APPENDIX B: HOUSING AND EMPLOYMENT TRENDS

REGIONAL HOUSING MARKET TRENDS

Regional Housing Stock Composition by Number of Units in Structure, 2000-2006

The Region's housing market has seen a dramatic growth spurt in the last 7 years since the last decennial census. From a year 2000 base of 89,331 housing units (see **Table B.1**), the Region's housing supply has grown by 32 percent. With the exception of the City of Fredericksburg, the percentage increase in single family housing (represented by the number of single-family building permits issued is quite consistent among the counties, with building activity in King George County showing a slightly higher percentage increase (42.3%) than the other counties which all experienced 33-36 percent growth. The "current" estimated housing inventory in 2007 is estimated in **Table B.3**

Table B.1

HOUSING STOCK INVENTORY, 2000						
	Single Family Units*	Duplex Units	Structures w/ 3-4 Units	Structures w/ 5+ Units	Manufactured Housing	Total Units
Caroline	7,559	45	111	86	1,088	**8,889**
King George	5,311	102	187	351	869	**6,820**
Spotsylvania	28,776	111	266	1,717	2,459	**33,329**
Stafford	27,487	149	439	1,889	1,441	**31,405**
Fredericksburg	4,366	410	405	3,655	52	**8,888**
GW Region	**73,499**	**817**	**1,408**	**7,698**	**5,909**	**89,331**
* Single family category includes 1 unit, both attached and detached, and boat, RV and van housing options.						

Table B.2

RESIDENTIAL BUILDING PERMIT ACTIVITY TRENDS, 2000-2006 2000 - 2006 CUMULATIVE ANNUAL BUILDING PERMITS ISSUED						
Jurisdiction	Single Family Units	Duplex Units	Structures w/ 3-4 Units	Structures w/ 5+ Units	Manufactured Housing	Total Units
Caroline	2,544	6	27	0	12	2,158
King George	2,247	22	4	43	21	2,009
Spotsylvania	10,481	0	0	838	27	10,053
Stafford	9,311	152	4	1,733	0	10,326
Fredericksburg	1,120	0	0	0	0	842
GW Region	**25,703**	**180**	**35**	**2,614**	**60**	**25,388**
Source: Calculated by GWRC staff from building permit data reported by local governments to the US Census Bureau's Construction Division.						

Table B.3

2007 ESTIMATED HOUSING STOCK BY NUMBER OF UNITS IN STRUCTURE							
	Single Family	Duplex Units	Structures w/ 3-4 Units	Structures With 5+ Units	Manufactured Housing	2007 Total Units / Vacancy Rate	
Caroline	10,103	51	138	86	1,100	11,478	9.60%
King George	7,558	124	191	394	890	9,157	8.72%
Spotsylvania	39,257	111	266	2,555	2,486	44,675*	7.04%
Stafford	36,798	301	443	3,622	1,441	42,605*	4.32%
Fredericksburg	5,486	410	405	3,655	52	10,008	8.69%
GW Region	**99,202**	**997**	**1,443**	**10,312**	**5,969**	**117,923**	

Source: GWRC staff estimates, based on 2000 Census data, 2005 American Community Survey data reported by US Census Bureau, building permits issued by local governments as reported by the US Census Bureau' Construction Division. *2006 ACS total housing stock estimate for Spotsylvania Co = 43,544 (with 4.97% vacant) and 2006 ACS total housing stock estimate for Stafford Co = 41,791 (with 4.9% vacant). Note: Claritas, Inc. estimate for 2007 regional housing stock = 117,165 or 0.65 percent less than GWRC estimate.

The majority (over 84 percent) of all housing in the GW region is single-family detached housing. Single-family housing's share of the local housing market ranges from a low of 54.8 percent of the housing stock in the City of Fredericksburg to 87.9 percent in Spotsylvania County. Multi-family housing (i.e. with 5 or more units per structure) is concentrated in the City of Fredericksburg and Stafford County, with 35.4 and 35.1 percent, respectively, of the Region's multi-family housing inventory. Over 72 percent of the Region's total housing inventory is in Spotsylvania and Stafford Counties.

Trends in Home Ownership

Home ownership trends from 2000 through 2006 (see **Table B.4**, on the following page) can only be partially measured since the estimates from the Census Bureau's American Community Survey program are only available for Spotsylvania and Stafford Counties at this time. With the growth in the housing stock in Spotsylvania County, the number and percentage of owner-occupied homes is estimated by the U.S. Census Bureau to have increased by 8,104 units (31.5 percent), while the renter-occupied housing stock increased by 1,979 units (35.3 percent). While owner-occupied housing in Stafford County grew as well over this period by 5,989 units (24.6 percent), the renter-occupied stock increase of 3,565 units (60.8 percent) reflected a significant change in the local housing market and a response to the demand for more affordable housing.

Table B.4

TENURE STATUS OF HOUSING STOCK								
Jurisdiction	**2000**				**2006**			
	Owner-Occupied	**Renter-Occupied**	**Vacant Units**	**Total Units**	**Owner-Occupied**	**Renter-Occupied**	**Vacant Units**	**Total Units**
Caroline Co	6,571	1,450	868	8,889	NA	NA	NA	NA
King George Co	4,376	1,715	729	6,820	NA	NA	NA	NA
Spotsylvania Co	25,735	5,573	2,021	33,329	33,839	7,542	2,057	41,381
Stafford Co	24,322	5,865	1,218	31,405	30,311	9,430	1,947	39,741
Fredericksburg	2,882	5,220	786	8,888	NA	NA	NA	NA
GW Region	**63,886**	**19,823**	**7,622**	**91,331**	NA	NA	NA	NA

Source: Census Bureau, 2000 Census of Population and Housing, Summary File 1, Tables H3 and H4; Ceneus Bureau, 2006 American Community Survey , Tables B25003 and B25004.

