

2 Housing

This chapter presents information on the composition of Humboldt County's housing stock, its recent history of residential permitting and construction, housing affordability, and future residential demand. The discussion focuses on contrasts in trends between the County and California averages, fair market rents, and land availability for future residential growth. One of the primary concerns is affordable housing, specifically:

- How can affordable housing be integrated into communities, in terms of design, compatibility, and access to services?
- How can affordability be maintained in the face of increasing development standards and fees?

The US Census and California Department of Finance's (DOF) California Statistical Abstract have provided the majority of the data for this chapter, supplemented by the US Department of Housing and Urban Development, RAND California, the Humboldt County Association of Realtors, and the Humboldt County Building Inspection Division. Data from the 2000 Census on age of occupied housing stock and distribution of rents and housing prices is not yet available, so the affordable housing data relies on 1990 Census figures. These tables will be updated when 2000 Census data are available. Where state- and County-provided data did not match, County numbers were used.

2.1 DWELLING UNITS

In 2000, there were a total of 55,912 housing units in the County, an increase of 4,778 (9.3 percent) since 1990 (see Table 2-1). Slightly more than half of the total units are located in unincorporated areas of the county. As shown in Table 2-1, housing type proportions have remained nearly constant from 1990 to 2000. In the unincorporated areas, multiple-unit housing accounts for only 7 percent of all units, while the major cities, by contrast, have multiple-unit housing proportions three (21 percent in Fortuna) to six (42 percent in Arcata) times higher. This statistic is consistent with standard land use density patterns. Higher density development (e.g., multi-family) is usually concentrated in urban areas. The vacancy rate in the unincorporated region has declined by one-fifth since 1990.

Table 2-1: Humboldt County Housing Units by Type, 1990-2000

Year	Single unit	Multiple unit	Mobile	Total	Vacancy
1990	70.0%	17.7%	12.3%	51,134	9.22%
2000	71.3%	18.7%	11.8%	55,912	8.36%
Unincorporated County					
Year	Single unit	Multiple unit	Mobile	Total	Vacancy
1990	75.8%	6.2%	18.0%	26,767	13.00%
2000	76.3%	7.0%	16.7%	29,605	10.66%
Arcata					
Year	Single unit	Multiple unit	Mobile	Total	Vacancy
1990	50.3%	38.8%	10.9%	6309	3.63%
2000	48.8%	41.5%	9.8%	7266	3.04%
Eureka					
Year	Single unit	Multiple unit	Mobile	Total	Vacancy
1990	67.4%	31.0%	1.6%	11,781	5.47%
2000	66.0%	32.4%	1.6%	11,633	5.85%
Fortuna					
Year	Single unit	Multiple unit	Mobile	Total	Vacancy
1990	66.5%	23.6%	9.9%	3711	4.85%
2000	70.1%	21.2%	8.6%	4401	5.18%

Source: US Census 1990-2000, California Department of Finance 2000

2.2 RESIDENTIAL PERMITS

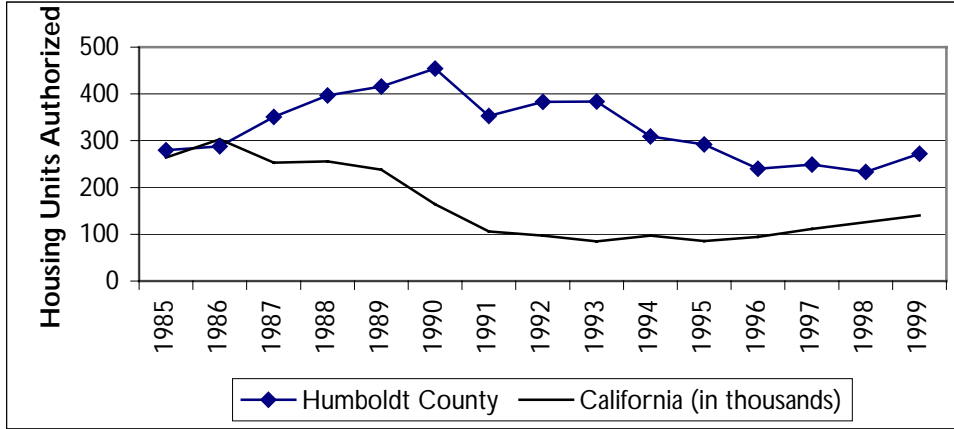
As demonstrated by Table 2-2 and Figure 2-1, permitting for residential construction in unincorporated Humboldt County slowed through the 1990s, reflecting state and national economic conditions. The pattern of units authorized appears to mirror general statewide trends in residential permitting, with a four-year delay. Nearly all of the new housing in the unincorporated areas is single-family. In fact, only 3 percent of the units approved in 1999 were multi-family. Higher proportions of new multi-family housing are formed in the cities, reflecting the zoning and local market conditions. Generalized locations for new residential development (from 1993 – 2001) are shown in Chapter 4, Figure 4-4.

