

City of Fresno CEDS Committee Meeting

October 17, 2023
8:30-10:00 a.m.

AGENDA

8:30	Welcome & Introductions	Lance Lippincott City of Fresno
8:35	CEDS Orientation www.FresnoCEDS.com	Vicki Doll Chabin Concepts
8:45	Economic Conditions	Dr. Robert Eyler Economic Forensics & Analytics
9:30	SWOT Analysis	Fawn McLaughlin FJMcLaughlin & Associates
9:45	CEDS Goals	Vicki Doll Chabin Concepts
10:00	Wrap Up and Next Steps	Vicki Doll Lance Lippincott

CEDS Orientation

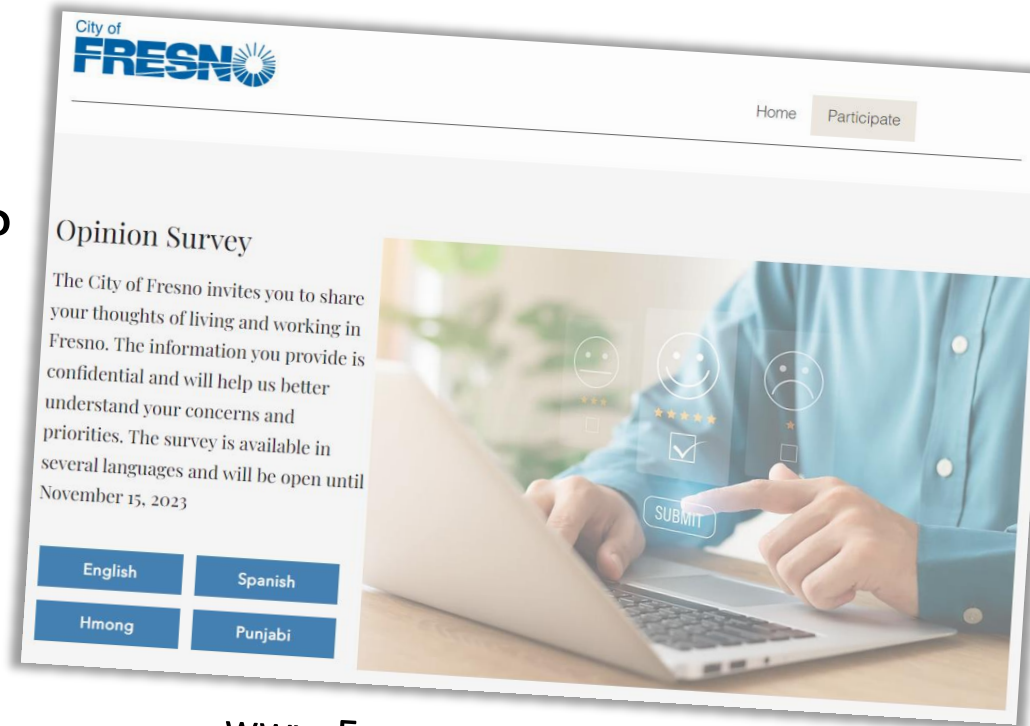
What is a CEDS?

Why do we need it?

What does the committee do?

What does a CEDS include?

