



2016 Cotati: Local Economic Profile

2016
SONOMA
COUNTY



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Cotati: Local Economic Profile

The Sonoma County Economic Development Board (EDB), in partnership with the Sonoma County Workforce Investment Board (WIB), the City of Cotati, and the Cotati Chamber of Commerce is pleased to present the *2016 Cotati Local Economic Profile*.

Highlights from this *Local Economic Profile* include:

- Cotati's seasonally unadjusted unemployment rate was 5.7% in June 2015, higher than Sonoma County (4.3%), lower than California (6.2%), and slightly higher than the nation (5.5%) for the same month.
- The population of Cotati in 2015 was 7,399, and according to Environmental Systems Research Institute (ESRI) projections, it is expected to rise 2.7% to 7,600 by 2020.
- Between 2000 and 2015, the median household income in Cotati grew by 16% to \$62,498. Looking into 2020, this growth is expected to continue, with median income rising to \$72,819, an increase of 16.5% from 2015.
- The number of houses sold in Cotati has leveled off with sales only down by 12 for a total of 479, a 2.5% loss over the past year.
- Cotati's residential housing vacancy has been historically lower than Sonoma County's and this is projected to continue into 2020. From 2010 to 2015, Cotati's residential housing vacancy rate increased 0.1 percentage points to 5.3%, on par with the county which increased from 9.2% to 9.3%.

While every effort was made to ensure this report contained up-to-date information, certain data was unavailable at the time this report was released; thus, some figures may reflect years previous to 2015.

Thank you for your interest in the Economic Development Board's research. For additional information, questions, comments, or suggestions please contact us at (707) 565-7170 or visit www.sonomaedb.org. For other city-specific questions, please visit www.ci.cotati.ca.us and/or www.cotati.org.

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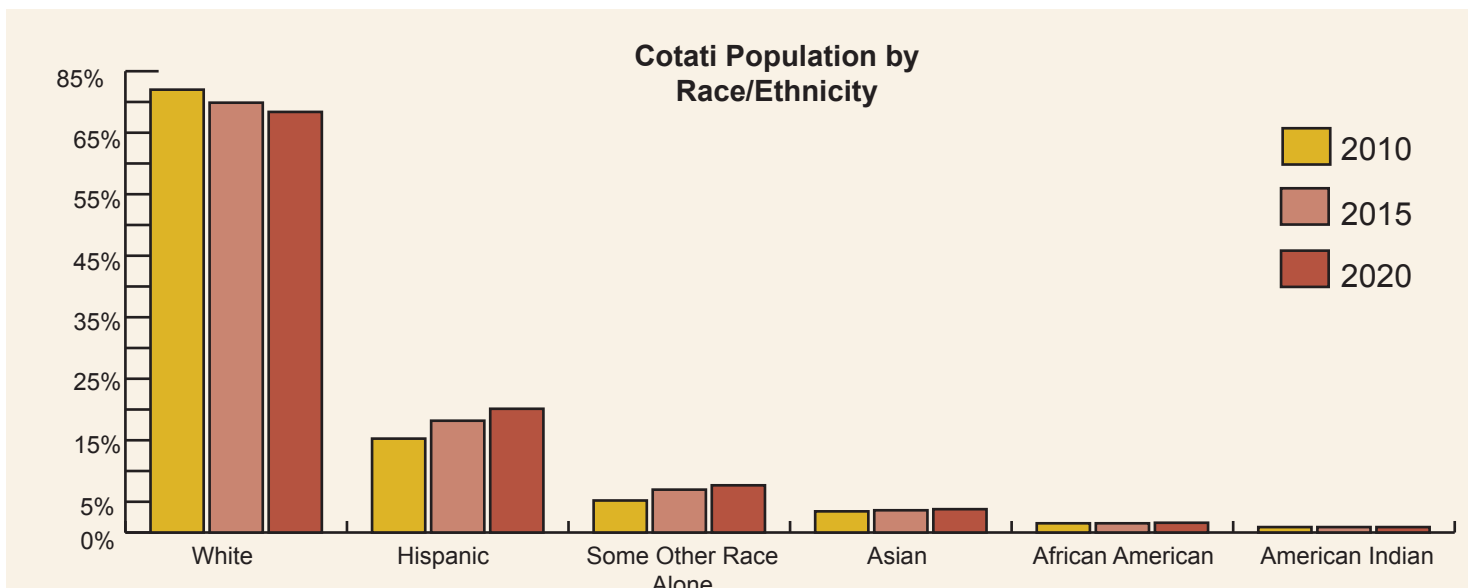
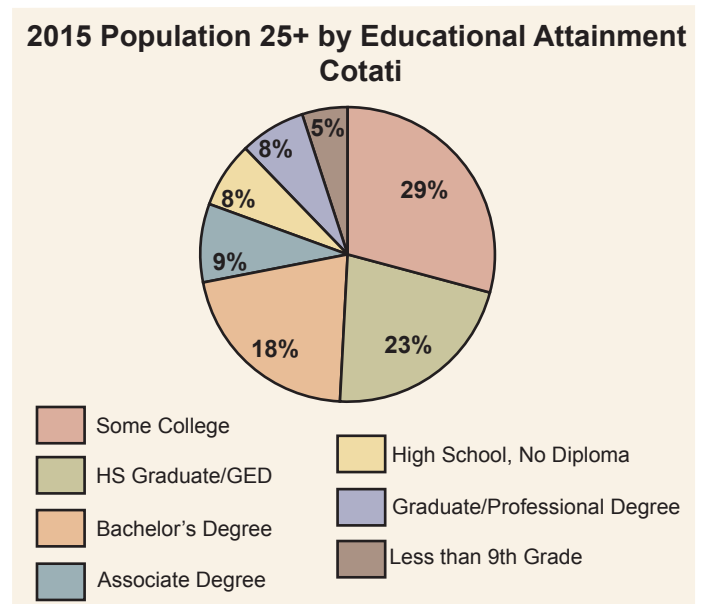
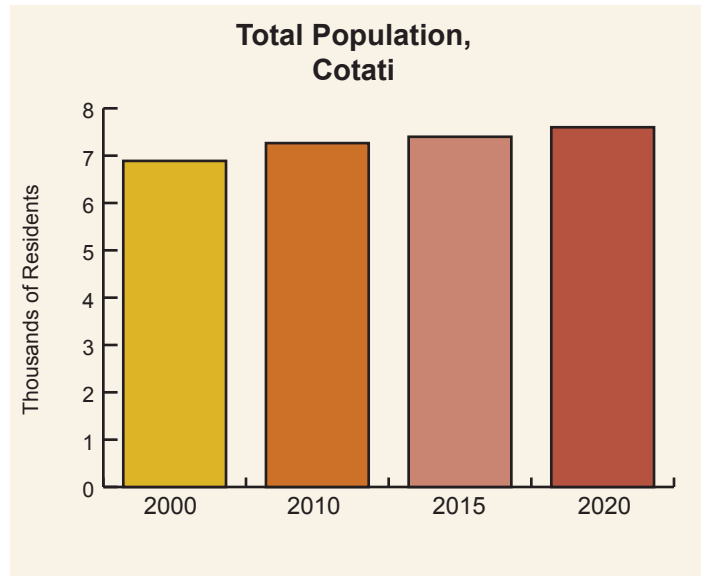
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Population and Demographics

