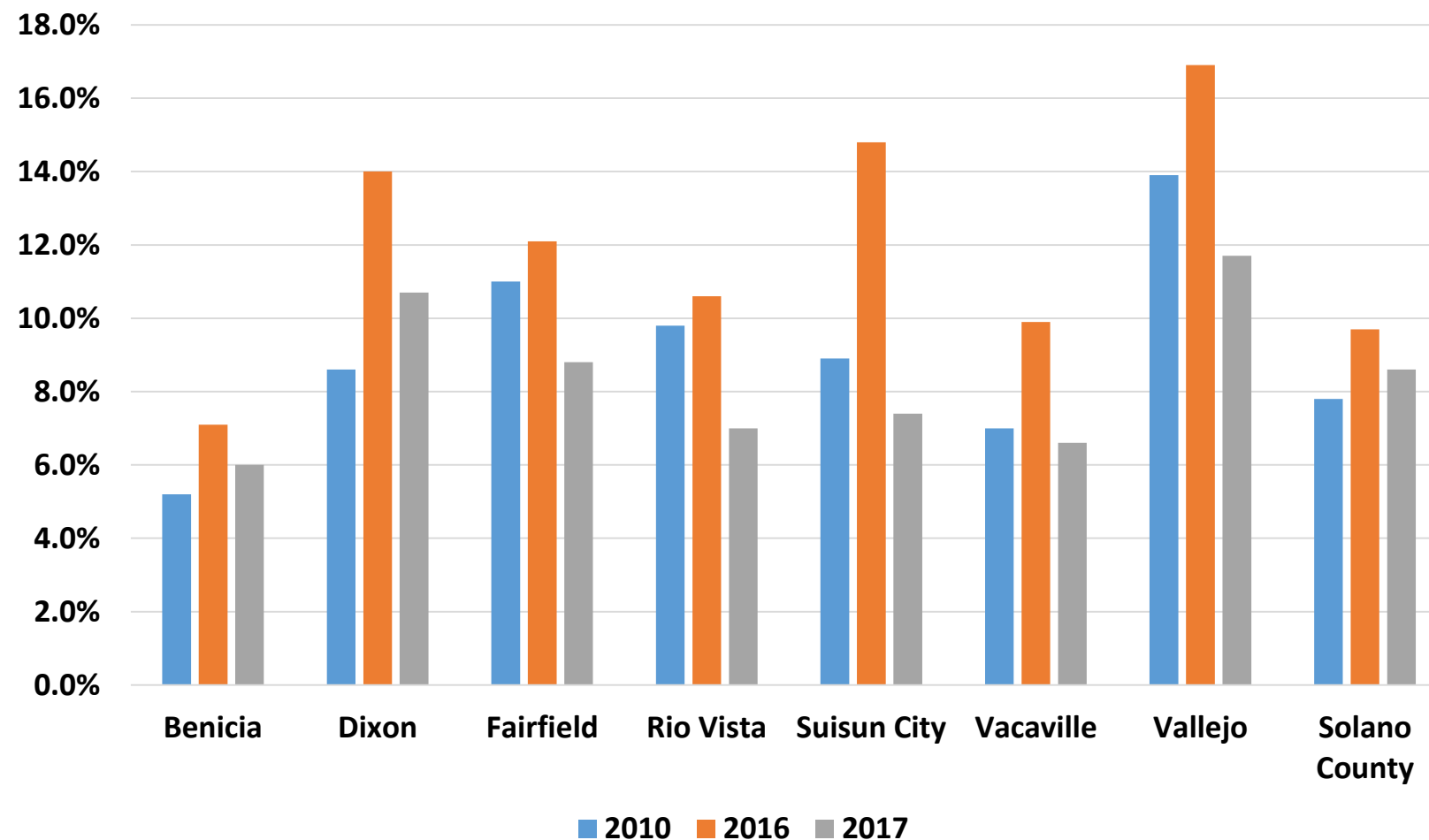
Solano County, CA and US



Source: Census Bureau, American Community Survey (factfinder.census.gov)



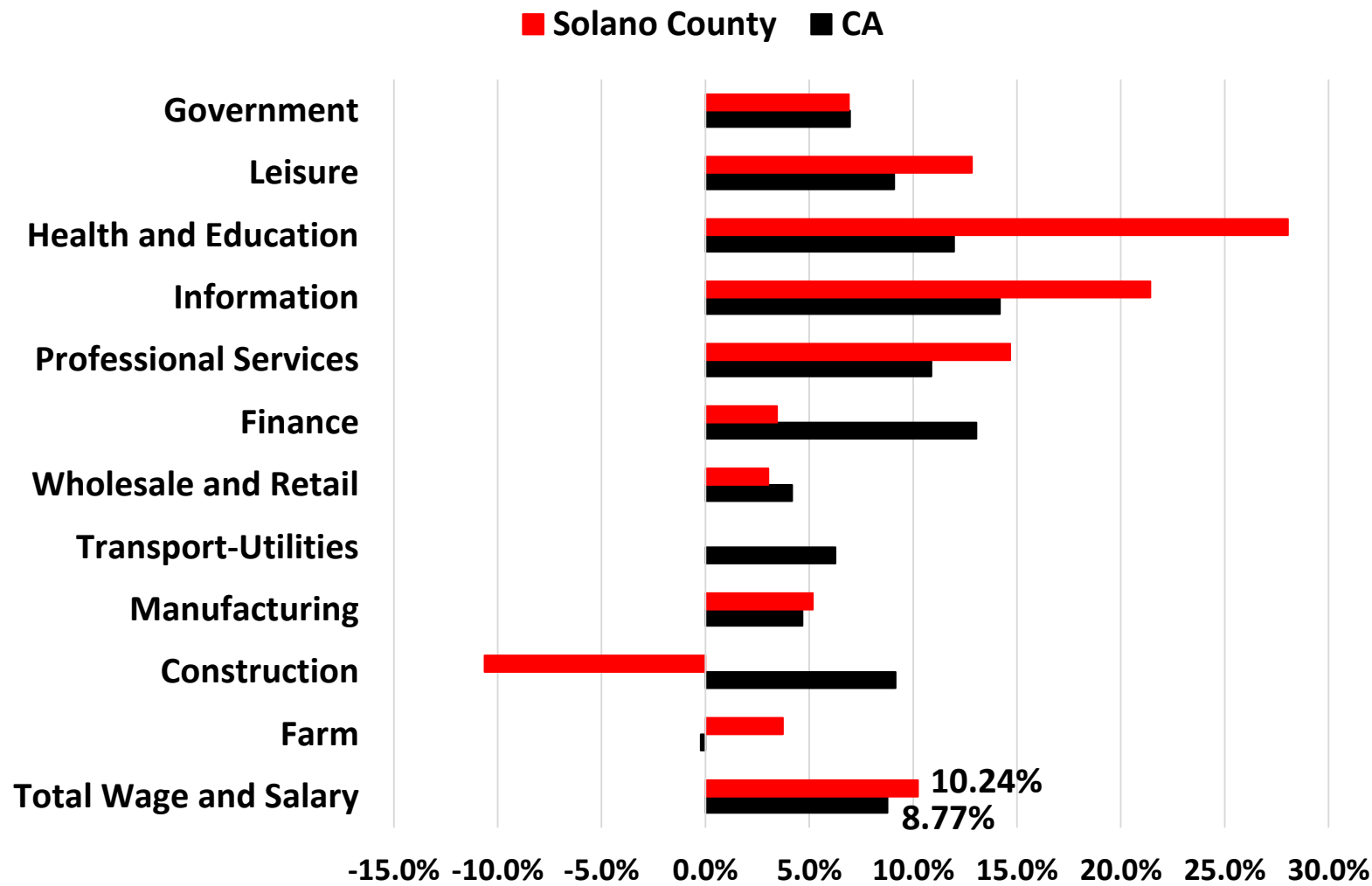
Poverty Rates: 2010, 2016 and 2017, By City



