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By E.J. Schultz / Bee Capitol Bureau

City of Fresno records highest annual growth rate since 1992.

Housing sales may have slowed, but population growth in the Valley continues to chug along thanks to a baby boom that one economist said will make past surges “look like a tea party.”

The city of Fresno ended last year with its highest annual growth rate since 1992, and two Valley cities -- Porterville and Orange Cove -- ranked among the state's 10 fastest growing, according to population estimates made public Tuesday by the state Department of Finance.

All eight San Joaquin Valley counties outpaced statewide growth, which has hovered near 1.3% the last two years.

“We are continuing to see population growth slow down, but it's not slowing down tremendously,” said Mary Heim, the department's head demographer. But “relative to other parts of the state, at least, Fresno and Kern [counties] were continuing to be pretty strong.”

Kern County led all Valley counties with 2.8% growth in 2006, but Fresno and Tulare counties were not far behind, at 2% and 2.1%, respectively.

For much of the decade, growth has been driven in part by cheap housing that drew transplants from other regions.

The market went cold last year -- and continues to decline -- but the population growth continued, and in some cases strengthened.

The city of Fresno, for instance, grew by an estimated 9,436 residents last year to 481,035 -- a 2% clip that exceeded the 1.6% rate in 2005, as well as every year since 1992, when it hit 2.4%.

So, what's going on?

For one, the housing market didn't really start to slow until the second half of 2006, so coastal residents still were

migrating inland for a good chunk of the year, said Keitaro Matsuda, senior economist for San Francisco-based Union Bank of California.

Also, much of the jump is likely due to many more births than deaths -- what demographers call “natural increase.”

Tuesday's release did not include such detailed data, but past reports show that more than half of the increase in Valley counties has in recent years been tied to natural increase, rather than migration and immigration.

With a young population -- Fresno County's median age is 30.1, compared to 34.4 statewide, according to census data -- the Valley is in the midst of a baby boom, said Joseph Penbera, business professor at California State University, Fresno, and a board member of Gottschalks.

In particular, he said, there is a population “bubble” of women ages 14 to 23, especially among the growing Hispanic and Asian communities, who are entering their prime child-bearing years.

“It's really internal growth produced by natural growth; it's not immigration,” said Penbera, an economist who has long studied the Valley.

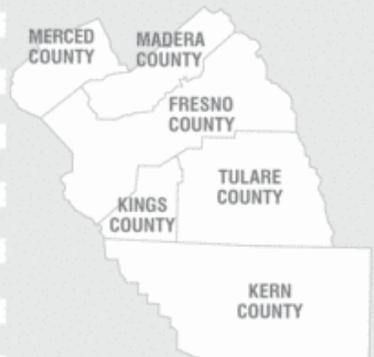
The population surge, he said, began in 1993 and is accelerating to a speed that will make previous growth spurts “look like a tea party.”

Matsuda expects Valley growth to slow slight-

Valley growth outpaces state

Rank	County	Population, Jan. 2007	Change
1	Imperial	172,672	3.4%
2	Riverside	2,031,625	3.3%
3	Kern	801,648	2.8%
6	Madera	148,721	2.4%
8	Kings	151,381	2.2%
10	Merced	251,510	2.2%
11	Tulare	429,006	2.1%
13	Fresno	917,575	2%
	California	37,662,518	1.3%

Valley counties grew faster than the state as a whole -- and some cities were among the fastest growing in California. But a few Valley cities lost population.



City	Population, Jan. 2007	Change
1 Beaumont	28,250	21.2%
4 Porterville	51,467	13.9%
9 Orange Cove	10,544	9.4%

Valley cities with increases		
Fresno	481,035	2%
Visalia	117,744	6%
Clovis	92,269	2.6%
Merced	79,715	5.1%
Tulare	55,935	8.8%
Madera	55,780	5.5%
Hanford	50,370	3.3%
Lemoore	24,098	3.7%

Valley cities with losses	Population, Jan. 2007	Change
Sanger	23,289	-0.2%
Kingsburg	11,234	-0.1%
Firebaugh	6,692	-0.3%

Source: California Department of Finance

ly as the housing market continues to cool. But he said most of the region's counties will outpace the state for the foreseeable future, growing at a rate of between 1.5% and 2%.

The statewide population approached 37.7 million as of Jan. 1, increasing by nearly 470,000 last year. Los Angeles remained the largest city, passing the 4 million mark, putting it well past San Diego's 1.3 million people. Fresno kept its hold on sixth place, edging out Sacramento.

Thanks to annexations, Porterville in Tulare County grew by 13.9% to 51,467 people -- the fourth-fastest growth rate for any city. Orange Cove, meanwhile, grew at a 9.4% clip to 10,544, the ninth-fastest rate.

“There's certainly more traffic on the road,” said Bill Little, Orange Cove's city administrator.

But not enough to lure a major grocery store or fast food restaurant to the citrus-growing farm town. For that, the city needs to add at least another 3,000 people, Little said. “Between 13,000 and 15,000 -- they begin to appear.”