



San Juan County Economic Profile

2023 Update using data from 2022



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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 quarterly or complete annual data for the region, which at the time of publication includes mostly data from 2022, but also 2023 and data from other years. All data is labeled.

County Demographics				
	San Juan	King	Island	Skagit
Population				
Population estimates, July 1, 2022	18,667	2,266,789	86,625	131,179
Population, percent change - April 1, 2020 (estimates base) to July 1, 2021	4.9%	-0.13%	-0.3%	1.3%
Population, Census, April 1, 2020	17,788	2,269,675	86,857	129,523
Population, Census, April 1, 2010	15,769	1,931,249	78,506	116,901
Labor Force				
In civilian labor force, total, percent of population age 16 years+, 2017-2021	52.7%	70.1%	47.8%	58.3%
In civilian labor force, female, percent of population age 16 years+, 2016-2020	49.2%	64.3%	46.7%	53.6%
Income and Poverty				
Median household income (in 2021 dollars), 2017-2021	\$68,577	\$106,326	\$75,628	\$75,308
Per capita income in past 12 months (in 2021 dollars), 2017-2021	\$52,881	\$59,843	\$40,423	\$37,723
Persons in poverty	10.8%	6.1%	8.1%	11.6%
Persons without health insurance, under age 65	11.1%	9.3%	6.5%	8.8%
Housing				
Owner-Occupied housing unit rate, 2017-2021	75.9%	56.6%	73.2%	70.5%
Age & Sex				
Persons under 5 years, percent	3.0%	5.2%	4.7%	5.2%
Persons under 18 years, percent	12.5%	19.2%	17.2%	20.8%
Persons 65 years and over, percent	36.1%	14.2%	27.0%	22.5%

Source: US Census Bureau

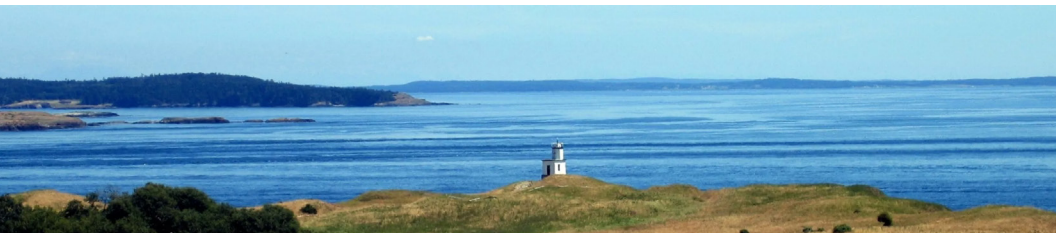
Demographics Cont.

County demographics help provide a reference point for further discussion about the data throughout this profile.

San Juan County is an island cluster county located in the Northwest portion of the state. We used near by King County, a mostly urban population which includes Seattle, as one county reference and Island County, a more urban island cluster that includes Whidbey and Camano Islands, as in the table to the left.

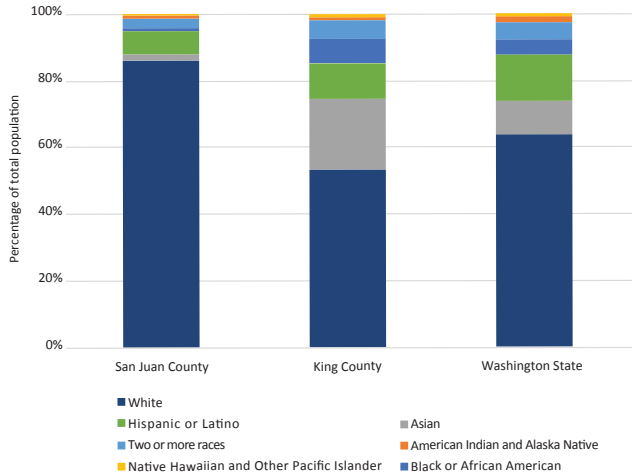
Noteworthy statistics are as follows:

