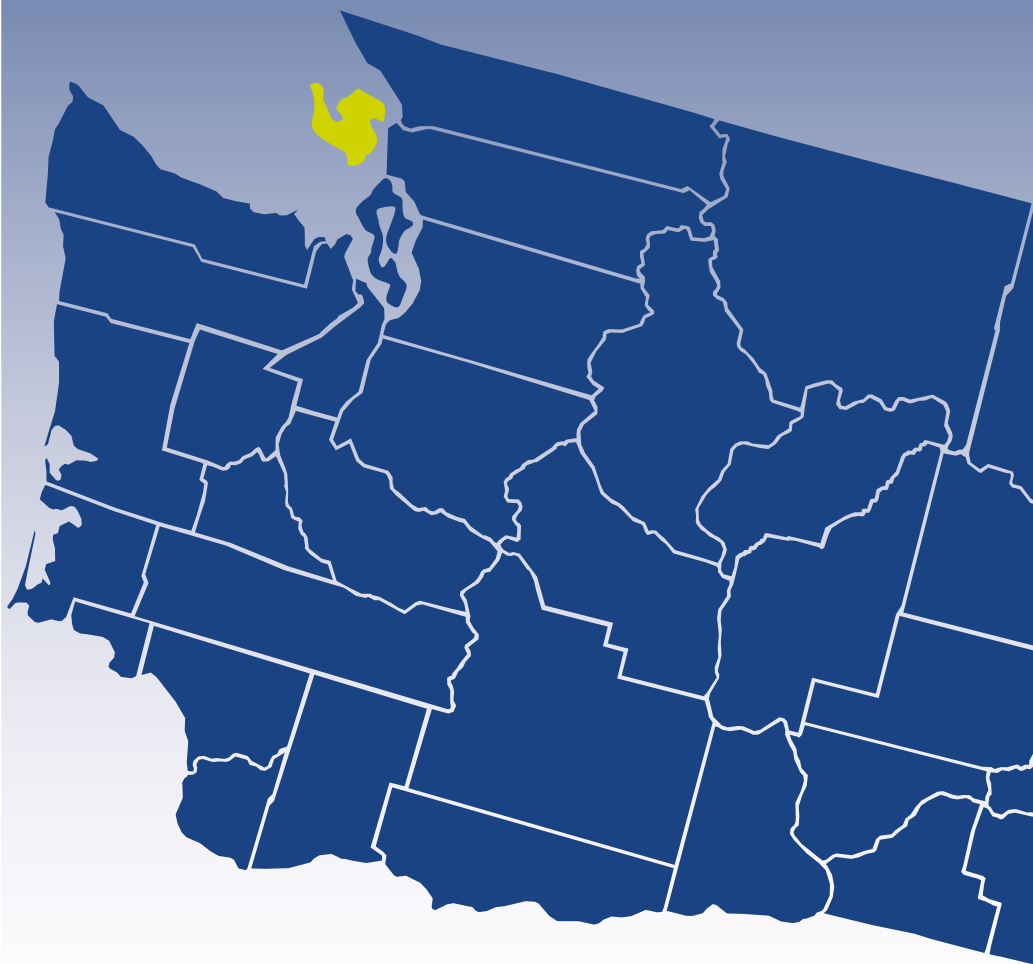


SAN JUAN COUNTY

2021 ECONOMIC PROFILE

DATA FROM 2019



CENTER FOR ECONOMIC AND BUSINESS RESEARCH

About this Report

The following report is intended to give a basic overview of the local economy while illustrating 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 includes mostly 2020 data.

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.

