

Change is in the Air  
Updating the Silicon Valley Outlook  
Implications for Foothill-DeAnza

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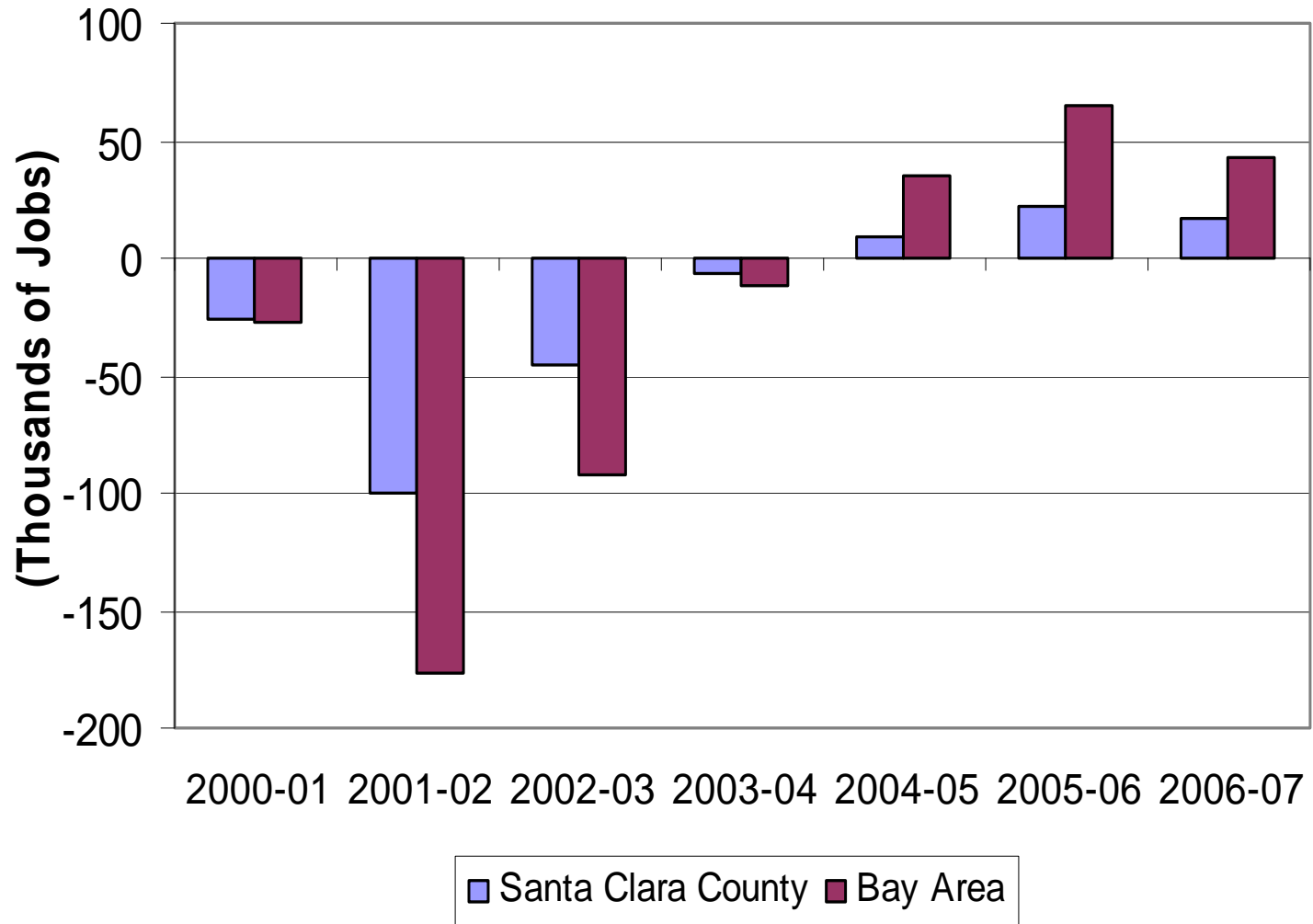
# The Bay Area and Silicon Valley Economy—Coming Back!!

- A job growth and venture capital leader
- Strength in sectors that will lead the nation and world in growth over the next ten years
- Population growth on the rise despite high housing prices
- Strong wage and income growth although not for all workers

