

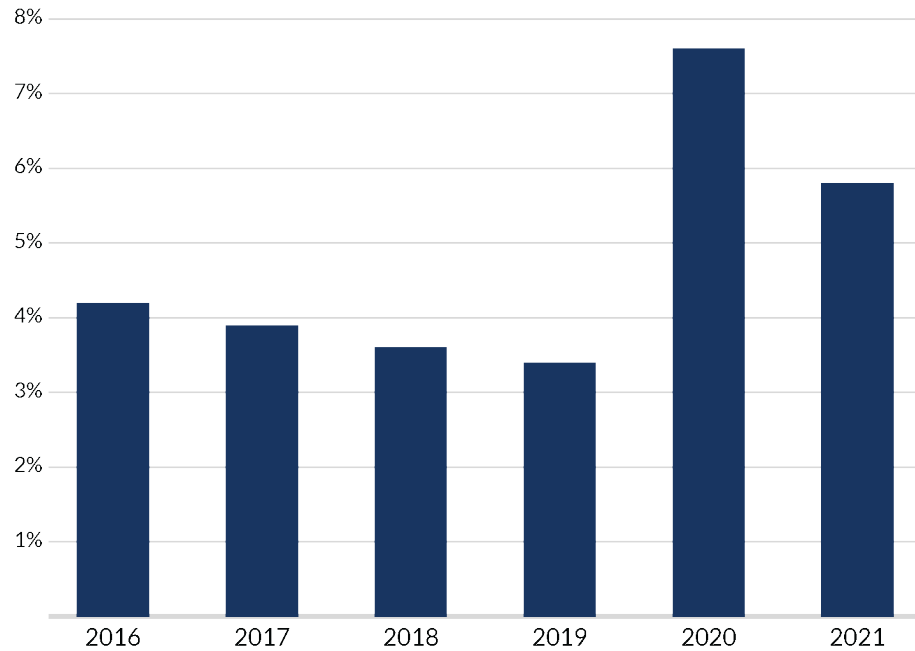


# CHAPTER 2

# ECONOMIC TRENDS

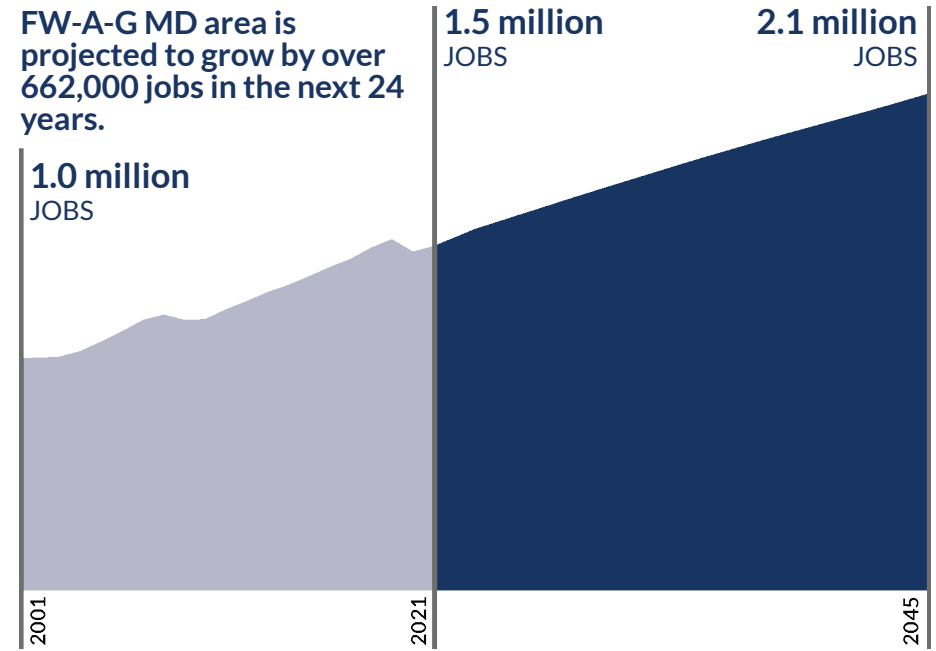
The prosperity of Fort Worth is linked to domestic and international changes. During the 1970s and 1980s, the local economy was driven primarily by a large and successful aerospace and defense industry. Substantial cutbacks in defense contracts prompted the City to begin working towards diversifying its economy in the 1990s, largely through small business development. The result is an economy that is diversified in many industry sectors such as services, trade, manufacturing, transportation, communication, and construction. This diverse employment base helped Fort Worth weather the 2008 Great Recession and will contribute to Fort Worth's ability to rebound from economic impacts due to the 2020 Coronavirus (COVID-19) pandemic. Fort Worth's robust economic growth is expected to continue.

## UNEMPLOYMENT RATE



Annual unemployment rate for 2021 was not available at time of publication. Shown unemployment rate for 2021 is an average of the published monthly unemployment rates. (Source: Texas Workforce Commission, 2020.)

## FORT WORTH-ARLINGTON-GRAPEVINE EMPLOYMENT, 2001-2045



Source: The Perryman Group, Fort Worth-Arlington-Grapevine Metropolitan Division (FW-A-G MD), 2021.

### 1,486,257

Current Total Employment in 2021

### \$80,800

Median Family Income in 2021\*

### 2,148,661

Projected Total Employment by 2045

### \$534.8M

Total Gross Domestic Product (GDP) for Dallas-Fort Worth-Arlington MSA in 2020

### TOP 5 EMPLOYERS IN FORT WORTH, 2021

American Airlines Group Inc	40,600
Lockheed Martin	22,950
Fort Worth ISD	11,330
NAS-JRB Fort Worth	11,300
JPS Health Network	7,132

### TOP 5 EMPLOYMENT SECTORS, 2021

Service	39.3%
Trade	16.3%
Government	12.7%
Manufacturing	9.1%
Transportation & Warehousing	8.2%

Sources: The Perryman Group, Fort Worth-Arlington-Grapevine Metropolitan Division (MD), 2021; \*HUD, Income Limits, 2021; City of Fort Worth, Economic Development Department,

## KEY INDICATORS, INFLATION ADJUSTED, 2021 - 2026

ECONOMIC INDICATOR	2021 ESTIMATE	2026 PROJECTION	FIVE YEAR INCREASE	ANNUAL GROWTH
Real Gross Product	\$112.9 B	\$134.9 B	\$21.9 B	3.61% ↑
Real Personal Income	\$125.8 B	\$151.3 B	\$25.5 B	3.77% ↑
Real Retail Sales	\$39.0 B	\$47.1 B	8.1 B	3.86% ↑
Employment	1.1 M	1.2 M	112.6 TH	2.01% ↑

Growth and development in the Fort Worth-Arlington-Grapevine Metropolitan Division (MD) is expected to occur at a pace in line with state growth.