- Economic Conditions
- SWOT
- Goals
- Action Plan
- Performance Measures

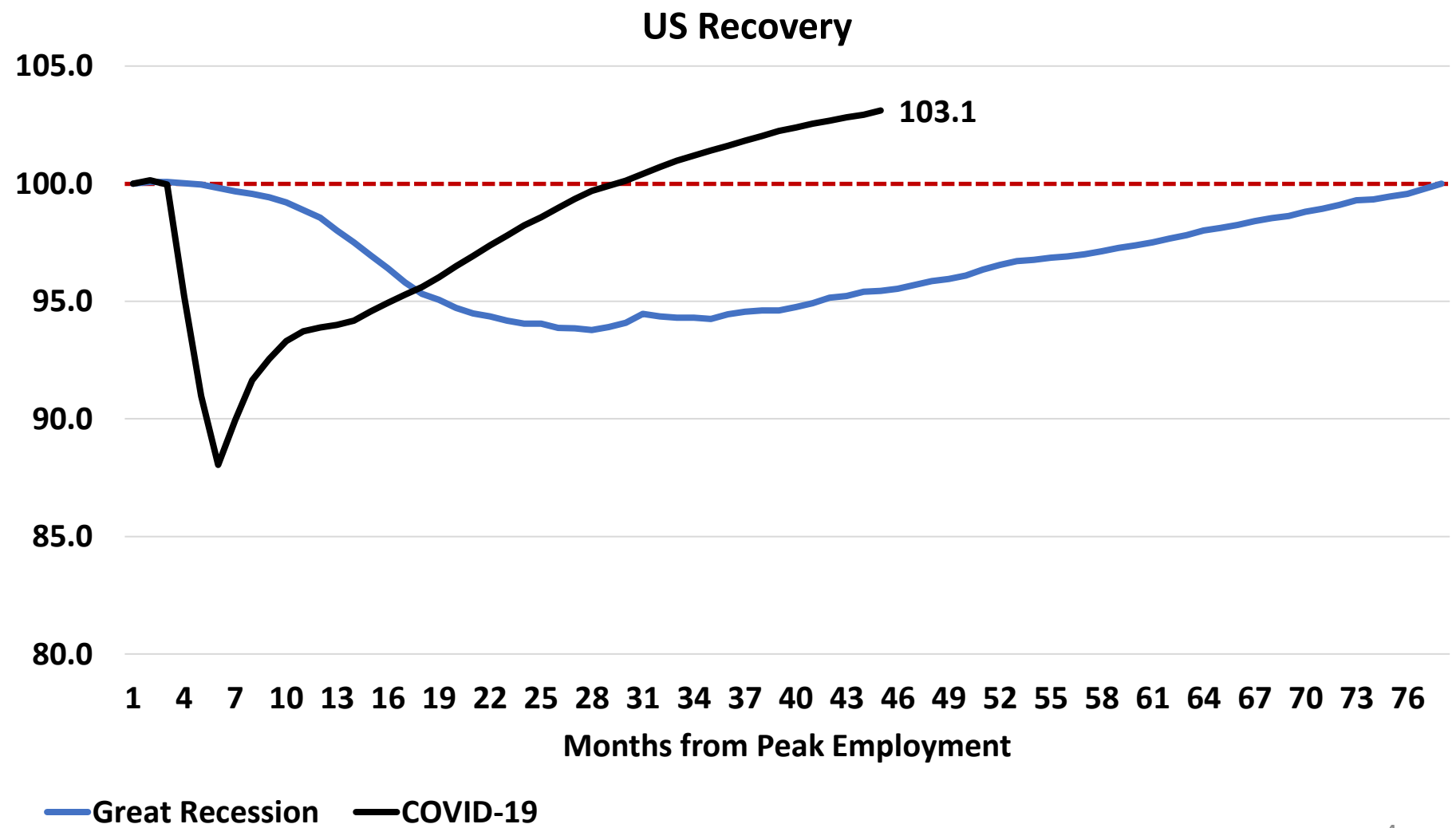


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Economic Conditions

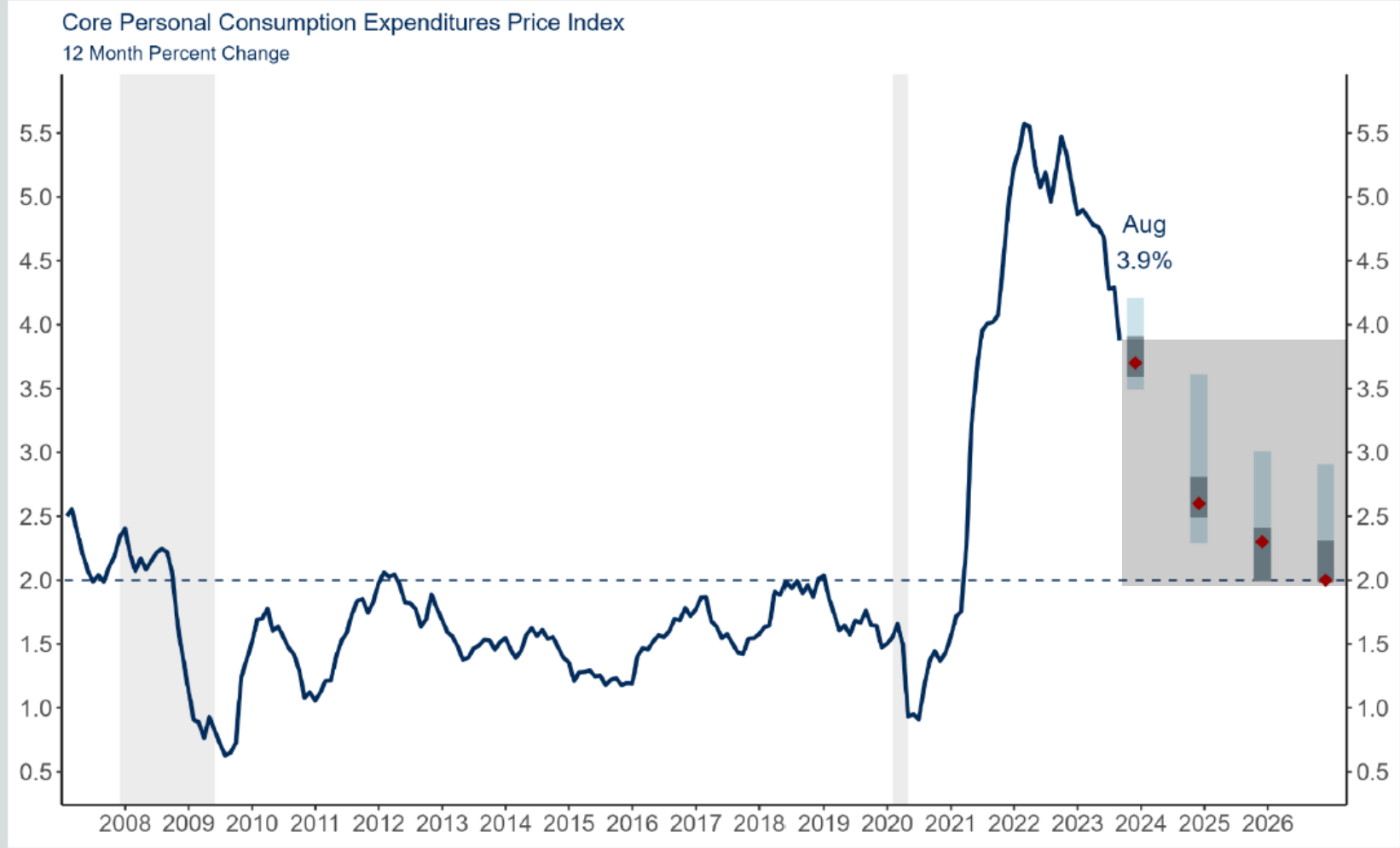
Employment Recovery Comparison, United States, Great Recession and COVID-19 Recession, Months from Peak Employment, Index Nov 2007 and Jan 2020 = 100, to Sept 2023



Source: BLS and EFA

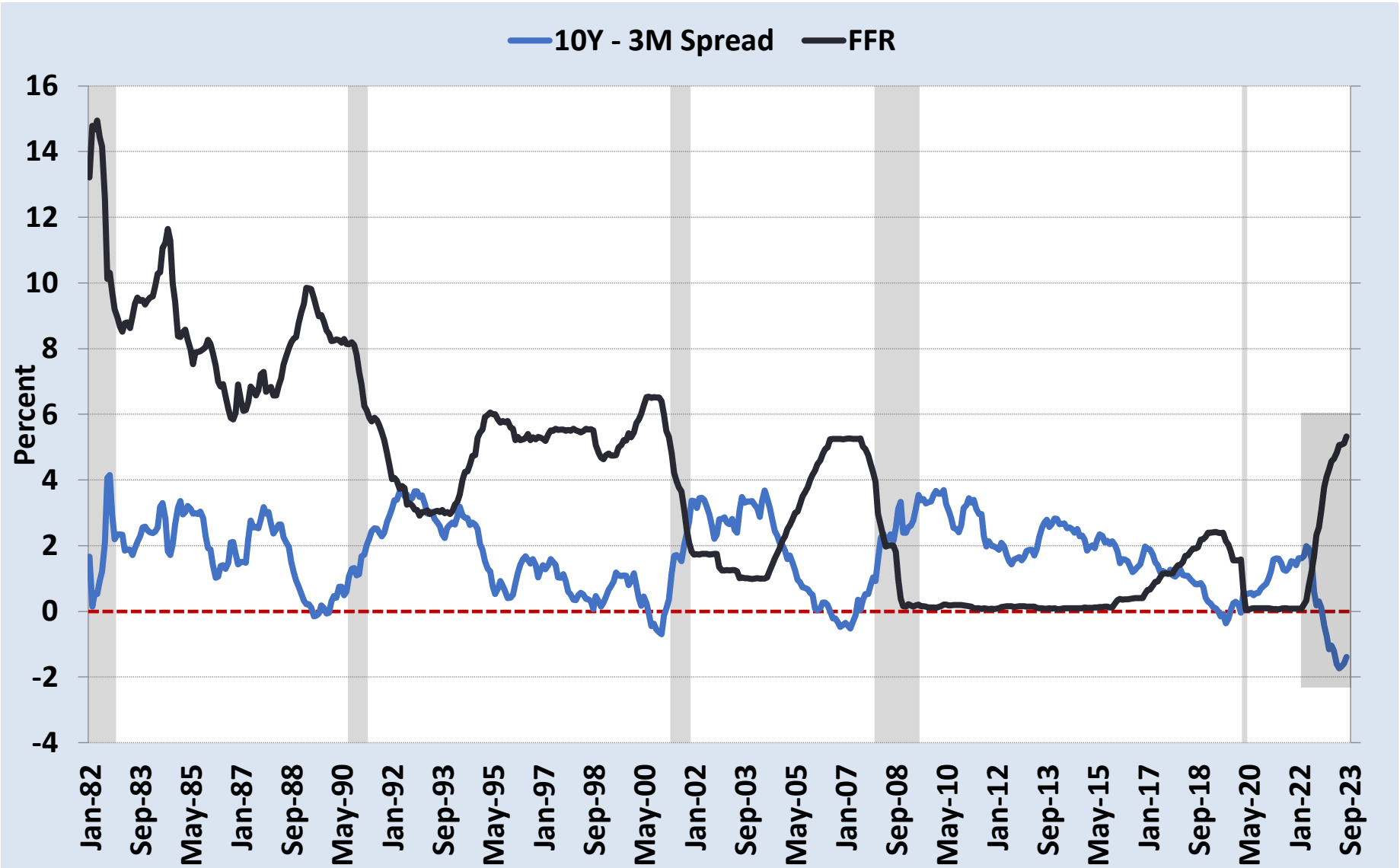
Inflation from the FED's Perspective, 2007 to 2026

Core Personal Consumption Expenditure Price Index



Notes: FOMC projection is the median, range, and central tendency for Q4/Q4 percent changes, from the June 2023 meeting. Red dots indicate median projections. Core PCE Price Index excludes expenditures on gasoline and food services.

