



C I T Y O F
RENO

NAVIGATING THE ECONOMY AHEAD

October 2025

APPLIED
ANALYSIS





Economic Overview

Challenges & Recommendations

Looking Forward



Economic Overview

Challenges &
Recommendations

Looking
Forward

ECONOMIC PERFORMANCE INDICATORS

United States | Pre-Pandemic Change

INDICATOR	CURRENT PERIOD	CURRENT VALUE	PRE-PANDEMIC VALUE	PERCENT CHANGE	
Real Gross Domestic Product	Q2 '25	\$23.8 T	\$20.7 T	14.8%	▲
Unemployment Rate[1]	Aug '25	4.2%	3.6%	0.6 pts.	▲
Real Wage and Salary Growth	Aug '25	4.1%	3.7%	0.4 pts.	▲
Producer Price Index	Aug '25	262.4	196.7	33.4%	▲
Retail Sales	Aug '25	\$632.5 B	\$448.0 B	41.2%	▲
Industrial Production[1]	Aug '25	103.3	102.2	1.1%	▲
Housing Starts	Aug '25	113,300	111,600	1.5%	▲
Building Permits	Aug '25	113,900	102,900	10.7%	▲
Balance of Trade	Jul '25	(\$78.3 B)	(\$39.9 B)	(96.1%)	▼
Value of U.S. Dollar	Sep '25	120.5	116.7	3.2%	▲
Corporate Profits After Tax	Q2 '25	\$3.7 T	\$2.0 T	80.6%	▲

Source: Federal Reserve of Saint Louis. Note: [1] Trailing 12-month value. Pre-pandemic values represent February 2020 for monthly indicators and Q1 2020 for quarterly indicators.

ECONOMIC PERFORMANCE INDICATORS

United States | Annual Change

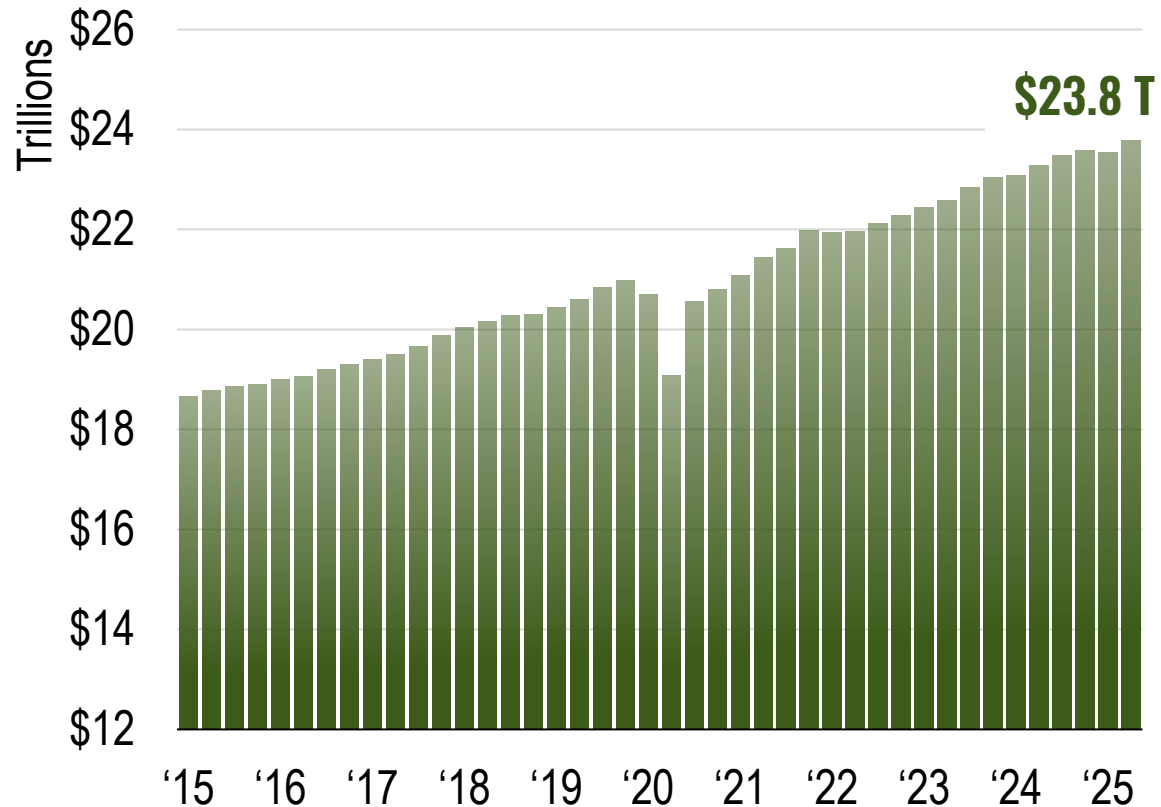
INDICATOR	CURRENT PERIOD	CURRENT VALUE	PRIOR YEAR VALUE	PERCENT CHANGE	
Real Gross Domestic Product	Q2 '25	\$23.8 T	\$23.3 T	2.1%	▲
Unemployment Rate[1]	Aug '25	4.2%	3.9%	0.3 pts.	▲
Real Wage and Salary Growth	Aug '25	4.1%	4.6%	(0.5 pts.)	▼
Producer Price Index	Aug '25	262.4	255.5	2.7%	▲
Retail Sales	Aug '25	\$632.5 B	\$603.7 B	4.8%	▲
Industrial Production[1]	Aug '25	103.3	102.7	0.6%	▲
Housing Starts	Aug '25	113,300	121,800	(7.0%)	▼
Building Permits	Aug '25	113,900	132,500	(14.0%)	▼
Balance of Trade	Jul '25	(\$78.3 B)	(\$78.6 B)	0.4%	▲
Value of U.S. Dollar	Sep '25	120.5	122.1	(1.4%)	▼
Corporate Profits After Tax	Q2 '25	\$3.7 T	\$3.4 T	7.0%	▲

Source: Federal Reserve of Saint Louis. Note: [1] Trailing 12-month value.

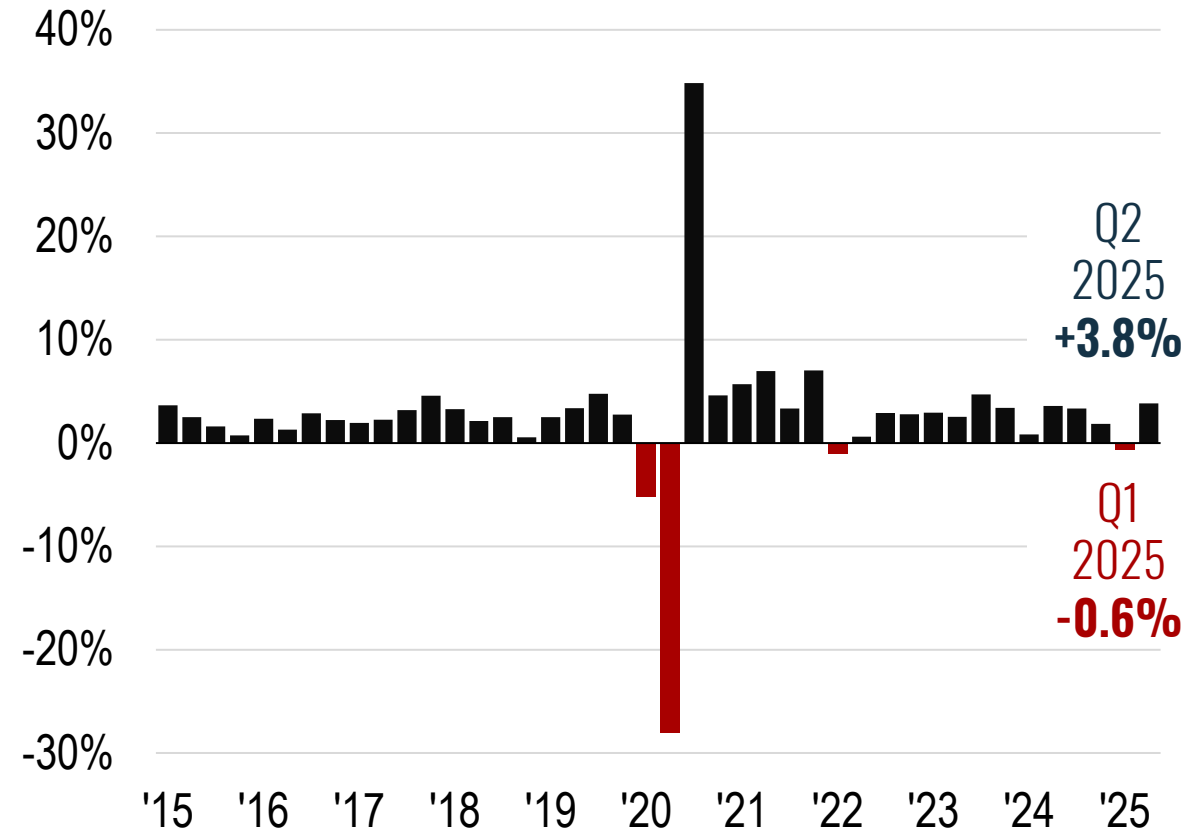
REAL GROSS DOMESTIC PRODUCT

United States

Historical Trend



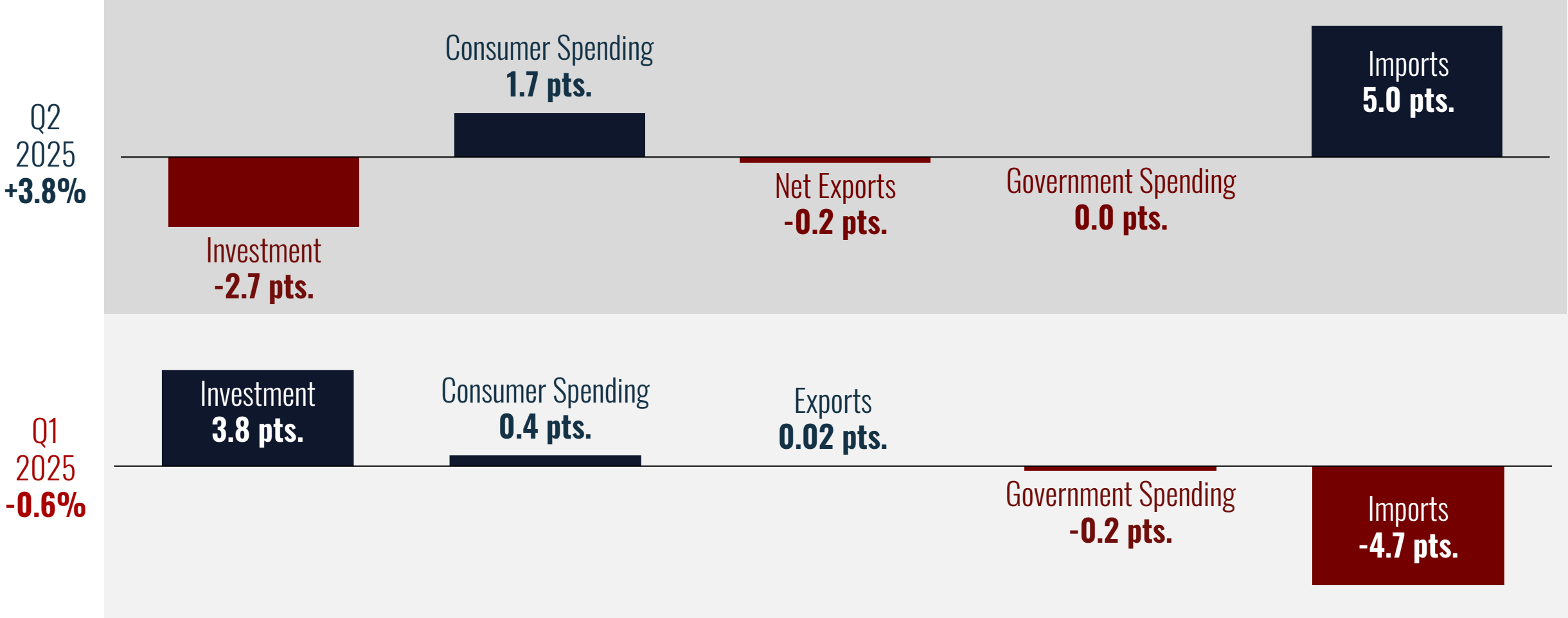
Annualized Growth



Source: U.S. Bureau of Economic Analysis

CONTRIBUTIONS TO REAL GDP CHANGE

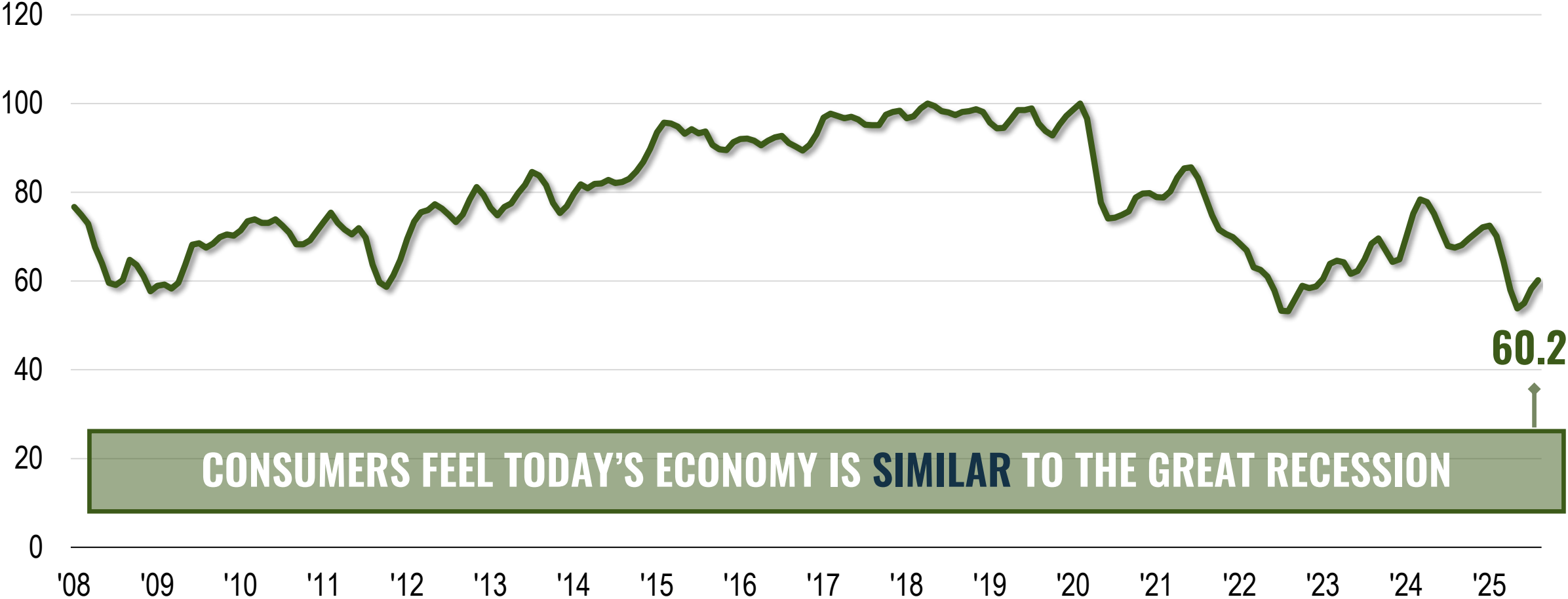
United States



Source: U.S. Bureau of Economic Analysis. Note: Data is seasonally adjusted and expressed in chained 2017 dollars. Contributions to GDP are based on annual change.

