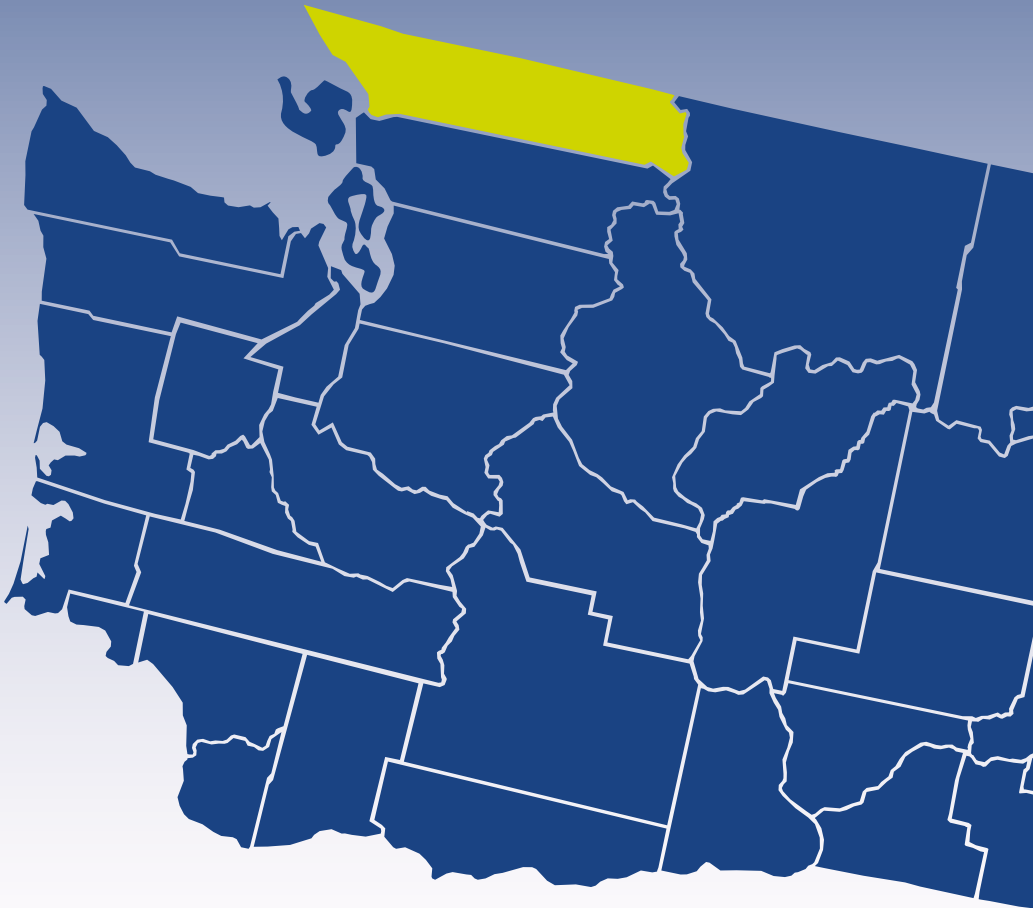


WHATCOM COUNTY

2021 ECONOMIC PROFILE

DATA FROM 2020



WESTERN
WASHINGTON UNIVERSITY

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 2019 data, but also data from 2016, 2017, and 2018.

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.

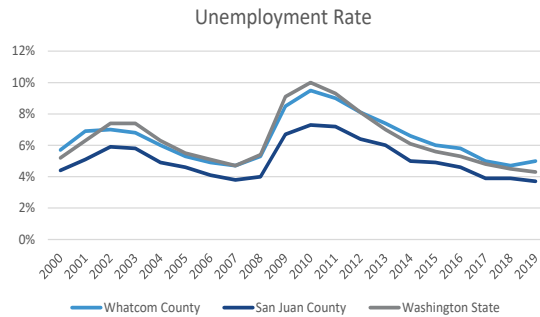
County Demographics				
	Bellingham	Whatcom County	Washington	United States
Population				
Population estimates, July 1, 2019	92,314	229,247	7,614,893	328,239,523
Population estimates base, April 1, 2010	81,205	201,146	6,724,540	308,758,105
Population, percent change - April 1, 2010 (estimates base) to July 1, 2019	13.7%	14.0%	13.2%	6.3%
Population, Census, April 1, 2020	91,482	226,847	7,705,281	328,239,523
Population, Census, April 1, 2010	80,885	201,140	6,724,540	308,745,538
Labor Force				
In civilian labor force, total, percent of population age 16 years+, 2015-2019	64.2%	62.3%	63.6%	63.0%
In civilian labor force, female, percent of population age 16 years+, 2015-2019	60.2%	57.0%	58.5%	58.3%
Income and Poverty				
Median household income (in 2019 dollars), 2015-2019	\$53,396	\$62,984	\$70,116	\$60,293
Per capita income in past 12 months (in 2019 dollars), 2015-2019	\$30,791	\$32,267	\$36,888	\$32,621
Persons in poverty, percent	20.8%	12.7%	10.3%	11.8%

