

### **Background**

The SNC 2006 Strategic Plan identifies the need to develop System Indicators to measure progress in improving the environmental, economic and social well-being of the Sierra Nevada Region. At its meeting in October 2008, the Board adopted a set of nineteen indicators. However, the Board approved some revisions to that original set of indicators at its March 2011 meeting to reflect the types of data that are currently available.

As anticipated in discussions at previous Board meetings, it has proven to be very difficult and time consuming to gather data that coincide with the boundary of the Sierra Nevada Region, despite the assistance of a consultant with expertise in indicators projects in other areas. The primary challenge is the fact that the SNC boundary does not adhere to the county or other boundaries often used to report information. In some instances, a complete set of data is simply unavailable across the Region, so that incomplete or proxy data must be used. Further, some indicators have required the creation of a new methodology for gathering, combining and analyzing data since no established methodology existed in the Region or anywhere else.

### **Current Status**

Despite these challenges, staff has used information gathered by the consultant and has gathered and analyzed additional data to develop the first in a series of five reports that will be presented to the Board over the course of this fiscal year. The idea of splitting the indicators into five separate reports came about in response to a meeting of the project's Advisory Committee following the March Board meeting. This approach enables each subset to be presented in a way that is more easily understood and affords greater opportunity to focus on the linkages among certain sets of data. The five reports will be:

- Demographics and the Economy
- Land Conserved and Habitat
- Air and Water Quality and Climate
- Forest Lands
- Agricultural Lands and Ranches

In this first report (see Attachment A), population and demographic indicators assess the population distribution across the Region and growth trends, as well as the racial/ethnic, age, and educational characteristics of the Region.

The economic Indicators include fundamental measures of economic vitality: productive output, income, employment patterns, business dynamics, travel spending, and power generation. (Economic output data specifically relevant to farm, rangeland, and forest production will be explored in subsequent reports.)

While the data and analysis included in this report are interesting and sometimes surprising, they are generally not as relevant to the SNC's mission and program goals as the information that will be included in subsequent reports on issues related to forests, agricultural lands, habitat, water quality and climate. However, in providing general information on demographic and economic conditions in the Sierra, this report not only provides a basic understanding of these issues in the Region, but also a foundation for subsequent reports to build upon.

### **Demographics and the Economy Report Highlights**

Demographic and economic conditions in the Sierra Nevada Region mirror those of the rest of the State in many important ways, and also differ substantially in others. Further, demographic and economic conditions within the Region often vary substantially across Subregions. It is interesting to note that the population, demographic, and economic indicators for the Central Subregion often vary substantially from the rest of the Region. Because it accounts for a large percentage (47.6%) of the Region's total population and economic activity, it has a significant impact on Region-wide averages.

Here are some report highlights:

- The rates of population growth have been about the same for the Region and the State, but the Region is less diverse and older than California as a whole. The rates of population growth in different parts of the Region are highly uneven, ranging from 16 percent in the Central Subregion to 2 percent in the North Central Subregion over the past decade.
- Health, Retail Trade, and Education represent the largest sectors of both the Region's and the state's economies with health accounting for 14.5 percent of total jobs in the SNC Region in 2009. The Region seems to have a higher percentage of 'green jobs' than California as a whole, according to State of California data. It is interesting to note that the definition of "green jobs" likely does not include some resource-related jobs performed in the Region, that should be considered 'green', but may not be picked up in the data under the state definition of a green job.
- Median Household Income is higher in the Central Subregion than California overall, but incomes are substantially lower than the state in all the other Subregions. Income is also growing at a slower rate and a larger share of income is from sources other than employment earnings. Between 2000 and 2009, income growth ranged from +4 percent in the Central Subregion to -2% in the North and South Central Subregions.
- Between 2000 and 2009, average unemployment in the Region has been about one percent lower than for the state. However, unemployment rates vary considerably across the Region. In 2009, when the California's unemployment rate was 13.8 percent, regional unemployment ranged from slightly less than 11 percent to nearly 16 percent.
- Large-hydroelectric power in the Sierra Nevada (9,300 megawatts of capacity) accounts for 73.5 percent of the State's hydroelectric capacity. These plants combined with other renewable energy sources in the Region (674 megawatts)

accounted for 14.3 percent of California's total electrical capacity in 2009. Biomass plants in the Region accounted for 222 megawatts of capacity in 2009, with another 129 megawatts of capacity just outside the SNC boundary. The Region added 101 megawatts of wind energy in 2010.

### **Next Steps**

This report establishes a baseline for additional analysis over time. Information relative to each indicator will be available on the SNC Web site and will be updated periodically as the underlying data is updated, providing an opportunity to observe trends over time. We may also identify new sources of data over time, which will provide an opportunity to enhance this original analysis.

In addition to providing information relevant to the administration of the SNC's programs throughout the Sierra Nevada Region, we hope that this information will also be useful to others located in or working in the Region as they develop and implement their own projects and programs. In some instances more detailed data are available beyond what is provided in the report. The SNC will make this more detailed information available to others upon request.

### **Recommendation**

**Staff recommends the Board approve this first System Indicators report after making any revisions resulting from its review.**