Table 2-2: Humboldt County and California Residential Permits, 1985-1999

Year	Humboldt County			California		
	Single-Unit	Multiple-Unit	Total	Single-Unit	Multiple-Unit	Total
1985	278 (99%)	2 (1%)	280	109,809 (42%)	153,873 (58%)	263,682
1990	445 (98%)	9 (2%)	454	103,819 (63%)	60,494 (37%)	164,313
1999	265 (97%)	7 (3%)	272	101,711 (73%)	38,426 (27%)	140,137

Sources: Humboldt County Building Inspection Division, 2000, California Statistical Abstract, 2001

Figure 2-1: Residential Permitting in Unincorporated Humboldt County and California, 1985-1999



Sources: Humboldt County Building Inspection Division, 2000, California Statistical Abstract, 2001

2.3 HOUSING STOCK AND CONSTRUCTION

As previously noted, data from the 2000 Census for age of occupied units are not yet available. Humboldt County’s housing stock in 1990 showed a fairly even historic range: 31 percent of the occupied housing stock in 1990 had been built before 1950 and 34 percent more was built between 1950 and 1970 (see Table 2-3). According to the Integrated Waste Management Plan (1995), new construction exceeded resales of single-family homes, yet the majority of households lived in housing more than 20 years old, indicating a strong tendency for households to remain in place.

Table 2-3: Humboldt County Occupied Housing Stock, 1990, by Decade Built

	Before 1940	1940s	1950s	1960s	1970s	1980s	Overall
Number of Units	9,303	4,948	8,555	7,232	8,305	8,077	46,420
Percent of 1990 Housing Stock	20.04%	10.66%	18.43%	15.58%	17.89%	17.40%	100%

Source: US Census 1990

From 1980 to 2000, the County housing stock grew by 10,531 units, a 23 percent increase in total units (see Table 2-4). The average annual increase of 1.05 percent in housing units over the past 20 years has been higher than that of the average annual population growth (0.77 percent), reflecting on the continuing decline in persons per household.

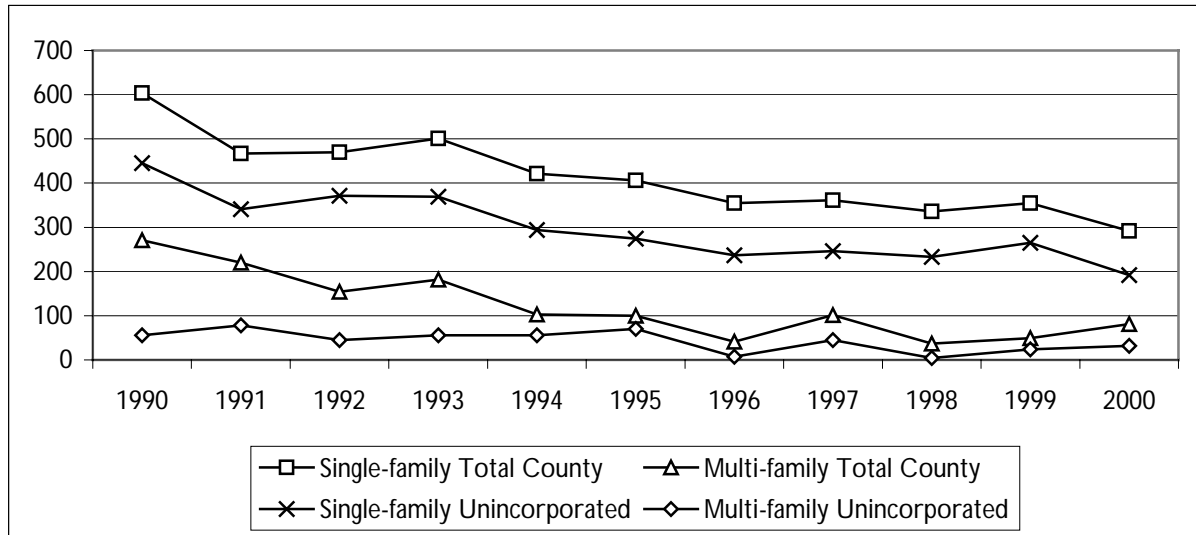
Table 2-4: Changes in County Housing Stock, 1980-2000

Year	Housing Units	Net Increase	Percent Change
1980	45,381	-	-
1990	51,134	5,753	12.7%
2000	55,912	4,778	9.3 %

Source: US Census 1980-2000

From 1990 to 2000, RAND reports that a total of 4,568 single-family residences and 1,339 multiple-family units were built countywide. Construction declined throughout the 1990s; 292 single-family units and 81 multiple-family units were built in 2000, down 52 percent and 70 percent from 1990, respectively (see Figure 2-2).