CONSUMER SENTIMENT

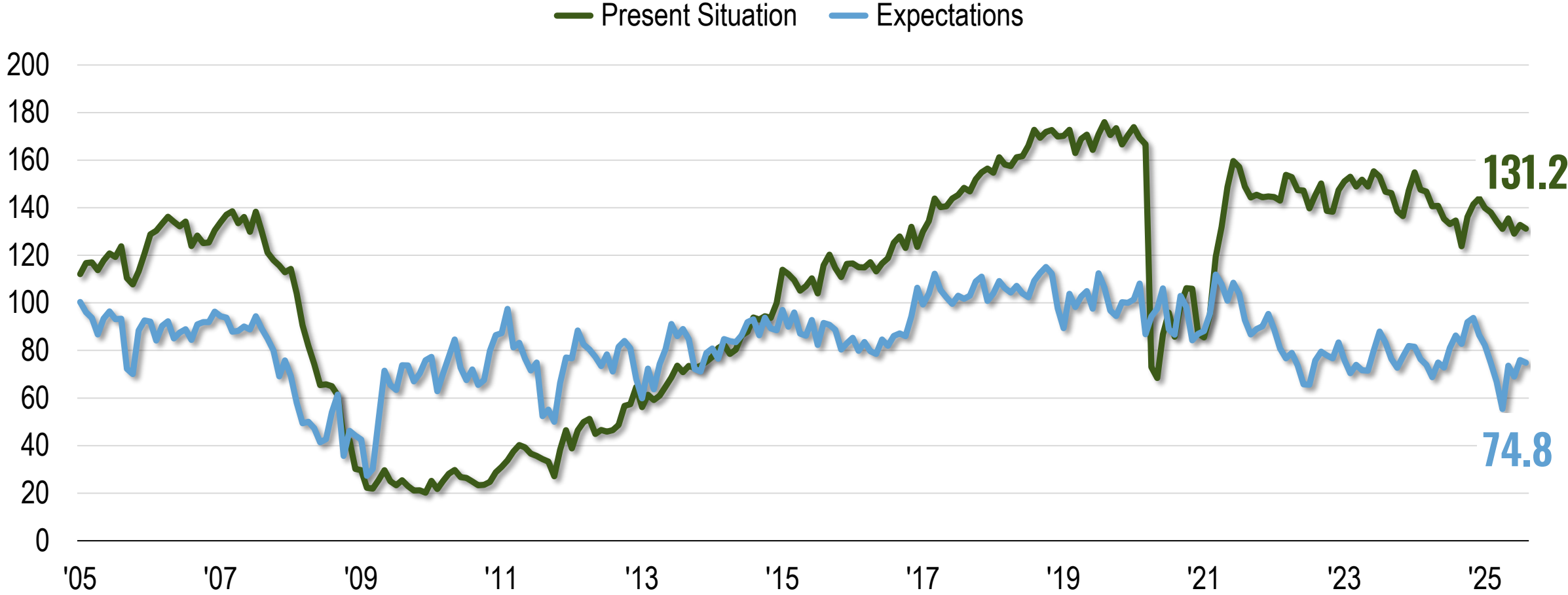
United States



Source: University of Michigan

CONSUMER CONFIDENCE

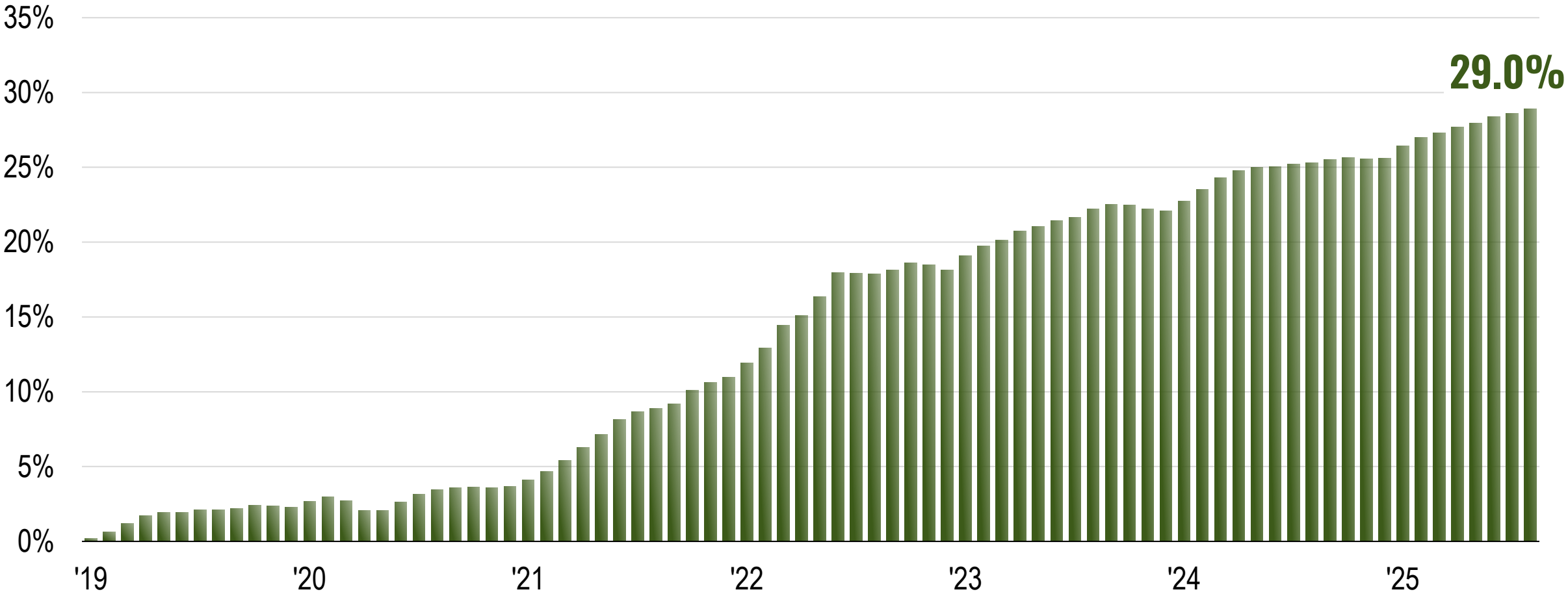
United States



Source: The Conference Board. Note: Data is indexed, 1985=100.

CONSUMER PRICE INDEX GROWTH

United States | Since December 2018



Source: U.S. Bureau of Labor Statistics

COST OF LIVING INDEX

Reno MSA

102.8 Total Composite Index



Grocery Items

102.2



Housing

119.4



Transportation

115.3



Utilities

77.4



Healthcare

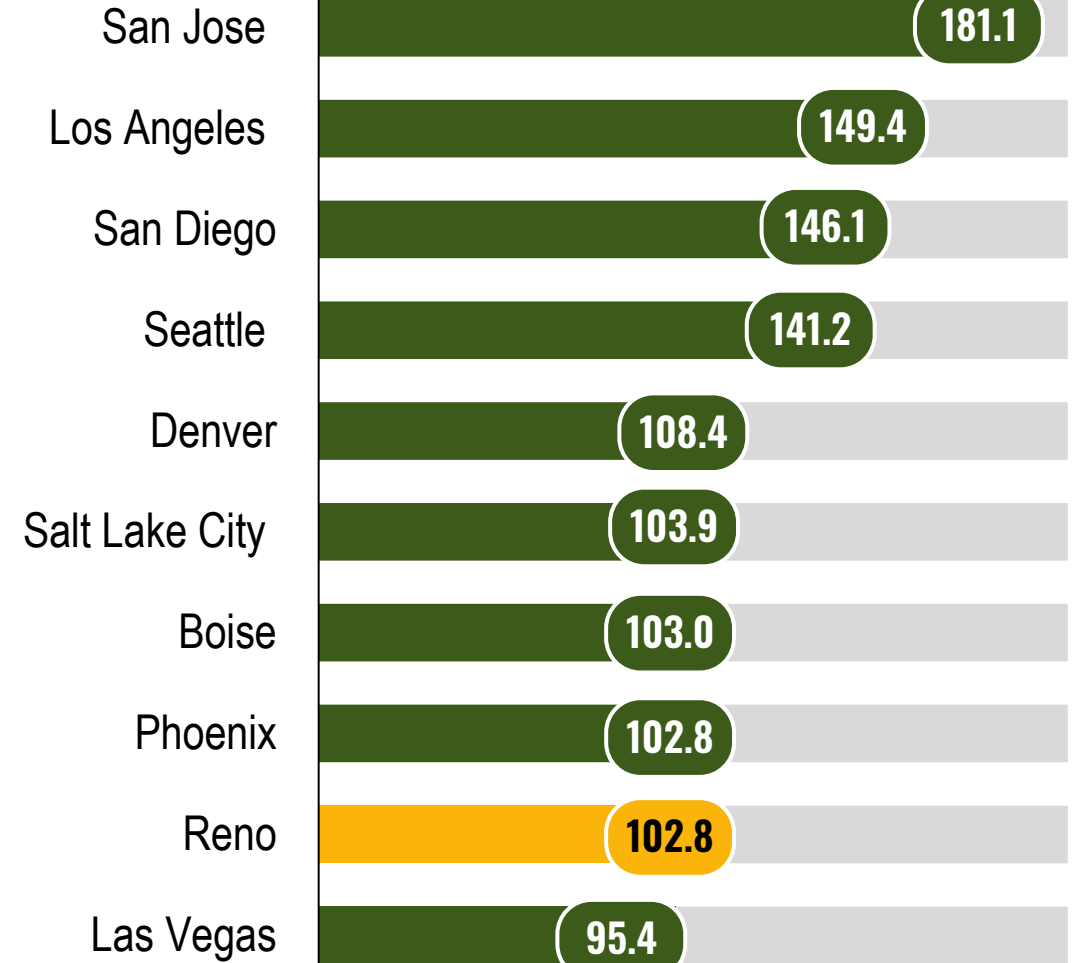
88.5



Misc. Goods

94.2

MSA Comparison



Source: The Council for Community and Economic Research. Note: COLI national average = 100; COLI metro comparisons are Q2 2025 values.