Source: US Census

We start with the Whatcom County’s demographics to provide a foundation for later discussions about the data in this profile. The most recent data places current 2020 Bellingham population at 91,482 and total Whatcom County population at 226,847. The population in Bellingham grew 13.7 percent between April 2010 and April 2020. The county’s population grew 14 percent over the same period, a rate that is only 0.8 percentage points greater than that of Washington State.

Employment

Whatcom County's average unemployment rate in 2020 was 9.3%, 0.9 percentage points higher than the statewide rate of 8.4%. This is a significant jump relative to 2019 levels, when Whatcom Unemployment was at 5% and the statewide rate was 4.1%.



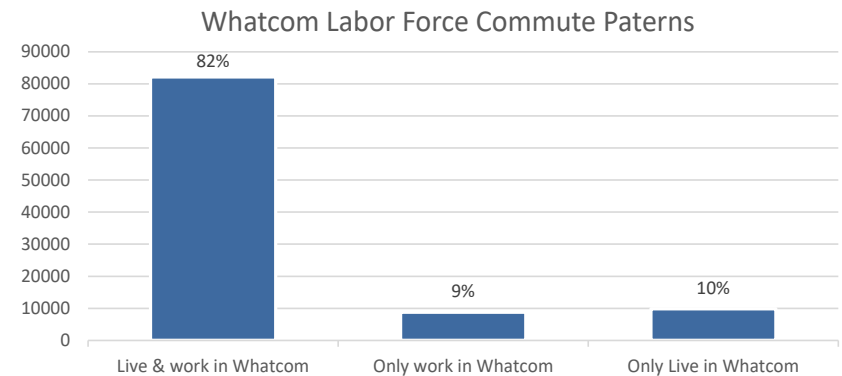
The average annual wage in Whatcom was \$53,325 in 2020. Through 2020, there was an average of 85,262 filled jobs in Whatcom County. The Finance and Insurance subsector had the highest average annual wage for 2019 at \$86,782. Arts, entertainment, and recreation jobs had the lowest average annual wage at \$20,410.

Industry Subsectors	Average Firms	Total 2020 annual wages paid	Average annual employment	Average annual wage
Agriculture, forestry, fishing and hunting	341	\$123,713,832	3,536	\$34,987
Construction	855	\$466,296,183	6,761	\$68,969
Manufacturing	348	\$636,196,752	9,435	\$67,429
Wholesale trade	376	\$159,733,760	2,510	\$63,639
Retail trade	664	\$371,109,107	10,284	\$36,086
Transportation and warehousing	185	\$109,983,340	2,199	\$50,015
Information	144	\$81,043,876	1,120	\$72,361
Finance and insurance	192	\$211,588,200	2,439	\$86,752
Real estate and rental and leasing	250	\$49,290,119	1,202	\$41,007
Professional and technical services	760	\$244,854,772	3,378	\$72,485
Management of companies and enterprises	29	\$27,789,893	343	\$81,020
Administrative and waste services	409	\$171,860,364	3,953	\$43,476
Educational services	111	\$23,489,967	865	\$27,156
Healthcare and social assistance	1,389	\$626,867,332	11,884	\$52,749
Arts, entertainment, and recreation	112	\$21,246,391	1,041	\$20,410
Accommodation and food services	500	\$148,015,055	7,049	\$20,998
Other services, except public administration	570	\$115,127,521	2,934	\$39,239
GOVERNMENT	117	\$931,892,562	14,065	\$66,256
NOT ELSEWHERE CLASSIFIED	14	\$26,536,849	268	\$99,018
Total	7,363	\$4,546,635,875	85,262	\$53,325