Figure 2-2: Housing Construction in Humboldt County, 1990-2000



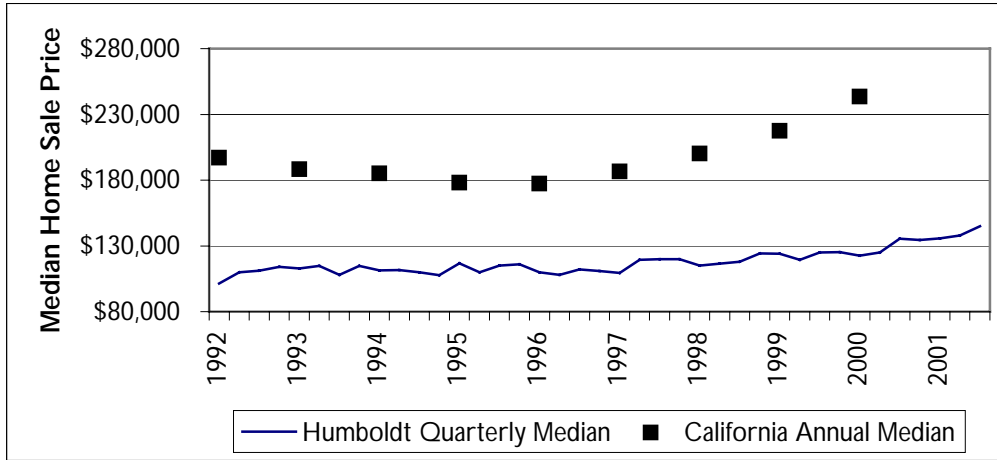
Source: RAND California, 2001-2002

2.4 HOME PRICES AND AFFORDABILITY

The most recent study of housing is the 1998 Housing Element of the Framework Plan. The Housing Element documented that housing prices in the County have increased since the 1980s. The 1990 Census showed that the median value of housing increased by \$30,000 (54 percent) between 1980 and 1990 to a value of \$88,000 (compared to \$195,000 in California overall). Since that time, housing costs have continued to increase. Average home sale prices stayed below \$120,000 from 1992 to 1997 and then began an upward trend, as displayed in Figure 2-3, again mirroring state trends – the rising incomes and prosperity of the last five years. The third-quarter 2001 average sales price for a home was \$145,200, which is up dramatically from the \$135,200 price of just one year ago, and an increase of 42.9 percent from the first quarter of 1992.

Home prices in Humboldt County have remained far below those for California overall. In 1995, Humboldt County's average home sale price was two-thirds (64 percent) of the state average. By 2000, with statewide home sale prices rapidly rising, Humboldt County's average home sale price was slightly over half (53 percent) of the state average. This means that relative to other areas of the state, housing in Humboldt County over the last ten years has become increasingly affordable, which is expected to attract population immigration in the County.

Figure 2-3: Median Home Sale Prices in Humboldt County, 1992-2001¹



Sources: Humboldt County Association of Realtors, 2001(Humboldt data), California Statistical Abstract, 2001 (California data)

Similar to home sales prices, home rental rates are lower than the statewide average. According to 1990 Census figures, median rent in 1990 was \$344 in Humboldt County, 38.7 percent below the median in California of \$561. The U.S. Department of Housing and Urban Development (HUD) set average fair market rent (FMR, the sum of average rent costs and utilities) in 1990 for a two-bedroom apartment in Humboldt County at \$525 (see Table 2-5). FMR rose 31.6 percent from 1985 to 1990, but only 9.3 percent from 1990 to 2000.

Table 2-5: Fair Market Rent in Humboldt County, 1985-2000

	1985	1990	1995	2000
Average Fair Market Rent	\$399	\$525	\$536	\$574
Percent Increase	-	31.6%	2.1%	7.1%

Source: US Department of Housing and Urban Development, 2001

Although housing in Humboldt may be relatively more affordable to other California residents, the 1998 Housing Element documented serious housing affordability concerns for many persons currently living in Humboldt. Thirty-seven percent of all households and 76 percent of low-income households in Humboldt County paid more than 25 percent of gross income, the standard used by many government agencies, toward housing costs in 1990. Renters tend to pay larger proportions of their income toward housing than homeowners, as 54 percent of all renters and 85 percent of low-income renters pay over 25 percent of gross income to housing costs. By comparison, 25 percent of all homeowners and 46 percent of low-income homeowners paid more than 25 percent of gross income on housing costs.

As for people at the lowest end of the pay scale, the problem of overpayment is severe. The National Low Income Housing Coalition documents that for Humboldt County in 2001, a

¹ The Humboldt County Association of Realtors has only kept statistical records since 1992.

minimum wage earner can afford a monthly rent of no more than \$325, which is \$133 (41 percent) less than the fair market rent for a one bedroom apartment established by HUD.

The 2001 median income level for the county is set at \$38,600 for a family of four; the very low income (VLI) and low income (LI) standards are \$19,300 and \$30,900, respectively. With a fair market rent of \$580 in 2001 (for a two bedroom apartment), a family at the LI standard line would pay 22.5 percent of its income toward housing. The Humboldt County Housing Authority states that there are currently 1,222 designated VLI housing units and that this number has not changed over the past six years.

If the percentage of households paying more than 25 percent of their income for housing has not dropped significantly, which will be known only when the 2000 Census data are released, then housing affordability is likely to remain a significant planning issue. In fact, concerns about housing affordability were raised at many of the Phase I workshops on the General Plan Update.

2.5 FUTURE HOUSING DEMAND

Future demand for housing in Humboldt County can be seen in Table 2-6. The demand is based on the projected future population, average household size, and estimated average densities. With a projected household population of 138,100 and a household size of 2.4 there will be a demand for approximately 5,961 housing units by 2025.

Table 2-6: Estimated 2025 Housing Unit Demand in the Humboldt Planning Area

<i>Projected Population and Housing Needs</i>	
2025 Household Populations	138,100
# of Households (hh size=2.4)	57,542
Housing Units (7% vacancy)	61,873
Current Housing Units	55,912
Housing Units Demand, Total County	5,961
Housing Unit Demand, Unincorporated County (54% of Total)	3,220

Source: Dyett & Bhatia 2002

In sum, the anticipated growth in the next 25 years is projected to be 5,961 new units, with 54 percent (3,220 units) occurring in the unincorporated areas. The anticipated housing demand is expected to be split with 90 percent of new units (2,898) going into Community Planning Areas and 10 percent (322) being located in the remainder of the unincorporated County.

