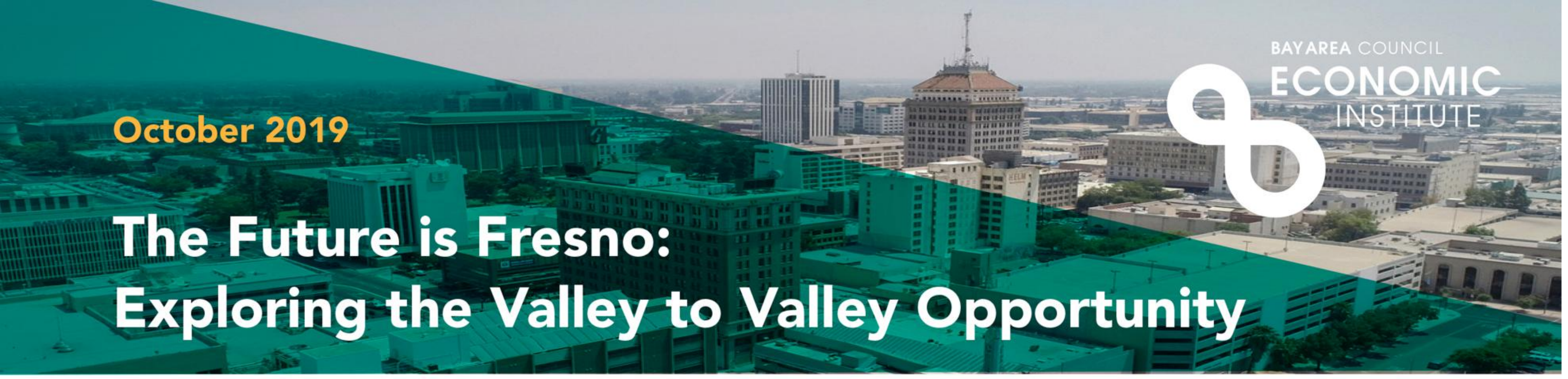


BAY AREA COUNCIL ECONOMIC INSTITUTE

October 2019

