



Washington State  
Transportation Commission

Chris Mefford, President & CEO



# Regional COVID-19 Economic Impacts & Recovery

July 7, 2020

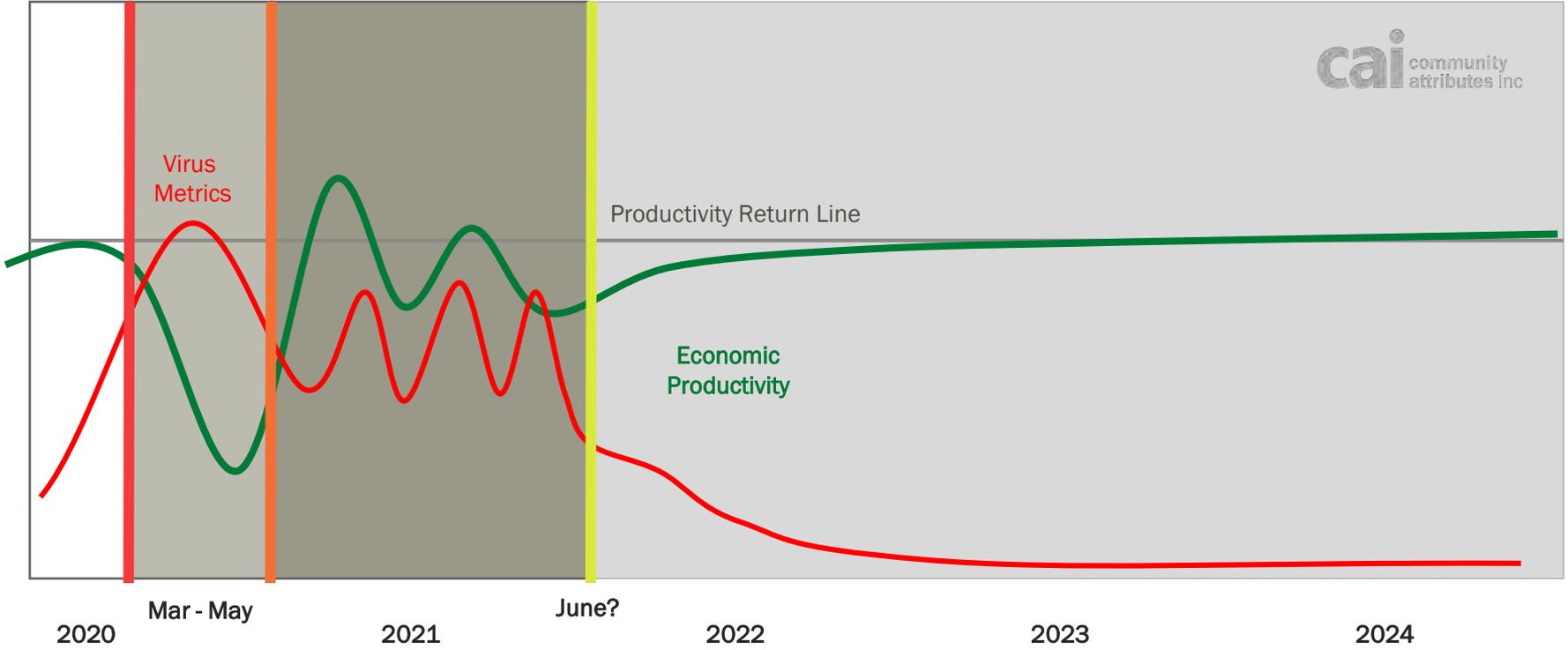


*We tell data-rich stories about communities  
that are important to decision-makers*

- Established in 2005
- Economics & Urban Planning
- Strategies, Studies & Tech tools
- 15 people, based in Seattle
- Clients in all sectors

