

# Grays Harbor Economic Vitality Index

# 2016



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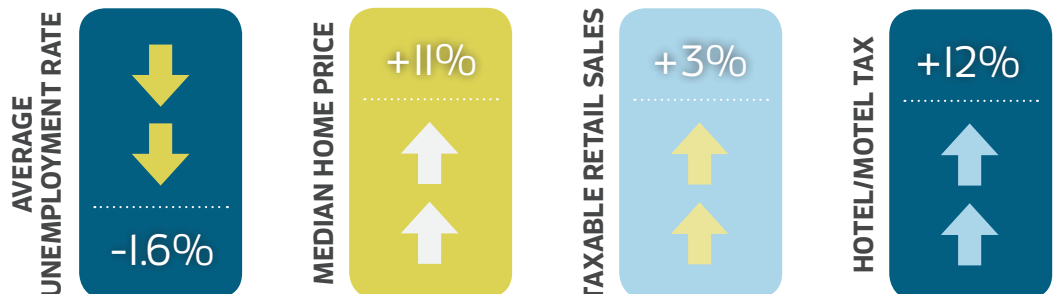


# Introduction

Greater Grays Harbor, Inc. is proud to present our annual Economic Vitality Index (EVI). The 2016 EVI provides trend data and highlights of key economic sectors and activity within Grays Harbor County. This publication is produced by Greater Grays Harbor, Inc. on behalf of local business and community leaders, as well as those who may be looking to relocate in the near future. This annual report can be viewed online at [www.graysharbor.org](http://www.graysharbor.org).

## 2015 Year in Review

Grays Harbor County experienced increases in many of our leading indicators in 2015. Our average unemployment rate decreased considerably from 2014–2015, while the tourism industry encountered another remarkable year on the Harbor with double digit increases in County Hotel/Motel Tax revenues. Taxable Retail Sales continued to moderately increase, and our real estate industry is rebounding. Lastly, thanks to diversification efforts, shipping activity and volume remained relatively robust for the Port of Grays Harbor. This occurred in spite of a weak market for American exports due, in large part, to the strength of the U.S. dollar.





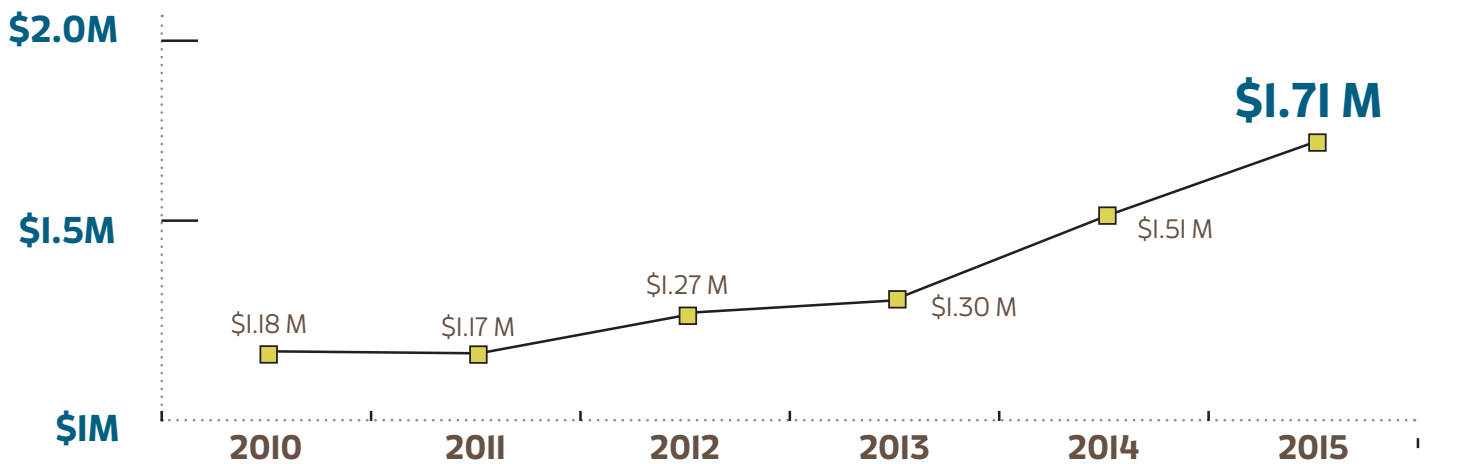
## 12% increase in hotel/motel tax revenues from 2014 to 2015

With its close proximity to the Washington coast and Olympic National Park, Grays Harbor remains an appealing and attractive tourism destination for both domestic and international visitors. Visitation levels continue to rise as indicated by recent trends in hotel/ motel tax revenue.

