



Whitman County Economic Development Informational Meeting

May 22, 2024
11:45 am – 1:30 pm
The Center, Colfax

Economic Development Informational Meetings (EDIMs) are updates on the Port's implementation of the ADO's economic development plan. No business or official actions will be taken by the Port Commissioners.

Agenda

1. **Welcome and Introductions** – 12:00 pm
2. **2024 Economic Development Plan**
 - a. **Small Business Development**
 - Quarterly Report and Resources – Aziz Makhani, Washington Small Business Development Center (SBDC) **(Exhibit 3)**
 - b. **Economic Profiling**
 - Whitman County Trends Site – Dr. Patrick Jones, Eastern Washington University
 - c. **Existing Business Retention & Expansion**
 - Presentation – Bryce Nebe, Palouse Hills Driving Academy
 - d. **Site & Infrastructure**
 - Willard Field Airport – Mike Hale, Tekoa City Council
 - e. **Economic Development Advocacy**
 - Affordable Housing – Jeff Guyett, Community Action Center **(Exhibit 5)**
 - Comprehensive Economic Development Strategy – Erika Stricker, Southeast Washington Economic Development Association (SEWEDA)
3. **Future Meeting Topics and Closing**

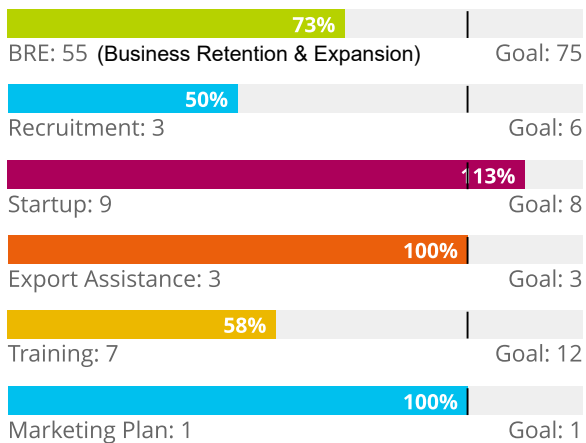
The next EDIM is scheduled for **July 10, 2024**. Port staff will keep EDIM participants informed if there are any changes to the meeting format.



Port of Whitman - Targets - (FY24)

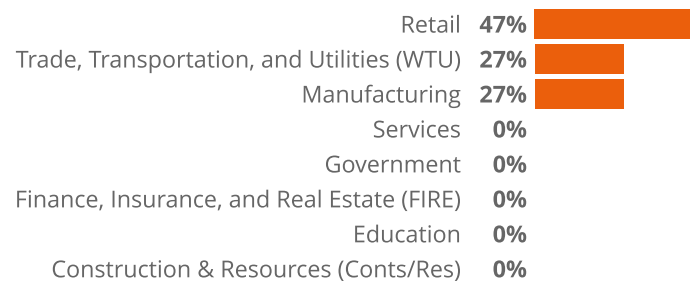
July 1, 2023 - June 30, 2024, (FY24); Port of Whitman Targets

Summary of Activities

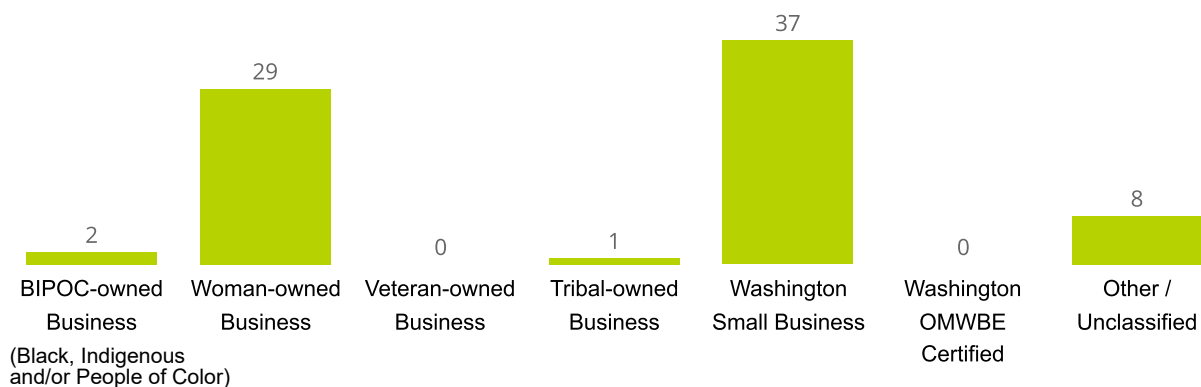


Click here for more information on activity categories.
(/caillive/Content/orgs/ADO/documents/InteractionTypes.pdf)