**112,600**

Projected Employment Growth by 2026

**\$21.9B**

Projected Real Gross Product by 2026

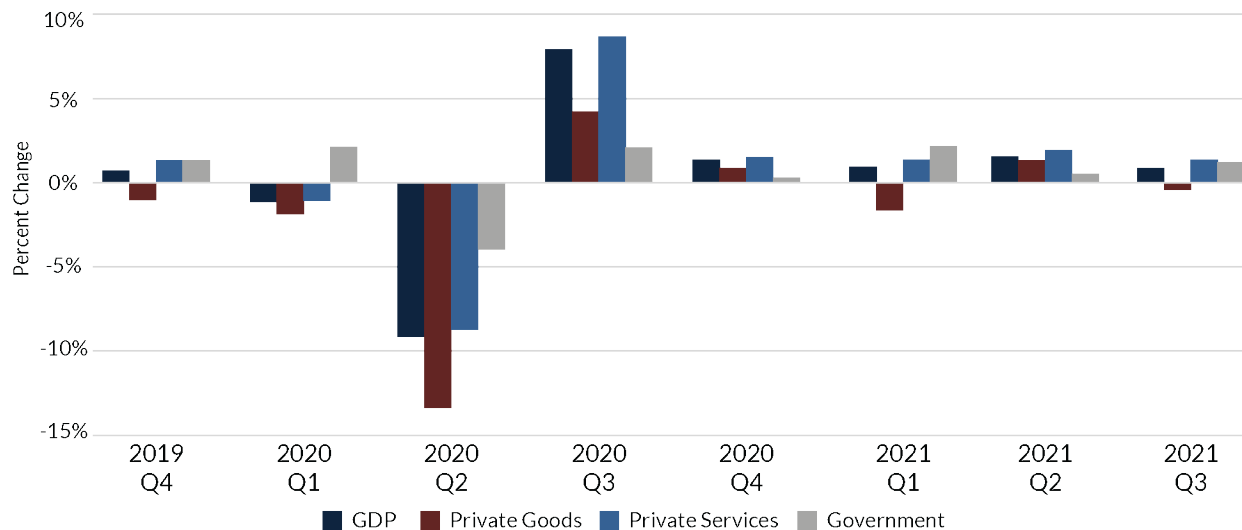
**3.6%**

Projected Annual (RPG) Growth Rate

Source: The Perryman Group, Fort Worth-Arlington-Grapevine MD, 2021.

## REAL GROSS DOMESTIC PRODUCT BY INDUSTRY - TEXAS

Texas's Real Gross Domestic Product (GDP) third quarter 2020 activity indicates the beginning of a rebound from the COVID-19 pandemic, impacted economic declines seen in the second quarter of 2020. Economic activity is expected to continue as the impact of the COVID-19 pandemic dissipates.



Source: U.S. Bureau of Economic Analysis, 2021.

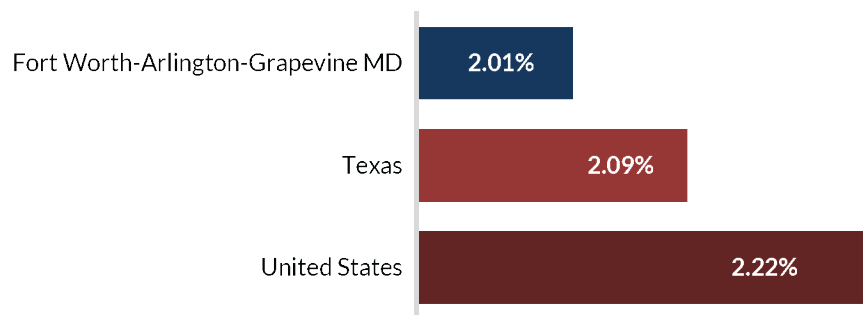
## TEXAS REAL GROWTH DOMESTIC PRODUCT INDUSTRY CHANGE

INDUSTRY	2020 3rd Quarter	2021 3rd Quarter	PERCENT CHANGE
All Industries	1,751,735	1,836,681	4.8%
Private Goods	514,923	515,515	0.1%
Private Sectors	1,047,713	1,114,126	6.3%
Government	165,272	172,373	4.3%

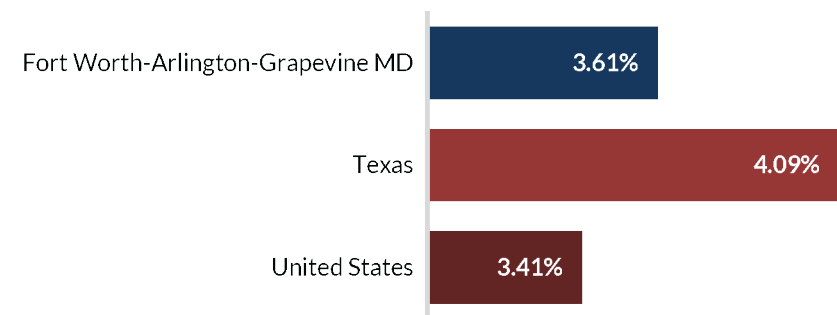
## PROJECTED INDUSTRY GROWTH, 2021-2026

INDUSTRY SECTOR	EMPLOYMENT			REAL GROSS PRODUCT		
	ABSOLUTE CHANGE	ANNUAL GROWTH		ABSOLUTE CHANGE	ANNUAL GROWTH	
SERVICES	65,910	2.95%	↑	\$6.288 B	4.10%	↑
WHOLESALE & RETAIL TRADE	16,233	1.78%	↑	\$3.165 B	3.70%	↑
TRANSPORTATION & WAREHOUSING	7,083	1.56%	↑	\$1.425 B	3.06%	↑
MANUFACTURING	6,048	1.21%	↑	\$3.484 B	3.83%	↑
FINANCE, INSURANCE, & REAL ESTATE	5,030	1.40%	↑	\$2.905 B	3.22%	↑
GOVERNMENT	4,727	0.68%	↑	\$1.058 B	1.83%	↑
CONSTRUCTION	4,421	1.37%	↑	\$0.860 B	2.49%	↑
MINING	2,534	5.21%	↑	\$2.059 B	7.51%	↑
INFORMATION	516	1.07%	↑	\$0.614 B	3.65%	↑
AGRICULTURE	100	1.18%	↑	\$0.003 M	1.84%	↑
UTILITIES	96	0.77%	↑	\$0.072 B	2.16%	↑