# Many Challenges But a Big Role for Community Colleges

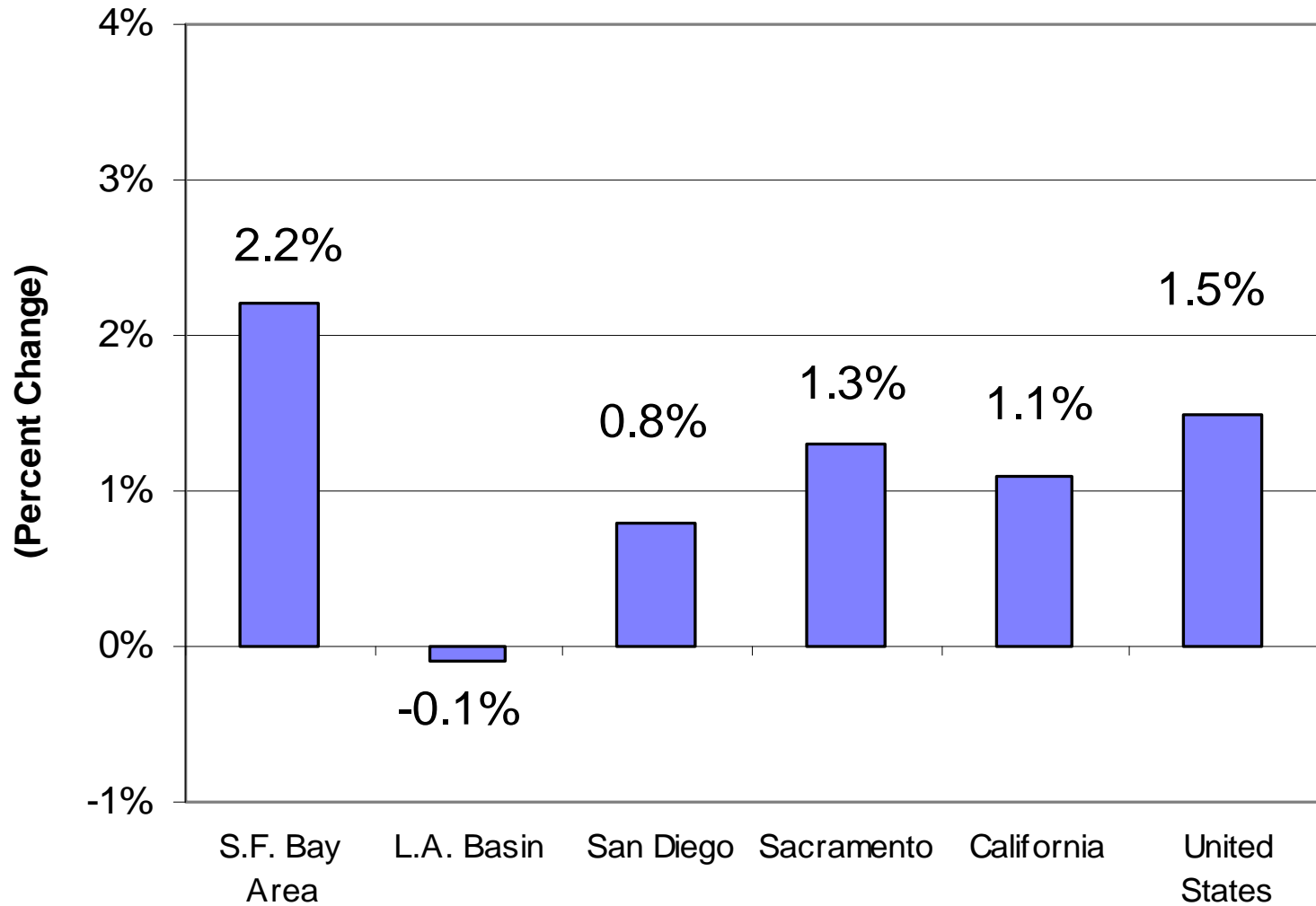
- Silicon Valley has a strong economic base but faces the well-known challenges of housing, transportation, and education
- There **ARE** many challenges but the existence of challenges should not prevent the District from planning for the substantial enrollment growth that could and should occur—I will explain why