Trends in Regional Housing Market Sales Transactions

Along with strong growth in housing supply between 2000 and 2006, the Region's housing market mirrored national, state and metropolitan trends, showing a fairly rapid increase in housing sales prices (see **Table B.5** on the following page). In unadjusted dollar value terms, the average price of a sold home in the GW region increased from $151,527 in 2000 to $361,111 in 2006. In constant 2000 dollars, the average 2006 sold price of a home was $308,449, representing a 103.6 percent increase over the average price in 2000, and far out-stripping income growth over the same period. Even as average sale and listing prices continued to rise, the volume of sale transactions (including both new and used homes) continued to grow steadily until 2006, when the total number of sale transactions dropped by nearly 29 percent, more in line with resale volumes seen in 2001-2002.

While housing market prices in the Region were heating up steadily, the average time units for sale remained on the market dropped precipitously from 2000 through 2002 (declining 66 percent over this time period) when average time on the market for sold units leveled off for four consecutive years to around 30-35 days. Another indication of the abrupt change in the housing market in 2006 was the rise that year in the average time on the market for sold units, increasing by 145 percent to 76 days and returning to a sales pace more like the more languid 2000-2001 housing market era.

Table B.5

HOME SALES TRENDS IN GW REGION (2000-2006)							
Sales Indicator	**Annual Regional MLS Home Sales**						
	2000	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**
Total Sold Dollar Volume in Million* : (2006 Dollars)	$586*	$788*	$1,021*	$1,348*	$1,900*	$2,551*	$1,862*
Average Sold Price: (2006 Dollars)	$151,527	$167,720	$193,907	$227,867	$274,371	$351,795	$361,111
Median Sold Price: (2006 Dollars)	$139,500	$151,000	$174,900	$205,500	$250,000	$325,000	$332,250
Total Units Sold:	**3,870**	**4,699**	**5,267**	**5,917**	**6,927**	**7,251**	**5,156**
Average Days on Market:	90	60	34	34	34	31	76
Average List Price for Sold Units: (2006 Dollars)	$155,279	$170,739	$273,228	$231,868	$277,998	$357,135	$378,531
Average Price as a % of Average List Price		97.58%	70.97%	98.27%	98.70%	98.50%	95.40%
Source: Compiled by GWRC staff from MLS market data provided by Metropolitan Regional Information Systems, Inc, "MLS Resale Data"							

Regional Housing Supply Projections, 2007 – 2035

The strong population growth projected for the Region means a projected increase over the 2007 - 2035 periods of 102,800 homes throughout the Region (see **Table B.6** on the following page). While Stafford and Spotsylvania counties can expect continued strong demand, capturing the majority of new housing growth in the Region, King George and Caroline Counties will attract an increasing share of the regional housing market. Continued infill and redevelopment of some existing neighborhoods in the City provide opportunities for denser development, particularly on the edges of and commuter corridors (e.g. Lafayette Blvd) leading to Old Town Fredericksburg where the charm of the old town retail district and the easy commuter access to Washington DC via the downtown train station may attract interest from housing developers and additional future residents.

Table B.6

REGIONAL HOUSING STOCK ESTIMATES (2007) AND PROJECTIONS (2009-2035)								
	2000	2007	2010	2020	2025	2030	2035	Net Increase, 2007-2035
Caroline	8,889	11,572	12,375	15,139	16,577	18,016	19,321	7,749
King George	6,820	9,180	9,922	12,821	14,436	16,050	17,537	8,357
Spotsylvania	33,329	44,904*	48,324	63,607	71,460	79,312	86,383	41,478
Stafford	31,405	42,666*	45,965	61,132	68,918	76,704	83,900	41,234
Fredericksburg	8,888	10,084	9,664	10,989	11,756	12,524	13,125	3,042
GW Region	**89,331**	**118,406**	**126,321**	**164,127**	**183,755**	**203,383**	**221,211**	**102,804**

Source: GWRC staff estimates and projections, 2007.
*Note: 2006 ACS total housing stock estimate for Spotsylvania Co = 43,544 (with 4.97% vacant) and 2006 ACS total housing stock estimate for Stafford Co = 41,791 (with 4.9% vacant)

REGIONAL ECONOMIC TRENDS

Regional Economy: Household and Family Incomes

The GW Region's unique location midway between the booming Washington DC - Northern Virginia metropolitan economy and the thriving Richmond-Petersburg metropolitan economy has helped attract many affordable home buyers willing to "commute to qualify" and enjoy the less developed small city, suburban and rural lifestyles available in the GW Region, while realizing the higher pay scales associated with job opportunities in the Metro DC and Richmond markets. Data describing trends in household and family income between 1999 and 2006 are only available at this time for Stafford and Spotsylvania Counties. These trends are summarized in **Tables B.7** through **B.10**.

