



OREGON COAST YEAR 2021 SOURCES OF INCOME STUDY

prepared for

Oregon Coast Visitors Association

prepared by

**The Research Group, LLC
Corvallis, OR**

presentation prepared by

**Hans Radtke, Ph.D.
Natural Resource Economist
Yachats, OR**

for

**Lincoln County Economic Summit
Inn at Otter Crest
March 14, 2024**

Biography

Hans D. Radtke, Ph.D.

- Residence: Yachats - 60 years
- Specialization: Natural resource economics
- Education: Doctorate, Oregon State University Agricultural and Resource Economics – 1972
- Employment and appointments:
 - Independent Resource Economist – 45 years
 - Oregon Governor's Council of Economic Advisors – 30 years
 - Pacific Fishery Management Council – 6 years including chairman; 3 years on Scientific and Statistical Committee
 - Northwest Power and Conservation Council, Independent Economic Analysis Board – 8 years
 - Marine Protected Area Federal Advisory Committee – 4 year term

Presentation Content

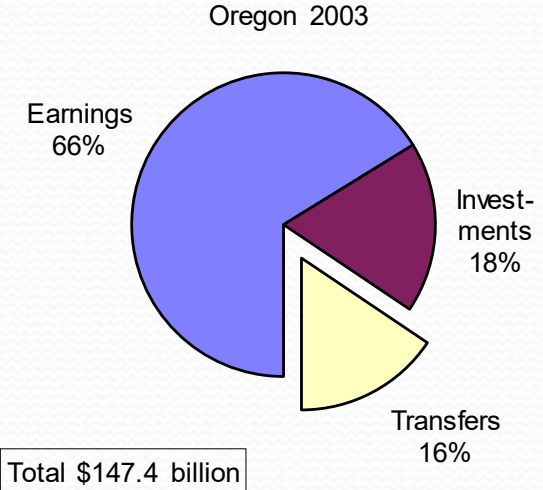
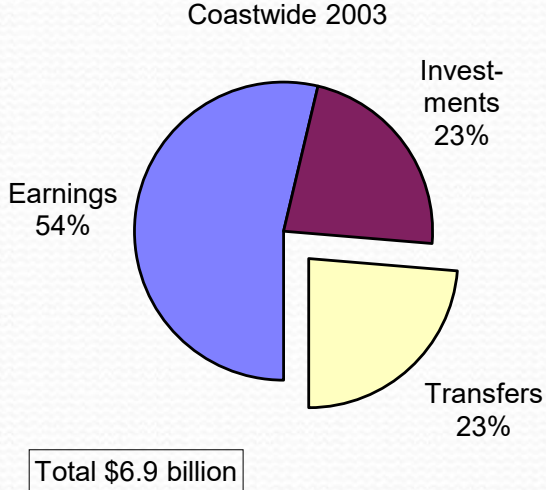
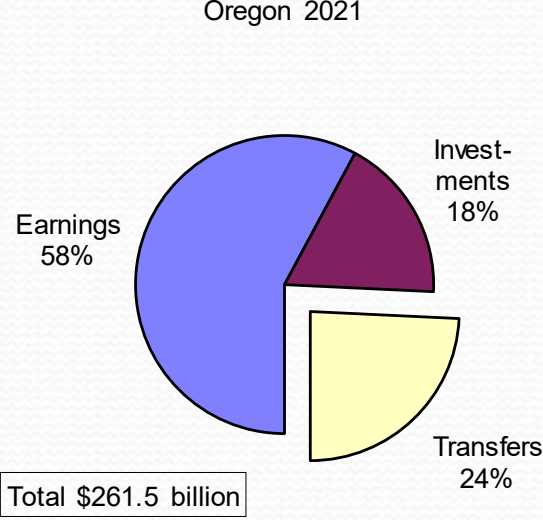
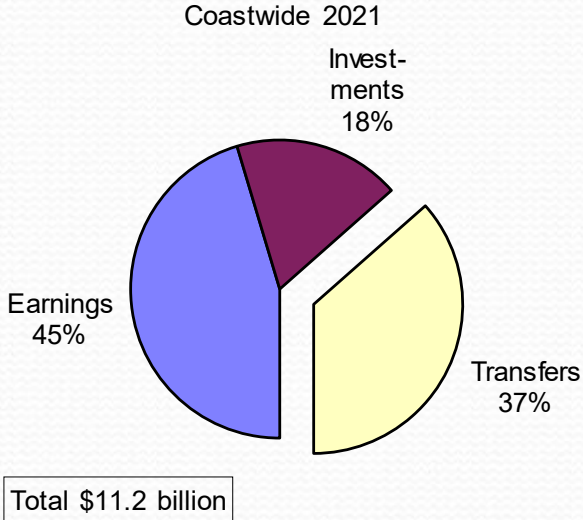
1. Population and demographics – recent growth trends by age cohorts.
2. Income received by households and individuals has a mix of 3 components: net earnings, investment income, transfer payments - is any income missing?
3. Housing inventory preponderance of second homes - why is that a concern?
4. Potential purchasing power of retirees - should attraction be an area's development strategy?
5. Driver industries economic contributions – how do you measure economic activity so as to show comparative importance?
6. Lincoln County economic development challenges - threats and comparative advantages.
7. What's next and questions.