# Recent Job Growth Trends

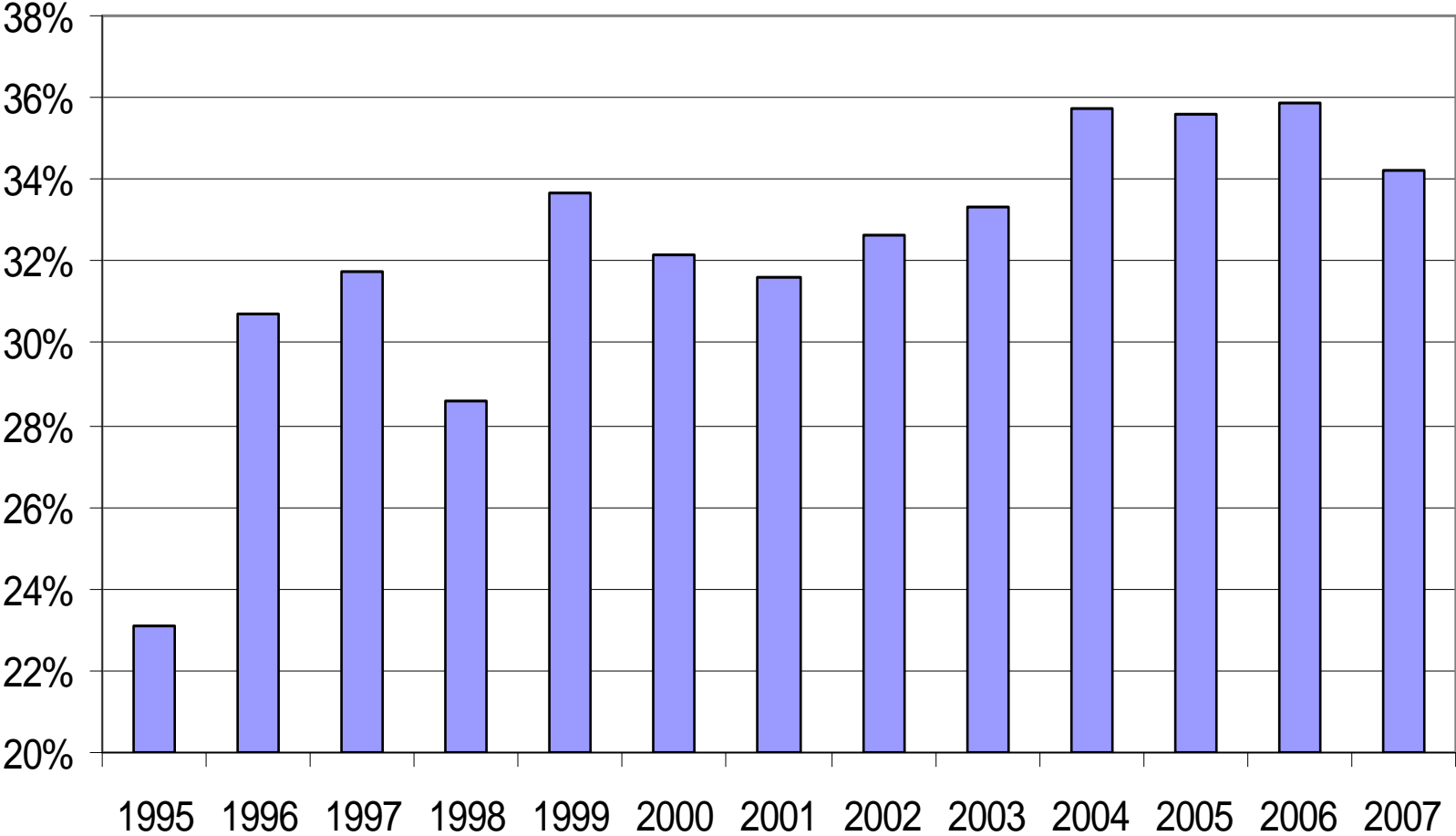




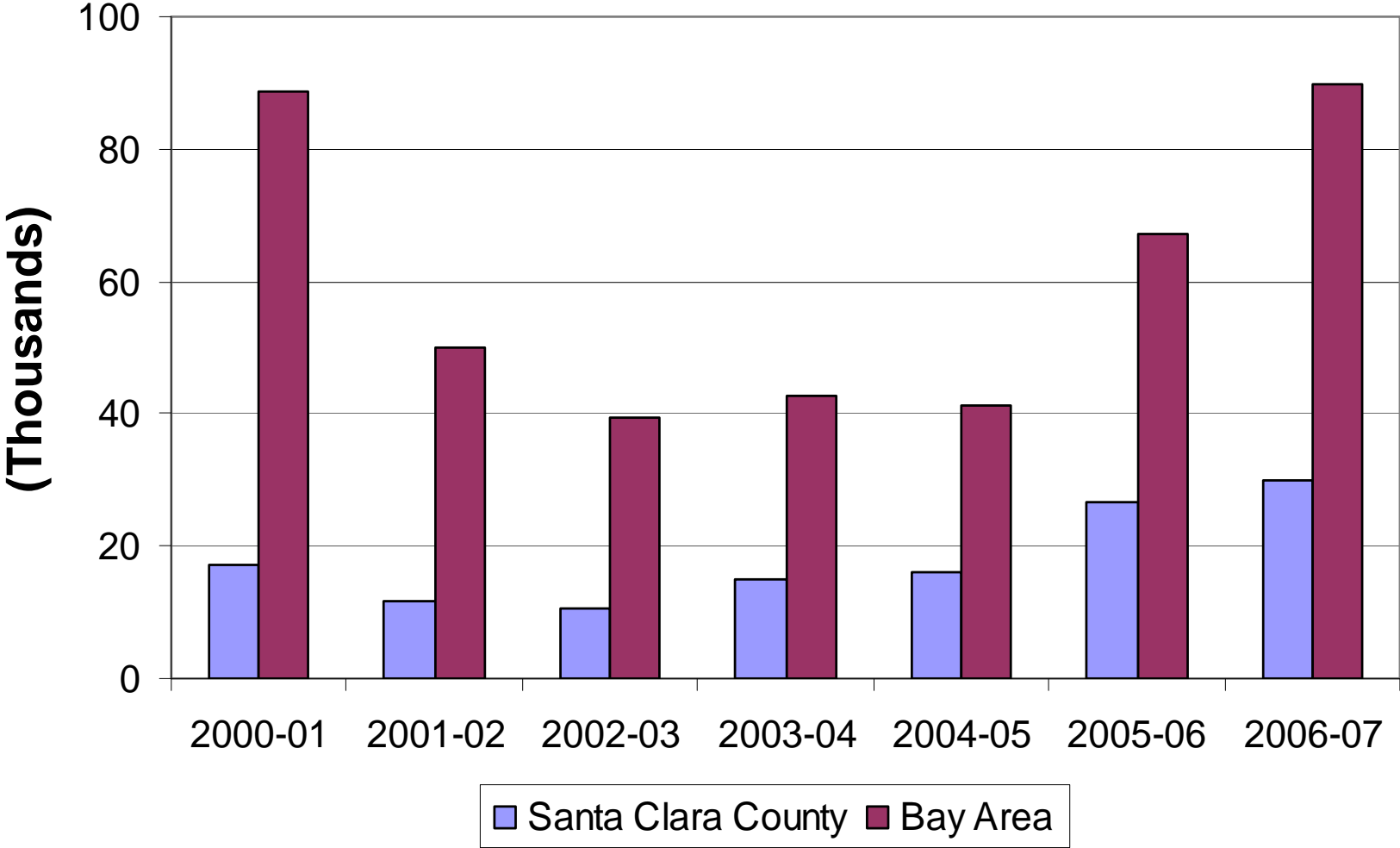
# Job Growth April 2006-2008



# Silicon Valley Share of U.S. VC Funding



# Recent Population Growth Trends



# Be Alert for Population Growth to Remain Relatively High

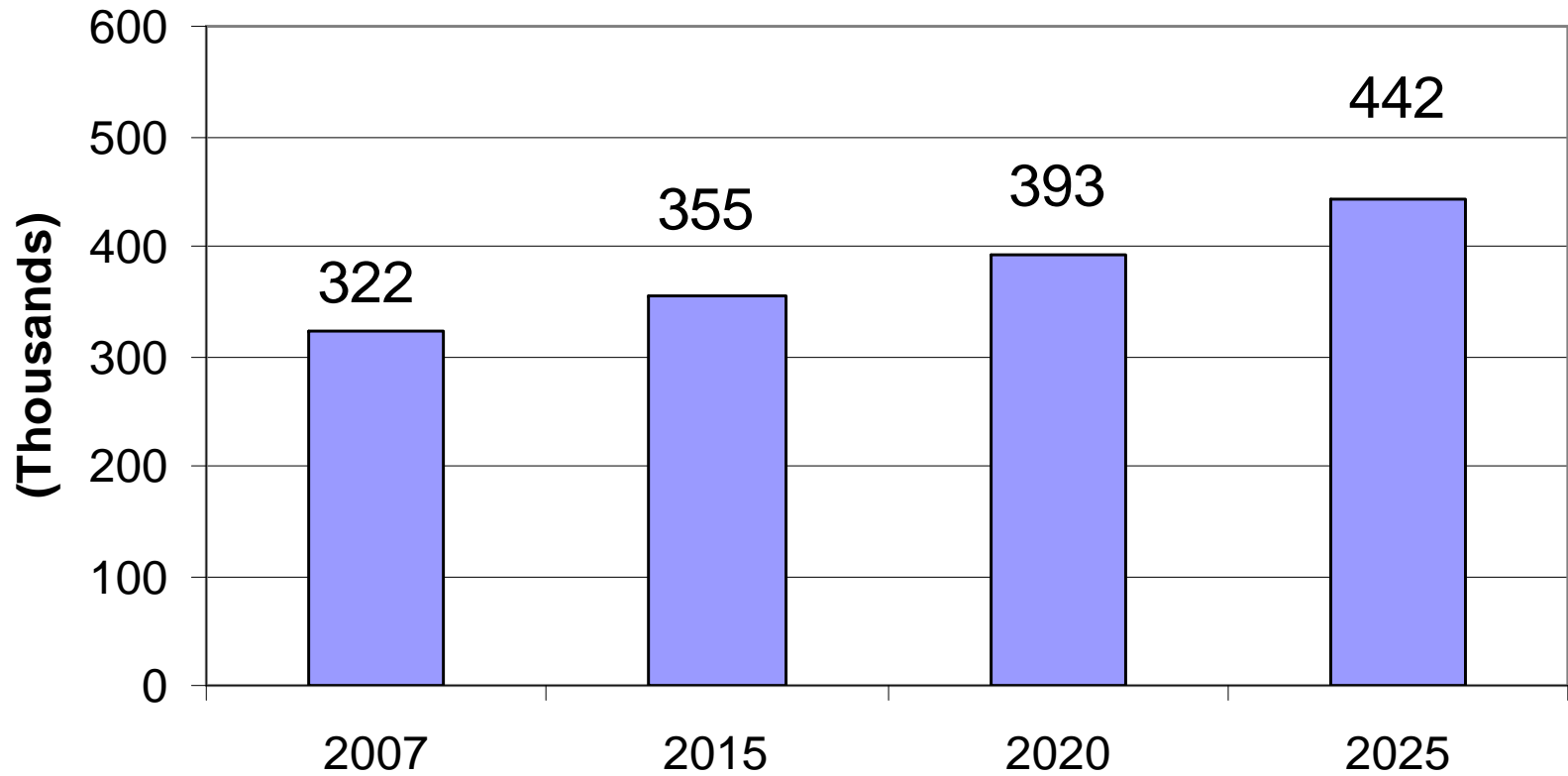
- Market forces favor infill housing demand—population growth concentrated in 20-34 and 55+ age groups while gas prices make faraway living more costly
- Public policy favors infill and denser housing at the regional and state level
- The jobs and “action” are here while faraway communities begin to reject growth



