

Appendix C: Population and Economy

This appendix profiles Los Osos population and socioeconomic characteristics and describes past trends, present conditions, and future projections. The following population and demographic profile has been prepared using information obtained from U.S. Census data, including the American Communities Survey, the California Department of Finance, and the San Luis Obispo Council of Governments (SLOCOG).

When communities undertake a long-range planning program such as a Community Plan, a critical part is projecting future growth. Data is assembled describing the existing population and base economy, a land use plan is selected, and absorption forecasts are made. The Community Plan is then designed to accommodate anticipated growth resulting from the land use plan. Infrastructure, economic and business expansion, and community programs are based on the anticipated growth in this Community Plan and reflect the Los Osos Community Advisory Council's Vision Statement for Los Osos.



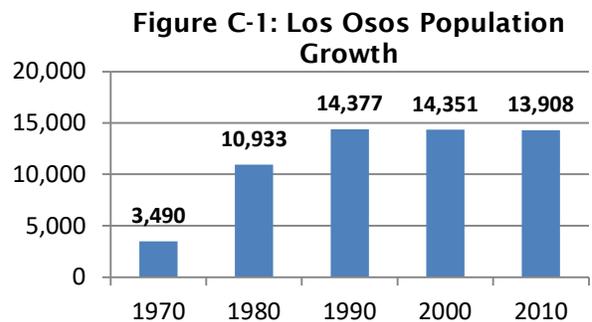
C.1 Population and Housing

C.1.1 Population Growth

As shown in Table C-1, the growth rate of the community of Los Osos had been among the highest in the county until the 1980s. Since that time, growth has slowed, largely because of building limitations due to a prohibition of waste discharge from individual septic systems in much of the community. Population in Los Osos increased from 3,490 to 10,933 persons or 213 percent between 1970 and 1980. By 1990, the population of Los Osos was 14,377, an increase of about 31 percent from 1980. The population has changed little since 1990, showing a slight decline between 2000 and 2010. Whereas, during the same 20-year period, the population for the county as a whole increased by nearly 40 percent. The lack of population growth in the community has been significantly influenced by limitations on new construction (please refer to Appendix D – Status of Public Facilities).

	1970- 1980	1980- 1990	1990- 2000	2000- 2010
Los Osos	213.3%	31.5%	-0.2%	-3.1%
County	47.1%	74.5%	13.6%	9.3%

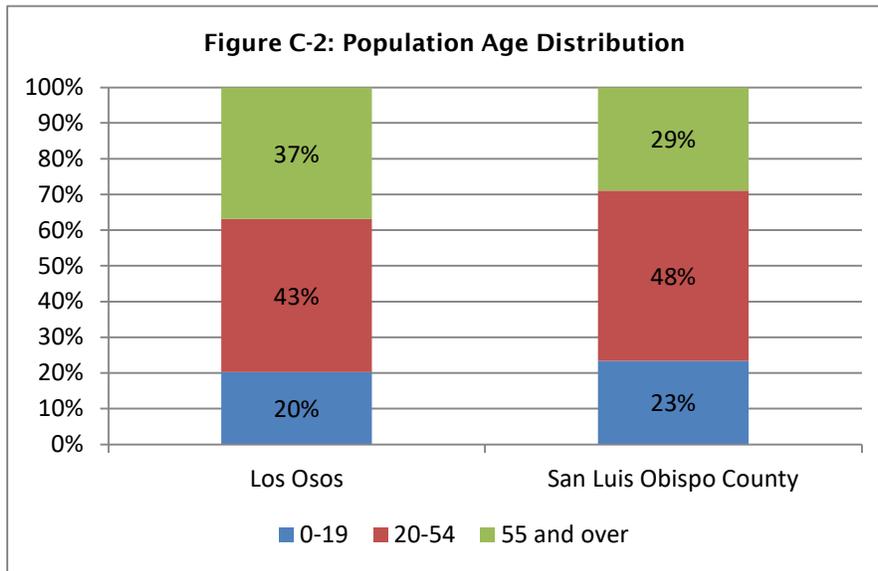
Sources: 2010 U.S. Census of Population and Housing, California State Department of Finance, SLO County



Note: The Los Osos Census Designated Place in 2010 is configured differently than the Los Osos URL. However, these differences do not significantly affect the comparisons shown in Table C-1 and Figure C-1.