- **San Juan's population is growing quickly compared to other counties.** It has grown at a rate of 4.9 percent, which is higher than King and Island Counties, both of which have seen a decrease in population since 2020. Other nearby counties that have seen a population increase are Skagit County at 1.3 percent, Kitsap County at .8 percent and Whatcom at 1.7 percent, for an average of 3.63 percentage points below San Juan's population increase. While the population is smaller than the compared counties, causing more noticeable change with a smaller influx of people, it is physically one of the smallest counties in the state, ranked 39 at 173.9 square miles. (WA State Employment Security Department). Thus, increases have a more noticeable effect.
- **San Juan County has a relatively small gap between median household income and per capita income.** For King County, Island County, and Skagit County the percent increase from per capita income to median household income is 56 percent, 53 percent, and 50 percent respectively. On the other hand, the San Juan county increase from per capita income to median household income is only 23 percent. Some reasons for this could be that San Juan County has a lot of households where only 1 person is working, one person is making a low wage, or there are many single households. Or there are some really high individual earners that bring up this number.
- **Median household income is the lowest of county references.** In one way, this is not surprising considering above deduction that most households only have one working person.



Demographics Cont.

Ethnicity of the Population
As of July 1, 2022



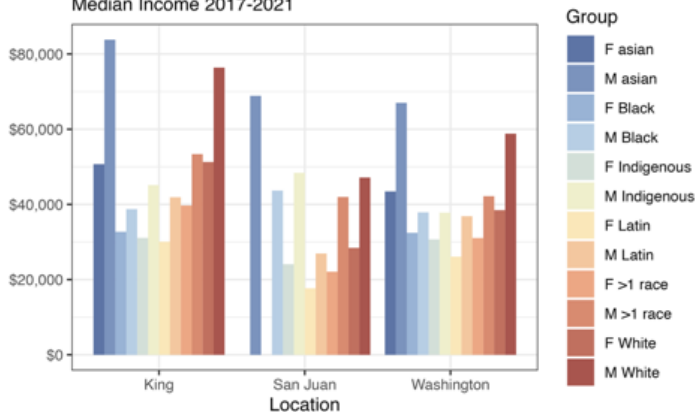
Source: Washington Employment Security Department

While Washington State and King County are both prodominatly white, San Juan county is almost entirely white at 87.3 percent. The second largest demographic population in San Juan County is Latino at 7 percent, while other areas in Washington have a relatively large Asian population. It is also important to note that King County is one of the most diverse counties in Washington State.

Like King county and Washington State, there are wage disparities based on race and gender in San Juan county. This graph also shows the relatively low income compared to both Washington and King County. In San Juan County, there are no recorded working Black females

and the first and second highest wage earners are Asian and Indigenous males, whose total ethnicity make up a very small portion of the population at 1.23 percent and .83 percent as displayed in the above graph.

