

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.

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
- 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)

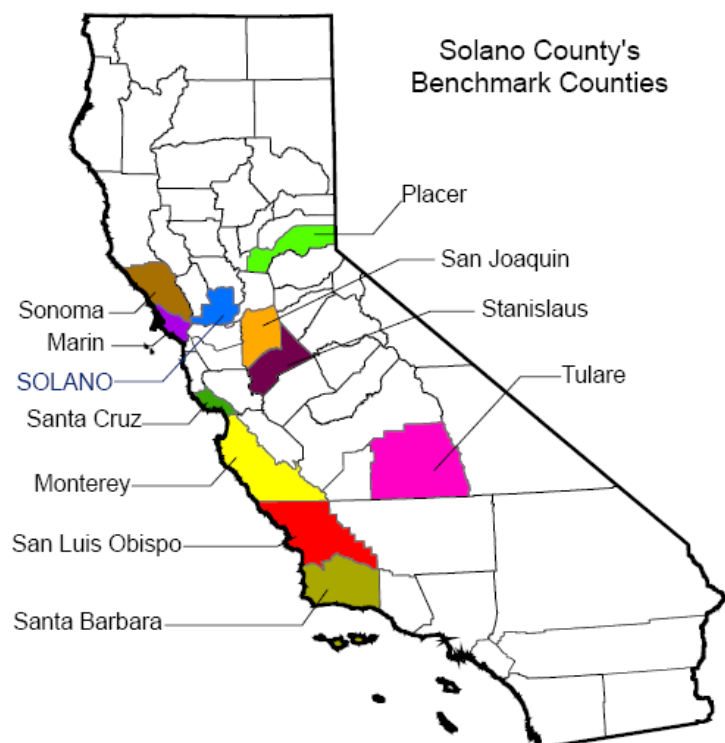
BENCHMARK COUNTIES

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 five of the following charts. Solano County has the following characteristics in common with each of these counties:

- 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 700,000.



- 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.

POPULATION

The California Department of Finance's January 1, 2011, estimate of the population of Solano County is 414,509, approximately 8.4% over the 2000 Census. Of California's 58 counties, Solano County ranks 21st in terms of population size and 41st in terms of population growth when compared to the 2000 Census.

California's population estimate was 37.5 million as of January 2011, according to the State Department of Finance. California, the nation's most populous state, represents 12.1% 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 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 2011, the county grew by 1,165 residents, or 0.3%.

Since 1990 the population in the unincorporated area of Solano County has declined by 2,715, or 12.5%, while the population for the entire county has grown by 74,088, or 21.8%. The average annual growth rate for Solano County is 1%.

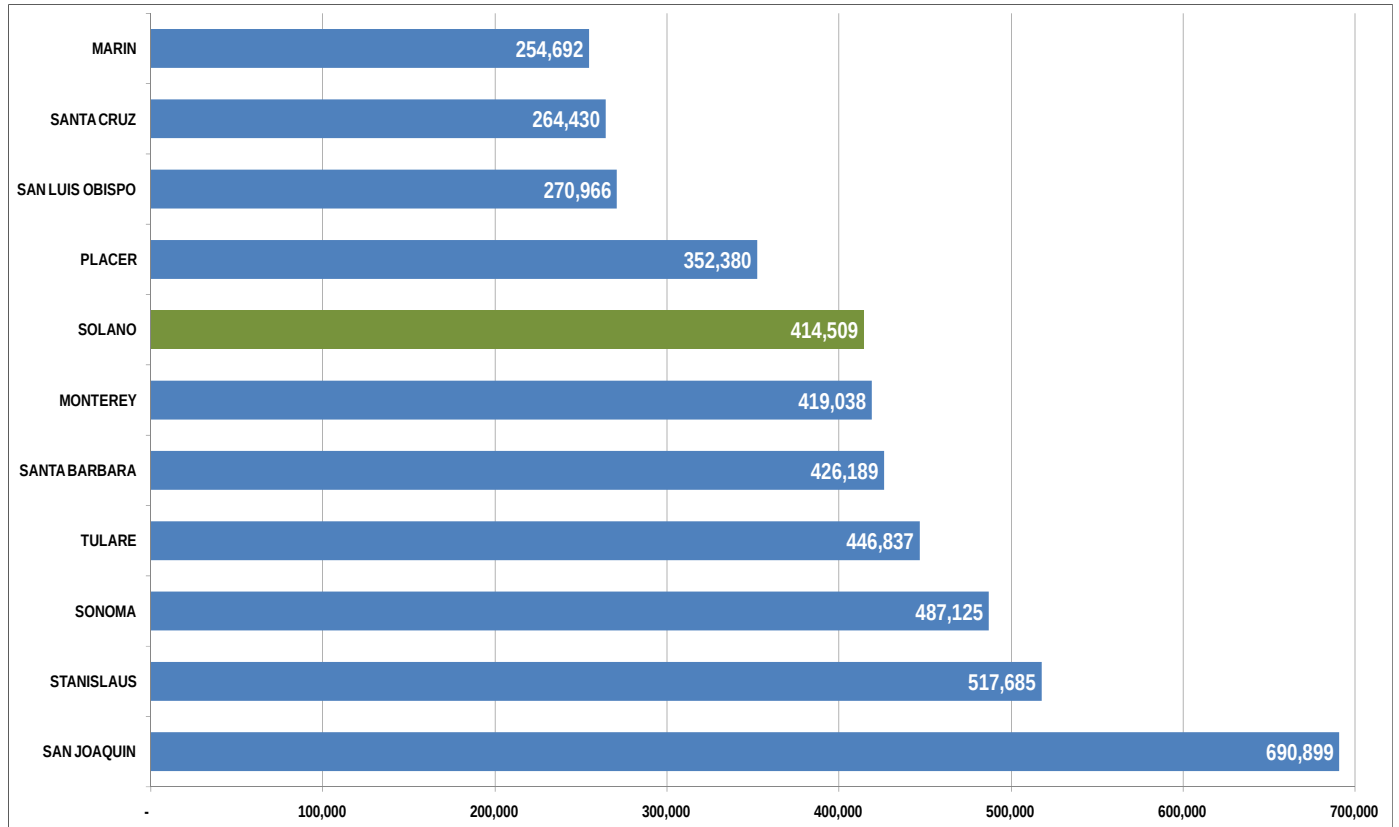
The fastest growing Solano County city is Rio Vista, growing 124% over the last two decades or an average of approximately 5.9% annually. Dixon came in second at 77% or an average annual growth rate of about 3.7%. With average annual growth rates of less than 1%, Benicia and Vallejo were the slowest growing communities. The bulk of the county's overall growth occurred in Fairfield (37%) and Vacaville (29%). The two largest cities within the county are Vallejo and Fairfield with populations of 116,508 and 104,815 respectively.

