



# Skagit 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 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.

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

Source: US Census

## Demographics

We start with Skagit County's demographics to provide a foundation for later discussions about the data in this profile. The most recent data estimates Skagit County's population at 131,179. The three largest cities in Skagit County are Mount Vernon with a population of about 35,527, Anacortes with a population of 18,003, and Sedro-Woolley with a population of 12,912. City populations are based on 2022 estimates, as this was the most recent data from the US Census Bureau. Skagit County also includes part of both North Cascades National Park and Ross Lake National Recreation Area and several islands, including Sinclair, Guemes, and Cypress.

Skagit County saw 1.3 percent population growth from April 1, 2020 to July 1, 2021. This was above King County at -.13 percent, but below Whatcom and Snohomish Counties at 1.7 percent and 1.5 percent respectively. This was the most recent data from the US Census Bureau.

Skagit Valley has the lowest percentage of labor force participation of compared counties (King, Whatcom, and Skagit, as seen in the county demographics table) at 58.3 percent. However, Whatcom County has a higher percentage of persons in poverty and lower median household income. The low labor force participation in Skagit County could be explained by age demographics, as Skagit County has the highest level of persons over 65 years old and the highest percentage of persons under 18 years among compared counties. We can deduce they have the smallest percentage of persons between that range that typically make up the labor force.

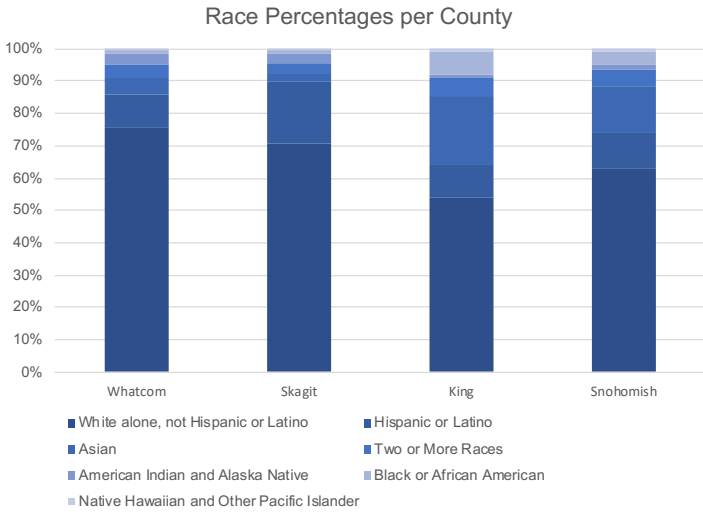
Skagit County has the highest percentage of owner-occupied housing units at 70.5 percent. This is about 8 percentage points higher than Whatcom County, the second ranked for this measure of compared counties.



Image: View of Bow from Samish Overlook, Source: washingtonnature.org

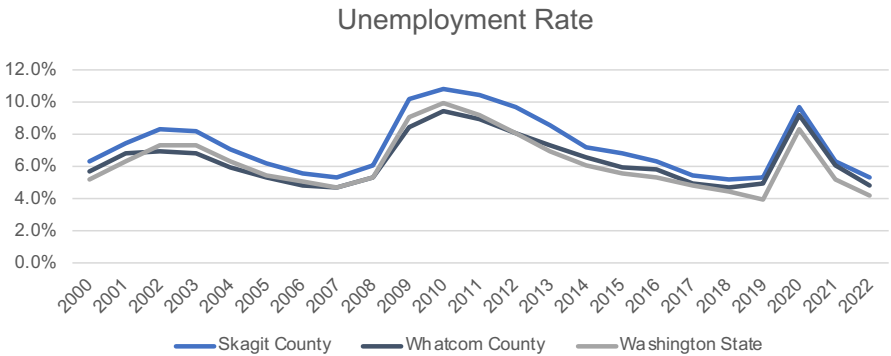
## Demographics Cont.

Skagit County is predominately white at 72.4 percent. The second highest ethnic population in Skagit County is Latino at 19.9 percent. This is the highest percentage of Latino residents of compared counties in the graph below. American Indian or Alaska Native is the third largest ethnic group at 2.7 percent, surpassed only by Whatcom County at 3.3 percent.



