Report developed by the Sonoma County Economic Development Board in partnership with the City of Santa Rosa and the Santa Rosa Metro Chamber of Commerce
# ECONOMIC DEVELOPMENT BOARD

## BOARD OF DIRECTORS

<table>
<thead>
<tr>
<th>Name</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>PAM CHANTER, CHAIR</td>
<td>Chair</td>
</tr>
<tr>
<td>JORGE ALCAZAR</td>
<td></td>
</tr>
<tr>
<td>SKIP BRAND</td>
<td></td>
</tr>
<tr>
<td>TERRI DENTE</td>
<td>Director</td>
</tr>
<tr>
<td>TERRY GARRETT</td>
<td>Director</td>
</tr>
<tr>
<td>KATHRYN HECHT</td>
<td>Director</td>
</tr>
<tr>
<td>LINDA KACHIU</td>
<td>Director</td>
</tr>
<tr>
<td>WAYNE LEACH</td>
<td>Director</td>
</tr>
<tr>
<td>MICHAEL NICOLLs</td>
<td>Director</td>
</tr>
<tr>
<td>MICHAEL TOMASINI</td>
<td>Director</td>
</tr>
<tr>
<td>BEN STONE, Executive Director</td>
<td></td>
</tr>
</tbody>
</table>

## EDB FOUNDATION SPONSORS

### FOUNDATION LEVEL

- Luther Burbank
  - Savings

### PRESENTING LEVEL

- Sonoma Raceway
- City of Santa Rosa
- Redwood Credit Union
- Exchange Bank
- Pacific Gas and Electric Company
- Kaiser Permanente
- Tri Counties Bank

### PREMIER LEVEL

- Bank of Marin
- Sonoma CleanPower
- St. Joseph Health
- ETP Energy Partners

### EXECUTIVE LEVEL

- American River Bank
- Comcast
- Keggan & Cophin Co.
- Midstate Construction
- Norbar
- Sonoma County Alliance
- Summit State Bank
- Vantreo Insurance
- Wells Fargo
- Zainer Rinehart Clarke

### MEDIA LEVEL

- Sonoma County Board of Supervisors
- Business Journal
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EXECUTIVE SUMMARY

Highlights from this year’s report include:

- Santa Rosa’s population grew to 177,684 in 2017, and is projected to reach 184,393 in 2022. This five-year growth projection is the fifth-fastest of Sonoma County’s nine incorporated cities, at 3.8%. The city’s median age in 2017 was 38.3, about three years lower than the county average.

- Santa Rosa experienced the second-highest unemployment rate among Sonoma County’s cities at 3.9% in 2017, although it is still below the rates of the state (4.8%) and the country (4.4%).

- In 2017, Santa Rosa had the seventh-highest median household income at $60,972. The city’s median household income was $5,811 smaller than the countywide average. Five-year projections predict that Santa Rosa’s median household income will grow by 10.7% to $67,468 in 2022.

- Total taxable sales grew by 2.1% to $3.21 billion, the second-lowest single-year growth in the county. This translates as $18,086 in taxable sales per resident, slightly above the county average.

- Santa Rosa’s 2017 median home sales price grew to $529,900, the fourth-most affordable among Sonoma County’s cities and below the 2017 countywide median price of $535,000. Santa Rosa experienced a 9.3% increase in housing prices from 2016 to 2017.

- Santa Rosa’s three-year average SAT composite scores rank third among the county’s cities, at 1577; this is higher than the county and state composite scores of 1571 and 1472, respectively.

A Note from Our Executive Director

The Sonoma County Economic Development Board (EDB)—in partnership with the Sonoma County Workforce Investment Board (WIB), the City of Santa Rosa, and the Santa Rosa Metro Chamber of Commerce—is pleased to present the 2018 Santa Rosa City Profile and Projections Report. The EDB publishes a comprehensive annual report on each of the county’s nine incorporated cities—Cloverdale, Cotati, Healdsburg, Petaluma, Rohnert Park, Santa Rosa, Sebastopol, Sonoma, and Windsor. These reports provide projections and forecasts for the demographic, economic, income, and housing data for each city, and showcase some of their unique qualities and local cultures.

This report is meant to reflect conditions in the city with the most recent information available in 2018. 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 information from prior years.

Thank you for your interest in the Economic Development Board’s research. For access to each of the City Profile and Projections Reports, or for general questions, concerns, and comments, please reach out to us at (707) 565-7170 or visit www.sonomaedb.org.