The population of Cotati in 2015 was 7,399, and according to Environmental Systems Research Institute (ESRI) projections, it is expected to rise about 2.7% to 7,600 by 2020. This is on par with the projected population increase of 2.7% for Sonoma County over the same period. From 2000 to 2015, Cotati's population grew by 7%.

In 2015, in the population of those 25 and older, 23% of residents had obtained a High School Diploma. This is higher than Sonoma County in the same year with 20% of residents obtaining diplomas. The category of Some College consists of individuals who have taken college courses but who have never received their degree. **In 2015, about 18% of residents had obtained a Bachelor's Degree and around 8% had received a Graduate or Professional Degree.**

A new trend we see moving into 2020 is the increase in the Hispanic population in Cotati. **Between 2010 and 2020 there is predicted to be an increase of 5.5 percentage points in the Hispanic population in Cotati.** This is larger than the increase of the Hispanic population by 4 percentage points in Sonoma County overall.



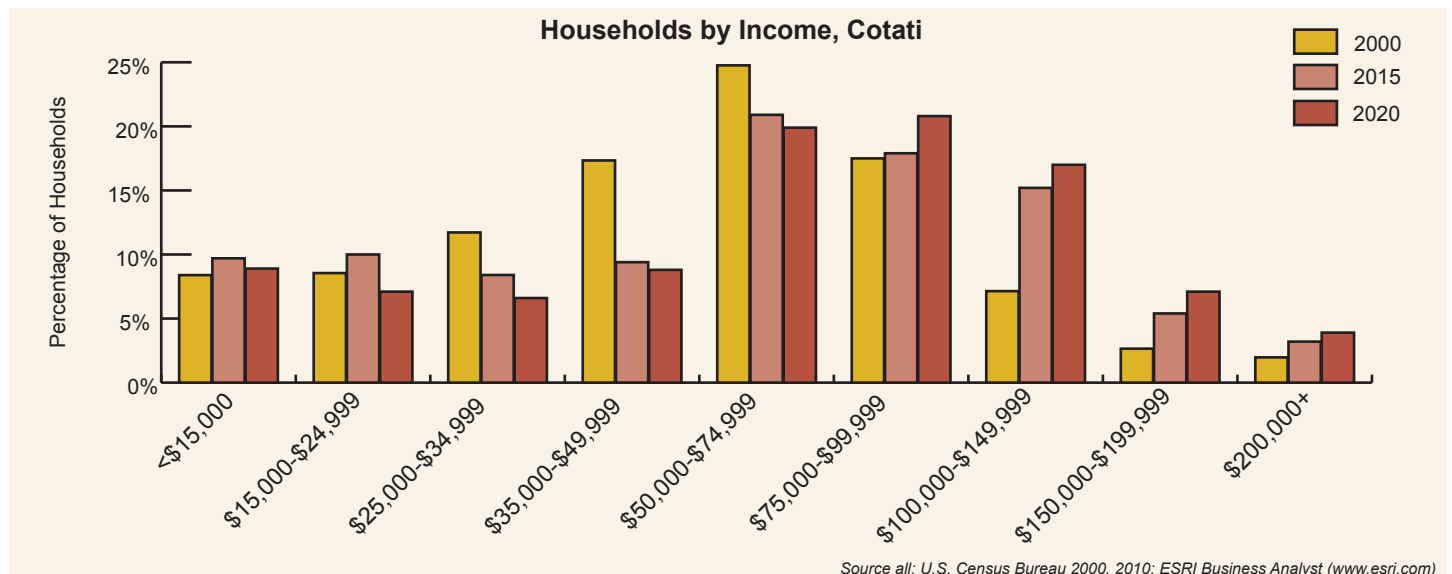
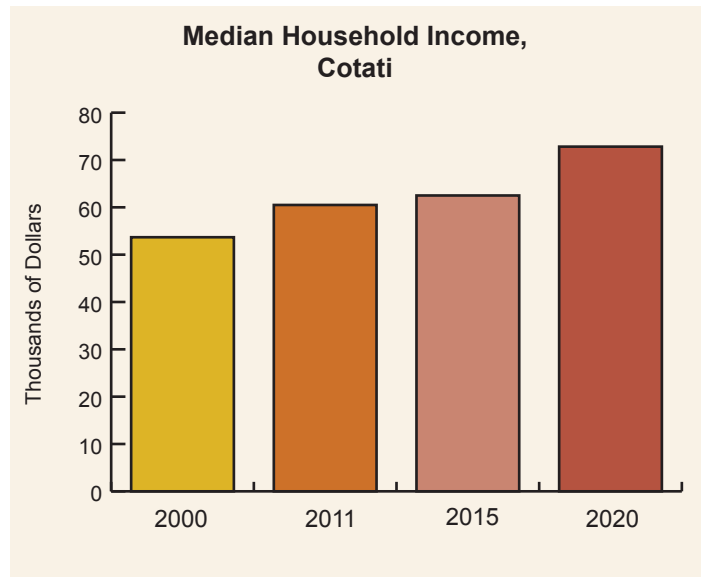
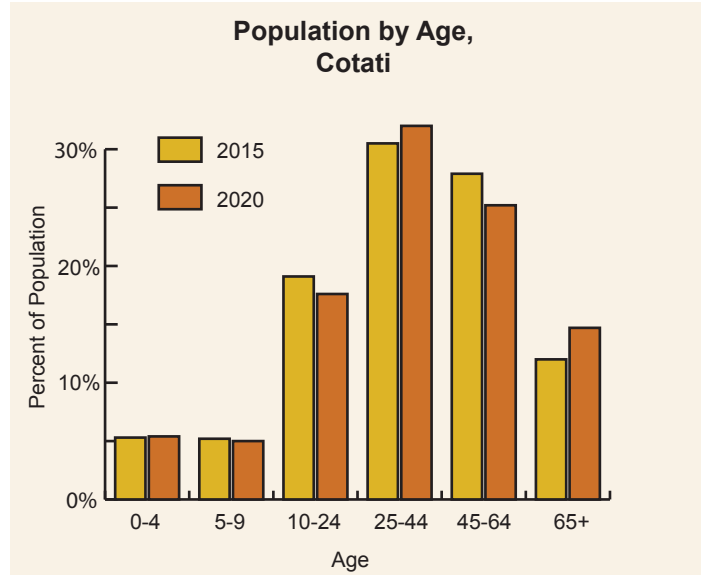
Population and Income Projection