Activities by Sector



Activities by Business Classification



BUSINESS RECRUITMENT - ACTIVE BUSINESS LEAD REPORT

Project Completed or Permit Phase		New or Re-Activated Business Lead	Still Active Business Lead	Business Lead Cold or on Hold	Business Lead Closed	
#	Date	Lead Source	Type of Business	Criteria	Benefits	Status
1	Jul-23	Private	Project Distribution	Industrial zoned property	15-20 FTE in Yr. 1-2	Funding secured. Engineering underway
2	Jul-23	Private	Project Hydrogen Green Energy	Industrial zoned property	~5 FTE	Lease executed. Design and permitting underway
3	Jul-23	Private	Project Promotion Marketing Agency	1,500-2,000 sq. ft. (3 offices)	~5 FTE	Site located and acquired.
4	Jul-23	Private	Project Fresh Food Distribution	6,000-8,000 sq. ft.	15-20 FTE Private investment ~\$3mil	Site identified.
5	Jul-23	Private	Project Pilot Green energy	Seeking location for pilot project Industrial zoned property	FTE unknown, private investment unknown	Closed
6	Jul-23	Private	Project Grow Childcare	Needs larger space	FTE unknown, private investment unknown	Funding not secured. No site identified.
7	Aug-23	Private	Project Bean Food & Beverage Industry	Existing building	Private investment unknown 1-2 FTE	Seeking Whitman County locations for expansion
8	Sept-23	DOC	Project Papillon Monarque Manufacturing	2.9-4 acres industrial zoning Prefer to lease building 52,864 gal water/day	\$20-\$50 mil private investment 50 FTE	No existing sites meeting preferred criteria
9	Oct-23	Site Selector	Project Cyan Manufacturing	50 acres + water access to site	Private investment unknown	No existing sites meeting preferred criteria
10	Oct-23	DOC	Project Molson	50-75 acres w/ rail access 2.9 million gal water/day 230 mil kWh/mo	180 jobs (\$100/hr) 1,000 construction jobs	No existing sites meeting preferred criteria
11	Oct-23	DOC	Project Condor Aerospace & Defense	access to airport/airfield hangar 20-30K sq. ft. existing or greenfield	10-20 FTE private investment unknown	Company reviewing/conducting virtual site visits with locations of interest through end of 2023. If sites move forward, then an in-person visit will be arranged in Q1 2024.
12	Nov-23	DOC	Project Textile Manufacturing		52 FTE \$6.8 mil private investment	
13	Nov-23	DOC	Project Slag Manufacturing	14 acres site with access to water	25 FTE \$35 mil private investment	No existing sites meeting preferred criteria
14	Nov-11	Private	Project Evergreen Manufacturing	5 acre site with river access	FTE unknown, private investment unknown	No existing sites meeting preferred criteria

BUSINESS RECRUITMENT - ACTIVE BUSINESS LEAD REPORT

Project Completed or Permit Phase		New or Re-Activated Business Lead	Still Active Business Lead	Business Lead Cold or on Hold	Business Lead Closed	
#	Date	Lead Source	Type of Business	Criteria	Benefits	Status
15	Dec-23	DOC	Project Broadbill Clean Technology		100 FTE \$800 mil private investment	No existing sites meeting preferred criteria
16	Dec-23	DOC	Project Marathon Clean Energy	80-100 acres (solar cell) 135-150 acres (solar module) 38-80 MW and 1.8-2 mil gal/day	3,000 FTE \$1.5 bil private investment	No existing sites meeting preferred criteria
17	Dec-23	DOC	Project Illuminate Manufacturing	min. 50 acres; 90+ acres preferred; 30.6 kWh/mo; 3.5 mil gal/day	1,200 FTE \$800 mil private investment	No existing sites meeting preferred criteria
18	Dec-23	DOC	Project Blue Current Manufacturing	seeking space in Puget Sound region in proximity to maritime sector; 6,000- 10,000 sq. ft. building range	25 FTE \$1.5 mil FTE	Site visit timeline is around March 11th.
19	Dec-23	Private	Project Azul	10-100 acres w/ rail access	FTE unknown, private investment unknown	Site search conducted in November. Company reviewing site options.
20	Jan-24	Private	Project Magenta Technology	1 acres site with covered area/shop and existing electrical	FTE unknown, private investment unknown	Company determined it would prefer to locate in Idaho
21	Jan-24	Private	Project Canary Aviation	Airplane Hangar	5 FTE, private investment unknown	Company reviewing site options
22	Jan-24	DOC	Project Organic Farming	500 acre sites conducive to organic farming, consideration for sites exceeding 300 acres. Sites must contain minimal soil / groundwater contamination.	FTE unknown, private investment unknown	No existing sites meeting preferred criteria
23	Jan-24	DOC	Project Dominic Contact Support Center	15,000 – 25,000 sq. ft. 100 – 300 workstations in place Prefer a plug & play or at least office space that is easily occupied	300-400 FTE: 50-100 in first 3-6 months, 10% bilingual Spanish speaking (25-45 at any given time) private investment unknown	No existing sites meeting preferred criteria
24	Feb-24	DOC	Project EcoFarm Organic Farming / Agribusiness	400-625 acres; land, soil, and groundwater support organic farming; Gas: 120,000 Liters / year; Gasoline: 105,000 Liters / year; Diesel: 115,000 Liters / year; Electricity: 4.3 million kWh with peak load of 5-7 MW; Irrigation Water: 15 million Liters / year	400+ FTE, farmworkers expected to comprise ½ of FTE private investment unknown	No existing sites meeting preferred criteria