# Public Health and Economic Productivity

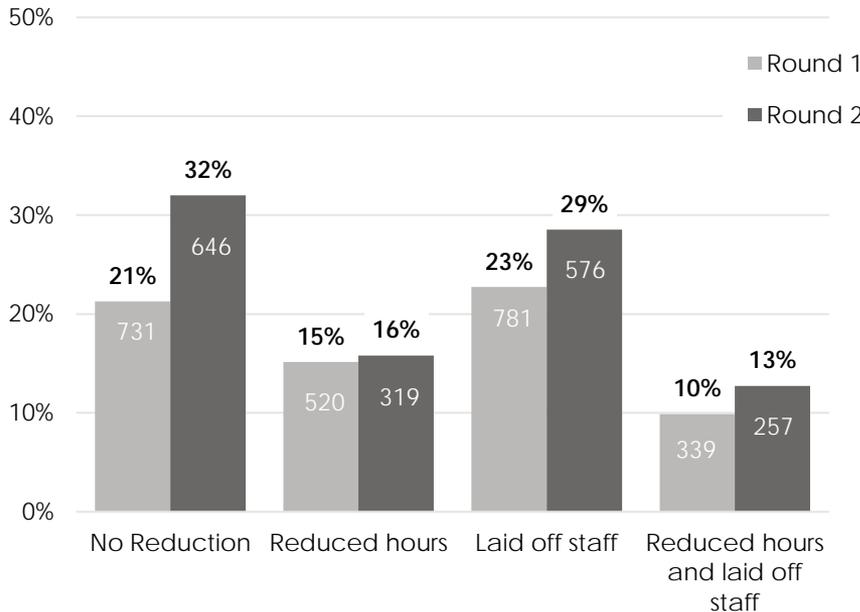
How do you define recovery? Option 1) Same annual output as prior to impacts ...



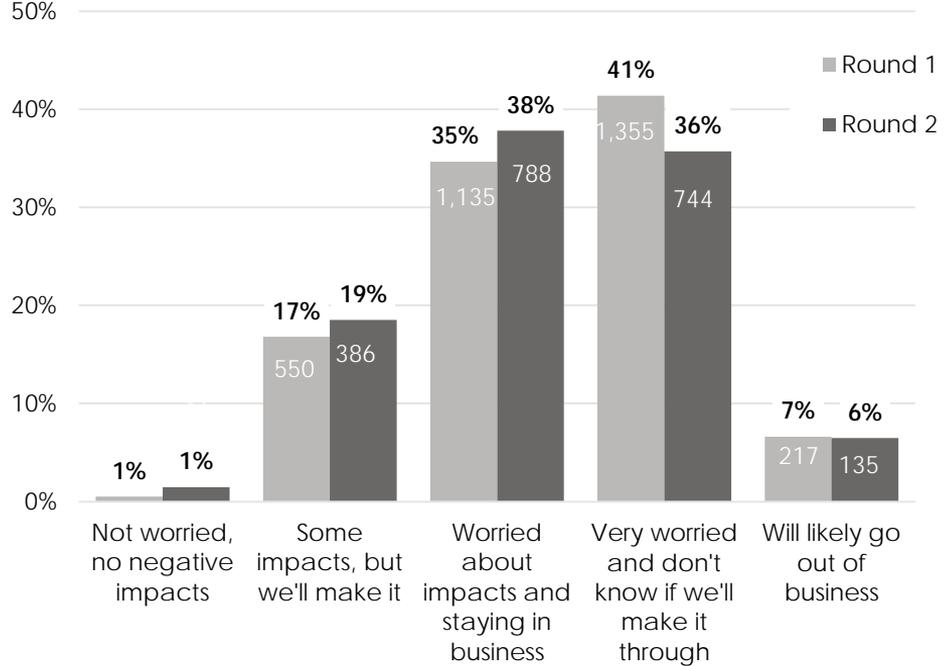
# King County COVID-19 Business Impacts Survey

Round 1 - April 1, 2020 (n 3,856), Round 2 - May 29, 2020 (n 2,948)

