



# CENTER FOR ECONOMIC AND BUSINESS RESEARCH



## Kitsap County Economic Profile

**2023 Update using  
data from 2022**



## 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.



## 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.

In Kitsap County, about 13% of workers work directly in healthcare. Within the county, the industry is expected to grow at 1.8 percent over the next year, and there are approximately 950 online job postings for healthcare workers in Kitsap County as of August 2023. Virginia Mason Franciscan Health (VMFH) is the largest private employer in the county, generating \$3.3 billion in gross charges and \$750 million in net revenue in 2022.

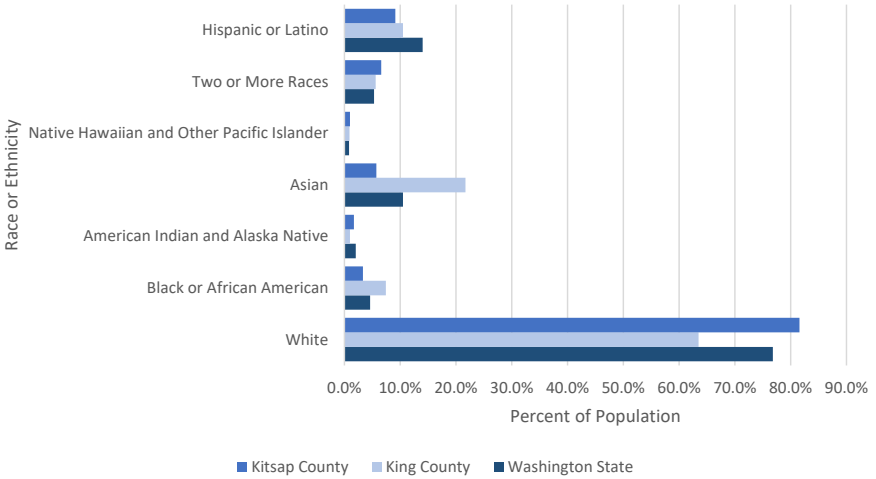
In Kitsap County, there are 159 physicians per 100,000 people. In comparison, King County has 391 physicians per 100,000 people, over double the density of physicians in Kitsap County. At 269 physicians per 100,000 people, Washington state has less physician density than King County but more density than Kitsap County.

Kitsap County has 1 hospital per 43,150 people, placing it at 27th out of 39 counties in Washington. With regards to distance, there is 1 hospital every 65 square miles, ranking 2nd out of 39 counties.

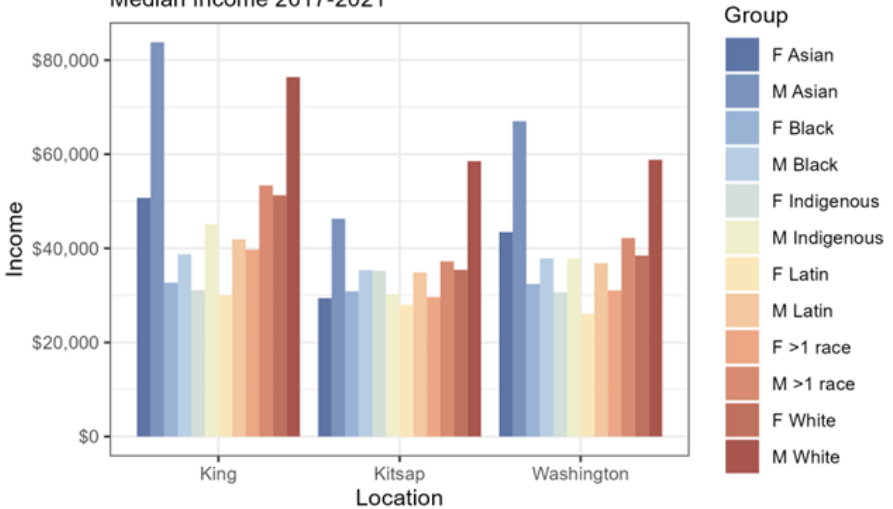


St. Michael Medical Center in Silverdale, WA. Source: VMFH

### Demographics in Kitsap County, King County, and Washington



### Comparing Wages by Sex Race and Geography Median Income 2017-2021



Data Source: United States Census Bureau

Like King county and Washington State, there are wage disparities based on race and gender in Kitsap county. However, Kitsap county saw the second highest wage growth of all U.S. counties from Q3 2021 to Q3 2022. While the high wage growth does not directly address the racial disparities, it is a sign that the Kitsap County economy is vibrant and expanding.