# Possibilities for Enrollment Growth

- A surge in population aged 20-34
- Can we improve education for underserved students including more participation in community colleges
- The large market for helping existing workers, public and private institutions and the economy

# Population Aged 20 to 34 Santa Clara County DOF Projections



# Future Silicon Valley Economy

- In a world led by demand for the products and services of innovation and technology
- In a world where Silicon Valley remains a magnet for venture capital and innovation
- In an economy that features companies like Google, Yahoo, Ebay, Facebook, Hewlett-Packard, Intel, Cisco and Tesla Motors

# Future Silicon Valley Economy

- In an economy where biotech, nanotech, alternative energy and the Internet are alive with possibilities
- **It would not be surprising for Silicon Valley to modestly outpace the state and nation in job growth over the next ten years—continuing the comeback of the past 24 months**

# Future Silicon Valley Economy

- So the story you know well is true
- The Silicon Valley economy will be led by industries that need workers with basic skills, technical skills and creativity
- **But there is another story, equally true, that compels the attention of community colleges and elected leaders in California**

# Important Workforce Concepts That are Sometimes Overlooked

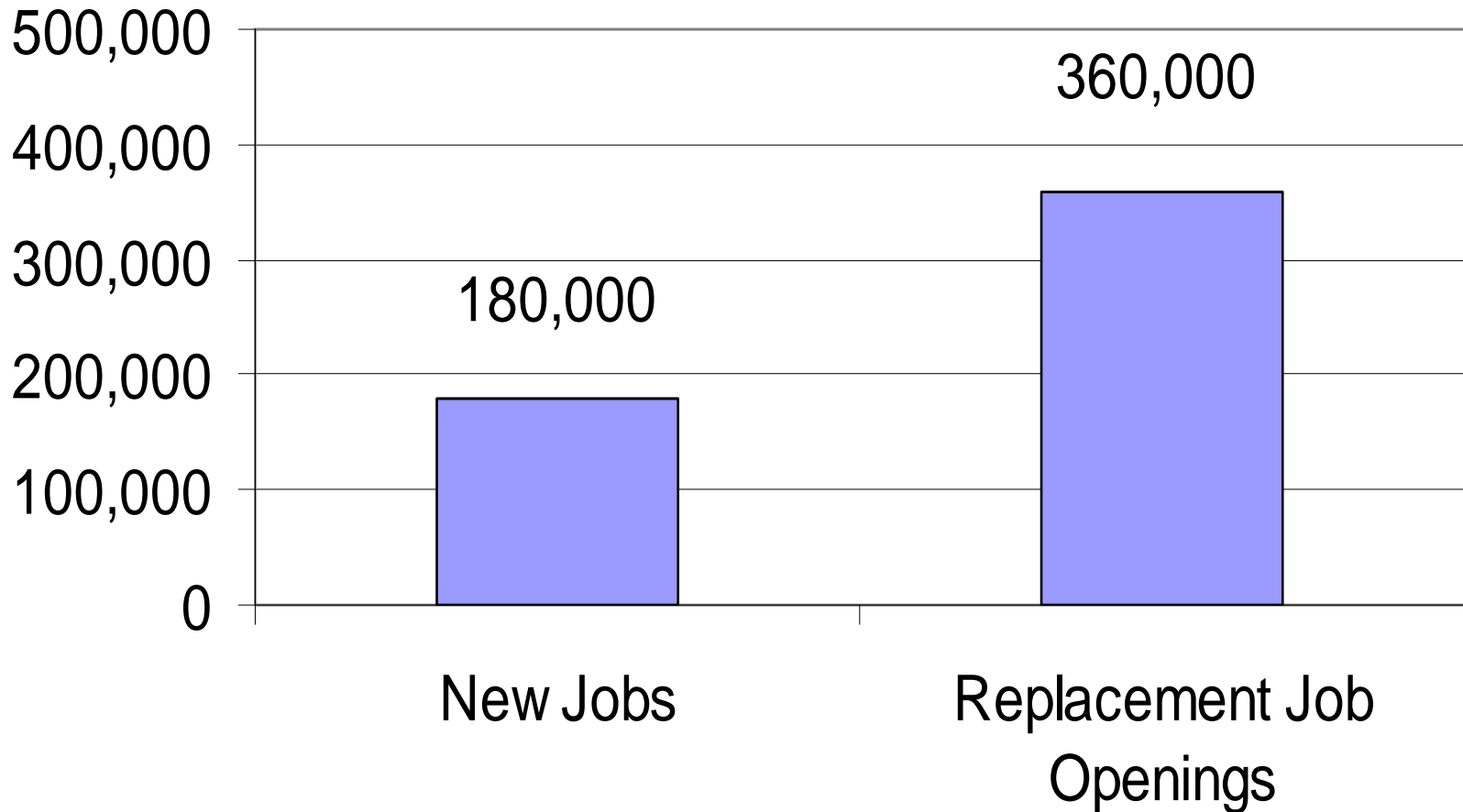
- Replacement job opportunities—facing a tidal wave of baby boomer retirements
- Foundational jobs—making Silicon Valley attractive for families and entrepreneurs
- Homegrown workforce—Upgrading existing workers is critical—Students are one focus but can't fill all the needs
- Big time role for community colleges!!!