## STAFFING "Have you reduced staff or hours?"



## BUSINESS OWNER OUTLOOK "How worried are you about your business?"



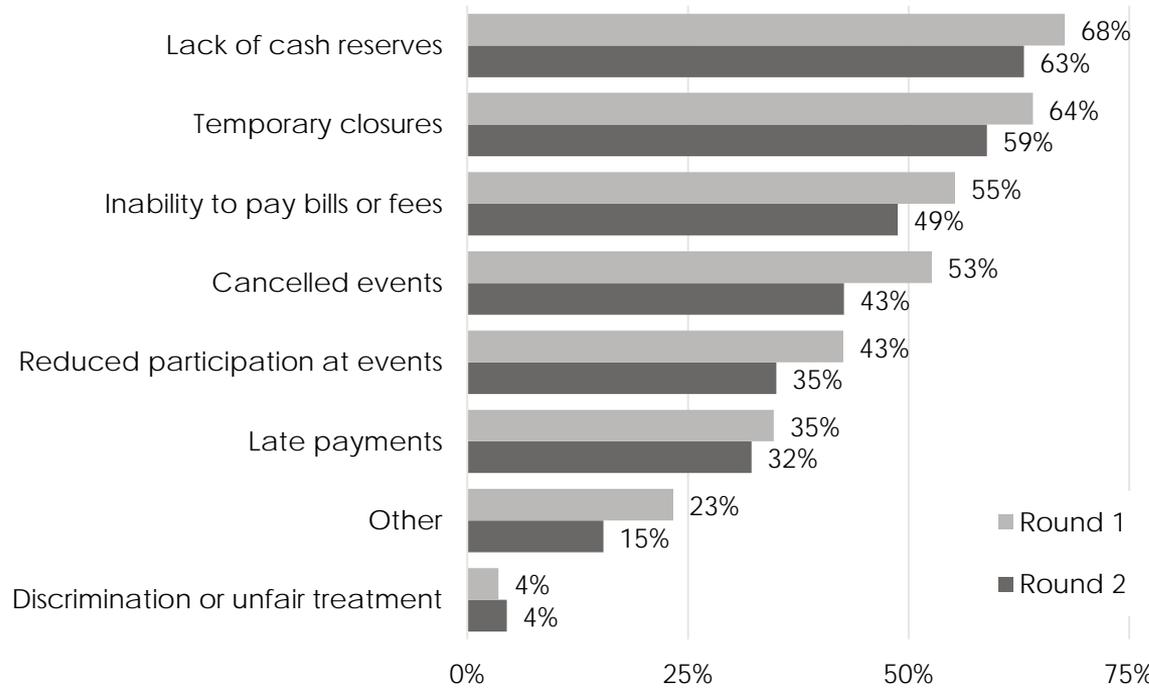
**Note:** Survey led by Seattle Office of Economic Development, with support from Greater Seattle Partners and Seattle Metropolitan Chamber of Commerce. The survey responses are not a representative sample of all local businesses, and the survey was not designed to serve that goal. Survey respondents are apt to present a selection bias toward business more negatively affected.



# King County COVID-19 Business Impacts Survey

Round 1 - April 1, 2020 (n 3,856), Round 2 - May 29, 2020 (n 2,948)

