



Chris Mefford

Who we are

CAI is a planning and economics firm.

What we believe

Successful strategies are grounded in data and economic theory.

How – What makes our approach unique

We produce sophisticated analysis and tell data-rich stories with an emphasis on design and technology.

What we do

We lead strategies, produce reports, and develop technology to reach more people and improve impact.



*Community Attributes
tells data-rich stories about
communities that are
important to decision-makers.*

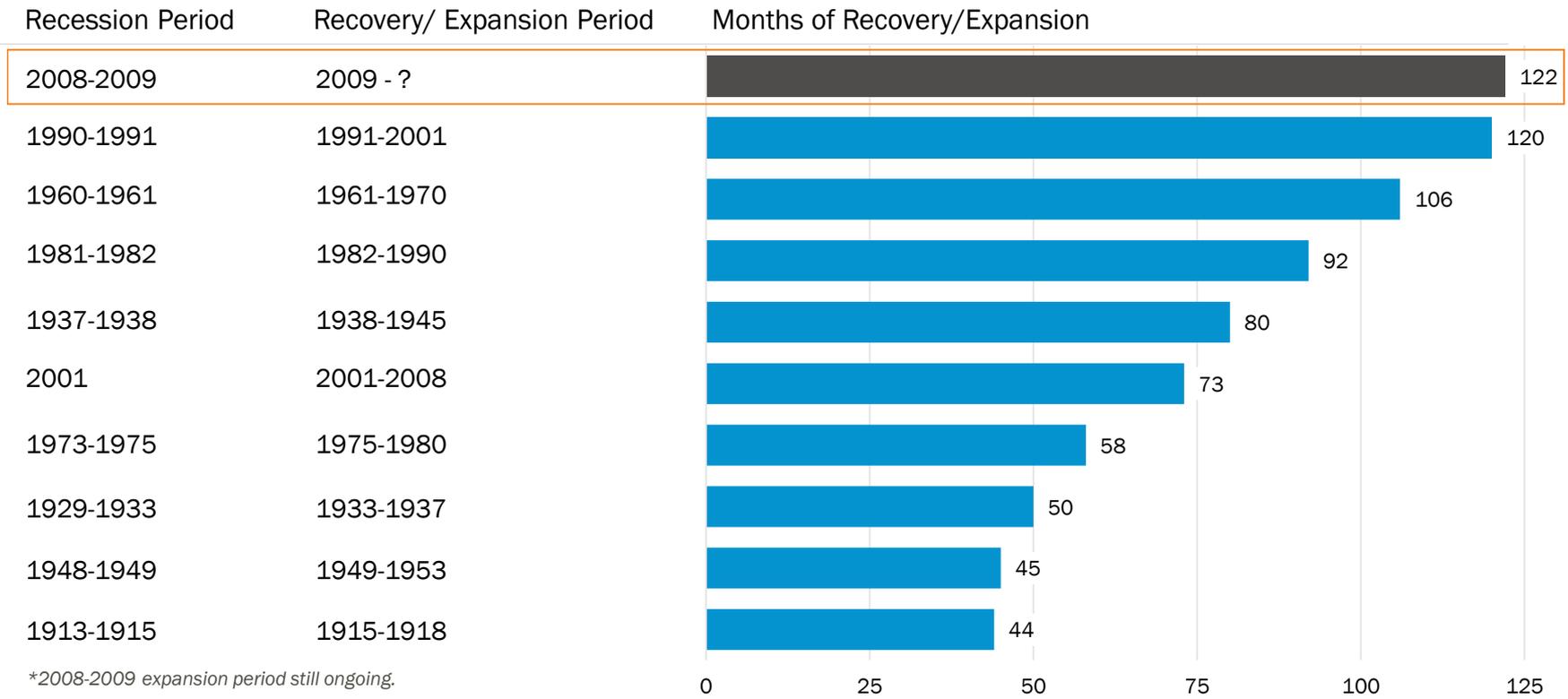
Contents

- A little context
- Regional growth models
- Thurston County trends and economic drivers
- U.S. and Global trends and economic drivers

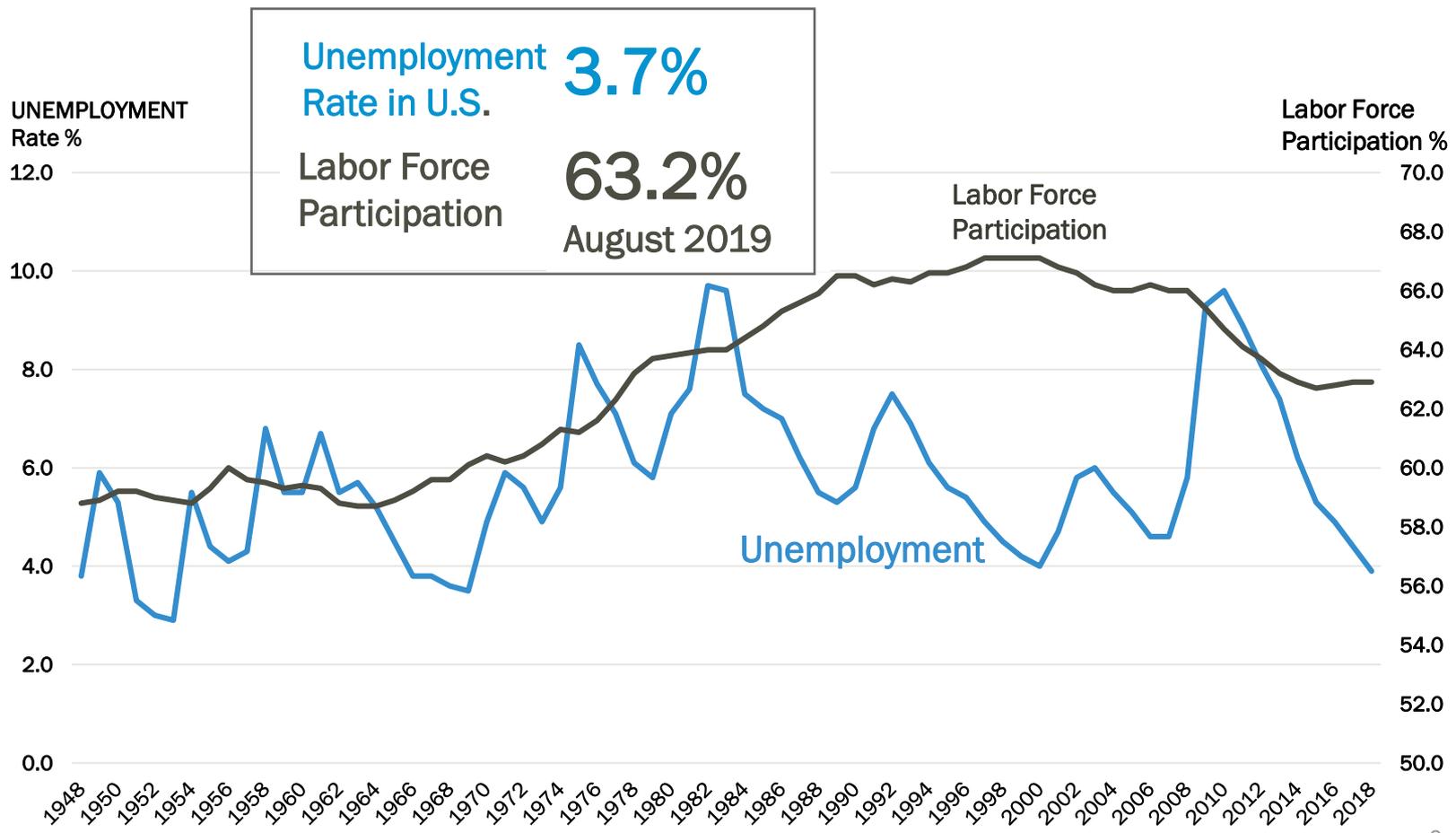
A little context

U.S. Economic Recovery

Months of expansion following recession, NBER definition

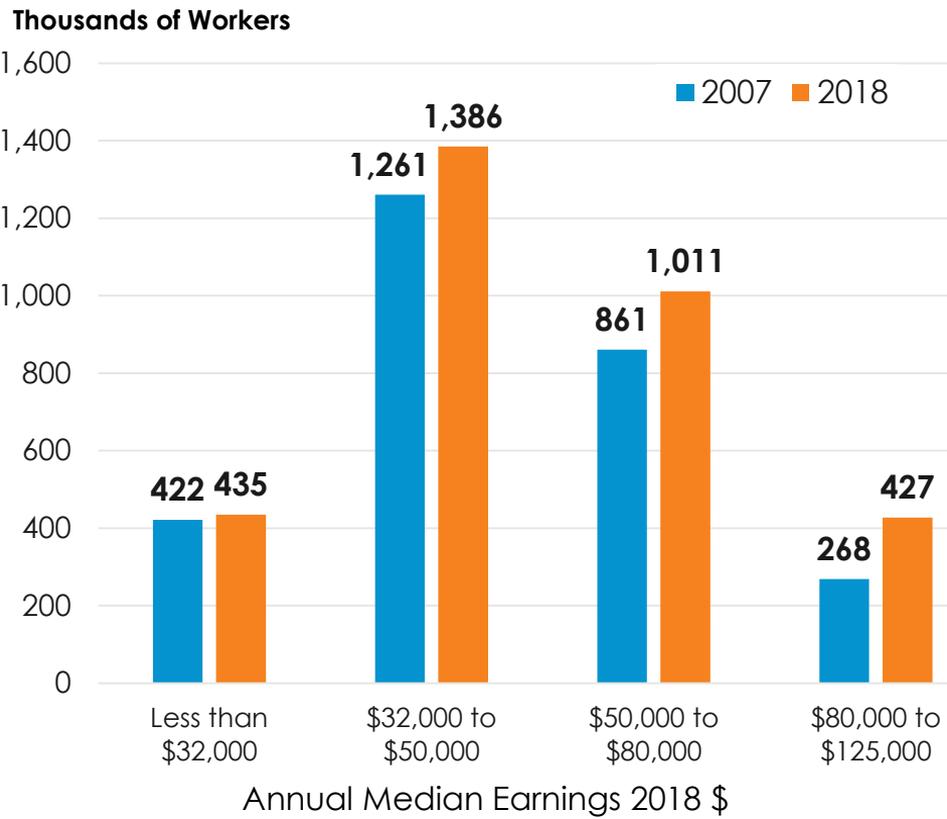


U.S. Labor Force Participation & Unemployment

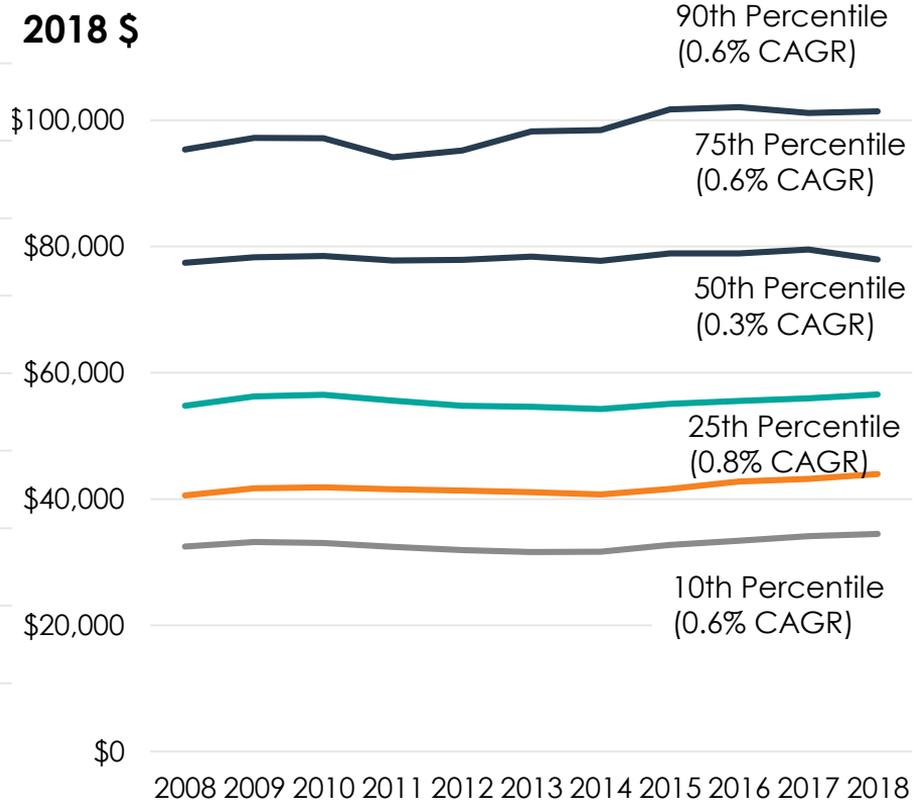


Workers and Income

Workers by Wage Range (2018 dollars)
Washington State, Based on Median Annual Earnings

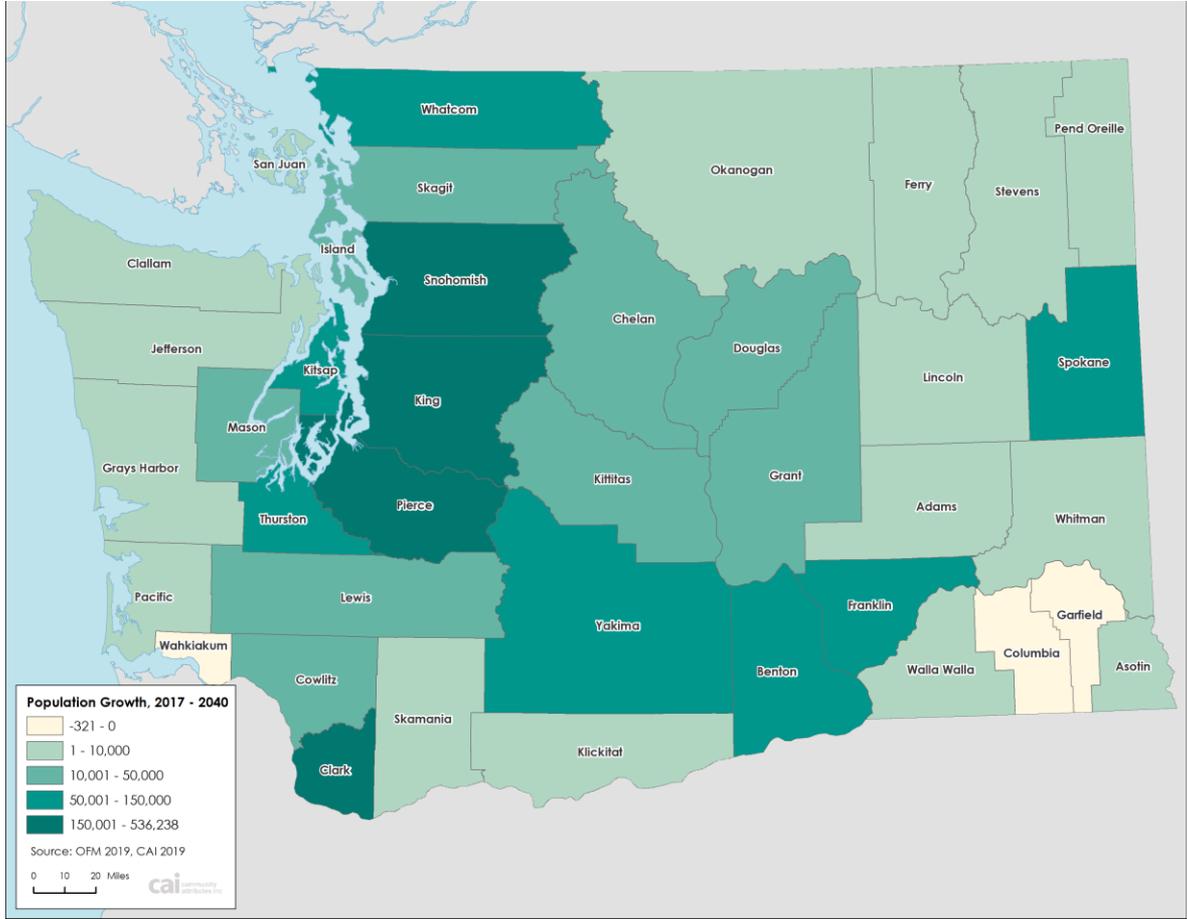


Wages & Incomes
Washington State



Sources: U.S. Bureau of Labor Statistics, Occupational Employment Statistics, 2018.

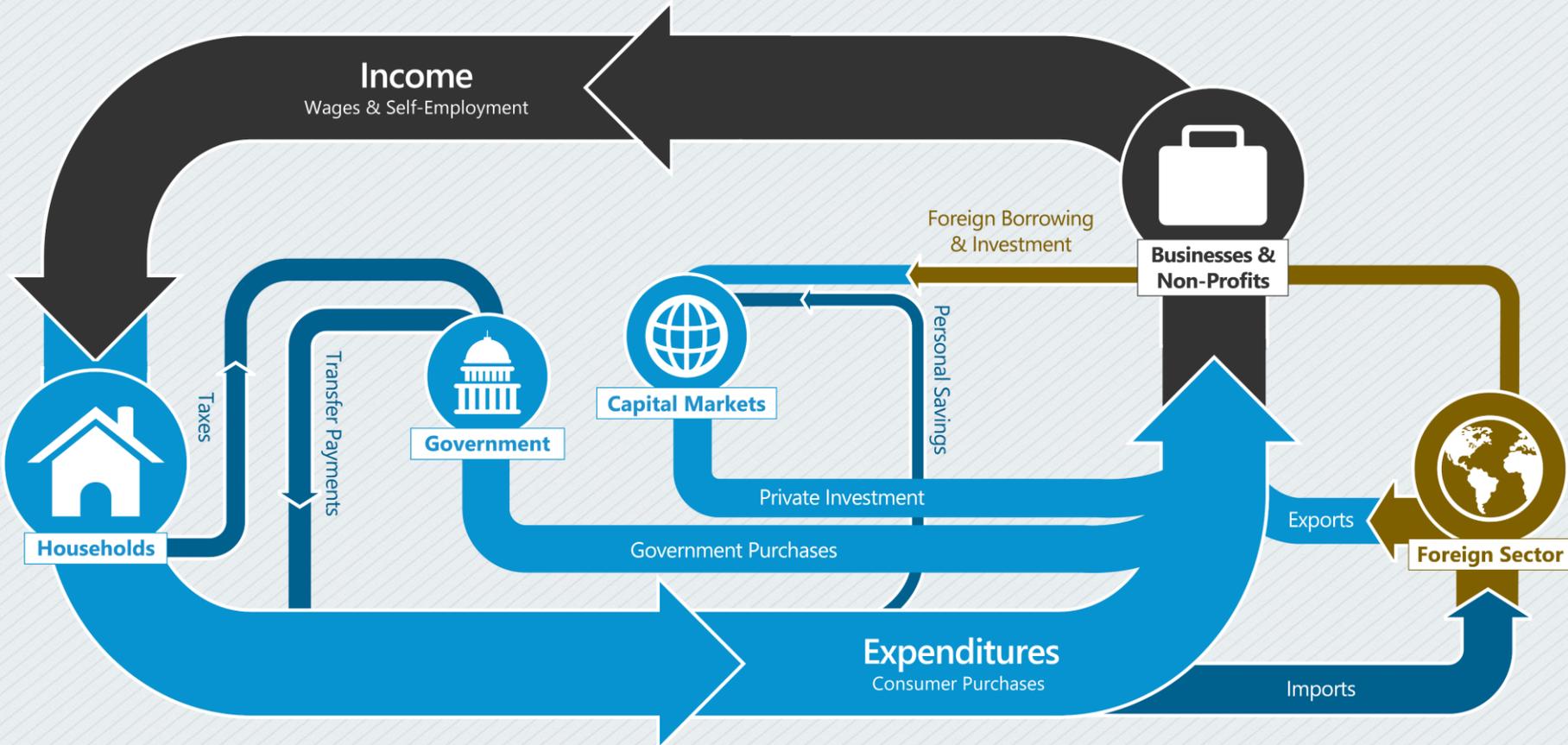
Where will we grow?



Sources: Washington Office of Financial Management, 2019; Community Attributes Inc., 2019.