10-Year 3-Month Treasuries Spread and Effective Federal Funds Rate, Jan 1982 to Sept 2023



Source: Federal Reserve Bank of St. Louis/FRED

Federal Reserve Philadelphia Forecast, Survey of Professional Forecasters

These data are from August 2023

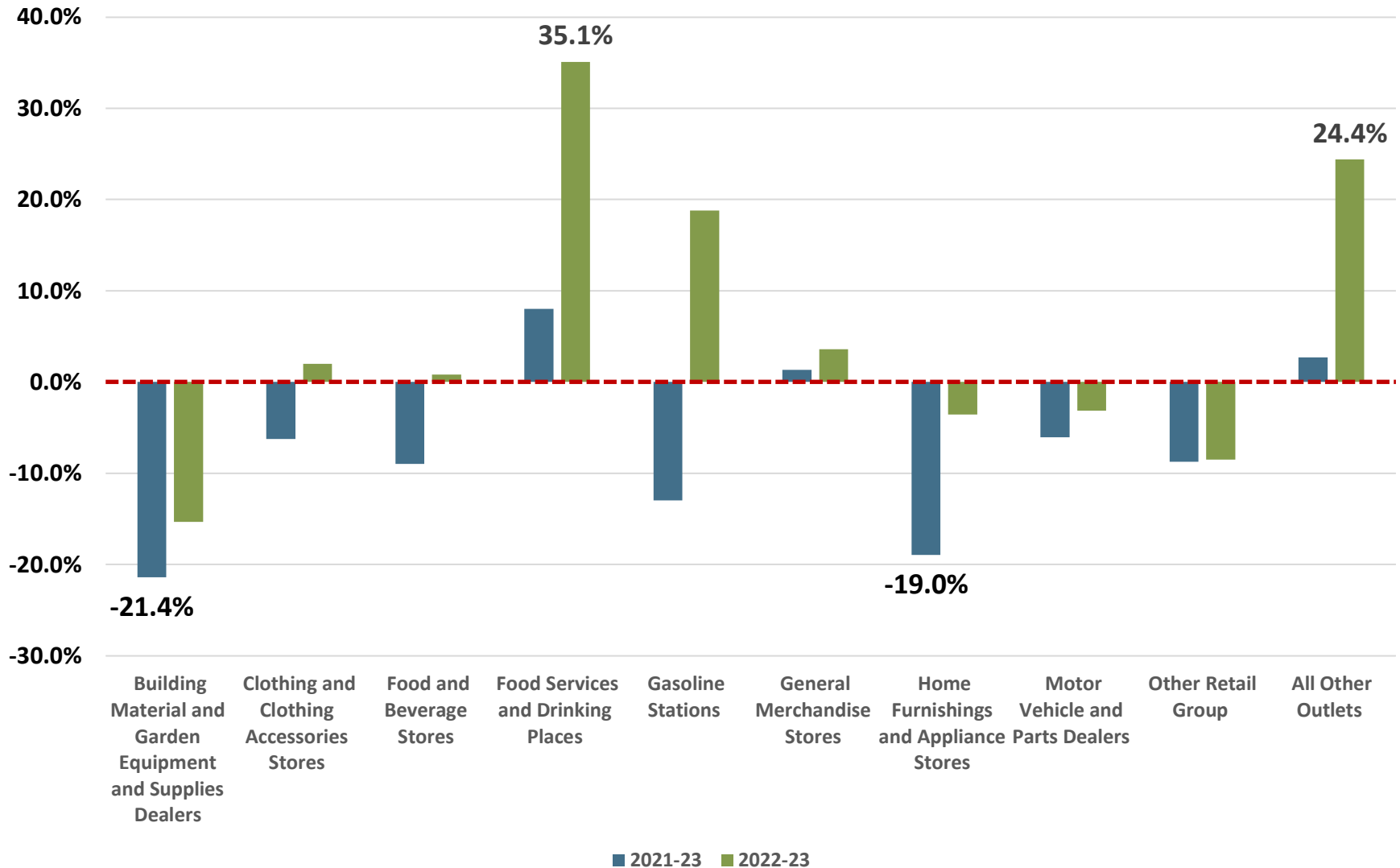
Bottom Line: Economy more resilient than previous forecasts, inflation beginning its descent; relatively high interest rates will continue pressure economy to 2025

	Real GDP (%)		Unemployment Rate (%)		Core PCE Inflation (%)	
Annual data (projections based on annual-average levels):	Previous	New	Previous	New	Previous	New
2023	1.3	2.1	3.7	3.6	3.7	3.7
2024	1.0	1.3	4.3	4.0	2.3	2.4
2025	2.4	2.1	4.4	4.2	2.0	2.1
2026	2.3	1.7	4.3	4.1	N/A	N/A

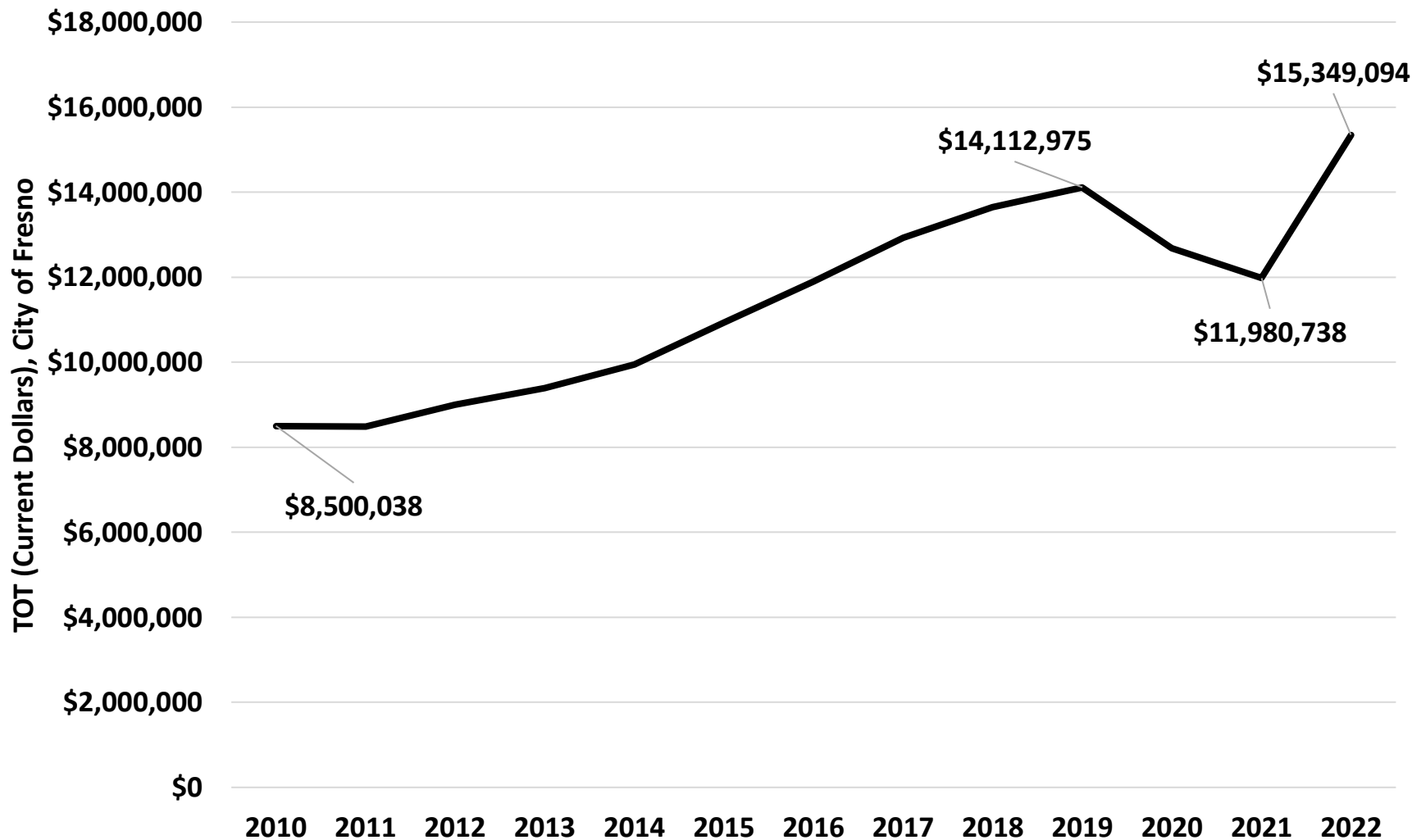
Gross Regional Product, Thousands of Current Dollars, 2011 and 2021

