

Waccamaw Regional Economic Outlook

Spring 2017

May 3, 2017
Robert F. Salvino, Ph.D.
Coastal Carolina University

Executive Summary

The Economic Outlook Board of the Waccamaw Council of Governments met on May 3, 2017. CCU economist, Robert Salvino, Ph.D., delivered the region's economic forecasts followed by a discussion of the economic benefits of water quality in the watersheds of the Pawleys Island and Murrells Inlet estuaries. Daniel Newquist, environmental planner with the Waccamaw Council of Governments, provided the analysis and local examples of innovative practices to incorporate environmental sustainability with ecotourism. Specific examples highlighted the City of Conway's River Friendly Business Program, http://www.cityofconway.com/business/river_friendly_business_program/index.php, and the Waccamaw River Blue Trail, <http://www.bluetrailsguide.org/rivers/waccamaw/>.

Ecotourism is a fast-growing segment of the world's tourism economy, and the Grand Strand has made major strides in this segment. The member discussion highlighted an important market opportunity to be gained from low-cost mapping and connecting the miles of trails through social media sites to help organizations leverage the region's amenities in their independent marketing efforts. The East Coast Greenway and Blue Trails are examples.

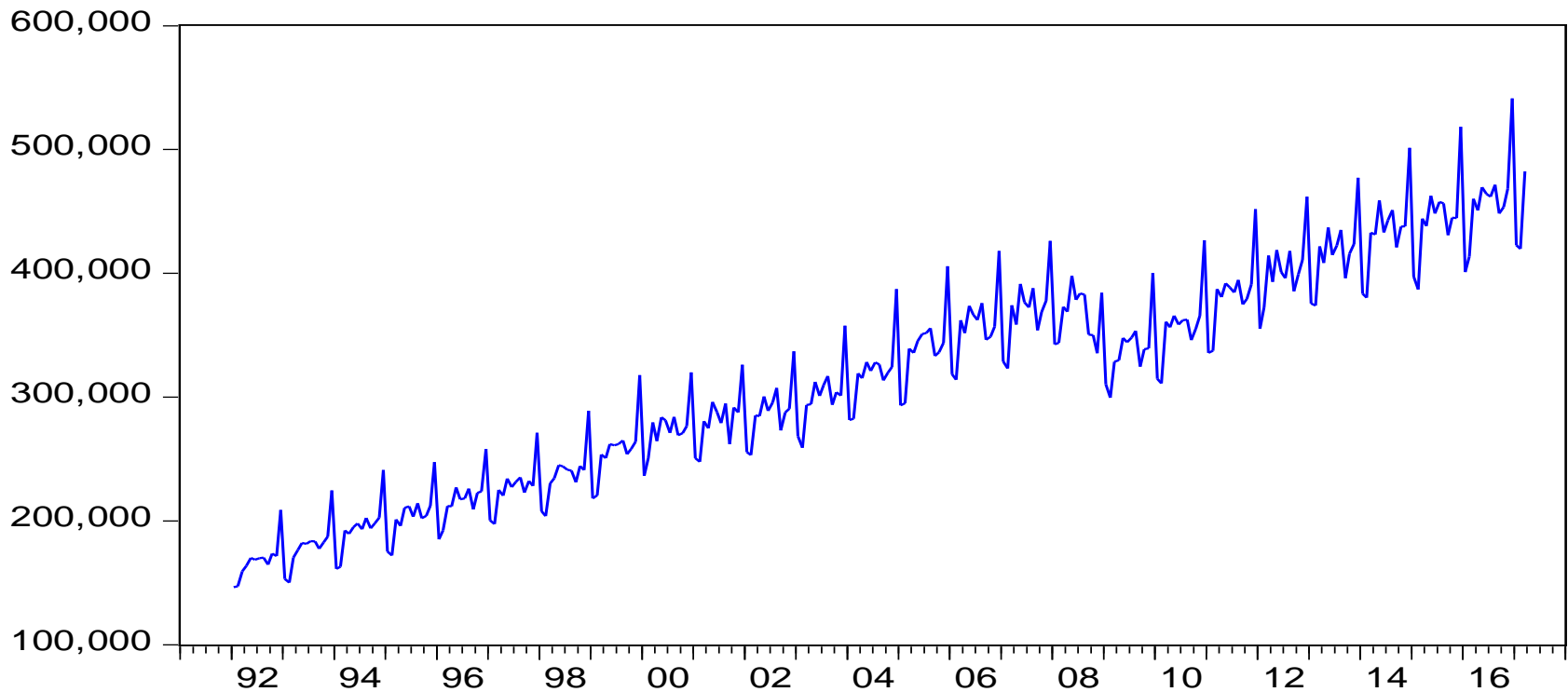
The Waccamaw Region's economy, comprised of Horry, Georgetown, and Williamsburg Counties, showed continued growth in the recent quarters and the overall projections are for the trend to continue for at least the next two quarters. Employment growth ranged from just over 3.0 percent for Georgetown County to 1.7 percent in Williamsburg County. The unemployment rate, which varies seasonally is projected to decline further into the summer quarter to 4.3 percent in Horry, 5.1 percent in Georgetown, and 6.6 percent in Williamsburg. Tourism indicators recorded positive growth, and single family home construction once again added over 1,000 filed permits in the winter quarter, a 13.4 percent increase over last winter.

Helpful Notes and Reminders

- Tourism Quarters: To reflect the importance of the seasons, offset by 1 month so that Q1 (Winter) is December, January, February, Q2 (Spring) is March, April, May, Q3 (Summer) is June, July, August and Q4 (Fall) is September, October, November.
- National data is based on normal calendar year, e.g. GDP 1st quarter is for January, February, March.
- All data reflect the period of business activity, unless otherwise noted.
- Receipts and collections of tax revenue by SC DOR may not coincide with period of business activity, e.g. retail sales business activity shows quarterly spikes; however the actual business activity may not resemble this periodic behavior.
- Reported and estimated changes in rate measures are reported as unit changes rather than percent changes, for example the unemployment rate movement from 6% to 6.5% is shown as a movement of one-half of a point (0.5).

U.S. Retail Sales (\$Millions/Month – nominal, unadjusted)

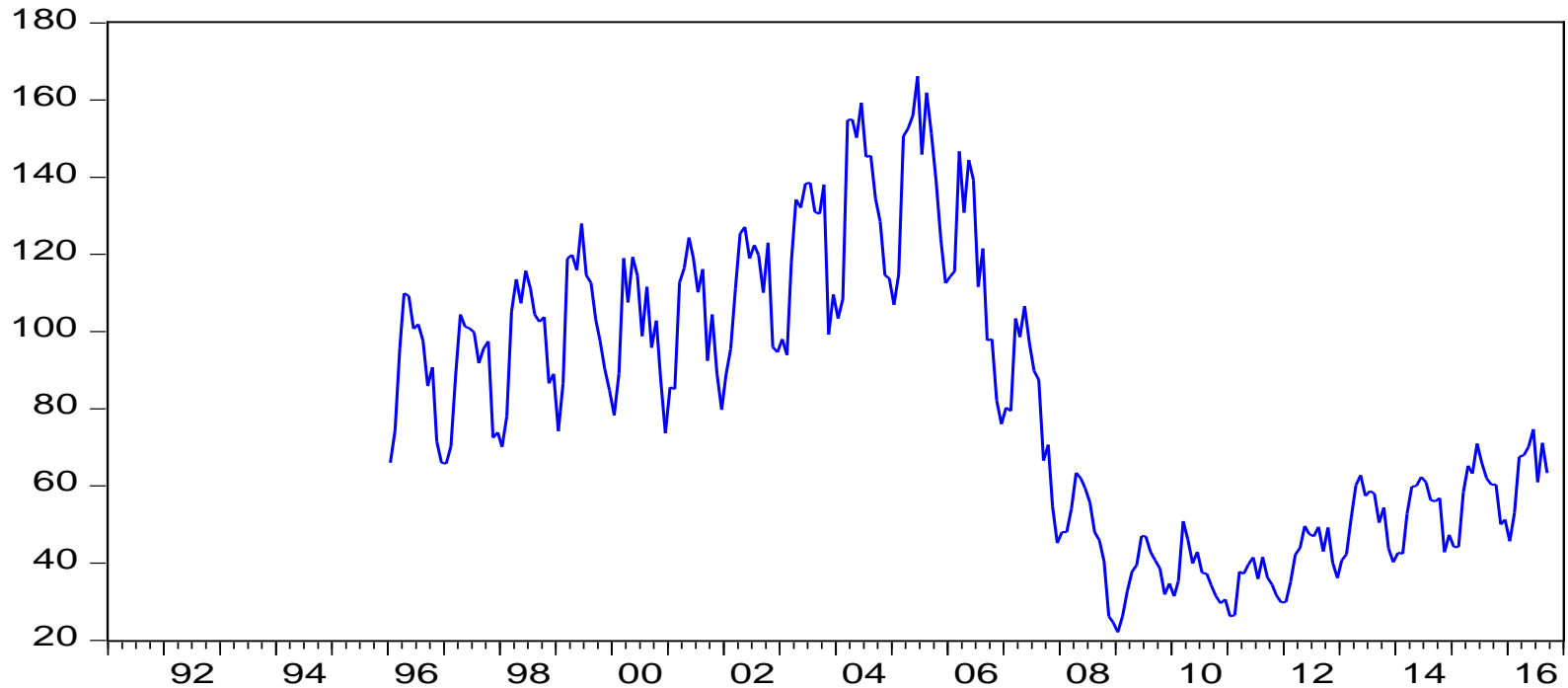
U.S. Retail Sales and Food Services



Source: U.S. Department of Commerce

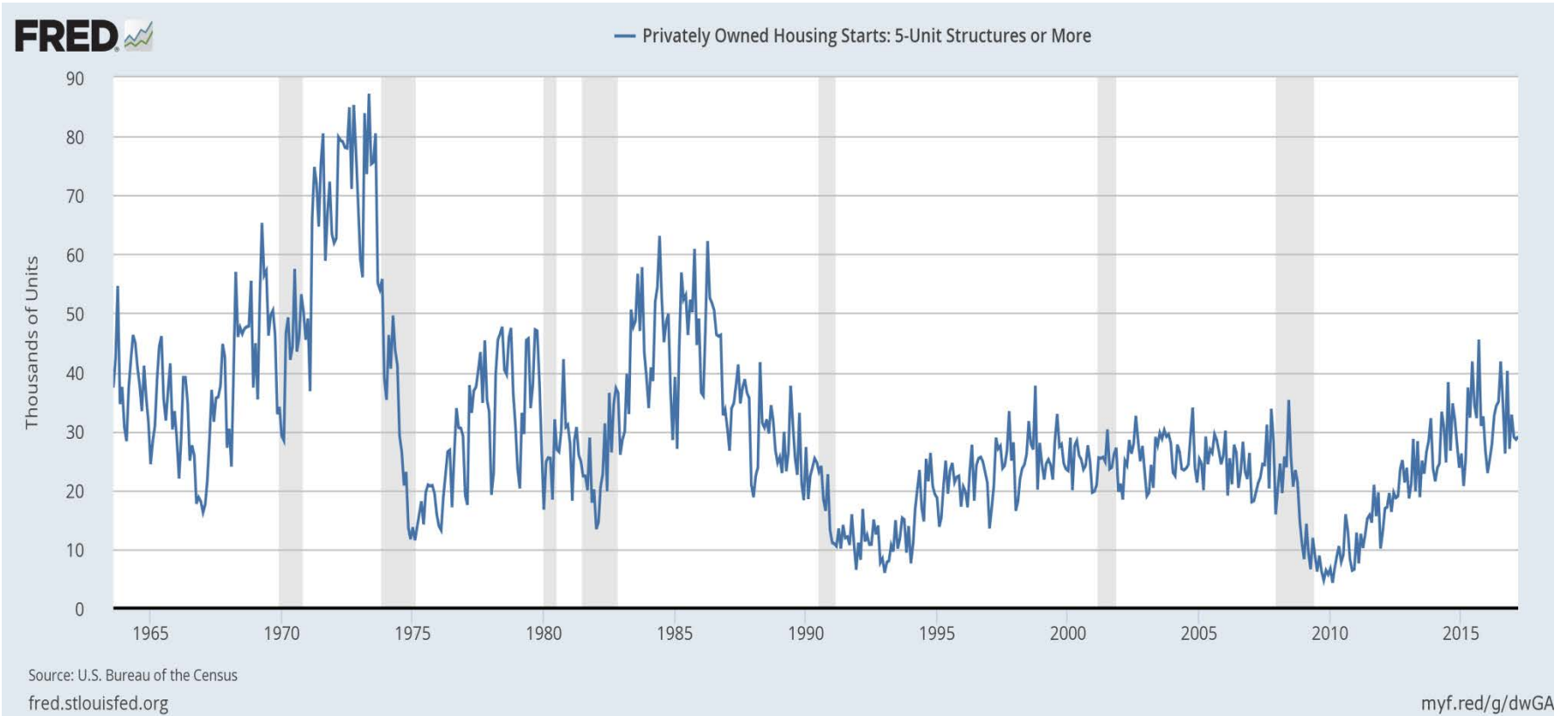
U.S. Single Family Building Permits

U.S. SF Permits (1,000's)