BUSINESS RECRUITMENT - ACTIVE BUSINESS LEAD REPORT

Project Completed or Permit Phase		New or Re-Activated Business Lead	Still Active Business Lead	Business Lead Cold or on Hold	Business Lead Closed	
#	Date	Lead Source	Type of Business	Criteria	Benefits	Status
25	Feb-24	DOC	Project Apollo Solar Manufacturing	30 acres / 100,000 sq. ft. building with 15MW+ power available by April 2025, ability to grow to 25MW AND 200+ acres / 2M sq. ft. building, within reasonable distance from each other	900 FTE, 200+ by Phase 1 \$900 mil private investment	No existing sites meeting preferred criteria
26	Mar-24	DOC	Project Civil Manufacturing	2 facilities, prefer co-locate but flexible: 350-450,000 sq. ft., 36' clearance height min. First site needs 40MVA total connected load & 100,000 gal/day water. Second site needs 8MVA total connected load with avg. water.	Facility 1: 400 FTE, \$250 mil investment Facility 2: 300 FTE, \$30-50 mil investment	No existing sites meeting preferred criteria
27	Apr-24	DOC	Project Railport	20+ buildable acres; 150,000-200,000 RSF across multiple buildings; 13,000 KVA	FTE: 250 Capital investment: \$228M	
28	Apr-24	DOC	Project Spring Center	Data 20-30 acres; 25MW, 25-30,000 gal/day water	20-30 FTE	
29	Apr-24	DOC	Project Core Facility	Housing Must be located within 30 miles of a hospital and 60 miles of an airport, preferably with international access. Accomodate 500-1500 people. Sites best suited are defunct colleges/conference centers/hotels/nursing homes with some adjacent land. May expand to include onsite medical clinic, dining center and 1-acre outdoor recreational facility.	FTE unknown, private investment unknown	
30	Apr-24	DOC	Project Charge Clean Technology	200 acres; 400MW at peak demand; needs 200 MW by mid 2026, and another 200 MW by mid 2027. 161,000 gal/day water. 500KT material rail transport	FTE: 1500 Capital investment: \$1.5 billion	Site selection by June 2024, operational June 2026



Washington SBDC & ADO Partnership
County Activity & Impact Report

County: Whitman

Report Dates: 1.1.2024...3.31.2024

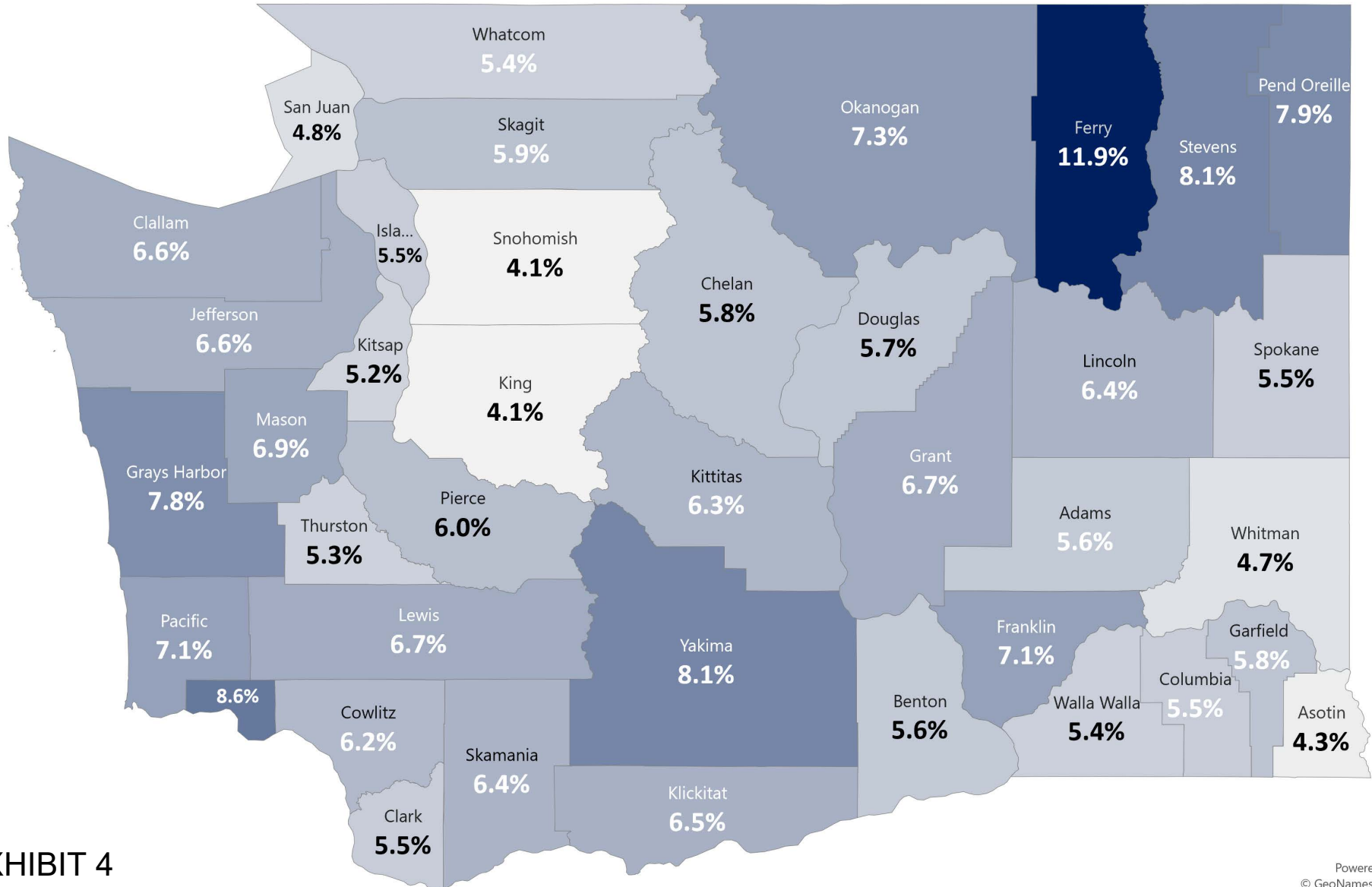
Data Elements	Quarter Total
CASE TOTALS (Clients)	
Number of Clients Counseled	24
Number of New Clients	11
Company Status	
Pre-venture/Nascent	13
Startups	1
In Business	10
CASE TOTALS (Total Hours)	
All Prep + Contact Client Hours	114
New Client Hours	4
CASE TOTALS (Impacts)	
Capital Infusion	\$180,000
Number Businesses Created	1
Jobs Created	1
Jobs Saved/Retained	0
Jobs Supported (In Business)	103
DEMOGRAPHICS (Type of Business, # of Clients)	
Accommodation and Food Services	3
Agriculture, Forestry, Fishing and Hunting	4
Arts and Entertainment	1
Construction	0
Educational Services	0
Finance and Insurance	0
Healthcare and Social Assistance	0
Management of Companies and Enterprises	0
Manufacturing	0
Professional/Technical Services	2
Real Estate, Rental and Leasing	0
Research and Development	0
Retail	4
Service	4
Technology Services	3
Transportation and Warehousing	0
Wholesale	0
No Response	3