3 Employment

Employment data is important in establishing a basis for designing policies to enhance the economic well being of the county. Long-range land use planning relies on projections of future jobs to determine land needs, a topic addressed in Chapter 4. This chapter presents information on past and future changes in Humboldt County's labor force and its composition, the nature of unemployment in the County, the types of employers and occupations traditionally and increasingly concentrated in the County, and the incomes of individuals and households in Humboldt County as compared to the statewide average. Special attention is given to the shifting bases of employment and changes in real income. Policy issues discussed in Phase I of the Critical Choices Report were:

- What are the characteristics and needs of small-scale businesses, micro-enterprises and home-based businesses?
- What policies can promote the growth of this sector without compromising community standards or the environment?
- What policies can facilitate the transportation sector?

The primary source of information is the California Employment Development Department and Labor Market Information Service, with supporting information from RAND California, the U.S. Department of Commerce Bureau of Economic Analysis, Claritas Inc.,¹ and the Chico State University (CSU) Center for Economic Development. The bibliography includes a list of all sources of information.

Humboldt County experienced a rapid expansion in economic activity from 1985 to 1990, then slowed through the 1990s due to the national recession. Employment in timber manufacturing, a traditional pillar of the local economy, continues to be a major force. However, employment in this sector has declined somewhat as the industry has become more mechanized, stricter laws have been placed on logging, and lumber markets have become more competitive. Retail and service employment have grown strongly, lowering the unemployment rate but slowing growth in the County's total personal income.

3.1 LABOR FORCE

The County labor force comprises all non-institutionalized (e.g., nursing homes, prisons, or mental hospitals) County residents who are age 16 years or older, and either working or able, available, and actively looking for work.² Labor force data is important because changes in labor force numbers indicate whether or not economic growth is taking place in the county.

¹ Claritas is a for-profit organization that provides projections and analysis of demographic and market trends in local areas.

² California Labor Market Information Service definition

Humboldt County’s labor force is growing as a proportion of the total population (see Table 3-1), in keeping with current demographic trends toward fewer children born each year and an overall aging of the population. The labor force is projected to increase by 15,200 over the next 25 years to a total of 75,600. This represents an average annual growth rate of 0.9 percent, which is higher than the population growth rate because more people proportionally will be in the labor force. Our projections beyond 2010 assume a continuing trend of the labor force increasing as proportion of population and a local unemployment rate stabilized at 7 percent, from 47.4 percent in 2000 to 52.7 percent in 2025. This is consistent with the projected age profile for the future population.

Table 3-1: Humboldt County Labor Force and Employment, 1985-2025

Year	Labor Force	Labor Force Proportion of Population	Total Employment	Annual Employment Growth Rate	Unemployment Rate
1985	47,900	43.3%	42,800	-	10.6%
1990	58,100	49.1%	53,600	4.6%	7.7%
1995	60,200	48.5%	55,200	0.6%	8.4%
2000	60,400	47.4%	56,300	0.4%	6.8%
2005	65,400	50.5%	60,700	1.5%	7.2%
2010	68,100	51.7%	63,200	0.8%	7.2%
2020	73,700	52.2%	68,500	0.8%	7.0%
2025	75,600	52.7%	70,300	0.5%	7.0%

Sources: California Employment Development Department (1985-2000 data), CSU Chico Center for Economic Development (2005-2010 data)

Except for a slowdown from in the 1990s due to national economic conditions and reduced employment in the forest industries, employment growth rates in Humboldt County have been slightly higher than population growth rates. Employment is projected to expand more rapidly than population, as the labor force becomes a greater proportion of the County’s overall population.

The unemployment rate is higher than the state average (see Table 3-2), but does rise and fall in concert with the state average. Humboldt County’s share of total statewide employment grew from 0.36 percent in 1985 to 0.39 percent in 1995, but fell to 0.35 percent in 2000. County employment share has been consistently lower than County population share since 1985.

Table 3-2: California Labor Force and Employment, 1985-2000

Year	Labor Force	Labor Force Proportion of Population	Total Employment	Annual Employment Growth Rate	Unemployment Rate	Humboldt County Employment Share
1985	12,981,400	49.7%	12,047,800	-	7.2%	0.36%
1990	15,193,400	49.7%	14,319,200	3.5%	5.8%	0.37%
1995	15,412,200	47.8%	14,202,800	-0.2%	7.8%	0.39%
2000	17,090,800	50.0%	16,245,600	2.7%	4.9%	0.35%

Source: California Employment Development Department (2000)

LABOR FORCE COMPOSITION

The ethnic composition of Humboldt County’s labor force in 1990 closely mirrored that of the population overall, though whites were overrepresented by 2.4 percent of the total and all other groups were underrepresented to varying degrees (see Tables 3-3, 3-4). Both whites and Native Americans were present in the population and labor force in greater proportions in Humboldt County than in California. The gender ratio was nearly identical between Humboldt County and California overall, with about 1.27 male workers for every female. Although the US Census demographic data for the labor force since 1990 are not yet available, it is assumed the ethnic composition has not changed substantially from 1990 because the ethnic composition of the County as a whole has not changed much.

