

# Fredericksburg Regional Alliance

Welcomes Stephen S. Fuller, PhD

Dwight Schar Faculty Chair and University Professor

Director, Center for Regional Analysis

George Mason University





- Mission: Grow Regional Economy
- Only Regional Economic Development Organization in VA that Raises its Own Money
- Is Governed by a 16 Member Board of Directors
- Business Community Leaders and Elected Officials Serve on the Same Board
- One of 16 Regional Economic Development Organizations in Virginia

# Thank You



City of Fredericksburg



Caroline County



Stafford County



Spotsylvania County



King George County

And The Numerous Private Sector Businesses  
in the Fredericksburg Region

# Thank You Investors

A-Long Realty Advisors  
Anderson & Strudwick  
Appian Realty Advisors  
BB&T  
Birchwood Power Partners, L.P.  
Carter Bank & Trust  
City of Fredericksburg EDA  
City of Fredericksburg  
County of Caroline  
Cox Business Services  
CVS Distribution  
Design Craft Homes  
Dickinson Equipment, Inc.  
Directive 63  
Dominion Virginia Power  
ECS Mid-Atlantic, LLC  
English Construction Company, Inc.  
Fredericksburg Area Association of Realtors  
Freeman Beverage Company, Inc.  
G.L.M.G.  
GEICO  
Germanna Community College  
GWRC  
HCA  
Hilldrup Moving & Storage

Jabberwocky Books & Albertine Prop.  
Johnson Realty Advisors  
King George County  
King George EDA  
Luck Stone  
Medicorp  
Mid-Atlantic Foam  
MITCO Land Development Co.  
M&T Bank  
Muvico  
Old Dominion Electric Cooperative  
P.C. Goodloe & Son, Inc.  
PBGH, LLP  
PermaTreat Inc. - Corporate Office  
Peoples Community Bank  
PNC Bank  
Pohanka Nissan Cadillac  
Quarles Petroleum, Inc.  
Rappahannock Electric Cooperative  
Robert B. Payne, Inc.  
Rosner Motors  
Sands, Anderson, Marks & Miller  
Silver Companies  
Spangler Erkert & Associates  
Splitsville

Spotsylvania County  
Spotsylvania County EDA  
Stafford County  
Stafford County EDA  
Stellar One  
Thalhimer/Cushman & Wakefield  
The Garrett Company  
The Roseman Company  
The Wardman Companies, Inc.  
Tommy Mitchell Real Estate  
Ultimate Pontiac, Buick, GMC, Isuzu  
Union Bank & Trust  
Universal Stone & Supplies  
University of Mary Washington  
VA Commerce Bank  
Vanderpool, Frostick & Nishanian, P.C.  
Verizon  
Virginia Credit Union  
Virginia Partners Bank  
Virginia Community Bank  
W.J. Vakos & Company  
W.M. Jordan Company

# Strengths of the Fredericksburg Regional Economy

- Healthcare - Destination
- Government Contracting - 850
- 3 Military Bases – Unique Cluster
- Federal Payroll (in addition to military)
- Location – 46 miles of I-95
- Labor Force (1.2 Million) – Reverse Commute
- Retail Shopping Destination – 520,000 Trade Area
- Tourism and Hospitality Industry
- Financial Services, Real Estate and Insurance
- Growth in Higher Education
- Construction
- Local Government
- Transportation
- Utilities



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# *Fredericksburg Regional Alliance*

## ***The Washington Area Economy and The Changing Role of the Federal Government***

Stephen S. Fuller, PhD

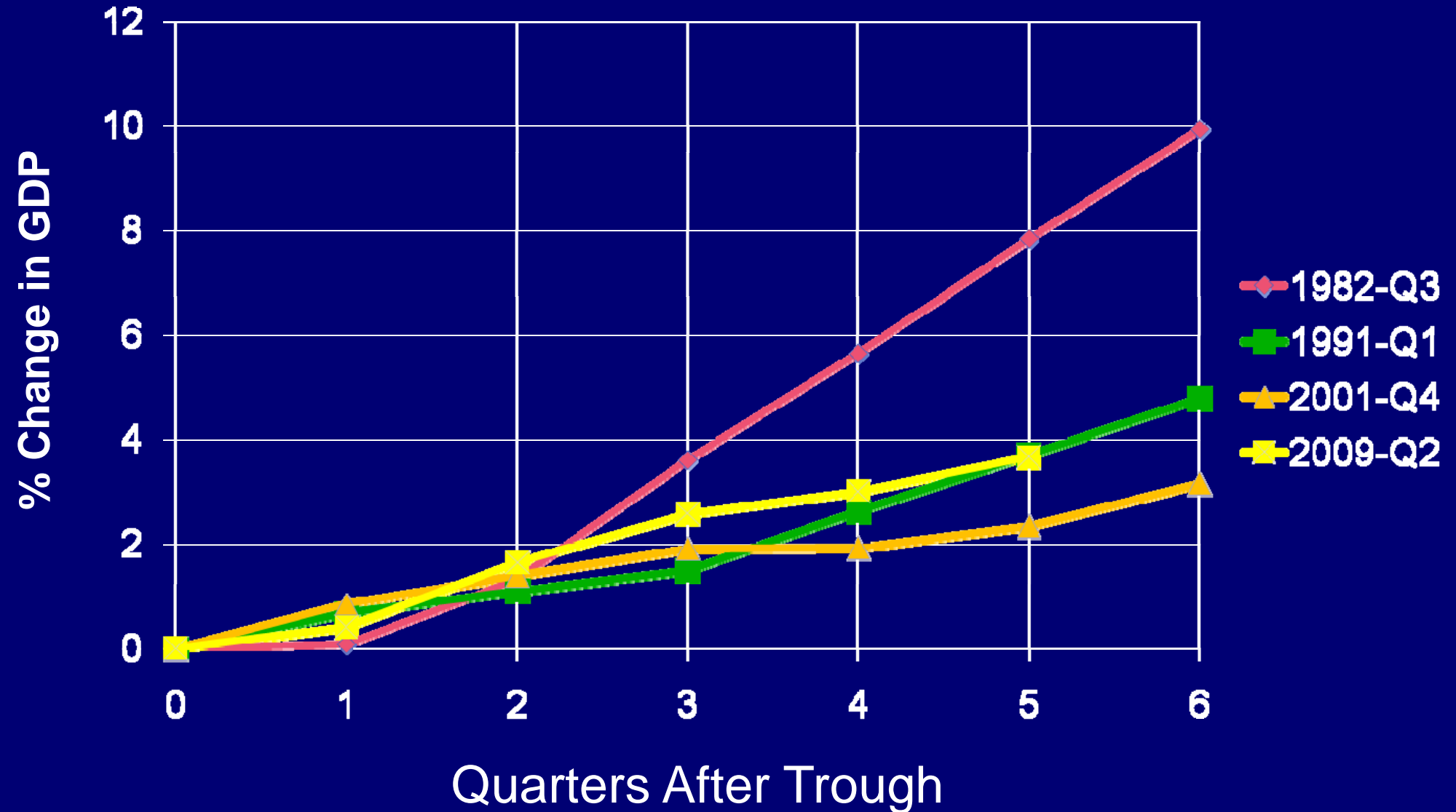
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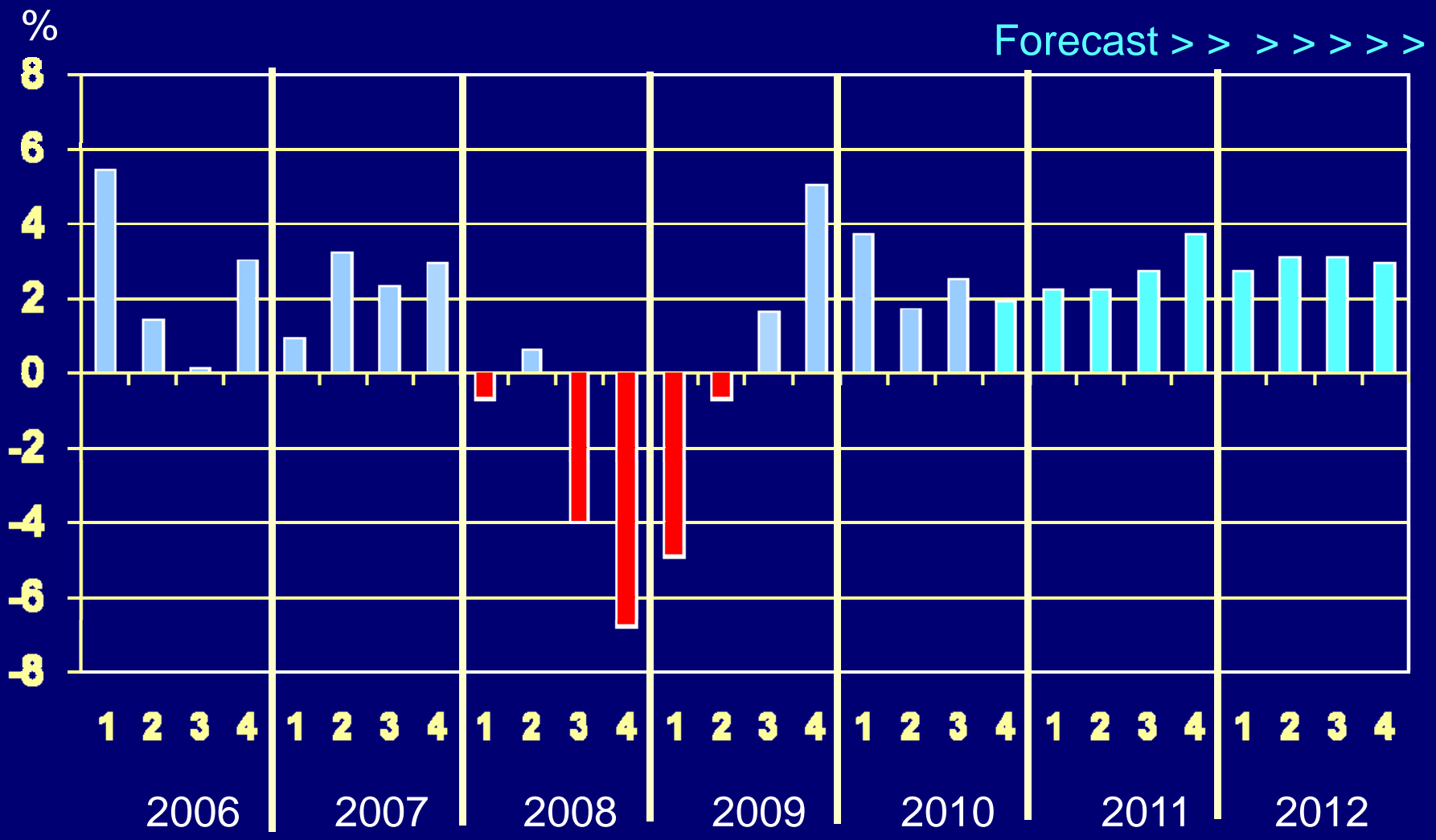
George Mason University