County Demographics			
	Kitsap County	King County	Washington State
Population			
Population estimates, July 1, 2022	275,411	2,266,789	7,785,786
Population estimates base, April 1, 2020	275,605	2,269,667	7,705,247
Population, percent change - April 1, 2020 (estimates base) to July 1, 2022	-0.07%	-0.13%	1.05%
Population, Census, April 1, 2020	275,611	2,269,675	7,705,281
Population, Census, April 1, 2010	251,133	1,931,249	6,724,540
Labor Force			
In civilian labor force, total, percent of population age 16 years+, 2017-2021	55.4%	70.1%	63.7%
In civilian labor force, female, percent of population age 16 years+, 2016-2020	52.7%	64.3%	58.9%
Income and Poverty			
Median household income (in 2021 dollars), 2017-2021	\$84,600	\$106,326	\$82,400
Per capita income in past 12 months (in 2021 dollars), 2017-2021	\$43,034	\$59,843	\$43,817

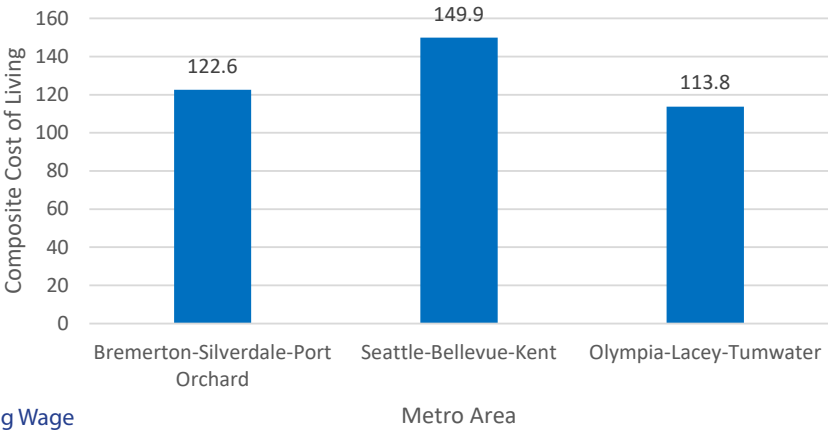
Source: US Census Bureau

County demographics help provide a reference point for further discussion about the data throughout this profile. Kitsap County’s population has shrunk at a rate of 0.07%, which is lower than Washington State at 1.05% but higher than the neighboring King County which is shrinking at a rate of 0.13%. The median income for Kitsap residents in 2021 was \$84,600, which is lower than the King County median annual income of \$106,326 but higher than Washington State with a median annual income of \$82,400. Additionally, in 2021, Kitsap had a rate of persons in poverty of 8.7%, which is lower than both King County’s and Washington’s poverty rates of 9.3% and 9.9% respectively.

Cost of Living

The cost of living composite consists of groceries, housing, utilities, transportation, health care, and miscellaneous goods and services. The national average is normalized at 100. The cost of living for the Bremerton-Silverdale-Port Orchard metro area for 2022 was 122.6. Compared to other nearby metro areas, the cost of living in Kitsap is lower than the Seattle-Bellevue-Kent metro (149.9), and higher than the Olympia-Lacey-Tumwater metro (113.8). Both Kitsap and King Counties experience higher than average housing prices; however, Kitsap indicated a lower cost of utilities than the national average.

