



# CENTER FOR ECONOMIC AND BUSINESS RESEARCH



## Kitsap County Economic Profile Fall 2024 Update



About Kitsap Economic Development Alliance

Founded in 1983, the Kitsap Economic Development Alliance mission is to facilitate healthy economic growth and investments that support livable, resilient communities, fueled by innovation and the diverse people and businesses of Kitsap. For more information, visit [www.kitsapeda.org](http://www.kitsapeda.org)

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.

Anna Newberry, Victoria Hayssen, Fouzia Awan, and Alec Bukata conducted the research, writing, and chart design for this report. Bergen Sorby provided writing and editing support.



**James McCafferty**  
Director



**Hart Hodges**  
Director



**James Mark Gbeda**  
Research Economist



**McK Mollner**  
Research Economist



**Fouzia Awan**  
Research Economist

## About this Report

The following report is intended to give a basic overview of the Kitsap 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 this publication includes mostly data from 2023, but also data from other years, when noted.

## Kitsap County Economic and Demographic Insights

Kitsap County, Washington, exhibits a dynamic profile of steady population growth, economic diversification, and ongoing challenges. As of mid-2024, the population has grown by 0.7% since 2020 and outpaced state averages in the previous year. Despite this, the county faces hurdles, including a poverty rate increase to 9.5% and labor force participation below state and King County levels.

### Key Economic Sectors

The county's economy is anchored by its government and healthcare sectors, which together account for nearly half of the workforce. Government employment leads at 36.3%, driven by federal institutions like the Puget Sound Naval Shipyard and Intermediate Maintenance Facility. Healthcare, employing 13.4%, is a growing industry, though challenges such as low physician density and hospital bed availability persist. Additionally, the information and utilities sectors provide the highest annual wages, at over \$120,000.

### Educational Outcomes and Workforce Readiness

Real estate and construction also reflect significant shifts. Building permits surged by 32.8% in 2023, followed by a decline in early 2024, while median home prices rose to \$546,000. Though apartment rents decreased in 2023, costs are trending upward again in 2024, emphasizing affordability concerns in a region where the cost of living is 17.5% above the national average.

### Educational Outcomes and Workforce Readiness

The county boasts a high school graduation rate of 95% overall, though disparities persist across districts. Bainbridge Island leads with a 95.72% rate, while Bremerton trails at 66.85%, significantly impacted by the 21.2% rate at Renaissance Alternative High School. A substantial portion of graduates pursue higher education in-state, with Olympic College as the top choice.

### Tribal and Maritime Contributions

Kitsap's cultural and economic identity is significantly shaped by its tribal nations. The Suquamish Tribe and Port Gamble S'Klallam Tribe play critical roles through enterprises like Port Madison Enterprises and Noo-Kayet Investments, which contribute to employment, tourism, and sustainable resource management. Meanwhile, maritime and defense industries remain foundational, with Naval Base Kitsap driving \$5.6 billion in annual defense spending and supporting over 61,000 jobs regionally.

### Challenges and Opportunities

Kitsap County's strengths lie in its diverse economy and workforce potential. However, rising poverty, limited healthcare infrastructure, and housing affordability require targeted interventions. Investments in high-wage sectors, healthcare capacity, and educational equity can further enhance Kitsap's economic resilience and community well-being.

Healthcare

In Kitsap County, about 13.4 percent of workers worked directly in healthcare in 2023. Within the county, the industry is expected to grow at 1.1 percent over the next year, and there are approximately 2,090 online job postings for healthcare workers in Kitsap County as of July 2024. Virginia Mason Franciscan Health (VMFH) is the largest private employer in the county. St. Michael Medical Center in Silverdale, one of VMFH's facilities, employed 1,933 people in 2023, with 1,305 of those employees working full-time.

In Kitsap County, there were 130 physicians per 100,000 people in 2023. In comparison, King County had 399 physicians per 100,000 people, over triple the density of physicians in Kitsap County. At 282 physicians per 100,000 people, Washington state has less physician density than King County but more density than Kitsap County. In a 2023 report by the Kitsap Public Health District, it was reported that Kitsap County has 0.99 staffed inpatient hospital beds per 1000 residents. In contrast, Washington state has 1.6 beds per 1,000 residents and the U.S. has 2.37 beds

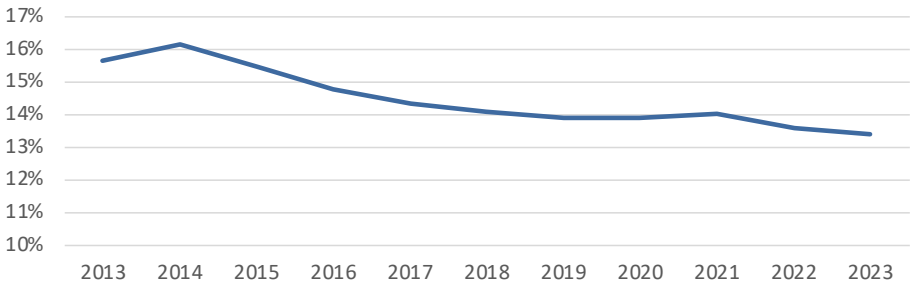


St. Michael Medical Center in Silverdale, WA. Source: VMFH

per 1,000 residents. With regards to distance, there is 1 hospital every 65 square miles in Kitsap County, ranking 2nd out of 39 counties in the state.