The population by age in Cotati in 2015 and 2020 followed a wide distribution, and according to Environmental Systems Research Institute (ESRI) projections, the 65 and older population is expected to increase the greatest amount by 2020. This is creating a decrease in individuals 45-64 between 2015 and 2020.

Between 2000 and 2015, the median household income in Cotati grew by 16% to \$62,498. Looking into 2020, this growth is expected to continue, with median income rising to \$72,819, an increase of around 16.5% from 2015.

As income in Cotati rose between 2000 and 2015, the percentage of households earning less than \$35,000 remained relatively equal. However, ESRI projects that the percentage of households earning less than \$35,000 will decrease by 20% between 2015 and 2020.

Between 2015 and 2020, the fastest growing household income ranges are from \$75,000 to \$199,999, resulting in further concentration of households in higher-income tiers.



Source all: U.S. Census Bureau 2000, 2010; ESRI Business Analyst (www.esri.com)

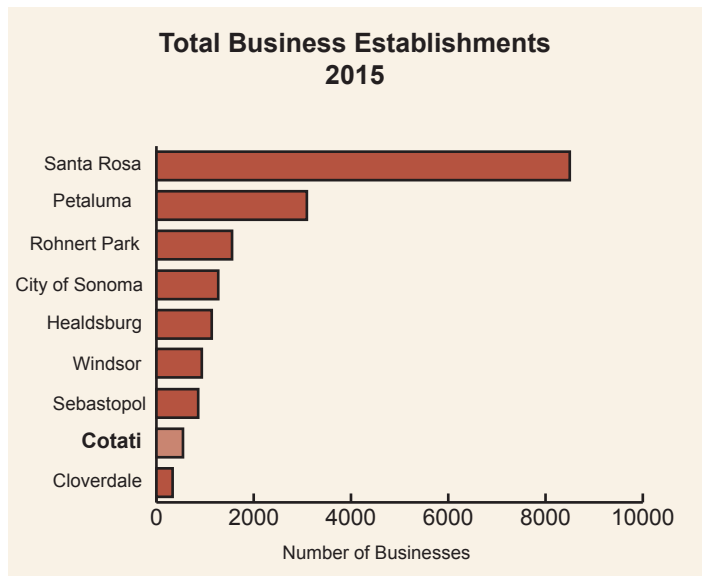
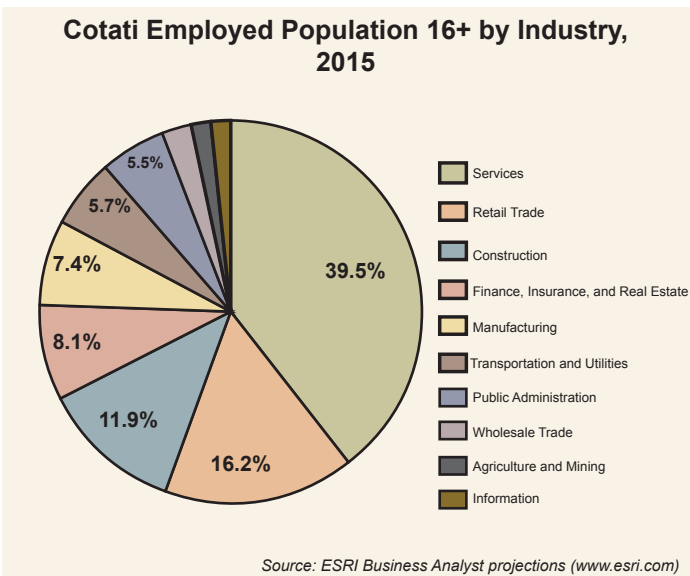
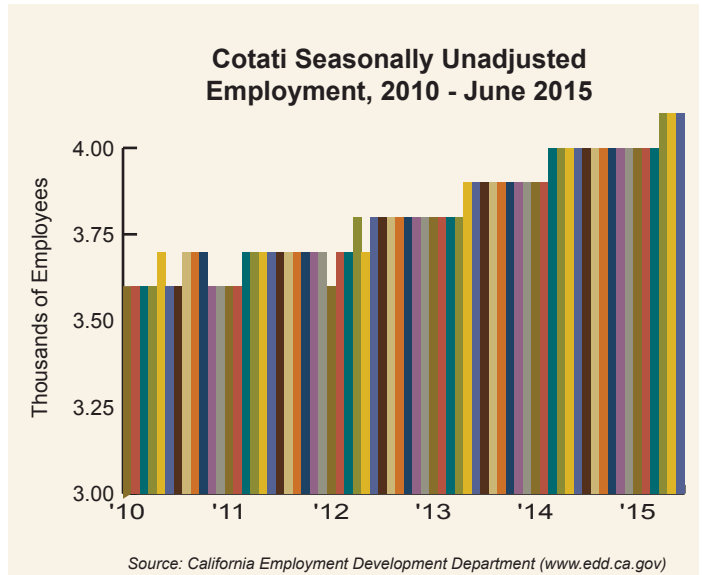
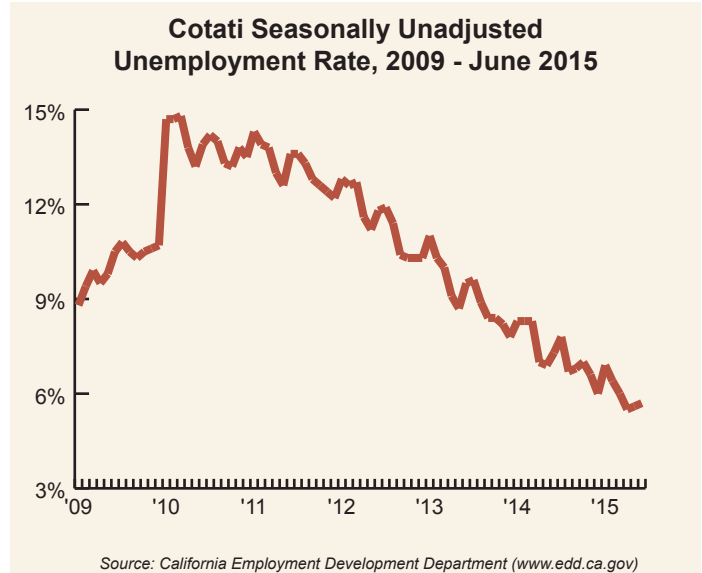
Employment

Cotati's seasonally unadjusted unemployment rate was 5.7% in June 2015, higher than Sonoma County (4.3%) for the same month. Compared to June of the previous year, Cotati's unemployment rate is down 1.6 points from 7.3%. Unemployment continues on a downward trend from a high of almost 15% in 2010. Cotati's unemployment rate is below the state (6.2%), and slightly above the nation (5.5%).