Table 3-3: Humboldt County Labor Force Composition by Ethnicity and Gender, 1990*

	<i>White</i>	<i>Black</i>	<i>Native American</i>	<i>Asian</i>	<i>Hispanic</i>	<i>Total</i>
Male	50.2%	0.5%	2.3%	0.7%	2.0%	55.7%
Female	40.1%	0.2%	1.8%	0.5%	1.6%	44.3%
Total	90.3%	0.7%	4.1%	1.2%	3.6%	100.0%

*Residents 16 and older, including military service

Source: California Employment Development Department

Table 3-4: California Labor Force Composition by Ethnicity and Gender, 1990*

	<i>White</i>	<i>Black</i>	<i>Native American</i>	<i>Asian</i>	<i>Hispanic</i>	<i>Total</i>
Male	33.3%	3.1%	0.4%	4.8%	14.3%	56.0%
Female	27.0%	3.1%	0.3%	4.2%	9.3%	44.0%
Total	60.3%	6.2%	0.6%	9.0%	23.6%	100.0%

*Residents 16 and older, including military service

Source: California Employment Development Department, 1990

No data for 2000 are available for educational attainment in the labor force, but trends indicate that the County compares favorably with the statewide average. Humboldt County residents in 1990 were more likely to have finished high school but not college than Californians overall; the statewide average shows greater proportions of both adults who have not finished high school and those who have completed a Bachelor’s degree (see Table 3-5). Both high school graduation and bachelor’s degree completion rates for both the county and the state had risen since 1980.

Educational opportunity is an important factor in the future educational attainment of the labor force. Though UC-CSU eligibility among Humboldt County high school graduates was lower than in California in both 1992 and 1999 (see Table 3-6), the rate of improvement was nearly three times as rapid in the county (8.6 percent) as in the state (3.2 percent).

Table 3-5: Humboldt County Educational Attainment, Population 25 and Over, 1980-1990

	California		Humboldt County	
	1980	1990	1980	1990
Total population over 25	14,043,986	18,695,499	63,980	75,580
Not high school graduates	26.5%	23.8%	25.6%	19.5%
All high school graduates	73.5%	76.2%	76.4%	80.5%
High school graduates, no Bachelor's degree	53.8%	52.8%	58.4%	60.5%
Bachelor's degree or higher	19.6%	23.4%	18.0%	20.0%

Source: US Census 1980-1990

Table 3-6: UC-CSU Eligibility, 1992 and 1999

	1992	1999	Percent Change
Humboldt County	24.9%	33.5%	8.6%
California	32.4%	35.6%	3.2%

Source: Education Data Partnership, 2001

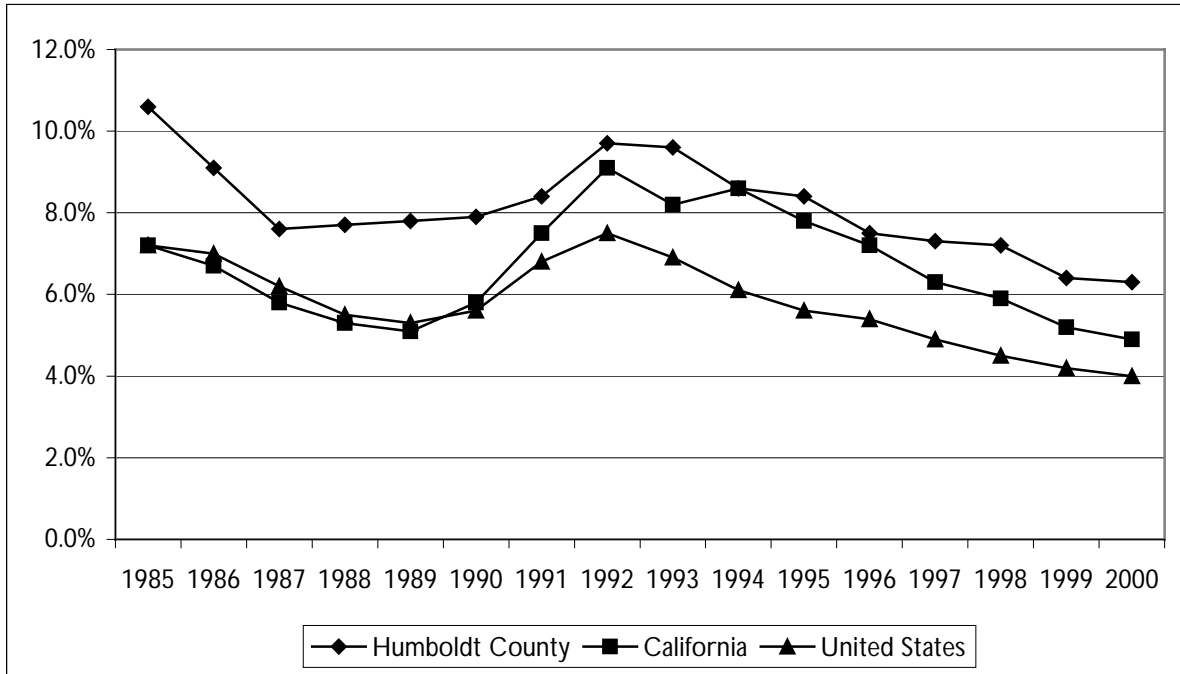
Humboldt State University, the County's only four-year college and the northernmost of the CSU campuses, is a prominent component of the City of Arcata. With 7,400 students, the University's population accounts for 44 percent of Arcata's total population of 16,800. Despite its official cap of 8,000 students and the Physical Planning Department's statement that the University is in a state of "no growth," the declining numbers of children growing up in Humboldt County may mean that the University may be a major factor in attracting in-migration via students who may settle in the area after completing their degrees.

3.2 UNEMPLOYMENT

Unemployment in Humboldt County fell from 1985 to 1990, rose again slightly until 1993, and has fallen steadily since then, averaging 7.2 percent in 2000 (see Figure 3-1). Although the labor force is constant throughout the year, the California Employment Development Department (EDD) has found that seasonal unemployment has fluctuated regularly over the past 15 years, peaking every January and dropping to a low each September, consistent with trends that occur in an agricultural economy. Annual fluctuations regularly exceed 3 percent of the total labor force, which now represents nearly 2000 workers (see Figure 3-2).