GRP DRIVERS	2011 (\$000)	% OF TOTAL 2011	2021 (\$000)	% OF TOTAL 2021	AVERAGE ANNUAL CHANGE (2011-21)
Goods-Producing	\$4,317,447	19.4%	\$6,771,036	19.9%	5.7%
Local Serving	\$17,012,789	76.3%	\$26,302,945	77.4%	5.5%
Visitor-Serving	\$976,500	4.4%	\$911,250	2.7%	0.6%
Totals	\$22,306,736		\$33,985,231		5.2%
JOBS	AMOUNT	% OF TOTAL	AMOUNT	% OF TOTAL	
Goods-Producing	23,305	11.8%	30,063	12.3%	2.9%
Local Serving	165,158	83.7%	204,611	83.6%	2.4%
Visitor-Serving	8,925	4.5%	10,193	4.2%	1.4%

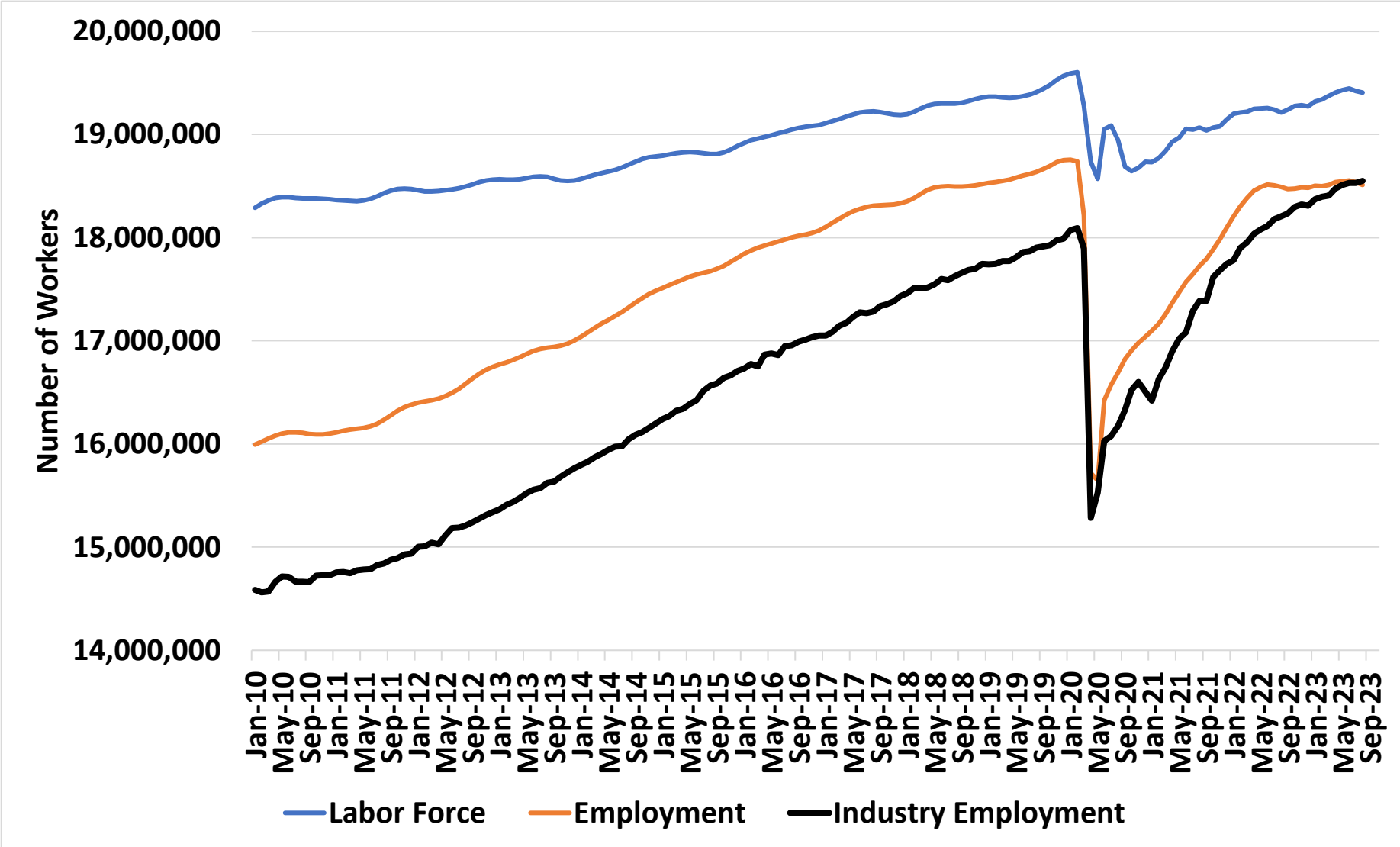
Taxable Sales, City of Fresno, % Change by Category, Q1 2021- Q1 2023, Current Dollars



