



Whatcom County Economic Profile

2023 Update using data from 2022



**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 data from 2022, but also data from other years, when noted. Counties in below table are used often throughout this report for comparison.

County Demographics				
	Whatcom	King	Snohomish	Skagit
Population				
Population estimates, July 1, 2022	230,677	2,266,789	840,079	131,179
Population, percent change - April 1, 2020 (estimates base) to July 1, 2021	1.7%	-0.13%	1.5%	1.3%
Population, Census, April 1, 2020	226,847	2,269,675	827,957	129,523
Population, Census, April 1, 2010	201,140	1,931,249	713,335	116,901
Economy				
In civilian labor force, total, percent of population age 16 years+, 2017-2021	62.4%	70.1%	67.0%	58.3%
In civilian labor force, female, percent of population age 16 years+, 2016-2020	57.4%	64.3%	61.0%	53.6%
Income and Poverty				
Median household income (in 2021 dollars), 2017-2021	\$70,011	\$106,326	\$95,618	\$75,308
Per capita income in past 12 months (in 2021 dollars), 2017-2021	\$36,504	\$59,843	\$44,338	\$37,723
Persons in poverty	13.0%	6.1%	7.2%	11.6%
Persons without health insurance, under age 65	8.0%	9.3%	7.1%	8.8%
Housing				
Owner-Occupied housing unit rate, 2017-2021	62.4%	56.6%	68.3%	70.5%
Age & Sex				
Persons under 5 years, percent	4.5%	5.2%	5.9%	5.2%
Persons under 18 years, percent	18.3%	19.2%	21.8%	20.8%
Persons 65 years and over, percent	18.9%	14.2%	15.0%	22.5%

Source: US Census

Demographics

We start with Whatcom County's demographics to provide a foundation for later discussions about the data in this profile. The most recent data estimates that Whatcom County's population is at 230,677. The three largest cities in Whatcom County are Bellingham with a population of about 93,896, Lynden with a population of 16,175, and Ferndale with a population of 15,840. Ferndale is seeing the largest growth of cities in Whatcom County at a rate of approximately 5.2 percent, while Bellingham and Lynden are growing at 2.6 and 2.7 percent, respectively. These rates should not be compared to county rates because of measurement differences.

The persons in poverty rate in Whatcom is the highest of compared counties. As of January 26, 2023, the Point-in-Time Count Report estimates 1,059 individuals are experiencing homelessness in Whatcom County. This is up 23% from last year and is the highest since they began the report in 2008. For more information on data collection and outcomes please see the [report here](#).

In general, the issue of poverty and homelessness in Whatcom County, particularly in Bellingham, has been on the rise since the COVID pandemic, causing increasing problems for Downtown Bellingham.



Safety Ambassadors is a new program facilitated by The Downtown Bellingham Partnership in April 2022 to provide an alternative to the police for immediate response to non-urgent downtown disturbances, damage reports, and homeless outreach needs. The 2-3 ambassadors are trained in de-escalation techniques and customer service and are available to the businesses and the public during the daytime. They had responded to 1,670 calls at the time of the DBP 2022 annual report. This program is also used in Reno, NV. They can be reached by calling 1-800-824-2383.



Rendering for the new building.
Source: Lighthouse Mission

New Lighthouse Mission Facility to replace Basecamp.

A new Lighthouse Mission facility is under construction on Holly Street to replace Basecamp on Cornwall and York. The lease on the Basecamp location ends July 2024. The new facility will provide 200 low barrier beds, 100 micro-shelter beds, meeting rooms for community agencies to offer services, laundry, kitchen, a medical clinic and more. Lighthouse Mission provides the only crisis shelter in Bellingham.

