



Economic Indicators Report: 2017-2018



Summary



The purpose of the Annual Economic Indicators Report is to provide **yearly economic development statistics** and **five to ten-year trends** in order to better enable decision-making processes. This report contains annual figures related to **tax base, construction, housing, income, sales, employment and wages** in an effort to understand the economic development condition of the City of Coon Rapids.

With the release in June 2018 of the Q4 2018 figures by the Minnesota Department of Employment and Economic Development (DEED), this report contains the most recent data available. Note that employment, wage and establishment data from DEED reflects private employers only. Detailed quarterly and annual data for some industries (including agriculture, and information) were suppressed, but are included in the totals.

1. Tax Base

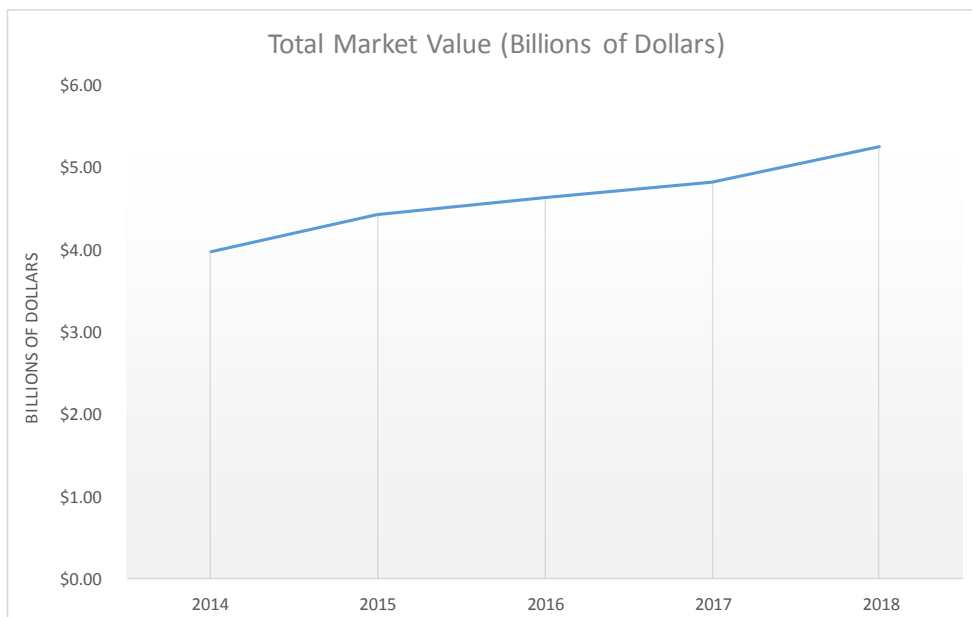
Market Value by Property Type, Coon Rapids

	2014	2015	2016	2017	2018	% Change: '17-'18
Residential	\$3,143,732,200	\$3,551,965,250	\$3,703,591,750	\$3,856,964,800	\$4,293,343,100	11.3%
Commercial	\$763,017,000	\$809,612,400	\$852,046,900	\$884,480,400	\$886,171,800	0.19%
Other	\$69,032,600	\$71,611,650	\$73,780,950	\$79,507,000	\$83,413,400	4.91%
Total	\$3,975,781,800	\$4,433,189,300	\$4,629,419,600	\$4,820,952,200	\$5,262,928,300	9.17%
Commercial % of Total	19.20%	18.30%	18.41%	18.35%	16.84%	

Source: Anoka County

The total market value of Coon Rapids saw a **strong increase from 2017 to 2018**. Commercial properties continue to make up **just under 20%** of the total market value in the City.

While **residential properties saw the largest percent increase** in their market value (likely a result of increasing demand for homes overall), commercial properties also experienced an increase in their market value. Residential properties make up approximately 81% of the total value of properties in Coon Rapids, so an **11.3% increase in those market values** unsurprisingly increases total value significantly.