Solano County Population Change from 1990 to 2011

	1990	1990 to 2000	2000	2000 to 2010	2010	2010 to 2011	2011
Benicia	24,437	2,428 9.9%	26,865	132 0.5%	26,997	121 0.4%	27,118
Dixon	10,401	5,702 54.8%	16,103	2,248 14.0%	18,351	84 0.5%	18,435
Fairfield	77,211	18,967 24.6%	96,178	9,143 9.5%	105,321	(506) -0.5%	104,815
Rio Vista	3,316	1,255 37.8%	4,571	2,789 61.0%	7,360	73 1.0%	7,433
Suisun City	22,686	3,432 15.1%	26,118	1,993 7.6%	28,111	101 0.4%	28,212
Vacaville	71,479	17,146 24.0%	88,625	3,803 4.3%	92,428	583 0.6%	93,011
Vallejo	109,199	7,561 6.9%	116,760	(818) -0.7%	115,942	566 0.5%	116,508
Unincorporated	21,692	(2,370) -10.9%	19,322	(488) -2.5%	18,834	143 0.8%	18,977
Solano County	340,421	54,121 15.9%	394,542	18,802 4.8%	413,344	1,165 0.3%	414,509

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

Population of Benchmark Counties



Source: California Department of Finance, Demographic Research Unit, January 2011

LAND AREA AND POPULATION DISTRIBUTION

According to the California Department of Finance's "January 2011 City/County Population Estimates," 81% of California residents live in cities and 19% in unincorporated areas. In contrast, 95.4% of residents in Solano County live within the county's seven cities. This phenomenon was 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 Francisco 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 creates many problems and challenges for County government. These include:

- Challenges in the transition zones between urbanized areas and agricultural areas (i.e., land use, pesticide use, dust, odors and vermin).
- Coordination of infrastructure transitions from the urban areas to the rural areas (i.e., reliever routes, upgraded feeder streets/roads and flood control).
- 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, public assistance and law and justice services.

Comparison of Land Area and Population Density and Distribution in Benchmark Counties

Land & Water Area (Square Miles)			Persons Per Square Mile (Land Area)		Percent Residing in Unincorporated Areas	
Tulare	4,824	15	Santa Cruz	594	Santa Cruz	49.4%
Monterey	3,322	449	Solano	500	San Luis Obispo	43.8%
San Luis Obispo	3,304	311	San Joaquin	494	Tulare	32.3%
Santa Barbara	2,737	1,052	Marin	490	Santa Barbara	31.5%
Sonoma	1,576	192	Stanislaus	347	Placer	31.0%
Stanislaus	1,494	21	Sonoma	309	Sonoma	30.0%
Placer	1,404	98	Placer	251	Marin	26.7%
San Joaquin	1,399	27	Santa Barbara	156	Monterey	24.1%
Solano	829	78	Monterey	126	Stanislaus	21.4%
Marin	520	308	Tulare	93	San Joaquin	20.7%
Santa Cruz	445	162	San Luis Obispo	82	Solano	4.6%

Source: U.S. Census Bureau, California Department of Finance, Demographic Research Unit, January 2011

