

## Appendix C

# Task: Economic Base & Comparative Data, Socio-Economic Profile



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## Demographics

- Santa Rosa's 2004 Population represents 2 percent of the population in the Bay Area, so despite making up a large part of Sonoma County's population, it is a relatively small component of the Bay Area as a whole.
- The population growth rate is quite moderate at 2.6 percent per year, but more than double that of the Bay Area overall.
- Santa Rosa's population is more bipolar in terms of age than the region with a somewhat larger share of people under 24, and a larger share over 65. The age bracket in which most of the population growth occurred over the past decade was 45-65, a generation that would (technically) soon be leaving the workforce.
- However, population growth for the age bracket 18-24, a generation entering the workforce, is considerably higher than that of the Bay Area, California, and United States. Santa Rosa showed a 29 percent increase in people ages 18 to 24, whereas the Bay Area showed a 1.5 percent decline from 1990 to 2000. The ability to retain people in this age group is important in terms of building a workforce to meet the needs of new and expanding businesses. Additionally, the fact that this age group is attracted to the area speaks well for the social and cultural environment. According to USA today, "Be hip and they will come" is the motto of a new movement in second-tier cities that have lost their best and brightest to more urbane centers such as San Francisco, New York, Seattle, Atlanta, Washington and Boston. Until now, attracting young people has never been high on cities' economic development agendas.

	Santa Rosa	Bay Area*	California	United States
<b>POPULATION</b>				
1990 (1)	113,261	6,023,577	29,758,213	248,709,873
2000 (1)	147,595	6,783,760	33,871,648	281,421,906
2004	154,400	7,009,400	36,144,267	294,932,671
Average Annual Growth Rate (1990 - 2004)	2.59%	1.17%	1.53%	1.33%
Population Distribution by Age Cohort (2000) (1)				
0 to 17	24.3%	23.6%	27.3%	25.7%
18 to 24	9.5%	7.7%	9.9%	9.6%
25 to 44	30.0%	33.7%	31.6%	30.2%
45 to 64	22.3%	22.7%	20.5%	22.0%
65 and over	13.9%	11.1%	10.6%	12.4%
Population Growth by Age Cohort (1990 - 2000) (1)				
0 to 17	33.3%	15.4%	19.5%	13.7%
18 to 24	28.9%	-1.5%	1.2%	3.5%
25 to 44	15.4%	3.7%	3.2%	4.9%
45 to 64	76.0%	33.3%	33.9%	33.0%
65 and over	11.2%	13.9%	15.2%	12.2%
2000 Median Age (1)	36.2	35.8	33.3	35.3
2000 Percent Working Age Population (20-64 years) (1)	59.1%	62.8%	59.1%	58.9%
Average Household Size 2000 (1)	2.57	2.69	2.87	2.59

## Income

- Although household income levels in Santa Rosa grew at a rate comparable to the Bay Area from 1990 to 2002, both family and household incomes are approximately 11 to 13 percent lower than the Bay Area average. This is indicative of the type of jobs that are present in Sonoma County relative to other parts of the Bay Area. However, cost of living is also lower in Sonoma County than other parts of the Bay Area.

	Santa Rosa	Bay Area*	California	United States
<b>INCOME</b>				
2002 Median Household Income (18)	\$53,230	\$60,341	\$47,323	\$42,409
Household Income Growth (1989-1999)	51.1%	45.5%	32.2%	41.1%
2005 Median Family Income (19)	\$74,600	\$86,240	\$62,100	\$58,000
Family Income Growth (1989-1999)	81.3%	78.5%	53.1%	64.7%
2002 Per Capita Income (20)	\$37,331	\$45,573	\$32,989	\$30,806
Per Capita Income Growth (1989-2002)	116.3%	132.2%	101.0%	113.6%
Poverty Status - Percent below poverty level (18)				
All persons	7.5%	8.4%	13.3%	12.1%
Children age 0 to 17	9.7%	11.0%	19.2%	16.7%

## Labor Force

- Santa Rosa has significantly less residents employed as managerial and technical workers than the Bay Area and somewhat more residents in service, sales and production occupations. This is consistent with lower average incomes, although it is not a good indicator in terms of readiness for new economy industries.
- The share of adults with a high school education in Santa Rosa is typical for the Bay Area and above the statewide average. However, only 28 percent of adults have a college or advanced degree versus 37 percent in the Bay Area as a whole. Santa Rosa is a part of a very competitive market in the Bay Area and in order to succeed at attracting and growing higher paying jobs in new industries, a base of well educated workers is critical. These workers need to be able to adapt quickly and easily to new technology and to new ways of organizing work. An educated workforce is critical to increasing productivity and fostering innovation. Additionally, entrepreneurs are more likely to have higher levels of education, and entrepreneurial start-ups are a viable target for areas like Santa Rosa with a high quality of life.

	Santa Rosa	Bay Area*	California	United States
<b>LABOR FORCE</b>				
Employment Distribution by Occupation (1)				
Managerial, Professional and Technical	34.1%	43.6%	36.0%	33.6%
Services	15.9%	12.9%	14.8%	14.9%
Sales and Office	27.7%	25.6%	26.8%	26.7%
Farming, Fishing, Forestry	0.9%	0.5%	1.3%	0.7%
Construction, Extraction, Maintenance	8.9%	7.4%	8.4%	9.4%
Production, Transportation, Material Moving	12.4%	10.0%	12.7%	14.6%
Adults 25 and Over with High School Diploma or Higher (1)	84.2%	83.9%	76.8%	80.4%
Adults 25 and Over with Associates Degrees (1)	9.4%	7.2%	7.1%	6.3%
Adults 25 and Over with College Degrees (1)	27.6%	37.3%	26.6%	24.4%