Composite Cost of Living, 2022



Living Wage

The living wage is determined by calculating the minimum income at which a maximum of 33.3% of the total income would be allocated for housing. For 2022, the minimum living wage to rent a one-bedroom apartment in Kitsap County was \$27 per hour compared to \$34 per hour in King County. Meanwhile, the median home mortgage in Kitsap County required an hourly wage of \$46 in contrast to King County at \$79.

Living Wage for Kitsap County			
Housing Type	Rate	Required household hourly wage	Required household weekly wage
Rent 1 bedroom	\$1,516	\$27	\$1,083
Rent 2 bedroom	\$1,726	\$31	\$1,233
Median home mortgage	\$2,594	\$46	\$1,853

Source: Washington Center for Real Estate Research and CEBR

## Tribes and Tribal Corporations

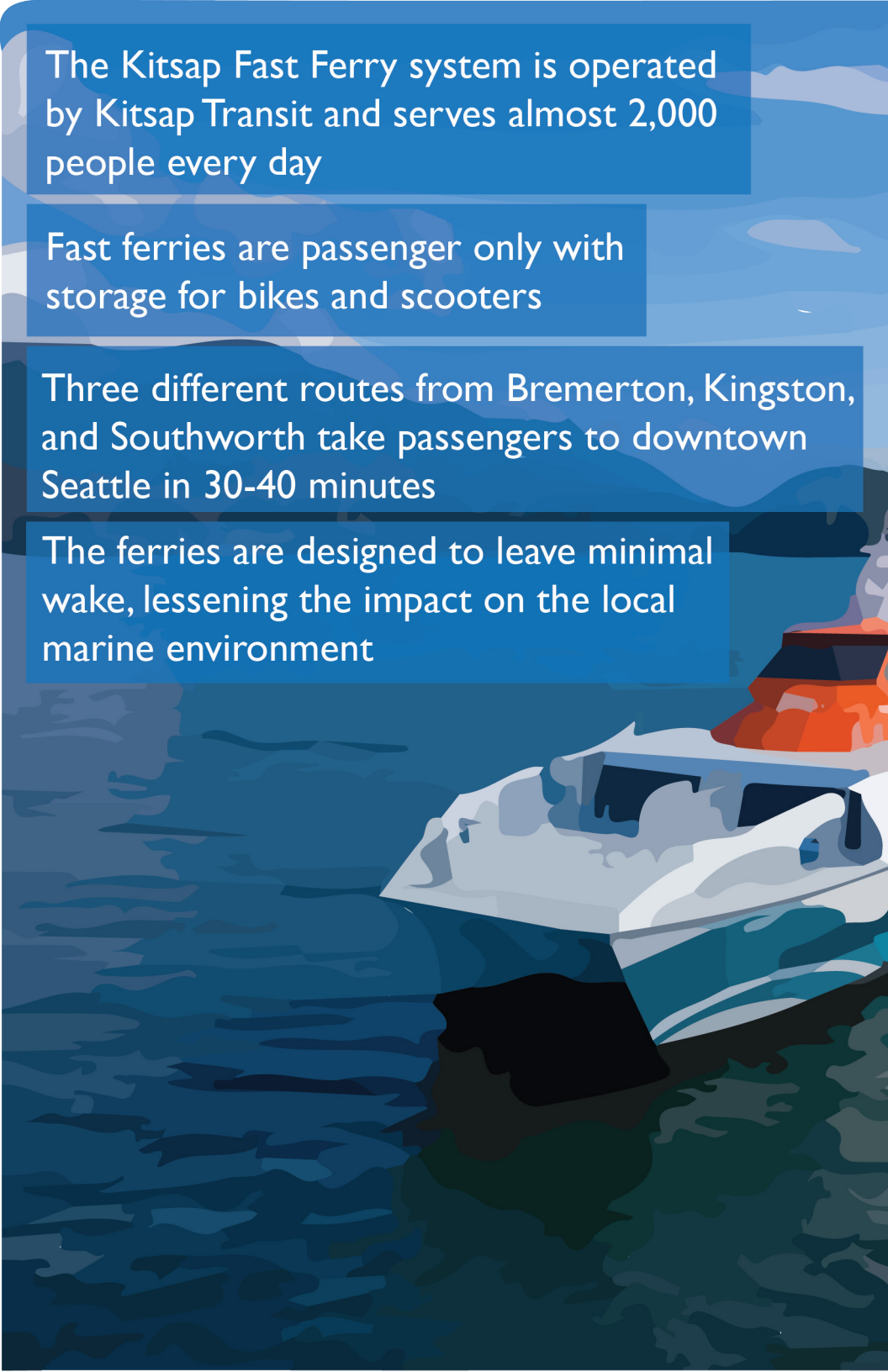
Kitsap county is within the ancestral homeland of the Suquamish people. Today, the Suquamish Tribe owns 57% of the Port Madison Indian Reservation. In 1857, the county was named for Suquamish Chief Kitsap, one of the most powerful chiefs in the region at the time. Visitors can learn more about the history of the Suquamish tribe at the newly constructed Suquamish museum.