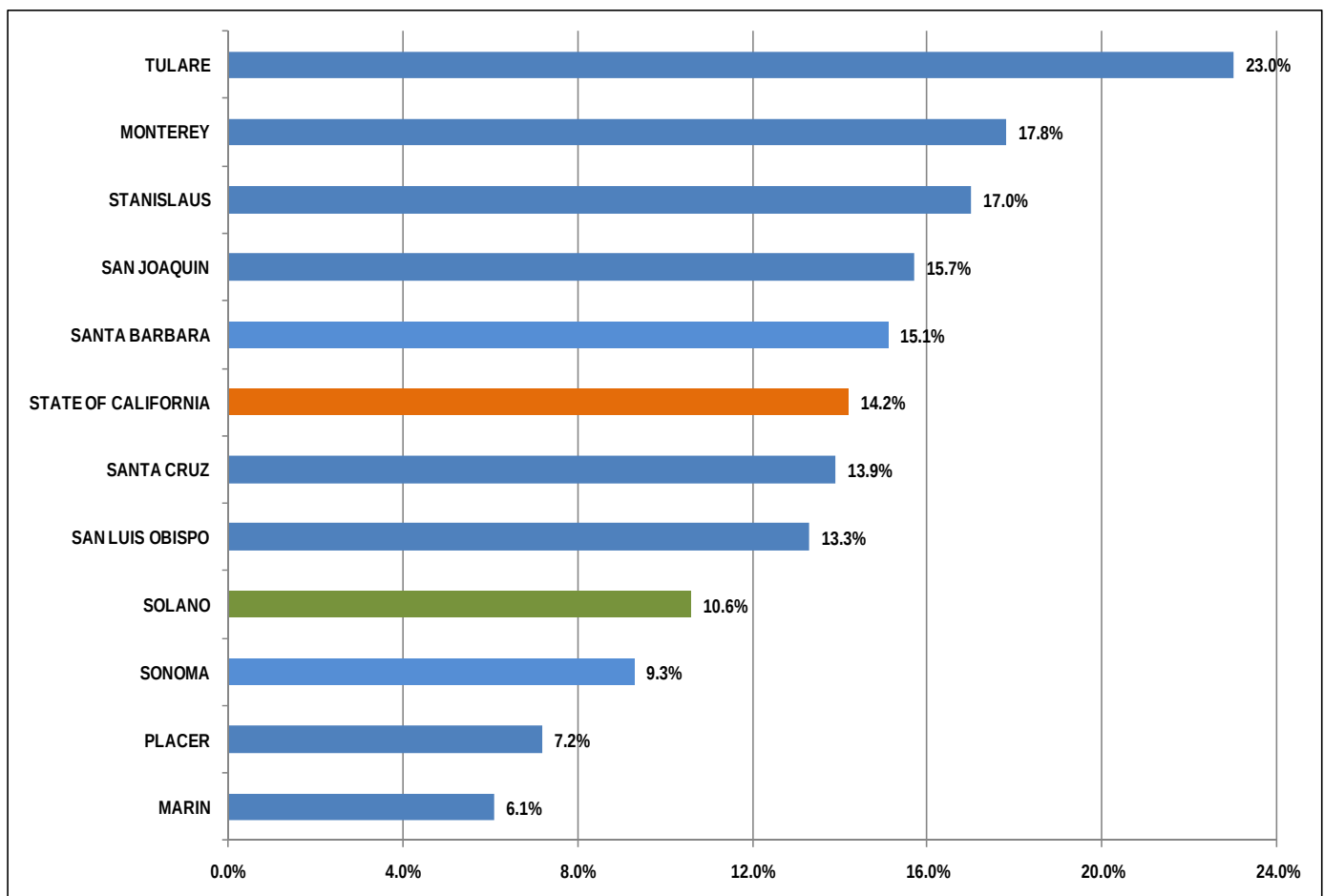
POPULATION LIVING IN POVERTY

According to the 2009 American Community Survey by the U.S. Census Bureau, 10.6% of the county population is living at or below the poverty level. This is 2.2 percentage points above the 2008 survey and 0.2 percentage points below the 2006 survey. The U.S. Census Bureau's statistics on poverty provide an important measure of economic well-being and are sometimes used to assess the need or eligibility for various types of public assistance.

Poverty statistics presented use thresholds prescribed for Federal agencies by the Office of Management and Budget and are estimates. It should be noted that only three of the comparison counties have a lower rate. While the county's level is not acceptable, the county's rate is less than the 14.2% State rate for population living at or below the poverty level.

These statistics also lag the known impacts of the Great Recession. In June 2007, a total of 15.1% of the county's population was receiving public assistance, such as Food Stamps, CalWORKs, General Assistance and Medi-Cal. Two years later the percentage of the population receiving public assistance climbed to 17%. In April 2011, a total 18.8% of the county's population was receiving public assistance.

Percent of Population Below the Poverty Level in Benchmark Counties (2009)



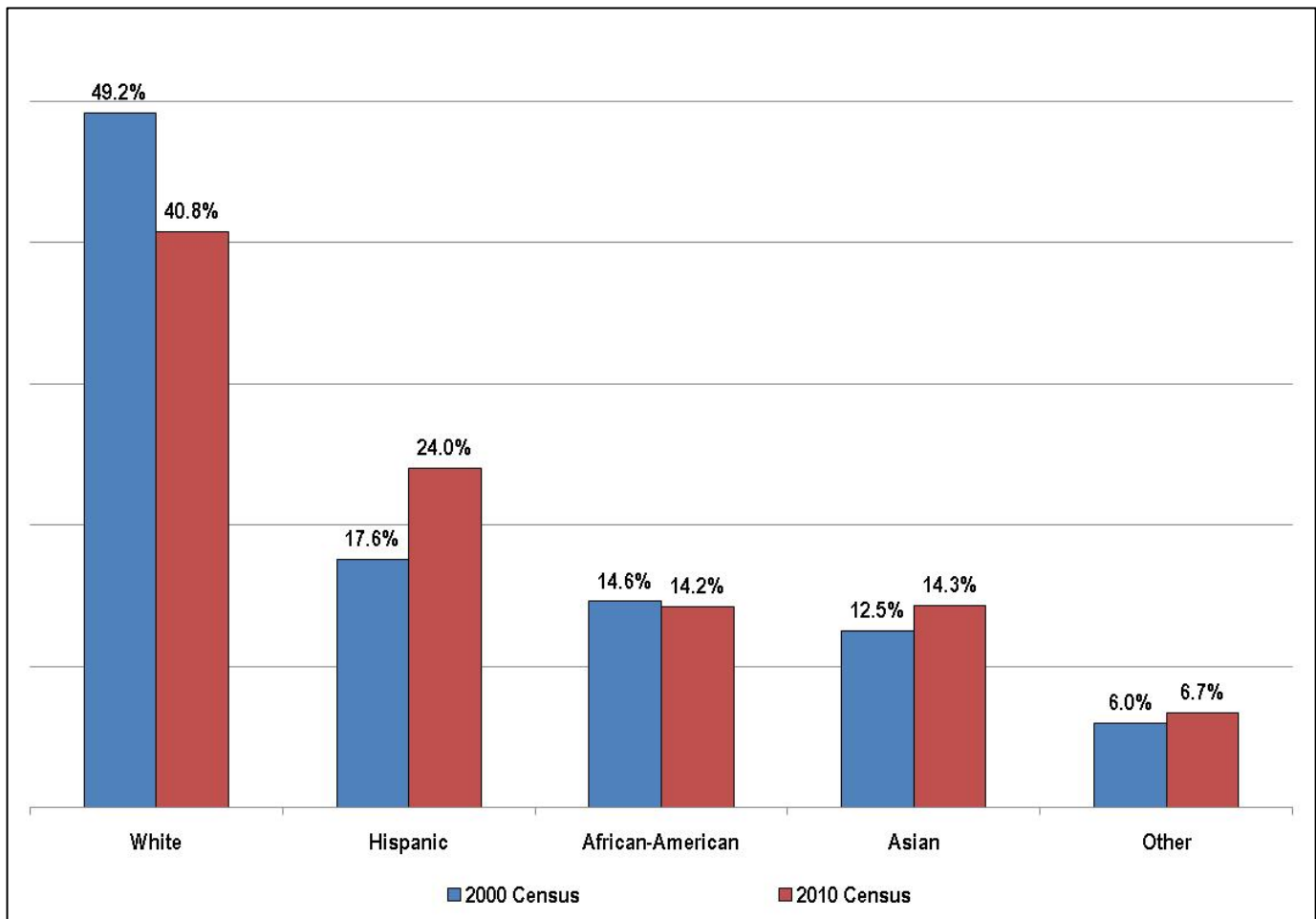
Source: U.S. Census Bureau, 2009 American Community Survey

POPULATION BY ETHNICITY

The ethnic composition of Solano County has changed between 2000 and 2010, according to the U.S. Census Bureau. The Hispanic segment grew the most significantly by 29,758 or 42.8% during the decade, while the number of Whites declined by 25,654 or 13.2%. Other gains in population segments were Asian 9,628 or 19.5%, African-American 1,146 or 2% and All Others 3,924 or 16.6%.