## ANNUAL EMPLOYMENT GROWTH, 2021 - 2026

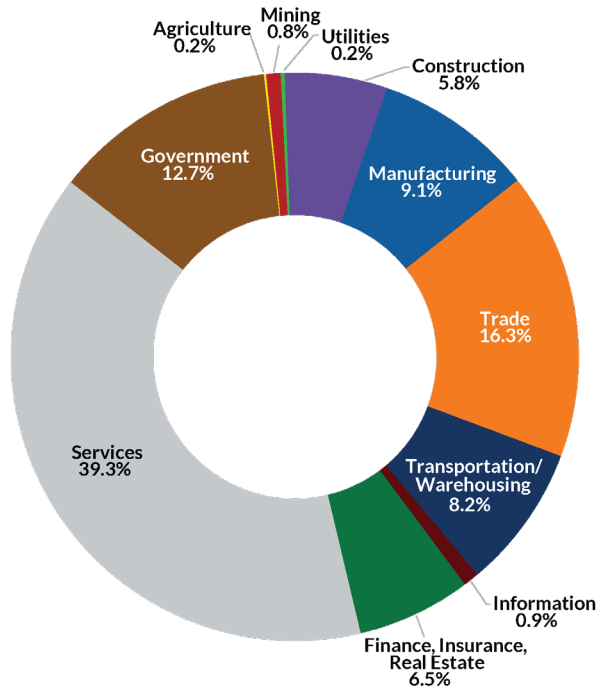


## ANNUAL REAL GROSS PRODUCT INCREASE, 2021 - 2026

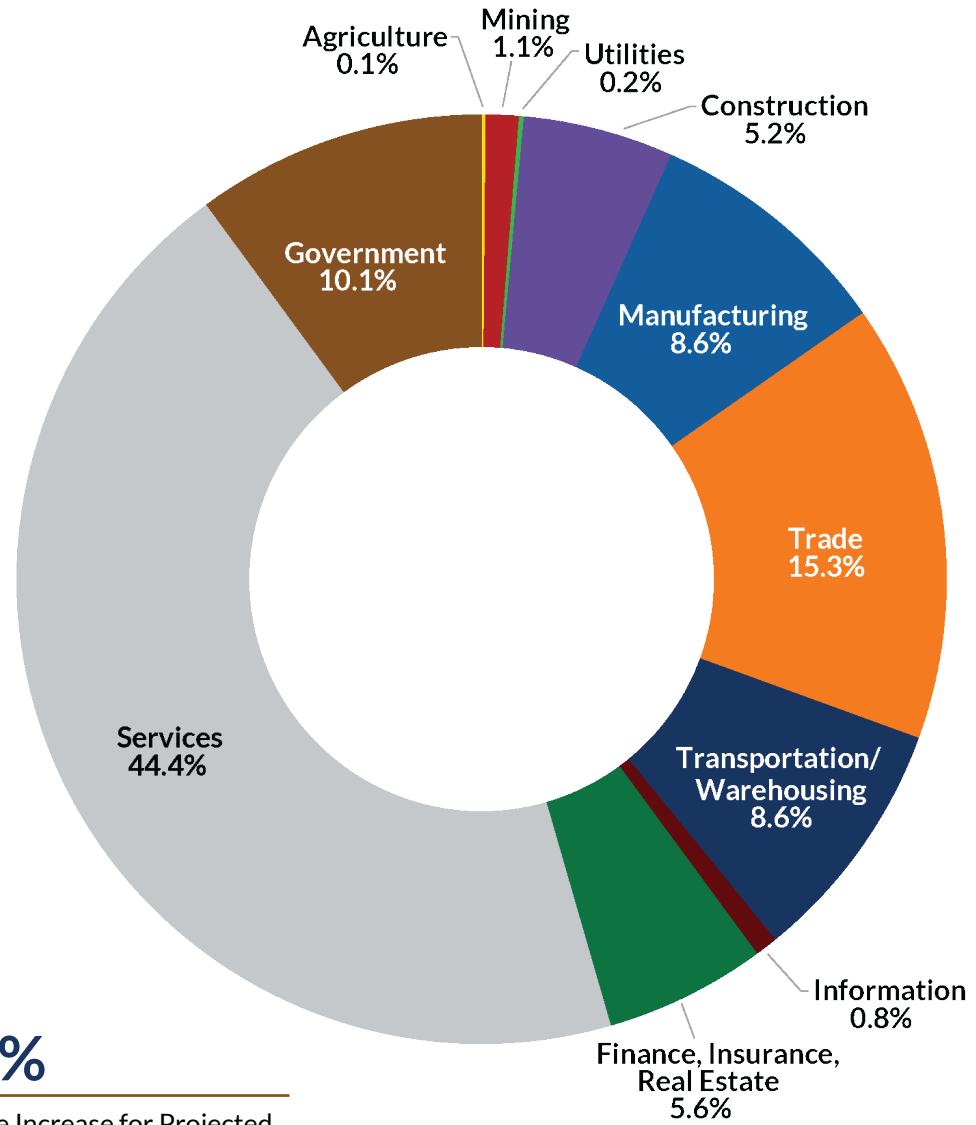


Source: The Perryman Group, Fort Worth-Arlington-Grapevine MD, 2021.

EMPLOYMENT BY SECTOR, 2021



PROJECTED EMPLOYMENT BY SECTOR, 2046



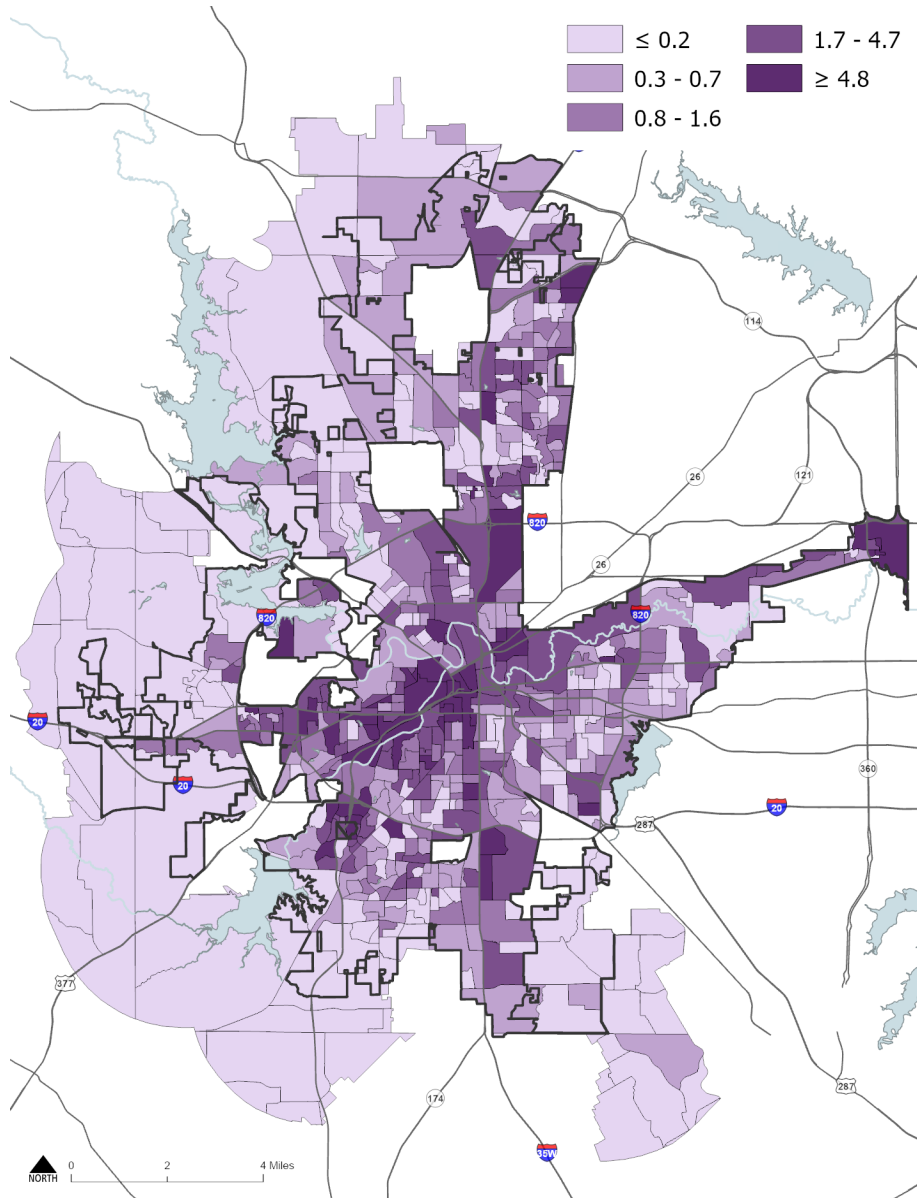
**42.8%**

Percentage Increase for Projected Employment from 2021 to 2045

The Fort Worth-Arlington-Grapevine economy has recovered most of the jobs lost during the COVID-19 pandemic, but business activity remains modestly below pre-COVID-19 levels. Expansion in hard-hit industries such as those related to travel and personal services has contributed to hiring, with other local businesses also experiencing notable expansion. With a long-standing pattern of growth and a number of desirable attributes, the Fort Worth-Arlington-Grapevine area will remain an attractive destination for new business locations and expanded operations.