Transient Occupancy Tax and Visitors, 2010-2022

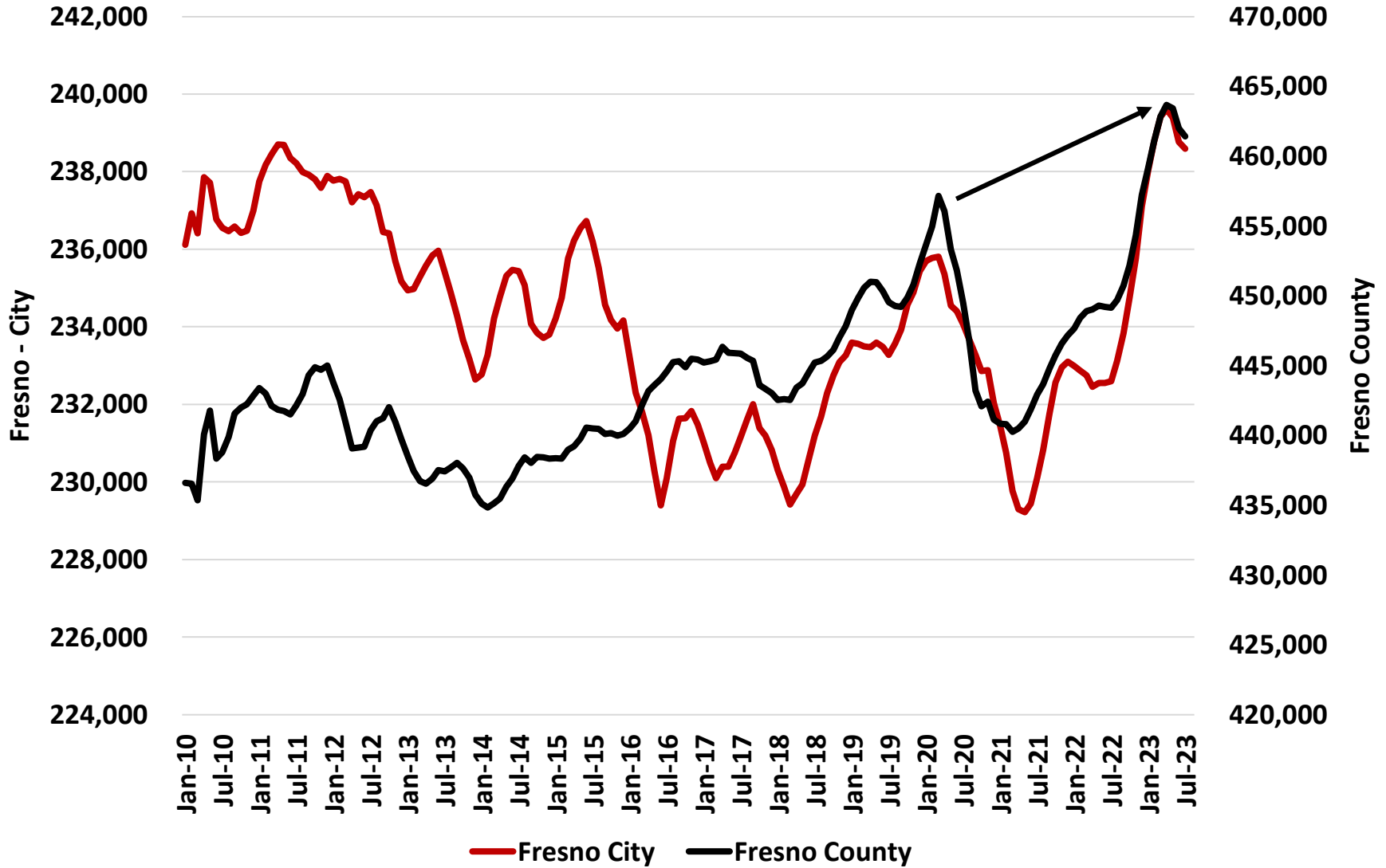


Employment and Labor Force Comparison, California, Months from Jan 2010, Index Jan 2020 = 100, as of Aug 2023, Seasonally Adjusted