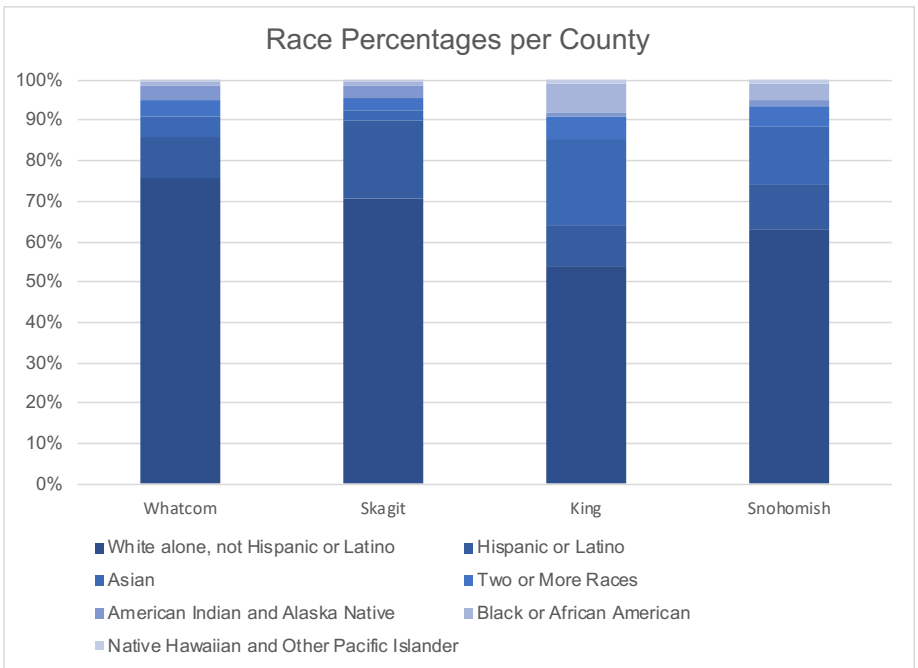
Demographics Cont.

Whatcom County has the highest percentage of white residents of compared counties at 77%. While this is only 4.6 percentage points above neighboring Skagit county, it is an average of 17.35 percentage points higher than it’s more urban neighbors, King and Snohomish. The second highest ethnic population in Whatcom County is Latino at 10.9 percent. This is similar to Skagit county, but King and Snohomish have more Asian residents than Latinos.



Source: washingtontribes.org

Whatcom County has the highest percentage of American Indian and Native Alaska residents at 3.3 percent. Skagit has 2.7 percent and King and Snohomish have 1 and 1.6 percent, respectively. There are two reservations located within Whatcom County; the Lummi Nation and the Nooksack Indian Tribe. It is unclear if the populations of the reservations are included in these demographic numbers.



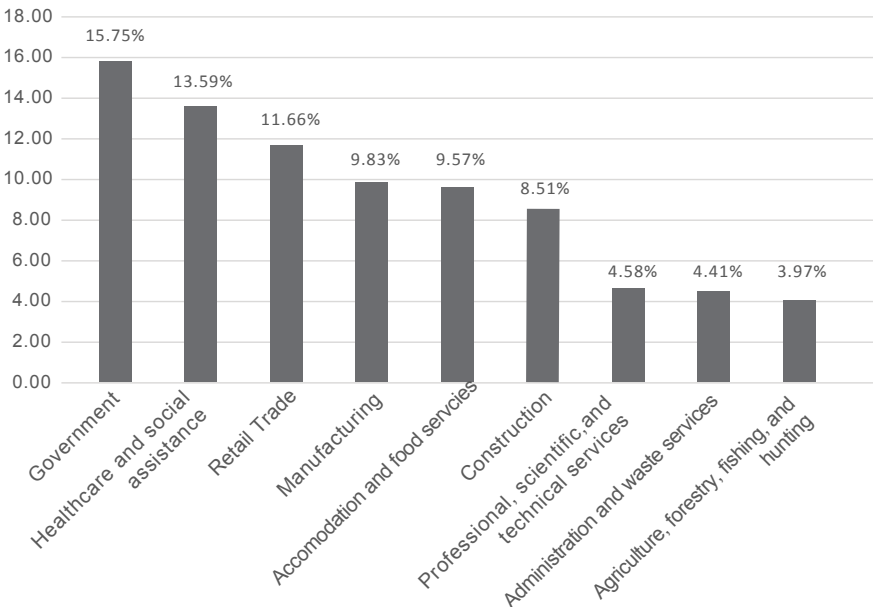
Industry Share & Employment

Looking at 2022 annual data, the highest percentage of employed people in Whatcom County worked in government (15.75 percent), followed by health care and retail trade (13.59 percent and 11.66 percent respectively). These are followed by manufacturing (9.3 percent), accommodations and food services (9.75 percent), construction (8.51 percent), professional, scientific, and technical services (4.58 percent), administrative and waste services (4.41 percent), and agriculture, forestry, fishing, and hunting (3.97 percent).

All top nine sectors saw less than a percentage point of growth from 2021, except for government which decreased from 16.05 percent to 15.75 percent. The sector that saw the most growth was food and accommodations at 8.84 percent in 2021 to 9.75 percent in 2022. Whatcom Tourism saw a 30.5 percent increase in visitor spending in food and beverage, recreation and the arts, accommodations, transportation, and retail sales, though it does not appear that this has affected employment.