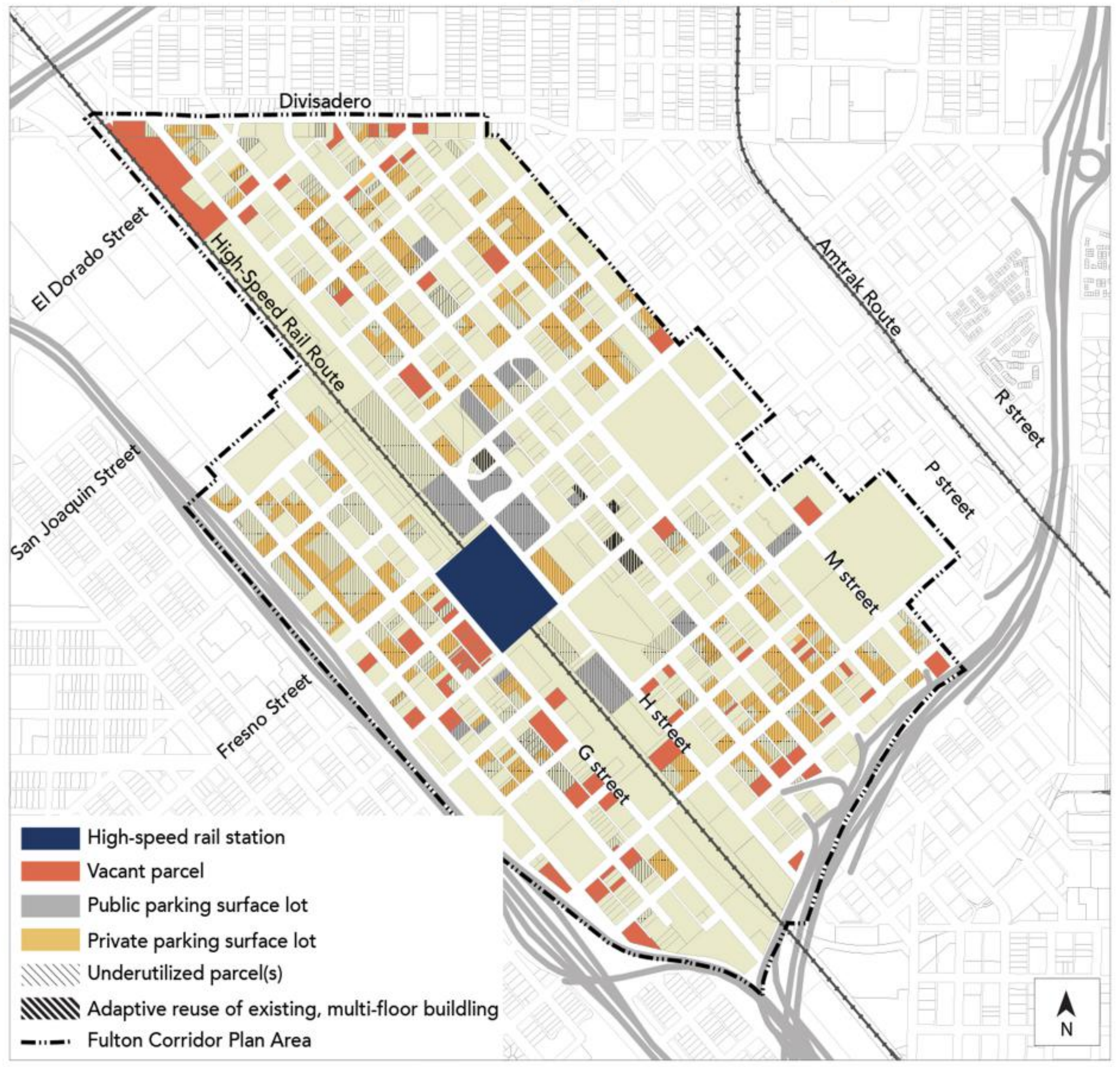
The Future is Fresno: Exploring the Valley to Valley Opportunity