The highest household incomes in the Region are found in Stafford County with a 2006 Median Household Income (MHI) of $85,014, followed by Spotsylvania County with 2006 MHI of $72,453 (see **Table B.7**). After adjusting for inflation, median household incomes have grown in Spotsylvania between 2000 and 2006 by about 4 percent, compared to about 5 percent in Stafford County. Other median household income estimates for 2006 for Caroline and King George Counties and the City of Fredericksburg are not available; however, assuming household incomes in these other areas have at least kept pace with inflation (which has been the case in Stafford & Spotsylvania), King George County's 2006 MHI estimate is $60,361, followed by Caroline County's MHI of $48,216 and the City of Fredericksburg ($41,851) (see **Table B.7**). Fredericksburg's concentration of older single-person households and lower-income college student and/or impoverished minority households contributes to the City having the lowest MHI for the Region.

Table B.7

HOUSEHOLD INCOME DISTRIBUTION AND MEDIAN HOUSEHOLD INCOME (MHI), 1999						
	Caroline	**King George**	**Spotsylvania**	**Stafford**	**Fredericksburg**	**GW Region**
Total:	**8,025**	**6,092**	**31,259**	**30,136**	**8,086**	**83,598**
Less than $10,000	541	258	962	791	809	**3,361**
$10,000 to $14,999	535	245	891	696	765	**3,132**
$15,000 to $24,999	1070	670	2735	1663	1207	**7,345**
$25,000 to $34,999	1223	704	3222	2460	1295	**8,904**
$35,000 to $49,999	1532	1179	5129	4230	1248	**13,318**
$50,000 to $74,999	1761	1374	8259	7754	1382	**20,530**
$75,000 to $99,999	791	931	5340	6241	564	**13,867**
$100,000 to $149,999	423	517	3553	4674	451	**9,618**
$150,000 to $199,999	75	124	675	1018	189	**2,081**
$200,000 or more	74	90	493	609	176	**1,442**
Median Household Income (1999 $)	**$39,845**	**$49,882**	**$57,525**	**$66,809**	**$34,585**	**NA**
Median Household Income (2006 $)	**$48,216**	**$60,361**	**$69,610**	**$80,844**	**$41,851**	
2007 Estimated MHI (Claritas)	**$47,862**	**$61,440**	**$69,889**	**$81,944**	**$42,200**	
2007 Est. Average (Mean) HI (Claritas)	**$59,149**	**$74,856**	**$80,817**	**$92,554**	**$60.799**	

Sources: Bureau of Census, 2000 Census of Population & Housing, Summary File 3, Tables P52 & P53. MHI inflated to 2006 dollar values using national 1999-2006 inflation adjustment factor of 1.21008. Claritas, Inc. "SiteReports", 2007.

Table B.8

LOCAL HOUSEHOLD INCOME DISTRIBUTION AND MEDIAN HOUSEHOLD INCOME, 2005 AND 2006 AND CHANGES, 2000-2006						
Household Estimate by Income Class	**Spotsylvania Co**		**Stafford Co**		**Spotsylvania Co**	**Stafford Co**
	2005	**2006**	**2005**	**2006**	**Net Change 2000-2006**	**Net Change 2000-2006**
Total:	**39,938**	**41,381**	**37,656**	**39,741**	10,122	9,605
Less than $10,000	1,647	1,493	587	1,175	531	384
$10,000 to $14,999	621	720	599	890	-171	194
$15,000 to $24,999	2,372	2,711	1,149	1,356	-24	-307
$25,000 to $34,999	2,896	2,477	2,076	1,979	-745	-481
$35,000 to $49,999	5,361	5,175	5,316	3,932	46	-298
$50,000 to $74,999	8,917	9,389	7,925	8,628	1,130	874
$75,000 to $99,999	7,497	6,106	6,795	6,843	766	602
$100,000 to $149,999	7,541	8,544	8,747	9,616	4,991	4,942
$150,000 to $199,999	2,239	3,266	3,044	3,292	2,591	2,274
$200,000 or more	847	1,500	1418	2,030	1,007	1,421
Median & Net Change in Median	**$68,816**	**$72,453**	**$78,675**	**$85,014**	$2,843	$4,170
Percent Change, 2000-2006 (Constant Dollars, 2000-2006)					**4.1%**	**5.2%**
Note: Calculated differences by income class and resulting apparent losses between 2000 and 2006 reflect 2006 household and family incomes reported in 2006 current dollars as compared to the 2000 distribution reported in 1999 dollars. The comparison of median household income change is adjusted for inflation and reflects estimated constant dollar differences. Source: Census Bureau, 2005 and 2006 American Community Survey.						

Family income patterns typically follow the pattern of household incomes within a region. The highest family incomes in the Region are also found in Stafford County (2006 median family income (MFI) of $93,625 dollars, followed by Spotsylvania County (with 2006 median family income of $75,507) (see **Table B.9**). After accounting for inflation, median family incomes have grown in Spotsylvania between 2000 and 2006 by almost 4 percent, compared to about 4.4 percent in Stafford County. Median family income estimates for 2006 for Caroline and King George Counties and the City of Fredericksburg are not available; however, assuming family incomes in these other areas have kept pace with inflation, King George County's 2006 MFI estimate would be $66,748, followed by the City of Fredericksburg ($57,053) and Caroline County's MFI of $52,678 (see **Table B.9** on the following page). The generally higher incomes associated with family households in the City, relative to family households in Caroline, explains the City having a higher MFI ranking in the Region.