Source: JobsEQ, Kitsap Public Health District, OFM

Healthcare and Social Assistance Employment  
(as a Percentage of Total Kitsap Employment)



Source: Bureau of Labor Statistics  
cebr@uwu.edu • 360-650-3909

### Demographics

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

Kitsap County’s population has increased 0.7 percent since 2020 and 0.82 percent since last year. Kitsap’s growth last year was higher than both King County and Washington State, but Washington State has experienced a higher growth rate than Kitsap County since 2020.

Kitsap County has the lowest percentage of its population in the workforce, at 55.4 percent, the same as the last recorded year. It also has the lowest percentage of females employed, at 51.8 percent, down from 52.7 percent the last recorded year.

County Demographics			
	Kitsap County	King County	Washington State
Population			
Population estimates, July 1, 2023*	277,658	2,271,380	7,812,880
Population estimates base, April 1, 2020*	275,612	2,269,697	7,705,267
Population, percent change - April 1, 2020 (estimates base) to July 1, 2023*	0.70%	0.10%	1.40%
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+, 2018-2022	55.4%	69.9%	63.6%
In civilian labor force, female, percent of population age 16 years+, 2018-2022	51.8%	63.8%	58.7%
Income and Poverty			
Median household income (in 2022 dollars), 2018-2022	\$93,675	\$116,340	\$90,325
Per capita income in past 12 months (in 2023 dollars), 2018-2022	\$47,713	\$66,811	\$48,685
Persons in Poverty, percent	9.5%	8.5%	10.0%

Source: US Census Bureau

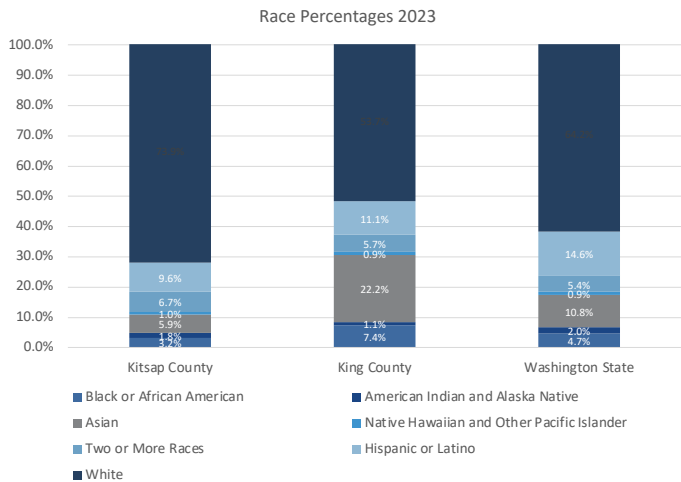
\* Methodology differences may exist between regional data sources.

Demographics Cont.

According to the most recent census data, the median household income for Kitsap residents in 2022 was \$93,675 which is lower than the King County median household income of \$116,340 but higher than Washington State with a median household income of \$90,325. All compared regions saw significant increases since 2021, with Kitsap's median household income increasing the most at 11.74 percent. King County and Washington State saw gains of 9.42 percent and 9.62 percent, respectively. However, this data may be based on a non-representative sample which weighs data from lower income responses. We think the change in per capita income gives a better indication of what may be happening with household income. Regarding per capita income, Kitsap County has the lowest annual income at \$43,713 and saw the least gain since 2021 at 10.87 percent, while King County and Washington saw gains of 11.64 percent and 11.11 percent, respectively.

Additionally, after experiencing poverty decline since 2015, according to FRED, Kitsap poverty rate increased to 9.5 percent in 2022 from 8.7 percent in 2021 according to the Census Bureau. King County has seen a decrease in poverty rate from 9.3 percent in 2021 to 8.5 percent in 2022, while Washington State saw an increase from 9.9 percent to 10 percent.

Looking at Race and Hispanic percentages of population, Kitsap County has the highest percentage of white identifying residents at 73.9 percent. Kitsap also surpasses compared regions in persons identifying with two or more races at 6.7 percent. Kitsap's population of American Indian and Alaska Native is 1.8 percent, which is similar to that of Washington State at 2 percent, while neighboring King County contains 1.1 percent American Indian and Alaska Natives. Percentages add up to slightly over 100% due to variations in data collection.





