

SOLANO COUNTY STATISTICAL PROFILE

The County of Solano is strategically located along Interstate 80 between San Francisco and Sacramento. As one of California's original 27 counties, Solano County is rich in history and offers many resources to the general public and the business community. In addition to the unincorporated area, the County serves seven cities: Benicia, Dixon, Fairfield, Rio Vista, Suisun City, Vacaville and Vallejo. Solano County is comprised of 907 total square miles, including 675 square miles of rural and farm lands, 150 square miles of urban land area, including cities and unincorporated areas, and 84 square miles of delta and waterfront with several harbors with boating and fishing access.

The County provides the following services:

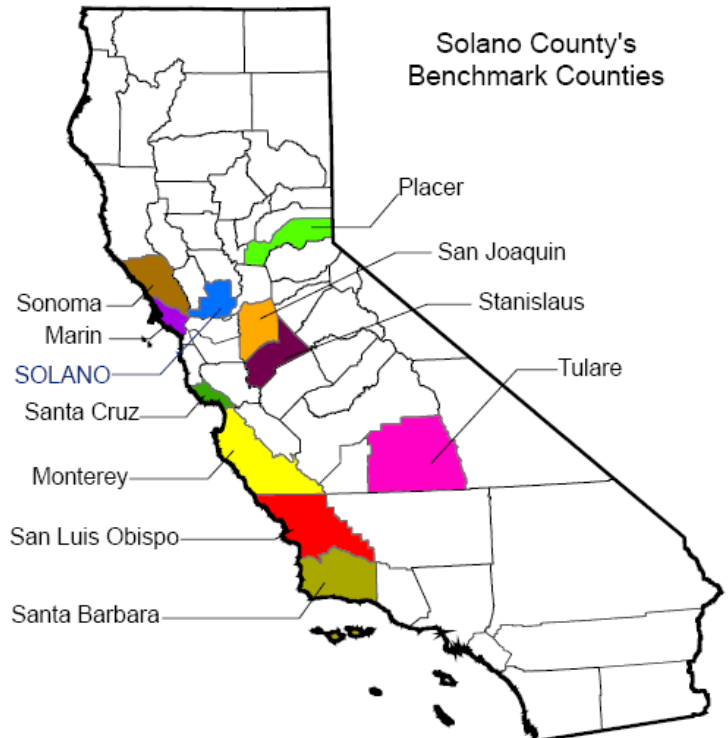
- Libraries (as contract services for cities)
- Jails and Juvenile Facilities
- Probationary Supervision
- District Attorney
- Public Defender and Alternative Defense
- Grand Jury
- Coroner and Forensic Services
- Airport
- Family Support Collection
- Public and Mental Health Services
- Indigent Medical Services
- Child Protection and Social Services
- Public Assistance
- Environmental Health (Consumer/Land Use/Haz Mat)
- Parks
- Veterans Services
- Agricultural Commissioner
- Weights and Measures
- U.C. Cooperative Extension Services
- Oversight and Permitting of Landfills and Solid Waste Disposal and Collection
- Elections and Voter Registration
- Clerk-Recorder
- Tax Assessment and Collection
- Emergency Medical Services
- Animal Care Services
- Building and Safety (unincorporated county only)
- Maintenance of County Roads and Bridges
- Law Enforcement (primarily unincorporated county)
- Land Use Issues (unincorporated county only)
- Indigent Burial

BENCHMARK COUNTIES

The following pages provide a graphical summary of statistical, employment and demographic information about Solano County. When reviewing Solano County's economic health, the County government's financial capacity, and the County's delivery of services to residents in unincorporated areas, the County inevitably compares itself from the current year to past years.

Additionally, the question of how Solano County compares with other counties is often asked. This leads to the question: Which counties should be used for comparison purposes?

A group of ten counties have been selected to be used for comparison in seven of the following charts. Solano County has the following characteristics in common with each of these counties:



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Birgitta E. Corsello, County Administrator

- They are the ten counties closest to Solano in population – six with higher population and four with lower population.
- A total population of more than 250,000 but less than 750,000.
- All include both suburban and rural environments.
- None contain a city with more than 300,000 in population.
- Six are coastal or Bay Area counties
- Most have the same urban growth versus rural preservation challenges facing Solano County.

COUNTY POPULATION OVER TIME

The California Department of Finance’s May 1, 2017 estimate of the population of Solano County is 436,023, increasing 5,501 residents or 1.2% over 2016. Of California’s 58 counties, Solano County ranks number 21 in terms of population size. All seven cities saw growth between 2016 and 2017, with the highest growth rate in Rio Vista at 4.6%.

California’s population estimate was 39.52 million as of May 1, 2017, according to the State Department of Finance. California, the nation’s most populous state, represents 12.3% of the nation’s population, or one out of every eight persons. Solano County’s population represents 1.1% of the state population.

When you look at the County population since 2000, the rate of growth has tapered off to small annual increments. Between 2000 and 2010, the County grew by 18,802, or 4.8%, which is significantly less than the 54,121, or 15.9%, gains of the previous decade. Between 2010 and 2017, the County grew by 22,679 residents, or 5.2%.

SOLANO COUNTY POPULATION CHANGE FROM 1990 TO 2017

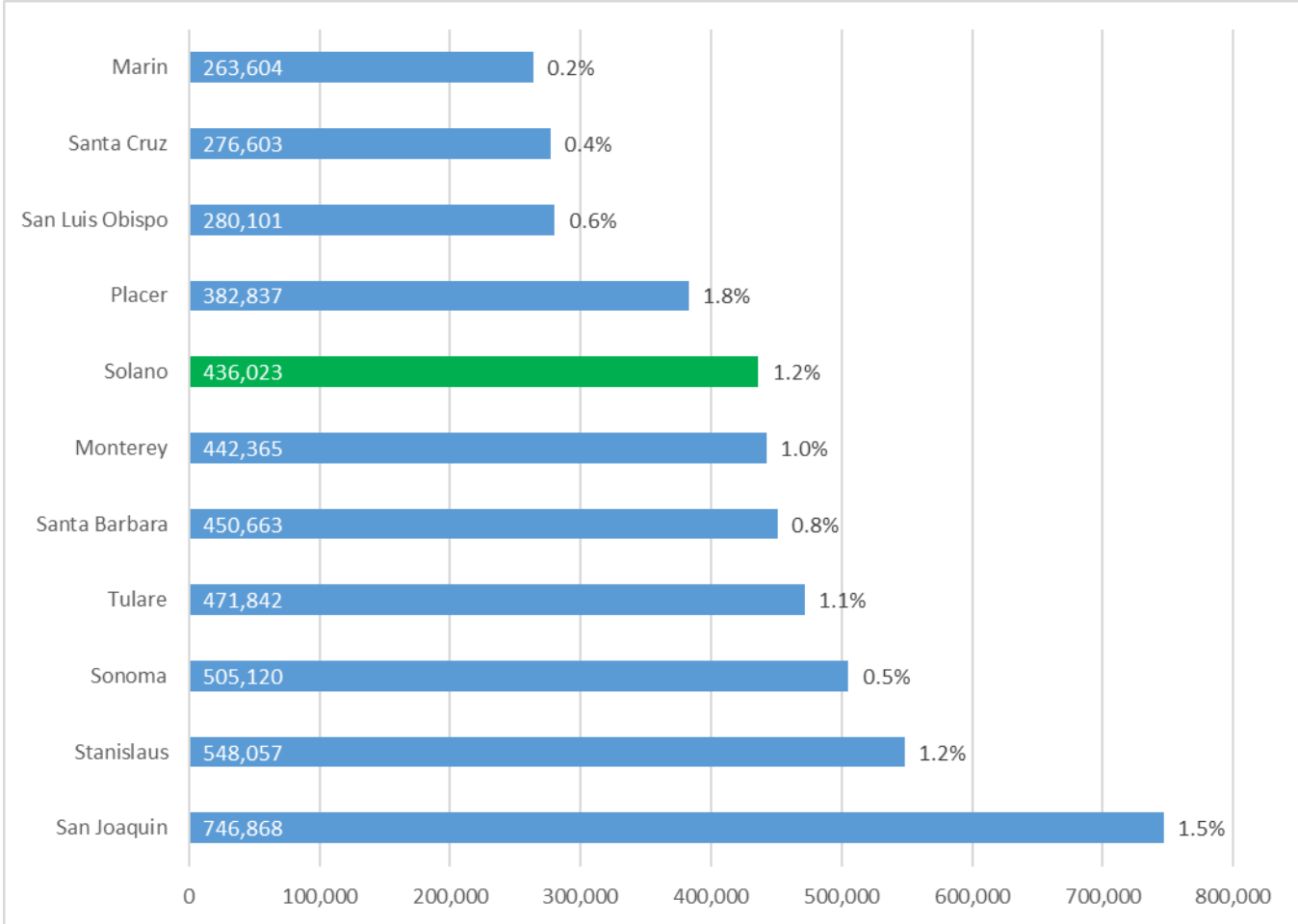
	1990	1990 to 2000		2000	2000 to 2010		2010	2010 to 2017		2017
Benicia	24,437	2,428	9.9%	26,865	132	0.5%	26,997	698	2.5%	27,695
Dixon	10,401	5,702	54.8%	16,103	2,248	14.0%	18,351	947	4.9%	19,298
Fairfield	77,211	18,967	24.6%	96,178	9,143	9.5%	105,321	8,836	7.7%	114,157
Rio Vista	3,316	1,255	37.8%	4,571	2,789	61.0%	7,360	1,659	18.4%	9,019
Suisun City	22,686	3,432	15.1%	26,118	1,993	7.6%	28,111	1,184	4.0%	29,295
Vacaville	71,479	17,146	24.0%	88,625	3,803	4.3%	92,428	6,028	6.4%	98,456
Vallejo	109,199	7,561	6.9%	116,760	(818)	-0.7%	115,942	2,338	2.0%	118,280
Unincorporated	21,692	(2,370)	-10.9%	19,322	(488)	-2.5%	18,834	989	5.0%	19,823
Solano County	340,421	54,121	15.9%	394,542	18,802	4.8%	413,344	22,679	5.2%	436,023

Source: U.S. Census Bureau; California Department of Finance, Demographic Research Unit, May 2017

OUR CHANGING POPULATION – HOW WE COMPARE TO BENCHMARK COUNTIES

California’s population grew by 0.9% in 2016, adding 334,578 residents according to the California Department of Finance. Among the comparable counties, San Joaquin County was the fastest growing county in the state, adding 11,191 new residents. Solano County grew at a modest rate, adding 5,051 new residents, or about 1.2% of the County’s total population. Marin remained the slowest growing county among the comparable Counties, adding just 454 new residents.

