



2019 ECONOMIC VITALITY INDEX AND YEAR IN REVIEW

2019 State of Grays Harbor

Greater Grays Harbor, Inc.

June 7, 2019



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2018 Highlights



Hotel/Motel Tax Revenue
+6%



Average Unemployment Rate
-0.4%



Taxable Retail Sales
+10%



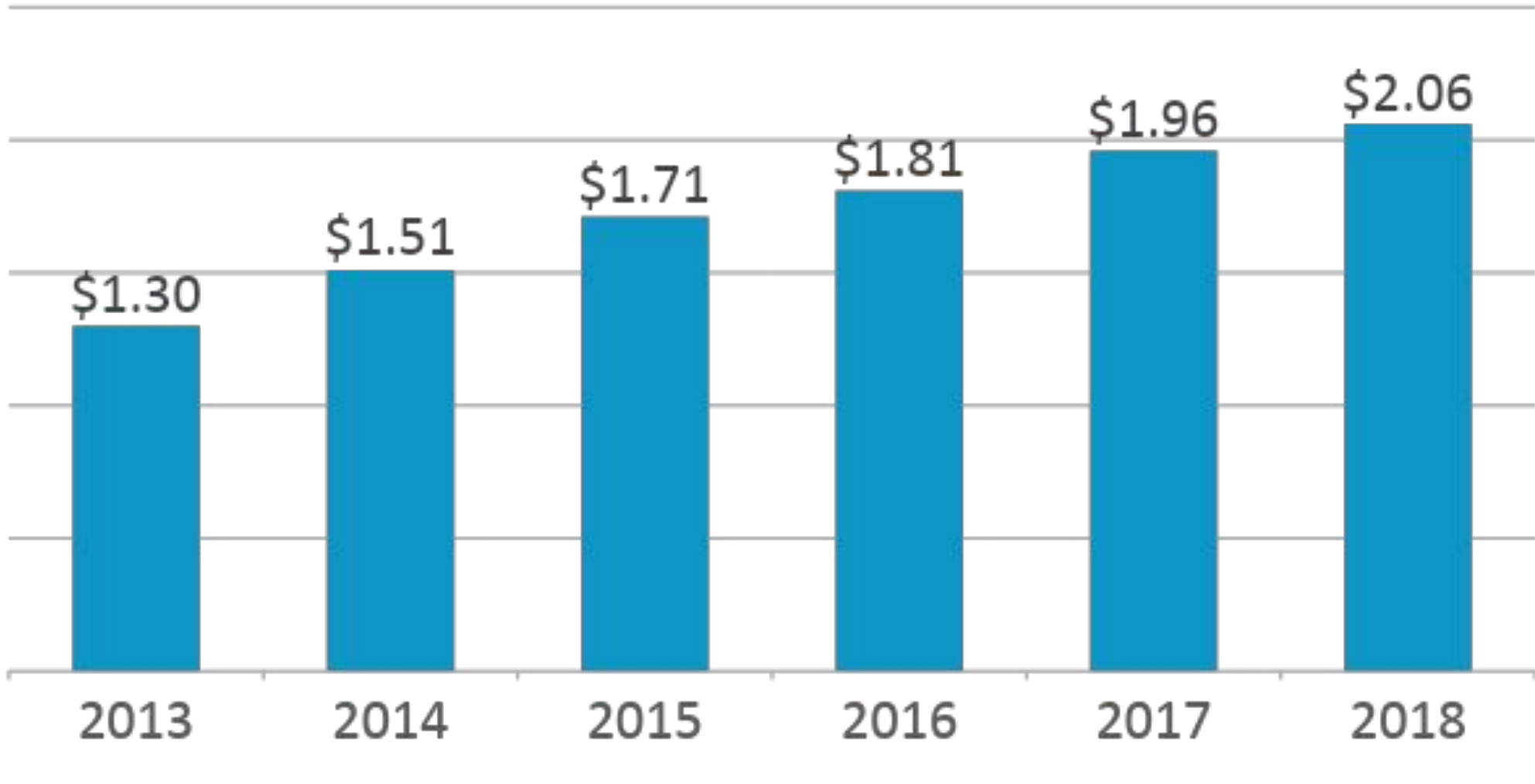
Median Home Price
+13%



HOTEL/MOTEL TAX REVENUE

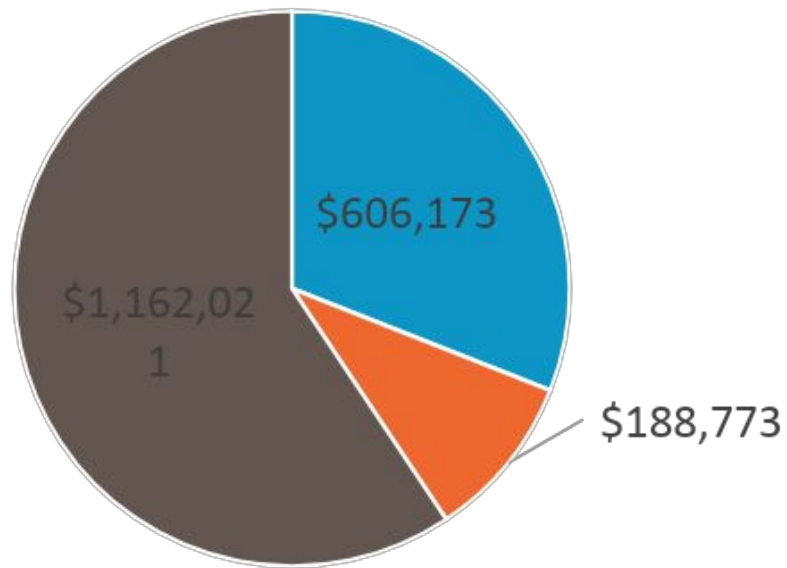
Hotel/Motel Tax Revenue (in Millions)