Population and Median Age Change

	Population		Median Age	
		Change		Change
	2020	2000-2020	2021	2000-2021
Clatsop	41,072	15%	44.5	11%
Tillamook	27,390	13%	47.7	10%
Lincoln	50,395	13%	51.6	17%
Coastal Lane	9,396	28%	59.9	14%
Coastal Douglas	4,310	-1%	52.4	12%
Coos	64,929	3%	48.4	12%
Curry	<u>23,446</u>	11%	56.2	15%
Coast	220,938	10%	50.1	13%
Oregon	4,237,256	24%	39.6	9%
U.S.	331,449,281	18%	38.4	9%

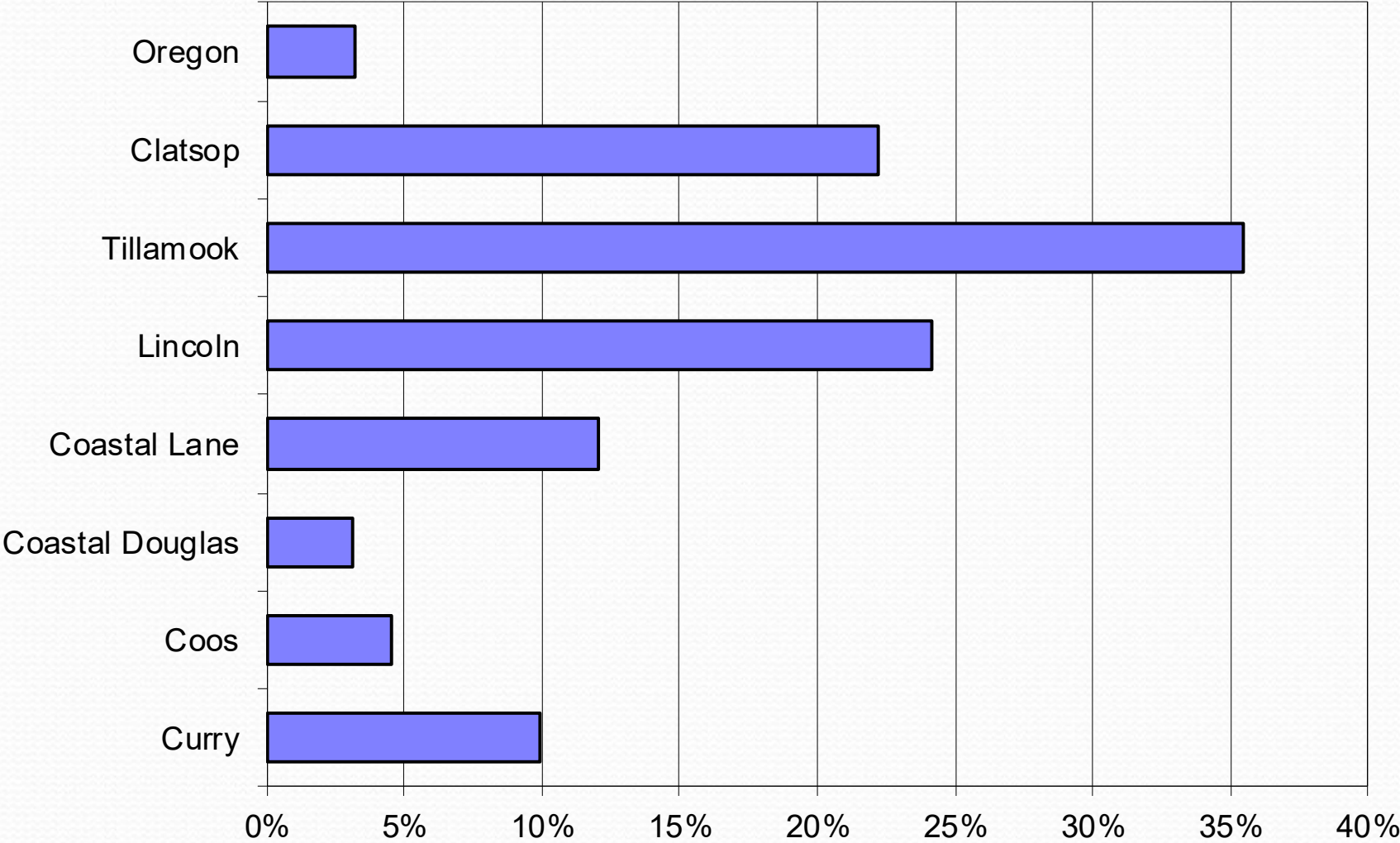
Note: There has been an interruption to these general population growth trends in recent years. Using Portland State University, Population Research Center estimates on July 1, the coastal counties population growth from 2020 to 2023 was 6.4%. The State change during this period was 0.5%.