C.1.2 Age Distribution

Compared to the county as a whole, Los Osos has a smaller proportion of children and teenagers as well as residents age 20-54. According to the 2010 Census, 20 percent of Los Osos residents are 20 and under, compared to 23 percent in the county as a whole, while 43 percent of Los Osos residents are ages 20-54, compared to 48 percent in the county as a whole. Conversely, Los Osos has a larger proportion of senior citizens than the county as a whole. In Los Osos, 37 percent of residents are 55 and over, compared to 29 percent in the county as a whole (see Figure C-2 and Table C-2). This difference in age distribution could indicate that families with school-aged children are moving out of the community and being replaced by households of retired persons, which also indicates the desirability of this area for retirement.



Certain populations, such as senior citizens and youth, require special services and have specific needs. Knowing a community’s age distribution can aid the community in providing the right services and addressing social needs for various age groups.

Table C-2: 2010 Population Age Distribution

Age Range	Los Osos	County
0-19	2,818	63,044
20-54	5,967	128,455
55 and over	5,123	78,138
Total	13,908	269,637

Source: Based on 2010 U.S. Census of Population and Housing

C.1.3 Household Size

Household sizes in Los Osos are smaller than those in the county as a whole. In Los Osos, there is an average of 2.2 persons per occupied dwelling unit. This compares to a county average of 2.48 persons per occupied dwelling unit.

C.1.4 Population Projections

The following table contains population projections for Los Osos over the 20-year time-frame of this plan, as well as buildout. Buildout is the theoretical, likely maximum population that could result under this plan. If population growth continues beyond 2035 at the pace projected for the years between 2015 and 2035, then buildout could occur in 2044. It is important to note that actual population growth will have variations from these projections due to many factors, including statewide and regional trends, legislative policy, potential limitations on new development, and market demand.

Table C-3: Population Projections			
Year	Total Population	Percent Increase from 2010	Annual Growth Rate
2010	13,908	--	--
2015	13,988	0.58%	0.11%
2035	18,607	33.7%	1.35%
Buildout	18,750	34.8%	--

Note: Percent Increase and Annual Growth Rate are measured from the previous year in the first column of the table

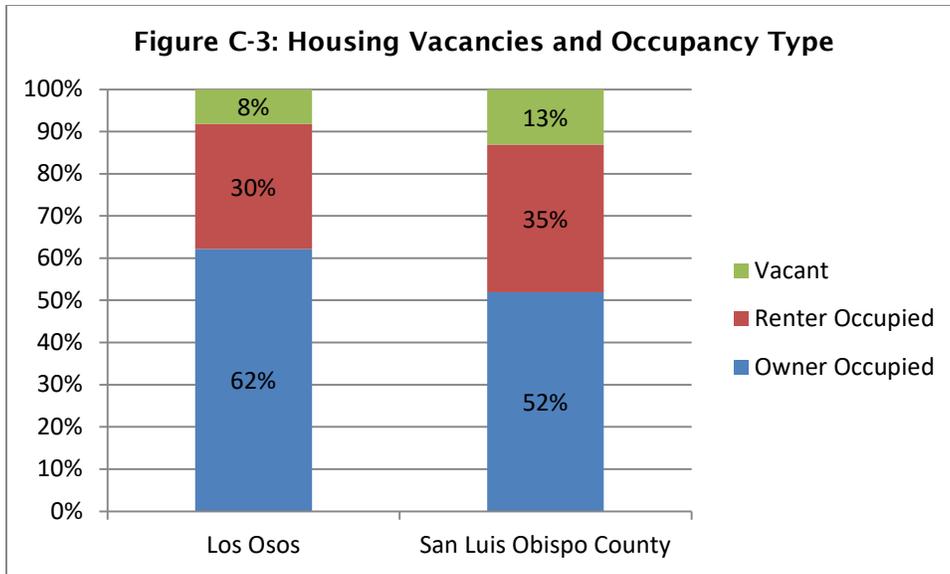
The Los Osos Community Advisory Council has recommended establishing an annual growth limitation for residential development within the Los Osos Urban Reserve Line. The purpose of such a limitation is twofold: to allow public services to keep pace with a moderate rate of new development and to reduce possible stresses on the economy caused by a "boom-and-bust" cycle that may occur with uncontrolled growth. A program to accomplish the recommended growth limitation is described in Section 2.5.2, Public Services and Facilities Policies (see Programs PS-1.1 and PS-2.1).

