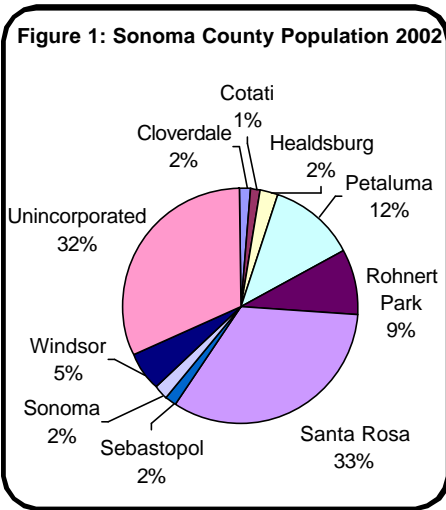


Index of Economic & Community Vitality 2004 Overview

Key Trends

The Sonoma County Economic Development Board (EDB) has undertaken a program to measure vitality from various perspectives in the community. Through the identification and measurement of a defined set of statistics over time, the EDB endeavors to develop a comprehensive set of community and economic trends in Sonoma County. In this publication, the EDB has selected several indicators that offer a snapshot of recent data that can be used for comparative trends. As the EDB's program develops in the future, added indicators will be researched providing a more in-depth picture of the county's economic trends.

In the following report, statistical measurements for Sonoma County can be compared to generally similar counties. Some of the most commonly used indicators are included in this brief summary.



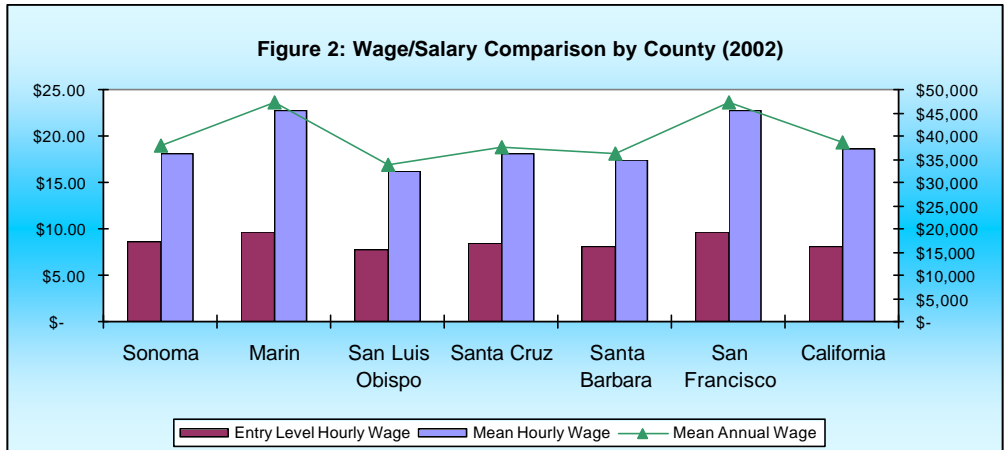
Income

The basic family living wage is determined by estimating housing, utilities, child care, transportation, food, health care, taxes and miscellaneous costs. It costs more to live and work within the Bay Area compared to many other areas of California. The basic hourly wage needed for a single adult is \$13.36; for a single-parent family with two children \$29.80; for a family of four \$23.24; and for a family with both parents working \$16.88. Approximately 8% of county residents live below the poverty level.

Average salaries have increased in Sonoma County and in comparable counties in recent years. Entry-level wages average \$8.65, and the average hourly wage is \$18.17. Personal income per-capita compares favorably with the state and all but three similar areas. Marin, San Francisco and Santa Cruz counties report higher per-capita incomes.