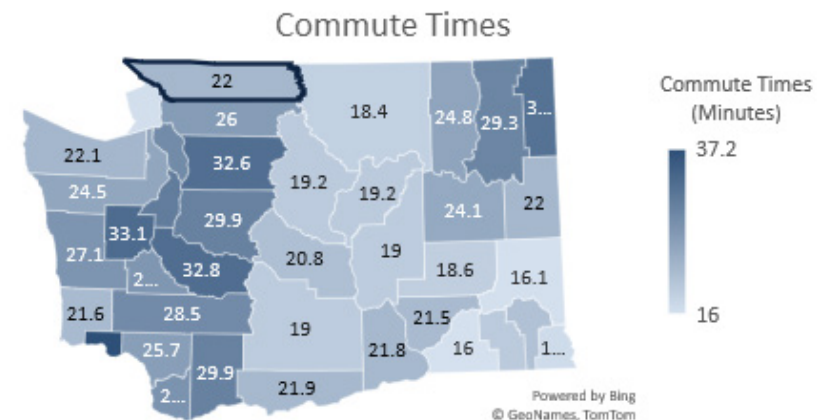
Source: <https://esd.wa.gov/labormarketinfo/covered-employment> QCEW

Commute

Of the 90,885 people that worked in Whatcom County in 2019, 82,119 also lived within the county, while 8,766 people lived elsewhere but commuted to Whatcom County for work. These numbers do not add up to the total population of Whatcom County because the labor force participation rate is only 62.3%. An additional 9,834 Whatcom County residents worked outside the county.



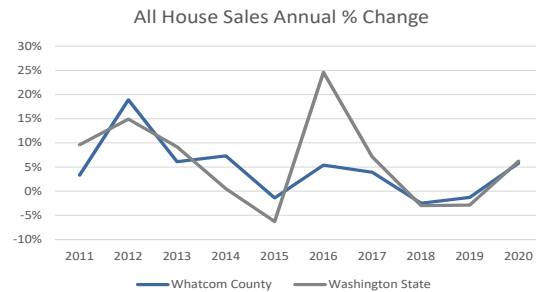
The mean commute time in Whatcom increased slightly from 21.3 in 2019 data to 22 minutes in 2020 data. Neighboring Skagit County had a mean commute of 26 minutes. Walla Walla and Wahkiakum Counties have the shortest and longest commutes at 16 and 37.2 minutes respectively. The state average increased from 23.5 minutes in 2019 to 24.2 in 2020 data. It should be noted that these mean commute times reflect data collected by the American Community Survey from 2015-2019 and may not reflect current commute times. This is because data publication is lagged by two years.



Source: Jobs EQ, American Community Survey 2014-2018

All Housing Sales Annual Percent Change

Whatcom County historically closely reflect Washington State's change in total house sales, shown by the graph. In 2020, this trend continued into 2020, with Whatcom sales increasing by 5.8% and statewide sales increasing by 6.2%.

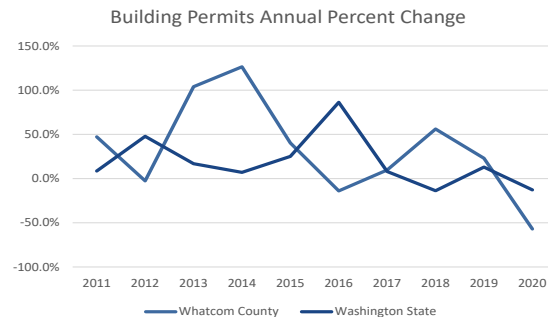


All House Sales Annual % Change				
	2017	2018	2019	2020
Whatcom County	3.90%	-2.5%	-1.3%	5.8%
Washington State	7.1%	-3.0%	-2.9%	6.2%

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

Building Permits Annual Percent Change

Building permits remain volatile, with large fluctuations occurring annually. Whatcom County showed a 56.9% decrease in building permits in 2020, compared to a 23% increase in 2019. In 2019, Washington State had an increase of 13% in building permits, but 2020 saw a decrease of 12.8%, again reflecting the volatility in the annual percentage change of building permits.