DEMOGRAPHICS (Business Ownership Gender)	
Male	10
Female	8
Male/Female	3
No Response	3
DEMOGRAPHICS (Ethnic Background - Race)	
American Indian or Alaskan Native	0
Asian	3
Black or African American	2
Native Hawaiian or Pacific Islander	0
Multiracial	0
White	15
No Response	4
DEMOGRAPHICS (Ethnicity)	
Hispanic	2
Non-Hispanic	19
No Response	3
DEMOGRAPHICS (Business Ownership Vet. Status)	
Veteran	0
Service-Disabled Veteran	0
Non-veteran	21
No Response	3
COUNSELING ACTIVITY (Areas of Counseling, # of Sessions)	
Business Accounting/Budget	0
Business Plan	2
Buy/Sell Business	0
Cash Flow Management	0
COVID-19 Related	0
Financing/Capital	0
Human Resources/Employee Mg't	0
International Trade	1
Managing a Business	22
Marketing/Sales	0
Start-up Assistance	1
No Response	0
Other	24

All impacts are attributed and validated by clients and verified by SBDC management.

The Washington SBDC network, hosted by Washington State University, is an accredited member of America's SBDC. Funded in part through a cooperative agreement with the U.S. Small Business Administration, institutions of higher education, economic development organizations and other public and private funding partners.

March 2024 Unemployment Rates by County



The Monthly Employment Report

March 2024

Prepared by Anneliese Vance-Sherman, chief labor economist

On a seasonally adjusted basis, preliminary estimates from the federal Bureau of Labor Statistics (BLS) indicate nonfarm employment in Washington increased by 5,300 in March 2024.¹ BLS estimates that employment in the private sector expanded by 2,900 jobs over the month and employers in the public sector added 2,400 jobs.

On a not seasonally adjusted basis, estimates for March 2023 through March 2024 indicate an increase in employment of 57,800 for the state. The private sector added 34,200 jobs while the public sector gained an estimated 23,600 jobs over the year.

Washington's preliminary seasonally adjusted unemployment rate for March 2024 was 4.8%. The revised estimated unemployment rate for February 2024 was 4.7%. The unemployment rate in March 2023 was 4.5%.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. The February 2024 preliminary estimated addition of 2,600 jobs was revised up to a gain of 3,900 jobs.

For more information, call Anneliese Vance-Sherman at 564-900-0748.

Resident civilian labor force and unemployment, seasonally adjusted

The resident civilian labor force is the total number of people in the workforce, employed and unemployed, ages 16 and up.

The number of unemployed is the estimated number of people who currently do not have a job, are available for work and have actively looked for work in the last four weeks.

The unemployment rate is the ratio of the estimated number of unemployed divided by the civilian labor force.

¹ Most of the employment numbers discussed in this report refer to jobs, not people. For example, if a person holds two positions, these positions are counted as two jobs in the employment series. In the section titled "Unemployment," these positions refer to individuals, not jobs. In this case, a person holding two jobs is counted only once.

Figure 1: Resident civilian labor force and unemployment, seasonally adjusted

United States and Washington, February and March 2023, and February and March 2024. Source: Employment Security Department/DATA Division; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

	March 2024 (Preliminary)	February 2024 (Revised)	March 2023 (Revised)	February 2023 (Revised)
United States				
Unemployment rate	3.8%	3.9%	3.5%	3.6%
Washington				
Unemployment rate	4.8%	4.7%	4.5%	4.6%
Resident labor force	4,019,937	4,027,298	4,047,314	4,035,637
Unemployed	193,580	190,070	180,382	185,457
Seattle/Bellevue/Everett				
Unemployment rate	4.1%	4.0%	3.0%	3.1%
Resident labor force	1,804,165	1,809,015	1,787,758	1,783,642
Unemployed	73,417	71,629	53,162	54,874

Unemployment, seasonally adjusted

The BLS estimates Washington’s preliminary seasonally adjusted unemployment rate for March 2024 was 4.8%. The revised estimate for February 2024 was 4.7%.