A little theory

Circular Flows of the Economy



Robert Gordon, 2002

Major Industries in Washington 4,326,400 Total Jobs

RETAIL & WHOLESALE



615,900

RECREATION, ACCOMMODATION & FOOD SERVICES



499,800

OTHER SERVICES



350,000

GOVERNMENT



312,700

PROFESSIONAL BUSINESS SERVICES



269,800

HEALTHCARE



523,700

FINANCE, INSURANCE & REAL ESTATE (FIRE)



368,100

EDUCATION



330,900

ICT
INFORMATION & COMMUNICATION TECHNOLOGY



232,600

171,500



OTHER MANUFACTURING

NATURAL RESOURCES & AGRICULTURE



165,800

CONSTRUCTION



225,600

TRANSPORTATION & UTILITIES



104,000

AEROSPACE



86,700

LIFE SCIENCES



33,500

MARITIME

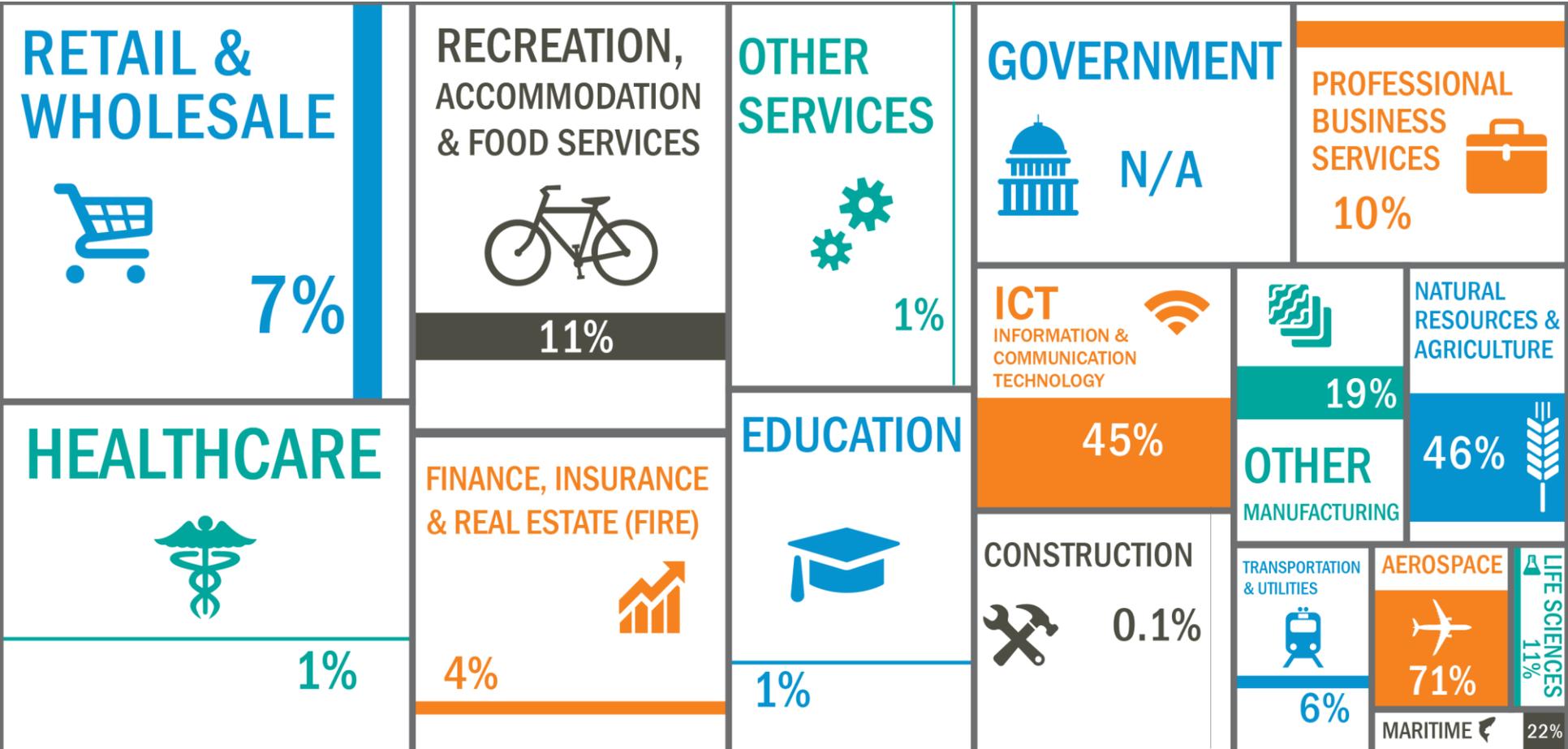


72,300

Sources: Bellevue Creative Economy Study, 2017; QCEW, 2017; Washington State Employment Security Department, 2017; QCEW, Bureau of Labor Statistics, 2017; Industry/Occupation Crosswalk, Washington State Employment Security Department, 2017; Bureau of Economic Analysis, 2017

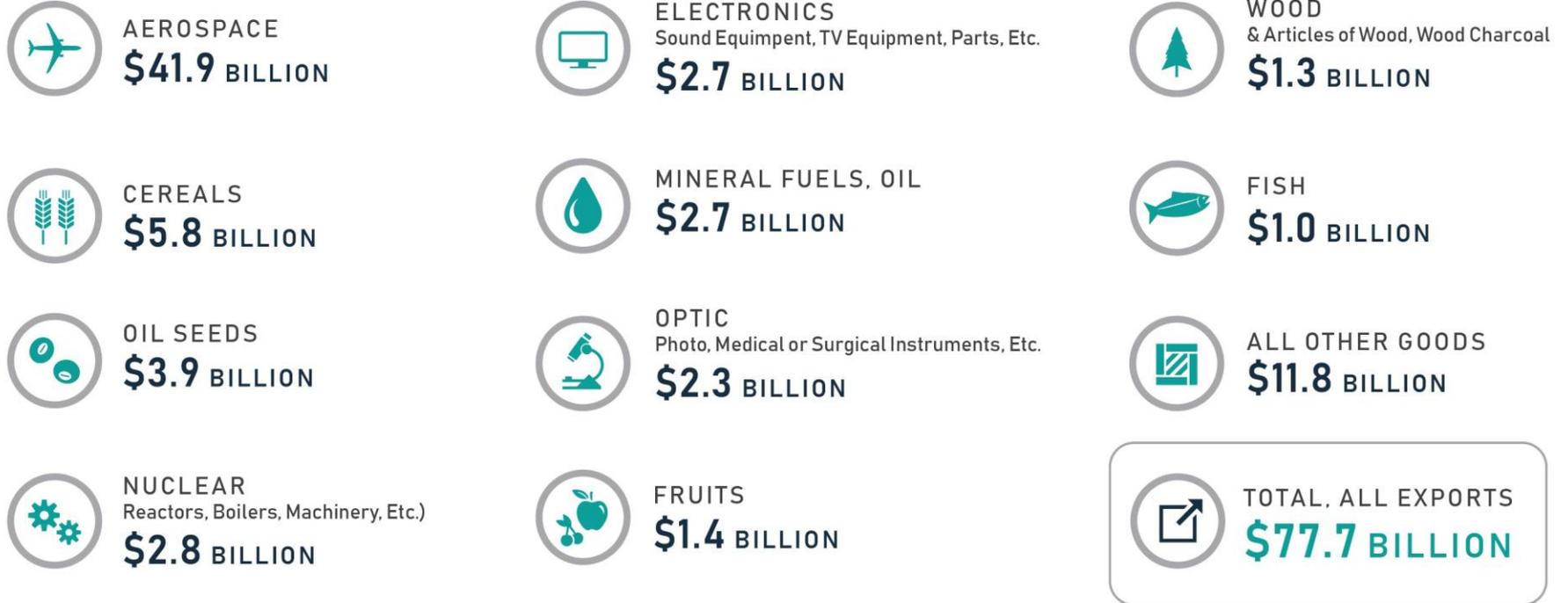
Major Industries in Washington

Percent of Export Jobs by Industry



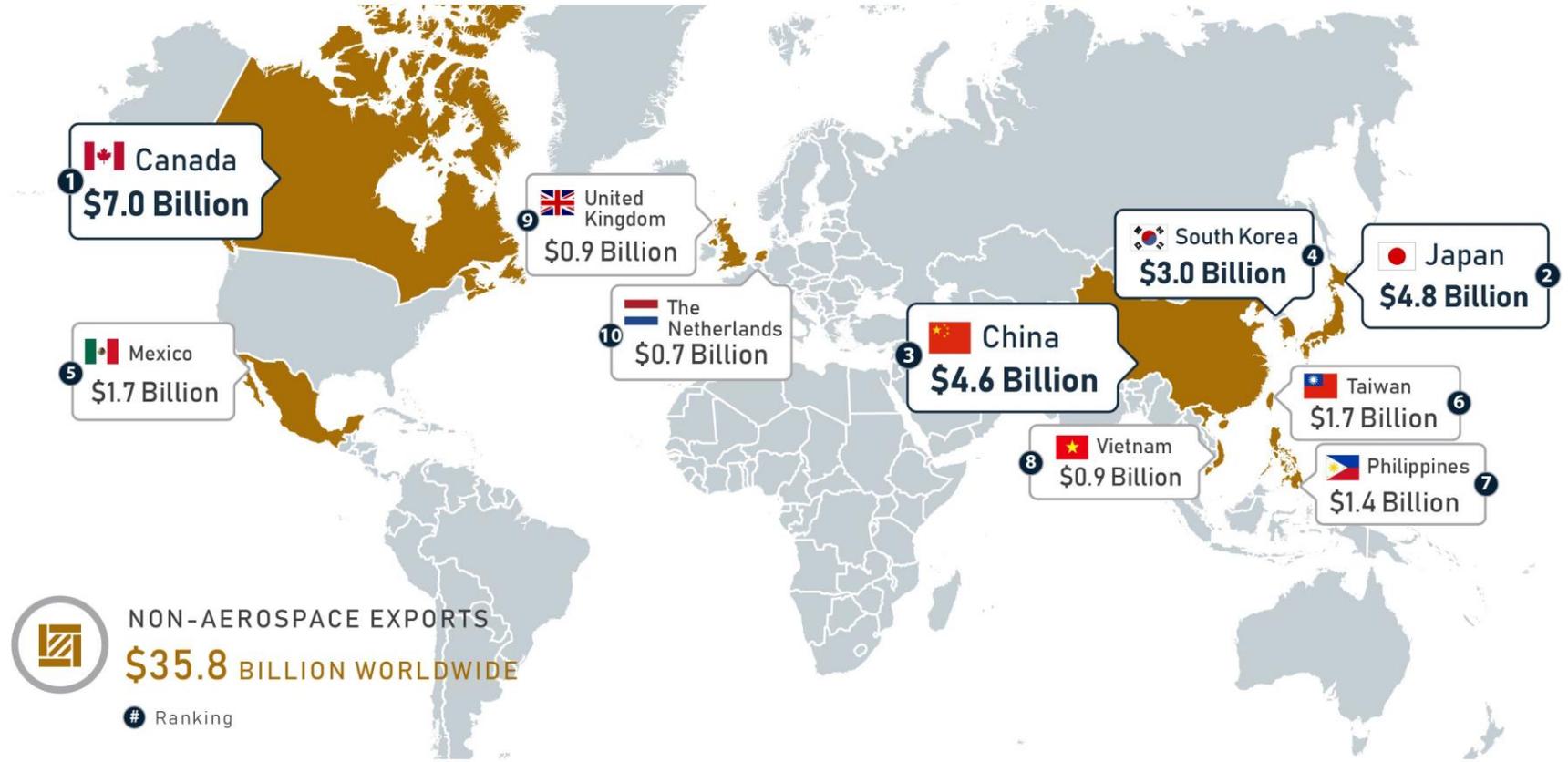
Sources: Bellevue Creative Economy Study, 2017; QCEW, 2017; Washington State Employment Security Department, 2017; QCEW, Bureau of Labor Statistics, 2017; Industry/Occupation Crosswalk, Washington State Employment Security Department, 2017; Bureau of Economic Analysis, 2017

Total Washington Exports by Commodity or Merchandise



Washington Non-Aerospace Exports

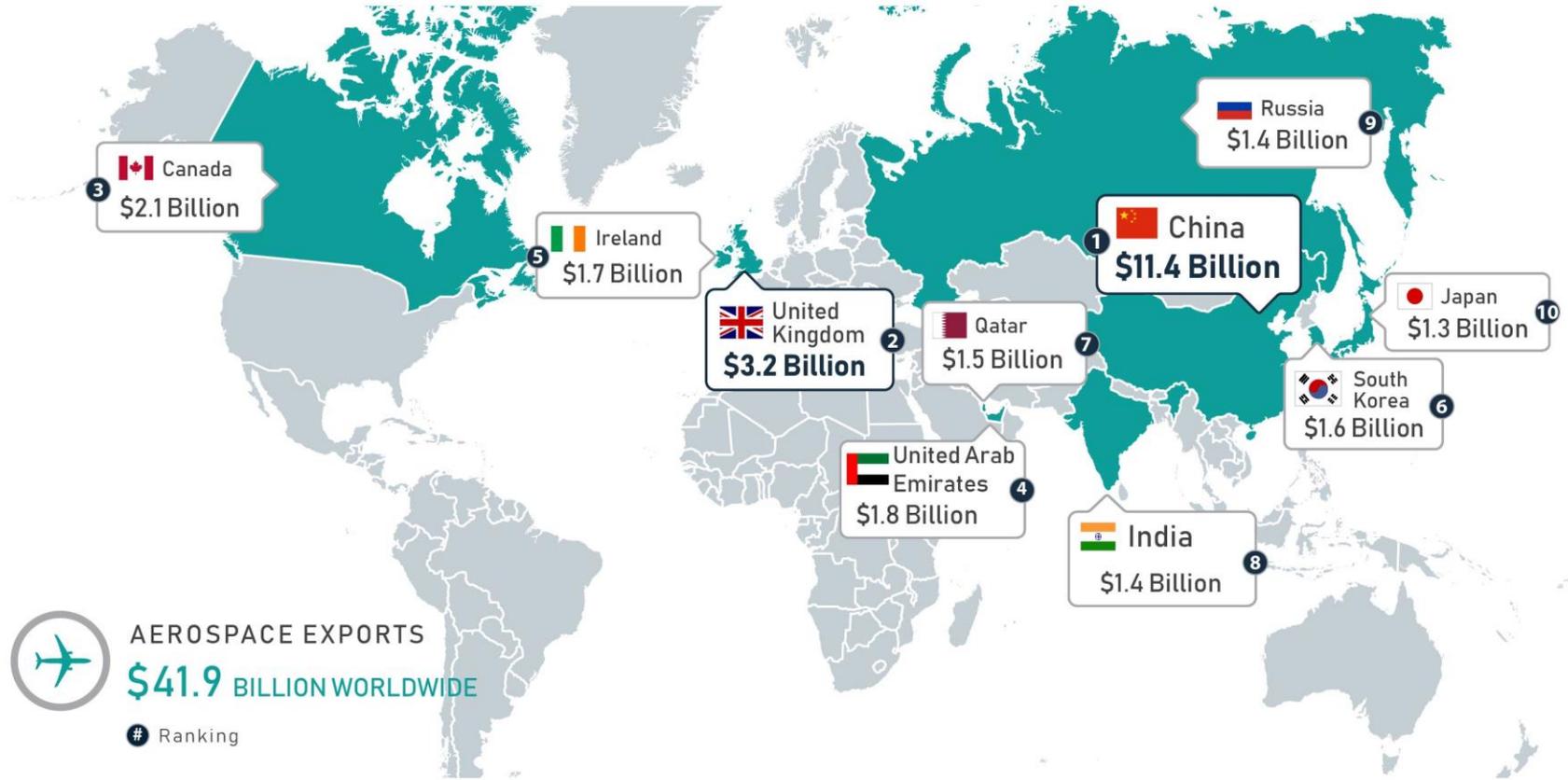
2018



Source: U.S. Census Bureau, 2018.

Washington Aerospace Exports

2018



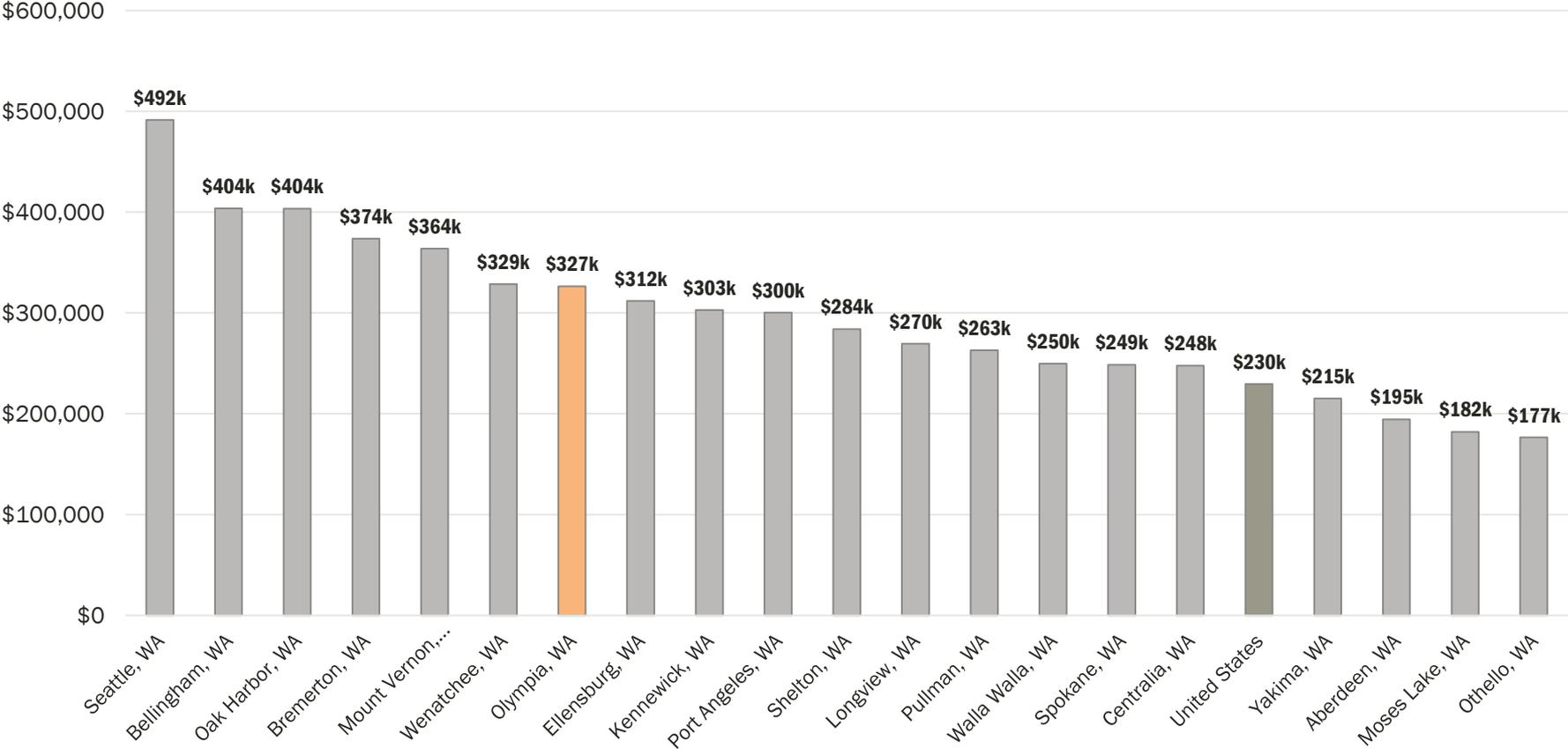
 AEROSPACE EXPORTS
\$41.9 BILLION WORLDWIDE
Ranking

Source: U.S. Census Bureau, 2018.

Thurston County

Real Estate: Single Family Housing

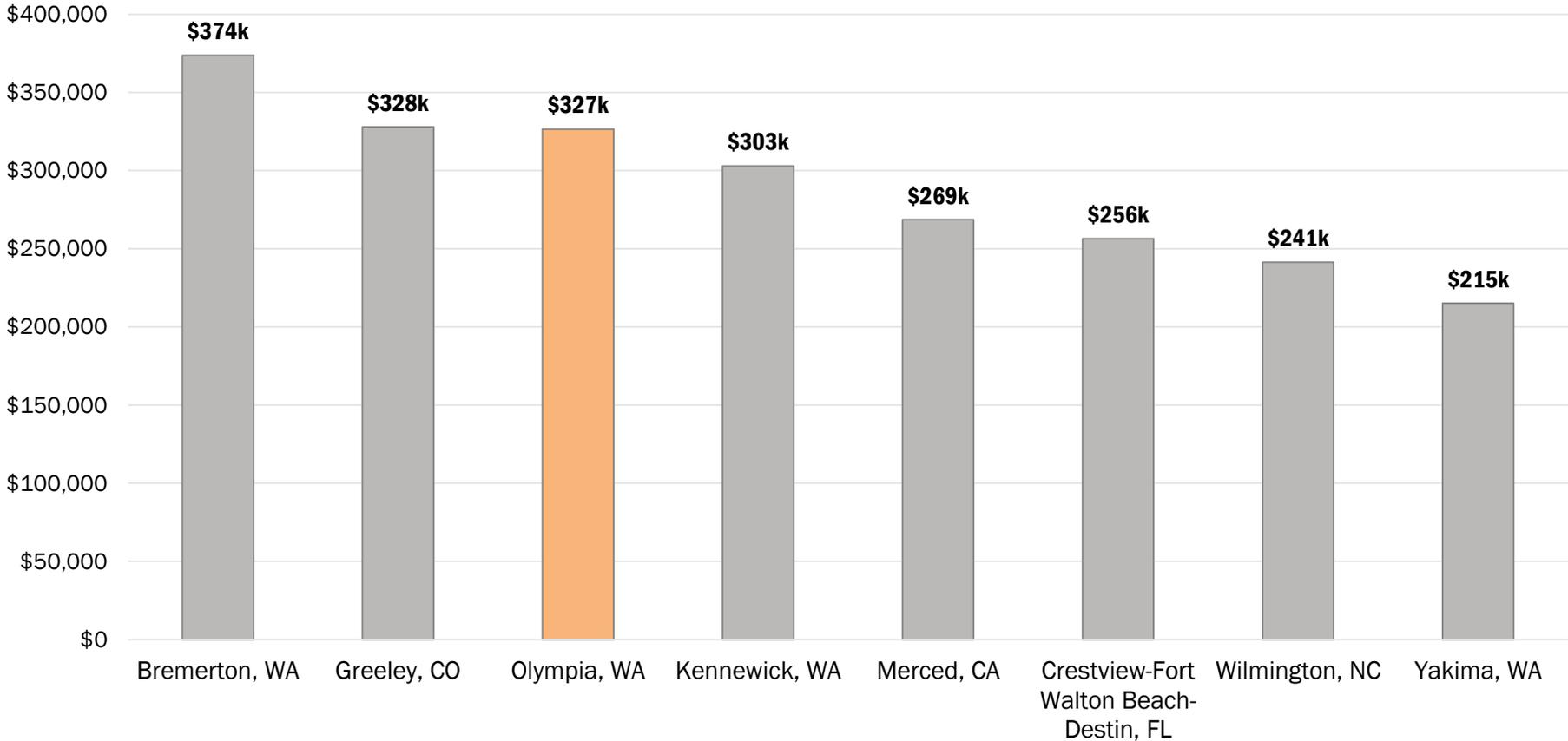
Zillow Home Value Index, United States and Washington Metros | Q3 2019



Sources: Zillow, 2019.