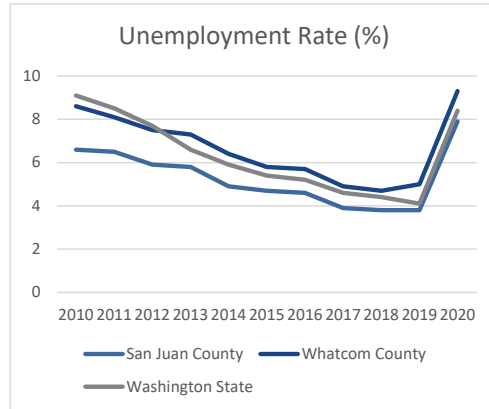
County Demographics			
	San Juan County	Washington	United States
Population			
Population estimates, July 1, 2019	17,582	7,614,893	328,239,523
Population estimates base, April 1, 2010	15,768	6,724,540	308,758,105
Population, percent change - April 1, 2010 (estimates base) to July 1, 2019	11.5%	13.2%	6.3%
Population, Census, April 1, 2020	17,788	7,705,281	331,449,281
Population, Census, April 1, 2010	15,769	6,724,540	308,745,538
Labor Force			
In civilian labor force, total, percent of population age 16 years+, 2015-2019	53.6%	63.6%	63.0%
In civilian labor force, female, percent of population age 16 years+, 2015-2019	49.9%	58.5%	58.3%
Income and Poverty			
Median household income (in 2019 dollars), 2015-2019	\$63,622	\$73,775	\$62,843
Per capita income in past 12 months (in 2019 dollars), 2015-2019	\$45,777	\$38,915	\$34,103
Persons in poverty, percent	8.1%	9.8%	11.4%

Source: US Census

We start with county demographics to provide a reference point for later discussions about the data in this profile. In the case of San Juan, the county lags by 1.7 percent when compared to the state average for population growth between 2010 and July 1, 2019. However, the County grew at nearly twice the rate as the national average for the same time period. King County, which accounts for nearly one-third of the state population, has a significant impact on the state average and skews it upwards. San Juan County, on the other hand, accounts for less than one percent of the state population and lacks the draw population of large urban centers. King County’s upward skewing of the average combined with San Juan County’s unique features contribute to this difference in growth rates.

Employment

Average annual unemployment in San Juan County reached 7.9 percent in 2020, double from 3.8 percent unemployment observed in 2019. The statewide unemployment rate also rose from 4.1 percent in 2019 to 8.4 percent in 2020. Utilities had the highest average annual wage in 2019 at \$91,550, while Arts, Entertainment, and Recreation had the lowest average annual wage at \$23,951.

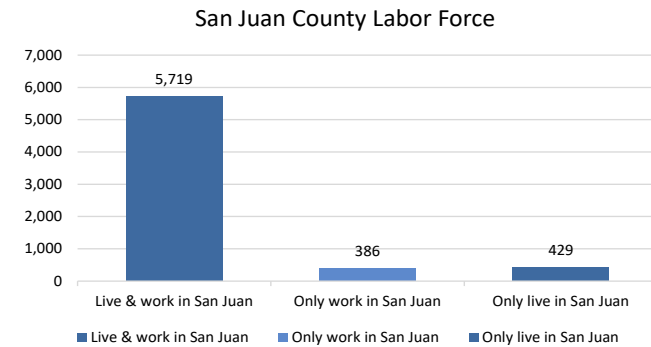


Industry Subsectors	Average Firms	Total 2020 Wages Paid	Average Annual Employment	Average Annual Wage
Total	1,020	\$228,011,650	5,278	\$43,200
Agriculture, forestry, fishing and hunting	28	\$3,064,452	94	\$32,601
Utilities	10	\$6,683,118	73	\$91,550
Construction	223	\$30,570,281	706	\$43,301
Manufacturing	36	\$10,172,445	207	\$49,142
Wholesale trade	24	\$6,045,359	73	\$82,813
Retail trade	96	\$25,336,899	705	\$35,939
Transportation and warehousing	27	\$3,870,925	129	\$30,007
Information	13	\$5,667,815	70	\$80,969
Finance and insurance	17	\$5,507,624	96	\$57,371
Real estate and rental and leasing	45	\$4,495,736	165	\$27,247
Professional and technical services	93	\$12,443,258	185	\$67,261
Administrative and waste services	58	\$8,412,451	221	\$38,065
Educational services	17	\$9,428,567	199	\$47,380
Healthcare and social assistance	75	\$13,609,591	366	\$37,185
Arts, entertainment, and recreation	35	\$3,448,929	144	\$23,951
Accommodation and food services	102	\$24,090,164	818	\$29,450
Other services, except public administration	79	\$7,660,662	203	\$37,737
GOVERNMENT	38	\$45,386,094	797	\$56,946
NOT ELSEWHERE CLASSIFIED	5	\$2,117,280	28	\$75,617