+6%



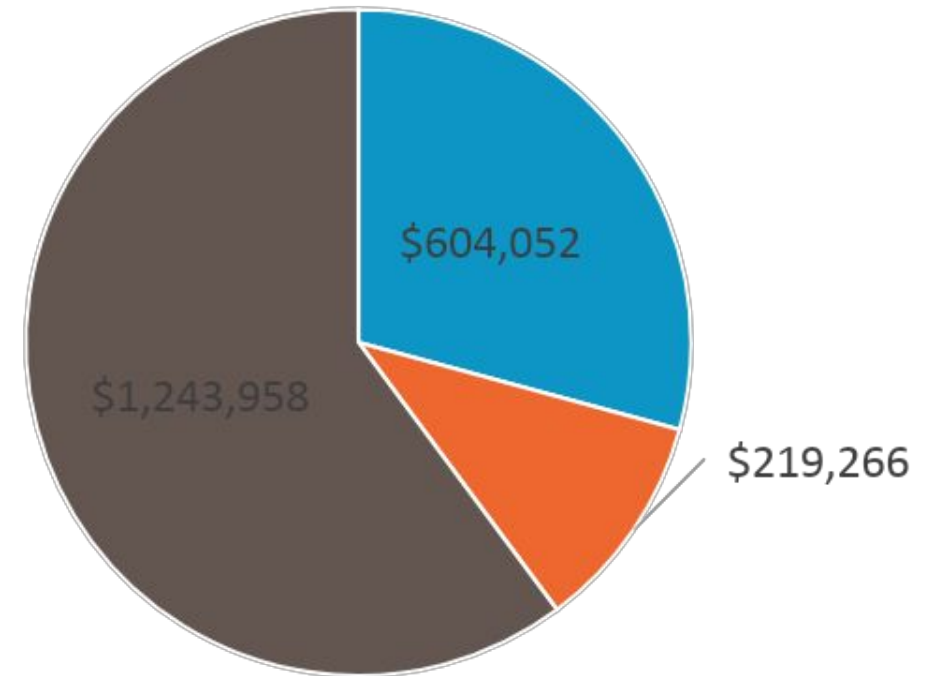
GH Hotel/Motel Tax Comparison

2017



- Ocean Shores
- Westport
- Grays Harbor County

2018



- Ocean Shores
- Westport
- Grays Harbor County

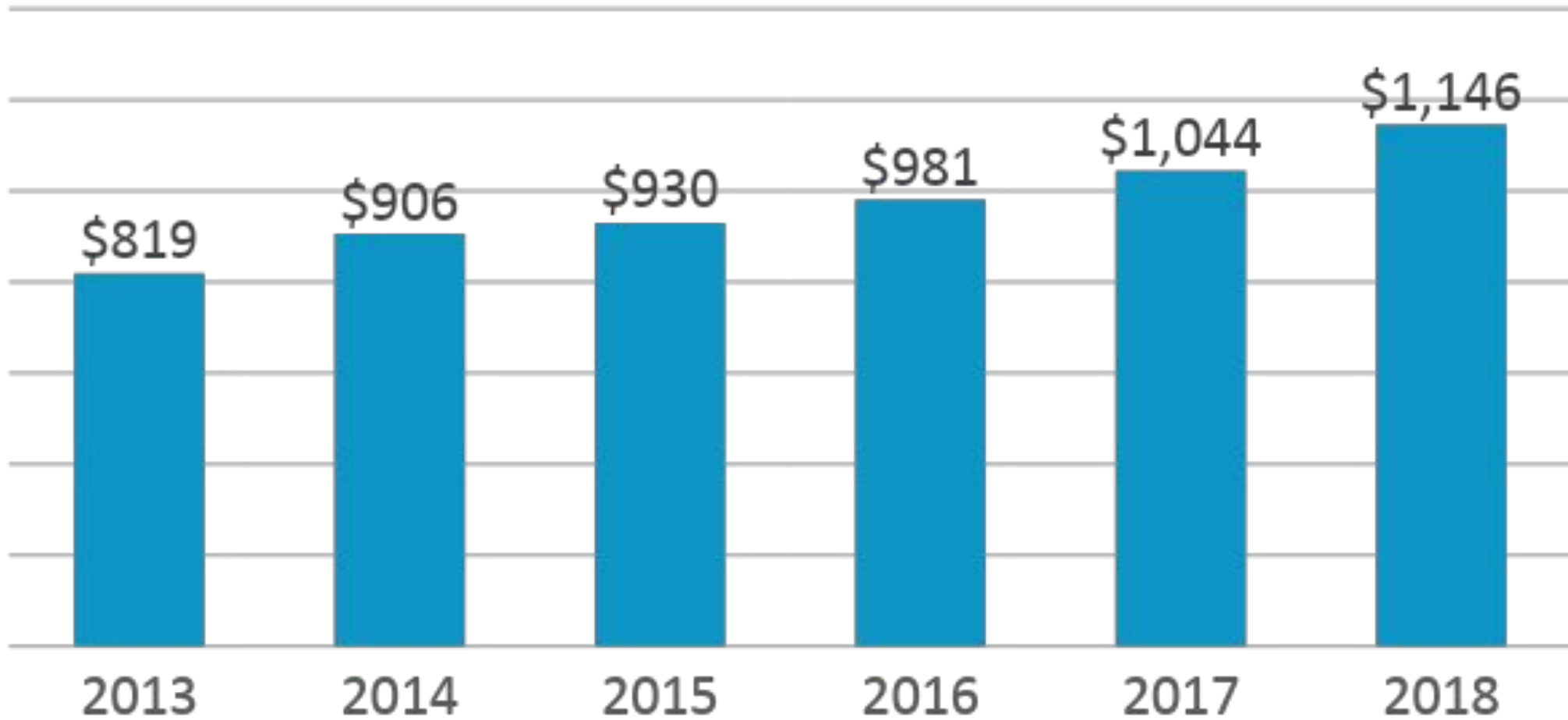


TAXABLE RETAIL SALES

GH County Taxable Retail Sales Trends

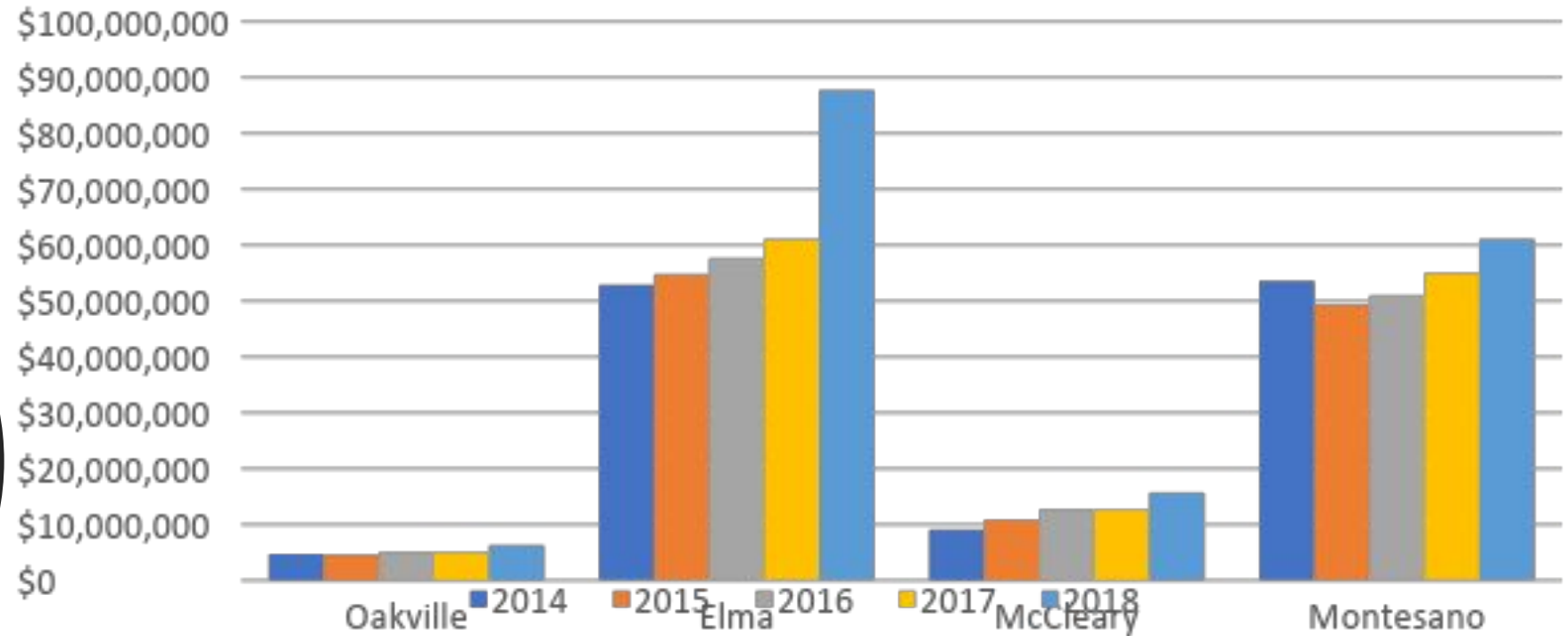
Taxable Retail Sales - in millions

+10%



Taxable Retail Sales

East GH County



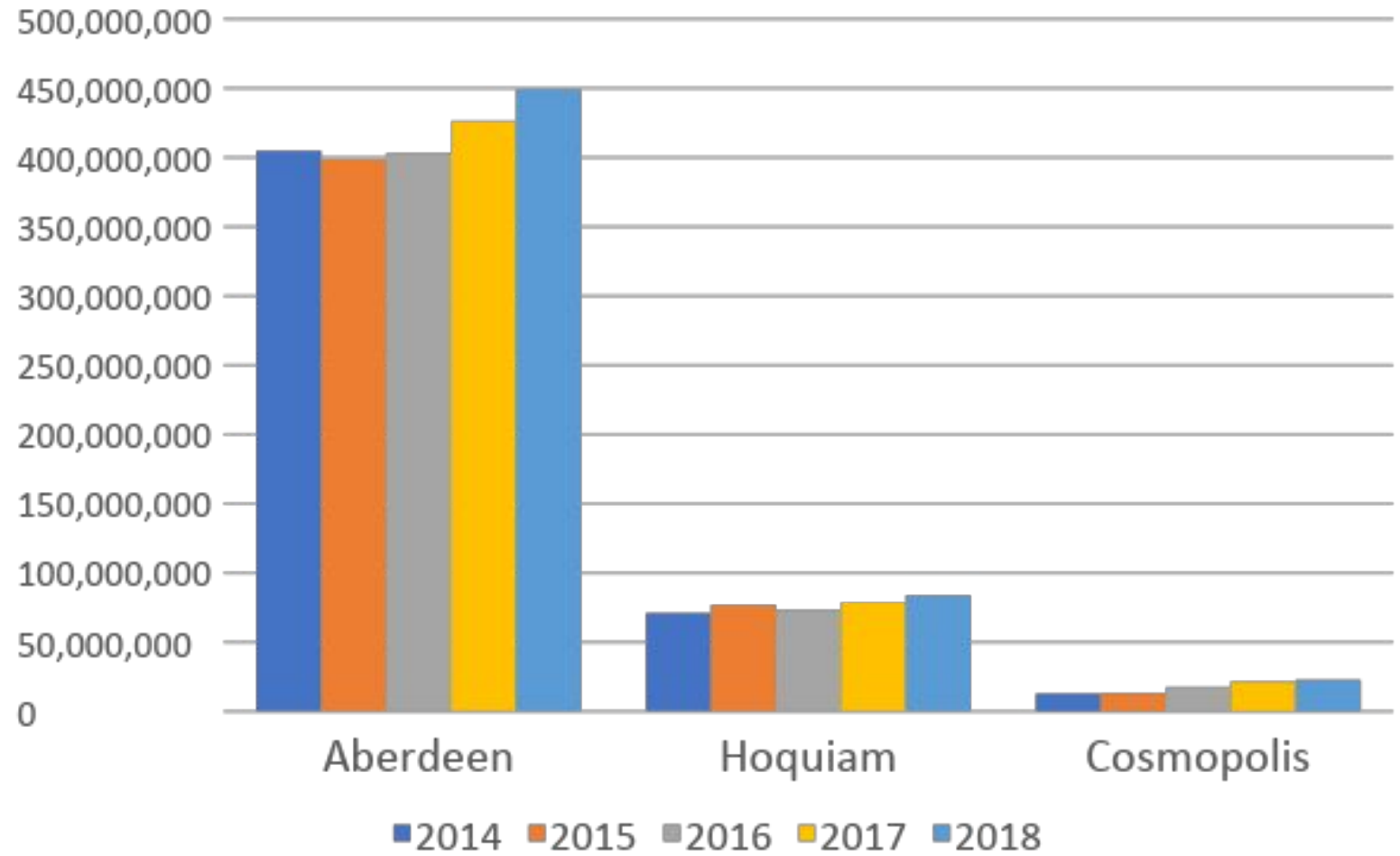
	2014	2015	2016	2017	2018	2017-2018	2014-2018
Oakville	\$4,684,593	4,558,959	5,024,132	5,063,081	6,267,679	24%	34%
Elma	52,868,029	54,748,149	57,646,113	61,018,321	87,644,305	44%	66%
McCleary	9,075,500	10,888,317	12,701,502	12,727,430	15,689,928	23.00%	73%