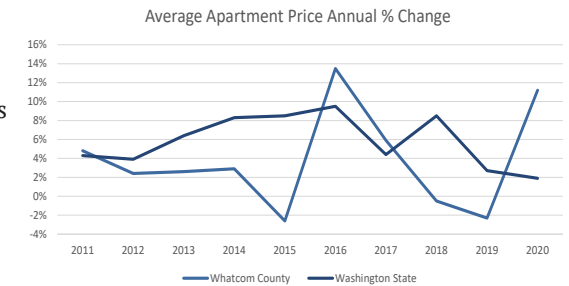


Building Permits Annual % Change				
	2017	2018	2019	2020
Whatcom County	9.70%	56.0%	23.0%	-56.9%
Washington State	7.9%	-13.7%	13.0%	-12.8%

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

Average Apartment Rent Annual Percent Change

The annual percent change in average apartment prices in Whatcom County increased by 11.2% in 2020, following a 2.3% fall in 2018. Average rents in Washington state increased 1.9% in 2019, following a 2.7% increase the previous year.

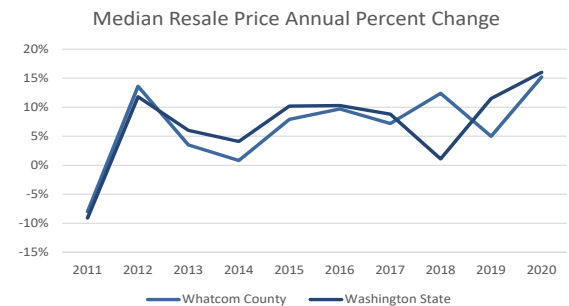


Median Apartment Price Annual % Change				
	2017	2018	2019	2020
Whatcom County	5.9%	-0.5%	-2.3%	11.2%
Washington State	4.4%	8.5%	2.7%	1.9%

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

Median House Resale Annual Percent Change

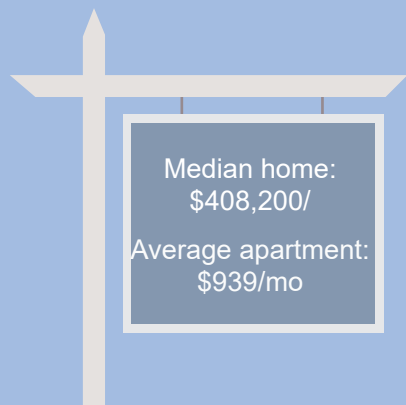
Historically, Whatcom County and Washington State have followed the same trend for the annual percent change in median house resale price. Despite the brief divergence in trends in 2018 and 2019, Whatcom county's change in median house prices once again very closely mirrors the overall Washington state trends in 2020. In 2020, Whatcom County saw a 15.2% increase in median home prices and Washington state saw an overall increase of 16% for the same metric.



Median House Resale Price Annual % Change				
	2017	2018	2019	2020
Whatcom County	7.20%	12.4%	5.0%	15.2%
Washington State	8.8%	1.1%	11.5%	16.0%

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

2020



Median home:
\$408,200/
Average apartment:
\$939/mo



Cross border trade, measured
by truck border crossing
volumes, declined

8%

in 2020

(BPRI 2021 border barometer)



BLI airport saw total passen-
ger traffic decrease by

97%

in April and May 2020 relative
to 2019.

*(BPRI COVID-19 AND THE US-CANA-
DA BORDER Impacts on the Tourism
Industry in Whatcom County)*



Whatcom produces

16.7 pints

of beer per
thousand people



97%

decline in travelers
during COVID restric-
tions compared to a
typical year.

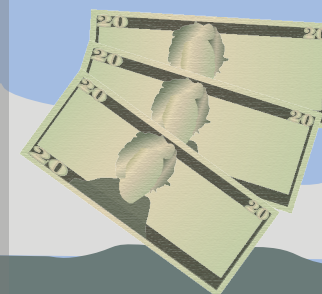
*(BPRI's 2021 Border
Barometer)*



12%

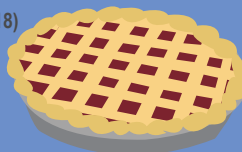
of taxable retail sales
are usually attributable
to Canadian spending.
Border closures cost
Whatcom's economy
between \$169 to \$202
million in lost Canadian
spending

(BPRI's 2021 Border Barometer)



The average Canadian
can save \$472.08 CAD a year
by buying their gas in Washington