## Business Characteristics

- Industry employment (employment by place of work) in Sonoma County has increased at three times the rate in the Bay Area and twice the statewide average from 1990 to 2003. This is somewhat surprising giving some of the major cutbacks that have occurred in recent years. However, some of this downsizing and off shoring activity is overshadowed by growth that occurred during the 1990's when looking at change over the whole 1990 to 2003 time period. In general, Sonoma County was not nearly as hard hit by the last recession as Santa Clara County and other parts of the Bay Area.
- Value added per employee in manufacturing is 19 percent less in Sonoma County than in the Bay Area and average manufacturing wages are 22 percent lower. This is consistent with other findings on income and occupation distribution in that Sonoma County does not have the same base of high end jobs as other parts of the Bay Area. However, it is important to keep in mind that Santa Rosa is comparing itself to the Bay Area, which despite extraordinarily high costs is a very competitive market by most other measures. Relative to other parts of California, Santa Rosa is at least average and frequently above average in terms of its business climate.
- The county is dominated by small businesses with 88 percent of businesses having less than 20 employees. This is comparable to the region as a whole and typical for most small to medium sized cities.

	Santa Rosa	Bay Area*	California	United States
<b>BUSINESS CHARACTERISTICS</b>				
Total Nonfarm Industry Employment (3)				
1990	139,300	2,918,200	12,499,800	109,487,000
2003	180,600	3,195,200	14,410,200	129,931,000
Percent Change	29.6%	9.5%	15.3%	18.7%
Jobs by Place of Work (2)				
2000	77,097	3,312,891	12,884,692	114,064,976
2002	78,125	3,132,178	12,856,426	112,400,654
Percent Change	1.3%	-5.5%	-0.2%	-1.5%
Count of Business by Number of Employees 2002 (2)				
1 to 4	7,478	31,183	445,186	3,900,755
5 to 9	2,711	11,012	150,899	1,384,960
10 to 19	1,719	7,874	104,617	912,797
20 to 49	1,099	5,577	75,509	624,628
50 to 99	347	2,086	25,827	210,577
100 to 249	185	1,075	13,780	118,724
250 to 499	25	260	3,306	30,220
500 to 999	11	88	1,182	11,377
1,000 or more	6	56	691	6,732
Value Added per Employee (11)	\$124,981	\$148,934	\$108,237	\$108,639
2003 Average Wage per Job (2a)	\$36,546	\$54,643	\$41,864	\$37,508
2003 Average Manufacturing Wage (2a)	\$50,678	\$80,725	\$53,712	\$45,916

## Retail Sales

- Retail sales in Santa Rosa have grown significant faster than the Bay Area as a whole, 23 percent versus 9 percent, with is consistent with higher population growth.
- Taxable sales per capita are very similar to the Bay Area as a whole, but significantly higher than California indicating the importance of tourism spending in the local economy.

	Santa Rosa	Bay Area*	California	United States
<b>RETAIL SALES</b>				
Total Taxable Retail Sales (000) (4) - 2003	\$2,273,503,000	\$101,524,395,000	\$320,217,054,000	
Total Taxable Retail Sales (000) - 1998	\$1,843,736,000	\$92,769,265,000	\$229,406,469,000	
Percent Change	23.3%	9.4%	39.6%	
2003 Taxable Retail Sales per Capita	\$14,821	\$14,586	\$8,911	

## Quality of Life

- Cost of living is less in Santa Rosa slightly lower than in the Bay Area, although still 77 percent higher than the United State average. This serves to further emphasize the importance of being able to offer a high quality business environment that balances out some of the higher costs.
- Housing prices are about 43 percent less for single family homes than in the Bay Area, but again much higher than in other parts of the county. Lower prices relative to the Bay Area average may be due to the more peripheral local of Sonoma County relative to the Bay Area's urban core.
- A slightly higher share of homes are owner occupied, 55 percent in Santa Rosa versus 48 percent in the Bay Area. This is important in terms of creating a stable community.
- Despite the suburban location, violent crime rates per 100,000 residents in Santa Rosa actually exceed those of the Bay Area, although property crime rates are somewhat lower. This is an issue over which local government has some control. Although it is not as important to the business climate as other factors, public perception about crime rates can become an image issue in terms of business attraction..

	Santa Rosa	Bay Area*	California	United States
<b>QUALITY OF LIFE</b>				
Cost of Living Index (U.S. = 100) (5)	177.3	186.6	na	100.0
Median Existing Home Price (6)	\$461,320	\$661,660	\$462,510	\$187,000
Qualifying Income	\$107,957	\$154,840	\$108,235	\$43,761
Median Income	\$74,600	\$86,240	\$62,100	\$58,000
Difference	(\$33,357)	(\$68,600)	(\$46,135)	\$14,239
Percent Owner Occupied (1)	54.9%	47.5%	52.9%	66.2%
Crime Rates 2003 (7)				
Violent crime rate 100,000	643.5	537.7	579.3	475.0
Property crime rate per 100,000	3,789.8	4,058.4	3424.3	3588.4

## Secondary Education

- SAT 1 scores are slightly above those in the Bay Area overall. STAR/CAT 6 tests scores for 9<sup>th</sup> graders, which are standardized test given to all students in California, show very similar results for Math and Language subjects to those of the Bay Area. Education quality is very important in terms of attracting and retaining professional and technical workers and their families. California does not have a strong reputation nationally for its educational system and the ability to demonstrate how Santa Rosa compares to state averages is important for business development.
- Graduation rates (the share of 11<sup>th</sup> graders completing high school the next year) are about 8 percent lower than the Bay Area or California, and 19 percent lower than the U.S. average, generating cause for concern about the future work force. One year drop out rates are slightly above the Bay Area as well.
- Pupil teacher ratios are slightly higher than the regional average and expenditures per pupil are comparable to the Bay Area. However, if test scores are good, class sizes may not be an issue.