Total annual employment in 2022 was 92,035, which is up from 87,496 in 2021. This is consistent with unemployment rate decrease noted in the unemployment rate graph on the next page.

Employment share Top 9 Industries - Whatcom County 2022

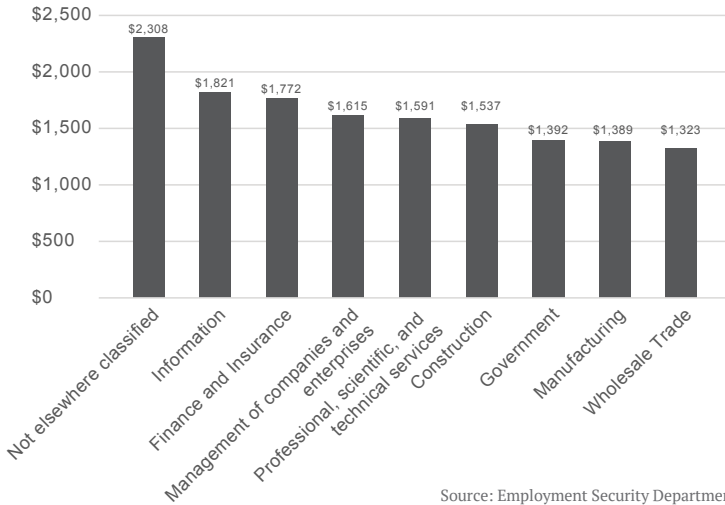


Source: Employment Security Department

Industry Share & Employment Cont.

The average annual wage in Whatcom County was \$59,174 in 2022. Throughout the year, there was an average of 92,035* filled jobs. Not elsewhere classified had the highest weekly wage at \$2,308, which is approximately \$110,784. The highest weekly wage for a known sector was information at a \$1,821 weekly wage, which is about \$94,685 a year. Arts, entertainment, and recreation jobs had the lowest average weekly wage at \$415 which is a \$21,569 annual wage.

Top Weekly Wages 2022



Source: Employment Security Department

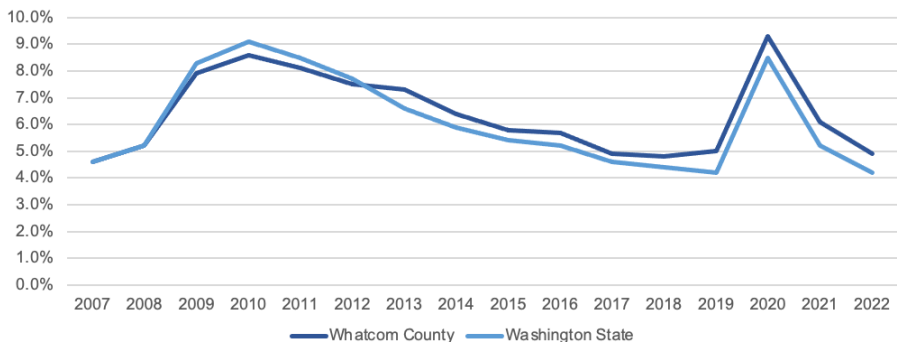


Source: Localgroup Studio

Co-Working Spaces

There are no listed co-working spaces in Ferndale or Lynden, but there are several co-working spaces in Bellingham; The Office, Her Connection Hub, Dockside, State and Laurel Cowork, The Cooler, Localgroup Studio. Pricing structures vary from \$100 a month to \$750.

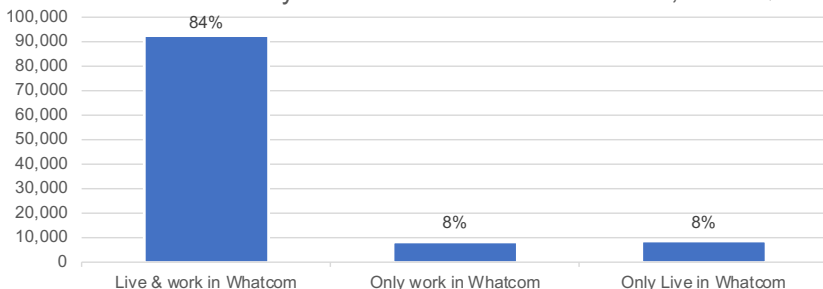
Unemployment Rates in Whatcom County



Source: St. Louis Fed

Whatcom County’s annual unemployment rate in 2022 was 4.9%, which is 0.7 percent higher than the statewide rate of 4.2%. Both Whatcom County and the state unemployment rates continue to decline after spikes in 2020, when Whatcom County unemployment was 9.3% and the statewide rate was 8.5%.