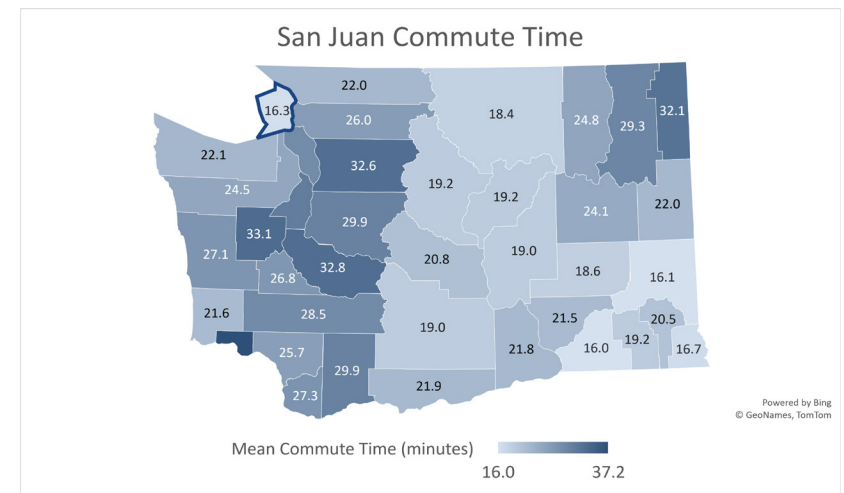
Source: <https://esd.wa.gov/labormarketinfo/covered-employment> QCEW

Commute

Of the 6,534 people that work in San Juan County, 5,719 of them also lived within the county. There were 386 people who commuted from elsewhere to the county for work, and 429 workers commuted from San Juan County to another county. When thinking about this, it is important to note that the labor force participation was rate 53.6 percent in San Juan County, compared to 63.6 percent statewide.

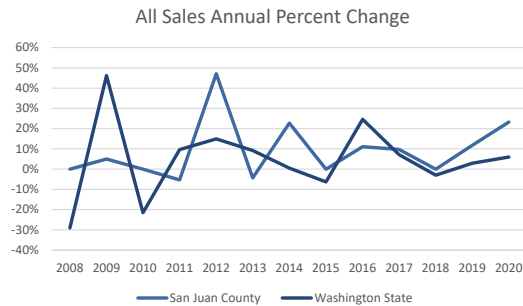


San Juan County has the second lowest commute time of 16.3 minutes in all of Washington state, just below Walla Walla County, at 16.0 minutes. This short commute time is likely due to the geography of San Juan County, which makes it difficult for residents to live far from where they are employed. When considering this data, it is important to note that they reflect data collected by the American Community Survey from 2015-2019 based on address of paycheck recipient and sender. It is possible that it does not reflect current commute times due to the recent rise of remote work.



All Housing Sales Annual Percent Change

The annual percent change in sales statewide increased 6 percent in 2019 and continued to rise an additional 6 percent in 2020. In San Juan County, all annual sales increased by 23.3 percent in 2020 following a 11.8 percent change in 2019.

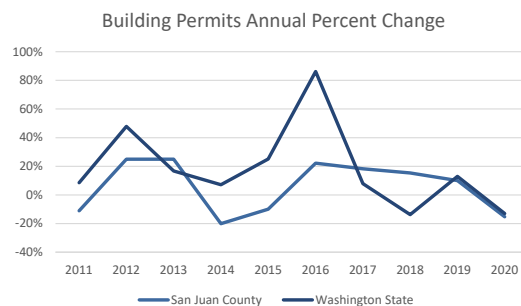


All House Sales Annual % Change				
	2017	2018	2019	2020
San Juan County	9.7%	0.0%	11.8%	23.3%
Washington State	7.1%	-3.0%	3%	6.0%

Source: <http://realestate.washington.edu/research/wcrer/housing-reports/>

Building Permits Annual Percent Change

Building permits are volatile, often fluctuating greatly from year to year. This is due in part to a small denominator, which can make even small changes look large in comparison. Following this, San Juan County's building permit issuance dropped 15.2 percent over 2020 relative to 2019. Washington State observed a decrease of 13 percent in the rate of building permits following an increase of 13 percent in 2019.