## Tribes and Tribal Corporations

Two tribal nations call Kitsap home, and their influence and legacy shape the county's economic, cultural, and environmental landscape, blending traditional values with sustainable growth and modern enterprise

Kitsap County sits within the ancestral homeland of the Suquamish people, who maintain a profound connection to the land and waters that have sustained their community for centuries. The Suquamish Tribe, whose influence in the region is memorialized by the county's namesake, Chief Kitsap, today owns 57% of the Port Madison Indian Reservation. This heritage is celebrated and preserved at the Suquamish Museum, a new facility where visitors can explore the tribe's rich history and cultural legacy.

Port Madison Enterprises (PME), the corporate arm of the Suquamish Tribe and the second-largest employer in the region, drives the tribe's community and economic initiatives. PME oversees a diverse portfolio of ventures, including the Clearwater Casino Resort, White Horse Golf Club, Kiana Lodge, PME Retail, and the Port Madison Enterprises Construction Corporation. Complementing PME's efforts, the Suquamish Evergreen Corporation and Suquamish Seafood play essential roles in the local economy. Suquamish Seafood, in particular, connects tribal fishers with consumers while promoting sustainable seafood practices.

The Port Gamble S'Klallam Tribe (PGST), who live on the northern tip of the Kitsap Peninsula also prioritize cultural stewardship, natural resource management, and community well-being. The tribe's focus extends to preserving land and water health, early childhood education, family services, affordable housing, and public safety initiatives that support a thriving, resilient community.

Noo-Kayet Investments (NKI) is the corporate and economic development arm of the tribe.



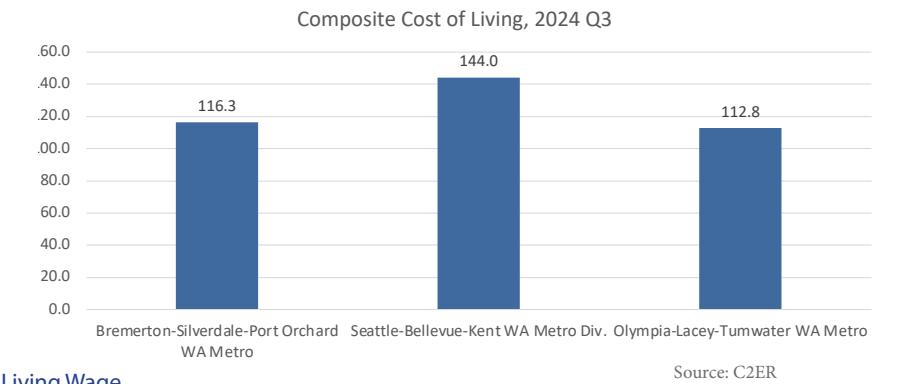
Source: noo-kayet.com

NKI holdings include The Point Casino & Hotel, Gliding Eagle Market, High Point Cannabis, and Ascension Craft Cannabis. The PGST reservation is held in trust by the Federal Government. NKI provides career and entrepreneurship guidance for the tribe and tribal members and manages economic initiatives and revenue for the tribal government.

Cost of Living Index

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. In the first quarter of 2024, Kitsap County had a cost of living 17.5 percent higher than the national average. The cost of living in King County and Washington are both higher than in Kitsap, at 33.6 percent and 20.5 percent above the national average, respectively.

Both Kitsap and King Counties experience higher than average housing prices, and Kitsap had the third highest growth in apartment rent for Washington State in 2024 Q1. However, Kitsap indicated a lower cost of utilities than the national average, bringing its cost of living down.



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. In the third quarter of 2024, the minimum living wage to rent a one-bedroom apartment in Kitsap County was \$26.41 per hour, compared to \$34.01 per hour in King County. The median home cost in Kitsap County was \$554,100, and the average 30-year mortgage rate was 6.51%, resulting in a median home mortgage of \$2,805, requiring an hourly wage of \$48.54. The median home cost in King County was \$984,200, meaning the median mortgage was \$4,982 and the required hourly wage was \$86.22.

Living Wage for Kitsap County - 2024 Q3				
Housing Type	Rate	Required household hourly wage	Required household weekly wage	Required Salary
Rent 1 bedroom	\$1,526.00	\$26.41	\$1,056.46	\$54,936.00
Rent 2 bedroom	\$1,746.00	\$30.22	\$1,208.77	\$62,856.00
Median home mortgage	\$2,804.75	\$48.54	\$1,947.75	\$100,970.89