	Santa Rosa	Bay Area*	California	United States
<b>SECONDARY EDUCATION</b>				
SAT I Scores (17)	1100	1062	1020	1026
STAR/CAT 6 Test of Basic Skills-Math Scores for 9th Grade Students (8)				
Percent of Students in 76th to 99th Percentile	34%	34%	25%	na
Percent of Students in 51st to 75th Percentile	23%	22%	21%	na
Percent of Students in 26th to 50th Percentile	22%	23%	26%	na
Percent of Students in 1st to 25th Percentile	21%	22%	28%	na
STAR/CAT 6 Test of Basic Skills-Language Scores for 9th Grade Students (8)				
Percent of Students in 76th to 99th Percentile	33%	30%	23%	na
Percent of Students in 51st to 75th Percentile	24%	26%	25%	na
Percent of Students in 26th to 50th Percentile	18%	20%	23%	na
Percent of Students in 1st to 25th Percentile	25%	24%	29%	na
Graduation Rate (10)	71.6%	79.5%	79.7%	90.4%
One Year Dropout Rate (9)	2.7%	2.3%	3.2%	na
Pupil Teacher Ratio (10)	22.8	19.88	21.2	17.1
Expenditures for Education per Pupil (10)	\$6,929	\$7,190	\$6,959	\$7,352

## New Economy Indicators

- Santa Rosa is well integrated into the digital age with 58 percent of adults using the Internet and 72 percent of children having access to computers in the classroom. Both figures are above Bay Area average. While the number of people online may not directly affect economic activity in the short run, it is representative of a city's progress toward the digital economy.
- The average number of broadband competitors per zip code is also significantly higher in Santa Rosa than in the Bay Area overall. In a networked world, bandwidth is a core determinant of what is technologically feasible. Data on the number of broadband providers (cable, DSL, and other) in each zip code in the metropolitan areas provides an indication of both the extent of the broadband market and the extent of competition.
- While high-tech industries make up a fairly small share of economic output nationally, they are key drivers of the New Economy. The share of high tech jobs is significantly higher in the country's largest metro areas. Sonoma County has a slightly lower share of jobs in high tech industries, but not significantly lower than the Bay Area and twice the national average.
- The capacity of firms to develop new products will determine their competitive advantage and ability to pay higher wages. One indicator of the rate of new product innovation is the number of patents issued. The number of patents issued per worker is well below the Bay Area, although the Silicon Valley has been a national hotbed for new patents.
- Technology and research-based companies are fueled by a high-caliber scientific and engineering workforce. Nationally, there is a critical shortage of scientists, engineers, and computer programmers, as demand surges. Thus, growing a high-quality, scientific workforce is critical to boosting innovation and productivity. Santa Rosa has a smaller share of college students earning degrees in science and engineering fields than the Bay Area, 18 versus 28 percent. However, it is entirely possible that Santa Rosa residents could attend schools outside the county, or that local employers could hire science and engineering students from other colleges and universities in the Bay Area.

	Santa Rosa	Bay Area*	California	United States
<b>NEW ECONOMY INDICATORS</b>				
Percent of Adults Using the Internet (13)	58%	56%	54%	54%
Percentage of Children Using Computers in the Classroom (13)	72%	68%	78%	84%
Average Number of Broadband Competitors per Zip Code (14)	10.83	4.61	7.32	4.12
Share of Jobs in High Tech Industries (2)	7.87%	8.60%	6.37%	3.74%
Number of Degrees Awarded in Science and Engineering Fields as a Share of All Degrees (16)	18%	28%	23%	36%
Manufacturing Export Sales per Manufacturing Worker (12)	\$80,000	\$80,000	\$53,896	\$48,164
Number of Patents Issued per 1,000 Workers (15)	0.32	1.45	1.20	0.80

\* Includes Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma counties.

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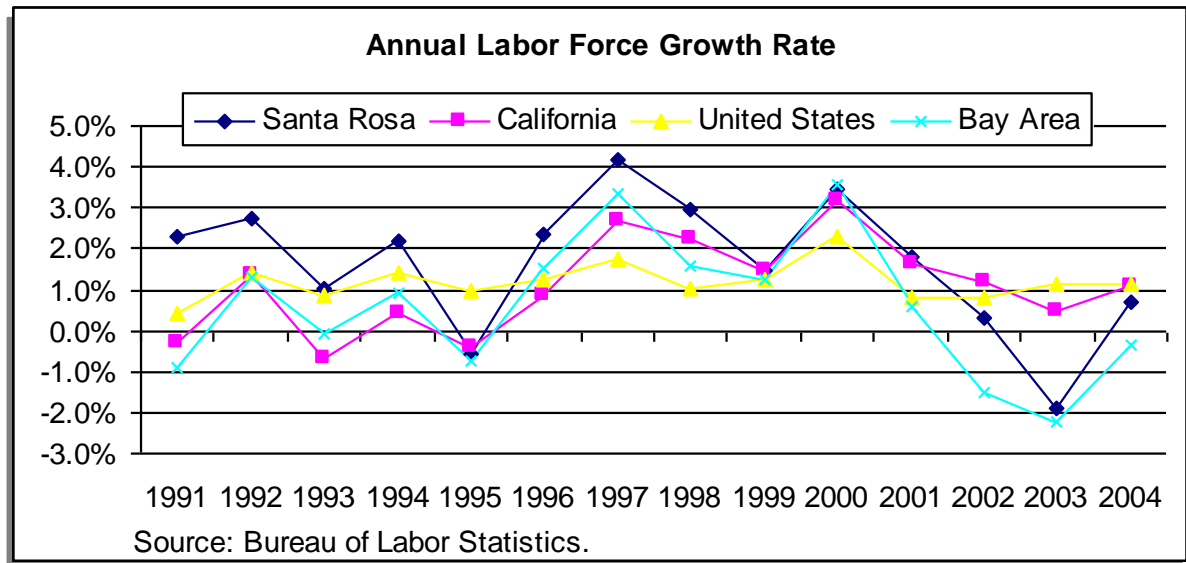
Sources:

- (1) Bureau of the Census, 2000.
- (2) County Business Patterns, 2002; Data for Sonoma County on Count of Businesses by Number of Employees only.
- (2a) IMPLAN ES202 Data, 2003; Data for Sonoma County.
- (3) Bureau of Labor Statistics, 2003. Data for Sonoma County.
- (4) California Board of Equalization, 2003.
- (5) Cities Ranked and Rated, 2004. Rank is out of 331 metro areas, with 1 being the best.
- (6) California Association of Realtors, Q1-Q3 2003; National Association of Realtors.
- (7) FBI Uniform Crime Report, 2003.
- (8) California Department of Education, 2003-04. Santa Rosa includes Santa Rosa High School District.
- (9) California Department of Education, 2003.
- (10) National Center for Education Statistics, 2001-2002.
- (11) Census of Manufacturing, 1997.
- (12) Department of Commerce Trade Statistics; County Business Patterns, 2002. Santa Rosa data are for San Francisco CMSA.
- (13) Census Bureau Current Population Survey, Internet Supplement, October 2003. Data for Sonoma County.
- (14) Federal Communications Commission, "Local Telephone Competition and Broadband Deployment," December 2003.
- (15) U.S. Trade and Patent Office, 2003. Data for California and U.S. are for 2002; data for Santa Rosa is for 2003.
- (16) National Science Foundation, CASPAR database, 1998-2001.
- (17) College Board, 2004; Santa Rosa High School District, 2004; California Department of Education, 2003-04.
- (18) Bureau of the Census, Small Area Income and Poverty Estimates, 2004. Data for Sonoma County.
- (19) U.S. Bureau of Housing and Urban Development, 2005 Income Limits. Data for Sonoma County.
- (20) U.S. Department of Commerce, Bureau of Economic Analysis. Data for Sonoma County.

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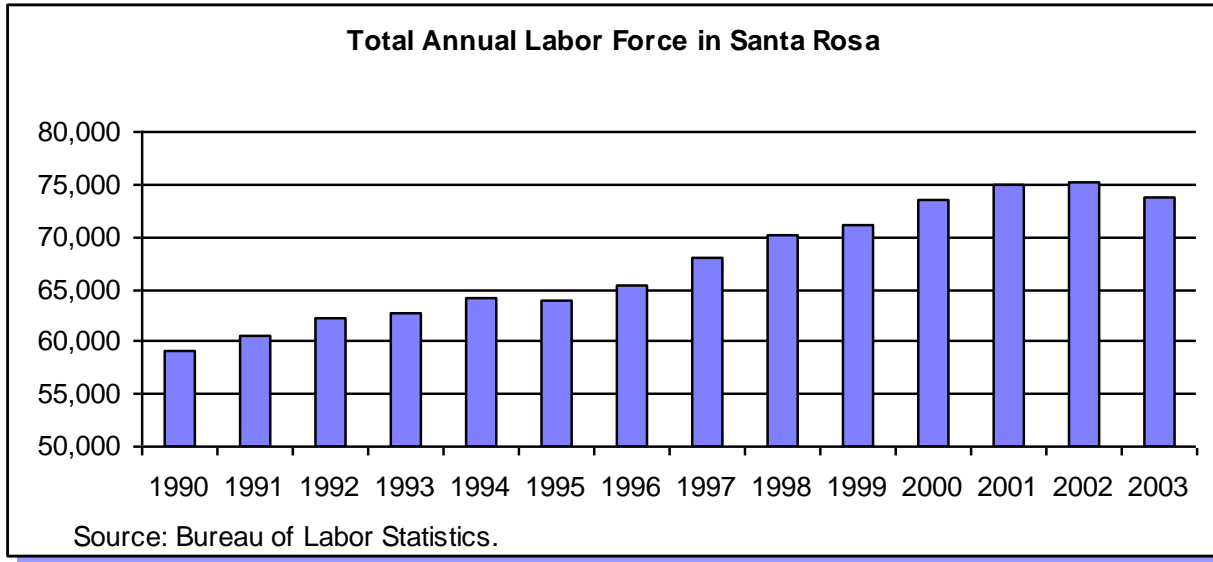
## Labor Force and Unemployment and Population Trends

- The annual labor force growth rate since 1990 has been consistently higher for Santa Rosa than the Bay Area, however the base in Santa Rosa is much smaller than in the Bay Area. However, job growth (change) since 2002 has been below 1 percent per year in Santa Rosa and dropped to -1.9 percent in 2003.
- Santa Rosa currently has a labor force of about 74,000 people, or about 2 percent of the Bay Area. This is consistent with Santa Rosa's share of Bay Area population.
- Unemployment rose somewhat beginning in 2002, but this was consistent with trends in the Bay Area as a whole and in the national economy.
- Unemployment since 2002 has ranged between 4.4 and 4.7 percent, compared to 5.4 to 6.5 percent in the Bay Area. Although Santa Rosa has experienced some major cutbacks by local firms during the last several years, they have not been as severe as in other parts of the Bay Area.
- From 2001 to 2004, the rate of population growth in Santa Rosa dropped to about one third the average rate in the previous four years. The rate of population growth in the Bay Area dropped by about one half during this time period.
- Population growth from 2003 to 2004 was only about 0.7 percent in Santa Rosa, declining from previous years. Future growth rates are projected to be moderate through 2020 at around 1 to 2 percent per year. Although the area is attractive from a quality of life perspective, it is also expensive making it more difficult to attract larger numbers of people from other parts of the county where costs are lower.