# Replacement Jobs Rock!!

300,000 should get your attention

- The first baby boomers turn 65 in 2011
- A tidal wave of retirements will build slowly in Silicon Valley during Foothill-DeAnza's 2010-2020 Master Plan cycle
- New jobs are important but for every 100 new jobs there will be 200 job openings to replace workers who retire or permanently change occupations

# Job Opportunities in Santa Clara and San Mateo—Next Ten Years

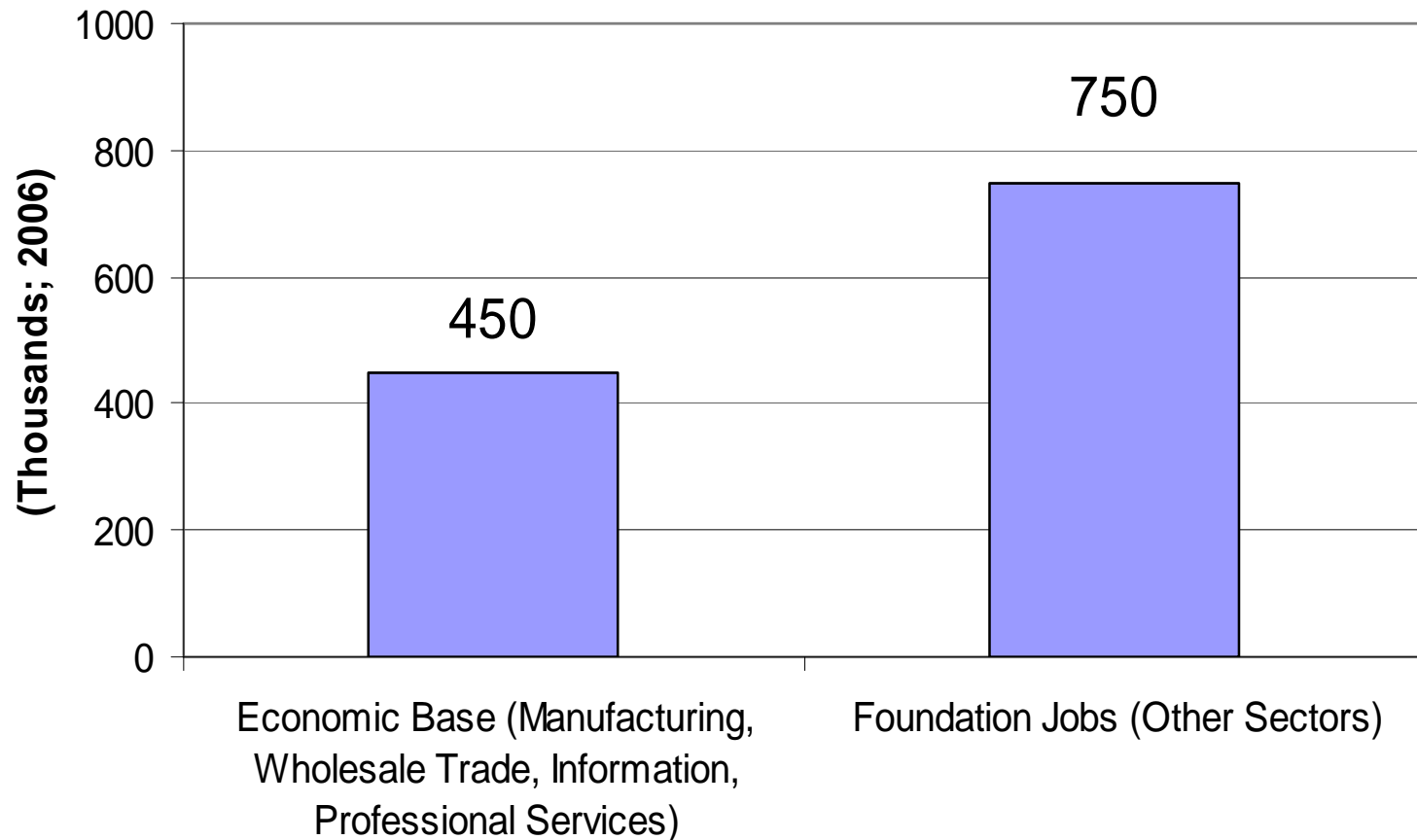




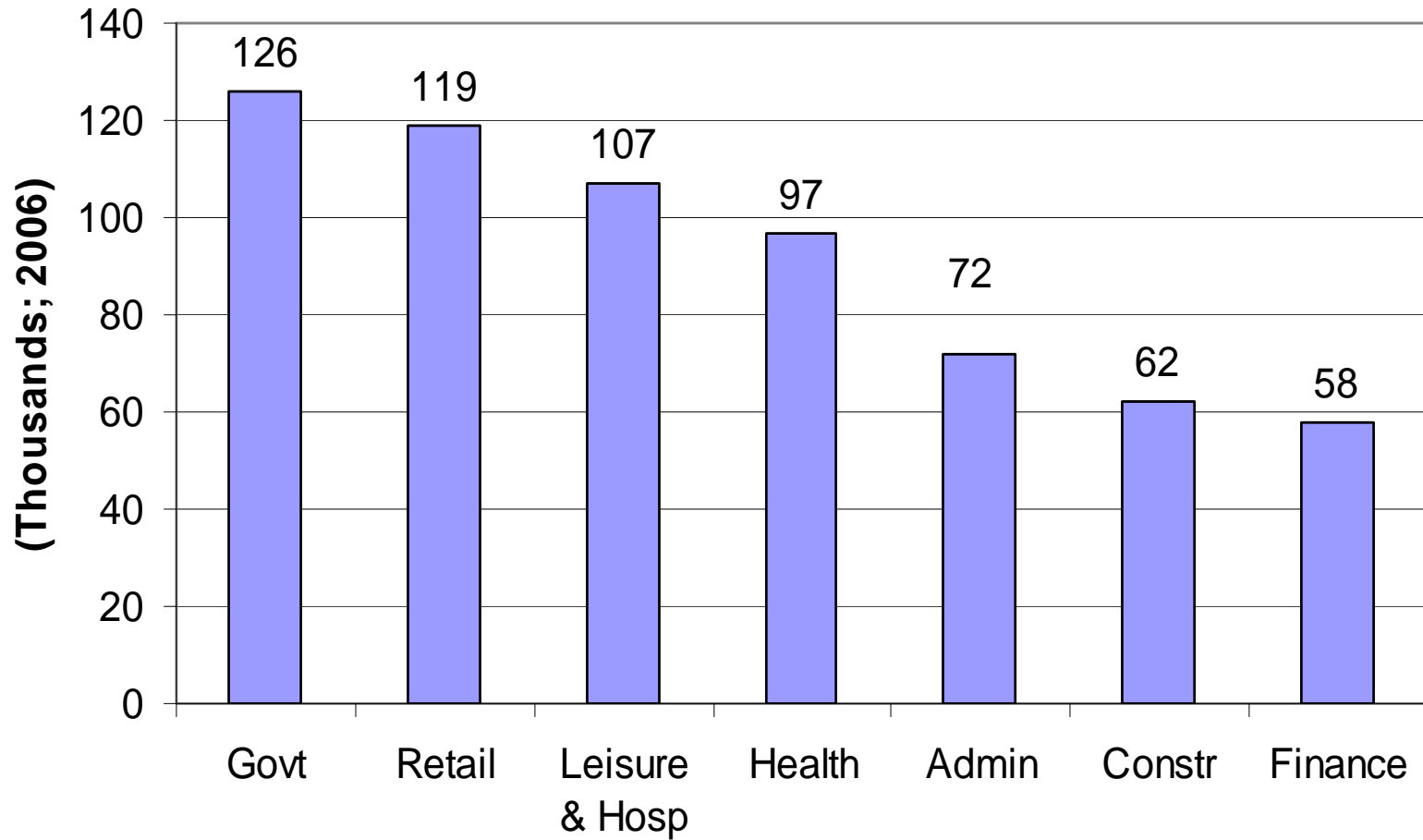
# Foundational Jobs—Building Communities that Attract Talent