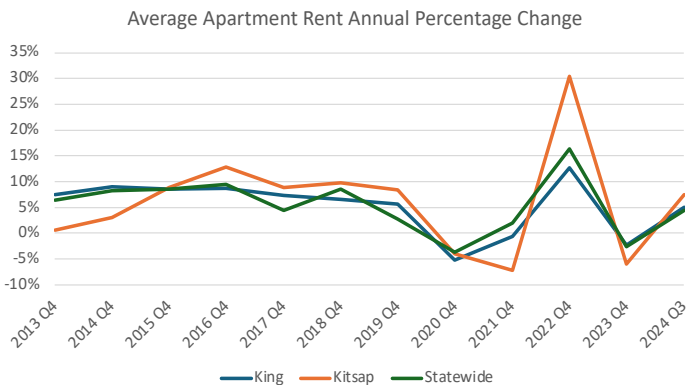
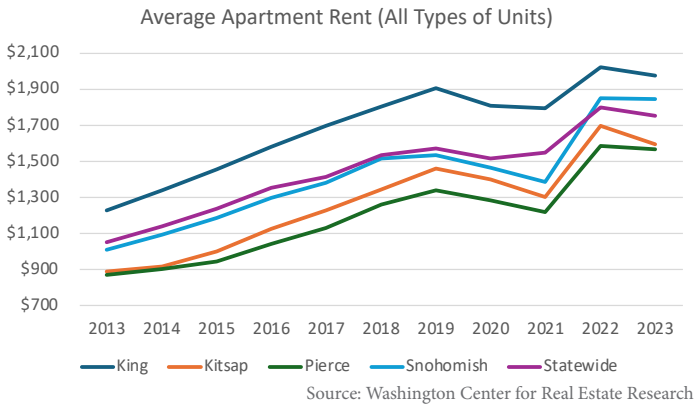


## Average Apartment Rent

Apartment prices for all unit types saw a 6.02 percent decrease in Kitsap County and a 2.27 percent decrease in King County between the fourth quarter of 2022 and the fourth quarter of 2023. These values follow the trend seen across the state, where apartment prices fell by 2.67 percent between 2022 Q4 and 2023 Q4.

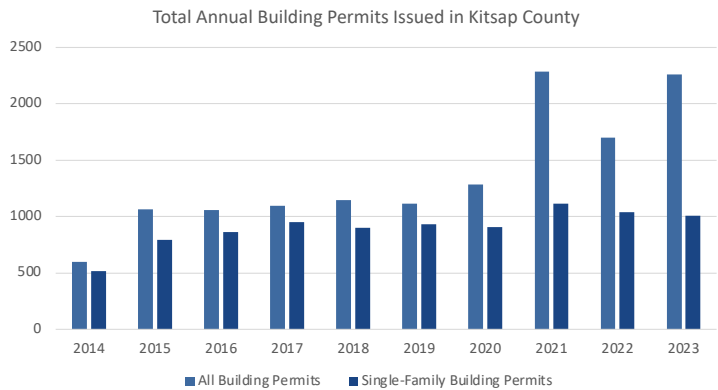
The most recent data shows that average apartment prices in 2024 Q3 were \$1,713 in Kitsap County, \$2,076 in King County, and \$1,828 across the state. These numbers represent averages across all unit types, regardless of number of bedrooms.

In 2022, Kitsap County, King County, and the state experienced average rent increases of 12.7 percent, 30.48 percent, and 16.29 percent respectively. This sharp rent increase was likely the result of several factors. Many renters returned to the rental market after the pandemic, driving up demand. However, supply chain disruptions contributed to a shortage of new buildings for them to live in, making rentals more valuable. This rent spike was followed by rent decreases in 2023, but it seems rent prices are once again climbing in 2024.



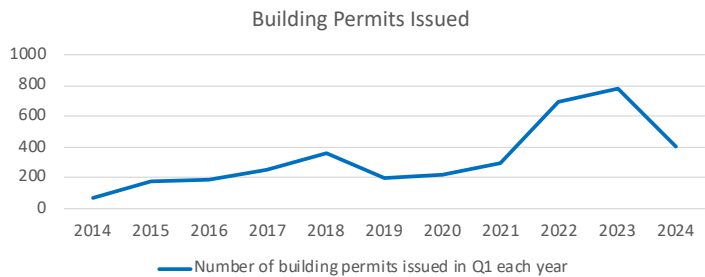
Building Permits

Building permits see large fluctuations throughout the year, therefore annual totals were used in this analysis. In Kitsap County in 2023, 2,258 building permits were issued, which represents a 32.8 percent increase in total building permits issued since 2022. Out of the 2,258 total permits issued, 1,006 were permits for single-family dwellings. Single family dwellings, according to wa.gov, are “independent and free-standing structures containing one dwelling unit and having a permanent foundation.” Single family building permits saw a 3.4 percent decrease in building permit issuance in 2023.



Source: Washington Center for Real Estate Research

The graph below provides another perspective on building permit activity. It shows permit issuance in the first quarter of each year, which is frequently the highest permitting quarter of the year. Between the first quarter of 2022 and the first quarter of 2023, there was a significant increase in the number of building permits issued, with 695 permits issued in 2022 Q1 and 784 permits issued in 2023 Q1.