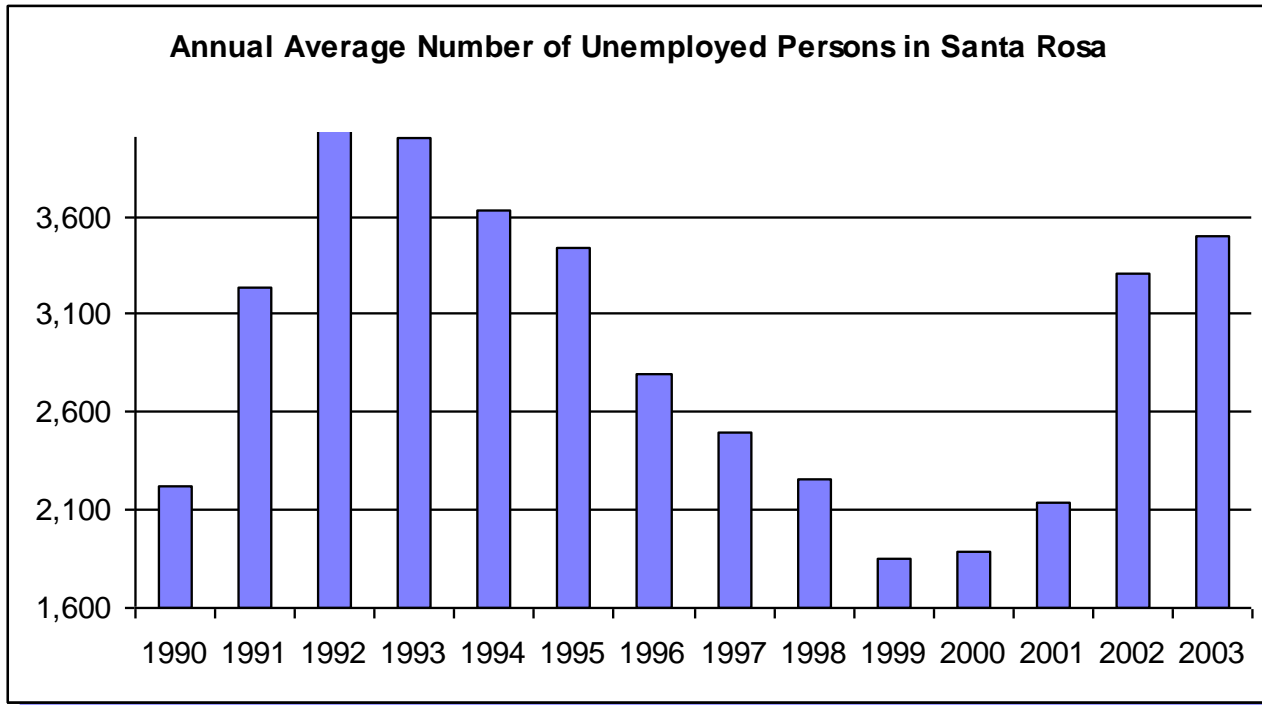
**Annual Labor Force Growth Rate**

	Santa Rosa	Sonoma	Bay Area	California	United States
1991	2.3%	2.4%	-0.9%	-0.3%	0.4%
1992	2.7%	2.8%	1.3%	1.4%	1.4%
1993	1.0%	1.0%	-0.1%	-0.7%	0.9%
1994	2.2%	2.2%	0.9%	0.4%	1.4%
1995	-0.5%	-0.6%	-0.7%	-0.4%	1.0%
1996	2.4%	2.3%	1.5%	0.9%	1.2%
1997	4.2%	4.1%	3.3%	2.7%	1.8%
1998	2.9%	2.9%	1.6%	2.2%	1.0%
1999	1.5%	1.4%	1.2%	1.5%	1.2%
2000	3.4%	3.4%	3.6%	3.2%	2.3%
2001	1.8%	1.8%	0.6%	1.7%	0.8%
2002	0.3%	0.4%	-1.5%	1.2%	0.8%
2003	-1.9%	-1.9%	-2.2%	0.5%	1.1%
2004	0.7%	0.7%	-0.3%	1.1%	1.1%



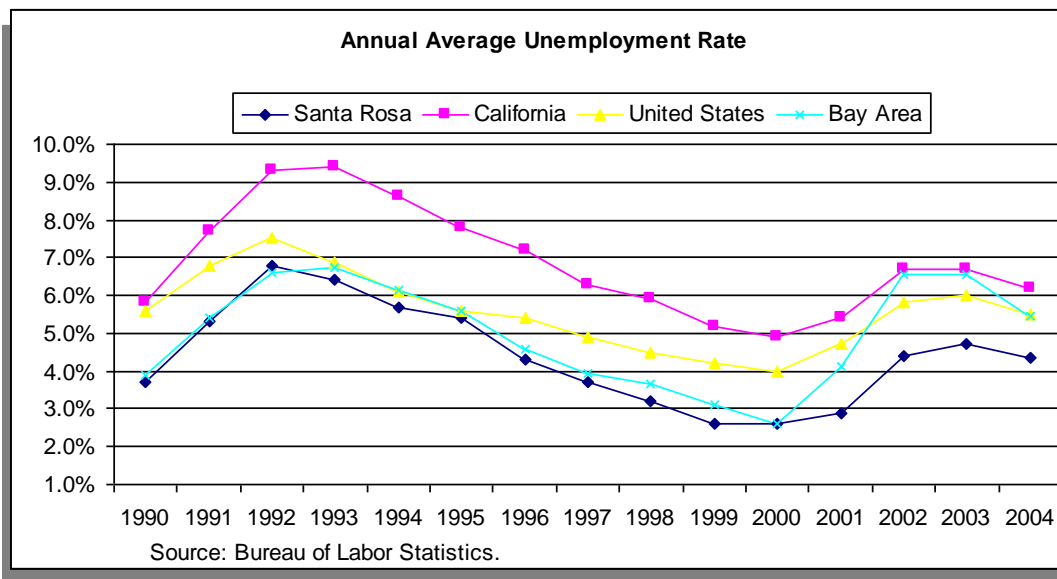
**Annual Labor Force**

	Santa Rosa
1990	59,168
1991	60,539
1992	62,195
1993	62,831
1994	64,197
1995	63,845
1996	65,357
1997	68,072
1998	70,074
1999	71,095
2000	73,542
2001	74,882
2002	75,114
2003	73,671



