

## **APPENDIX B**

### **SANTA CLARA COUNTY ECONOMIC AND DEMOGRAPHIC INFORMATION**

*The information in this Appendix B provides investors with economic and demographic information concerning Santa Clara County (“Santa Clara County”) and is provided as supplementary information to assist investors in evaluating the County of Santa Clara (the “County”). The following economic and demographic information about Santa Clara County has been collected from the County or, as noted, third party sources.*

#### **General Information**

Santa Clara County (“Santa Clara County”) lies immediately south of San Francisco Bay and is the sixth most populous county in the State of California (the “State”). It encompasses an area of approximately 1,316 square miles. Named after Mission Santa Clara, which was established in 1777, and named for Saint Clara of Assisi, Italy, the County of Santa Clara (the “County”) was incorporated in 1850 as one of the original 28 counties of the State and operates under a home rule charter adopted by County voters in 1950 and amended in 1976 (the “County Charter”).

The southern portion of Santa Clara County has retained the agricultural base which once existed throughout the area and has two cities, separated by roughly twenty miles. The northern portion of Santa Clara County is densely populated, extensively urbanized and heavily industrialized. It contains 15 cities, the largest of which is the City of San Jose, the third largest city in the State and the county seat. The uppermost northwestern portion of Santa Clara County, with its concentration of high-technology, electronics-oriented industry, is popularly referred to as the “Silicon Valley.” Large employers include Stanford University, Apple, Inc., Meta Platforms, Inc., and Google LLC. See “Major Employers” herein.

Neighboring counties include San Mateo in the northwest, Santa Cruz in the southwest, San Benito in the south, Merced and Stanislaus in the east and Alameda in the northeast. The City of San Jose is approximately 48 miles south of San Francisco and 42 miles south of the City of Oakland. These are the three largest cities of the nine-county San Francisco Bay Area, with the City of San Jose being the largest.

As required under the County Charter and under County ordinances or by State and federal mandate, the County is responsible at the local level for activities involving public welfare and health, certain activities related to courts and jails, and for the maintenance of public records. The County also operates recreational and cultural facilities serving the unincorporated areas of Santa Clara County and the region. See Appendix A – “COUNTY OF SANTA CLARA FINANCES AND OPERATIONS – County Services.”

#### **Population**

Approximately 4.9% of Santa Clara County’s residents live in unincorporated areas. The following table provides a historical summary of population in Santa Clara County as of January 1 of calendar years 2019 through 2023.

**SANTA CLARA COUNTY  
POPULATION  
AS OF JANUARY 1**

	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Campbell	41,977	41,898	43,541	43,092	42,713
Cupertino	59,436	59,244	60,183	59,673	59,154
Gilroy	56,635	56,704	60,063	59,709	60,078
Los Altos	30,871	30,754	31,507	31,257	31,021
Los Altos Hills	8,438	8,418	8,468	8,414	8,380
Los Gatos	30,501	31,087	33,423	33,167	33,102
Milpitas	75,796	77,180	80,633	80,862	81,067
Monte Sereno	3,633	3,622	3,467	3,481	3,519
Morgan Hill	45,745	46,299	46,568	46,201	45,892
Mountain View	80,986	81,302	83,520	83,856	83,601
Palo Alto	68,272	68,145	67,953	67,693	67,287
San Jose	1,043,617	1,041,466	989,396	963,745	959,256
Santa Clara	125,908	127,301	129,926	130,462	132,476
Saratoga	30,940	30,850	30,990	30,758	30,567
Sunnyvale	154,074	154,252	156,085	156,364	156,317
Incorporated	1,856,829	1,858,522	1,825,723	1,798,734	1,794,430
Balance of County	87,904	86,644	84,828	92,233	91,649
County Total	1,944,733	1,945,166	1,910,551	1,890,967	1,886,079

*Source: State of California, Department of Finance.*

### **Employment and Industry**

Santa Clara County is home to a highly skilled and diverse work force, a situation that has traditionally translated into lower countywide average unemployment rates when compared to State and national average unemployment rates. However, in 2002 and 2003, Santa Clara County's unemployment rate rose sharply as a result of the retraction in the communications and high technology industries that dominate Santa Clara County's employment base. In 2003, annual average employment figures showed a drop in jobs within Santa Clara County of approximately 36,500 in comparison to 2002. In 2003 Santa Clara County's unemployment rate was reported to have reached an average of 8.3%, 1.5% higher than that of the State's. These estimates are based solely on unemployment benefit claims, which excludes those who have chosen other options as an alternative to unemployment (such as early retirement or relocation) or have exhausted unemployment benefits. Cycles of business growth and retraction are customary in Santa Clara County, particularly in the high-tech industry.