COST OF LIVING INDEX

Reno MSA

102.8 Total Composite Index



Grocery Items

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Housing

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Transportation

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Utilities

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Healthcare

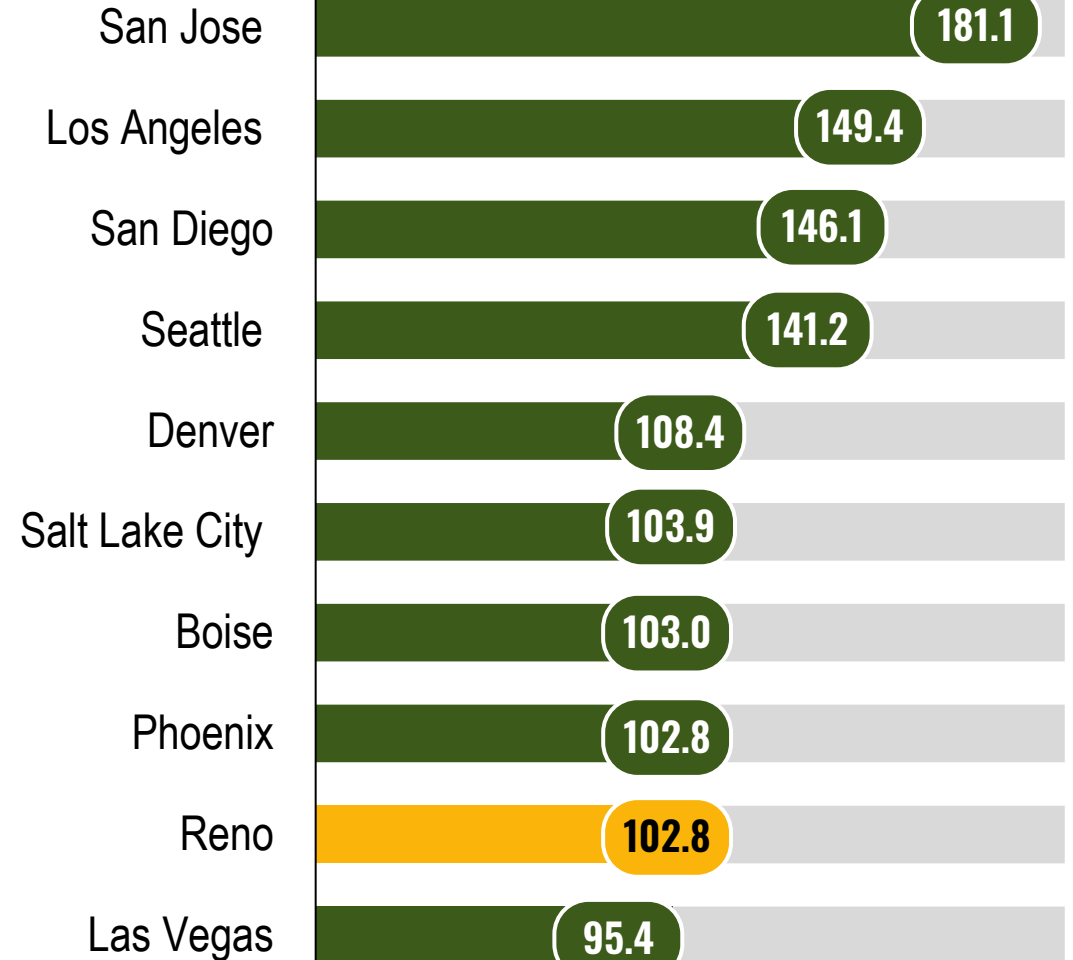
88.5



Misc. Goods

94.2

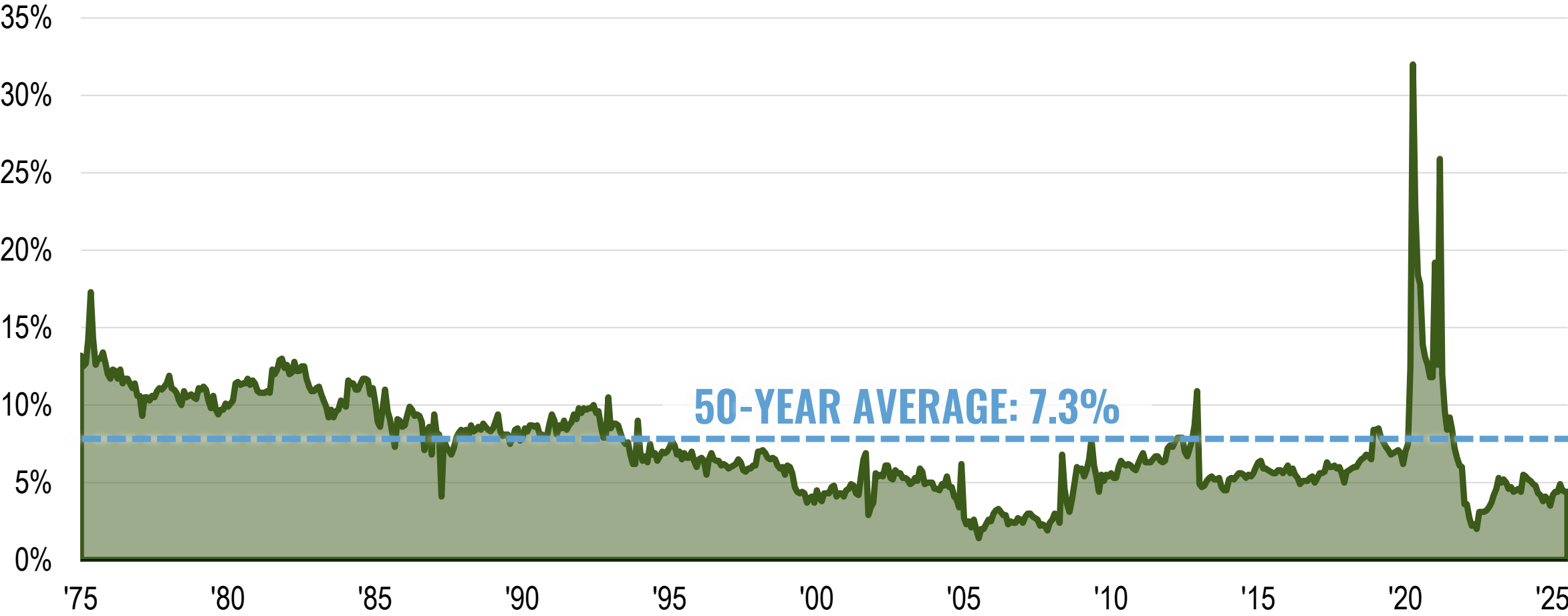
MSA Comparison



Source: The Council for Community and Economic Research. Note: COLI national average = 100; COLI metro comparisons are Q2 2025 values.

PERSONAL SAVINGS RATE

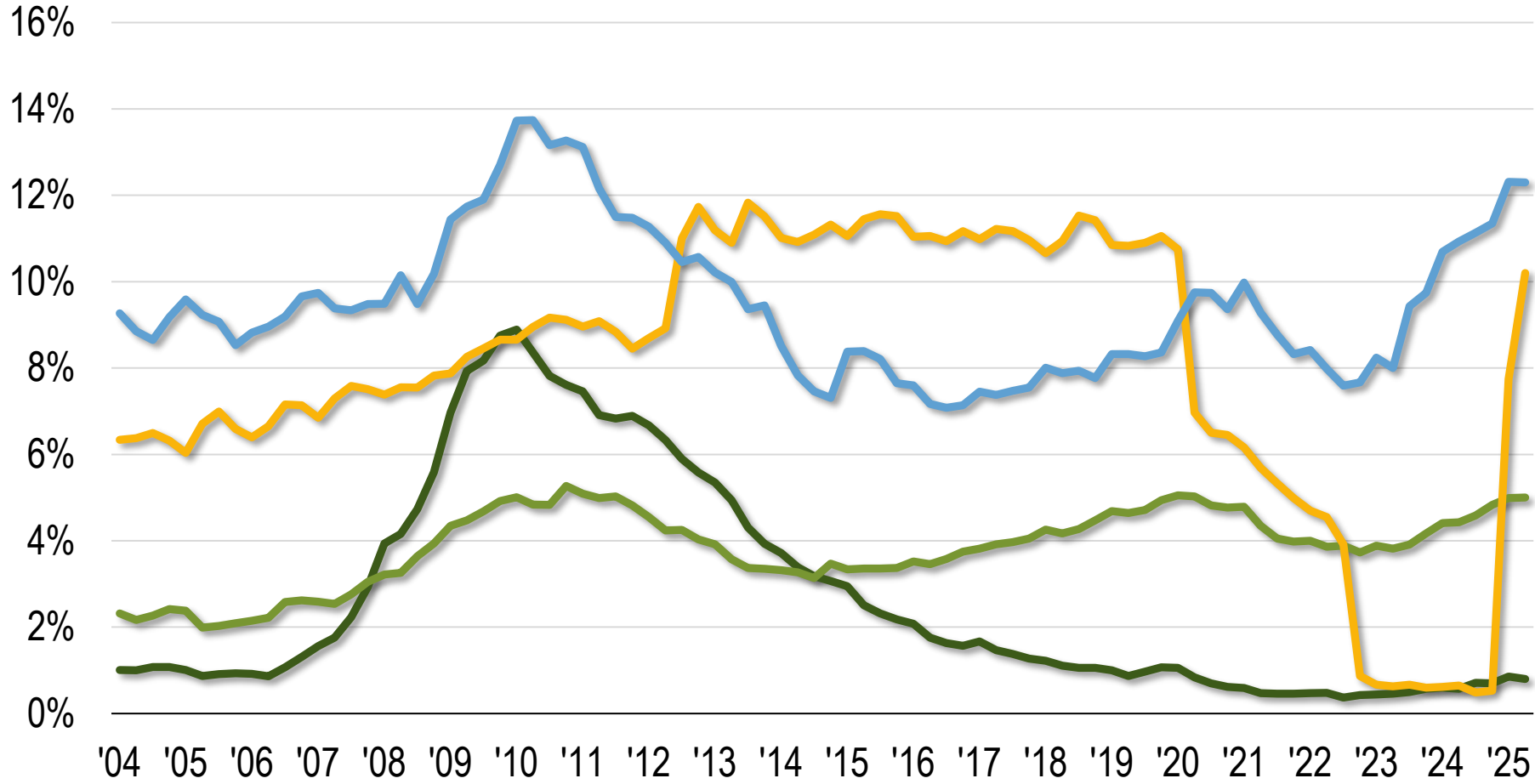
United States



Source: U.S. Bureau of Economic Analysis

DELINQUENCY RATE BY TYPE

United States | Q2 2025



CREDIT CARD
12.3%

STUDENT LOAN
10.2%

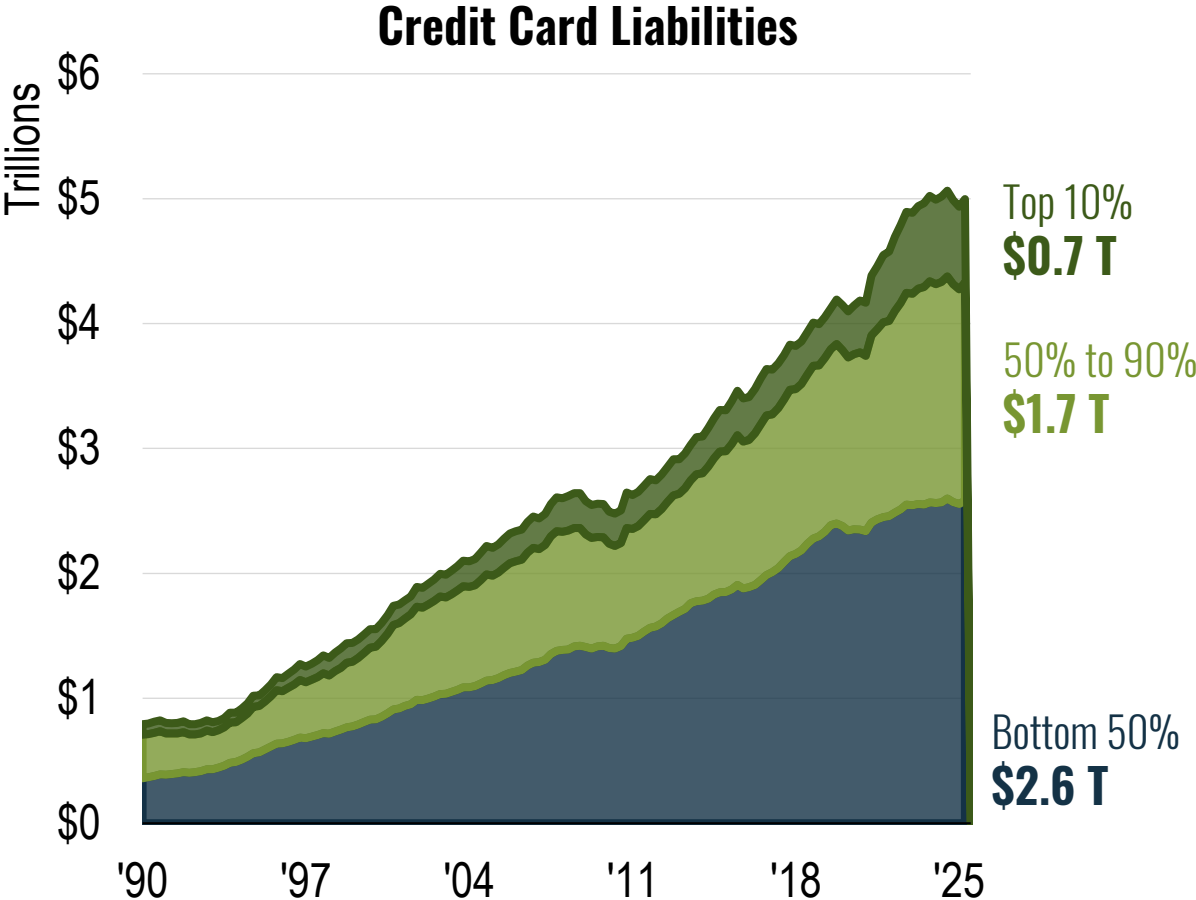
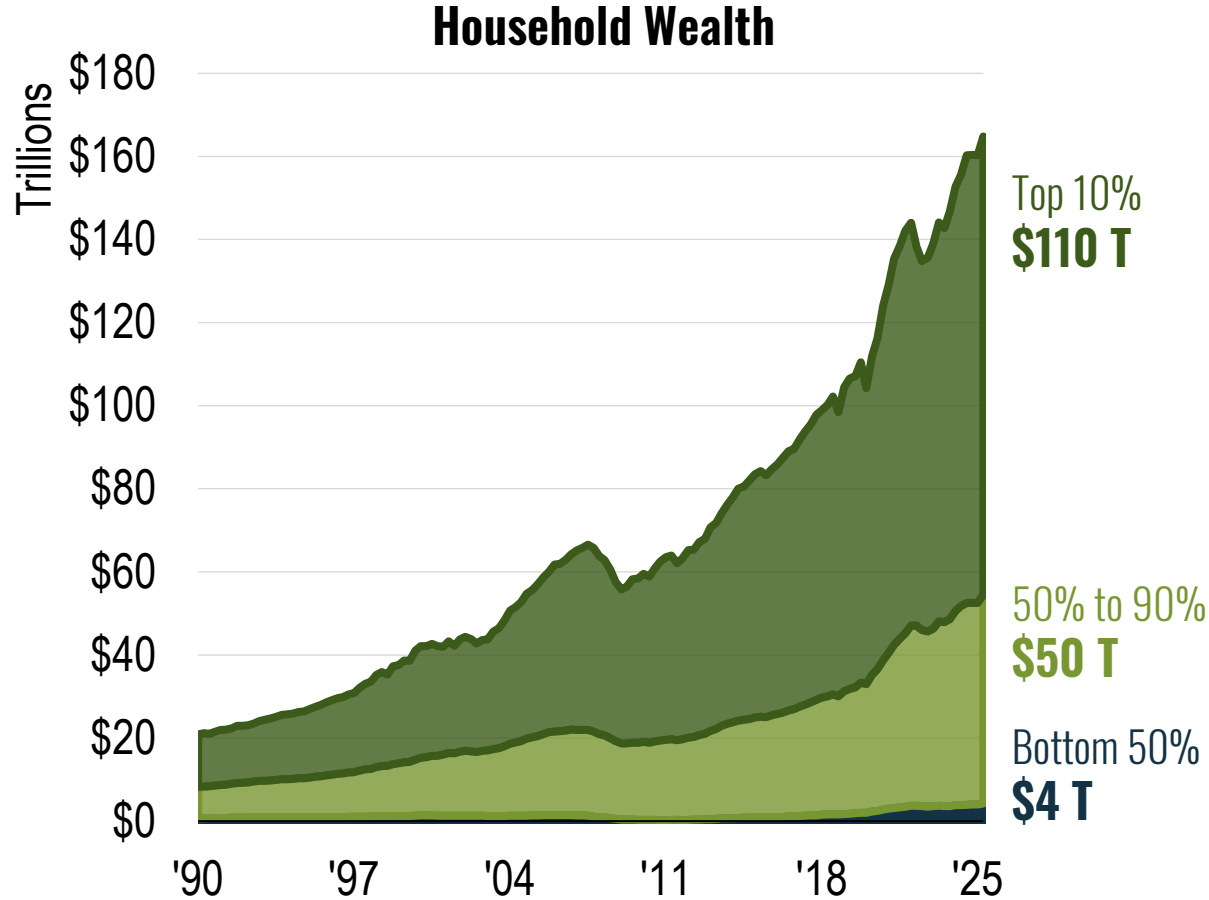
AUTO LOAN
5.0%