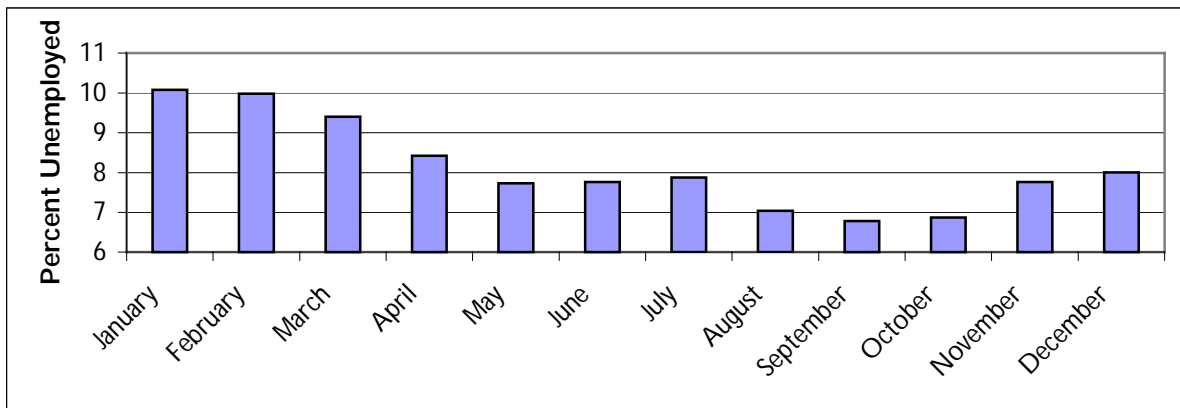
In August 2001, the EDD identified several recent economic events that contributed to unemployment in the County. For example, they documented layoffs at Eel River Sawmills (325 workers) and Louisiana Pacific (53 workers), Montgomery Wards (70 workers), and JC Penney (64 workers) in 2000. Combined with several other closures and consolidations of local establishments a total of 1,800 employees (3.2 percent of total employment) were affected by local workforce reductions in 2000 and 2001. Data is not available showing which industries expanded during this time frame to keep unemployment levels essentially constant through this same time period.

Figure 3-1: Unemployment Rates in Humboldt County and California, 1985-2001



Source: California Employment Development Department, 2001

Figure 3-2: Average Humboldt County Unemployment Rate by Month, 1985-2000



Source: California Employment Development Department, 2001

Employment for each industry also fluctuates annually. Agriculture, construction, and manufacturing peak in the summer, when conditions are most amenable; retail and services peak in the fall, coinciding with the holiday shopping season. Government employment, by contrast, drops in the summer—statistically, teachers are not considered by the EDD to be employed during months in which they do not receive paychecks. The highest annual fluctuations appear in the government and manufacturing sectors.

3.3 EMPLOYMENT DETAIL

INDUSTRIES

Since 1985, government and services have employed a greater proportion of the labor force in Humboldt County than any other industries (see Table 3-7). In 2000, these sectors accounted for a majority (51 percent) of employment in the County. Wholesale trade, transportation and utilities, and manufacturing have declined from 25.2 percent to 18.5 percent of total employment.

Table 3-7: Humboldt County Employment by Industry, 1985-2000

Industry	1985		1990		2000		Percent Change 1985-2000
	Number	Percent of Total	Number	Percent of Total	Number	Percent of Total	
Agriculture	800	2.1%	900	2.0%	1100	2.2%	37.5%
Construction and Mining	1100	2.9%	1500	3.3%	1800	3.6%	63.6%
Manufacturing	5900	15.3%	6300	14.0%	6000	11.9%	1.7%
Transportation and Utilities	2300	6.0%	2400	5.3%	1900	3.8%	-17.4%
Wholesale trade	1500	3.9%	1600	3.6%	1400	2.8%	-6.6%
Retail trade	7900	20.5%	9500	21.2%	10500	20.8%	32.9%
Finance, Insurance, and Real Estate	1300	3.4%	1600	3.6%	2200	4.3%	69.2%
Services	7800	20.3%	10300	22.9%	12900	25.5%	65.4%
Government (incl. Education)	9800	25.5%	10900	24.3%	12900	25.5%	31.6%
Total	38500	100%	44900	100%	50600	100%	31.4%

Figures may not sum to total due to rounding.

Source: California Employment Development Department 2001

With the exception of agriculture, forestry, and fishing (AFF), all reporting industries demonstrate a lower pay rate in the County than the California average (see Table 3-8). Nongovernmental industries in Humboldt County pay at an average of 57 percent of the State rate, with a low of 51 percent in services and a high of 132 percent in AFF, likely due to the generally higher wage rates in the timber industry.

Table 3-8: Average Annual Pay by Industry in Humboldt County and California, 2000

	<i>Humboldt County</i>	<i>California</i>	<i>County/State Ratio</i>
All Industries, excluding Government	\$23,409	\$41,182	0.57
Agriculture, Forestry & Fishing	\$24,753	\$18,778	1.32
Mining	*	\$65,095	-
Construction	\$29,084	\$40,360	0.72
Manufacturing	\$32,531	\$57,695	0.56
Transportation and Public Utilities	\$34,285	\$47,278	0.73
Wholesale Trade	\$28,895	\$48,935	0.59
Retail Trade	\$15,801	\$21,915	0.72
Finance, Insurance, and Real Estate	\$31,373	\$60,163	0.52
Services	\$21,028	\$41,372	0.51
Non-Classifiable	*	\$39,907	-
Federal Government	\$35,145	\$47,670	0.74
State Government	\$43,193	\$45,685	0.95
Local Government	\$27,954	\$38,975	0.72

*Suppressed information, necessary to protect the identity of cooperating employers. Data are suppressed if there are fewer than three establishments, or if a single employer makes up more than 80 percent of the employment in that industry.

