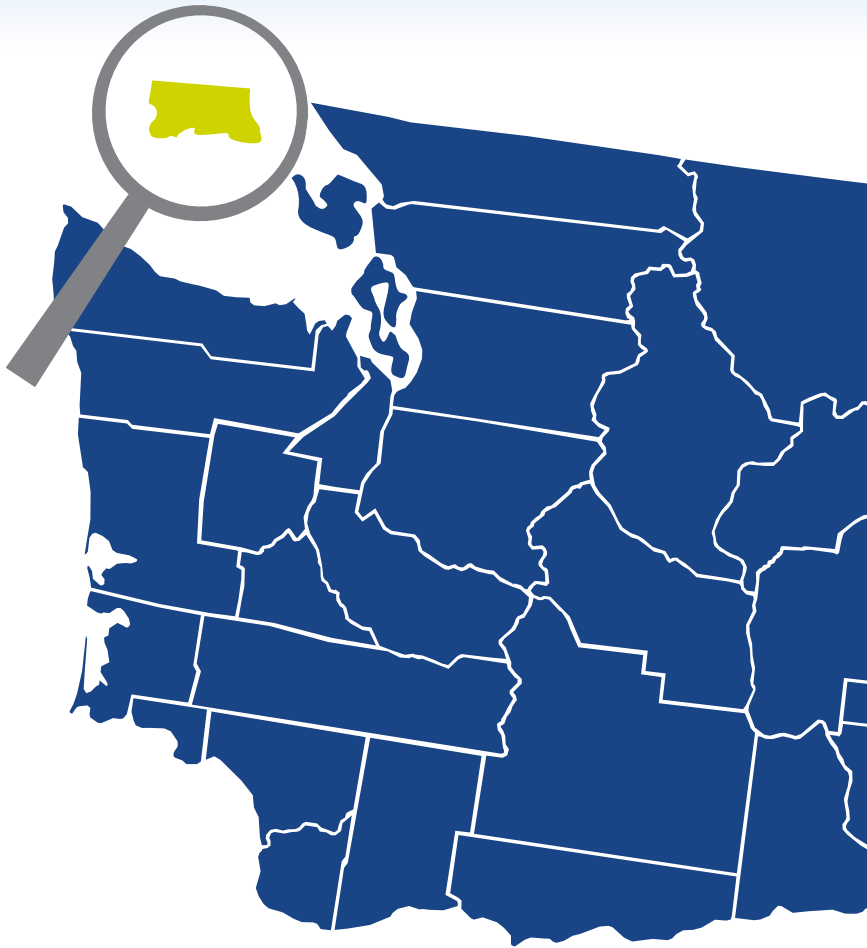


POINT ROBERTS

2020 ECONOMIC PROFILE



CENTER OF ECONOMIC AND BUSINESS RESEARCH

About this Report

The following report is intended to give a basic overview of the local economy and some factors that may impact it. Unless otherwise stated, the data in this report is the most recent complete annual data for the region, which at the time of publication is 2019. Due to the unique classification of Point Roberts as neither a city nor a designated area, in addition to its small size, it should be noted that a substantial data error rate may exist in any dataset. Moreover, this report does not seek to make value judgments about Point Roberts. Instead, we seek to provide an objective lens to the local economy.

About the Authors

The Center for Economic and Business Research is an outreach center at Western Washington University located within the College of Business and Economics. The Center connects the resources found throughout the University to assist for-profit, non-profit, government agencies, quasi-government entities, and tribal communities in gathering and analyzing useful data. We use a number of collaborative approaches to help inform our clients so that they are better able to hold policy discussions and craft decisions.

The Center employs students, staff and faculty from across the University, as well as outside resources to meet the individual needs of those we work with. Our work is based on academic approaches and rigor that not only provides a neutral analysis perspective but also provides applied learning opportunities. We focus on developing collaborative relationships with our clients and not simply delivering an end product.

The approaches we utilize are insightful, useful, and are all a part of the debate surrounding the topics we explore; however, none are absolutely fail-safe. Data, by nature, is challenged by how it is collected and how it is leveraged with other data sources; following only one approach without deviation is ill-advised. We provide a variety of insights within our work – not only on the topic at hand but the resources (data) that inform that topic.

The Center for Economic and Business Research is directed by Hart Hodges, Ph.D. and James McCafferty.



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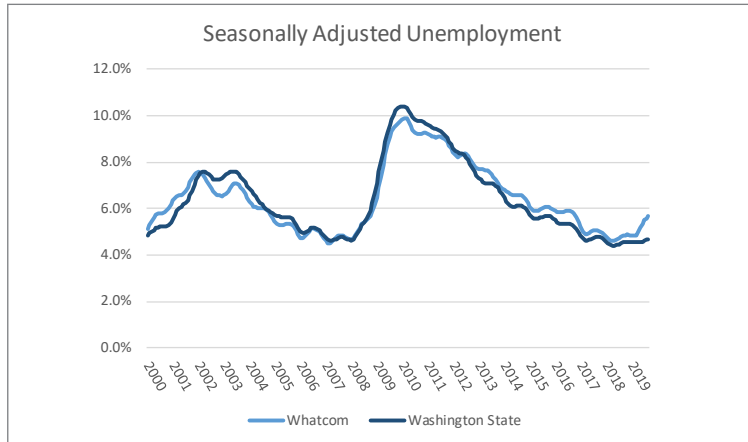
Average Wages by Industry : Whatcom County and Pt. Roberts