Real Estate: Single Family Housing

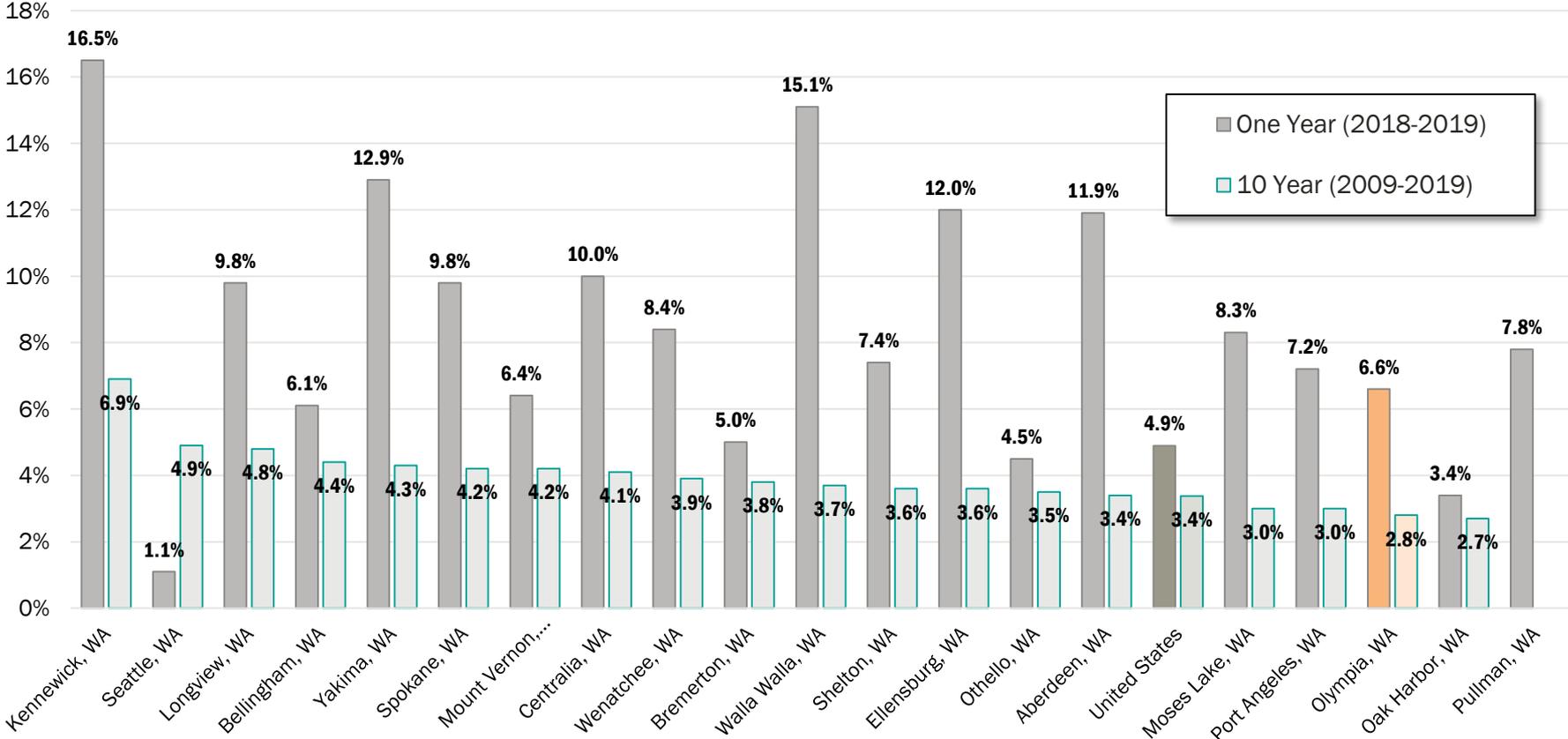
Zillow Home Value Index, Olympia and Comparable (Population Rank) Metros | Q3 2019



Sources: Zillow, 2019.

Real Estate: Single Family Housing

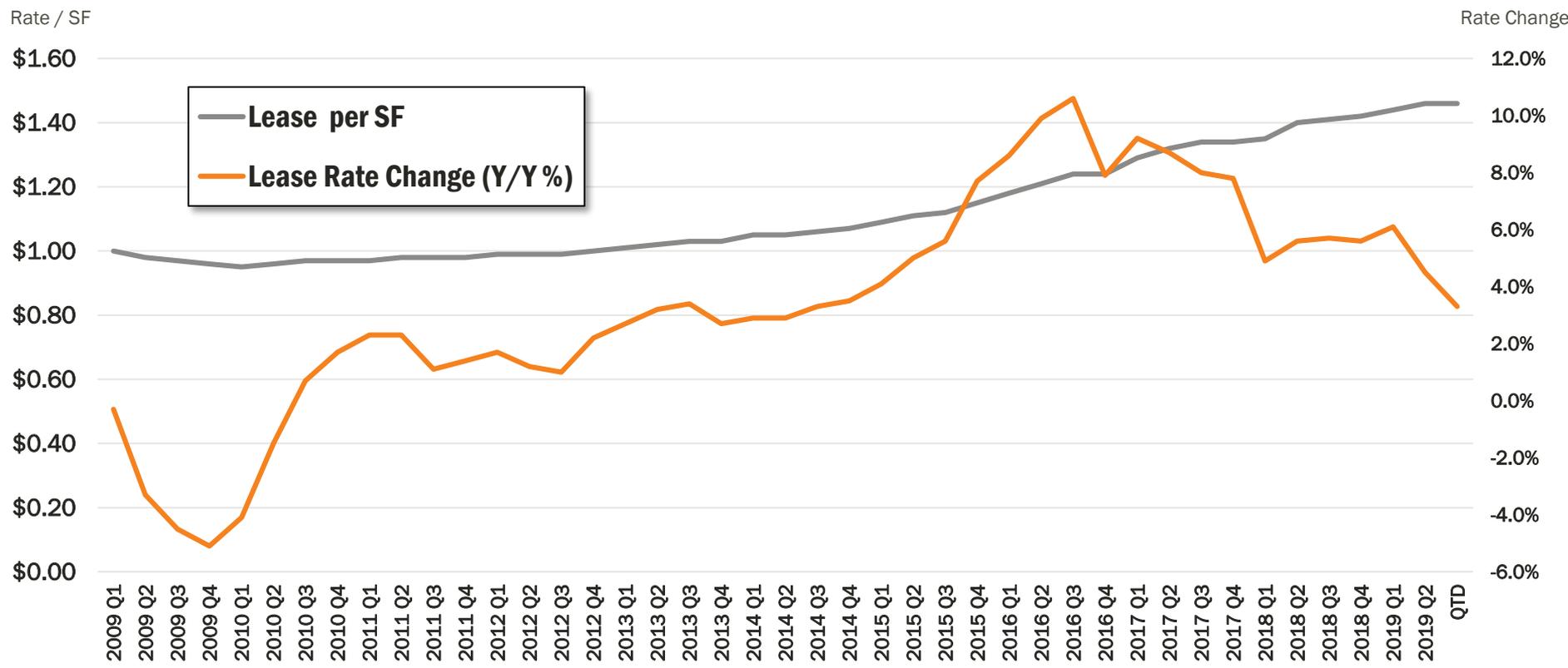
Change in Zillow Home Value Index, United States and Washington Metros | 2009-2019



Sources: Zillow, 2019.

Real Estate: Multifamily Housing

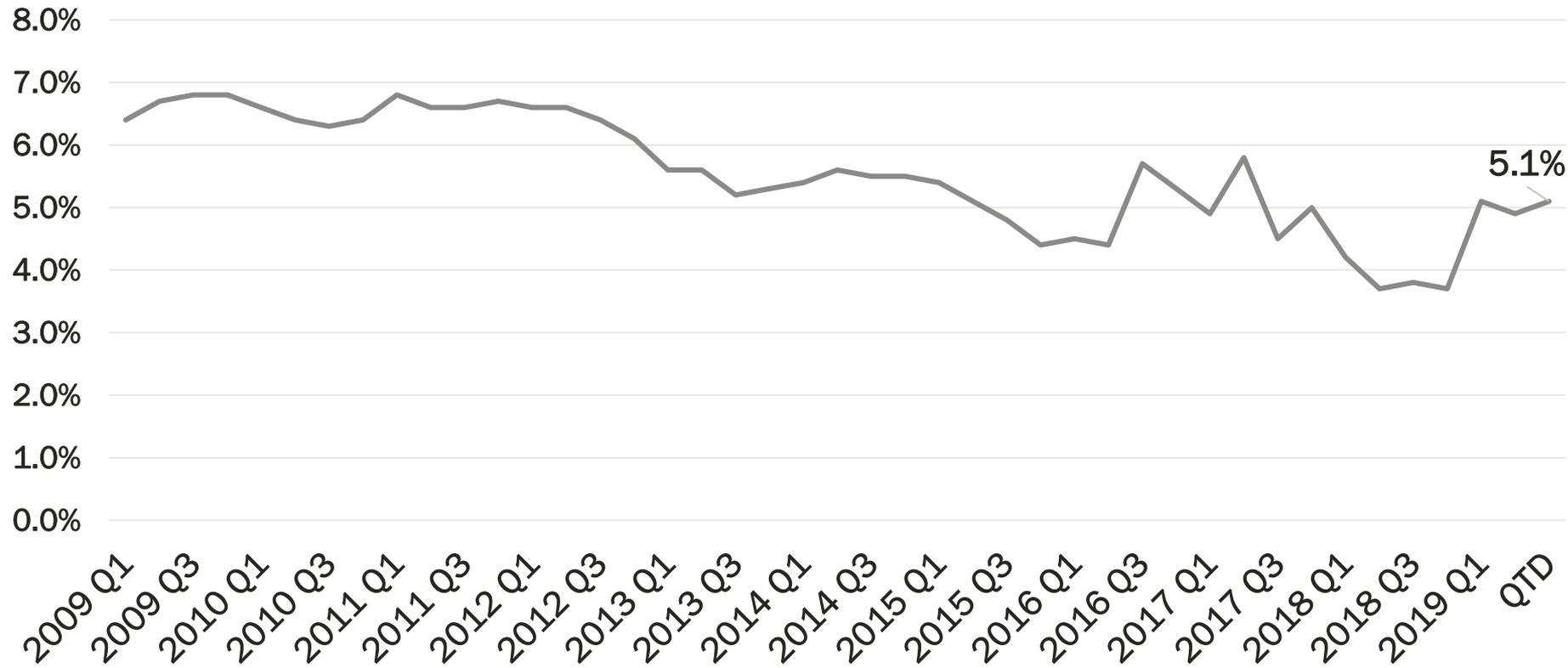
Average Lease Rate and Change in Lease Rate, Thurston County | 2009-2019



Sources: CoStar, 2019.

Real Estate: Multifamily Housing

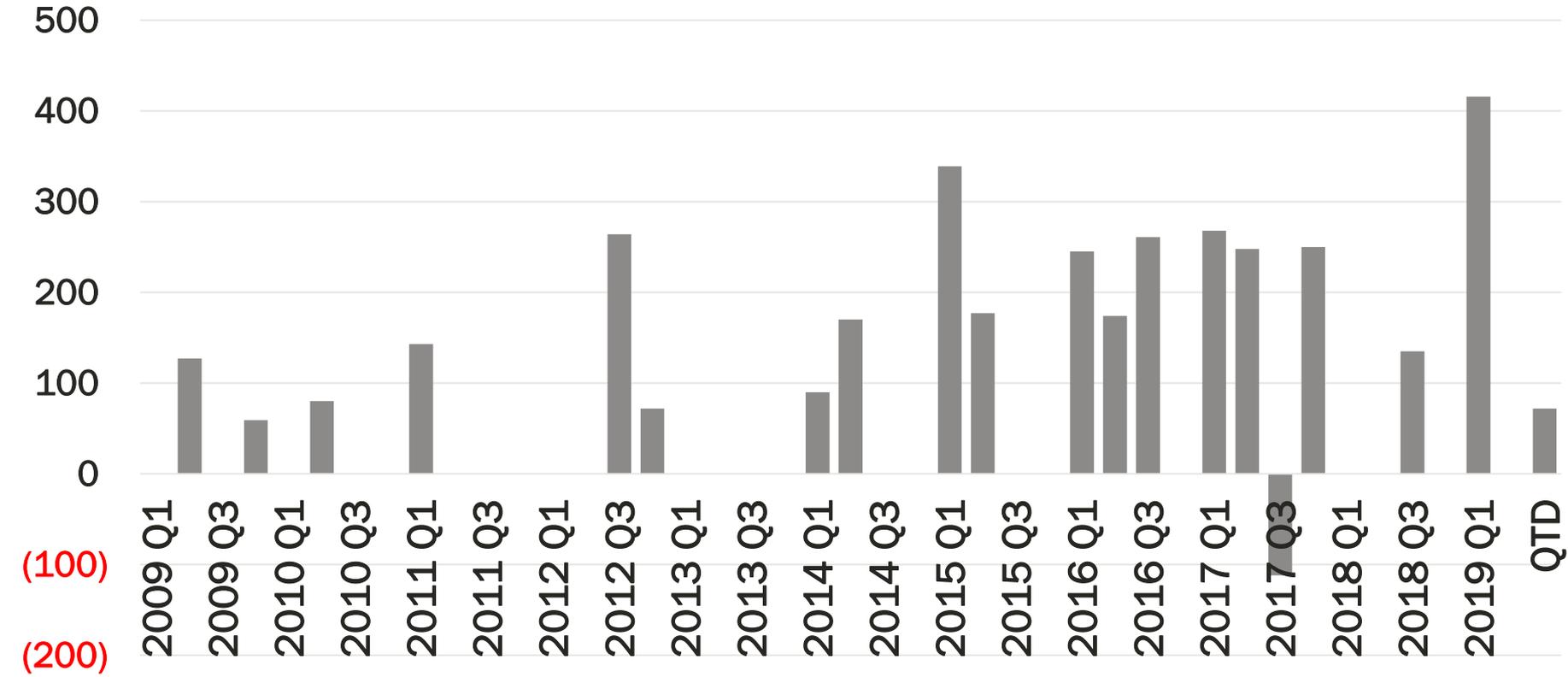
Vacancy Rate, Thurston County | 2009-2019



Sources: CoStar, 2019.

Real Estate: Multifamily Housing

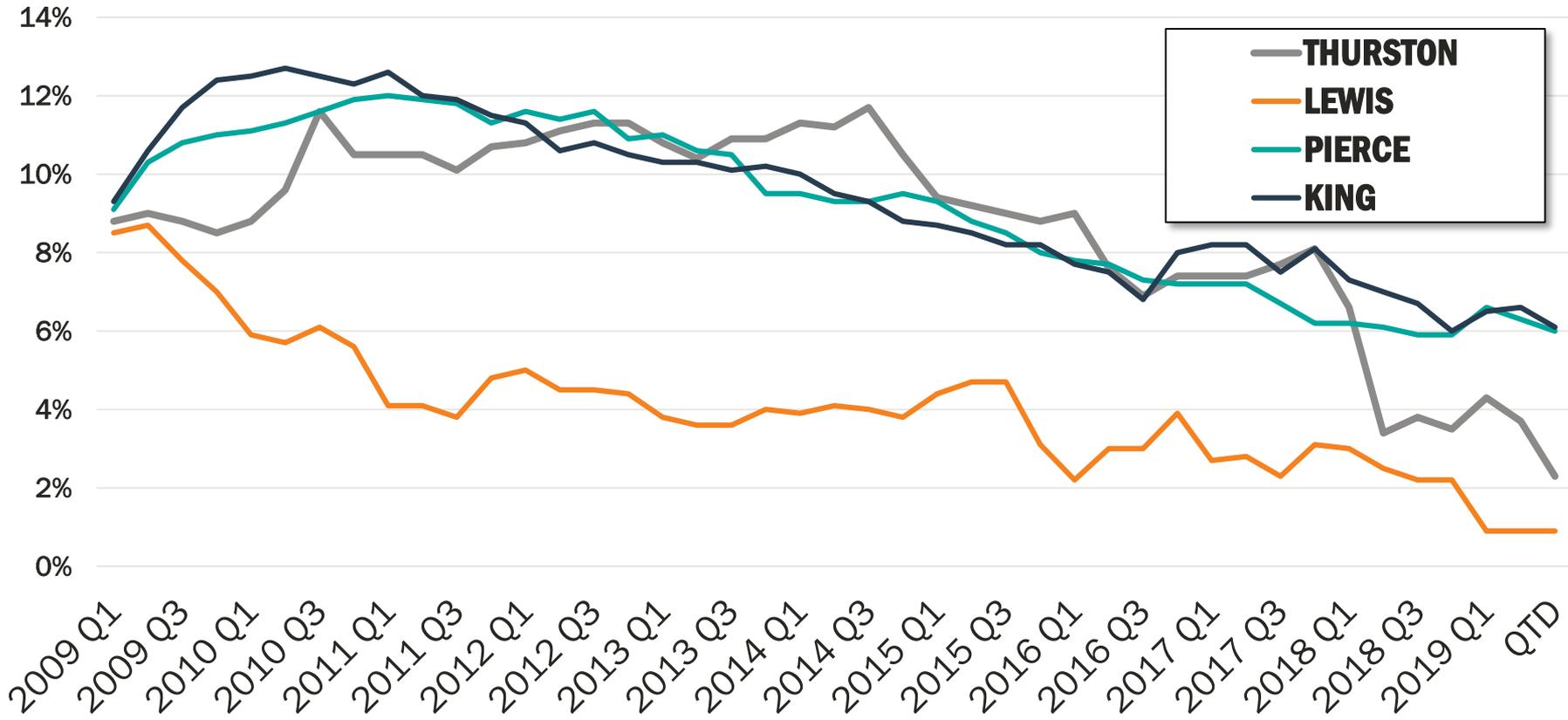
Units Delivered (Net of Demolition), Thurston County | 2009-2019



Sources: CoStar, 2019.

Real Estate: Commercial Office

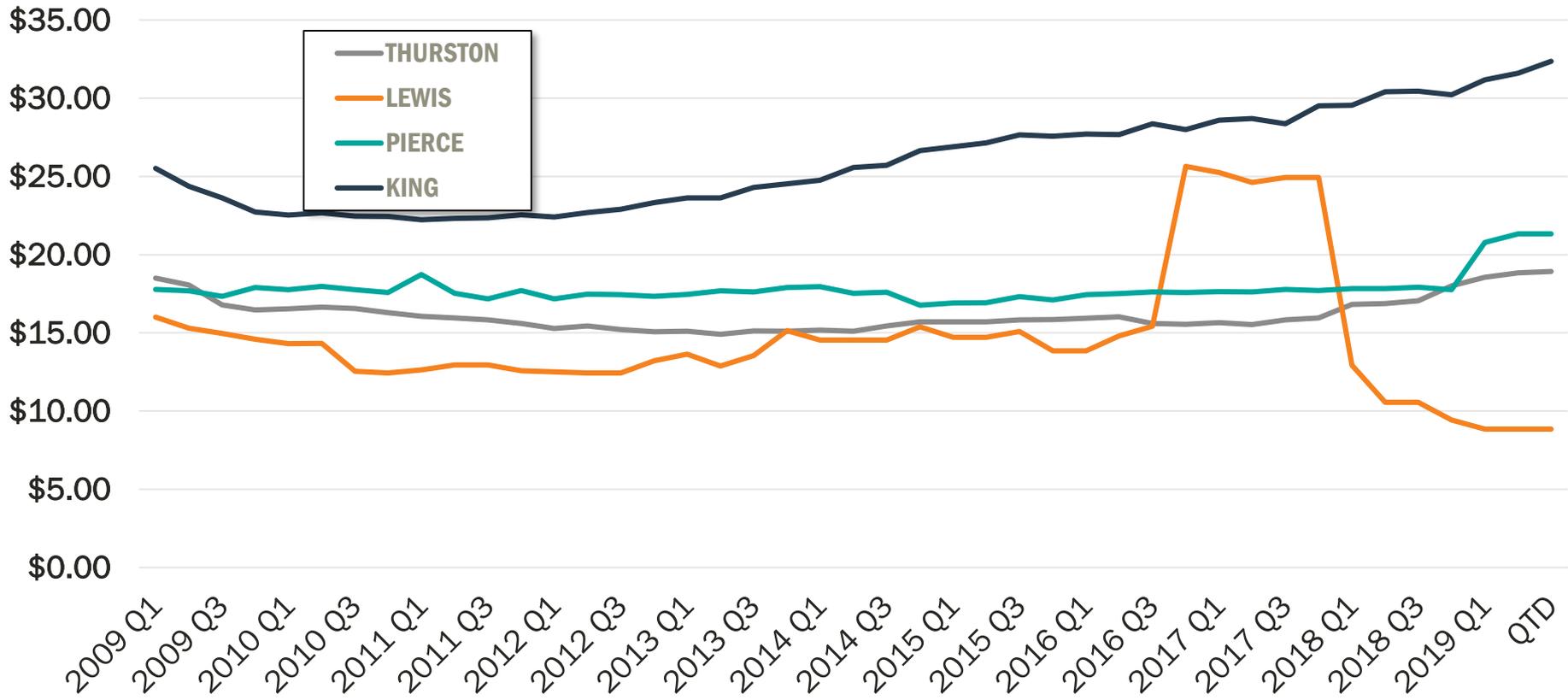
Vacancy Rate, Lewis, Thurston, Pierce and King Counties | 2009-2019



Sources: CoStar, 2019.