Whatcom County Labor Force Commute Patterns, 2023 Q2



Source: Jobs EQ

Of the 100,670 people who worked in Whatcom County at the time of data collection in 2023 Q3, 92,221 also lived within the county, while 8,449 people lived elsewhere but commuted to Whatcom County for work. An additional 8,740 Whatcom County residents worked outside the county.

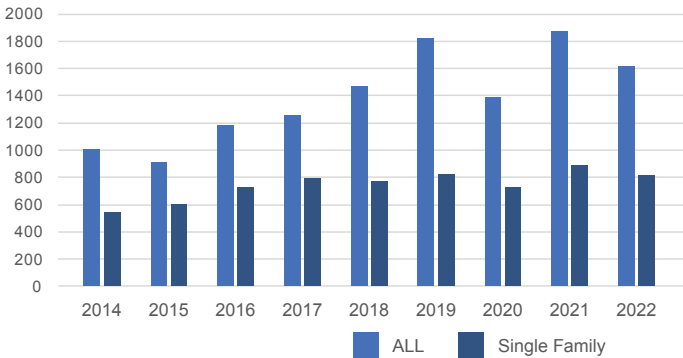
The percentage of “only work” in Whatcom and “only live” in Whatcom are down from 2021. In 2021, 9% of people worked in Whatcom but lived elsewhere, and 10% of people lived in Whatcom but worked elsewhere. It is difficult to pinpoint a single cause for this decrease in people commuting across Whatcom County lines for work, but part of the explanation may be that workers are opting to work closer to home.

Building Permits

Building permits see large fluctuations throughout the year, thus, we looked at the year totals. Total building permits in 2022 equaled 1,577, a decrease from 2021. However, 2022 numbers are more consistent with past years, as 2021 saw a spike in building permits, preceeded by a noticeable low in 2020 amidst Covid. Single Family dwellings, according to wa.gov, are “an independent and free-standing structure containing one dwelling unit and having a permanent foundation.” Permit issues for these are more consistent, meaning flucuations in total permits issued are more dependent on commerical, appartment, and multi-family structures.

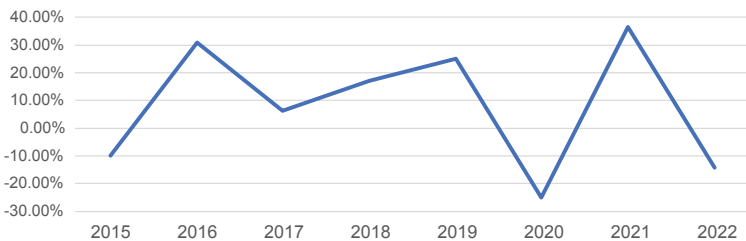
The first two quarters in 2023 had very low total permit numbers at 240 and 232, respectively. Every year but 2019 saw more permits in the first two quarters than the second two, so it is reasonable to believe permit issues in 2023 will be the lowest on this map. This would mean 2 years of declining building permit rates, which would be a departure from the last several years of alternating increases and decreases.

Total Annual Building Permits Issued in Whatcom County



Source: Washington Center for Real Estate Research

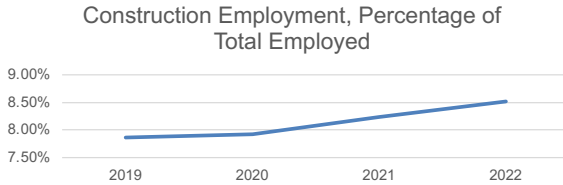
Total Annual Building Permits Percentage Change



Source: Washington Center for Real Estate Research

Building Permits cont.

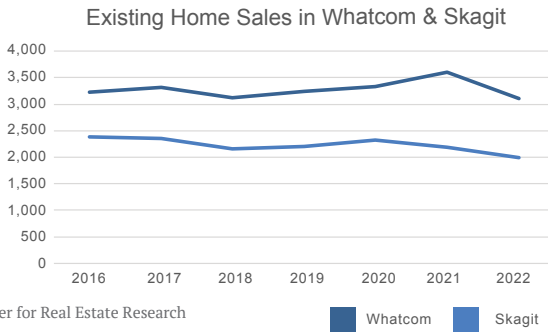
Despite these fluctuations in construction needs, construction employment in Whatcom County is steadily increasing. This could indicate projects are getting larger, worker productivity is decreasing, or other counties are using Whatcom construction resources.