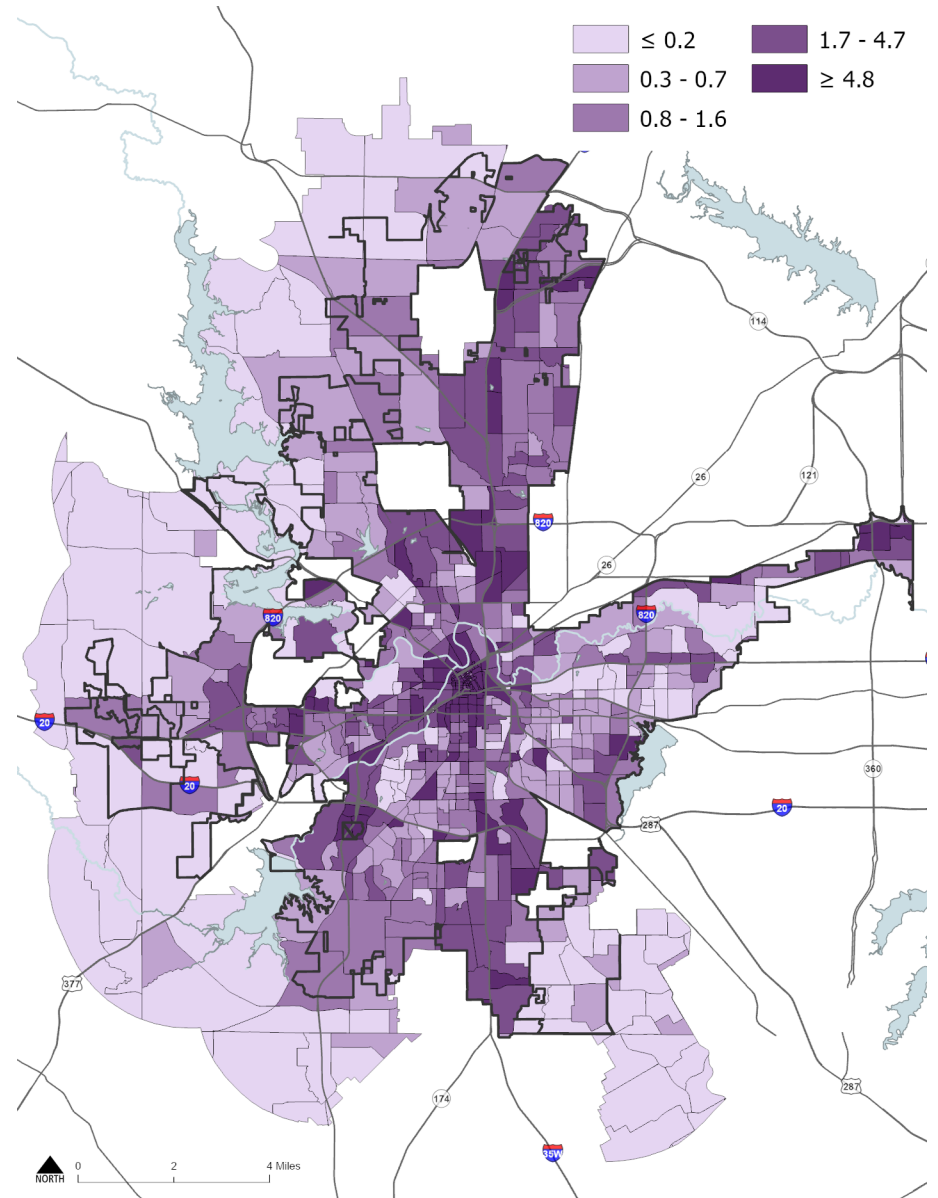
Source: The Perryman Group, Fort Worth-Arlington-Grapevine MD, 2021.

## EXISTING EMPLOYMENT PER ACRE, 2019



Source: U.S. Census Bureau, LEHD, 2019.

## PROJECTED EMPLOYMENT GROWTH PER ACRE, 2010 - 2045



Source: North Central Texas Council of Governments, 2045 Employment Forecast, 2018.

## GROWTH AND DEVELOPMENT

Single-family residential development comprises the majority of the City's building permit activity, which correlates to Fort Worth's population growth. Commercial building permits have been relatively stable, with modest increases since 2016, except in 2020, which was impacted by the COVID-19 pandemic. Multifamily building permits have fluctuated over the past ten years, with 2016 showing the highest level of activity over the last decade.