Total employment in Cotati was 4,100 in June 2015, which is up 2.5% from a year earlier. Total employment in Cotati has followed a steadily increasing trend since 2010.

The total number of business establishments in 2015 in Cotati is 546. Sonoma County has about 25,800 total business establishments.

About 40% of Cotati's employed population is in the category of Services, which includes education, health care, tourism and legal services. The second largest sector is Retail Trade. These percentages closely mirror Sonoma County averages for each sector. The high percentage of employees working in Construction, Manufacturing, and Finance, Insurance and Real Estate points toward economic expansion in Cotati and throughout Sonoma County.



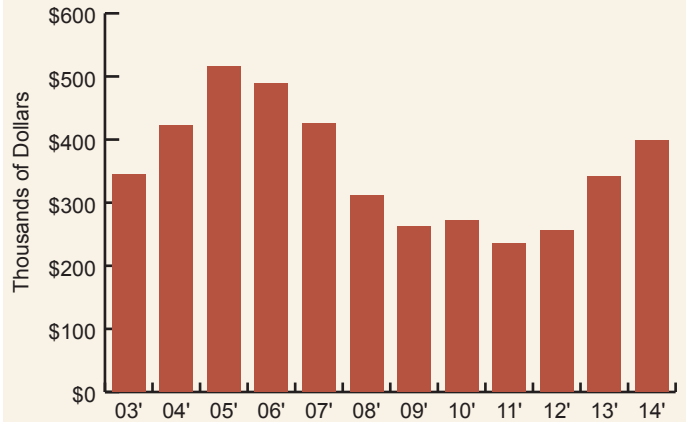
Residential Real Estate

In 2014, median home prices in Cotati rose 16.7% from 2013 to 2014. After the housing bubble burst in the late 2000's, the median home price in Cotati has been trending upward since 2011. The median home price was \$399,000 in Cotati for 2014.

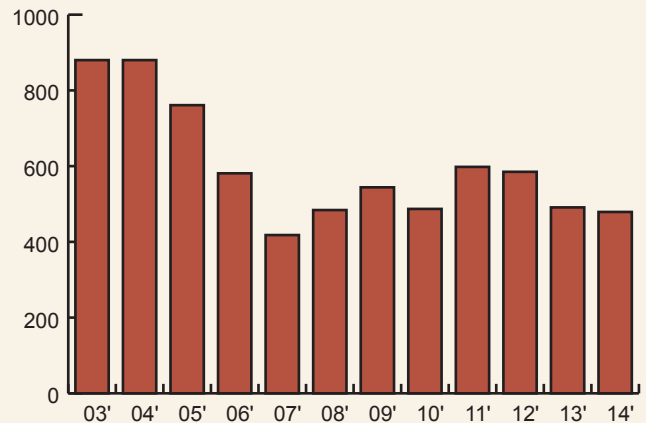
The number of houses sold in Rohnert Park/Cotati has leveled off with sales down by only 12 units from 2013 for a total of 479 houses sold in 2014, a 2.5% loss over the past year.