2. New Construction

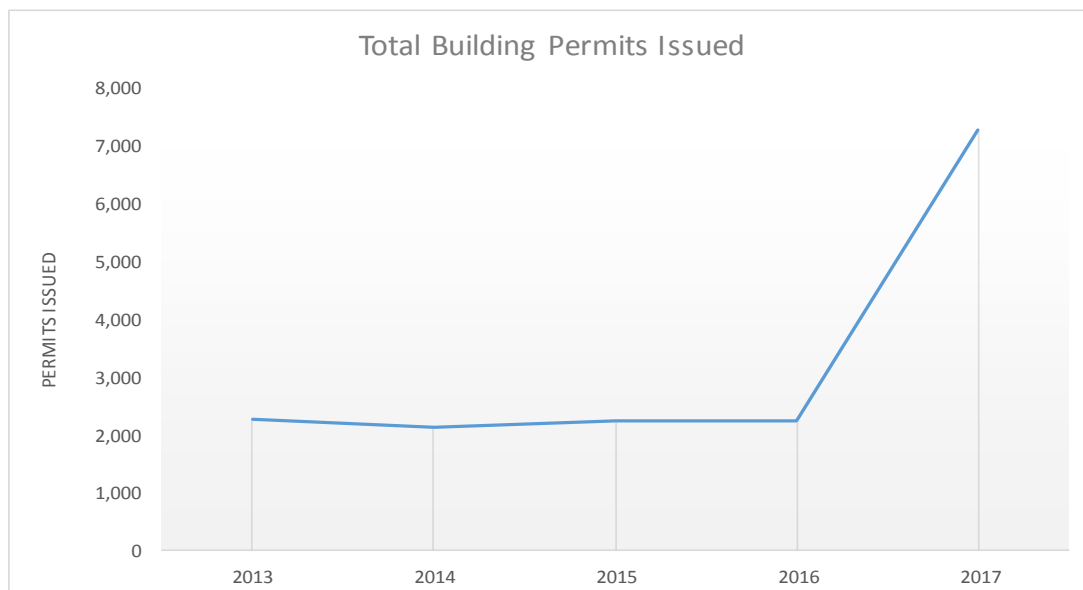
Building Permits Issued, Coon Rapids

	2013	2014	2015	2016	2017
Total Building Permits Issued	2,261	2,118	2,230	2,242	7,280
New Industrial/Commercial Buildings	5	4	2	5	3
New Industrial/Commercial Valuation	\$13,266,959	\$7,224,175	\$3,000,000	\$3,600,806	\$14,606,655
New Single-Family Dwellings	15	13	25	16	32
New Single-Family Valuation	\$3,913,717	\$3,659,625	\$6,887,579	\$4,547,778	\$10,242,259
Total Building Permit Valuation	\$78,085,964	\$72,311,937	\$60,824,852	\$59,701,500	\$114,735,213

Source: City of Coon Rapids

Generally speaking, **total permit valuation has recovered from the recession** earlier this decade. Commercial and industrial valuation, however, has generally declined in the analyzed time period.

2017 represents somewhat of an outlier to the data, due predominantly to the June 11, 2017 hail storms that damaged approximately 1/3 of the City. **Roofing and siding permits make up the bulk of this increased number, which is an approximately 225% increase over 2016.**



