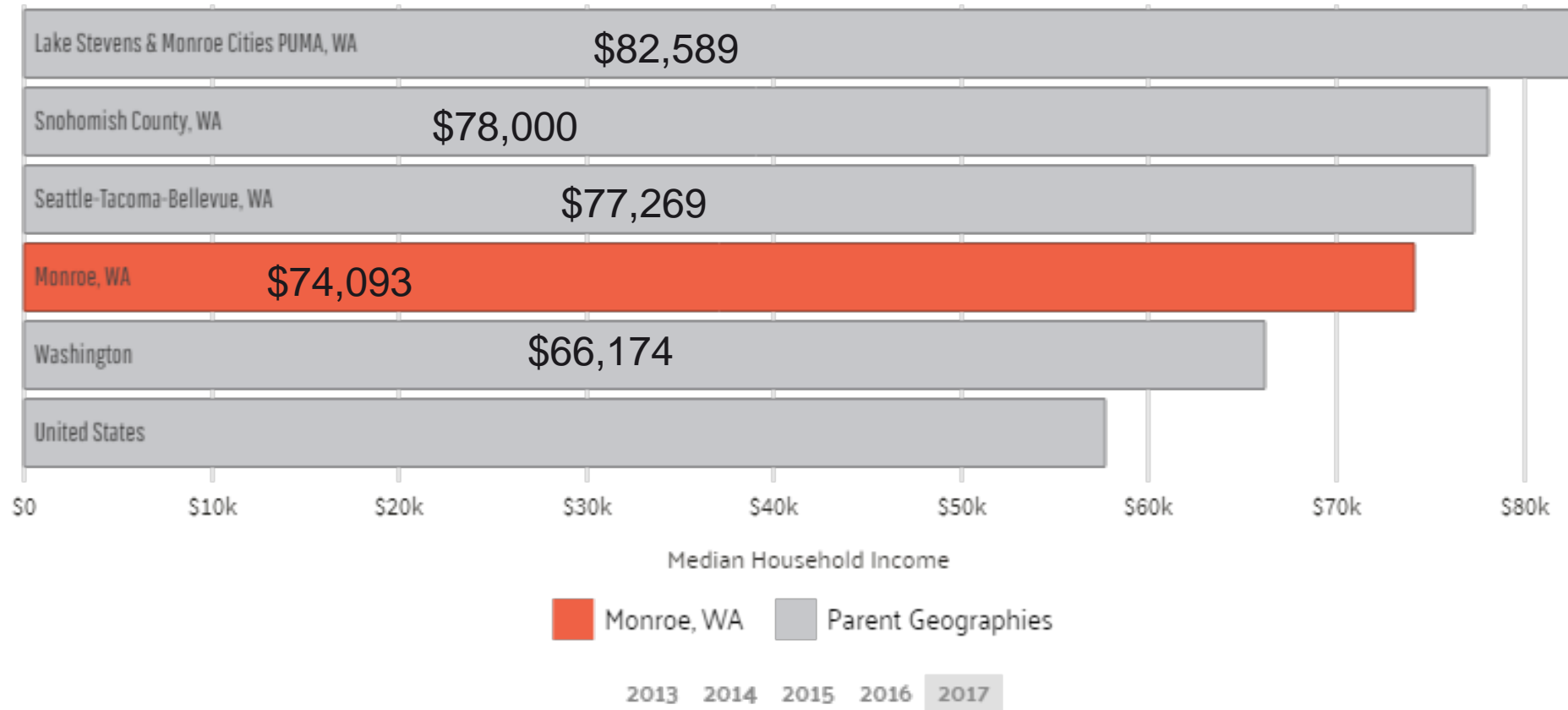


MONROE ECONOMIC INDICATORS

City Council
August 27, 2019

MEDIAN HOUSEHOLD INCOME

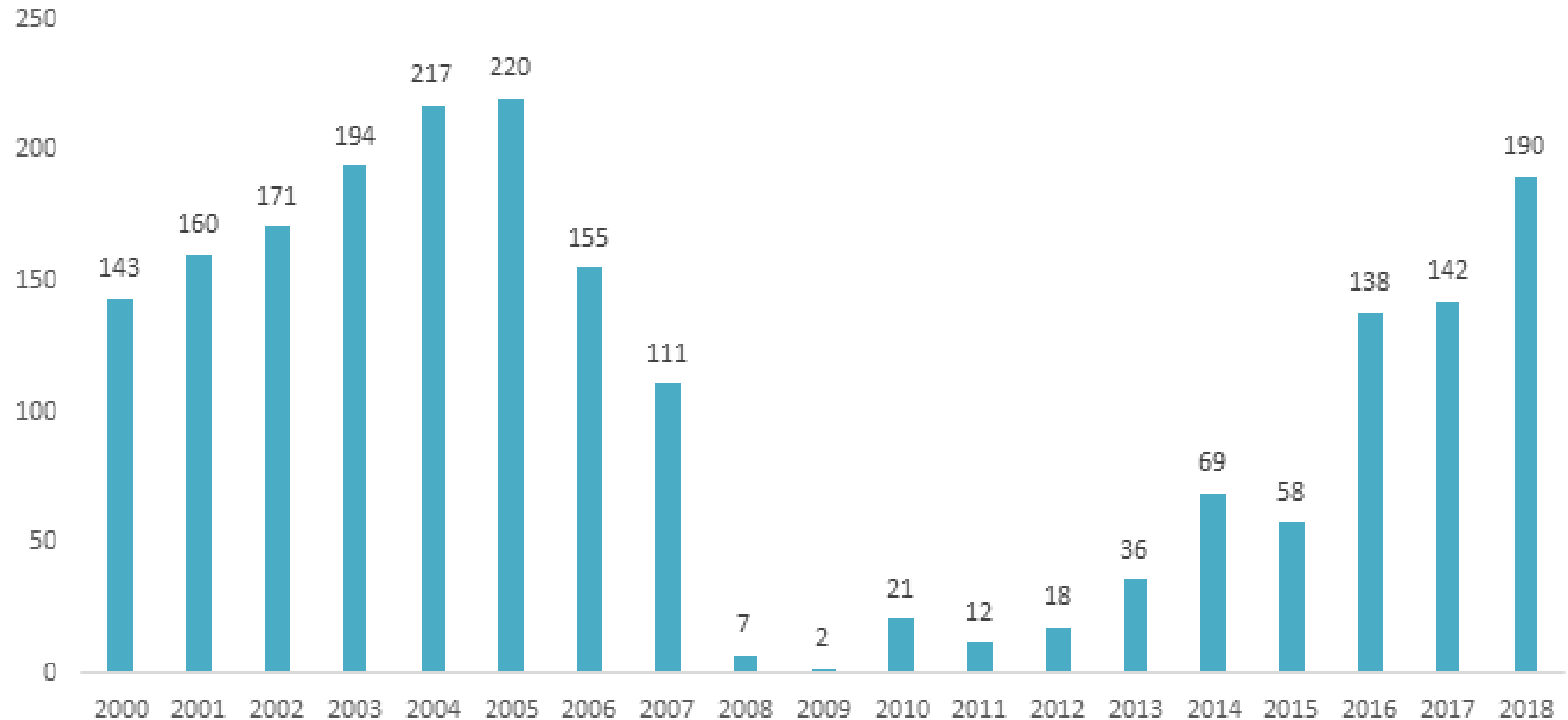




REVENUE AND BUILDING PERMITS

Jan-May	2018	2019	Difference (+/-) \$	Difference (+/-) %
Population	18,860	19,250	+510	+2.78
Sales Tax	\$2,076,673	\$2,139,773	+\$63,100	+3
Real Estate Excise	\$563,595	\$452,242	(\$111,354)	(19.75)
Lodging Tax	\$24,518	\$24,719	+201	+0.1
Business License Fees	\$20,842	\$27,359	+\$6,517	+31.26
Building Permit	\$264,257	\$269,480	+\$5,222	+2
Planning Fee	\$11,645	\$31,195	+19,550	+168
SFR Permits	47	56	9	19
MFR Permits	0	166 units	+166	
Inspections YTD	623	1,087	+464	75

