



2016 Santa Rosa: Local Economic Profile

2016
SONOMA
COUNTY

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Santa Rosa: Local Economic Profile

The Sonoma County Economic Development Board (EDB), in partnership with the Sonoma County Workforce Investment Board (WIB) and the City of Santa Rosa is pleased to present the *2016 Santa Rosa Local Economic Profile*.

Highlights from this *Local Economic Profile* include:

- Santa Rosa's seasonally unadjusted unemployment rate was 4.8% in June 2015, higher than Sonoma County (4.3%), but lower than California (6.2%) and the nation (5.5%) for the same month.
- Between 2000 and 2015, the median household income in Santa Rosa grew by 13% to \$57,602. Looking into 2020, this growth is expected to continue, with median income rising to \$67,708, an increase of 17.5% from 2015.
- In the second quarter of 2015, Retail and Office vacancy rates in Santa Rosa have leveled off at 3.3% and 16.1% respectively, while the Industrial vacancy rate fell to 8.7%
- The median home price in Santa Rosa rose 10.8% to \$420,000 in 2014, while the number of units sold dropped 13.8% between 2012 and 2014 to 2013 units sold.
- The average SAT score for a student from Santa Rosa City Schools in the 2013-14 school year was 1632. This places the school district above the county average of 1578, as well as the state average of 1487.

While every effort was made to ensure this report contained up-to-date information, certain data was unavailable at the time this report was released; thus, some figures may reflect years previous to 2015.

Thank you for your interest in the Economic Development Board's research. For additional information, questions, comments, or suggestions please contact us at (707) 565-7170 or visit www.sonomaedb.org. For other city-specific questions, please visit www.ci.santa-rosa.ca.us or/and www.santarosachamber.com.

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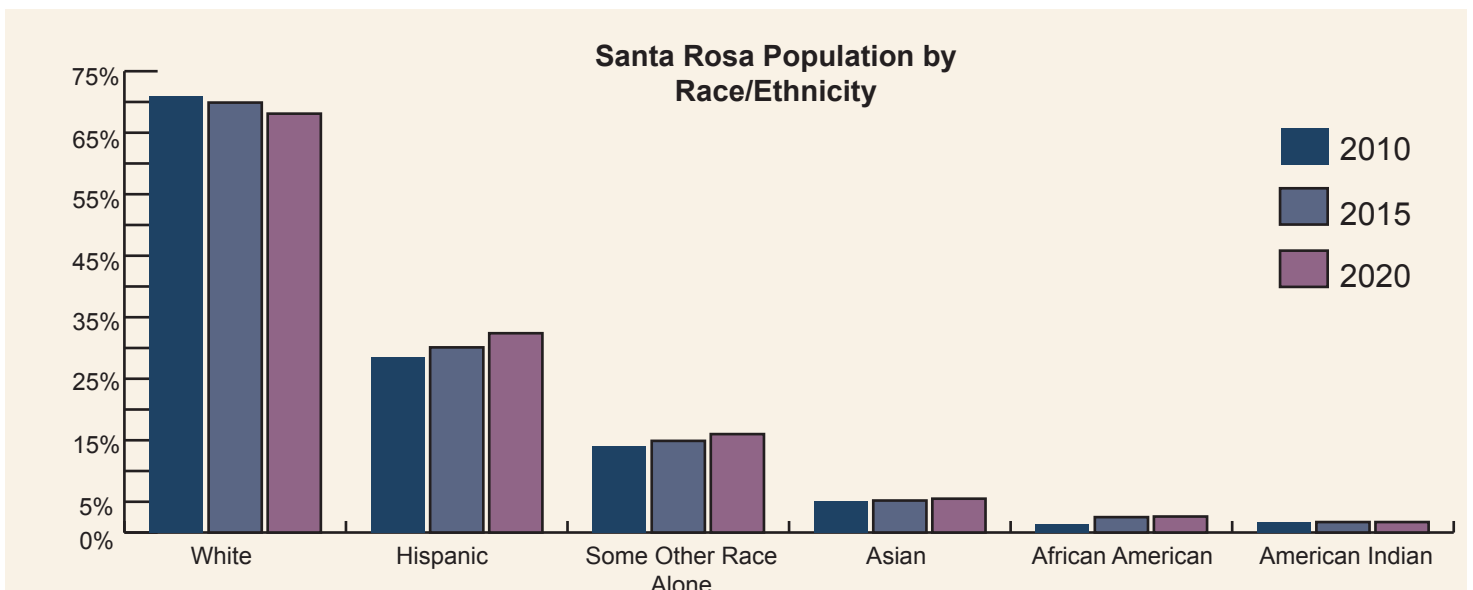
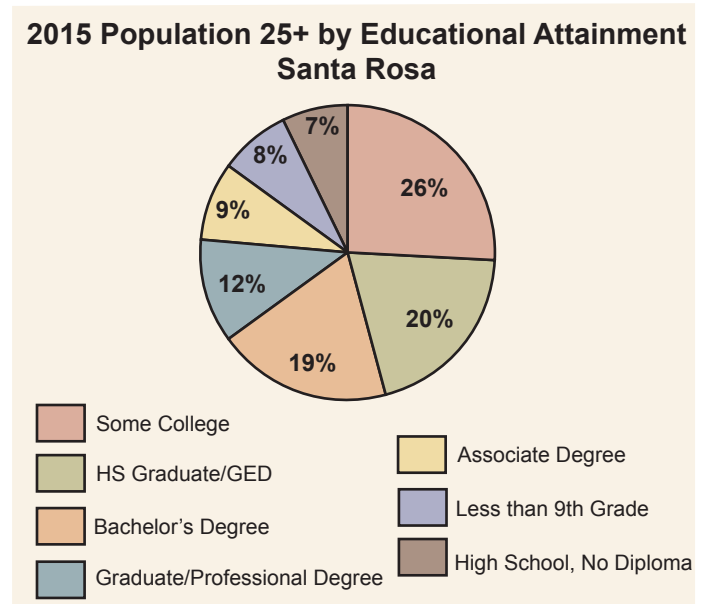
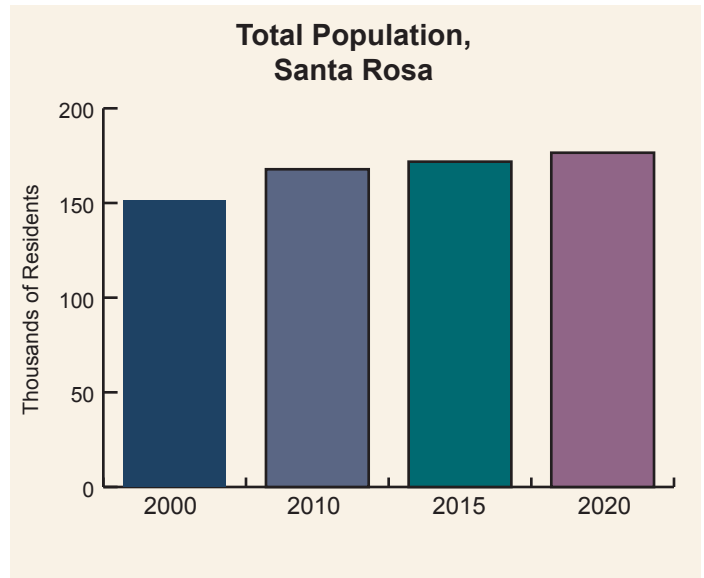
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Population & Demographics