December 2, 2010

# Recession Recovery Patterns of GDP Past Four Recessions

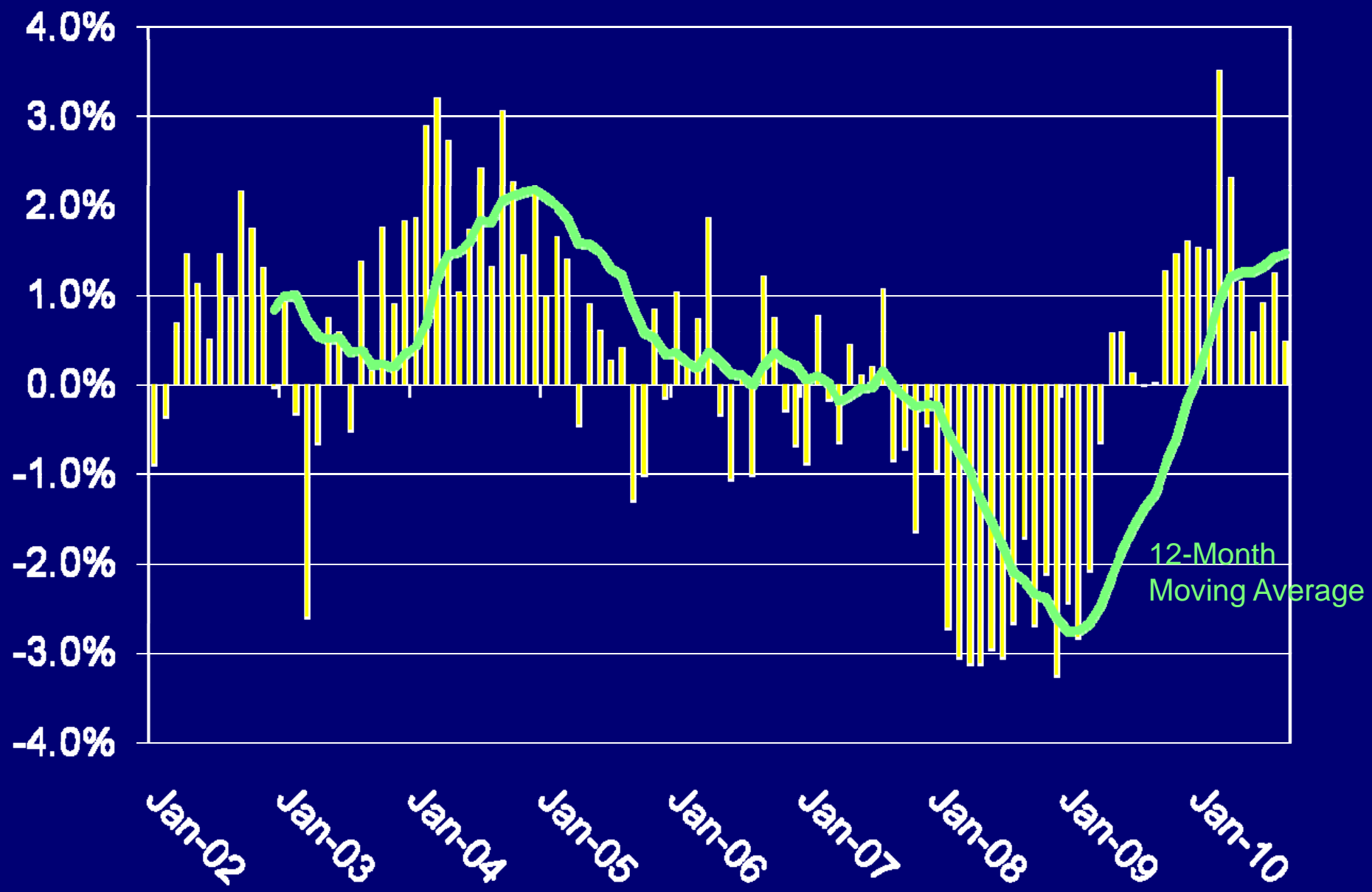


# U.S. Gross Domestic Product Quarterly Change: 2006 – 2012



# The Washington Economy

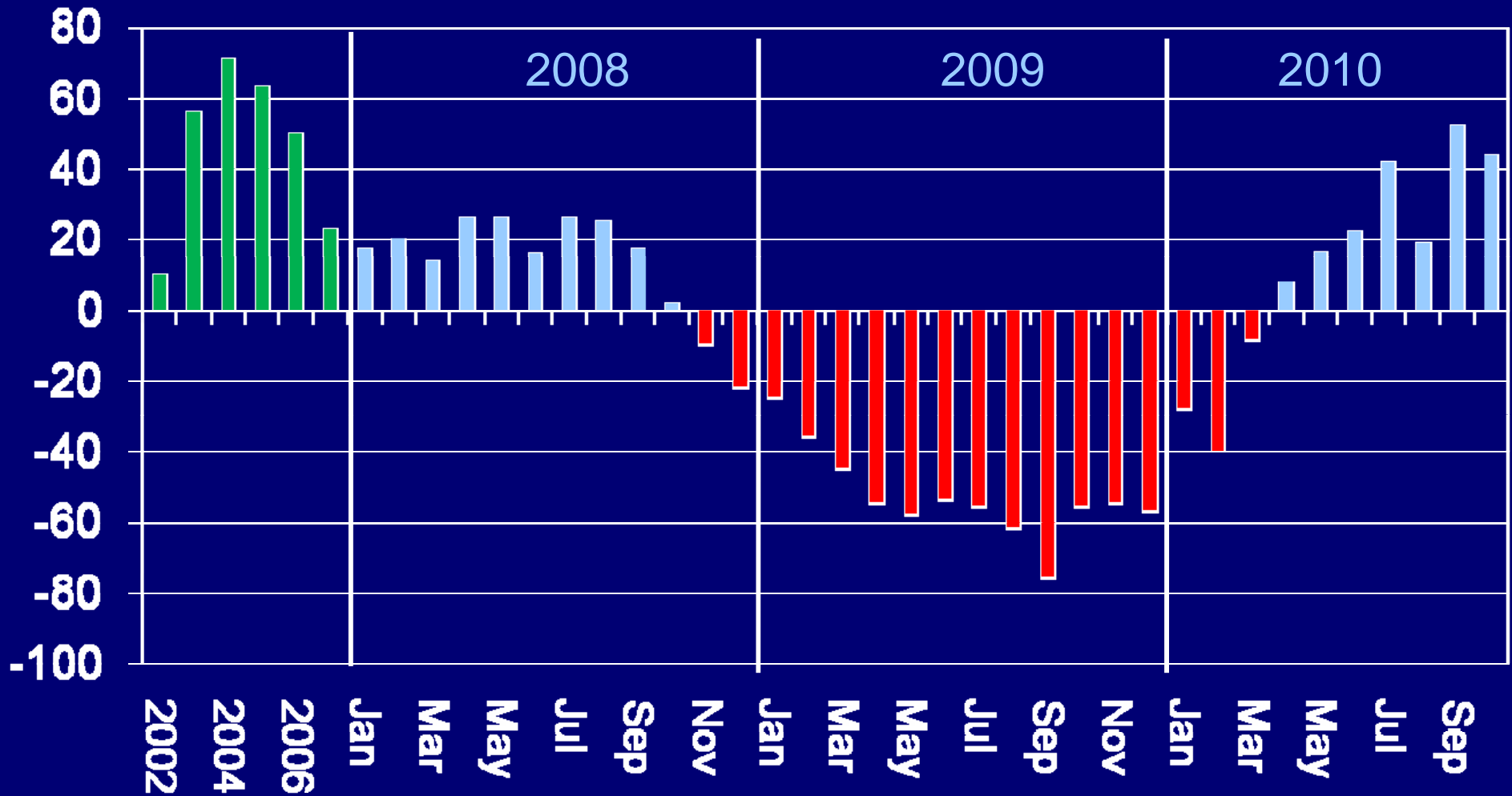
# Washington MSA Leading Economic Index Month-Over-Year Percent Change