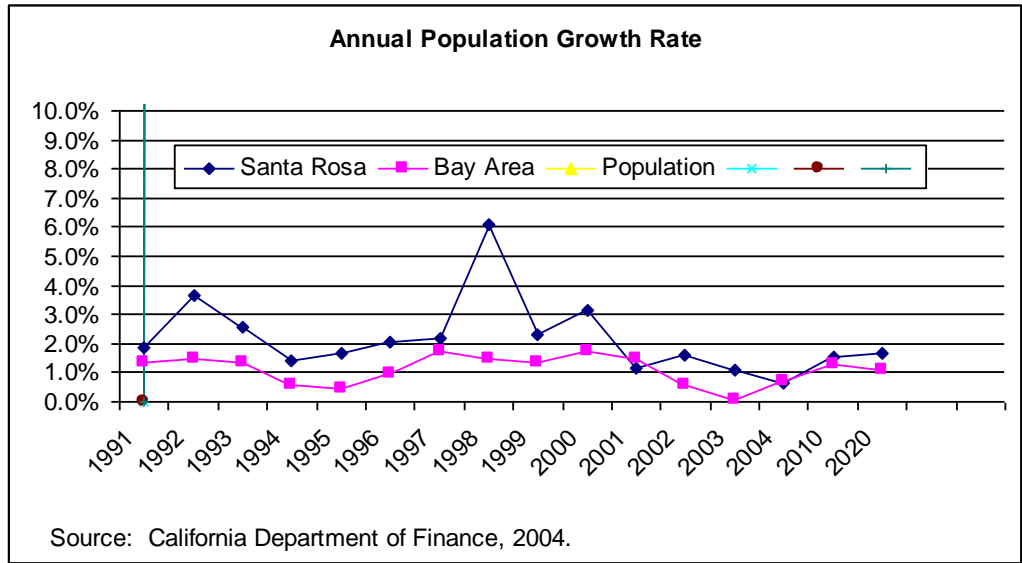
**Number of Unemployed**

	Santa Rosa
1990	2,218
1991	3,238
1992	4,250
1993	3,999
1994	3,628
1995	3,441
1996	2,791
1997	2,492
1998	2,262
1999	1,855
2000	1,889
2001	2,143
2002	3,302
2003	3,496



### Annual Average Unemployment Rate

	Santa Rosa	Sonoma	Bay Area	California	United States
1990	3.7%	3.9%	3.9%	5.8%	5.6%
1991	5.3%	5.5%	5.4%	7.7%	6.8%
1992	6.8%	7.0%	6.6%	9.3%	7.5%
1993	6.4%	6.5%	6.7%	9.4%	6.9%
1994	5.7%	5.8%	6.2%	8.6%	6.1%
1995	5.4%	5.5%	5.6%	7.8%	5.6%
1996	4.3%	4.4%	4.6%	7.2%	5.4%
1997	3.7%	3.8%	3.9%	6.3%	4.9%
1998	3.2%	3.3%	3.7%	5.9%	4.5%
1999	2.6%	2.7%	3.1%	5.2%	4.2%
2000	2.6%	2.6%	2.6%	4.9%	4.0%
2001	2.9%	2.9%	4.1%	5.4%	4.7%
2002	4.4%	4.5%	6.5%	6.7%	5.8%
2003	4.7%	4.9%	6.5%	6.7%	6.0%
2004	4.4%	4.5%	5.4%	6.2%	5.5%



### Annual Population Growth Rate

	Santa Rosa	Bay Area
1990		
1991	1.9%	1.4%
1992	3.6%	1.5%
1993	2.6%	1.3%
1994	1.4%	0.6%
1995	1.7%	0.5%
1996	2.1%	1.0%
1997	2.2%	1.8%
1998	6.1%	1.5%
1999	2.3%	1.3%
2000	3.1%	1.7%
2001	1.1%	1.4%
2002	1.6%	0.6%
2003	1.1%	0.1%
2004	0.7%	0.7%
2010	1.5%	1.3%
2020	1.7%	1.1%

### Population

	Santa Rosa	Bay Area
1990	113,261	6,023,577
1991	115,400	6,105,400
1992	119,600	6,195,000
1993	122,700	6,278,000
1994	124,400	6,314,900
1995	126,500	6,344,700
1996	129,100	6,406,500
1997	131,900	6,518,700
1998	139,900	6,613,800
1999	143,100	6,702,900
2000	147,595	6,819,400
2001	149,287	6,917,900
2002	151,726	6,956,000
2003	153,400	6,960,400
2004	154,400	7,009,400
2010	168,500	7,541,148
2020	196,851	8,380,756

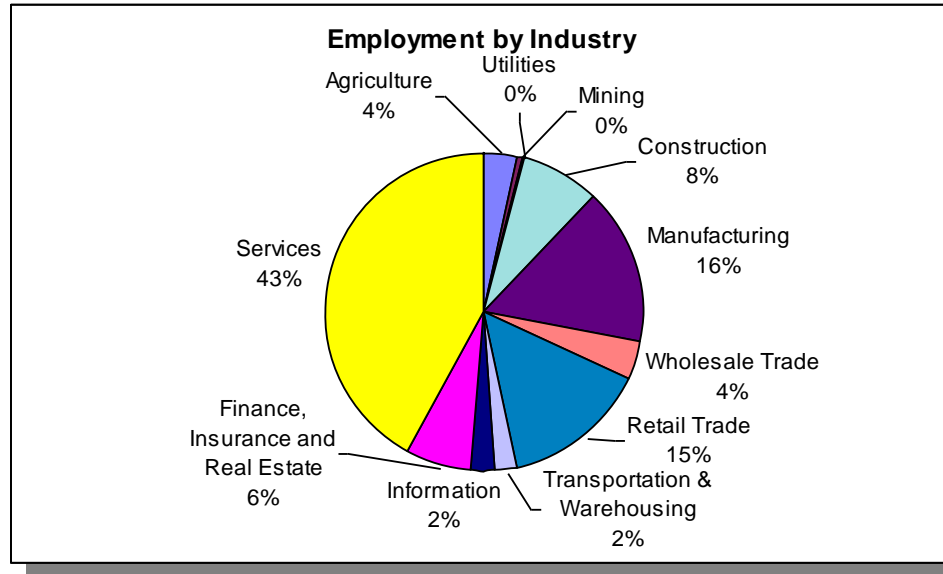
## Distribution of Earnings and Employment