Comparing Wages by Sex Race and Geograpy
Median Income 2017-2021



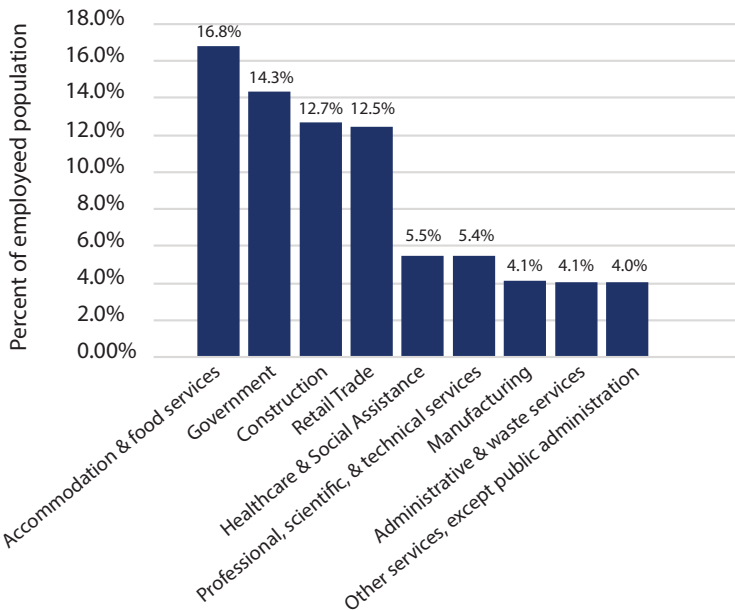
Source: US Census

Industry Share

Looking at 2022 annual data, the highest percentage of employed people in San Juan County is accommodation and food service employees (16.8 percent), followed by government and construction (14.3 percent and 12.7 percent respectively). These are followed by retail trade (12.5 percent), healthcare and social assistance (5.5 percent), professional, scientific, and technical services (5.4 percent), manufacturing (4.1 percent), administrative and waste services (4.1%), and other services (except public administration) (3 percent), which includes, but is not limited to, repairs and maintenance, laundry services, grant writing, and religious organizations.

Despite an emphasis on tourism in San Juan compared to neighboring Whatcom & Skagit counties, retail services and accommodation and food service numbers are not very different. Retail employment in San Juan is .8 percentage points higher than Whatcom and .6 points lower than Skagit. Retail employment includes sales of motor vehicles parts, building materials, and healthcare products as well, and is a metric for tourism activity that should be taken in the context of other metrics, like accommodations and food services. Accommodations and food service employment is a more telling metric for tourism. However, San Juan is only 7.2 percentage points higher than Whatcom and 8.4 points higher than Skagit County.

Employment Share Top 9 Industries in San Juan County - 2022



Source: Washington Employment Security Department

Industry Share Cont.

Another tourism related metric is transportation, which includes airline travel and ferry operations, sightseeing transportation, along with non tourism industries like trucking and postal service employees. This sector is not in the top 9 sectors and makes up only 2.7 percent of the work force.

Real estate, rentals, and leasing sector is a low percentage of the working population and is not one of the top nine industries at 3.4 percent. Over 75 percent of this working sector is real estate. This makes sense in light of the statistic that 75.9 percent of housing is owner occupied. The low percentage of workforce working in rentals could indicate most tourists are day trippers or stay in hotels.

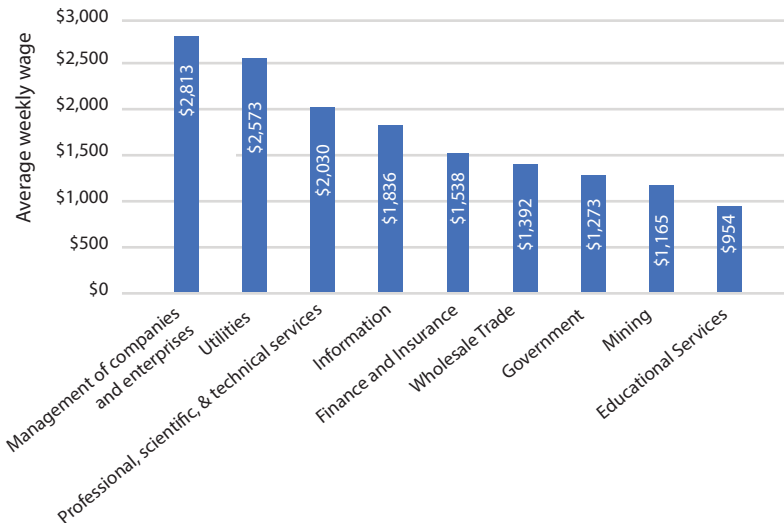
Health care services in San Juan are lower than other counties at 5.5 percent while Skagit and Whatcom health services make up 10 percent & 13.6 percent respectively. This could mean residents in San Juan county travel elsewhere for health care.

Weekly Wages

Management of companies and enterprises is the highest paying job in San Juan county. This was the first quarter that the Employment Security Department recorded this sector in their data. Previous data collections did not have this metric. Mining was also not calculated in past quarters.