POPULATION OF BENCHMARK COUNTIES AND POPULATION GROWTH AND PERCENTAGE FROM 2017



Source: California Department of Finance, Demographic Research Unit, May 1, 2017

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SNAPSHOT – SOLANO AT A GLANCE, DEMOGRAPHICS

EDUCATIONAL ATTAINMENT

According to the California Department of Education, Solano County saw its high school graduation rates increase to 84.3% during the 2014-2015 academic year (the latest year for which the data is available), outpacing the State of California’s average graduation rate by 2.3%. Solano County graduates Hispanic and African-American students at higher rates than the state average. The number of UC/CSU-ready students fell slightly to 36.4% of Solano County graduates in 2014-2015, while the share of UC/CSU-ready students in the State of California increased to more than 43% of graduates. Filipino and Asian-American students graduate college-ready more than any other ethnicity in Solano County.

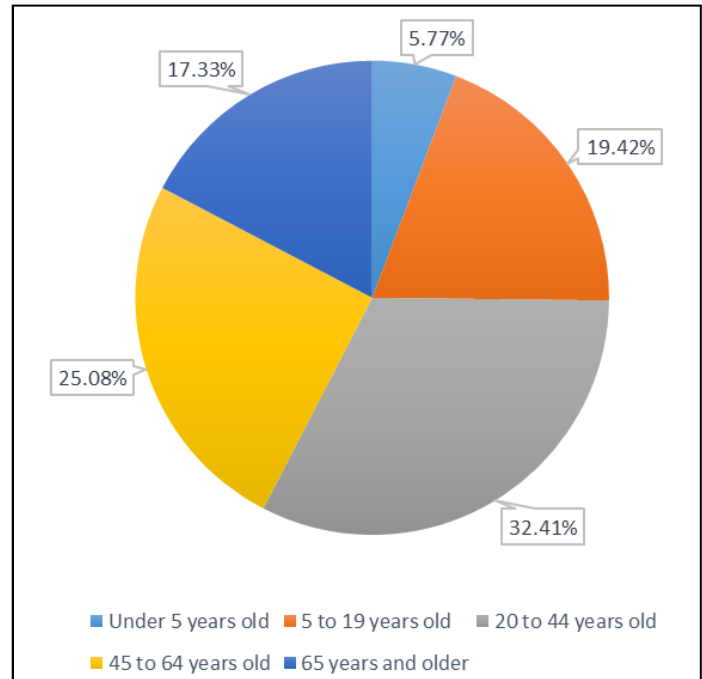
AGE GROUP BY POPULATION

In Solano County, the number of young and working age adults closely mirrors the national average, whereas the gap between Solano’s senior and retirement age population continues to widen.

Approximately 25.2% of all people living in Solano County is age 19 or younger. This closely mirrors the national percentage of 25.6%.

Nearly two-thirds (or 57.5%) of Solano County’s total population is comprised of working age adults between 20 and 64 years of age. Nationally, this number is 61.7% of the total population.

In 2017, individuals age 65 years and older represent approximately 17.3% of the total population, widening by almost 5 percentage points over the course of a year (up from 12.2% in 2016). Nationally, this age demographic makes up approximately 13.1% of the total population.



Source: California Department of Finance, March 2017

ETHNIC COMPOSITION

The California Department of Finance generates population projections for all counties in California. Research has shown that over the next 15 years Solano County will become increasingly more ethnically diverse.

Predictions for the year 2020 indicate that Solano County will be approximately 38.68% White, 26.31% Hispanic, 14.15% African-American, 14.00% Asian and 6.87% Mixed Race, just a slight shift from today’s estimates.

Please see population estimates chart for estimates for 2025 and 2030.

ETHNIC COMPOSITION OF SOLANO COUNTY RESIDENTS	2020 POPULATION ESTIMATES	2025 POPULATION ESTIMATES	2030 POPULATION ESTIMATES
White, non-Hispanic	38.68%	37.77%	36.81%
Hispanic or Latino	26.31%	27.12%	28.01%
African American, non-Hispanic	14.15%	14.27%	14.34%
Asian, non-Hispanic	14.00%	13.62%	13.22%
Mixed race, non-Hispanic	6.87%	7.22%	7.61%

Source: California Department of Finance, March 2017

SOLANO COUNTY – SIZE, DISTRIBUTION AND WHERE PEOPLE LIVE

According to the California Department of Finance’s “May, 2017 City/County Population Estimates,” 83% of California residents live in incorporated cities and 17% in unincorporated areas. In contrast, 95.5% of residents in Solano County live within the county’s seven cities. This phenomenon is by design. In the early 1980s the residents of the County passed an Orderly Growth Initiative, which was extended in 1994, that focuses most urban growth to the incorporated cities. The voters reaffirmed this measure through the adoption of the 2008 Solano County General Plan, sustaining a commitment to orderly growth through 2028.

In comparison to its benchmark counties, Solano County is one of the smaller counties in terms of square miles of land area. According to the U.S. Census Bureau, Solano County consists of 907 square miles, of which 78 square miles is covered with water. The San Pablo Bay, Suisun Bay, the Carquinez Straits, and the Sacramento River provide the County with natural borders to the south and east. Rich agricultural land lies in the northern area of the County while rolling hills are part of the southern area. Approximately 62% of the county land area is comprised of farmland.

This unique mixture of a sizeable urban population and a large rural/agricultural base may create some unique challenges for County government, including:

- Challenges in the transition zones between urbanized areas and agricultural areas (i.e., land use, pesticide use, dust, noise, odors and vermin).
- Coordination of infrastructure transitions from the urban areas to the rural areas (i.e., reliever routes, upgraded feeder streets/roads, flood control, limited intercity connectivity and public transportation).
- With limited resources and a reliance on property taxes and State/federal funding, it is a challenge to provide urban-driven needs (as indicated by the high density per square mile) for health, mental health, public assistance and law and justice services.

COMPARISON OF LAND AREA AND POPULATION DENSITY / DISTRIBUTION IN BENCHMARK COUNTIES

Land & Water Area (Square Miles)			Persons Per Square Mile (Land Area)		% Residing in Unincorporated Areas	
Tulare	4,824	15	Santa Cruz	622	Santa Cruz	49.2%
Monterey	3,322	449	Solano	526	San Luis Obispo	43.0%
San Luis Obispo	3,304	311	San Joaquin	534	Santa Barbara	31.8%
Santa Barbara	2,737	1,052	Marin	507	Tulare	31.0%
Sonoma	1,576	192	Stanislaus	367	Sonoma	30.0%
Stanislaus	1,494	21	Sonoma	321	Placer	29.1%
Placer	1,404	98	Placer	273	Marin	26.3%
San Joaquin	1,399	27	Santa Barbara	165	Monterey	24.4%
Solano	829	78	Monterey	133	Stanislaus	21.0%
Marin	520	308	Tulare	98	San Joaquin	20.0%
Santa Cruz	445	162	San Luis Obispo	85	Solano	4.5%

Source: U.S. Census Bureau, California Department of Finance, Demographic Research Unit, May 2017

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SOLANO’S POPULATION LIVING IN POVERTY – HOW WE COMPARE

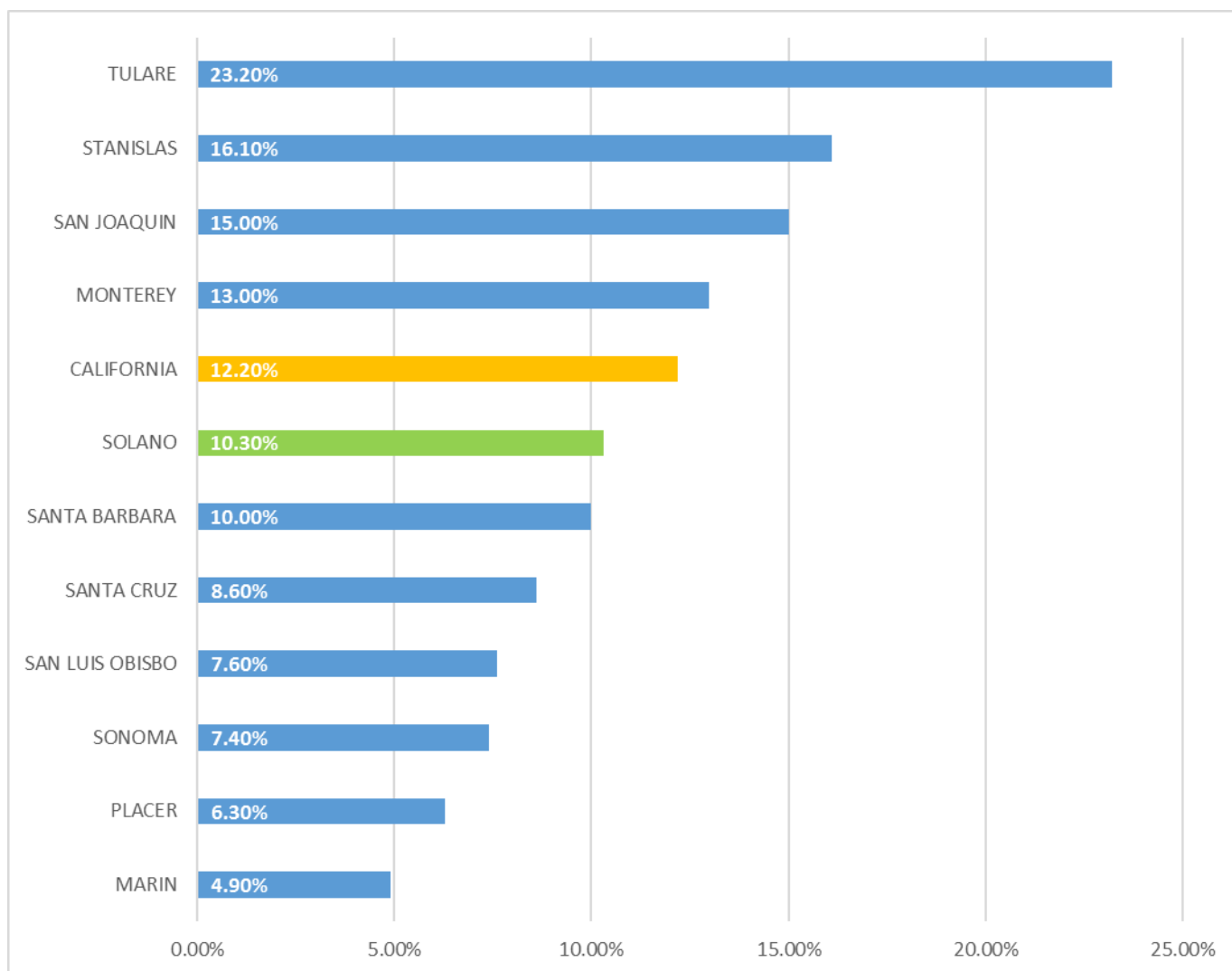
The U.S. Census Bureau defines the poverty threshold for an average family of four living in the United States as having a median annual family income of \$24,250 or less. The poverty threshold for that same family living in the state of California is \$24,300, or \$50 more than the national average. The average median annual family income for families of four living in Solano County is \$67,433, or almost two and a half times the state and national average.