Source: U.S. Bureau of the Census

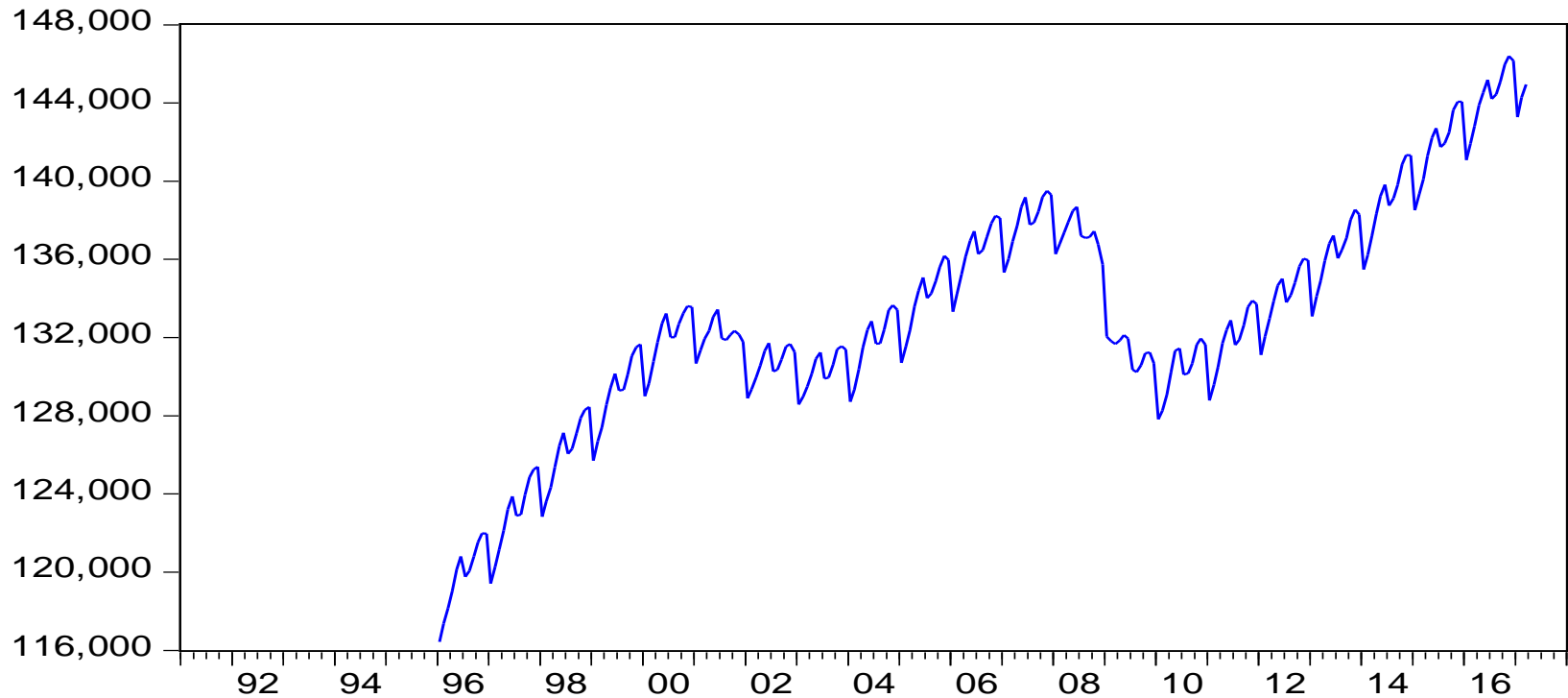
U.S. Multi-Family (5+) Building Permits



Source: U.S. Bureau of the Census

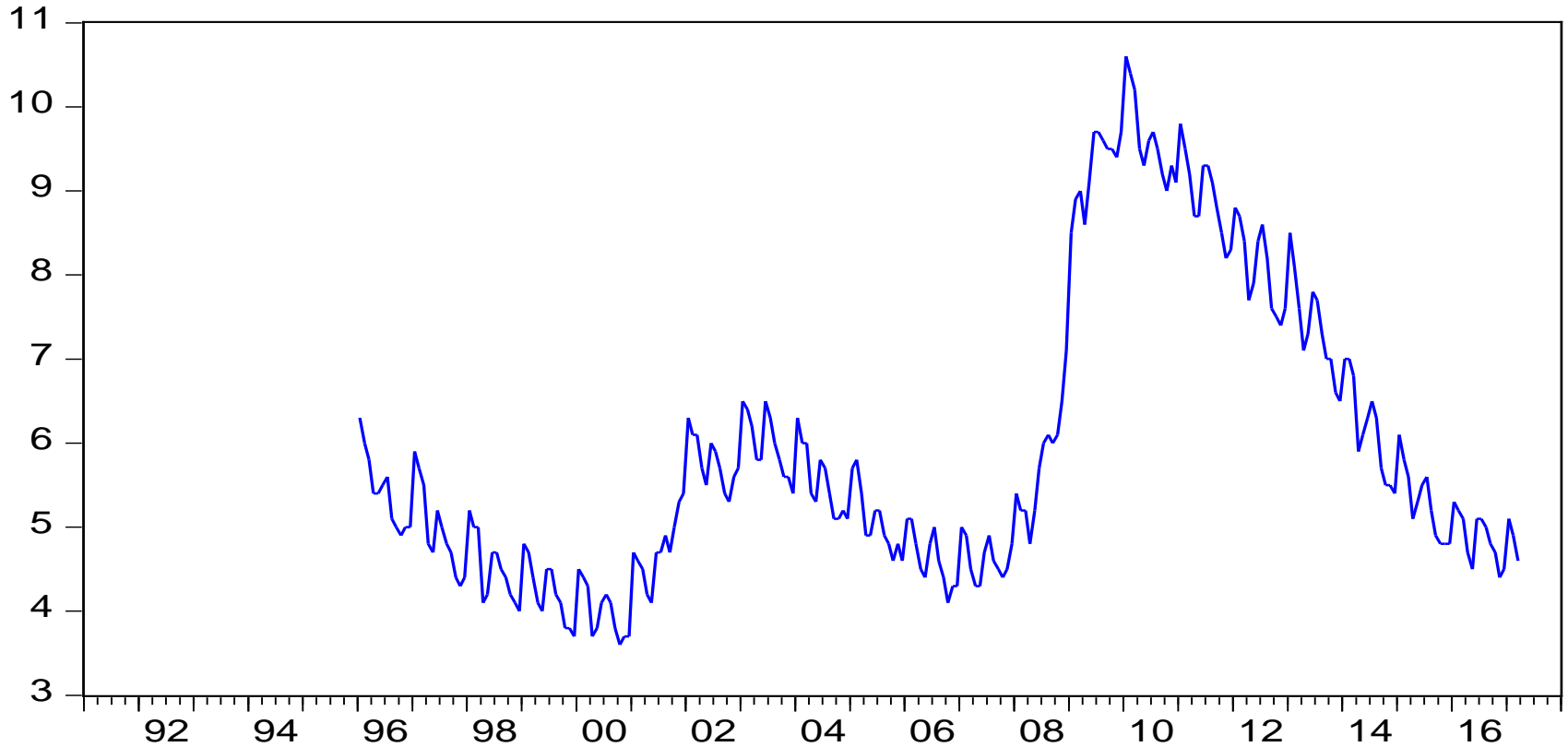
U.S. Private Non-farm Employment (unadjusted)

U.S. Employment



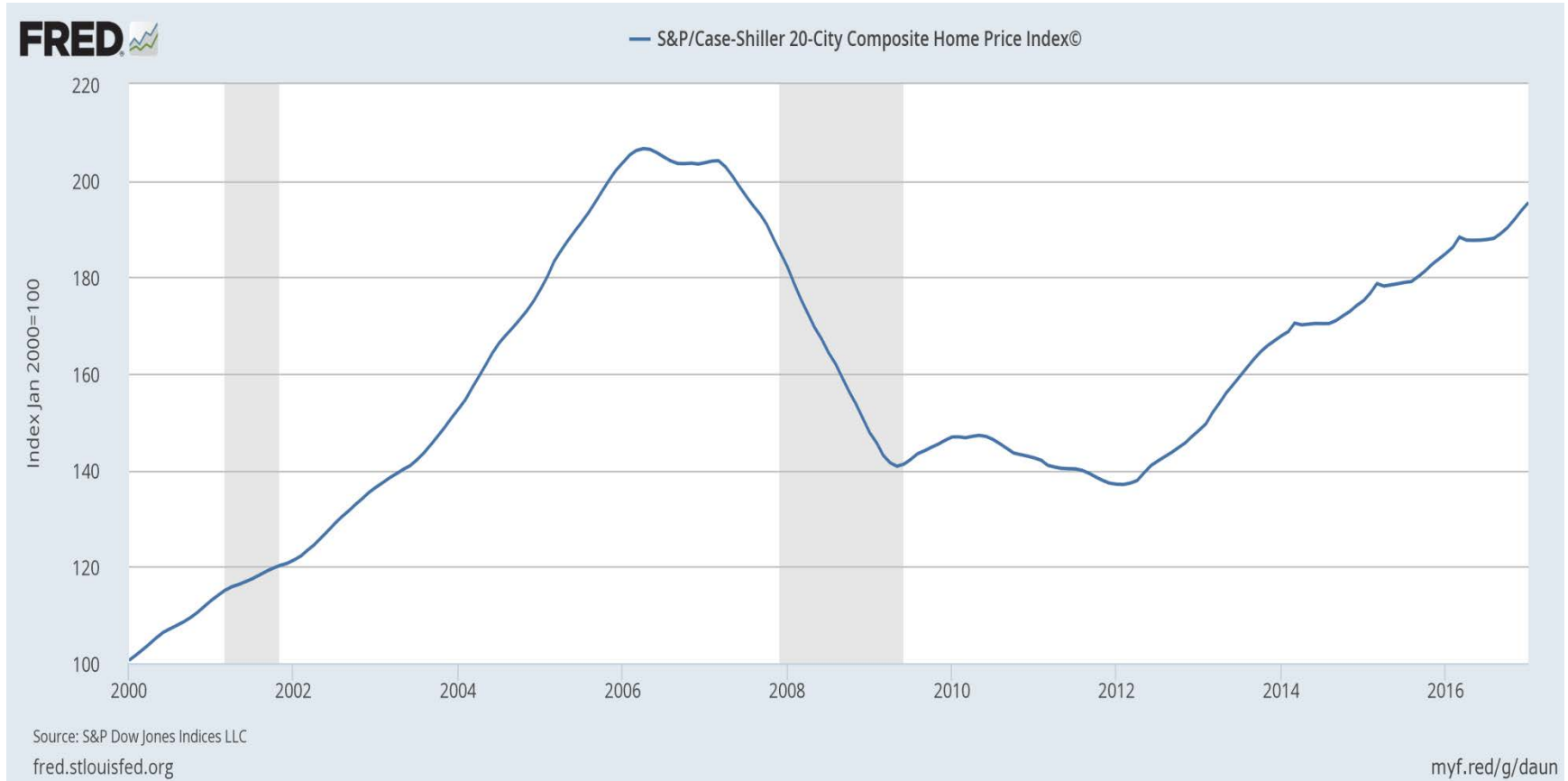
Source: Bureau of Labor Statistics

U.S. Unemployment Rate - Private Non-farm (unadjusted)



Source: Bureau of Labor Statistics

U.S. Home Prices

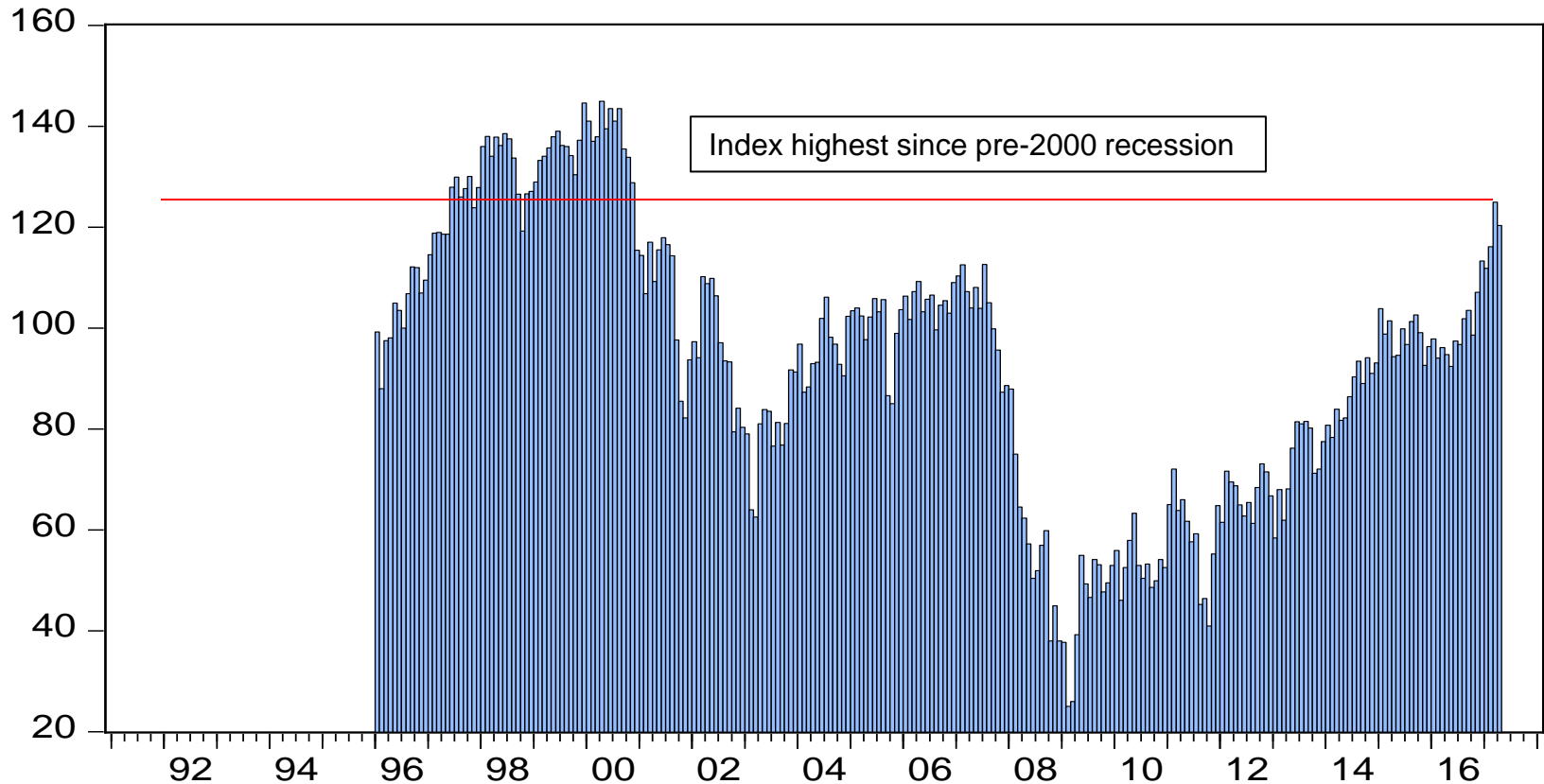


U.S. Stock Market Index (S&P 500)