Ben Stone
Executive Director
DEMographics

POPULATION
Santa Rosa’s population increased to 177,684 residents in 2017, ranking first among Sonoma County’s nine incorporated cities. In addition to being the largest city in Sonoma County, Santa Rosa is the fifth-largest city in the Bay Area. This estimation is based on projections from the 2016 American Community Survey, and does not factor in the city’s 2017 annexation of the economically and culturally vibrant community of Roseland, adding about 7,400 residents to the city’s population, which is not reflected in this report’s projections. Between 2010 and 2017, the city grew by 9.2%. This amount of growth is third-highest among comparable cities and is higher than the growth of Sonoma County (7.4%), California (8%), and the United States (7.1%) during the same period of time. Looking into the future, Santa Rosa is projected to grow 3.8% by 2022 and will be home to 184,393 residents. The city’s five-year growth is fifth-highest and is projected to outpace the county, state, and nation.

RACE AND ETHNICITY
In 2017, the five largest ethnicities which residents identified with were White (69.2%), Some Other Race (15%), Asian (5.6%), Multiracial (5.4%), and Black (2.6%). 30.5% of residents identify as Hispanic across all races.
DEMOGRAPHICS

MEDIAN AGE

The median age of Santa Rosa residents was 38.3 years old in 2017. It is ranked fourth-youngest among Sonoma County’s comparable cities, with Sonoma ranking as the oldest at 51.2 and Rohnert Park as the youngest at 34.2. Santa Rosa is older than the median ages of the state (36) and the nation (37.7). Looking into the future, Santa Rosa is projected to age 0.8 years to 39.1 by 2022.

AGE STRUCTURE

Santa Rosa’s age structure largely mirrors Sonoma County, but slightly skews younger. It has 1.6% more Youth aged residents and 1.3% more Mid Career aged residents than the county average. However, it has 1.8% fewer Late Career residents and 0.9% fewer Elderly residents. Overall, Santa Rosa’s labor force is ageing at a slower pace than the county. In 2022, the city is projected to still have a sizable proportion of Youth at 18% of the total population; this is an indicator of future workforce sustainability.
UNEMPLOYMENT

In 2017, Santa Rosa’s annual unemployment rate was 3.9%—the second-highest rate of Sonoma County’s cities. Santa Rosa’s unemployment rate is higher than the rate of the county (3.4%), but lower than the rates of California (4.8%) and the United States (4.4%). Santa Rosa saw a 0.5 percentage point drop in unemployment from 4.4% in 2016 to 3.9% in 2017. An unemployment rate of 3.9% translates as 3,400 workers. More broadly, Sonoma County has seen annual unemployment fall from a high of 10.8% in 2010 to its current two-decade low of 3.4% in 2017.

LABOR FORCE

A low unemployment rate does not necessarily indicate a high level of employment, because residents who are not actively seeking work such as homemakers, retirees, or discouraged workers are not considered unemployed. Looking at the employed population—the number of workers divided by total population—is a good measure of workforce participation. 48% of Santa Rosa’s total population is employed, which translates as 85,600 workers. Santa Rosa has a higher employed population percentage than the country (47%) and the state (46%), and a lower rate than the nation (49%). Countywide, employment levels did not return to pre-recession levels until 2014.

INDUSTRY

Breaking down employment by industry, over half of workers in Santa Rosa are employed in the Services industry at 52%, followed by 12% employed in Retail Trade and 11% in Manufacturing. Santa Rosa compares with Sonoma County as having 1.4% more Manufacturing and 1.1% more Services workers, but has 1.2% fewer workers in Construction and 1% fewer in Transportation/Utilities.

Source: California Employment Development Department (www.edd.ca.gov)

Source: California Employment Development Department, U.S. Census Bureau

Source: ESRI (www.bao.arcgis.com)
BUSINESS

BUSINESSES
At 7,477, Santa Rosa has the greatest number of businesses in comparable cities. This figure scales as 42.1 businesses per 1,000 residents in the city, a rate which nearly aligns with the county average of 43.3 businesses per 1,000 residents.

COMMERCIAL VACANCY RATES
The commercial vacancy rates for retail, industrial, and office space measure how many of these properties are actively on the market and are available to lease. While some level of vacancy will naturally develop as a consequence of friction, a lower vacancy rate generally indicates how much demand exists for incorporating in a particular city. Santa Rosa’s industrial vacancy rate averaged 5% across 2016 Q4 to 2017 Q3, the most recent available data. The city’s office vacancy space averaged 13% and its retail rate averaged 3%. Office vacancy rates tend to be higher because there is more flexibility in where and how employees complete their work (telecommuting, hoteling, coworking spaces, etc.), while industrial and retail spaces remain in demand due in part to their inflexible space requirements. Across the county, industrial vacancy rates saw the greatest decline as demand rose during the economic recovery.
MEDIAN HOUSEHOLD INCOME

In 2017, Santa Rosa had the seventh-highest median household income among Sonoma County cities, at $60,972. Windsor ranked first at $82,763 and Cloverdale ranked ninth at $56,727. Santa Rosa’s median household income was $5,811 below the countywide average. The city is projected to see a 10.7% increase in median household income by 2022, placing it fifth of nine for five-year growth. Sebastopol is projected to experience the highest growth of household income at 14.7%, while the county is projected to average 13% growth.