MORTGAGES
0.8%

Source: Federal Reserve Bank of New York

WEALTH AND DEBT

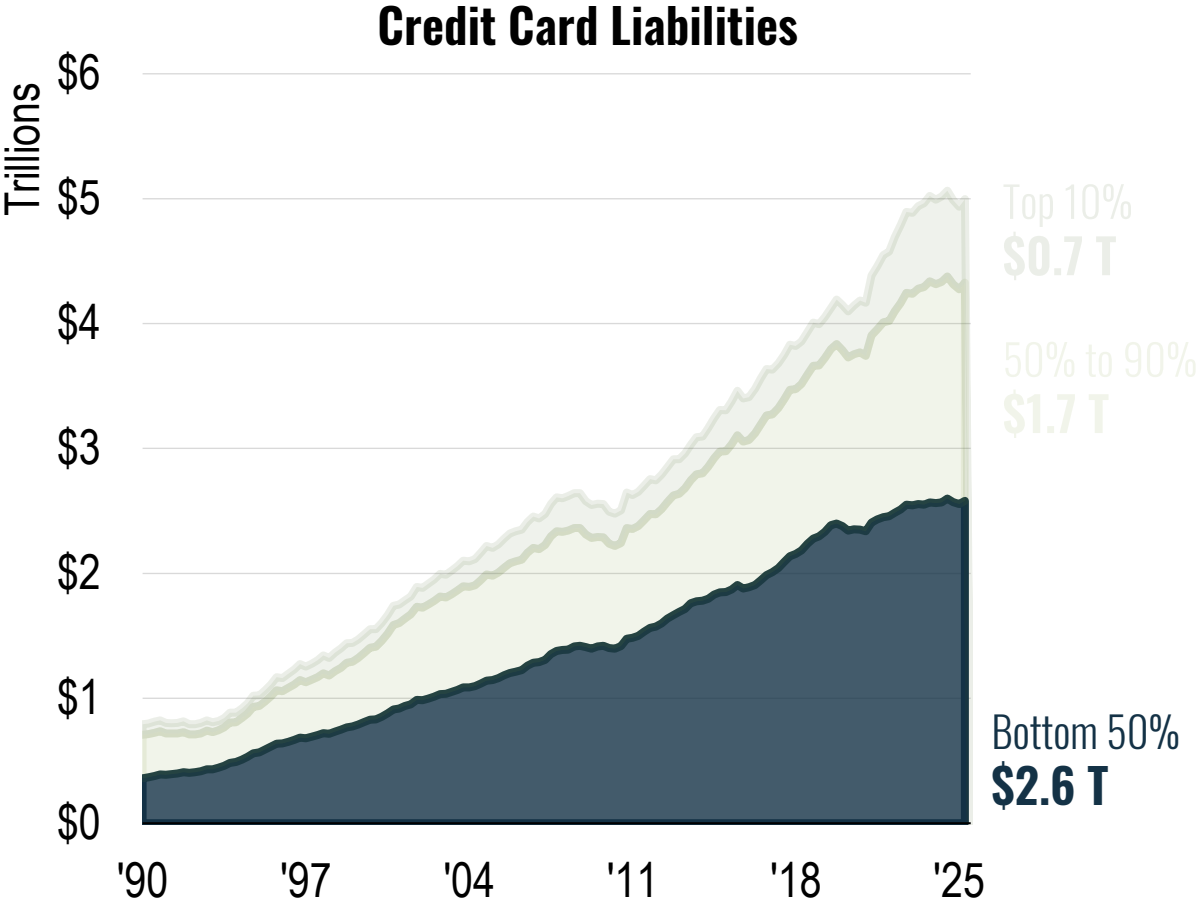
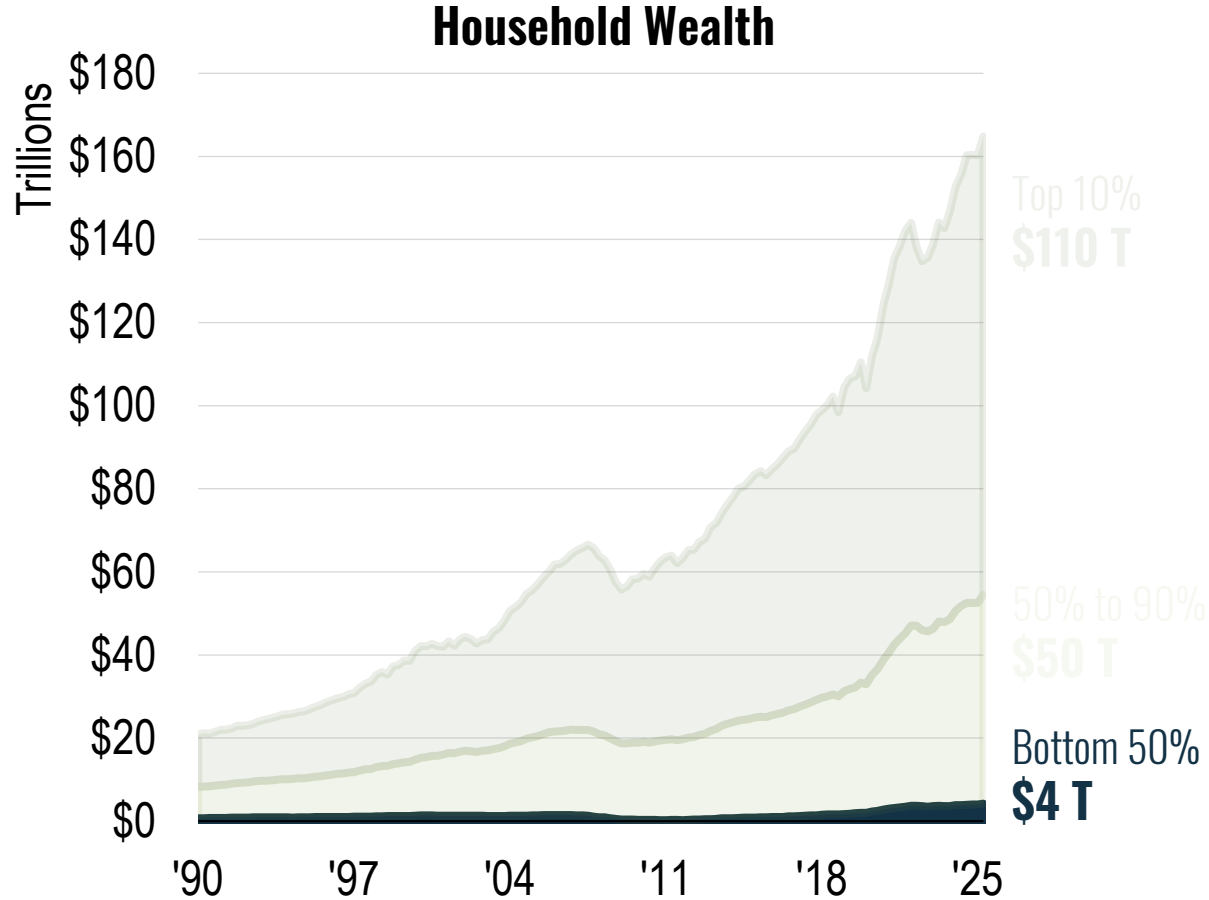
United States



Source: The Federal Reserve

WEALTH AND DEBT

United States

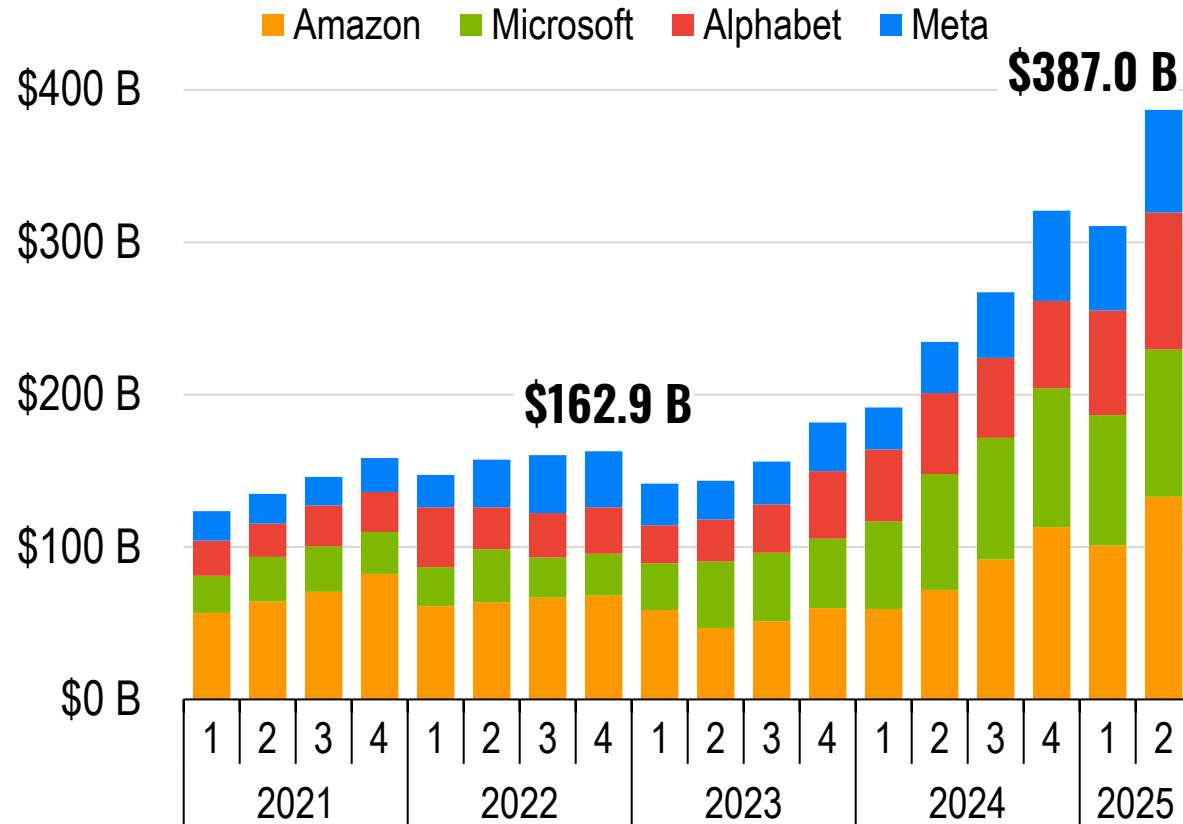


Source: The Federal Reserve

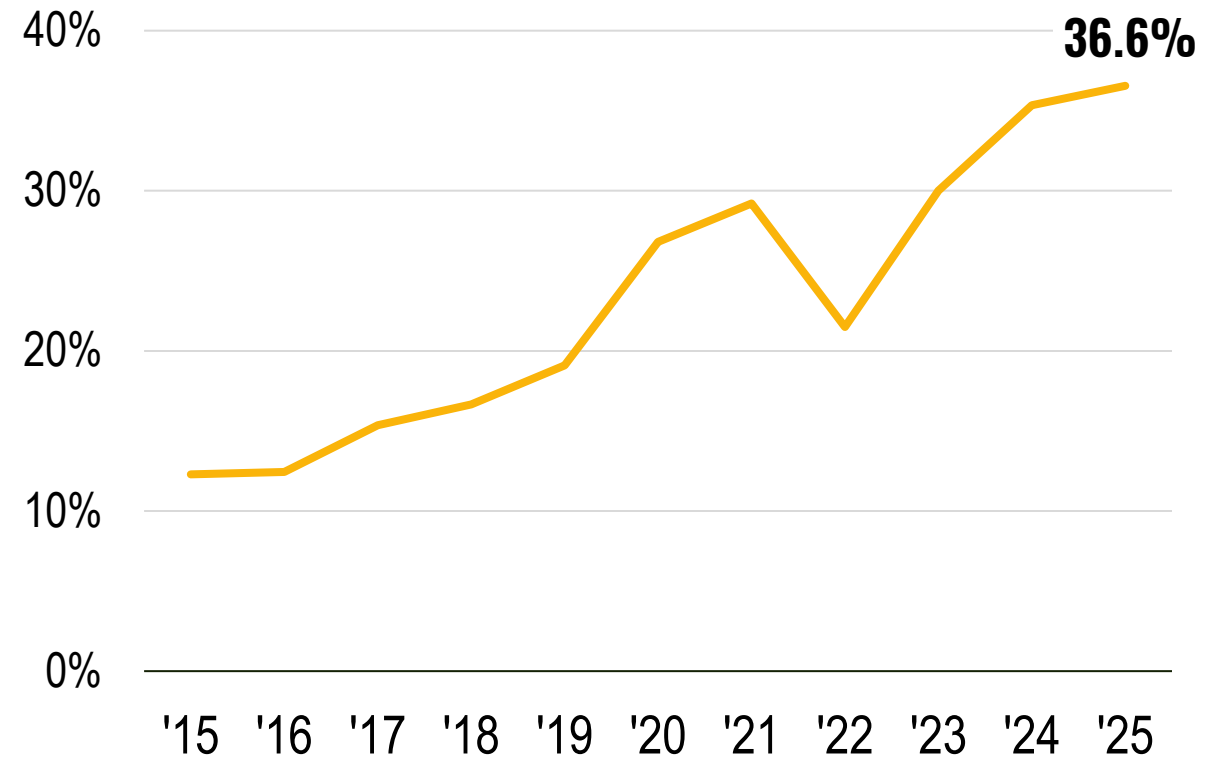
ARTIFICIAL INTELLIGENCE

Big Tech Driving Data Center Expansion

Capital Spending – Annualized



Big Tech Share of S&P 500



Source: Wall Street Journal; The Motley Fool

ARTIFICIAL INTELLIGENCE

Boom or Bust?



- AI-related capital expenditures contributed about a third of all GDP growth in the first half of 2025.
- Investment is outpacing revenue by a factor of six, raising worries of a potential bubble.
- Economic bubbles of the past have typically been short-term corrections, and the investments served as transformational infrastructure for new economies (railroads and the internet).

ECONOMIC PERFORMANCE INDICATORS

Northern Nevada | Pre-Pandemic Change

INDICATOR	CURRENT PERIOD	CURRENT VALUE	PRE-PANDEMIC VALUE	PERCENT CHANGE	
Gross Domestic Product[1]	2024	\$269.0 B	\$184.6 B	45.7%	▲
Population	2024	507,300	472,400	7.4%	▲
Employment	Aug '25	278,600	260,400	7.0%	▲
Unemployment Rate[2]	Aug '25	4.6%	3.5%	1.1 pts.	▲
Average Weekly Wages	Aug '25	\$1,175	\$969	21.3%	▲
Average Weekly Hours	Aug '25	36.4	36.0	1.1%	▲
Electric Meter Hookups	Aug '25	335,335	307,485	9.1%	▲
Home Price Index [1]	2025 Q2	426.0	278.5	53.0%	▲
Taxable Retail Sales[3]	Jul '25	\$12.5 B	\$9.3 B	34.9%	▲
Visitor Volume[3]	Aug '25	3.8 M	4.2 M	(7.6%)	▼
RNO Passengers[3]	Aug '25	4.9 M	4.5 M	9.4%	▲
Gross Gaming Revenue[3]	Aug '25	\$1.1 B	\$0.9 B	22.5%	▲

Source: Federal Reserve of Saint Louis. Note: [1] Nevada; [2] 12-month average; [3] 12-month total. Pre-pandemic values represent Feb. 2020 for monthly indicators, Q1 2020 for quarterly, and 2019 for annual