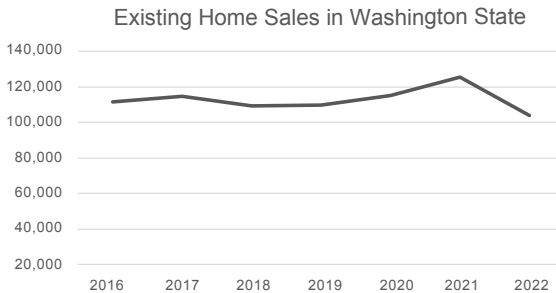
Source: Employment Security Department

All House Sales

Whatcom County total house sales have declined since a peak in 2021. This pattern can also be seen in Washington state. In 2022, total annual house sales in Whatcom County totaled 3,100. This number is similar to what we saw in 2018 at 3,120. Compared to Whatcom’s southern neighbor, Skagit County, the market is more inconsistent, seeing more significant ebbs and flows.



Source: Washington Center for Real Estate Research



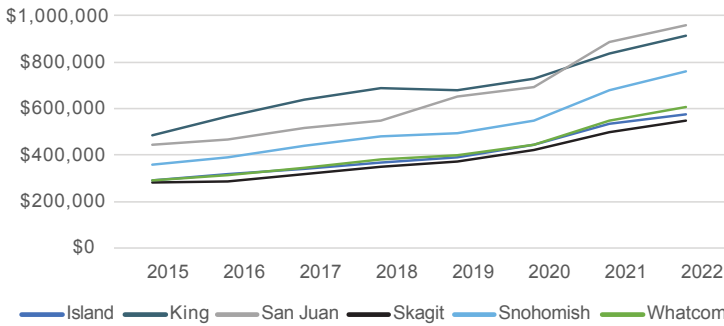
Source: Washington Center for Real Estate Research

Median House Sales

Whatcom County’s median house price in 2022 was \$608,300. Housing prices have been growing steadily since 2015, for a 109.47 percent increase since 2015, with the highest rate of increase in 2021 at 28.18 percent. In 2022, we saw a 11.13% increase in housing prices, which is lower than the 23.18% increase in 2021. In general, Whatcom county experiences larger increases and larger decreases than it’s neighboring Skagit and Island counties, demonstrating a more volatile or inconsistent housing market as also noted above regarding house sales.

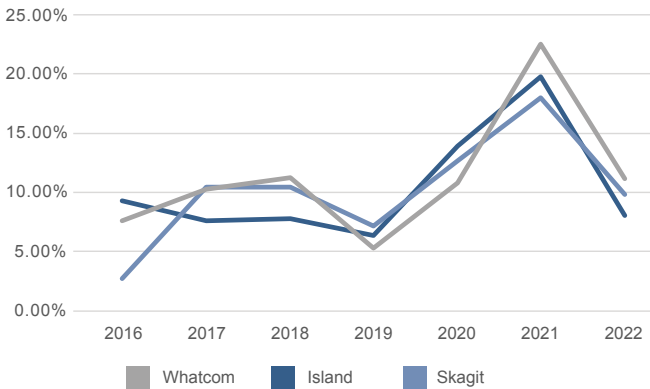
Comparitively, San Juan County had the highest median house price in Washington State at \$913,200 in Q2 of 2023. The lowest median house price was \$218,500 in Lincoln County, while the median selling price for a single family home in Washington state was \$654,900.

Median Housing Price 2022 Annual Q4



Source: WA Center for Real Estate Research

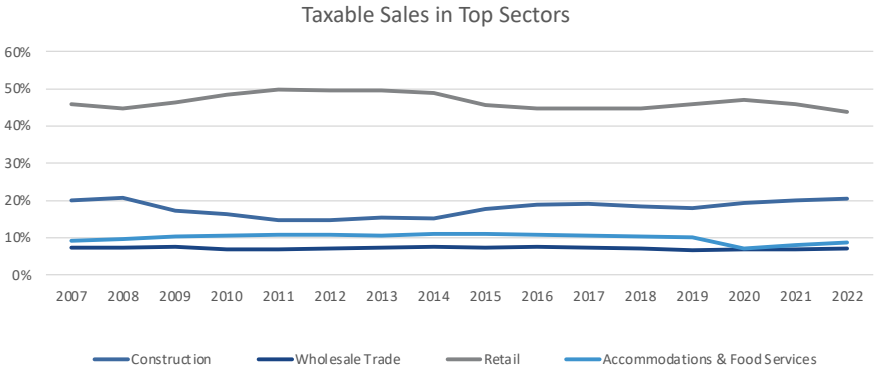
Housing Price Rate of Change (based on annual totals)