Industry	Point Roberts	Whatcom County
Arts, Entertainment, and Recreation	\$18,497	\$23,218
Accommodation and Food Services	\$20,720	\$20,769
Retail Trade	\$32,137	\$32,223
Other Services (except Public Administration)	\$32,712	\$30,731
Administrative and Support and Waste Management and Remediation Services	\$37,916	\$37,782
Real Estate and Rental and Leasing	\$44,065	\$42,013
Educational Services	\$46,036	\$49,765
Transportation and Warehousing	\$50,384	\$52,569
Health Care and Social Assistance	\$50,437	\$49,871
Agriculture, Forestry, Fishing and Hunting	\$51,340	\$36,955
Wholesale Trade	\$58,780	\$58,759
Professional, Scientific, and Technical Services	\$60,119	\$61,738
Information	\$62,505	\$61,952
Manufacturing	\$63,013	\$62,970
Construction	\$66,635	\$67,169
Utilities	\$68,574	\$94,091
Finance and Insurance	\$70,860	\$70,056
Public Administration (City, County, and Federal Employees; Teachers; Tribal Governance)	\$73,947	\$74,844
Management of Companies and Enterprises	N/A	\$59,467
Mining, Quarrying, and Oil and Gas Extraction	N/A	\$70,309
Total - All Industries	\$46,956	\$48,089

Source: JobsEQ

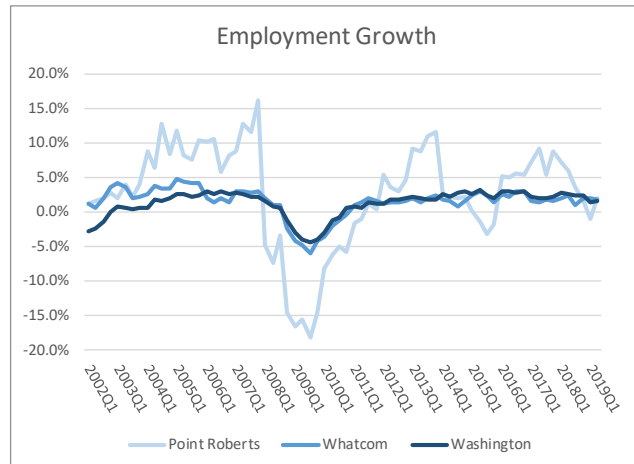
The average wage in Point Roberts of nearly \$47,000 is approximately \$1,000 less than that of Whatcom County. The top-paying industry in Point Roberts is public administration with an average wage of \$73,947, whereas utilities is the top paying industry at the county level with an average wage of \$94,091. Public administration at the county level is the second-highest paid industry, with an average wage of \$74,844.

During a 19-year period, Whatcom County’s unemployment rate closely followed that of Washington State. Spikes in unemployment are observed beginning in 2008 and lasting until 2010, aligning with the Great Recession. The unemployment rate in Whatcom County (5.7 percent) was a percentage point above that of Washington State’s (4.7 percent) at the end of 2019.

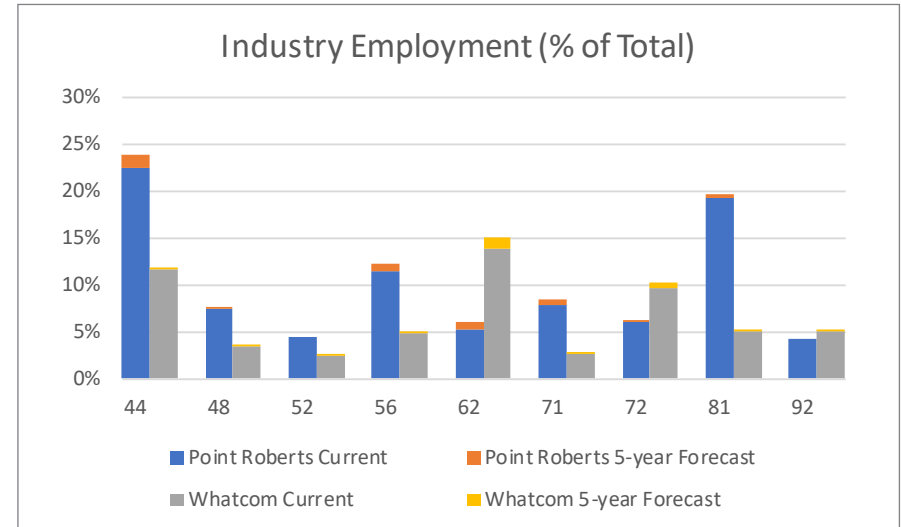


Source: JobsEQ

Employment in Point Roberts followed the general trends of the county and state levels, with a large drop in employment during the Great Recession, followed by an increase and general stabilization. Spikes and drops in employment are more pronounced within Point Roberts, due to the small population size (denominator) that amplifies any change (numerator) on a percentage basis. Caution is required with small denominators as any change in the numerator will seem relatively large.



Source: JobsEQ



Source: JobsEQ

Both Point Roberts and Whatcom County employ a significant number of people in the retail sector. The County and Point Roberts share five additional common industries. Transportation and warehousing; arts, entertainment, and recreation; and finance and insurance is the top industry by employment in Point Roberts that is not as prevalent at a county level. In looking at this data, it is critical to keep in mind the relative population size of Point Roberts in relation to that of the county. A single additional worker in Point Roberts could equal a substantial percentage change, whereas it would take far more for the same relative change in Whatcom County.