Grays Harbor County experienced a 12% overall increase in hotel/ motel tax revenues in 2015. Nearly all areas of the county have seen a solid year over year increase in overnight stays, especially in the coastal beach towns and areas.

Hoquiam (30%), North Beach (25%), and Unincorporated Grays Harbor County (19%)

all experienced a significant increase in their hotel/ motel tax revenues in 2015 over the prior year. The Quinalt area (9%), Ocean Shores (8%), and Montesano (5%) showed modest gains; while Westport (1%), Elma (0%), and Aberdeen (-1%) showed no significant change during the same time period.



3% Hotel/Motel Tax

Source: Grays Harbor County Management Services

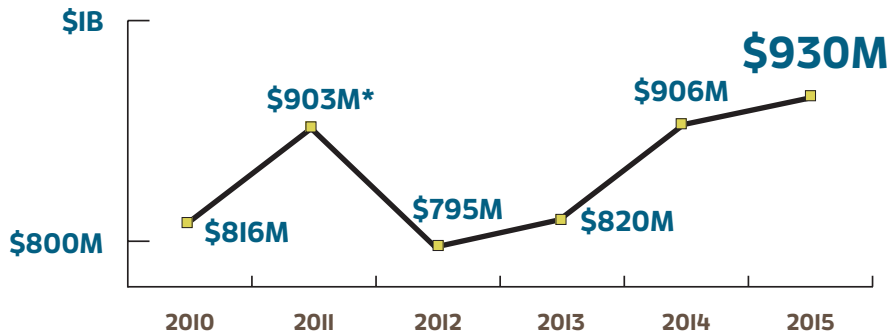
# Tourism



# Taxable Retail Sales

## Taxable Retail Sales totals for Grays Harbor County

Source: WA Dept. of Revenue (2015 est.)

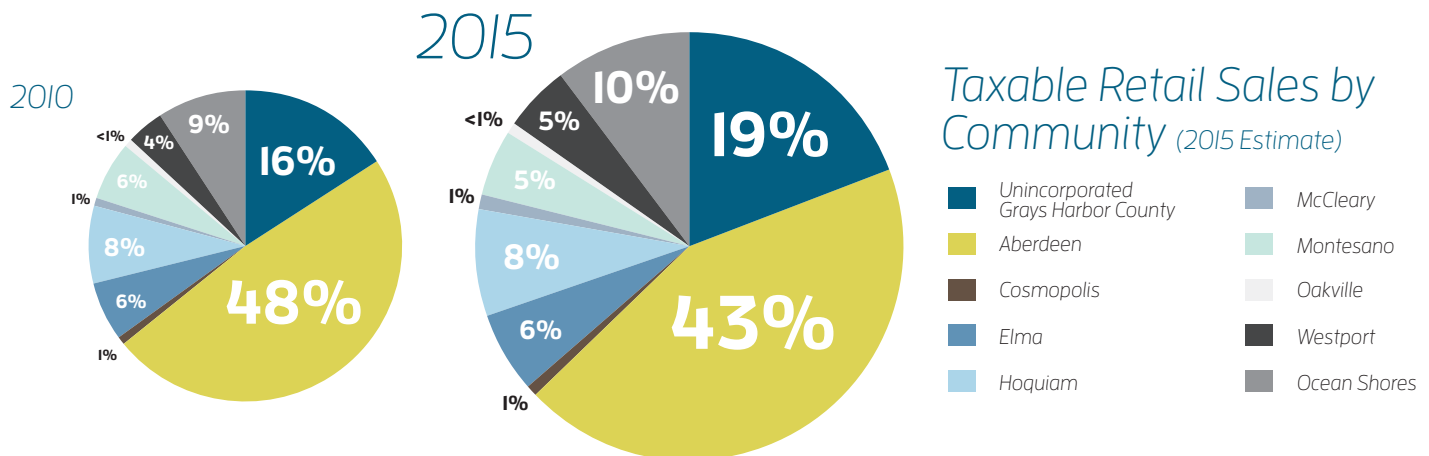


\* The increase in 2011 is attributed to the SR 520 Pontoon Construction Project and the expansion of the AGP Grain Export Facility in Aberdeen

## 3% increase from 2014 to 2015

Taxable Retail Sales estimates for Grays Harbor County in 2015 indicate an overall increase of 3% over the previous year. At the community level, many cities experienced significant increases in their taxable retail sales. These include McCleary (+17%), Ocean Shores (+15%), Unincorporated Grays Harbor County (+13%), Hoquiam (+8%), Elma (+3.5%), and Cosmopolis (+1.5%).