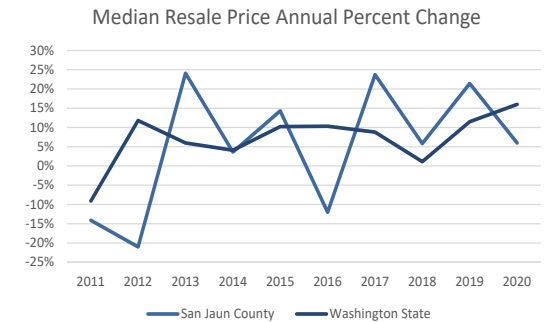


Building Permits Annual % Change				
	2017	2018	2019	2020
San Juan County	18.2%	15.4%	10%	-15.2%
Washington State	7.9%	-13.7%	13%	-13.0%

Source: <http://realestate.washington.edu/research/wcrer/housing-reports/>

Median House Resale Annual Percent Change

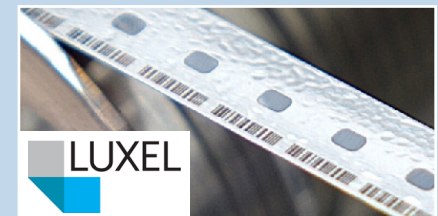
Both San Juan County and Washington State observed increases in the median resale prices of houses. In 2020, San Juan County's median resale price increased by 6 percent while Washington state increased by 16 percent in the same year. This is compared to San Juan County and Washington state's median resale prices growing by 21 and 12 percent, respectively, in 2019.



Median House Resale Price Annual % Change				
	2017	2018	2019	2020
San Juan County	23.7%	5.8%	21%	6.0%
Washington State	8.8%	1.1%	12%	16.0%

Source: <http://realestate.washington.edu/research/wcrer/housing-reports/>

Located in Friday Harbor, WA, Luxel creates space-age technologies used by NASA, and materials like GridTape, which was recently used by the Allen Institute to assist in optimizing their pipeline for creating detailed images of the brain. GridTape is a relatively low-cost material that can assist in creating thousands of serialized arrays for imaging at the ultrastructural level. Luxel has also recently assisted in the fight against COVID-19 by quickly manufacturing 3D printed face shields for medical workers and those on the front lines of the pandemic.



Source: luxel.com

2021

The average San Juan resident is 17.6 years older than the average American

Leisure and hospitality is 25.2% of total labor force annually

The population of San Juan County is 42.5 times smaller than Seattle

In San Juan County, There is an average population density of 94.88 people per square mile