Table B.9

FAMILY INCOME DISTRIBUTION AND MEDIAN FAMILY INCOME (MFI) IN 1999						
	Caroline	King George	Spotsylvania	Stafford	Fredericksburg	GW Region
Total Families:	**6,061**	**4,550**	**24,728**	**24,492**	**3,942**	**63,773**
Less than $10,000	198	110	464	401	267	**1,440**
$10,000 to $14,999	291	152	499	329	221	**1,492**
$15,000 to $24,999	784	390	1457	1009	460	**4,100**
$25,000 to $34,999	922	457	2258	1785	518	**5,940**
$35,000 to $49,999	1252	843	3785	3017	619	**9,516**
$50,000 to $74,999	1424	1127	7147	6641	714	**17,053**
$75,000 to $99,999	702	815	4860	5632	480	**12,489**
$100,000 to $149,999	367	468	3230	4274	398	**8,737**
$150,000 to $199,999	74	106	622	889	158	**1,849**
$200,000 or more	47	82	406	515	107	**1,157**
Median Family Income (1999 $)	$43,533	$55,160	$62,422	$71,575	$47,148	
Median Family Income (2006 $)	**$52,678**	**$66,748**	**$75,507**	**$93,625**	**$57,053**	
2007 Estimated MFI (Claritas)	**$54,195**	**$69,699**	**$79,024**	**$89,412**	**$58,219**	**NA**
2007 Est. Avg. (Mean) FI (Claritas)	**$64,331**	**$83,406**	**$88,962**	**$100,218**	**$79,302**	

Sources: Ibid, Tables P76 & P66. Note: Medians reported for Spotsylvania and Stafford Counties are based on Census Bureau American Community Survey results.
Claritas, Inc. "Site Reports", 2007.

Table B.10

LOCAL FAMILY INCOME DISTRIBUTION AND MEDIAN FAMILY INCOME (MFI), 2005 – 2006 AND CHANGES, 2000-2006						
Family Income Estimates by Income Class	Spotsylvania Co		Stafford Co		Spotsylvania Co	Stafford Co
	2005	2006	2005	2006	Net Change 2000-2006	Net Change 2000-2006
Total Families:	**31,061**	**32,577**	**30,773**	**31,071**	**7,849**	**6,579**
Less than $10,000	947	662	837	404	198	3
$10,000 to $14,999	201	467	289	395	-32	66
$15,000 to $24,999	1,168	2,145	1,040	603	688	-406
$25,000 to $34,999	2,816	1,225	1,569	1,360	-1,033	-425
$35,000 to $49,999	3,629	4,200	3,132	2,852	415	-165
$50,000 to $74,999	6,459	7,459	5,697	5,983	312	-658
$75,000 to $99,999	6,245	4,703	5,895	5,950	-157	318
$100,000 to $149,999	6,566	7,359	8,105	8,549	4,129	4,275
$150,000 to $199,999	2,183	2,857	2,983	3,071	2,235	2,182
$200,000 or more	847	1,500	1,226	1,904	1,094	1,389
Median (in 2006 $)	**$76,059**	**$75,507**	**$87,596**	**$93,625**	**-$29**	**$7,014**
Pct Change, 2000-2006 (Constant Dollars, 2000-2006)					**-0.03%**	**8.1%**

Note: Calculated differences by income class and resulting apparent losses between 2000 and 2006 reflect 2006 household and family incomes reported in 2006 current dollars as compared to the 2000 distribution reported in 1999 dollars. The comparison of median family income change is adjusted for inflation and reflects estimated constant dollar differences.
Source: Census Bureau, 2005 and 2006 American Community Survey

Per Capita Income

Per capita income provides a standardized comparative measure of community affluence. A comparison of per capita income measures over time demonstrates whether a community's income is "keeping up" with income growth in other areas (see **Tables B.11** and **B.12**). Updates of per capita income are reported through the Census Bureau's American Community Survey program; however updated estimates are only available for Spotsylvania and Stafford Counties at the present time.

Table B.11

PER CAPITA INCOME GROWTH TRENDS, 2000-2006, UNITED STATES AND VIRGINIA						
	United States			Virginia		
	2000 Census	2005 ACS	2006 ACS	2000 Census	2005 ACS	2006 ACS
Per capita income (Current $)	$21,587	$25,035	$25,267	$23,975	$29,148	$29,899
Per capita income (Constant 2006 $)	$26,122	$25,843	$25,267	$29,012	$30,088	$29,899

Table B.12

PER CAPITA INCOME GROWTH TRENDS, 2000-2006, GW REGION LOCALITIES							
	Caroline County	King George County	Spotsylvania County		Stafford County		City of Fredericksburg
	2000 Census	2000 Census	2000 Census	2006 ACS	2000 Census	2006 ACS	2000 Census
Per capita income (Current $)	$18,342	$21,562	$22,536	$31,458	$24,762	$31,860	$21,527
Per capita income (Constant 2006)	$22,195	$26,092	$27,270	$31,458	$29,964	$31,860	$26,049
2007 Per Capita Income (Claritas)	$22,620	$27,860	$28,729	NA	$30,741	NA	$26,794

Source: US Census Bureau, 2000 Census of Population, STF-3, P82. Per Capita Income in 1999 Dollars; 2005 & 2006 American Community Survey, B19301. Per Capita Income in the Past 12 Months (in 2005 (or 2006) Inflation Adjusted Dollars); US Bureau of Labor, On-line Inflation Calculator at http://data.bls.gov/cgi-bin/cpicalc.pl . Note: 1999 and 2005 dollar values have been inflated to constant 2006 dollar values using the U.S. Bureau of Labor Inflation Calculator. 1999-2006 inflation adjustment factor = 1.21008 and 2005 – 2006 inflation adjustment factor = 1.03226. Claritas, Inc., "SiteReports", 2007.