Several communities also experienced modest declines. These include Montesano (-8%), Westport (-5%), Oakville (-3%), and Aberdeen (-2.5%).





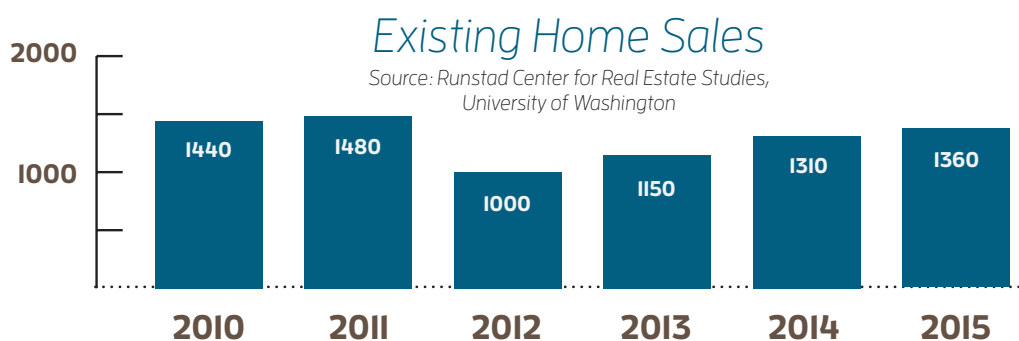
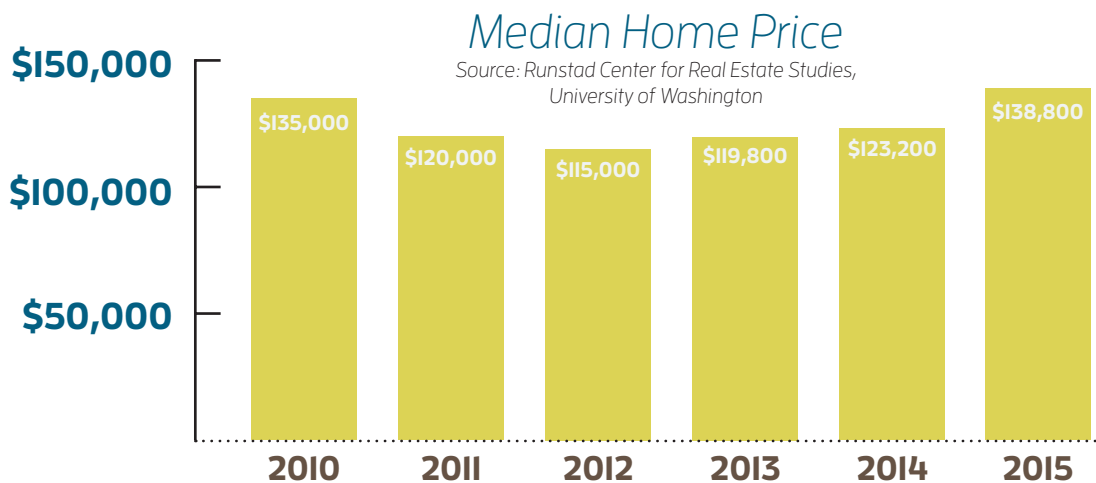
As illustrated in the Housing Sales graph, sales of existing homes increased 4% from 2014 to 2015. This marks the fourth consecutive year of increases in existing home sales for Grays Harbor County.

The median home price also experienced an increase of 11% from 2014 to 2015. This

value has rebounded from its previous low several years ago and is trending higher at a steady pace. The median home price in Grays Harbor has increased from a low of \$115,000 in 2012 to \$138,800 in 2015.

Building permits for single family homes totaled 66 in 2015 and have remained

steady with a 5 year average of 62 homes per year within Grays Harbor. Development at Seabrook and Oyhut Bay has accounted for the largest percentage of assessed value of new building in the past 5 years.