NAICS code	Industry
44	Retail Trade
48	Transportation and Warehousing
52	Finance and Insurance
56	Administrative and Support and Waste Management and Remediation Services
62	Health Care and Social Assistance
71	Arts, Entertainment, and Recreation
72	Accommodation and Food Services
81	Other Services (except Public Administration)
92	Public Administration

Source: JobsEQ

Occupation	Pt. Roberts		Whatcom	
	Employed	Average Annual Wage	Employed	Average Annual Wage
Services				
Customer Service Representatives	8	\$33,000	49	\$38,300
Bartenders	6	\$28,800	49	\$28,900
Waiters and Waitresses	6	\$31,400	17	\$33,600
Fitness Trainers and Aerobics Instructors	6	\$44,000	68	\$45,400
Recreation Workers	5	\$29,200	56	\$30,600
Landscaping and Groundskeeping Workers	4	\$33,300	34	\$32,900
Personal Care Aides	4	\$28,100	30	\$27,800
Childcare Workers	4	\$26,300	119	\$27,200
Cooks, Restaurant	3	\$29,800	10	\$30,100
Lifeguards, Ski Patrol, and Other Recreational Protective Service Workers	3	\$28,100	24	\$28,400
Office Clerks, General	3	\$35,000	174	\$38,500
Coaches and Scouts	2	\$32,900	25	\$35,000
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	2	\$31,000	105	\$33,300
Self-Enrichment Education Teachers	2	\$36,400	56	\$40,800
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	2	\$35,900	133	\$37,700
Preschool Teachers, Except Special Education	2	\$37,700	71	\$41,300
Bill and Account Collectors	2	\$38,300	1	\$40,900
Refuse and Recyclable Material Collectors	2	\$51,400	2	\$51,200
Other	43	\$45,141	24,813	\$52,727
Total	113	\$37,664	28,915	\$45,411

Source: JobsEQ

In the above table, the number employed for the following service industries is included: Accommodation and Food Services; Educational Services; Professional, Scientific, and Technical Services; and Other Services (excluding Public Administration). The entire service industry, however, encompasses much more than these four sectors. In general, Whatcom County service workers are paid higher than those in Point Roberts. This is likely due to the fact that Whatcom County has a larger variety of higher-paying jobs included in the “Other” occupations that are simply unavailable in Point Roberts.

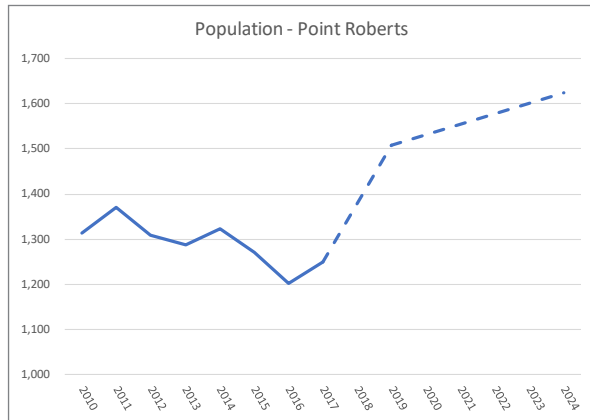
Government data is not collected by occupation category but is calculated based on a sample by industry. This may create significant error rates. Data is presented for comparison purposes and should not be relied on as reported data.

Occupation	Pt. Roberts		Whatcom	
	Employed	Average Annual Wage	Employed	Average Annual Wage
Public Administration				
Protective Service Occupations	4	\$77,600	1,107	\$77,600
Office and Administrative Support Occupations	3	\$43,400	770	\$43,400
Business and Financial Operations Occupations	2	\$67,600	547	\$67,700
Management Occupations	5	\$67,771	277	\$104,200
Other	--	--	2,248	\$58,764
Total	13	\$65,845	4,949	\$64,116
Retail				
Cashiers	30	\$28,500	2,094	\$29,400
Retail Salespersons	15	\$32,200	3,018	\$32,400
First-Line Supervisors of Retail Sales Workers	8	\$44,100	906	\$48,200
Stock Clerks and Order Fillers	3	\$31,100	792	\$32,200
Combined Food Preparation and Serving Workers, Including Fast Food	2	\$25,500	152	\$25,900
General and Operations Managers	2	\$81,500	203	\$95,900
Nonfarm Animal Caretakers	2	\$27,100	44	\$27,200
Customer Service Representatives	2	\$33,200	305	\$34,600
Other	9	\$36,100	3,918	\$44,372
Total	72	\$33,312	11,431	\$38,273
Construction				
Construction and Extraction Occupations	3	\$52,600	5,427	\$56,300
Management Occupations	1	\$95,300	744	\$101,300
Office and Administrative Support Occupations	1	\$43,100	683	\$44,300
Other	--	--	1,552	\$57,854
Total	5	\$57,453	8,406	\$59,592

Source: JobsEQ

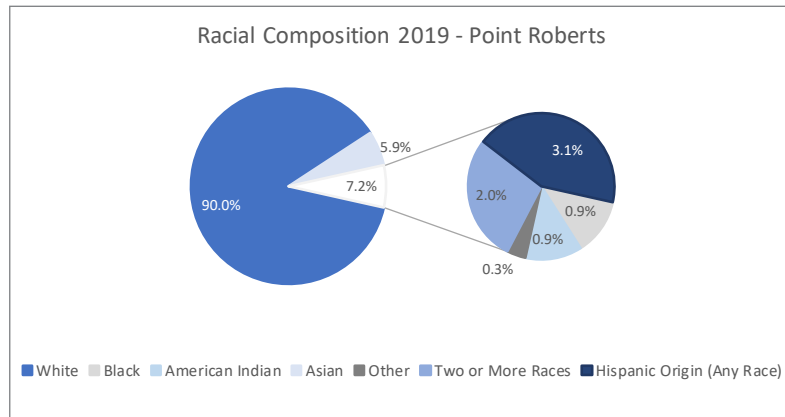
In the Retail and Construction sectors, the average wage in Point Roberts is approximately \$5,000 and \$2,000 less than the County average, respectively. However, for Public Administration, Point Roberts pays nearly \$2,000 more than the County average for these occupations. This is potentially due to the fact that as a percent of total Public Administration employment, Management Occupations are the largest percentage and the highest paying in Point Roberts; however, at a county level, these occupations, while highly paid, make up a smaller percentage of the total.