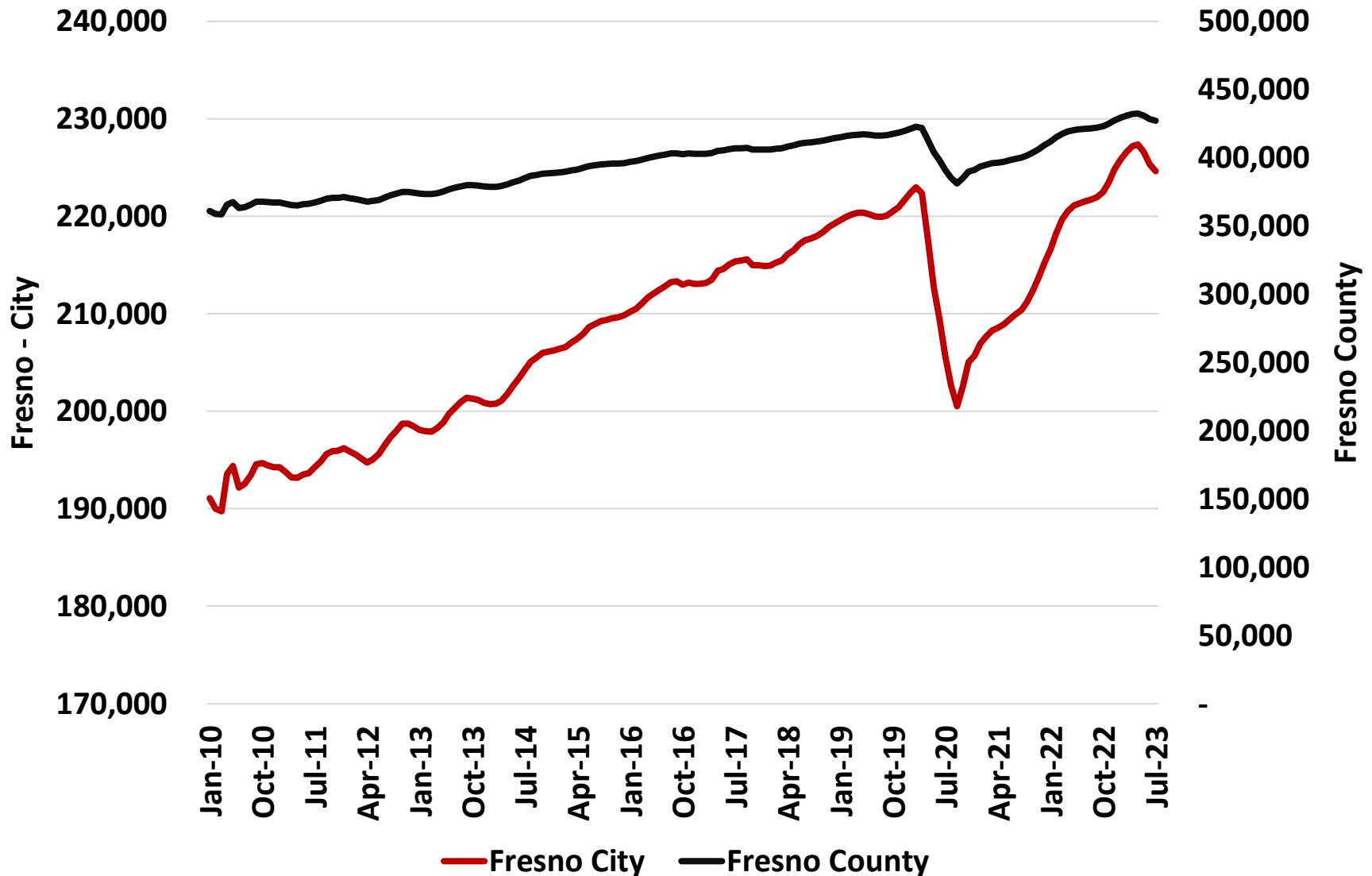
Source: California EDD

Labor Force, Fresno and Fresno County, Jan 2010 - July 2023

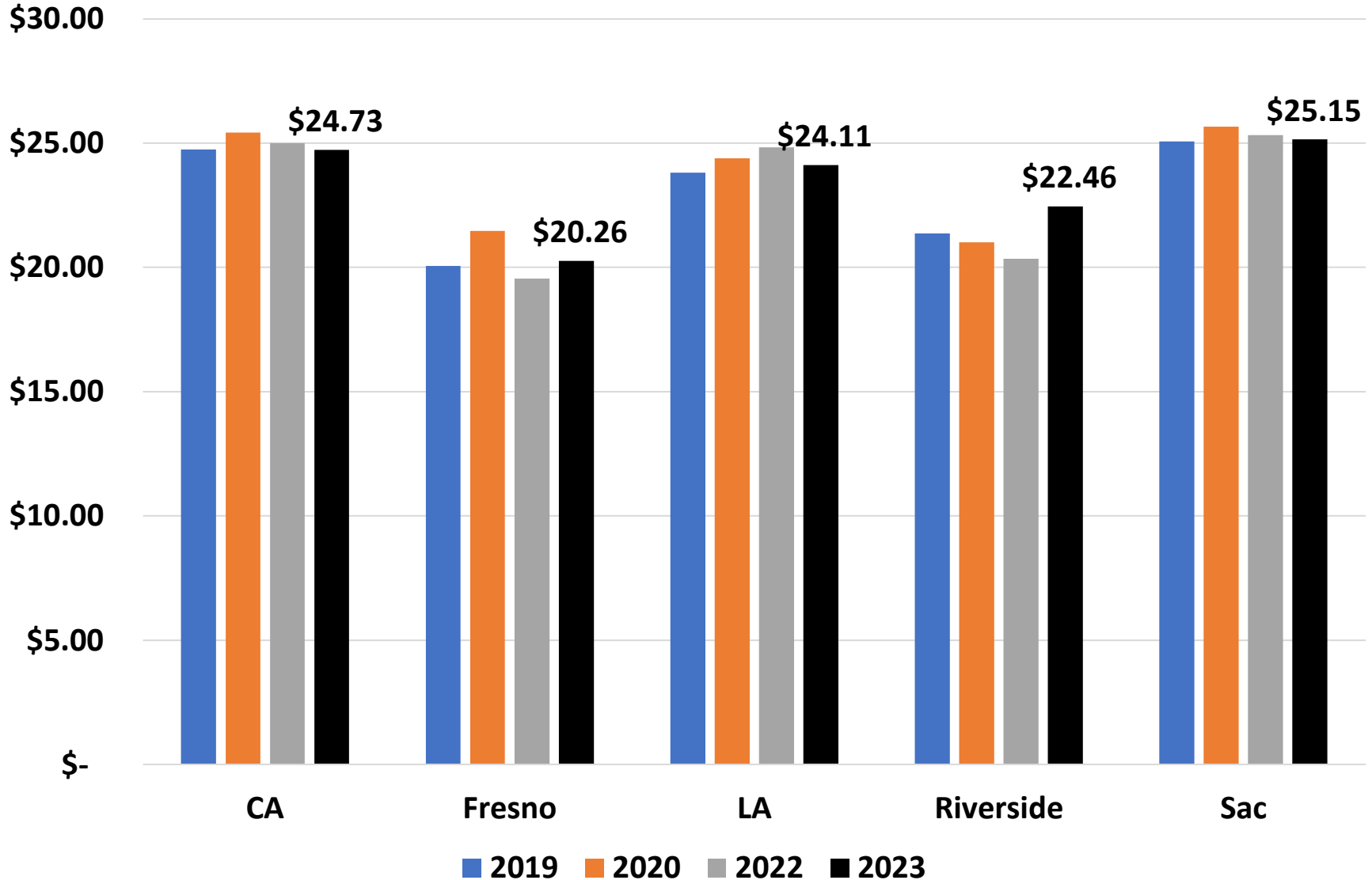


Source: California EDD

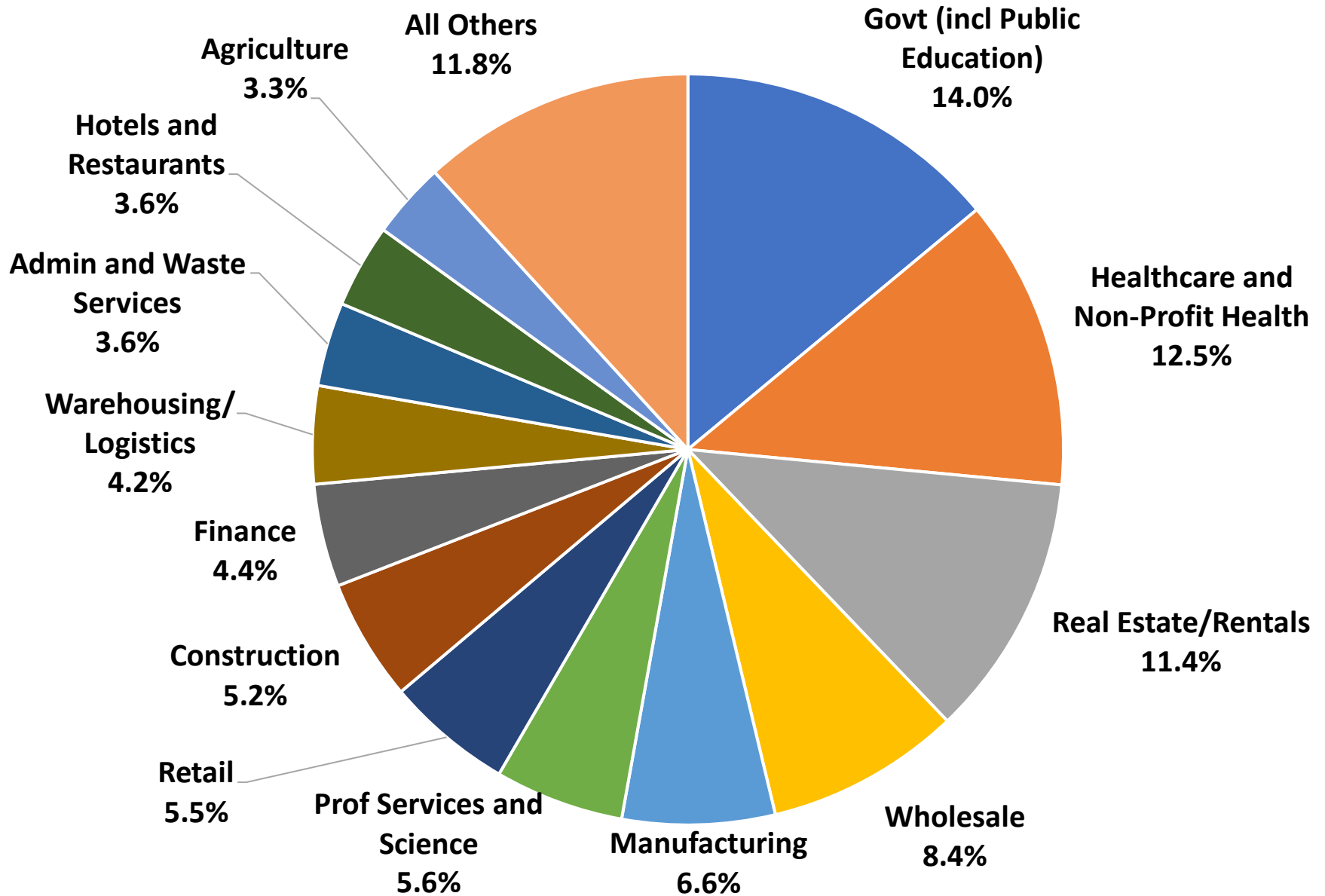
Employment, Jan 2010 - July 2023 Fresno and Fresno County



Wages, Fresno County and Selected Areas in California



Industry Mix: 2021 for Fresno



Manufacturing (MFG) vs Retail: What Happens with 100 New Jobs in Fresno?