In 2009, the unemployment rate in Santa Clara County jumped by 5.1% to 11.1% due to the economic recession in California and the United States. In 2020, the unemployment rate in Santa Clara County jumped to 7.1% in 2020 (from 2.5% in 2019) due to significant economic disruption from the COVID-19 pandemic. The Employment Development Department reported a 3.5% annual average unemployment rate in Santa Clara County in 2023. The unemployment rate in Santa Clara County in [December 2023] was [4.0]%, compared to [5.1]% throughout the State. *[Recent data to be incorporated closer to posting]*

Development of high technology has been enhanced by the presence of Stanford University, Santa Clara University, San Jose State University, other institutions of higher education, research and development facilities such as SRI International, the Stanford Linear Accelerator Center, and Ames Research Center (NASA) within Santa Clara County. In addition, the Rincon de los Esteros Redevelopment Area in northern San Jose has been the site of industrial/research and development submarkets in Silicon Valley.

The following table lists annual labor force data and unemployment rates in Santa Clara County from 2019 through 2023 (based on a 2022 benchmark).

**SANTA CLARA COUNTY  
LABOR FORCE AND UNEMPLOYMENT RATES**

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Labor Force	1,050,600	1,025,600	1,012,400	1,040,900	1,050,800
Employment	1,024,200	952,500	963,700	1,013,300	1,014,200
Unemployment	26,400	73,100	48,600	27,600	36,600
Unemployment Rate	2.5%	7.1%	4.8%	2.6%	3.5%

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*Source: State of California Information Division, Employment Development Department, Labor Market.*

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The following table shows wage and salary employment in Santa Clara County by industry from 2019 to 2023 (the most recent annual data available). [*Recent data to be incorporated closer to posting*]

**SANTA CLARA COUNTY  
WAGE AND SALARY EMPLOYMENT BY INDUSTRY  
ANNUAL AVERAGE<sup>(1)</sup>**

	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>[2023]</b>
Total, All Industries	1,134,700	1,068,600	1,087,400	1,143,600	
Total Farm	3,300	3,100	3,000	3,000	
Total Nonfarm	1,137,900	1,065,500	1,084,300	1,140,600	
Goods Producing	220,500	214,300	214,700	227,800	
Mining and Logging	200	200	200	200	
Construction	51,400	48,600	50,100	52,200	
Manufacturing	168,900	165,500	164,400	175,300	
Durable Goods	158,000	155,900	156,700	167,400	
Nondurable Goods	10,800	9,600	7,700	8,000	
Service Providing	914,200	851,200	869,600	912,800	
Trade, Transportation & Utilities	128,400	116,000	116,700	119,300	
Wholesale Trade	31,000	28,800	27,900	28,600	
Retail Trade	81,700	71,800	72,400	72,100	
Transportation, Warehousing & Utilities	15,600	15,400	16,400	18,600	
Information	100,500	105,800	107,000	106,300	
Financial Activities	37,600	37,700	38,100	37,600	
Finance & Insurance	21,800	22,700	23,200	22,000	
Real Estate & Rental & Leasing	15,800	15,000	14,900	15,600	
Professional & Business Services	241,900	236,300	241,200	252,200	
Professional, Scientific & Technical Services	164,400	163,600	165,400	172,500	
Management of Companies & Enterprises	15,800	15,000	14,600	15,300	
Administrative & Support & Waste Services	61,700	57,700	61,300	64,400	
Private Educational & Health Services	177,200	171,200	176,900	185,500	
Private Educational Services	47,800	43,500	43,900	46,800	
Health Care & Social Assistance	129,300	127,700	133,000	138,700	
Leisure & Hospitality	105,900	71,700	77,400	94,800	
Other Services	28,400	21,700	22,400	24,600	
Government	94,300	90,900	90,100	92,500	
Federal Government	9,900	10,500	10,400	10,100	
State Government	6,700	6,800	6,700	6,900	
Local Government	77,700	73,600	73,100	75,600	

<sup>(1)</sup> Based on a 2021 benchmark.

Source: State of California Information Division, Employment Development Department, Labor Market.

## Major Employers

Santa Clara County is home to numerous high technology and computer software and hardware manufacturing companies, which, together with public sector employers, continue to top the list of the largest employers in Santa Clara County. The County ranks as the number one public sector employer, with all departments collectively employing approximately 21,590 employees as of June 30, 2023. Although there have been hiring freezes and cut-backs that have impacted public-sector organizations, such organizations typically tend to remain more stable in a volatile job market.