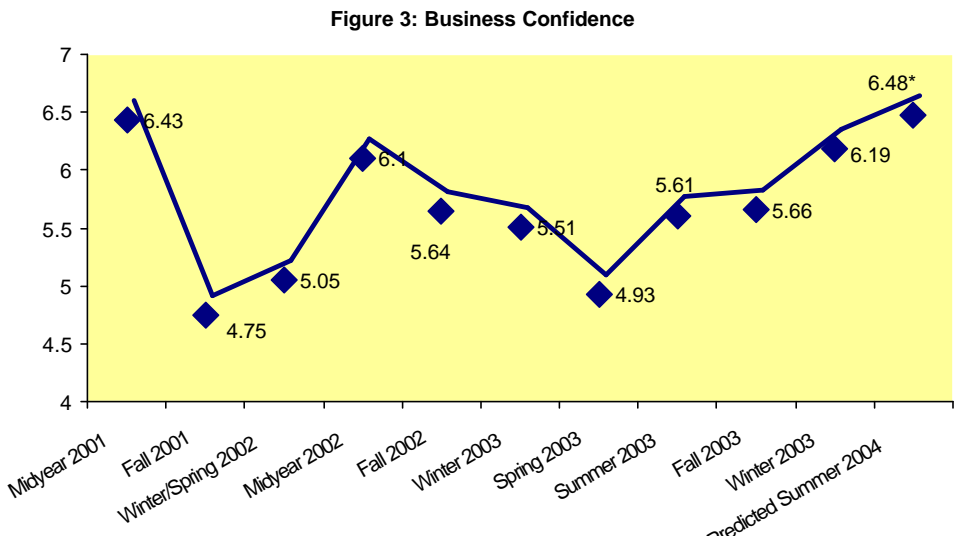
Population

The population increased 8% over the last five years, reaching 472,700 in January 2003. One-third of the county's population lives in Santa Rosa, another third in unincorporated areas outside city limits. The Hispanic population (17%) is the fastest-growing ethnic group, with White (75%) and Asian/Pacific Islander (3%) comprising the other major groups. The largest age group at almost 53% is between 25 and 64 years, while those 65 and over make up 13% of the population. Between 1990 and 2000, the 75-to-84 age group grew 25%, while the overall county population grew 18.3%.



Business Confidence

The Economic Development Board surveys 300 business executives quarterly to measure the level of confidence in future economic conditions. The latest survey shows an upward trend, indicating an increasingly positive outlook for Sonoma County businesses. The index is based on a scale of 1 (worst) to 10 (best).



Jobs

In the first six months of 2003, the number of workforce layoffs and business closures, concentrated in the high tech and manufacturing industries, were increasing at a faster rate than all of 2002. However, the latest unemployment figure in Sonoma County is 4.4%, a significant improvement compared to the unemployment rate one year ago.

Figure 4: Year-to-Year Unemployment Rate

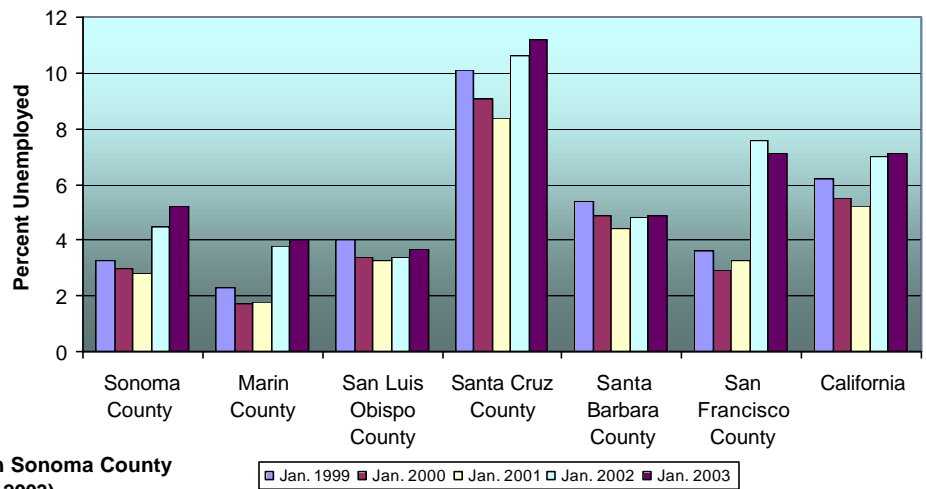


Figure 5: Employment Changes in Sonoma County (August 2002 - August 2003)