Real Estate: Commercial Office

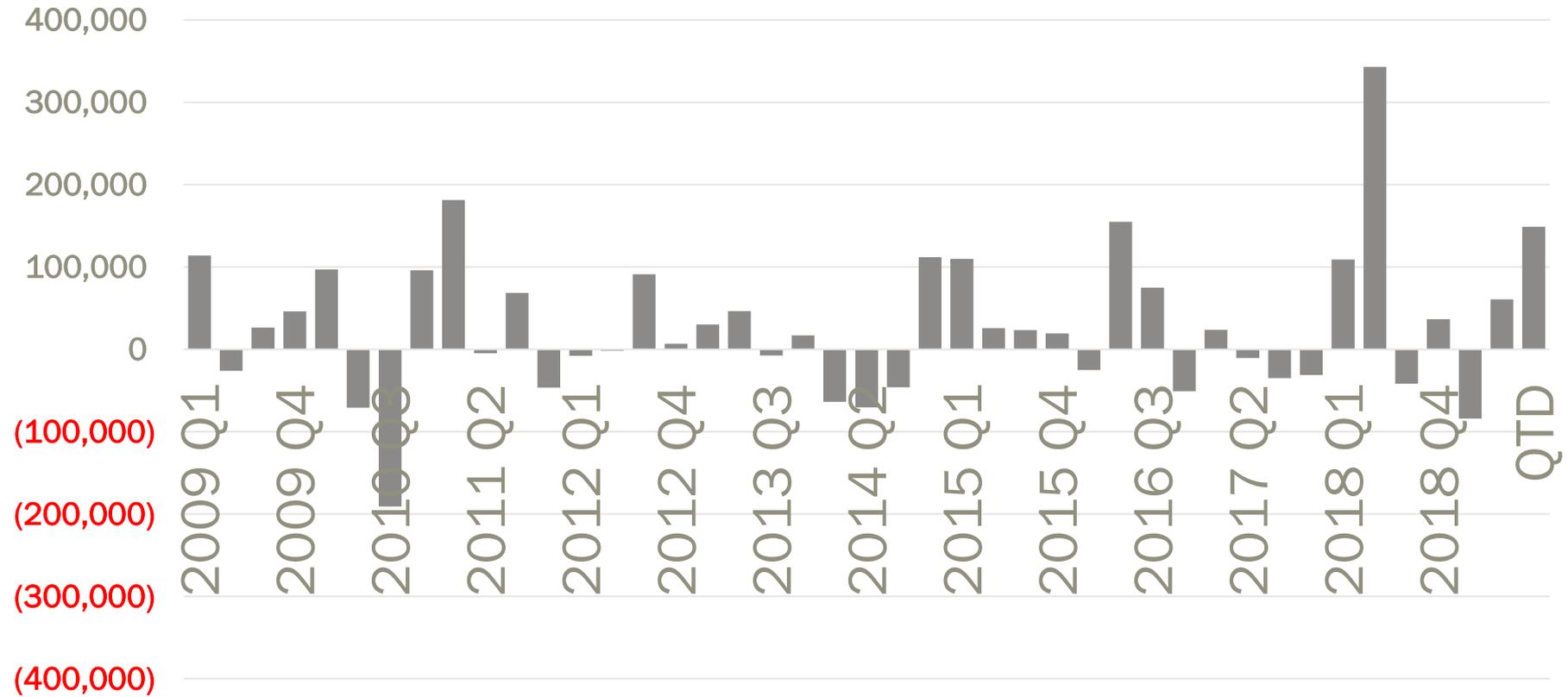
Average Lease Rate, All Classes, Lewis, Thurston, Pierce and King Counties | 2009-2019



Sources: CoStar, 2019.

Real Estate: Commercial Office

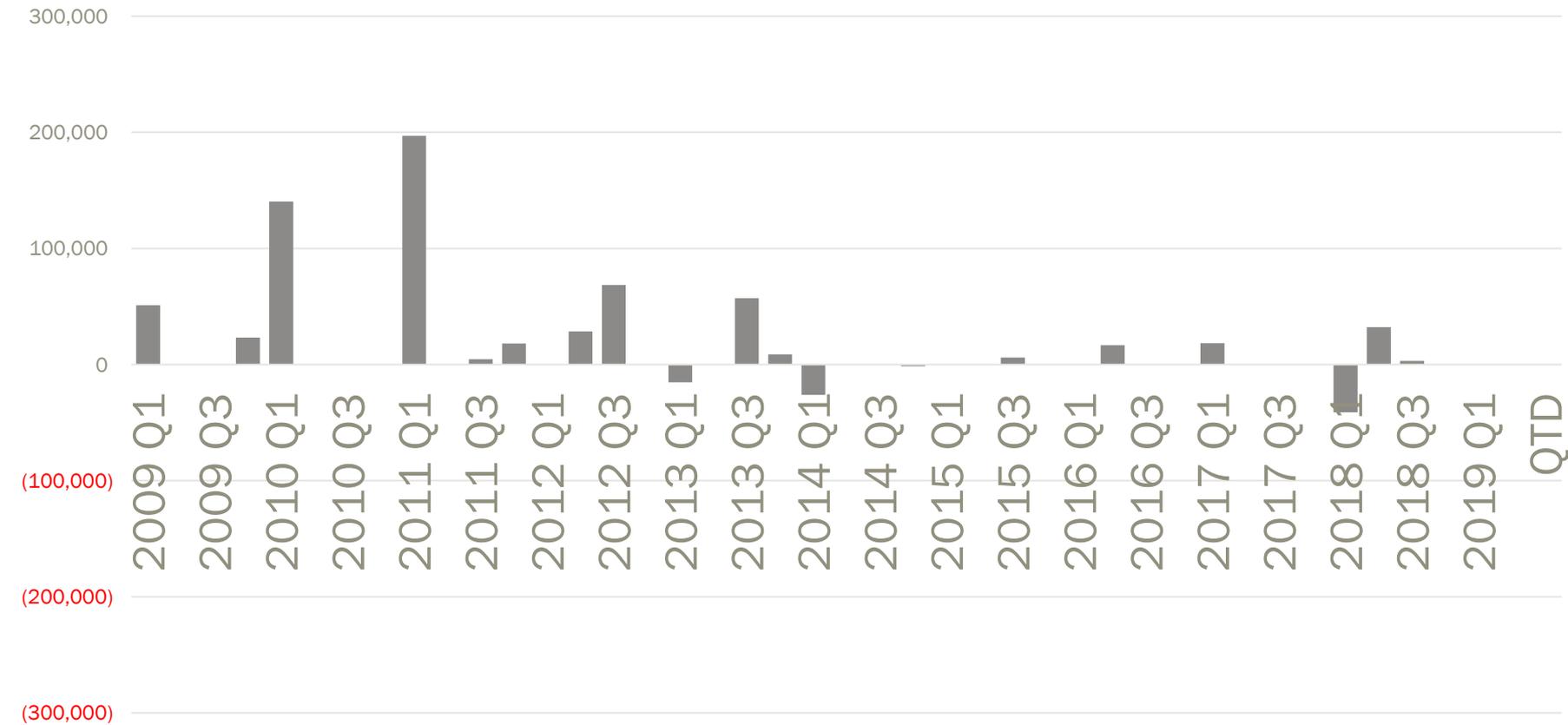
Absorption (Square Feet), Thurston County | 2009-2019



Sources: CoStar, 2019.

Real Estate: Commercial Office

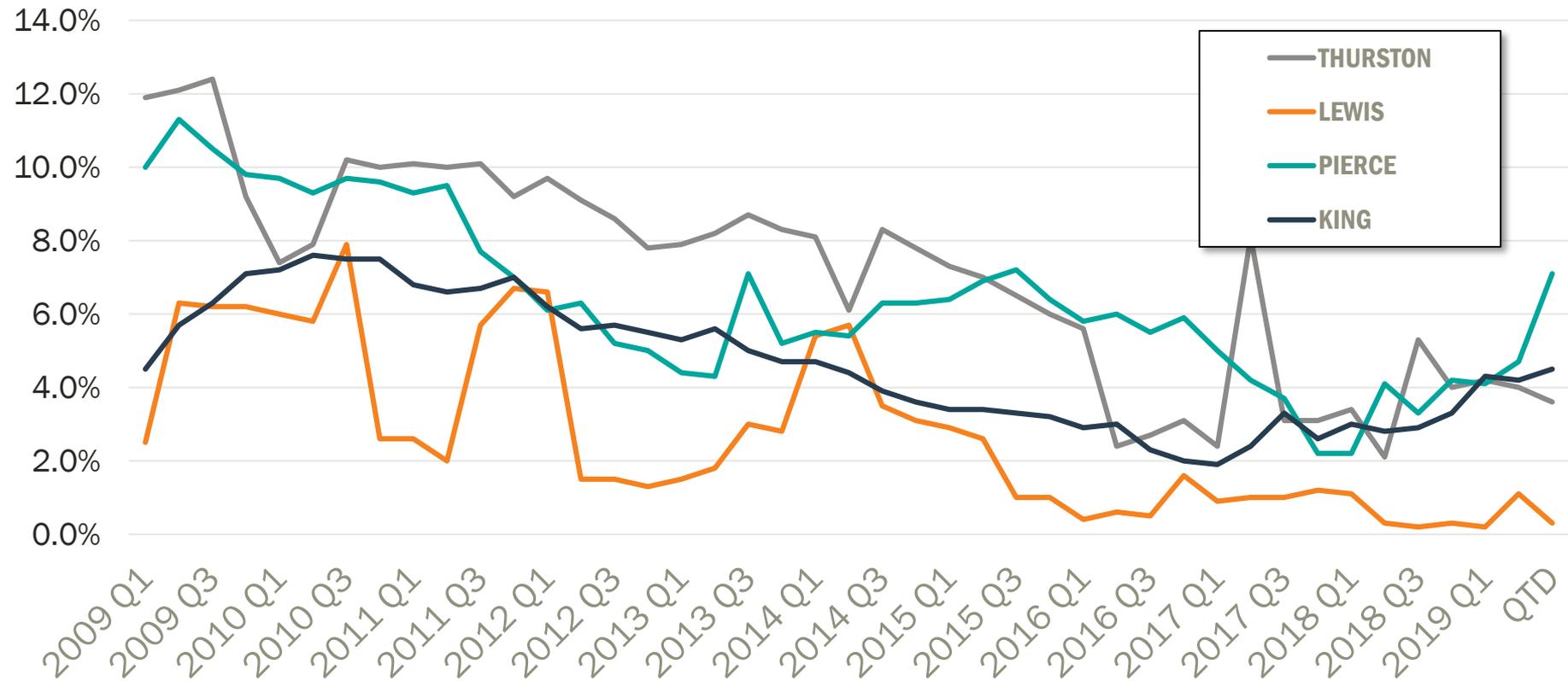
Deliveries (Square Feet, net of demolitions), Thurston County | 2009-2019



Sources: CoStar, 2019.

Real Estate: Industrial

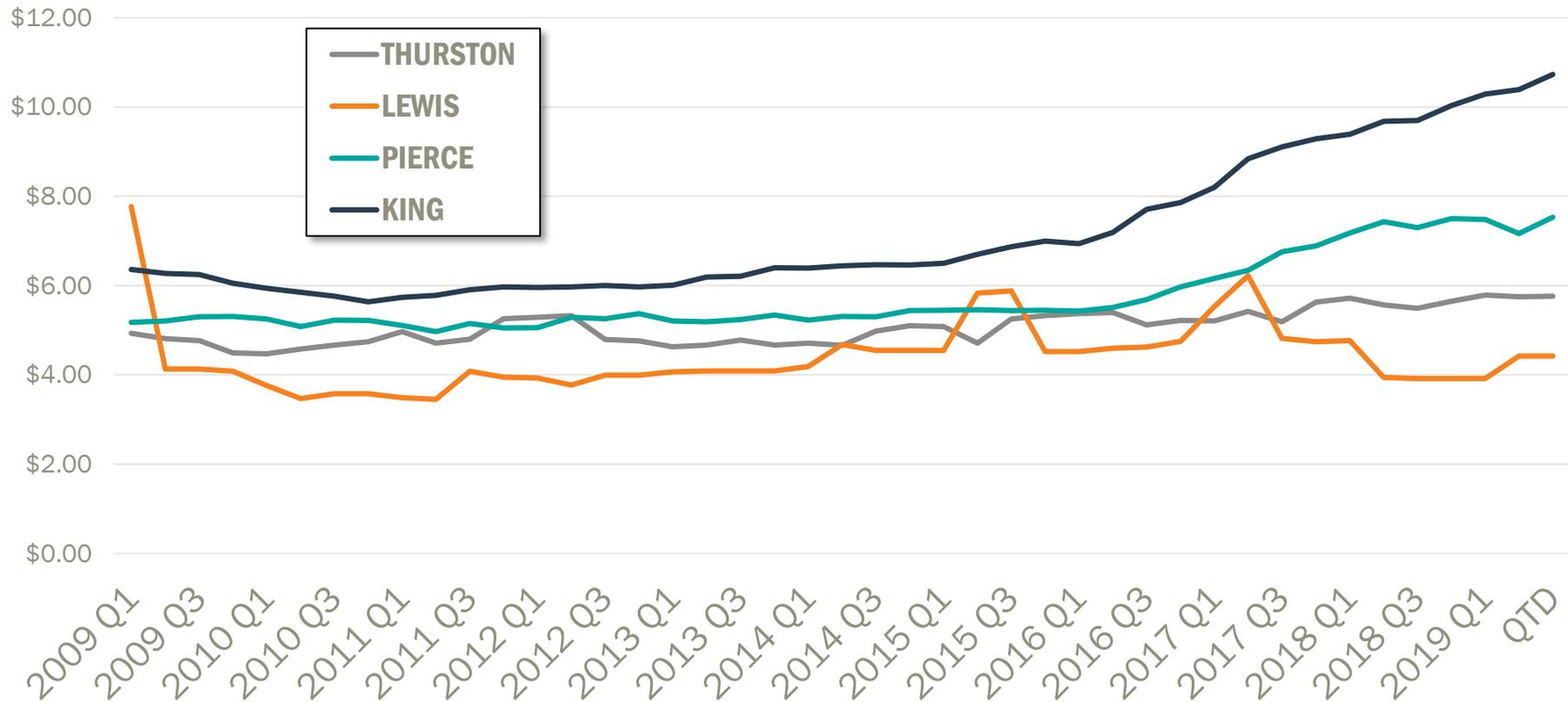
Vacancy Rate, Lewis, Thurston, Pierce and King Counties | 2009-2019



Sources: CoStar, 2019.

Real Estate: Industrial

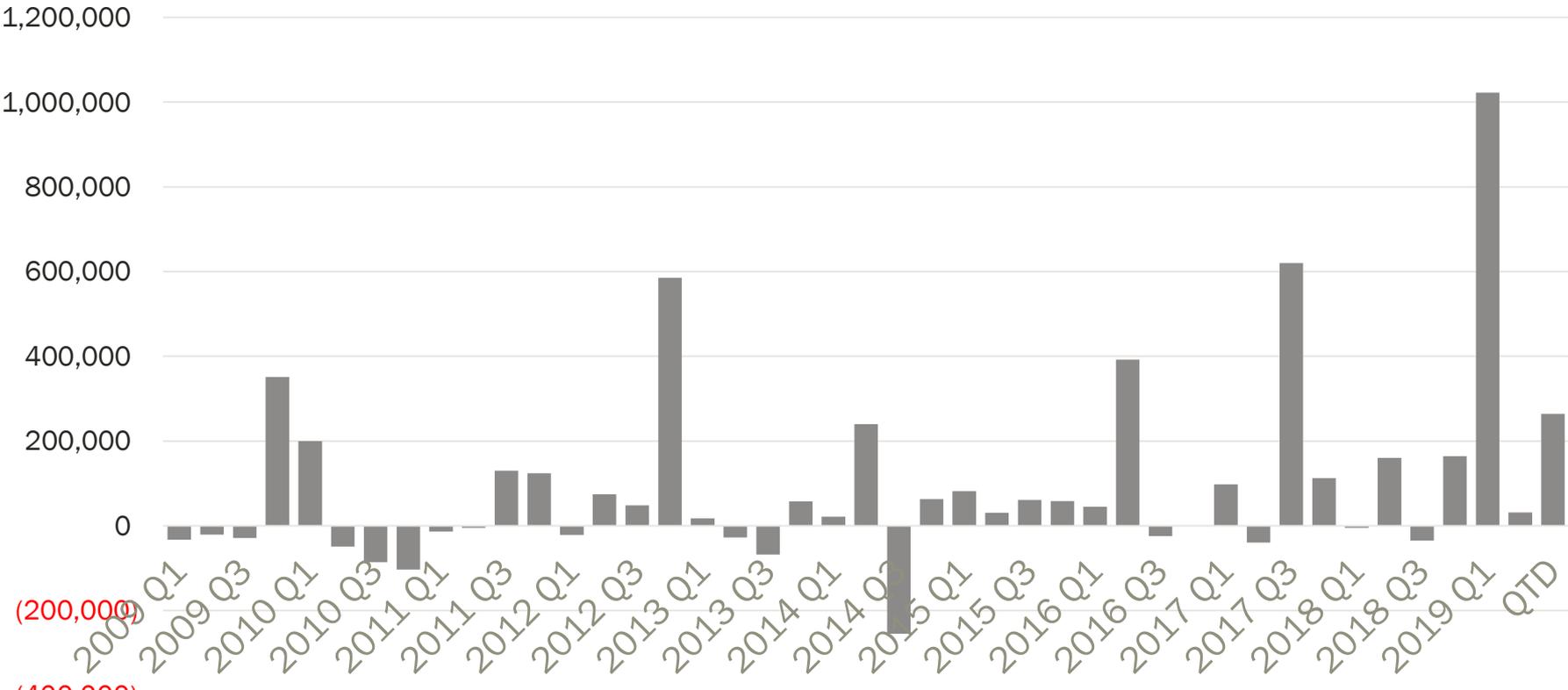
Lease Rate, Lewis, Thurston, Pierce and King Counties | 2009-2019



Sources: CoStar, 2019.

Real Estate: Industrial

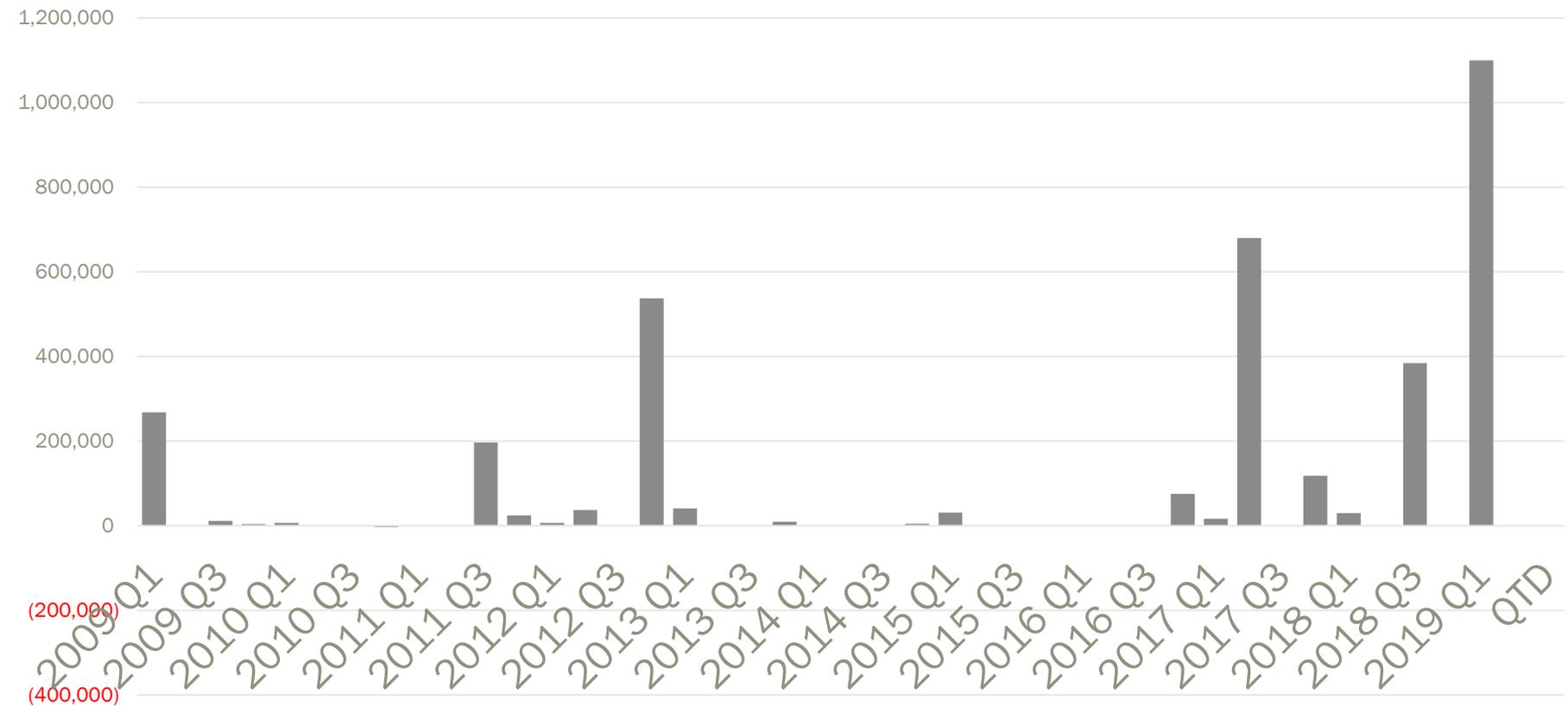
Absorption (Square Feet), Thurston County | 2009-2019



Sources: CoStar, 2019.

Real Estate: Industrial

Deliveries (Square Feet, net of demolitions), Thurston County | 2009-2019



(200,000)
(400,000)

Sources: CoStar, 2019.

A little theory

What is economic development?