The population of Point Roberts has remained fairly constant during the past seven years, with a slight decrease between 2014 and 2016. A major increase in population between 2017 and 2019 is likely due to a change in data sources and, in turn, estimation methodology. Current population estimates (1251 in 2017) and projections from 2017-2024 expect that Point Roberts will add approximately 400 people.

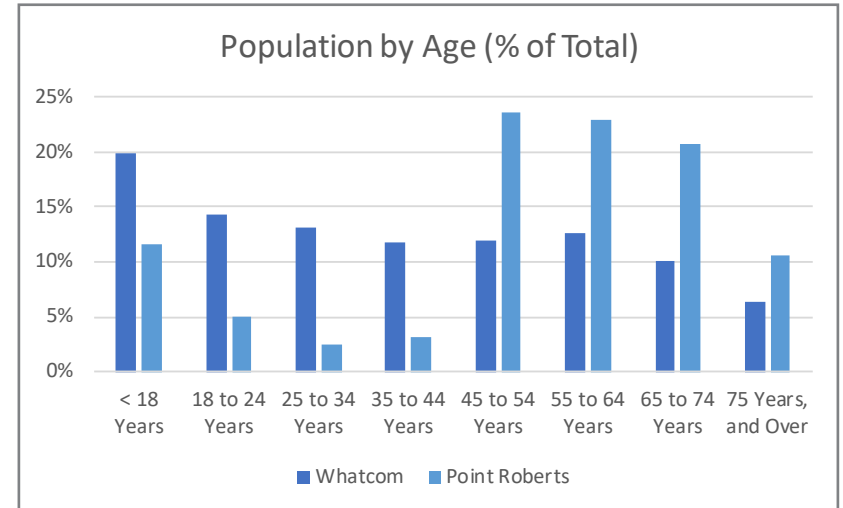


Source: 2017 American Community Survey; ESRI 2019-2024

The racial composition of Point Roberts has remained relatively constant throughout time. Racial composition as of 2019 is displayed, with the largest group being white, which comprises 90 percent of the population. Black and American Indian are the smallest groups, each composing 0.9 percent of the population.



Source: JobsEQ

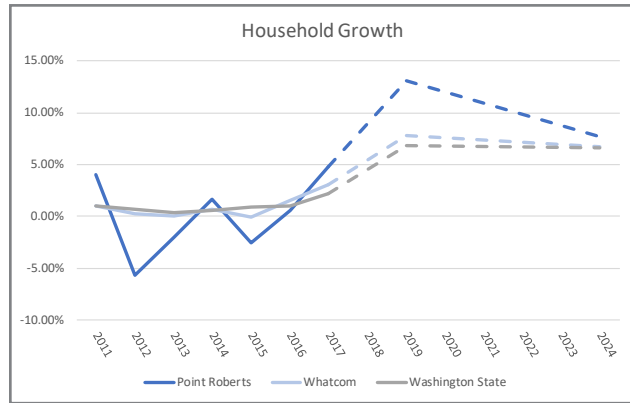


Source: JobsEQ

The age spread of the population has remained fairly constant throughout time as well. In 2019, the largest group was between 55 and 64 years of age. In fact, over half of the population (53.3 percent), is over 55 years of age. Eleven percent of the population is between 15-34 years old or 85+. This age distribution is exactly opposite that of Whatcom County, which attracts a younger working-age population.

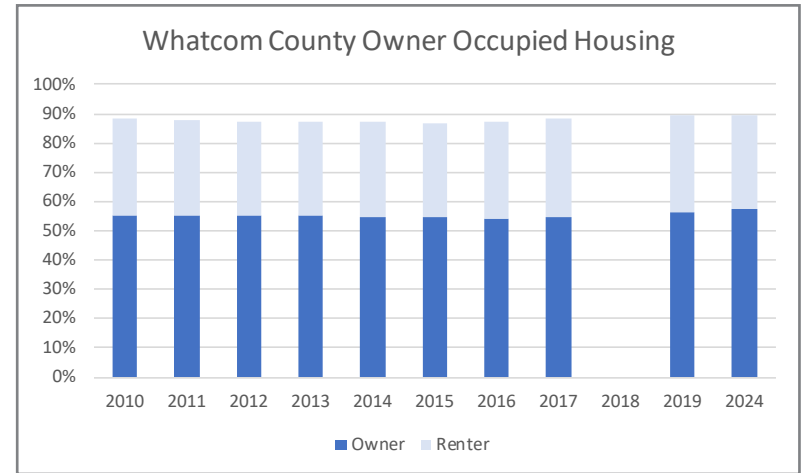
Point Roberts Age Distribution Over Time						
	2013	2014	2015	2016	2017	2018
Under 18 Years	18.5%	20.0%	16.1%	14.4%	14.3%	11.6%
18 to 24 Years	7.7%	7.8%	7.1%	5.0%	4.8%	5.0%
25 to 34 Years	0.5%	2.3%	2.4%	2.5%	2.2%	2.4%
35 to 44 Years	10.3%	9.8%	6.5%	5.4%	6.0%	3.1%
45 to 54 Years	18.3%	20.7%	24.2%	22.4%	20.3%	23.7%
55 to 64 Years	21.3%	17.8%	19.6%	24.3%	24.1%	23.0%
65 to 74 Years	16.0%	14.4%	17.0%	17.1%	18.9%	20.7%
75 Years, and Over	7.5%	7.4%	7.2%	9.0%	9.4%	10.6%