## BUSINESS CONCERNS



## RENTS & LEASES

39% 31%

Of businesses express concerns about paying rent

36% 33%

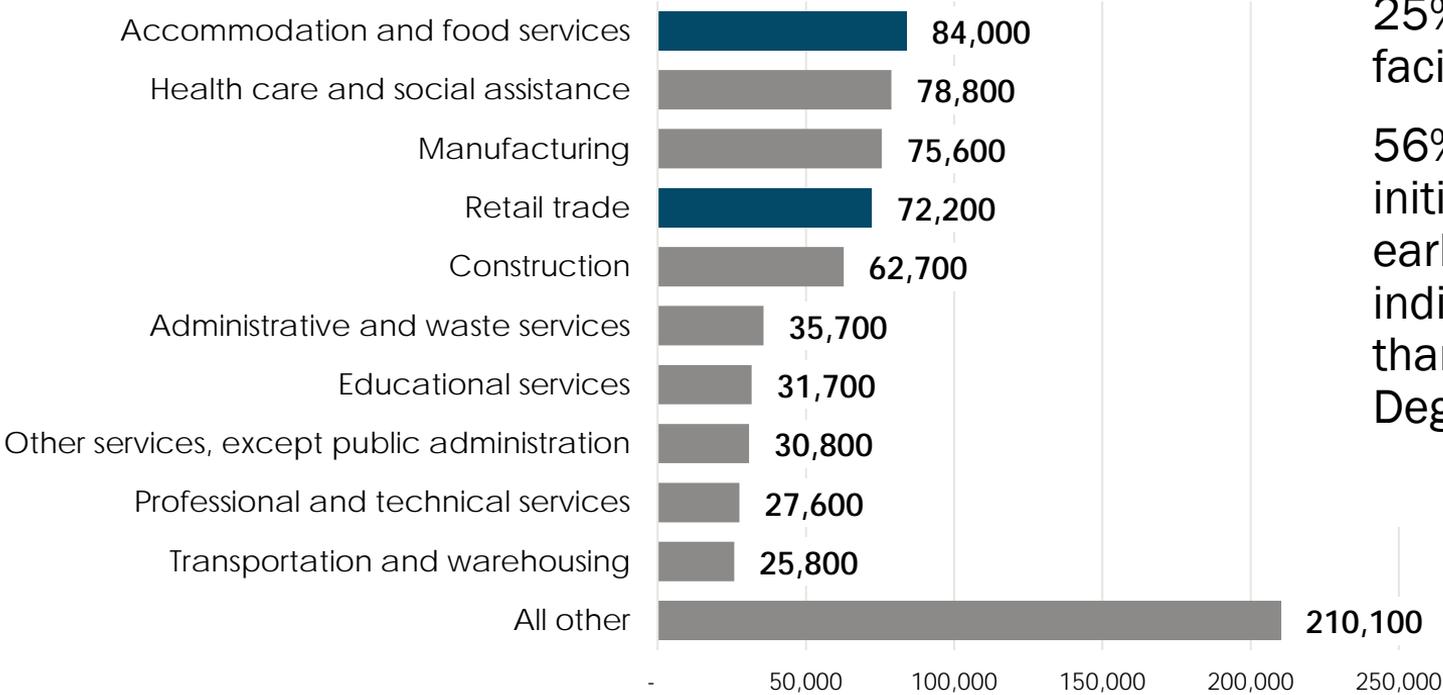
Say they are unable to

**Note:** Survey led by Seattle Office of Economic Development, with support from Greater Seattle Partners and Seattle Metropolitan Chamber of Commerce. The survey responses are not a representative sample of all local businesses, and the survey was not designed to serve that goal. Survey respondents are apt to present a selection bias toward business more negatively affected.



# Initial Unemployment Claims

By sector, Puget Sound Region, cumulative, March 15 to June 13 (weeks 9 to 23)



25% from consumer facing sectors

56% of cumulative initial claims since early March are from individuals with less than an Associate's Degree.

Source: Washington State Employment Security Department, 2020



## Areas of Concern



**Shopping**



**Travel**



**Tourism**



**Offices**



**Fiscal Impacts**



**Entertainment**



**Global Trade & Supply Chain**



**Education**



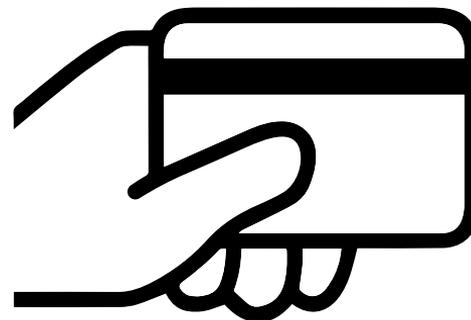
**Factories**



**Equity**

## Questions About Consumers

- What does consumer confidence look like?
- What will a reduced wealth affect mean?
- What about home sales?
- Will consumers alter consumption behavior?
- Uncertainty about virus until vaccine available,  
~12 months out ???



“We expect it will take  
**two to three years for travel to return to 2019 levels**  
and an additional **few years beyond that** for the industry’s  
long-term trend growth to return,”

Boeing needs to change production rates  
“to balance supply and demand.”

Boeing CEO Dave Calhoun,  
Monday April 27

# Acceleration of Change & New Productivity



- Public health, resilience recognized as an economic imperative
- Increased investments in life sciences
- Changes to food production and delivery
- Increase in small batch manufacturing, locally
- Distribution systems invest more in last-mile infrastructure
- Daytime population has shifted, with both temporary and permanent changes
- Uptake of online tools
- More investment in remote office platforms
- Accelerated reliance on e-commerce for sales
- Rapid expansion of telemedicine in the healthcare sector