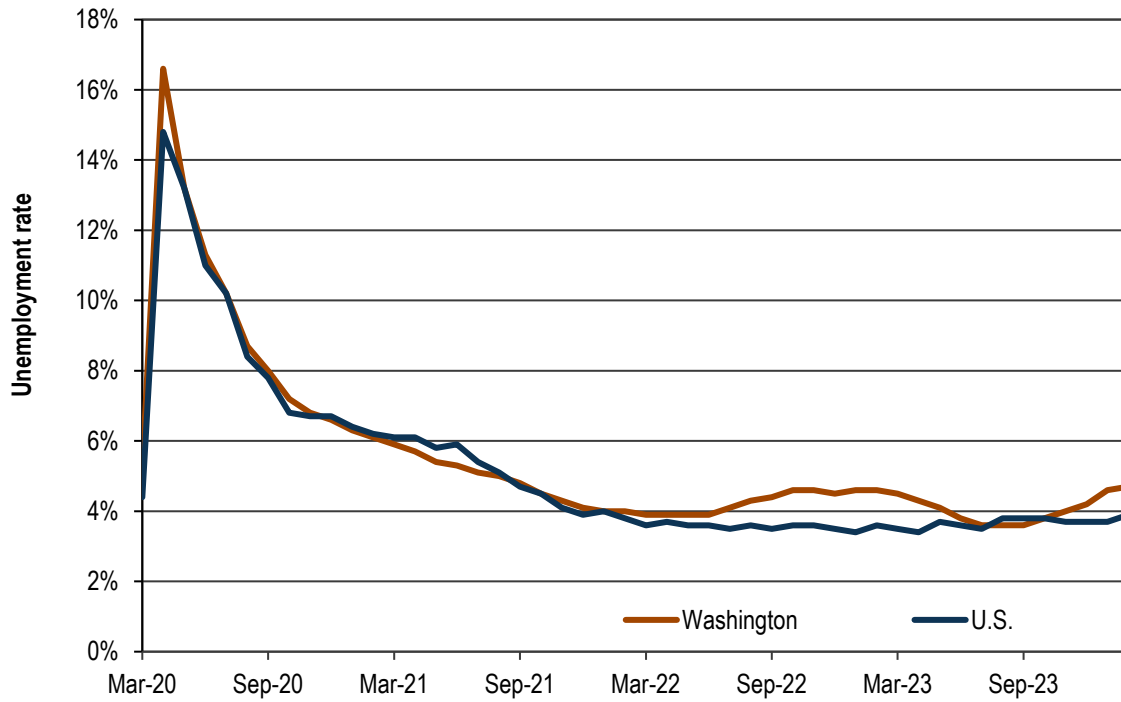
According to BLS estimates, the number of unemployed Washington residents increased by 3,510 over the month. At the same time, the estimated number of employed Washington residents dropped by 10,871. Overall, this amounted to a decrease of 7,361 workers in the labor force in March.

The preliminary March 2024 unemployment rate was 4.8% compared to 4.5% 12 months ago. **March 2024 preliminary unemployment rates:**

- United States (preliminary) 3.8%
- Washington (preliminary) 4.8%
- Seattle area (preliminary) 4.1%

Figure 2: Unemployment rates, seasonally adjusted

U.S., Washington and Seattle, March 2020 through March 2024. Source: Employment Security Department/DATA Division; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics



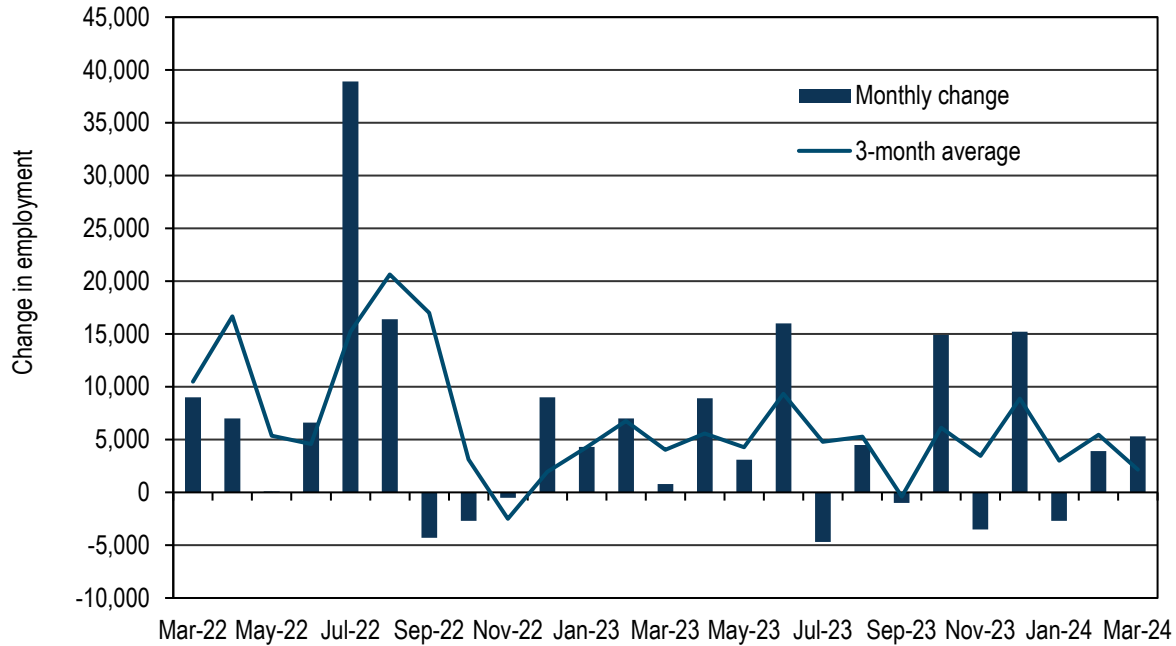
Employment change, seasonally adjusted

Based on BLS estimates, Washington state nonfarm employment increased by 5,300 from February to March 2024. Recent employment change:

- January 2024: down 2,700 jobs (revised)
- February 2024: up 3,900 (revised)
- March 2024: up 5,300 (preliminary)

Figure 3: Monthly employment change, seasonally adjusted

Washington state, March 2022 through March 2024. Source: Employment Security Department/DATA; U.S. Bureau of Labor Statistics, Current Employment Statistics



Employment and unemployment, seasonally adjusted

February 2020 (start of 2020 employment recession in Washington)

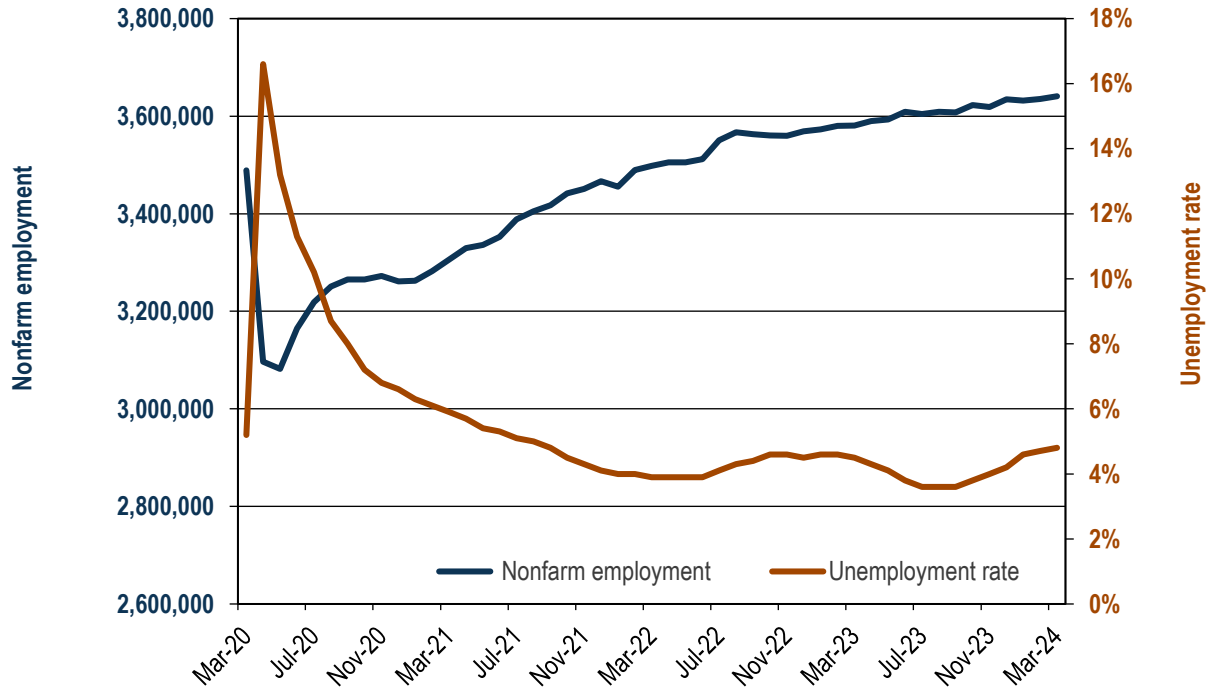
- Nonfarm employment: 3,511,900
- Unemployment rate: 3.8%

March 2024 (preliminary)

- Nonfarm employment: 3,640,800
- Unemployment rate: 4.8%

Figure 4: Nonfarm employment and unemployment rate, seasonally adjusted

Washington, March 2020 through March 2024. Source: Employment Security Department/DATA; U.S. Bureau of Labor Statistics, Current Employment Statistics, Local Area Unemployment Statistics



U-6: Broader annual average unemployment measure increased in the four-quarter period through fourth quarter 2023

BLS recently updated its “alternative measures of labor underutilization” for states to include four-quarter rates through the third quarter of 2023. One such alternative measure is the U-6 rate, which considers not only the unemployed population in the official “U-3” unemployment rate, but also marginally attached workers and those employed part time for economic reasons. The U-6 rate is defined by BLS as the “total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers.” This U-6 measure measures the “unemployed, underemployed, and those who are not looking but who want a job.”

The U-6 annual average unemployment rate for the four-quarter period through fourth quarter 2023 for Washington state was 8.1%. This is above the 7.5% average for the four-quarter period through third quarter 2023. The U.S. U-6 average for the four-quarter period through fourth quarter 2023 was 6.9%.

Figure 5: Alternative measures of labor underutilization, four-quarter moving average

Washington state and U.S. U-6 unemployment rate. Source: Employment Security Department/DATA; U.S. Bureau of Labor Statistics, Current Population Survey and Local Area Unemployment Statistics