3. Most Valuable Permits of 2017

Highest Value Building Permits of 2017, Coon Rapids

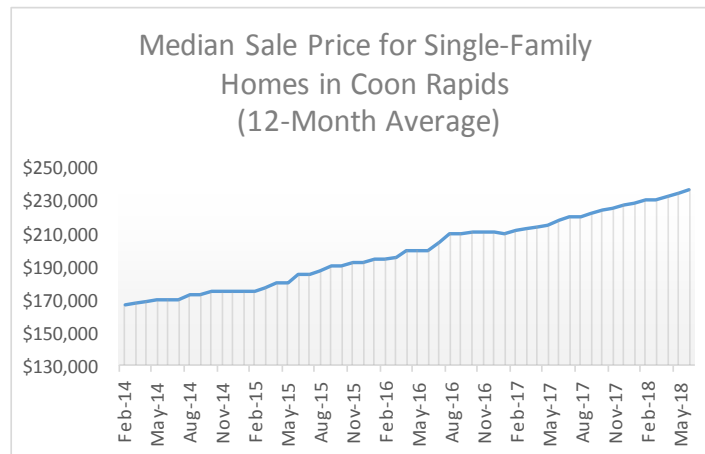
Name	Address	Valuation	Description
Rihm Kenworth	9400 Evergreen Blvd	\$9,800,000.00	New commercial building
Magnum Trucking	8701 Evergreen Blvd	\$4,000,000.00	New warehouse building
Coon Rapids High School	2340 Northdale Blvd	\$2,500,000.00	HVAC/Electrical upgrades
New Horizons	11441 Hanson Blvd	\$1,100,000.00	Interior remodel
Medtronic	11520 Yellow Pine St	\$996,000.00	Interior remodel
Dental Specialist	3360 Northdale Blvd	\$805,655.00	Interior build out
American Preclinical Services	8945 Evergreen Blvd	\$788,000.00	Addition
Epiphany Catholic Church	11001 Hanson Blvd	\$632,569.00	Commercial reroof
New Dwelling	3590 Mississippi Dr.	\$631,145.00	New single family dwelling

Source: City of Coon Rapids

The chart above shows the highest value building permits issued by the City during the 2017 calendar year. Permits included **significant investment in the private sector** of Coon Rapids, as demonstrated by the two highest valued permits in 2017 (as well as many others), and in the public sector, as shown by the HVAC/electrical upgrades in Coon Rapids High School.

High value permits were also issued for **residential building**, in addition to the aforementioned commercial building and remodeling.

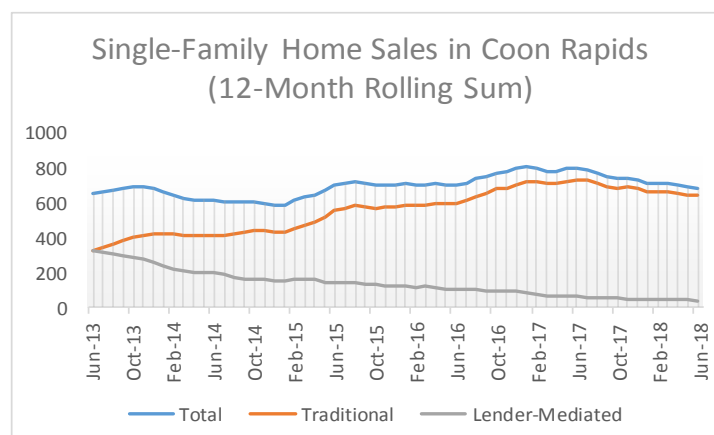
4. Housing Market



Source: Northstar MLS

Coon Rapids, much like other communities, has experienced a steady **rise in the price of single-family homes** over the analyzed period, from February 2014 through June 2018.

The housing market currently favors sellers, as **prices are continuing to steadily rise**. Demand for single-family homes is a factor in this pricing increase, as more home-seekers are bidding against one another for a limited number of homes. This trend represents a point to potentially monitor over the coming years.