Source: Census Bureau, American Community Survey (factfinder.census.gov)



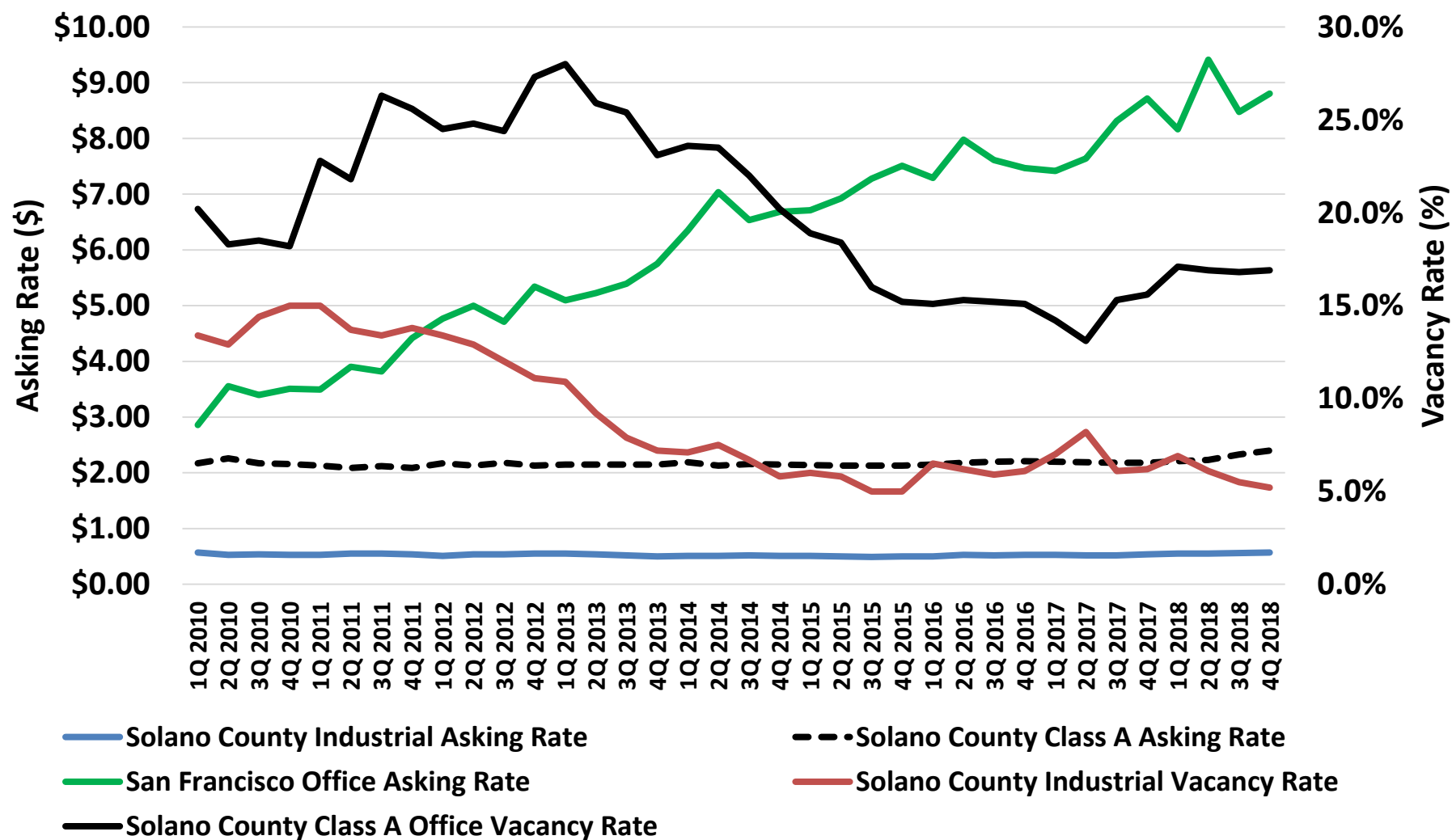
Jobs Forecast Long Term, 2018-2030 (% change)



Source: CalTrans (www.dot.ca.gov)