The weekly wages in San Juan County for Q1 2023 are \$1,000 more than the top paying sector in Kitsap County for Q2 2023 at around \$1,500.

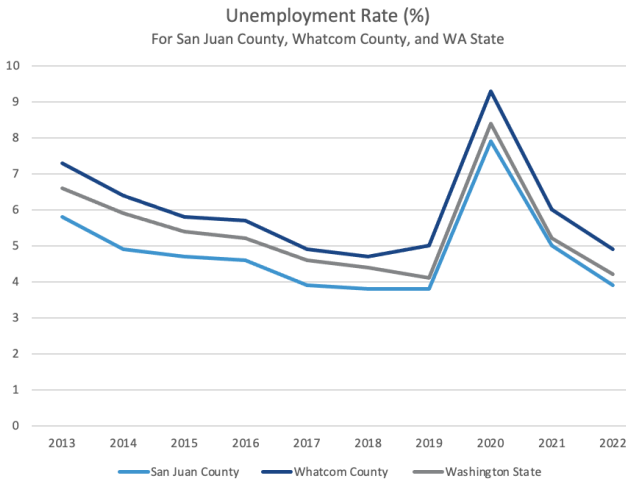
Weekly Wages in San Juan County - 2023 Q1



Source: Washington Employment Security Department

Employment

Average annual unemployment in San Juan County remains lower than both Whatcom County and Washington State. The Unemployment Rate in San Juan County was 3.9 percent in 2022, which is 1.3 percent lower than unemployment observed in 2021. This downward trend mirrors those observed in Whatcom County and statewide as unemployment in these areas returns to pre-pandemic levels. Employment in many San Juan County subsectors is seasonal, mostly due to tourism and construction. Employment in Accommodation and Food Services, a subsector which is closely linked to the tourism economy, ranged from 678 employees in January 2022 to 1,599 employees in July 2022. This trend illustrates San Juan County’s summer peak in tourist activity. Total employment in the county also peaked in July at 7,084 people employed, up from 5,309 in January.



Source: St. Louis Fed



Source: St. Louis Fed

San Juan County implements 32-hour work week

Starting October 1st, 2023, San Juan county is transitioning to a 32 hour work week for county employees. Workers will receive the same pay and are expected to complete the same amount of work. Hours of operation will remain the same. Reasons cited are to avoid burn-out and maintain tax structure for residents.

Source: Kiro News 7

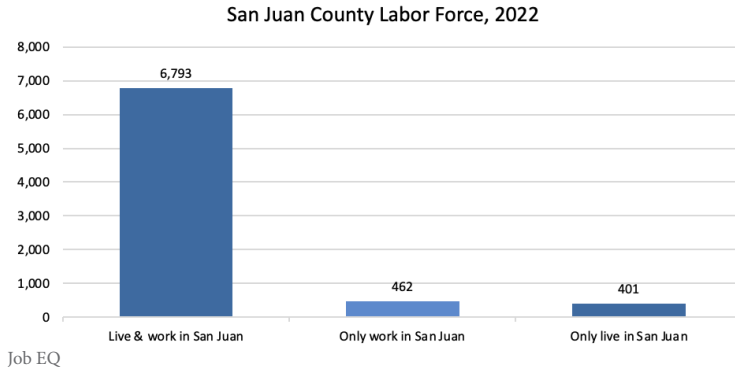


San Juan Island Courthouse

San Juan Source: San Juan Island Visitors Bureau

Local Workforce

Currently, the total employed population of San Juan County is approximately 7,656. Of that population about 89 percent of the workforce lives and works in San Juan County. Around 5 percent live in San Juan, but commute somewhere else for work and approximately 6 percent commute to San Juan for work.



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. In 2023, the minimum living wage of \$21 for a 1-bedroom apartment and \$28 for a two-bedroom apartment. For those paying a monthly mortgage, the minimum household wage required was \$59.

In 2023, the median rent for a 1-bedroom apartment was \$1241, which is 9% greater than last year. The median mortgage cost, however, seems to be on a steady decline after a spike in 2021 at \$3,819 followed by a decrease to \$3,724 in 2022 and \$3,399 this year.