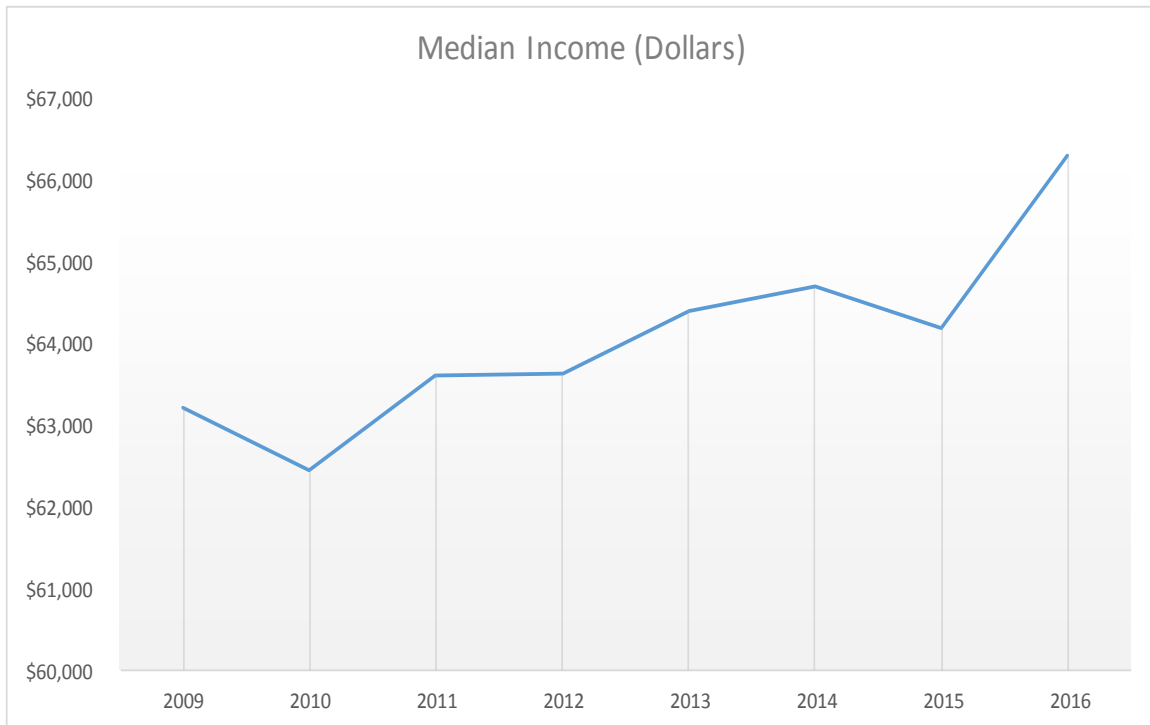


Source: Northstar MLS

Traditional home sales refer to sales that did not occur as a result of foreclosure, whereas lender-mediated home sales primarily refer to foreclosed homes. Generally, **traditional home sales should outnumber lender-mediated home sales** by as wide a margin as possible, and Coon Rapids has seen this gap widen since mid-2013.

Traditional sales of single-family homes make up a large proportion of the total number of sales in the City. Furthermore, **total sales are just under their peak over the past 5 years**.

5. Household Income



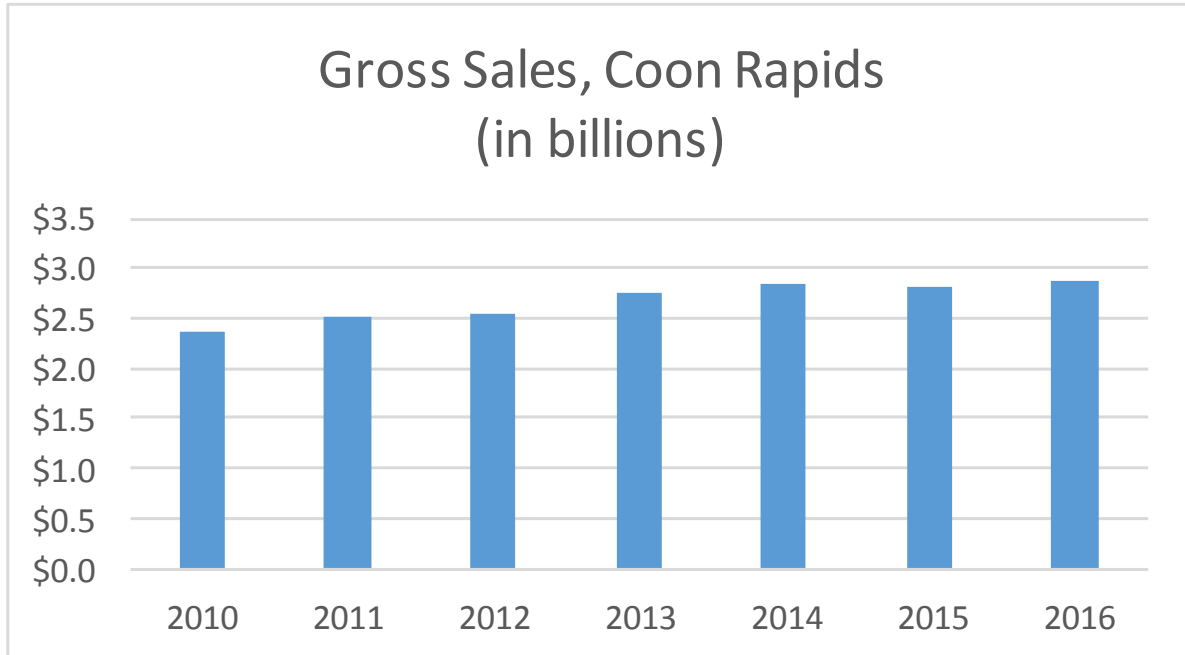
Source: U.S. Census Bureau American Community Survey (ACS)