The average sales price of a home in Cotati for 2014 was \$383,993. This puts Cotati at the lower end of the price spectrum for homes in the county. The average sales price for a home in Cotati is lower than the County average by \$187,935. Cotati has a lower volume of sales for its price range, when compared to the county average.

Median Price of an Existing Home in Cotati/Rohnert Park, 2003-2014

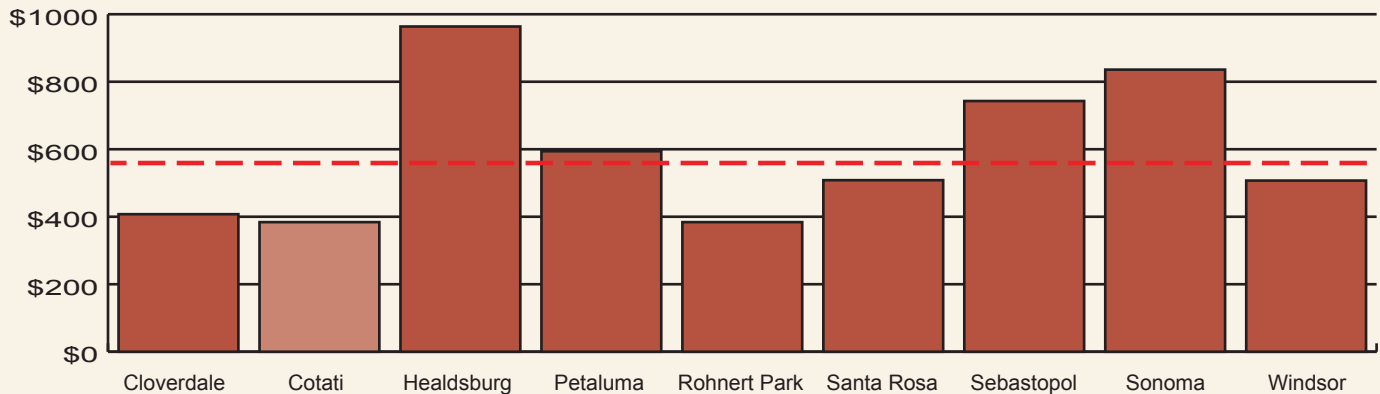


Total Number of Houses Sold in Cotati/Rohnert Park



Average Sales Price (\$ Thousands) by Sub-County Area, 2014

Legend: Average Sales Price (\$ Thousands) (Red Bar), County Average Price (\$ Thousands) (Red Dashed Line)



Source all: Bay Area Real Estate Information Services (www.bareis.com)

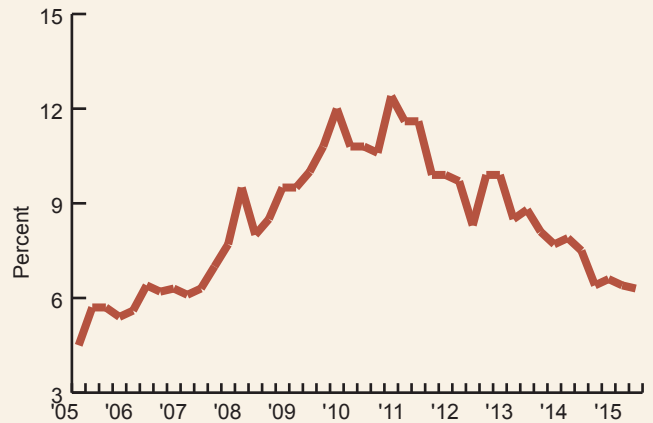
Real Estate & Construction

After 2006, the recession caused many retail outlets to cut back or shut down, raising retail property vacancy rates. Retail vacancy rates in Cotati/Rohnert Park began to decline from their peak in late 2010. **At the end of the second quarter of 2015, retail property vacancy rate in Cotati/Rohnert Park was 6.3%, 2.5% above Sonoma County's average retail property vacancy rate and well below Cotati/Rohnert Park's peak.**

In Sonoma County, the asking lease rates per month are categorized into office, industrial, and retail. **Compared to California, Sonoma County has lower lease rates in Office (\$18.49 psf/year) and Retail (\$17.95 psf/year).** California's lease rates are lower for Industrial property at \$9.35 psf/year.

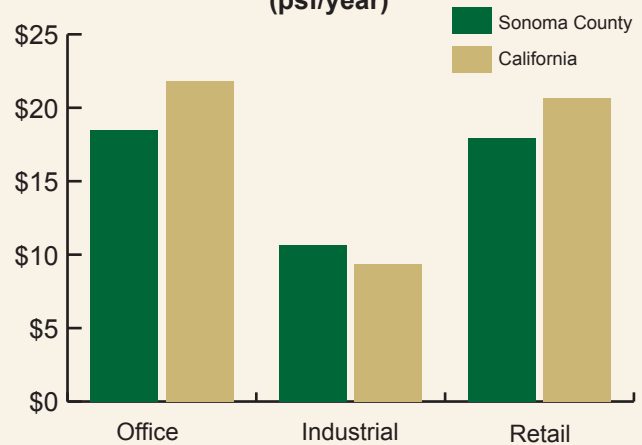
Residential building permits have been increasing in value since 2013, while non-residential building permits have been decreasing since a spike in 2013. Both residential and non-residential construction in Cotati are down considerably from 2006.