TRADE SHOWS
Branding
Marketing, Promotion
SITE SELECTION SUPPORT

Go after what you want

Permitting, **Workforce**
Business Support **Supports**
Entrepreneurial Support
Higher Education BUSINESS CLIMATE

Work with what you've got

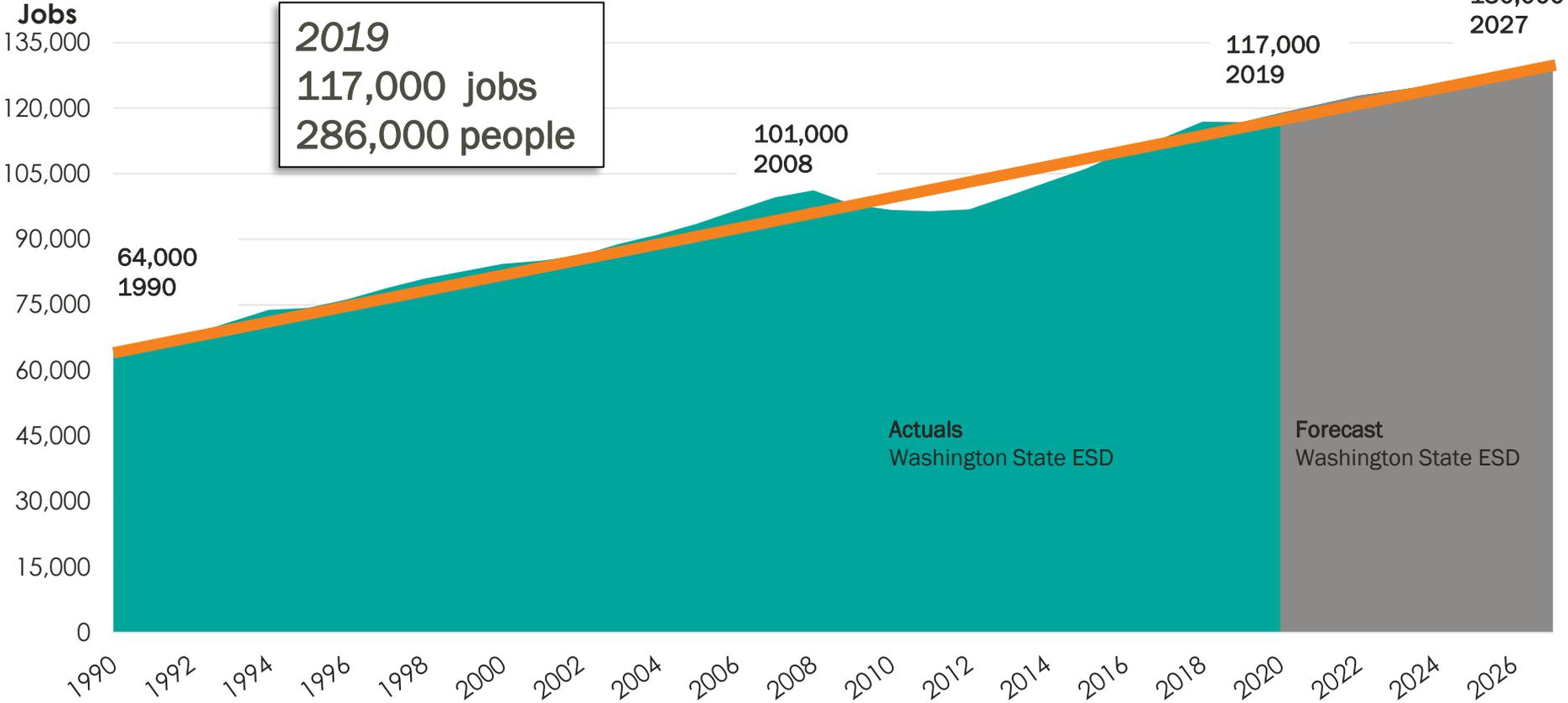
BASIC NEEDS **Housing** Public Safety
PUBLIC HEALTH **TRANSPORTATION**
Parks & Trails **VIBRANT NEIGHBORHOODS**
Schools & Early Childhood CULTURAL ASSETS

Be a good place to live



Jobs (Thurston County)

1990 - 2019

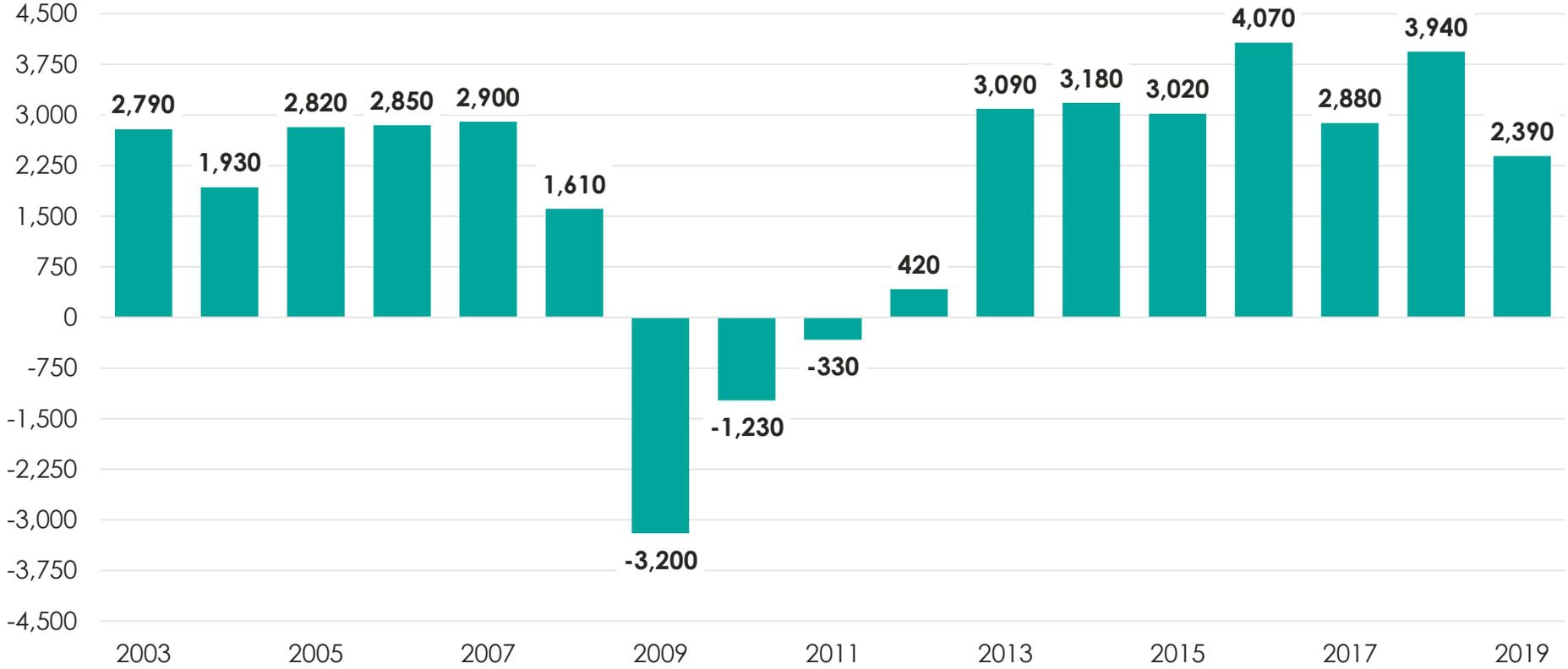


Sources: Washington Employment Security Department., 2019.

Jobs in Thurston County

2003 - 2019

New Jobs

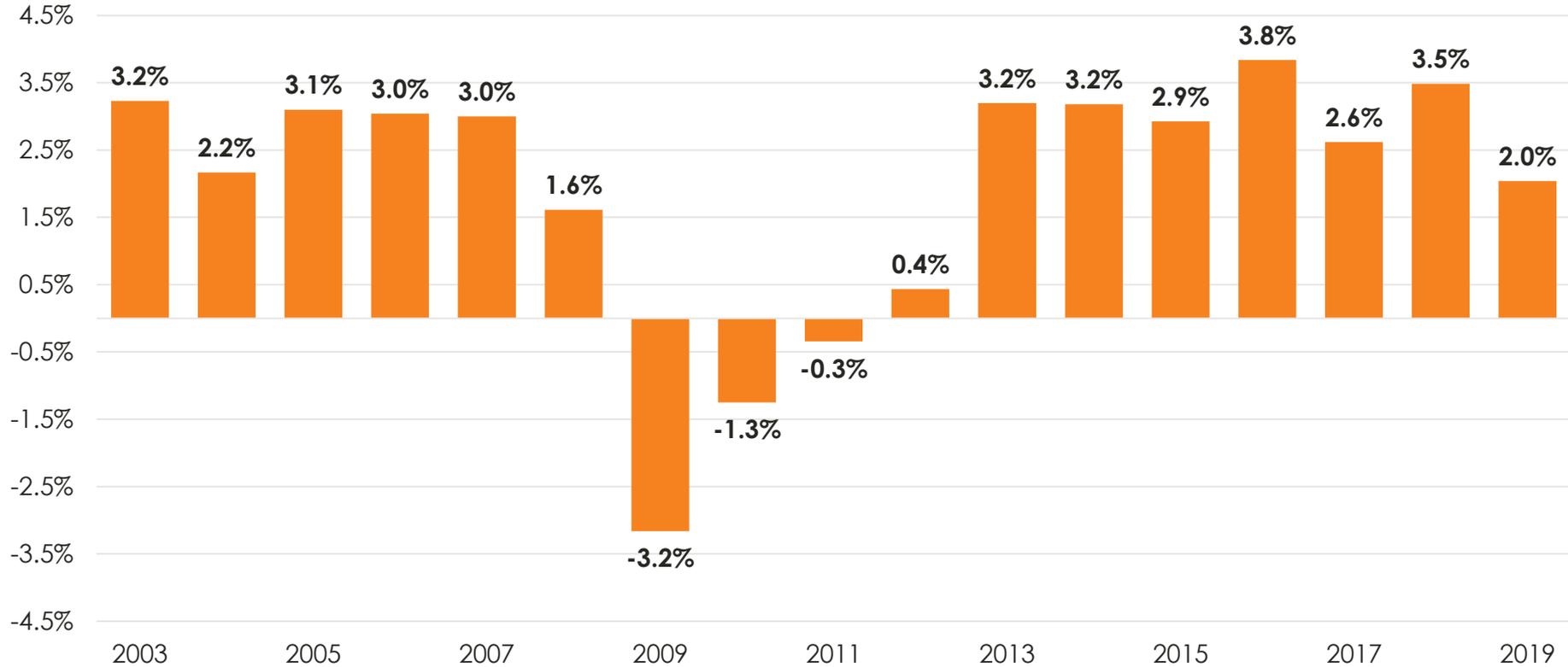


Sources: Washington Employment Security Department., 2019.

Job Growth in Thurston County

2003 - 2019

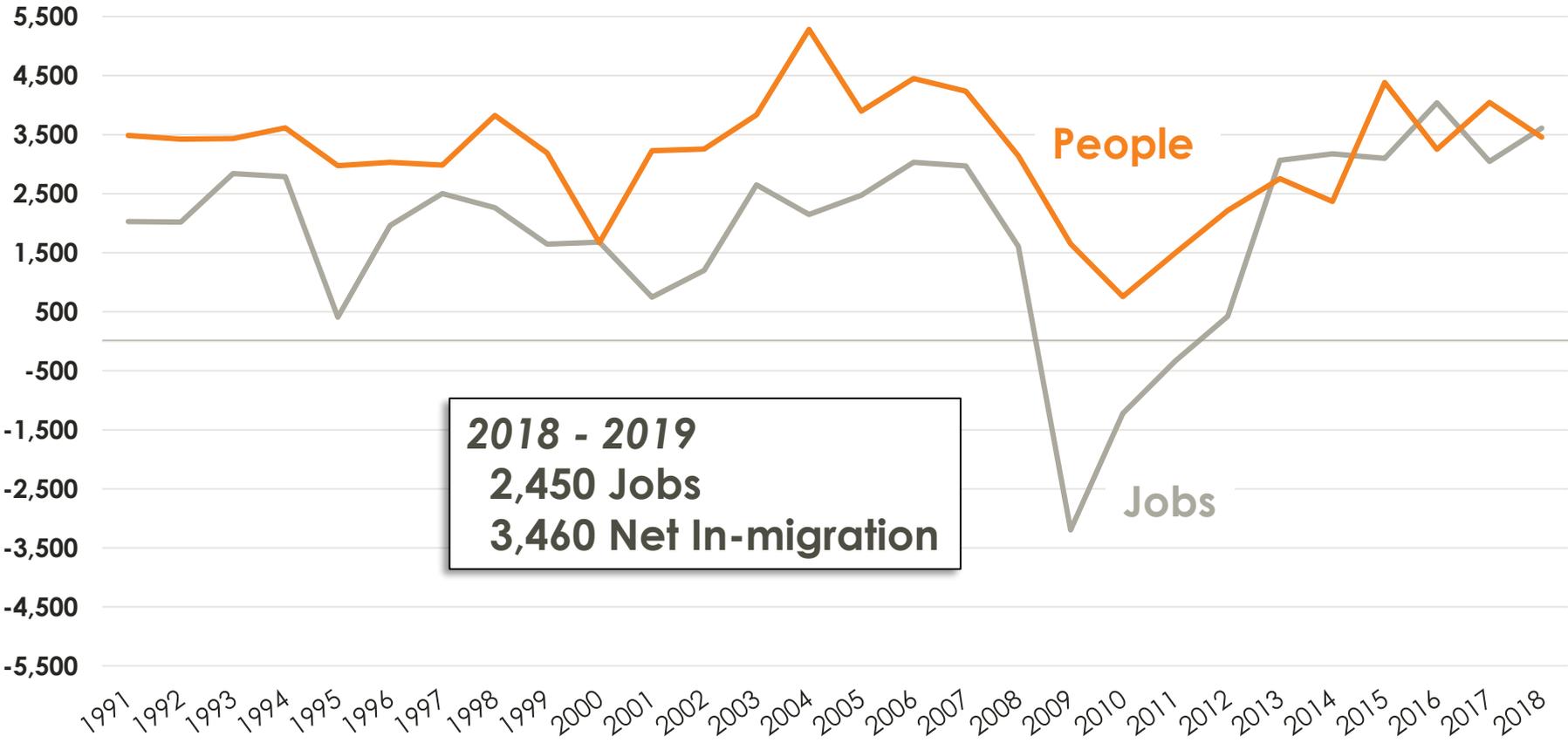
Growth Rate



Sources: Washington Employment Security Department., 2019.

Jobs and People

Change in Jobs & Net Migration, Thurston County | 1991 - 2018



Sources: U.S. Bureau of Labor Statistics, 2019; Washington Office of Financial Management, 2019.

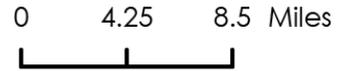
Jobs and People

Regional Commute Patterns, 2017

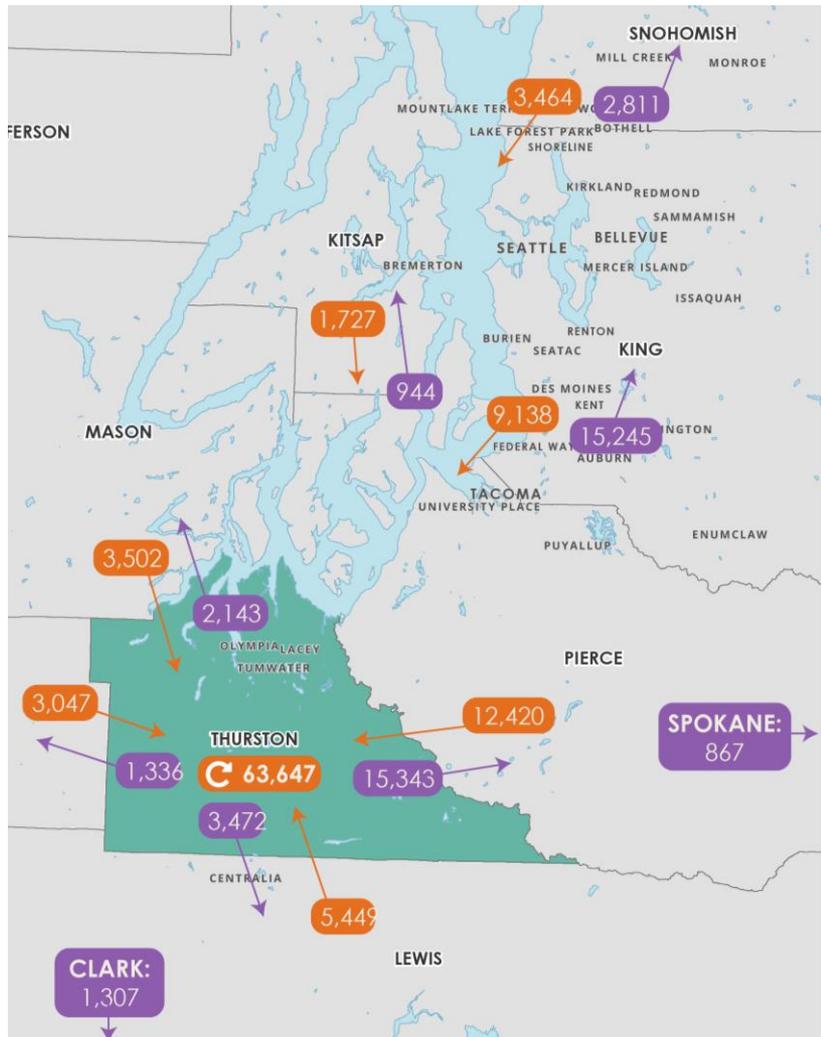
Commute Patterns, 2017

-  Live & Work in Thurston County
-  Residents commuting to Thurston County
-  Residents commuting out of Thurston County

Source: US Census Bureau LEHD, 2017; CAI 2019



Sources: U.S. Census Bureau, LEHD, 2017; Community Attributes Inc., 2019.



Jobs and People

Regional Commute Patterns, 2017

Where people who work in Thurston County live

	Count	Share
Thurston County	63,647	54.7%
Pierce County	12,420	10.7%
King County	9,138	7.9%
Lewis County	5,449	4.7%
Mason County	3,502	3.0%
Snohomish County	3,464	3.0%
Grays Harbor County	3,047	2.6%
Clark County	2,355	2.0%
Kitsap County	1,727	1.5%
Cowlitz County	1,570	1.3%
All Other Locations	10,076	8.7%
Total Thurston Employees	116,395	

Where people who live in Thurston County work

	Count	Share
Thurston County	63,647	56.5%
Pierce County	15,343	13.6%
King County	15,245	13.5%
Lewis County	3,472	3.1%
Snohomish County	2,811	2.5%
Mason County	2,143	1.9%
Grays Harbor County	1,336	1.2%
Clark County	1,307	1.2%
Kitsap County	944	0.8%
Spokane County	867	0.8%
All Other Locations	5,535	4.9%
Total Thurston Residents	112,650	

Migrations to Thurston County

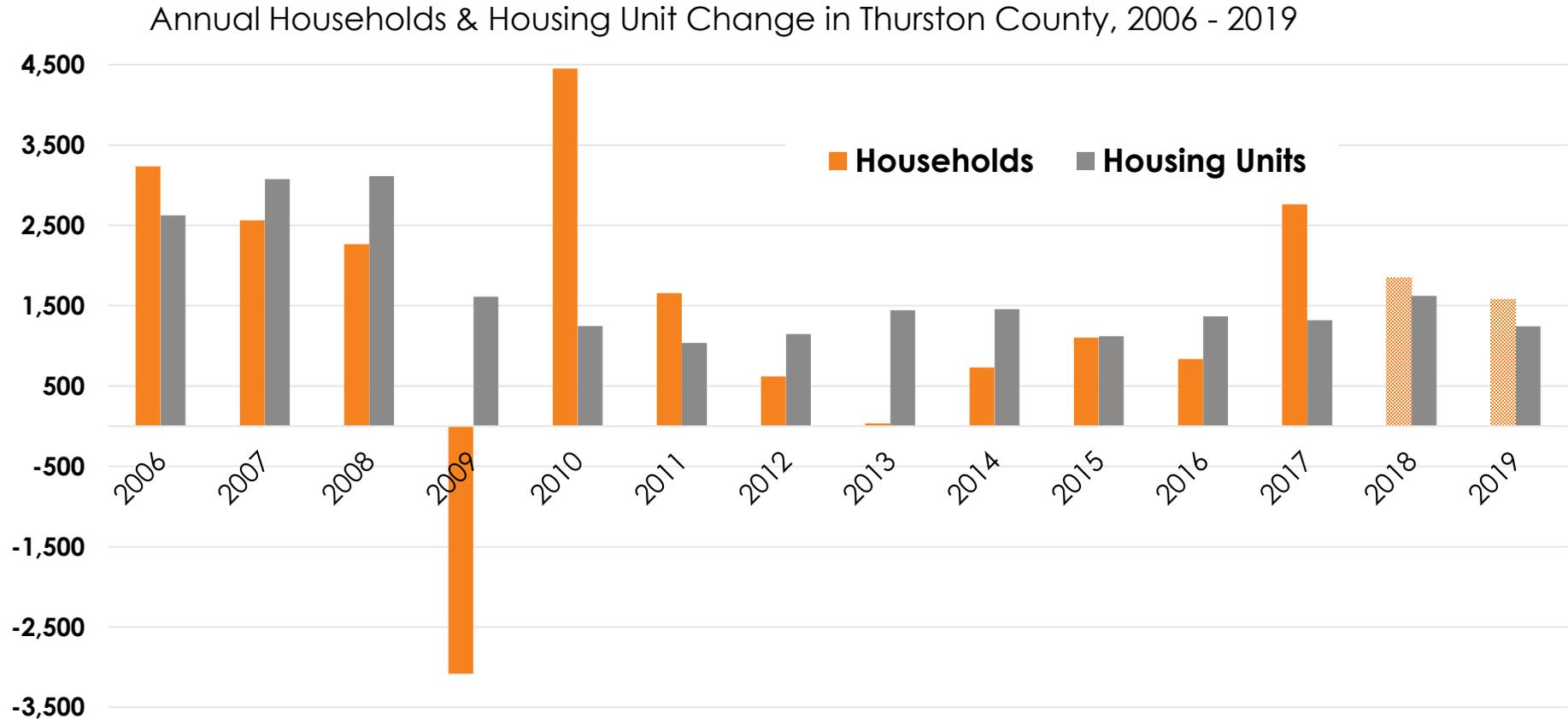
By Origin of Newly Issued Driver's Licenses, Thurston County | Past 12 Months

Origin	Drivers
California	1,219
Oregon	488
Texas	412
Arizona	291
Florida	241
Colorado	235
Alaska	168
Georgia	145
Idaho	143
North Carolina	141
<i>Total U.S.</i>	<i>5,770</i>
<i>International</i>	<i>184</i>
Total Migrations	5,954

Sources: Washington Department of Licensing, 2019.