Source: California Employment Development Department, 2001.

In *Prosperity: The North Coast Strategy*, the Humboldt County Office of Economic Development summarizes the County’s base industries, or traditional industrial strengths, and support clusters, or secondary industries that grow with population and economic development (see Table 3-9). Currently, many of the base industries (particularly lumber and manufacturing) are in decline as the economy is realigning toward a stronger emphasis on support clusters (particularly retail, professional services, and government). However, looking ahead, prospects for the timber industry may improve with growing demand for building products from sustainable forestry. Certification programs, such as the Forest Steward Council and the Sustainable Forest Initiative can help California producers compete on a national basis. Lumber manufacturing accounts for 75 percent of total County manufacturing income, and over one-quarter (27 percent) of the State’s timber production is from Humboldt County. Significantly, there is currently a shortage of available logs and Humboldt County has had to import timber from Washington, Canada, and New Zealand to run the lumber mills at full capacity.

Table 3-9: Target Industry Clusters for Economic Development

Base industry clusters	Support clusters
Lumber and wood products, education and research, tourism, fisheries/processing/aquaculture, dairy, manufacturing, arts and culture, information and technology, and specialty agriculture and horticulture	Finance/insurance/real estate, retail/restaurants, business services, professionals, government, transportation, construction, wholesale, utilities, and health care

Source: Humboldt County Office of Economic Development, *Prosperity: The North Coast Strategy*

OCCUPATIONAL GROWTH

Evaluation of job growth by industry sector provides insight to the health of the economy and economic diversity and helps the County understand employment growth trends. Pursuant to the shift in emphasis of the local economy, Humboldt County’s employment is dominated by service, administrative support, and professional positions, as displayed in Table 3-10. The service category includes a wide variety of businesses providing services to individuals, businesses, government, and other organizations. Services include restaurants, lodging, repair, amusement, personal services, health services, professional legal services, and technical services.

Table 3-10: Humboldt County Employment by Function, 2001

Service	16.3%
Administrative support	14.4%
Professional	14.3%
Sales	11.4%
Precision product and craft	11.0%
Executive	9.9%
Transportation	5.4%
Farm, forestry, and fish	5.3%
Machine operators	5.0%
Laborers	4.4%
Technical support	2.6%
Total	100%

Source: Claritas, 2001

The EDD reports that service, administrative support, professional, and sales positions also account for eight of the 10 occupations currently adding new positions and all of the 10 fastest-growing occupations (see Table 3-11). While many of these services businesses serve a local market, some have a state or national market. This means they can bring money into the Humboldt economy.

Table 3-11: Projected Highest-Growth Occupations in Humboldt County, 1997-2004

<i>Absolute Growth (new positions)</i>		<i>Fastest Growth (percent change)</i>	
Salespersons, Retail	230	Amusement, Recreation Attendants	233.3%
General Office Clerks	180	Computer Support Specialists	77.8%
Cashiers	170	Counter and Rental Clerks	58.8%
General Nurses	150	Systems Analysts- Electronic Data Processing	50.0%
General Managers, Top Executives	130	Bill and Account Collectors	50.0%
Teacher Aides	120	Child Care Workers	33.3%
Guards and Watch Guards	110	Corrections Officers, Jailers	33.3%
Counter and Rental Clerks	100	Order Clerks- Materials, Service	33.3%
Computer Support Specialists	70	Physical Therapy Assistants and Aides	33.3%
Amusement, Recreation Attendants	70	Adjustment Clerks	30.0%

Source: California Employment Development Department, 2001

INDUSTRIAL EARNINGS

Changes in employment shares have not coincided with the profitability of industries involved. For example, retail trade now employs close to twice as many Humboldt County residents as manufacturing, although it is behind in profits and wages (see Table 3-12). If the economy continues to shift from offering high-paying, high-skilled government and manufacturing jobs to lower-paying, lower-skilled retail and lower-end service positions as in Table 3-11, unemployment may continue to fall, but at the cost of a lower per capita income.

Table 3-12: Top-Earning Industries in Humboldt County, in millions, 1980-2010

1980	Government (\$171)	Manufacturing (\$162)	Services (\$136)	Retail Trade (\$95)
1998	Services (\$435)	Government (\$381)	Manufacturing (\$255)	Retail Trade (\$215)
2010	Services (\$787)	Government (\$583)	Retail Trade (\$276)	Finance, etc. (\$265)

Source: US Department of Commerce Bureau of Economic Analysis, 2000

MAJOR EMPLOYERS

Over 5,000 business establishments exist in the county. Of this total, the vast majority are small and home-based businesses, with less than 10 employees. The largest employers in Humboldt County are engaged in government, lumber, education, or medical services, in keeping with the profitable dominance of the services, government, and manufacturing sectors (see Table 3-13).