Source: JobsEQ



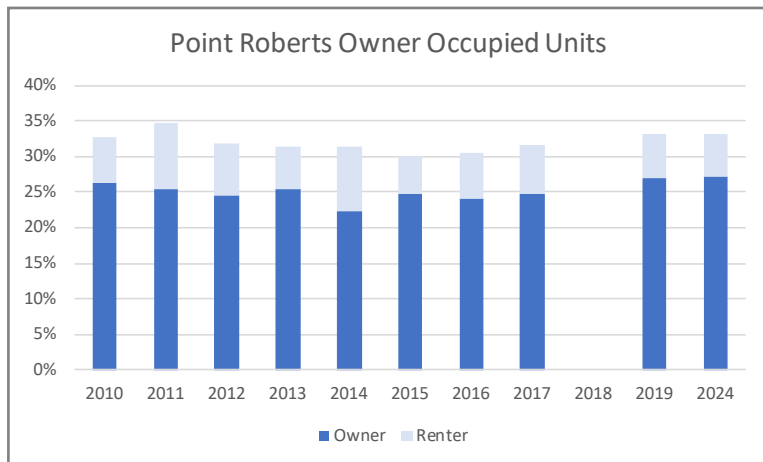
Source: 2017 American Community Survey; ESRI 2019-2024

Growth in the number of households in Point Roberts has been historically more variable than growth at the county and state levels. This is likely due to the small population size and, in turn, a small number of households, making small changes appear larger. A change in data sources and the unavailability of 2018 data are the likely causes of the major increase between 2017 and 2019. Projections from 2019 to 2024 indicate a falling growth rate that is still above historical rates.



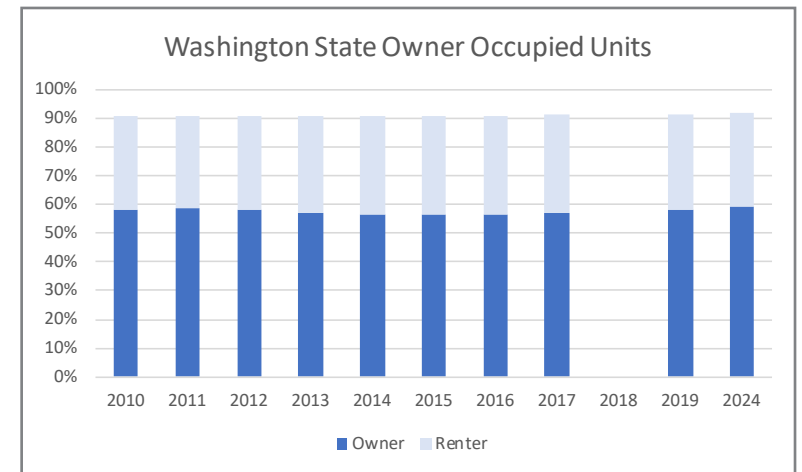
Source: Census Bureau 2010-2017; ESRI 2019 and 2024

Whatcom County and Washington State present approximately the same level of occupancy for both rental and owner-occupied units – slightly less than 60 percent are owner-occupied, while approximately 30 percent are renter-occupied. Data is unavailable for 2018.

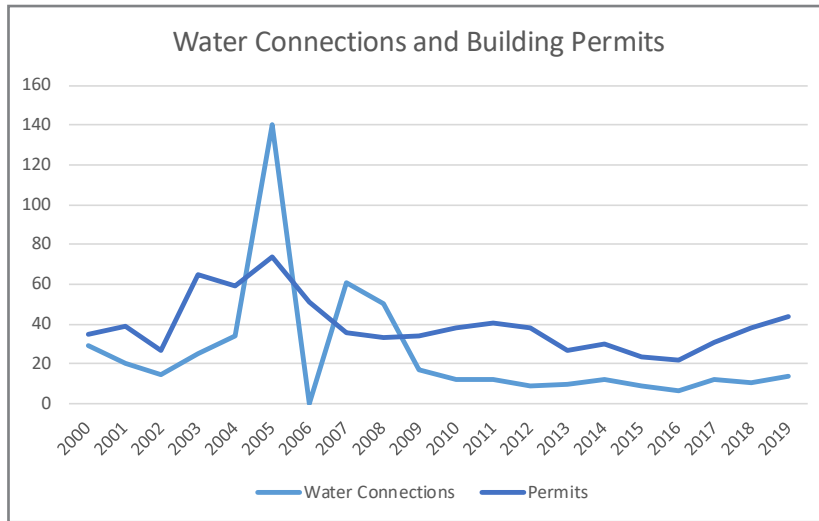


Source: Census Bureau 2010-2017; ESRI 2019 and 2024

Within the data, Point Roberts demonstrates a low occupancy rate for both owners and renters. This is due to the fact that seasonal, recreational, or occasional use homes make up the majority of units, which are classified as vacant by the Census. This suggests that the majority of households in Point Roberts are seasonal occupants. Data is unavailable for 2018.



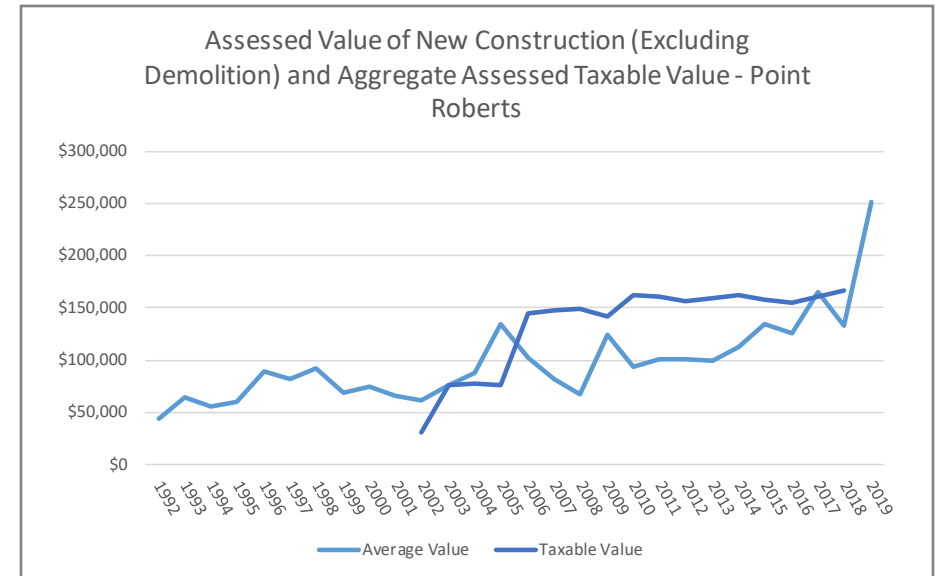
Source: Census Bureau 2010-2017; ESRI 2019 and 2024