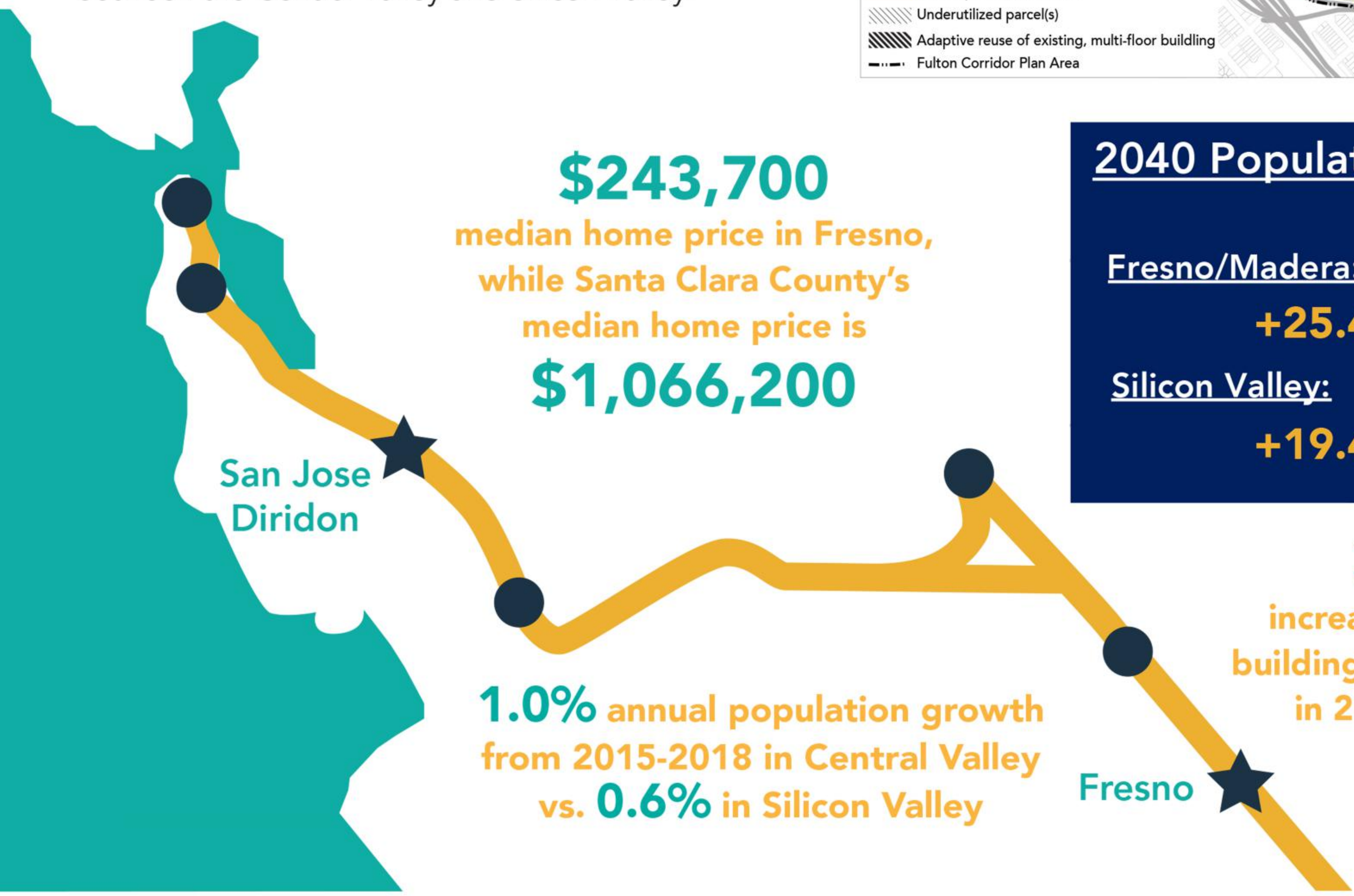
People & Places

In recent years, the Central Valley has produced its own economic success stories, as households and companies have been attracted to an affordable quality of life that is increasingly unavailable on the state's coasts. Given this confluence of momentum and opportunity, the Central Valley—and particularly, Fresno—is ripe for an economic transformation.

The Valley to Valley connection via high-speed rail can be the push that moves Fresno beyond its economic tipping point—where it becomes a key part of company re-location conversations, lands on lists of top destinations for new companies, and drives new investment into its downtown and surrounding areas. High-speed rail can unlock all of these possibilities by shrinking the physical distance between the Central Valley and Silicon Valley.

Downtown Fresno Opportunity Parcels





$243,700 median home price in Fresno, while Santa Clara County's median home price is **$1,066,200**