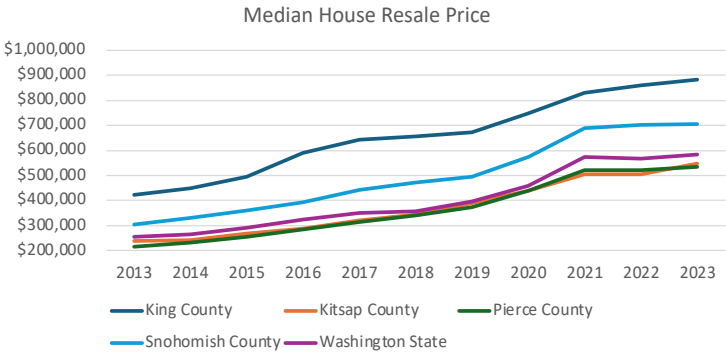
Source: Washington Center for Real Estate Research

However, there was a notable decline between the first quarter of 2023 and the first quarter of 2024, with only 400 permits issued in 2024 Q1. This downward trend in permit issuance suggests a potential slowdown or adjustment in construction activity in Kitsap County after the peak observed in 2023.

Median House Resales

Over the past 10 years, there has been a consistent upward trend in median resale prices for houses in Washington state over the past several years. Both King County and Washington have consistently maintained higher median house prices compared to Kitsap.

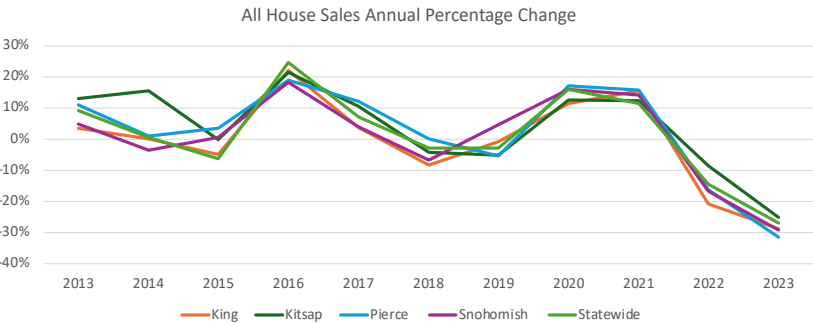
Between the fourth quarter of 2022 and the fourth quarter of 2023, Kitsap County saw an 8.2 percent increase in median house resale price to \$546,000, while King County saw a 2.7 percent increase to \$883,300. Washington state saw an increase of 2.8 percent to \$583,200.



Source: Washington Center for Real Estate Research

House Sales

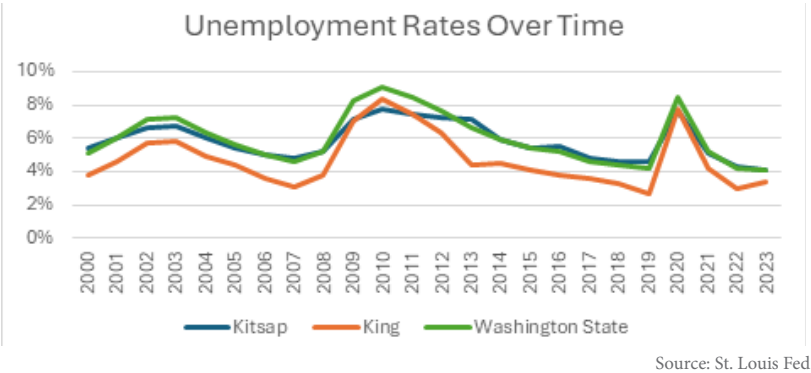
Kitsap County experienced a 25.2 percent decline in house sales between the fourth quarter of 2022 and the fourth quarter of 2023. This represents a continuation of the trend seen in 2022, when house sales declined 20.9 percent in the county. Kitsap is not alone in this trend; many counties including King, Pierce, and Snohomish have in fact experienced larger declines (-28.8%, -31.5%, and -29.2%, respectively). Washington saw a 26.9 percent decline in house sales between the fourth quarter of 2022 and the fourth quarter of 2023.