Montesano	53,576,160	49,293,255	50,979,667	55,009,357	61,077,963	11%	14%

East County

- McCleary – New Construction
- Elma, Downtown businesses, Summit Pacific MC, Eagle's Landing, Annexation from 17 St to Schouweiler Rd (Includes Harbor Pacific, Girard, Value Ford, etc)
- Oakville – business expansion? Cannabis?
- Montesano – County Courthouse Remodel,

Taxable Retail Sales

Aberdeen, Hoquiam, Cosmopolis

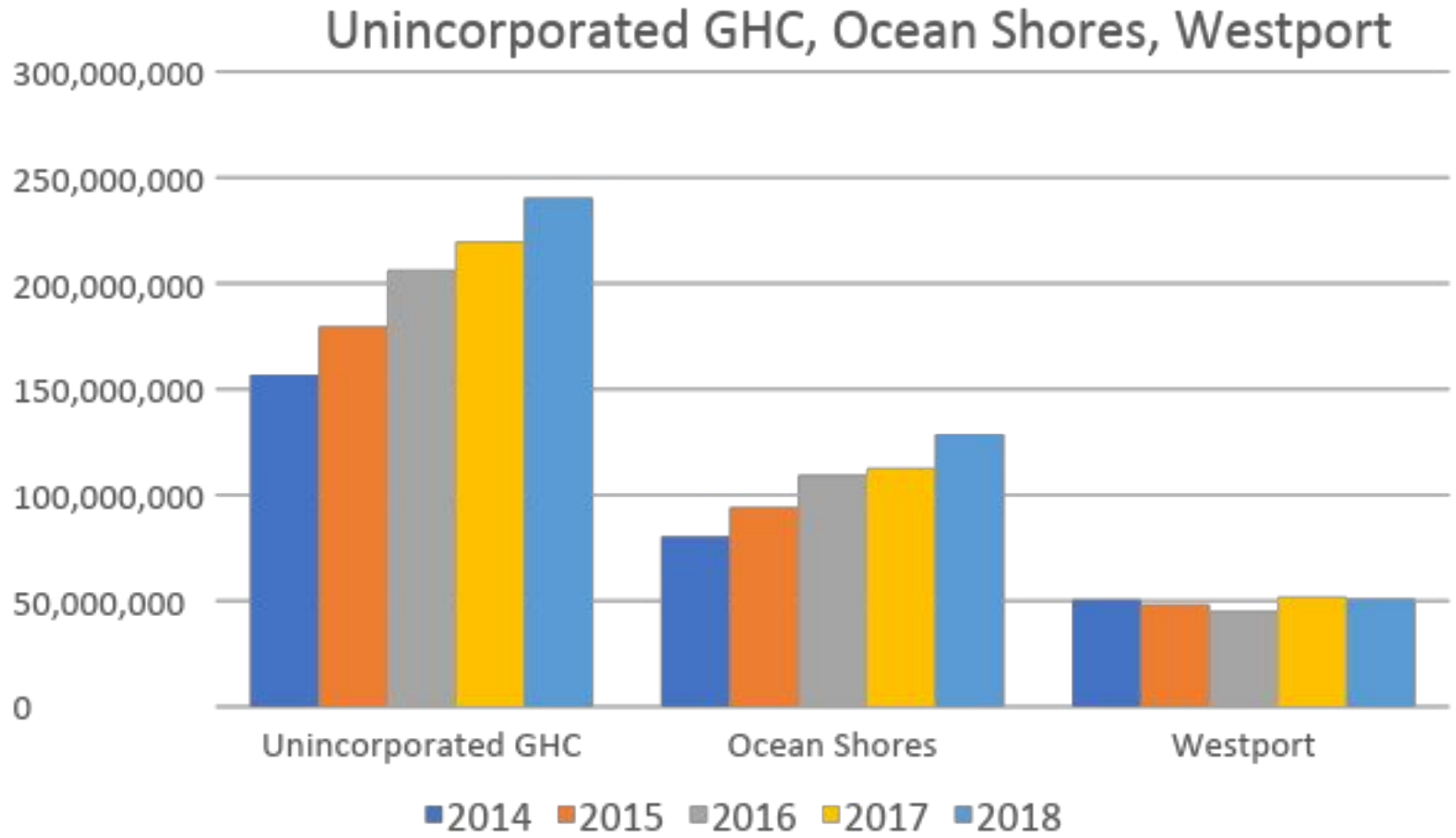


	2014	2015	2016	2017	2018	2017-2018	2014-2018
Aberdeen	404,832,477	398,890,365	403,205,044	426,188,865	449,271,832	5%	13%
Hoquiam	71,134,630	77,185,747	73,183,743	78,574,919	84,014,609	7%	9%
Cosmopolis	12,835,753	13,018,949	17,403,365	21,726,621	22,768,975	5%	75%