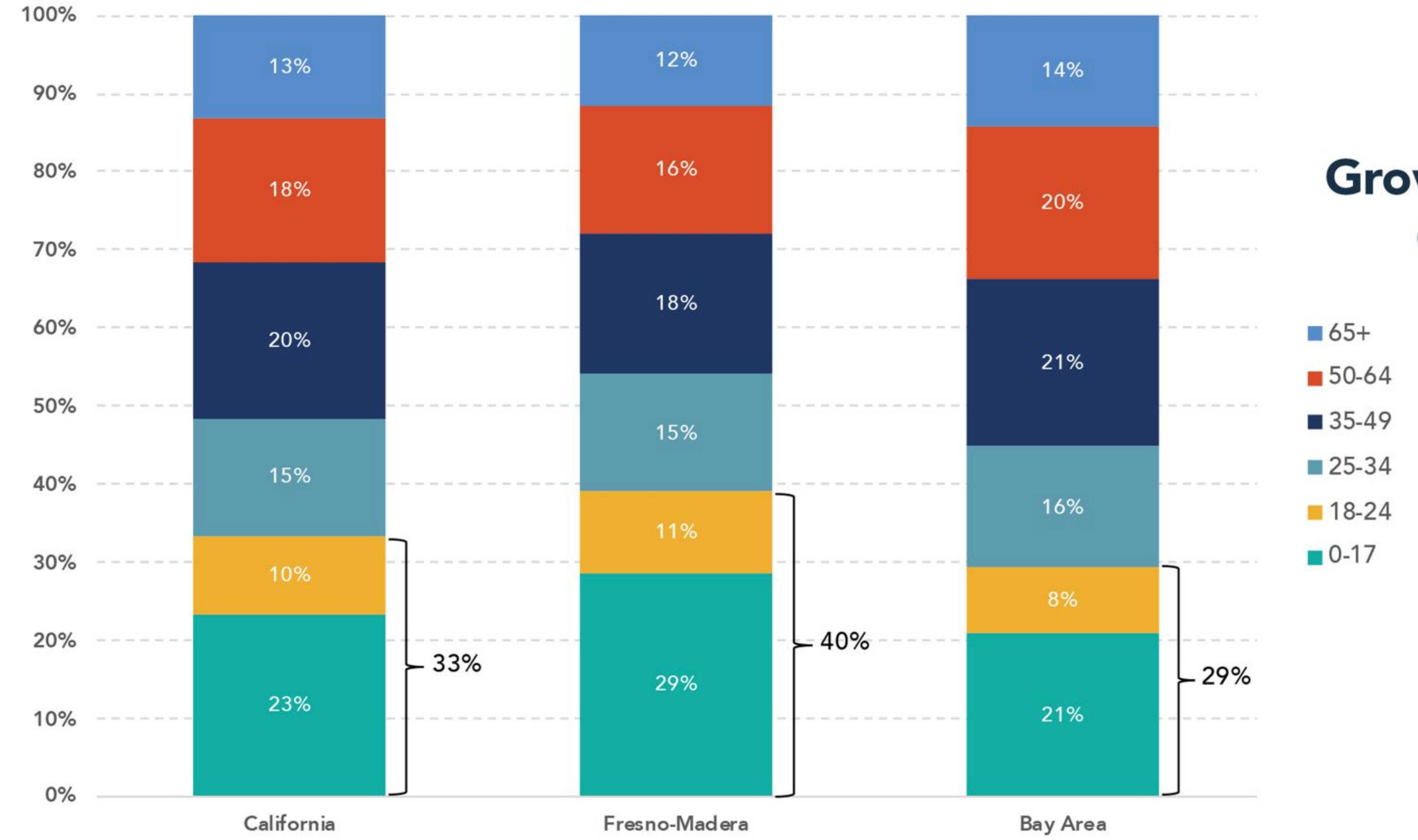
1.0% annual population growth from 2015-2018 in Central Valley vs. **0.6%** in Silicon Valley

2040 Population Estimates

Fresno/Madera: **1.47 million**
+25.4% from 2018

Silicon Valley: **4.32 million**
+19.4% from 2018

37.5% increase in residential building permits in Fresno in 2018 from 2017



Source: U.S. Census Bureau, American Community Survey Five-Year Estimates
Analysis: Bay Area Council Economic Institute