Port Madison Enterprises is an Agency of the Suquamish Tribal Government and is the second largest private employer in the county. Their ventures include the Clearwater Casino Resort, White Horse Golf Club, Kiana Lodge, PME Retail, Port Madison Enterprises Construction Corporation, and Suquamish Evergreen Corporation. Suquamish Seafood is another major firm integral to the Suquamish economy, connecting tribal fishers with consumers.

Also residing in Kitsap County are the Port Gamble S'Klallam people. They have 1,234 registered tribal members and formed Noo-Kayet Investments to be the economic development arm of the tribe. Port Gamble S'Klallam Tribal investments include The Point Casino & Hotel, Gliding Eagle Market, High Point Cannabis, and The Point Market. The Port Gamble reservation is held in trust by the Federal Government. Those living on the reservation and associated off-reservation land trusts are 25 percent non-indigenous.



The Clearwater Casino Resort, operated by the Suquamish Tribe



The Kitsap Fast Ferry system is operated by Kitsap Transit and serves almost 2,000 people every day

Fast ferries are passenger only with storage for bikes and scooters

Three different routes from Bremerton, Kingston, and Southworth take passengers to downtown Seattle in 30-40 minutes

The ferries are designed to leave minimal wake, lessening the impact on the local marine environment



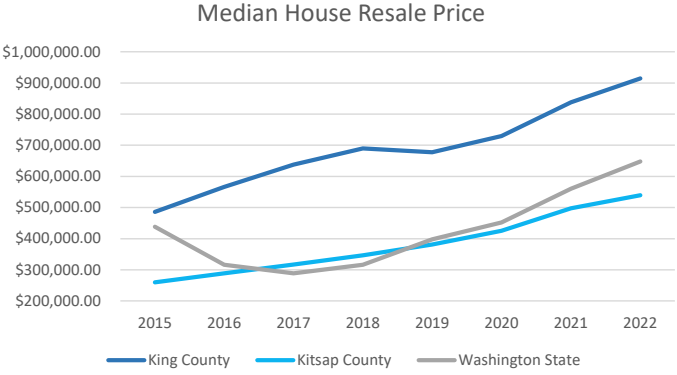


With 216 miles of marine shoreline, Kitsap County is uniquely dependent on ferries

The Washington State Ferry (WSF) system includes four routes from Kitsap to the mainland. The Seattle/Bainbridge Island route was the system's busiest with 4.4 million riders in 2022. WSF is embarking on an ambitious initiative to electrify its fleet, delivering 16 new hybrid electric vessels by 2040.