According to the 2011-2015 American Community Survey by the U.S. Census Bureau, 10.3% of the Solano County population is living at or below the poverty level. The poverty rate in Solano County was 16.4% among residents age 18 and under and 22.3% among families with female head of household and no husband present.

The number of residents living at or below the poverty level varies considerably among Solano County’s seven cities, including Benicia, 3.8%; Dixon, 11.2%; Fairfield, 10.3%; Rio Vista, 9.5%; Suisun City, 10.1%; Vacaville, 8.9%, and Vallejo, 14.2%.

Solano County is located near the mid-point when compared to benchmark counties, with 6 counties having lower poverty rates and 4 counties with higher poverty rates. Solano County is 1.9% lower than the statewide average for families living at or below the poverty level.

PERCENTAGE OF POPULATION IN POVERTY (ALL AGES) IN BENCHMARK COUNTIES



Source: U.S. Census Bureau, 2011-2015 American Community Survey

HEALTH INSURANCE COVERAGE, HOW WE COMPARE

Health insurance is a means for financing a person's health care expenses. While the majority of people in the United States have private health insurance, primarily through an employer, many others obtain coverage through programs offered by the government. Other individuals do not have health care at all, which can greatly impact the services they receive and escalate the costs associated with health care, the poor, and the long-term outcomes of those without coverage.

Nationally, the percentage of people without health insurance coverage decreased by 2.3% between 2014 and 2015, from 11.7% uninsured in 2014 to 9.4% (or 29.7 million people) in 2015. After several years of a relatively stable uninsured rate between 2008 and 2013, as measured by the American Community Survey (ACS), the percentage of people who were uninsured dropped by 2.8% between 2013 and 2014. The overall number of uninsured residents continued to trend downward between 2014 and 2015.

According to the ACS, the national increase in the percentage of the population covered by health insurance was due to an increase in both private and government coverage. The rate of private coverage increased by 1.1 percentage points to 67.5% in 2015 (up from 66.4% in 2014), and the government coverage rate increased by 1.5 percentage points to 34.7% (up 33.2% from 2014).

In California, the percentage of people with health insurance coverage (either private or public) increased from 87.6% in 2014 to 91.4% in 2015, or 3.8% overall. The increase translates to more than 1,468,686 Californians gaining access to health care coverage in the course of a year. The percentage of Californians with private health insurance coverage, either from an employer or private payer, increased less than 1% from 61.8% in 2014 to 62.5% in 2015. Conversely, the percentage of Californians with public health insurance increased 3.7% to 38.0% in 2015, up from 34.3% in 2014. As a result, and with the expansion of the Affordable Care Act (ACA) and Covered California, the total number of Californians with no health coverage (private or public), dropped from 12.4% in 2014 to 8.6% in 2015, marking a 3.8% decrease over the course of a year.

PUBLIC ASSISTANCE AND HEALTH CARE COVERAGE IN SOLANO COUNTY

Solano County's Health and Social Services *Unduplicated Individual Count* report states that in December, 2006, 14.7% of the County's population was receiving some form of public assistance, including CalFresh, CalWORKs, General Assistance and / or Medi-Cal (healthcare). In 2010, at the bottom of the recession, the percentage of the population receiving some form of public assistance increased to 18.7%. Today, 28.2% of the County's total population receives some form of public assistance years (see chart above).

The increase in coverage is due to the 2014 ACA (Affordable Care Act) expansion of Medi-Cal, designed to cover greater numbers of the working poor, many of whom previously lacked any options for healthcare coverage. While the numbers of residents needing public assistance in the form of cash aid has decreased to lower than pre-recession levels, the total number of residents accessing healthcare coverage through Medi-Cal has nearly doubled over the past 10 years. Today, approximately 27.5% of the total population relies on Medi-Cal for healthcare access, as compared to 17.5% in December 2010 and 14% in December 2006.

PERCENTAGE OF RESIDENTS WITH HEALTH INSURANCE IN BENCHMARK COUNTIES

	Health Insurance Coverage	Private Health Insurance	Public Health Insurance	No Health Insurance Coverage
Marin	92.5	78.4	28.9	7.5
Placer	91.1	78.2	27.6	8.9
Solano	89.4	69.2	32.4	10.6
Sonoma	88.4	69.2	32.1	11.6
San Luis Obispo	88.1	71.9	30.3	11.9
Santa Cruz	88.1	68.3	29.9	11.9
San Joaquin	86	57.2	37.7	14
Stanislaus	85.7	54.7	39.8	14.3
California	85.3	61.2	32.6	14.7
Santa Barbara	84.2	63.2	31.9	15.8
Tulare	82.3	43.1	46.3	17.7
Monterey	81.3	55.6	35.1	18.7

Source: 2011-2015 American Community Survey - Health Insurance Coverage. Percentages do not sum up to 100%. Numbers for Private and Public Health Insurance reflect partial coverage and individuals may be counted in both columns.

PERCENTAGE OF RESIDENTS RECEIVING SOME FORM OF PUBLIC ASSISTANCE IN SOLANO COUNTY

Point in Time Data	March, 2017	December, 2010	December, 2006
Individual Count	123,303	77,393	60,523
% of Population	28.2	18.7	14.7
Total Population	436,832	413,129	411,351

Source: Solano County Health and Social Services Unduplicated Individual County report

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PUBLIC SAFETY – ASSEMBLY BILL 109 REALIGNMENT AND PROPOSITION 57

ASSEMBLY BILL 109 – 2011 PUBLIC SAFETY REALIGNMENT

Since the implementation of Assembly Bill (AB 109) in October 2011, the Solano County jail population continues to change. As of March, 2017, the County jail was housing 38 parole violators (known as 3056 PC), 57 Post Release Community Supervision (PRCS) violators and 119 locally sentenced offenders (known as 1170 offenders), contributing to more than 21% of the 1,003 average daily population. Prior to Public Safety Realignment, the county jail population consisted of individuals awaiting trial and inmates serving sentences of less than one year. Today, after realignment, convicted individuals are now serving sentences up to 10 years in local county jails rather than State prison.

To address the evolving inmate population as a result of realignment, the County is pursuing a two-prong approach – increasing capacity within the jail system and incorporating training programs into the jails to provide offenders with skills to enhance their ability to successfully re-enter the community. Non-serious, non-violent, non-sex offenders have transitioned from supervision by State parole officers to County probation officers. While this shift did not increase the population of supervised offenders in Solano County, it shifted the supervising agency, and it did shift responsibility to address recidivism to counties as well as supervision.

SNAPSHOT – CHANGES IN POPULATION UNDER SUPERVISION IN SOLANO COUNTY JAILS (3-YEARS)

	State Parole	County Probation			Sheriff - Custody				Total
	Adults	PRCS	1170h PC	Adults	3056 PC	1170h PC	PRCS	Other	
March -15	449	288	100	2,684	62	94	32	708	4,417
March -16	444	308	112	2,531	47	88	48	787	4,365
March -17	372	321	97	2,540	38	119	57	821	4,365
Change from 2016	-72	13	-15	9	-9	31	9	34	0
% Change	-16.3%	4.1%	-13.4%	0.4%	-19.2%	26.1%	15.8%	4.2%	0.0%
Change from 2015	-77	33	-3	-144	-24	25	25	113	-52
% Change	-17.2%	10.3%	-3.0%	-5.4%	-38.8%	21.1%	43.9%	13.8%	-0.01%

Source: Solano County Community Corrections Partnership and California Department of Corrections and Rehabilitation

PROPOSITION 57

The passing of Proposition 57 (Prop 57) on November 8, 2016 allows parole consideration for nonviolent felons, changes policy on juvenile prosecution in adult courts and authorizes sentence credits for rehabilitation, good behavior and education. Prop 57 also permits the parole board to release nonviolent prisoners once they have served the full sentence for their primary criminal offense. Previously, prisoners served extra time for sentence enhancements, such as those for repeat offenders. Recently, pursuant to the Prop 57 requirement, the Department of Corrections and Rehabilitation has proposed uniform parole rules.

Under Prop 57, several criteria must be considered by the courts before determining whether a minor should be prosecuted in the Juvenile or Adult Court, including the degree of criminal sophistication exhibited by the minor, whether the minor can be rehabilitated prior to the expiration of the juvenile court’s jurisdiction, the minor’s previous delinquent history, the success of previous attempts by the juvenile court to rehabilitate the minor and the circumstances and gravity of the offence alleged in the petition to have been committed by the minor.

Because Prop 57 just passed in November, 2016, it is difficult to speculate, at this time, any affects the new law may have on the Solano County jail population. Since the burden is on the prosecution to prove to the Juvenile Court Judge that a minor cannot be adequately rehabilitated by the Juvenile Justice system, the District Attorney, Public Defender and Probation Departments are the most likely to be impacted, as juvenile transfer hearings are very detailed and involve a great deal of investigation and expertise.

