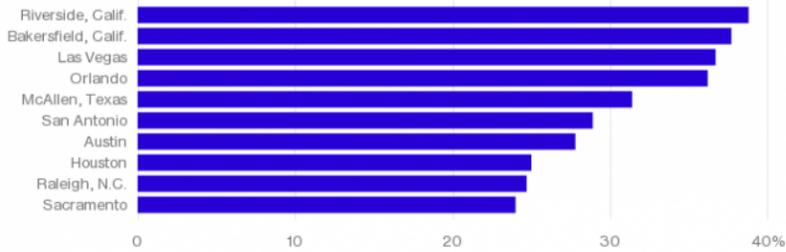


Youth Movement

The U.S. cities with the greatest increase in millennial population from 2010 to 2013

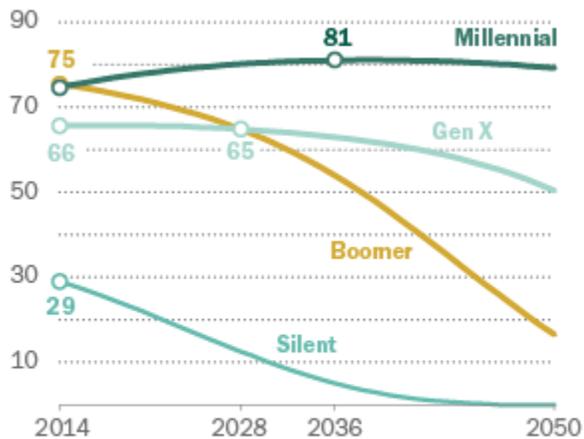


Source: Bloomberg LP, U.S. Census

Bloomberg

Projected Population by Generation

In millions



Note: Millennials refers to the population ages 18 to 34 as of 2015.

Source: Pew Research Center tabulations of U.S. Census Bureau population projections released December 2014

PEW RESEARCH CENTER

In “What Your City Should Do to Attract Millennials,” Jeff Fromm highlights key elements for successful regions of the future.

Accessibility

Proximity to employment can influence a range of economic and social outcomes, from local fiscal health to the employment prospects of residents. A 2015 Brookings

Institution report shows that Kern County has the second highest rate of job increases within a typical commute distance for the average worker. While the number of jobs within the typical commute distance for residents of the nation's largest metro areas fell by seven percent between 2000 and 2012, the number of jobs in Kern's Bakersfield MSA increased by 22.7%.

Cultural Attractions

Just this month, the 17th Street townhomes project broke ground in downtown Bakersfield. The 45-unit development could be the catalyst for millennial downtown living. In addition, new and expanding lifestyle centers like the Shops at Riverwalk and Outlets at Tejon also help keep and bring in money for the local economy.

Fromm points out that millennials are "foodies" drawn to communities that offer unique and one-of-a-kind dining experiences. Earlier this year, the Food Network highlighted eight restaurants in the area, and in June, the Noriega Hotel and the Padre Hotel were lauded for Best in the West and California awards, respectively.

Affordability

This is the sweet spot for our region. According to a November 2014 Trulia study, the Bakersfield-Delano MSA, which includes the entire county, is the top metro in the state for affordability for millennials (as well as middle class residents). Almost 50% of Gen Yers can afford a 1,400 SF home in Kern County. This compares very favorably to the coastal cities whose numbers are in the teens for much smaller homes. Nationwide, mid-size cities are attracting more millennials as pricey destinations like Seattle, San Francisco, and Los Angeles no longer have the allure to home-buying millennials.

Entrepreneurship and Technology

With recent Top 10 rankings for STEM jobs and Hi-Tech GDP growth, Kern is emerging as a recognized technology hub across several industry sectors including aerospace/defense, energy, food processing, healthcare, and logistics.

East Kern is home to several technology incubators. The Mojave Air and Space Port supports over 60 companies and 3,000 jobs. Ridgecrest, which is home to the Naval Air Warfare Center Weapons Division (NAWCWD) laboratories, also claims the title of having the highest per capita percentage of PhD's in the U.S.

In West Kern, two recent openings are generating excitement in the community. CSUB's Fab Lab is an advanced digital fabrication facility, consisting of a suite of fabrication and rapid prototyping machines. The venture was the result of the Fab Foundation and Chevron successfully partnering with MIT. Mesh Cowork, a new Bakersfield incubator, allows entrepreneurs and independent workers to be part of an innovative and collaborative community. The shared environment offers low-cost space along with the contacts and resources to grow a fledgling business. According to Emergent Research, the number of global coworking

facilities has been growing quite rapidly over the last five years, basically doubling in number each year.

Indeed, Kern County is well-positioned to meet the future needs of the next generation of workers. As the top metro in the U.S. for social mobility, both local and out-of-area millennials will have the opportunity to achieve the California Dream.