## Employment

Skagit County's unemployment rate was 5.3 percent in 2022, which was higher than both the State and neighboring Whatcom County's average at 4.2 percent and 4.9 percent, respectively. Both the county and the state unemployment rates continue to decline after spikes in 2020, when Skagit County unemployment was 9.8% and the statewide rate was 8.5%.

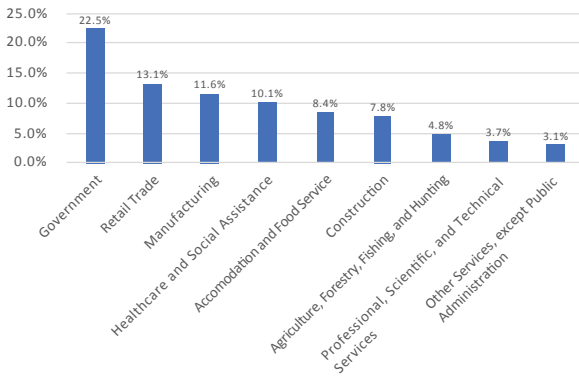


## Employment Cont.

Skagit County’s utility sector had the highest average annual wages in 2022 at \$124,907. This sector employs .43 percent of the total workforce and accounts for \$27,604,507 of total annual wage dollars in the county. The Arts, entertainment, and recreation sector had the lowest average annual wages at \$26,570, employing .97 percent of the workforce and accounting for \$13,311,413 of the total annual wage dollars in the county. The total average annual employment (calculated by adding average annual employment in each subsector), was 51,542 people employed. Weighted average annual wage in the table below considers the portion of the workforce employed in each sector. In Skagit County, the government, retail trade, and

manufacturing sectors have the highest weights because they employ the highest portions of the workforce (22.5%, 13.1%, and 11.6%, respectively). These weights are used to calculate the weighted average annual wage values. The graph to the left shows this scale in percentages of top 9 employment sectors in Skagit County.

Employment Share Top 9 Industries - Skagit County 2022



Source: WA Employment Security Department

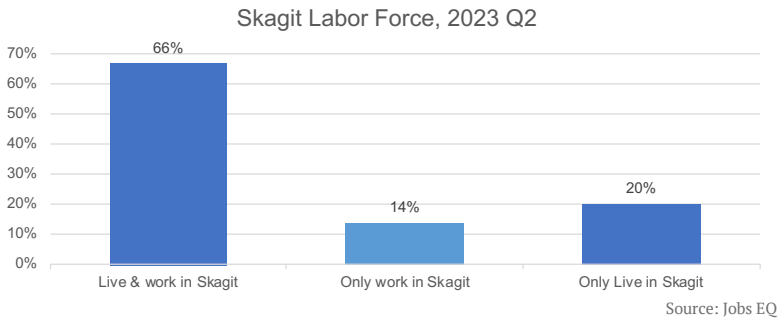
Industry subsectors	Average Firms	Total annual wages	Average Annual employment	Average annual wage	Weight	Annual Wage (Weighted Average)
<b>Total</b>	<b>3,882</b>	<b>\$ 3,083,315,193</b>	<b>51,541</b>	<b>\$ 1,246,015</b>	<b>1.000</b>	<b>\$ 1,245,990.83</b>
Government	112	\$ 826,837,780	11,611	\$ 71,212	0.225	\$ 16,042.11
Retail trade	399	\$ 290,097,534	6,739	\$ 43,048	0.131	\$ 5,628.43
Manufacturing	185	\$ 473,868,124	5,978	\$ 79,269	0.116	\$ 9,193.86
Healthcare and social assistance	553	\$ 251,990,470	5,193	\$ 48,525	0.101	\$ 4,889.03
Accommodation and food services	327	\$ 118,781,268	4,333	\$ 27,413	0.084	\$ 2,304.54
Construction	580	\$ 299,527,676	4,003	\$ 74,826	0.078	\$ 5,811.35
Agriculture, forestry, fishing and hunting	172	\$ 103,085,132	2,469	\$ 41,752	0.048	\$ 2,000.03
Professional, scientific, and technical services	356	\$ 149,666,067	1,889	\$ 79,230	0.037	\$ 2,903.76
Other services, except public administration	320	\$ 68,625,464	1,594	\$ 43,052	0.031	\$ 1,331.44
Transportation and warehousing	105	\$ 87,708,596	1,508	\$ 58,162	0.029	\$ 1,701.69
Administrative and waste services	219	\$ 75,883,857	1,466	\$ 51,763	0.028	\$ 1,472.29
Finance and insurance	119	\$ 130,256,121	1,436	\$ 90,708	0.028	\$ 2,527.20
Wholesale trade	147	\$ 94,340,406	1,234	\$ 76,451	0.024	\$ 1,830.36
Arts, entertainment, and recreation	56	\$ 13,311,413	501	\$ 26,570	0.010	\$ 258.27
Real estate and rental and leasing	116	\$ 19,578,367	473	\$ 41,392	0.009	\$ 379.85
Educational services	51	\$ 17,625,779	454	\$ 38,823	0.009	\$ 341.97
Information	46	\$ 23,019,161	296	\$ 77,767	0.006	\$ 446.61
Utilities	10	\$ 27,604,507	221	\$ 124,907	0.004	\$ 535.57
Management of companies and enterprises	8	\$ 8,786,367	100	\$ 87,864	0.002	\$ 170.47
Mining	4	\$ 2,721,104	43	\$ 63,281	0.001	\$ 52.79