THE STANTON CORRECTIONAL FACILITY AND VOCATIONAL TRAINING CENTER – SB1022

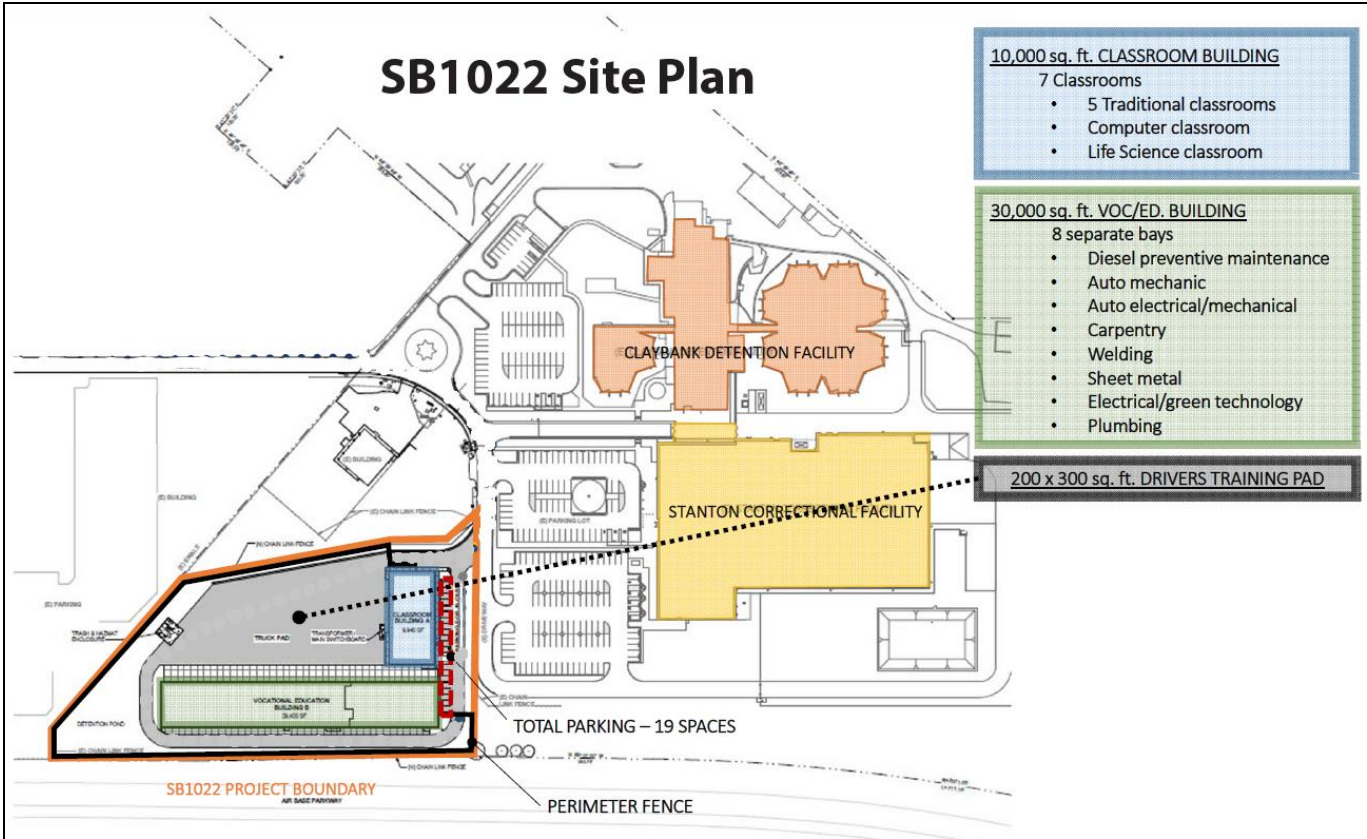
In 2015, the Stanton Correctional Facility, a 365-bed adult detention facility adjacent to the Clay Bank Road facility in Fairfield started housing inmates. The project, funded by \$61.5 million in State AB900 local jail construction financing and local public facilities fee proceeds, uses state-of-the-art electronic security systems to optimize public and inmate safety.

In 2016, in order to take advantage of SB1022 funding, the Solano County Board of Supervisors approved a budget in the amount of \$25.6 million, 90% of which will be funded by the State and 10% by the County, toward the construction of a new training, vocational and rehabilitation facility.

The project, located adjacent to the Stanton Correctional Facility, is designed for approximately 40,000 square feet of classroom, vocational and administrative space, including traditional classrooms, computer training, life sciences, auto mechanics, carpentry, welding, sheet metal, plumbing, diesel preventative maintenance and electrical and green technologies.

Slated for completion in mid-to-late 2018, the new SB1022 vocational training center project will provide support programs that establish or expand rehabilitation programs for adult offenders and prepare them for productive employment in order to reduce the overall recidivism rate among Solano County’s incarcerated population.

STANTON CORRECTIONAL FACILITY SB1022 TRAINING CENTER SITE PLAN



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OUR CHANGING POPULATION – THE NEXT SEVERAL DECADES

Solano County’s population is projected to grow from 429,267 in 2015 to 633,039 or 32.2% by 2060, according to projections by the California Department of Finance. The composition of this population is expected to shift significantly over the next 40 years, with the median age increasing from 37.6 in 2015 to 43.2 in 2060. The aging population will likely affect the types of service demands placed on the County and may impact statewide and regional planning efforts.

One way to evaluate this population change is to analyze the dependency ratio, which examines the population changes in relationship to the traditional working age population of individuals between age 19 to 64. In 2010, for every 6.2 people in the County workforce there were 2.6 children and 1.2 retirees. By 2060, the young population (age 19 and younger) is expected to increase 20,324 or 18%; while the working age population by 95,851 or 38% and retiree population (65+) by 104,291 or 320%.

SOLANO SHARE OF POPULATION BY AGE AS PERCENTAGE OF TOTAL POPULATION, 2010 TO 2060



Source: California Department of Finance, March 2017

Over the next two decades, the Department of Finance projects more people will be entering the retiree population than those entering the working. Declines in school-age children are also projected to continue through 2020 before starting to recover in the following decade. By 2030, that trend shifts to the working age population becoming the largest population growth segment.

ESTIMATED POPULATION CHANGE BY DECADE, 2010 TO 2060

AGE DEMOGRAPHIC	2010	2020	2030	2040	2050	2060
Young (19 and younger)	112,730	114,808	119,582	124,955	129,401	133,054
Working Age (20 to 64)	252,478	262,019	275,649	299,857	325,513	348,329
Retiree (65 and older)	47,365	78,968	113,999	131,867	140,951	151,656
TOTAL POPULATION	412,573	455,795	509,230	556,679	595,865	633,039

UNEMPLOYMENT AND THE ECONOMY

According to the California Employment Development Department’s (EDD) March 2017 estimates, overall employment in California continues to improve, and has done so for a number of years. The Solano County unemployment rate was 5.4% in March 2017, down from 5.7% in 2016. The March 2017 unemployment rate for the State declined to 5.2%, down from 5.6% a year ago.

Between March 2016 and March 2017, overall employment in Solano County increased by 2,000 jobs while the size of the workforce grew by 1,600 people actively seeking employment. This resulted in a net reduction of 400 unemployed residents.

According to the market data, Solano County continues to show moderate improvement in residents becoming employed. The unemployment rate for Solano County also reflects job growth regionally, as local residents become employed outside the County. As a result, unemployment rates across all seven cities decreased slightly between March 2016 and March 2017.

UNEMPLOYMENT RATES FROM MARCH 2010 TO MARCH 2017 IN BENCHMARK COUNTIES

	2010	2013	2015	2016	2017
MARIN	8.40%	5.20%	3.20%	3.20%	3.00%
SONOMA	11.20%	7.30%	4.50%	4.10%	3.80%
PLACER	11.80%	7.90%	5.50%	4.60%	4.30%
CALIFORNIA	12.80%	9.40%	6.20%	5.60%	5.20%
SOLANO	12.50%	8.90%	6.80%	5.70%	5.40%
SANTA BARBARA	10.30%	7.40%	5.60%	5.30%	5.50%
SAN JOAQUIN	18.10%	13.90%	10.50%	8.80%	8.30%
SANTA CRUZ	15.20%	11.50%	10.20%	8.80%	8.50%
STANISLAUS	18.60%	14.30%	11.00%	9.60%	8.80%
MONTEREY	16.60%	13.20%	12.50%	10.50%	10.50%
TULARE	19.30%	15.70%	13.70%	12.40%	12.10%