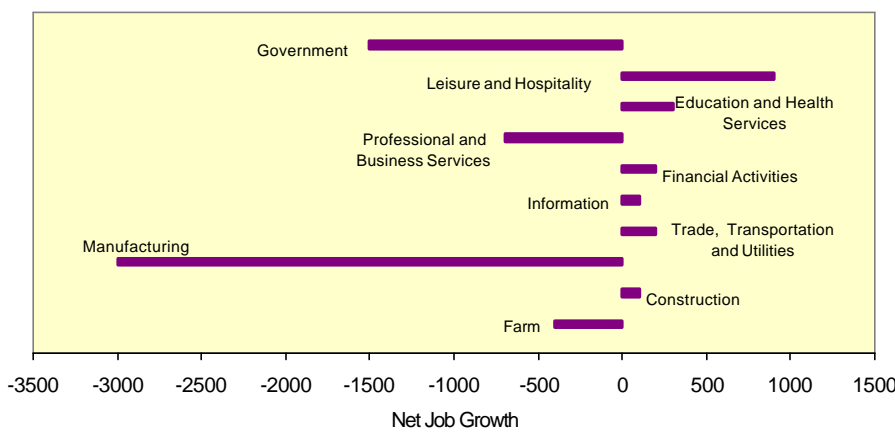
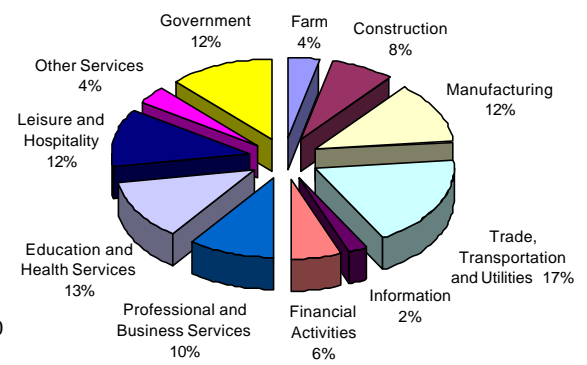


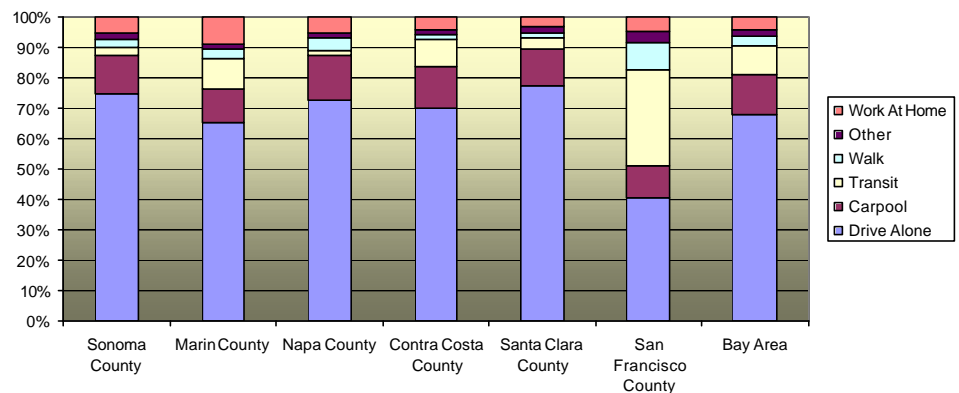
Figure 6: Employment by Industry (August 2003)