# GRP/Income

## Average Earnings and Employment by Industry

Industry	Average Earnings (2015)	Employment (2015)
Crop and Animal Production	\$39,198	853
Mining, Quarrying, and Oil and Gas Extraction	\$60,320	40
Utilities	\$148,647	28
Construction	\$50,486	1,082
Manufacturing	\$63,747	2,576
Wholesale Trade	\$53,428	529
Retail Trade	\$32,868	2,820
Transportation and Warehousing	\$53,078	570
Information	\$50,833	169
Finance and Insurance	\$52,934	556
Real Estate and Rental and Leasing	\$24,071	381
Professional, Scientific, and Technical Services	\$52,025	592
Management of Companies and Enterprises	\$92,750	76
Administrative and Support and Waste Management and Remediation Services	\$33,549	855
Educational Services	\$15,913	38
Health Care and Social Assistance	\$36,510	3,389
Arts, Entertainment, and Recreation	\$15,027	285
Accommodation and Food Services	\$18,191	2,159
Other Services (except Public Administration)	\$21,807	1,258
Government	\$61,170	6,469
Other Non-Industries	N/A	0

Source: EMSI

24,724  
Employed

## Gross Regional Product

Gross Regional Product is the market value of all goods and services provided and produced in the region.

Total 2013 GRP  
**\$2.0 Billion**  
Total 2014 GRP  
**\$2.1 Billion**

Source: National Ocean Economics Program

## Income

For 2015, average earnings by industry in Grays Harbor County were \$45,090 (approximately 74% of the national average).





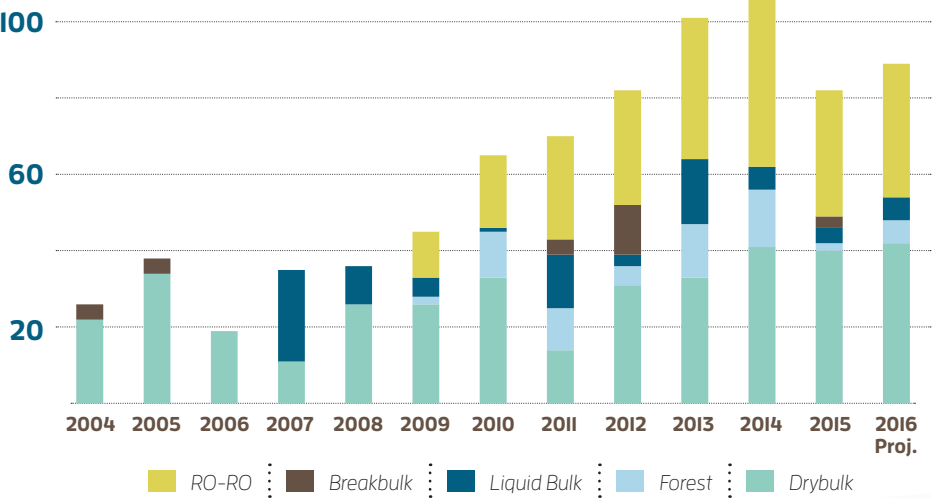
# 82 deep-water vessels called the Port in 2015

The Port of Grays Harbor continues to be a small Port district making big impacts both locally in Grays Harbor and on a national scale, making the Top 100 Cargo Ports in the US list in 2015. While Port revenues actually saw a small decline in 2015 after a record breaking year in 2014, the new operating revenue benchmark established over the past five years has resulted in more jobs and business activity for Grays Harbor.

The Port continues to see increased diversity in the types of cargo shipping through Grays Harbor, leading to increased activity and jobs at the marine terminals. During 2015, 82 deep-water vessels called the Port and 2.2 million metric tons of cargo were handled. Approximately 97% of that was bound for export trade, with 80% being rail-dependent.

In 2015, the Westport Marina was again the #1 commercial fishing landing port in the state, and in the top 15 nationwide in both volume and value of seafood landed. Satsop Business Park added three new tenants last year, and with their unique assets, they are well positioned to attract business and create jobs and opportunity in East Grays Harbor County. Friends Landing, the 28th Street Boat Launch and Viewing Tower, and the Westport Marina Viewing Tower and platform continued to provide safe, waterfront-access and recreational opportunities for all to enjoy.