Source: California Employment Development Department, March 2010 to March 2017

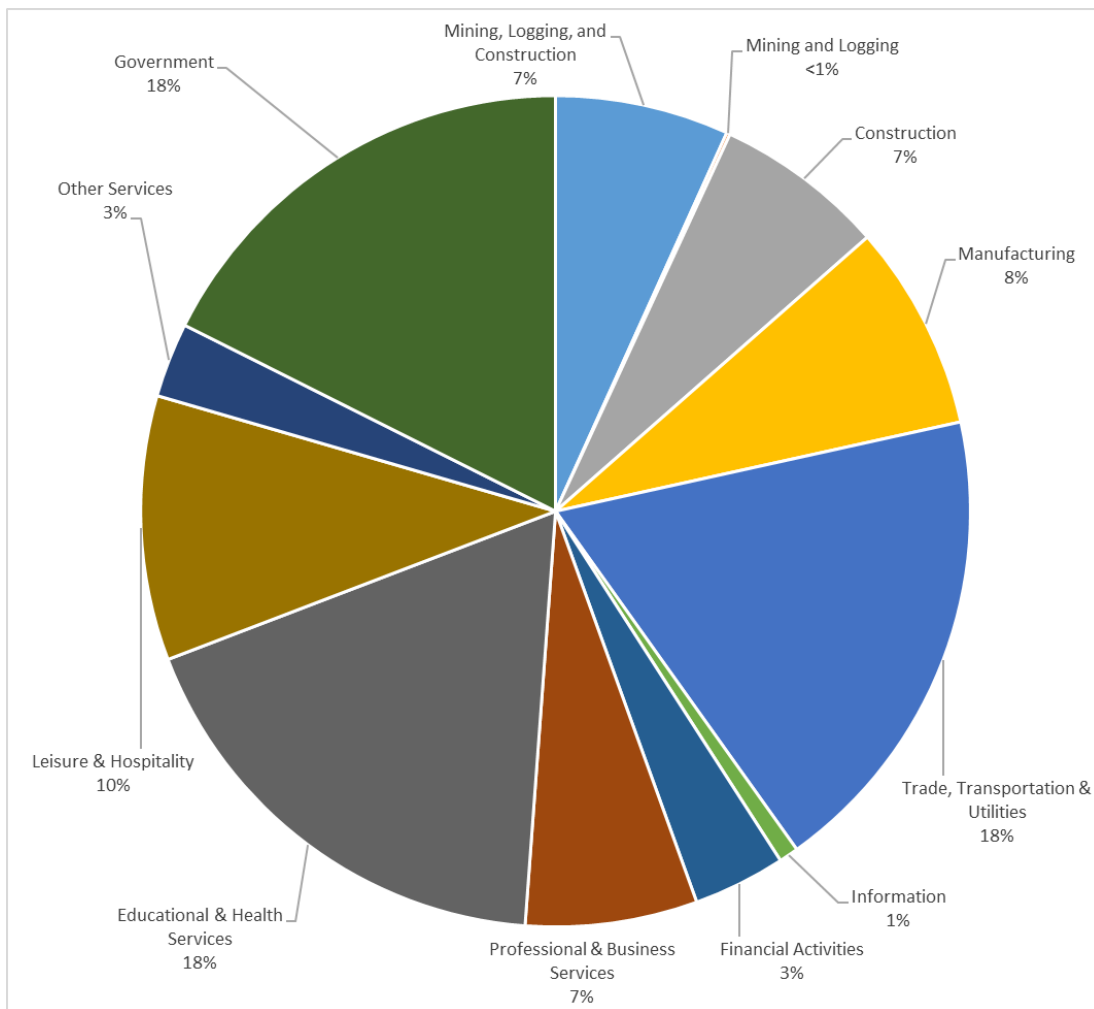
UNEMPLOYMENT RATES FROM MARCH 2010 TO MARCH 2017 IN SOLANO COUNTY CITIES

	2010	2013	2015	2016	2017
BENICIA	7.9%	5.5%	3.9%	3.5%	3.3%
RIO VISTA	9.0%	6.2%	11.2%	11.2%	10.7%
VACAVILLE	9.4%	6.6%	5.0%	4.5%	4.3%
DIXON	10.1%	7.1%	6.3%	4.8%	4.6%
SUISUN CITY	12.9%	9.1%	5.5%	4.9%	4.7%
FAIRFIELD	13.7%	9.7%	5.6%	5.1%	4.8%
VALLEJO	15.3%	10.9%	8.5%	7.7%	7.3%

Source: California Employment Development Department, March 2010 to March 2017

It is important to note that the traditional unemployment rate calculated by EDD is not a complete picture of the number of residents who are not employed, as it only represents the people who are actively seeking employment. Individuals who were discouraged by employment prospects and not actively seeking employment are excluded.

THE SOLANO COUNTY WORKFORCE – WHERE PEOPLE GO TO WORK, MARCH 2017



Source: California Employment Development Division for Solano County, March 2017

The unemployment rate in Solano County was 5.4% in March 2017, which is three-tenths of a percent below the estimate of 5.7% a year ago. This compares with an unadjusted unemployment rate of 5.2% for California and 5.1% for the nation during the same period.

As of January 2017, projections from the Business Forecast Center at the University of Pacific indicate Solano County will continue to see modest gains in employment without “commute to work” being a contributor to overall employment, and local job growth being modest to flat. In California, Health Services has become the largest employment sector in the state and is projected to add an additional 40,000 position over the next 12 months.

In Solano County, Trade, Transportation, Utilities, Education, Health and Government Services are all tied for the Counties largest employers at 18% each, making up 54% of the total workforce. A growing tourism market and a gradual shift in consumer spending from retail to restaurants has fueled rapid growth in the Leisure and Hospitality sector, however, this sector’s growth may decline a bit moving into 2020 as increases to the minimum wage may slow hiring.

Between March 2016 and March 2017, eight of 12 industry sectors in Solano County tracked by the California Employment Development Division showed overall employment growth, while four sectors retracted slightly, demonstrating a shift in overall employment toward Educational, Health and Social Services, Trade, Transportation, Utilities, Government, Leisure and the Hospitality and Financial Activities industries. The overall shift reflects 2,500 individuals out of a 136,400 employment pool.

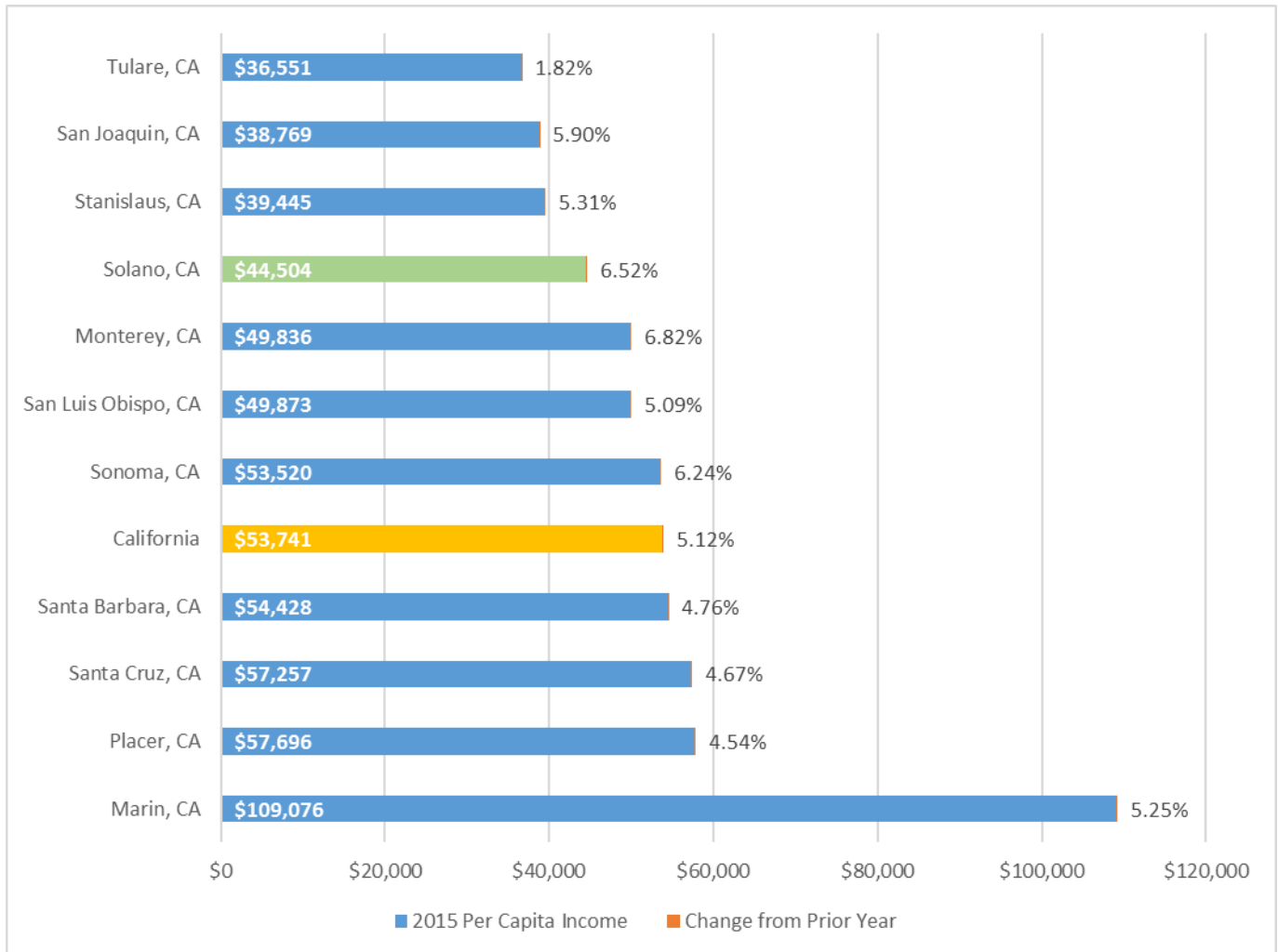
CHANGE IN PERSONAL INCOME – HOW IT AFFECTS PURCHASING POWER

Personal income is made up of wages and salaries, transfer payments from all levels of government, investment income (dividends, interest, and rents), business income from owning a business (proprietor’s income) and other income sources. The *2016 Index of Economic and Community Progress* reported that personal income grew at a faster rate in Solano County than for the United States and California as a whole, primarily based on job growth and continued growth in equity markets.

According to the 2015 statistics from the U.S. Bureau of Economic Analysis, Solano County ranks as the fourth lowest in per capita income when compared to benchmark counties. However, Solano County’s growth rate in per capita income in 2015 outpaced the State and 80% of the benchmark counties, increasing 6.52% (or \$2,902) between 2014 and 2015. Solano County’s per capita income of \$44,504 in 2015 is 17.9% (or \$9,237) less than the state’s per capita income of \$53,741.

Although personal income in Solano County is fourth lowest among the benchmark counties, as the growth in personal income continues to rise, individual purchasing power becomes more robust. When personal income grows, so does the number of goods and services that can be purchased by Solano County residents, increasing their overall purchasing power.

