# **D.C. Economic Indicators**January 2020

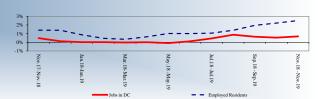
# Labor & Industry

→ Jobs in D.C. for November 2019, up 12,500 (1.6%) from November 2018

District resident employment for November 2019, up 12,300 (3.2%) from November 2018

#### Government of the District of Columbia Muriel Bowser, Mayor Jeffrey S. DeWitt, Chief Financial Officer Fitzroy Lee, Deputy CFO & Chief Economist

Change in Total Wage and Salary Employment and Employed Residents



Labor Market ('000s): Nov. 2019a				Detailed Employment ('000s): Nov. 2019							
	District of Columbia			Metropolitan area							
		1 yr. ch.			1 yr ch.	1 yr. ch.					
	Level	(amt.)	1 yr. ch. (%)	Level	(amt.)	(%)		Level	1 yr. ch. (amt.)	1 yr. ch. (%)	% of total
Employed residents	394.5	12.3	3.2	3,395.3	109.0	3.3	Manufacturing	1.4	0.1	7.7	0.2
Labor force	415.1	12.3	3.0	3,492.1	107.0	3.2	Construction	15.7	0.3	1.9	1.9
Total wage and salary							Wholesale trade				
employment	807.9	12.5	1.6	3,384.9	61.1	1.8		4.8	-0.1	-2.0	0.6
Federal government	195.3	0.6	0.3	363.7	0.7	0.2	Retail trade	23.2	0.0	0.0	2.9
Local government	41.5	-0.6	-1.4	347.5	2.9	0.8	Utilities & transport.	5.6	0.2	3.7	0.7
Leisure & hospitality	82.6	2.8	3.5	352.5	20.4	6.1	Publishing & other info.	20.8	1.0	5.1	2.6
Trade	28.0	-0.1	-0.4	342.3	-1.1	-0.3	Finance & insurance	17.2	0.0	0.0	2.1
Education and health	135.9	0.6	0.4	459.2	8.3	1.8	Real estate	12.8	0.3	2.4	1.6
Prof., bus., and other							Legal services				
services	251.1	7.3	3.0	996.4	25.0	2.6	o .	29.7	1.3	4.6	3.7
Other private	73.5	1.9	2.7	523.3	4.9	0.9	Other profess. serv.	94.5	4.8	5.4	11.7
Unemployed	20.6	0.0	0.1	96.8	-2.0	-2.0	Empl. serv. (incl. temp)	15.5	1.7	12.3	1.9
New Unempl. Claims	2.1	0.1	5.9				Mgmt. & oth. bus serv.	33.5	-2.2	-6.2	4.1
Sources: U.S. Bureau of Labor Statistics (	Sources: U.S. Bureau of Labor Statistics (BLS) & D.C. Dept. of Employment Services (DOES)						Education	64.3	0.8	1.3	8.0
a Preliminary, not seasonally adjusted							Health care	71.6	-0.2	-0.3	8.9
							Organizations	69.4	1.8	2.7	8.6
D.C. Hotel Industry <sup>b</sup>				Airport Pas	sengers <sup>c,d</sup>		Accommodations	15.5	-0.2	-1.3	1.9
N. 2010				N. 2010	4 (1000)	1 yr. ch.	Food service		2.2	4.0	7.0
Nov. 2019	Amt.	1 yr. ch.		Nov. 2019	Amt.('000)	(%)		56.7	2.2	4.0	7.0
Occupancy Rate	73.3%	2.6%		DCA	1,939.5	-2.4	Amuse. & recreation	10.4	0.8	8.3	1.3
Avg. Daily Room Rate	\$215.30	\$9.90		IAD	1,945.1	-1.0	Other services	8.5	-0.1	-1.2	1.1

2,264.6

6,149.3

-1.0

33,186

\$157.1

782

BWI

Total

## Total 807.9 Source: BLS. Details may not add to total due to rounding

Subtotal, private

Federal government

Local government

# Revenue

# Available Rooms

Room Sales (\$M)

