

# D.C. Economic Indicators

## December 2017

Government of the District of Columbia  
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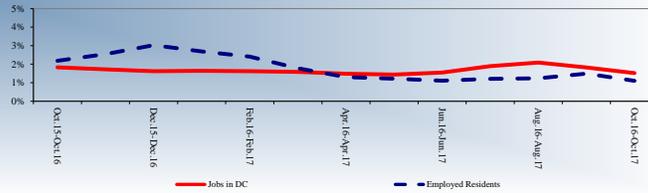


# Labor & Industry

★ Jobs in D.C. for October 2017, up 7,400 (0.9%) from October 2016

★ District resident employment for October 2017, up 2,300 (0.6%) from October 2016

Change in Total Wage and Salary Employment and Employed Residents  
 (percent change from prior year in 3-month moving average)



### Labor Market ('000s): October 2017<sup>a</sup>

	District of Columbia			Metropolitan area			Detailed Employment ('000s): October 2017				
	Level	1 yr. ch. (amt.)	1 yr. ch. (%)	Level	1 yr. ch. (amt.)	1 yr. ch. (%)	Level	1 yr. ch. (amt.)	1 yr. ch. (%)	% of total	
Employed residents	373.6	2.3	0.6	3,270.7	62.2	1.9	Manufacturing	1.2	0.0	0.0	0.2
Labor force	401.1	6.4	1.6	3,394.3	57.1	1.7	Construction	14.6	-0.1	-0.7	1.8
Total wage and salary employment	797.5	7.4	0.9	3,306.4	46.4	1.4	Wholesale trade	5.0	0.1	2.0	0.6
Federal government	197.0	-1.7	-0.9	365.0	-2.3	-0.6	Retail trade	22.7	0.1	0.4	2.8
Local government	40.4	0.8	2.0	336.6	2.6	0.8	Utilities & transport	5.2	0.3	6.1	0.7
Leisure & hospitality	81.8	4.9	6.4	332.1	8.8	2.7	Publishing & other inf	16.6	-0.3	-1.8	2.1
Trade	27.7	0.2	0.7	345.0	2.9	0.8	Finance & insurance	16.9	-0.4	-2.3	2.1
Education and health	140.5	0.6	0.4	454.0	11.2	2.5	Real estate	12.7	-0.2	-1.6	1.6
Prof., bus., and other services	242.9	3.3	1.4	958.5	16.9	1.8	Legal services	28.7	-0.1	-0.3	3.6
Other private	67.2	-0.7	-1.0	515.2	6.3	1.2	Other profess. serv.	88.5	1.7	2.0	11.1
Unemployed	27.5	4.1	17.6	123.5	-5.1	-4.0	Empl. serv. (incl. temp)	15.1	0.1	0.7	1.9
New Unempl. Claims	1.7	0.1	3.7				Mgmt. & oth. bus serv	38.4	1.6	4.3	4.8
							Education	74.3	3.4	4.8	9.3
							Health care	66.2	-2.8	-4.1	8.3
							Organizations	64.2	0.2	0.3	8.1
							Accommodations	15.1	0.0	0.0	1.9
							Food service	57.5	4.3	8.1	7.2
							Amuse. & recreation	9.2	0.6	7.0	1.2
							Other services	8.0	-0.2	-2.4	1.0
							Subtotal, private	560.1	8.3	1.5	70.2
							Federal government	197.0	-1.7	-0.9	24.7
							Local government	40.4	0.8	2.0	5.1
							<b>Total</b>	<b>797.5</b>	<b>7.4</b>	<b>0.9</b>	<b>100.0</b>

Sources: U.S. Bureau of Labor Statistics (BLS) & D.C. Dept. of Employment Services (DOES)  
<sup>a</sup> Preliminary, not seasonally adjusted

### D.C. Hotel Industry<sup>b</sup>

Oct. 2017	Amt.	1 yr. ch.
Occupancy Rate	86.9%	2.3%
Avg. Daily Room Rate	\$283.49	\$15.45
# Available Rooms	31,450	1,280
Room Sales (\$M)	\$240.2	\$28.2

### Airport Passengers<sup>d,e</sup>

Sep. 2017	Amt. ('000)	1 yr. ch. (%)
DCA	1,871.2	-4.9
IAD	1,919.9	-0.2
BWI	2,046.0	-0.5
Total	5,837.1	-1.9 <sup>g</sup>

Level	1 yr. ch. (amt.)	1 yr. ch. (%)	% of total	
Food service	57.5	4.3	8.1	7.2
Amuse. & recreation	9.2	0.6	7.0	1.2
Other services	8.0	-0.2	-2.4	1.0
Subtotal, private	560.1	8.3	1.5	70.2
Federal government	197.0	-1.7	-0.9	24.7
Local government	40.4	0.8	2.0	5.1
<b>Total</b>	<b>797.5</b>	<b>7.4</b>	<b>0.9</b>	<b>100.0</b>