# Annual Job Change Washington MSA

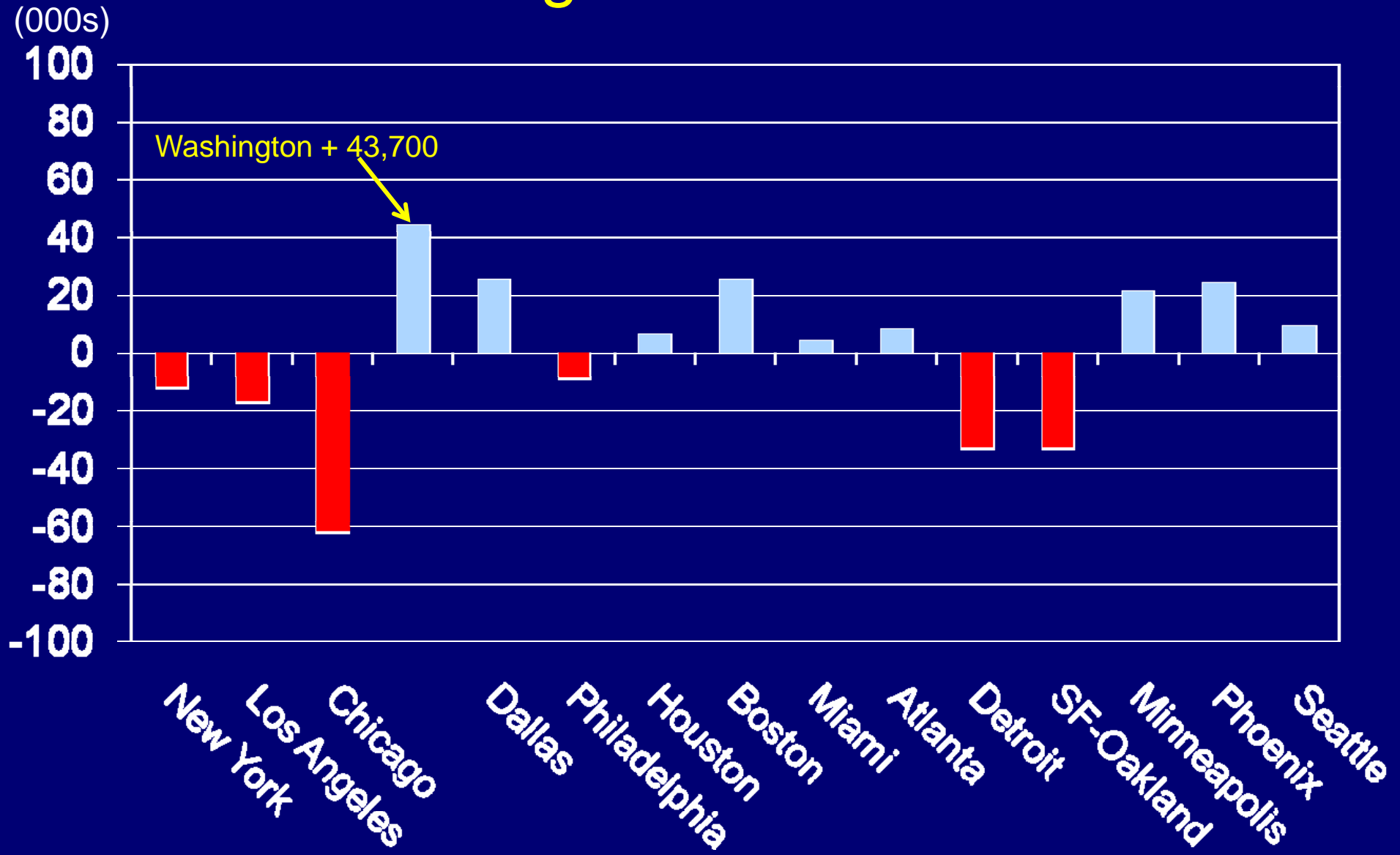
000s Annual Data

Annual Month over Year



# 15 Largest Job Markets

## Job Change Oct 09 – Oct 10

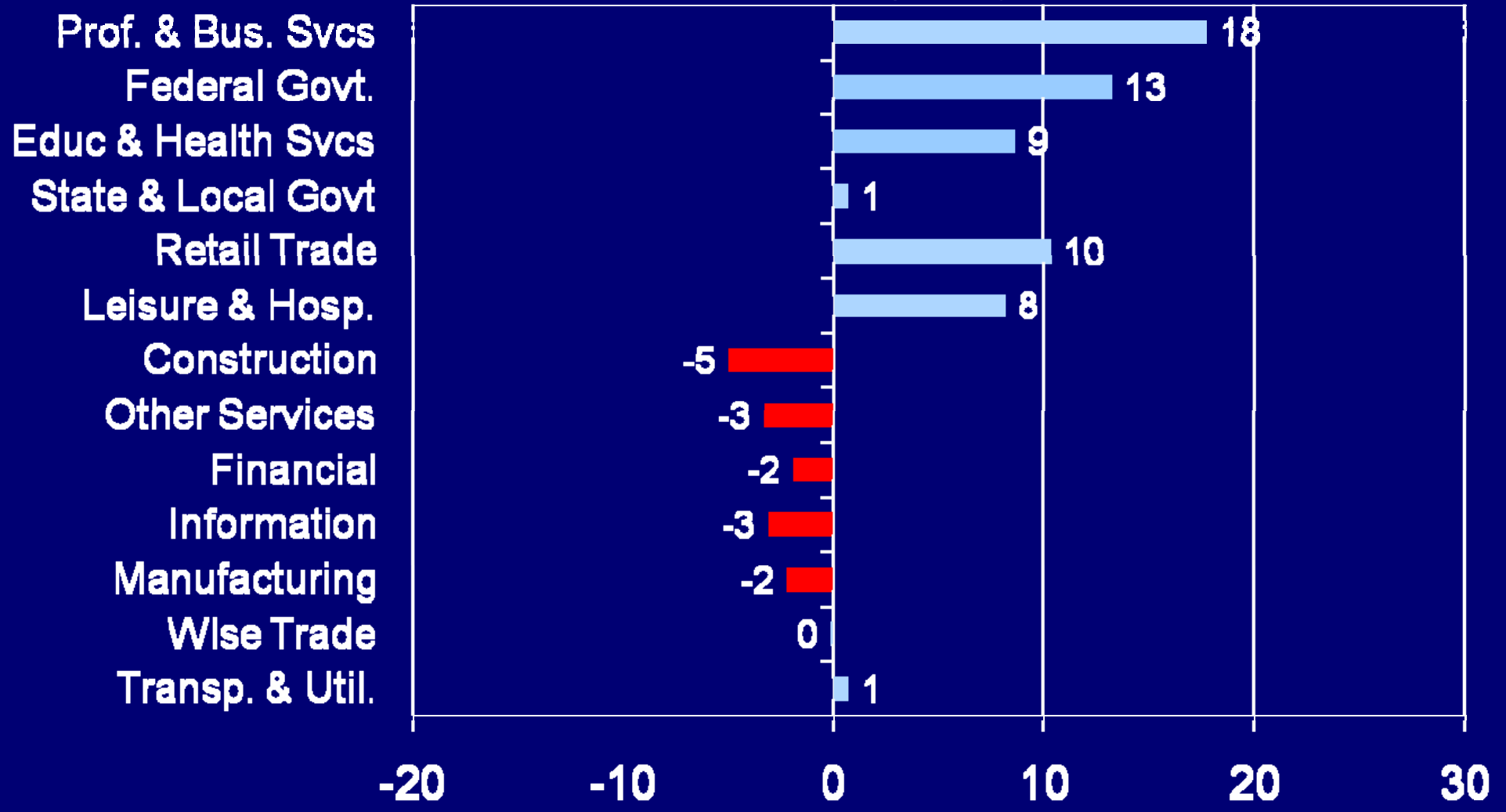


Source: BLS March 2010 Benchmark, GMU Center for Regional Analysis

# Job Change by Sector Oct 2009 – Oct 2010 Washington MSA

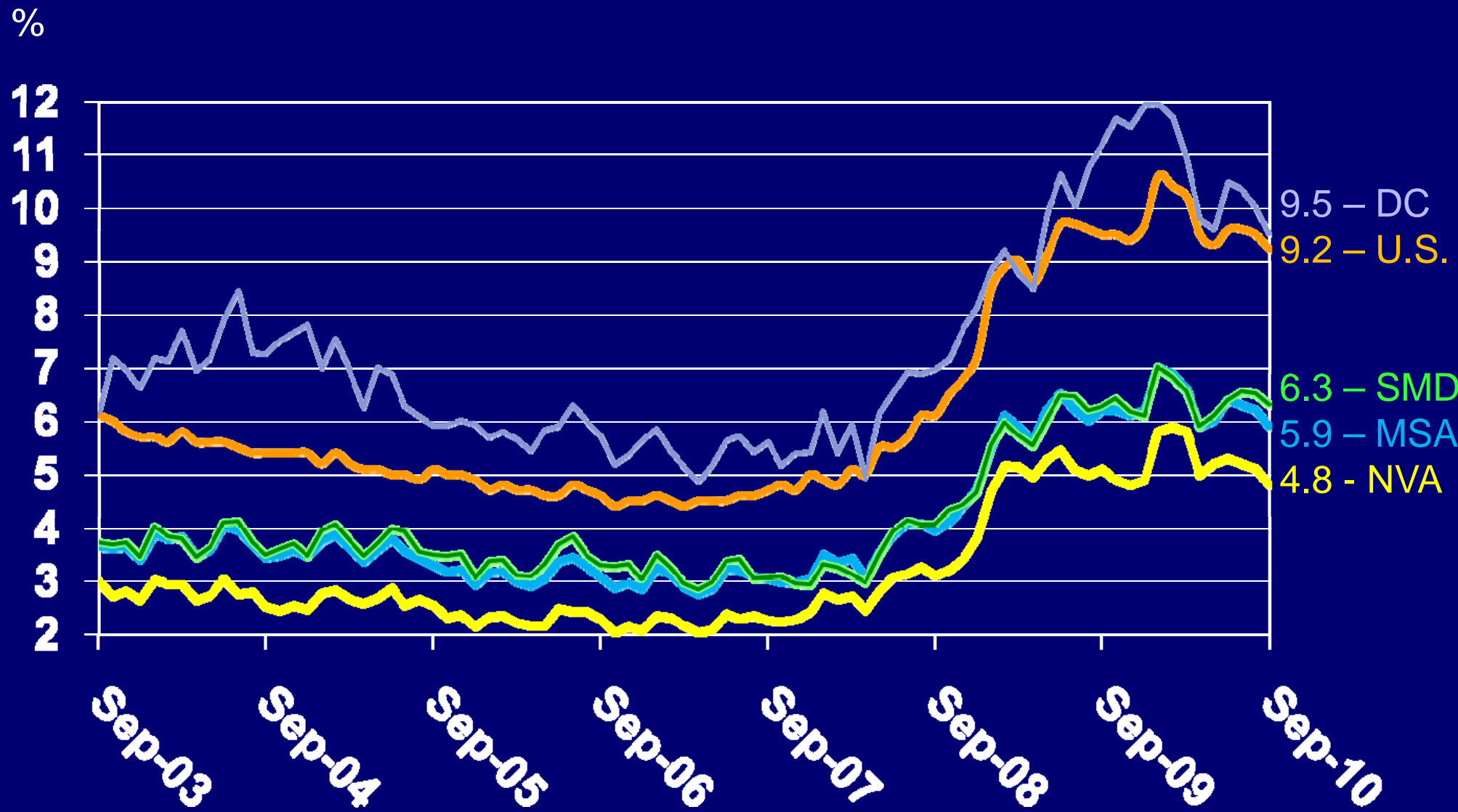
(000s)