	100 RETAIL JOBS	100 MFG JOBS	DIFFERENCE
Additional jobs supported	40	123	207.5%
Direct wages paid	\$3,891,300	\$7,577,300	94.7%
Additional wages supported	\$1,828,400	\$6,630,800	262.7%
Annual state and local tax receipts generated	\$2,010,200	\$4,036,800	100.8%

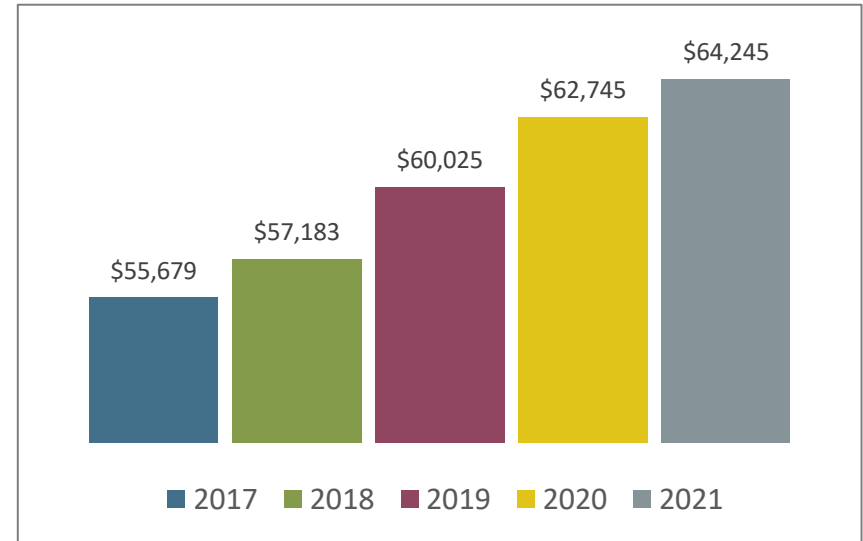
Why the differences?

1. Higher average wages
2. More supply-chain connections in Fresno County

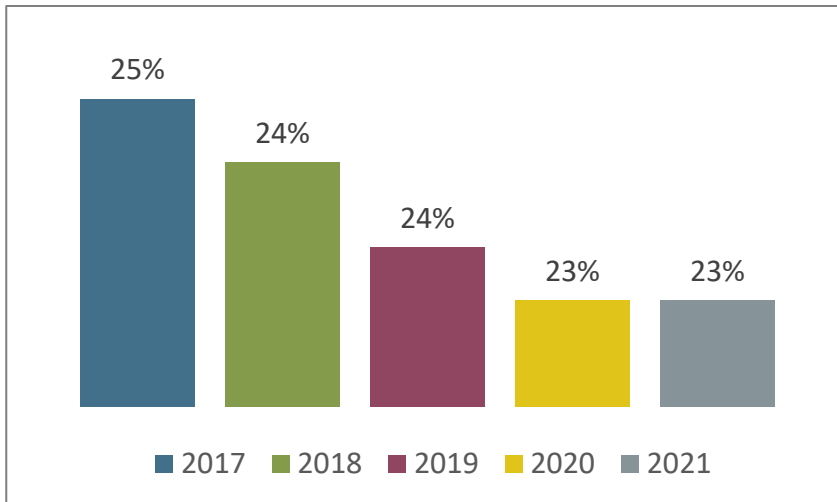
Income and Sources of Income

3% average annual growth in median household income.

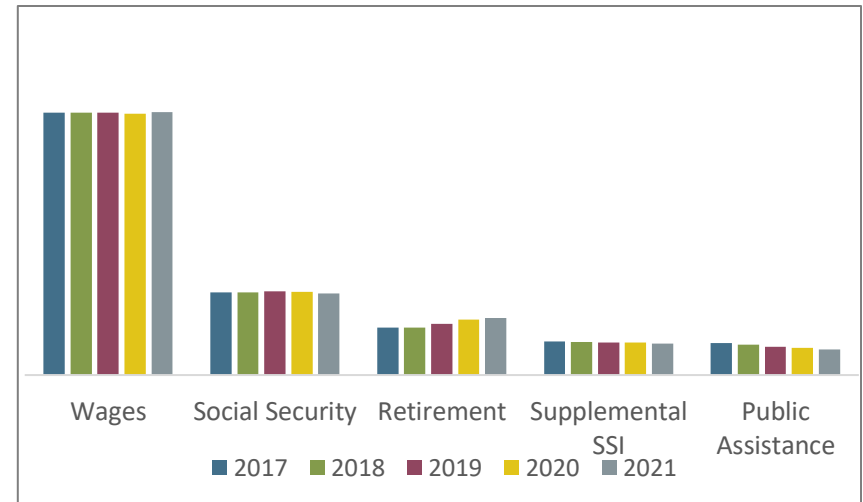
About the only change in the source of income is an increase in the share coming from retirement, from 14% in 2017 to 17% in 2021. There was a slight decline in the share from Public Assistance, from 10% in 2017 to 8% in 2021.



Median Household Income. US Census, ACS 5-Year Estimates (S1901) Income in the past 12 months; inflation-adjusted dollars per Federal Reserve Bank of Minneapolis inflation calculator

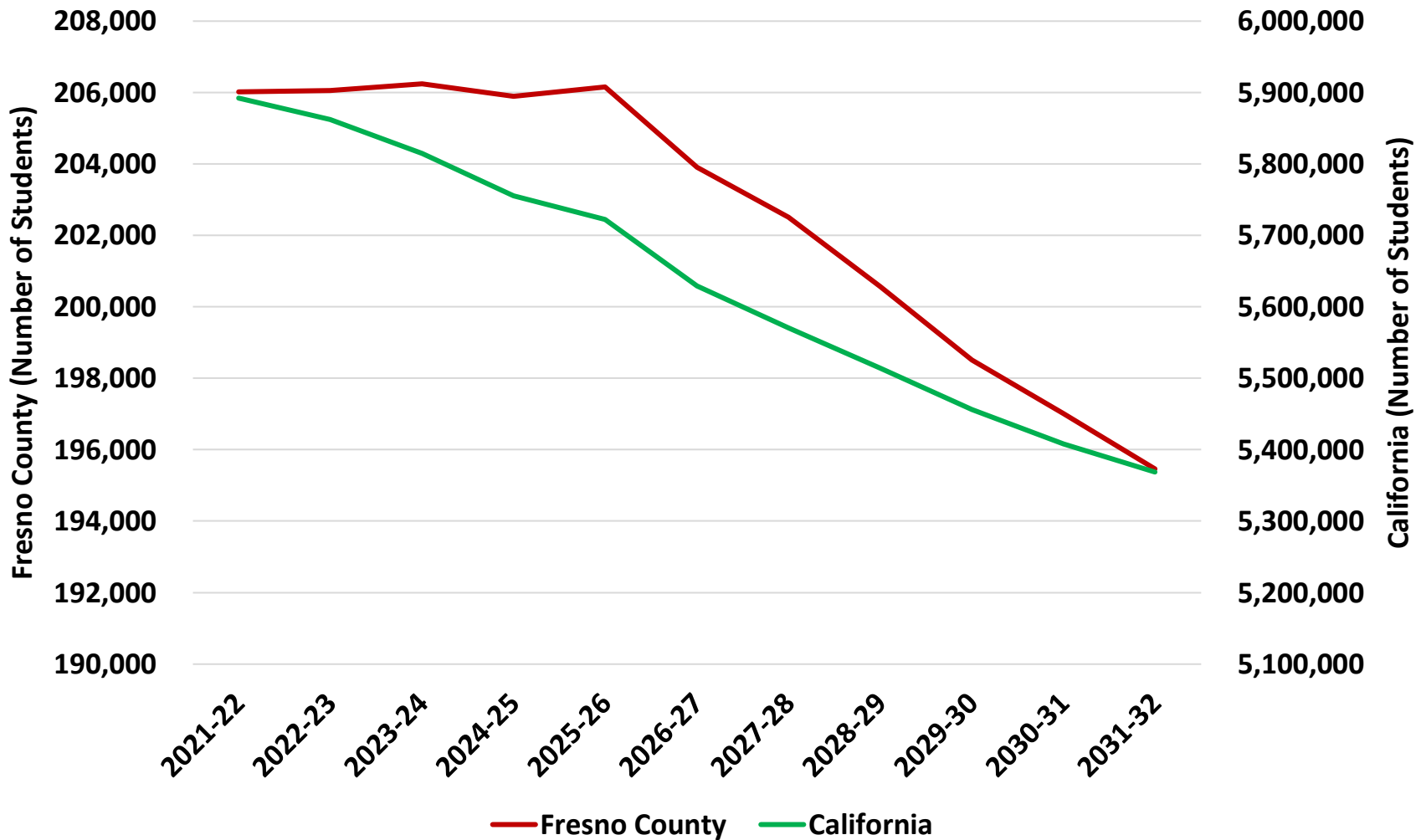


Share of Population receiving public assistance or food stamps. US Census, ACS 5-Year Estimates (B19058)