Between 2000 and 2006, the U.S. per capita income declined by -3.07 percent, in constant dollar terms, from $26,122 to $25,842 (see **Table B.11**). In contrast, Virginia had a statewide per capita income growth rate of +3.06 percent. Over the same period, per capita income in Spotsylvania County grew by 15.4 percent, rising from $27,270 to $31,458, more than twice the rate of per capita income growth in Stafford County (6.3 percent) over the same period (see **Table B.12**).

Labor Force Trends

The growth of the Region's population has caused an expansion of the Region's civilian labor force (CLF) (see **Figure 5** and **Table B.13**). Between 2000 and 2007, the Region's CLF has expanded by 36,394 laborers (representing a 4.3% compound annual growth rate).

In the last year (2006-2007), it is estimated that another 3,455 workers have been added (at a more modest 2.1% compound annual growth rate), reflecting a slowdown in the regional economy, mirrored by the slower number of building permits issued in 2006 compared to prior years. The Region's unemployment rate from 2000 through 2006 has quite consistently remained below the statewide average (see **Figure 6**).

Table B.13

GW REGION LABOR FORCE TRENDS (2000 – 2007)				
	GW Region			
	Employed	Unemployed	Civilian Labor Force	Unemployment Rate (%)
2000	124,160	2,493	126,653	2.0%
2001	128,925	3,110	132,035	2.4%
2002	134,847	4,627	139,474	3.3%
2003	141,372	5,239	146,611	3.6%
2004	148,230	4,700	152,930	3.1%
2005	153,091	4,582	157,673	2.9%
2006	158,458	4,589	163,047	2.8%
2007	161,600	4,902	166,502	2.9%

Source: Virginia Employment Commission, Monthly Not Seasonally Adjusted Labor Force, Employment and Unemployment data, June 2000-2007,

Figure 7: GW Region Labor Force Trends, 2000-2007

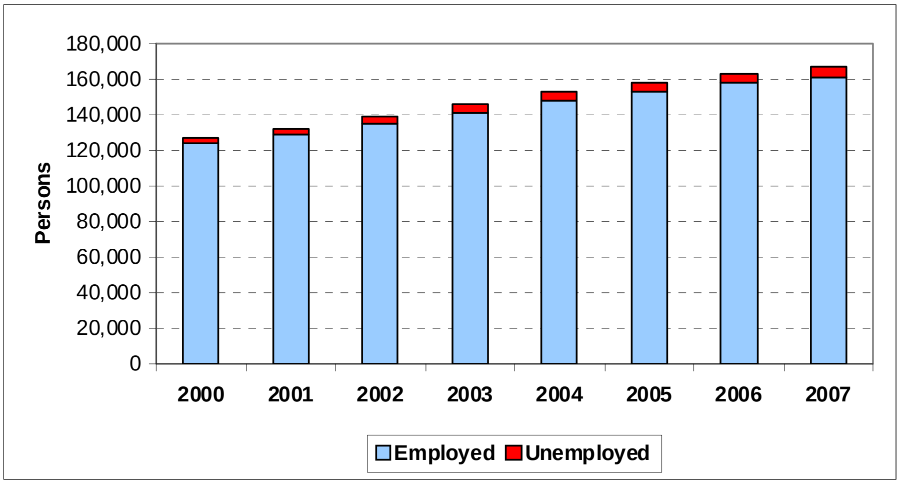
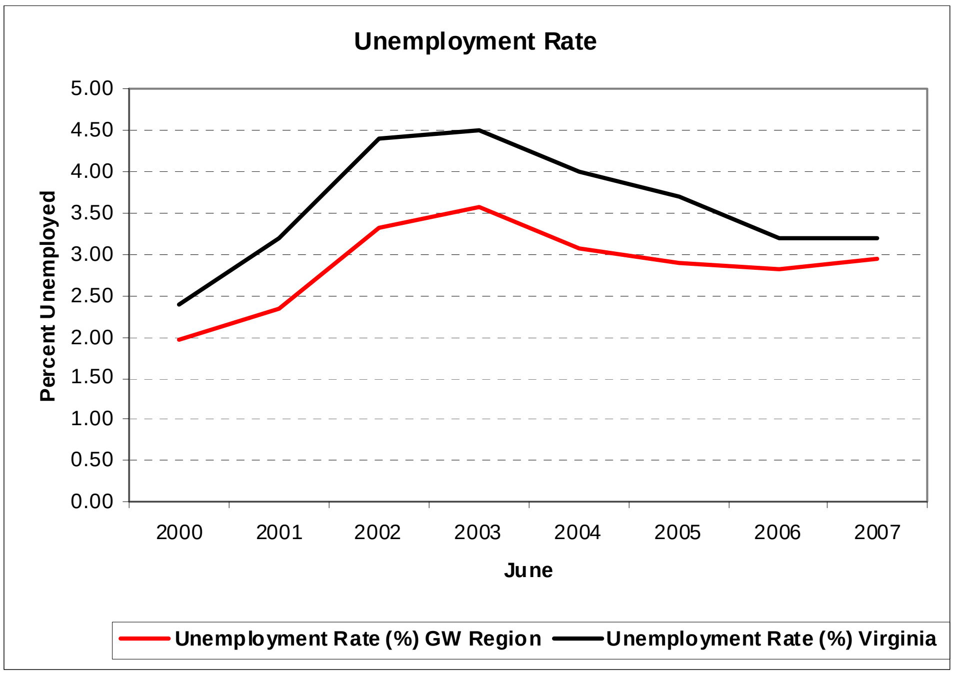


