The Department of Commerce touches many aspects of community and economic development. We work with local governments, businesses, and civic leaders to strengthen communities so all Washington residents may thrive and prosper.
Increased Rents in Washington

Rents in King County

Source: one bedroom [http://www.zillow.com/home-values/]
Rents in Whatcom County

Source: one bedroom [http://www.zillow.com/home-values/]
Rents in Spokane County

Source: one bedroom [http://www.zillow.com/home-values/]
Rents in Lower Cost Areas Served by Sound Transit

As Rents Grow, Homelessness Increases

Sources:
Homelessness: WA point in time count, adjusted by : U.S. Census Bureau American Community Survey one-year population estimate for Washington State
1 - Journal of Urban Affairs, New Perspectives on Community-Level Determinants of Homelessness, 2012
2 - Dynamics of homelessness in urban America, arXiv:1707.09380
Homelessness Per Capita Rate

WA 5th highest per capita rate - WA: 0.29%, US: 0.17%

- 21,112 people
- 8,591 living unsheltered
- 7,834 in households without children
- 757 people in households with children
Rents vs. Homelessness - WA is Average

Median contract rent, Census Bureau ACS 2016-1-year estimate

Percent of population experiencing homelessness, HUD AHAR 2017

Washington
Rents Are Increasing While Income Growth Lags

Median rent +22%

Middle incomes +7%

Low incomes (bottom 20% of households) +3%

Data sources: U.S. Census Bureau American Community Survey one-year estimates for Washington State, B25058, B25057, B19081; inflation adjusted using the Bureau of Labor Statistics CPI-U.
Rents Compared to Minimum Wage and Disability Income Growth

- Supplemental Security Income (SSI)
- Minimum wage
- Rent lower quintile units
- Rent lower quintile units projection

Rent data sources: U.S. Census Bureau American Community Survey one-year estimates for Washington State, B25057
WA Economy is Above Average and Improving

Since 2012:

Ranked #1 in GDP growth – two years in a row
• Per capita GDP ranked #10

More people working
• Percent of population employed increasing - ranked #25

Earned incomes increasing
• Median income ranked #9, median income growth ranked #2
• Lowest quintile income rank #8, lowest quintile income growth ranked #4
WA Employment Rate is Above Average

Source: U.S. Department of Labor, Bureau of Labor Statistics, Employment status of the civilian noninstitutional population, percent of population employed
In WA More Prime-Age People are Working

Prime Age Employment - Ages 25-54

Source: U.S. Department of Labor, Bureau of Labor Statistics, Employment status of the civilian noninstitutional population, percent of ages 25-54 employed
Washington Ranked #25 in Employed Population

2017 PERCENTAGE OF POPULATION EMPLOYED BY AGE GROUP

Source: U.S. Department of Labor, Bureau of Labor Statistics, Employment status of the civilian non-institutional in states, percent of population employed

[Bar chart showing percentage of population employed by age group for NY, Texas, WA, and USA]
What’s the Maximum Level of Achievable Employment?

Employment rate by age group
25-54 year-olds, % in same age group, Q4 2017 or latest available

Source: Labour: Labour market statistics
WA Ratio of People with Disabilities Receiving SSI Below National Average

Source: [https://www.ssa.gov/policy/docs/statcomps/ssi_sc/](https://www.ssa.gov/policy/docs/statcomps/ssi_sc/)
WA Families are Above Average and Improving

Since 2012:

Family stability increasing

• Divorce, domestic violence, and teenage pregnancy declining

• Percentage of children in married couple households increasing - WA ranked #5

• Percentage of married couple households increasing – WA ranked #8
More WA Children Living in Married-Couple Families

Sources: Children in married-couple households from Census Bureau ACS Table B09005; Divorce rate from Department of Commerce.
A National Crisis – Opioid Deaths

National Overdose Deaths
Number of Deaths from Opioid Drugs

Source: National Center for Health Statistics, CDC Wonder
Alcohol and Drug Dependence: A Mixed Picture

Since 2012:

WA ranks 18th in substance use disorder

1. Alcohol use disorder declined, ranked 29th

2. Overall illicit drug dependence may be stable, ranked 11th

3. Ranked 13th in pain reliever use disorder, and 12th in heroin use

4. Opioids continue to be a crisis, WA ranks 32nd in prevalence of drug overdose deaths

Sources:
1. SAMHSA, Center for Behavioral Health Statistics and Quality, National, Survey on Drug Use and Health, Table 106, Washington State, 2010-11 report compared to 2014 report
2. Rank derived from 2015-2016 National Survey on Drug Use and Health: Model-Based Prevalence Estimates 50 States; trend derived from National Survey on Drug Use and Health: Comparison of 2008-2009 and 2014-2015 Population Percentages 50 States
4. CDC: https://www.cdc.gov/mmwr/volumes/65/wr/mm655058e1.htm
Since 2005: Population +19%, Housing units +14%

Deficit of new housing units necessary to maintain 2005 ratio of people to housing units in WA

Housing unit deficit: 118,377

Source: American Community Survey 1-Year Estimates
http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_1YR_DP04&prodType=table
https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_16_1YR_B25001&prodType=table
https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_16_1YR_S0101&prodType=table
Below historic average building permits being issued - WA through June 2018

Source: Federal Reserve FRED
National Comparison of Growth in Population vs. Housing Units

Large metropolitan areas with >10% population growth, housing unit growth minus population growth

Source: American Community Survey 1-Year Estimates
# WA ranked #50 - Rental Vacancy Lowest in the US