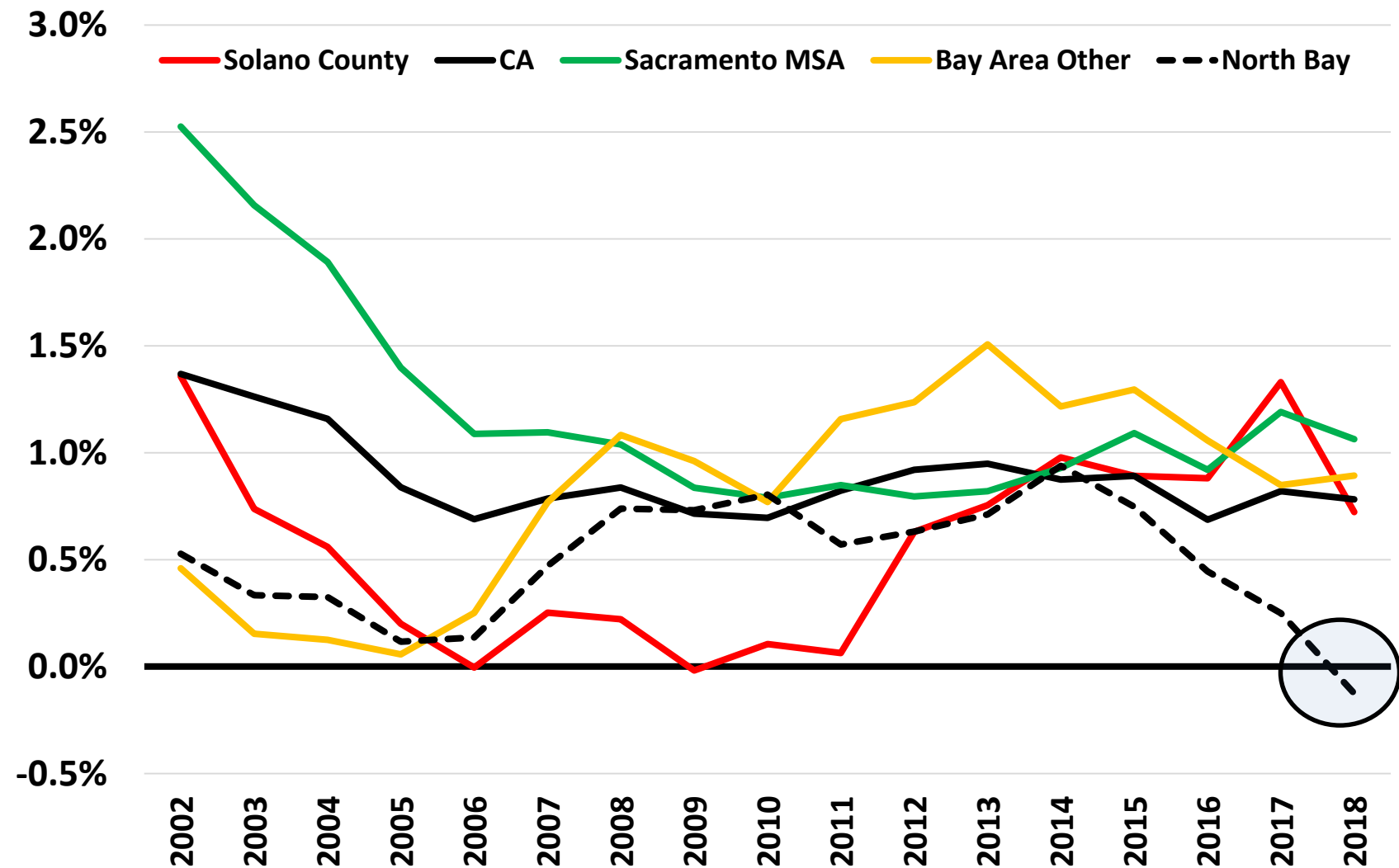
Commercial Real Estate, Prices and Vacancies, 2010-18, Quarterly Data



Source: Colliers International (direct from Colliers Staff)