- ★ Total gross tax revenue for FY 2020 is expected to increase 1.9% following growth of 8.8% in FY 2019
- ★ Individual income tax revenue is expected to grow by 2.5% in FY 2020, less than the 11.2% growth experienced in FY 2019
- ★ Real property tax revenue for FY 2020 is estimated to grow at a rate of 2.4%
- ★ Business income tax revenue for FY 2020 is expected to decline by 11.3%. This follows growth of 11.8% in FY 2019
- ★ General sales tax revenue is estimated to increase by 6.6% in FY 2020, a slighly lower growth rate than the 7.0% in FY 2019

### Percent Change in Revenue for Selected Taxes

571.1

41.5

12.5

0.6

-0.6

12.5

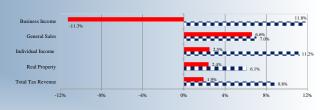
70.7

24.2

100.0

0.3

1.6



■% Chg. FY19 (Est.) - FY20 (Est.) ■ % Chg. FY18 - FY19 (Est.)

Tax Revenue for FY 2018 and Estimated Tax Revenue for FY's 2019 and 2020 (\$000)<sup>a</sup>

				% Chg.	% Chg.	% Chg. % Chg.
		FY'19	FY'20	FY18 -	FY19 (Est.)	FY18 - FY19 (Est.) -
	FY'18	(Est.) <sup>d</sup>	(Est.) <sup>d</sup>	FY19	FY20 (Est.)	Addenda: FY19 (Est.) FY20 (Est.)
Real Property	2,554,229	2,710,080	2,775,082	6.1%	2.4%	Convention Ctr. Transfer <sup>b</sup> 4.4% 7.0%
						Ind. Inc. Tax Withholding for D.C.
General Sales	1,492,567	1,597,727	1,703,294	7.0%	6.6%	residents 6.9% 4.5%
Individual Income	2,066,842	2,299,326	2,356,666	11.2%		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,
Business Income	574,745	642,656	570,221	11.8%	11 204	Hospital Provider Fee Fund, Stevie Sellows Quality Improvement Fund, Healthy Schools, ABRA, Repayment of Revenue Bonds, West End Library and Fire Maintenance Fund).
Total Tax Revenue						
(Gross) <sup>c</sup>	7,771,338	8,455,295	8,616,983	8.8%	1.9%	Variations in processing activities may affect year-to-date comparisons
						<sup>b</sup> Portion of sales tax on hotels and restaurants
Dedicated Tax Revenue	560,016	804,839	834,892	43.7%	3.7%	<sup>c</sup> Total Tax Revenue (Gross) includes all other taxes not reported above
Total Tax Revenue						Total Tax November (Oross) medides all other taxes not reported above
(Net)	7,211,323	7,650,457	7,782,091	6.1%	1.7%	d As of December 2019 Revenue Estimate

<sup>&</sup>lt;sup>b</sup> Source: STR <sup>c</sup> Source: Metropolitan Washington Airports Authority & Maryland

### **D.C. Economic Indicators**

# People & Economy

D.C. unemployment rate for November: 5.3%, 0.1% lower than the previous month & the same as one year ago

The conventional home mortgage rate was 3.70% in November, 0.01% higher than the previous month

One-Year Treasury and Conventional Home Mortgage Interest Rates November 2017 to November 2019

Jan. 2020

3<sup>rd</sup> Q 2019 1 qtr. ch.