Source: WA Employment Security Department, Quarterly Census of Employment and Wages, 2022 Annual Wages

## Employment Cont.

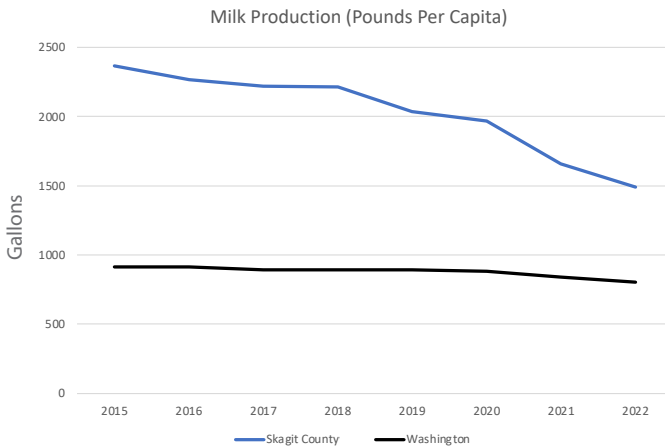
In the second quarter of 2023, 46,152 people (66% of all workers) worked and lived in Skagit County and 9,505 (14%) people lived elsewhere but commuted in to work in Skagit. A further 13,763 (20%) individuals were Skagit County residents who worked outside the county.

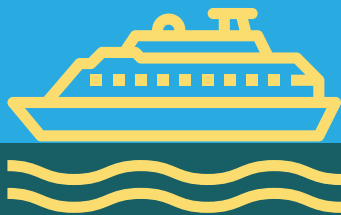
The portion of people who work and live in Skagit has increased since 2021, when the value was only 60%. The portion of people who live in Skagit but commute outside the county has also increased since 2021, when it was 16%.



## Per Capita Milk Production

Skagit production accounted for 3.1 percent of total Washington production in 2022, but Skagit produced more milk per capita (1,489 pounds per person) than Washington state (801 pounds per person). Milk production in both Skagit County and Washington state continues to decline. Compared to 2021 values, Skagit production decreased by 21.6 million pounds and Washington production decreased by 265 million pounds.





# 1 INTER COUNTY FERRY SYSTEM

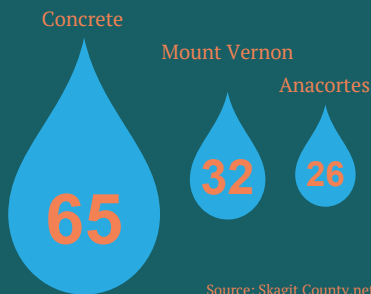
operates between Guemes and Anacortes

\*\* Operated within the county, by the county.