Whatcom produces enough raspberries
to make 166 pies per capita *(2018)*

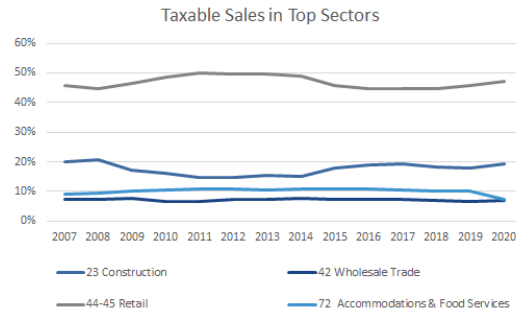


Part of the 1935 version of Call of the Wild was
filmed at Mount Baker

Ferndale was originally referred to as "Jam" due to it's
proximity to a log jam on the Nooksack River

Taxable Retail Sales in Top Sectors

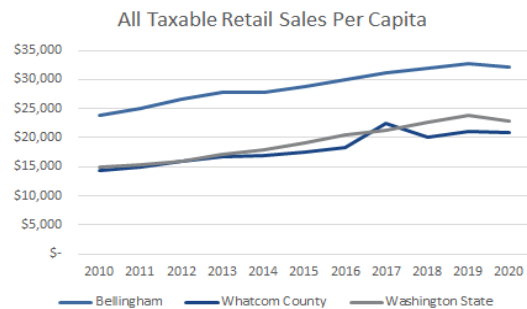
Retail remains the largest source of sales tax revenue, accounting for 46% of all sales taxes raised in 2020. The construction sector is also sizable, accounting for 18 percent of sales, followed by wholesale trade (7%) and accommodation and food services (7%). Trends remain mostly stable with the exception of accommodation and food services which fell by about 30% from 10% in 2019 to 7% in 2020. This was likely due to lockdowns and increased consumer fear during COVID 19.



All Taxable Retail Sales per Capita

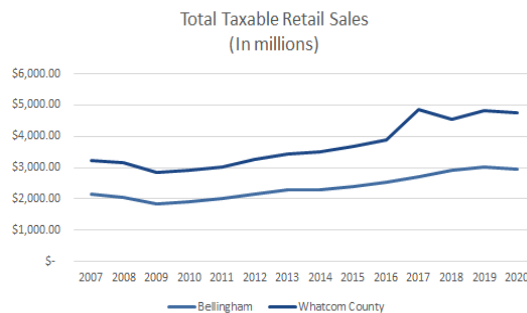
In 2020, the taxable retail sales per capita in Bellingham continued to be significantly higher, at \$32,185, than the rest of Whatcom County and the State with per capita taxable retail sales, with \$20,928 and \$22,873, respectively.

Per capita retail sales slightly declined for the city, the county, and the state due to economic conditions caused by the pandemic.



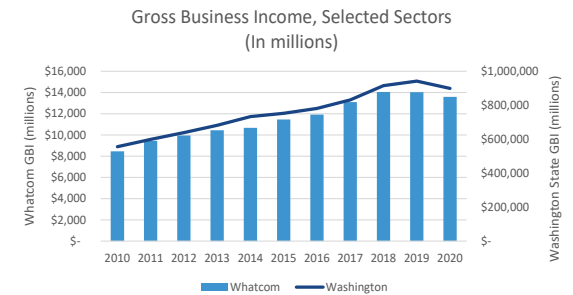
All Taxable Retail Sales

Total 2020 taxable retail sales in Whatcom County reached \$4.75 billion of which \$2.94 billion occurred in Bellingham. This means 62% of taxable retail sales in Whatcom County occur in Bellingham. Sales decreased slightly for both Bellingham and Whatcom as a whole, probably due to negative economic effects of COVID-19.



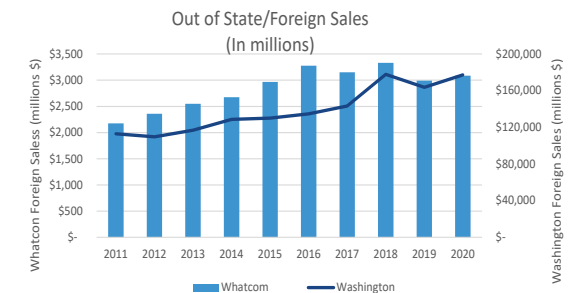
Gross Business Income

Declines in gross business income accelerated in 2020 when gross business income in Whatcom fell by 450 million dollars to 13.58 billion in 2020, following 2019's loss of \$15 million. This compares to the statewide decline of 43.3 billion dollars in 2020, ending at 898.9 billion dollars. Over the prior five years, the average annual change in gross business income has been \$424 million.