Source: WA Center for Real Estate Research

Taxable Sales in Top Sectors

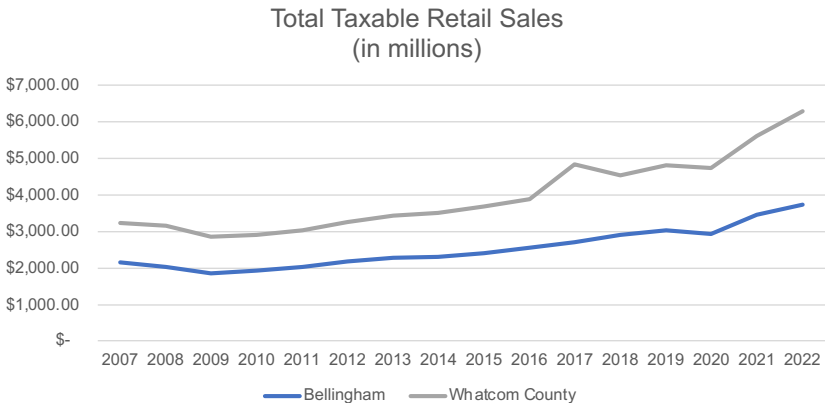
Retail remains the largest source of Whatcom sales tax revenue, accounting for 44 percent of all sales taxes raised in 2022. The construction sector also made a large impact, accounting for 20 percent of taxable sales this year followed by accommodation and food services (9%) and wholesale trade (7%). Trends remain mostly stable, apart from accommodation and food services sector which is slowly recovering after a 3% drop between 2019 and 2020.



Source: WA State Department of Revenue

Total Taxable Retail Sales

In 2022, total taxable retail sales in Whatcom County reached \$6.28 billion. Almost 60% of those sales (\$3.72 billion) occurred in Bellingham. Bellingham and Whatcom County once again experience new highs in nominal taxable retail sales, fully recovering from pandemic-related downturns.



Source: WA State Department of Revenue

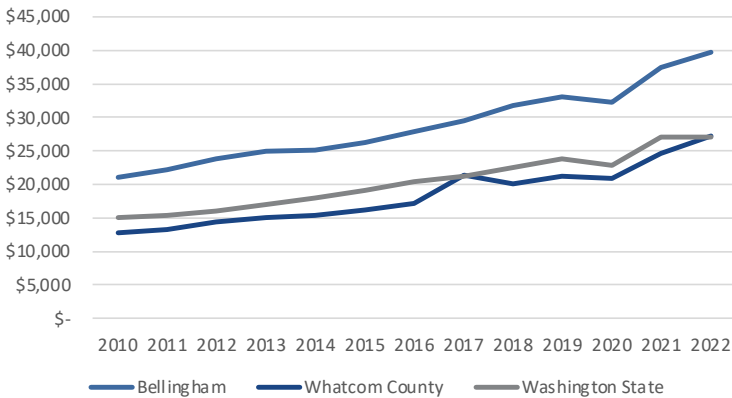


Photo: Visit Bellingham

Taxable Retail Sales Per Capita

In 2022, taxable retail sales per capita in Whatcom County were \$27,246, which is less than Bellingham at \$39,660. Bellingham has historically outpaced the county, likely because it is a dense urban area with a larger number of retail stores compared to the rest of the county. However, taxable retail sales per capita in Whatcom County were slightly greater than the state value of \$27,027. This is rare, as Whatcom county has only exceeded the state on this measure once in the past 12 years.