Share of Personal Income Sources in 2003 and 2021



Note: Personal income in billions adjusted to 2021 dollars.

Second Homes as a Percent of Total Housing Units for Oregon and Coastal Counties in 2021



Note: Census defined housing units that are vacant include those that are market ready for sale and units which are intended to be used for certain seasons or for weekends or other occasional use (such as for seasonal workers) during the year.

Total Personal Income Components and Net Earnings Unique Industry Categories

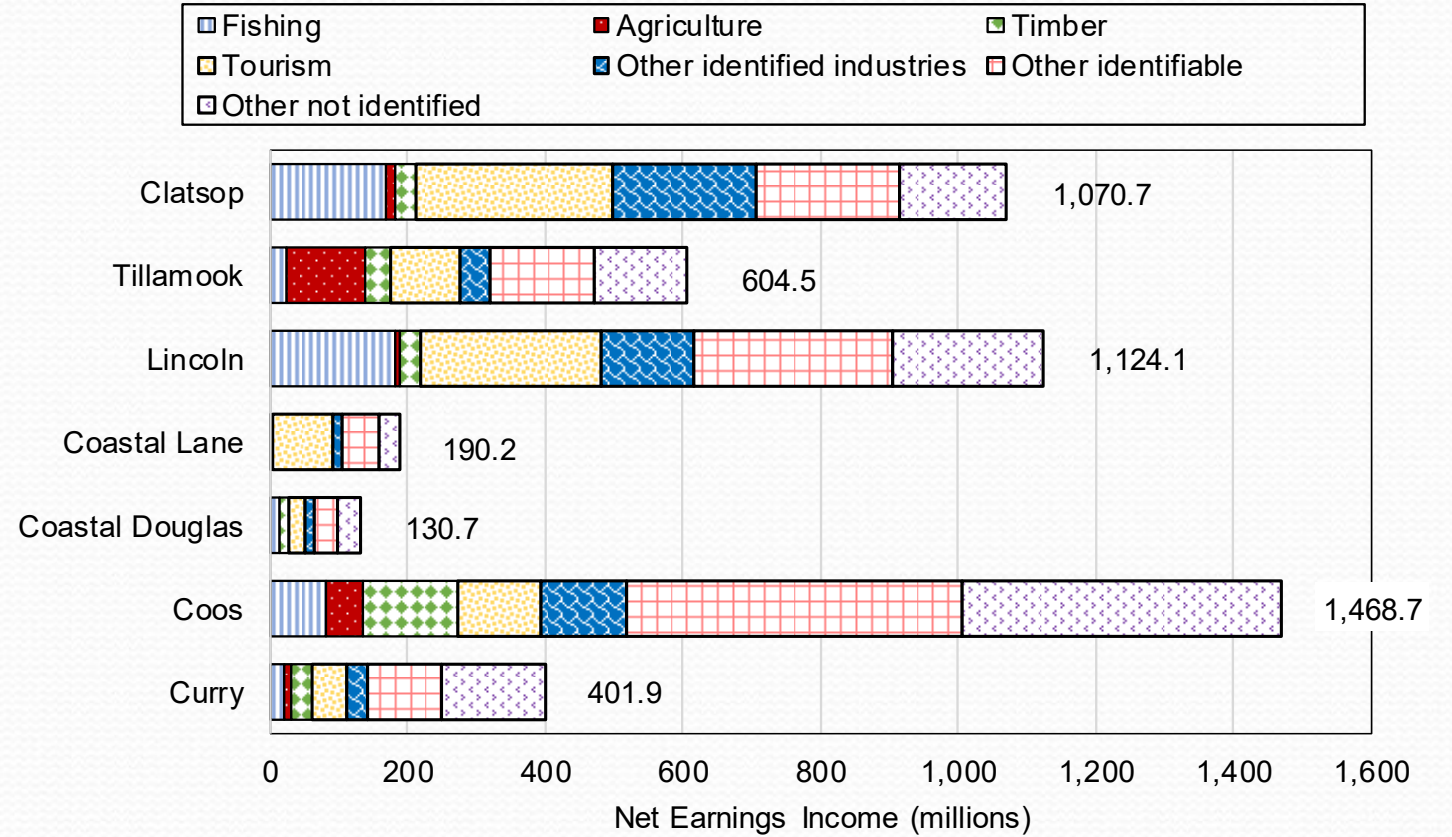
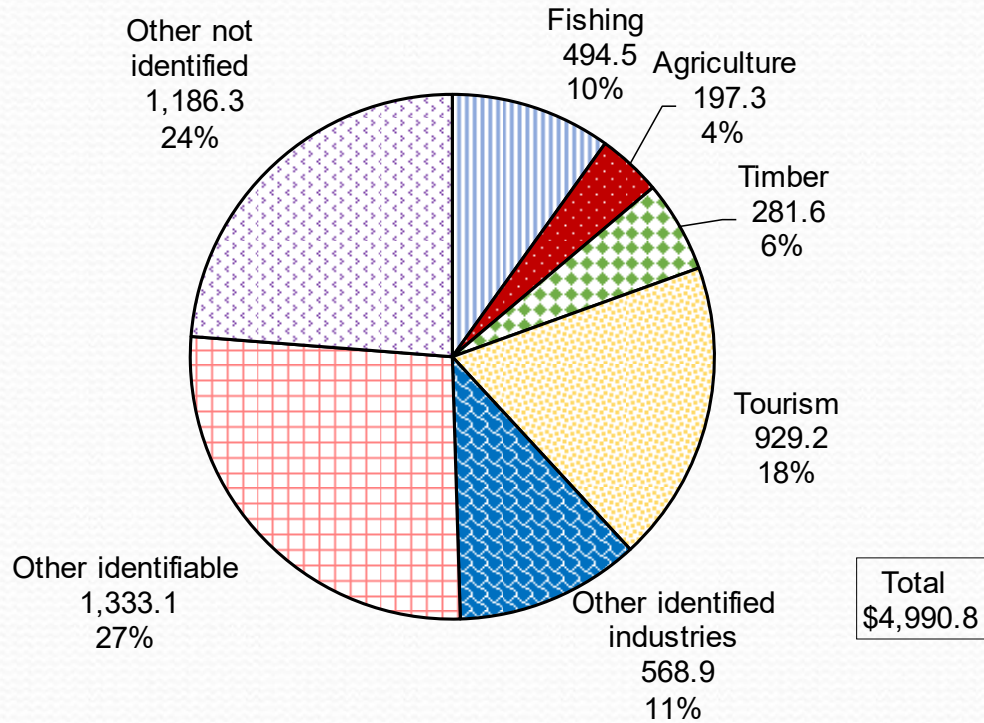
1. Net earnings
 - 1.1 Identified industries
 - 1.1.1 Commercial fishing
 - 1.1.2 Agriculture
 - 1.1.3 Timber
 - 1.1.4 Travel tourism
 - 1.1.5 Other identified industries
 - 1.1.5.1 Paper and paperboard mills
 - 1.1.5.2 Water transportation and marine cargo handling
 - 1.1.5.3 Ship building, steel fabrication, heavy manufacturing, and construction
 - 1.1.5.4 Mining
 - 1.1.6 Other identifiable industries (higher education, research, public health, tribal services, etc.)
 - 1.2 Other not identified industries
2. Investments income (dividend, interest, rent, 401k plan disbursements, etc.)
3. Transfer payments (Social Security, Medicare, income maintenance, education/training, veterans benefits, etc.)