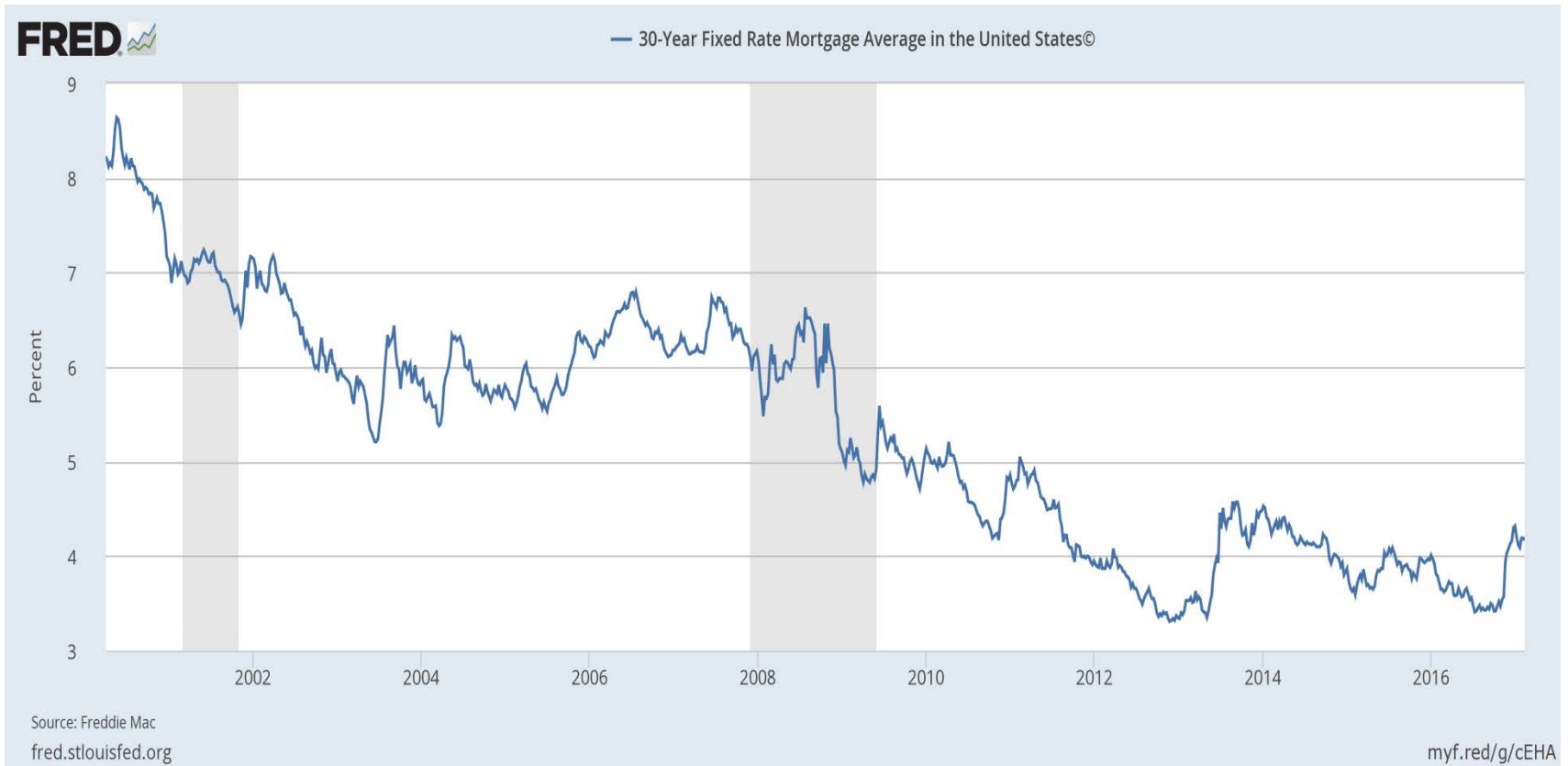


U.S. Consumer Confidence

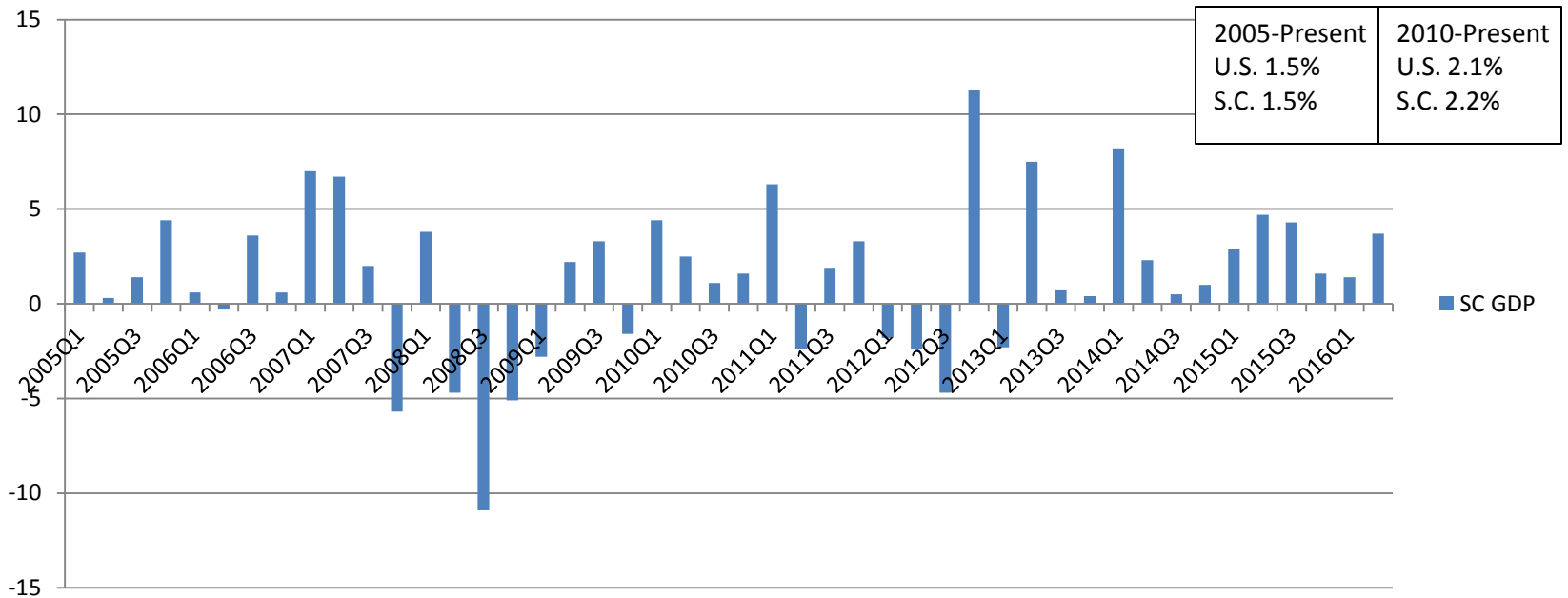
Conference Board: Consumer Confidence Index



U.S. 30-Year Fixed Rate Mortgage Average

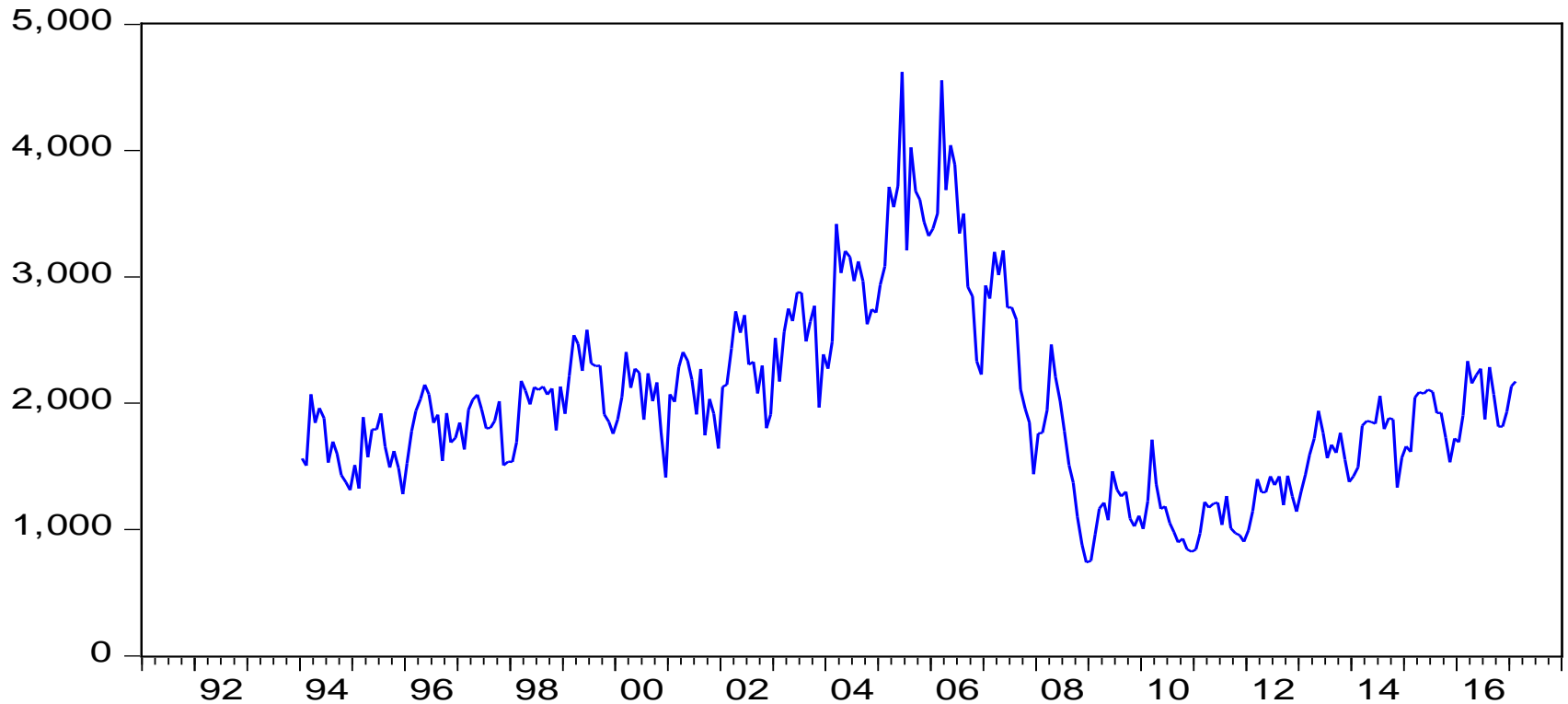


SC Gross State Product (Real, Annualized % Change)



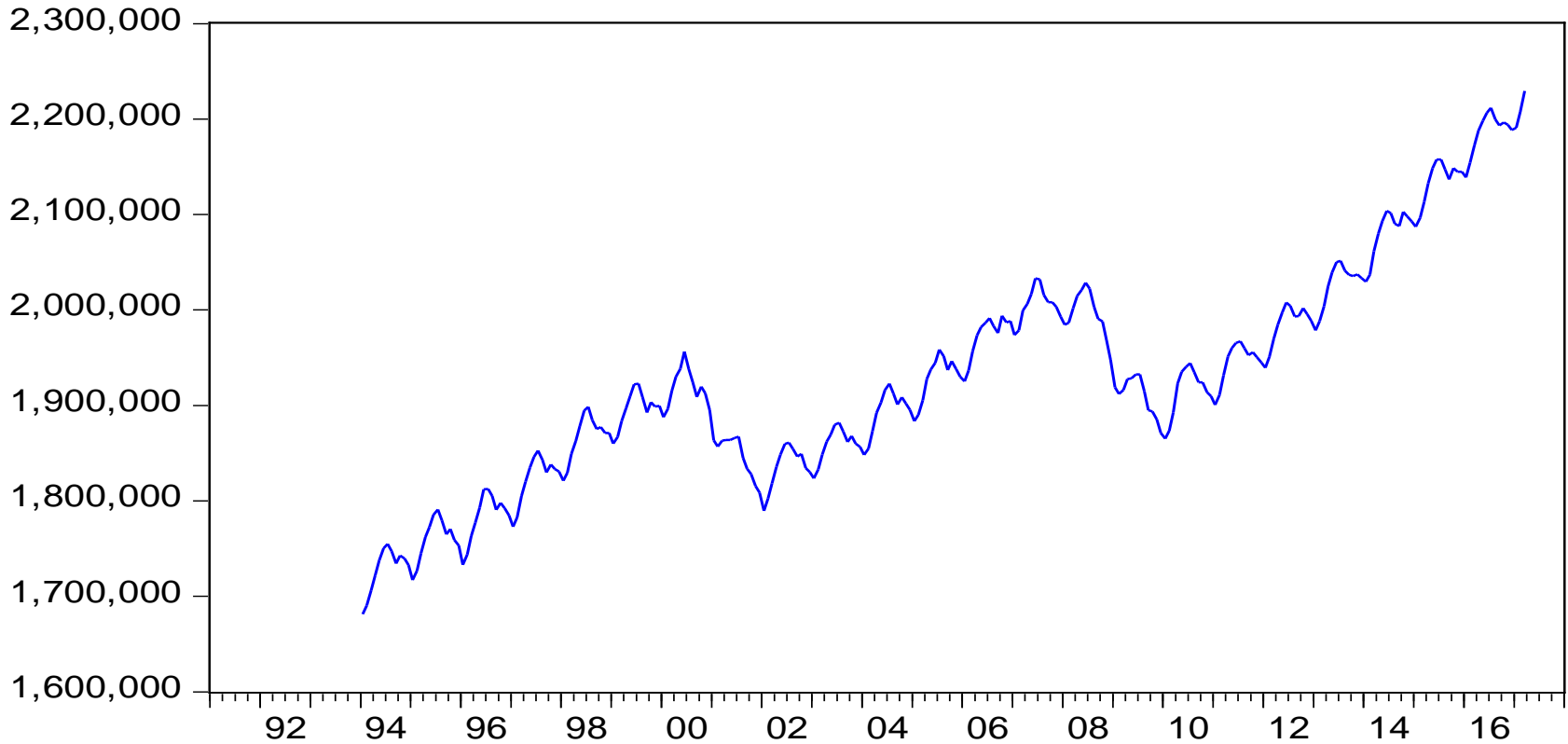
Source: HUD State of the Cities Database