- Everybody doesn't work in high tech
- But all communities want good nurses, teachers, carpenters, plumbers, firefighters, repair technicians and many other occupations that make communities attractive places to live and work
- And most jobs in Silicon Valley are foundational jobs

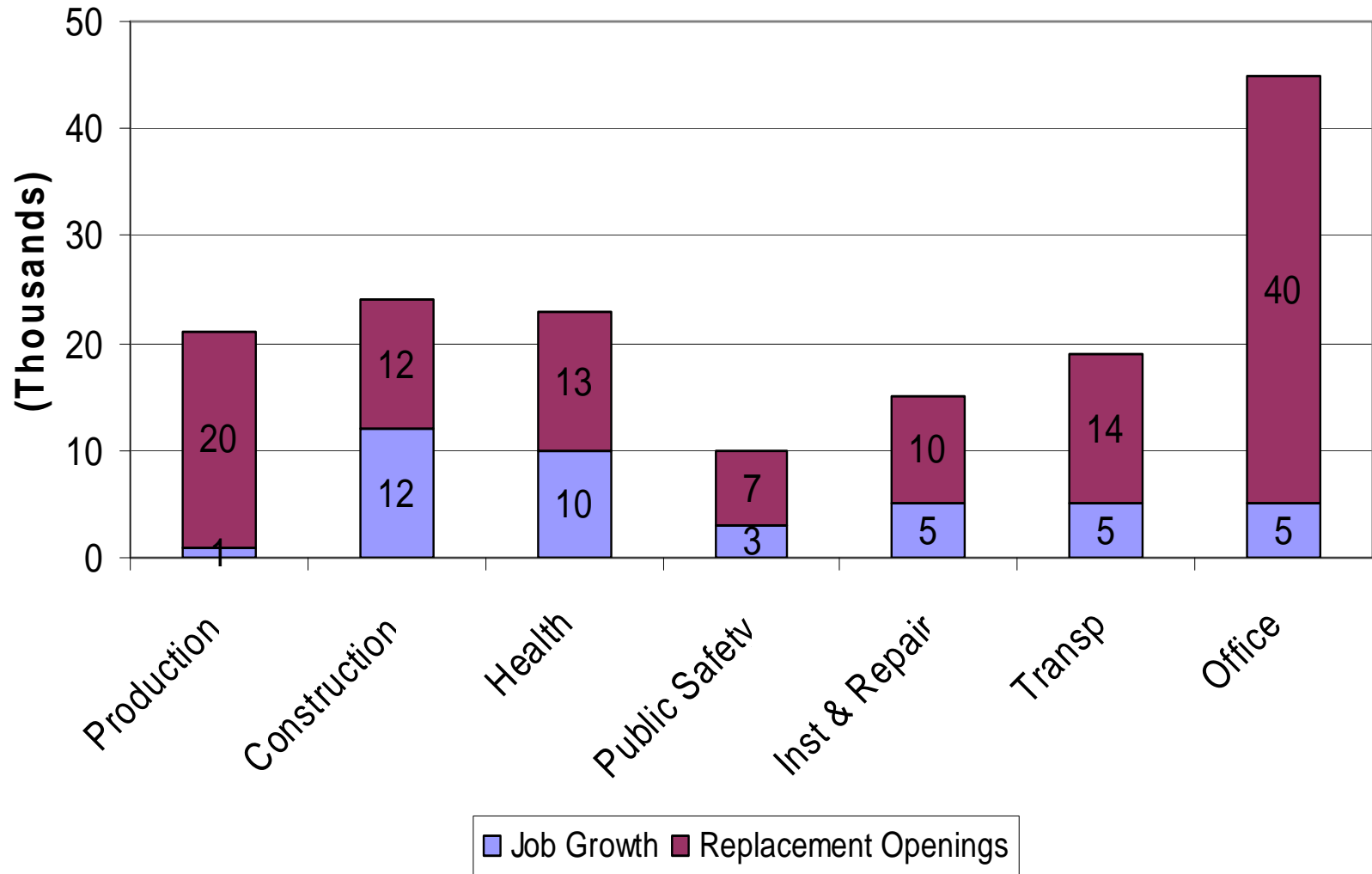
# Most Jobs in Santa Clara and San Mateo are Foundational



# Foundation Jobs in Silicon Valley



# Middle Wage Foundational Jobs— Meeting Needs, Offering Hope



# Stories to Go With the Numbers

- The NOVA Workforce Board staff collected stories about replacement job needs in Silicon Valley
- We heard about middle managers, public safety and construction workers, nurses, and water and solar technicians. Every week we find a new replacement story.
- View the stories at <http://www.youtube.com/user/NOVASiliconValley>

# You are the Ones!! But You Will Need Help

- This is a wonderful District operating bravely under intense financial pressures
- My message increases your possibilities to offer hope and support our economy but I bring no money
- Concepts like replacement openings, existing workers, foundational jobs and homegrown workforce must be transformed into a compelling appeal for funding that no one at the state level can deny