**15.41%**  
of people  
work from home  
in Skagit County

Source: Applied Geographic Solutions 2023 (skagit.org)

## Inches of rainfall per city



**5<sup>TH</sup>** Skagit County ranks  
in dairy production in  
Washington State



Source: extension.wsu.edu/skagit/agriculture/



## Tulip Festival

Annual festival held in April, by numbers

**41**

Number of years  
celebrating the  
Annual Tulip  
Festival

**60**

Million \$s spent  
during the festival

**4**

“Best Flower Show  
in the US” ranking,  
according to  
Oprah Magazine

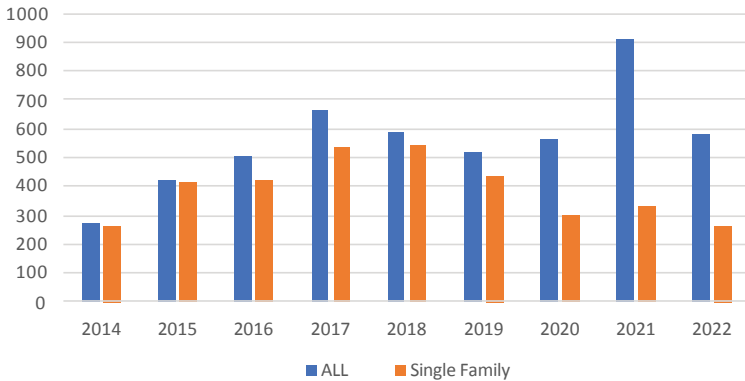
Source: goskagit.com & tulipfestival.org

## Building Permits

Building permits see large fluctuations within the year, thus, we looked at the year totals. Total building permits in 2022 equaled 579, a decrease from an aggressive spike in 2021. 2021 to 2022 was the largest decrease of building permits since 2015. While single family permits issued in 2022 are the lowest numbers Skagit County has seen between 2014 and 2022, total building permits have increased from 2020 numbers. This indicates an increase in commercial, apartment and multi-family structures in 2022. Single family permits numbers have remained low, below 350, since 2020.

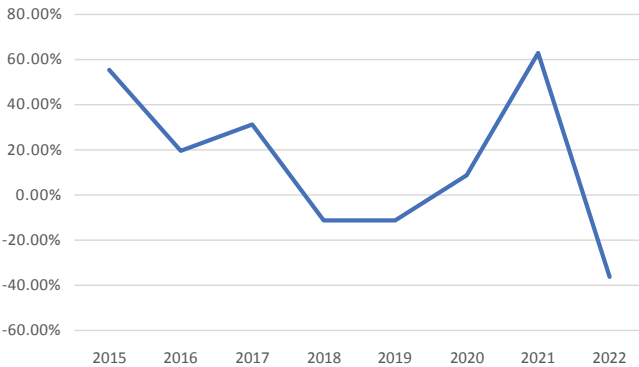
Interestingly, when looking at building permits, Skagit County has less indication of the COVID pandemic. While other counties saw a decrease in 2020, total building permits went up in Skagit County (while single family permits decreased, total building permits increased). However the increase in 2021 in consistent with other counties in response to the pandemic.

Total Annual Building Permits Issued in Skagit County



Source: Washington Center for Real Estate Research

Total Annual Building Permits Percentage Change



Source: Washington Center for Real Estate Research

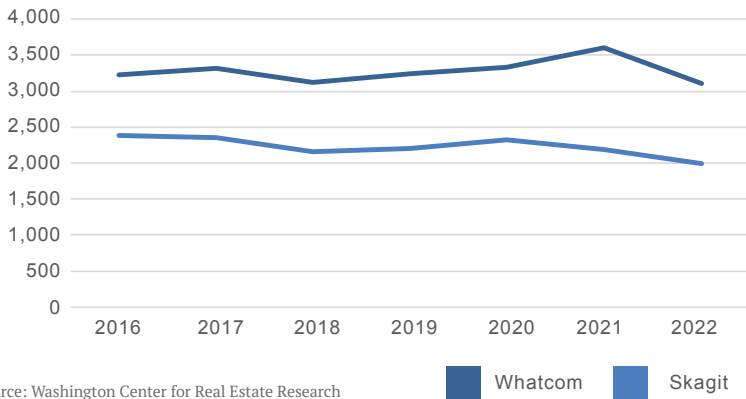


## All House Sales

Overall, Skagit County’s total house sales have declined since 2016. Within this time frame there have been minor ebbs and flows, but for the most part, sales are fairly consistent. Most recently, Skagit has been seeing a decrease in home sales since 2020 after a two year increase in 2018 and 2019. As with building permits, Skagit County’s response to COVID differs from compared counties. Most counties and Washington state saw an increase in house sales following the pandemic while Skagit saw a decrease.