Figure 8: Unemployment Rate Trends, GW Region and Virginia, 2000-2007



Source: Ibid.

Major Employers in the GW Region

The top thirty (30) employers in the Region have an estimated aggregate employment of 45,295 employees, representing nearly 40 percent of total employment in the Region. Within this list there are some prominent categories of employers, which illustrate the importance of the government sector to the regional economy (see **Table B.14**).

Federal, State and local government employment together accounts for 68 percent of the employment with the top 30 employers in the Region, with the various private companies on the list accounting for most (30.4 percent) of the remaining employment.

Table B.14

REGIONAL EMPLOYER CATEGORY TOTALS (2006)		
Employer Category	**Employment Estimate (2006)**	**Percent of Total**
Federal Government & US Military	16,463	36.3%
Local Government Schools	9,927	21.9%
Local Government Administration	2,577	5.7%
State Government & University	1,865	4.1%
Private Sector	13,767	30.4%
Non-Profit	696	1.5%
Regional Total for Top 30 Employers	**45,295**	**100.0%**

Trends in Employment by Place of Work, 2000 – 2006

Employment by place of work trends from 2000 through 2006 illustrates the robust growth of the GW Region's economy (see **Table B.15** on the following page). Regional percentage growth in numbers of establishments, numbers of employees and average weekly earnings for the GW Region outpaced comparable growth rates for the Commonwealth, the Northern Virginia portion of the Washington DC MSA and the Richmond MSA.

Within the GW Region, local economic expansion has been led by Stafford and Spotsylvania Counties, closely followed by King George County. Caroline County and the City of Fredericksburg also have shared in the economic growth over the last six years, with local rates of change surpassing (for some indicators) economic rates of growth for the Commonwealth, the Northern Virginia portion of the Washington DC MSA and the Richmond MSA.

Table B.15

COMPARATIVE TRENDS IN COVERED WAGE AND SALARY EMPLOYMENT INDICATORS, 2000-2006										
	Average No. of Establishments			**Average Quarterly Employment**			**Average Weekly Earnings**			
	2nd Qtr 2000	**2nd Qtr 2006**	**2000-2006 Avg. Annual Percent Chg**	**2nd Qtr 2000**	**2nd Qtr 2006**	**2000-2006 Avg. Annual Percent Chg**	**2nd Qtr 2000**	**2nd Qtr 2006**	**2000-2006 Avg. Annual Percent Chg**	**2nd Qtr 2006 (constant 2000 $)**	**2000-2006 Avg. Annual % Chg.**
Virginia	189,574	215,950	2.78%	3,438,246	3,658,385	1.28%	$656	$822	5.06%	$702.12	1.41%
Washington DC MSA (VA Portion)	59,164	71,758	4.26%	1,107,619	1,254,148	2.65%	$863	$1,081	5.05%	$923.35	1.40%
Richmond MSA	28,958	32,583	2.50%	573,385	600,867	0.96%	$637	$779	4.46%	$665.40	0.89%
Caroline Co	396	431	1.77%	4,794	5,314	2.17%	$466	$579	4.85%	$494.56	1.23%
King George Co	375	475	5.33%	9,164	10,002	1.83%	$850	$1,166	7.44%	$995.96	3.43%
Spotsylvania Co	1,506	2,046	**7.17%**	23,585	30,301	**5.70%**	$509	$662	6.01%	$565.46	2.22%
Stafford Co	1,389	2,070	**9.81%**	24,057	32,578	**7.08%**	$480	$677	8.21%	$578.27	**4.09%**
Fredericksburg City	1,494	1,733	3.20%	23,012	26,971	3.44%	$499	$645	5.85%	$550.94	2.08%
GW Region	**5,160**	**6,755**	**6.18%**	**84,613**	**105,167**	**4.86%**	**$532**	**$706**	**6.54%**	$603.04	2.67%

Source: Virginia Employment Commission, Labor Market Statistics, Covered Employment and Wages Program, from VEC website (http://www.vec.virginia..gov)

As with every economy, the GW Region experienced some economic setbacks through private sector plant and business closings, relocations and layoff announcements over the last few years (see **Table B.16** and **Figure 7**). The largest of these reductions was the 2003 closing of the Capital One Services office operations in Spotsylvania County, costing the Region 323 jobs, and the loss in 2002 of the Dana Corporation in Fredericksburg with 218 jobs. On a more positive note, the Region has experienced many business opening, relocation and expansion announcements between 2000 and 2007, (see **Table B.17**) resulting in an expected increase of 3,339 jobs. In addition, the Region anticipates net increases of federal civilian and military jobs at USMC-Quantico in Stafford County (+2,658 jobs by 2011, +2,000 additional jobs between 2025-2035) and the NWSC-Dahlgren facility in King George County (+430 jobs by 2011).