BUILDING PERMITS 2000-2018



SNOHOMISH COUNTY EMPLOYMENT/WAGES

City/County	Firms	Employment	Total wage	Avg. Wage
Bothell	1,509	18,888	\$1,562,940,014	\$82,746
Everett	5,082	111,355	\$8,500,168,443	\$76,334
Mukilteo	723	11,263	\$802,856,209	\$71,286
Mountlake Terrace	507	7,429	\$480,058,388	\$64,617
Snohomish County (total)	21,192	298,318	\$18,551,303,490	\$62,186
Lynnwood	3,170	41,697	\$2,124,559,012	\$50,953
Edmonds	1,626	14,600	\$732,419,048	\$50,166
Woodway	24	97	\$4,697,819	\$48,514
Mill Creek	600	5,672	\$274,566,106	\$48,407
Snohomish	1,737	13,683	\$658,941,803	\$48,157
Monroe	852	10,156	\$462,392,857	\$45,527
Darrington	60	661	\$29,946,286	\$45,305
Arlington	1,140	13,224	\$595,638,074	\$45,041
Lake Stevens	787	6,550	\$291,004,817	\$44,428
Marysville	1,502	20,729	\$911,075,395	\$43,952
Stanwood	585	5,242	\$226,600,207	\$43,226
Brier	107	320	\$13,783,497	\$43,017
Sultan	144	1,133	\$47,016,709	\$41,516

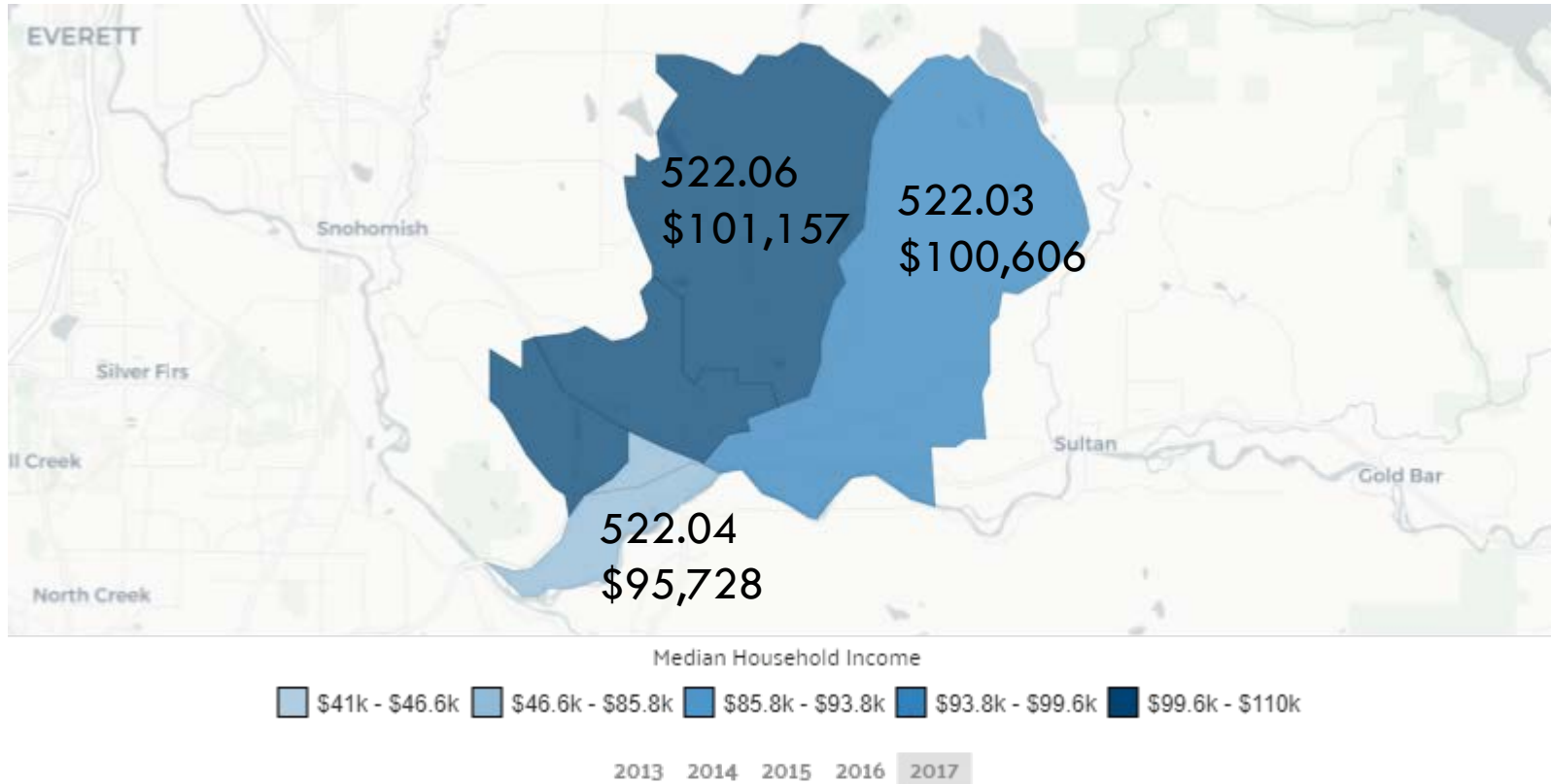
EMPLOYMENT BY INDUSTRY

From 2016 to 2017, employment in Monroe, WA grew at a rate of 12.6%, from 7.28k employees to 8.2k employees.