Vessels by Cargo

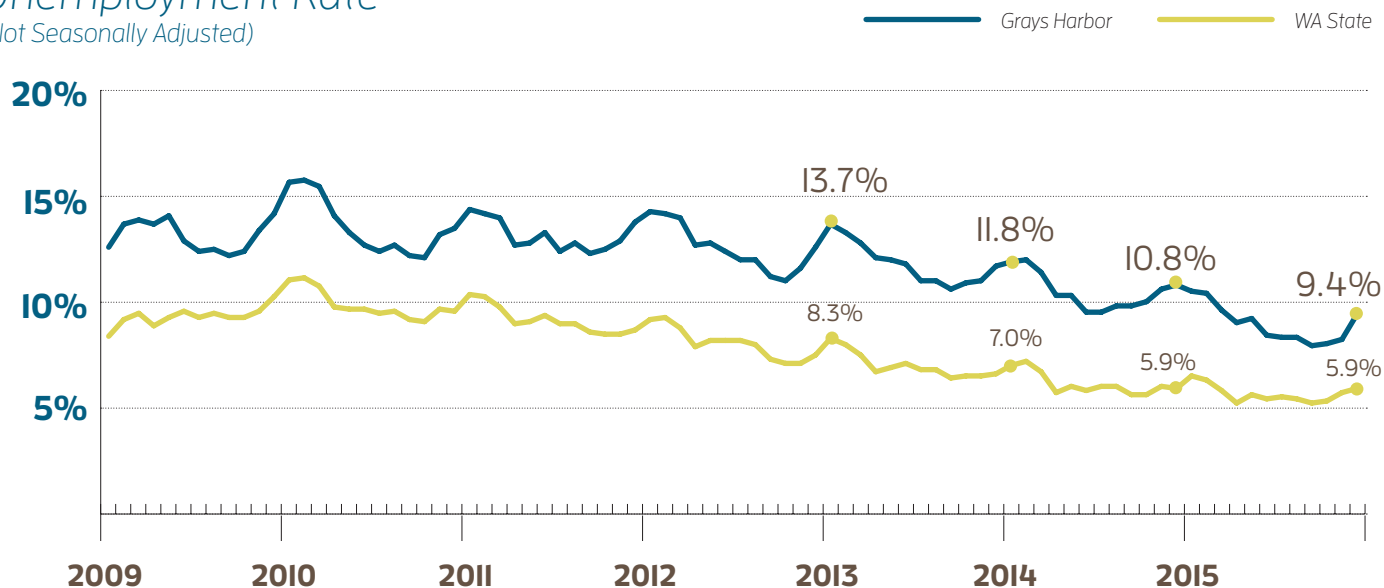




# Unemployment

## Unemployment Rate

(Not Seasonally Adjusted)



Source: WA Employment Security Dept.

## Unemployment By Industry

Crop and Animal Production .....	70
Mining, Quarrying, and Oil and Gas Extraction .....	10
Utilities .....	2
Construction.....	104
Manufacturing.....	268
Wholesale Trade .....	21
Retail Trade .....	276
Transportation and Warehousing .....	44
Information.....	17
Finance and Insurance .....	33
Real Estate and Rental and Leasing.....	29
Professional, Scientific, and Technical Services .....	32
Management of Companies and Enterprises.....	1
Administrative and Support and Waste Management and Remediation Services .....	66
Educational Services.....	1
Health Care and Social Assistance .....	170
Arts, Entertainment, and Recreation.....	28
Accommodation and Food Services.....	206
Other Services (except Public Administration).....	103
Government.....	299
No Previous Work Experience/Unspecified .....	376

**1.6% decrease**  
in average  
unemployment rate  
from 2014 to 2015

Average Unemployment Rate 2014: 10.5%  
Average Unemployment Rate 2015: 8.9%

Unemployment rates within the county have steadily declined over the past five years, after cresting at a record high unemployment rate of 16.5% in January 2010. According to the following graph, the seasonally unadjusted unemployment rate was 11.9% in January 2014. The next year (January 2015) it decreased to 10.5% and finally ended the year at 9.4% (December 2015).