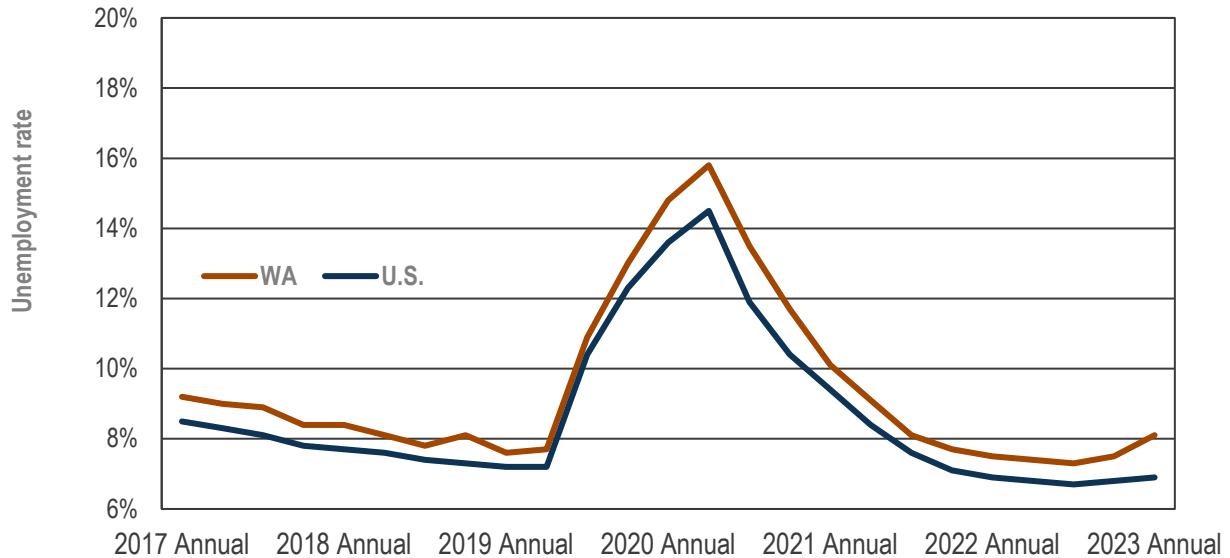


Figure 6: Alternate measures of labor underutilization, four quarter moving average

Washington state versus U.S. U-6 unemployment rate for 2009 through 2023. Source: Employment Security Department/DATA; U.S. Bureau of Labor Statistics, Current Population Survey and Local Area Unemployment Statistics

Year	Location	Q1	Q2	Q3	Annual average
2023	Washington	7.4%	7.3%	7.5%	8.1%
	U.S.	6.8%	6.7%	6.8%	6.9%
2022	Washington	9.1%	8.1%	5.0%	7.5%
	U.S.	8.4%	7.6%	7.1%	6.9%
2021	Washington	15.8%	13.5%	11.7%	10.1%
	U.S.	14.5%	11.9%	10.4%	9.4%
2020	Washington	8.1%	10.9%	13.0%	14.8%
	U.S.	7.7%	10.4%	12.3%	13.6%
2019	Washington	8.1%	7.8%	8.1%	7.6%
	U.S.	7.6%	7.4%	7.3%	7.2%
2018	Washington	9.0%	8.9%	8.4%	8.4%
	U.S.	8.3%	8.1%	7.8%	7.7%
2017	Washington	10.0%	9.7%	9.4%	9.2%
	U.S.	9.5%	9.2%	8.9%	8.5%

Year	Location	Q1	Q2	Q3	Annual average
2016	Washington	10.9%	10.7%	10.7%	10.3%
	U.S.	10.1%	9.9%	9.8%	9.6%
2015	Washington	12.0%	11.7%	11.4%	11.0%
	U.S.	11.6%	11.3%	10.8%	10.4%
2014	Washington	13.3%	12.8%	12.4%	12.5%
	U.S.	13.4%	12.9%	12.5%	12.0%
2013	Washington	16.4%	15.7%	14.8%	14.0%
	U.S.	14.5%	14.3%	14.1%	13.8%
2012	Washington	17.6%	17.0%	17.1%	16.9%
	U.S.	15.6%	15.3%	15.0%	14.7%
2011	Washington	18.4%	18.7%	18.5%	17.8%
	U.S.	16.5%	16.3%	16.2%	15.9%
2010	Washington	17.2%	17.4%	18.1%	18.4%
	U.S.	16.7%	16.8%	16.8%	16.7%
2009	Washington	11.9%	13.5%	14.7%	16.2%
	U.S.	12.1%	13.7%	15.2%	16.2%

Industry employment in Washington, seasonally adjusted

One-month employment change by industry

- Based on a BLS survey of businesses and governments, Washington employers added an estimated 5,300 jobs during the month, on a seasonally adjusted basis:
- February 2024 estimates were revised up by 1,300 jobs.
- Overall, employment increased in eight major industry sectors and decreased in four.
- Private sector employment is estimated to have increased by 2,900; government employment increased by 2,400 in March.
- The largest sector level gains in private industry were observed in professional and business services (up 2,700) and wholesale trade (up 1,800). Financial activities added 1,400 jobs and employment in educational and health services expanded by 1,200.
- The largest gains in the diverse professional and business services sector were attributable to hiring in professional, scientific and technical services (up 2,300), especially within computer systems design and related services (up 800).
- One-month losses were observed in other services (down 2,300), leisure and hospitality (-1,400), construction (down 1,200) and information (down 1,000).
- Within other services, membership associations and organizations took the largest hit (-1000). Losses in leisure and hospitality were concentrated in accommodation and food services (-1,300) and construction employment losses were most pronounced among specialty trade contractors (-3,000).

Figure 7: Estimated one-month employment change by industry, seasonally adjusted

Washington state, February 2024 to March 2024. Source: Employment Security Department/DATA; U.S. Bureau of Labor Statistics, Current Employment Statistics

Total nonfarm	5,300
Professional and Business Services	2,700
Government	2,400
Wholesale Trade	1,800
Financial Activities	1,400
Education and Health Services	1,200
Retail Trade	800
Transportation, Warehousing and Utilities	600
Manufacturing	300
Mining and logging	0
Information	-1,000
Construction	-1,200
Leisure and hospitality	-1,400
Other Services	-2,300

Industry employment in Washington, not seasonally adjusted

Change by industry over the year

Based on a BLS survey of businesses and governments, Washington gained an estimated 57,800 jobs from March 2023 to March 2024. This is a 1.6% increase in employment over the year.