Total 43,700



Source: BLS March 2010 Benchmark, GMU Center for Regional Analysis

# Unemployment Rate



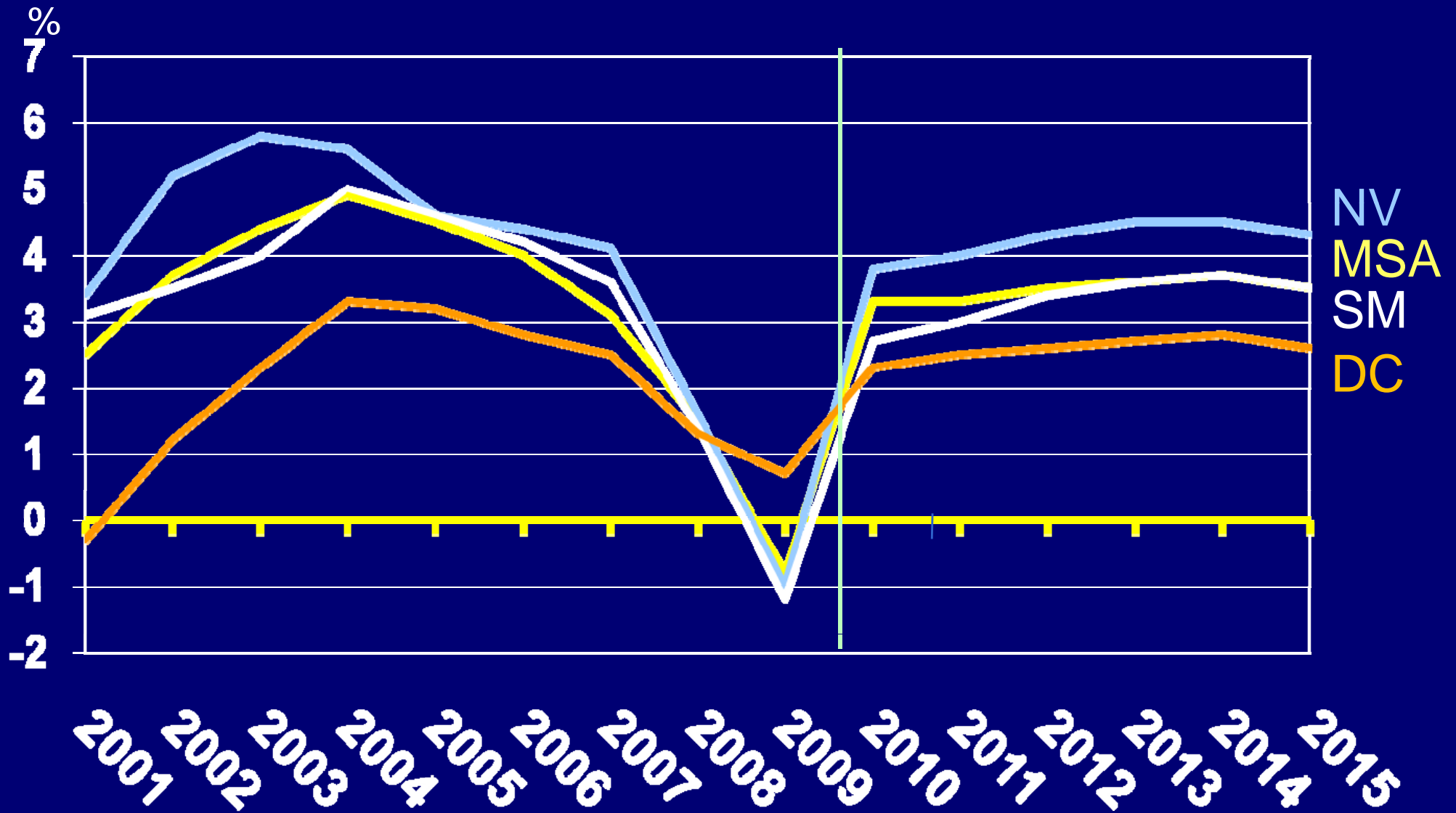
Source: BLS, Not Seasonally Adjusted

# Employment Change by Sub-state Region (000s)

	2007	2008	2009	2010	2011	2012	2013	2014
<b>D.C.</b>	5.3	10.1	-0.7	6.2	7.2	6.7	7.2	7.3
<b>Sub. MD</b>	4.8	-1.4	-26.7	9.3	9.7	11.1	13.3	14.7
<b>No. VA</b>	13.2	4.4	-24.5	16.7	20.4	26.5	28.3	29.9
<b>REGION</b>	23.3	12.9	-51.9	32.2	37.3	44.3	48.8	51.9

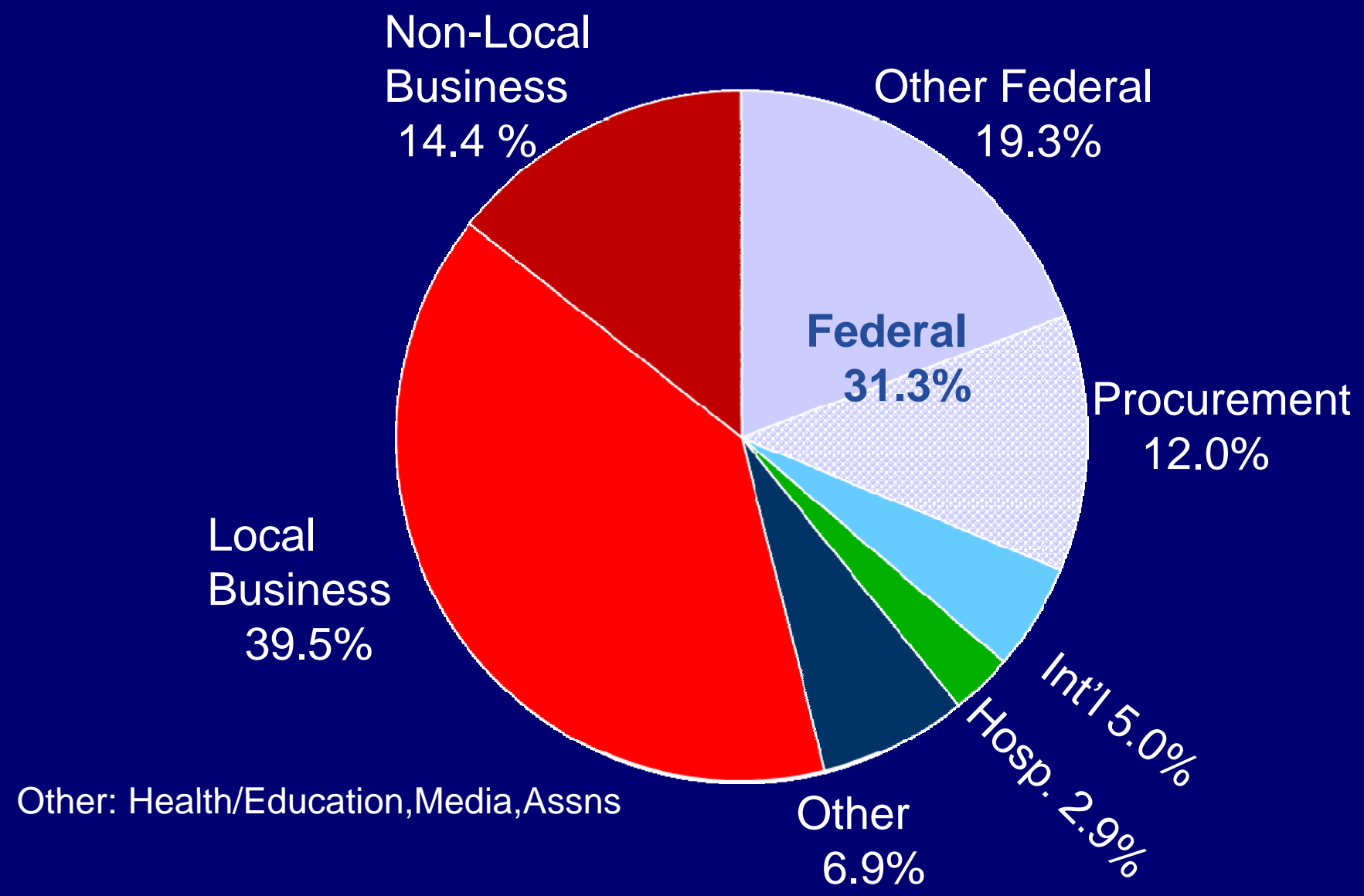
Average Annual Change 1990-2008 = 37,000