Living Wage Cont.

The median income in San Juan County was \$84,600 in 2021, which is enough to afford a 1-bedroom or 2-bedroom apartment, but not to purchase a home.

Living Wage in San Juan County				
	Rate	Required household hourly wage	Require household weekly wage	Required household annual wage
Rent 1 bedroom	\$1,241	\$21	\$859	\$44,676
Rent 2 bedroom	\$1,634	\$28	\$1,131	\$58,824
Median home mortgage	\$3,399	\$59	\$2,353	\$122,371

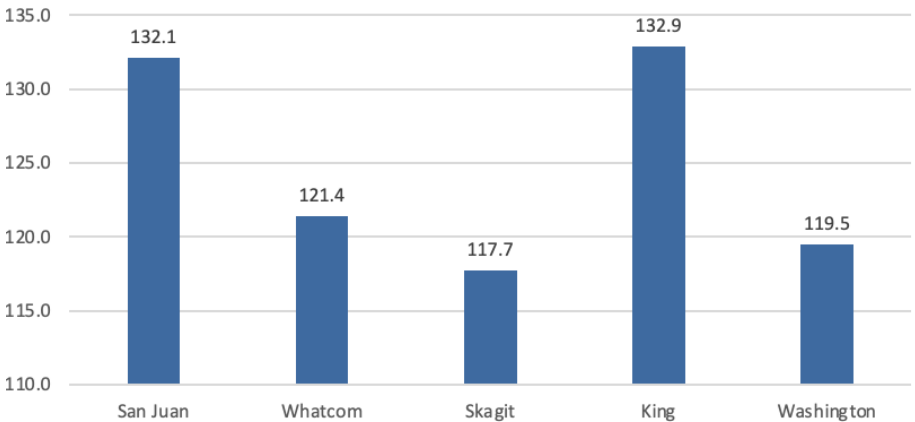
Source: UW Housing Market Report 2023, Q2 & rentdata.org 2023

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., and anything over 100 is considered high cost of living. The cost of living index in San Juan County was 132.1 in the second quarter of 2023. Compared to nearby Whatcom and Skagit counties, the cost of living in San Juan is high, but still lower than the King County index (132.9). San Juan and King counties have the two highest median housing prices, which plays a role in the high cost of living in these counties. **

** From UW Housing Market Report, Q2, 2023

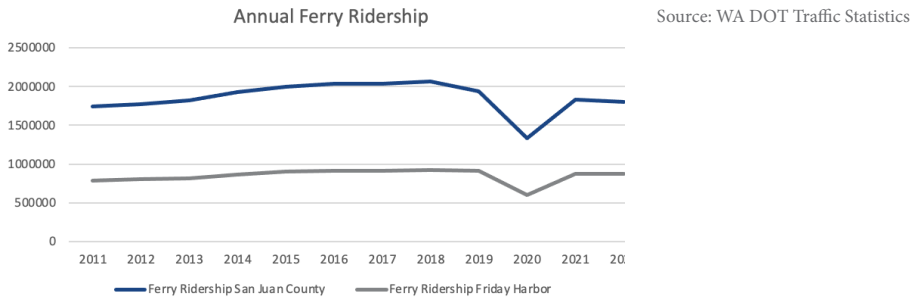
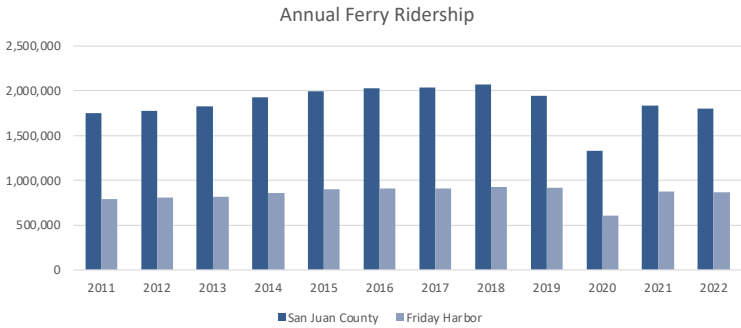
Composite Cost of Living, 2023 Q2