- In terms of both earnings and employment, Sonoma County has a larger share of employment in manufacturing than the Bay Area as a whole. Based on 2002 data, 16 percent of the workforce in Sonoma County was in manufacturing industries. Generally, this is a sign of a stable economy. However, prospects for future growth depend greatly on the type of manufacturing industries present in the local economy.
- Sonoma County also has a larger share of employment and earnings in the retail sector than the Bay Area, which is indicative of the tourism focus.
- Within service industries, Sonoma County has 5 percent less of its employment base in these industries, but 9 percent less of its earnings base, indicating a different mix of service industries than in the Bay Area overall.

**DISTRIBUTION OF EARNINGS AND EMPLOYMENT IN 2003  
SONOMA COUNTY AND BAY AREA**

	Sonoma County		Percent Distribution Sonoma County		Percent Distribution Bay Area	
	Earnings	Employment	Earnings	Employment	Earnings	Employment
Agriculture	\$130,851,447	5,858	2%	4%	0%	1%
Mining	\$18,059,360	240	0%	0%	0%	0%
Utilities	\$42,908,244	564	1%	0%	1%	0%
Construction	\$555,447,049	12,815	10%	8%	6%	6%
Manufacturing	\$1,285,306,340	25,362	22%	16%	19%	13%
Wholesale Trade	\$273,923,413	6,095	5%	4%	5%	5%
Retail Trade	\$638,357,367	23,814	11%	15%	7%	12%
Transportation and Warehousing	\$112,997,932	3,185	2%	2%	3%	3%
Information	\$231,319,277	3,921	4%	2%	7%	4%
Finance, Insurance and Real Estate	\$492,419,421	10,311	8%	6%	11%	8%
Services	\$2,055,721,420	67,554	35%	42%	40%	47%
<b>Total</b>	<b>\$5,837,311,270</b>	<b>159,719</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: County Business Patterns.



### Employment by Industry

Agriculture	5,858
Mining	240
Utilities	564
Construction	12,815
Manufacturing	25,362
Wholesale Trade	6,095
Retail Trade	23,814
Transportation & Warehousing	3,185
Information	3,921
Finance, Insurance and Real Estate	10,311
Services	67,554

## Size of Businesses by Sector

- Like most local economies, Sonoma County is dominated by small businesses with less than 20 employees.
- Larger firms with 100 or more employees tend to be concentrated in retail, health care (primarily hospitals) and manufacturing. However, less than 2 percent of all firms in the county have over 100 employees.

### SIZE OF BUSINESSES BY INDUSTRY SECTOR SANTA ROSA

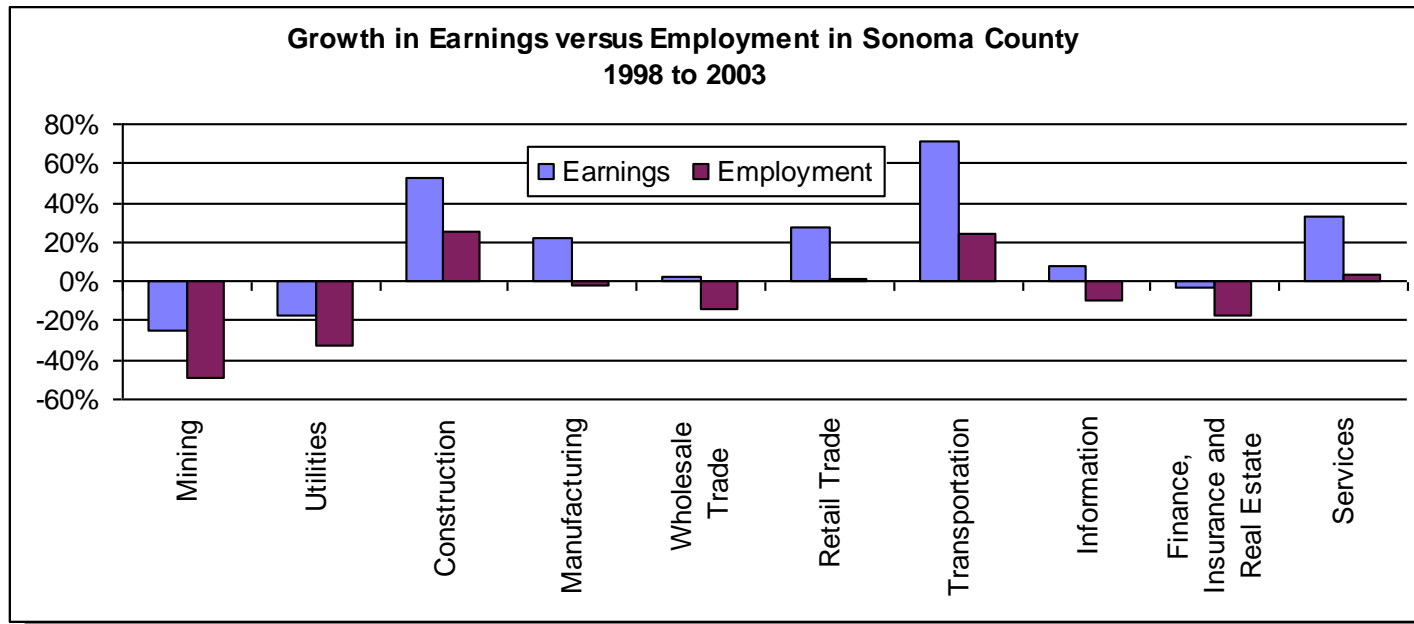
NAICS Sector	Total	Number of Employees per Establishment									
	Est.	1 to 4	5 to 9	10 to 19	20 to 49	50 to 99	100 to 249	250 to 499	500 to 999	1,000 or more	
Agriculture, Forestry	21	12	4	3	1	0	1	0	0	0	
Mining	5	1	0	2	1	1	0	0	0	0	
Utilities	3	3	0	0	0	0	0	0	0	0	
Construction	807	508	133	95	52	15	4	0	0	0	
Manufacturing	286	114	56	42	44	17	10	0	2	1	
Wholesale Trade	263	128	56	36	34	7	2	0	0	0	
Retail Trade	897	337	254	171	77	30	26	2	0	0	
Transportation & Warehousing	100	52	20	10	12	5	1	0	0	0	
Information	95	39	17	17	15	3	2	2	0	0	
Finance & Insurance	385	205	73	46	42	13	5	1	0	0	
Real Estate	311	215	52	29	14	1	0	0	0	0	
Professional & Scientific Services	748	497	133	70	37	10	1	0	0	0	
Management of Companies	29	7	3	6	5	4	1	1	2	0	
Administrative Services	265	151	40	32	18	15	9	0	0	0	
Educational Services	78	33	11	14	13	5	2	0	0	0	
Health Care and Social Assistance	775	378	190	113	50	21	17	2	2	2	
Arts, Entertainment, Recreation	73	29	12	13	7	6	6	0	0	0	
Accommodation & Food Services	400	140	78	87	77	14	4	0	0	0	
Other Services	511	298	109	70	26	6	2	0	0	0	