**\$4.4B**

Total Permit Value for 2021

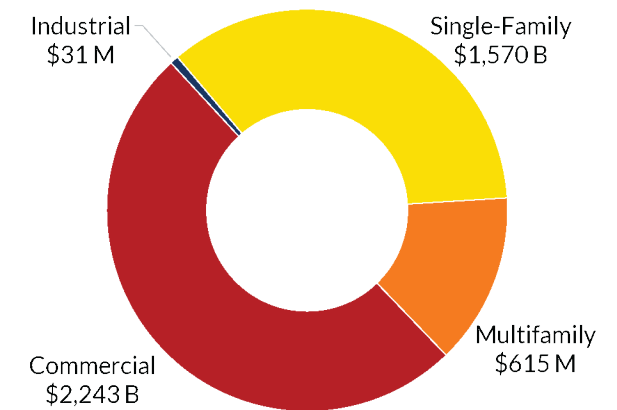
**\$4.3B**

Total Permit Value for 2020

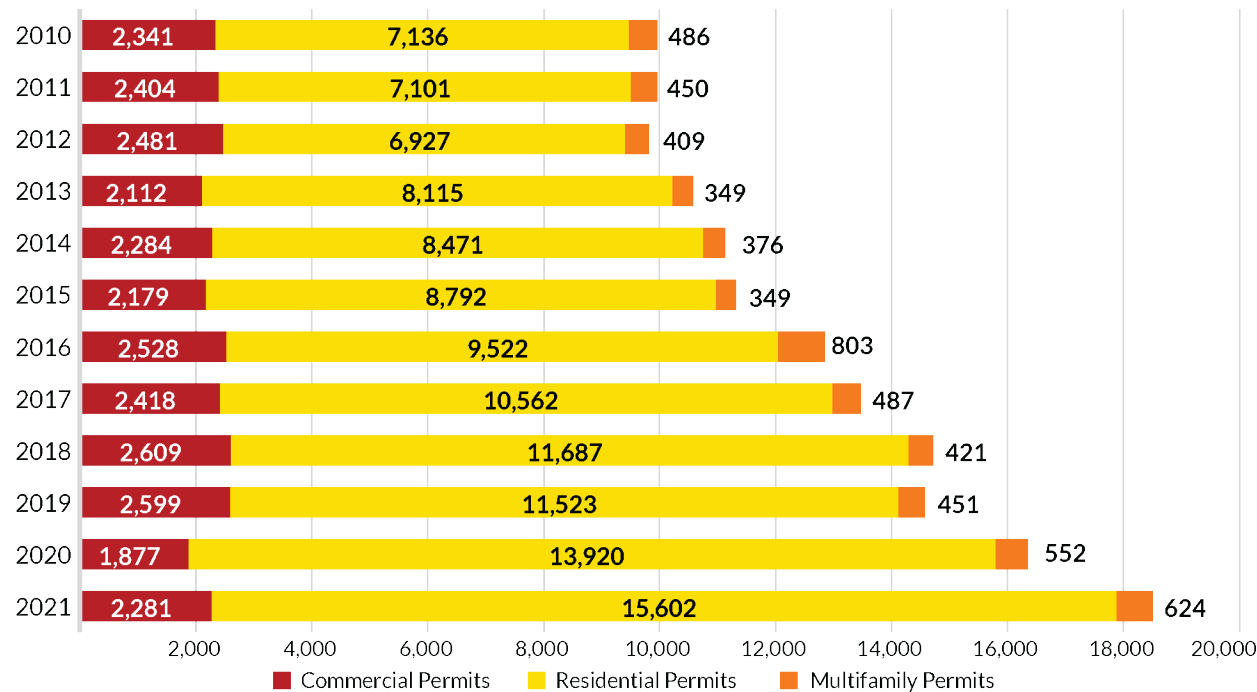
**1.7%**

Aggregate Permit Value Percent Change between 2020 and 2021

## BUILDING PERMITS VALUE, 2021



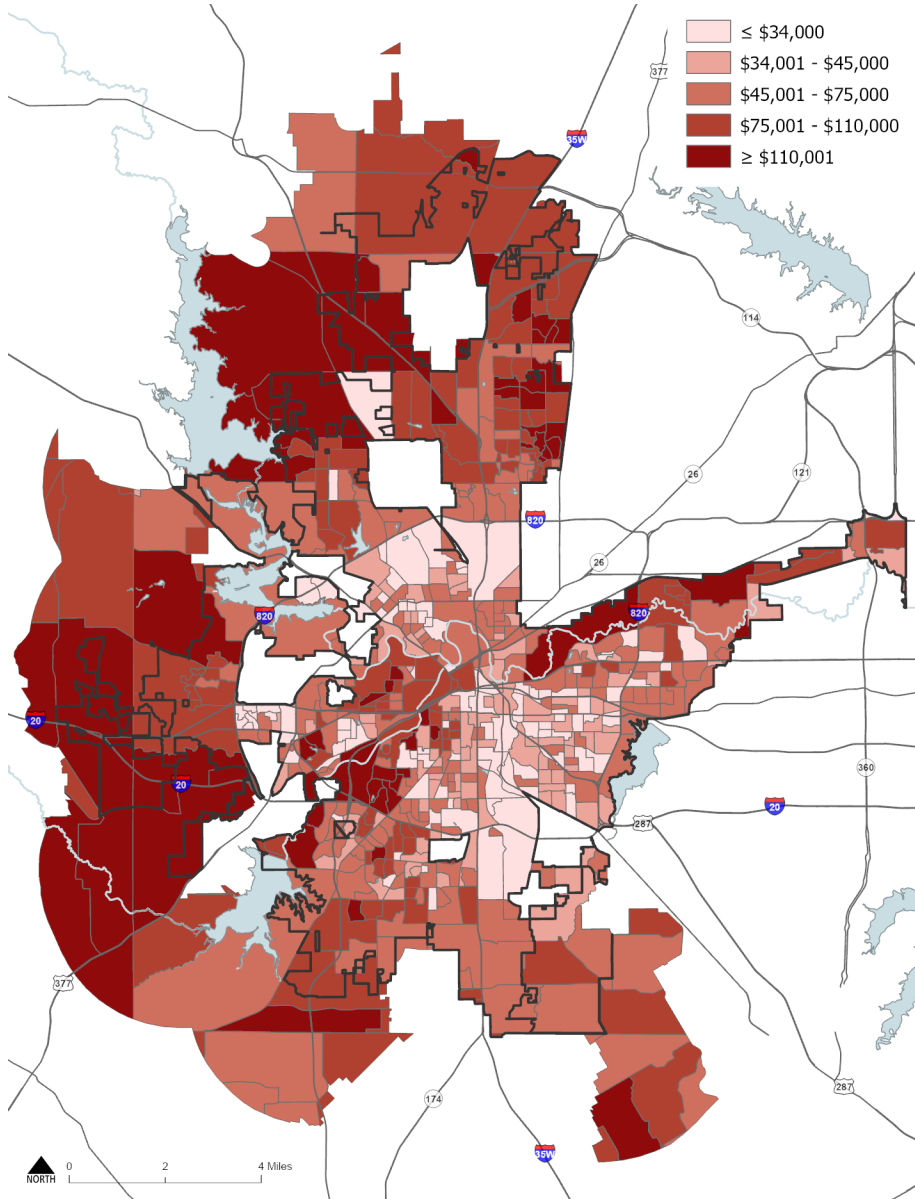
## BUILDING PERMITS



Single-family residential development continues to increase in response to Fort Worth's rising population growth.

Source: City of Fort Worth, Development Services Department, 2022.

## MEDIAN HOUSEHOLD INCOME



Median household incomes remain highest in the Downtown, Arlington Heights, TCU/Westcliff, Far North, Far Northwest, Far West, Far South, Far Southwest, and parts of the Eastside sectors.