Source: Jobs EQ Labor and Wage Trends

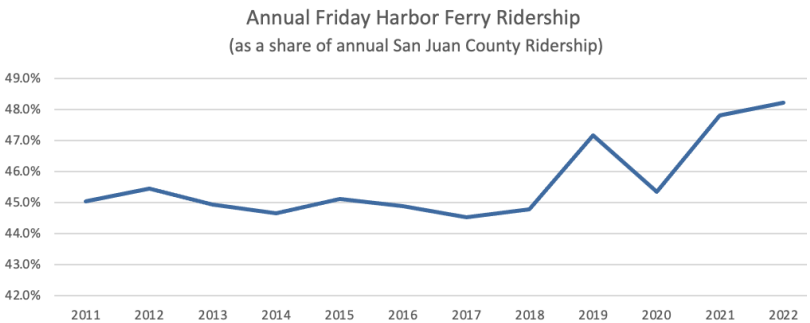
Ferry Ridership

From 2021 to 2022, total ferry ridership in both San Juan County and Friday harbor remained fairly consistent. Ridership in all of San Juan County decreased by 1.5% to 1,804,628 riders, while Friday Harbor ridership decreased by about 0.7% to 869,851 riders. Overall ridership in San Juan County has not yet returned to its pre-pandemic levels. Annual ridership is still around 200,000 riders short of the pre-pandemic numbers.



Source: WA DOT Traffic Statistics

Interestingly, Friday Harbor ridership as a share of all San Juan County ridership has increased over the past 4 years – with the exception of 2020 pandemic values. Friday Harbor ridership was steady around 45% of total San Juan County ridership until 2019, when that value increased to 47.2%, followed by a jump to 47.8% and 48.2% in 2021 and 2022.



Source: WA DOT Traffic Statistics

The San Juan Islands



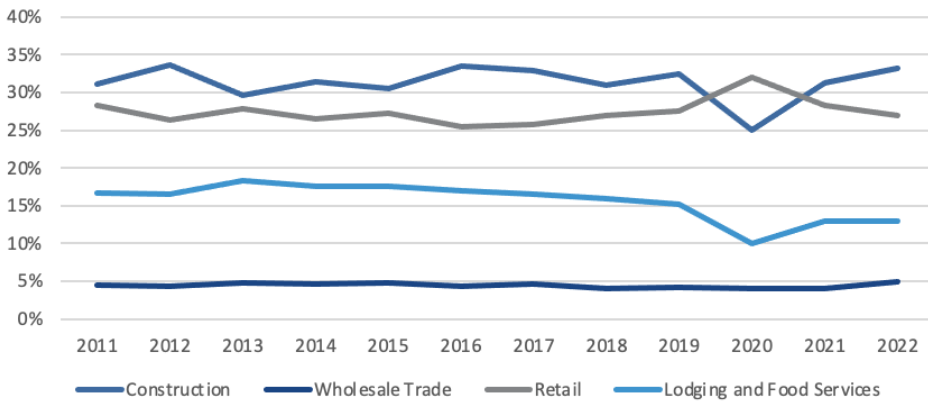
Esri, CGIAR, USGS, WSDOT, WSPRC

* indicates a private airport

Taxable Retail Sales in Top Sectors

In most regions, retail trade makes up the largest fraction of total taxable retail sales, but San Juan County has historically seen construction outpace retail trade. In 2020, this pattern was switched as retail sales (32%) overtook construction sales (25%) during the pandemic. However, 2021 and 2022 saw construction regain its position as the sector with the highest taxable retail sales. In 2022, construction was 33% of taxable retail sales, followed by retail trade (27%), lodging and food services (13%), and wholesale trade (5%).