Aberdeen, Hoquiam, Cosmopolis

- Cosmopolis – Peterbilt, Mill Creek Dam project, Cosmopolis School Remodel, residential construction
- Aberdeen – new businesses, Brownfield project, North Shore Levee
- Hoquiam – new businesses, BHP, Contanda, Olympic Stadium Restoration

Taxable Retail Sales



	2014	2015	2016	2017	2018	2017-2018	2014-2018
Unincorporate	156,782,044	179,476,444	206,169,410	219,497,868	240,257,696	9%	53%
Ocean Shores	80,277,447	94,241,294	109,263,337	112,610,901	128,649,559	14%	60%
Westport	50,416,906	48,129,158	45,086,943	51,869,078	50,844,471	-2%	1%

Unincorporated GHC, Ocean Shores, Westport

- Unincorporated GH – Seabrook Main Street, Fish Passage project
- Ocean Shores – residential and commercial construction, new pharmacy, Ace Hardware bldg
- Westport – 2 New restaurants, New Water Dept. facility under construction (anticipated Sept completion),
- Westport Marina- boat launch parking lot improvements, Yearout Dr. paving, Float 7 -bathroom, showers, Boat Basin Dredging



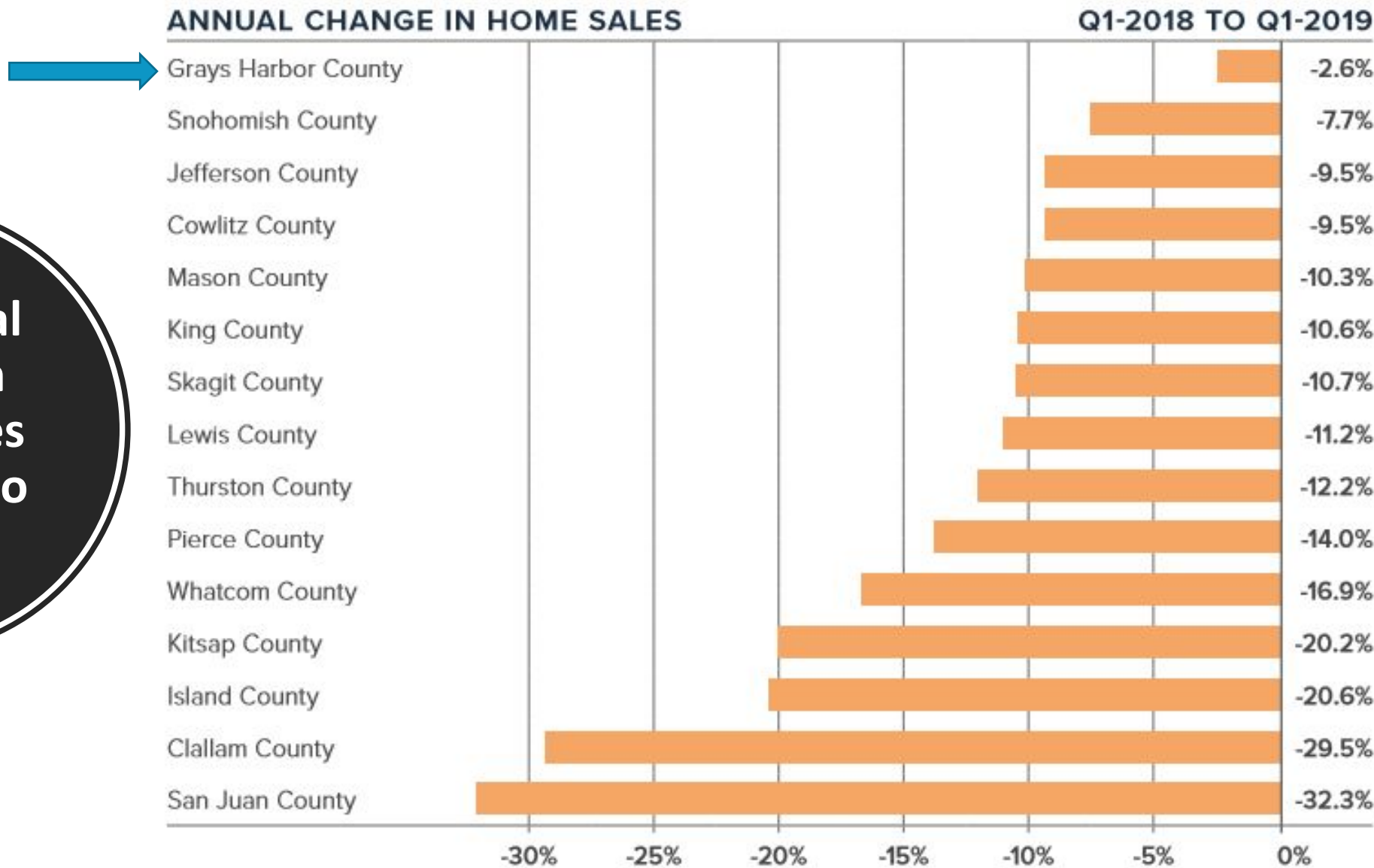
REAL ESTATE



YOUR LOGO

**We're
#1 and #6**

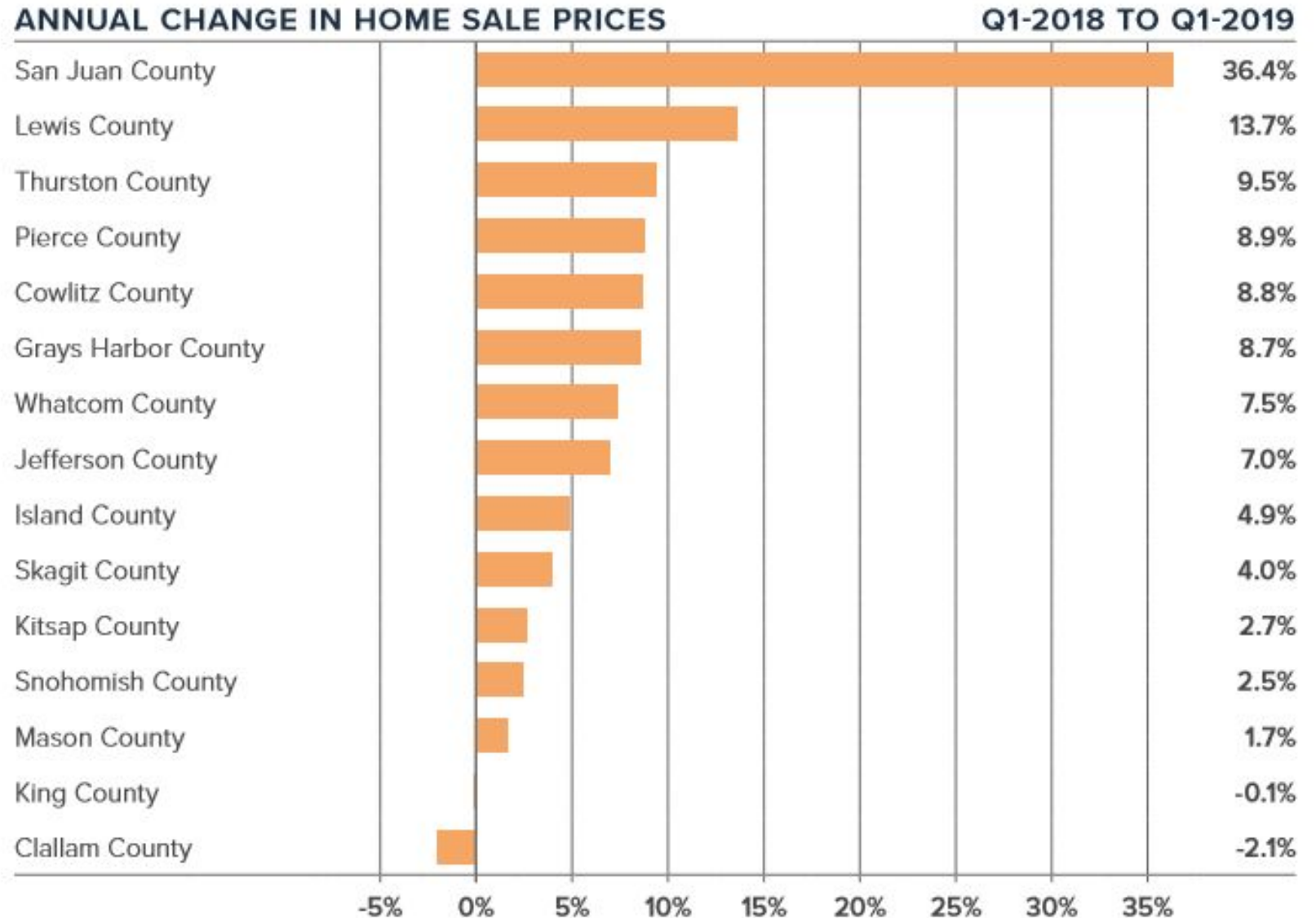
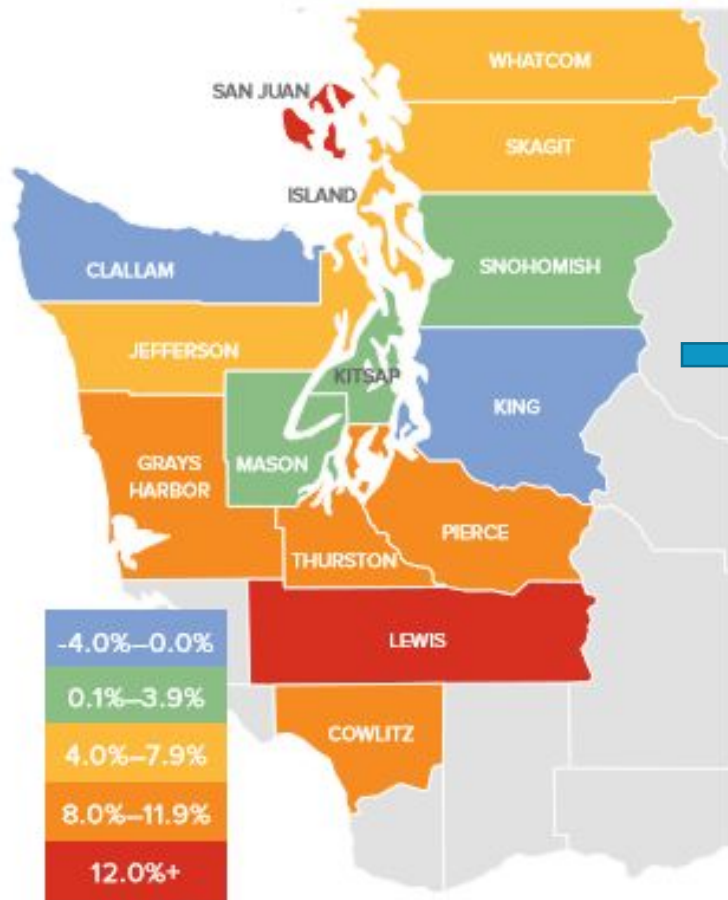
#1 - Annual Change in Home Sales (Q1-2018 to Q1-2019)