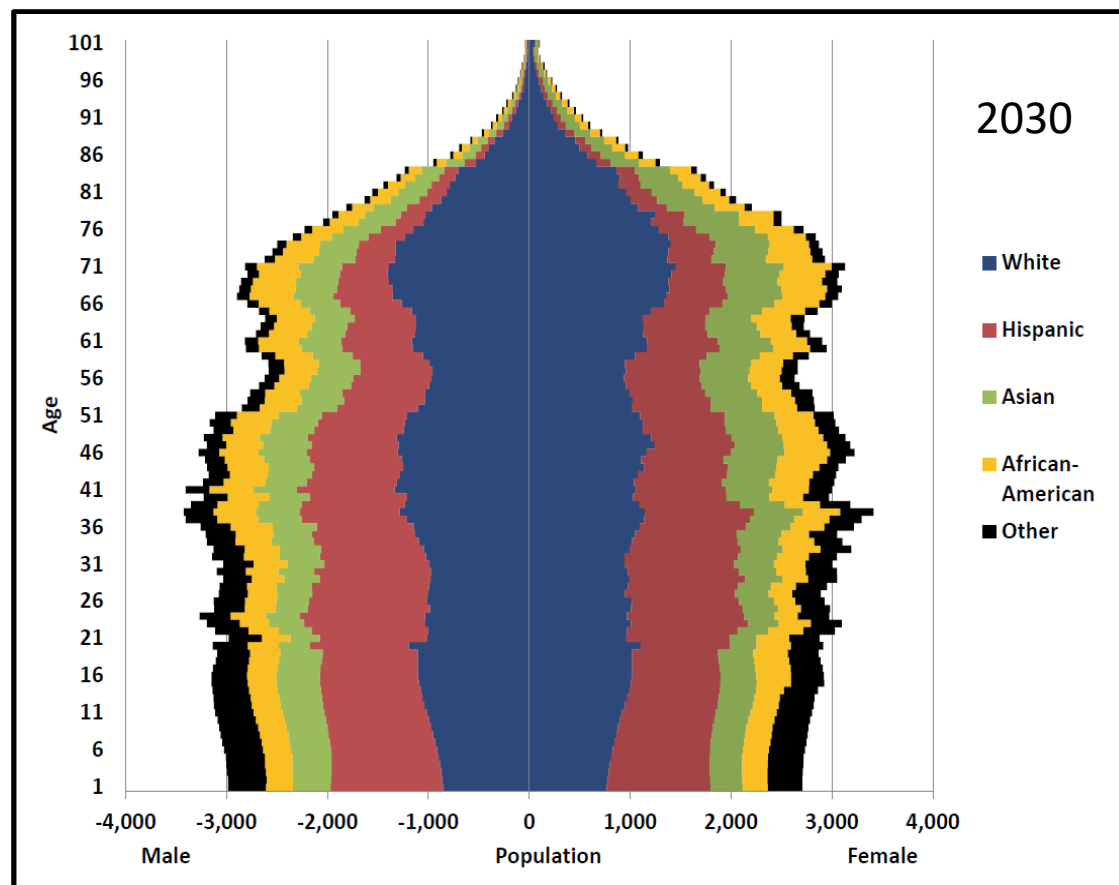
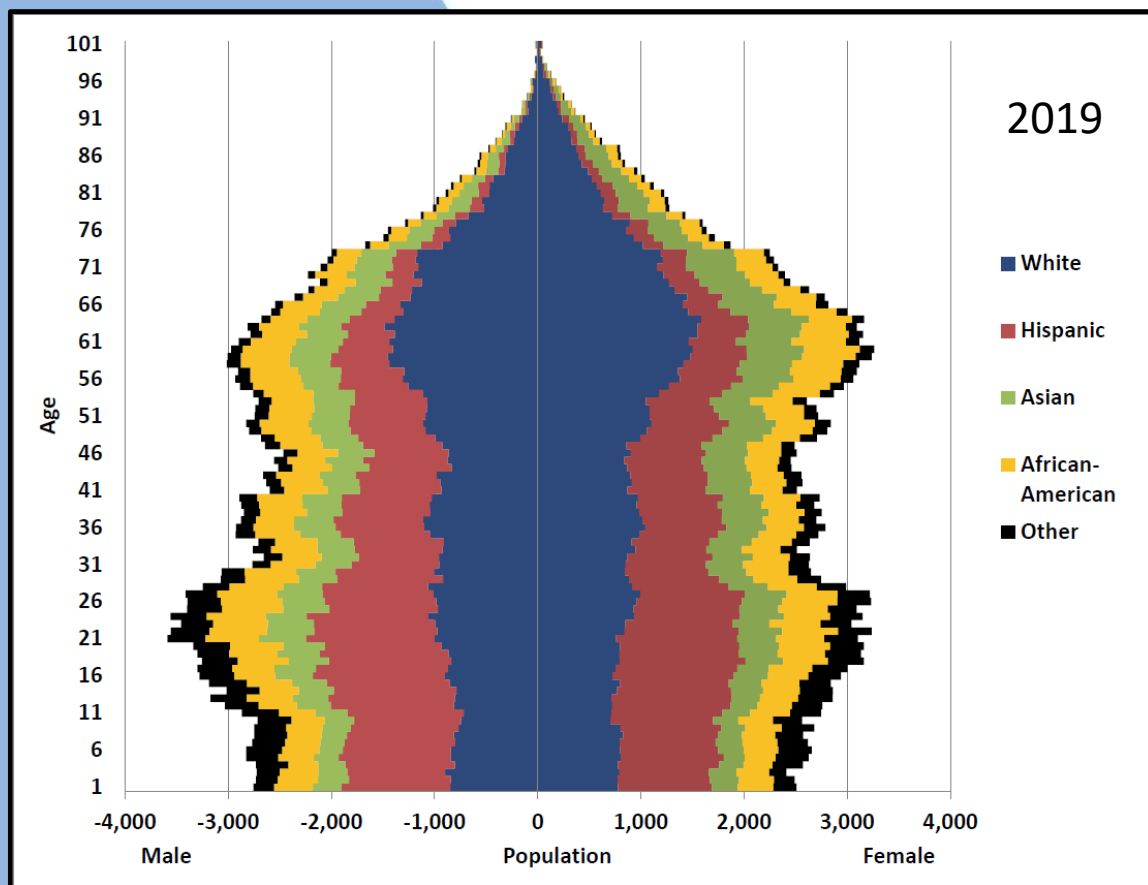
Population Growth, % change, 2002-18



Source: California Department of Finance, Demographic Research Unit (www.dof.ca.gov)



Population Pyramids, 2019 and 2030



Source: California Department of Finance, Demographic Research Unit (www.dof.ca.gov)