Median incomes in the City of Coon Rapids have experienced **steady growth since 2009**, according to the most recent data available through the U.S. Census Bureau's American Community Survey (ACS). Despite a decline in median income between 2014-2016, the **figure rebounded in the period spanning 2015-2016** to reach its highest point in the past 8 years.

The estimated median household income for Coon Rapids was **\$66,313 in 2016**, an **increase of approximately 3.3%** from 2015.

(Note: 2015 is the most recent year available for the ACS 3-Year Estimates)

6. Retail Sales



Source: Minnesota Department of Revenue

While gross retail sales did decline from 2014 to 2015 (from \$2.84 billion to \$2.80 billion), that total rebounded from 2015 to 2016, as **sales increased from \$2.80 billion up to \$2.89 billion in those years.**

This relative upward trend is particularly interesting, since retail as a whole has generally declined nation-wide. People are doing more shopping online and consumer spending habits and preferences have shifted toward more experiential shopping.

With the exception of 2014-2015, however, **retail sales in Coon Rapids have increased each year since 2010.**

(Note: 2016 is the most recent year available from the Minnesota Department of Revenue)

7. Employment

Average Annual Employment by Industry, Coon Rapids

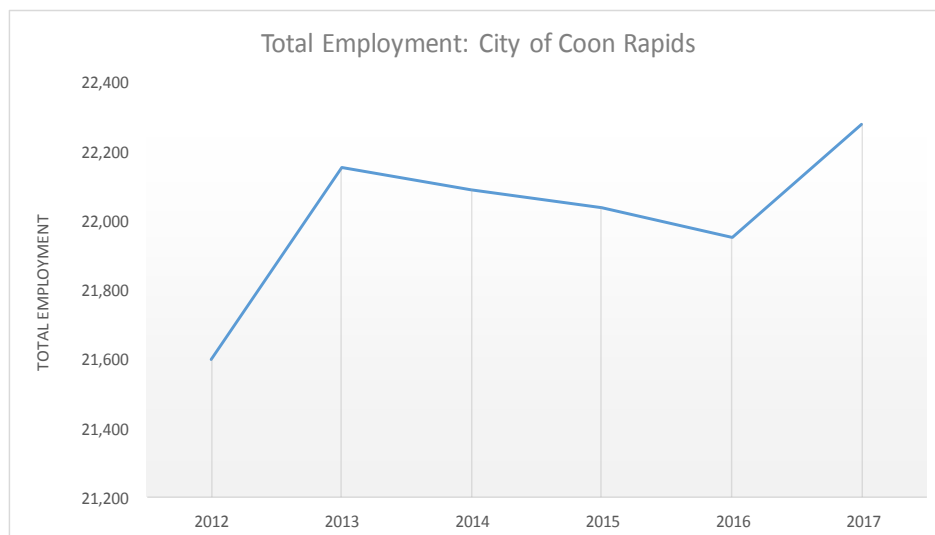
Industry	2012	2013	2014	2015	2016	2017
Manufacturing	3,251	3,099	3,072	2,872	2,934	2,978
Trade, Transportation, and Utilities	5,466	5,467	5,564	5,685	5,747	5,657
Financial Activities	676	719	745	742	733	760
Professional and Business Services	1,771	2,247	2,234	2,192	2,108	2,121
Education and Health Services	5,739	5,832	5,624	5,735	5,785	5,940
Leisure and Hospitality	3,087	3,046	3,013	3,011	2,987	3,074
Other Services	927	1,012	1,085	1,071	1,007	1,012
TOTAL	21,598	22,155	22,092	22,040	21,952	22,282