The population of Santa Rosa in 2015 was 171,827, and according to Environmental Systems Research Institute (ESRI) projections, it is expected to rise about 2.7% to 176,549 by 2020. This is on par with the projected population increase of 2.7% for Sonoma County over the same period. From 2000 to 2015, Santa Rosa's population grew about 13.5%.

In 2015, in the population of those 25 and older, 20% of residents had obtained a High School Diploma. This is on track with Sonoma County in the same year with 20% of residents obtaining diplomas. The category of Some College consists of individuals who have taken college courses but who have never received their degree. **In 2015, about 19% of residents had obtained a Bachelor's Degree and around 12% had received a Graduate or Professional Degree.**

A trend we see moving into 2020 is the increase in the Hispanic population in Santa Rosa. **Between 2010 and 2020 there is predicted to be an 3.8 percentage point increase.** In Sonoma County, there will be a 4 percentage point increase overall in the Hispanic population.



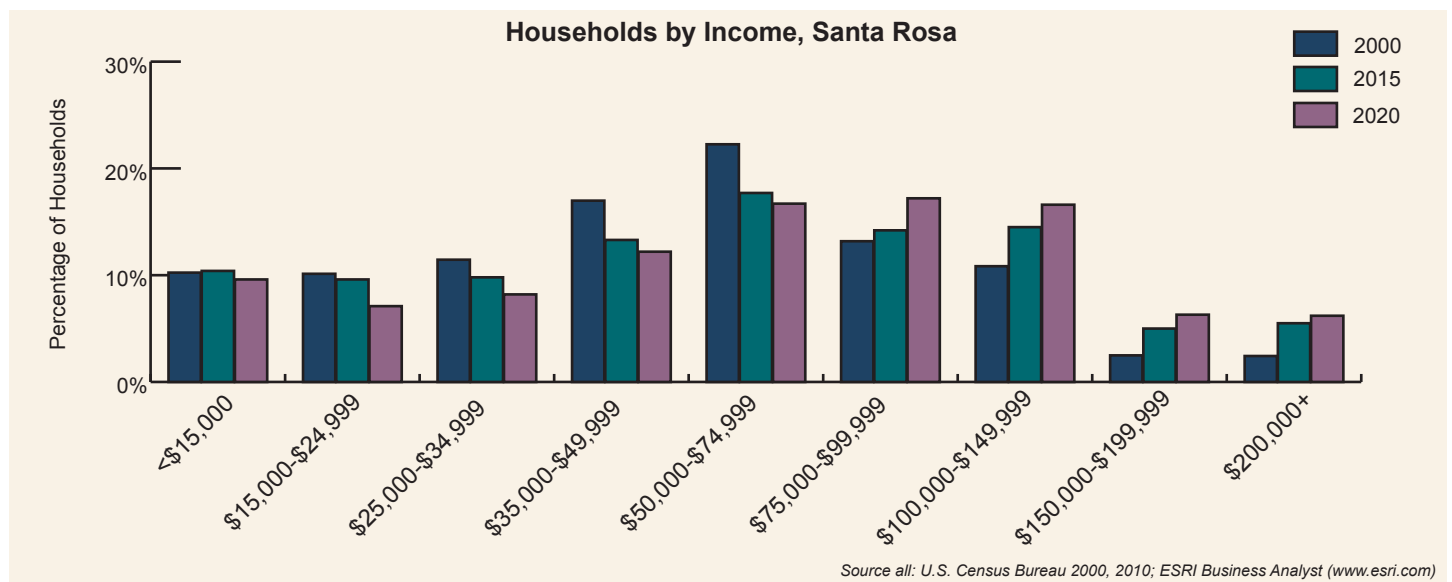
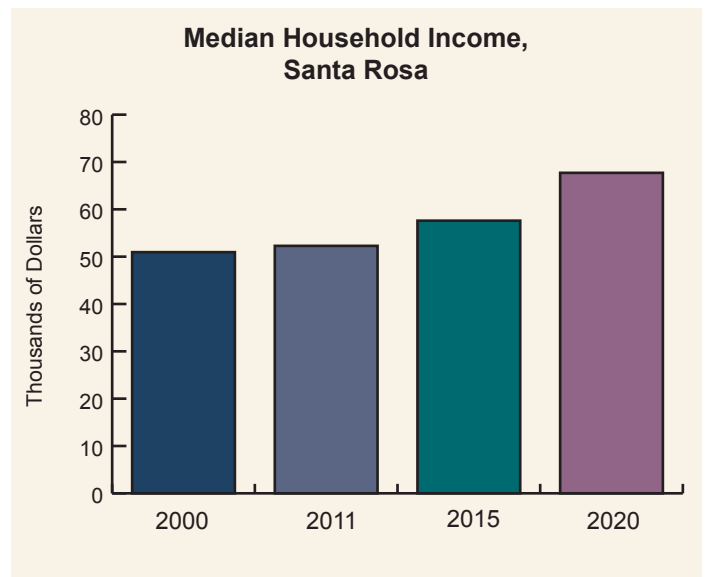
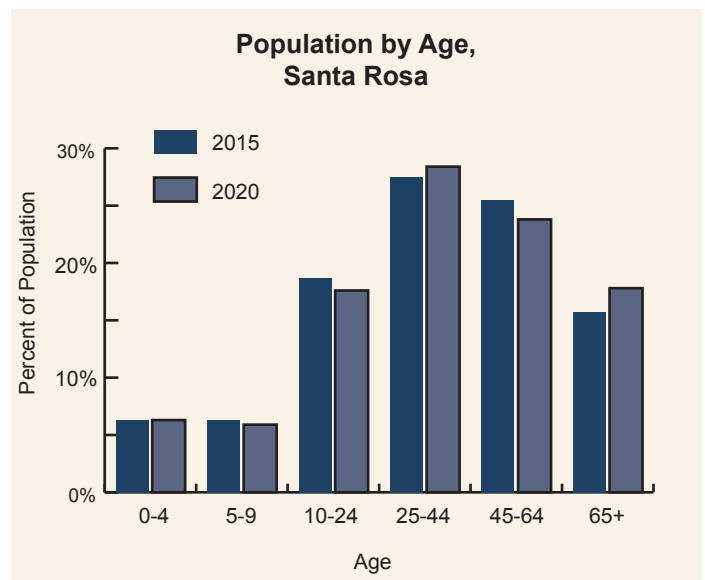
Population & Income Projection