When examining the ethnic diversity changes within the communities in Solano County, the White segment declined in all communities between 2000 and 2010. Fairfield experienced the largest change, declining from 49% to 35.2% of the population. All other ethnic segments grew as a percentage of the communities during the decade except the African-American segment. The African-American population declined from 23.3% to 21.5% in Vallejo and from 5.8% to 4.8% in the unincorporated area. In all other communities the African-American segment grew by less than 1% except in Rio Vista, where the population went from 47 to 359 to represent a 3% gain in the share of the demographics. Among the Asian segment, Fairfield, Benicia and Rio Vista all showed percentage of population gains in excess of 3%.

Percent of Population by Ethnicity in Solano County



Source: U.S. Census Bureau

EMPLOYMENT AND ECONOMIC GROWTH

According to the California Employment Development Department's preliminary March 2011 estimates, overall employment in the state is better than it was a year ago, reducing unemployment by 61,000. The preliminary March 2011 unemployment rate for the state declined to 12.3%, down 0.7% from a year ago but remains 7.2% higher than in 2007. The Solano County unemployment rate mirrored the state in March 2011 and March 2010; however, the unemployment rate is 7.6% higher than the 4.7% unemployment rate in March 2007.

The number of unemployed declined in Solano County from 26,900 to 26,000 between March 2010 and March 2011. However, the number of unemployed is 15,600 higher than March 2007, which is before the impacts of the Great Recession were being felt in Solano County. During that time frame, the size of the potential labor force grew by 3,400 to 211,200, while available jobs declined by 12,200.

Unemployment Rates from 2007 to 2011 in Benchmark Counties

	2007	2008	2009	2010	2011	Change from 2007 to 2011
SAN JOAQUIN	8.0%	10.3%	16.4%	18.4%	18.4%	10.4%
STANISLAUS	8.7%	11.3%	17.5%	19.2%	18.4%	9.7%
TULARE	10.0%	12.1%	17.7%	19.4%	18.7%	8.7%
SANTA CRUZ	6.8%	8.3%	13.6%	15.3%	14.7%	7.9%
SOLANO	4.7%	6.4%	10.9%	13.0%	12.3%	7.6%
MONTEREY	9.0%	11.2%	15.7%	16.8%	16.5%	7.5%
STATE OF CALIFORNIA	5.1%	6.4%	11.5%	13.0%	12.3%	7.2%
PLACER	4.5%	6.0%	10.9%	12.1%	11.6%	7.1%
SONOMA	4.0%	5.2%	9.8%	11.3%	10.4%	6.4%
SAN LUIS OBISPO	4.0%	5.1%	8.7%	10.6%	9.9%	5.9%
SANTA BARBARA	4.3%	5.3%	8.5%	10.1%	9.6%	5.3%
MARIN	3.4%	4.1%	7.4%	8.8%	8.0%	4.6%

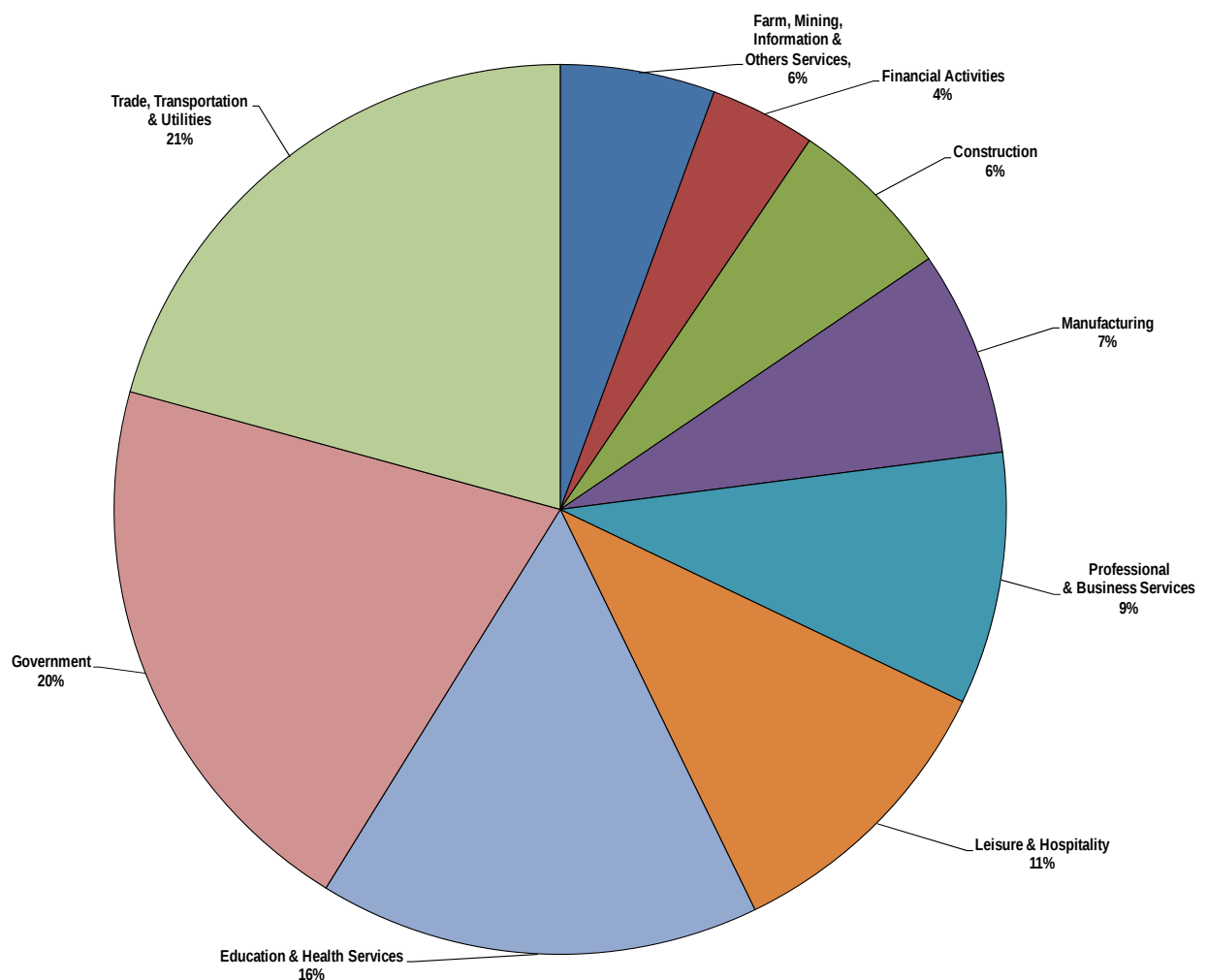
Source: California Employment Development Department, March 2007 to March 2011