### Median House Resales

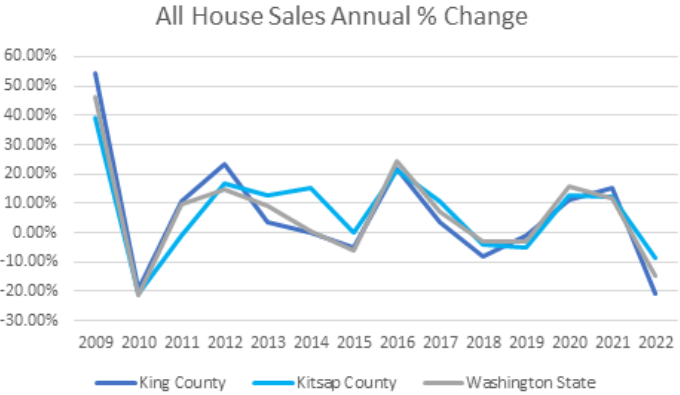
In 2022, Kitsap County's median home resale price increased by 8.5 percent, continuing a trend of increasing housing prices seen across the state. Median house resale prices have been rising annually in Kitsap County since 2012. The housing market also grew at the statewide level, with an increase of 15.6 percent over the course of 2022. Additionally, King County experienced growth in home resale prices of 9.1 percent in 2022. The median house resale price in Kitsap County increased by \$280 thousand dollars from 2015 to 2022.



Source: Washington Center for Real Estate Research

### House Sales

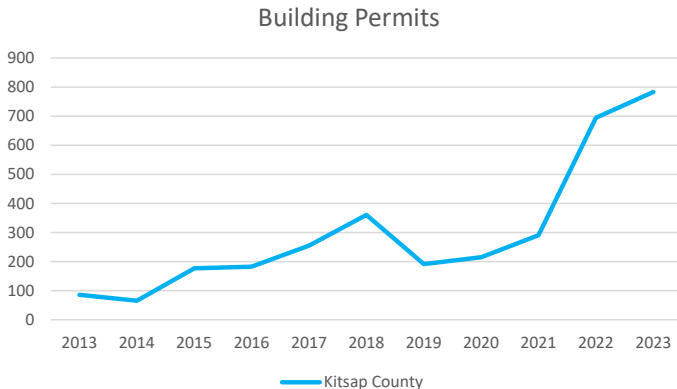
The annual percent change in home sales decreased or stayed the same for a majority of locations examined in 2022 with Kitsap County decreasing by a rate of 20.9 percent. Kitsap County saw the steepest decrease compared to neighboring King County (8.5 percent) and Washington State as a whole (14.6 percent).



Source: Washington Center for Real Estate Research

Building Permits

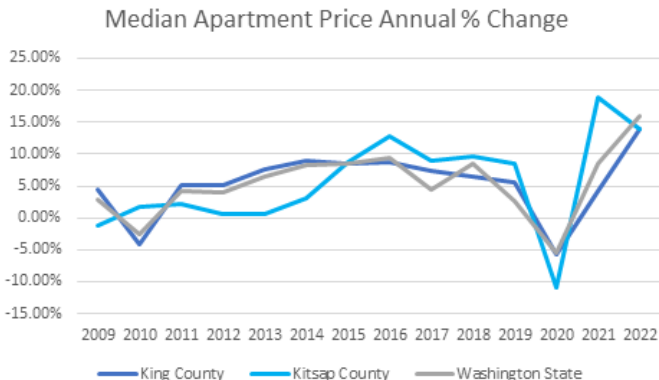
Building permits are volatile, often fluctuating from year to year. As a result, it is not unusual to see an irregular percent change in permits. Since the COVID-19 pandemic, the number of building permits issued has skyrocketed in Kitsap County, quadrupling since 2019 from 200 permits to almost 800. The number of permits issued in Q1 of 2022 was 695, with Q1 of 2023 seeing 784 permits issued.



Median Apartment Rent

Source: Washington Center for Real Estate Research

The median apartment price for all apartment types saw a sharp increase in Kitsap and King County. In 2022, there was a 13.99 percent increase in apartment prices in Kitsap County, almost the same as King County (13.96 percent) and slightly less than Washington State (15.9 percent). The median apartment price rose to \$1,760 in 2022 from \$1,544 in 2021 in Kitsap County. King County experienced a similar rise in price from \$1,870 in 2021 to \$2,131 in 2022.