SC Single Family Building Permits



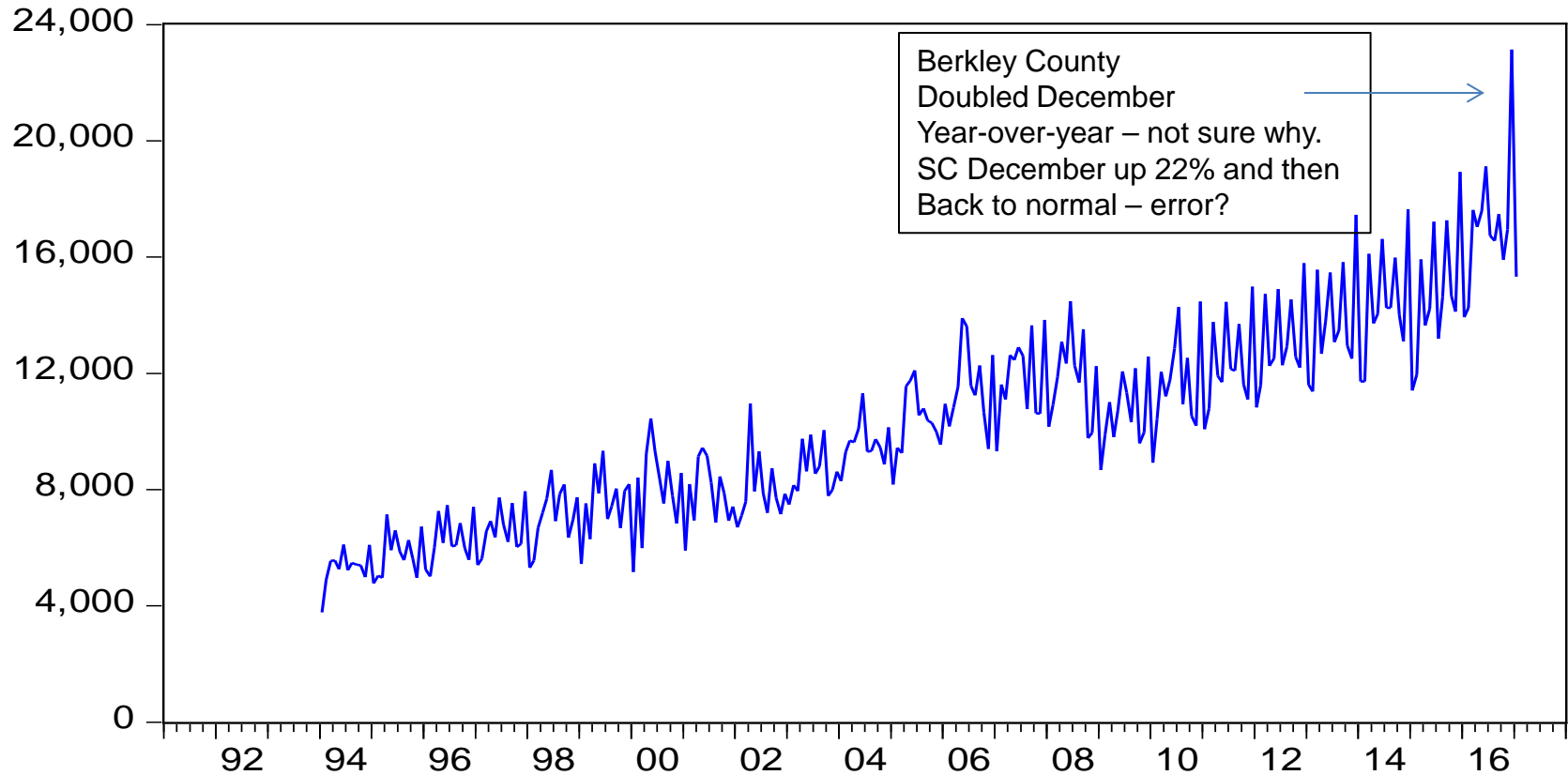
Source: HUD State of the Cities Database

South Carolina Employment (Millions)



Source: Bureau of Labor Statistics

South Carolina Retail Sales (\$Millions)



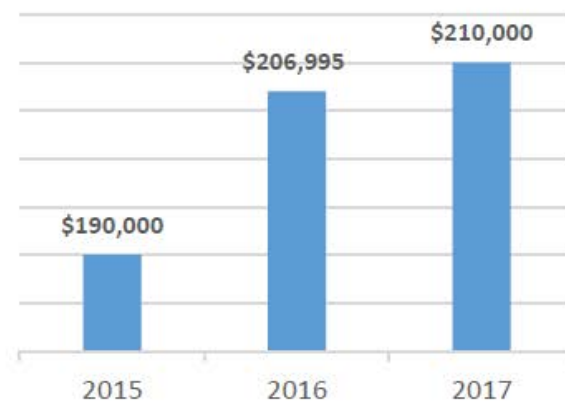
Source: SC Dept. of Revenue

Median Sales Price – SFR

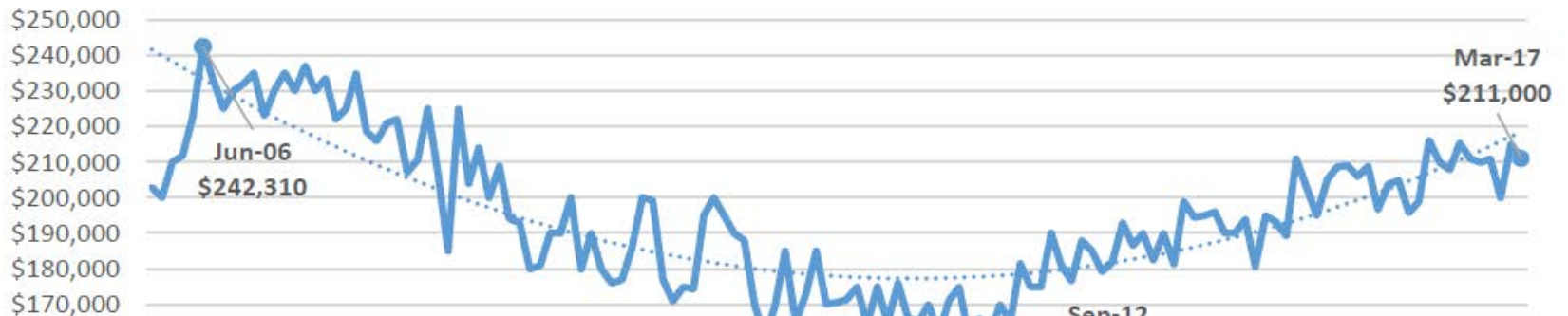
March



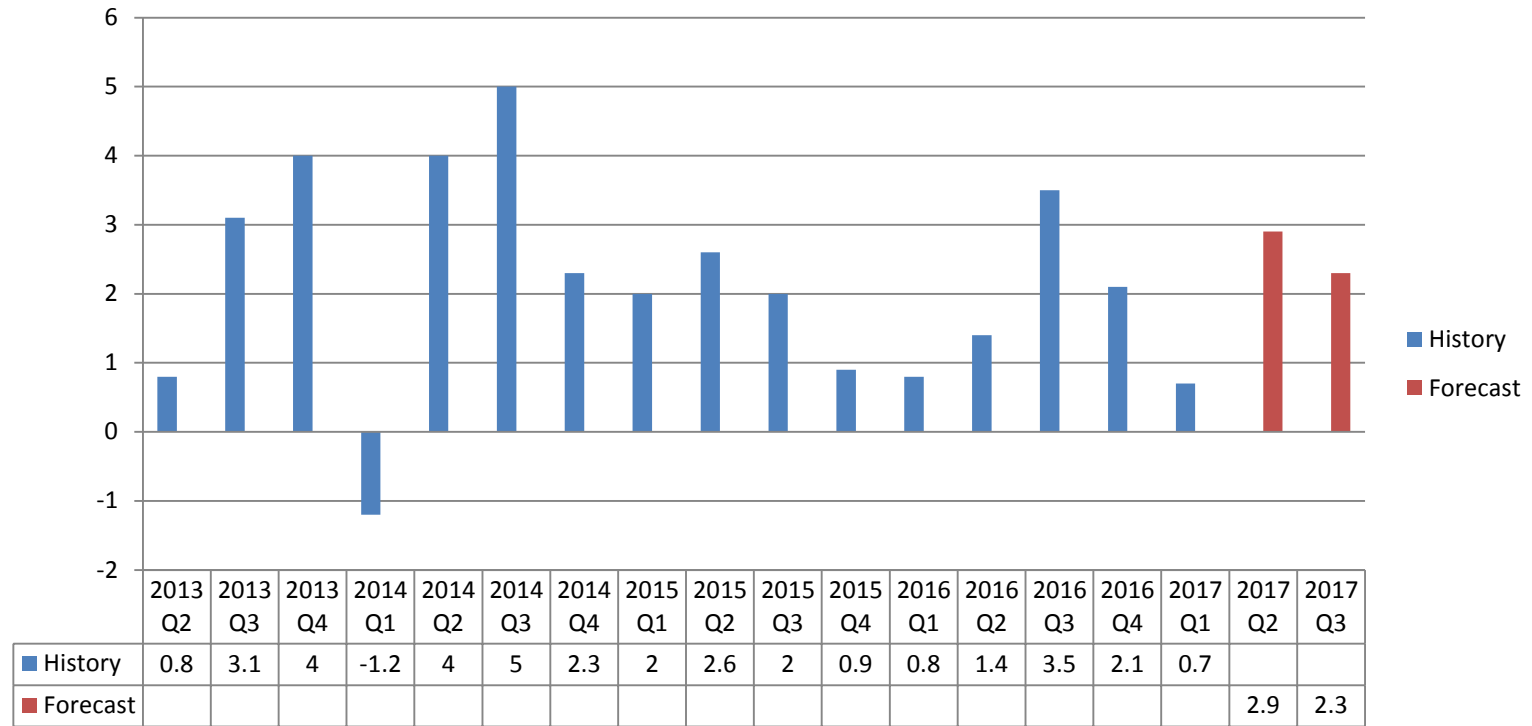
Year to Date



Historical Data

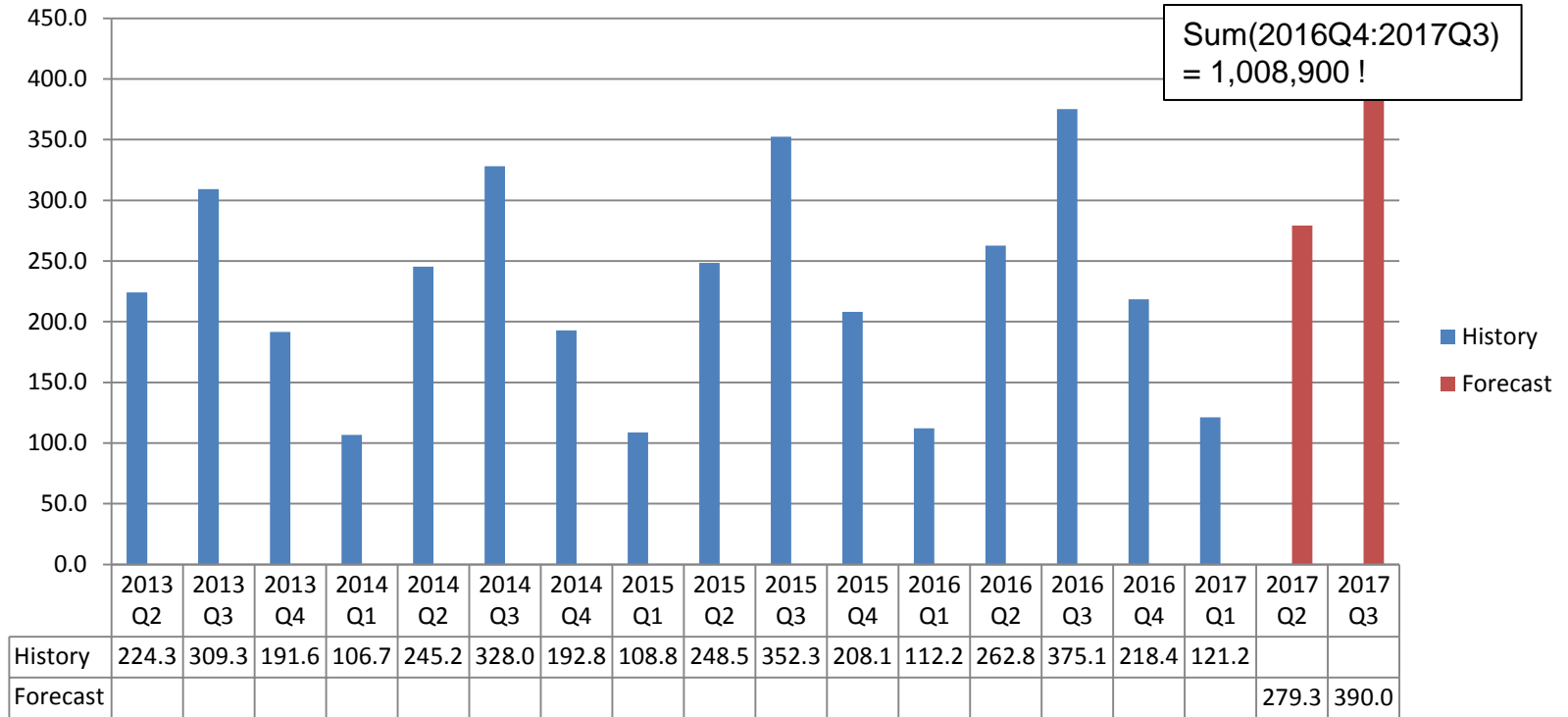


Annualized Real GDP Growth (%)