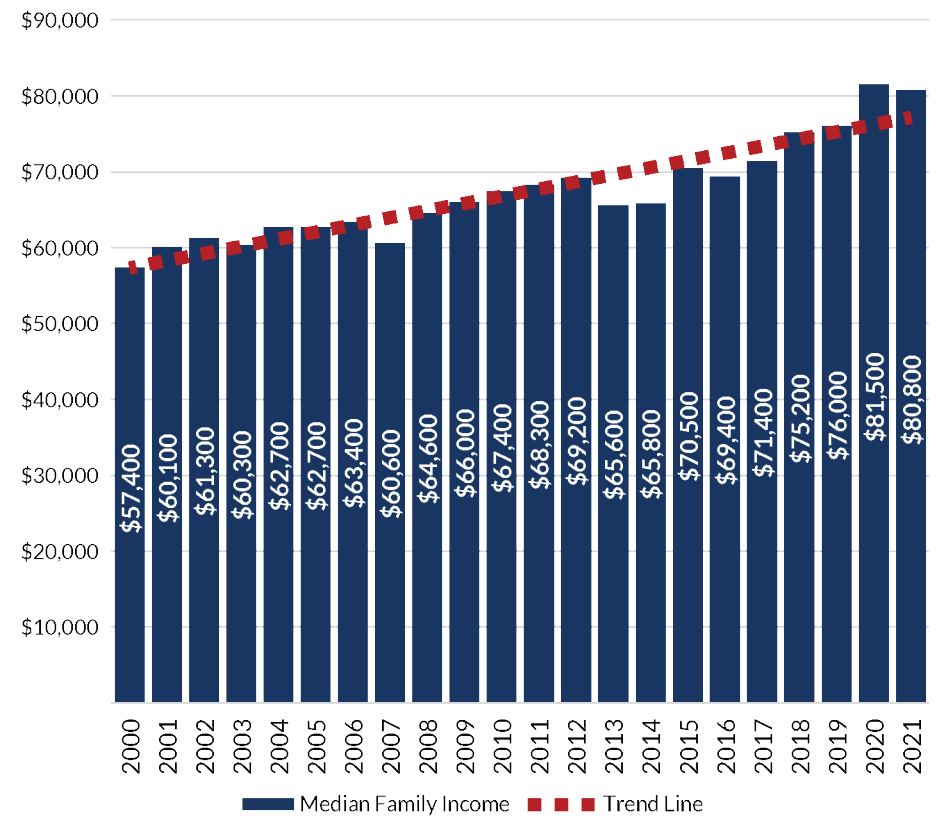
### 40.8%

Median Family Income Percent Increase between 2000 and 2021

### 1.7%

Median Family Income Annual Growth Rate between 2000 and 2021

## MEDIAN FAMILY INCOME

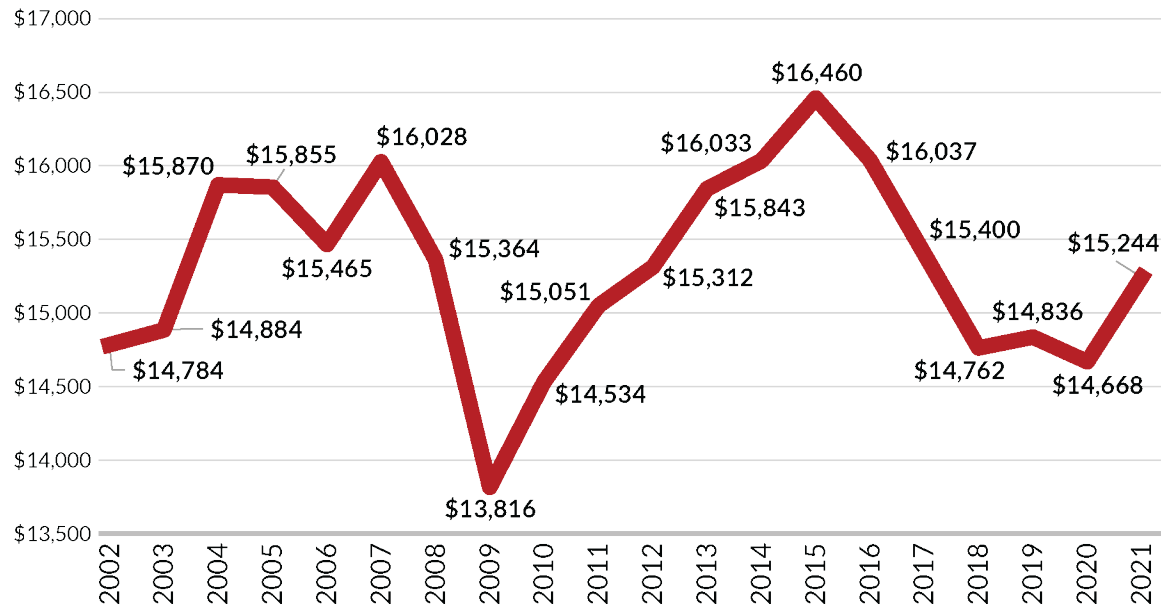


Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2015-2019.

Source: HUD, Income Limits, Fort Worth-Arlington Metropolitan Fair Market Rent Area, 2021.



## RETAIL SALES PER PERSON, INFLATION ADJUSTED



Source: The Perryman Group, Economic Forecast, Fort Worth-Arlington-Grapevine MD, 2021.

# \$15,244

Per Capita Retail Sales in Fort Worth-Arlington-Grapevine Metropolitan Division (MD) for 2021

# 3.1%

Increase for Per Capita Retail Sales from 2002 (\$14,784)

# 0.2%

Annual Growth Rate since 2002

### INFLATION

The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. The CPI measures inflation as the escalation of prices of consumer goods.

## PERSONAL INCOME PER PERSON, DALLAS-FORT WORTH-ARLINGTON MSA

# \$61,554

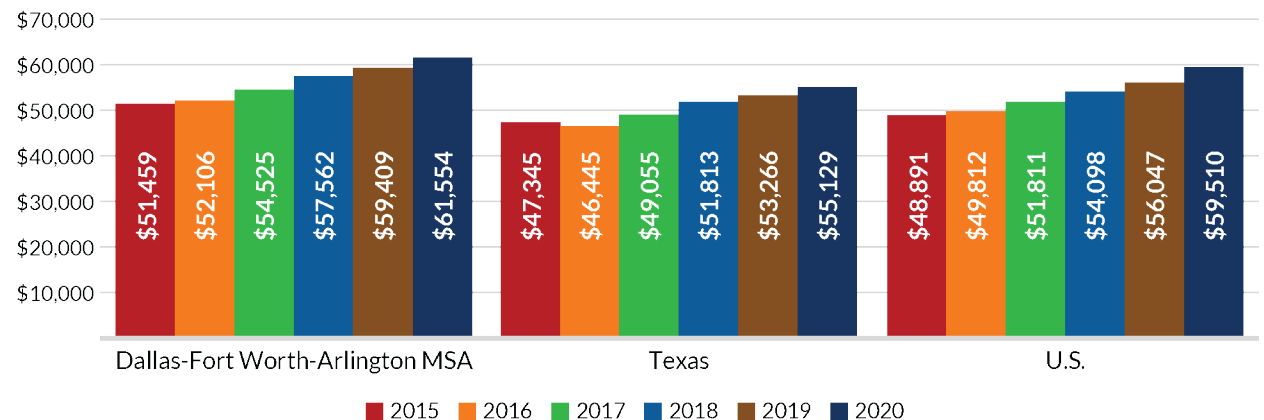
Per Capita Personal Income for the Dallas-Fort Worth-Arlington MSA in 2020

# \$59,510

National Per Capita Personal Income in 2020

# 53rd

Nationally Ranked MSA in Per Capita Personal Income in 2020

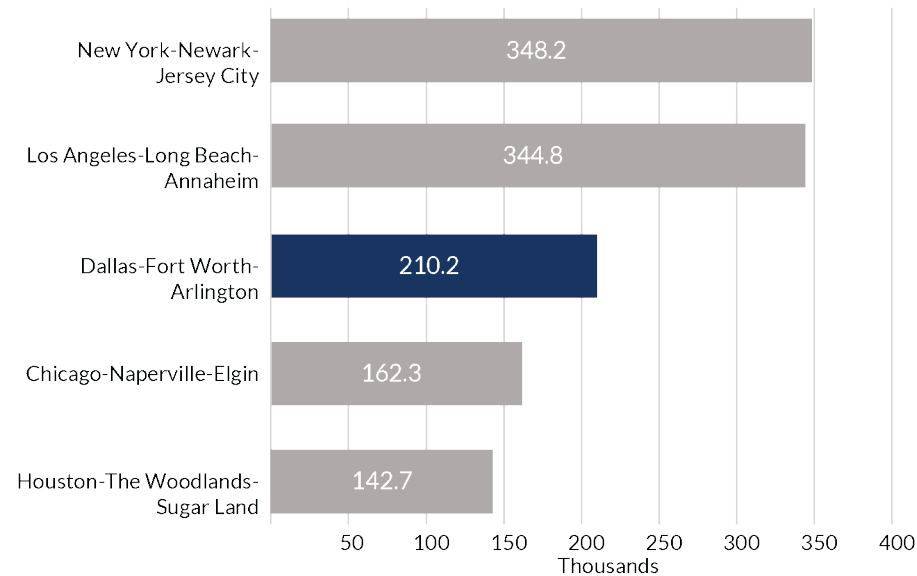


Source: U.S. Bureau of Economic Analysis, 2021.