The table below lists the 10 largest employers in Santa Clara County in fiscal year 2022-23

### SANTA CLARA COUNTY TEN LARGEST EMPLOYERS FISCAL YEAR 2022-23

Rank	Employer Name	Estimated No. of Employees
1	Google LLC	44,255
2	Tesla Motors Inc.	30,000
3	Apple Inc.	25,000
4	Meta Platforms Inc.	22,515
5	County of Santa Clara	21,590
6	Cisco Systems Inc.	18,500
7	Sanford University	16,963
8	Stanford Health Care	10,847
9	University of California Santa Cruz	8,671
10	City of San Jose	8,134

*Source: County of Santa Clara, Department of Finance.*

## Income

Owing to the presence of relatively high-wage skilled jobs and wealthy residents, Santa Clara County historically achieves high rankings relative to the rest of the State and the nation on a variety of income measurements. According to the U.S. Census Bureau, the median household income in Santa Clara County from 2018-2022 (measured by the U.S. Census Bureau in 2022 dollars) was \$153,792, compared to the State level of \$91,905 and the national level of \$75,149. Per capita income in the County from 2018-2022 (measured by the U.S. Census Bureau in 2022 dollars) was \$73,017, compared to the State level of \$45,591 and the national level of \$41,261.

## Commercial Activity

Santa Clara County is an important center of commercial activity. Taxable sales activity at business and personal service outlets, as well as at other non-retail commercial establishments, are a significant component of Santa Clara County's commercial activity. The following table provides a summary of taxable transactions by sector for the calendar years 2019 through 2023 (the most recent annual data available). *[Recent data to be incorporated closer to posting]*

**SANTA CLARA COUNTY  
TAXABLE TRANSACTIONS BY SECTOR  
CALENDAR YEAR 2019 THROUGH 2023  
(In Thousands)**

	2019	2020	2021	2022	[2023]
Retail and Food Services					
Motor Vehicle and Parts Dealers	\$4,896,751	\$4,065,436	\$4,707,033	\$4,789,872	
Home Furnishings and Appliance Stores	2,339,709	1,922,040	2,315,524	2,512,850	
Bldg. Matrl. and Garden Equip. and Supplies	2,087,494	2,234,754	2,400,377	2,437,230	
Food and Beverage Stores	1,336,763	1,356,847	1,358,674	1,403,353	
Gasoline Stations	2,297,298	1,407,810	2,011,596	2,636,915	
Clothing and Clothing Accessories Stores	2,671,927	1,749,974	2,706,850	2,881,439	
General Merchandise Stores	2,818,593	2,526,702	2,968,951	3,270,085	
Food Services and Drinking Places	5,351,378	3,336,476	4,535,017	5,746,118	
Other Retail Group	4,082,146	8,867,372	8,389,278	7,941,911	
Total Retail and Food Services	\$27,882,060	\$27,467,410	\$31,393,299	\$33,619,773	
All Other Outlets	19,119,905	18,977,240	21,601,395	24,119,174	
Totals All Outlets <sup>(1)</sup>	\$47,001,964	\$46,444,650	\$52,994,694	\$57,738,947	

<sup>(1)</sup> Totals may not add up due to independent rounding.

Source: California Department of Tax and Fee Administration, Taxable Sales in California (Counties by Type of Business).

**Construction Activity**

The following tables provide a summary of residential building permit valuations and the number of new dwelling units authorized in Santa Clara County since 2019. [Recent data to be obtained closer to posting from CIRB]

**SANTA CLARA COUNTY  
BUILDING PERMIT VALUATIONS  
2019 TO [2023]**

Year	Single Family	Multiple Family	Residential Alteration & Addition	Total <sup>(1)</sup>
2019	693,032,599	567,726,717	555,483,050	1,816,242,366
2020	466,288,034	384,856,071	314,179,259	1,165,323,364
2021	602,167,148	496,397,958	360,670,710	1,459,235,816
2022	[ ]	[ ]	[ ]	[ ]
2023	[ ]	[ ]	[ ]	[ ]
2024	[ ]	[ ]	[ ]	[ ]

<sup>(1)</sup> Totals may not add up due to independent rounding.

Source: Construction Industry Research Board.

**SANTA CLARA COUNTY  
NUMBER OF NEW DWELLING UNITS  
2019 TO [2023]**

Year	Single Family	Multiple Family	Total
2019	1,814	3,216	5,030
2020	1,332	2,245	3,577
2021	1,766	3,179	4,945
2022	[ ]	[ ]	[ ]
2023	[ ]	[ ]	[ ]
2024	[ ]	[ ]	[ ]

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*Source: Construction Industry Research Board.*