Population Growth & Housing Unit Change

Thurston County | 2006 - 2019



Sources: U.S. Census Bureau, 2017; Washington Office of Financial Management, 2019.

Population and Housing Units

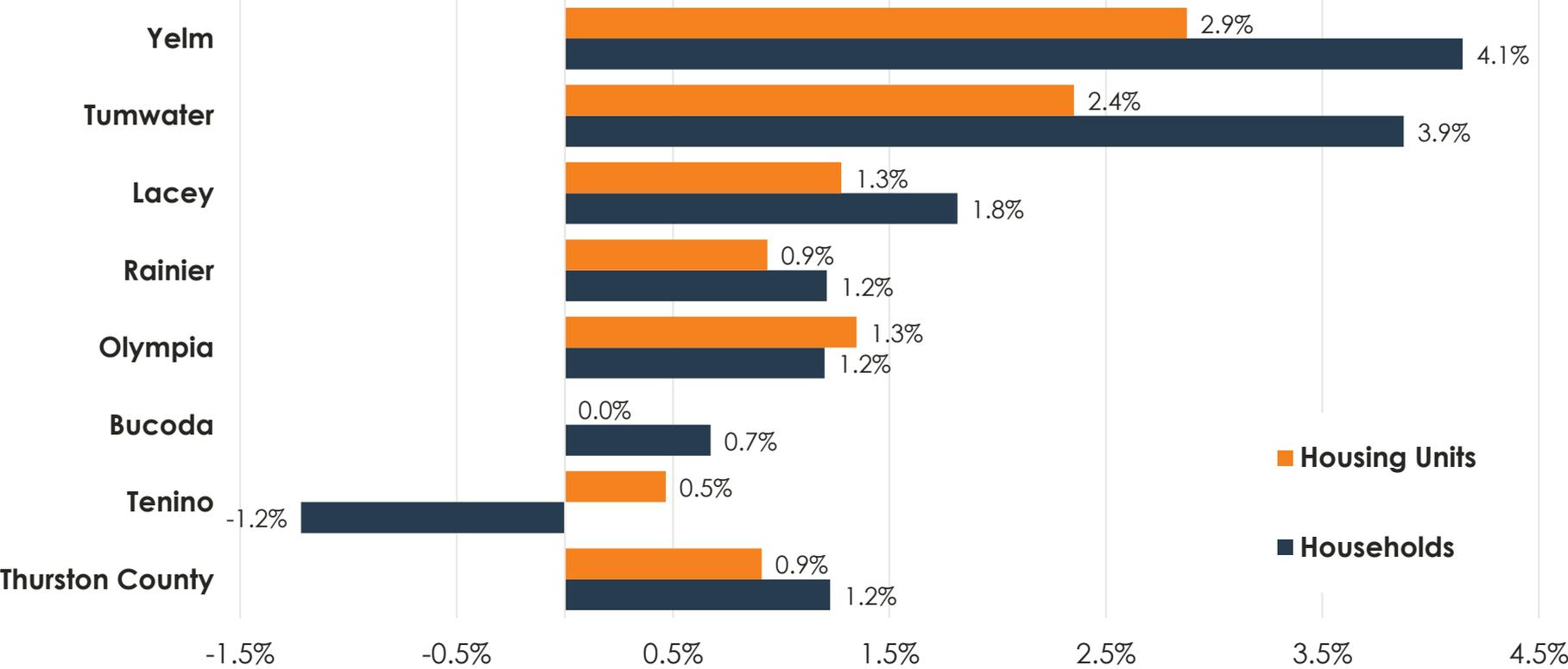
Thurston County Cities | 2019

	Population	Housing Units
Olympia	52,770	25,140
Lacey	51,270	21,710
Tumwater	24,060	10,540
Yelm	9,140	3,310
Rainier	2,110	830
Tenino	1,840	780
Bucoda	580	250
Thurston County	285,800	119,940

Sources: Washington State Office of Financial Management, 2019.

Population and Housing Growth in Thurston Cities

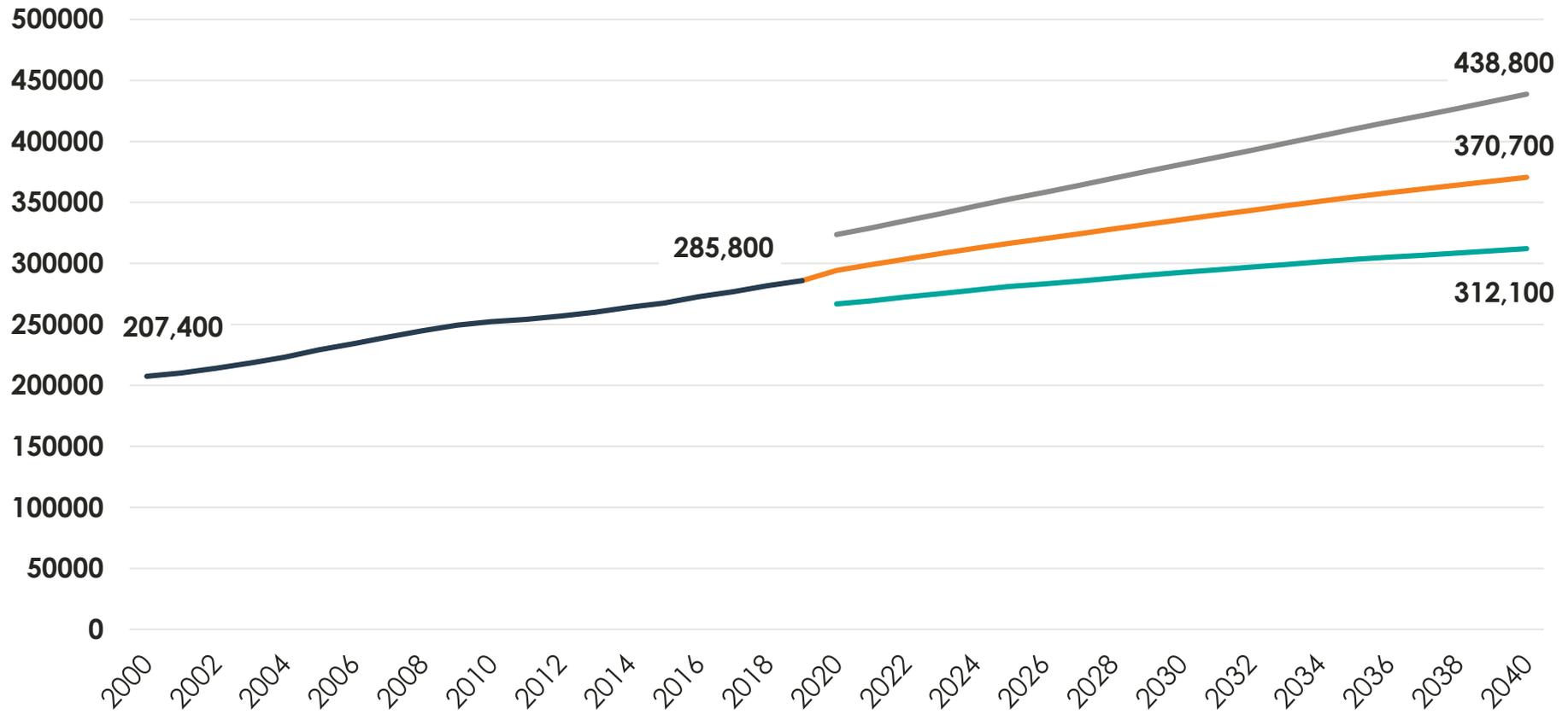
CAGR 2009 - 2017



Sources: U.S. Census Bureau, 2019; Washington Office of Financial Management, 2019.

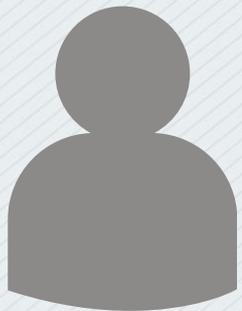
Population Forecast

Thurston County | 2000 - 2040



Sources: Washington Office of Financial Management, 2019.

Living Wage in Thurston County, 2018



\$26,100
\$12.60 per hour

Living Alone



\$69,400

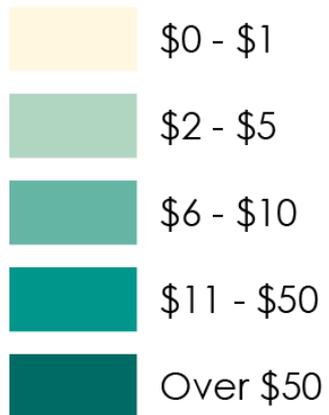
Household Income

Sources: M.I.T. Living Wage Calculator, 2019; Community Attributes Inc., 2019.

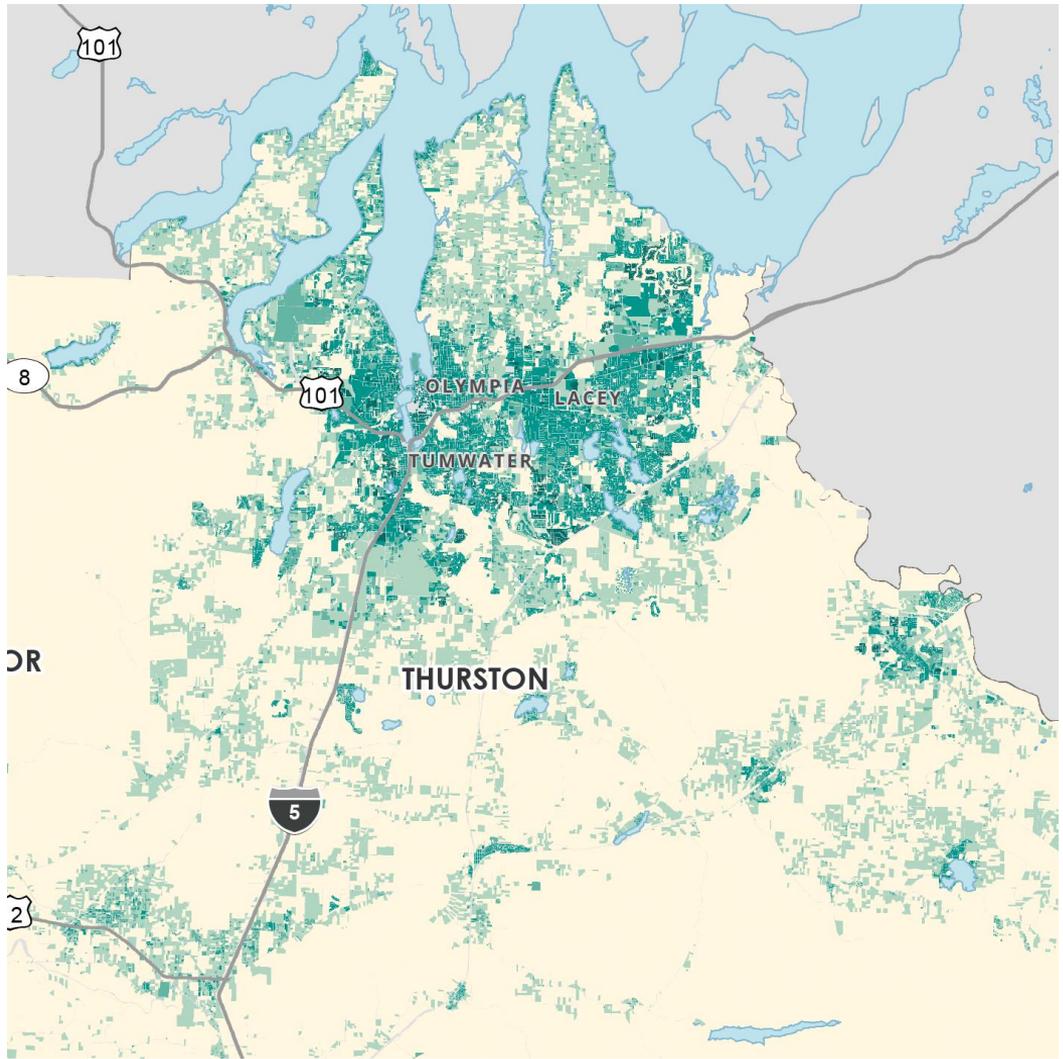
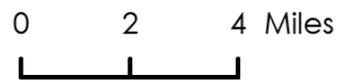
Assessed Land Value

Thurston County | 2019

Total Value per Square Foot



Source: Thurston County, 2019; CAI, 2019



Sources: Thurston County, 2019; Community Attributes Inc., 2019.

Jobs by Industry (Thurston County)

Ranked by Total Covered Employment | 2018

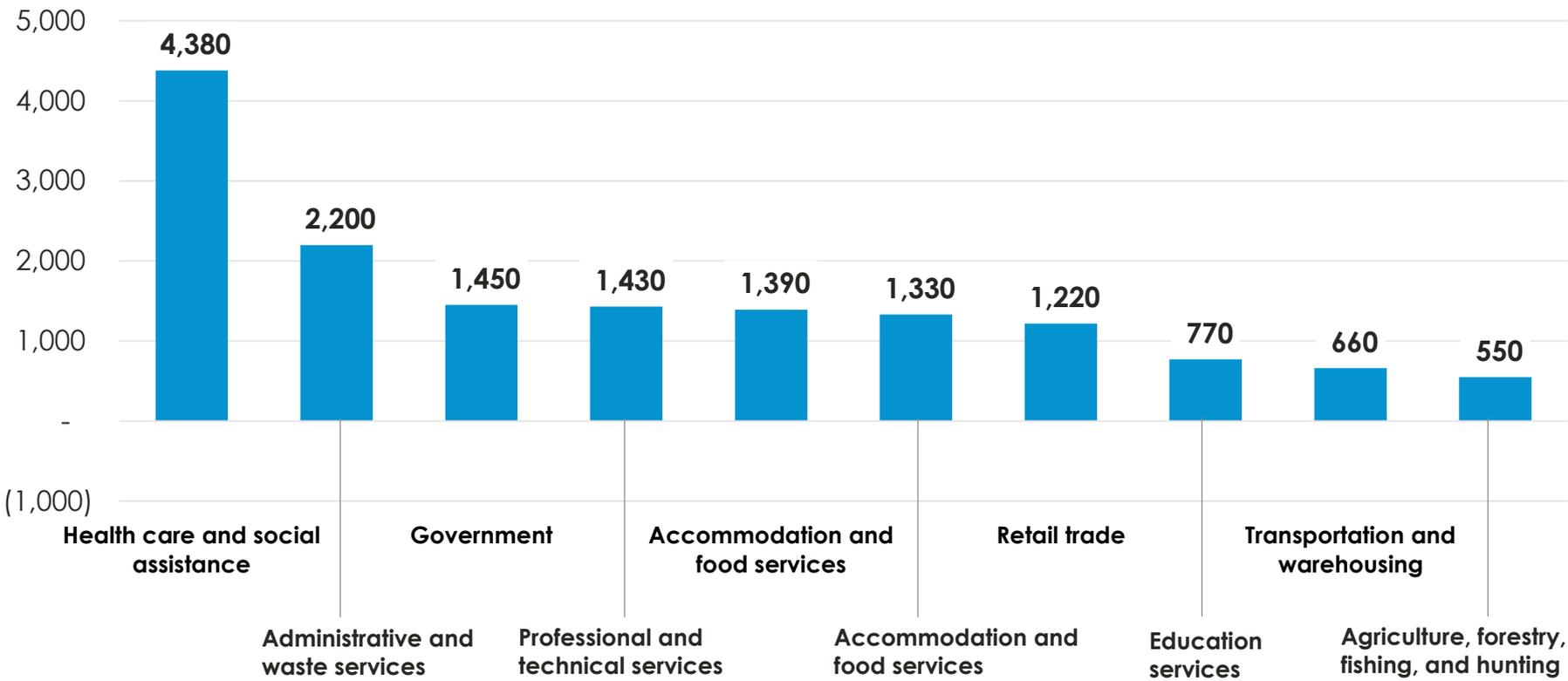
Industry	2008	2018	Net New Jobs	CAGR
Government	36,320	38,280	1,960	0.5%
Health care and social assistance	11,199	15,236	4,037	3.1%
Retail trade	11,062	12,812	1,750	1.5%
Accommodation and food services	7,737	9,369	1,632	1.9%
Construction	3,926	6,011	2,085	4.4%
Administrative and waste services	3,249	5,979	2,730	6.3%
Professional and technical services	3,273	4,738	1,465	3.8%
Other services, except public administration	4,218	3,877	(341)	-0.8%
Wholesale trade	2,743	3,112	369	1.3%
Manufacturing	3,088	3,060	(28)	-0.1%
Finance and insurance	2,349	2,518	169	0.7%
Transportation and warehousing	1,684	2,378	694	3.5%
Educational services	1,243	2,129	886	5.5%
Agriculture, forestry, fishing and hunting	1,337	2,006	669	4.1%
Information	1,108	1,574	466	3.6%
Arts, entertainment, and recreation	1,195	1,537	342	2.5%
Real estate and rental and leasing	1,256	1,307	51	0.4%
Management of companies and enterprises	682	887	205	2.7%
Utilities	261	188	(73)	-3.2%
Mining	40	15	(25)	-9.3%
Total Covered	97,970	117,013	19,043	1.8%

Source: Washington State ESD, 2019.

Jobs by Industry (Thurston County)

Ranked by Net New Jobs | 2008 - 2018

New Jobs

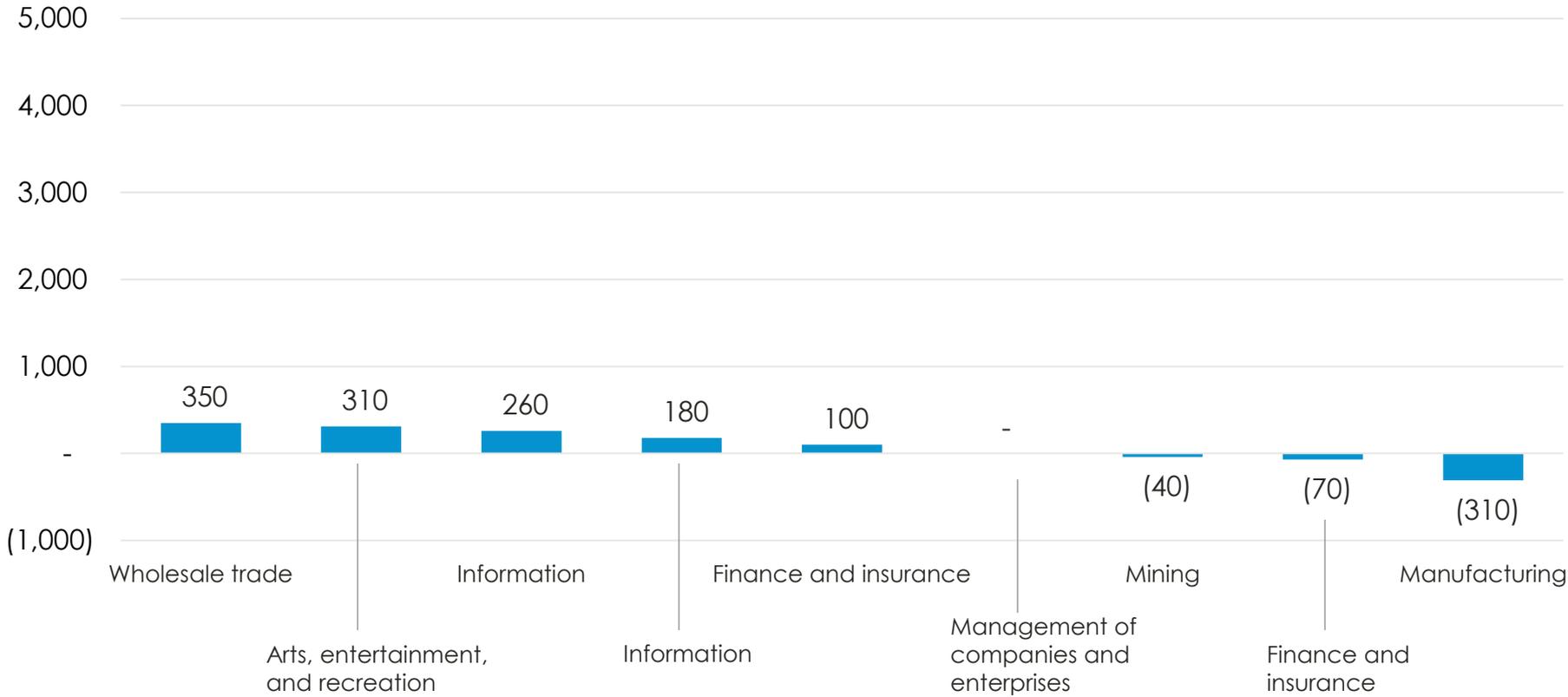


Sources: Washington Employment Security Department., 2019.