## Washington Area and Sub-state Portions (Annual % Change)



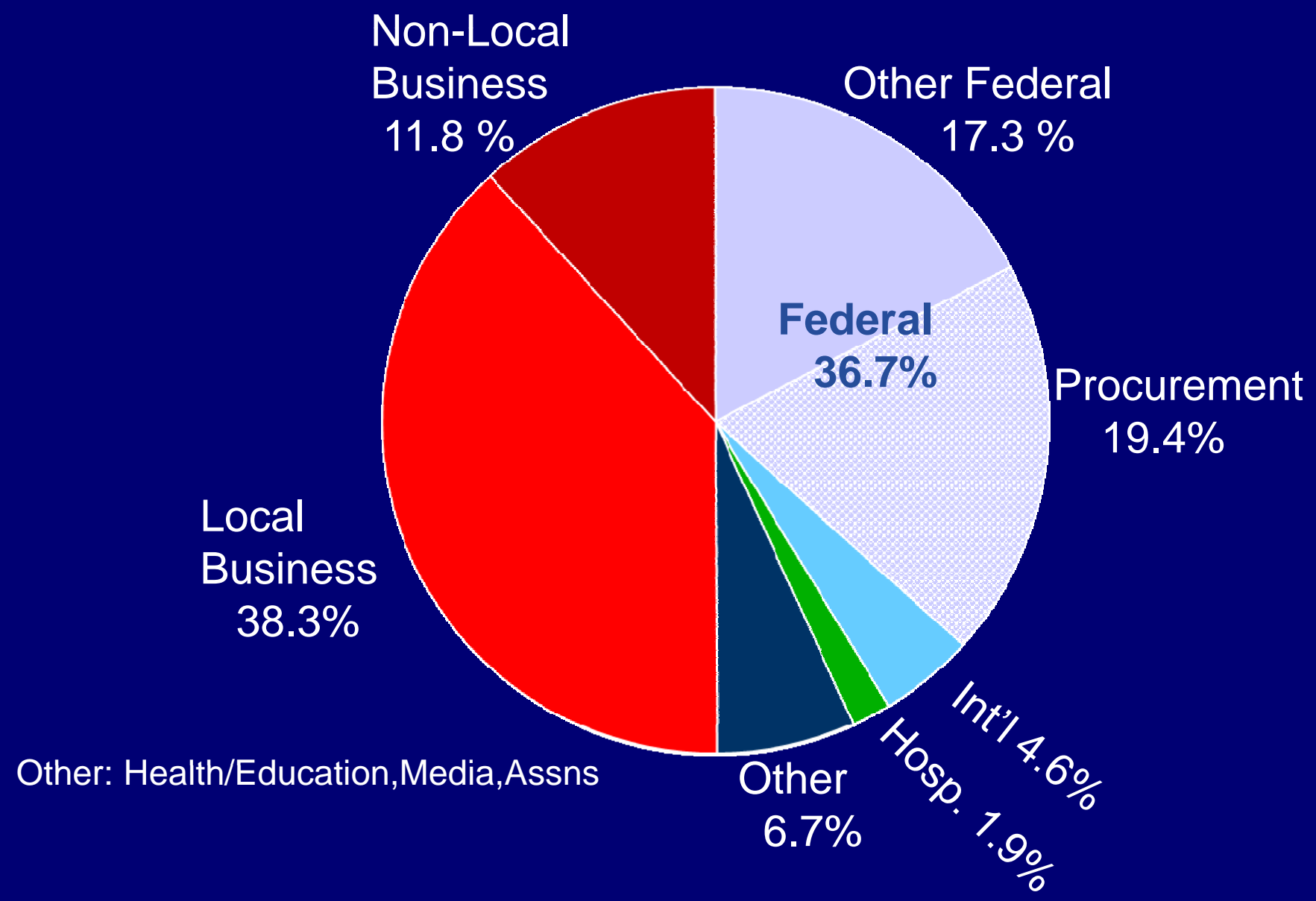
# The Changing Federal Role

# 2000 Structure of the Greater Washington Economy

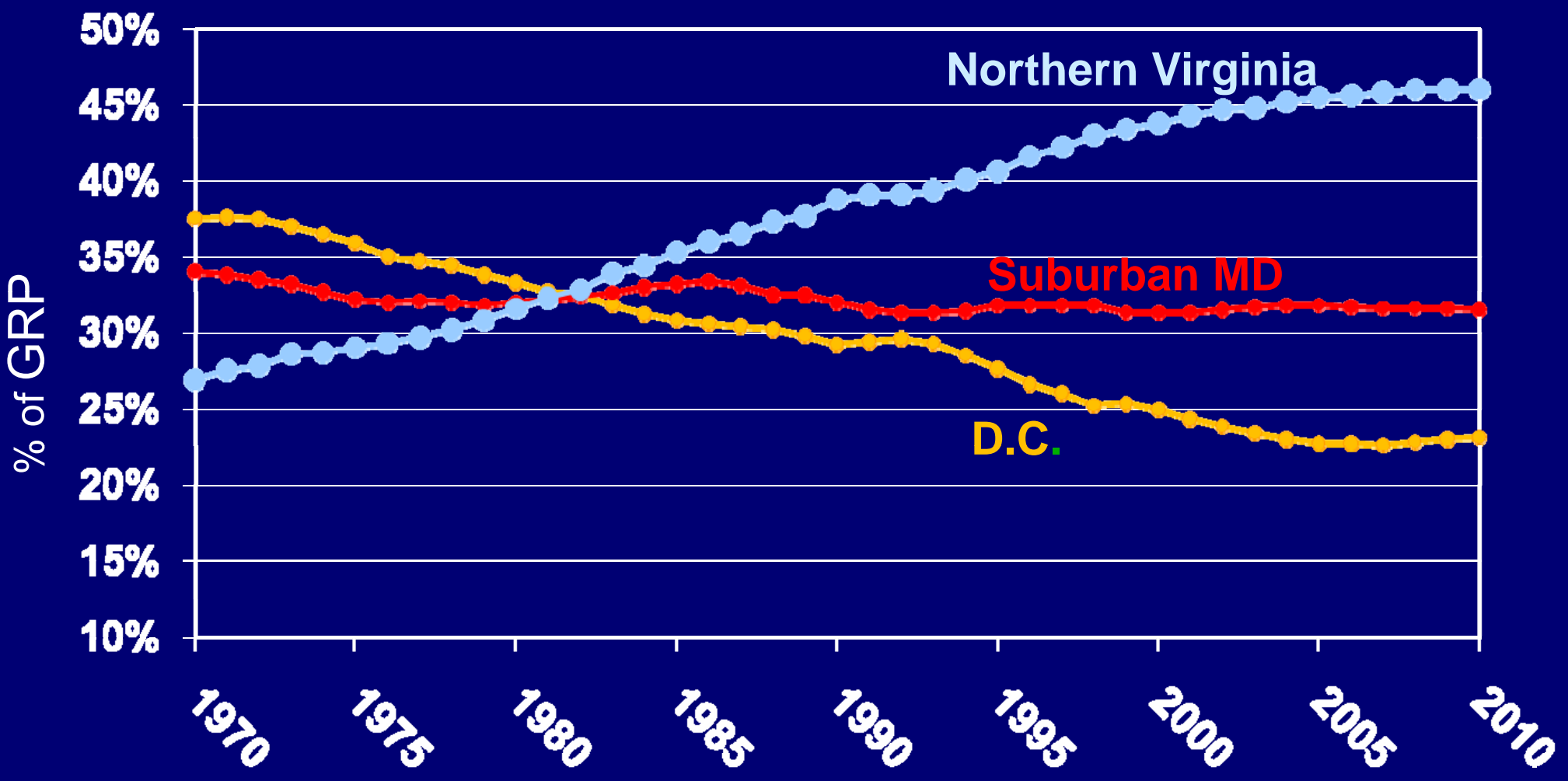


Other: Health/Education, Media, Assns

# 2009 Structure of the Greater Washington Economy

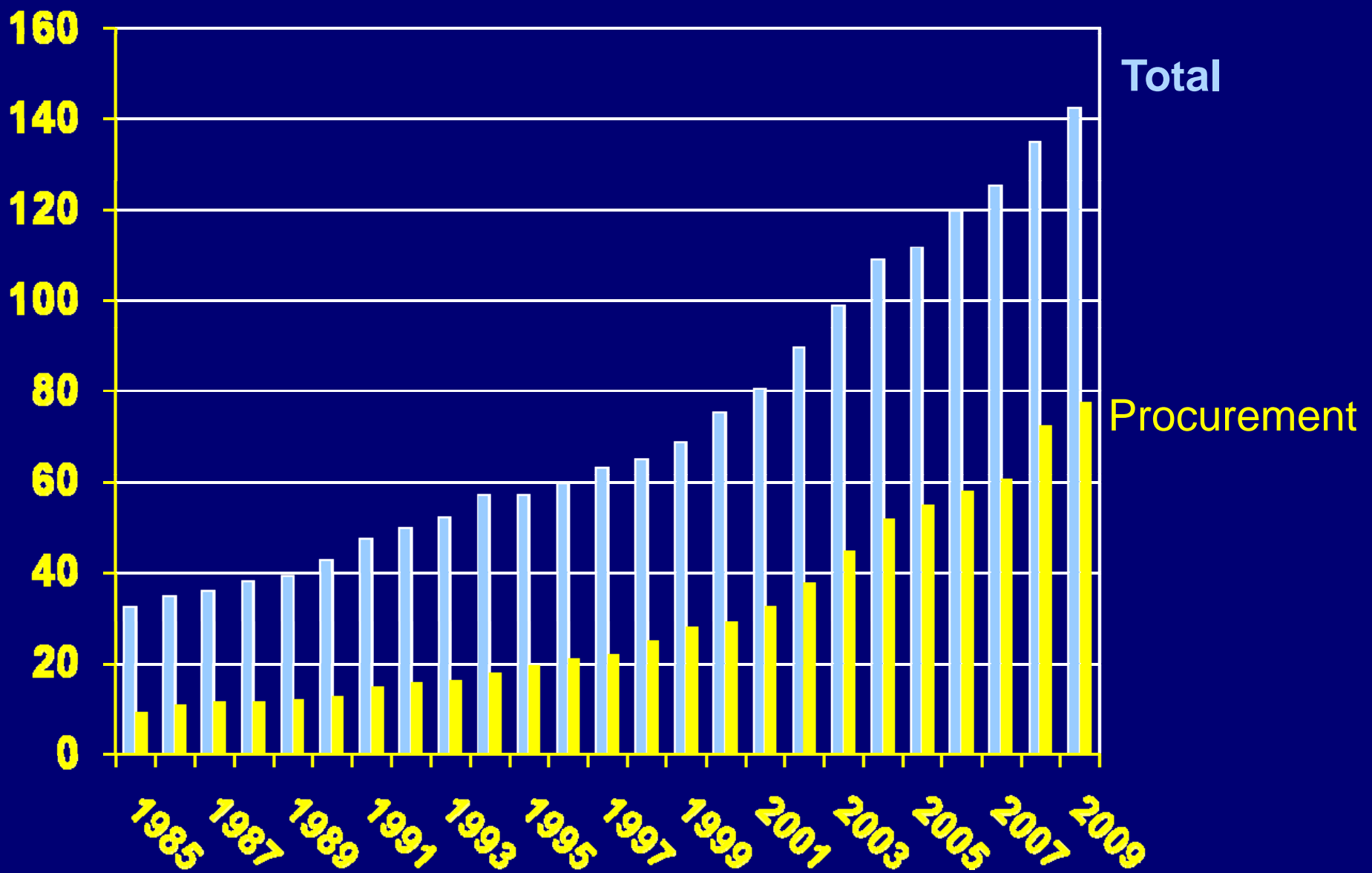