Source: Washington Center for Real Estate Research

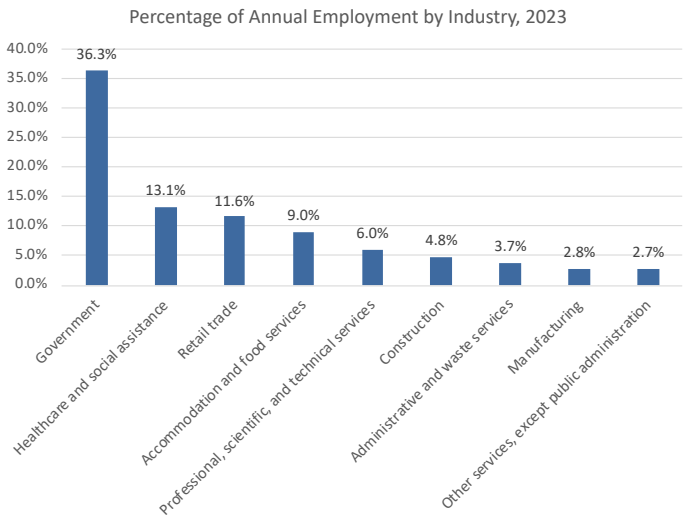
Employment

Unemployment rates in Kitsap County are often higher than in King County, but slightly below the average for Washington State. Kitsap employment was less volatile than most other counties in Washington during the 2020 unemployment spike due to high public employment. Since 2020, unemployment rates have dropped, and current Kitsap unemployment is nearly identical to the state average, both at 4.1 percent.



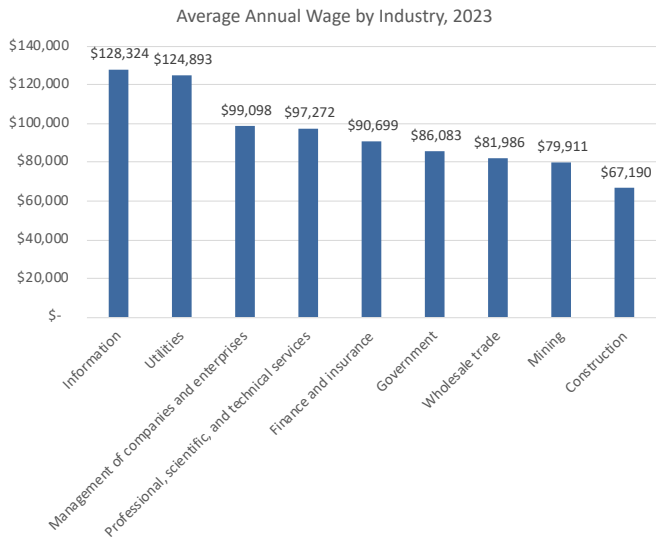
Industry Share

The workforce in Kitsap County is primarily made up of government employees (36.3%), followed by healthcare and retail trade (13.1% and 11.6%, respectively). These are followed by accommodation and food services (9%), scientific and professional services (6%), construction (4.8%), administrative and waste services (3.7%), services other than public administration (2.7%), and manufacturing (2.8%).



Wages

In Kitsap County, wages paid to government employees make up around 46 percent of total wages paid in Kitsap County. However, government is ranked 6th in order of average wages paid by industry. The industry with the highest average annual wage in 2023 in Kitsap County was information, at \$128,324 per year. Utilities followed closely at an average annual wage of \$124,893. The lowest paid sector in the county by average annual wage was accommodation and food services, at \$27,130.



Source: Washington Employment Security Department



Source: Naval Sea Systems Command, photo by: Jeb Fach  
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The Department of Defense  
contributed

**\$5.6 billion**

to the Kitsap County  
regional economy and  
surrounding areas

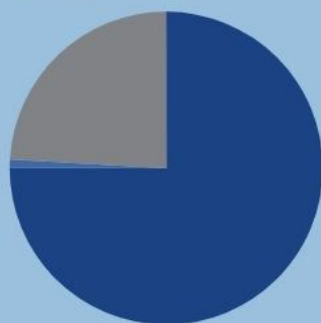
Including  
**\$4.4 billion**

in Personnel Compensation  
and

**\$1.2 billion**

in Procurement and Aid

There were **61,104** jobs  
related to Naval Base  
Kitsap and Naval Magazine  
Indian Island



45,869 Direct  
527 Indirect  
14,708 Induced



Resulting in  
**\$6.8 billion**  
in value added to the Gross  
State Product  
and

**\$295 million**  
in state and local taxes

## Maritime and Defense

Federal work comprises a significant portion of economic activity in the county. The Puget Sound Naval Shipyard and Intermediate Maintenance Facility (PSNS & IMF) is in Bremerton and is the largest naval shipyard in the country. It is part of Naval Base Kitsap, the third largest naval base in the country, spanning over 12,000 acres, and is comprised of multiple tenant commands, including Naval Sea Systems Command (NAVSEA), Naval Supply Systems Command (NAVSUP), and Naval Engineering Facilities Command Northwest (NAVFAC NW), Naval Hospital Bremerton, and Trident Nuclear Submarine Base at Bangor.

Kitsap County is a key provider of goods and services for the Department of Defense and the United States Coast Guard. In FY2023, the presence of Naval Base Kitsap drew in \$1.1 billion in federal defense contracts and \$3.4 million in federal defense grants, resulting in 666 firms across 261 defense industries being awarded contracts. Top contract awards in Kitsap include Kiewit-Alberici SIOP MACC AJV, WSM Pacific SIOP, a Joint Venture, and Safe Boats International.