Projections from the Business Forecasting Center at the University of the Pacific in April 2011 indicate that Solano County will continue to see modest gains in employment, but overall the sluggish long-term recovery will keep the unemployment rate at or above 10% through 2013. They are projecting a 1.9% improvement in the size of nonfarm payroll employment in 2012 and a 2.5% gain in 2013. The unemployment rate is expected to drop another percentage point in 2012 and dip below 10% sometime in 2014.

Between 2007 and 2011, two of the 12 industry sectors in Solano County tracked by the California Employment Development Division showed overall employment growth, while the other 10 sectors retracted.

- Overall, the employed workforce shrank by 8.1%, or 10,400 jobs, between 2007 and 2011.
- Gains were in Education and Health Services category with 1,700 jobs and Other Services category with 100 jobs.
- Losses were in Construction, 3,500 jobs; Government, 2,600 jobs; Trade, Transportation and Utilities, 1,900 jobs; Financial Activities, 1,400 jobs; Professional and Business Services, 900 jobs; Manufacturing, 900 jobs; Farm, 400 jobs, Leisure and Hospitality, 300 jobs, Information, 200 jobs; and Mining and Logging, 100 jobs.

Employment by Industries in Solano County – March 2011

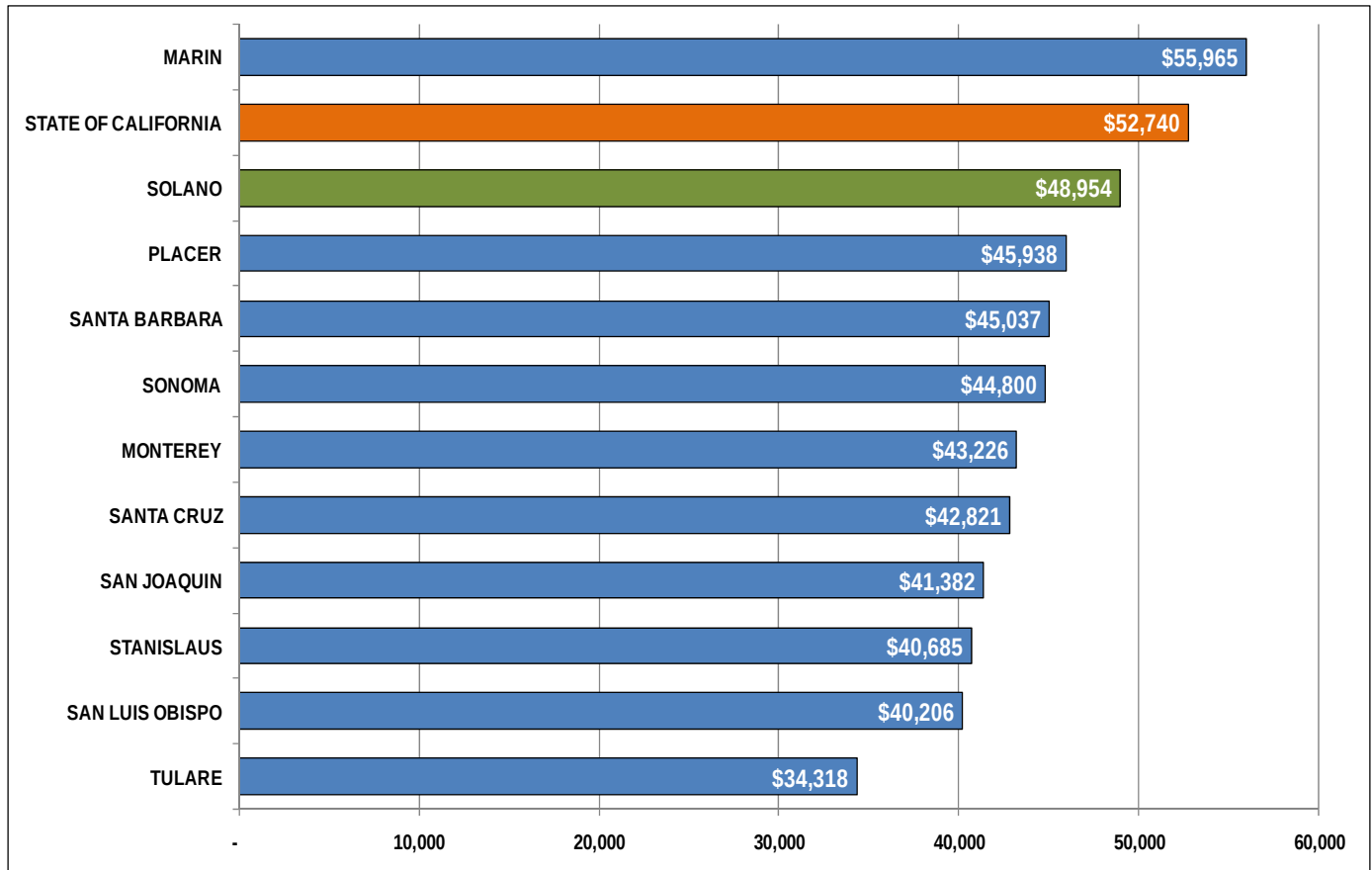


Source: California Employment Development Division

The distribution of the 117,700 civilian jobs in Solano County as reported by the California Employment Development Department in March 2011 has changed from four years earlier. Most sectors are within 1% of the 2007 share of the job distribution, except for a 2.2% decline in Construction and 2.6% gain in Education and Health Services.