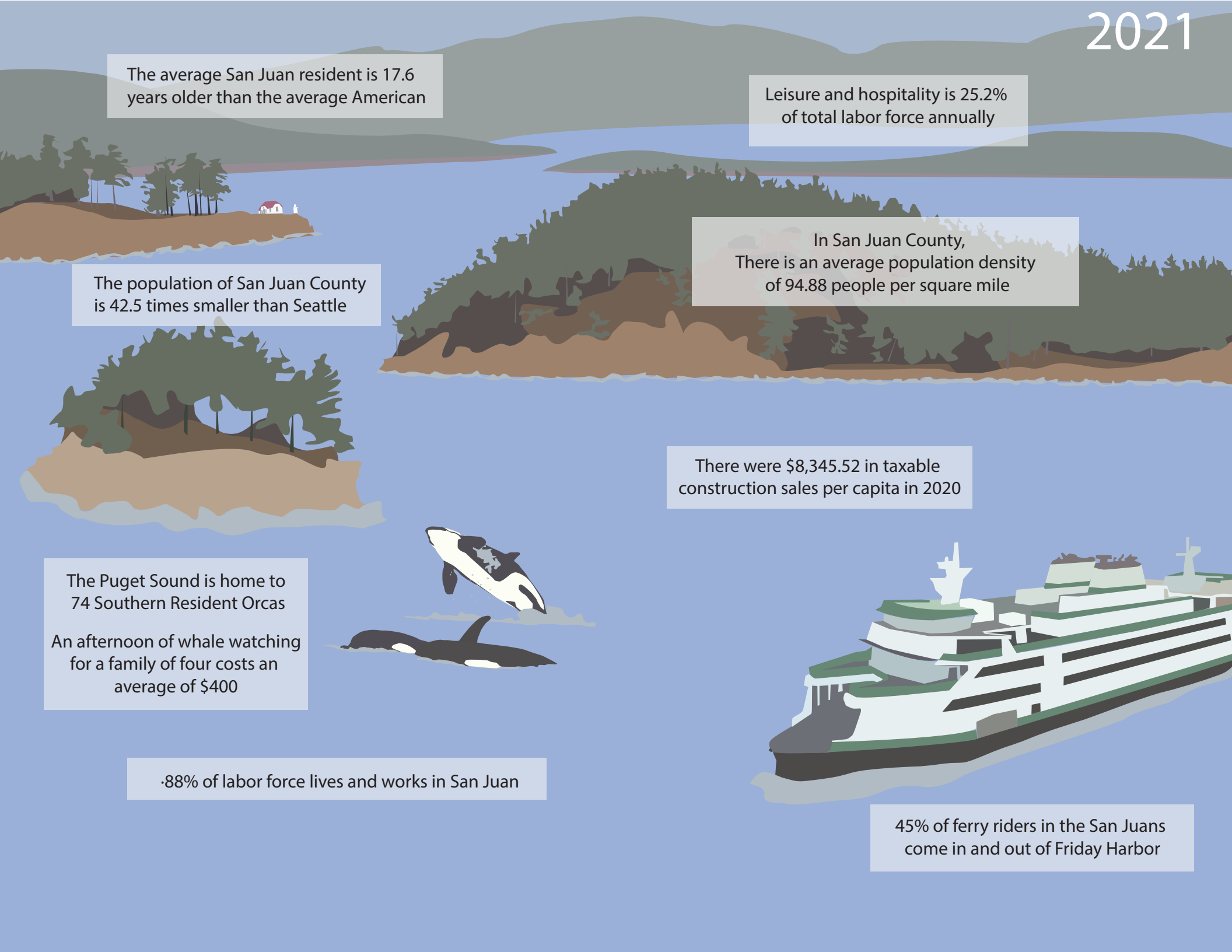
There were \$8,345.52 in taxable construction sales per capita in 2020

The Puget Sound is home to 74 Southern Resident Orcas

An afternoon of whale watching for a family of four costs an average of \$400

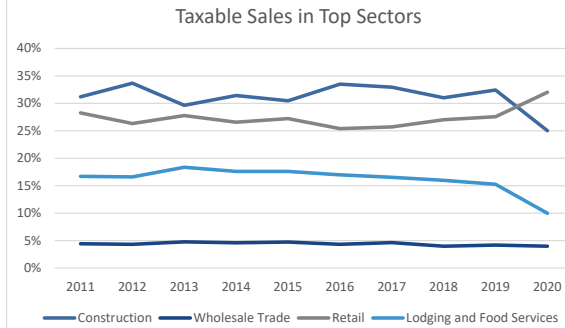
88% of labor force lives and works in San Juan