Naval Base Kitsap, along with Naval Magazine Indian Island, located in Jefferson County, accounted for \$5.6 billion in defense spending in FY23. Operations in these locations resulted in 61,000 jobs across surrounding counties.



The Puget Sound Naval Shipyard, Source: Naval Base Kitsap





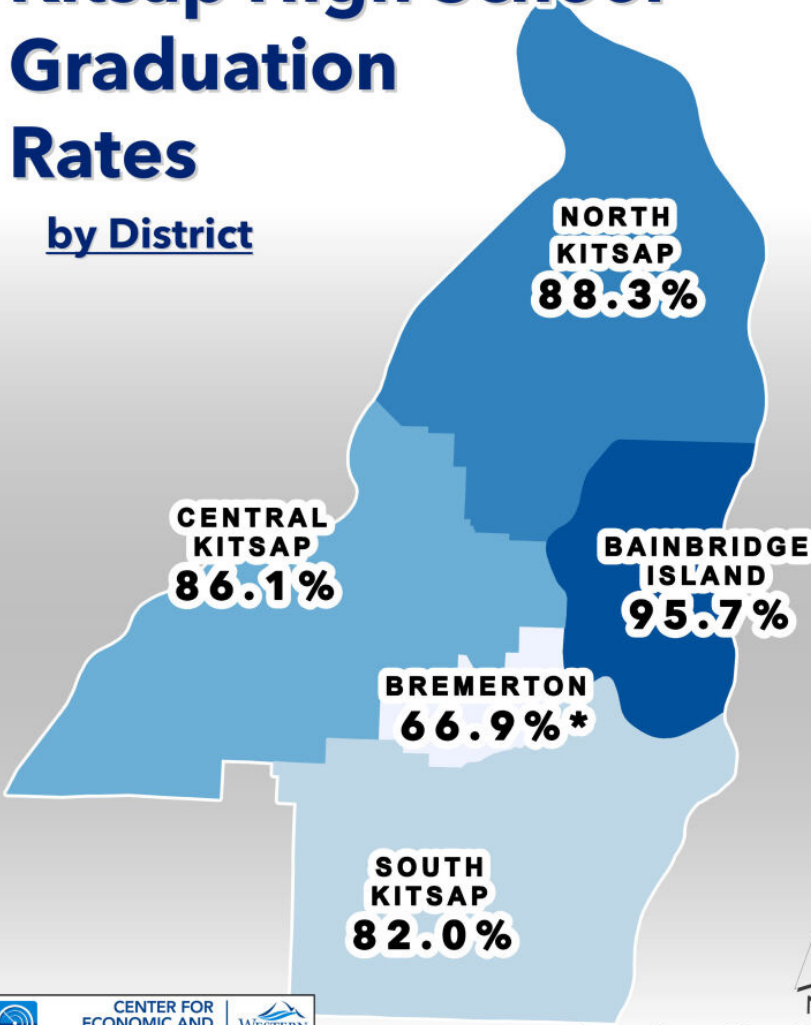
Shipyard and harbor activity in Sinclair Inlet, between Bremerton and Port Orchard, Source: Naval Base Kitsap



SAFE Boats, Tacoma Team Picture 2023, Source: safeboats.com

# Kitsap High School Graduation Rates

by District



\*Graduation rates include alternative highschools

School Districts

The graphic on the previous page displays graduation rates of the five Kitsap County school districts from the 2022-2023 school year. Bainbridge Island School District has the highest 4-year graduation rate in the county and has seen a notable increase in the graduation rate since 2021-22 school year, up from 91.84 percent to 95.72 percent.

North Kitsap, Central Kitsap, and South Kitsap saw slight (less than 1 percent) changes in graduation rates since the 2021-22 school year.

Bremerton School District has the lowest 4-year graduation rate, though up since the 2021-22 school year, when the graduation rate was, 65.01 percent. Bremerton has the highest percent of low income students at 63.1 percent, while Bainbridge has the lowest at 11.2 percent.

The Bremerton School District graduation rate was 66.85 percent. Once again, it was skewed by a very low graduation rate at Renaissance Alternative High School, which had a 21.2 percent graduation rate in the 2022-23 school year. This represents a sharp decrease from the 34.3 percent graduation rate seen in the 2021-22 school year. Bremerton School District consists of only Bremerton High School and Renaissance Alternative High School. Bremerton High School had a graduation rate of 74.28 percent in the 2022-23 academic year, which is still below the other districts averages. Averages on the map on previous page have been weighted, as you will notice the averages of both Bremerton schools do not equal 66.85 percent.