# Share of Washington Area Economy 1970-2008

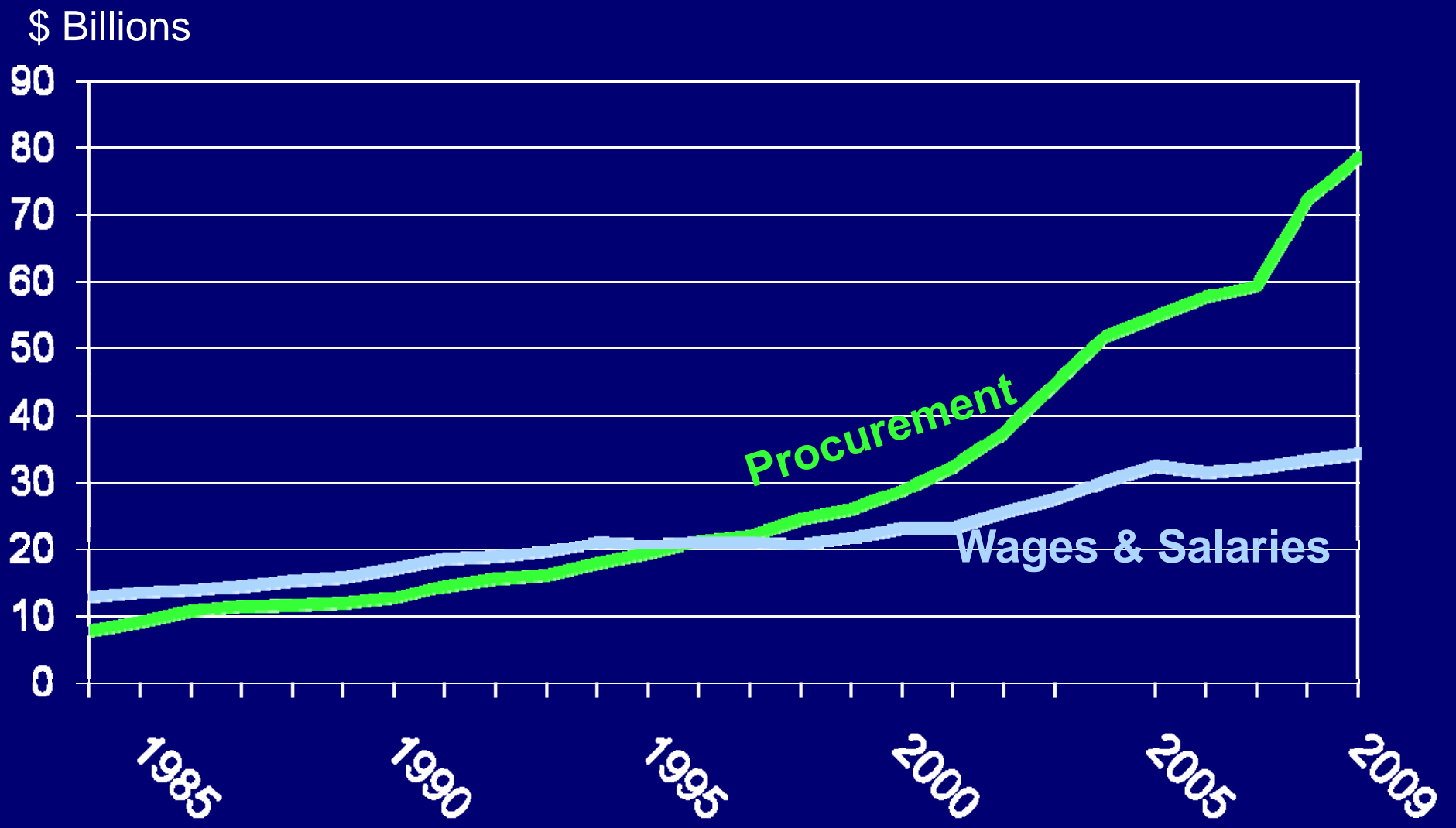


# Total Federal Spending Washington Metro Area

Billions Current \$



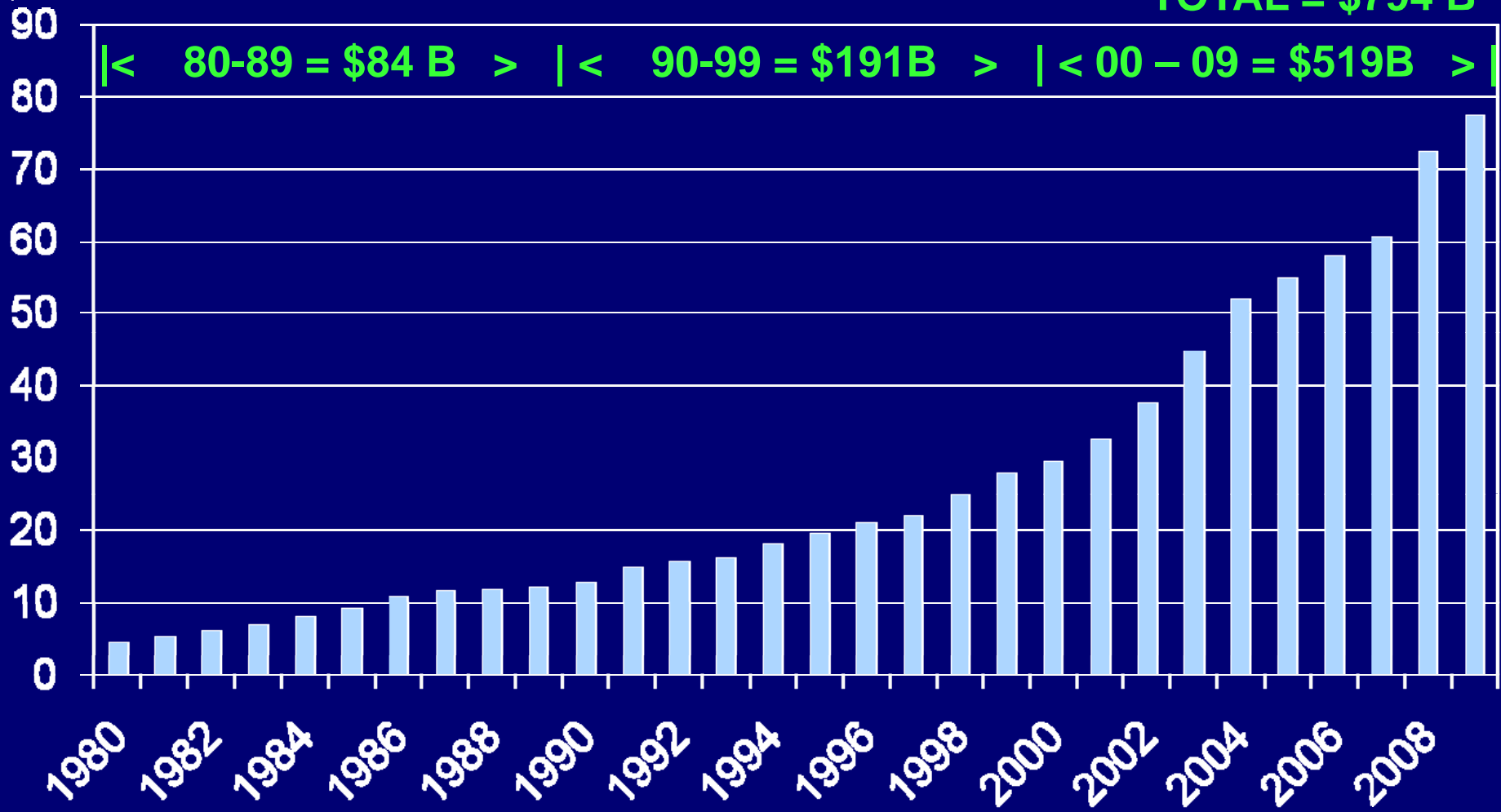
# Federal Spending By Type 1984 - 2009



# Federal Procurement Washington Metro Area, 1980 - 2009

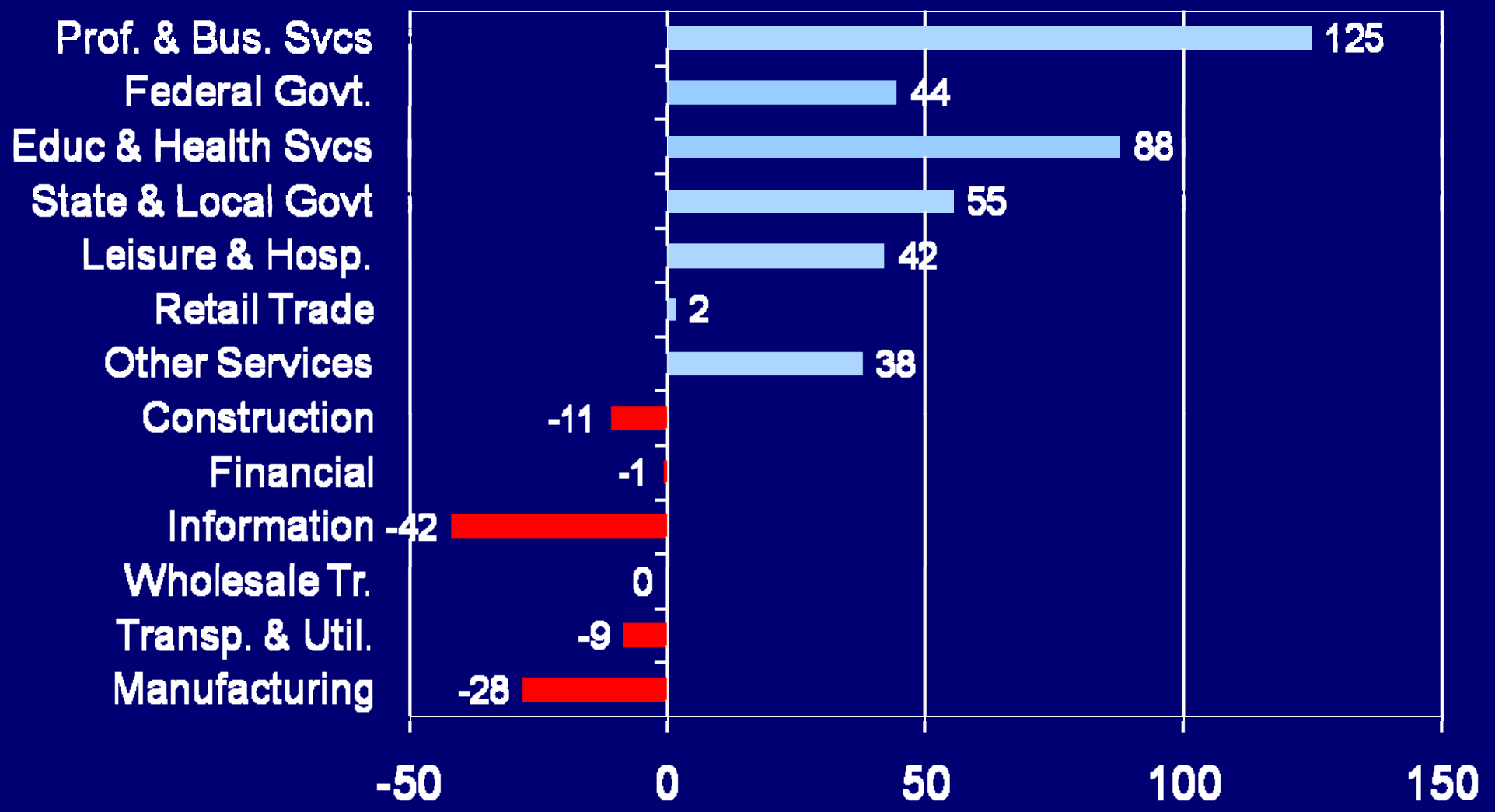