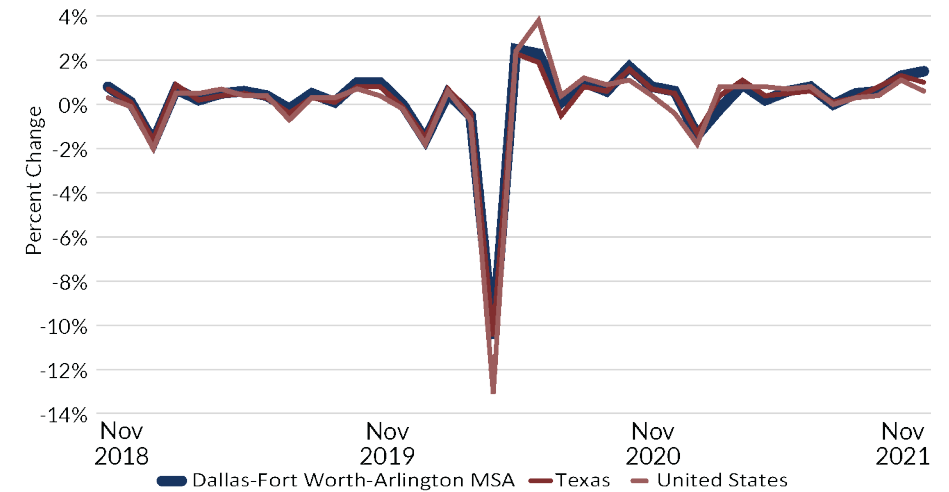
Beginning in the first quarter of 2020, employment figures at all levels began trending downward, primarily due to the impact of the Coronavirus (COVID-19) pandemic. Since May 2020, month over month employment change registered mostly modest positive gains with a few declines that were substantially less than the first quarter of 2020.

The total nonfarm employment in the Dallas-Fort Worth-Arlington Metropolitan Statistical Area (MSA) increased by 210,000 over the year in November. The local rate of job gain, 5.6 percent, compared to the 4.1 percent national increase. The Dallas-Fort Worth-Arlington MSA consists of two metropolitan divisions – separately identifiable employment centers within the larger metropolitan area. Both divisions posted employment increases over the year. Dallas-Plano-Irving with 71 percent of the area’s total nonfarm employment, gained 156,300 jobs over the year. Fort Worth-Arlington, which accounted for the remaining 29 percent of the area’s workforce, gained 53,900 jobs during the period. The Dallas-Fort Worth-Arlington MSA registered as the third largest MSA in the nation for employment growth between November 2020 and November 2021.