Transportation

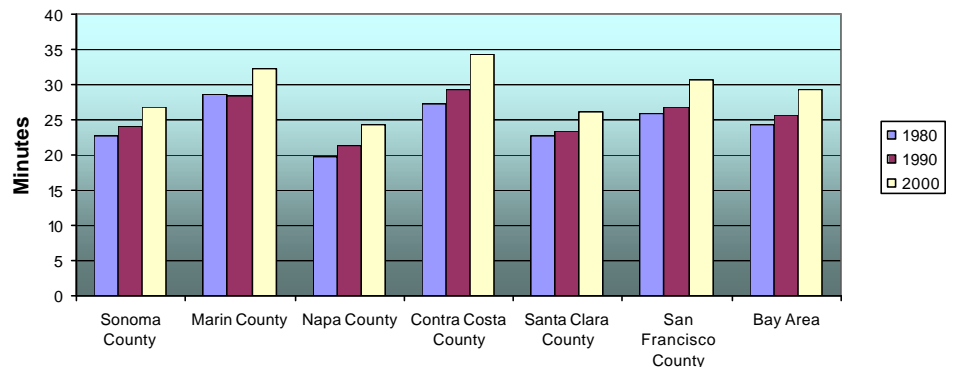
Compared to other Bay Area counties, a higher percentage of Sonoma County residents drive alone to work, while only two percent of local commuters use public transportation. In the last 20 years, commute times throughout the Bay Area have increased. The number of residents who both live and work here (77%) has been increasing. Almost half of the southbound traffic is destined for Marin.

Figure 7: Means of Transportation to Work (2000)



Commute times throughout the Bay Area have lengthened. During construction of Hwy. 101 (1954-1962), a 1958 traffic study at the College Ave. interchange in Santa Rosa counted 15,000 cars daily. In 1997, more than 100,000 vehicles traveled through the same interchange. Throughout the day, 76% of the traffic flow consists of county residents shopping or running errands.

Figure 8: Average Travel Time to Work (One-Way)

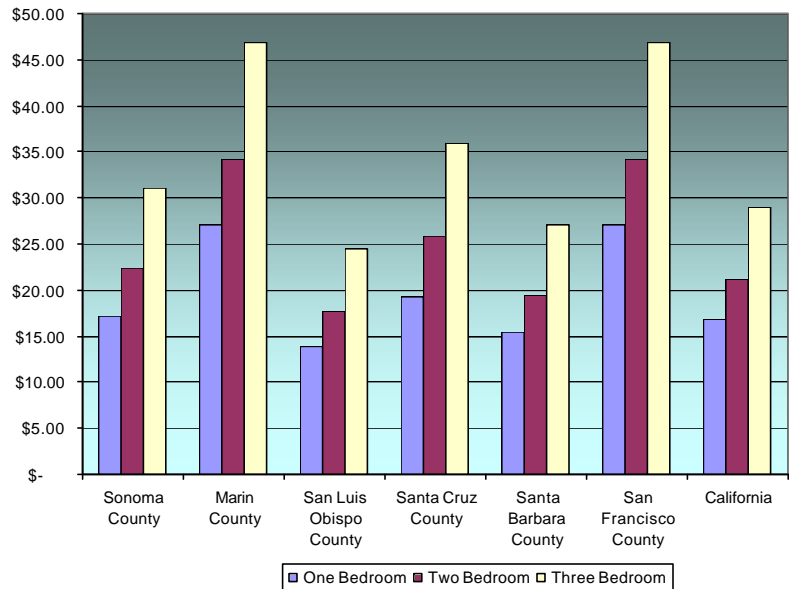


Housing and Commercial Real Estate

Less than one-fifth of households in Sonoma County can afford a median-priced home. Five years ago, a two-bedroom apartment rented for \$782, and today the same apartment is \$1162. A family of four must earn \$22.37 an hour, more than three times the minimum wage, and higher than the average wage of \$18.17, to afford a two-bedroom apartment. Apartment vacancy rates were 7.5% in the third quarter of 2003. More than 900 apartment units have been built in the county in the last two years.

The number of commercial vacancies is declining overall, but significant office space remains available for lease, 15.3% in the third quarter 2003, following workforce cuts in high tech and manufacturing last year. The third quarter last year showed industrial vacancies at 8.8%, down from 11.6% a year ago. Retail space continues to maintain low vacancy rates at 3.4%. Lower interest rates have spurred investors to buy commercial properties rather than lease.