146.8

133.8

13.0

4.1

0.4

-0.7

1.1

-0.1



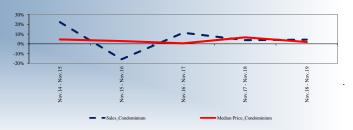
U.S. GDP <sup>c</sup>	% change fo	r yr. ending	СРІ	% change	for yr. ending	D.C. Popula	tion		
Source: BEA	3 <sup>rd</sup> Q 2019	2 <sup>nd</sup> Q 2019	Source: BLS	Nov. 2019	Sept. 2019	Source: Censu	ıs		
Nominal	3.8	4.0	U.S.	2.1	1.7	Year	Level	Change	% Chg.
Real	2.1	2.3	DC-VA-MD-WV	1.5	0.9	2010	605,226	11,426	1.9
						2011	619,800	14,574	2.4
						2012	634,924	15,124	2.4
Personal Income <sup>a</sup>			Unemployment Rate <sup>c</sup>			2013	650,581	15,657	2.5
Source: BEA	% change fo	r yr. ending	Source: BLS	Nov. 2019	Oct. 2019	2014	662,328	11,747	1.8
Total Personal Income	3 <sup>rd</sup> Q 2019	2 <sup>nd</sup> Q 2019	U.S.	3.5	3.6	2015	675,400	13,072	2.0
U.S.	4.5	4.7	D.C.	5.3	5.4	2016	685,815	10,415	1.5
D.C.	3.3	4.0				2017	694,906	9,091	1.3
Wage & Salary Portion of Personal Inc	ome		Interest Rates	Nationa	al Average	2018	701,547	6,641	1.0
U.S.	4.6	4.8	Source: Federal Reserve	Nov. 2019	Oct. 2019	2019	705,749	4,202	0.6
Earned in D.C.	3.0	3.8	1-yr. Treasury	1.57	1.61				
Earned by D.C. residents <sup>b</sup>	3.0	3.6	Conv. Home Mortgage	3.70	3.69				

<sup>&</sup>lt;sup>a</sup>Nominal <sup>b</sup> Estimated <sup>c</sup> Seasonally adjusted

# **Housing & Office Space**

- There were 340 condos sold in November 2019, 4.3% more than one year ago
- The median price for condos increased 1.9% from 1 year ago. The median price of an attached single family home increased by 2.3% from one year ago and that of a detached home decreased by 8.0% relative to last November
- $\bigstar$  In the 3<sup>rd</sup> quarter of 2019 the office direct vacancy rate was 0.8% higher than the 2<sup>nd</sup> quarter of 2019

### Year Over Year Percent Change in Contracts and Median Price for a Condominium in Washington, D.C.



Housing Sales			D.C. Housing Permits Issued <sup>b</sup>			DC Commercial Office Space
Source: GCAAR <sup>a</sup>			Source: U.S. Census Bureau			Source: Delta Associates
	Nov. 2019	1 yr. % ch.		3 <sup>rd</sup> Q 2019	1 yr. ch.	
Completed contracts		-	Total housing units	7,168	2,528	Inventory Status (in million sq. ft.)
Single family						
(Detached and Attached)	436	15.7	Single family	148	15	Total inventory
Condo/Co-op	340	4.3	Multifamily (units)	7,020	2,513	Leased space <sup>d</sup>
-						Vacant
			Class A Apt. <sup>c</sup> and Condominium U	Jnits		New Construction
Median Price (\$000)	Nov. 2019	1 yr. % ch.	Source: Delta Associates			Direct Vacancy Rate
Single family				3 <sup>rd</sup> Q 2019	1 yr. ch.	
Detached	\$820.0	-8.0	Units under construction and/or mark	keting	-	1
Attached (Townhouse)	\$720.0	2.3	Rental apartments	18,717	1,377	
			Condominiums <sup>e</sup>	2,498	940	
Condo/Co-op	\$489.0	1.9				
			Other units likely to deliver over the			
			Rental apartments	5,929	12	
			Condominiums	1,223	-609	]

a Greater Capital Area Association of Realtors

 $<sup>\</sup>dot{\uparrow}$  Indicates data revised by stated source since previous D.C. Economic Indicators.

<sup>&</sup>lt;sup>b</sup> Permits issued during the previous 4 quarters <sup>c</sup> Investment grade units, as defined by Delta