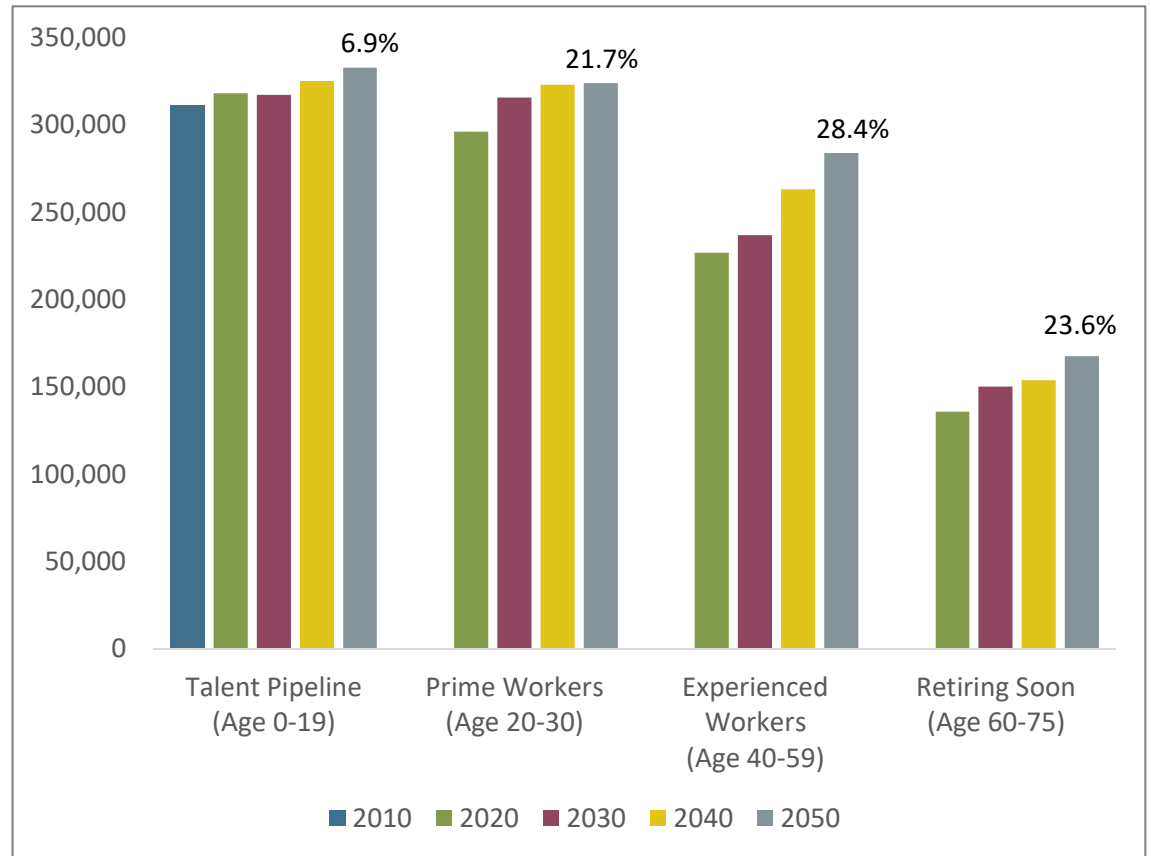
Sources of Income. US Census, ACS 5-Year Estimates (DPO3)

K-12 Attendance Forecast, as of end of 2021-22 AY to 2031-32 AY



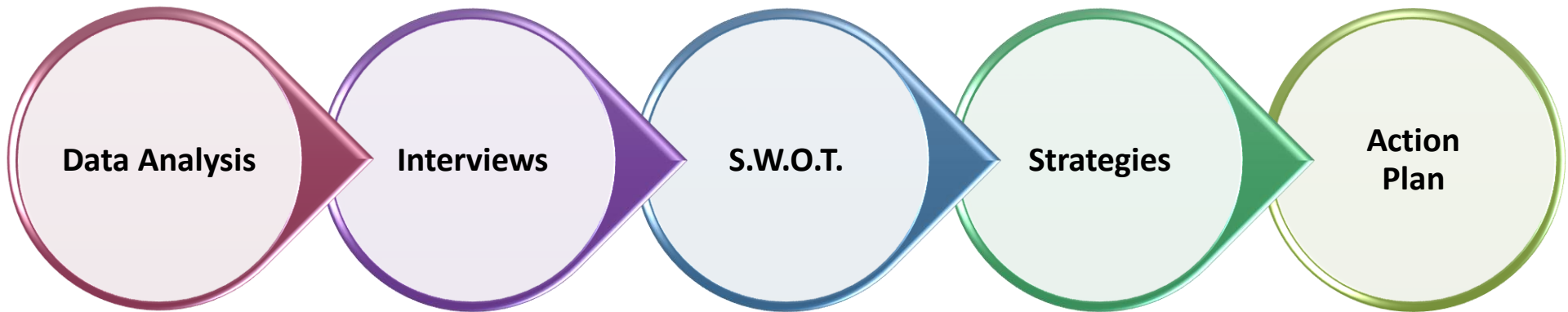
Talent Pipeline

The incoming workers – the Talent Pipeline – is expected to have very little growth. This is a situation seen in many communities around the nation. Fortunately for Fresno, there is a substantial college student population in the region that can and should be attracted to employment in Fresno.



Talent Pipeline Trend in Fresno County. California Department of Finance, Report P-2B: Population Projections by Individual Year of Age, 2010-2060

S.W.O.T.



Proposed GOALS

Based on City of Fresno E.D. and Fiscal Responsibility Plan and General Plan E.D. Element

- **Economic Opportunities**—increase economic opportunities by resolving existing public infrastructure and service deficiencies and continually investing in infrastructure improvements that increase competitiveness and promote economic growth.
- **Healthy Living**— develop complete, diverse, and attractive neighborhoods and business districts that include a mix of densities, uses, building types, and affordability and include a network of well-maintained parks, trails, and open spaces that connect the city’s districts and neighborhoods.
- **Placemaking**—improve Fresno’s visual image and enhance its form and function through urban design strategies and effective maintenance.
- **Sustainable Growth**— work collaboratively with other jurisdictions and organizations to ensure smart and sustainable growth management and planning practices and effective urban development policies and environmental quality are practiced.

Next Steps

- Provide Comments on SWOT – by Oct 24
- Economic Conditions Document Review – Oct 31
- Next CEDS Committee Meeting – Nov 14, 8:30 a.m.
 - Approve Goals
 - Survey Results
 - Economic Centers
 - Possible Opportunities

Comments – Questions



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