Cotati/Rohnert Park Retail Property Vacancy Rate, Q1 2005 - Q2 2015



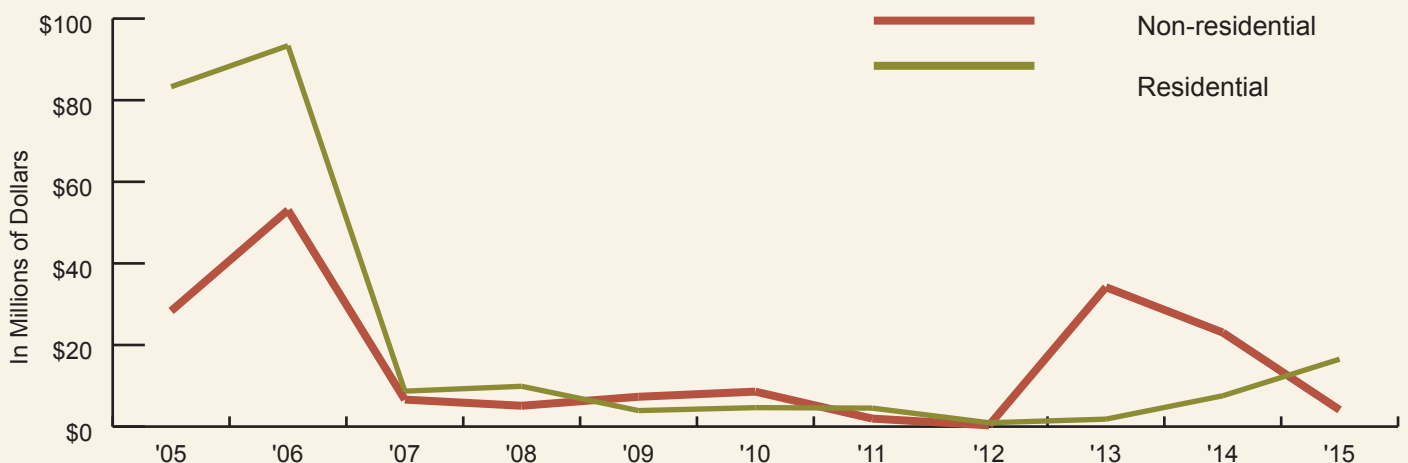
Source: Keegan and Coppin Company, Inc. (www.keegancoppin.com)

Sonoma County vs. California Asking Lease Rates, June 2015 (psf/year)



Source: LoopNet (www.loopnet.com)

Value of Residential & Non-Residential Building Permits in Cotati, 2005 - 2015

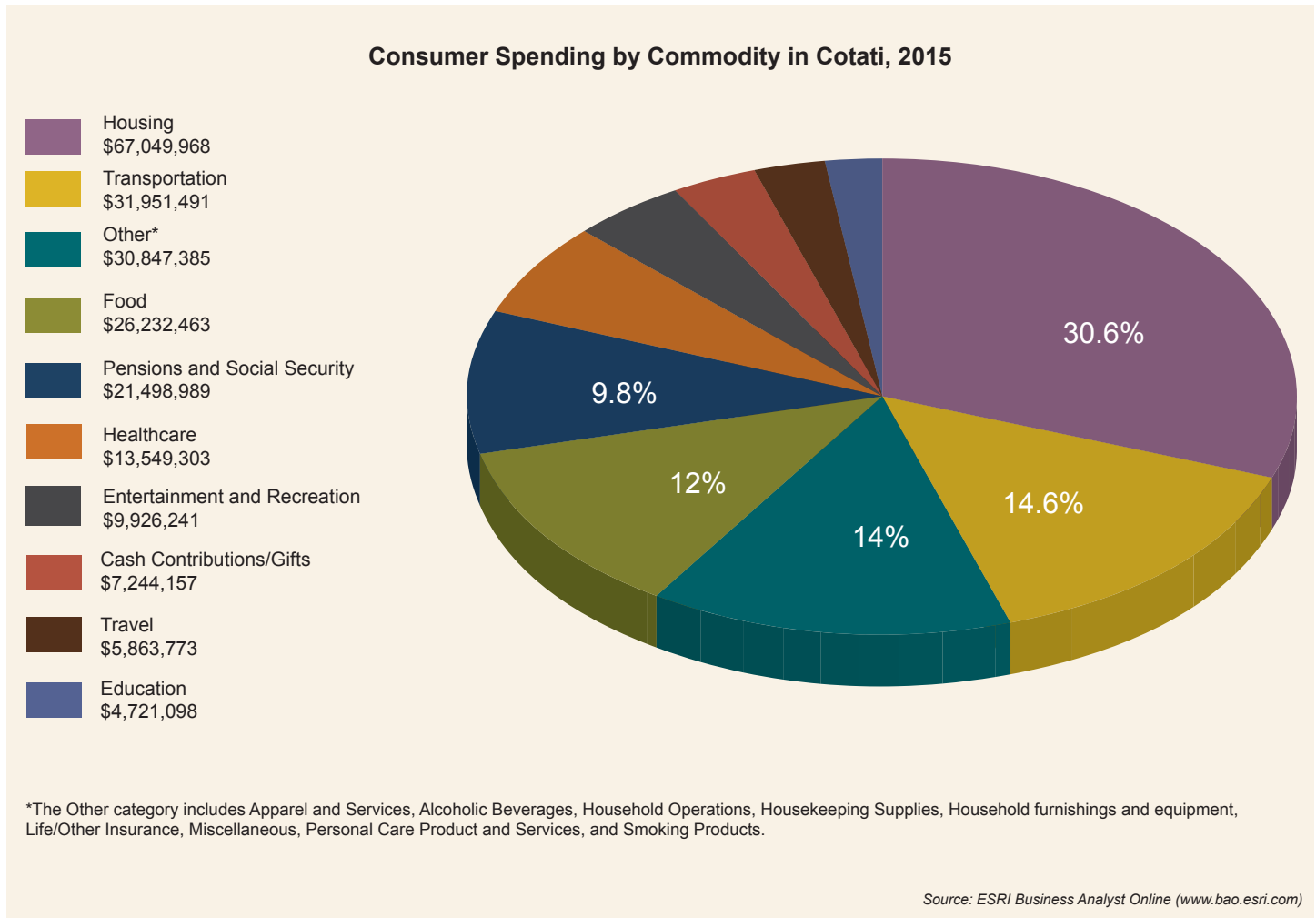
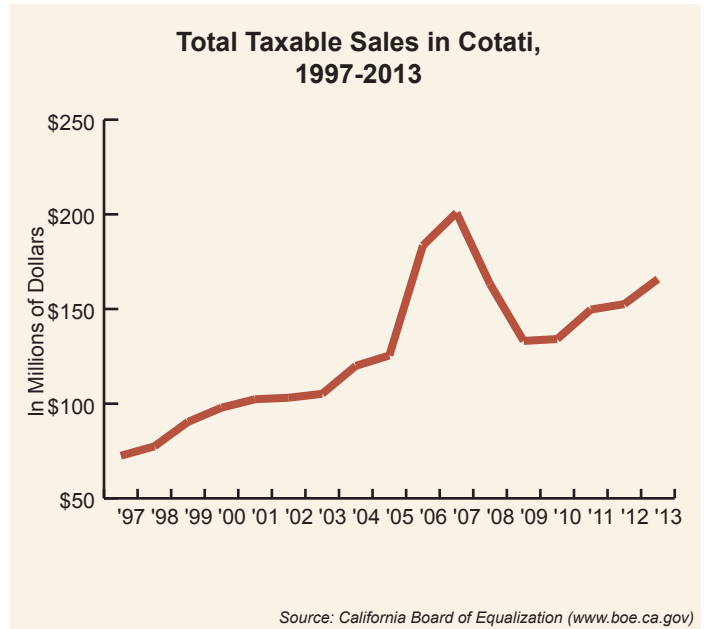