May 14, 2019

2018 Index Presentation

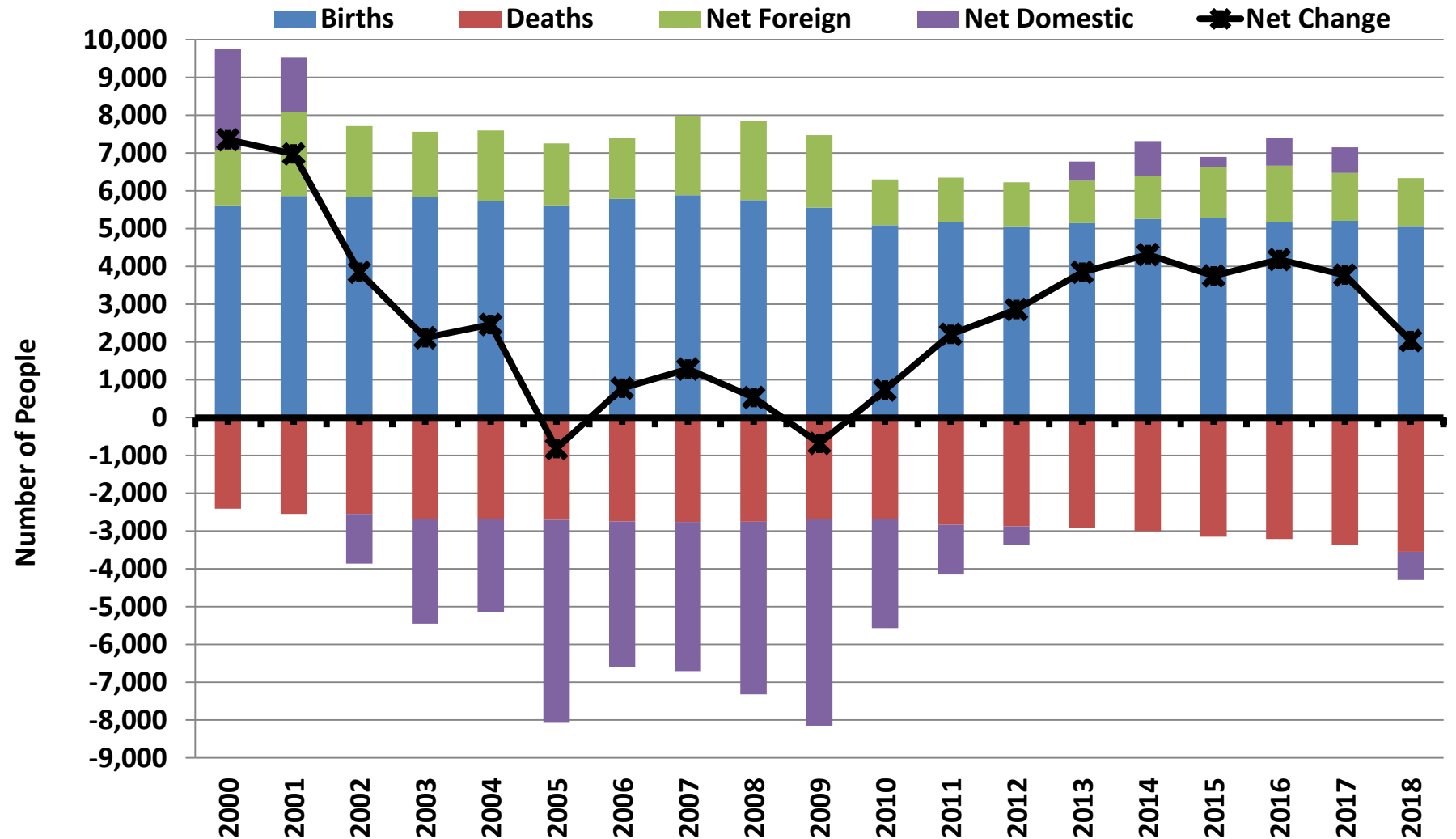


13





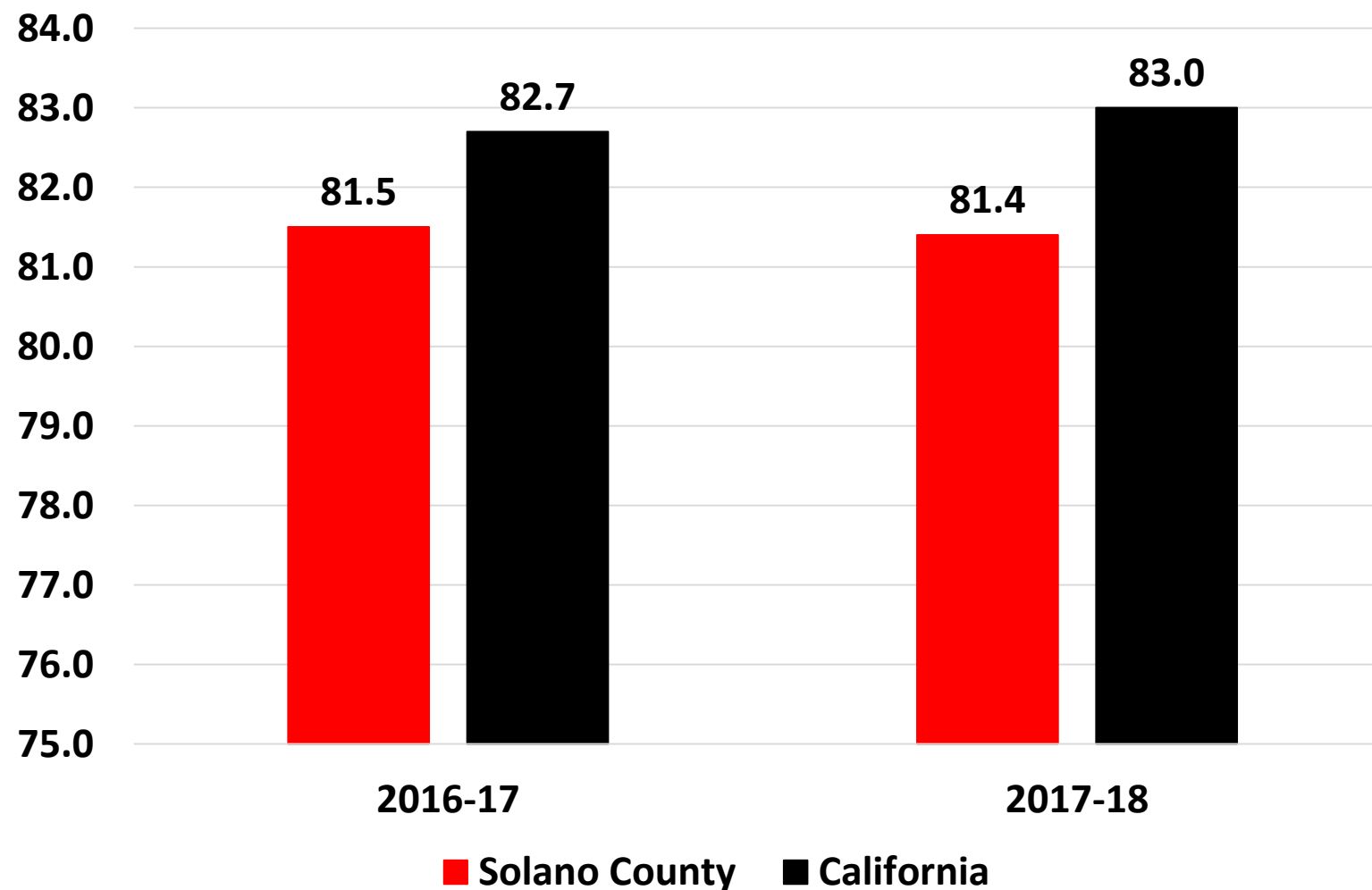
Population Growth Components, People, 2000-18