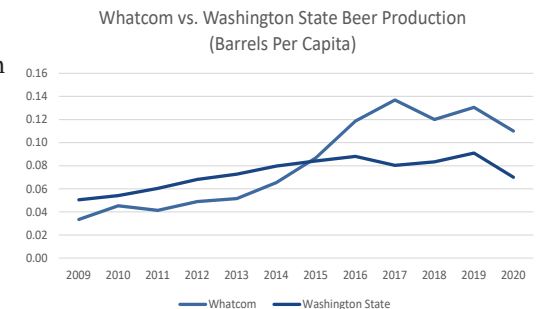
Out of State/Foreign Sales

Whatcom County's out of state and foreign sales grew by \$95 million in 2020. Washington state foreign sales increased by \$13.526 billion. This reverses the declines in exports from 2019 which occurred at the county and state level.



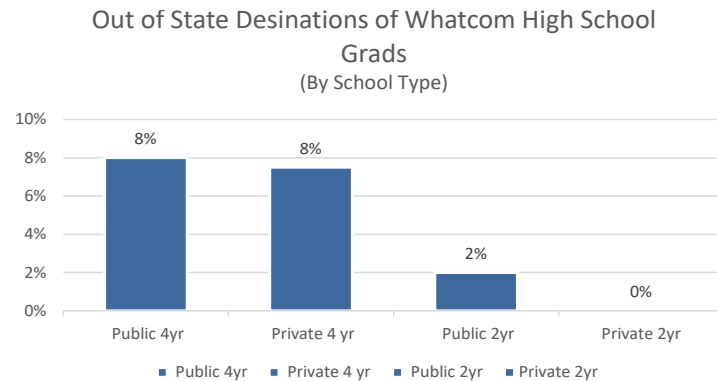
Per Capita Beer Production (Barrels)*

Between 2009 and 2020, Whatcom County's beer production has tripled and Washington production has increased 14% percent. In 2020, Whatcom produced 0.11 barrels of beer per capita whereas Washington produced 0.07. It is worth noting that production declined significantly relative to 2019 for both the county and the state at large.



Out of State Destinations for Whatcom High School Students

- Most 2019 Whatcom high school graduates chose to stay in-state for secondary education.
- Whatcom average enrollment rates in both public and private two-year and four-year institutions are on par with statewide averages.
- Mount Baker School District has the lowest percentage of 2019 high school graduates who enrolled in postsecondary out of state for the Whatcom region at 0-10%
- Bellingham School District has the highest percentage of 2019 college enrollees who enrolled out of state at 22-23%.
- Most of 2019 Whatcom County high school graduates who enrolled in postsecondary education out of state chose a four-year institution.



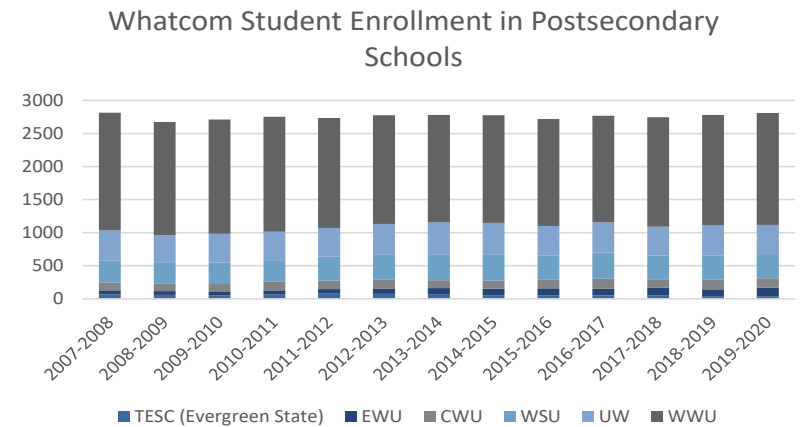
2018-2019 Academic year statistics						2018-2019 Academic School Year Statistics				
District	Enrolled in Washington					Enrolled Out of State				
	Total	Public 4 yr	Private 4 yr	Public 2 yr	Private 2 yr	Total (Out of State)	Public 4 yr	Private 4 yr	Public 2 yr	Private 2 yr
Bellingham	77-78%	30%	5%	42%	0-1%	22-23%	10%	1%	2%	0-1%
Blaine	81-91%	23%	0-5%	58%	0-5%	9-19%	0-5%	9%	0-5%	0-5%
Ferndale	85-87%	32%	4%	49%	0-2	13-15%	6%	5%	0-2%	0-2%
Lynden	81-83%	31%	5%	45%	0-2%	17-19%	3-4%	15%	0-2%	0-2%
Meridian	89-99%	26%	0-5%	63%	0-5%	1-11%	0-5%	0-5%	0-5%	0-5%
Mount Baker	90-100%	20%	0-5%	70%	0-5%	0-10%	0-5%	0-5%	0-5%	0-5%
Nooksack Valley	87-97%	32%	0-5%	55%	0-5%	3-13%	0-5%	6-9%	0-5%	0-5%
Statewide	80-81%	32%	5%	43%	0-1%	19-20%	9%	8%	2%	0-1%