ECONOMIC PERFORMANCE INDICATORS

Northern Nevada | Annual Change

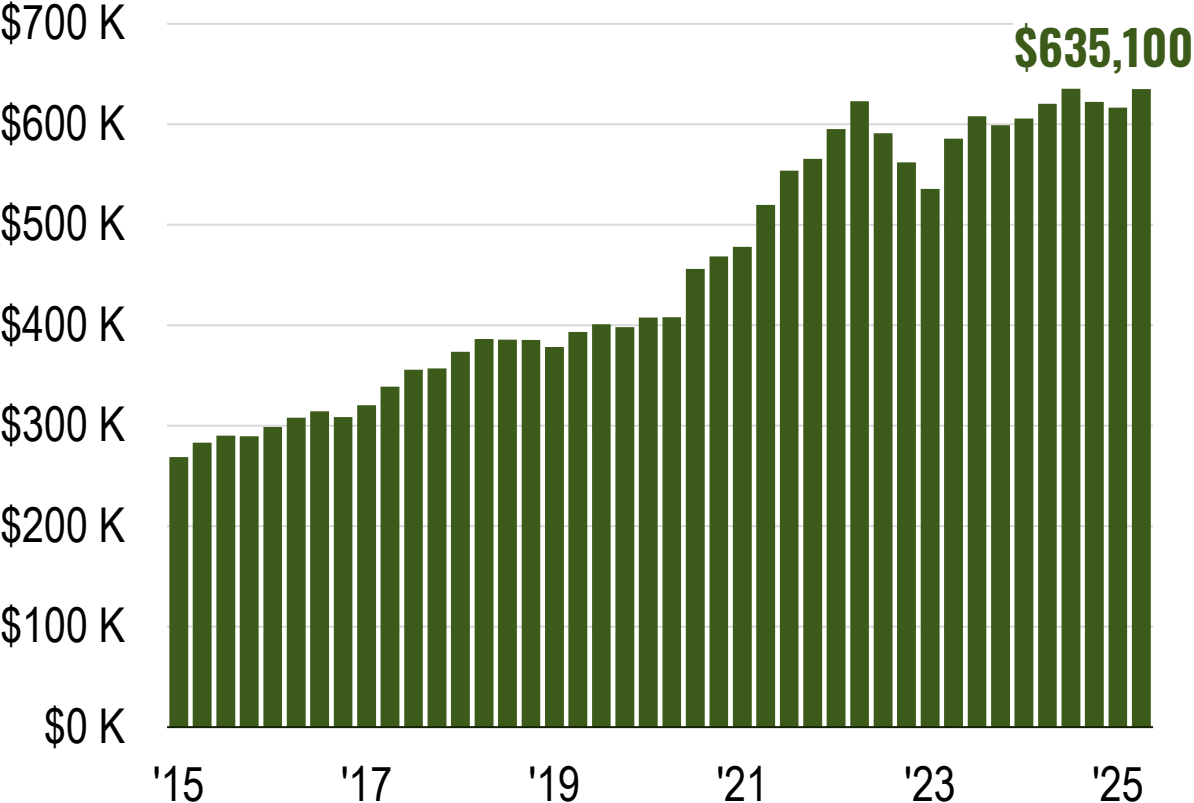
INDICATOR	CURRENT PERIOD	CURRENT VALUE	PRIOR YEAR VALUE	PERCENT CHANGE	
Gross Domestic Product[1]	2024	\$269.0 B	\$253.4 B	6.1%	▲
Population	2024	507,300	500,200	1.4%	▲
Employment	Aug '25	278,600	277,800	0.3%	▲
Unemployment Rate[2]	Aug '25	4.6%	4.7%	(0.1 pts.)	▼
Average Weekly Wages	Aug '25	\$1,175	\$1,131	4.0%	▲
Average Weekly Hours	Aug '25	36.4	35.3	3.1%	▲
Electric Meter Hookups	Aug '25	335,335	331,986	1.0%	▲
Home Price Index [1]	2025 Q2	426.0	418.0	1.9%	▲
Taxable Retail Sales[3]	Jul '25	\$12.5 B	\$12.1 B	3.0%	▲
Visitor Volume[3]	Aug '25	3.8 M	3.8 M	0.8%	▲
RNO Passengers[3]	Aug '25	4.9 M	4.8 M	3.1%	▲
Gross Gaming Revenue[3]	Aug '25	\$1.1 B	\$1.0 B	2.9%	▲

Source: Federal Reserve of Saint Louis. Note: [1] Nevada; [2] 12-month average; [3] 12-month total. HPI represents purchase-only data.

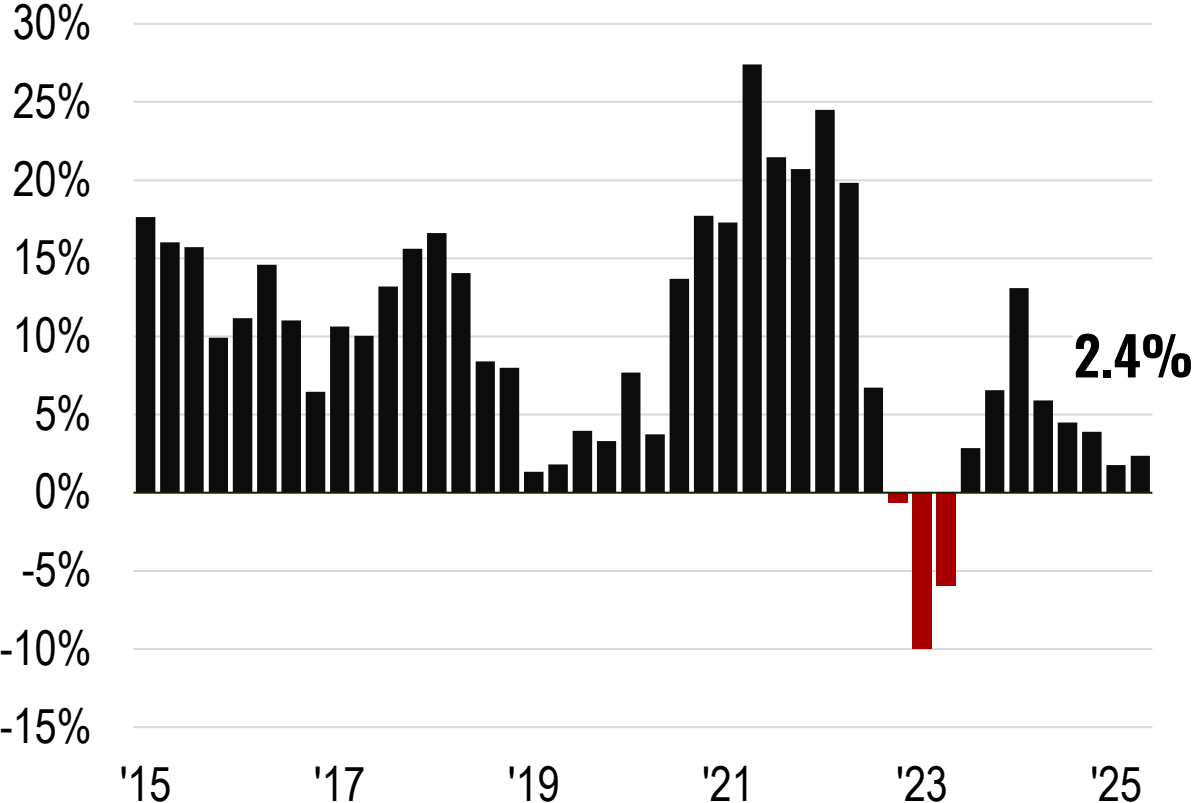
SINGLE FAMILY HOME PRICE

Reno MSA

Median Sale Price



Annual Price Growth



Source: National Association of Realtors

YEARS NEEDED TO SAVE FOR A DOWN PAYMENT



Median Home Value



Median Household Income



20% Down Payment

	Median Home Value	Median Household Income	20% Down Payment	Years to Save
United States	\$113,000	\$35,800	\$22,600	8
Reno MSA	\$109,325	\$33,619	\$21,900	9

SAVINGS RATE

7.6%

Source: U.S. Bureau of Economic Analysis; Federal Reserve Bank of Atlanta; National Association of Realtors. Notes: Based on available estimates. Assumes money is in a high-yield savings account earning 2.0 percent interest.

YEARS NEEDED TO SAVE FOR A DOWN PAYMENT



Median Home Value



Median Household Income



20% Down Payment

	Median Home Value	Median Household Income	20% Down Payment	Years to Save
United States	\$194,500	\$56,500	\$38,900	10
Reno MSA	\$282,850	\$55,928	\$56,570	14



Source: U.S. Bureau of Economic Analysis; Federal Reserve Bank of Atlanta; National Association of Realtors. Notes: Based on available estimates. Assumes money is in a high-yield savings account earning 2.0 percent interest.

YEARS NEEDED TO SAVE FOR A DOWN PAYMENT



Median Home Value



Median Household Income



20% Down Payment

	Median Home Value	Median Household Income	20% Down Payment	Years to Save
United States	\$384,200	\$79,200	\$76,800	16
Reno MSA	\$635,100	\$87,101	\$127,020	33

SAVINGS RATE

4.4%

Source: U.S. Bureau of Economic Analysis; Federal Reserve Bank of Atlanta; National Association of Realtors. Notes: Based on available estimates. Assumes money is in a high-yield savings account earning 2.0 percent interest. Reno MSA median home value is for Q2 2025 and household income is trailing 12 month as of August.

PAYCHECK-TO-MORTGAGE GAP

Northern Nevada



0.9% of occupations in Northern Nevada with average earnings meeting minimum requirements

Source: Federal Reserve Bank of Atlanta; Bureau of Labor Statistics. Note: Assumes that housing costs do not exceed 30 percent of gross monthly income. Based on existing home prices.

PAYCHECK-TO-MORTGAGE GAP

Northern Nevada



WORK

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
24 HRS	+24	+24	+24	+24	+24	+24

Source: Federal Reserve Bank of Atlanta; Bureau of Labor Statistics. Note: Assumes that housing costs do not exceed 30 percent of gross monthly income. Based on existing home prices.

PAYCHECK-TO-MORTGAGE GAP

Northern Nevada



WORK

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
24 HRS	+24	+24	+24	+24	+24	+24
						168 HRS

Source: Federal Reserve Bank of Atlanta; Bureau of Labor Statistics. Note: Assumes that housing costs do not exceed 30 percent of gross monthly income. Based on existing home prices.

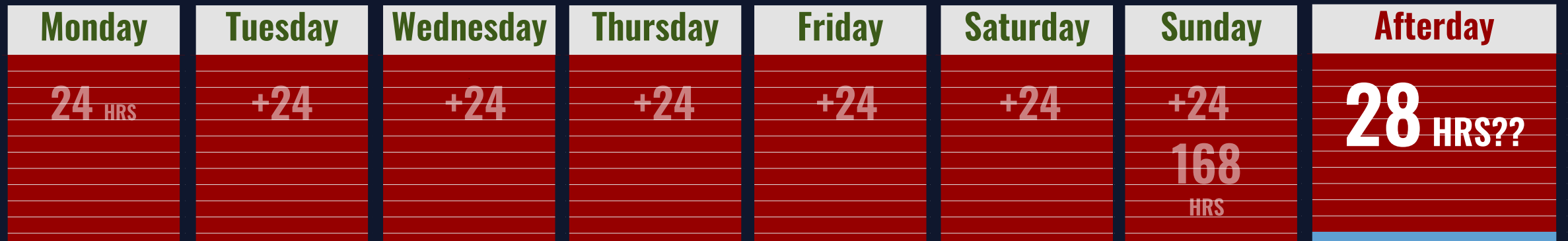
PAYCHECK-TO-MORTGAGE GAP

Northern Nevada



WORK

SLEEP



Source: Federal Reserve Bank of Atlanta; Bureau of Labor Statistics. Note: Assumes that housing costs do not exceed 30 percent of gross monthly income. Based on existing home prices.

PAYCHECK-TO-MORTGAGE GAP

Northern Nevada



88% of total hours in a seven-day week

Source: Federal Reserve Bank of Atlanta; Bureau of Labor Statistics. Note: Assumes that housing costs do not exceed 30 percent of gross monthly income. Based on existing home prices.

PAYCHECK-TO-MORTGAGE GAP

Northern Nevada



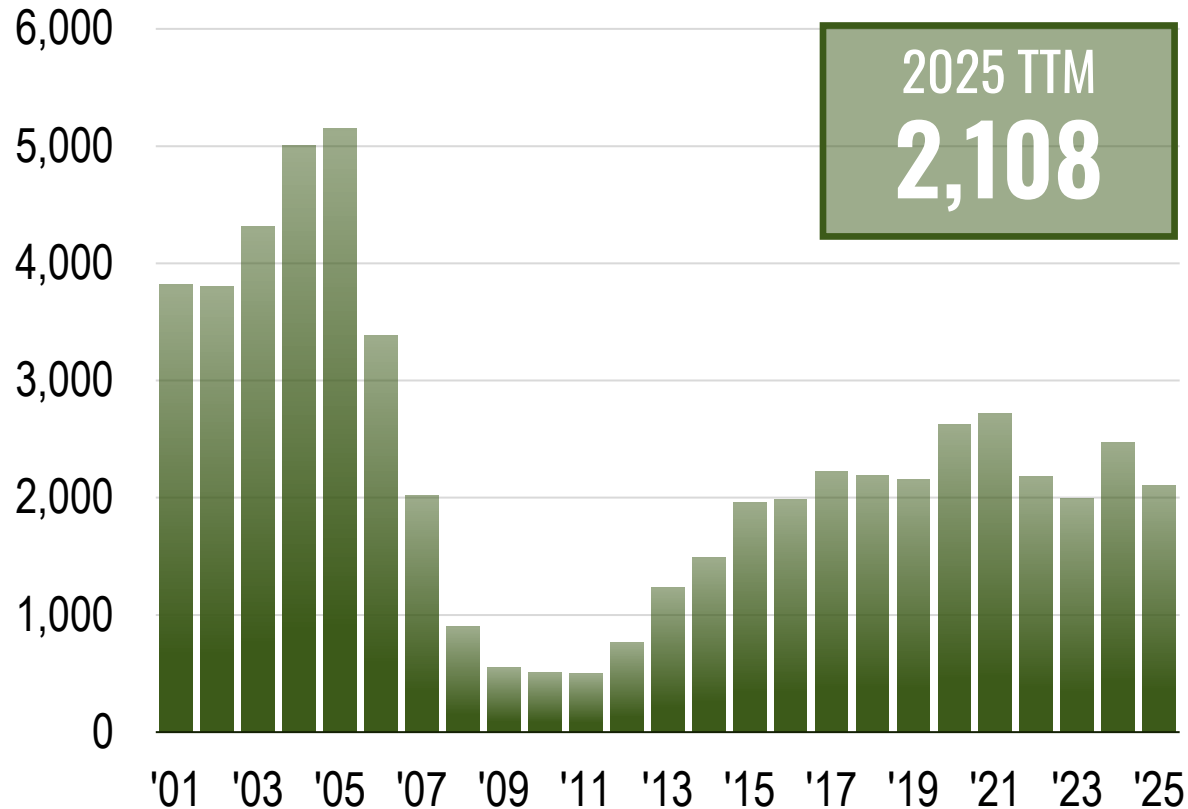
70% of total hours in a seven-day week

Source: Federal Reserve Bank of Atlanta; Bureau of Labor Statistics. Note: Assumes that housing costs do not exceed 30 percent of gross monthly income. Based on existing home prices.