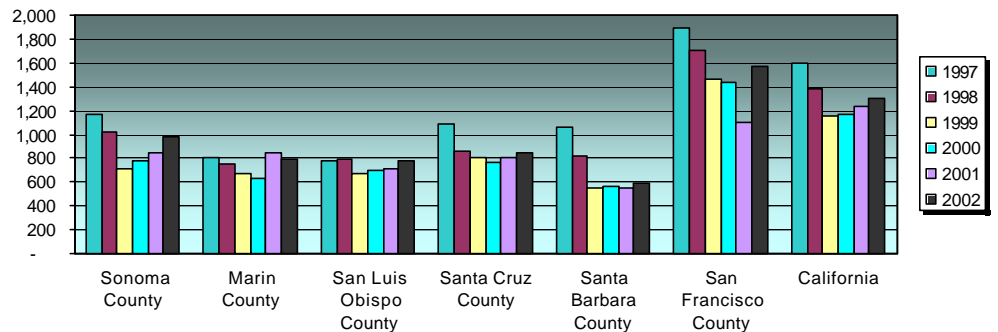
Figure 9: Hourly Wage Needed to Afford Fair Market Rent (2003)



Crime Rate

The Sonoma County crime rate remains lower than the state average, and violent crimes are fewer per-capita than comparable counties, except for Marin and San Luis Obispo. Property crimes increased 16% between 2001 and 2002.

Figure 10: Property Crimes per 100,000 Population



Education

In the last five years, the high school graduation rate has improved significantly in the county. The graduation rate is close to five percent higher than the state average, and the average SAT score here is 1072, while the state average score hovers around 1000. Of those high school graduates who continue into the state university system, about 38% complete their education. The average K-12 class size is about 25.5 students. Overall, Sonoma County schools rank considerably better in the Academic Performance Index (API, February 2003) than the state as a whole, with 79% of schools scoring in the top five rankings, compared to 50% of schools statewide.

Figure 11: High School Graduation Rates

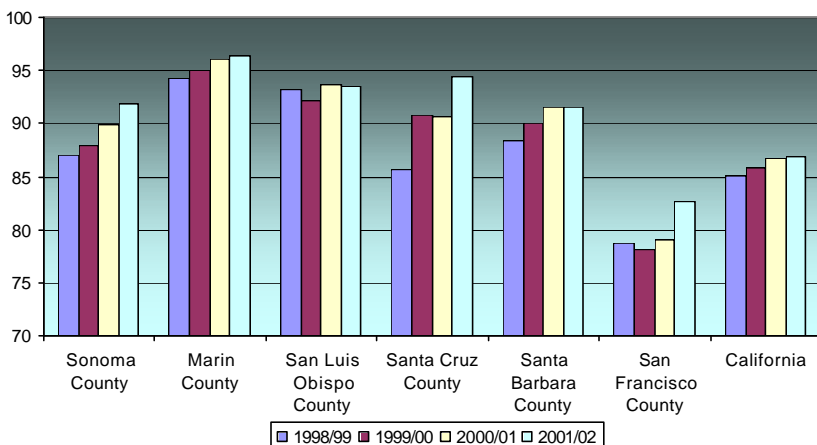
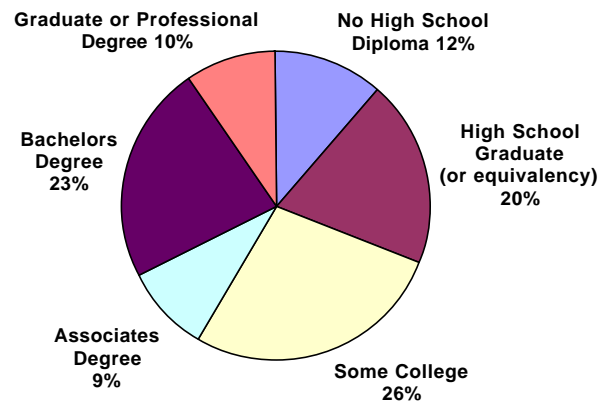


Figure 12: 2002 Educational Attainment (25 years and older)