All Taxable Retail Sales Per Capita



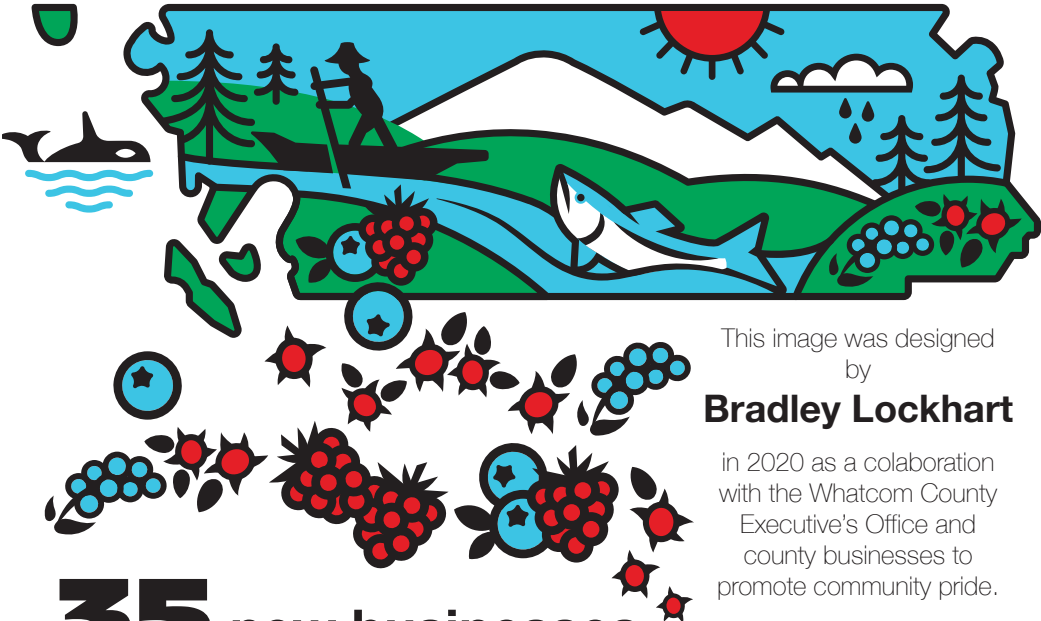
Source: WA DOR and US Census Bureau



Whatcom County was named for the Lummi word meaning “noisy, rumbling water”.

Whatcom County is **2,106.9 square miles** and ranked **12th** in the state

I ♥ WHATCOM



This image was designed by **Bradley Lockhart**

in 2020 as a collaboration with the Whatcom County Executive’s Office and county businesses to promote community pride.

35 new businesses including restaurants, tattoo shops, retail, services & activities opened in downtown Bellingham in 2022.

Source: Bellingham Downtown Partnership

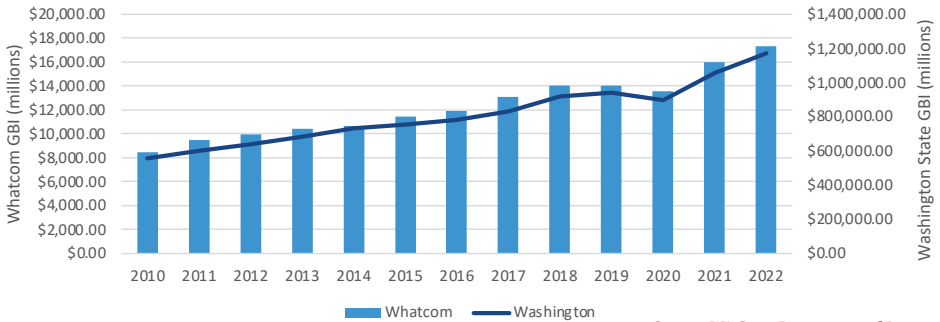
There are **107.36** people per square mile



Gross Business Income

Gross business income increased annually in Whatcom County from 2010 until 2020, when there was a decline of around \$450 million. In 2022, the gross business income was \$17.3 billion in Whatcom, an increase of \$1.32 billion from last year. Washington State GBI increased by \$112.6 billion over the past year to \$1.17 trillion. Both indicators seem to be continuing their upward trend post-pandemic.

Gross Business Income, Selected Sectors
(in millions)