Source: California Department of Finance, Demographic Research Unit (www.dof.ca.gov)



Solano County High School Graduation Rates, % 2016-17 and 2017-18 Academic Years



Source: California Department of Education (cde.ca.gov), There was a methodology change that does not allow historic comparisons before 2016-17

May 14, 2019

2018 Index Presentation

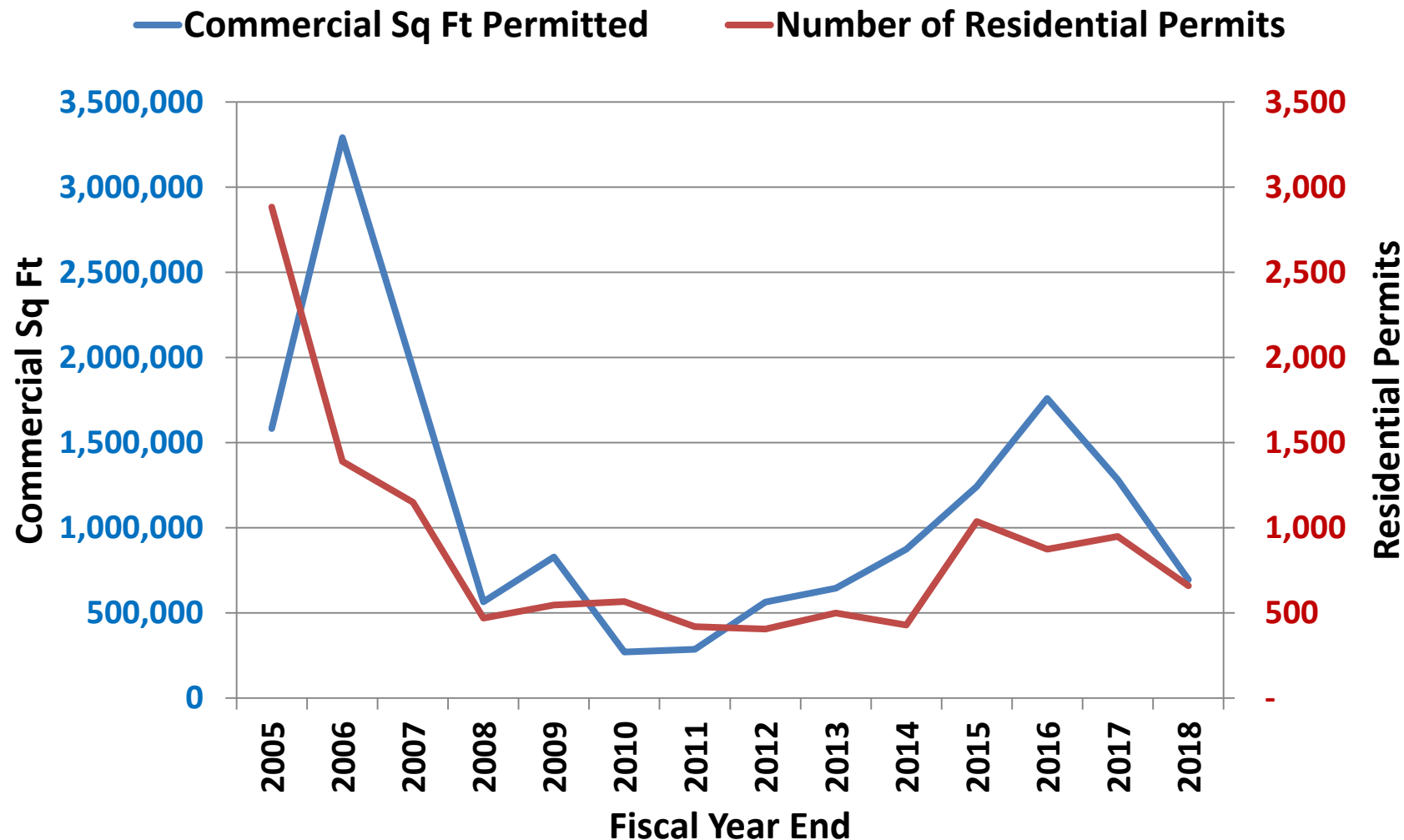


15



Building Permits, 2005-2018 Commercial ft² and Residential New Units Permitted, Fiscal Years