Source: Point Roberts Water District; Whatcom County Records

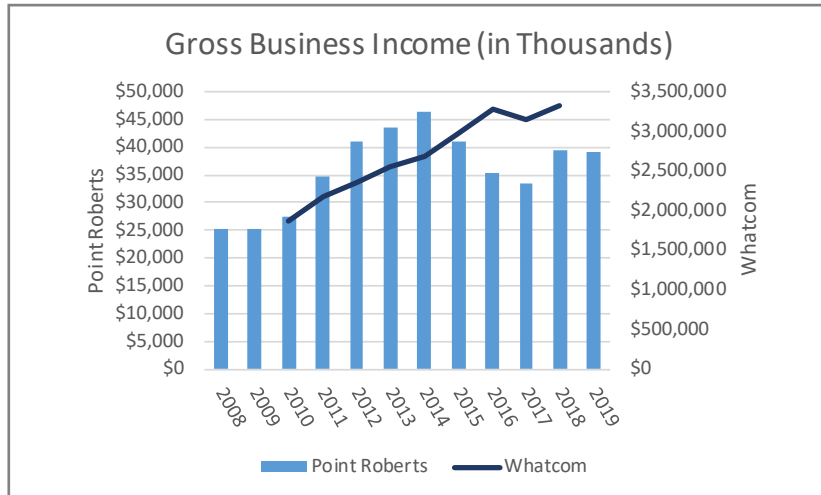
Year	2014	2015	2016	2017	2018	2019
Water Connections	12	9	7	12	11	14
Permits	30	24	22	31	38	44

The number of new water connections has been variable over the past 19 years. The general trend follows that of the number of new building permits issued – higher levels pre-recession followed by a noticeable decrease and leveling off of both permits issued and new connections. Since the data include not only new buildings but also additions to already constructed buildings, water connections and permits may not always move at the same magnitude.



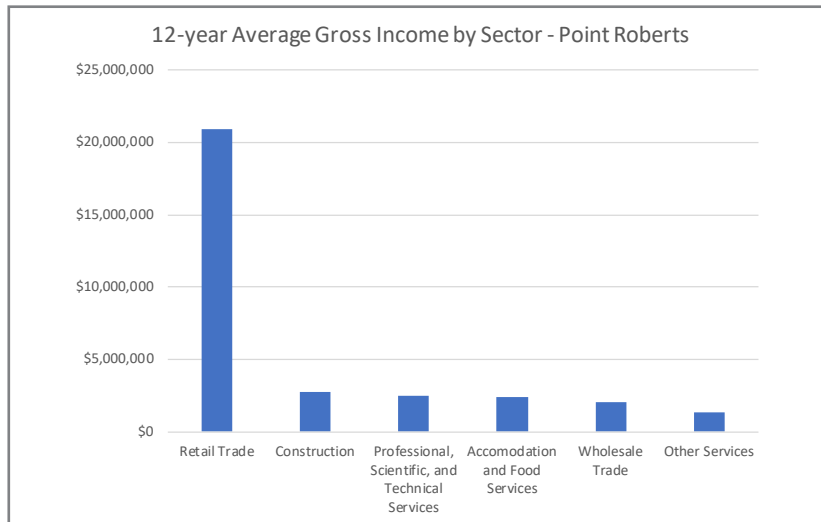
Source: Whatcom County Assessor's Office

In the chart above, the “Average Value” line depicts the average assessed valuations of new construction, excluding demolition, in Point Roberts, whereas the “Taxable Value” line depicts the assessed taxable values of all properties in Point Roberts in each respective year. The average assessed values of new construction have been steadily increasing since 1992. When overlaying the total assessed taxable value of all parcels, we can observe that average assessed values of new construction follow the general trend presented by the total assessed taxable value – a pre-recession increase followed by a generally consistent value. The surge in 2019 is due to the permit approval of the new \$4 million Blackfish Resort.

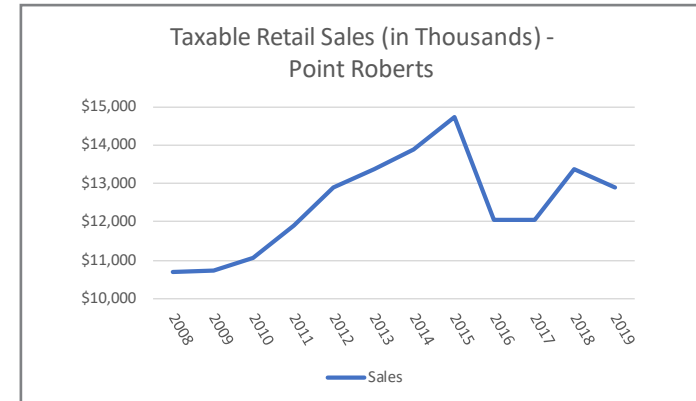


Source: Washington State Department of Revenue

Unsurprisingly, retail trade makes up the largest portion of the gross business income within Point Roberts, followed by Construction and Professional Services. On an aggregate level, Point Roberts experienced steady growth in business income from 2009 to 2014, followed by a contractionary period between 2014 to 2017. Whatcom County also experienced the same growth, but the County did not experience the same magnitude of contraction as Point Roberts.