The most common employment sectors for those who live in Monroe, WA, are Manufacturing (1,259 people), Retail Trade (1,184 people), and Construction (1,010 people). This chart shows the share breakdown of the primary industries for residents of Monroe, WA, though some of these residents may live in Monroe, WA and work somewhere else. Census data is tagged to a residential address, not a work address.



INCOME BY LOCATION



This map shows all of the places in Monroe, WA colored by their Median Household Income (Total).

In 2017, the place with the highest Median Household Income (Total) in Monroe, WA was Census Tract 522.06 with a value of \$101,157, followed by Census Tract 522.03 and Census Tract 522.04, with respective values of \$100,606 and \$95,728.

MONROE HOUSING MARKET ANALYSIS 2018



Monroe Housing Market

Next, we examined Monroe's residential market. We examined average house prices reported by companies such as Zillow and Trulia. As Monroe represents a growing area with available residential land, residential prices can have a significant impact on the local economy. According to Zillow Home Value index, the median home value is \$424,885. Values increased 17.4% over the past year. Zillow predicts an 8.3% increase over the next year. The strength of the housing market is a positive sign for all commercial property in the area. Home prices are lower than the Snohomish county median of \$460,292 (prices increased 15.1% year over year).

There are over 700 lots planned or in planning in the Monroe area, including Eaglemont, Raspberry Hill, and Main Brook Townhomes.

Conclusion

Overall, market conditions in the broader regional area as well as the immediate competitive set are positive. With low vacancy and limited near-term supply coming online, rental rates are expected to increase in the coming years, and the most functional and well-located of these properties will benefit from the positive trends.

2018	Median Home Value	Increase over 2017	SFR Lots Proposed
Monroe	\$424,885	17.4%	700
Snohomish County	\$460,292	15.1%	

Figure 1. Leakage/Surplus Index and Estimated and Potential Sales by Major Store Types



2017 RETAIL LEAKAGE 10-MIN DRIVE



Interpreting Leakage Index
1.0 = equilibrium, meaning that demand and sales in the area being analyzed are in balance.

.80 = demand exceeds sales by 20%, meaning that consumers are leaving the area being analyzed.

1.2 = sales exceed demand by 20%, meaning that consumers are coming from outside the area being analyzed.

Store Type	Potential	Estimated Sales	Surplus/Leakage
Motor Vehicle Parts & Dealers	84,923,116	66,475,737	0.8
Furniture & Home Furnishing Stores	11,926,699	4,579,012	0.4
Electronics & Appliance Stores	11,462,037	3,029,213	0.3
Building Material & Garden Equipment & Supply Dealers	36,046,213	64,156,987	1.8
Food & Beverage Stores	59,437,853	41,144,043	0.7
Health & Personal Care Stores	26,669,408	17,256,253	0.6
Clothing & Clothing Accessories Stores	27,490,649	6,124,862	0.2
Sporting Goods, Hobby, Book, & Music Stores	9,288,521	3,193,257	0.3
General Merchandise Stores	62,485,555	80,807,737	1.3
Miscellaneous Store Retailers	10,285,365	9,016,150	0.9
Foodservice & Drinking Places	58,872,180	36,183,864	0.6
Total	398,887,596	331,967,115	0.8



(SOME) CONCLUSIONS BASED ON INDICATORS

Housing construction is a volatile economic driver with “boom and bust” cycles

Historic housing cycle is 7 years

Current economy is strong but indicators (ie. housing starts) are weakening

Large manufacturing space is in demand but supply of land in Monroe is insufficient

Monroe would benefit from attracting higher wage jobs

Need more information on home-based businesses

Need to ensure distribution of housing types across city to avoid pockets of poverty

Consider how delivery economy meets “leakage” needs

Continue to seek business that offer experiences (“Make it in Monroe”)

Build on “adventure” brand



QUESTIONS?