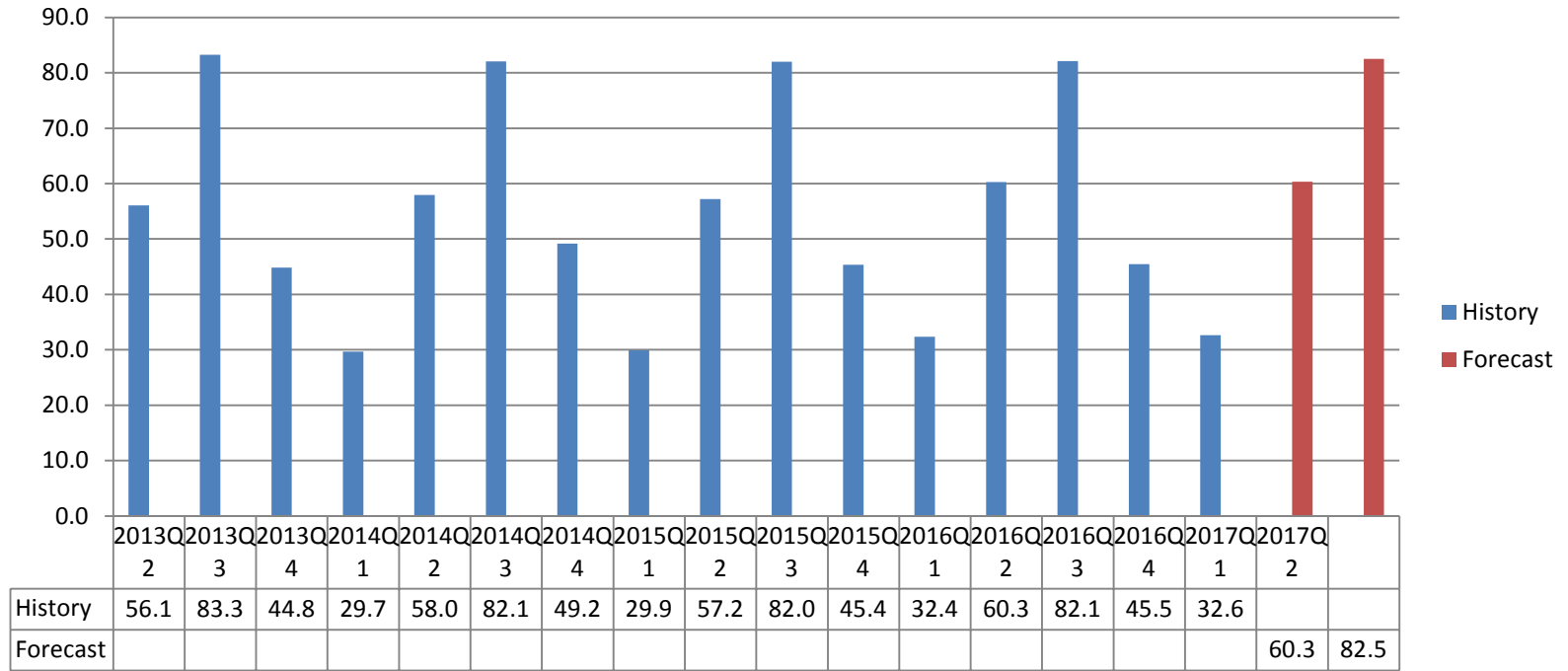
Source: U.S. Department of Commerce: Bureau of Economic Analysis

MYR Airport Deplanements (Thousands)



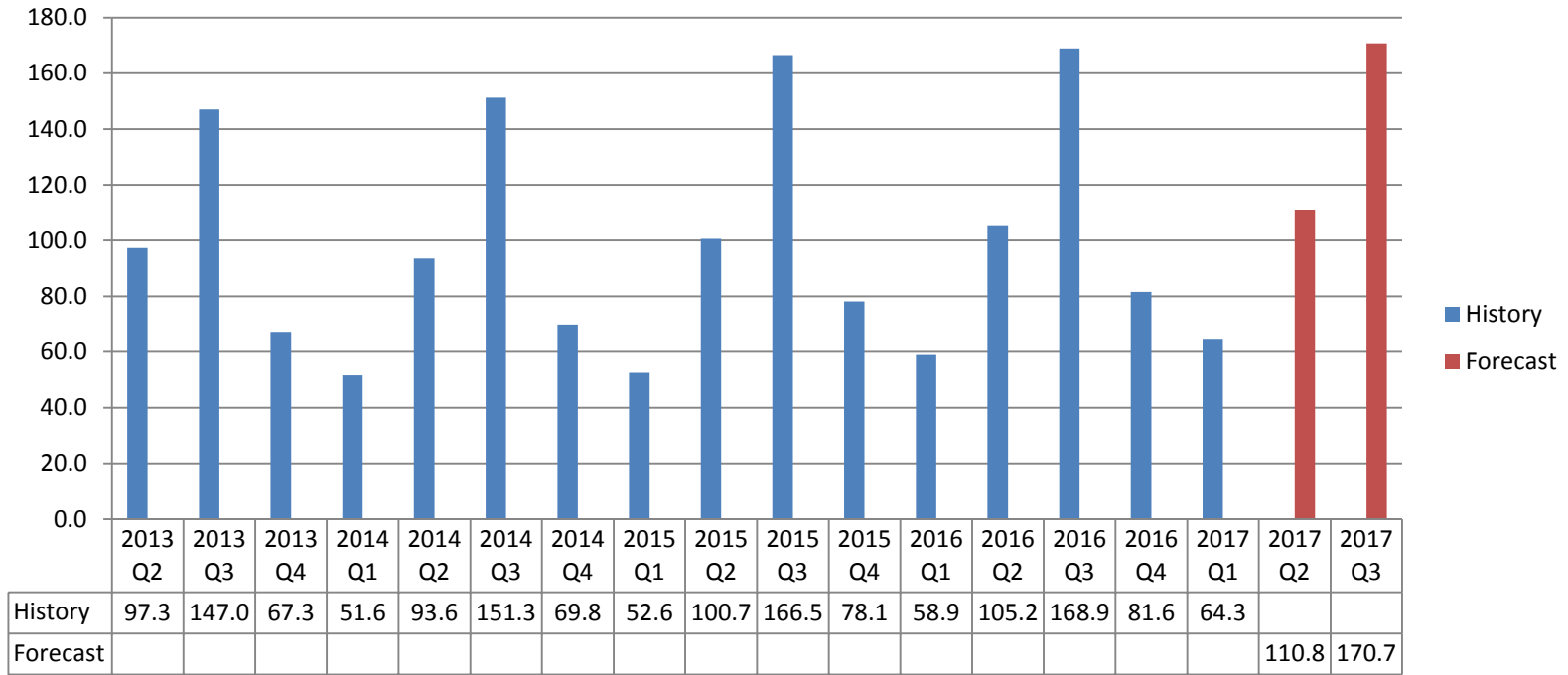
Source: Myrtle Beach International Airport

Hotel-Condotel-Campground Occupancy Rate



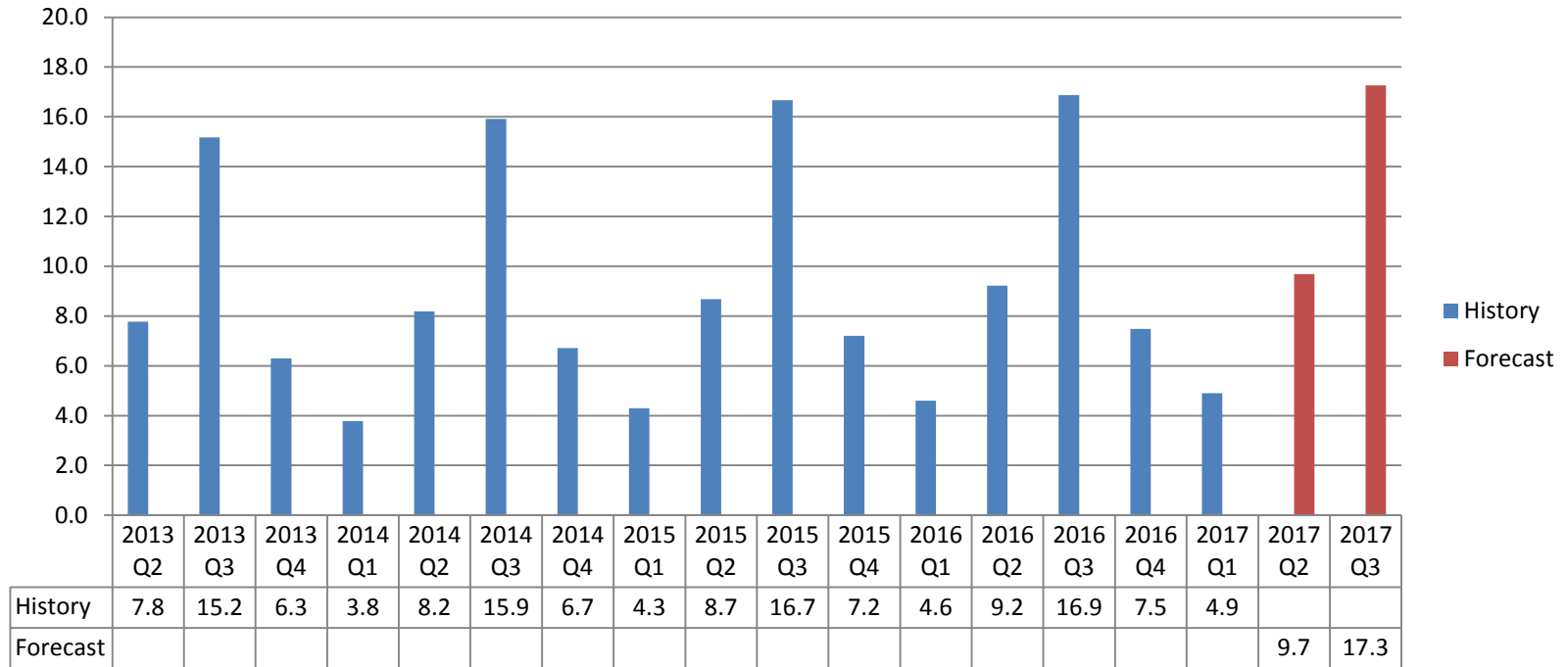
Source: Clay Brittain Jr. Center for Resort Tourism

Hotel-Condotel-Campground Average Daily Rate



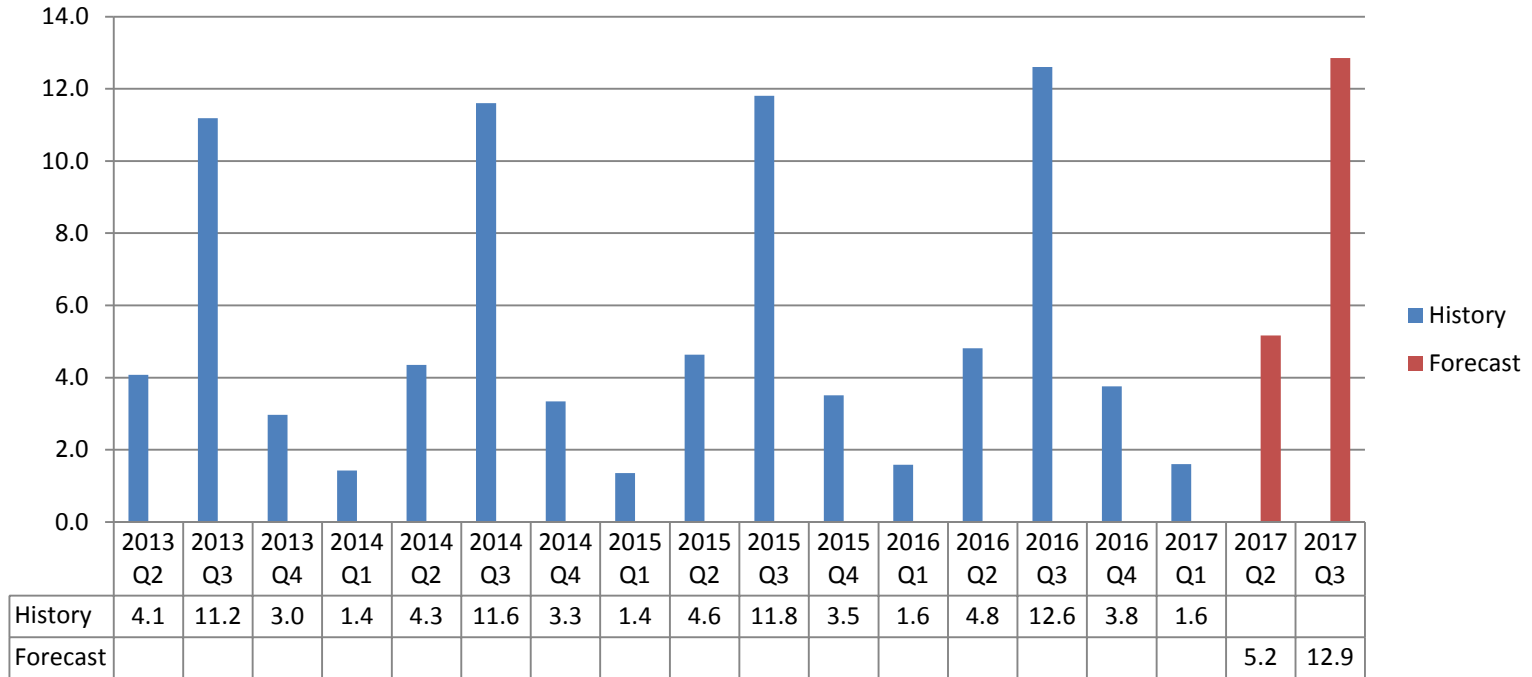
Source: Clay Brittain Jr. Center for Resort Tourism