Source: Minnesota Department of Employment & Economic Development

The City's **employment base has expanded by about 3.2%** since 2012. Despite a dip in total employment from 2015 to 2016, that figure is at a high point over the past 6 years, and is at or above pre-recession levels in most industries.

The largest increases by industry from 2016-2017 were in the **Education and Health Services, as well as the Financial Activities sectors** (approximately 2.7% and 3.7% increases, respectively).

(Note: total employment refers to the number of employees working for businesses located in the City of Coon Rapids, and is not limited to residents of the City)



Source: Minnesota Department of Employment & Economic Development

8. Wages

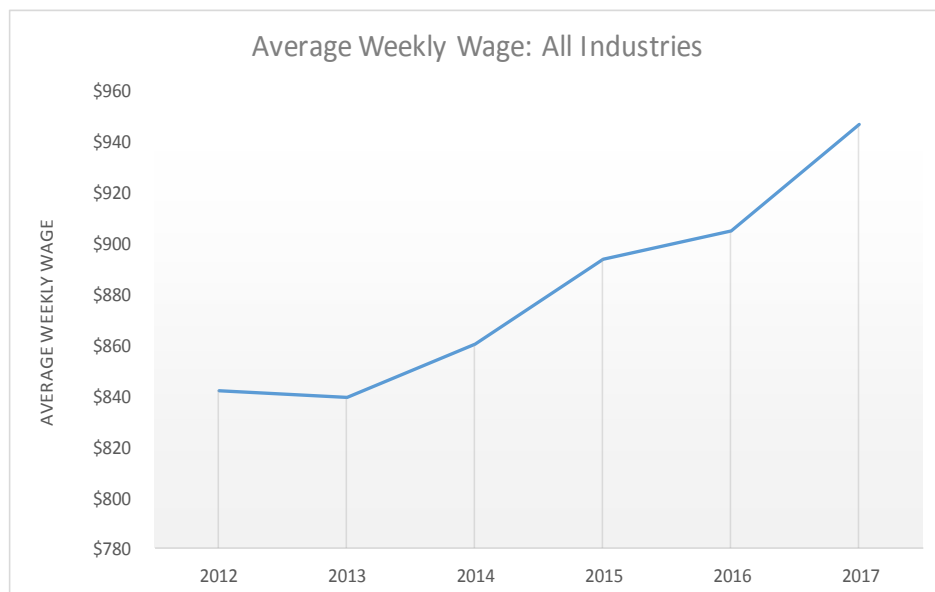
Average Weekly Wage by Industry, Coon Rapids

Industry	2012	2013	2014	2015	2016	2017
Education and Health Services	\$1,152	\$1,145	\$1,198	\$1,266	\$1,260	\$1,260
Financial Activities	\$1,017	\$1,051	\$1,111	\$1,163	\$1,012	\$1,114
Leisure and Hospitality	\$270	\$281	\$282	\$306	\$325	\$334
Manufacturing	\$1,243	\$1,248	\$1,277	\$1,298	\$1,316	\$1,323
Professional and Business Services	\$829	\$836	\$823	\$846	\$879	\$917
Trade, Transportation, and Utilities	\$629	\$641	\$657	\$684	\$702	\$725
Other Services	\$441	\$470	\$503	\$894	\$558	\$579
Total, All Industries	\$842	\$839	\$860	\$894	\$905	\$947

Source: Minnesota Department of Employment & Economic Development

The highest paying jobs in the City, on average, come from the **Manufacturing, Financial Activities, or Education and Health Services industries**. The chart to the right shows that wages in all industries have grown steadily over the past five years, with the exception of Other Services.