#6 - Annual Change in Home Sale Prices

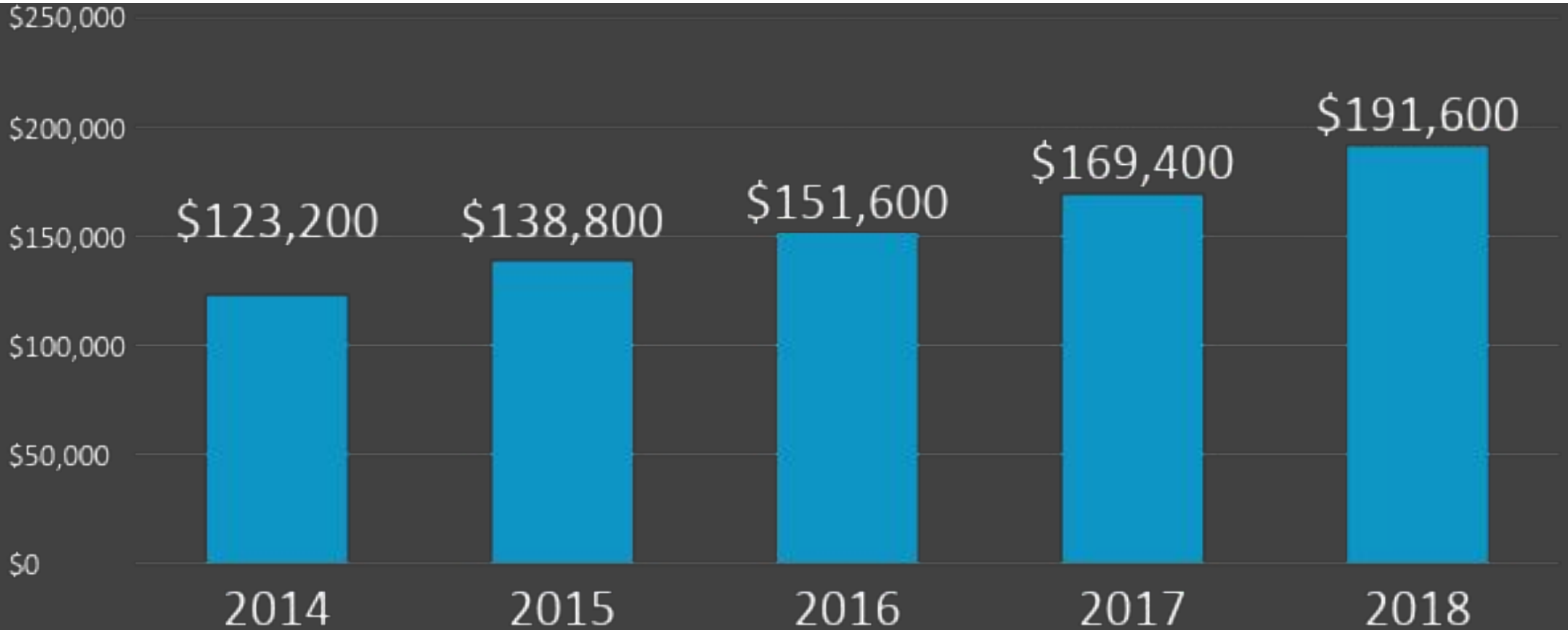
Q1-2017 to Q1-2018

Source: Windermere RE Gardener Report



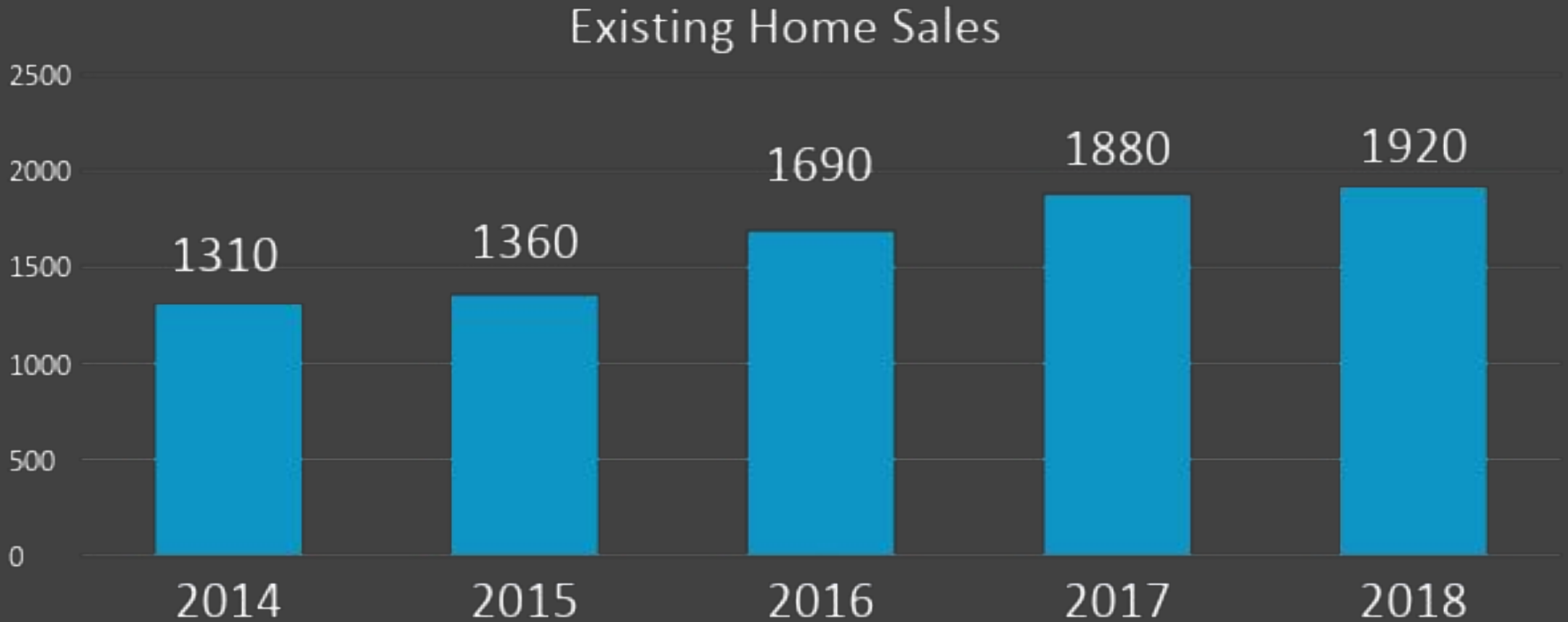
Median Home Sales Price

+13%



Existing Home Sales in Grays Harbor

+2%



Source: WA Center for Real Estate Research

Grays Harbor Real Estate Highlights

	2010	2014	2015	2016	2017	2018	2019
Months of Inventory (Closed Sales)	15.0 months (Dec. 2010)	7.2 months (Dec. 2014)	8.6 months (Dec. 2015)	4.9 months (Dec. 2016)	4.6 months (Apr. 2017)	3.1 months (April 2018)	2.4 months (April 2019)

Area	April 2018 Inventory	April 2019 Inventory
North Beach and OS	3.7	3.3
Elma, McCleary, and Montesano	1.6	1.2
Westport and Grayland	5.9	2.5
Aberdeen, Hoquiam, Cosmopolis, Central Park	2.4	2.0

Source: Windermere Real Estate, NWMLS Data

FINAL PRODUCT

Gross Regional Product – Grays Harbor

Measures the final market value of all goods and services produced in a region.

- GRP (2017) - \$2.27 Billion Dollars
- GRP (2016) - \$2.11 Billion Dollars
- GRP (2015) - \$2.096 Billion Dollars

INTERPRETATION: An increase in GRP is a positive indicator of economic well-being.