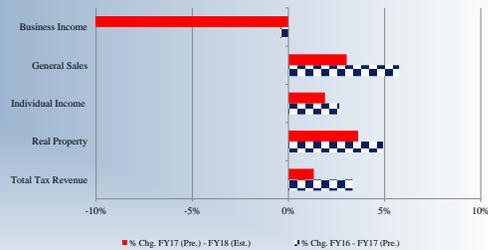
<sup>b</sup> Source: STR <sup>c</sup> Source: Metropolitan Washington Airports Authority & Maryland Aviation Administration Authority <sup>d</sup> Includes arrivals and departures <sup>e</sup> Weighted average <sup>f</sup> October data not available at time of release

Source: BLS. Details may not add to total due to rounding.

# Revenue

- ★ Total gross tax revenue for FY 2018 is expected to increase by 1.3%; following growth of 3.3% in FY2017
- ★ Individual income tax revenue is expected to grow by 1.9% in FY2018, less than the 2.6% growth rate experienced in FY2017
- ★ FY2018 real property tax revenue is estimated to grow at a rate of 3.6%
- ★ Business income tax revenue is expected to decline by 10.0% in FY2018 compared to the 0.4% decrease in FY2017
- ★ General sales tax revenue is estimated to increase by 3.0% in FY2018; slower growth than the 5.8% experienced in FY2017

Percent Change in Revenue for Selected Taxes for FY's 16 - 18 (Est.)



### Tax Revenue for FY 2016, Preliminary Tax Revenue for FY 2017 and Estimated Revenue for FY 2018 (\$000)<sup>a</sup>

	NOTE: REPORTING OF CASH COLLECTIONS WILL RESUME IN THE MARCH 2018 RELEASE					Addenda:			
	FY'16	FY'17 (Pre.) <sup>d</sup>	FY'18 (Est.) <sup>d</sup>	% Chg. FY16 - FY17 (Pre.)	% Chg. FY17 (Pre.) - FY18 (Est.)	FY17 (Pre.)	FY18 (Est.)	% Chg. FY17 (Pre.) - FY18 (Est.)	
Real Property	2,357,459	2,473,329	2,562,953	4.9%	3.6%	Convention Ctr. Transfer <sup>b</sup>		12.7%	2.0%
General Sales	1,343,074	1,420,367	1,463,338	5.8%	3.0%	Ind. Inc. Tax Withholding for D.C. residents		8.5%	0.1%
Individual Income	1,907,862	1,958,277	1,995,532	2.6%	1.9%				
Business Income	556,468	554,245	498,624	-0.4%	-10.0%				
Total Tax Revenue (Gross) <sup>c</sup>	7,233,541	7,474,690	7,573,210	3.3%	1.3%				
Dedicated Tax Revenue	501,560	529,836	537,354	5.6%	1.4%				
Total Tax Revenue (Net)	6,731,981	6,944,853	7,035,856	3.2%	1.3%				

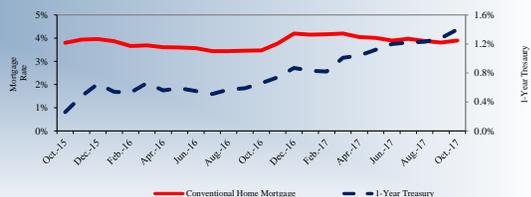
<sup>a</sup> Revenue amounts shown are before dedicated revenue (TIF, Convention Ctr., Ballpark Fund, the Highway Trust Fund, the Nursing Facility Quality of Care Fund, Healthy DC Fund, the Housing Production Trust Fund, WMATA, Hospital Fund, Hospital Provider Fee Fund, Sievie Sellows Quality Improvement Fund, Healthy Schools, ABRA, Repayment of Revenue Bonds, West End Library and Fire Maintenance Fund).  
<sup>b</sup> Portion of sales tax on hotels and restaurants  
<sup>c</sup> Total Tax Revenue (Gross) includes all other taxes not reported above  
<sup>d</sup> As of the December 2017 Revenue Estimates

All data subject to revision. † Indicates data revised by stated source since previous D.C. Economic Indicators. See past editions at cfo.dc.gov

# People & Economy

- ★ D.C. unemployment rate for October: 6.6%, 0.1% higher than the previous month & 0.8% higher than 1 year ago
- ★ The conventional home mortgage rate was 3.90% in October, 0.09% lower than the previous month
- ★ Almost 60% of business filers paid the minimum tax of \$250 in TY2015

One-Year Treasury and Conventional Home Mortgage Interest Rates  
October 2015 to October 2017