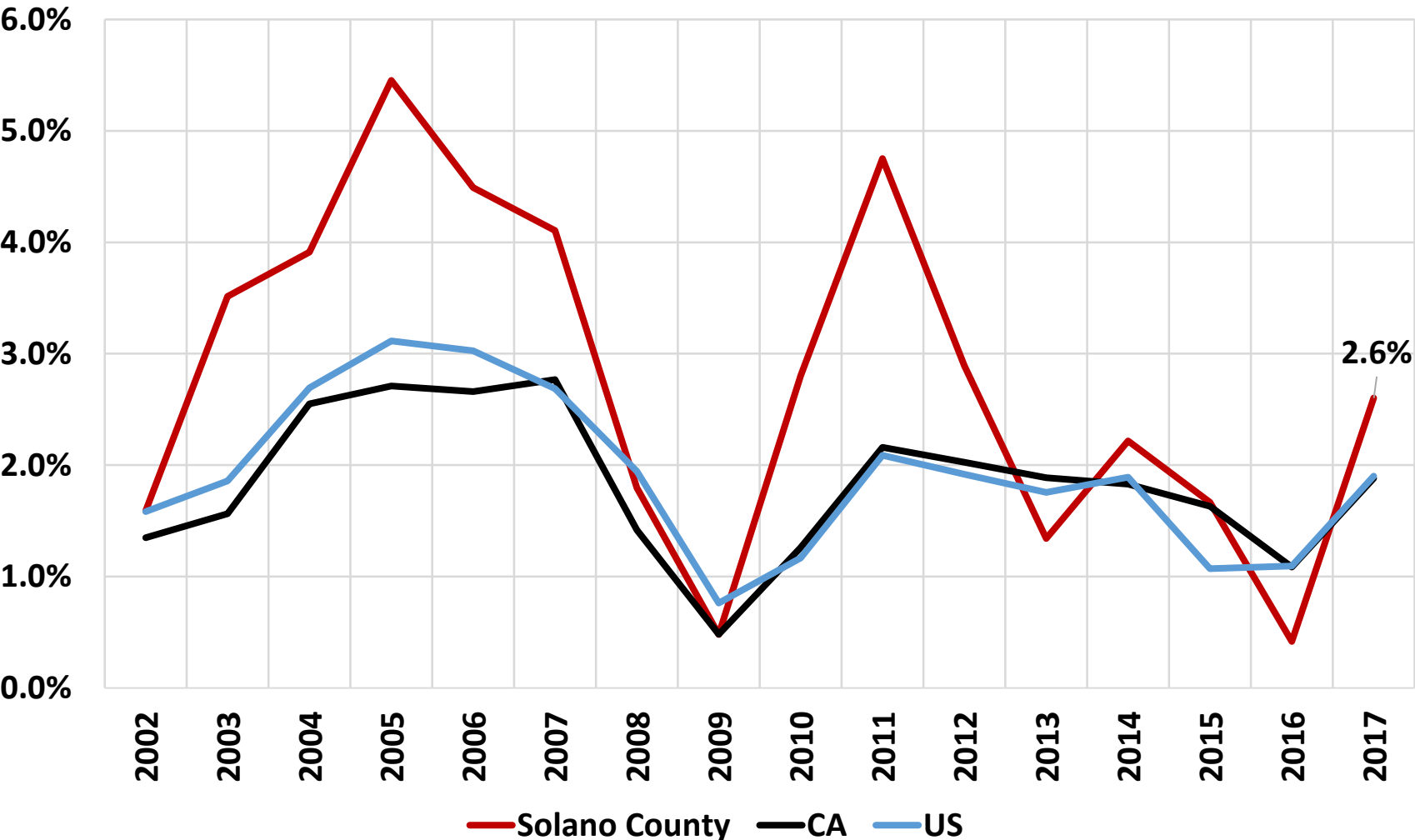
Sonoma County had 3,400 new residential permits in 2018 due to rebuild



Source: County of Solano



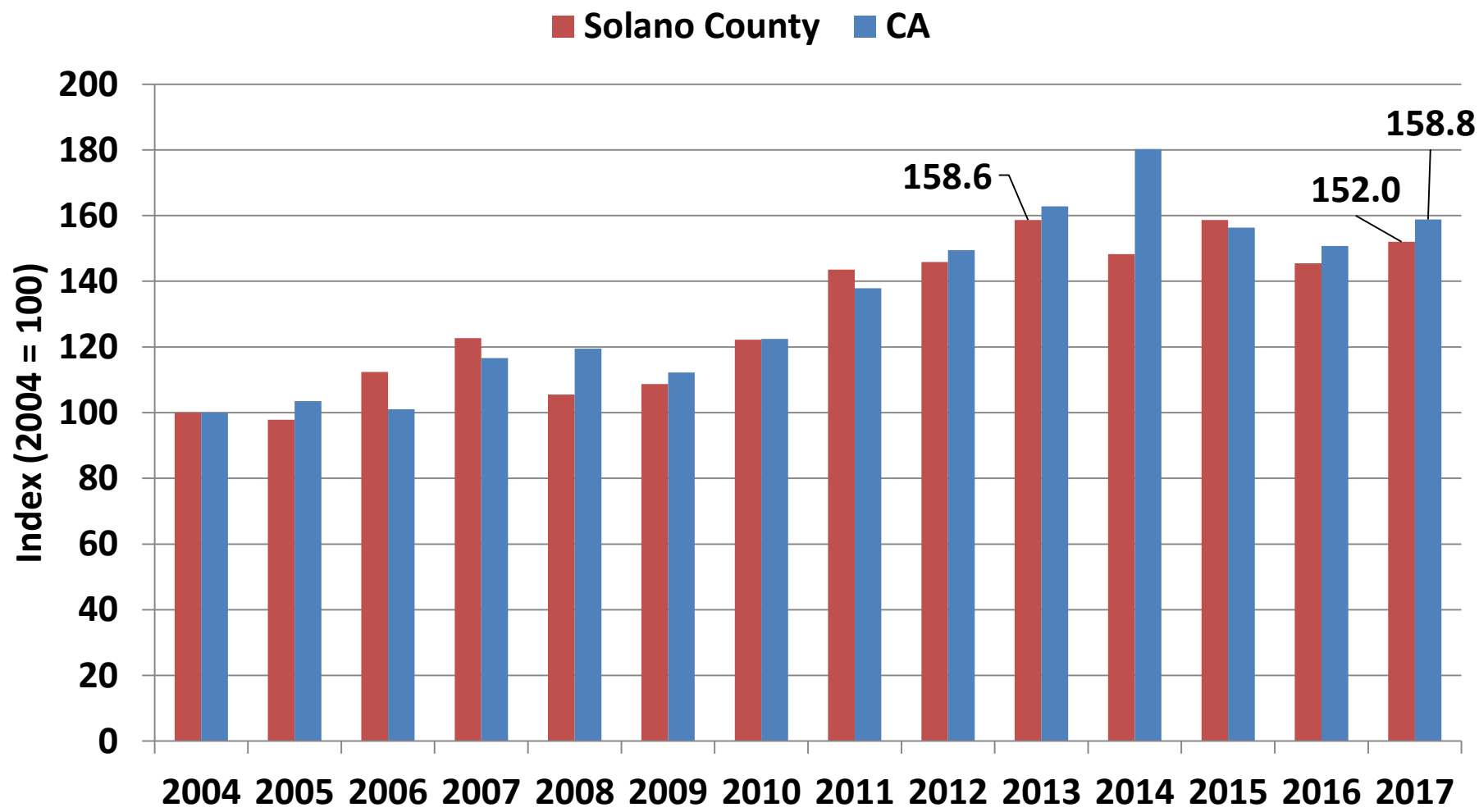
Gross Product Deflator (Cost of Living), % change, 2002 - 2017



Source: Bureau of Economic Analysis (www.bea.gov)