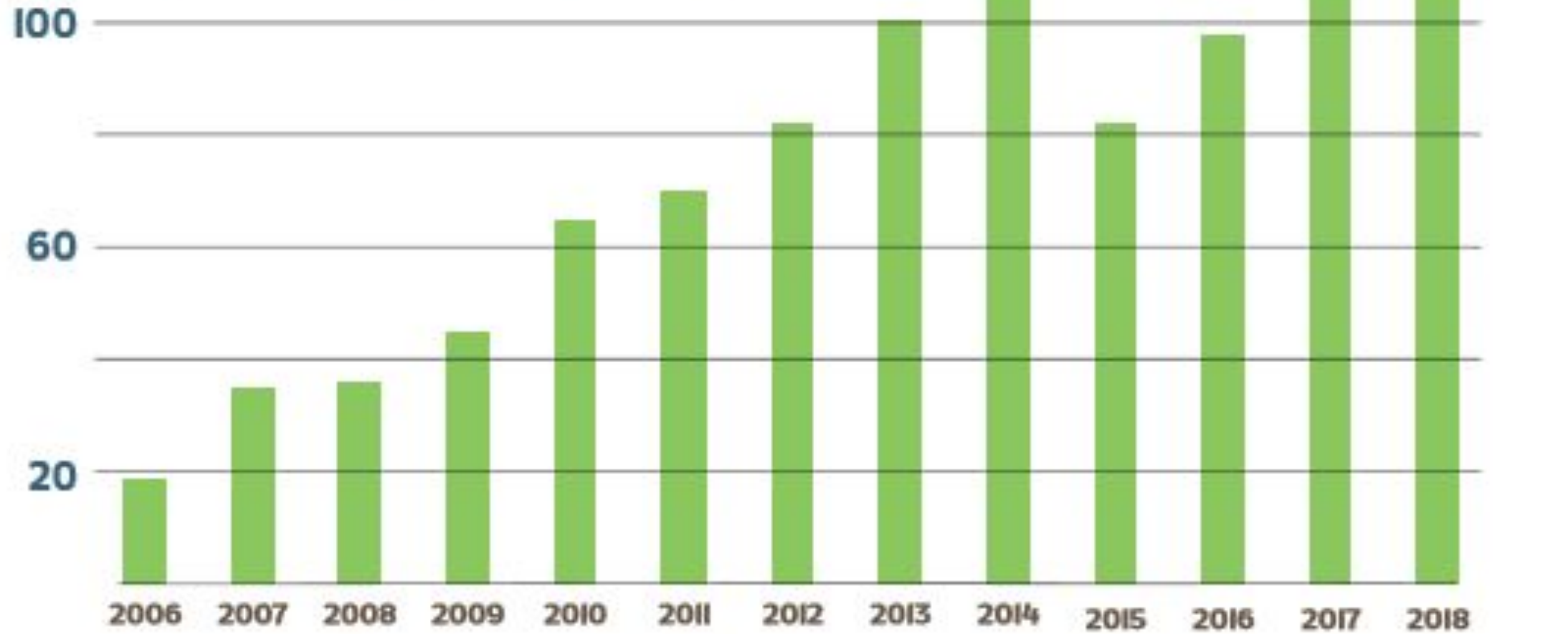
Port of Grays Harbor



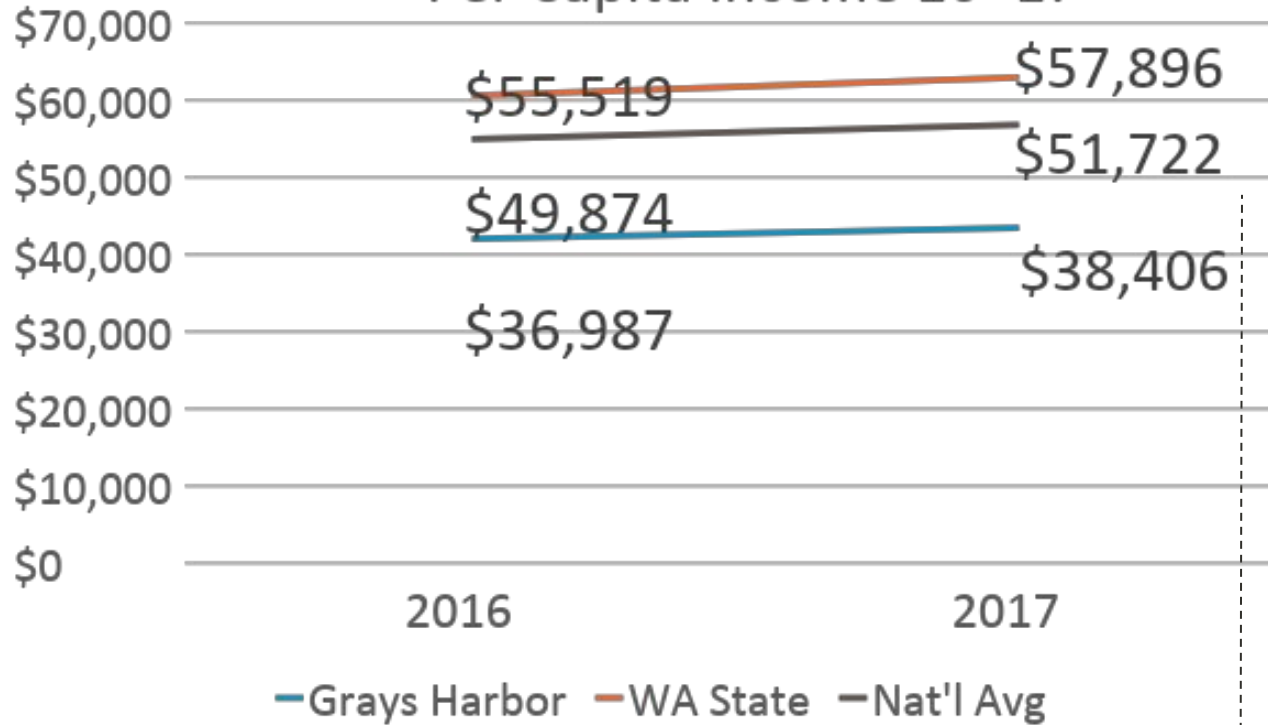
Port of Grays Harbor
On Washington's Pacific Coast

**Public Infrastructure, Generating
Private Investment, Creating
Jobs.**

Deep-Water Vessel Calls



Per Capita Income 16'-17'