C.1.5 Housing Vacancies and Occupancy Type

In 2010, the vacancy rate in Los Osos was eight percent compared to 13 percent for the county as a whole, as shown in Figure C-3. Vacancy rates are determined for the month of April; therefore, actual vacancy rates may vary throughout the year. Seasonal, recreational or occasional use occupancies can affect the availability of housing for permanent residents. In 2010, eight percent of all dwellings in the county as a whole were vacant due to occasional use compared to four percent in Los Osos.

About 62 percent of the units in Los Osos are owner-occupied, as compared to 52 percent countywide. Higher owner-occupancy percentages can be attributed to housing costs, the percentage of dwellings that are not detached single-family dwellings¹ (that tend to have a higher percentage of renters), and the transitory nature of the population in a community. In Los Osos, the number of owner-occupied dwellings declined from 4,116 in 2000 to 4,034 in 2010.

¹ Other units include multi-family structures, mobile homes and single units attached to other structures



Note: Percentages are based on total number of housing units.
 Source: 2010 U.S. Census of Population and Housing

C.2 Economy

Los Osos has long been considered highly attractive to residents because of the mild climate, the slow pace of the "rural-like" setting, and surrounding natural areas. There are many tourist attractions in and around the community; however, in 2014 there were a limited number of visitor-serving businesses in town. In 2020, the commercial sector was under-developed compared to nearby incorporated cities. Consequently, residents and visitors are spending much of their money outside of the community. Los Osos has businesses that provide retail and service uses to local residents, but it lacks major employers, large-scale manufacturing and industrial uses (the employment of residents by industry is shown in Table C-4). The major employment industries for the Los Osos labor force reflect those for the county as a whole with educational services, health care and social services heading the list. Other key industries include retail trade, professional groups, and recreational services.

Table C-4: Employment by Industry (including Armed Forces)				
Industry	Los Osos		San Luis Obispo County	
Agriculture, forestry, fishing and hunting, and mining	112	1.5%	4,272	3.5%
Construction	560	7.6%	8,286	6.7%
Manufacturing	564	7.6%	7,808	6.3%
Wholesale trade	146	2.0%	2,724	2.2%
Retail trade	666	9.1%	15,759	12.8%
Transportation and warehousing, and utilities	307	4.2%	5,337	4.3%
Information	172	2.3%	2,727	2.2%
Finance and insurance, and real estate and rental and leasing	284	3.9%	6,269	5.0%
Professional, scientific, and management, and administrative and waste management services	695	9.5%	13,737	11.1%
Educational services, and health care and social assistance	1,931	26.4%	27,842	22.6%
Arts, entertainment, and recreation, and accommodation and food services	711	9.7%	13,835	11.2%
Other services, except public administration	535	7.3%	6,377	5.2%
Public administration	618	8.4%	7,642	6.2%
Armed forces	21	0.3%	776	0.6%
Total	7,322	100%	123,391	100%

Source: 2012 American Community Survey

In 2012, according to the American Community Survey, 92.5 percent of the labor force in Los Osos was employed compared to 91.4 percent for the county as a whole (see Table C-5). However, the community's economy is fueled primarily by income from jobs located in other communities. The city of Morro Bay provides some employment for local residents (and contributes significantly to the area's economy). A large percentage of local workers find employment in the San Luis Obispo area. Because of this, Los Osos is often referred to as a "bedroom community," with roughly three out of every four workers working outside of the community (see Table C-6). Therefore, it is important for the Los Osos Community Plan to provide opportunities for people to live and work in Los Osos.

Table C-5: 2012 Labor Force				
	Los Osos		SLO County	
Employment Status	Number	Percent	Number	Percent
In Labor Force	7,917	62.3%	135,033	59.8%
Employed	7,322	92.5%	123,391	91.4%
Unemployed	595	7.5%	11,642	8.6%
Not in Labor Force	4,791	37.7%	90,662	40.2%
Population over 16	12,708	100.0%	225,695	100.0%

Source: 2012 American Community Survey

Table C-6: Place of Work – Los Osos and County Labor Force				
Place of Work	Los Osos		SLO County	
Within Community of Residence	1,945	26.6%	46,643	37.8%
Outside Community of Residence	5,377	73.4%	76,748	62.2%
Total	7,322	100%	123,391	100%

Source: 2012 American Community Survey

C.2.1 Income

As shown in Table C-7, the estimated median household income in Los Osos in 2012 was about \$57,683 as compared to \$59,628 in the county as a whole. In Los Osos, the percentage of lower income groups (below \$35,000) is on par with the county as a whole. Middle income groups (between \$35,000 and \$99,999) show higher percentages in Los Osos than countywide and the percentage of higher income groups (\$100,000 and greater) is somewhat lower than the county as a whole.