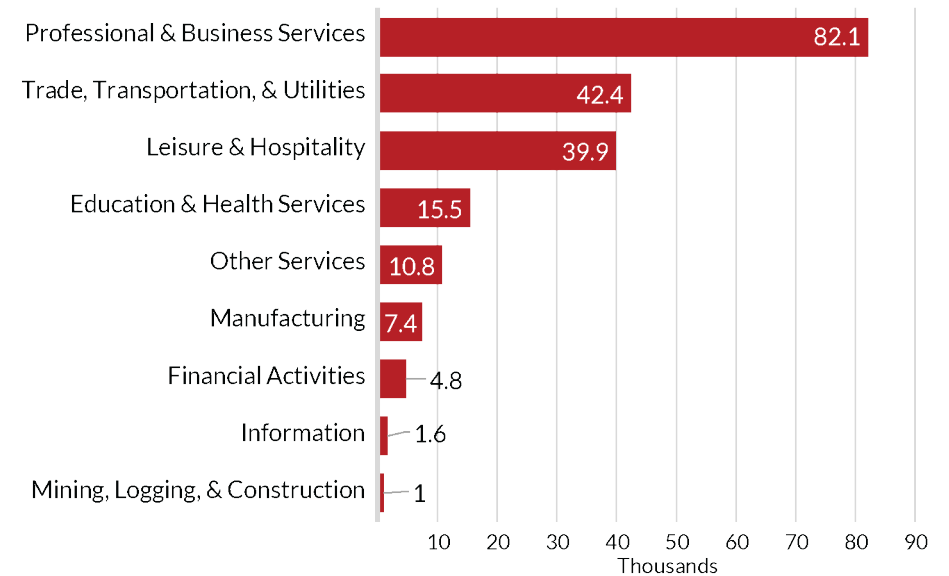
## TOP 5 METROPOLITAN AREAS JOB GROWTH, NOVEMBER 2020 - NOVEMBER 2021



## EMPLOYMENT CHANGE, NOVEMBER 2018 – NOVEMBER 2021

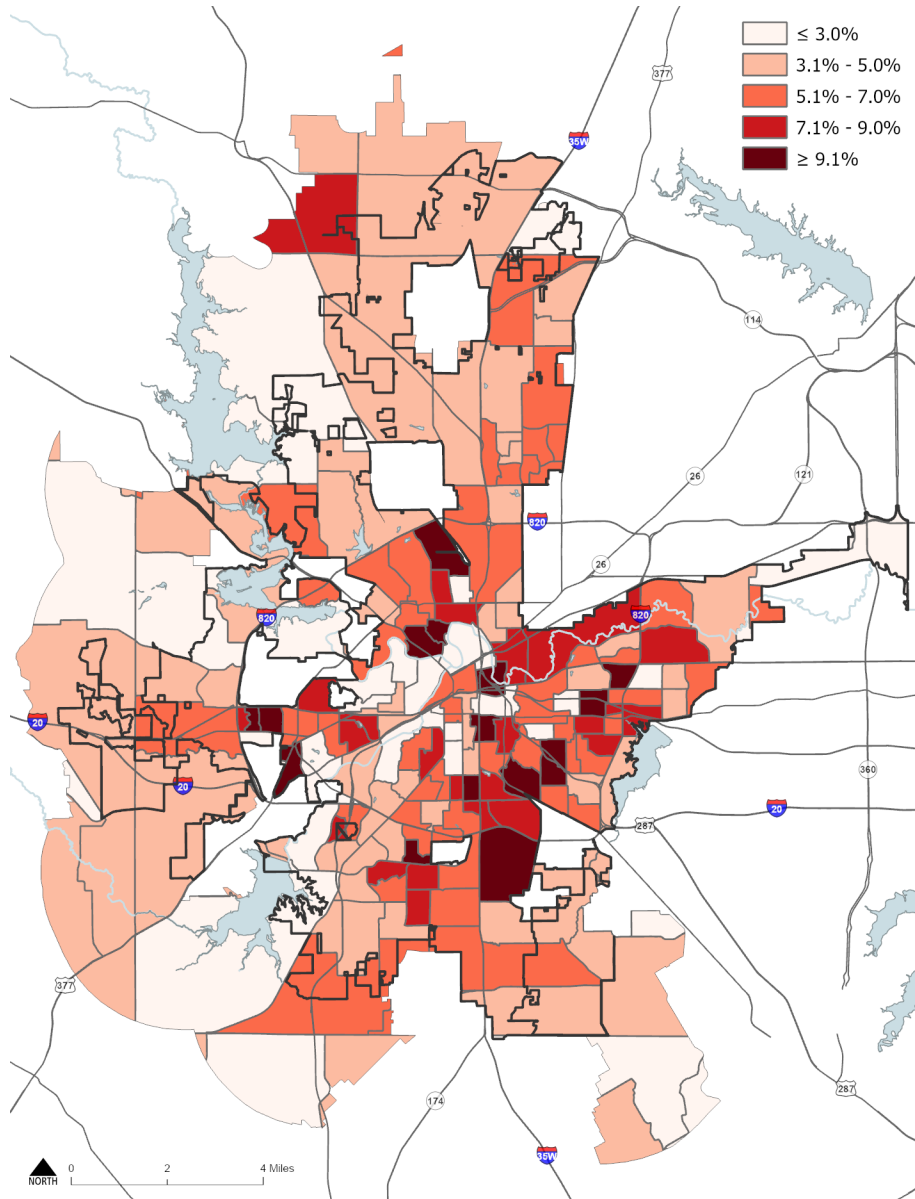


## PRIVATE-INDUSTRY SUPERSECTOR EMPLOYMENT NET CHANGE, DALLAS-FORT WORTH-ARLINGTON MSA, NOV. 2020 - NOV. 2021



Source: U.S. Bureau of Labor Statistics, 2021.

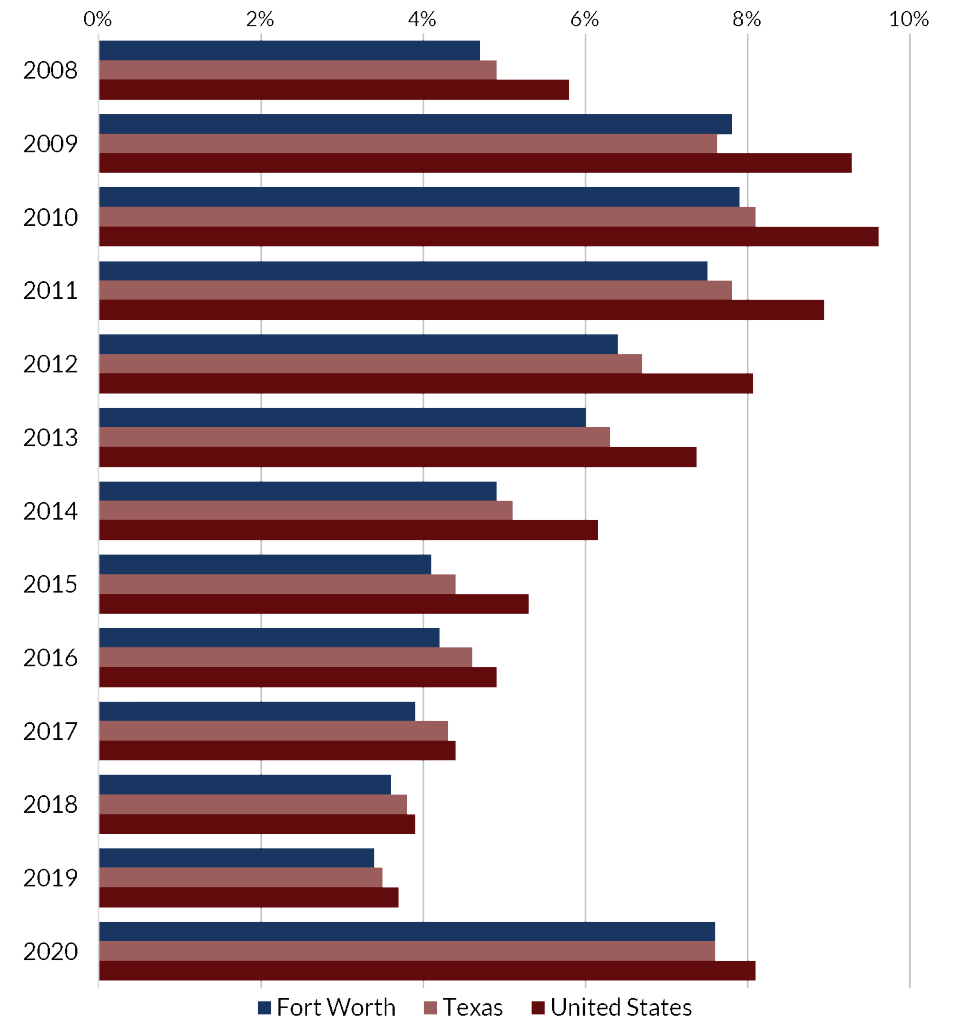
## UNEMPLOYMENT RATE



Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2015-2019.

## ANNUAL UNEMPLOYMENT RATE

Fort Worth’s unemployment rate experienced a spike from 2009 to 2010 due to the national recession, but rates began falling in 2011. The State of Texas and the City of Fort Worth experienced lower unemployment rates than the nation as a whole during the recession and subsequent economic recovery, as well as during the first year of the COVID-19 pandemic.



Source: Texas Workforce Commission, 2020.

## CHALLENGES & OPPORTUNITIES

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The changing economy provides Fort Worth with several challenges and many opportunities. The national, state, and local economies emerged from the 2007-2008 recession and are expected to rebound from the COVID-19 pandemic. Fort Worth's diverse economy and its close proximity to Alliance and D/FW airports and the Interstate 35-corridor have contributed to its ability to rebound from economic challenges. In addition, the community's pro-business stance has helped diversify the Fort Worth economy.

In late 2017, Fort Worth completed an economic development strategic plan, which is aimed at enhancing the city's status in the region and nation over the next five years and beyond. An update to the plan is underway. The plan's key findings are listed below.

- Fort Worth is the fastest growing among the 20 largest US cities.
- Fort Worth has relatively low external visibility among large US cities, but has unique assets available to raise the city's profile.
- The city has a vast reserve of land to drive growth, but residential uses dominate the tax base.
- The city's jobs-housing balance is eroding.
- Fort Worth residents are increasingly dependent on jobs in other cities.
- Dallas-Fort Worth is a talent magnet, drawing new residents from across the U.S.
- Fort Worth has districts at different stages, which can drive economic development.
- Investment in the urban core (downtown & surrounding areas) benefits the entire city.
- Fort Worth has key occupational strengths:
  - » General: Transportation, Installation, Production
  - » Specific: Aerospace & Geotechnical Engineering

The policies and programs of the City must be continuously examined to ensure that they help mitigate the impacts of economic downturns, while promoting and enhancing Fort Worth's economic strengths to position Fort Worth to compete successfully on the national and international stage for creative, high growth businesses and the talented individuals who fuel them.