HOUSEHOLDS BY INCOME

The largest income bracket in Santa Rosa is $50,000-$75,000 at 17.8%, followed by $100,000-$150,000 at 15.1% and $75,000-$100,000 at 13.5%. 71.9% of households earn less than $100,000. Santa Rosa has 4.1% fewer households earning over $100,000 than the county average. Looking to 2022, the largest income bracket expected to grow is $100,000-$150,000 by 1.9% while the income bracket projected to shrink most is $50,000-$75,000 by 2.3%.
INCOME & SPENDING

TOTAL TAXABLE SALES

In 2016, the last year with available data, Santa Rosa businesses recorded $3.21 billion in total taxable sales. Taxable sales are a good indicator of aggregate economic health because it directly speaks to the success of local businesses, and indirectly speaks to the purchasing power of residents. Total taxable sales generally correlate with population, with the largest cities taking in the most sales; but examining city sales per capita can give insight into how Santa Rosa compares on individual output. Santa Rosa ranks sixth for sales per capita, at $18,086. This figure is slightly above the county average ($17,682). Santa Rosa saw a 2.1% growth in total taxable sales from 2015 to 2016.

CONSUMER SPENDING

Santa Rosa residents spend their income across a variety of major spending categories. In aggregate, the top five spending categories in 2017 were Housing (31.3%), Food (12%), Transportation (11.5%), Healthcare (7.8%), and Recreation (4.5%). Santa Rosa’s consumer spending was nearly aligned with county averages, with some slight deviations: Santa Rosa residents spend more on Housing by 0.3% and less on Healthcare by 0.2%.
MEDIAN HOME SALES PRICE

The 2017 median home sales price was $529,900 in Santa Rosa, comparing lower than the county median of $576,000. This price marks the third-highest on record since the pre-recessionary years of 2005 and 2006. Santa Rosa ranks as fourth-most affordable in Sonoma County, with Healdsburg ranking as most expensive at $804,000 and Cotati/Rohnert Park tying for least expensive at $479,500. Santa Rosa’s median home sales price grew by $44,900 from 2016 to 2017, the third-greatest growth among comparable cities.

Looking at the past five years, Santa Rosa’s median home sales price rose 80%, comparing slightly higher than Sonoma County’s 75% growth during this time. Cloverdale saw the largest growth in the past five years at 104%, while the city of Sonoma saw the lowest growth at 61%.
HOUSING

DAYS ON MARKET
In 2017, homes in Santa Rosa were on the market for an average of 54 days. This compares with the hottest real estate activity in Cotati/Rohnert Park, where homes are on the market for an average of 44 days. Countywide, homes were on the market for an average of 59 days. Healdsburg experienced the coldest activity at 89 days. 38% of the 5,514 homes sold in Sonoma County were in Santa Rosa.

HOUSING VACANCY RATES
Homeowner and rental vacancy rates measure the number of homes which are actively on the market to rent or buy, but which are still not bought/rented. Vacancy rates are good measures of how tight the housing market is, because it indicates how much demand exists for housing. A value below the U.S. vacancy rate indicates that demand for housing is greater than supply. Santa Rosa’s homeowner vacancy rate was 0.9% in 2016, the latest available data. This compares lower than the county (1.1%), state, (1.3%), and nation (1.8%). Santa Rosa’s rental vacancy rate was 2.7%, comparing again lower than the county (3.3%), state, (3.8%), and nation (6.2%).

WORKFORCE EDUCATION

In Santa Rosa, 85.5% of adult residents (age 25+) possess at least a high school diploma, comparing lower than the county (87.3%) and the nation (87%), but higher than the state (82%). 30.9% possess at least a bachelor’s degree, comparing lower against the county (33.1%) and the state (32.0%), but higher than the nation (30.3%). 11.2% of adult residents possess advanced degrees. Comparing educational attainment across comparable cities, Santa Rosa places eighth, sixth, and fifth for High School Graduate, Bachelor’s Degree, and Advanced Degree respectively. 14.4% of adult residents did not graduate high school, with 7.5% having less than a 9th grade education.