\$ Billions

TOTAL = \$794 B



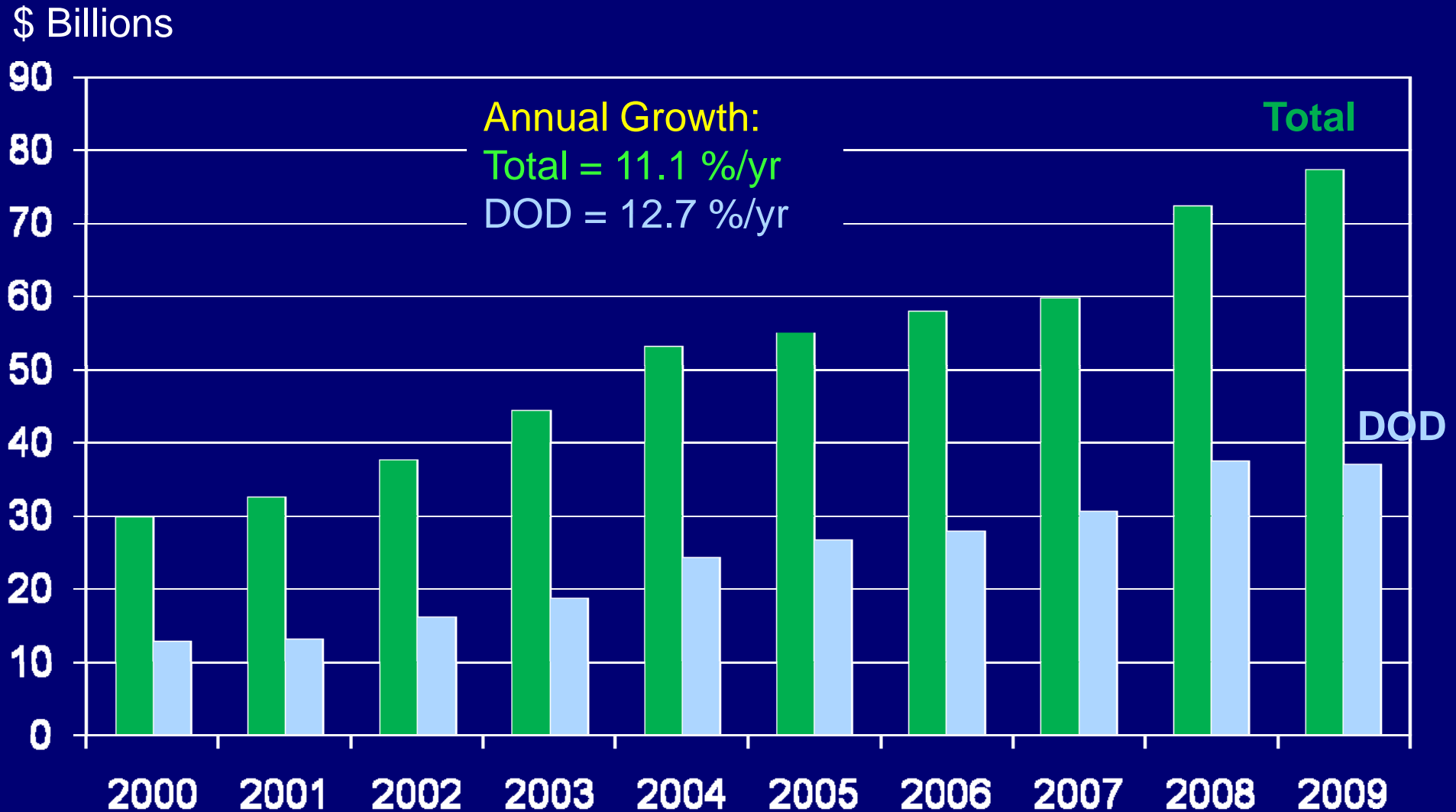
# Job Change by Sector Mar 2000 – Mar 2010 Washington MSA (000s)

Total 302,200



Source: BLS March 2010 Benchmark, GMU Center for Regional Analysis

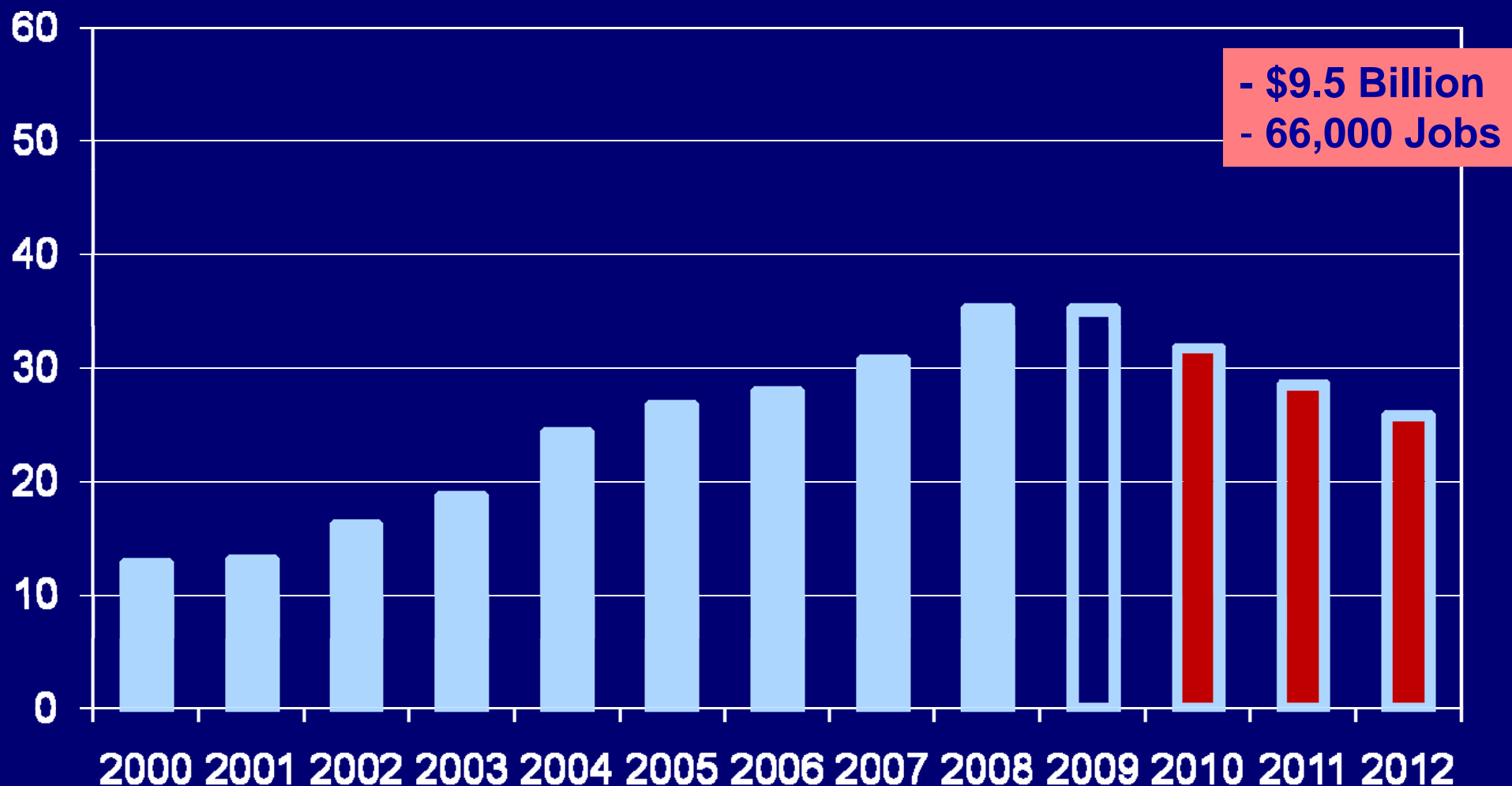
# Federal Procurement in The Washington MSA