Horry 1.5% Hospitality Fee Revenue (\$Millions) (County-wide fees on accommodations, prepared foods, beverages, admissions)



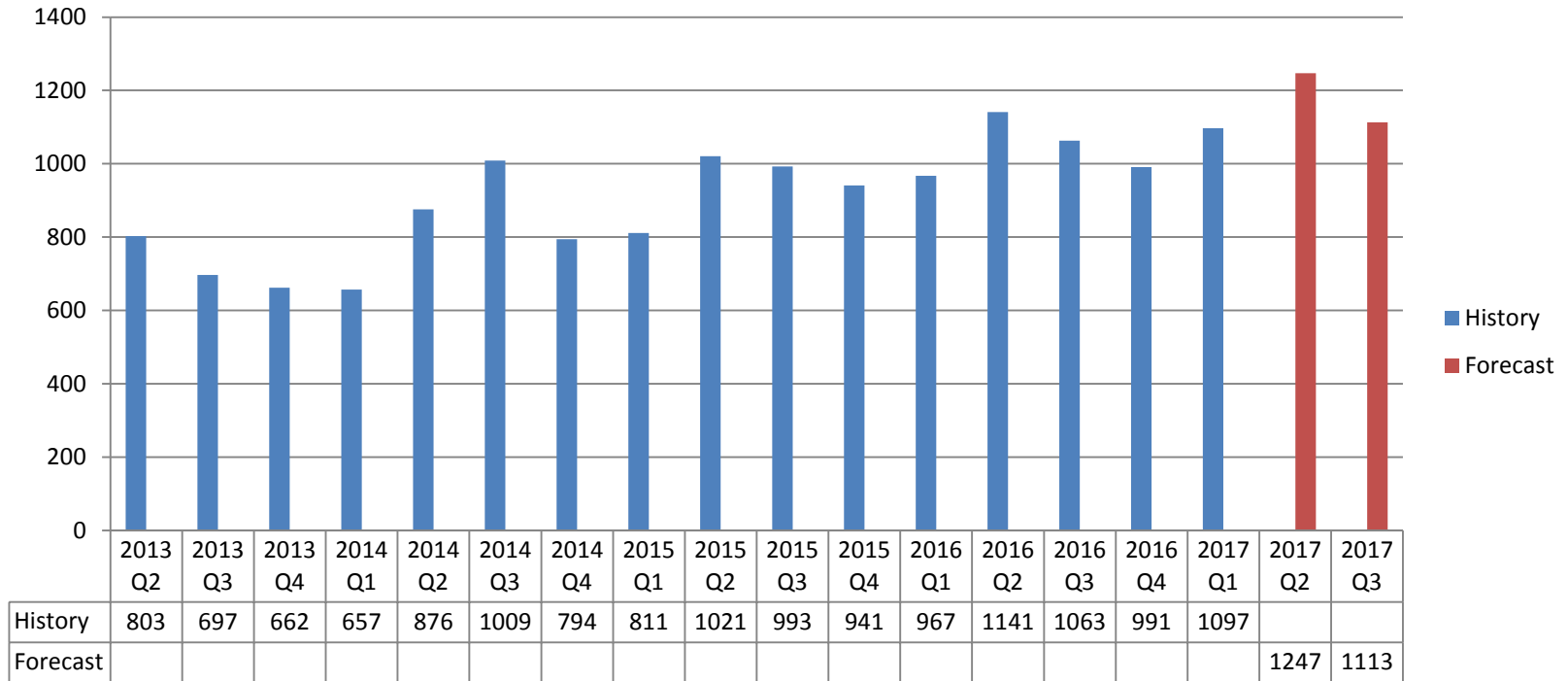
Source: Horry County Government

Accommodations Tax Revenue (\$Millions)



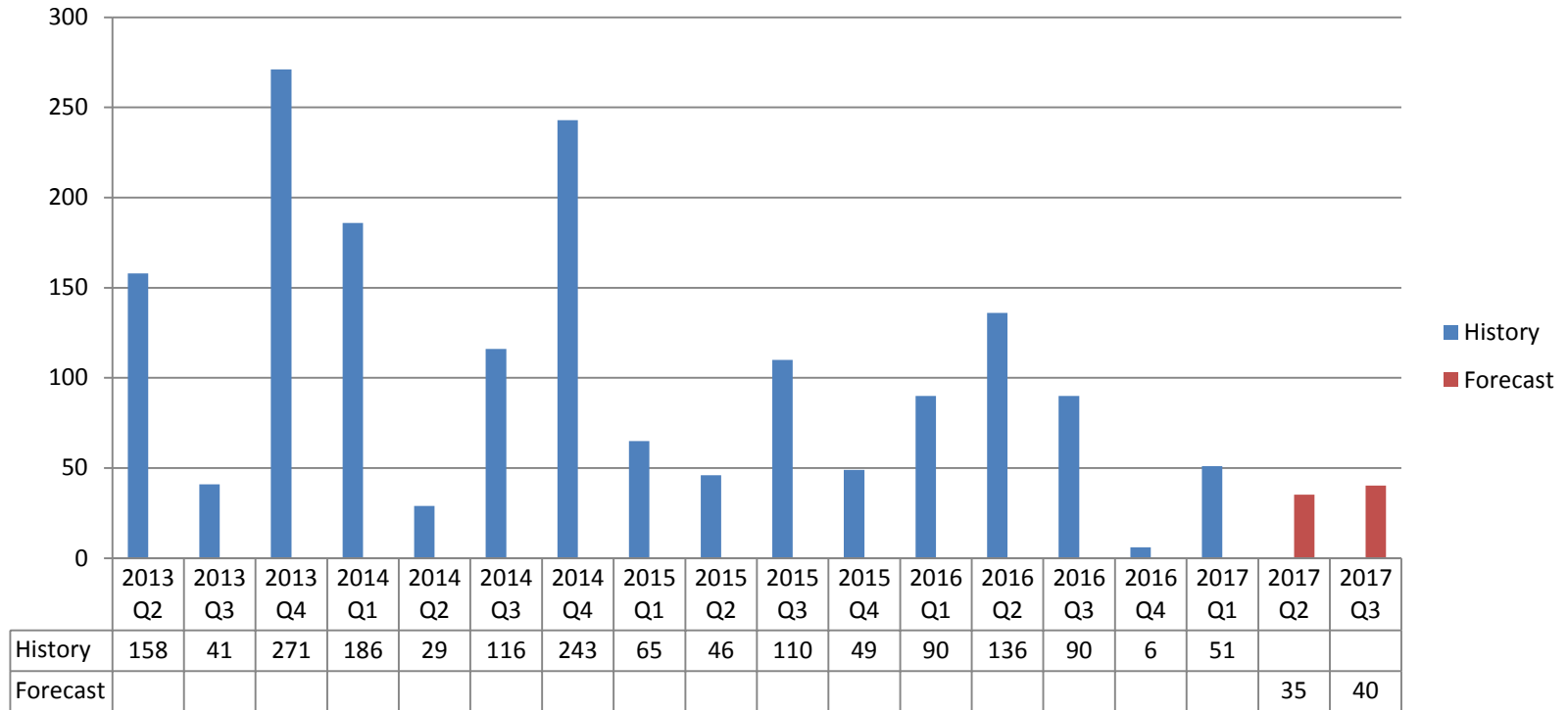
Source: SC Department of Revenue

Regional Single Family Permits



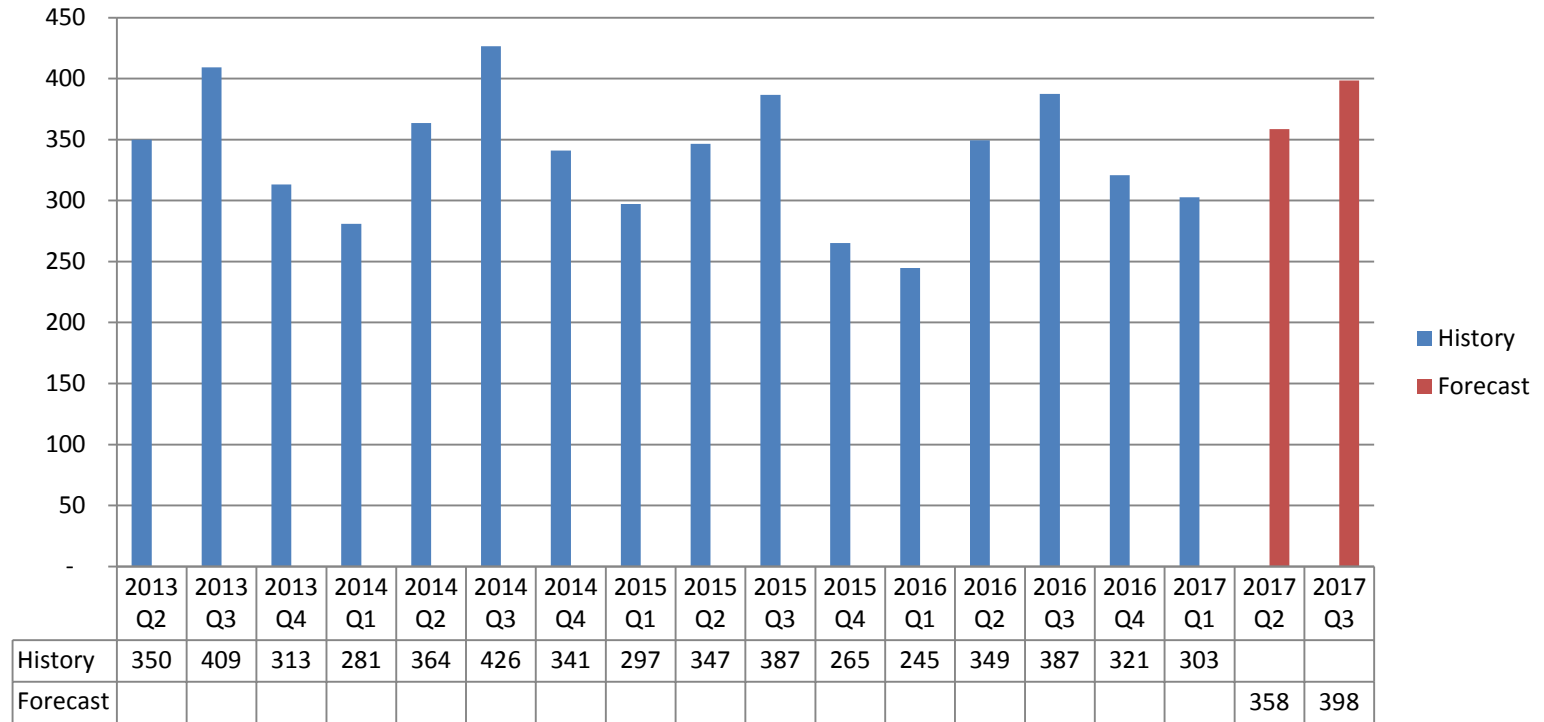
Source: HUD State of the Cities Data System

Regional Multi-family Permits



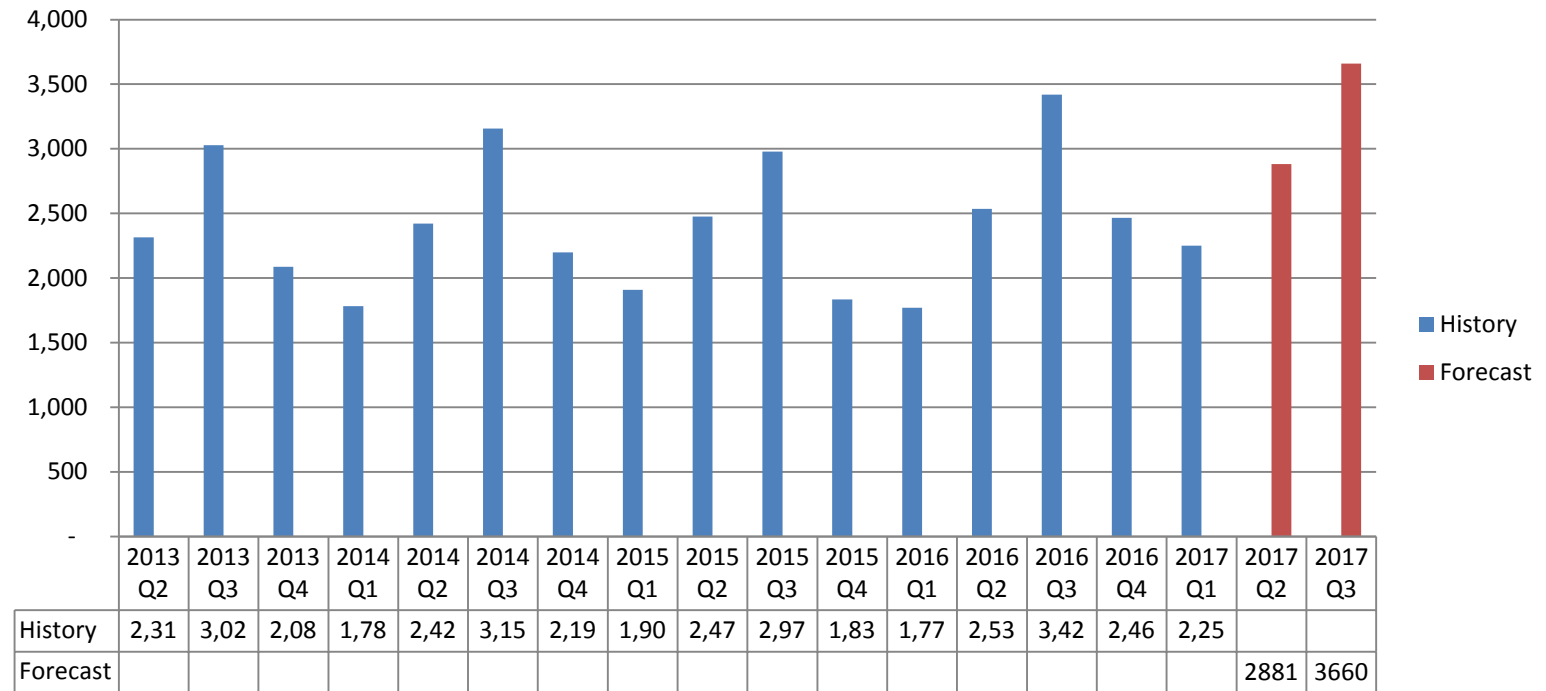
Source: HUD State of the Cities Data System