According to the latest statistics from the Bureau of Economic Analysis, which are for 2009, Solano County's average wage per job of \$48,954 reflects a 4.4% increase over 2008, the largest gain among the comparable counties. Three of the benchmark counties – Santa Cruz, Sonoma and Marin – experienced declines of less than 1% in their average wage per job. Between 2007 and 2009, while the average wage per job in Solano County has grown 10% from \$44,499.

Average Wage Per Job in Benchmark Counties - 2009



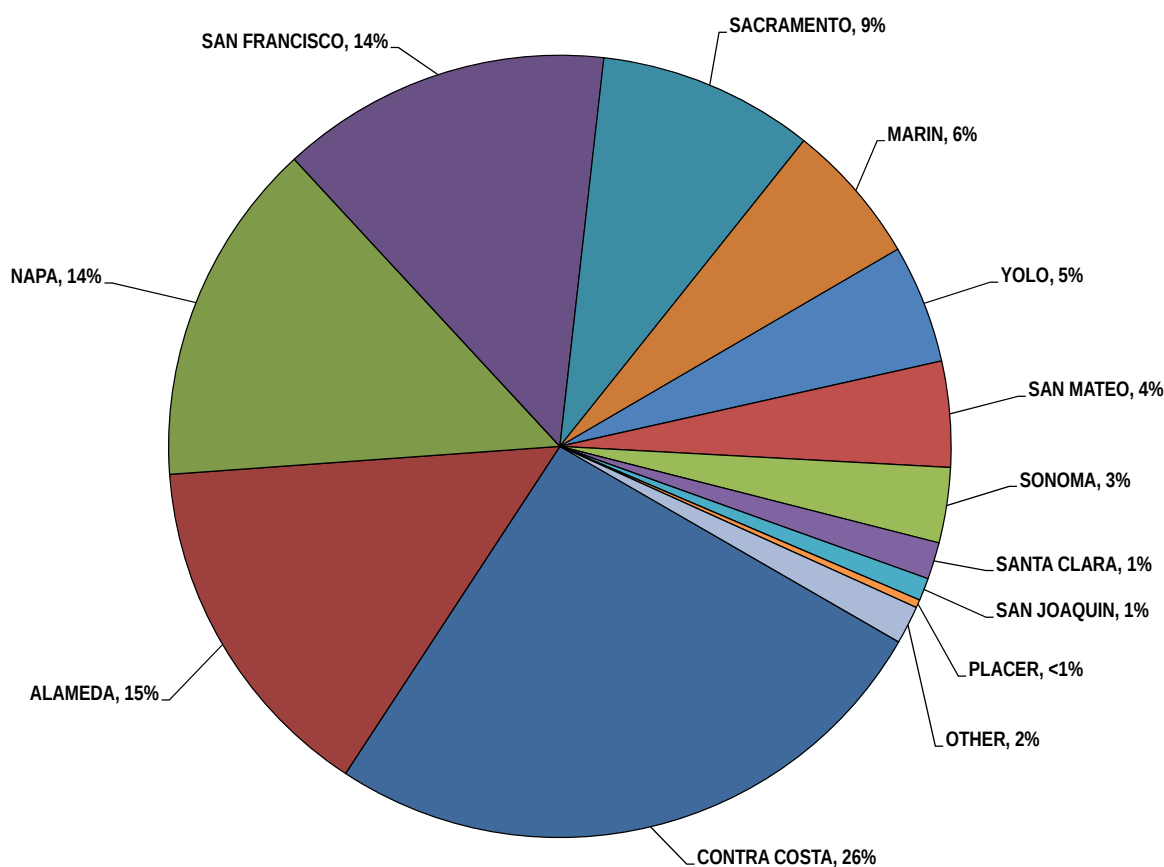
Source: Bureau of Economic Analysis, U.S. Department of Commerce

SOLANO COUNTY COMMUTING

According to the U.S. Census Bureau's 2009 American Community Survey, approximately 40% of working residents in Solano County commuted outside of the county for work. The survey estimated 76,164 residents commuted out of county in 2009, up 1.6% from 2006. At the same time, the number of people commuting into Solano County for work decreased by 768 or 2.5% to 29,908.

The 2009 American Community Survey also reported that approximately 76% of employed county residents drive alone to work, 15% car pool, 3% use public transportation and 6% either work at home or use other modes of transportation. Solano County, along with Napa County, has the highest percent of commuters using car pools in the San Francisco Bay Area. With all but one of the county's cities positioned along the Interstate 80 and 680 corridors, Solano County provides the commuter with access to Bay Area jobs and lower housing costs. Solano County residents commute to a variety of counties as illustrated by the chart below from U.S. Census data.