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>8.2%</td>
<td>6.8%</td>
<td>6.3%</td>
<td>5.9%</td>
<td>5.9%</td>
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<tr>
<td>California</td>
<td>5.9%</td>
<td>4.5%</td>
<td>3.9%</td>
<td>3.3%</td>
<td>3.3%</td>
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<tr>
<td>Massachusetts</td>
<td>5.8%</td>
<td>4.5%</td>
<td>4.0%</td>
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<tr>
<td>Oregon</td>
<td>5.6%</td>
<td>4.7%</td>
<td>3.6%</td>
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<tr>
<td>Texas</td>
<td>10.6%</td>
<td>8.5%</td>
<td>7.3%</td>
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<tr>
<td><strong>Washington</strong></td>
<td><strong>5.8%</strong></td>
<td><strong>5.3%</strong></td>
<td><strong>4.2%</strong></td>
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<td>Clark County</td>
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<td>Clallam County</td>
<td>11.4%</td>
<td>11.3%</td>
<td>6.1%</td>
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<td>King County</td>
<td>5.2%</td>
<td>4.1%</td>
<td>2.5%</td>
<td>2.6%</td>
<td>2.7%</td>
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<tr>
<td>Pierce County</td>
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<td>5.4%</td>
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<td>Spokane County</td>
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<td>7.2%</td>
<td>5.5%</td>
<td>3.7%</td>
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<tr>
<td>Yakima County</td>
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<td>Whatcom County</td>
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<td>Seattle</td>
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<tr>
<td>San Francisco</td>
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<tr>
<td>Atlanta</td>
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<td>9.3%</td>
<td>6.6%</td>
<td>6.4%</td>
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<tr>
<td>Houston</td>
<td>15.9%</td>
<td>11.2%</td>
<td>7.2%</td>
<td>7.7%</td>
<td>7.7%</td>
</tr>
</tbody>
</table>

A 7% vacancy rate is considered the balanced, or “natural” rate.

Sources: American Community Survey 1-Year Estimates, Table DP04
1 – U.S. Census Bureau Quarterly Vacancy and Homeownership rates by State
Vacancy Rates and Rent Increases are Inversely Related

Relationship between vacancies and rents - WA

Source: American Community Survey 1-Year Estimates, two year running average
Interventions to change behavior work less than half of the time

Try the intervention to improve efficiency, but focus on the majority of people for which the intervention does nothing.

An intervention can be “effective,” pay for itself in reduced public costs, be the right thing to do to improve or save lives, AND...
...NOT significantly improve income and related housing stability

<table>
<thead>
<tr>
<th>Annual income change</th>
<th>% increase</th>
<th>Strategy</th>
<th>Source</th>
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<tbody>
<tr>
<td>$374</td>
<td>4.5%</td>
<td>Welfare to work</td>
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<tr>
<td>$3,212</td>
<td>152.1%</td>
<td>Supported employment for people with severe mental illness</td>
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<tr>
<td>$294</td>
<td>1.5%</td>
<td>Early childhood education for low income students (WSIPP data)</td>
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<tr>
<td>$77</td>
<td>0.3%</td>
<td>Treatment for substance use disorder (contingency management)</td>
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<tr>
<td>$53</td>
<td>0.2%</td>
<td>Treatment of major depression</td>
<td>5</td>
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<tr>
<td>$0</td>
<td>0.0%</td>
<td>Providing low income students the same quality of teachers that high income students have</td>
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<tr>
<td>$0</td>
<td>0.0%</td>
<td>Charter schools</td>
<td>7</td>
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<tr>
<td>$480</td>
<td>6.0%</td>
<td>Job training and incentives for low income people in subsidized housing (Jobs-Plus)</td>
<td>8</td>
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<tr>
<td>$0</td>
<td>0.0%</td>
<td>Marriage education for low income, married couples</td>
<td>9</td>
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<tr>
<td>$3,186</td>
<td>11%</td>
<td>Earned income tax credit</td>
<td>10</td>
</tr>
<tr>
<td>$3,477</td>
<td>31%</td>
<td>Moving a low income family to a high income area; impact on earnings of moved child in mid-20s</td>
<td>11</td>
</tr>
</tbody>
</table>

1 Page 137 of this study: https://www.mdrc.org/sites/default/files/full_391.pdf shows the most successful welfare to work program in the study (in Portland) increased annual income from $8,361 to $8,735. People with severe mental illness provided Supported employment increased average annual weeks worked from 4.8 to 12.1. Under an $11/hour minimum wage, it would translate to an increase from $2,112 annual income to a $5,324 annual income. 
2 WSIPP earnings increase estimate of $13,521 (page 22) divided by working years, from baseline of non-high school graduate wage of $20,000/year. 
3 This analysis shows a particularly effective drug treatment intervention increases earned incomes by $2,331 over fifty years (about $77 in annual earnings assuming 30 years of working post treatment): http://www.wsipp.wa.gov/BenefitCost/Program/297
4 Charter schools are no more effective than regular schools. 
5 Moving a low income family to a higher income neighborhood increase child income by 31% (from $11,270 in mid 20s, to $14,747 (+$3,477): http://www.nber.org/papers/w21156.pdf

Department of Commerce
WA Homeless System Performance Reports

County Report Card provides information by county on system-wide performance measures, including exits to permanent housing, returns to homelessness, length of time homeless, and cost per exit to permanent housing.

Year to Year Comparison table provides information by county on system-wide performance measures for each year. It also includes contextual information such as PIT Count results and rental vacancy rates. The interactive table allows you to see trends over time.