Source: County Business Patterns, 2002.

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## Employment and Earnings Growth

- It is important to look at changes in both employment and earnings when analyzing the health of a local economy. Job growth does not always equal increased economy vitality if employment has grown, but total earnings have remained stagnant or declined.
- Overall there was an 8 percent increase in employment and an approximate 30 percent increase in earnings in Sonoma County from 1998 to 2002 (newest available data), compared to a 2 percent increase in employment and a 25 percent increase in earnings in the Bay Area.
- In the case of Sonoma County, employment grew by 8 percent and earnings have grown by 30 percent from 1998 to 2002, which is the newest available data.
- While all sectors showed earnings growth in excess of job growth, there were actually declines in total employment in manufacturing, wholesale trade, FIRE and transportation and warehousing. All of these sectors include basic industries that are vital to growing the area's economy. While the situation may have improved somewhat in the past two years, other losses due to off-shoring and global competition may not be recoverable.
- The Bay Area as a whole experienced similar trends, although the declines in manufacturing employment were much more severe with 22 percent losses versus only 1 percent in Sonoma County.



**GROWTH IN EARNINGS BY SECTOR VERSUS GROWTH IN EMPLOYMENT  
SONOMA COUNTY**

	Earnings		Percent Change	Employment		Percent Change
	1998	2003		1998	2003	
Agriculture	\$141,684,839	\$130,851,447	-8%	7,903	5,858	-26%
Mining	\$24,094,303	\$18,059,360	-25%	472	240	-49%
Utilities	\$52,190,209	\$42,908,244	-18%	837	564	-33%
Construction	\$363,519,000	\$555,447,049	53%	10,202	12,815	26%
Manufacturing	\$1,050,444,000	\$1,285,306,340	22%	25,915	25,362	-2%
Wholesale Trade	\$267,090,000	\$273,923,413	3%	7,107	6,095	-14%
Retail Trade	\$499,991,000	\$638,357,367	28%	23,550	23,814	1%
Transportation and Warehousing	\$66,150,000	\$112,997,932	71%	2,567	3,185	24%
Information	\$213,511,000	\$231,319,277	8%	4,339	3,921	-10%
Finance, Insurance and Real Estate	\$506,103,000	\$492,419,421	-3%	12,551	10,311	-18%
Services	\$1,542,482,000	\$2,055,721,420	33%	65,512	67,554	3%

Source: County Business Patterns; ES202 Data.

Note: Earnings and employment by industry are not available at the city/zip code level for Santa Rosa.

**GROWTH IN EARNINGS BY SECTOR VERSUS GROWTH IN EMPLOYMENT  
BAY AREA**

	Earnings		Percent Change	Employment		Percent Change
	1998	2003		1998	2003	
Agriculture	\$777,385,663	\$576,706,998	-26%	38,460	23,294	-39%
Mining	\$305,225,814	\$152,129,093	-50%	4,027	1,797	-55%
Utilities	\$1,114,294,134	\$938,800,371	-16%	17,527	9,815	-44%
Construction	\$7,000,075,000	\$8,967,376,134	28%	161,583	177,987	10%
Manufacturing	\$25,462,807,000	\$29,218,153,627	15%	460,156	361,952	-21%
Wholesale Trade	\$9,992,165,000	\$7,841,681,191	-22%	186,864	124,601	-33%
Retail Trade	\$7,062,104,000	\$10,584,367,632	50%	314,953	335,893	7%
Transportation and Warehousing	\$3,697,875,000	\$4,168,778,914	13%	105,085	94,508	-10%
Information	\$10,968,536,000	\$11,025,405,181	1%	154,460	117,546	-24%
Finance, Insurance and Real Estate	\$13,276,664,000	\$17,041,874,816	28%	235,393	211,867	-10%
Services	\$51,642,903,000	\$60,706,651,310	18%	1,432,272	1,308,141	-9%

Source: County Business Patterns; ES202 Data.