Taxable Sales in Top Sectors



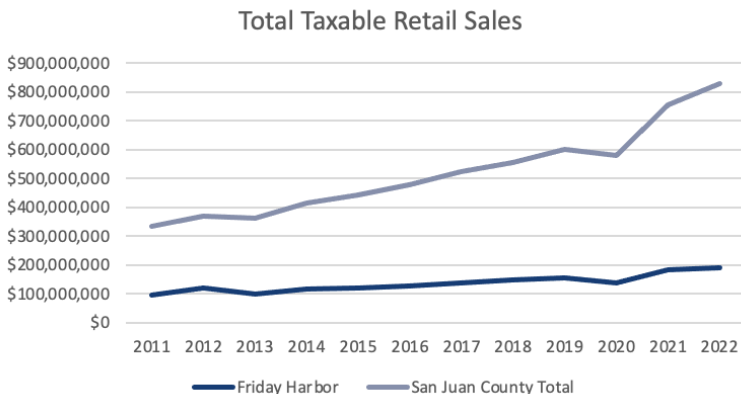
Source: Washington State Department of Revenue



Source: Discover North America

Taxable Sales

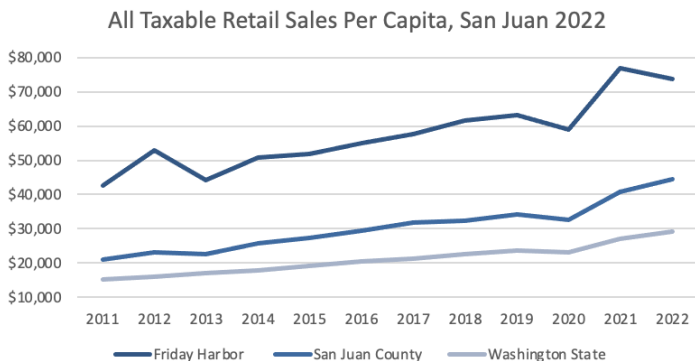
In 2021, Friday Harbor made up approximately 24.5 percent of total taxable retail sales in San Juan County, and this number decreased to 23.2 percent in 2022. Still, taxable retail sales in both regions increased from 2021 to 2022. Friday Harbor saw a 4% increase to \$192,682,525 and San Juan County saw a 9.7% increase to \$829,030,048.



Source: Washington State Department of Revenue

All Taxable Retail Sales per Capita

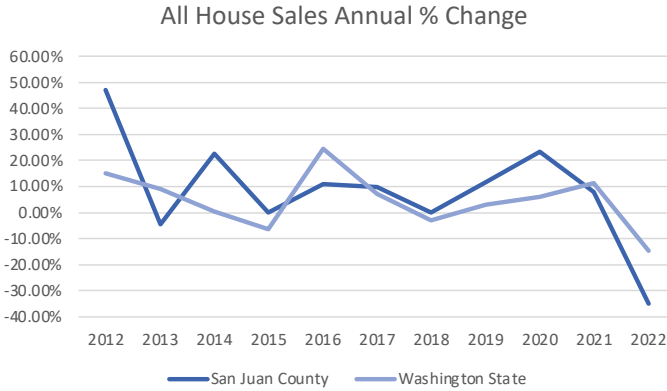
Friday Harbor continues to have significantly higher taxable sales per capita, (\$73,739), than San Juan County and Washington State (\$44,423.43 and \$29,214.84, respectively). Most sales in San Juan County come from Friday Harbor, as it is uniquely dense and urban compared to the rest of the county. Tourism has a significant impact on San Juan County’s taxable retail sales per capita. This sector saw a noticeable drop in sales during the coronavirus pandemic, which certainly contributed to the decrease in taxable retail sales per capita. Friday Harbor likely took the brunt of this loss in sales, being a popular tourist destination in the county.