The population by age in Santa Rosa in 2015 and 2020 follows a wide distribution, and according to Environmental Systems Research Institute (ESRI) projections, the 65 and older population is expected to increase the greatest amount by 2020. This is creating a decrease in individuals 10-24 and 45-64 between 2015 and 2020.

Between 2000 and 2015, the median household income in Santa Rosa grew by 13% to \$57,602. Looking into 2020, this growth is expected to continue with median income rising to \$67,708, an increase of 17.5% from 2015.

As income in Santa Rosa rose between 2000 and 2015, the percentage of households earning less than \$35,000 was reduced by 2 percentage points. The fastest growing income range was \$100,000-\$149,999, followed by gains in the \$150,000-\$199,999 and \$200,000+ ranges.

A trend that remains consistent into 2020 is the shrinking percentage of households earning less than \$35,000. The proportion of households in this range will decrease by 5 percentage points from 2015 to 2020. This trend, coupled with the increasing proportion of households earning over \$75,000, will result in further concentration of households in higher-income tiers.



Source all: U.S. Census Bureau 2000, 2010; ESRI Business Analyst (www.esri.com)

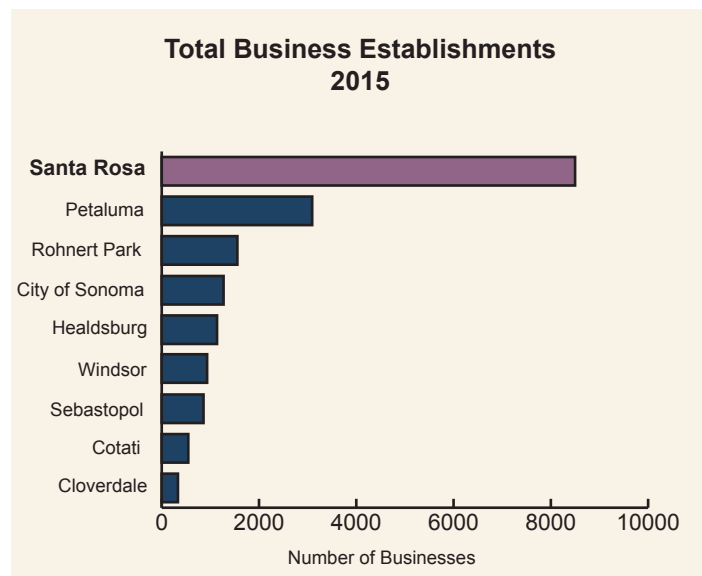
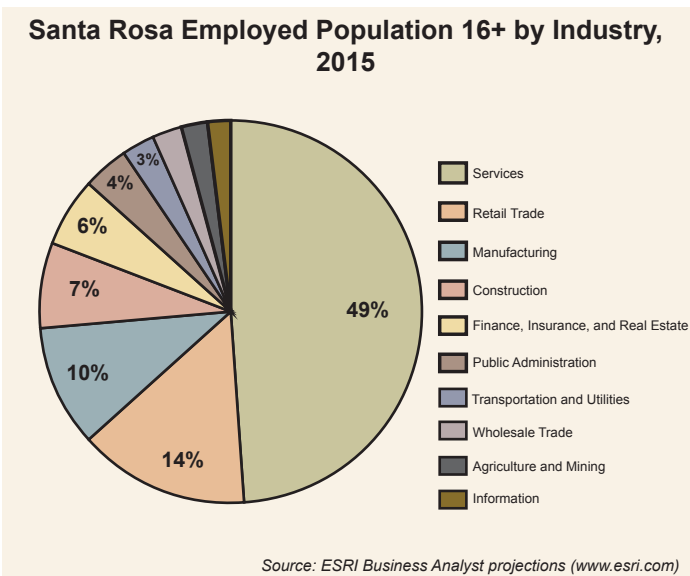
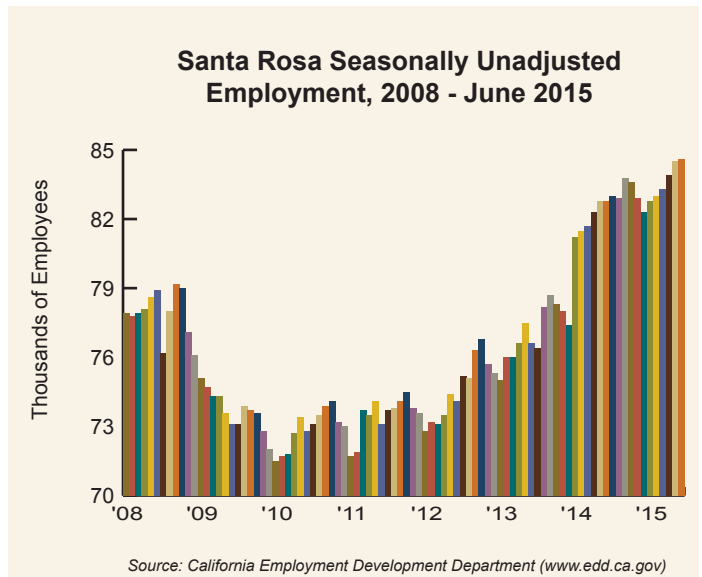
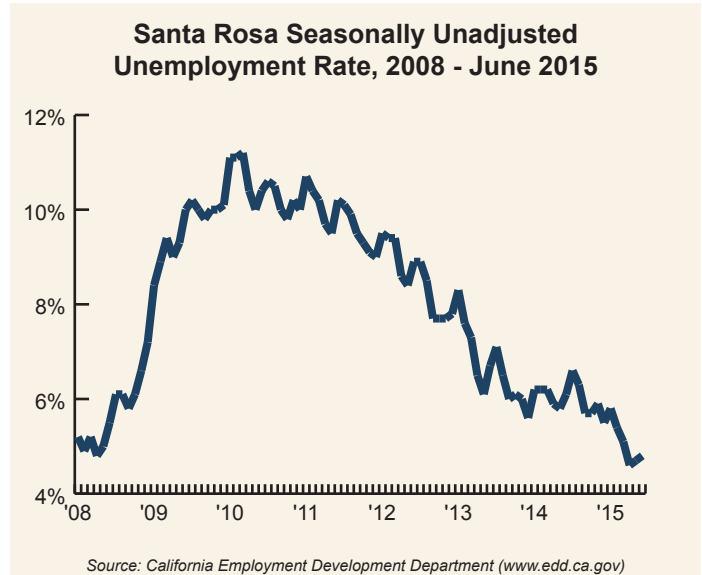
Employment

Santa Rosa's seasonally unadjusted unemployment rate was 4.8% in June 2015, higher than Sonoma County (4.3%) for the same month. Compared to June of the previous year, Santa Rosa's unemployment rate is down 1.3 points from 6.1%. Unemployment remains significantly lower in Santa Rosa compared to its peak of 11.2% in March of 2010. Santa Rosa's unemployment rate is below the state (6.2%), and the nation (5.5%).