CHANGE IN PER CAPITA INCOME IN BENCHMARK COUNTIES – 2015 DATA



Source: Bureau of Economic Analysis, U.S. Department of Commerce, 2017

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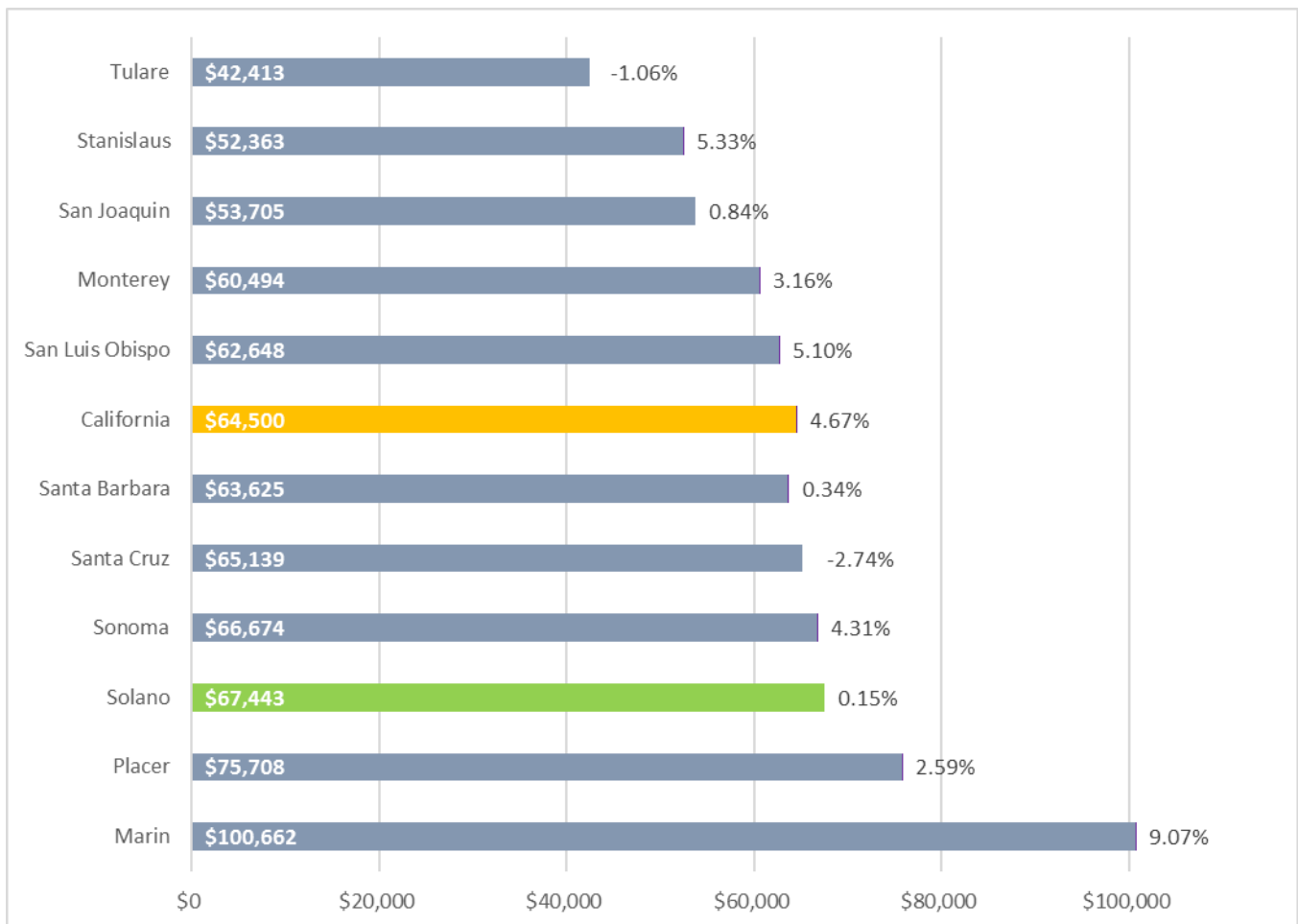
MEDIAN HOUSEHOLD INCOME COMPARISONS AMONG BENCHMARK COUNTIES

Median household income is comprised of the average income of every resident (of that household) over the age of 15. Sources of income include personal wages and salaries, disability payments, including child support payments received, along with personal business earnings, investments and other routine sources of income.

The 2016 *Index of Economic and Community Progress* reports that along with per capita income, median household income is a good indicator of how typical households generate and use income, including spending and savings.

According to the 2015 statistics from the U.S. Bureau of Economic Analysis, Solano County ranks as the third highest in median household income when compared to benchmark counties. Solano County's median household income of \$67,443 in 2015 is an increase of \$102 per household (or 0.15%) over the previous year (2014). Even with modest gains, Solano County still outpaced 73% of the benchmark counties (or 8 out of 11) in median household income, including the State. By comparison, Solano County outperformed the State of California's median household income of \$64,500 by \$2,943 (or 4.3%).

CHANGE IN MEDIAN HOUSEHOLD INCOME IN BENCHMARK COUNTIES – 2015 DATA



Source: Bureau of Economic Analysis, U.S. Department of Commerce, 2017

HOUSING AFFORDABILITY – PRICES CONTINUE TO RISE, BUT WITH SOME TRADE-OFFS

According to the 2016 *Index of Economic and Community Progress*, 2016 was a good year for homeowners in Solano County, with home prices 15.3% higher when compared to 2015. Single-family home sales were up approximately 2.9% (or 9,524 units), helping fuel the continued strong growth of home prices throughout the region. While Solano County home prices remain strong, the state of California, however, experienced only a 3.9% growth in single-family home prices, performing well below the market expectation of 5%.

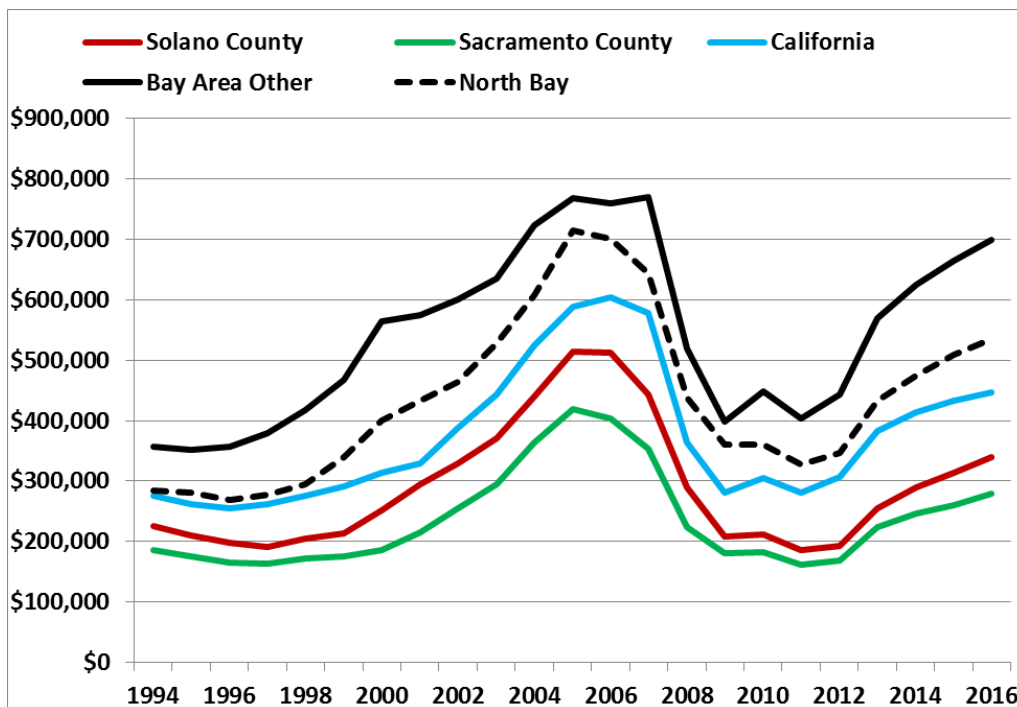
According to the California Association of REALTORS®, Solano County’s median home price in December 2016 was \$405,000, a 126% increase from the lowest price during the depths of the Great Recession (\$179,000 in 2011). As a comparison, single-family median home prices in the state of California hit rock bottom in February 2009, and, since that time, has only grown 108%, an 18% lag behind Solano County.

Rental prices have also slowly increased, another sign of both excess demand for housing purchases and for rental housing. According to Zillow Research, in February 2011, the average rental price for one and two-bedroom apartments in Solano County was \$1,687 per month. In December 2016, that figure was \$1,981 per month, an increase of 17.4%.

While rising home prices are great for homeowners, rising home and rental prices come with some trade-offs, including increased market pressure on lower-income workers and families. When families spend more money on homes and rental properties they have less disposable income to spend in the community. They may also have to commute longer distances to find work that pays well enough to afford the high cost of living. On a positive note, Solano County’s home prices – when compared to neighboring counties – are relatively low, and therefore affordable and can act as an economic development tool.

Another way to look at housing affordability is through the California Association of REALTORS® “Housing Affordability Index” or HAI. The HAI takes household income levels and an estimate of the cost of owning a home (mortgage, average cost of utilities and maintenance, etc.), and compares them to determine what percentage of the population can afford to buy a home at the current median home price. If household income does not keep pace with local housing prices, affordability falls. As of October, 2016, Solano County is at 45% on this index, which means at current median household income levels and median home prices, 45% of people looking to purchase a home in Solano County can afford to purchase a home.

MEDIAN HOME PRICE, 1994-2016, COMPARISONS BETWEEN SELECTED AREAS, IN 2009 DOLLARS



Source: California Association of Realtors & 2016 Index of Economic and Community Progress

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COMMUTING PATTERNS IN SOLANO COUNTY

According to the 2016 *Index of Economic and Community Progress*, Solano County has experienced a net outflow of workers between 2002 to 2014, the latest year for which data is available. Data from the US Census Bureau’s Longitudinal Employer-Household Dynamics (LEHD) project estimates commute-flow information for all census blocks in the United States. The data shows 34.8% of working residents living in Solano County worked for employers within Solano County; implying that 65.2% (or nearly two-thirds) of the county’s working residents commute outside the county for work.

WHERE SOLANO COUNTY RESIDENTS GO TO WORK

County	2014	2014	2010	2010	2007	2007
	Count	Share	Count	Share	Count	Share
Solano	62,431	34.80%	59,782	35.90%	63,531	35.90%
Contra Costa	22,412	12.50%	21,165	12.70%	25,064	14.20%
Alameda	15,037	8.40%	14,110	8.50%	16,268	9.20%
Sacramento	12,065	6.70%	11,318	6.80%	9,570	5.40%
San Francisco	11,355	6.30%	10,506	6.30%	11,084	6.30%
Napa	11,397	6.30%	9,613	5.80%	9,824	5.50%
Santa Clara	6,097	3.40%	5,364	3.20%	6,387	3.60%
San Mateo	5,293	2.90%	4,844	2.90%	5,635	3.20%
Marin	4,791	2.70%	4,327	2.60%	4,403	2.50%
Sonoma	4,731	2.60%	3,851	2.30%	5,042	2.80%
All Other Locations	23,989	13.40%	21,450	12.90%	21,048	11.40%

(Source: 2017 Longitudinal Employment and Housing Dynamics, <http://onthemap.ces.census.gov>)

According to the 2011-2015 American Community Survey, when it comes to commute patterns, approximately 77.9% of employed county residents drive alone to work, whereas 13% carpool and 2.1% use public transportation and 7% either work from home or use other modes of transportation.