Georgetown Retail Sales (\$ Millions)



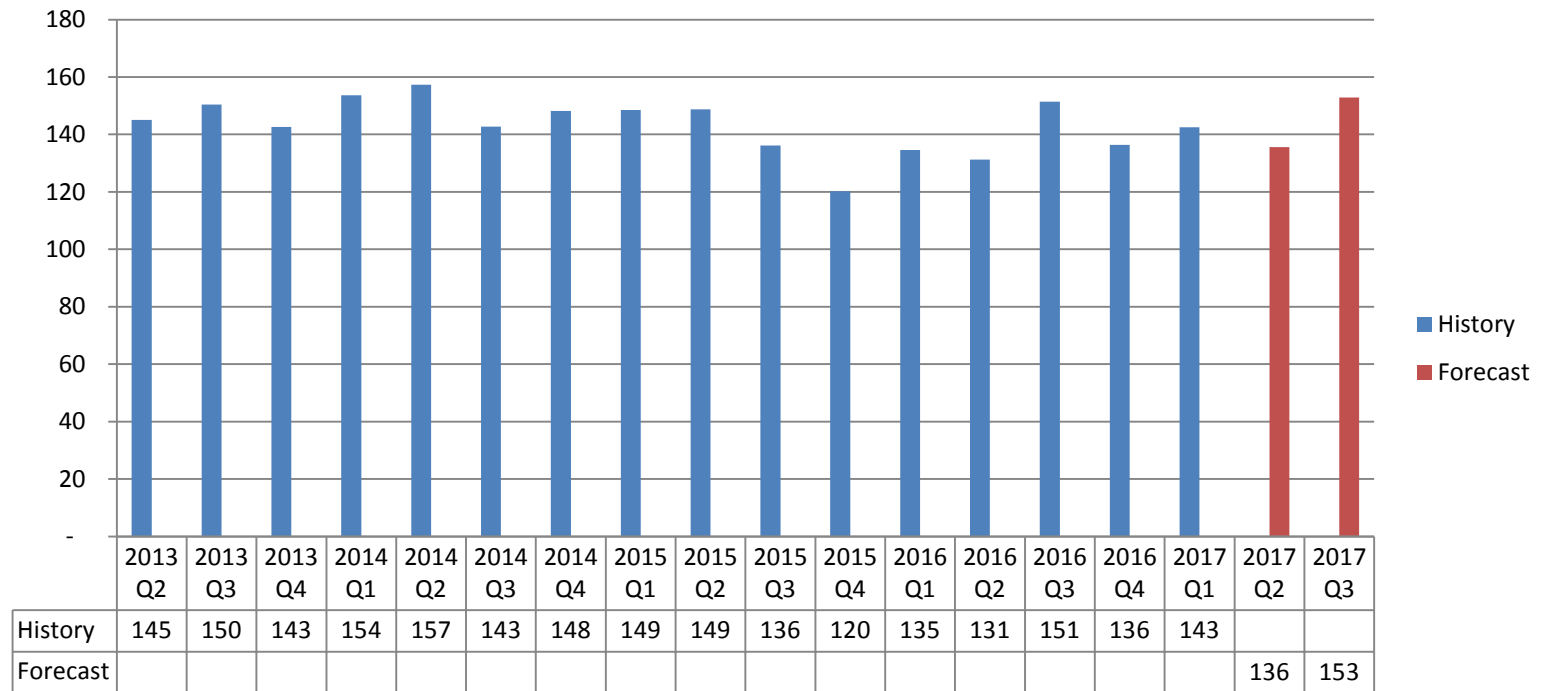
Source: SC Department of Revenue

Horry Retail Sales (\$ Millions)



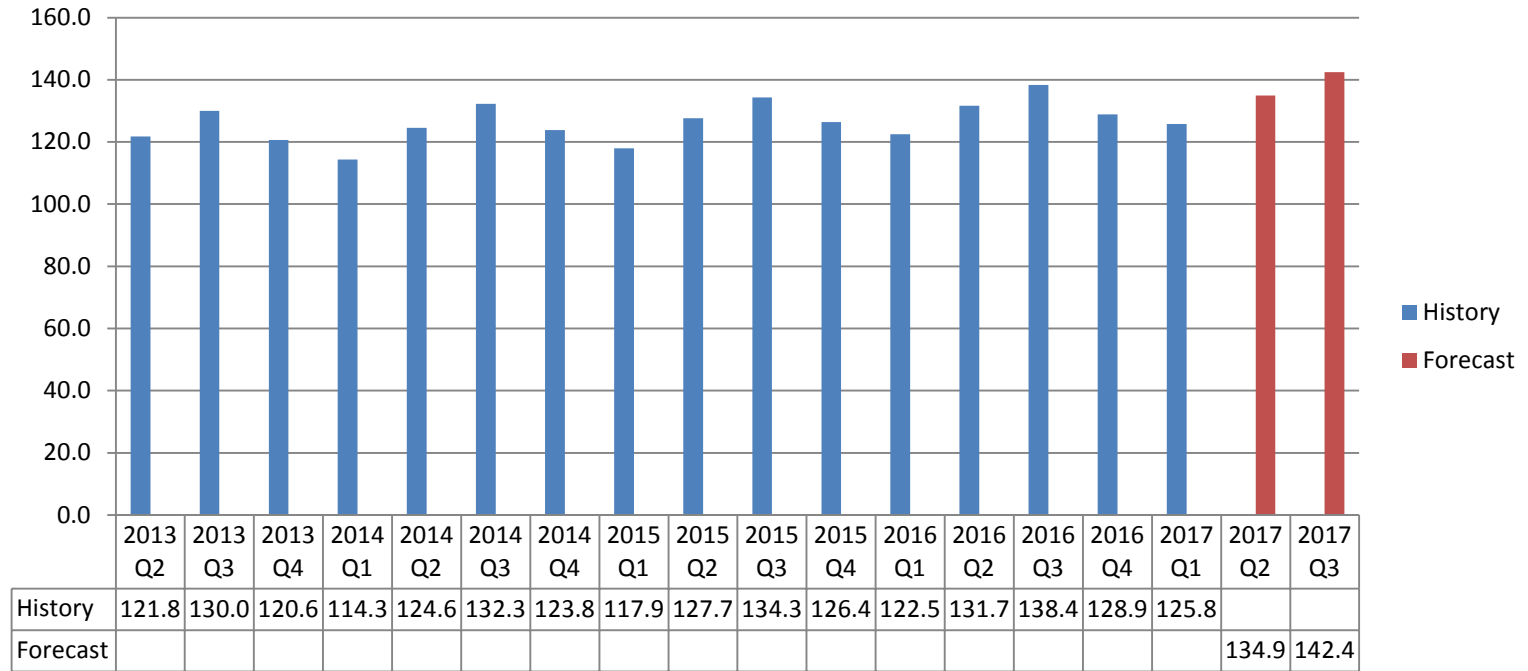
Source: SC Department of Revenue

Williamsburg Retail Sales (\$ Millions)



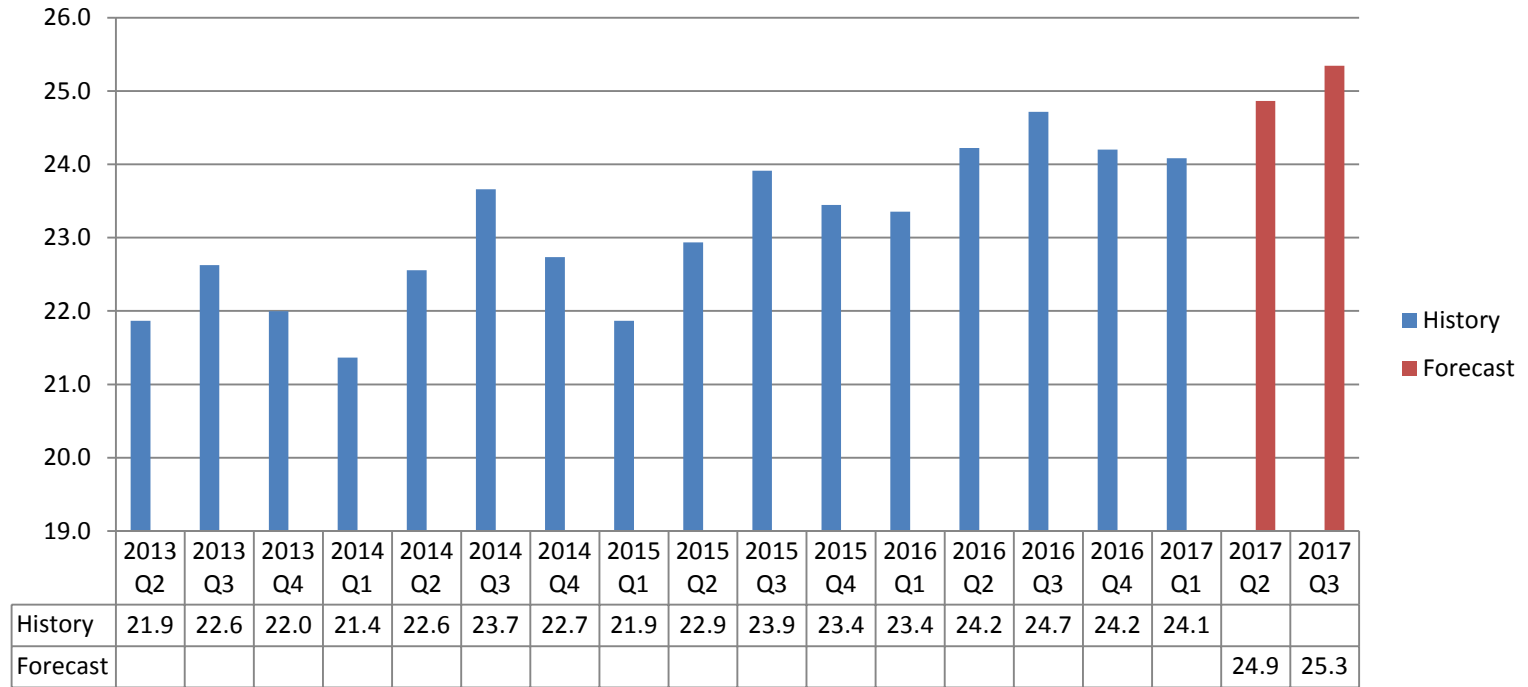
Source: SC Department of Revenue

Horry Employment (Thousands)



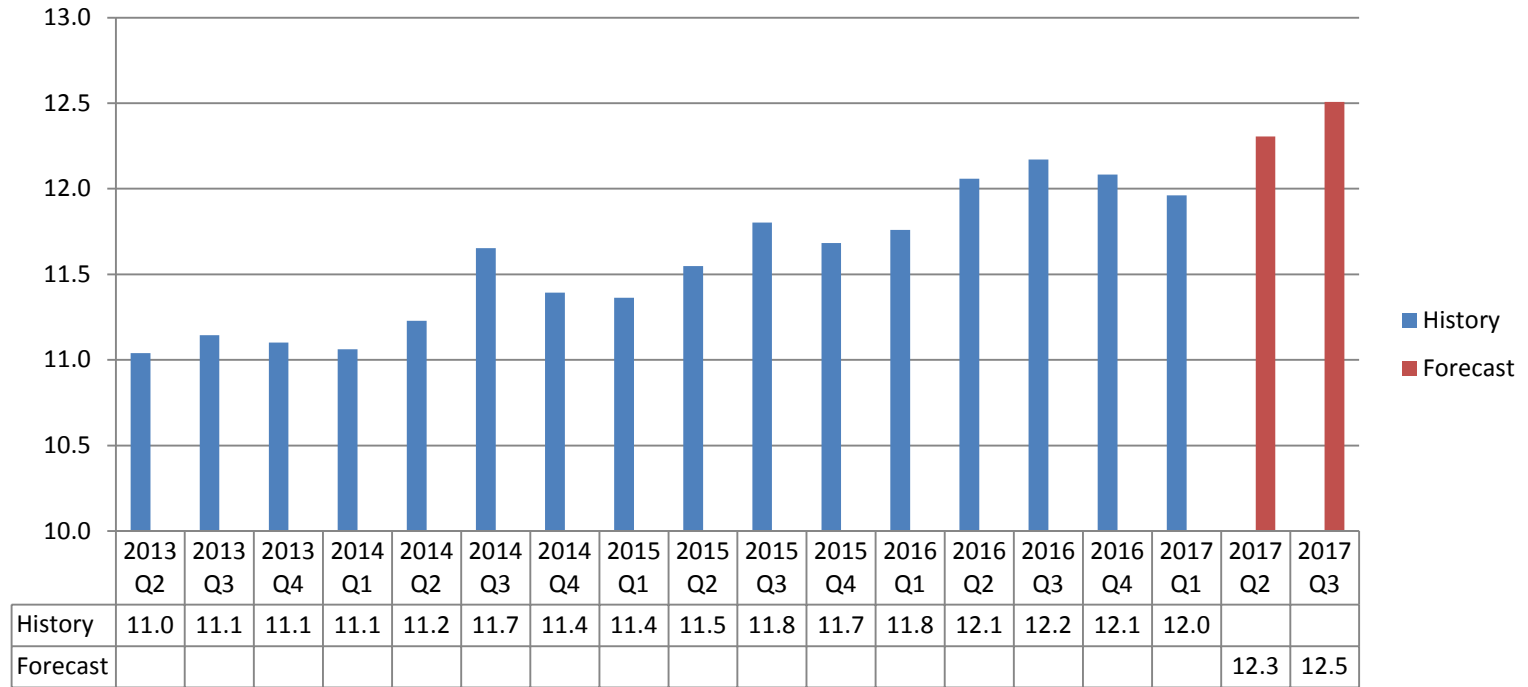
Source: Local Area Unemployment Statistics, Bureau of Labor Statistics