Table 3-13: Humboldt County Major Employers, 2000

<i>Employer Name</i>	<i>Location</i>	<i>Industry</i>
College of the Redwoods	Eureka	Colleges & Universities
Eel River Sawmills Inc	Fortuna & Redcrest	Sawmills and Planing Mills
Eureka City Hall	Eureka	Public Administration (Government)
Eureka City Schools	Eureka	Education
Humboldt County	Eureka	Public Administration (Government)
Humboldt State University	Arcata	Colleges & Universities
Mad River Community Hospital	Arcata	Hospitals
Pacific Lumber Co	Scotia	Sawmills and Planing Mills
Postal Service	Humboldt County	Public Administration (Government)
Simpson Timber Co	Eureka	Sawmills and Planing Mills
St Joseph Hospital	Eureka	Hospitals
Sunbridge Health Care Center	Eureka	Residential Care

Sources: California Employment Development Department, 2001; Prosperity: The North Coast Strategy

3.4 INCOME

Personal income can be an indication of the county’s economic condition. Despite the general rise in income over the past decade, there has been little change in per capita income from 1995 to 2000. Adjusting for the Western U.S. Regional consumer price index, real wages have actually fallen by 16 percent since 1990 (see Table 3-14).

Table 3-14: Humboldt County Trends in Personal Income, 1980-2010

Year	Total Personal Income (\$1000s)	Per Capita Income	Real Dollars, 1990 Base (Western U.S. CPI)
1980	\$1,080,093	\$9,918	\$15,657
1985	\$1,426,605	\$12,899	\$15,705
1990	\$1,966,112	\$16,439	\$16,439
1995	\$2,328,957	\$18,706	\$16,042
2000	\$2,395,077	\$18,843	\$14,175
2005	\$3,444,914	\$25,330	-
2010	\$4,301,714	\$29,998	-

Sources: California Employment Development Department (1980-2000 data), CSU Chico Center for Economic Development (2005-2010 data)

According to the Bureau of Economic Analysis, per capita income in Humboldt County is much lower than average income in California and in the United States, but is rising faster than the state average (see Table 3-15). Year 1999 figures are based on population estimates released in March 2000, before the 2000 Census count.

Table 3-15: Per Capita Personal Income in California and the United States, 1990-1999

	Humboldt County		California		United States	
	1990	1999	1990	1999	1990	1999
Per capita personal income	\$16,440	\$22,871	\$21,889	\$29,856	\$19,584	\$28,546
Percent change 1990-1999		39.1%		36.4%		45.8%

Source: US Department of Commerce Bureau of Economic Analysis

As expected from the comparison of per capita incomes, the distribution of income among different income brackets in Humboldt County shows more residents with lower incomes than in other areas of the State. Incomes in Humboldt County in 1989 were on the whole much lower than the California average; the median income in Humboldt County was only two-thirds (65.9 percent) of the California median for all households, and only three-quarters (74.8 percent) of California’s median for family households (see Table 3-16).

Table 3-16: Humboldt County and California Income Distributions, 1989

Income in thousands	Humboldt County		California	
	All households	Family households	All households	Family households
<\$25	52.4%	41.0%	34.1%	28.1%
\$25-\$49	31.6%	37.8%	32.9%	33.5%
\$50-\$74	11.1%	14.8%	18.4%	21.0%
\$75-\$99	2.7%	3.6%	7.6%	9.0%
\$100+	2.2%	2.8%	7.1%	8.4%
Median income	\$23,586	\$30,357	\$35,798	\$40,559
Total number of households	46,617	30,391	10,399,700	7,218,877

Source: US Census 1990

WELFARE ASSISTANCE

Temporary Assistance to Needy Families (TANF), or welfare, cases dropped 18.4 percent as a proportion of the population in Humboldt County and rose 2.4 percent statewide from 1990 to 1998 (see Table 3-17). While the proportion of the population receiving TANF was 51 percent higher in the County than in the state in 1990, this gap decreased to 18 percent in 1998. Significantly, payments per case declined in the County at a rate more than double the California average, with the result that average payments per case in the County fell from 22 percent higher than the state average to 6.6 percent lower.

Table 3-17: Welfare Statistics in Humboldt County and California, 1990 and 1998

Annual Averages	Humboldt County			California		
	1990	1998	Percent Change	1990	1998	Percent Change
Cases per 100,000	3196	2609	-18.4%	2153	2204	2.4%
Recipients per 100,000	9505	7633	-19.7%	6282	6471	3.0%
Payment per Case	\$7419	\$4831	-34.9%	\$6086	\$5176	-15.0%

Source: RAND California 2001

INCOMES BY COMMUNITIES

Comparing 1990 data for communities, median income and poverty rates did not appear to correlate (see Table 3-18). The federal definition of the poverty threshold is that level at which a household cannot pay for a nutritionally adequate food plan, assuming that one-third of after-tax income will be spent on food.³ For example, McKinleyville reported higher median incomes than Fortuna, but higher proportions of people in poverty as well. Arcata had both the lowest median

³ Bureau of the Census, 1997

household income and highest proportion of people in poverty among the County’s urban areas. Except for Fortuna, individuals and families in Humboldt County communities are more likely to be impoverished than in the state overall.

Table 3-18: Median Household and Family Income and Poverty in Humboldt County, 1990

	<i>Median household income</i>	<i>Median family income</i>	<i>Persons below poverty level</i>	<i>Families below poverty level</i>
Arcata	\$18,551	\$28,549	28%	13%
Eureka	\$21,812	\$28,542	19%	15%
Fortuna	\$23,860	\$30,172	12%	9%
McKinleyville	\$26,795	\$32,192	15%	12%
Humboldt County	\$23,586	\$30,357	18%	13%
California	\$35,798	\$40,559	13%	9%

Source: US Census 1990