Notes: 1. The “other not identified” industry category includes many small manufacturing and service companies that sell products outside the coastal area. These includes businesses such as foundries, plastic injection mold manufacturers, computer hardware and software developers, writers, and artists. (Commuting to out-of-area places of work would be another “not identified” income contributor.) Such small businesses are important when summed together, however, they are too dispersed to be identified.

2. The study’s analysis target year is 2021. It was the most recent data year from most sources at study start. This year coincides with the coronavirus pandemic duration that had general economy and social relief program influences.

Economy Drivers in 2021

Coastwide Net Earnings

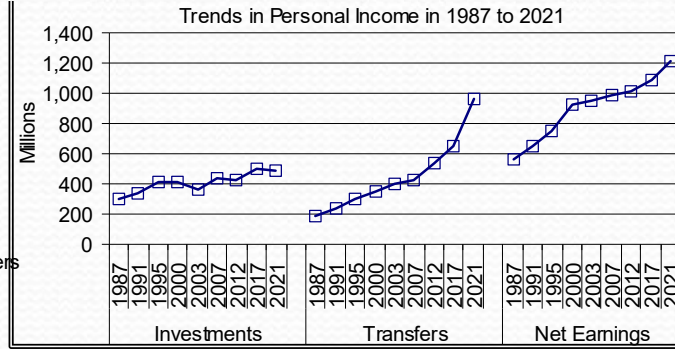
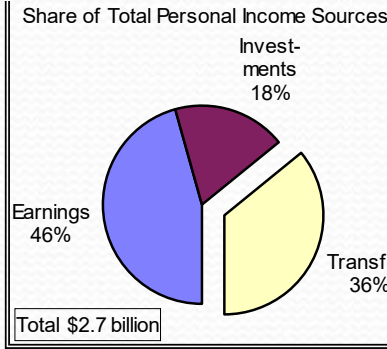


Note: The industry category proportions are of net earnings. This differs from the shares of total personal income.

Lincoln County Social and Economic Characteristics in Year 2021

Modeled Sources of Total Personal Income		
	Income (millions)	%
Total Personal Income	\$2,669.4	100.0%
1. Net Earnings	\$1,124.1	42.1%
1.1. Identified industries	\$906.3	34.0%
1.1.1. Commercial fishing	\$182.8	6.8%
1.1.2. Agriculture	\$7.1	0.3%
1.1.3. Timber	\$29.9	1.1%
1.1.4. Travel tourism	\$261.5	9.8%
1.1.5. Other identified industries	\$135.8	5.1%
1.1.6. Other identifiable	\$289.2	10.8%
1.2. Other not identified	\$217.8	8.2%
2. Investments	\$525.4	19.7%
3. Transfers	\$1,019.9	38.2%
Total Employment	25,757	
Unemployment Rate	6.7	
Per Capita Personal Income	\$52,482	
Population	50,862	

Note: Investments/transfers include consumption multiplier effect.



Intra-County Income Distributional Differences				
	Population	Median Income	Families Poverty	Earnings
Oregon	4,256,301	\$70,084	7.5%	76.2%
County	50,862	\$54,961	8.4%	64.0%
New port	10,305	\$52,897	6.9%	65.7%
Lincoln City	9,655	\$49,297	9.5%	62.5%
Toledo	3,516	\$48,534	10.8%	70.8%
Depoe Bay	2,140	\$60,329	0.9%	64.9%
Waldport	1,875	\$48,553	8.0%	53.0%
Siletz	968	\$60,938	--	55.3%
Yachats	706	\$54,833	8.3%	45.7%

Note: Median income and earnings are for households.