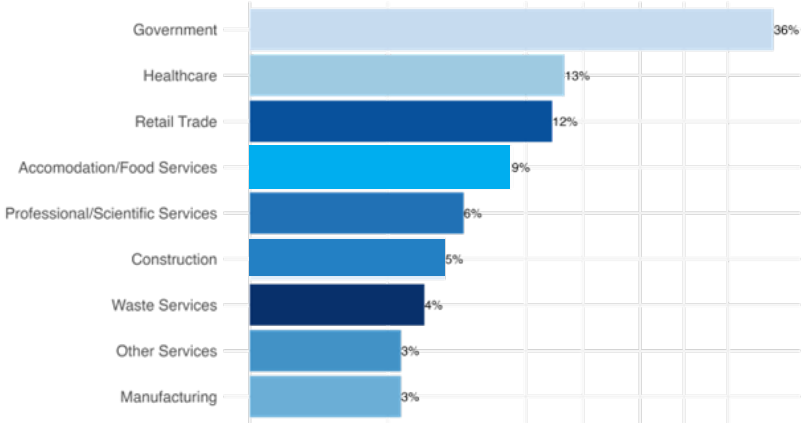


Source: Washington Center for Real Estate Research

Industry Share

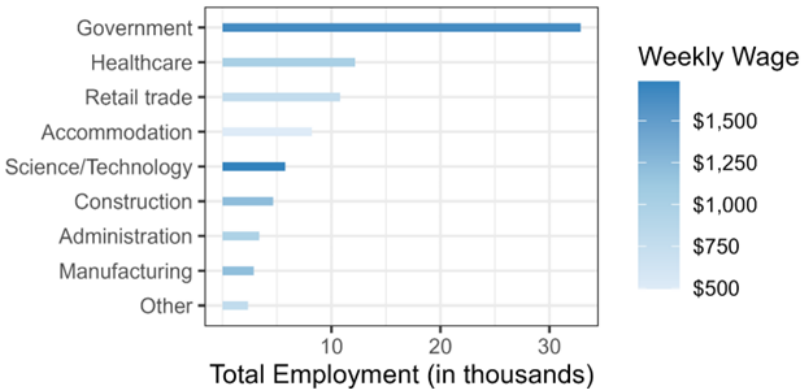
The workforce in Kitsap County is primarily made up of government employees (36 percent), followed by healthcare and retail trade (13 percent and 12 percent respectively). These are followed by accommodation/food services (9 percent), scientific and professional Services (6 percent), construction (5 percent), waste services (4 percent), services other than public administration (3 percent), and finally manufacturing (3 percent).

Employment Shares of Top 9 Industries in Kitsap County



Data Source: Employment Security Department 2022

Kitsap County Employment by Sector  
In 2023 Q2



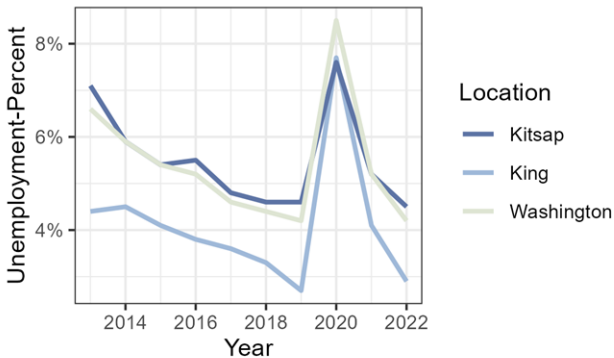
Data Source: Employment Security Department

Interestingly, wages paid out by the Government make up nearly 48 percent of earnings in Kitsap County. The remaining distribution of wages generally follows the same pattern across the other industries.

Employment

Unemployment rates in Kitsap County are often higher than King County but near the average for Washington State. Despite this, Kitsap employment was less volatile than most other counties in Washington during the 2020 unemployment spike due to high public employment.

Unemployment Percentages  
For Kitsap County, King County, and Washington



Source: St. Louis Fed



Source: Vibe Coworks

Coworking Spaces

There are currently seven open coworking spaces in Kitsap county. These include Vibe Coworks in Poulsbo, Spark Commons in Bremerton, and OfficeXpats on Bainbridge Island. Rates fall in the range of 25 dollars a day to 35 dollars a day for seat and access to various amenities. This is a relatively new industry in Kitsap County, with the first coworking space opening in 2012 and more spaces opening during the pandemic.