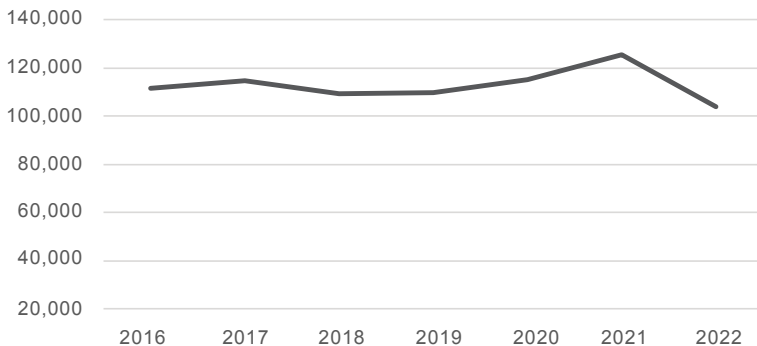
Skagit County’s housing market is smaller than Washington State and Whatcom County due to a smaller population. It is important to note that more dramatic increases and decreases in Washington State and Whatcom County are in part explained by the larger number of homes in these areas.

Existing Home Sales in Whatcom & Skagit



Source: Washington Center for Real Estate Research

Existing Home Sales in Washington State



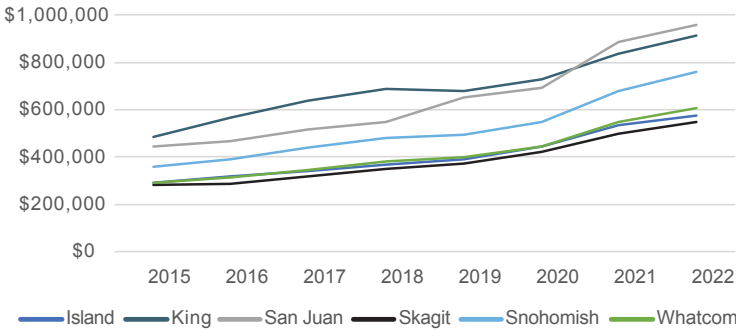
Source: Washington Center for Real Estate Research

## Median House Sales

Skagit County’s median house price in 2022 was \$548,200. Housing prices in Skagit County have been growing steadily since 2015, for a 95.09 percent total increase since that year. The highest rate of increase was in 2021 at 18.42 percent. Most recently, in 2022, Skagit County saw a 9.75 percent increase in housing prices.

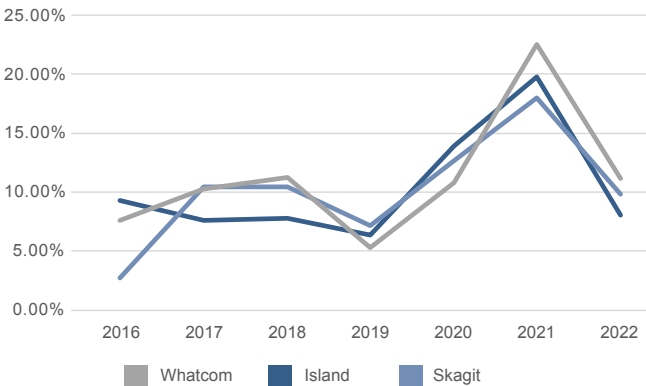
Comparitively, San Juan County had the highest median house price in Washington State at \$913,200 in Q2 of 2023. The lowest median house price was \$218,500 in Lincoln County, while the median selling price for a single family home in Washington state was \$654,900.