Kitsap County High School Statistics					
District					
Statistics	Bainbridge	North Kitsap	Central Kitsap	South Kitsap	Bremerton
Enrollment '23-'24 School Year	3,585	5,412	10,183	9,327	4,372
Low Income '22-'23 School Year	11.2%	38.3%	41.8%	47.5%	63.1%
Average Class Size '23-'24 School Year	19.5	17.6	15.3	16.3	10.5
Per Pupil Expenditure '22-'23 School Year	\$17,902	\$18,637	\$17,656	\$18,713	\$20,169
Students attending 90% or more of school days '22-'23 School Year	76.8%	70.5%	72.4%	69.6%	60.9%

If you have questions or comments, contact ReportCardRedesign@k12.wa.us  
For more statistics please visit: <https://reportcard.ospi.k12.wa.us/>

Source: WA Office of Superintendent of Public Instruction

High School Graduation Rates		
District	School	4-yr Grad. Rate
Bainbridge Island	Bainbridge High School	97.6%
	Eagle Harbor High School	79.3%
Bremerton	Bremerton High School	74.3%
	Renaissance Alternative High School	21.2%
Central Kitsap	Barker Creek Community School	82.5%
	Central Kitsap High School	87.4%
	Klahowya Secondary School	89.3%
	Olympic High School	84.9%
North Kitsap	Kingston High School	93.0%
	North Kitsap High School	91.9%
South Kitsap	Explorer Academy	85.9%
	Pacific Northwest Connections Academy	11.0%
	South Kitsap High School	88.5%

Source: data.wa.gov 2022-23 data

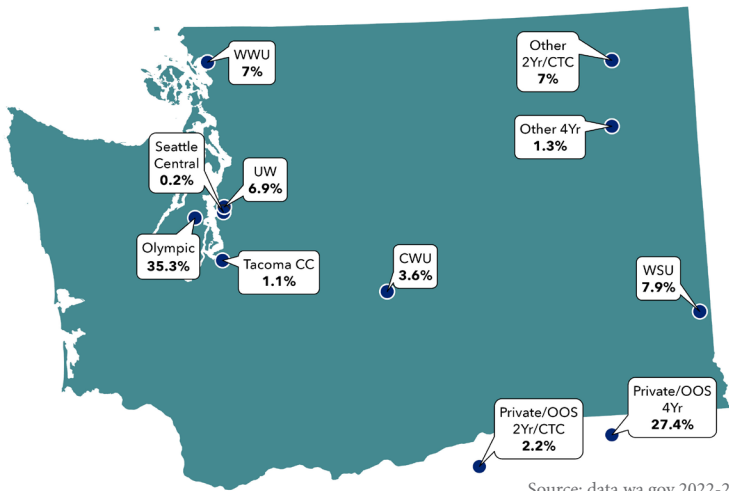
Educational Attainment

On average, the residents of Kitsap County have more high school education than their peers in King County and Washington. 95.2 percent of Kitsap residents have finished high school, compared to 93.8 percent in King County and 92.1 percent in Washington state.

Approximately 35.3 percent of Kitsap County residents have attained a Bachelor's degree or higher, compared to 38 percent of Washington residents. In King County, 54.8 percent of the population holds a Bachelor's degree or higher. King County has an exceptionally high number of college-educated individuals due to workers in the technology and information sectors migrating to work in Washington. For reference, in the U.S., only 34.3 percent of people hold a bachelor's degree or higher and 89.1 percent of people hold a high school diploma or higher.

Source: US Census Bureau Quick Facts

# Kitsap HS Graduates' College Destinations



Source: data.wa.gov 2022-23 data

Kitsap HS Graduates' College Destinations by District					
Statistics	Bainbridge	North Kitsap	Central Kitsap	South Kitsap	Bremerton
CWU	0%	3%	4%	5%	4%
Olympic	8%	53%	47%	26%	28%
Other 2 Year/CTC	3%	9%	2%	6%	14%
Other 4Yr	0%	3%	1%	2%	1%
Private/OOS - 2Yr/CTC	0%	3%	2%	2%	3%
Private/OOS - 4Yr	60%	14%	22%	26%	28%
TACOMA	0%	0%	0%	0%	4%
SEATTLE CENTRAL	2%	0%	0%	0%	0%
UW	6%	4%	6%	8%	9%
WSU	6%	3%	12%	11%	4%
WWU	12%	7%	4%	15%	4%

## After High School

Approximately 72 percent of Kitsap county high school graduates who pursue further education stay in the state to do so. Of those students, 35.3 percent elect to attend Olympic College in Bremerton, while about 7 percent decide to attend Western Washington University in Bellingham. Another 6.9 percent attend the University of Washington in Seattle, 7.9 percent attend Washington State University in Pullman, and 3.6 percent attend Central Washington University in Ellensburg. The majority of the rest of Kitsap graduates pursuing higher education attend either a 2-year school in Washington or a 4-year institution out of state.

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)



## Founding Investors



Washington State  
Department of  
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