Source: California Homebuilding Foundation

Consumer Spending & Taxable Sales

Cotati taxable sales showed signs of rebounding with a gain of 8.7% in 2013 from 2012. This continues the upward trend starting after taxable sales bottomed out in 2009. The gain seen in 2013 is consistent with the positive economic activity across Sonoma County. The county saw an increase of 8.6% in taxable sales in 2013, while the state only rose by 5%.

Compared to the national average, Cotati residents spend more on housing, food, and education. This is most notable in housing where Cotati residents spend 0.7 percentage points more than their national peers. More than 70% of Cotati's purchases fall under the categories of housing, transportation, other, and food.

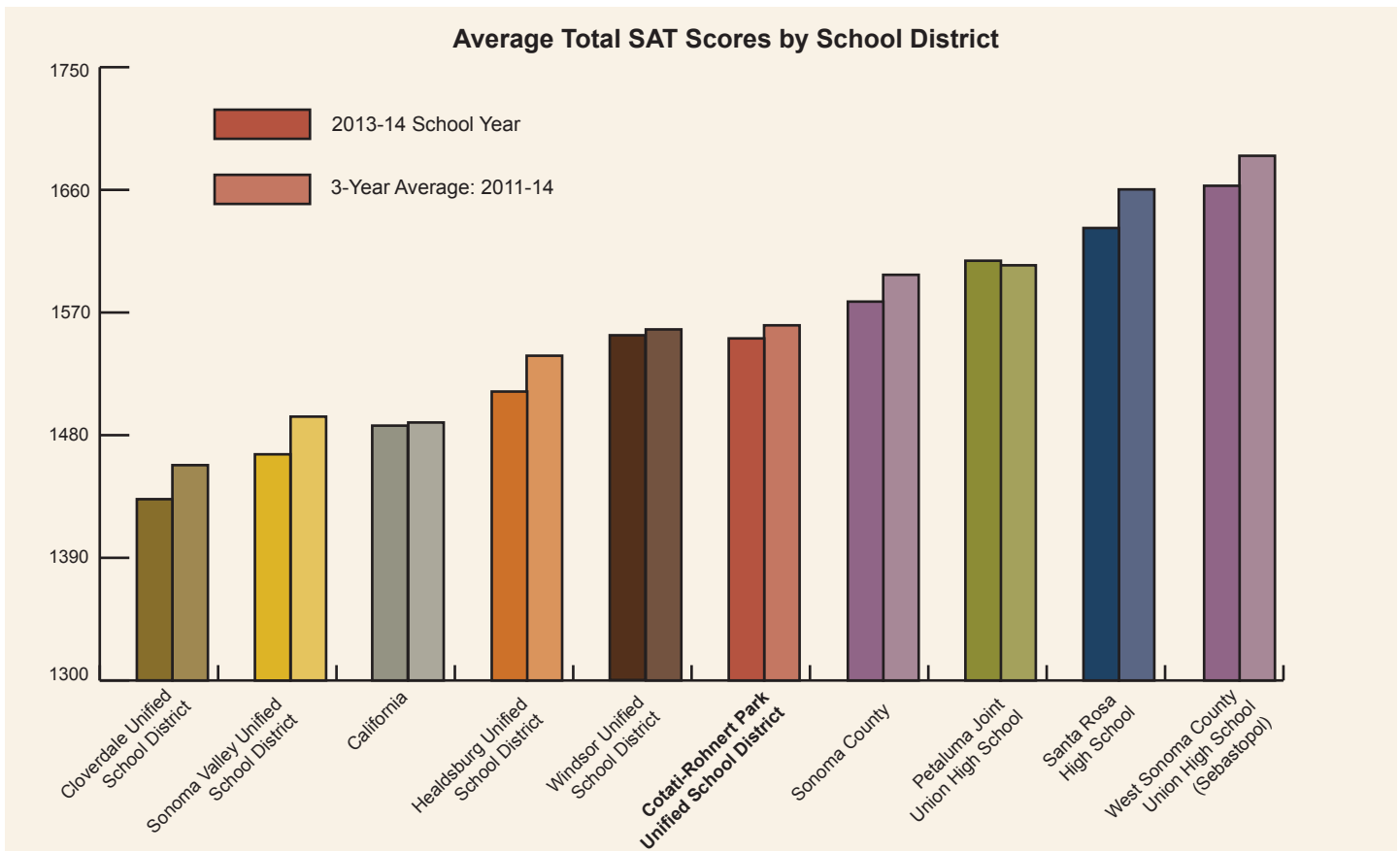
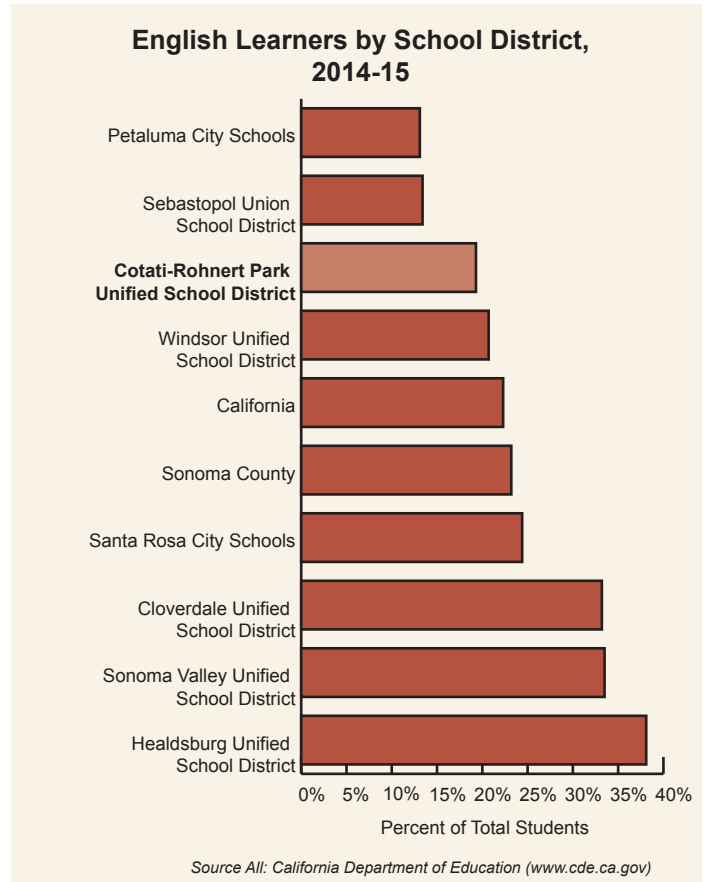