Total employment in Santa Rosa was 84,600 in June 2015, which is up 2% from a year earlier. Although it is following an increasing trend, we are noticing a pattern of seasonal employment spikes in the numbers.

The total number of business establishments in 2015 in Santa Rosa is 8,498. Sonoma County has about 25,800 business establishments.

About 49% of Santa Rosa's employed population is in the category of Services, which includes education, health care, tourism and legal services. The second largest sector is Retail Trade, followed by Manufacturing. The high percentage of employees working in Manufacturing, Construction, and Finance, Insurance, and Real Estate points toward economic expansion in Santa Rosa and throughout Sonoma County.



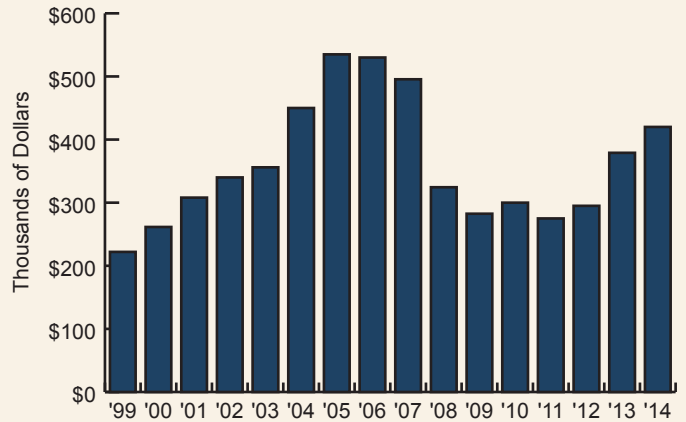
Residential Real Estate

Median home prices in Santa Rosa rose 10.8% from 2013 to 2014. The median home price in Santa Rosa has been trending upward since 2011, and reached \$420,000 in 2014. This is still below the pre-recession peak of \$535,000 in 2005.

The total number of houses sold in Santa Rosa has been declining since 2012. Home sales are down by 270 for a total of 2013 houses sold in 2014, a decrease of 13.8% over the past two years. This decrease is likely due to the rising housing prices in Santa Rosa and throughout Sonoma County.

The average sales price of a home in Santa Rosa for 2014 was \$508,331. The average sales price of a home in Santa Rosa is only \$63,597 lower than the County average, placing it in the middle of price spectrum for homes in the county.