### Median Housing Price 2022 Annual Q4



Source: WA Center for Real Estate Research

### Housing Price Rate of Change (based on annual totals)



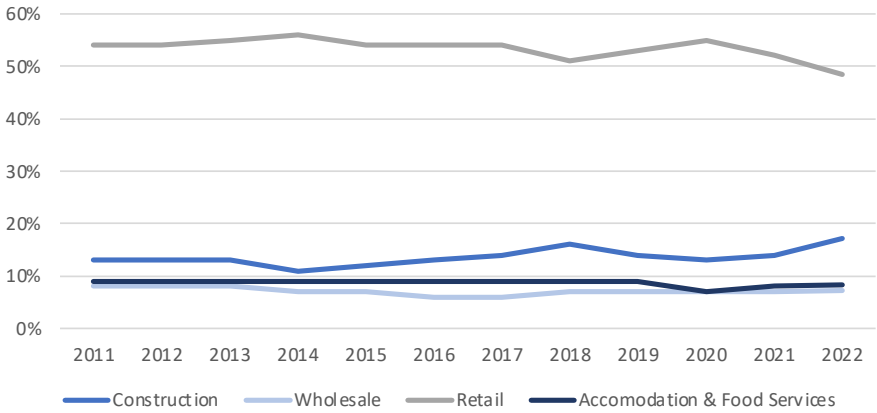
Source: WA Center for Real Estate Research

## Taxable Sales in Top Sectors

The retail trade sector has consistently provided the largest portion of Skagit County’s sales tax revenue. In 2022, 48% of taxable sales came from retail trade. The construction sector accounted for the next largest portion of taxable sales (17%), followed by accommodation & food services (8%) and wholesale trade (7%).

The retail trade sector, while still providing a large portion of the sales tax collected in Skagit County, has seen a drop since 2020 when this sector accounted for 55% of sales tax. Construction, on the other hand, has seen an increase in taxable sales after a drop to 13% in 2020. Accommodation and food services and wholesale trade sales remain stable.

Skagit Taxable Sales in Top Sectors



Source: WA State Department of Revenue

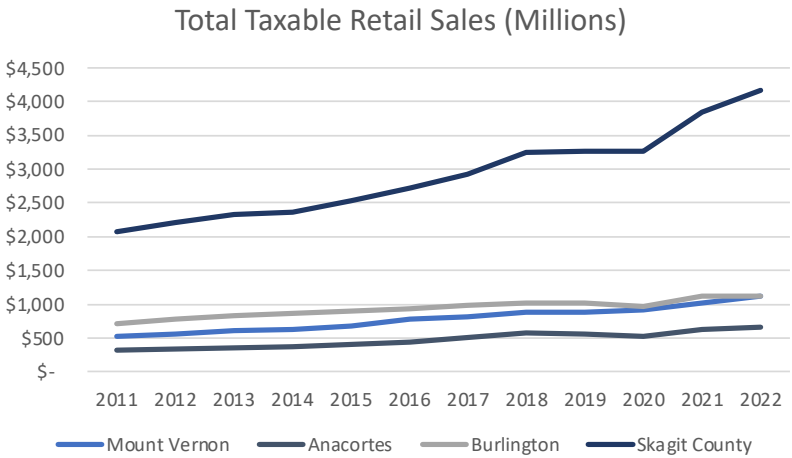


Source: Mount Vernon Downtown Association

## Total Taxable Retail Sales

Skagit County had a total of \$4.17 billion in retail sales in 2022, up from \$3.84 billion in 2021. Around 26.89% of 2022 taxable sales (\$1.12 billion) was generated in Burlington. Mount Vernon saw similar numbers, generating 26.92% of the total (\$1.12 billion), and Anacortes generated 15.94% of the total (\$664 million).

Compared to neighboring Whatcom county, Skagit County produced around \$2.1 billion less in taxable retail sales. However, Skagit county produced around \$4,530 more per capita due to its smaller population, which is around 100,000 less than Whatcom’s population.



Source: WA State Department of Revenue



The Mount Vernon Downtown Association (MVDA) serves as the steward for Downtown Mount Vernon, which is a designated historic district and part of the Washington Trust for Historic Preservation. They are committed to encouraging an energetic downtown atmosphere, providing support to downtown businesses, and promoting downtown offerings.