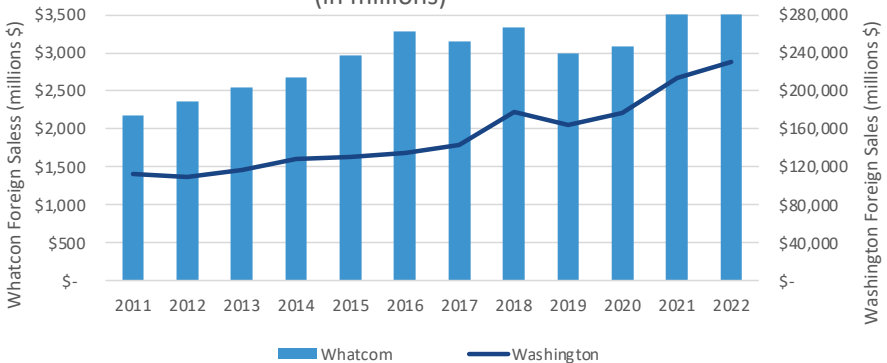


Source: WA State Department of Revenue

Out-of-State Foreign Sales

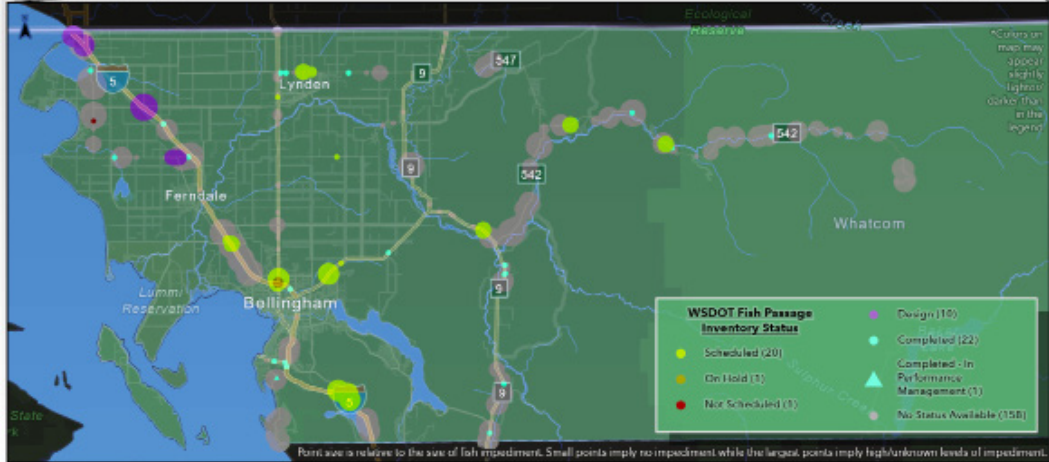
Whatcom County's out-of-state and foreign sales grew by \$212.32 million in 2022, reaching about 4.06 billion dollars. Washington state foreign sales increased by \$16.8 billion, reaching \$230.67 billion. This continues the recovery after the county and statewide decline in 2019.

Out of State/Foreign Sales
(in millions)



Source: WA State Department of Revenue

Whatcom Fish Passage Inventory



Point size is relative to the size of fish impediment. Small points imply no impediment while the largest points imply high/unknown levels of impediment.

Whatcom County, WA State Parks GIS, Esri, HERE, Garmin, SafeGraph, FAO, MFTI/NASA, USGS, Bureau of Land Management, EPA, NPS, Esri, Garmin, FAO, NOAA, USGS, EPA, WSDOT

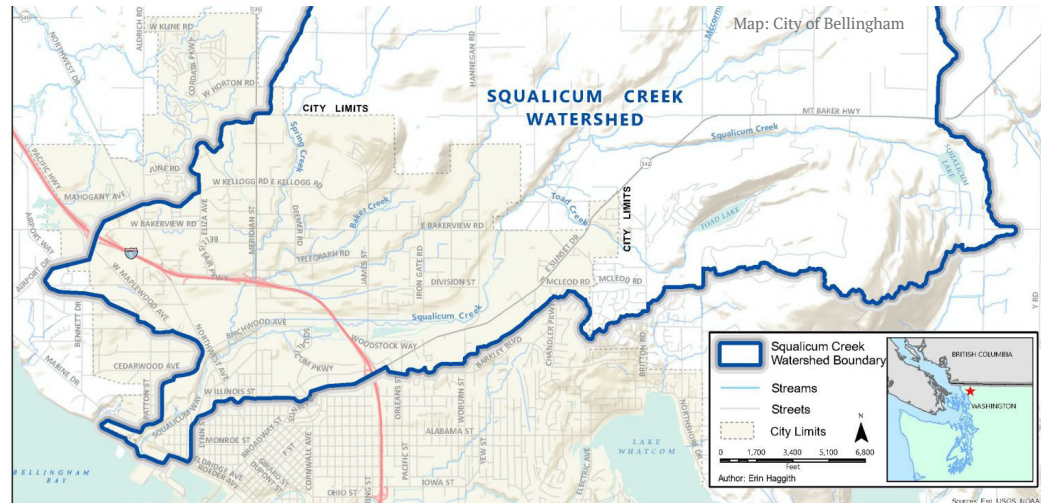
In March 2013, a U.S. District Court injunction required Washington State to “correct barriers to salmon and steelhead populations, and open 90 percent of blocked habitat by 2030.” This project is being carried out by the Washington State Department of Transportation. There are 30 total obstructions in Whatcom County that are slated to be corrected.

SR 542 Squalicum Creek to Bellingham Bay Fish Passage

Spring 2023-Winter 2023 SR 542 has been closed to replace a 6x6 fish culvert between Britton and Noon roads with a single span bridge to open up approx. 3 miles of fish habitat. This is a \$8.8 million project funded by both the state and federal government. There have been several other projects on Squalicum Creek to improve water quality and fish habitat.



Existing 6x6 culvert. Photo: WA DOT



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.



James McCafferty

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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**