Source: US Census Bureau

House Sales

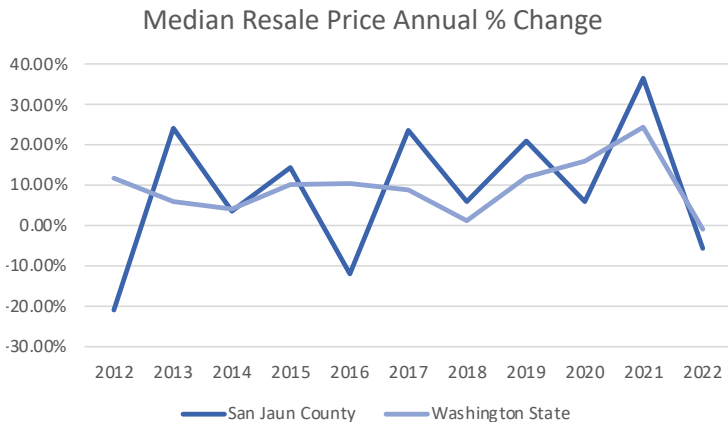
In San Juan County, the real estate and construction business saw a drastic flip from 2021 where they saw a 8.1 percent increase to a decrease of 35 percent in 2022. While house sales across Washington State decreased as well, San Juan County’s decrease in 2022 was more than the statewide annual percent change of -14.6 percent.



Source: Washington Cener for Real Estate Research

Median House Resales

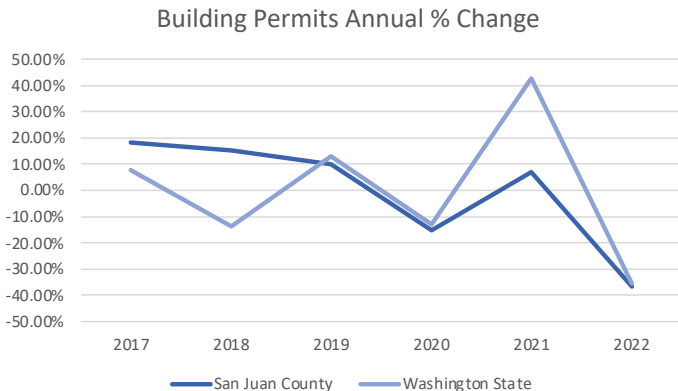
Both San Juan County and Washington State observed small decreases in the median resale prices of houses. In 2022, San Juan County’s median resale price decreased by 5.6 percent while Washington state decreased by 0.9 percent in the same year. This is compared to San Juan County and Washington state’s median resale prices growing by 36.6 and 24.4 percent, respectively, in 2021.



Source: Washington Cener for Real Estate Research

Building Permits

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. San Juan County’s building permit issuance decreased drastically by 36.7 percent relative to 2021. Washington State also observed a large decrease of 35.5 percent in the rate of building permits following a large increase of 42.8 percent in 2021.

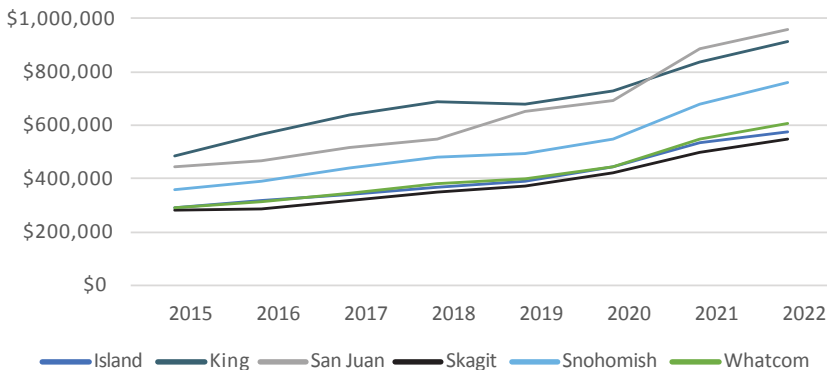


Source: Washington Center for Real Estate Research

House Prices

According to the Washington Center for Real Estate Research, 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. The median income for 2022 Q4 in San Juan County, pictured below, is \$958,300, representing a decrease in housing prices on San Juan County in the last two quarters.

Median Housing Price 2022 Annual Q4



Source: Washington Center for Real Estate Research

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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