Table C-7: Household Income				
	Los Osos		SLO County	
Income	Number	Percent	Number	Percent
Less than \$10,000	304	4.8%	5,969	5.9%
\$10,000 to \$14,999	333	5.2%	5,219	5.1%
\$15,000 to \$24,999	573	9.0%	9,442	9.3%
\$25,000 to \$34,999	577	9.1%	9,777	9.6%
\$35,000 to \$49,999	1,014	15.9%	13,167	12.9%
\$50,000 to \$74,999	1,164	18.3%	17,831	17.5%
\$75,000 to \$99,999	989	15.5%	13,655	13.4%
\$100,000 to \$149,999	927	14.6%	15,773	15.5%
\$150,000 to \$199,000	288	4.5%	6,198	6.1%
\$200,000 or more	194	3.0%	4,677	4.6%
Median Household Income (dollars)	\$57,683	X	\$59,628	X
Total	6,363	100.0%	101,708	100.0%

Source: 2012 American Community Survey

C.2.2 Home Values

The housing market in the county has seen generally increasing values, despite a substantial decline in values after about 2006. In 2012, according to the American Community Survey, the median home value of owner-occupied homes in Los Osos was \$387,100, while the median home value in the county as a whole in 2012 was about \$449,300 (see Table C-8).

Table C-8: House Value - Owner Occupied				
	Los Osos		SLO County	
Value	Number	Percent	Number	Percent
Less than \$50,000	120	2.8	2,005	3.3%
\$50,000 to \$99,999	183	4.3	1,806	3.0%
\$100,000 to \$149,999	99	2.3	1,423	2.3%
\$150,000 to \$199,999	200	4.7	2,003	3.3%
\$200,000 to \$299,999	448	10.5	6,894	11.4%
\$300,000 to \$499,999	2,066	48.6	20,864	34.4%

\$500,000 to \$999,999	1,015	23.9	21,563	35.5%
\$1,000,000 or more	123	2.9	4,170	6.9%
Median House Value (dollars)	\$387,100	X	\$449,300	X
Total	4,254	100.0%	60,728	100.0%

Source: 2012 American Community Survey

C.2.3 Future Opportunities

Los Osos has many attributes that are conducive to economic development. The community is located in a beautiful natural setting with a mild, coastal climate and offers a high quality of life.

In addition to its natural assets, Los Osos offers several other advantages for businesses looking to locate in the area. For example, the potential work force is attractive to business, as the general level of education of residents in Los Osos is higher than that for residents of the county as a whole (2012 American Community Survey). Businesses should also find the lower housing prices in Los Osos compared to the cities of Morro Bay and San Luis Obispo a definite advantage. These advantages, together with the area's high-quality environment, are becoming increasingly more important considerations for businesses. With continuing advances in telecommunications, many businesses and industries no longer need to locate in traditional locations near major transportation facilities and markets, and instead are freer to locate in areas that offer qualities like those found in the community of Los Osos.

There are opportunities to improve the local economy in Los Osos. For example, job opportunities can be provided by encouraging environmentally-friendly businesses such as "clean," high-technology industries, perhaps in a business park. Additional flexibility in zoning regulations can help retain existing businesses and encourage new businesses by allowing a wider variety of uses in commercial areas. In addition, policies and standards to encourage active, pedestrian-oriented commercial areas with mixed-use development can help support commercial and general activity by making commercial areas attractive and functional for shopping, dining, and public gathering.

The local economy could benefit from expanding recreation and tourist-oriented uses, taking advantage of the area's natural assets and existing tourist presence. Additional lodging, "eco-tourism," and recreational services are possibilities.

With development of more employment-generating uses, retail commercial and tourist-oriented development, Los Osos can move towards its vision of a more self-sufficient, environmentally oriented community that offers economic opportunities and maintains a high quality of life.

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