COMMUTE PATTERNS OF SOLANO COUNTY RESIDENTS

COMMUTE LOCATIONS BY SOLANO COUNTY RESIDENTS		PERCENTAGE OF SOLANO RESIDENTS BY COMMUTE TIME		COMMUTE MODE OF SOLANO COUNTY	
Solano	35.5%	Less than 10 minutes	12.8%	Drive Alone	77.9%
Contra Costa	13.2%	10 to 14 minutes	16.0%	Carpool	13.0%
Alameda	8.3%	15 to 19 minutes	14.6%	Public Transportation	2.1%
Sacramento	6.9%	20 to 24 minutes	12.0%	Walk	2.1%
San Francisco	6.4%	25 to 29 minutes	5.1%	Taxi, Motorcycle, Bike	1.1%
Napa	5.8%	30 to 34 minutes	11.5%	Work at Home	3.8%
Santa Clara	3.3%	35 to 44 minutes	6.3%		
San Mateo	2.8%	45 to 59 minutes	8.1%		
Yolo	2.7%	60 or more minutes	13.7%		
Marin	2.6%	Mean Travel Time to Work	28.2 min.		
All other Locations	12.4%				

Source: U.S. Census Bureau’s 2011-2015 American Community Survey

SOLANO COUNTY AGRICULTURAL CROP AND LIVESTOCK VALUE

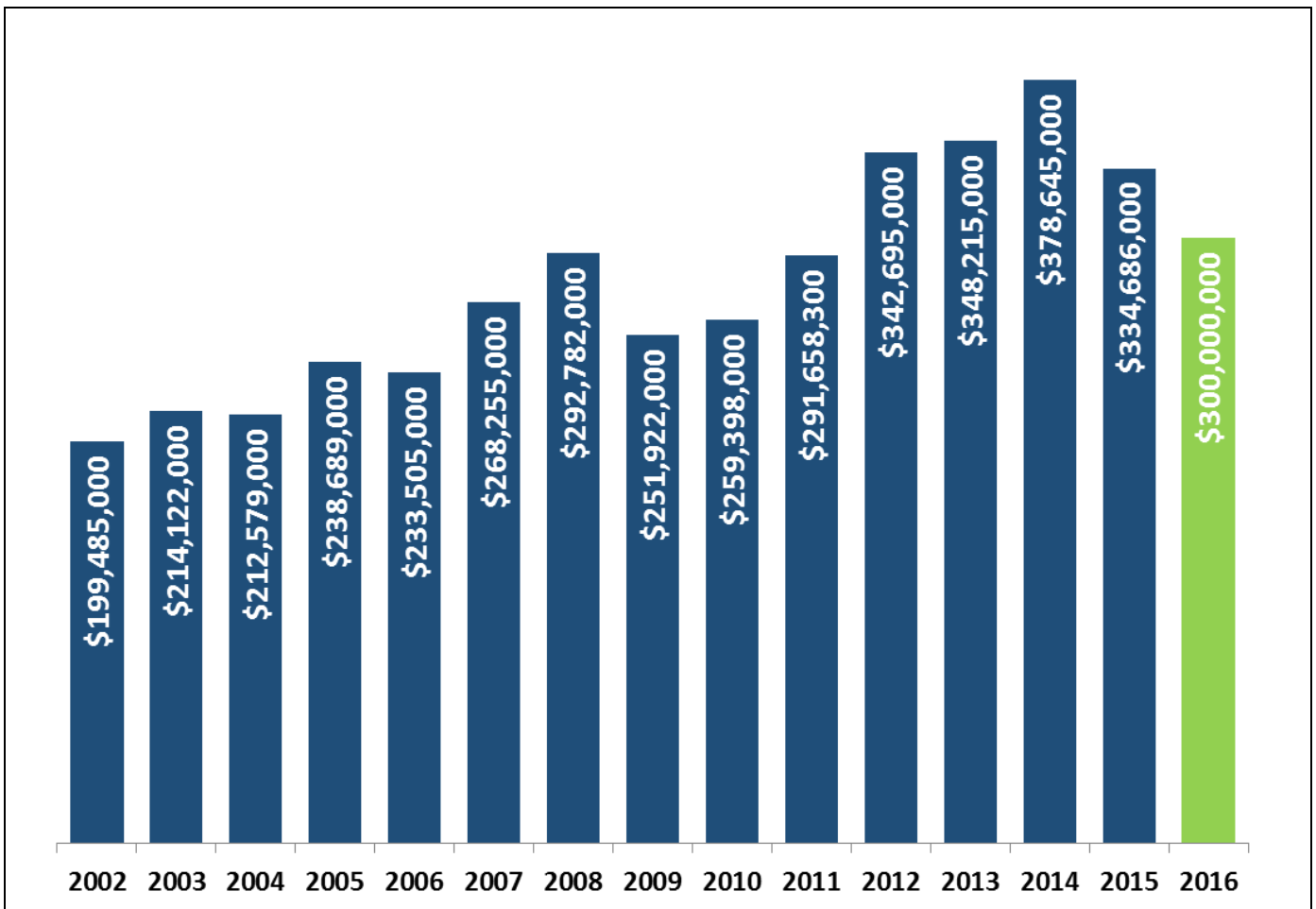
Due to an exceptionally wet year, complete with heavy rainfall and flooding in some areas, the Solano County Department of Agriculture, Weights and Measures is still working with local growers to determine a more precise farm gate value (a farm gate value is the net value of a product when it leaves the farm and after marketing costs have been subtracted) for 2016. Very early estimates by the department put this number in excess of \$300,000,000, a decrease of 10.4% from 2015.

Despite the stormy weather, 2016 was a very productive year for the Agriculture division. Biologists visited a record 1,903 nursery and urban locations throughout the County to survey, trap and help mitigate exotic pests, including the Glassy Wing Sharp Shooter, European Grapevine Moth, Light Brown Apple Moth and Asian Citrus Psyllid.

The Agricultural division has also been actively reviewing and issuing an increasing number of federal export certification documents, representing more than 1,200 shipments of export commodities, including livestock, field crops, fruit and nuts, nursery products, seeds and vegetables. The growing number of exports of commodities demonstrates the ever-increasing value of Solano County agricultural products around the globe.

The division of Weights and Measures visited, examined, tested and certified a record 17,050 measuring devices, including scales at grocery stores, farmer’s markets, produce stands, gas stations and wholesale distributors, up 937 (or 6.5%) from the previous year. Staff also inspected and certified 4,259 petroleum meters, up 58 (or 2.4%), including gasoline and diesel pumps at gas stations, mobile home and recreational vehicle parks and marinas.

2016 ESTIMATED GROSS AGRICULTURE CROP VALUES FOR SOLANO COUNTY



*Source: County of Solano Agricultural Commissioner (*very early estimates for the 2016 Crop Report)*

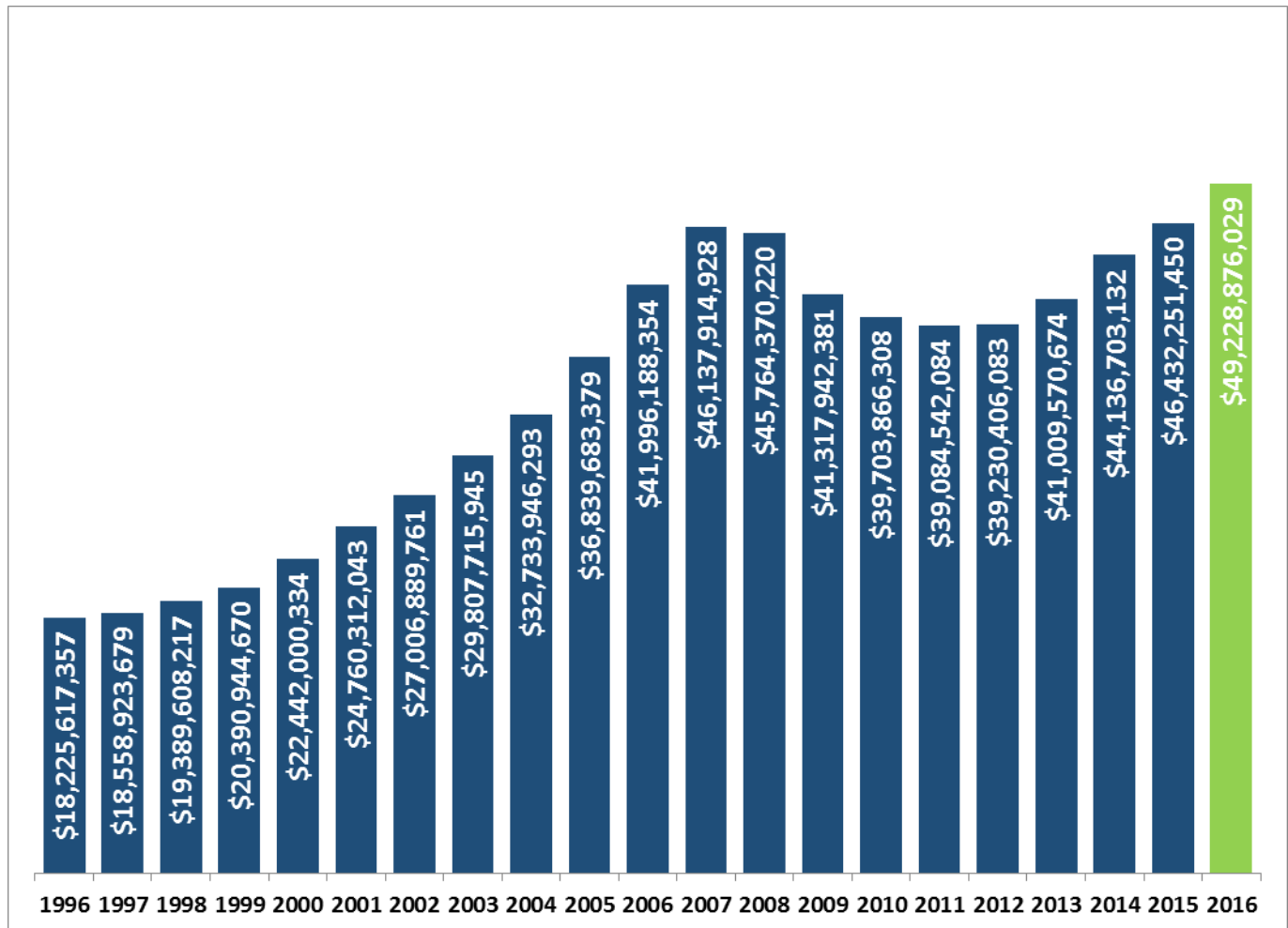
COUNTY ASSESSED VALUES AND GROWTH

Property taxes are a major source of local governmental revenues and are determined by assessed values. The property tax rate throughout the State of California is 1% of assessed values. The 2016 Property Assessment Roll of \$49.2 billion increased 6% (or \$2.8 billion) from the prior year's roll value and represents property ownership in Solano County as of January 1, 2016. This is the fifth year of increasing assessed values since the bottom of the market in 2011 and the highest year on record.