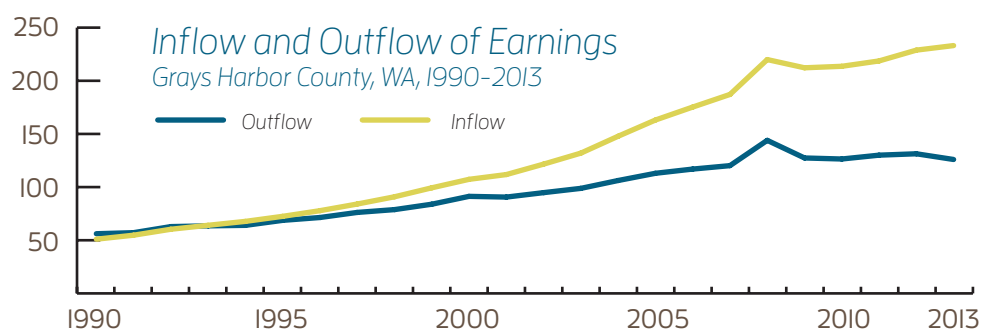
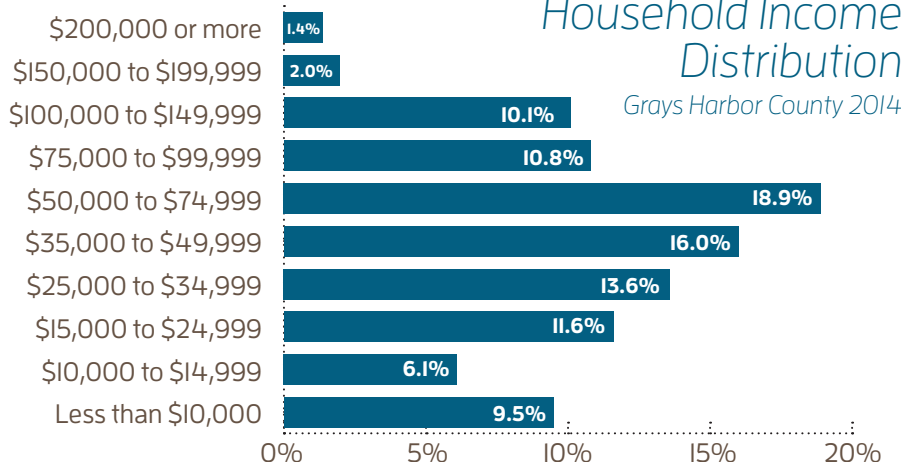
**Total Unemployment** 2,155





# Income

**Grays Harbor  
2014 Per Capita Income**  
**\$34,326**  
**Grays Harbor 2014 Median  
Household Income**  
**\$43,379**



This graph describes the flow of earnings into the county by residents who work in neighboring counties (an "inflow" of earnings because they bring money home); the flow of earnings by residents from neighboring counties who commute into the county for work (an "outflow" of earnings because they take their earnings with them); and the difference between the two ("net residential adjustment").

## Cross-County Earnings, 1990-2014 (Thousands of 2015 \$s)

	1990	2000	2010	2014	Change 2010-2014
Total Personal Income	1,843,222	2,079,125	2,362,578	2,433,297	70,719
Cross-County Commuting Flows					
Inflow of Earnings	91,008	147,152	232,765	246,165	13,400
Outflow of Earnings	100,265	125,501	138,178	131,509	-6,669
Net Residential Adjustment (Inflow-Outflow)	-9,257	21,651	94,586	114,656	20,070

Sources: EMSI, U.S. Department of Commerce, 2015. Bureau of Economic Analysis, Regional Economic Accounts, Washington, D.C. Tables CA30 & CA91.