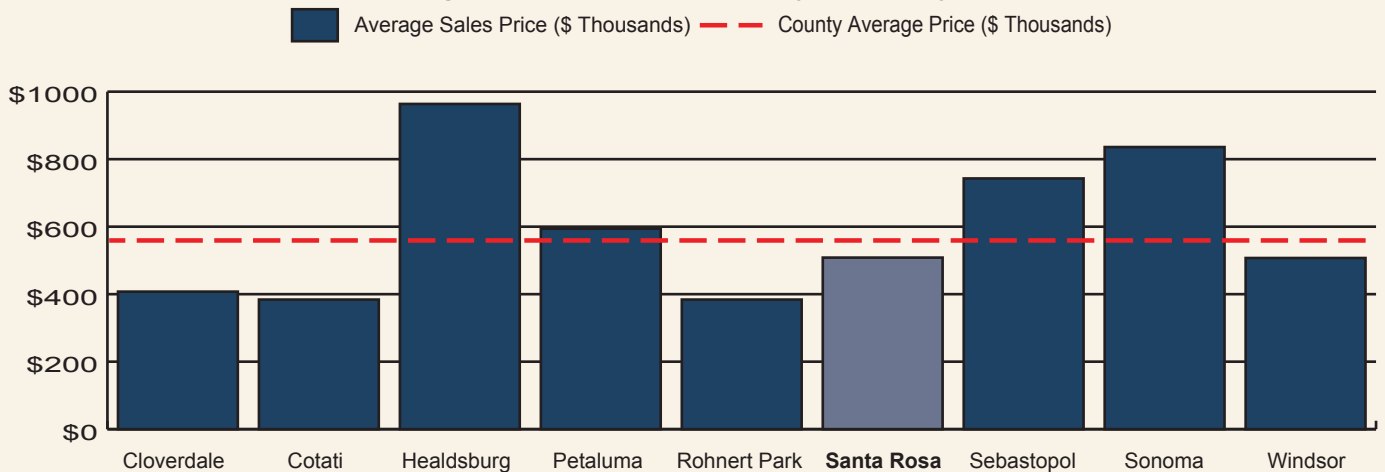
Median Price of an Existing Home in Santa Rosa, 1999-2014



Total Number of Houses Sold in Santa Rosa, 1999-2012



Average Sales Price (\$ Thousands) by Sub-County Area, 2014



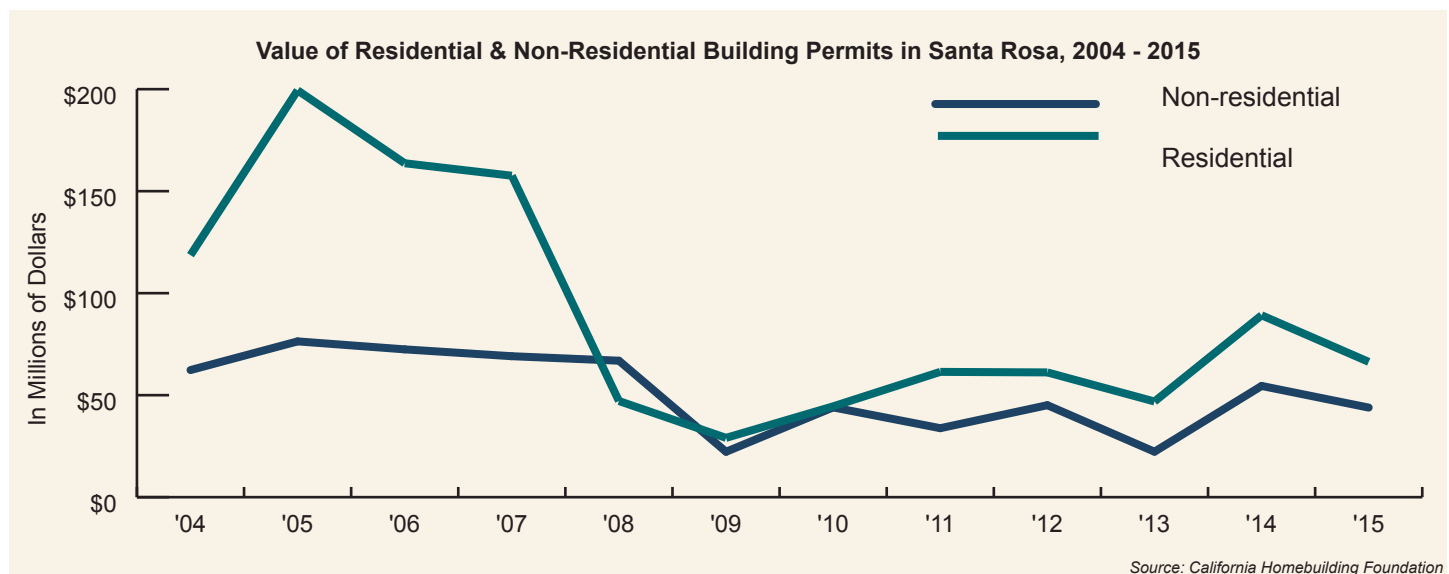
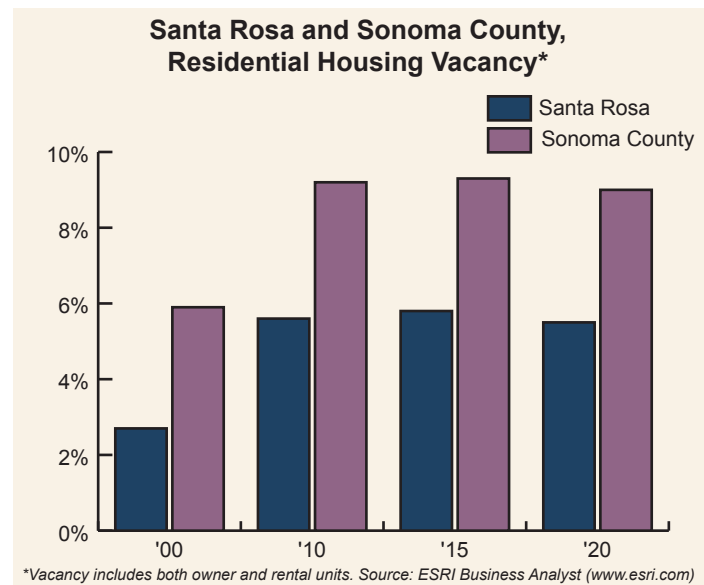
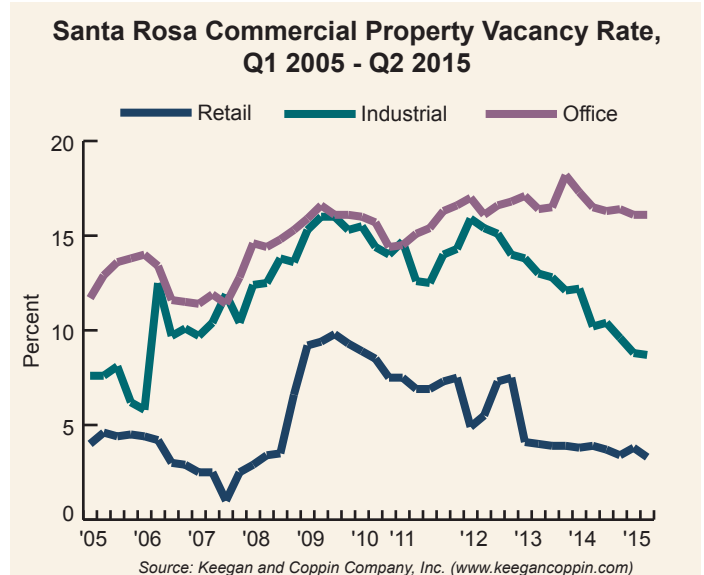
Source all: Bay Area Real Estate Information Services (www.bareis.com)