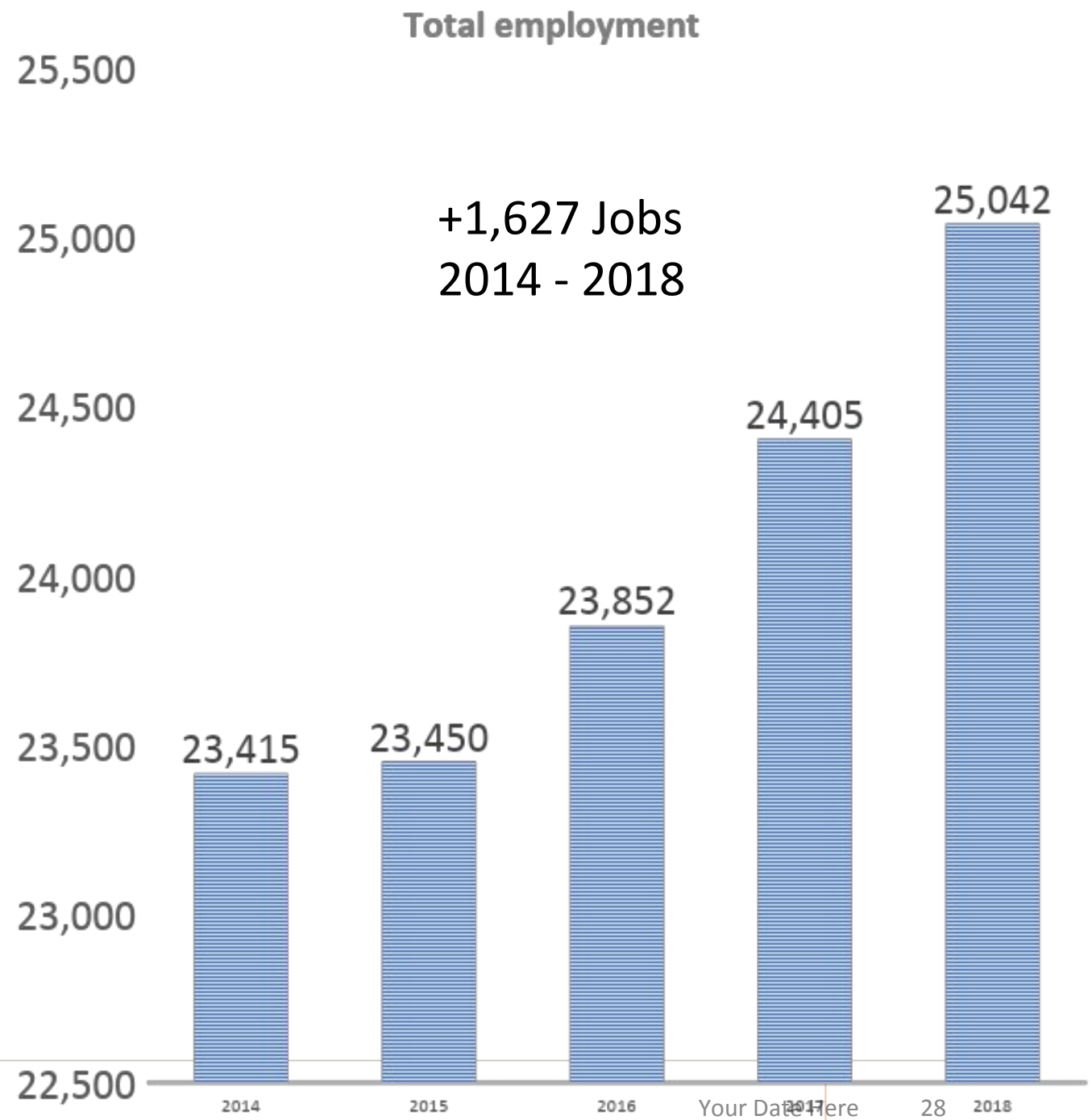


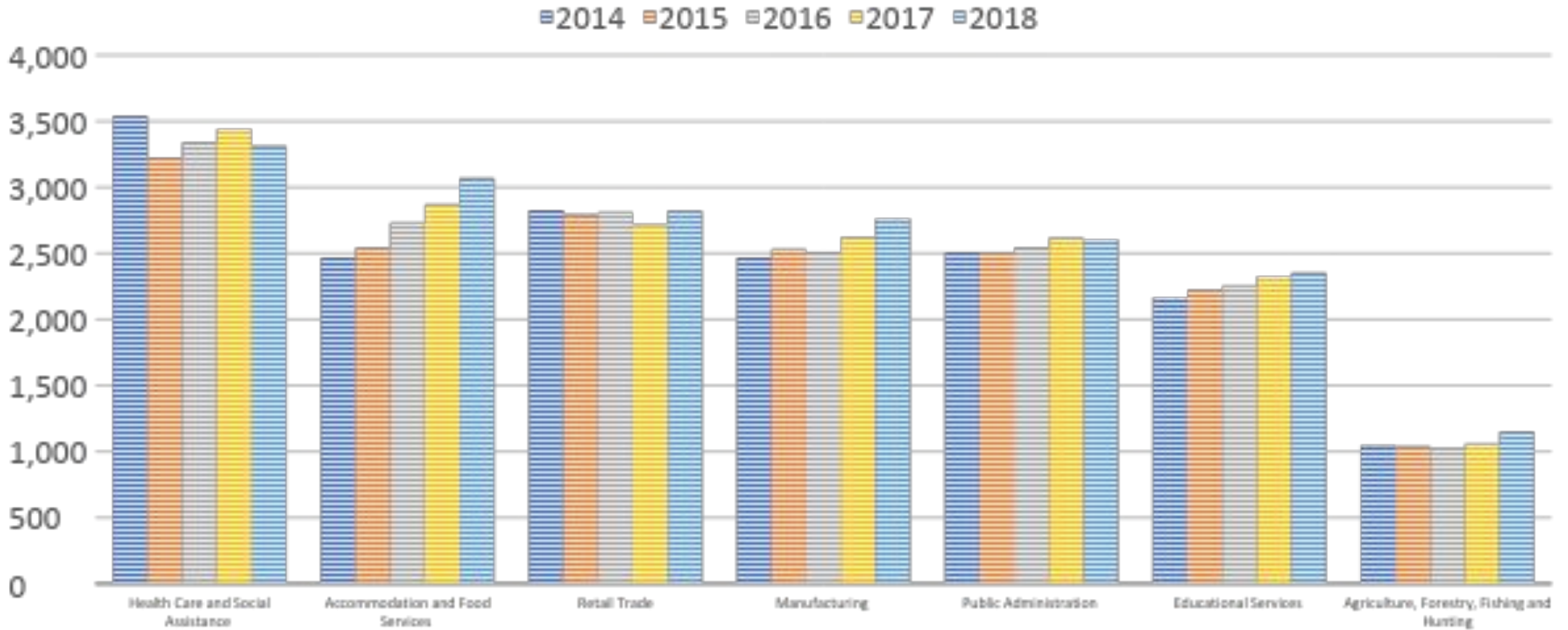
INCOME

- GH Per Capita Income (PCI)
- $PCI = \frac{\text{Total Personal Income}}{\text{Population}}$
- \$38,406 (2017)
- \$36,987 (2016)
- \$35,800 (2015)

- GH Median Household Income
- \$47,619 (2017)
- \$48,210 (2016)
- \$44,345 (2015)

Total GH Employment





Total GH Employment By Sector

Unemployment

Average Unemployment Rate
Decreased



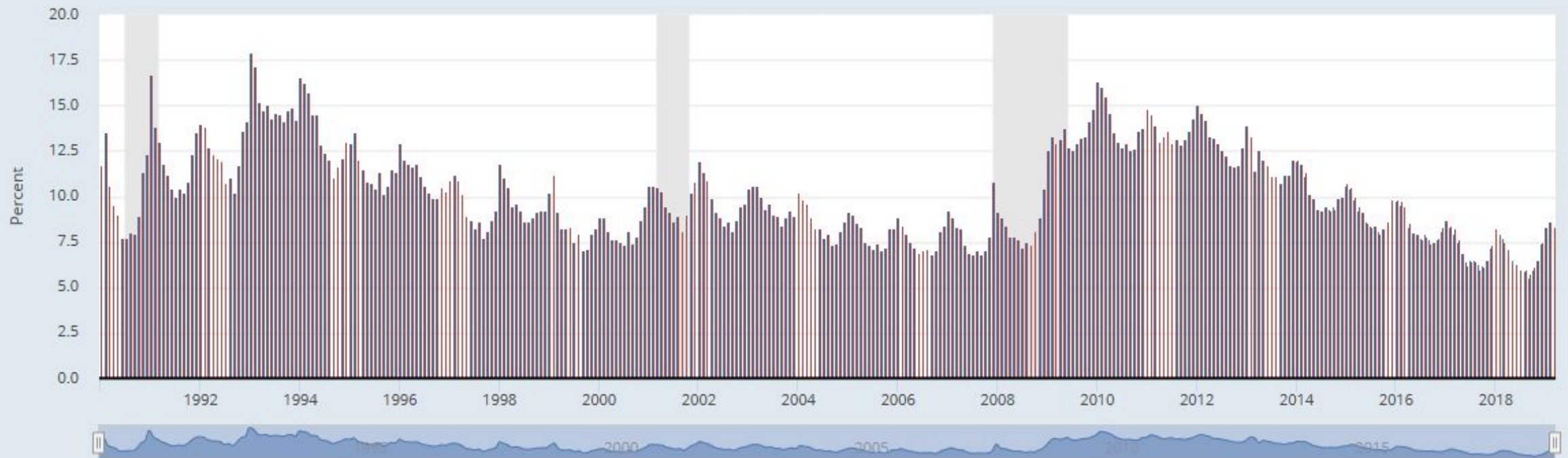
- 0.4%

2017 – 7.1%

2018 – 6.7%



Grays Harbor Historical Unemployment Rate (1990 – 2019)



Shaded areas indicate U.S. recessions

Source: U.S. Bureau of Labor Statistics

alfred.stlouisfed.org

Update on Grays Harbor's Cannabis Industry



Statewide Marijuana Statistics



Marijuana Tax Revenue
\$742,021,302



Sales Tax Generated
\$399,146,763



Purchased by consumers
\$4,434,964,031

Grays Harbor Marijuana Statistics



Marijuana Tax Revenue
\$9,132,178



Sales Tax Generated
\$5,025,787



Purchased by consumers