Jobs by Industry (Thurston County)

2008 - 2018

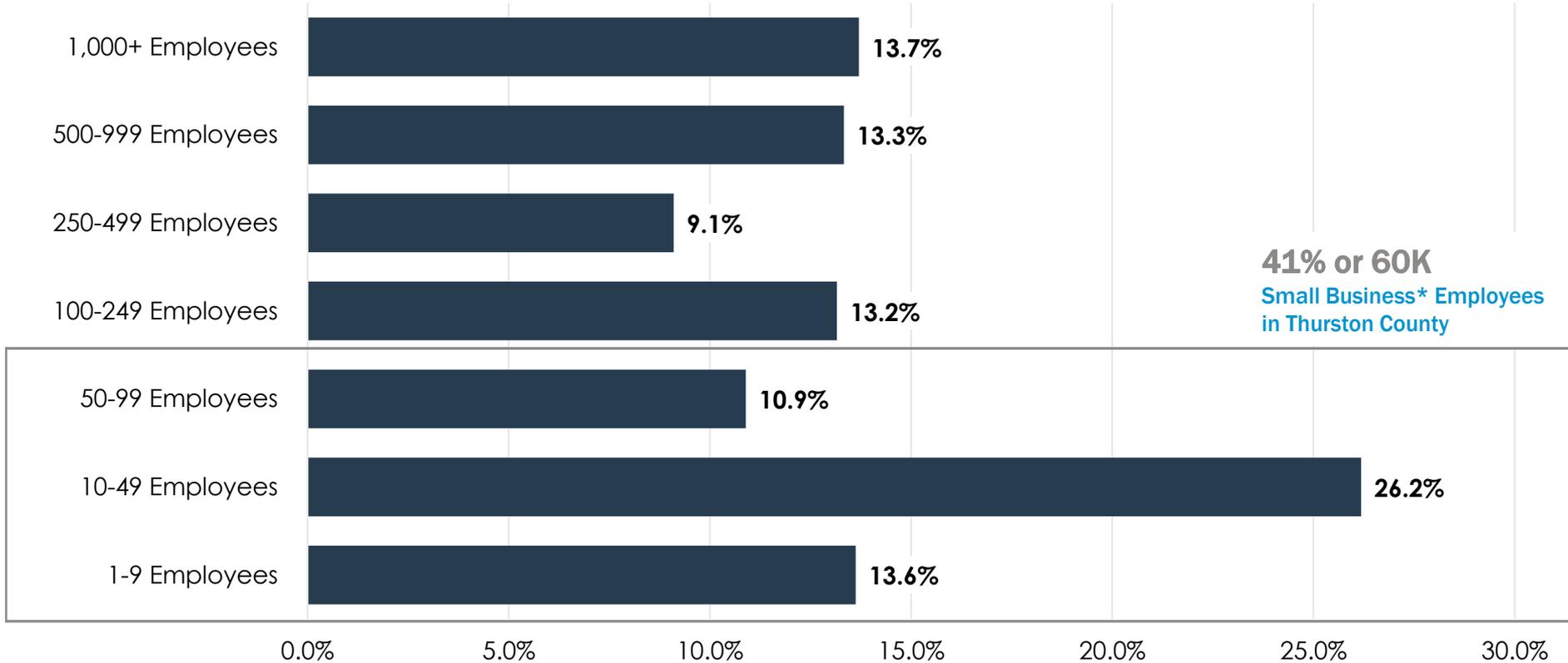
New Jobs



Sources: Washington Employment Security Department., 2019.

Employment by Establishment Size

Thurston County | 2017

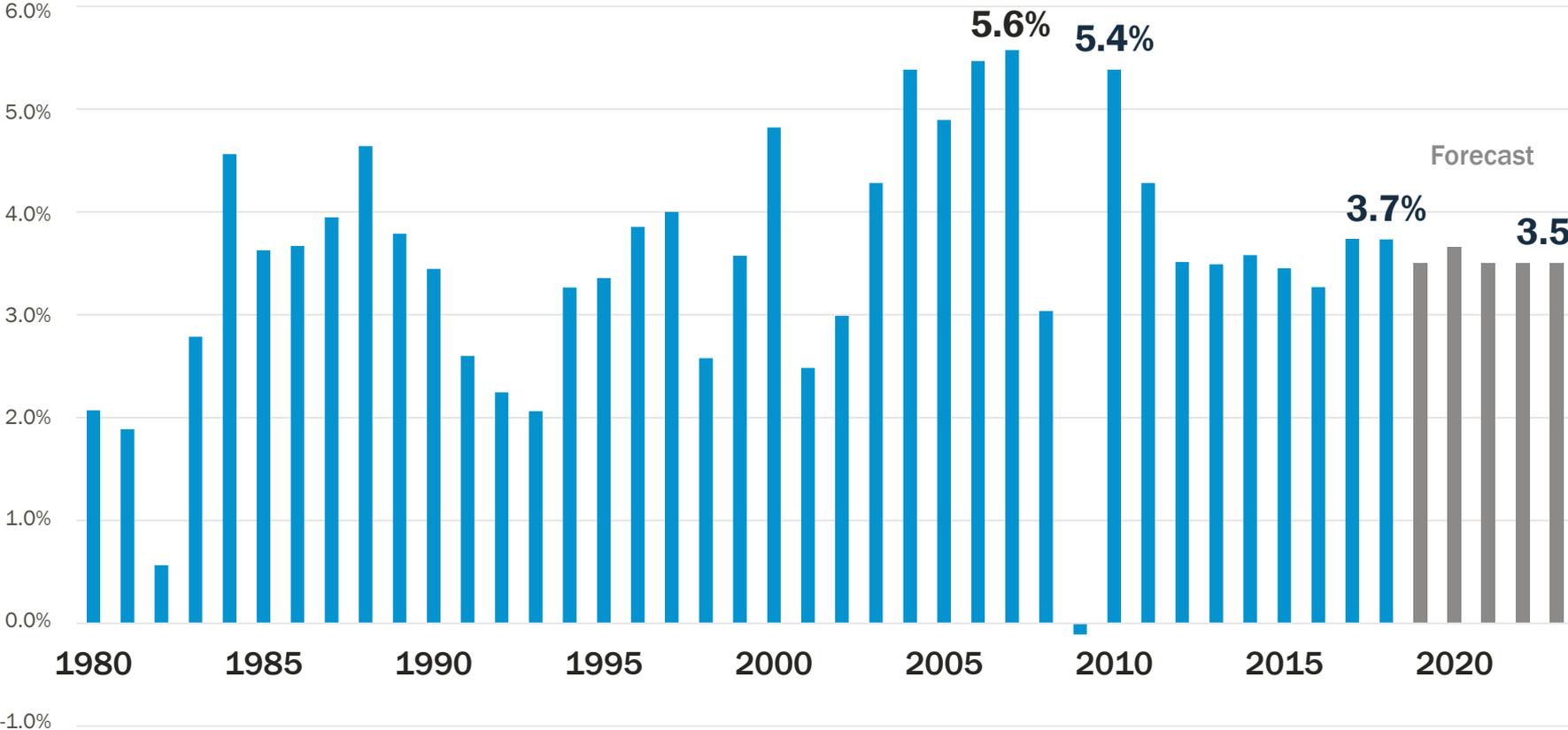


*Note: Small Business are defined as firms employing fewer than 100 employees.
Sources: Washington Employment Security Department, 2019.

U.S. & Global Trends and Outlook

Global GDP Percent Change

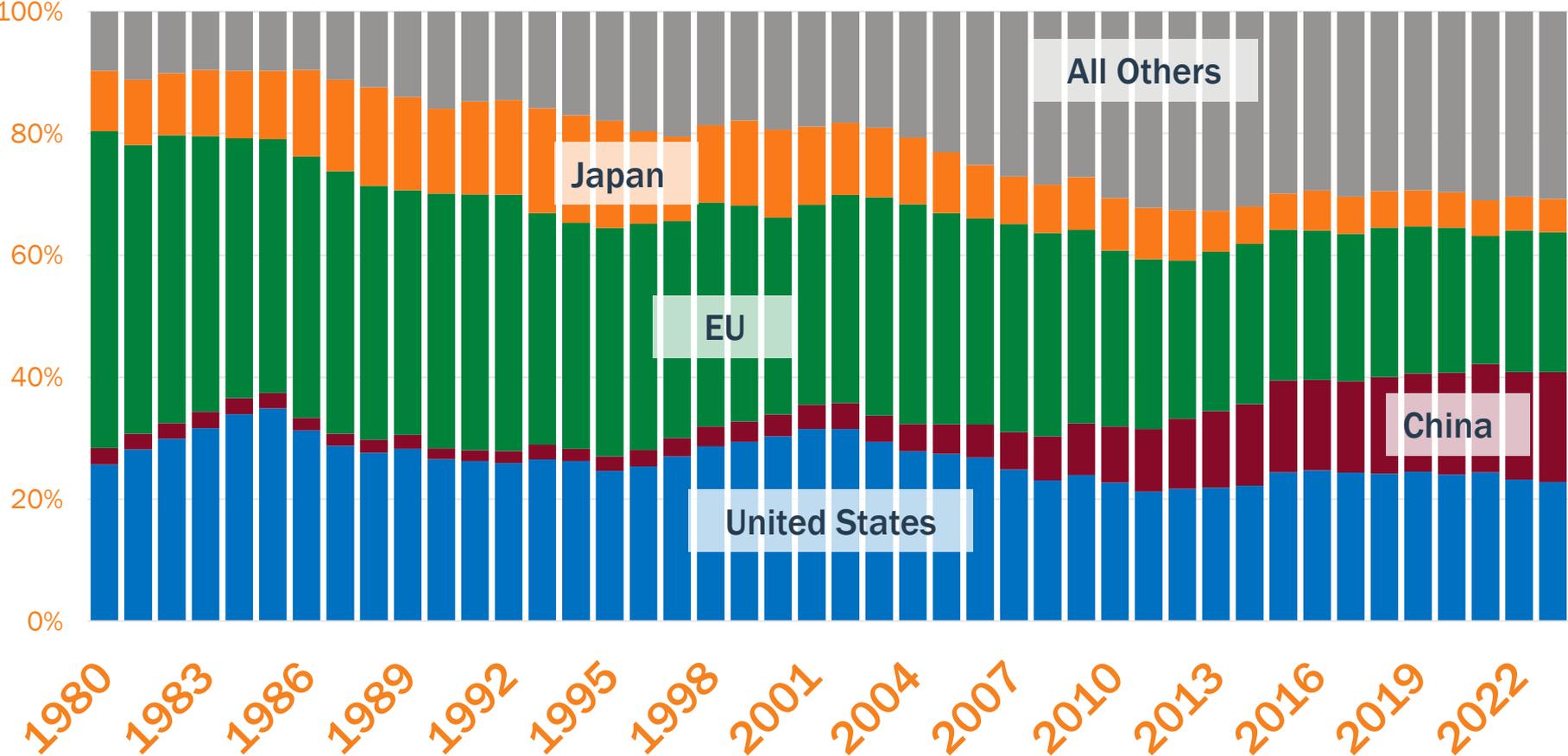
1980-2023 | Real GDP



Source: International Monetary Fund, 2019; Community Attributes Inc., 2019.

Percent of Global GDP by Country

1980-2023 | Real GDP

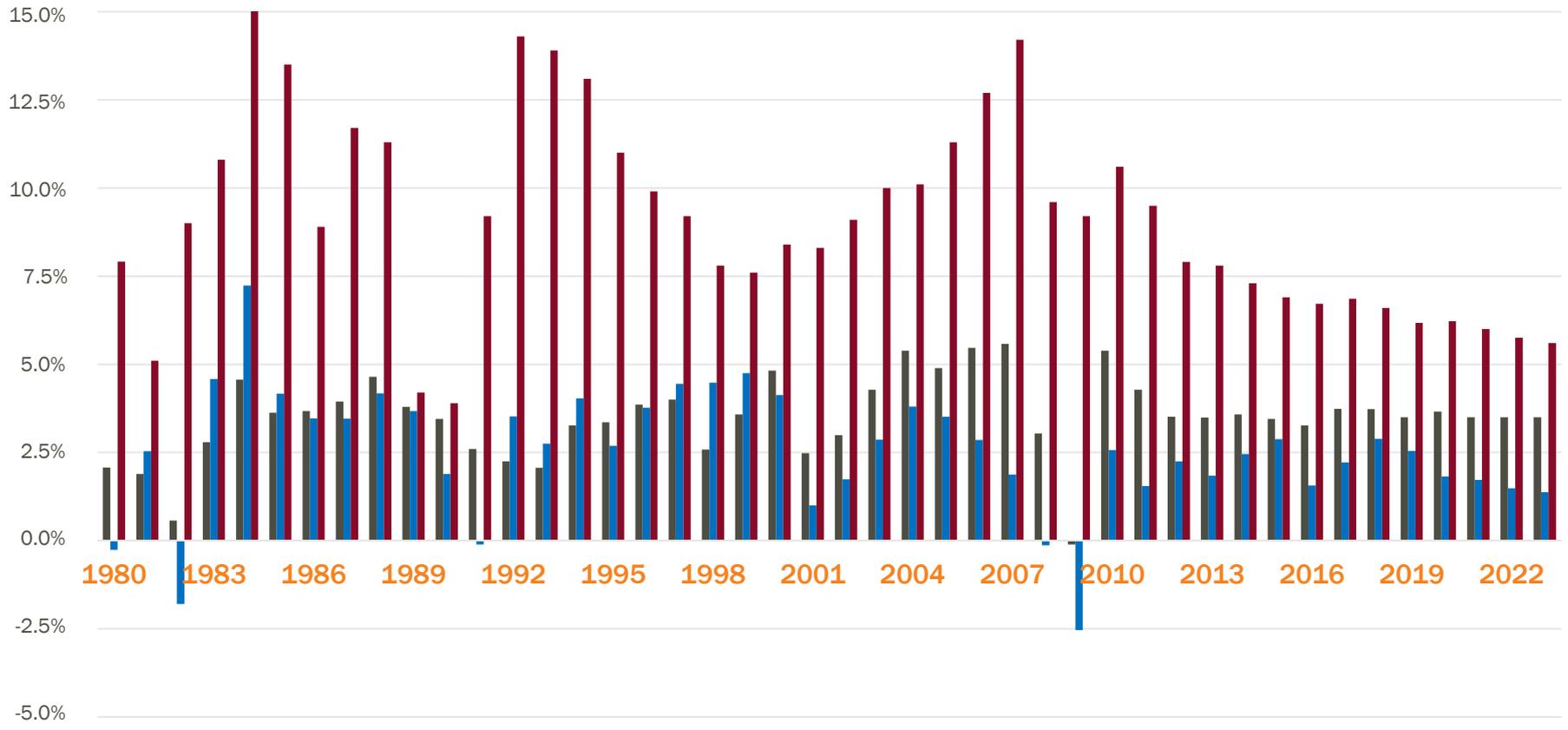


Source: International Monetary Fund, 2019; Community Attributes Inc., 2019.

China, U.S. and Global GDP, Percent Change

1980-2023 | Real GDP

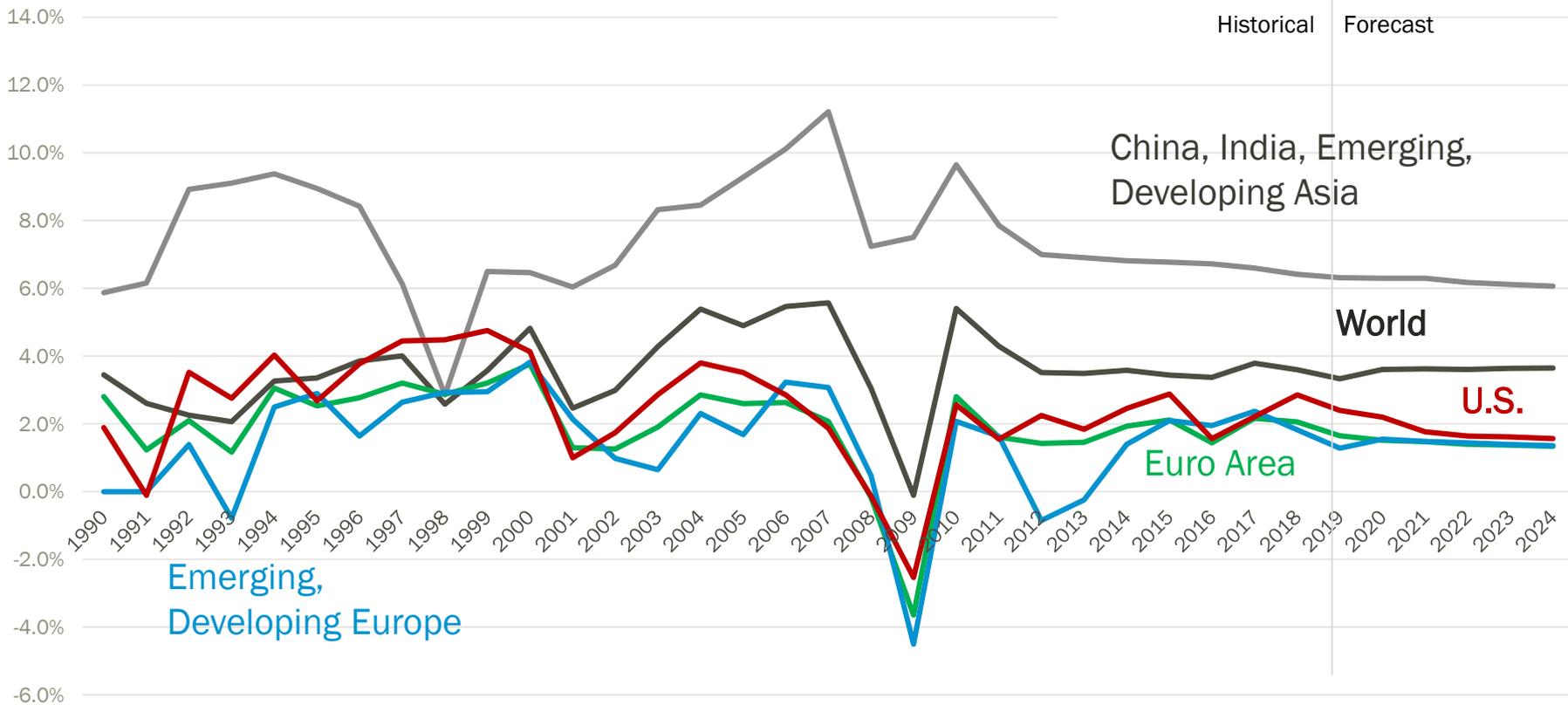
World United States China



Source: International Monetary Fund, 2019; Community Attributes Inc., 2019.

Real GDP, year-over-year growth (%)

1990-2024

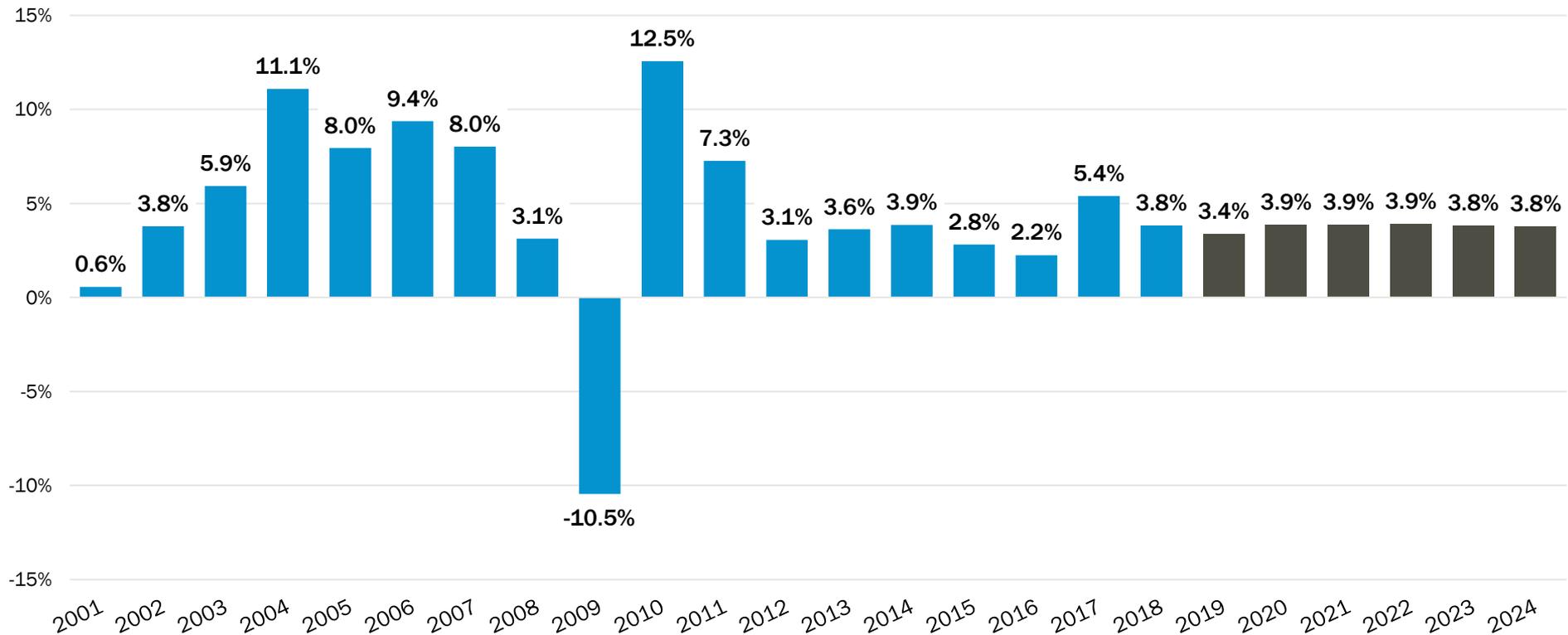


Sources: IMF World Economic Outlook, April 2019.