Real Estate & Construction

Retail and Office vacancy rates in Santa Rosa have leveled off throughout 2014 and the first two quarters of 2015, while the Industrial vacancy rate continues to fall. In the second quarter of 2015, the office vacancy rate was 16.1%, the industrial vacancy rate was 8.7%, and the retail vacancy rate was 3.3%.

Santa Rosa's residential housing vacancy has been historically lower than Sonoma County's and this is projected to continue into 2020. From 2000 to 2015, Santa Rosa's residential housing vacancy rate increased 3.2 percentage points, compared to a 3.4 percentage point gain across the county. Santa Rosa's residential housing vacancy is expected to fall 0.3 percentage points from 5.8% in 2015 to 5.5% in 2020.

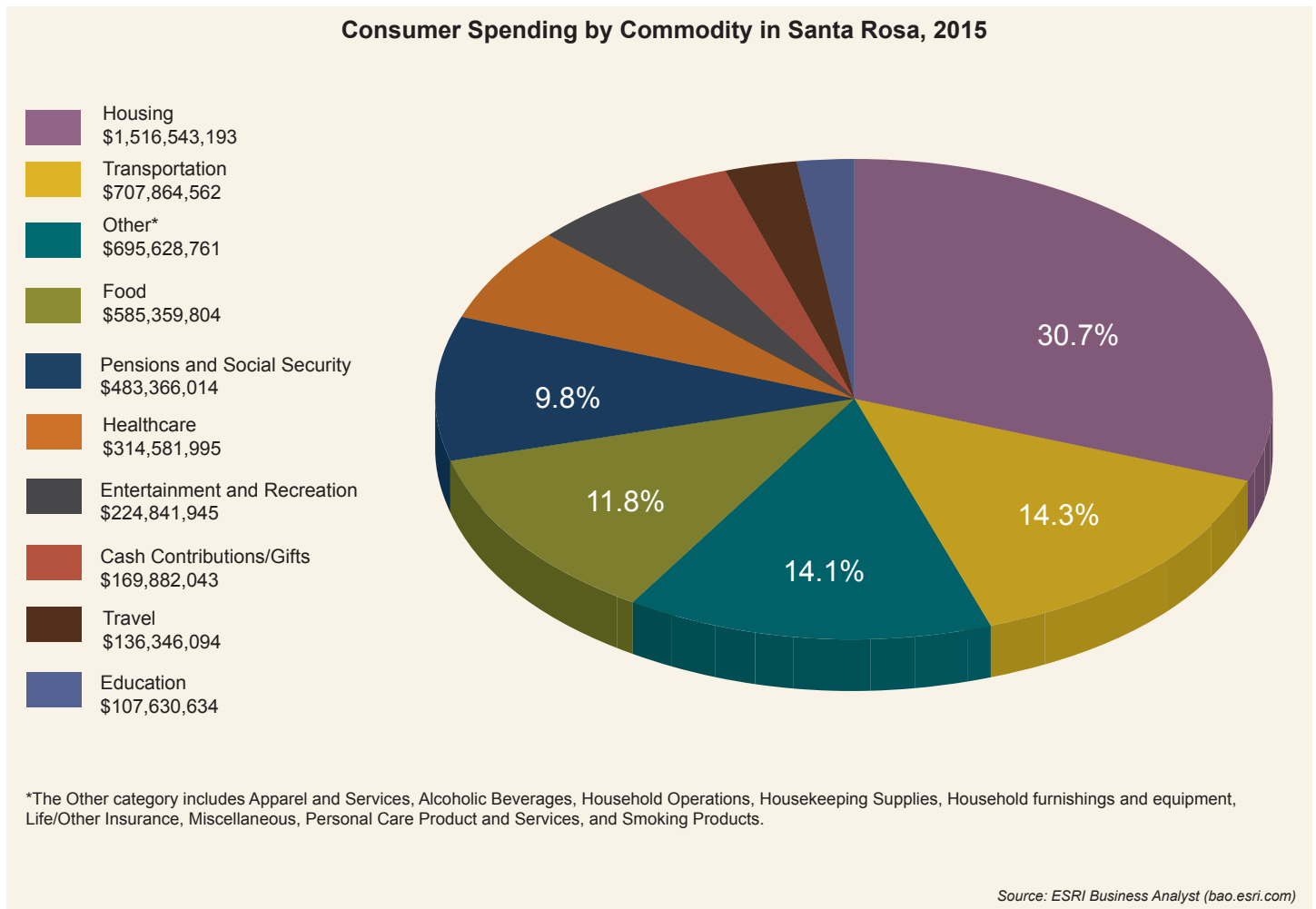
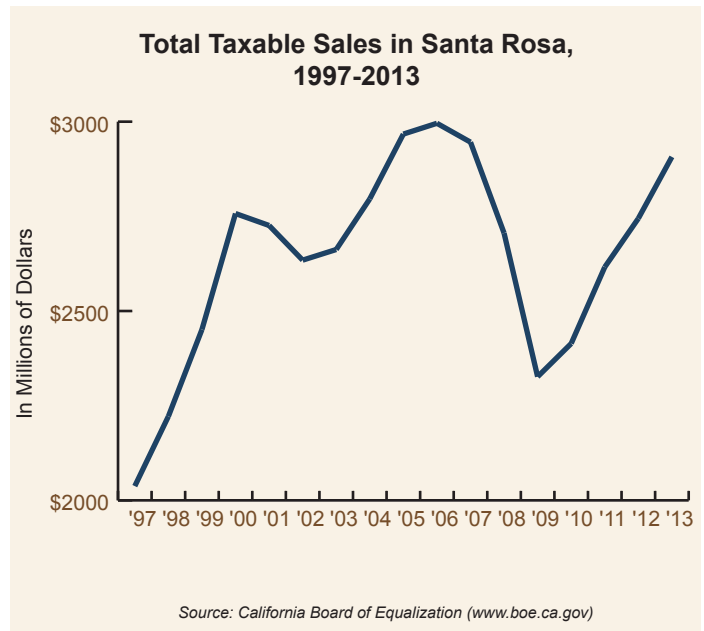
The values of residential and non-residential building permits in Santa Rosa in July 2015 were \$66,328,197 and \$43,911,491, respectively. Building permit values reflect trends in construction activity, and both residential and non-residential permits have fluctuated, increasing in 2014 and tapering off slightly in 2015.