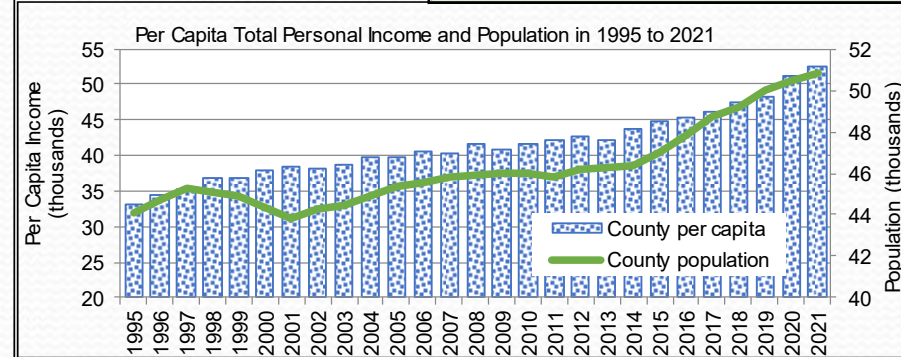
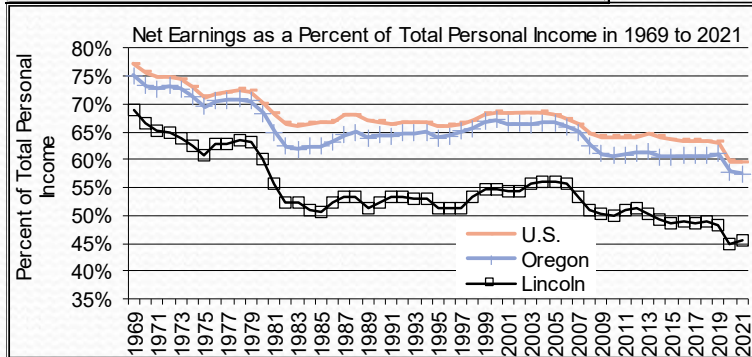
Housing Characteristics	
Housing units	31,862
Occupied	22,093
Occupied by renter	21.5%
Vacant	9,769
Vacant for second home	24.2%
Vacant - current residence elsewhere	2.5%

Population Characteristics		
	County	Oregon
Population	49,866	
Under 18	16.9%	20.8%
Age 18-64	53.7%	61.6%
65 and over	29.4%	17.7%
Median age	51.6	39.6
White alone	85.9%	
Components of population change		
Total change, 2010-2020	2,271	
Net migration	5,583	
Natural increase	-3,312	

Health and Social Characteristics	
Prim. physicians per 1,000 persons (2022)	0.7
Mortality rate per 100,000 persons (2023)	1,293.0
Preventable hospitalizations per 1,000 persons	8.6
Uninsurance	6.1%
Bank deposits per capita (\$)	24,084
Housing w/ inadequate plumbing	0.5%
Rural population	38%
Foster care rate per 1,000 persons	11.1
Index crime per 1,000 persons	24.6
Voter participation (2022 general election)	67.5%

Prosperity Measures		
	County	Oregon
Per capita personal income	\$52,482	\$61,449
Average wage per worker	\$46,060	\$63,989
Median val. owner occ. home	\$287,200	\$362,200
Assessed value per capita	\$171,759	\$109,555

Land Ownership	
Private land (2020)	68%



Note: All trend monetary data prior to 2021 has been adjusted to Year 2021 constant dollar using the Bureau of Economic Analysis GDP Implicit Price Deflator. All data after 2021 are nominal dollars.