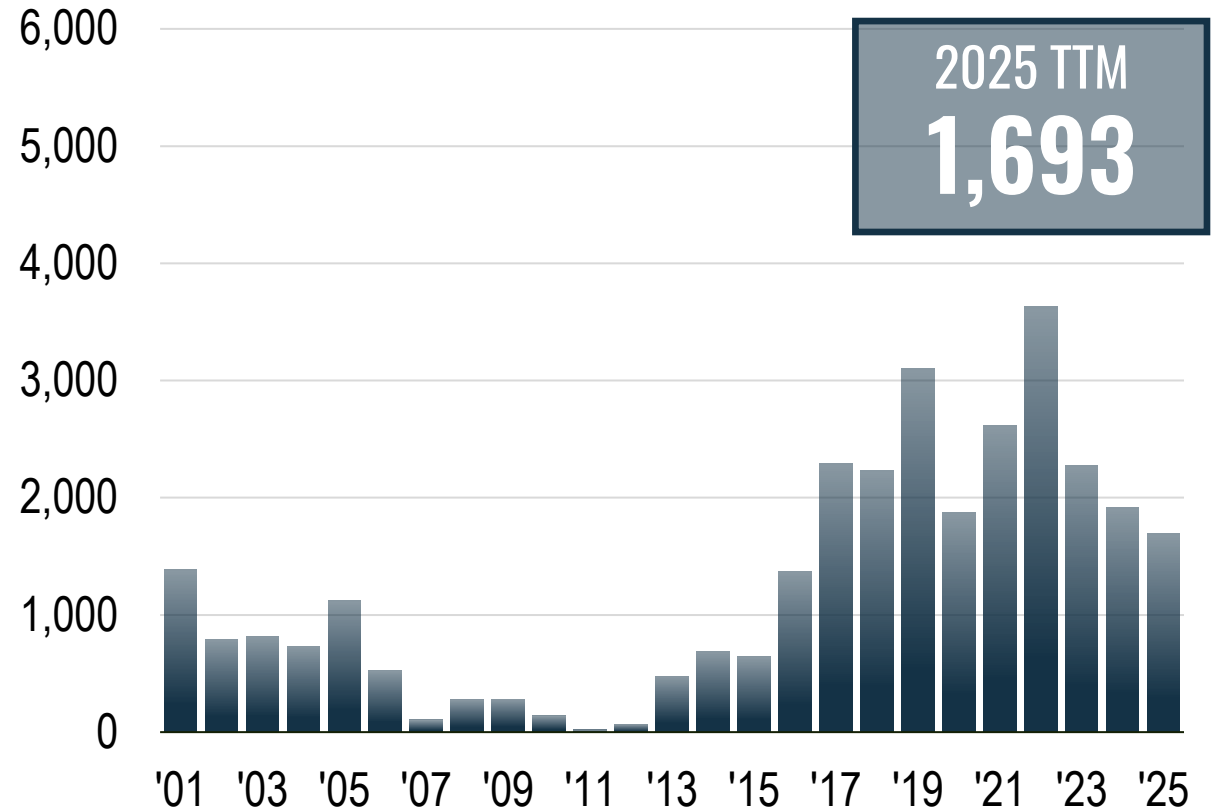
RESIDENTIAL PERMITTED UNITS

Reno MSA

Single Family



Multi-Family

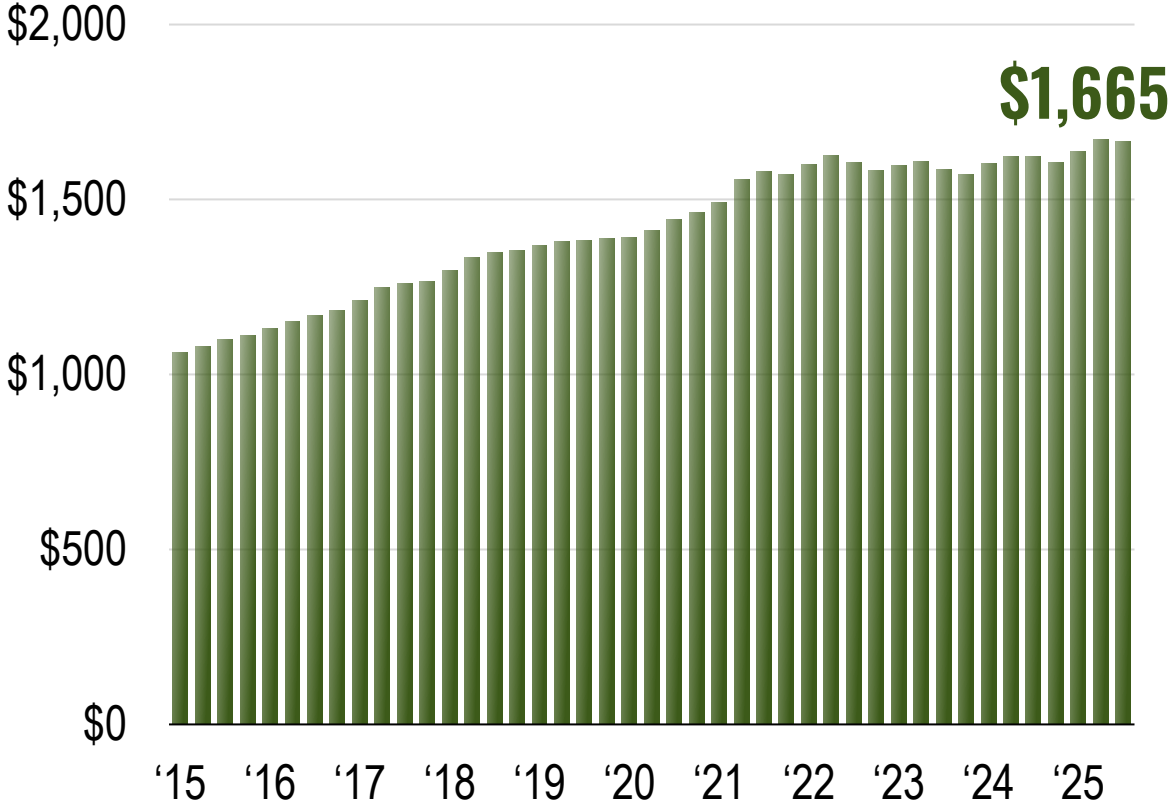


Source: U.S. Census Bureau. 2025 values are trailing 12-month totals through August.