Most Common Commute Destination for Working Solano County Residents

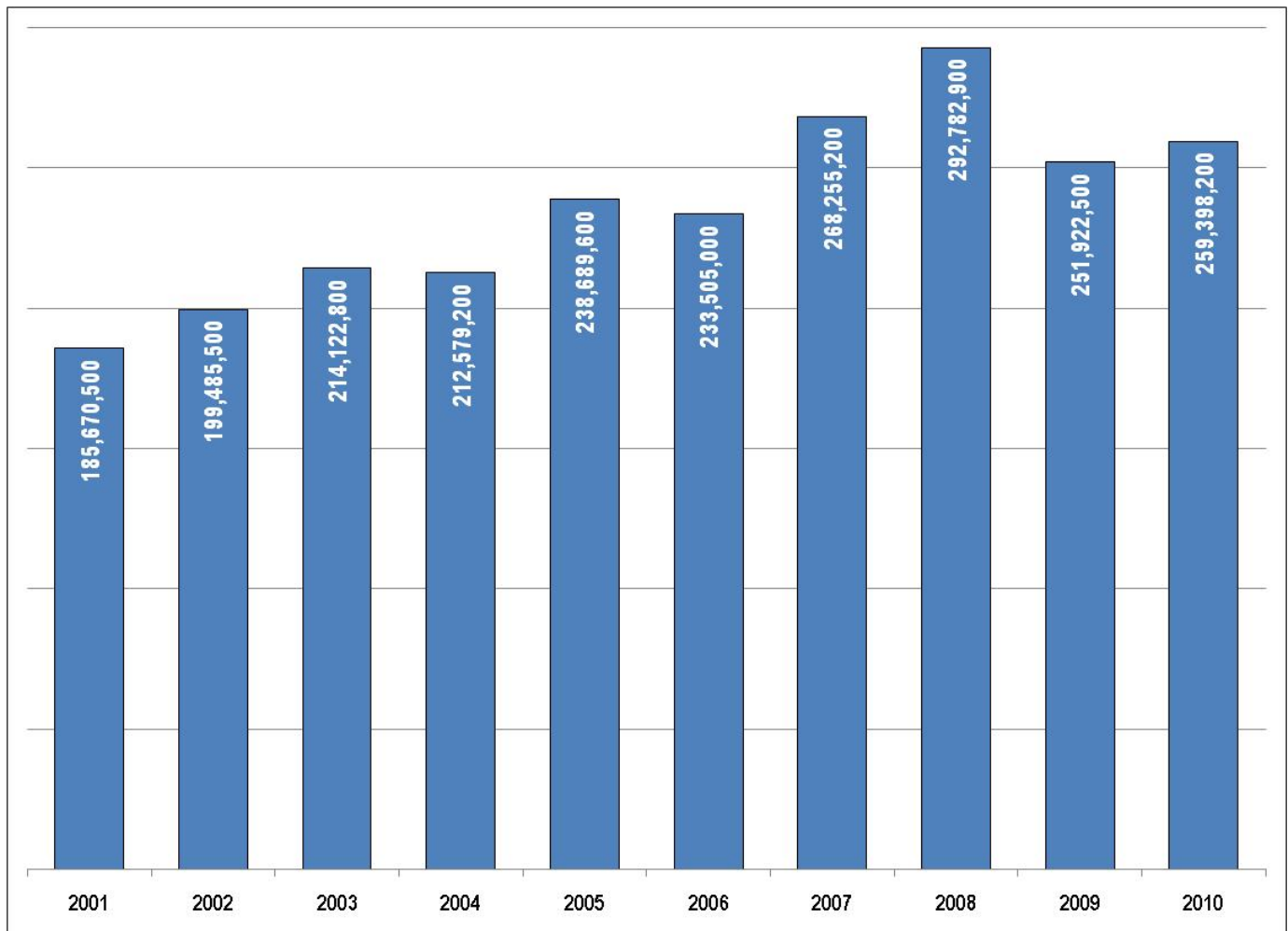


Source: U.S. Census Bureau, 2009 American Community Survey

GROSS AGRICULTURAL CROP VALUE

The preliminary 2010 estimated crop value of \$259,398,200 represents a 3% increase from 2009 values. Solano County produces more than 80 different commodities including fruits, nuts, vegetables, grains, seed, nursery stock, livestock, poultry, and apiary. The top three commodities were again processing tomatoes, walnuts and nursery products.

Agricultural production is part of a larger industry cluster that spans the full spectrum of economic activity from before the crops get into the field to the value-added processing in consumer products. According to "The Food Chain Cluster: Integrating the Food Chain in Solano and Yolo Counties to Create Economic Opportunity and Jobs" report, the total economic output of the food chain in 2009 for the two-county region was \$2.5 billion, or 10% of the region's total economic output. Solano County's share of the output was \$1 billion.

2010 Gross Agriculture Crop Values for Solano County

Source: County of Solano Agricultural Commissioner (May 2010 Crop Report)