Trends in Employment Announcements (Openings, Closings and Expansions), 2000 – 2006

Table B.16

SUMMARY OF GW REGION PLANT AND BUSINESS CLOSING ANNOUNCEMENTS, FY 2002-2007						
Company	**Notice Date**	**Impact Date**	**Employees Affected**	**Location**	**Reduction in Force**	**Union**
Dana Corporation 1000 Falls Run Drive, Fredericksburg VA 22408	8/14/2002	10/18/2002	218	Fredericksburg	Closing	Yes
Northrop Grumman 831 Wichita Ave, Reston VA 20190	8/2/2002	9/30/2002	105	Stafford	Layoff	No
Capital One Services, Inc. 1680 Capital One Dr., McLean, VA 22102	9/11/03	12/1/03	323	Spotsylvania	Closing	No
Quality Book Manufacturers Sheridan Books, Inc. 613 E. Industrial Dr., Chelsea, MI 48118	7/26/04	7/24/04	125	Fredericksburg	Closure	No
Nelnet, Inc. 3015 South Parker Rd, Ste 400 Aurora, CO 80014	11/1/06	12/31/06	90	Fredericksburg	Closure	No
TOTAL JOB LOSSES			**861**			

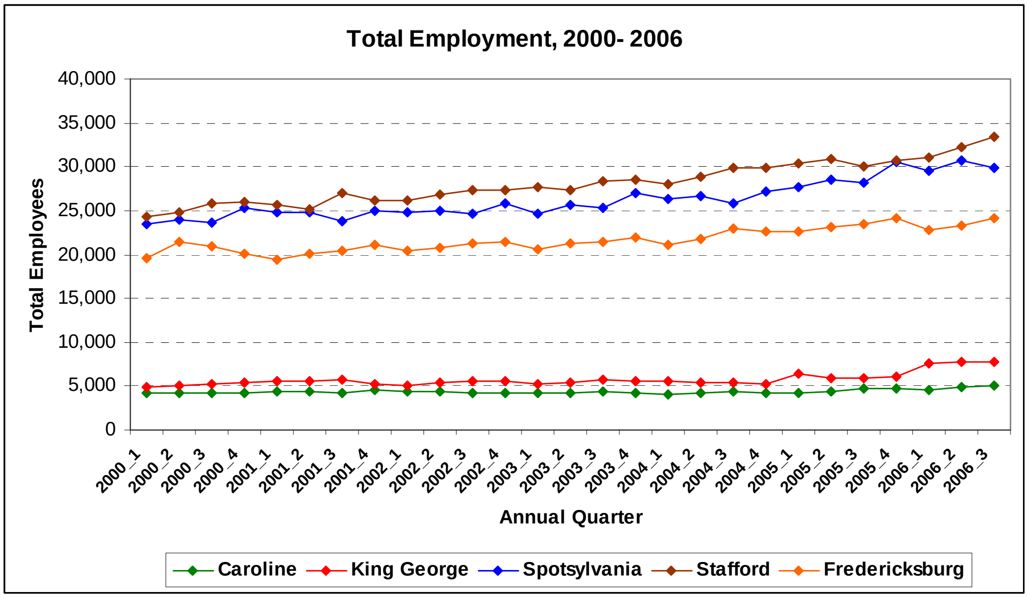
Source: Virginia Employment Commission, Worker Adjustment and Retraining Notification (WARN), Internet Link

Table B.17

SUMMARY OF BUSINESS OPENING, RELOCATION AND EXPANSION ANNOUNCEMENTS, 2000-2007					
AREA	**Total Number of Announcements**	**Announcement Type**		**Projected New Jobs**	**Projected New Investment (Mil$)**
		New	**Expansion**		
Caroline Co	19	6	13	722	$191.42
King George Co	7	4	3	271	$36.04
Spotsylvania Co	13	4	9	758	$24.95
Stafford Co	13	0	13	1,455	$24.82
Fredericksburg	5	1	4	133	$60.80
GW Region	**57**	**15**	**42**	**3,339**	**$338.03**

Source: Virginia Economic Development Partnership, "Virginia Announcements Database**"**, http://virginiascan.yesvirginia.org/data_center/AnnouncementsWeb.aspx