<http://www.erdcddata.wa.gov/hsfb.aspx>, erdc.wa.gov/data-dashboards/public-four-year-dashboard

Student Enrollment in Postsecondary Education by County of Origin*

Of all the students enrolled in post-secondary education across the state, WWU had the most from Whatcom County at 1,695 for the 2019-2020 school year. Next is UW, with 441 students, then WSU, CWU, EWU, and TESC. It is important to note that these are all students who are from Whatcom County, not just recent high school graduates.

At the time of publication, some data had not been updated with 2019-2020 figures. Data from 2018-2019 is used for sections marked with an asterisk().

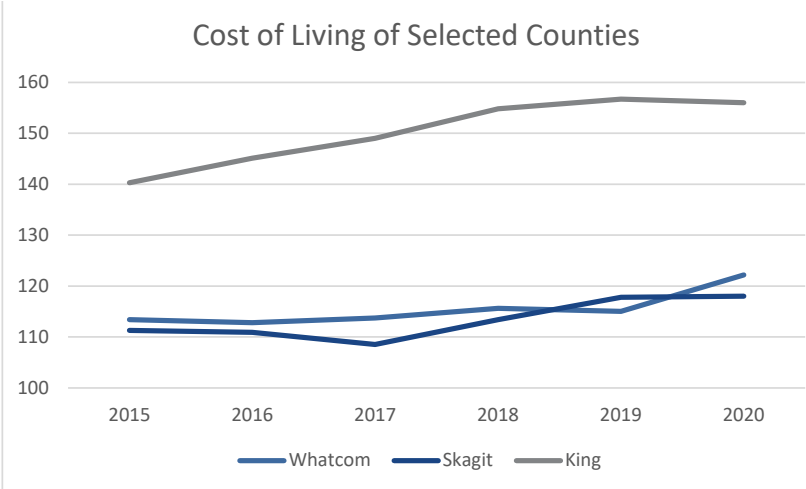


Cost of Living

The cost of living indexes 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. In 2020, the cost of living in Whatcom County was 122— 22% above the national average. Compared to nearby counties like Skagit and King, with composite indexes of 118 and 156, respectively, Whatcom’s cost of living is typical for the region.

Regional Cost of living 2020	
County	Composite
Whatcom	122
Skagit	118
King	156

Source: C2ER (2020 annual report)



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 livable wage in Whatcom County was \$18.29 per hour to afford a one-bedroom apartment. To afford a 2 bedroom apartment, workers would need to make \$22.31/hour. To afford the median mortgage in Whatcom, workers would need to make \$31.10/hour. The median household income in Whatcom for 2020 was about \$62,984—enough to afford the average 1 or 2 bedroom apartment, but insufficient to afford the median mortgage, which would require at least \$64,678 per year.

Living Wage (Whatcom)				
Housing Type	Rate	Required household hourly wage	Required household weekly wage	Required Annual Salary
Rent 1 bedroom	\$939	\$16	\$650	\$38,052
Rent 2 bedroom	\$1,131	\$20	\$783	\$46,404
Median home mortgage	\$1,559	\$27	\$1,079	\$64,678

Source: UW Runstad Department of Real Estate Fall 2020 Report and CEBR calculations

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.wvu.edu



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**CHAMBER OF
COMMERCE**

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Regional Chamber of Commerce