45% of ferry riders in the San Juans come in and out of Friday Harbor



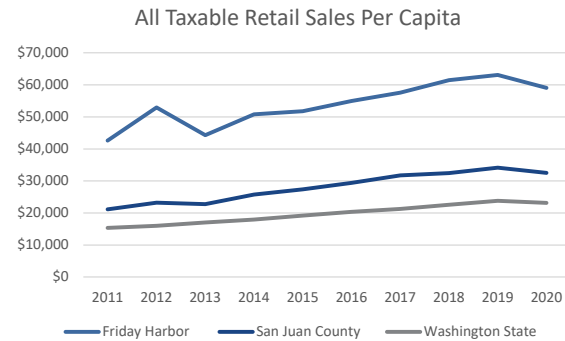
Taxable Retail Sales in Top Sectors

In most regions, retail trade makes up the largest fraction of total taxable retail sales. San Juan County historically has seen construction outpace retail trade. In 2020, San Juan broke a 12-year trend, with retail sales (32%) overtaking construction sales (25%).



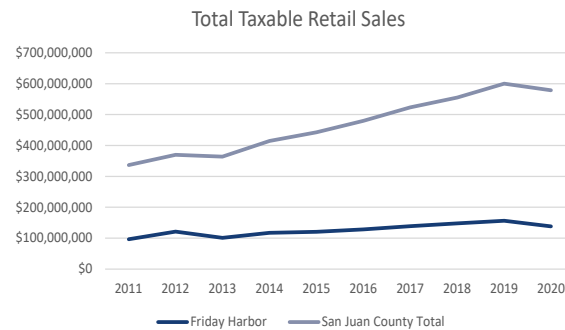
All Taxable Retail Sales per Capita

Friday Harbor continues to have significantly higher taxable sales per capita, at \$59,060.19, than San Juan County and Washington State which have per capita taxable retail sales of \$32,541.35 and \$23,160.27, respectively. Most sales in San Juan come from Friday Harbor, a relatively dense urban area compared to the rest of the County.



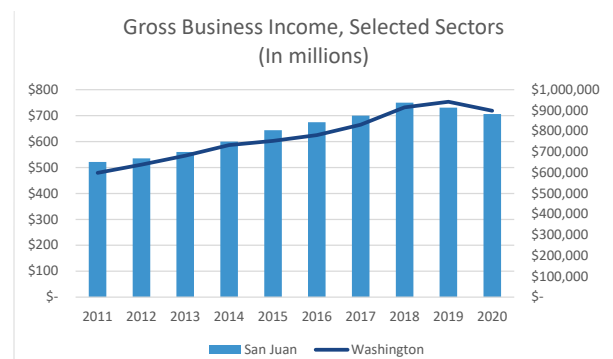
Taxable Sales

For 2020, Friday Harbor made up approximately 23.8 percent of total taxable retail sales in San Juan County. 2020 is the first year since 2009 that San Juan County's sales has not grown, on average, by 6.2 annually. San Juan county retail sales decreased by 3.5% annually in 2020.



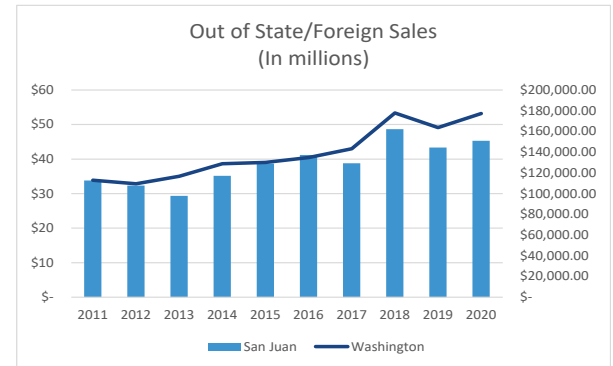
Gross Business Income

In 2020, San Juan gross business income fell by \$24.5 million. This is the second year in a row of declining revenue since 2010 that annual gross business income has fallen in San Juan County. 2018 is the last year that San Juan showed an increase in gross business income of \$25.6 million.