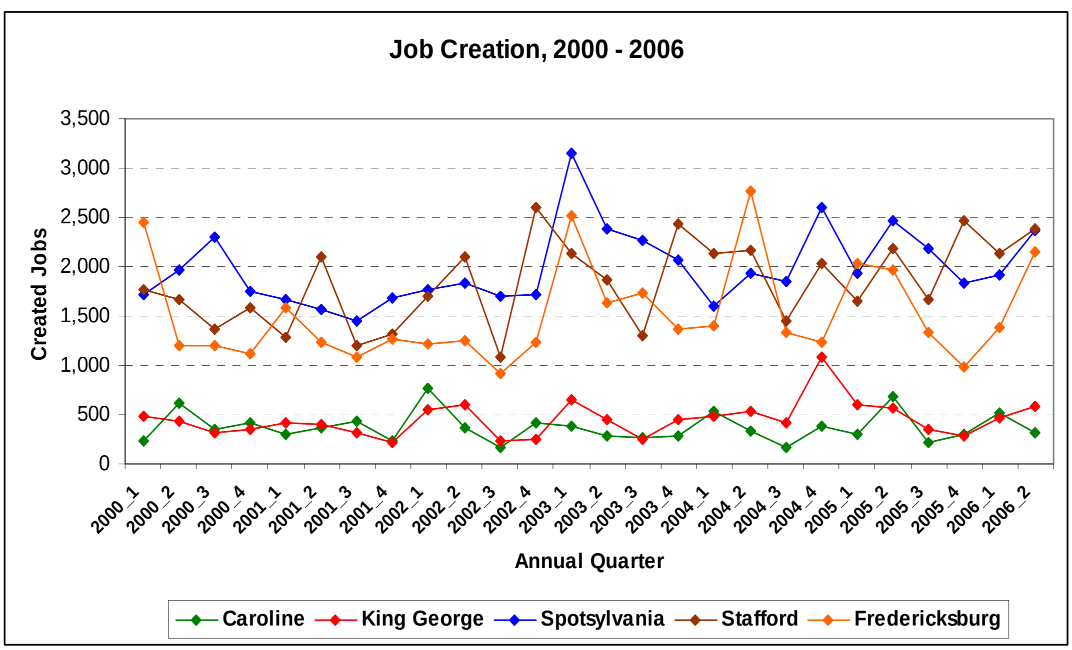
Figure 9: Total Employment Trends (2000-2006) by Jurisdiction



Over 27 annual quarters from 2000 to 2007, Stafford County has led the Region's economic expansion, followed closely by Spotsylvania County (see **Figure 7**, above). Unlike many older central cities in the Commonwealth, Fredericksburg continues to experience growth, gaining almost 5,000 jobs (a 25 percent increase) over the same period.

King George has maintained employment levels just ahead of Caroline County, with an employment "surge" in the 1st quarter of 2006 which began to separate the two more rural economies.

Figure 10: Regional Job Creation (2000-2006)



Regional trends in job creation over the 2000 – 2006 periods have been more erratic than the total employment trends seen above (see **Figure 8** on the previous page). "Job creation" is defined as "…the number of new jobs that are created by either new area businesses or the expansion of employment by existing firms." An analysis of job creation patterns over the 26 quarters finds a generally consistent job creation decline in the 3rd quarter for all 5 localities in 4 of 5 years (2001, 2002, 2004, 2005) and in 4 of 5 localities in the other two years (200, 2003).

Several peak quarters in job creation for the City of Fredericksburg were regionally counter-cyclical, showing strength in the City economy when county job growth was slumping.

Regional Employment Projections, 2009-2035, by Standard Industrial Classification (SIC)

Table B.18

REGIONAL EMPLOYMENT PROJECTIONS, by Standard Industrial Classification						
GW Region Employment, By Sector	**2000**	**2006**	**2015**	**2025**	**2035**	**2006-2035 Growth**
Farm Employment	493	484	491	480	395	-0.70%
Other Agricultural Services	307	389	462	542	658	1.83%
Mining	124	114	121	149	175	1.49%
Construction	8,517	10,131	12,638	15,443	18,284	2.06%
Manufacturing	5,998	5,611	6,085	6,519	6,613	0.57%
Transport, Communication & Utilities	5,185	5,639	6,587	7,603	9,093	1.66%
Wholesale Trade	4,755	5,290	6,882	8,633	10,238	2.30%
Retail Trade	13,611	16,088	20,234	24,912	29,274	2.09%
Finance, Insurance & Real Estate	7,541	8,971	11,894	15,686	18,303	2.49%
Services	32,388	40,000	52,719	67,850	79,703	2.41%
Federal Civilian Government	4,077	3,951	5,088	5,668	5,450	1.12%
Federal Military Government	3,005	3,256	3,443	4,551	4,540	1.15%
State and Local Government	11,422	13,577	17,417	21,734	25,114	2.14%
Total Employment	**97,424**	**113,501**	**144,061**	**179,771**	**207,841**	**2.11%**
Source: GWRC staff, using data from 2006 employment estimates developed from multiple sources, including direct employer surveys, Dunn & Bradstreet business data, Virginia Employment Commission (VEC) Covered Wage and Salary employment data, other secondary sources (e.g. Fredericksburg Free Lance Star), Woods and Poole, Inc. employment projections for GW Region local governments, and VEC 2010-2030 Population Projections.						

Steady employment growth in the GW Region (see **Table B.18**) is expected to be driven by several factors, including:

- De-centralization of the Federal government, with the location of satellite office complexes and telework centers in the Region,
- Continued outward expansion of the Washington D.C. and Richmond Metropolitan Statistical Areas, motivating more companies to look to "outer fringe" communities to locate back-office, warehousing and branch office functions in lower cost-of-living areas where employees can avoid "extreme" commute times and enjoy a better quality of life,

- Hi-tech and defense-related consulting sector growth associated with BRAC-induced and other expansions of Quantico Marine Base and Naval Support Facility Dahlgren, and Fort A.P. Hill;

- Continued expansion of retail, personal services, health care services and business service sectors along with the growth of the Region's population and increasing affluence,
- Continued growth of local government employment, tied primarily to elementary and secondary education, planning and management of public infrastructure and services,
- Expansion of professional and technical education and /or adult training opportunities, and
- The aging of the "baby-boom" population, contributing to demand for more personal and health care service employment.