Education

The percentage of English learners in the Cotati-Rohnert Park Unified School District is 19.3%. This includes elementary, middle, and high school students. The ratio of English learners in the Cotati-Rohnert Park Unified School District is below the county average of 23.2%, as well as the state average of 22.3%.

The average SAT score for a student from the Cotati-Rohnert Park School District in the 2013-14 school year was 1551. This places the Cotati-Rohnert Park School District below the county average of 1578 and above the state average of 1487.

For a complete listing of the particular schools located in each district, please visit the Sonoma County Office of Education's website at: <http://www.scoe.org/pub/htdocs/finddistrict.html>



City Data Snapshot

	Total Population 2015	Unemployment Rate June 2015	Median Household Income 2015	Average Sales Price of a Home 2014	Percentage of English Learners 2014-15	Average Total SAT Scores 2013-14
Cloverdale	8,858	3.7%	\$57,643	\$407,515	33.2%	1433
Cotati	7,399	5.7%	\$62,498	\$383,993	19.3%	1551
Healdsburg	11,681	3.7%	\$61,950	\$963,632	38.1%	1512
Petaluma	59,322	3.3%	\$75,655	\$594,029	13.1%	1608
Rohnert Park	41,967	4.5%	\$58,719	\$383,993	19.3%	1551
Santa Rosa	171,827	4.8%	\$57,602	\$508,331	24.4%	1632
Sebastopol	7,490	3.7%	\$57,607	\$742,854	13.4%	1663
City of Sonoma	11,202	3.9%	\$59,596	\$835,899	33.5%	1466
Windsor	27,221	3.7%	\$77,205	\$507,146	20.7%	1553
Sonoma County*	494,431	4.3%	\$61,807	\$571,928	23.2%	1578

Note on Data Sources

The *2016 Cotati Local Economic Profile* is a brief summary on various demographic, economic and social aspects of Cotati. Economic Development Board (EDB) research originates from information available from outside resources and previously published material. The *2016 Cotati Local Economic Profile* offers partial or composite representations of raw data and cites respective source data sets. For more information, please see the listed sources.

The *Local Economic Profile* does not provide complete in-depth analyses of all facets of the incorporated cities or the county. The EDB believes all data contained within this report to be accurate and the most current available, but does not guarantee its accuracy or completeness. Use of data from an outside source does not represent an endorsement of any product or service by the EDB, its members or affiliates.

The *2016 Cotati Local Economic Profile* was developed from national and local data sources. Interested readers are encouraged to contact data source agencies or organizations for further research. Readers are also invited to suggest for future reports by calling (707) 565-7170 or e-mailing edb@sonoma-county.org.

Sources

Bay Area Real Estate Information Services

California Board of Equalization

California Department of Education

California Employment Development Department

California Homebuilding Foundation

ESRI Business Analyst

Keegan and Coppin Company

U.S. Census Bureau

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