SAT SCORES

SAT scores are one of many measures of student success and college/career readiness. The SAT is comprised of three sections—reading, math, and writing—and has a maximum composite score of 2400. The SAT composite scores for 2015-2016 (the latest available) show that Santa Rosa students scored 1561, ranking fourth among comparable cities. Santa Rosa’s SAT scores have been volatile recently, but the city’s three-year average is 1577, above the county (1571) and state (1472) averages.

For a list of schools located in each district, visit http://www.scoe.org/pub/htdocs/finddistrict.html.

ENGLISH LEARNERS

The California Department of Education defines an “English Learner” as a student for whom English is not the spoken language at home and who has been assessed to lack a sufficient level English comprehension. Sonoma County schools allocate resources to support English Learners in becoming proficient. Santa Rosa schools have the fourth-highest percentage of English Learners at 25.7%, above the county (22.3%) and the state (21.4%) averages. Sonoma has the highest percentage of English learners at 31.5%, while Sebastopol has the lowest at 6.3%.
## City Data Snapshot

<table>
<thead>
<tr>
<th>City</th>
<th>Total Population</th>
<th>Unemployment Rate</th>
<th>Median Household Income</th>
<th>Median Home Sales Price</th>
<th>Total Taxable Sales</th>
<th>Three-Year Average SAT Composite Scores</th>
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</thead>
<tbody>
<tr>
<td>Cloverdale</td>
<td>8,149</td>
<td>2.9%</td>
<td>$56,727</td>
<td>$526,000</td>
<td>$69.9 million</td>
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<tr>
<td>Cotati</td>
<td>7,586</td>
<td>4.6%</td>
<td>$62,712</td>
<td>$479,500</td>
<td>$177.7 million</td>
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<tr>
<td>Healdsburg</td>
<td>11,992</td>
<td>3.0%</td>
<td>$63,224</td>
<td>$804,000</td>
<td>$389.1 million</td>
<td>1526</td>
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<td>Petaluma</td>
<td>60,738</td>
<td>2.7%</td>
<td>$79,128</td>
<td>$667,750</td>
<td>$1.14 billion</td>
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<td>Rohnert Park</td>
<td>42,435</td>
<td>3.6%</td>
<td>$60,195</td>
<td>$479,900</td>
<td>$626.9 million</td>
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<tr>
<td>Santa Rosa</td>
<td>177,684</td>
<td>3.9%</td>
<td>$60,972</td>
<td>$529,900</td>
<td>$3.21 billion</td>
<td>1577</td>
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<tr>
<td>Sebastopol</td>
<td>7,709</td>
<td>2.9%</td>
<td>$67,925</td>
<td>$500,000</td>
<td>$157.6 million</td>
<td>1582</td>
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<tr>
<td>City of Sonoma</td>
<td>11,405</td>
<td>3.1%</td>
<td>$71,323</td>
<td>$670,000</td>
<td>$272.8 million</td>
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<tr>
<td>Windsor</td>
<td>27,934</td>
<td>3.0%</td>
<td>$62,763</td>
<td>$579,888</td>
<td>$364.8 million</td>
<td>1530</td>
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<tr>
<td>Sonoma County</td>
<td>509,142</td>
<td>3.4%</td>
<td>$66,783</td>
<td>$576,000</td>
<td>$9.0 billion</td>
<td>1571</td>
</tr>
</tbody>
</table>

| Sonoma County            | 509,142          | 3.4%              | $66,783                 | $576,000                | $9.0 billion        | 1571                                    |
NOTE ON DATA SOURCES

The 2018 Santa Rosa City Profile and Projections Report is a brief summary on various demographic, economic, and social aspects of the city. This report is meant to act as a spot-in-time profile to reflect conditions in the city in a given year. The Sonoma County Economic Development Board’s (EDB) research is developed from information available from outside sources and public information as well as previously published material. The 2018 Santa Rosa City Profile and Projections Report offers partial or composite representations of raw data and cites’ respective source datasets. For more information, please see the listed sources or contact the EDB.

All efforts have been made to ensure the accuracy of all data contained within this report, but does not guarantee its 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 2018 Santa Rosa City Profile and Projections Report 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 topics for future reports by contacting the EDB.

This report was prepared by Craig Dermody. Please direct any questions, comments, or suggestions to (707) 565-7170 or edb@sonoma-county.org.

ACKNOWLEDGMENTS

This report would not be possible without the input and collaboration of the City of Santa Rosa and the Santa Rosa Metro Chamber of Commerce.

DATA SOURCES

Bay Area Real Estate Information Services
California Board of Equalization
California Department of Education
California Employment Development Department
Emsi
Esri
Keegan & Coppin, Inc.
U.S. Census
U.S. Census 2016 American Community Survey