Lincoln Economic Development Challenges

Threats

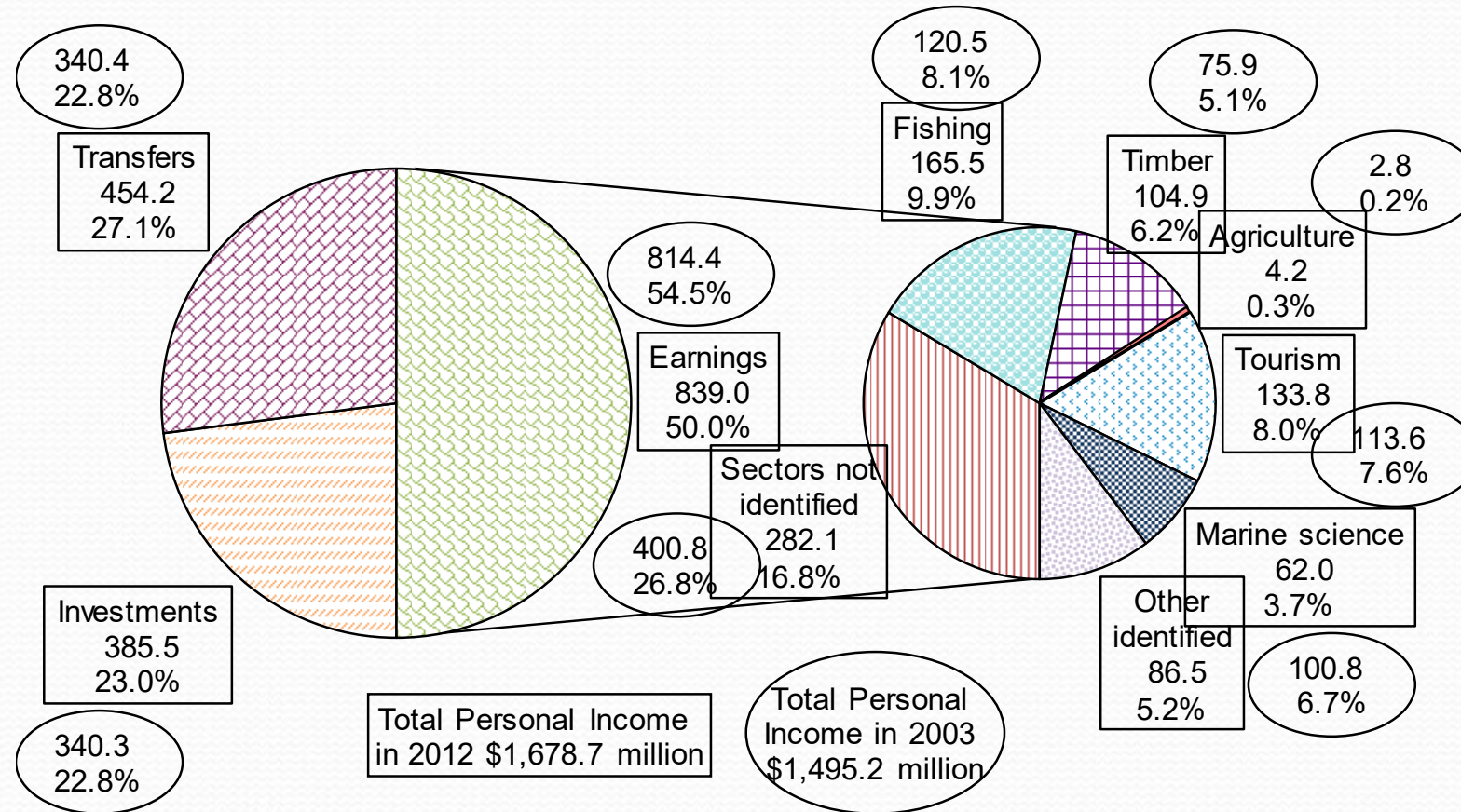
- Labor supply, worker affordable housing, early childcare
- Infrastructure – water supply, treatment and distribution; wastewater collection and treatment
- Trust ownership private timberland management coupled with low per volume transportation costs
- Second homes - infrastructure built for peak use but usage fees not being collected, subtracts from housing supply that drives up prices, omits affordable housing for beginning and low income buyers
- Caution – be careful trying to change comparative advantages

Comparative Advantages

- Commercial fishing center
- Electricity rates low (GP uses half of county's power)
- Timberland conservation (especially old growth) will attract economic development
- Satisfactory access from I-5 via Hwy 20 for tourism
- Marine sciences

What's Next

Lincoln County Sources of Total Personal Income in 2003 and 2012



Note: 1. Economic contributions are measured as total personal income in millions of inflation adjusted 2012 dollars. Pie slices that have boxed annotations are 2012 data year and circled annotations are 2003 data year.

Questions?

Contacts

Hans Radtke, Ph.D., Economist
hansradtke@peak.org

Shannon Davis, The Research Group, LLC,
shannond@trgsystems.net

Acknowledgements

Oregon Coast Visitors Association

Travel Oregon

Agencies and many businesses interviewed to
provide data and outlook information



Image courtesy of Oregon Coast Visitors Association.

Thank you for the opportunity to provide this information.