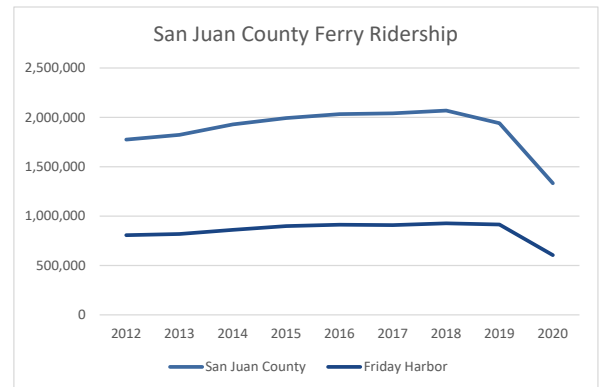
Out of State/Foreign Sales

Out of state/foreign sales in San Juan County rose in 2020, Increasing by \$1.9 million following a decrease of \$5.3 million in 2019. Over the prior five years, the average annual growth in San Juan has been about \$1.3 million.



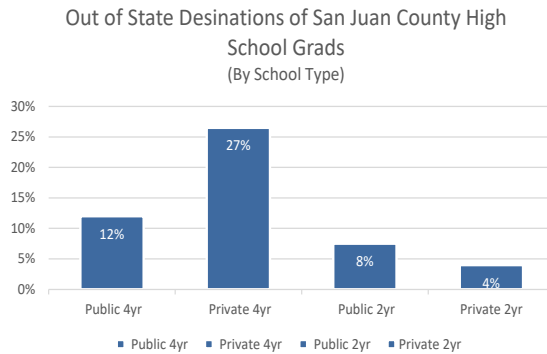
Ferry Ridership

In 2020, a total ridership decreased by 31.3% to 1,333,261 people in San Juan County. Friday Harbor showed a decrease of 34% in ridership—about 45% of the total riders—came in or out of Friday Harbor. These declines can be attributed to the pandemic.



Out of State Destinations of San Juan County High School Graduates*

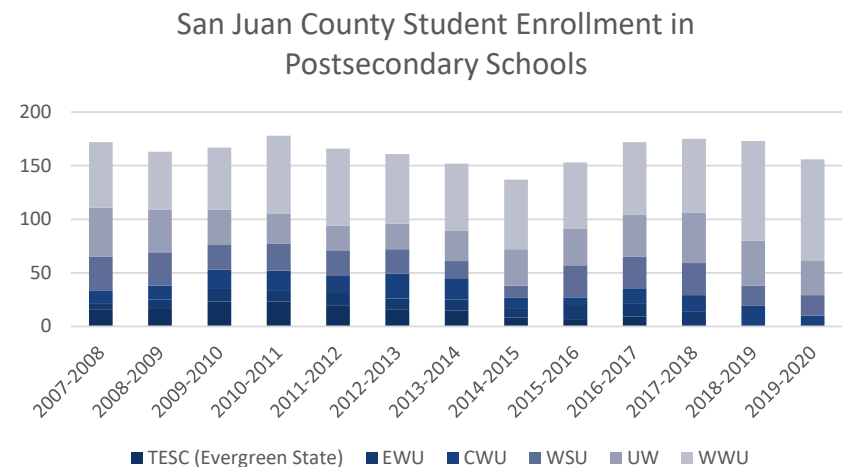
- 27% of 2019 San Juan County high school graduates who pursued postsecondary education enrolled in four-year out of state institutions.
- In comparison, less than 20% of 2019 Washington State high school graduates who pursued postsecondary education enrolled in four-year out of state institutions.
- San Juan averages were higher compared to statewide averages for public and private two-year out of state institutions as well.
- Orcas Island had the greatest percent of 2019 high-school grads attending public in-state four-year institutions at 56%.
- In comparison, only 28% of high school grads from San Juan Island choose to attend public in-state four-year institutions, lower than the statewide average of 32%.



* At the time of publication, data for 2020 graduates was not available so 2019 figures were used instead.

Student Enrollment in Postsecondary Education

Of all the students enrolled in post-secondary education across the state during the 2019-2020 school year, WWU had the most from San Juan County at 95. Next was UW with 32 students, then WSU, CWU, EWU, and TESC. There was a total of 156 students from San Juan enrolled in these schools in 2019-2020. It is important to note that these are all students who are from San Juan County, not just recent high school graduates.