Source: Census Consolidated Federal Funds Reports

# DOD Federal Procurement in MSA Projection of Sec. Gates Proposed Cuts

\$ Billions

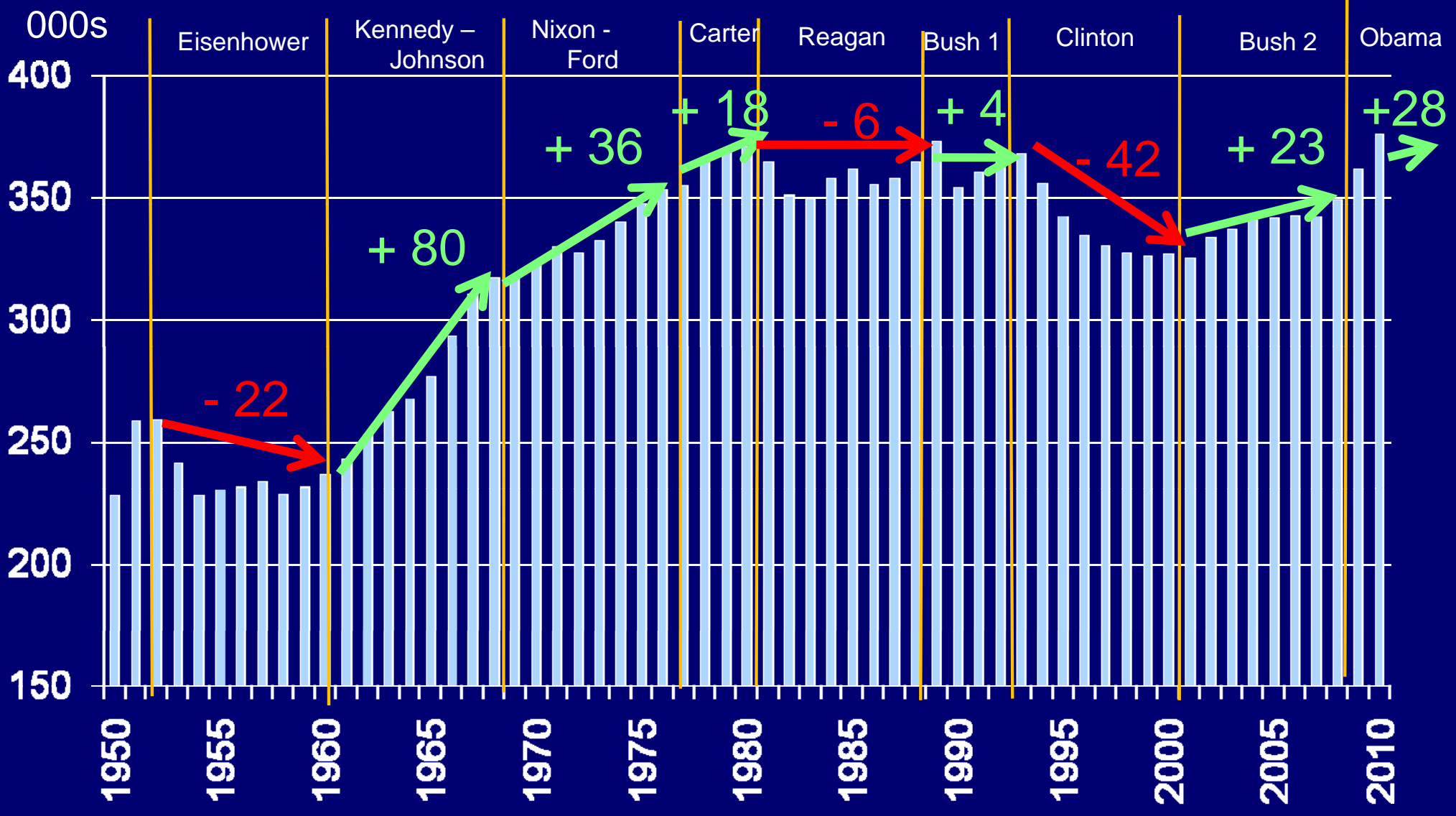


Source: Census Consolidated Federal Funds Reports

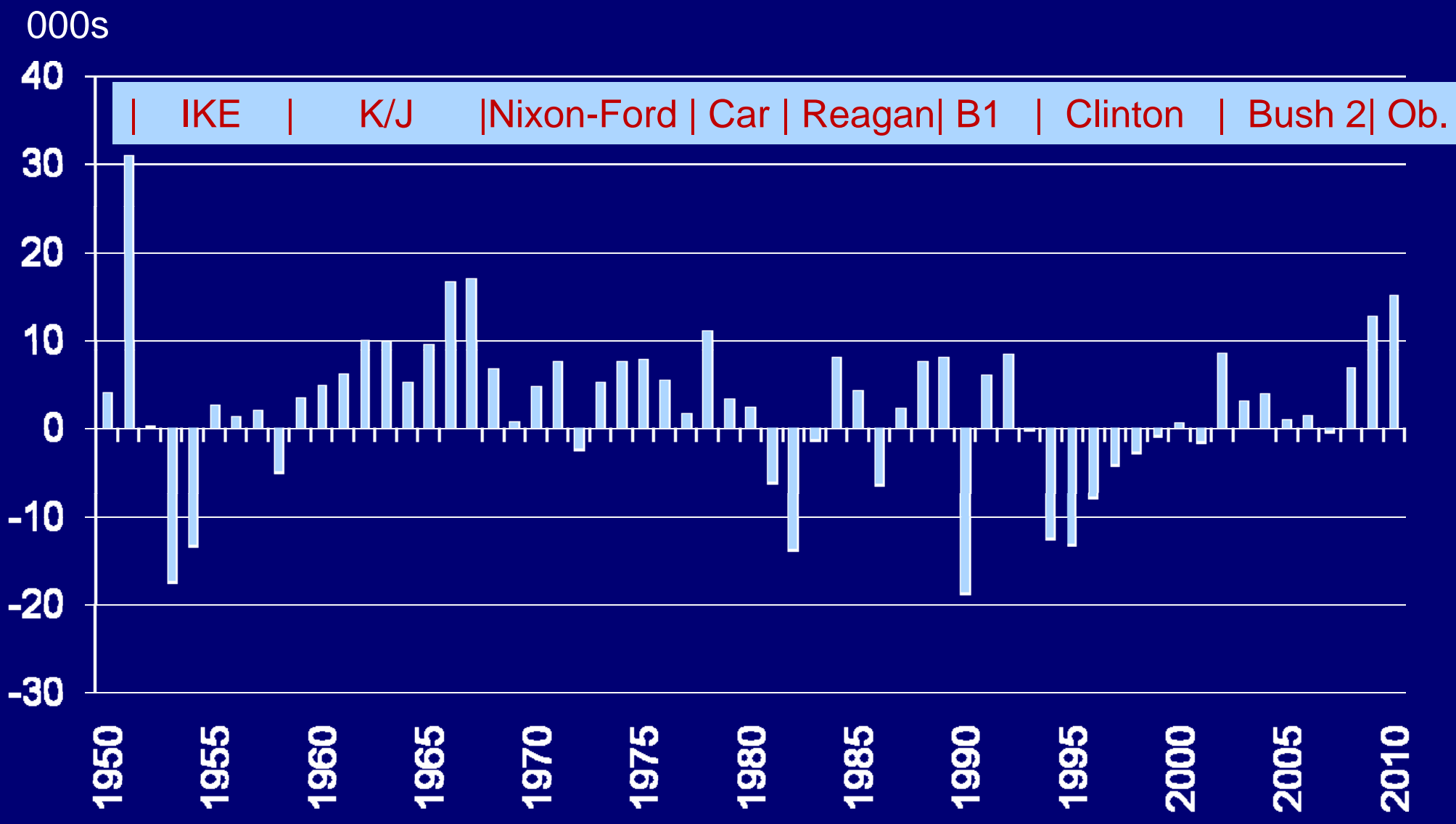
# Change in Federal Employment by Administration

Administration	Period	Wash. Metro	U.S.
Eisenhower	1953 – 1960	- 22,200	-158,000
Kennedy-Johnson	1961 – 1968	+ 80,200	+490,000
Nixon-Ford	1969 – 1976	+ 36,000	+ 11,000
Carter	1977 – 1980	+ 18,000	+ 12,000
Reagan	1981 – 1988	- 6,200	+195,000
Bush 1	1989 – 1992	+ 3,500	+ 21,000
Clinton	1993 – 2000	- 41,500	-341,000
Bush 2	2001 – 2008	+ 22,900	-35,000
Obama	2009 -	+28,000	+125,000

# Federal Employment Washington Metro Area



# Annual Change in Federal Employment Washington Metro Area



# Projected Federal Job Growth\* 2009 - 2012

U.S.	
Retirements	240,000
Other Separations	144,000
Total Replacements	384,000
Net New (in Budget)	150,000
Recovery Act Hires Made Permanent	50,000
<b>TOTAL REQUIREMENT</b>	<b>584,000</b>

\* Full-time, permanent, non-seasonal

# Projected Federal Job Growth\* 2009 - 2012

Washington Metropolitan Area	
Total Replacements	99,550
Net New	26,000
<b>TOTAL</b>	<b>125,550</b>

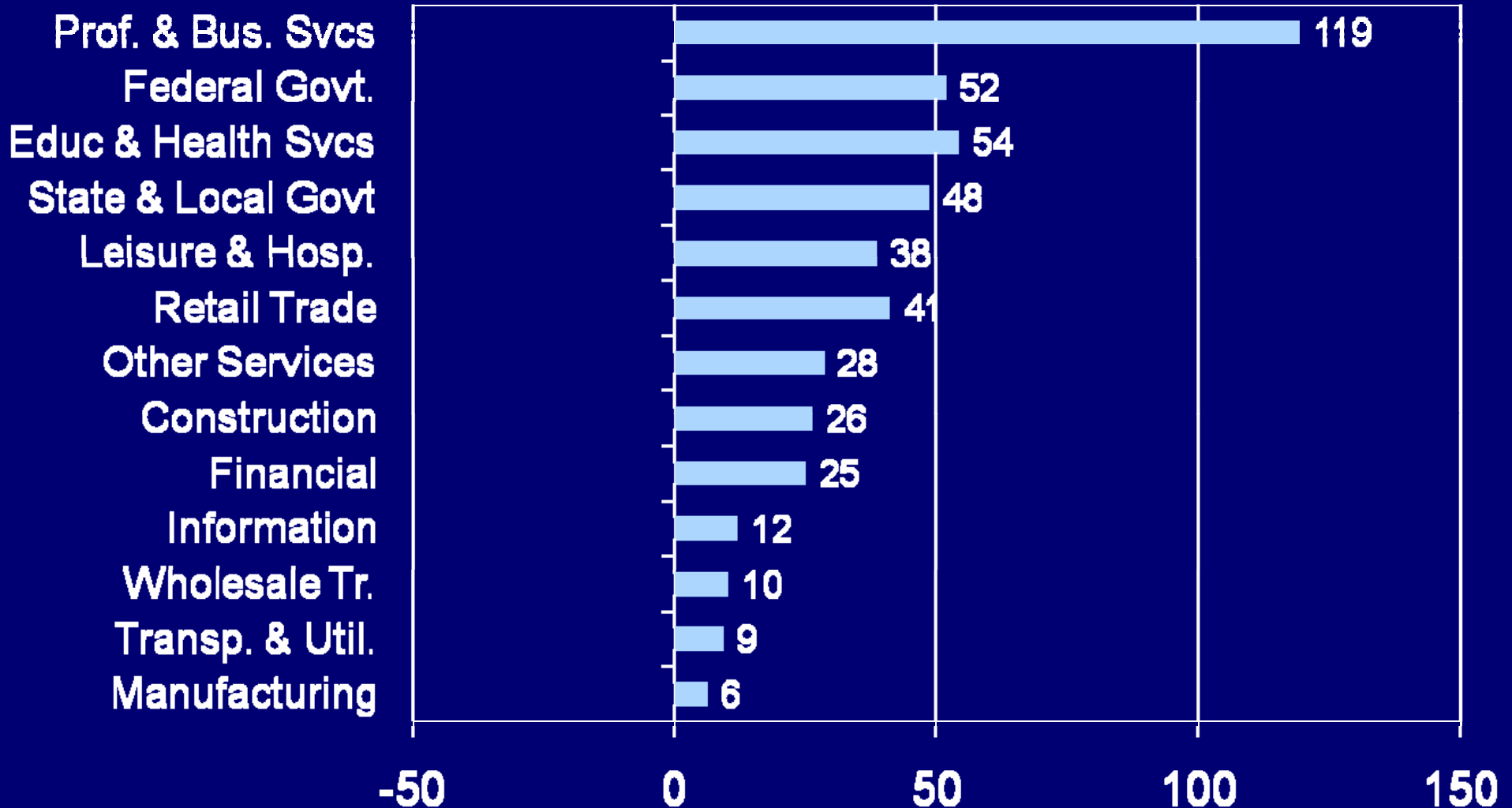
**Annual Net New 09-12**                      **6,500**  
**Annual Net New 05-09**                      **5,300**  
**Annual Net New 99-09**                      **3,550**

\* Full-time, permanent, non-seasonal

# Future Job Change by Sector 2010 – 2020

## Washington MSA (000s)

Total 469,800



Cardinal Bank & George Mason University  
19th Annual Economic Conference

**Friday, January 14, 2011**

8:00 a.m. - 12:00 noon

**The Ritz-Carlton, Tysons Corner**

1700 Tysons Boulevard

McLean, VA 22102



**Jan. 14, 2011**

**POLICY-CRA.GMU.EDU**

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The Fredericksburg Regional Alliance Wishes You  
**Happy Holidays!**



**Buone Feste!**



**Mutlu Bayramlar!**



**Felices Fiestas!**



**Jie Ri Yu Kuai!**



**Vesele Praznike!**



**Joyeuses Fêtes!**



**Forhe Feiertage!**



**Tanoshii kurisumasu wo!**