Consumer Spending & Taxable Sales

Santa Rosa's taxable sales have continued increasing with a gain of 6% in 2013. The gain seen in 2013 is consistent with the positive economic activity across Sonoma County. The county saw an increase of 8.6% in taxable sales in 2013, while the state rose by 5%.

Compared to the national average, residents of Santa Rosa spend more on housing, education, other and travel. The categories of housing, transportation, other, and food account for more than 70% of spending for households in Santa Rosa.

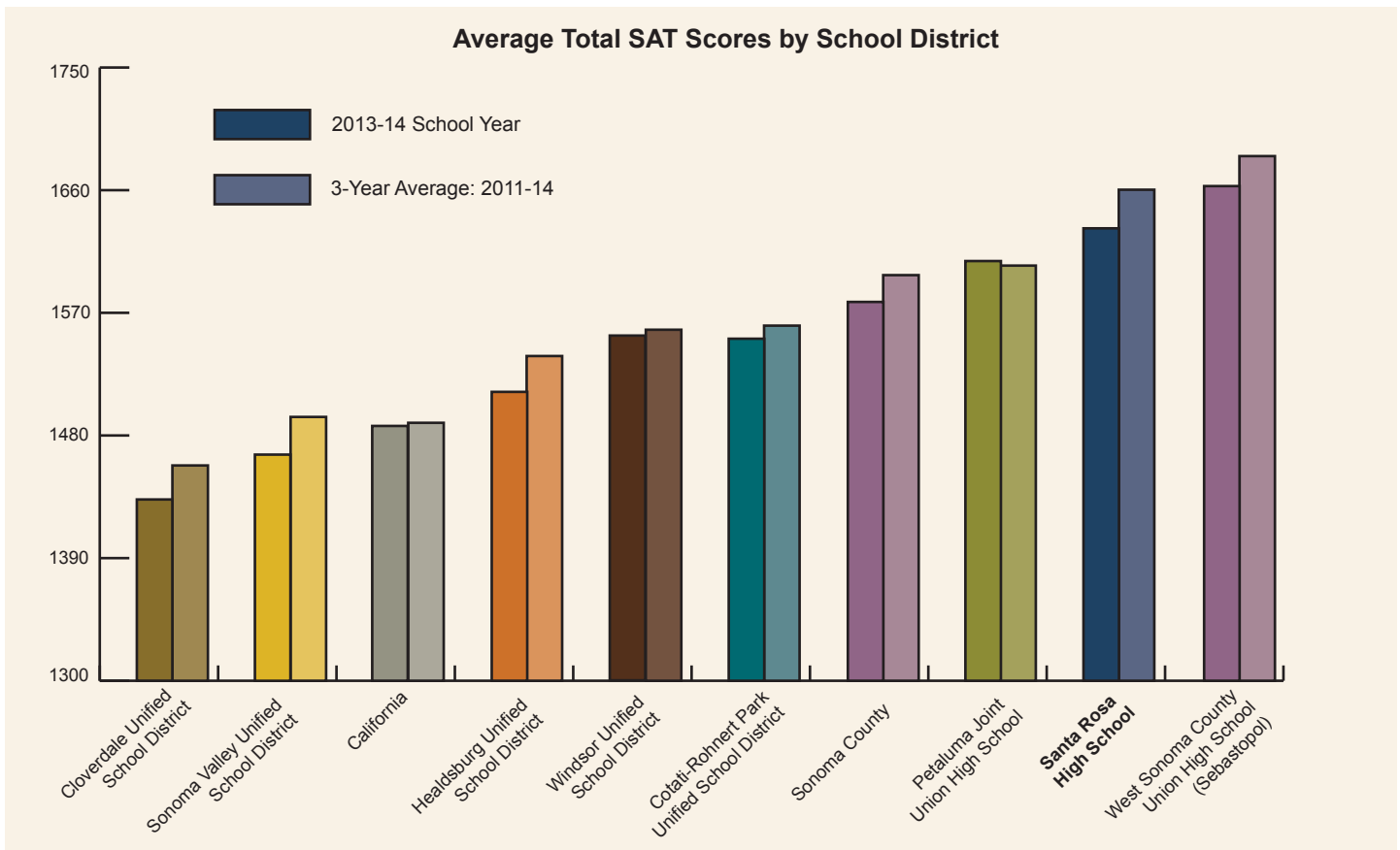
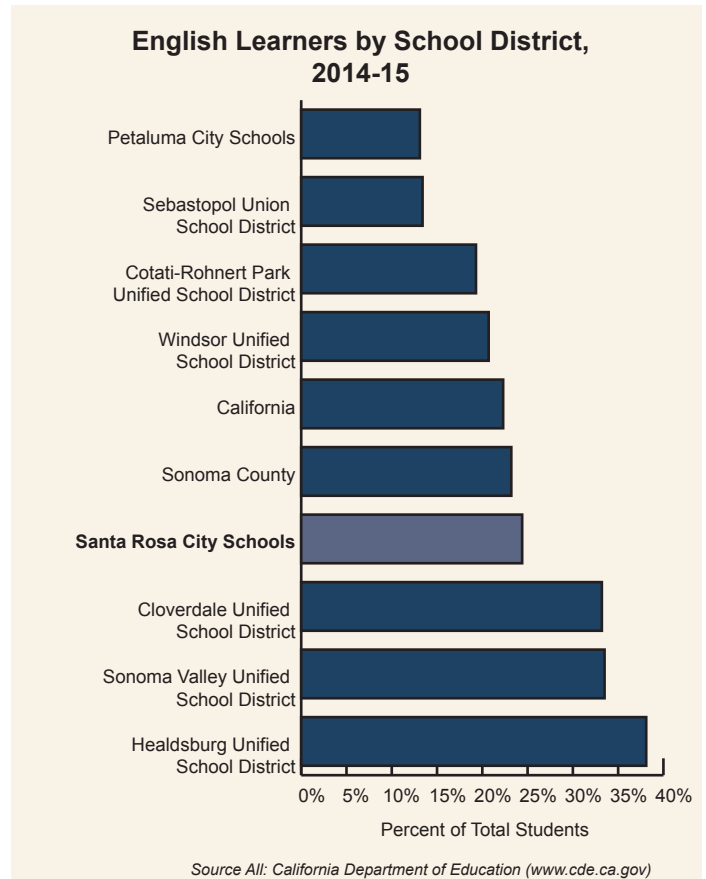


Education

The percentage of English learners in Santa Rosa City Schools is 24.4%. This includes both the Santa Rosa Elementary and Santa Rosa High districts. The ratio of English learners in Santa Rosa City Schools is above both the county average of 23.2%, as well as the state average of 22.3%.

The average SAT score for a student from Santa Rosa High School in the 2013-14 school year was 1632. This places Santa Rosa High School above the county average of 1578, as well as the state average of 1487.

For a complete listing of the particular schools located in each district, please visit the Sonoma County Office of Education's website at: <http://www.scoe.org/pub/htdocs/finddistrict.html>



City Data Snapshot

	Total Population 2015	Unemployment Rate June 2015	Median Household Income 2015	Average Sales Price of a Home 2014	Percentage of English Learners 2014-15	Average Total SAT Scores 2013-14
Cloverdale	8,858	3.7%	\$57,643	\$407,515	33.2%	1433
Cotati	7,399	5.7%	\$62,498	\$383,993	19.3%	1551
Healdsburg	11,681	3.7%	\$61,950	\$963,632	38.1%	1512
Petaluma	59,322	3.3%	\$75,655	\$594,029	13.1%	1608
Rohnert Park	41,967	4.5%	\$58,719	\$383,993	19.3%	1551