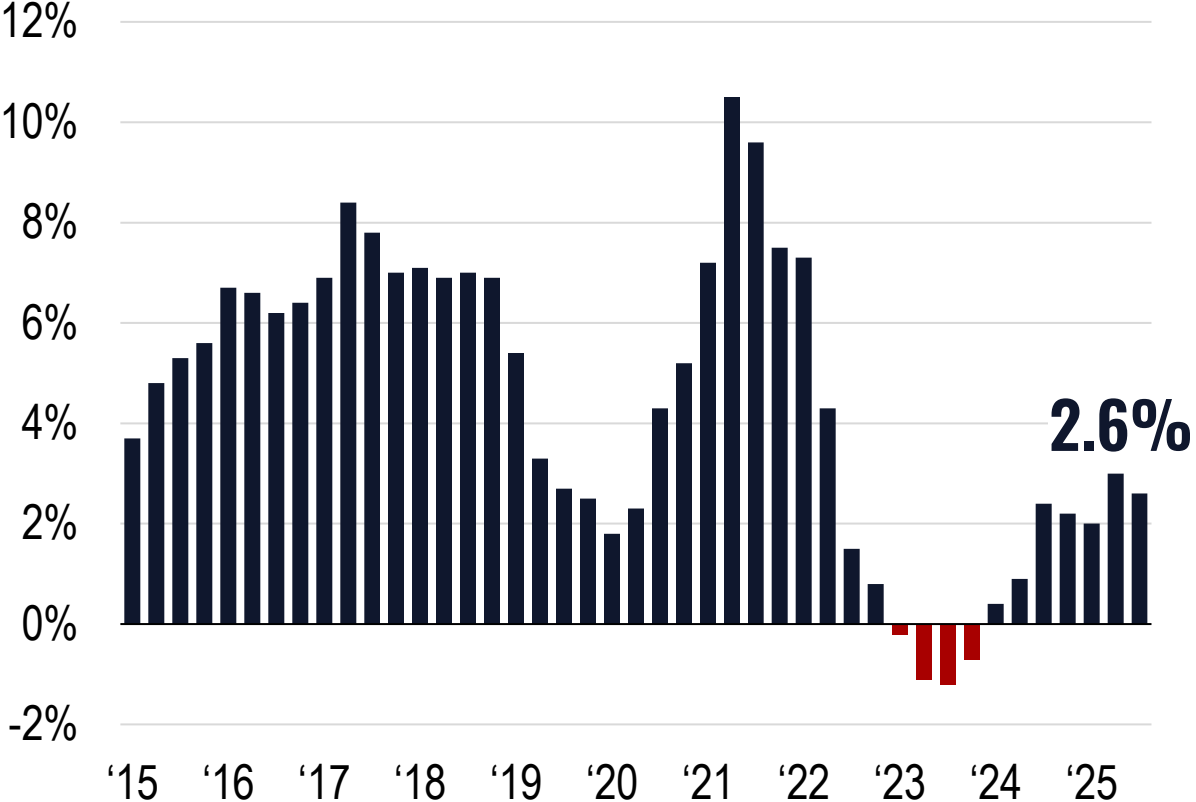
APARTMENT MARKET

Reno MSA

Asking Rent Per Unit

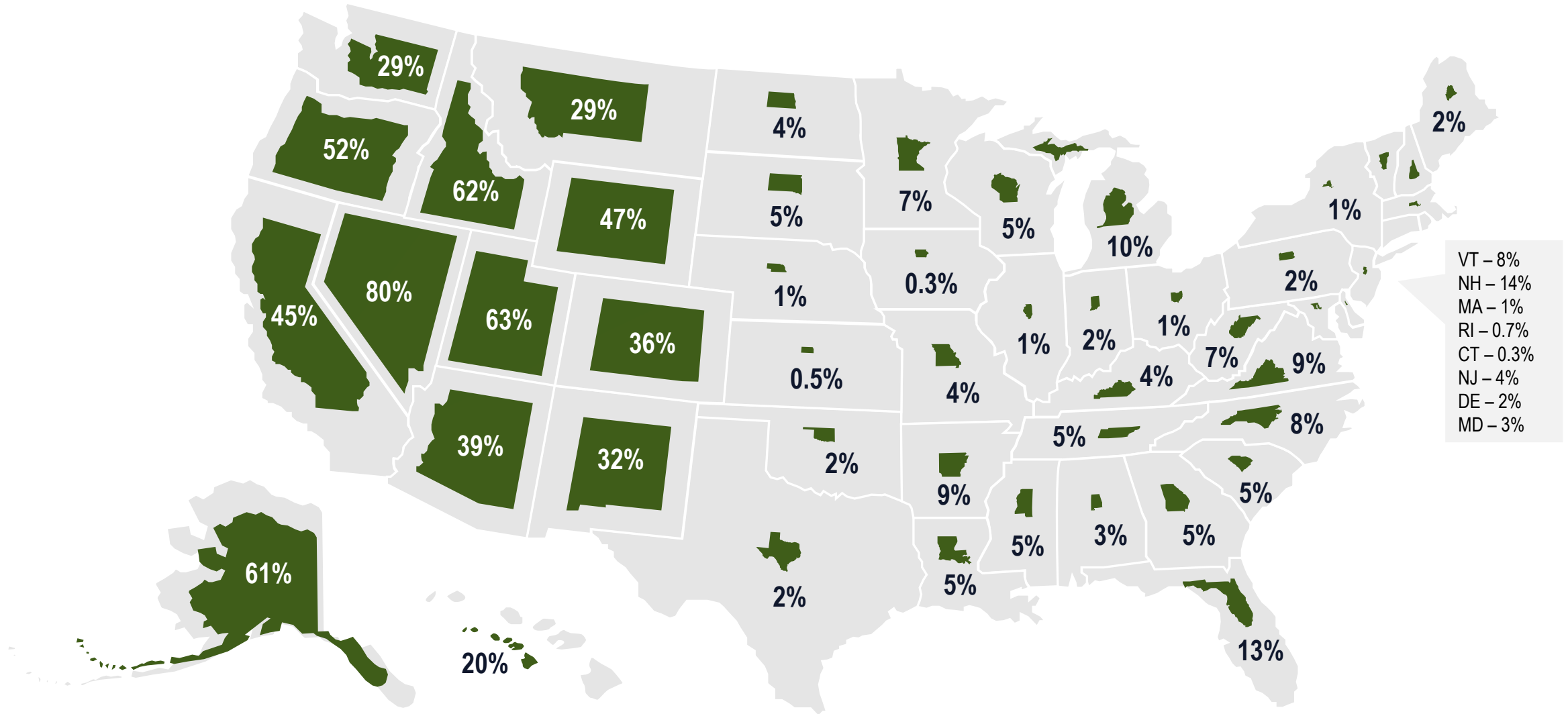


Annual Rent Growth



Source: CoStar

FEDERAL LAND OWNERSHIP

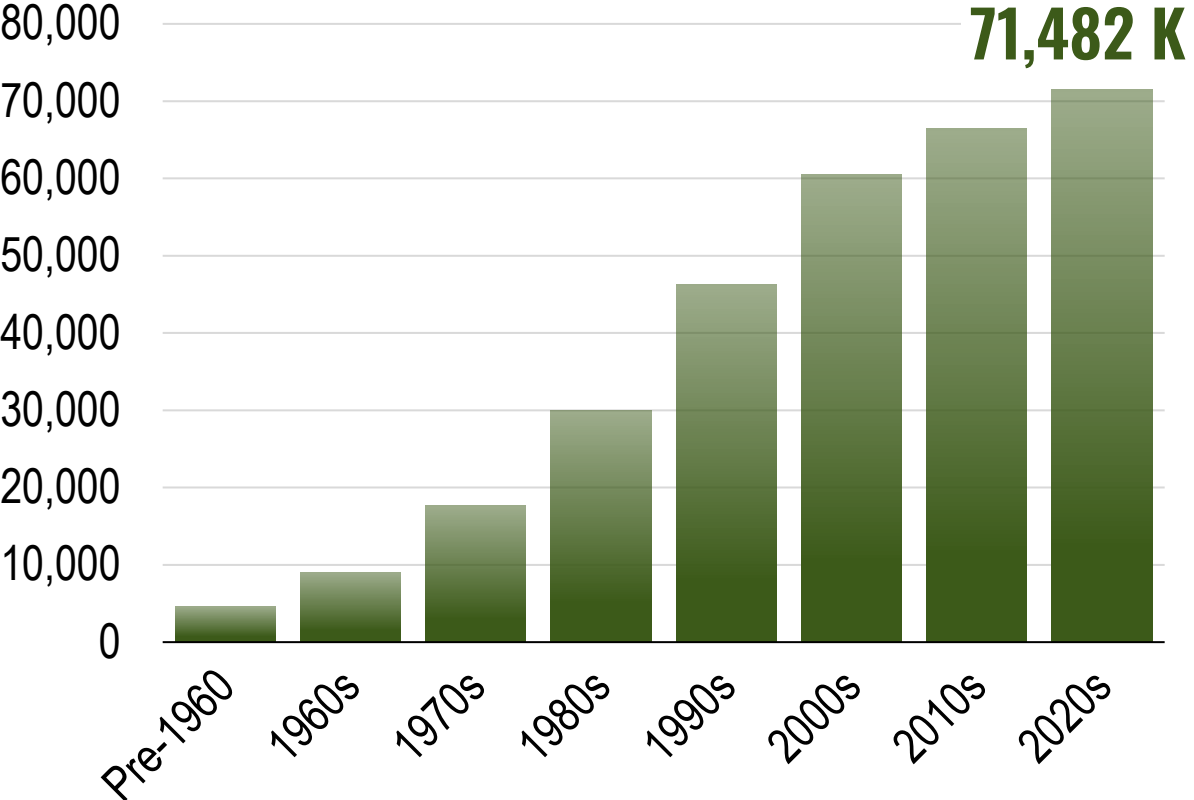


Source: Congressional Research Service

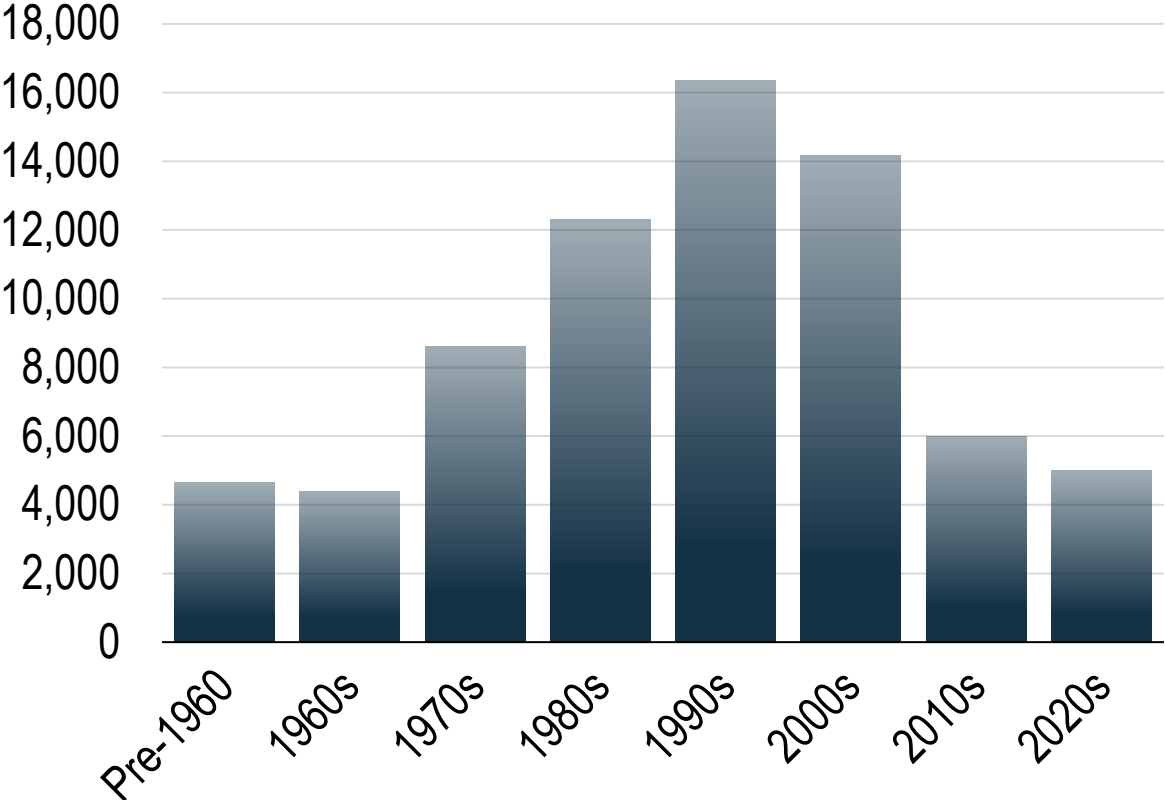
ACRES DEVELOPED

Washoe County

Cumulative



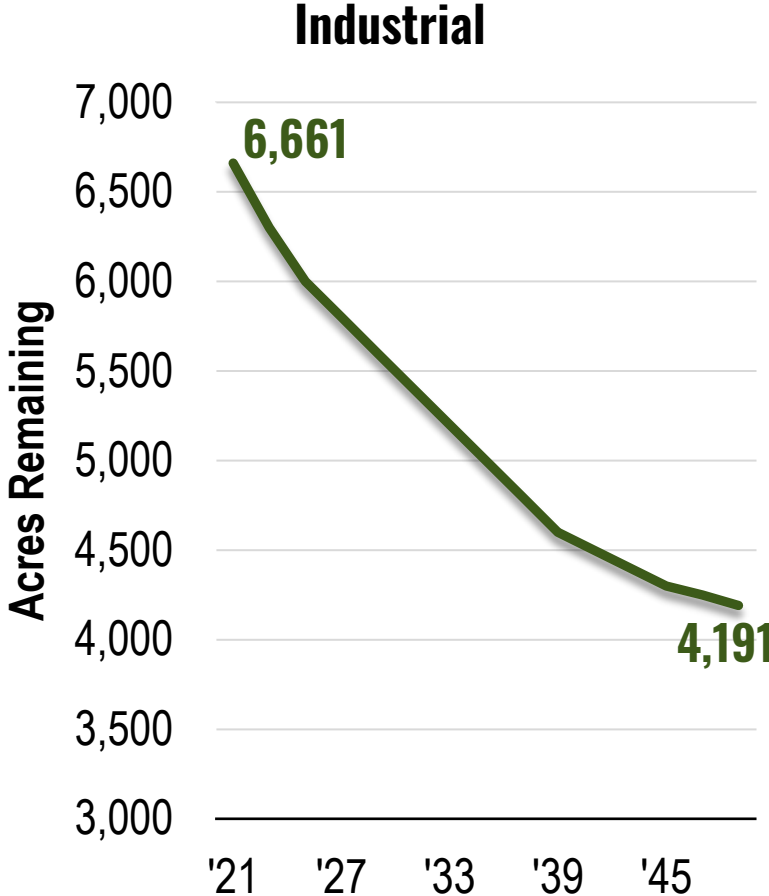
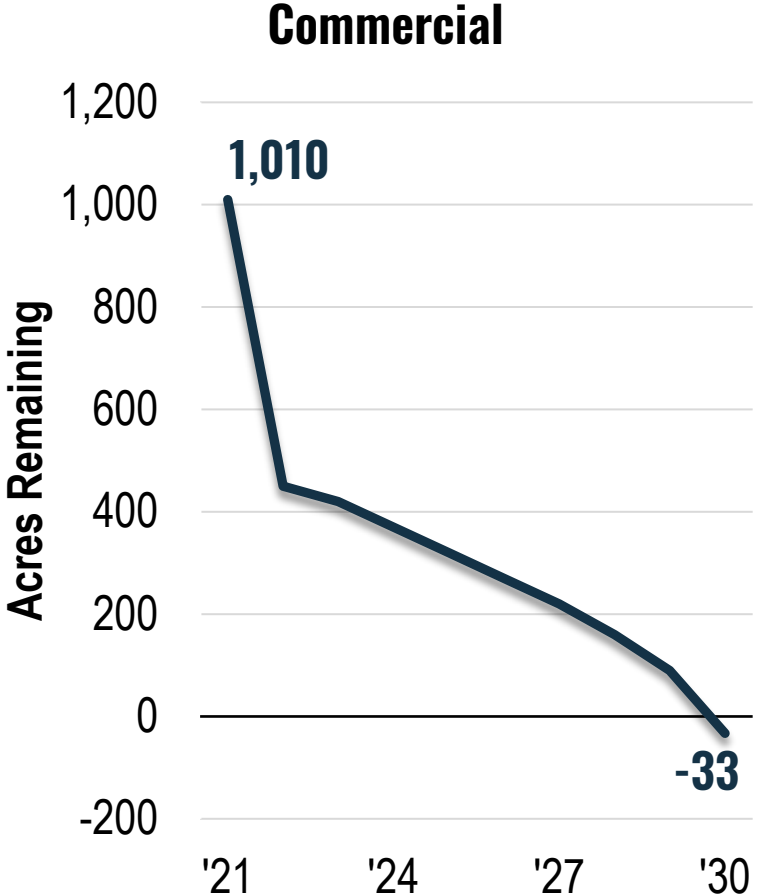
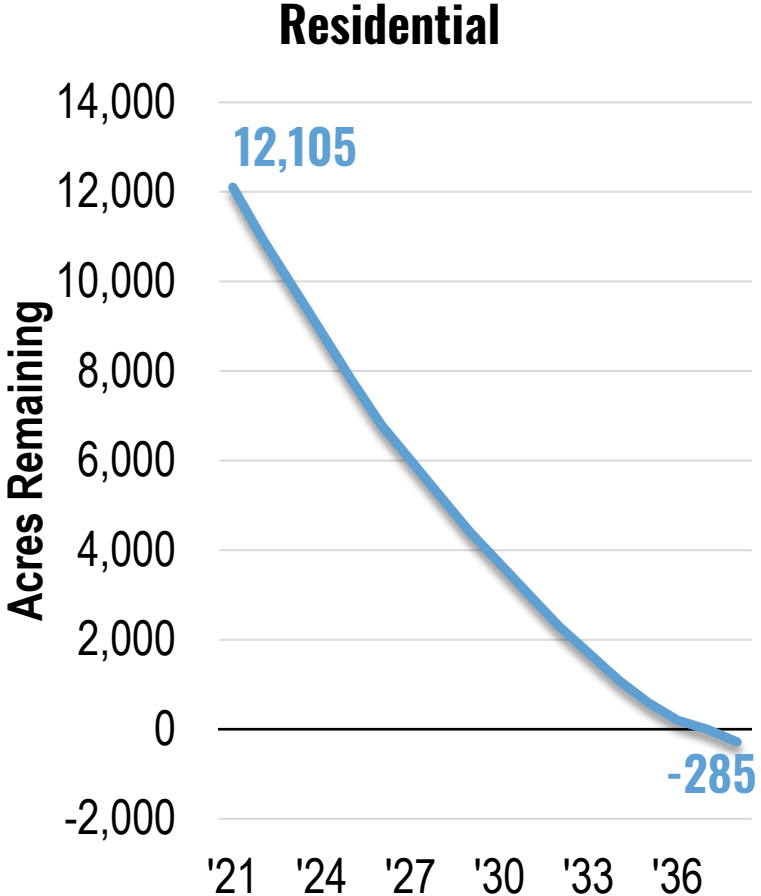
By Decade



Source: Washoe County Assessor's Office; Applied Analysis

VACANT LAND REMAINING

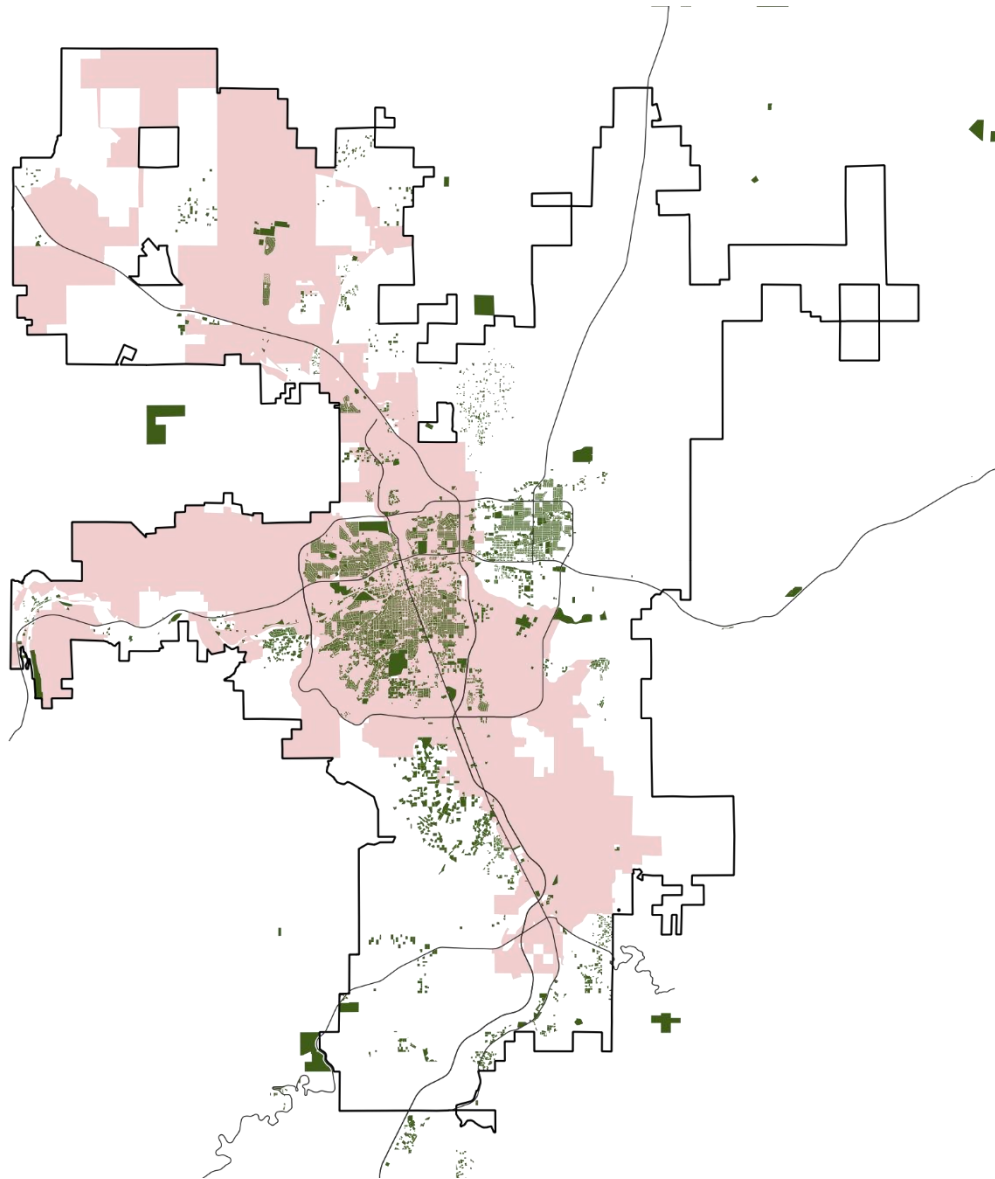
By Land Use



Source: Truckee Meadows Regional Planning Association; RCG Economics. Note: Land is non-federally-owned parcel inventory.