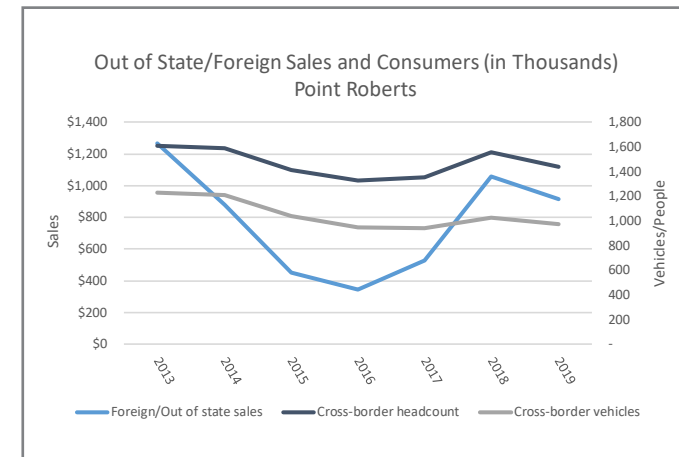


Source: Washington State Department of Revenue



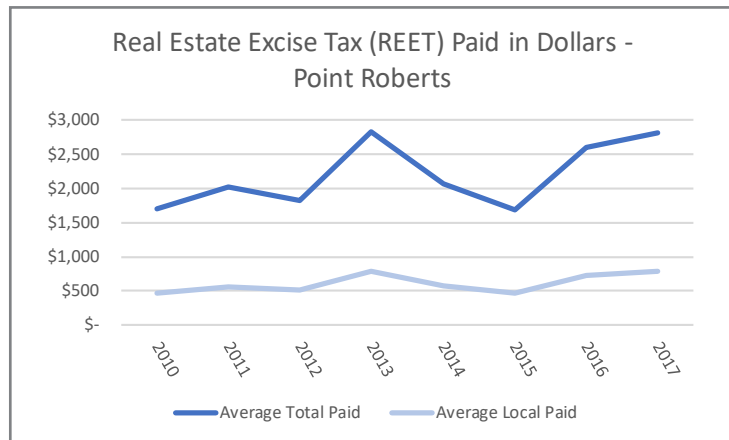
Source: Washington State Department of Revenue

Taxable retail sales also follow the same pattern as that of Gross Business Income. This makes sense due to the fact that retail sales make up the largest portion of total business income in Point Roberts.



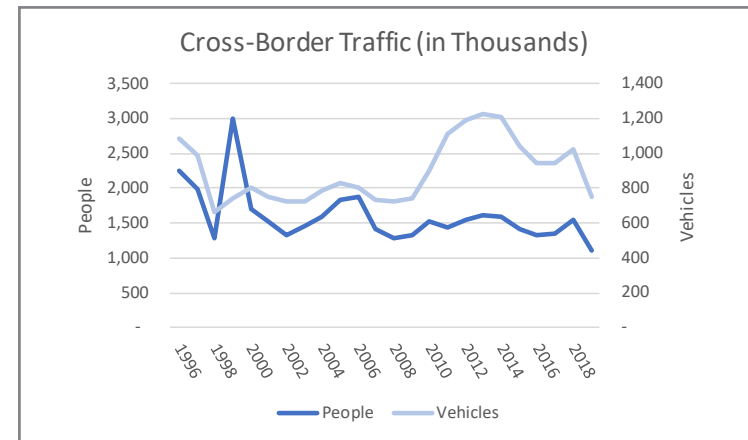
Source: Bureau of Transportation Statistics

More patterns are observed between foreign deductions and cross-border traffic. Small changes in cross-border consumers drastically affect the amount of recorded foreign deductions. The observed trend may be attributed to the Canadian-US dollar exchange rate. A sharp decrease in the value of the CAD relative to the USD follows the sharp decrease in foreign deductions and a slight decrease in cross-border traffic. Another factor that is likely to impact foreign deductions is gas prices in Vancouver, BC, as the primary reason people visit Point Roberts is for gas.* The increase in traffic observed between 2017 and 2018 is likely due to an associated increase in gas prices in Vancouver, BC, during the same period.



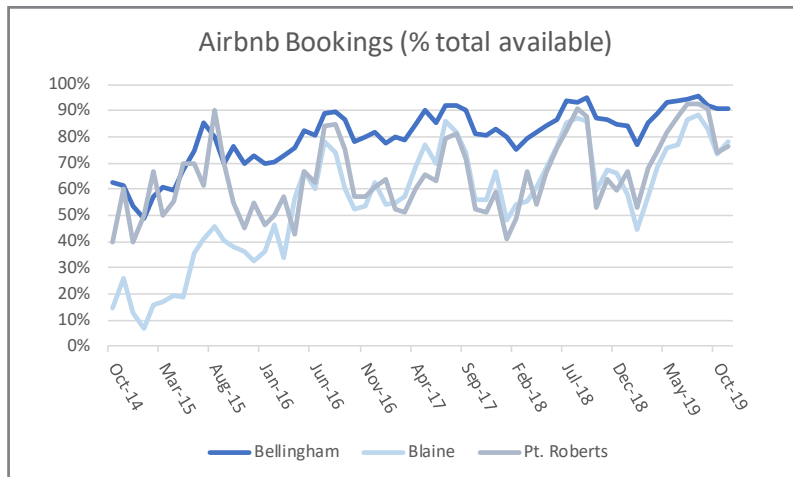
Source: Whatcom County Treasurer's Office

The real estate excise tax (REET) is a tax on real estate sales that is usually paid by the seller. Of this tax, a portion of the revenues remains within Point Roberts, which is represented by Average Local Paid on the graph, with the rest going to the state. In 2013 and 2017, the REET revenues peaked due to the sale of multiple multi-million-dollar properties valued at over \$4 million.