\$55,842,083

Revenue Sharing Formula

- 30% to cities and counties based on sales volume
- 70% to cities and counties on a per capita basis, with Counties receiving 60% of this portion

*(funds can only be distributed to local governments that do not prohibit the siting of state-licensed marijuana producers, processors, or retailers).

Distribution of Cannabis Revenue to Local Governments

	FY 16	FY 17	FY 18	FY 19 Estimated	
Aberdeen		\$ 12,179	\$ 39,319	\$ 39,568	
Cosmopolis		\$ -	\$ 1,973	\$ 1,949	
Elma		\$ -	\$ 3,933	\$ 4,008	
Hoquiam	\$ 3,448	\$ 11,842	\$ 22,647	\$ 21,097	
Montesano		\$ -	\$ 4,902	\$ 4,849	
Ocean Shores	\$ 9,651	\$ 6,215	\$ 13,101	\$ 13,951	
Grays Harbor County	\$ 19,649	\$ 45,353	\$ 95,957	\$ 92,096	
					TOTAL
	\$ 32,748	\$ 75,589	\$ 181,832	\$ 177,517	\$ 467,686

Summary

- Real Estate – 2018 and 2019 Boom
- Sales Tax Revenue – Steady Growth
- Tourism – Continued Upward trend
- Employment – Up and looking positive
- GRP – Improving Economy



THANK YOU!

Questions?