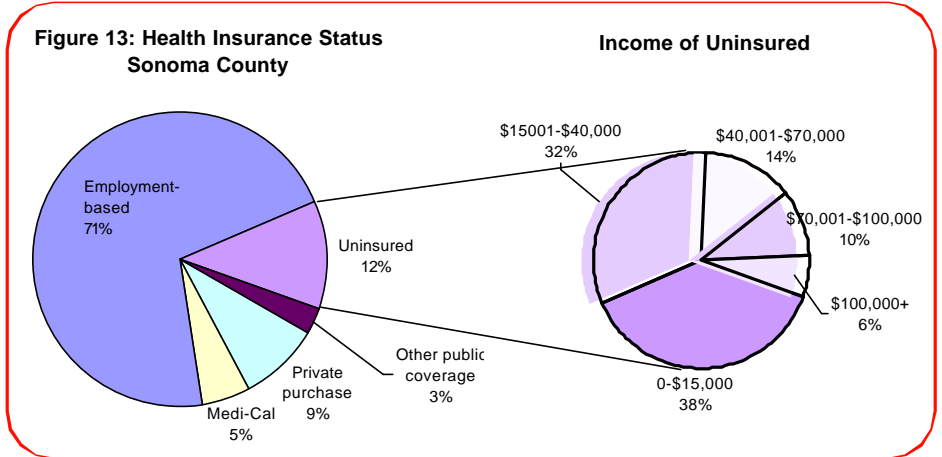
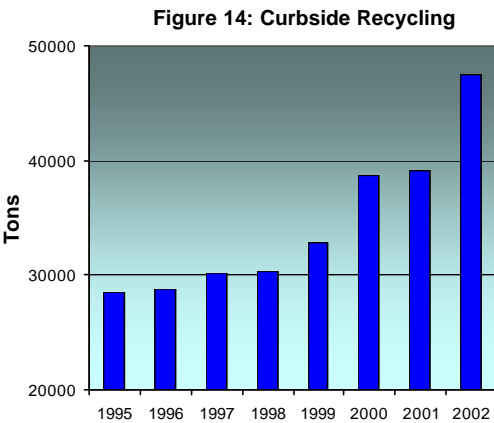


Health Care

In 2001, almost 12% of residents aged 64 and under were uninsured. Of those individuals, about 70% earned less than \$40,000 annually, yet more than 61% were considered full-time employees (21 hours or more per week). An estimated 8,000 children in Sonoma County (7.8%) are not insured, but approximately two-thirds are eligible for publicly funded health coverage, although they are not enrolled. In 2003, 10 general acute care hospitals were located in Sonoma County with a total of 757 beds. In fiscal year 2002-03, the county had 21 long-term care (LTC) facilities and 6 hospitals with LTC beds, for a total of 1786 beds.

Environment

Air and water quality are generally considered to be good when compared with other Bay Area counties. Out of 182 days measured last year, the air quality on six days received the lesser rating of moderate. The amount of water used has steadily increased during the last several years. The number of waste reduction efforts through recycling and reuse has climbed steadily, while the amount of garbage going into county landfills has declined.



Methodology

As much as possible, this report compares Sonoma County directly with other similar counties. The information in this report comes from a variety of different sources in order to provide the most current snapshot available. Although the latest information available was used, the dates throughout the report are different due to the wide range of sources. The statistics in this report can be attributed to reliable sources and is easily accessible.

Sources

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- Figure 7) US Census: <http://quickfacts.census.gov>
- Figure 8) US Census: <http://quickfacts.census.gov>
- Figure 9) National Low Income Housing Coalition: www.nlihc.org
- Figure 10) California Department of Justice: http://justice.doj.ca.gov/cjsc_stats/prof02/
- Figure 11) California Department of Education: <http://www.cde.ca.gov>
- Figure 12) American Community Survey Profile 2002, US Census: <http://www.census.gov/acs/www>
- Figure 13) University of California, Health Interview Survey 2001: <http://www.chis.ucla.edu>
- Figure 14) Sonoma County Integrated Waste System

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Special Acknowledgement and Appreciation to the Underwriters of the EDB Research Initiatives Program

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