Santa Rosa	171,827	4.8%	\$57,602	\$508,331	24.4%	1632
Sebastopol	7,490	3.7%	\$57,607	\$742,854	13.4%	1663
City of Sonoma	11,202	3.9%	\$59,596	\$835,899	33.5%	1466
Windsor	27,221	3.7%	\$77,205	\$507,146	20.7%	1553
Sonoma County*	494,431	4.3%	\$61,807	\$571,928	23.2%	1578

Note on Data Sources

The *2016 Santa Rosa Local Economic Profile* is a brief summary on various demographic, economic and social aspects of Santa Rosa. Economic Development Board (EDB) research originates from information available from outside resources and previously published material. The *2016 Santa Rosa Local Economic Profile* offers partial or composite representations of raw data and cites respective source data sets. For more information, please see the listed sources.

The *Local Economic Profile* does not provide complete in-depth analyses of all facets of the incorporated cities or the county. The EDB believes all data contained within this report to be accurate and the most current available, but does not guarantee its accuracy or completeness. Use of data from an outside source does not represent an endorsement of any product or service by the EDB, its members or affiliates.

The *2016 Santa Rosa Local Economic Profile* was developed from national and local data sources. Interested readers are encouraged to contact data source agencies or organizations for further research. Readers are also invited to suggest for future reports by calling (707) 565-7170 or e-mailing edb@sonoma-county.org.

Sources

Bay Area Real Estate Information Services

California Board of Equalization

California Department of Education

California Employment Development Department

California Homebuilding Foundation

ESRI Business Analyst

Keegan and Coppin Company

U.S. Census Bureau

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