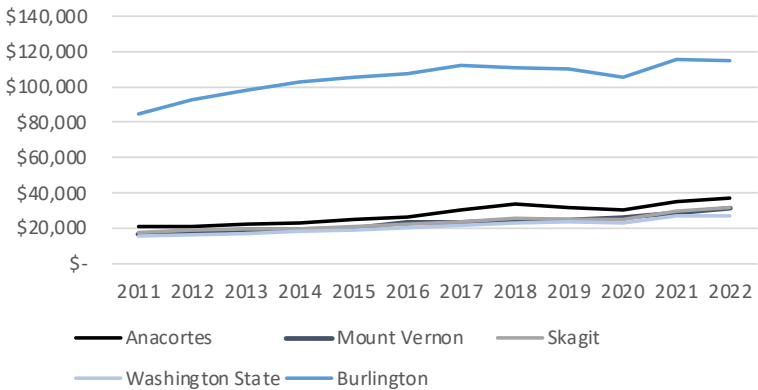


Source: Anacortes Downtown Alliance

### Taxable Retail Sales Per Capita

Skagit County’s retail sales per capita were \$31,775 in 2022, up from \$29,410 in 2021. Skagit continues to see per capita sales above the state value, which was \$29,214 in 2022. Burlington once again saw very high retail sales per capita, reaching \$115,018 in 2022. While Burlington, a city in Skagit County, is relatively small in land area and population, it serves as a retail destination for outsiders, featuring a higher concentration of retail stores compared to the surrounding area. This consistent inflow of shoppers from outside the city drives up the per capita taxable retail sales measure.

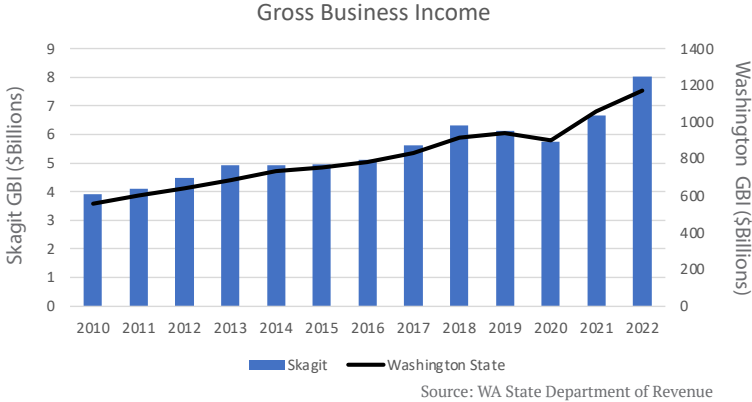
### Taxable Sales Per Capita



Source: WA DOR and US Census Bureau

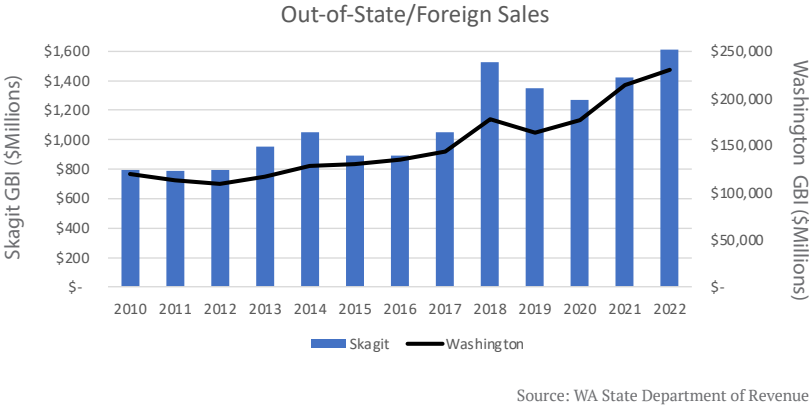
## Gross Business Income

Skagit County gross business income continues to climb after a noticeable dip during the coronavirus pandemic. Between 2021 and 2022, GBI increased from \$6.66 billion to \$8.02 billion, a \$1.37 billion change. As seen in the graph, the Skagit County GBI trend has mirrored the broader state trend. Main contributors to GBI in Skagit County are manufacturing, construction, wholesales trade, and retail trade.



## Out-of-State / Foreign Sales

Skagit County experienced another increase in out-of-state and foreign sales in 2022, growing by \$497.5 million to a total of \$1.92 billion. This sector continues to recover after falling sales in 2019 and 2020. The largest contributor to out-of-state and foreign sales in Washington state is near by King County.



## 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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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](http://cebr.wwu.edu)**