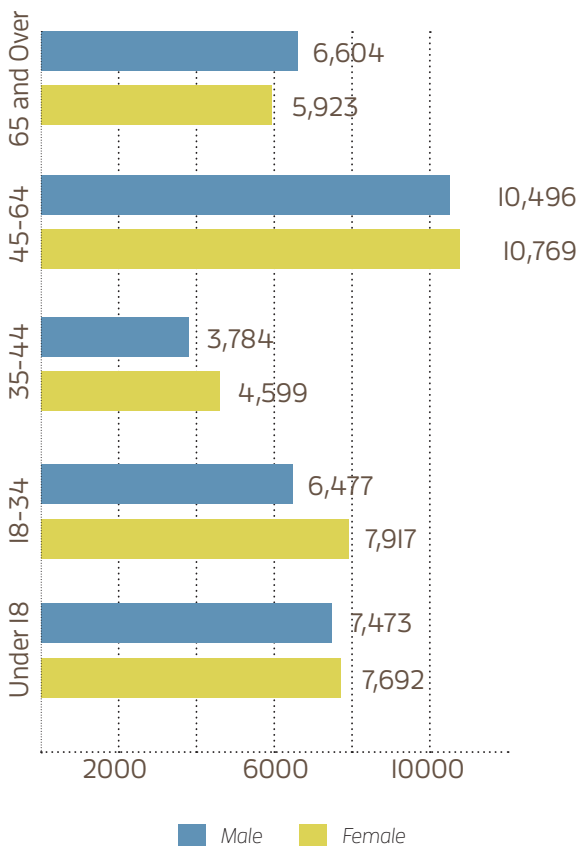


# 2015 Grays Harbor Population

## 71,122 (Est.)

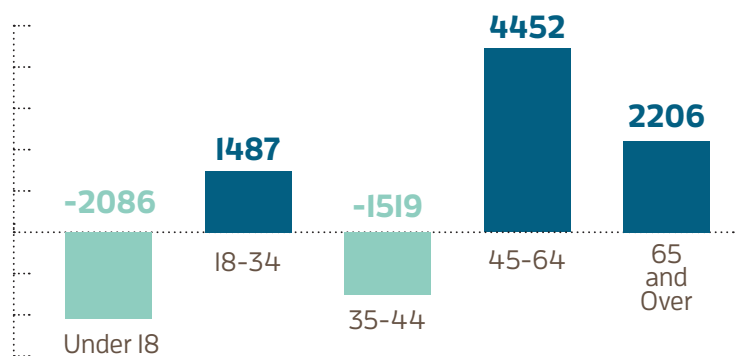
The graphs below and right describe the change in age and gender distribution over time, and the change in age distribution, with age categories separated into five age groups. The lower right graph describes the various components of population change with a total population change being the sum of natural change and total migration.

### Age & Gender Distribution (2014)



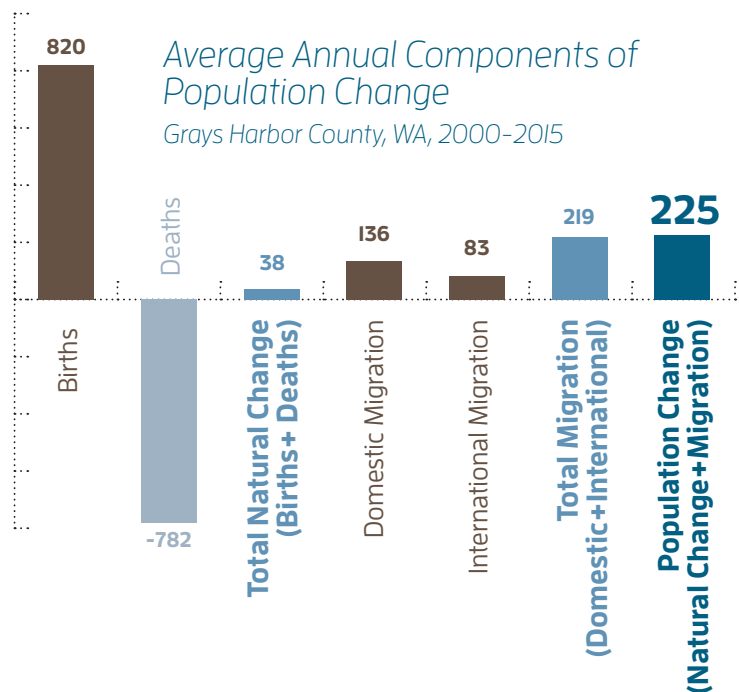
### Population Change in Age Group

Grays Harbor County, WA, 2000-2014



### Average Annual Components of Population Change

Grays Harbor County, WA, 2000-2015



Sources: U.S., Department of Commerce, 2015. Census Bureau, American Community Survey Office, Washington, D.C.; U.S. Department of Commerce, 2000. Census Bureau, Systems Support Division, Washington, D.C.; U.S. Department of Commerce, 2016. Census Bureau, Population Division, Washington, D.C.

# Leaders Circle

## Diamond

GRAYS HARBOR  
COMMUNITY  
HOSPITAL



## Gold



## Silver



VISITOR'S CHOICE