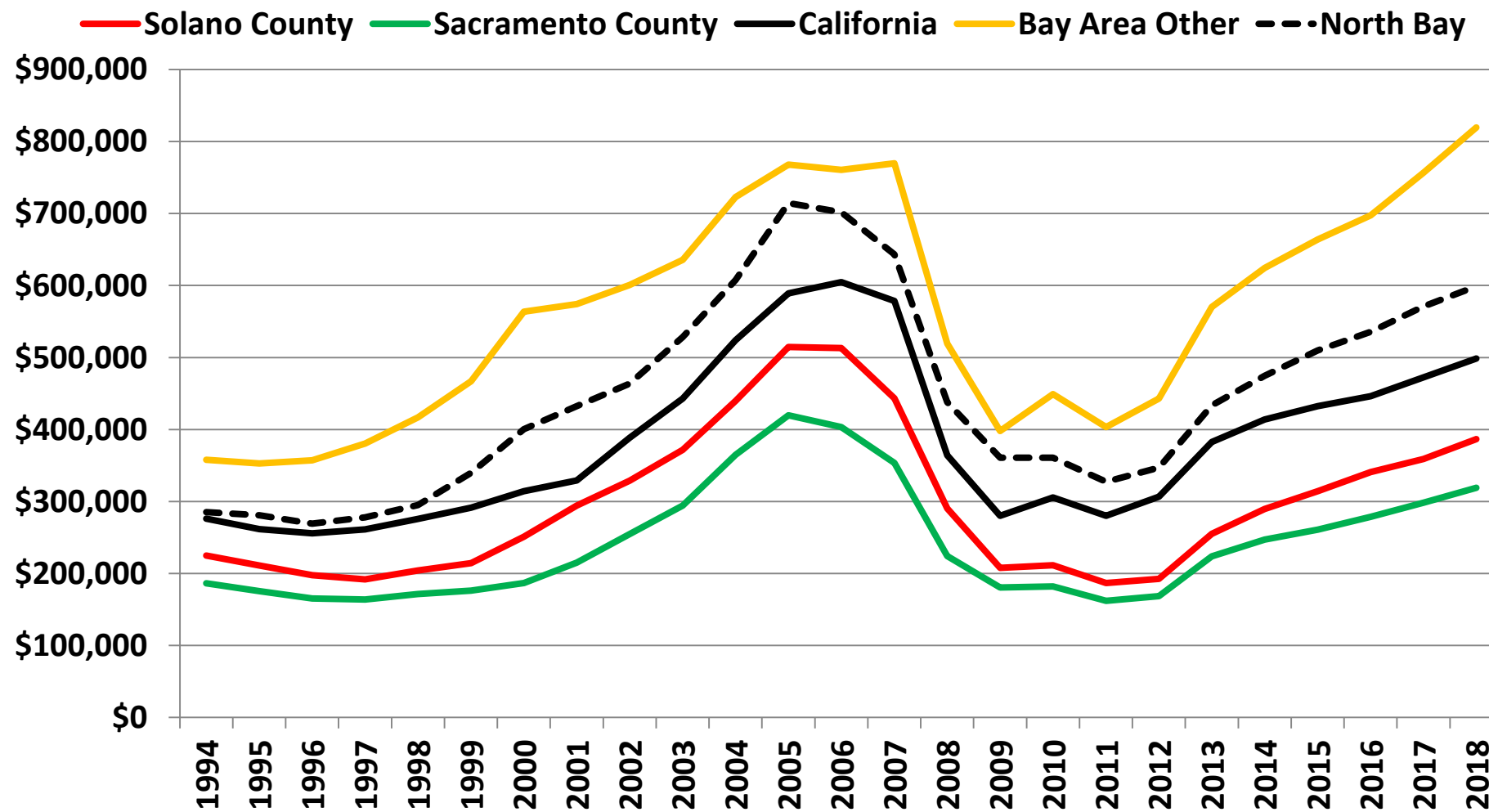
Agricultural Values, Gross Product in Ag, Solano County and California, Index 2004 = 100



Source: Solano County Agricultural Commissioner and Bureau of Economic Analysis (www.bea.gov)



Median Home Prices 1994 – 2018 (2009 Dollars)



Source: California Association of REALTORS



What Has Been Built? Change in Housing Units by Type

Place	2000-09	2000-09	2010-18	2010-18
	Single	Multifamily	Single	Multifamily
Benicia	442	371	35	0
Dixon	613	376	121	175
Fairfield	4,644	745	2,098	317
Rio Vista	1,890	-94	802	0
Suisun City	1,073	93	95	0
Vacaville	2,725	1,201	1,525	545
Vallejo	1,206	1,874	186	106
Solano County	13,244	4,393	4,929	1,143
California	1,057,766	334,727	221,208	261,724

Source: California Department of Finance (www.dof.ca.gov), January 1 Estimated Data for Each Year



Looking Toward 2025

- **Economic and workforce development**
 - Thinking about older residents
 - Thinking about our HS and Solano Community College graduates*
- **Federal Fiscal issues and Solano County**
 - Roadway infrastructure and priorities
 - Expect more deficit concerns toward 2025
 - Defense, the wall, health care, and more to be debated
- **Watching the Bay Area and California**
 - IF large Bay Area employers begin to reduce workforce en masse, a sign of turning the corner
 - No recession through 2022?? Maybe?



How is Solano County doing as a Community?

- **Solano County's communities better off in 2018**
 - Jobs and Incomes Continue to Rise, including wages
 - Construction Jobs growing
 - Home Values and Wealth Rising
 - Tax Receipts Rising
 - Poverty rates falling, standards of living up after inflation
- **Challenges and Opportunities: Jobs and Wages**
 - **Challenge** – Commuting Residents
 - **Challenge** – Construction Costs and Available Labor
 - **Opportunity** – Infrastructure Expansion: helps all
 - **Opportunity** – Workforce Development: seniors (high school) and seniors (elder adults)



Questions?

Robert Eyler, Ph.D.
President, Economic Forensics and Analytics
PO Box 750641
Petaluma, CA 94975-0641
eyler@econforensics.com