Shipyard and harbor activity in Sinclair Inlet, between Bremerton and Port Orchard

Source: Naval Base Kitsap



### Maritime and Defense

Federal work comprises a significant portion of the economic activity in the county. The Puget Sound Naval Shipyard and Intermediate Maintenance Facility (PSNS & IMF), located in Bremerton, employs 14,000 people alone and is the Pacific Northwest's largest. PSNS provides full-service maintenance and inactivation/recycling work on surface ships and submarines utilizing six drydocks and adjacent piers for the U.S. Navy and Coast Guard. It also specializes in recycling nuclear submarines and maintaining aircraft carriers. The shipyard is the primary provider for maintenance on the Navy's Pacific fleet.

PSNS & IMF is one of four naval shipyards who will benefit from the \$21 billion Shipyard Infrastructure Optimization Program (SIOP). SIOP's mission is to execute the Navy's once-in-a-century investment to reconfigure, modernize and optimize aging naval shipyards into new modern facilities that will serve our Nation into the future.



The Puget Sound Naval Shipyard

Source: Naval Base Kitsap

Beyond the needs of the military, Kitsap has a significant maritime industry. The largest ferry maintenance terminal in the United States is located on Bainbridge Island. The maintenance terminal is operated by Washington State and serves the state's extensive ferry system, which is the largest ferry system in the country. Over 100 skilled workers are employed at the Eagle Harbor Ferry Maintenance Facility and represent 8 different trades.

Private enterprises include SAFE Boats International, Art Anderson Naval Architects, Defiance Boats, Global Coatings, and Pacific Rim Shipbuilders.



The Eagle Harbor Ferry Maintenance Facility on Bainbridge Island

Source: Sky-Pix Aerial Photography

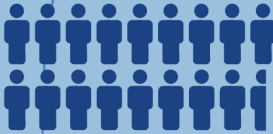
The Department of Defense contributed over

**\$4 billion**

to the regional economy annually

**\$2.1 billion**

in direct military and civilian payroll  
45,532 jobs, including:



**17.6**

Thousand civilians



**16.2**

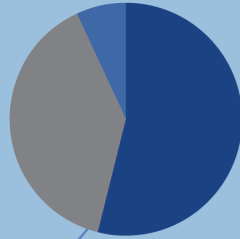
Thousand Active Duty Military



**1**

Thousand reserves

**\$1.9 billion**  
in industry output



**\$14 million** from Visitor spending

**\$792 million** from Operations and contracts

**\$1.1 billion** from Payroll



**\$129 million**  
in state and local taxes

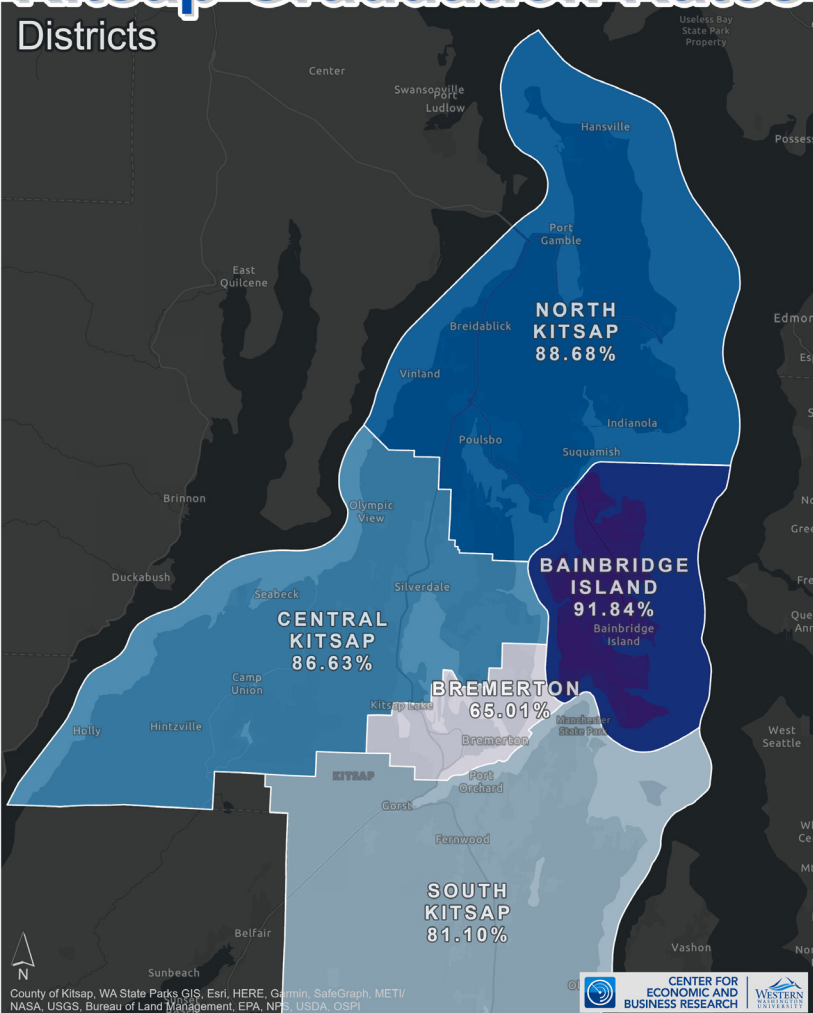
Source: NBK/NAVMAG II Economic Impact Assessment, December 2018



School Districts

Kitsap county has five school districts: North Kitsap, Central Kitsap, South Kitsap, Bremerton, and Bainbridge Island. Bainbridge Island school district has the highest 4-year graduation rate in the county with North Kitsap, Central Kitsap, and South Kitsap following in that order. The Bremerton school district has the lowest 4-year graduation rate, however the rate is skewed by a very low graduation rate at Renaissance Alternative High School. The graduation rate of Bremerton High School is comparable to the rest of the county's schools.

# Kitsap Graduation Rates



Kitsap County High School Graduation Rates		
District	School	4-yr Grad. Rate
Bainbridge Island	Bainbridge High School	93.9%
	Eagle Harbor High School	75.0%
Bremerton	Bremerton High School	78.3%
	Renaissance Alternative High School	34.3%
Central Kitsap	Barker Creek Community School	66.4%
	Central Kitsap High School	91.1%
	Klahowya Secondary School	92.8%
	Olympic High School	89.0%
North Kitsap	Kingston High School	90.9%
	North Kitsap High School	92.0%
South Kitsap	Explorer Academy	70.0%
	South Kitsap High School	88.0%
	Washington Connections Academy	75.0%

**Educational Attainment**

On average, the residents of Kitsap County have more high school education than their peers in King County and in the rest of the state. 95.2 percent of Kitsap residents have finished high school, compared to 93.7 percent in King County and 91.9% in Washington state. The workforce in the county is highly skilled due to the presence of the shipyard and other employers.

35 percent of Kitsap County residents have attained a Bachelor’s degree or higher, compared to 37.3 percent of Washington residents. 54.0 percent of the population of King County holds a Bachelor’s degree or higher. Both Washington State and King County have exceptionally high numbers of college-educated individuals due to workers in the technology and information sectors migrating to work in Washington.

# Kitsap HS Graduates' College Destinations



## After High School

Almost two thirds of Kitsap county high school graduates who pursue further education stay in the state to do so. 36.8 percent elect to attend Olympic College in Bremerton while about 10 percent decide to cross the water and attend Seattle Central or University of Washington in Seattle while an additional third attend other in-state colleges and universities. The majority of the rest of Kitsap graduates pursuing higher education attend a private or out of state 4-year institution.



Olympic College's campus in Bremerton

Source: Olympic College

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](http://cebr.wvu.edu)

# KITSAP



ECONOMIC  
DEVELOPMENT  
ALLIANCE

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