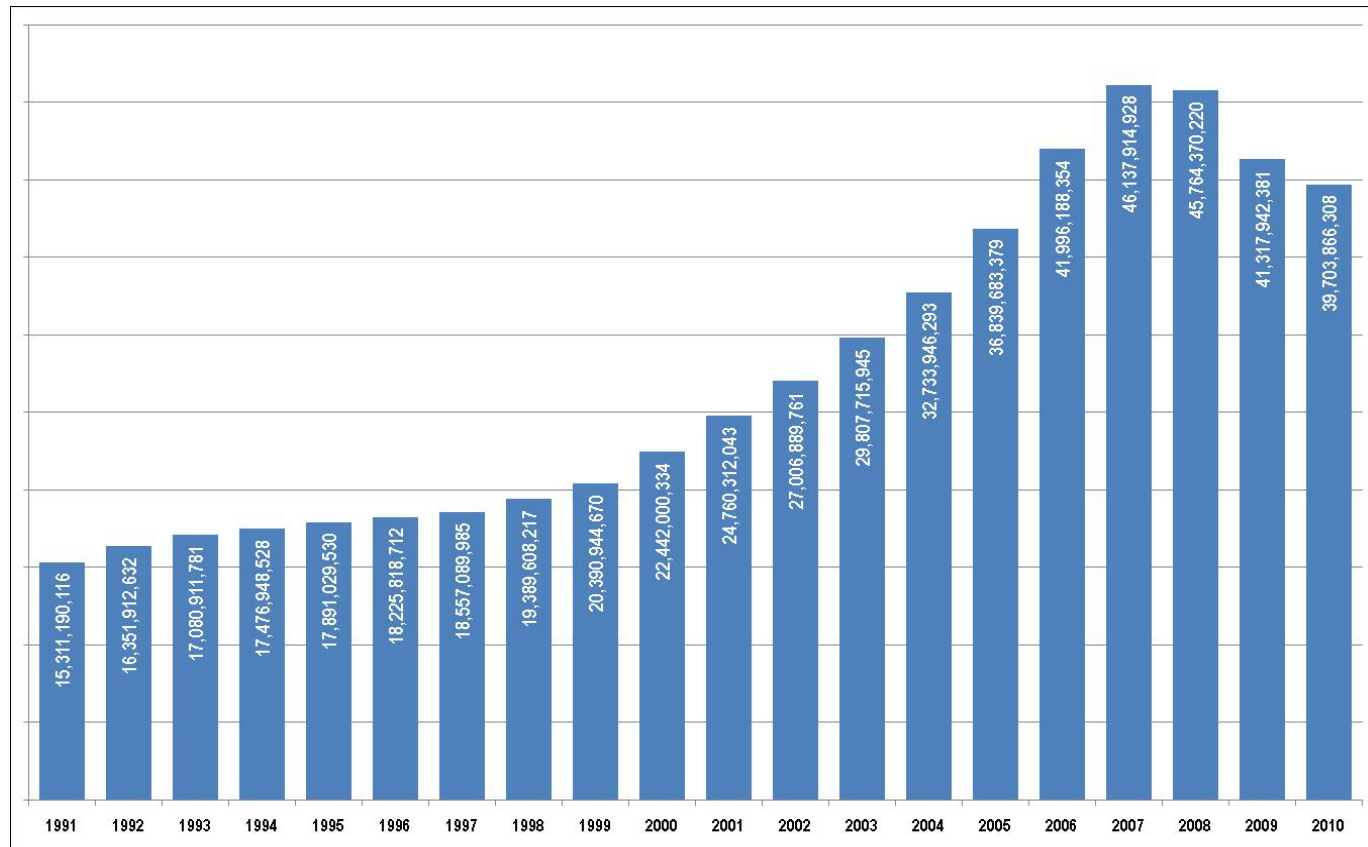
COUNTY ASSESSED VALUES AND GROWTH

Property taxes are a major source of local governmental revenues and are determined by assessed values. The property tax rate throughout the entire State of California is 1% of assessed values. The 2010 Property Assessment Roll of \$39.7 billion decreased by 3.9% from the prior year's roll value and represents property ownership in Solano County as of January 1, 2010. This is the third consecutive year of declines in value, representing a cumulative 13.9% decrease. According to the County's Fiscal Forecast, declines in property assessments, and in turn property tax revenues, are expected to decline overall in FY2011/12 with a potential of modest increases in FY2012/13.

High numbers of foreclosures and dramatic drops in median home prices since the real estate peak in 2007 continue to affect the assessment roll. In the first quarter of 2011, a total of 1,301 notices of default were issued for homes in Solano County, a decline of 21.6% from the same quarter in 2010. Notices of defaults peaked at 2,464 during the first quarter of 2009, supporting the belief that the rate of decline may be slowing. The median price for homes sold in northern Solano County went from \$415,000 in 2007 to \$218,000 in 2010. In southern Solano County, the median home price declined from \$420,000 in 2007 to \$169,000 in 2010. In March 2011, the median home price was \$199,900 in northern Solano County and \$165,000 in southern Solano County.

Since the market peak in 2007 an increasing number of properties in Solano County have had their property values temporarily reduced in accordance with Proposition 8. Proposition 8 requires the Assessor to value property at the lesser of market value or factored base year value, also known as the Proposition 13 value. The current property assessment roll reflects approximately 64,000 properties with reduced property value assessments. In addition, a high number of homes have negative equity, commonly referred to as "under water" because the market values of the homes are below the current mortgage. In April 2011, Zillow.com reported that Solano County has the highest percentage of homes under water in the Bay Area. In the first quarter of 2011, Zillow.com estimates that 57.5% of homes had market values below their mortgage amount, up from 56.9% a year earlier. The Bay Area percentage of homes with negative equity went from 22.4% in 2010 to 25.7% in 2011. These two factors are anticipated to have long-term impacts on property values and property tax revenues throughout much of Solano County.

Local Assessed Values for Solano County



Source: County of Solano, Assessor's Office, August 2011

PRINCIPAL PROPERTY TAX PAYERS

COUNTY OF SOLANO			
Principal Taxpayers with over \$50,000,000 in Assessed Value for FY2010/11			
Principal Property Tax Payers	Business Type	Assessed Value	Tax Obligation*
Genentech Incorporated	Manufacturing	1,227,481,368	14,077,958
Valero Refining Company California	Oil	864,222,718	9,884,291
Pacific Gas & Electric Company	Utility	518,464,164	7,038,026
Shiloh Wind Project II LLC	Energy	304,146,090	3,212,999
Anhueser Busch Incorporated	Manufacturing	261,350,442	3,099,734
Shiloh I Wind Project LLC	Energy	197,986,277	2,091,527
High Winds LLC	Energy	167,795,774	1,772,595
Alza Corporation	Manufacturing	149,791,166	1,721,473
California Northern Railroad	Transportation	117,444,474	1,492,677
Novartis Pharmaceuticals Corp	Manufacturing	113,968,280	1,331,506
Walton CWCA Bn Wrhs 21 LLC	Property Management	106,102,314	1,246,864
Solano Mall LLC	Commercial Sales	103,243,388	1,154,468
Pacific Bell Telephone Co, DBA	Utility	100,898,672	1,329,274
Cpg Finance II LLC	Commercial Sales & Service	95,102,122	1,566,500
Lodi Gas Storage, LLC	Energy	89,012,673	1,209,326
Meyer Cookware Industries, Inc.	Distribution/Manufacturing	77,091,385	895,448
Kaiser Foundation Hospitals	Healthcare	74,485,205	897,856
Centro Watt Property Owner II	Commercial Sales & Service	72,336,231	896,302
Nut Tree Retail LLC	Commercial Sales	71,858,652	919,504
Amcor Pet Packaging USA Inc 79	Manufacturing	65,345,393	715,646
Park Management Corporation	Theme Park	60,414,650	968,465
State Compensation Insurance Fund	Financial	56,101,863	692,898
Federal National Mortgage Association	Financial	54,507,002	746,655
Prime Ascot LP		54,442,844	678,015
SFPP LP		52,230,405	667,375
Rabin Irving & Varda TR		51,973,842	775,490
Lucky (FLA) Nocal Investor LLC	Commercial Sales	50,523,660	585,094
*Note: The Tax Obligation is calculated at 1% plus voter approved bonds and any special assessments. Rates vary by Tax Area Code. LLC - Limited Liability Corporation LP - Limited Partnership TR - Trust			

Source: County of Solano, Tax Collector/County Clerk, May 2011

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