Source: Bureau of Transportation Statistics

Cross-border traffic – whether people or vehicles – follows the same pattern. People include pedestrians and vehicle passengers, while vehicles include passenger and commercial vehicles. Of all vehicles that crossed the border since 1996 (21,466,338), only 42,013 contained truck containers, full or empty. 0.2% of border traffic can be attributed to commercial activity. The increase in people crossing the border in 1999 is due to 1.3 million people crossing the border in May 1999, a 1 million person increase from May 1998. This could potentially be due to the US Point of Entry receiving the 1999 Presidential Design Award as well as the 1998 GSA Design Award.



Source: Bellingham Whatcom County Tourism

Airbnb bookings as a percent of total available reservations fluctuate with the seasons, more so in Point Roberts or Blaine than in Bellingham. Peak booking times are in the summers, with major decreases in bookings observed during the winter months. This helps to confirm that Point Roberts' tourist season is primarily during the summer months.

	Annual Average Salary	Cost of Living Index (Base US)	US Purchasing Power	Pricing Study (Base Whatcom County)
Point Roberts	\$47,229	116.3	\$40,610	100.5
Whatcom County	\$48,541	116.3	\$41,738	100
Washington	\$67,573	130.5	\$51,773	--
USA	\$57,681	100	\$57,681	--

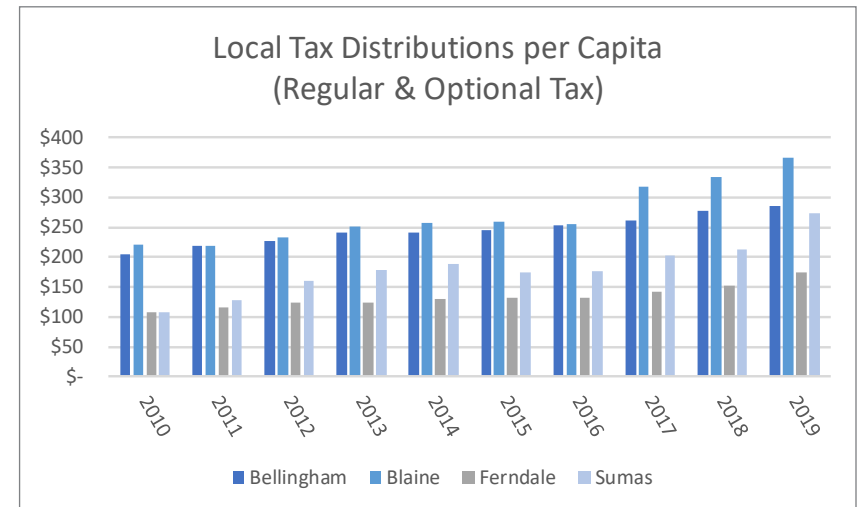
Source: JobsEQ

The cost of living index is the same between Whatcom County and Point Roberts. This means that prices, on average, are similar between Point Roberts and the rest of the county; however, the lower average wage in Point Roberts means that overall purchasing power is lower as well. The last column of the table presents the results from the pricing study conducted in Point Roberts. From the price points provided by the PRIBC, we were able to confirm that prices varied minimally between Point Roberts and the county.

Boat Launch and Campsite Revenues for Lighthouse Marine Park							
	2014	2015	2016	2017	2018	2019	TOTAL (2014-19)
Boat Launch	\$10	\$-	\$888	\$2,848	\$640	\$-	\$4,386
Campsites	\$57,677	\$62,948	\$64,265	\$82,731	\$79,203	\$91,047	\$437,871

Source: Whatcom County Parks and Recreation

Campsite revenues have consistently increased throughout 2014 to 2019, with a slight decrease in revenues between 2017 and 2018. Boat launch revenues have been much more variable. The variability in boat launch revenues is due to the destruction of the new dock in 2015, its partial reopening mid-2016, and its permanent closure at the end of the summer in 2018. The nearly \$20,000 increase in campsite revenues between 2016 and 2017 coincides with the full reopening of the dock, suggesting that the dock may draw campers to Lighthouse Marine Park.



Source: Washington State Department of Revenue

The above chart depicts the local tax distributions per capita for the regular and optional tax (sales tax) for Bellingham, Blaine, Ferndale, and Sumas. This tax is collected by the state department of revenue, and then distributed at the county and incorporated city levels. Over time, increases in per capita distributions are observed in all cities, but after 2016, Blaine and Sumas presented larger increases year over year compared to Ferndale and Bellingham. In terms of population, Sumas is most comparable to Point Roberts and can provide a basis for potential distributions if Point Roberts were to be an incorporated city. Washington’s sales tax collection method associates earned sales tax to the area where the customer takes ownership or control of the item. A visitor to Sumas that purchases an item and takes possession of it means that Sumas will receive the tax revenue. A visitor to Sumas that orders an item delivered to Point Roberts means that the tax revenue will be received by Whatcom County.

Local Tax Distributions per Capita (Regular & Optional Tax)					
Year	2015	2016	2017	2018	2019
Bellingham	\$245.96	\$252.63	\$261.22	\$276.66	\$285.35
Blaine	\$259.97	\$254.94	\$318.38	\$334.33	\$366.90
Ferndale	\$131.57	\$132.21	\$141.86	\$152.06	\$174.00
Sumas	\$174.77	\$176.40	\$203.11	\$213.37	\$273.99

Source: Washington State Department of Revenue

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**Point Roberts
Independent Business Council**