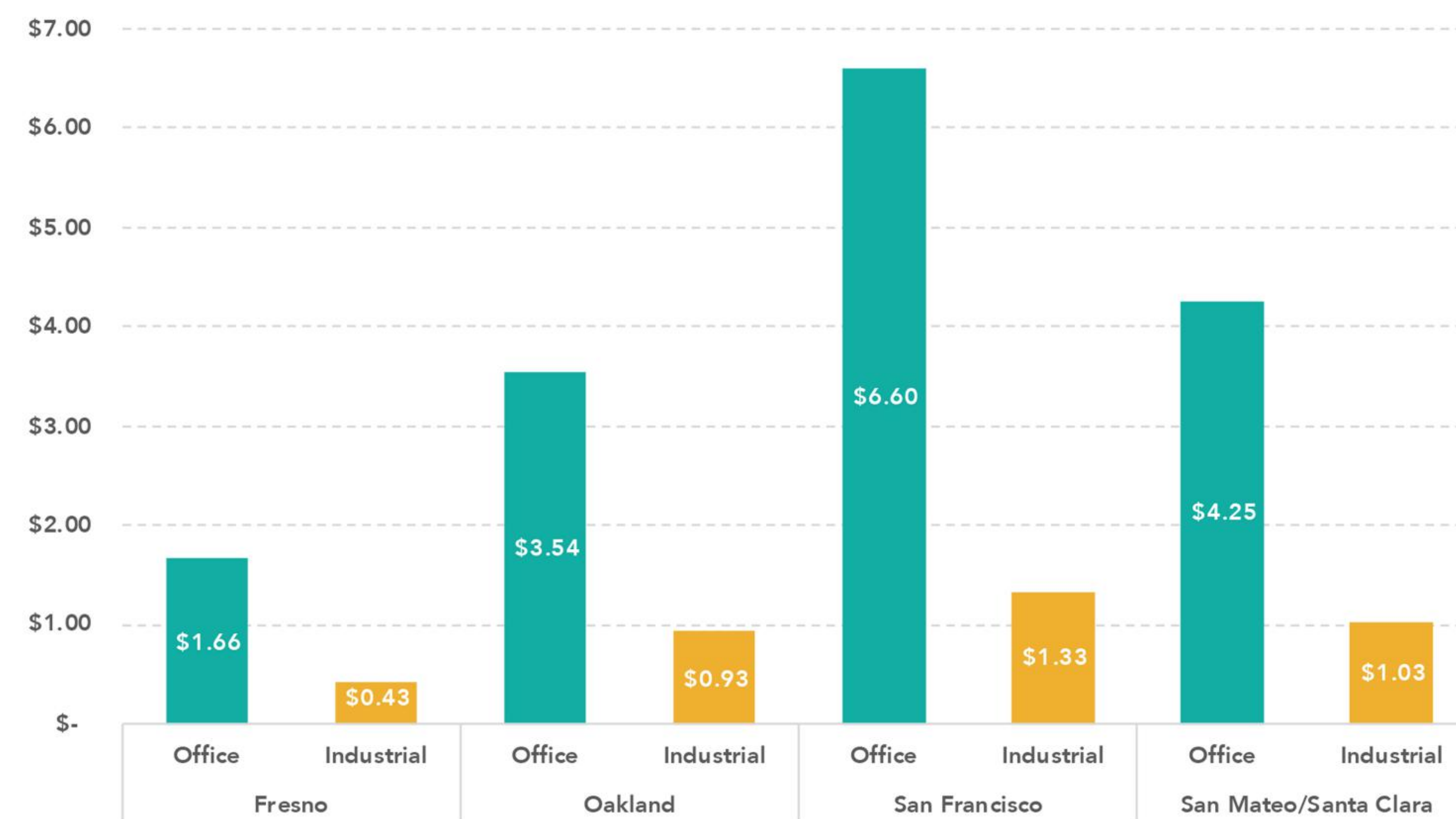
The Future of California is Growing Up in the Central Valley:

Age distributions show that 40% of the Fresno area's population is under the age of 24

Promoting economic success in Fresno will benefit California tremendously. With growth slowing in the large coastal metros, the Central Valley is perhaps the region of California most primed for growth. With each household or company that leaves for a lower-cost location—Nevada, Oregon, Texas, or Arizona—California loses a potential future innovator or entrepreneur. Fresno provides important strengths to the state that should not be overlooked. Its large and growing population, lower costs of doing business, affordable housing, and untapped opportunities for innovation can be the building blocks of a dynamic economy if targeted infrastructure investments and policy innovations encourage the region's growth.

Fresno's Cost Advantages Make it a Profitable Choice for Businesses:

Square footage rent costs are two to four times lower in Fresno than in parts of the Bay Area



Source: Newmark Grubb Pearson, Jones Lang LaSalle U.S. Industrial Outlook, Jones Lang LaSalle U.S. Office Outlook, Colliers International
Analysis: Bay Area Council Economic Institute

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