Georgetown Employment (Thousands)



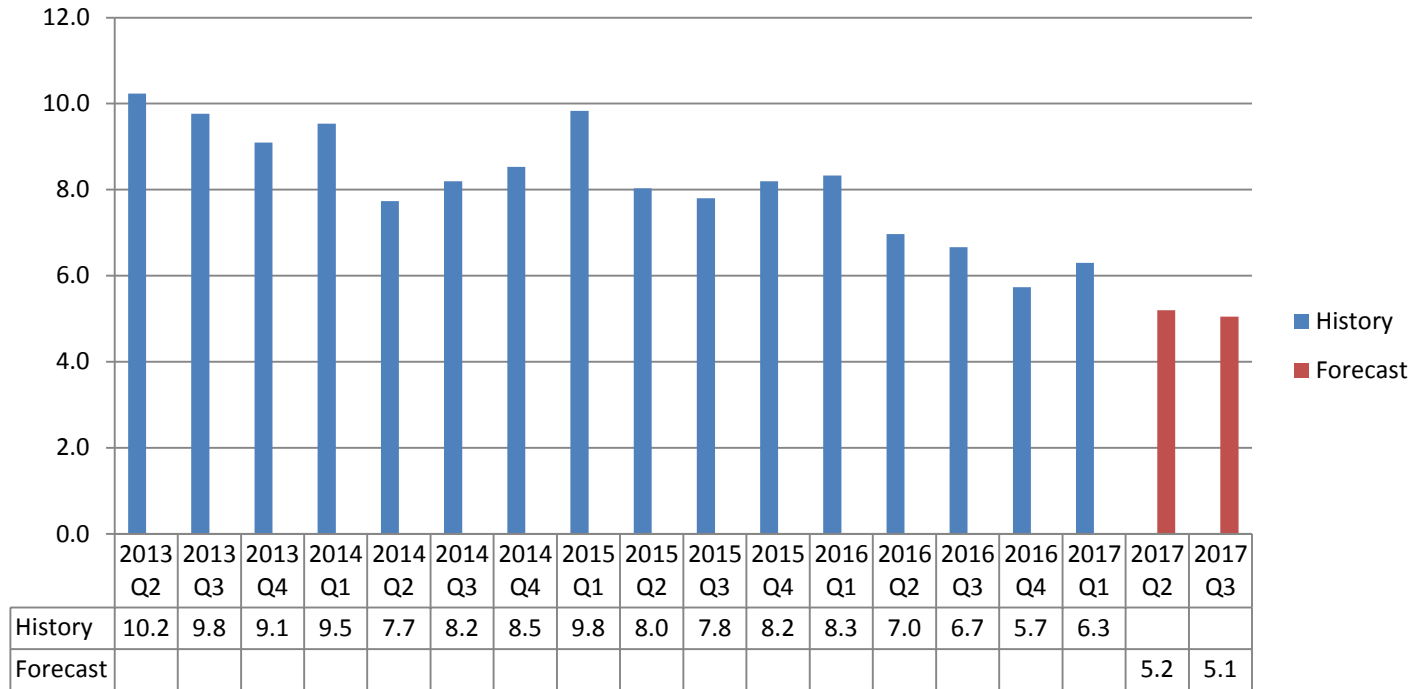
Source: Local Area Unemployment Statistics, Bureau of Labor Statistics

Williamsburg Employment (Thousands)



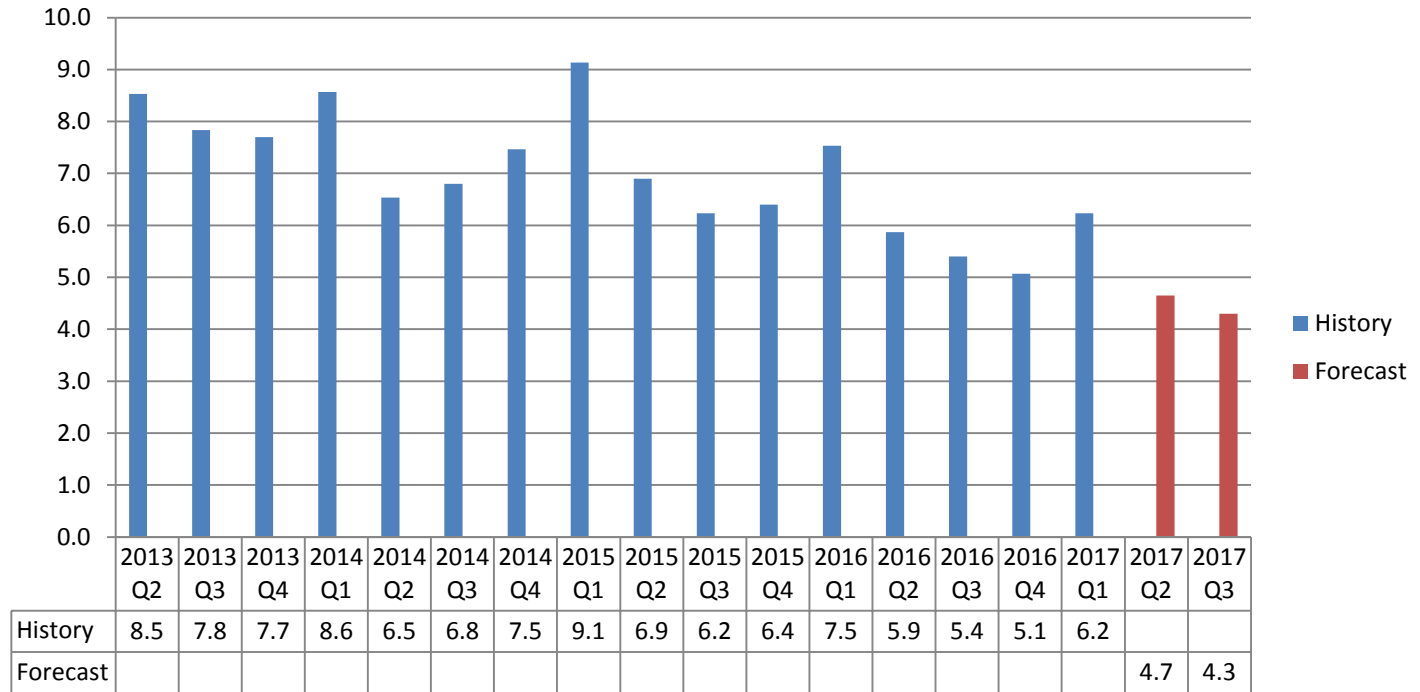
Source: Local Area Unemployment Statistics, Bureau of Labor Statistics

Georgetown Unemployment Rate



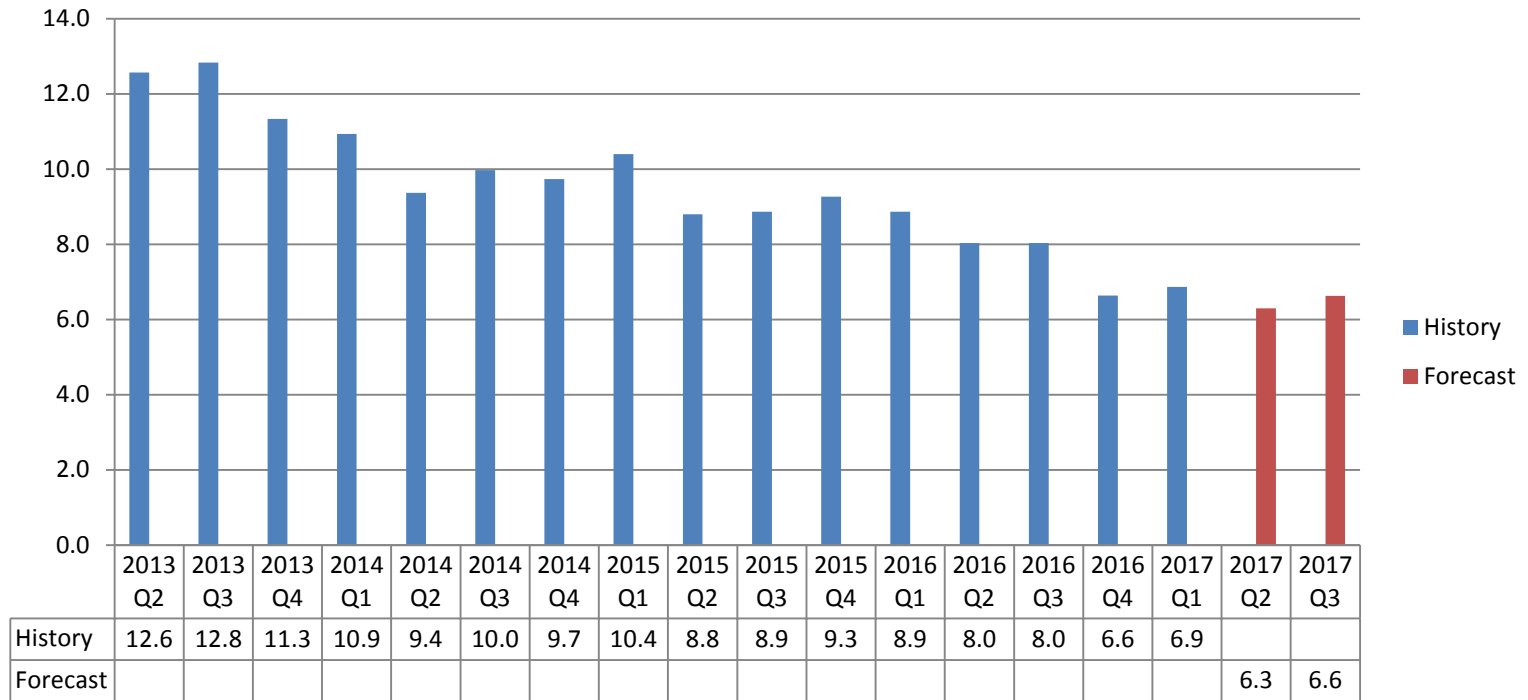
Source: Local Area Unemployment Statistics, Bureau of Labor Statistics

Horry Unemployment Rate



Source: Local Area Unemployment Statistics, Bureau of Labor Statistics

Williamsburg Unemployment Rate



Source: Local Area Unemployment Statistics, Bureau of Labor Statistics

Regional Economic Outlook Board: Spring 2017

Presented to: The Waccamaw Regional Council of Governments' Regional Economic Outlook Board

Prepared and Presented by Dr. Rob Salvino, Research Economist, Center for Economic and Community Development
E. Craig Wall Sr. College of Business Administration, Coastal Carolina University

May 2017

	Value			Percent Change from Previous Year		
	History	Forecast	Forecast	History	Forecast	Forecast
	Previous Quarter Winter 2017	Current Quarter Spring 2017	Next Quarter Summer 2017	Previous Quarter Winter 2017	Current Quarter Spring 2017	Next Quarter Summer 2017
Airport Deplanements (thousands)	121.2	279.3	390.0	8.0	6.3	4.0
Occupancy Rate (Full Week)	32.6	60.3	82.5	0.3	0.1	0.4
Average Daily Rate (Full Week)	64.3	\$ 110.8	\$ 170.7	5.4	5.5	1.8
Horry County 1.5% Hosp. Fee Revenue (\$millions)	\$ 4.9	\$ 9.7	\$ 17.3	6.7	5.1	2.3
Accommodations Tax Revenue (\$millions)	\$ 1.6	\$ 5.2	\$ 12.9	1.2	7.3	5.1
Admissions Tax Revenue (\$millions)	<i>No update from SCDOR since April 2016</i>			<i>No update from SCDOR since April 2016</i>		
Regional SF Building Permits	1,097	1,247	1,113	13.4	9.3	4.7
Regional MF Building Permits	51	35	40	-43.3	-74.1	-55.3
Retail Sales (\$millions)						
Georgetown County	\$ 302.8	\$ 358.5	\$ 398.4	23.7	2.6	2.8
Horry County	\$ 2,250.1	\$ 2,881.1	\$ 3,660.1	27.1	13.7	7.0
Williamsburg County	\$ 142.5	\$ 135.6	\$ 153.0	5.9	3.2	1.0
Employment (thousands)						
Georgetown County	24,082	24,862	25,345	3.1	2.6	2.6
Horry County	125,805	134,933	142,426	2.7	2.5	2.9
Williamsburg County	11,961	12,305	12,507	1.7	2.0	2.8
Unemployment Rate						
Georgetown County	6.3	5.2	5.1	-2.0	-1.8	-1.6
Horry County	6.2	4.7	4.3	-1.3	-1.2	-1.1
Williamsburg County	6.9	6.3	6.6	-2	-1.7	-1.4

Notes: Spring quarter is March - May, Summer is June - August, Fall is September - November, Winter is December - February. Retail Sales, Accommodations Tax Revenue and Admissions Tax Revenue represent the period of business activity. For example, Accommodations Taxes for Summer represent the business activity incurred during the Summer quarter. Percent change from previous year is relative to the same quarter from the previous year. For example, percent change for Summer 2016 is the percent change between Summer 2016 and Summer 2015. Rate given is absolute change for: Occupancy Rate, ADR and Unemployment Rates. For example, the given change for the Occupancy Rate during Summer 2016 is simply the Summer 2016 Occupancy Rate minus the Summer 2015 Occupancy Rate.