Total average weekly wages have **increased by approximately 13.7%** since 2012, with a 4.6% increase from 2016 to 2017. The largest single industry growth in wages was in Financial Activities, which increased by about 10% between 2016 and 2017.



Source: Minnesota Department of Employment & Economic Development

9. Establishments

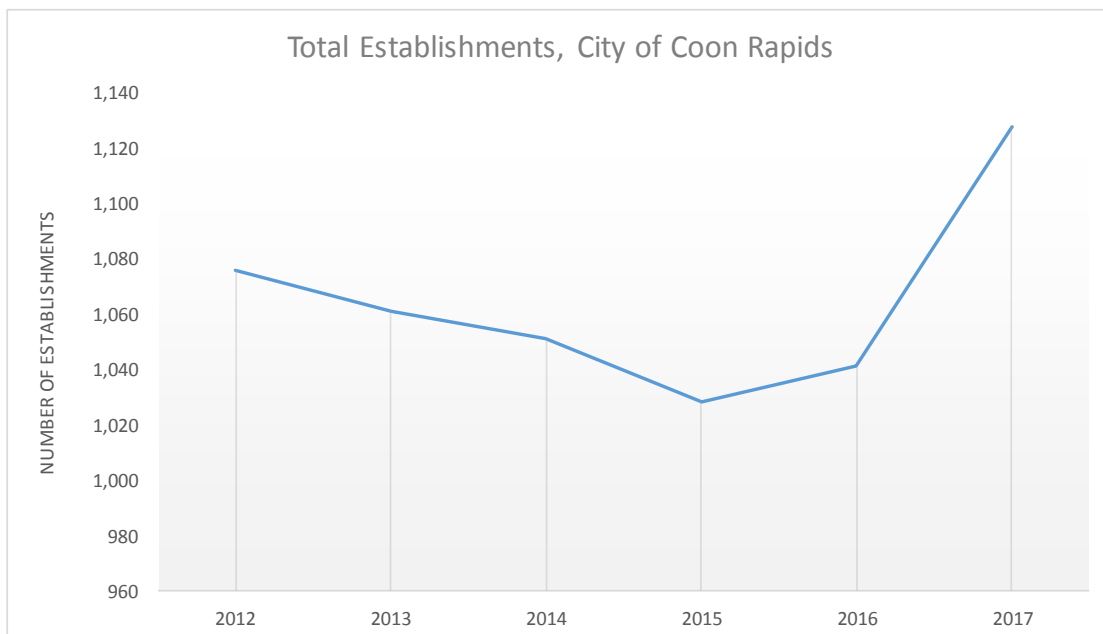
Average Annual Establishments by Industry, Coon Rapids

Industry	2012	2013	2014	2015	2016	2017
Education and Health Services	176	182	182	161	175	208
Financial Activities	133	130	124	122	126	135
Leisure and Hospitality	124	121	124	122	119	125
Manufacturing	50	48	48	47	47	46
Professional and Business Services	191	171	164	162	156	171
Trade, Transportation, and Utilities	250	241	236	225	226	231
Other Services	94	89	95	94	100	114
Total, All Industries	1,076	1,061	1,051	1,028	1,041	1,128

Source: Minnesota Department of Employment & Economic Development

The industrial makeup of Coon Rapids has remained largely the same since 2012. The **overall number of establishments declined between 2012 and 2016**, largely due to a decrease in businesses from the Professional and Business Services industry, as well as the Trade, Transportation and Utilities industry. However, this figure **increased substantially (by about 8.4%) between 2016 and 2017**.

This aforementioned growth largely came from the Education and Health Services industry, but there was also growth in the Financial Activities; Professional and Business Services; and the Trade, Transportation and Utilities industries.



Source: Minnesota Department of Employment & Economic Development