The lingering effects of the Great Recession can still be felt on the assessed values of properties in Solano County, which experienced dramatic drops in median home prices and high numbers of foreclosures. According to the California Association of REALTORS®, the median home price fell from a high of \$475,755 in 2006 to a low of \$179,000 in 2011. As of December 2016, the median home price in Solano County is \$405,000, an increase of approximately 15.3% from 2015. Home prices are expected to climb an additional 3.8% within the next year. The recovering real estate market has infused value back into homes that experienced decline, and as a result, the overall assessed value of county real estate continues to increase.

The recovering real estate market continues to fuel the decrease in the number of properties on Proposition 8 status - a temporary reduction in property values below their established Proposition 13 base year value. As of 2016 year-end close, 4,752, properties have established a new base year value through a change in ownership or have recovered assessed value to their Proposition 13 value. According to the Solano County Assessor-Recorder's Office, as of August 2016, 18,323 parcels remain on Proposition 8 status, whereas in 2012, that number peaked at 78,000 parcels countywide.

LOCAL ASSESSED VALUES FOR SOLANO COUNTY



Source: County of Solano, Assessor-Recorder's Office, August 2016

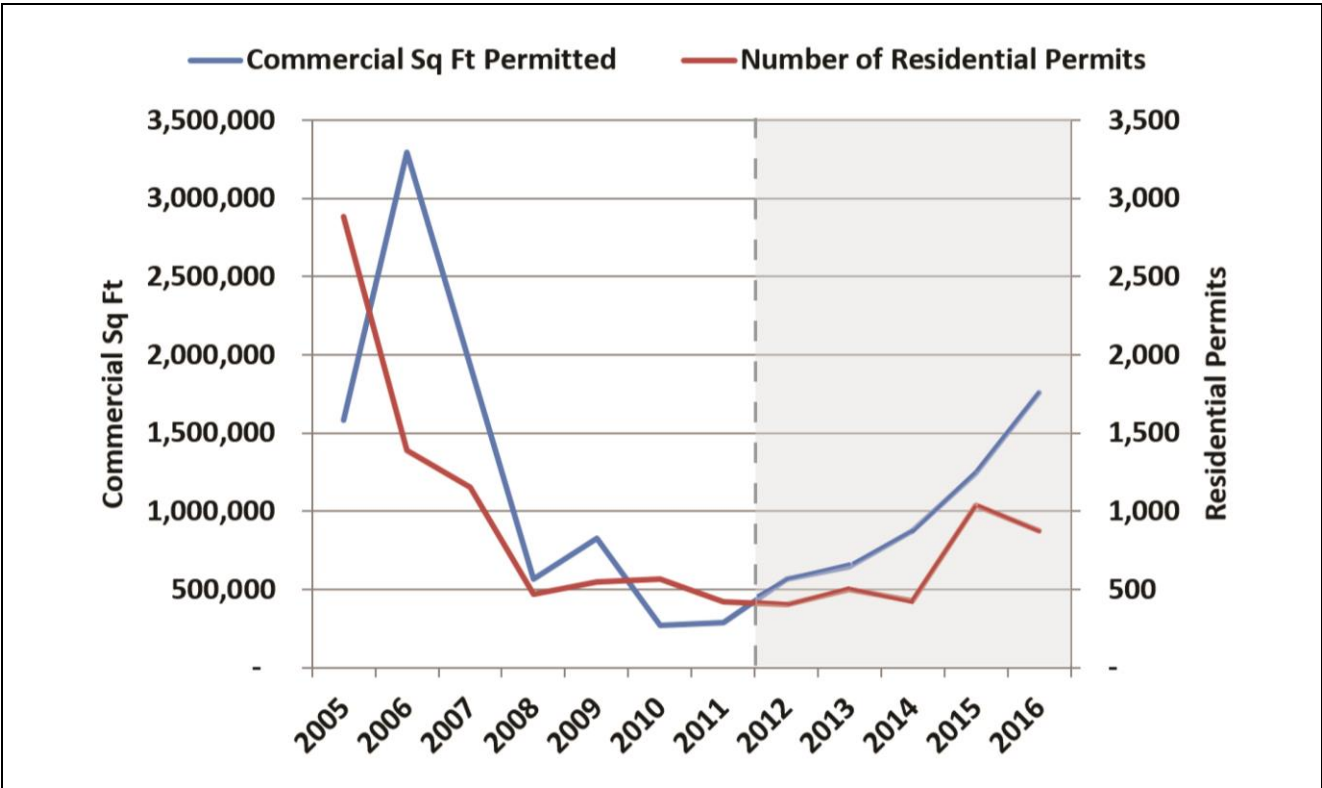
BUILDING PERMITS IN SOLANO COUNTY

Building permits generally act as a leading indicator of economic activity, predicting the growth of construction jobs and the demand for raw materials in order to build residential and commercial units. According to the US Census Bureau for Construction Spending and 2016 *Index of Economic and Community Progress*, Solano County has experienced a growth in the number of building permits issued since 2012 (see graph below), a trend that is likely to continue based on relatively low interest rates and rising home prices, driving developer’s incentives to build.

Commercial space construction is a powerful indicator of confidence in the local and regional economies, as employers build and/or occupy more space as a business grows. Solano County permitted approximately 1.76 million square feet of new commercial space in FY2015/16 – down approximately 50% from the market high of 3.25 million square feet issued in FY2005/06 – however, this number has continued to trend in a positive direction over the past 5 years.

Residential building permits are another way to forecast an increase in housing units, construction activity around housing, and subsequent impacts on the economy. The County issued 875 new building permits for residential, single-family housing units in FY2015/16, slightly less than the previous fiscal year, however, almost double the number of annual permits issued between fiscal years 2008 through 2014.

**SOLANO COUNTY RESIDENTIAL AND COMMERCIAL BUILDING PERMITS, FISCAL YEARS 2005 TO 2016
 COMMERCIAL SQUARE FEET AND RESIDENTIAL UNITS PERMITTED**



Source: Census Bureau (<https://www.census.gov/construction/c30/c30index.html>) & 2016 *Index of Economic and Community Progress*

Solano County Statistical Profile
Birgitta E. Corsello, County Administrator

PRINCIPAL TAX PAYERS

COUNTY OF SOLANO			
Principal Taxpayers with over \$50,000,000 in Assessed Value for FY2016/17			
Principal Property Tax Payers	Business Type	Assessed Value	Tax Obligation
Valero Refining Company California	Energy	\$974,371,849	\$11,841,062
Genentech Inc.	Manufacturing	\$955,554,129	\$11,560,293
Pacific Gas and Electric Company	Utility	\$667,579,738	\$10,122,639
Anheuser Busch Inc.	Manufacturing	\$268,932,835	\$3,185,558
Shiloh Wind Project II LLC	Energy	\$224,927,063	\$2,354,914
Solano 3 Wind LLC	Energy	\$219,391,332	\$2,296,957
Star-West Solano LLC	REITS & Finance	\$180,603,781	\$2,132,652
Shiloh III Wind Project	Energy	\$179,308,919	\$1,877,306
California Northern Railroad	Transportation	\$146,916,741	\$1,867,037
Icon Owner Pool 1 SF N-B P LLC	Manufacturing	\$133,424,150	\$1,624,619
Shiloh IV Wind Project LLC	Energy	\$132,316,729	\$1,385,313
Shiloh I Wind Project LLC	Energy	\$117,233,791	\$1,227,400
Alza Corporation	Manufacturing	\$116,192,288	\$1,403,820
CPG Finance II LLC	Commercial Sales and Service	\$103,873,685	\$1,289,621
Pacific Bell Telephone Company	Utility	\$102,866,504	\$1,477,581
High Winds LLC	Energy	\$96,691,593	\$1,012,330
Netxera Energy	Energy	\$95,840,439	\$1,003,418
NT Dunhill I LLC	Real Estate	\$93,506,450	\$1,323,679
Meyer Cookware Industries Inc.	Distribution / Manufacturing	\$90,842,786	\$1,099,540
Park Management Corp.	Theme Park	\$81,656,599	\$1,032,148
Centro Watt Property Owner II	Commercial Sales and Service	\$78,876,207	\$971,341
SFPP, LP	Energy	\$77,942,992	\$1,050,072
Kaiser Foundation Hospital	Health Care	\$74,046,403	\$944,157
Eli Lilly and Company	Manufacturing	\$63,617,117	\$791,380
Prime Ascot LP	Real Estate	\$59,352,261	\$745,428
Ball Metal Beverage Container Corp.	Distribution / Manufacturing	\$58,836,301	\$629,179
Wal-Mart Real Estate Business Trust	Real Estate	\$58,094,813	\$681,560
Sequoia Equities-River Oaks	Real Estate	\$55,609,656	\$675,008
6801 Leisure Town Road, Apt. Inv.	Real Estate	\$55,367,032	\$676,431
N/A Rolling Oaks - 88 LP	Real Estate	\$55,241,450	\$663,475
State Compensation Insurance Fund	Insurance	\$53,452,874	\$694,565

***NOTE:** The tax obligation is calculated at 1 percent + voter approved bonds and any special assessments. Rates vary by Tax Area Code
 LLC - Limited Liability Company | LP - Limited Partnership

\$5,672,468,507

\$69,640,483

Source: County of Solano, Tax Collector/County Clerk, March 2017