Total Trade Volume

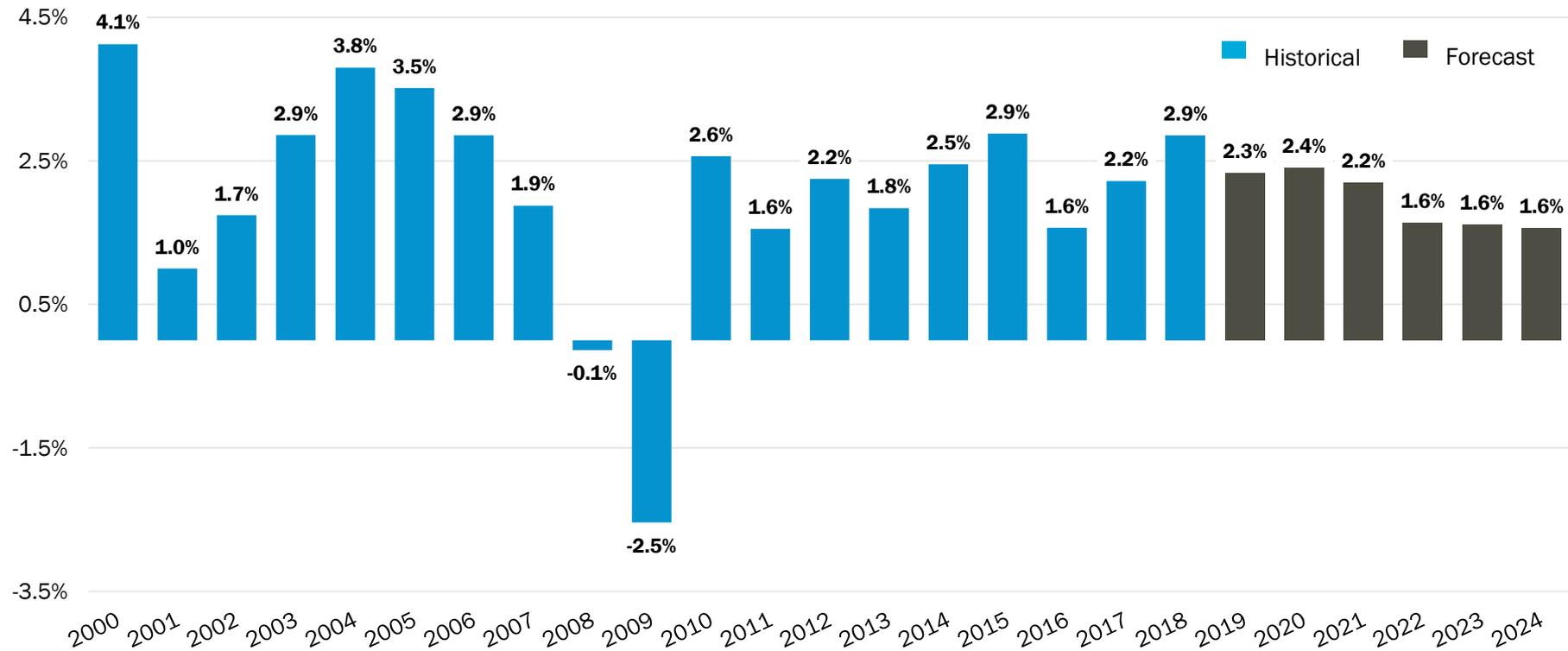
Goods and services, annual % change

Assumes stability in global trade regime,
which could be undermined in 2019.



U.S. Real Gross Domestic Product

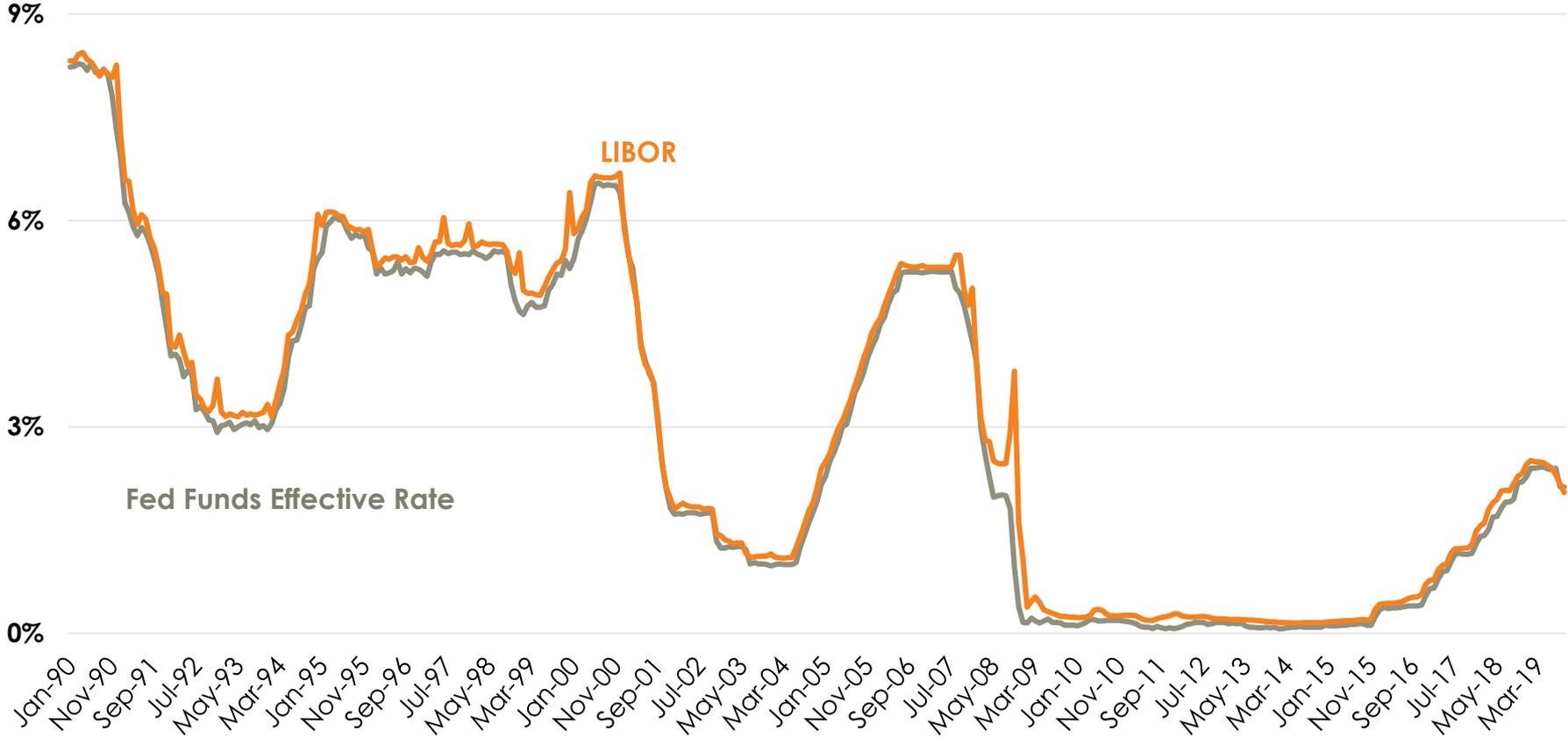
Historic and Forecast, 2000-2024



Sources: St. Louis FRED, 2018; Blue Chip Economic Indicators, 2018 (for years 2018-2019); International Monetary Fund World Economic Outlook, 2018 (for years 2020-2022).

Interest Rates

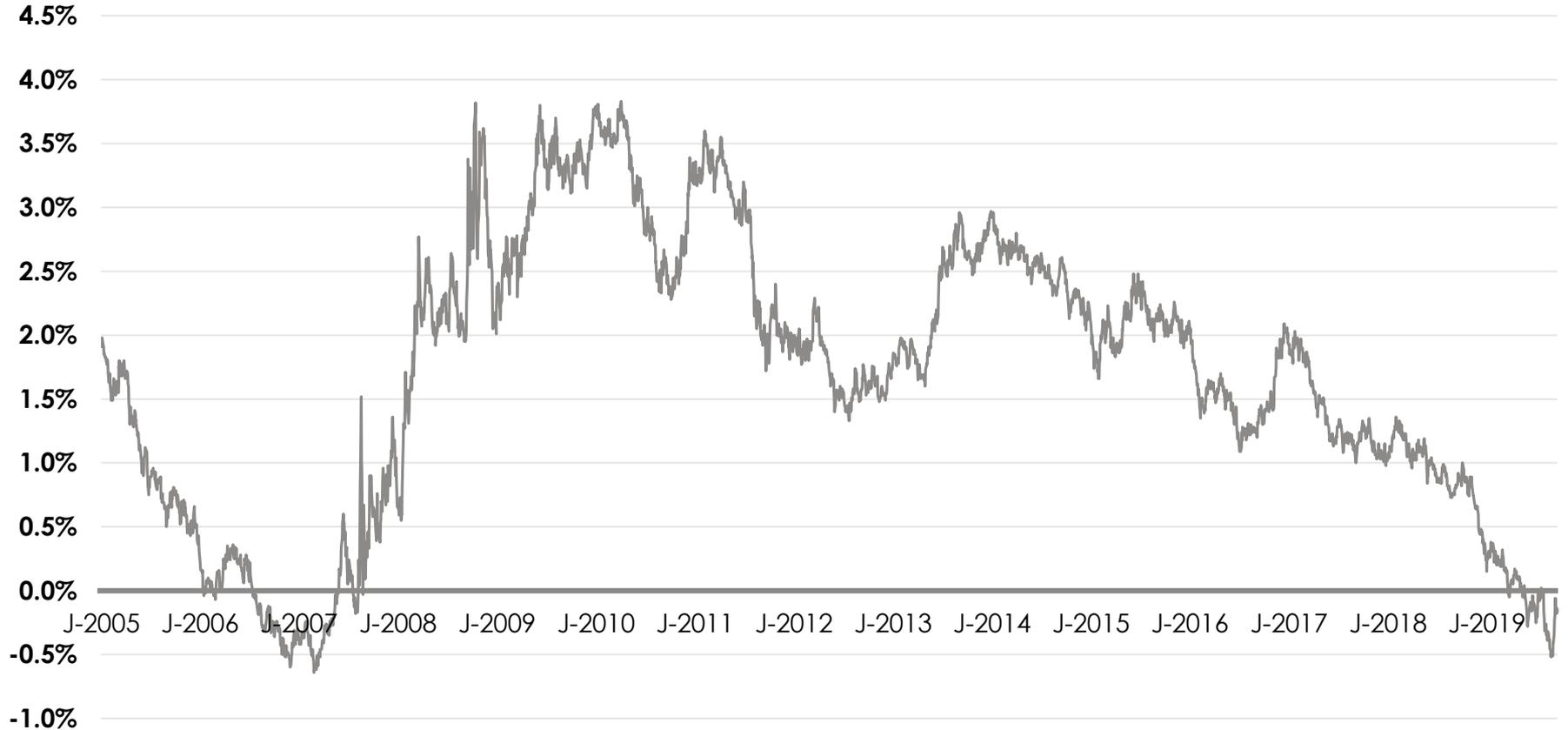
One month Fed Funds Rate and LIBOR, 1990 - 2019



Sources: St. Louis FRED, 2019.

Your Foreboding Recession Money Shot: Inverted Yield Curve

Ten Year Treasury Yields MINUS 3-Month Treasury Yields: 2005 - 2019

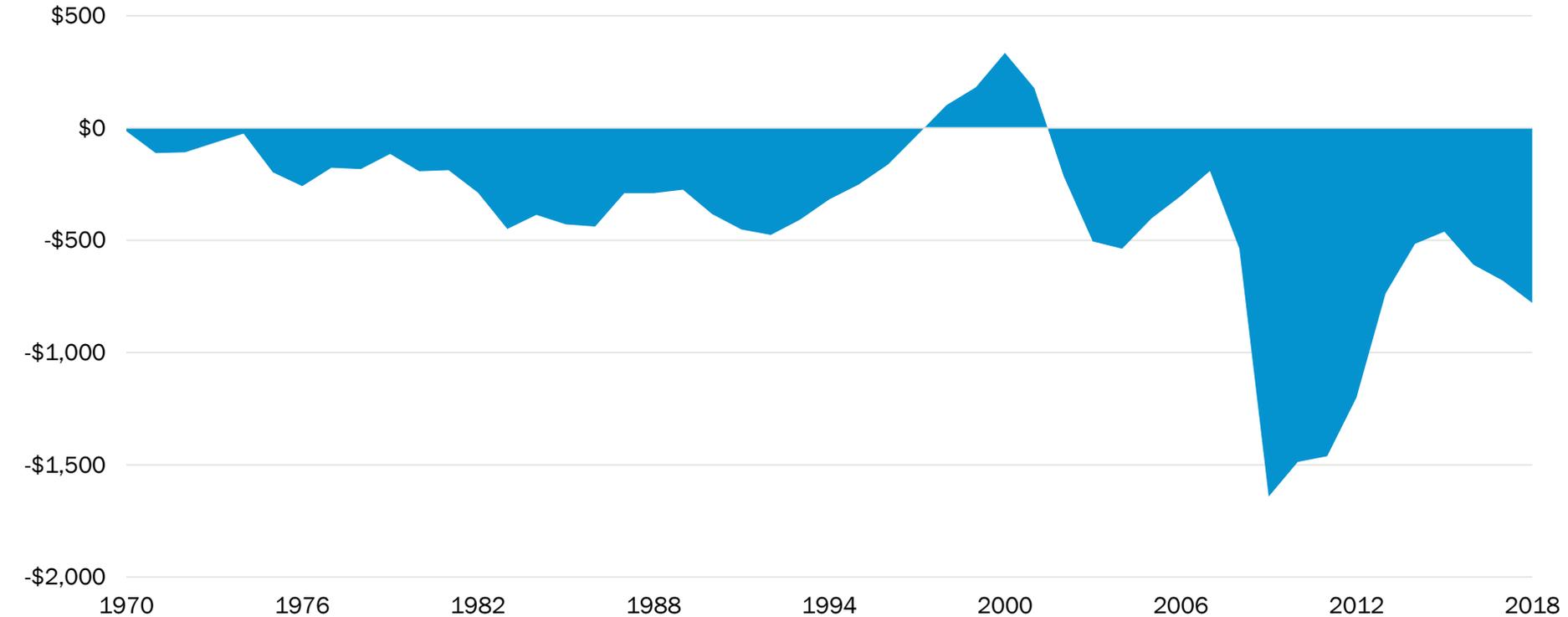


Sources: St. Louis FRED, 2019.

Federal Deficit

1972-2017

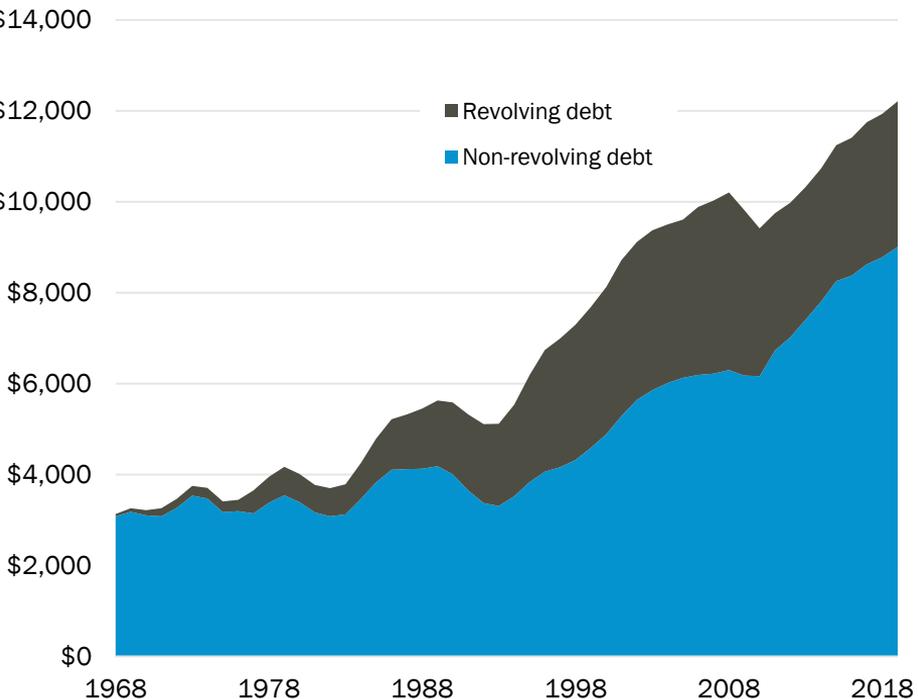
Billions 2018 \$



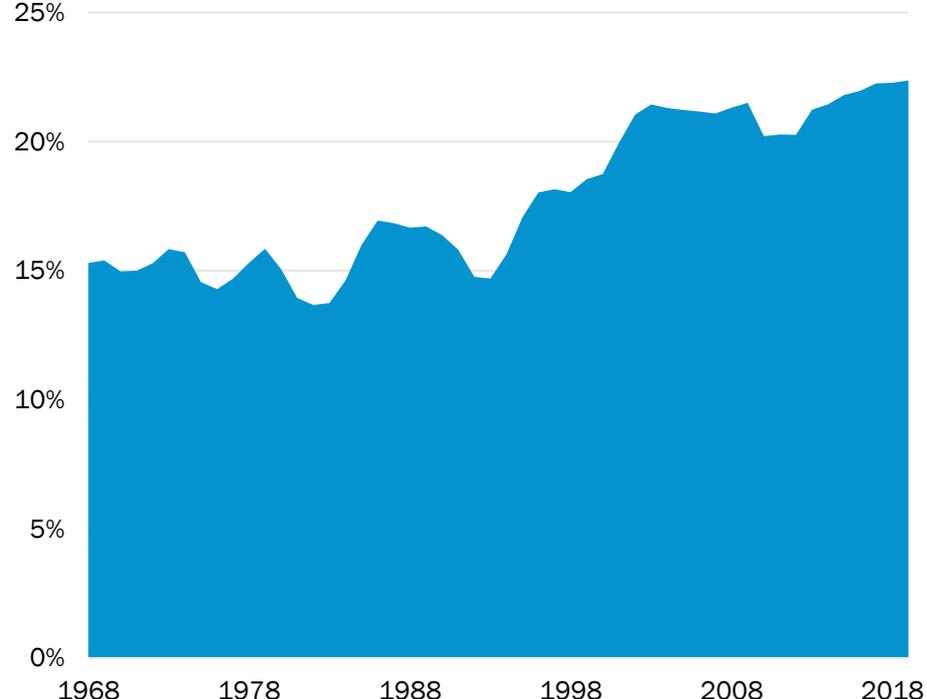
Debt Per Capita

1968-2018

Per Capita Debt, 2018



Debt-to-personal Income (%)



Regional Strengths, Challenges & Opportunities

Elements of a Healthy Community



Economic Opportunity

- Employment
- Wage levels
- Upward mobility



Basic Needs

- Poverty
- Access to services
- Infrastructure



Environment

- Air & water quality
- Ecosystems & species
- Natural resources



Education

- Meeting standards
- Graduation rates
- Workforce alignment



Vibrant Communities

- Safety
- Engagement
- Mobility



Arts & Culture

- Access
- Activity
- Heritage



Health & Wellness

- Longevity
- Nutrition
- Fitness



UN Sustainable Development Goals

1 NO POVERTY



2 ZERO HUNGER



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



6 CLEAN WATER AND SANITATION



7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



14 LIFE BELOW WATER



15 LIFE ON LAND



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



17 PARTNERSHIPS FOR THE GOALS



Economic Growth Foundations

TRADE SHOWS
Branding
Marketing, Promotion
SITE SELECTION SUPPORT

Go after what you want

Permitting,
Business Support **Workforce**
Supports
Entrepreneurial Support

Work with what you've got

Higher Education BUSINESS CLIMATE

BASIC NEEDS **Housing** Public Safety

Be a good place to live

PUBLIC HEALTH **TRANSPORTATION**

Parks & Trails **VIBRANT NEIGHBORHOODS**

Schools & Early Childhood CULTURAL ASSETS

Strengths



Momentum



Global Presence



Talent Attraction



Natural Environment

Challenges



737 & NMA



Housing



Education

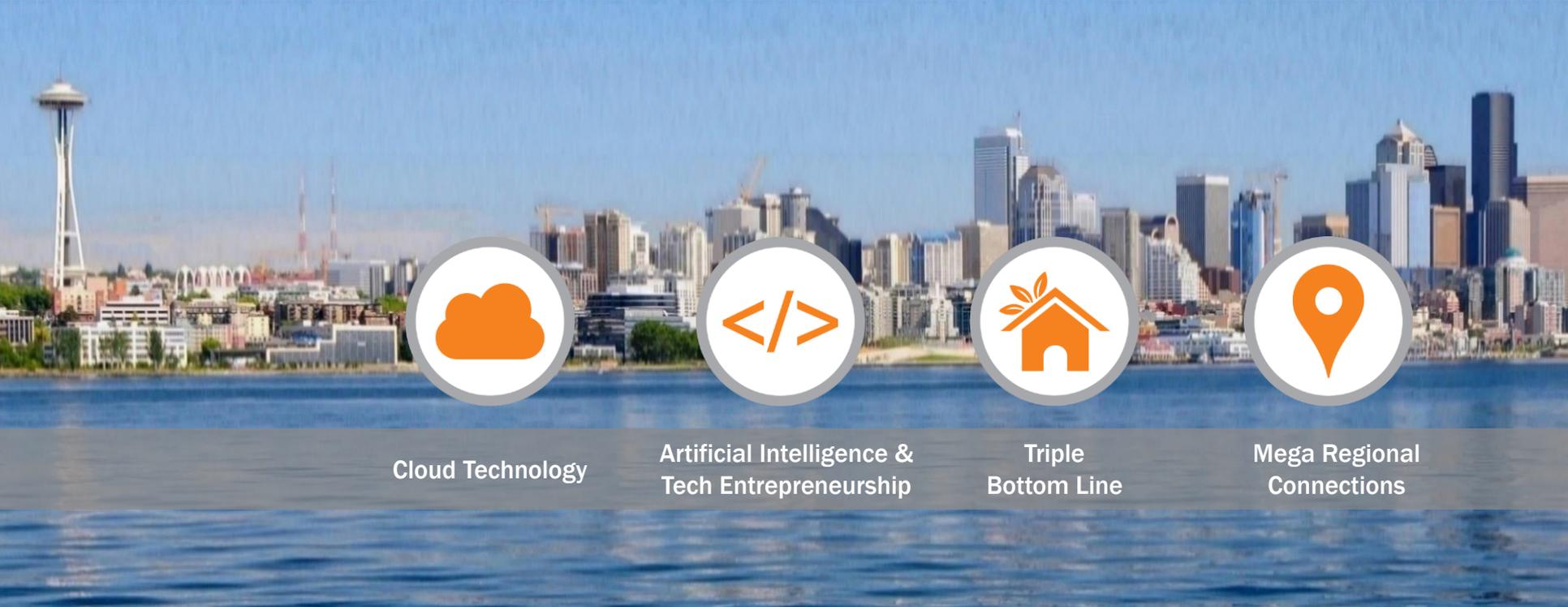


Workforce Supply



Business Climate & Fiscal Sustainability

Regional Opportunities



Cloud Technology



Artificial Intelligence &
Tech Entrepreneurship



Triple
Bottom Line



Mega Regional
Connections

Thank You

Chris Mefford