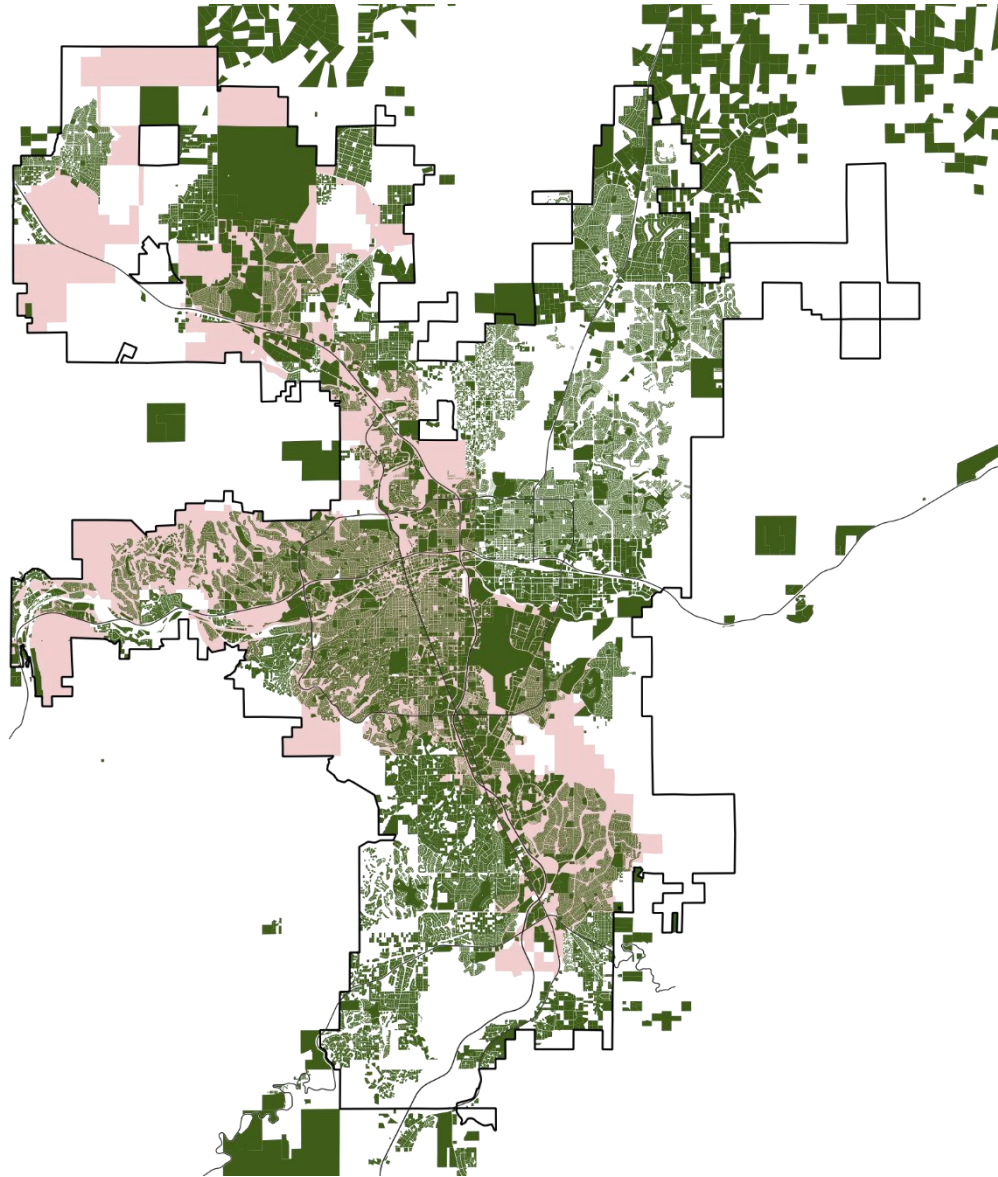
DEVELOPED LAND

Washoe County | Pre-1970



111,930
RESIDENTS IN 1970

41,490
HOUSING UNITS



DEVELOPED LAND

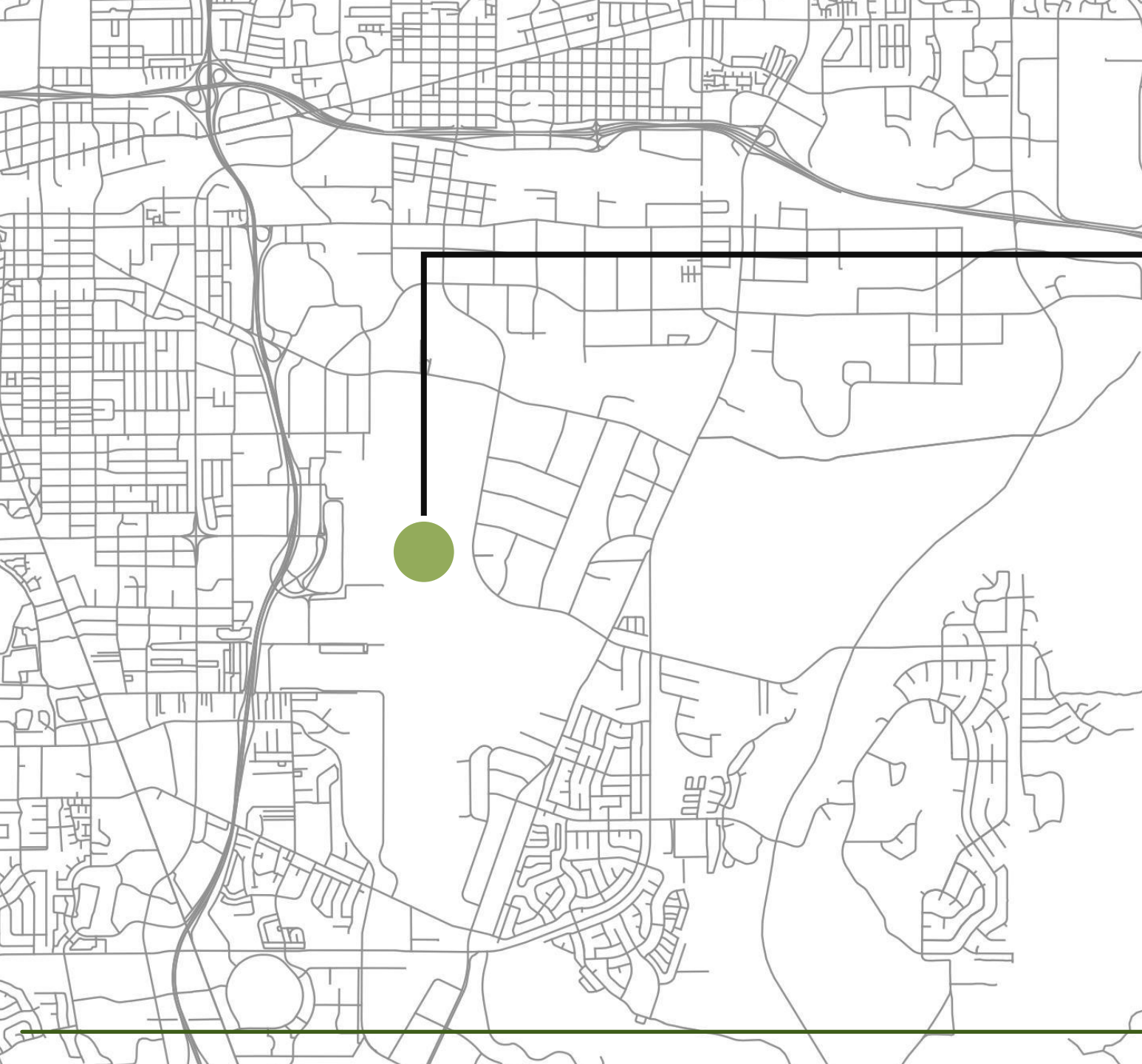
Washoe County | 2024

508,800
RESIDENTS

218,000
HOUSING UNITS

NORTHERN NEVADA TRANSPORTATION PIPELINE

*Note: *Not all projects have disclosed costs*



Reno-Tahoe International Airport

\$1 Billion

MoreRNO

STATUS: Under Construction

ESTIMATED COMPLETION: 2029



Source: RTC Washoe



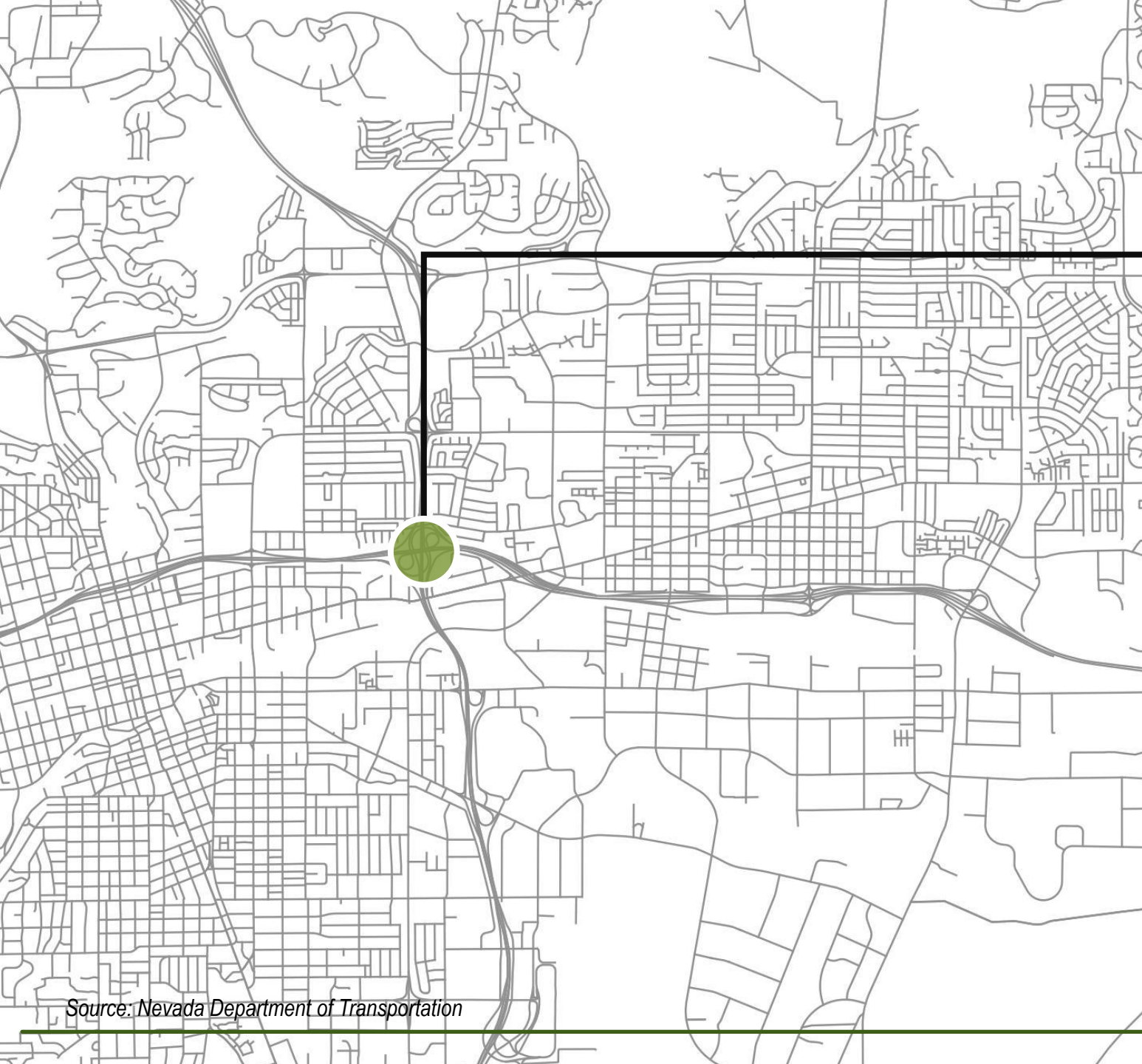
Virginia Line BRT Improvements

\$20.4 Million

BUS LANE & STATION UPGRADES

STATUS: Under Construction

ESTIMATED COMPLETION: 2027



Reno Spaghetti Bowl Project

\$2 Billion+

ENHANCED MOBILITY & SAFETY

STATUS: Under Construction

ESTIMATED COMPLETION: 2041

Source: Nevada Department of Transportation



Economic Overview

Challenges &
Recommendations

Looking
Forward



**Economic
Overview**



Challenges & Recommendations



**Looking
Forward**

OPPORTUNITIES, CHALLENGES AND LOOKING FORWARD





TECHNOLOGY & WORKFORCE

**TALENT DEVELOPMENT
AND GROWTH**



TECHNOLOGY & WORKFORCE

REALITIES OF AI AND AUTOMATION IN GOVERNMENT SERVICES





TECHNOLOGY & WORKFORCE

ADDRESSING THE PERS CHALLENGE





GROWTH & DIVERSIFICATION

LINKING ECONOMIC AND FISCAL DIVERSIFICATION





GROWTH & DIVERSIFICATION

**INVESTING IN
INFRASTRUCTURE**



GROWTH & DIVERSIFICATION

SCALING ATTAINABLE HOUSING





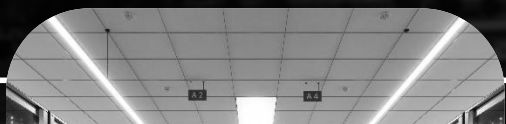
GROWTH & DIVERSIFICATION

ENERGY AVAILABILITY: ENOUGH FOR ALL?



GROWTH & DIVERSIFICATION

**DOES GROWTH PAY
FOR GROWTH?**





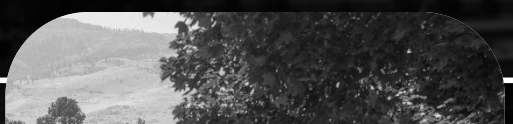
GROWTH & DIVERSIFICATION

PROTECTING QUALITY OF LIFE



GOVERNANCE

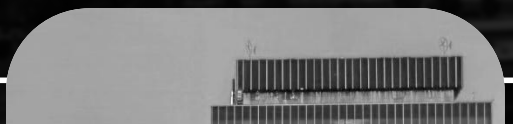
NAVIGATING THE STATE- LOCAL POWER SHIFT





GOVERNANCE

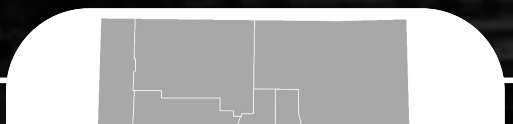
INTRA-COUNTY VS. INTER-COUNTY ISSUES





GOVERNANCE

REGIONAL ALIGNMENT





**Economic
Overview**



Challenges & Recommendations



**Looking
Forward**



**Economic
Overview**



**Challenges &
Recommendations**



**Looking
Forward**

RETURN TO

THE FUNDAMENTALS



**GOOD
GOVERNMENT**



**GOOD
ECONOMIC POLICY**



**GOOD
FISCAL POLICY**

RETURN TO

THE FUNDAMENTALS



GOOD
GOVERNMENT



GOOD
ECONOMIC POLICY



GOOD
FISCAL POLICY

RETURN TO

THE FUNDAMENTALS



GOOD
GOVERNMENT



GOOD
ECONOMIC POLICY



GOOD
FISCAL POLICY

RETURN TO

THE FUNDAMENTALS



GOOD
GOVERNMENT



GOOD
ECONOMIC POLICY



GOOD
FISCAL POLICY

RETURN TO

THE FUNDAMENTALS



GOOD
GOVERNMENT



GOOD
ECONOMIC POLICY



GOOD
FISCAL POLICY

HAVE A PLAN

HAVE A PLAN

WORK THE PLAN

APPLIED ANALYSIS



For more information, please visit our website
at AppliedAnalysis.com