U.S. GDP			CPI			D.C. Population		
	% change for yr. ending			% change for yr. ending			Source: Census	
Source: BEA	3 <sup>rd</sup> Q 2017	2 <sup>nd</sup> Q 2017	Source: BLS	Sep. 2017	Jul. 2017			
Nominal	4.2 <sup>f</sup>	3.8	U.S.	2.2	1.7	*Estimate for:	Level	% chg.
Real	2.3	2.2	D.C./Balt. metro area	1.7	0.7	2005	567,136	
						2006	570,681	0.6
						2007	574,404	0.7
						2008	580,236	1.0
						2009	592,228	2.1
						2010	605,183	2.2
						2011	620,477	2.5
						2012	635,327	2.4
						2013	649,165	2.2
						2014	659,005	1.5
						2015	670,377	1.7
						2016	681,170	1.6
								* July 1

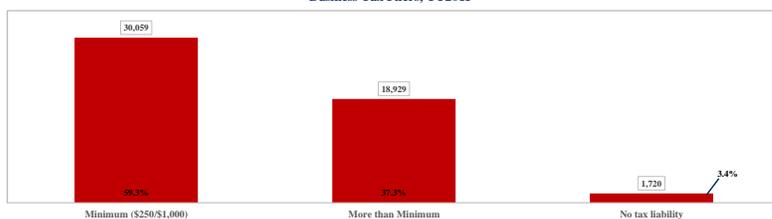
Personal Income <sup>a</sup>			Unemployment Rate <sup>e</sup>		
	% change for yr. ending			Oct. 2017	
Source: BEA	2 <sup>nd</sup> Q 2017	1 <sup>st</sup> Q 2017	Source: BLS	Oct. 2017	Sep. 2017
Total Personal Income	2.9	3.2	U.S.	4.1	4.2
U.S.	2.9	3.2	D.C.	6.6	6.5
D.C.	2.9	3.4			

Wage & Salary Portion of Personal Income			Interest Rates		
	% change for yr. ending			National Average	
Source: BEA	2 <sup>nd</sup> Q 2017	1 <sup>st</sup> Q 2017	Source: Federal Reserve	Oct. 2017	Sep. 2017
U.S.	2.9	3.3	1-yr. Treasury	1.4	1.28
Earned in D.C.	3.6	3.6	Conv. Home Mortgage	3.90	3.81
Earned by D.C. residents <sup>b</sup>	2.9	3.1			

<sup>a</sup> Nominal <sup>b</sup> Estimated <sup>c</sup> Seasonally adjusted  
<sup>f</sup> Indicates data revised by stated source since previous D.C. Economic Indicators.

Business Tax Filers, TY2015



Note: Minimum tax of \$250 for businesses with gross DC receipts less than \$1 million; \$1,000 for businesses above \$1 million. Data includes corporate franchise and unincorporated business franchise tax

Source: OCFO/OTR

# Housing & Office Space

- ★ There were 394 condos sold in October 2017, 13.2% more than 1 year ago
- ★ The year to date median price increased 2.6% from 1 year ago for single family homes, and condos experienced an increase of 0.2% in the year to date median price
- ★ In the 3<sup>rd</sup> quarter of 2017 the office direct vacancy was the same as the 2<sup>nd</sup> quarter of 2017

Year Over Year Percent Change in the Median Price for a Single Family Home and Condominium in Washington, D.C.



Housing Sales			D.C. Housing Permits Issued			DC Commercial Office Space		
Source: MRIS <sup>a</sup>			Source: U.S. Census Bureau			Source: Delta Associates		
Completed contracts	Oct. 2017	1 yr. % ch.	4 Qs. ending			3 <sup>rd</sup> Q 2017		
Single family	460	-3.0	3 <sup>rd</sup> Q 2017			1 qtr. ch.		
Condo/Co-op	394	13.2	Total housing units	4,048	-1,081	Inventory Status (in million sq. ft.)		
			Single family	370	87	Total inventory		
			Multifamily (units)	3,678	-1,168	Leased space <sup>d</sup>		
						Vacant		
						New Construction		
						Direct Vacancy Rate		
						6.8		
						0.0		
Prices (\$000)			Class A Apt. <sup>d</sup> and Condominium Units					
Source: MRIS <sup>a</sup>			Source: Delta Associates					
Single family	Oct. 2017	1 yr. % ch.	3 <sup>rd</sup> Q 2017			1 yr. ch.		
Average <sup>b</sup>	\$780.1	3.0	Units under construction and/or marketing					
Median <sup>c</sup>	\$692.5	2.6	Rental apartments	15,170	2,744			
			Condominiums <sup>d</sup>	1,155	-37			
			Other units likely to deliver over the next 36 months <sup>e</sup>					
			Rental apartments	7,671	351			
			Condominiums	1,057	-133			

<sup>a</sup> Metropolitan Regional Information System as reported by the Greater Capital Area Association of Realtors  
<sup>b</sup> Average prices are calculated for the month from year-to-date information <sup>c</sup> Median prices are year-to-date <sup>d</sup> Investment grade units, as defined by Delta  
<sup>e</sup> Calculated from direct vac. rate <sup>f</sup> Includes sold units <sup>g</sup> Only a portion will materialize