2018-2019 Academic						Year Statistics				
Enrolled in Washington						Enrolled Out of State				
District	Total	Public 4 yr	Private 4 yr	Public 2yr	Private 2yr	Total (Out of State)	Public 4yr	Private 4 yr	Public 2yr	Private 2yr
Orcas	53-70%	53%	0-20%	0-20%	0-20%	0-20%	0-20%	0-20%	0-20%	0-20%
San Juan	92-100%	52%	11-19%	29%	0-10%	0-10%	0-10%	0-10%	0-10%	0-10%
Statewide	82%	33%	6%	42%	0-1%	18%	8%	8%	2%	0-1%

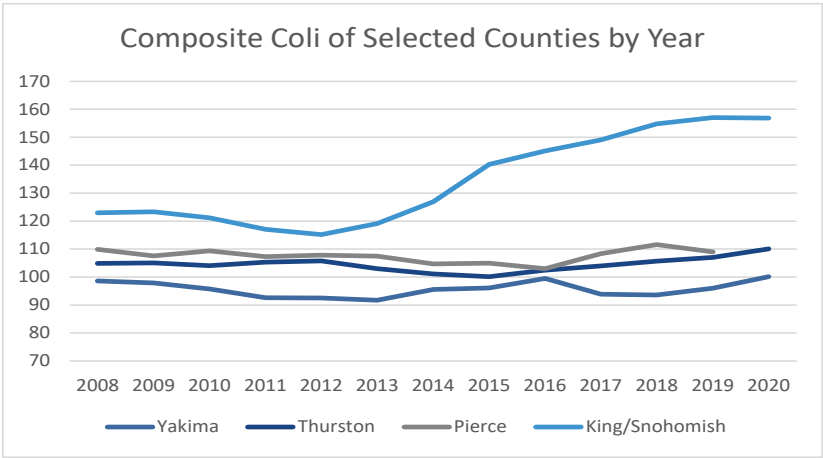
<http://www.erdcddata.wa.gov/hsfb.aspx>

Cost of Living

The cost of living indices provide a way to compare the costs of groceries, housing, utilities, transportation, healthcare, and other miscellaneous living costs between regions. A composite index of 100 indicates that the region has the same cost of living as the national average. It should be noted that San Juan’s index is based off data from Friday Harbor. In 2020, the cost of living in San Juan County was 130—above the national average. Compared to nearby counties like Skagit and Whatcom, with cost of living indexes of 118 and 120, respectively, San Juan’s cost of living is relatively high, with housing costs in San Juan County being higher than those in King County. Composite housing costs are slightly higher in King County, however, due in large part to higher transportation and healthcare costs. However, King County still has a higher composite cost of living that San Juan County at 158.

Regional Cost of Living	
County	Composite
San Juan	141
Whatcom	115
Skagit	118
King	157
State of Washington	130

Source: C2ER (2020 annual report), imputed by Chmura



Living Wage*

Living wages are calculated by finding the point at which one-third of a worker’s total income is allocated to housing costs. For 2020, the minimum living wage was \$16 per hour for a one-bedroom apartment. The costliest lifestyle examined is associated with those paying a monthly mortgage, with a minimum household wage of \$46 per hour needed. The median household income in San Juan County for 2020 was about \$63,622—enough to afford a one-bedroom apartment.

Living Wage (San Juan)			
Housing Type	Rate	Required household hourly wage	Required Household annual income
Rent 1 bedroom	\$935	\$16	\$33,660
Rent 2 bedroom	\$1,232	\$21	\$44,352
Median home mortgage	\$2,654	\$46	\$95,532

Source: UW Runstad Department of Real Estate Fall 2020 Report

*Appropriately calculating a living wage in San Juan County is complicated by the lack of a vibrant apartment/rental market and an underlying economy far less reliant on earned income than typically found in larger regions.

We are always seeking opportunities to bring the strengths of Western Washington University to fruition within our region. If you have a need for analysis work or comments on this report, we encourage you to contact us at:
360-650-3909 or [cebr.wwu.edu](mailto:cebr@wwu.edu)

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