- Overall, employment in ten major industries expanded and three decreased.
- Private sector employment rose 1.2%, up an estimated 34,200 jobs.
- Public sector employment rose 4.1%, up an estimated 23,600 jobs. The largest number of public sector jobs was added in local government.
- The largest private sector gains were attributable to hiring in education and health services (up 23,000) and leisure and hospitality (up 10,400); the deepest one-year losses were observed in information (down 8,300) and construction (down 7,500).
- Education and health services employment gains were primarily attributable to ambulatory health care services (up 8,200).
- The largest employment gains in leisure and hospitality were observed in accommodation and food services. (up 7,700).
- Employment in information dropped by 8,300 overall; within that, the software publishing industry shed an estimated 3,300 jobs.
- Construction sector employment dropped by 7,500 over the year. The deepest losses were observed in specialty trade contractors (down 6,900).

Figure 8: Estimated employment change by industry over the year, not seasonally adjusted

Washington state, March 2023 through March 2024. Source: Employment Security Department/DATA; U.S. Bureau of Labor Statistics, Current Employment Statistics

Total nonfarm	57,800
Government	23,600
Education and health services	23,000
Leisure and hospitality	10,400
Manufacturing	8,600
Transportation, warehousing and utilities	5,300
Wholesale trade	3,300
Professional and business services	2,500
Other services	500
Financial activities	400
Mining and logging	300
Retail trade	-4,300
Construction	-7,500
Information	-8,300

Seasonally adjusted employment

Seasonally adjusted numbers account for normal seasonal patterns that occur year after year, such as strong seasonal hiring in retail trade around the holidays. Considering normal seasonal variations makes it possible to see unusual changes in employment levels.

- Normal seasonal change is the expected monthly change in employment based on history.
- Estimated change is the employment change over the month based on BLS survey data.
- Seasonally adjusted change is change in employment accounting for normal seasonal patterns.

Figure 9: Normal seasonal change, estimated change and seasonally adjusted change

Washington state, March 2024. Source: Employment Security Department/DATA; U.S. Bureau of Labor Statistics, Current Employment Statistics

	Normal seasonal change	Estimated change	Seasonally adjusted change
Total Nonfarm	14,500	19,800	5,300
Professional and Business Services	1,100	3,800	2,700
Government	1,800	4,200	2,400
Wholesale Trade	500	2,300	1,800
Financial Activities	700	2,100	1,400
Education and Health Services	300	1,500	1,200
Retail Trade	1,100	1,900	800
Transportation, Warehousing and Utilities	200	800	600
Manufacturing	-100	200	300
Mining and logging	0	0	0
Information	600	-400	-1,000
Construction	3,400	2,200	-1,200
Leisure and hospitality	3,600	2,200	-1,400
Other Services	1,300	-1,000	-2,300

Contact us

For more Washington Labor Market Information, visit us at www.esd.wa.gov/labormarketinfo.

Contact us at data@esd.wa.gov with any questions. County level information will be available at 10 a.m., April 23, 2024. The publication schedule for 2024 can be found at:

<https://esd.wa.gov/labormarketinfo/monthly-employment-report>.

Employment Security Department is an equal opportunity employer/program. Auxiliary aids and services are available upon request to people with disabilities. Language assistance services for limited English proficient individuals are available free of charge. Washington Relay Service: 711.

This workforce product was funded by a grant awarded by the U.S. Department of Labor's Employment and Training Administration. The product was created by the recipient and does not necessarily reflect the official position of the U.S. Department of Labor. The U.S. Department of Labor makes no guarantees, warranties, or assurances of any kind, expressed or implied, with respect to such information, including any information on linked sites and including, but not limited to, accuracy of the information or its completeness, timeliness, usefulness, adequacy, continued availability, or ownership. This product is copyrighted by the institution that created it. Internal use by an organization and/or personal use by an individual for non-commercial purposes is permissible. All other uses require the prior authorization of the copyright owner.



Economic & Revenue Update

May 14, 2024

Summary

- **U.S. employment increased by 175,000 jobs in April; the unemployment rate increased to 3.9%.**
- **U.S. average hourly earnings grew by 3.9% compared with a year ago, the slowest growth since June 2021.**
- **U.S. real GDP increased 1.6% (SAAR) in the first quarter of 2024 after increasing 3.4% in the fourth quarter of 2023.**
- **Washington job growth has been strong, but the unemployment rate has trended up.**
- **Seattle home prices increased in February.**
- **Washington exports declined in the first quarter.**
- **Major General Fund-State (GF-S) revenue collections for the April 11 - May 10, 2024 collection period came in \$114.0 million (4.6%) lower than forecasted in February after last month's \$82.9 million surplus.**
- **\$42.7 million of this month's shortfall came from property tax collections. This shortfall likely indicates a change in the pattern of payments ahead of the spring due date rather than expected lower collections and will therefore probably be reversed next month.**
- **Cumulatively, tracked collections are now \$60.6 million (1.0%) lower than forecasted.**

United States

The April increase in employment was less than the series of stronger than expected growth of recent months. Unemployment and initial claims for unemployment insurance increased, but layoff announcements were down. The advance (first) estimate of real GDP indicated slower growth which was expected. Consumer confidence measures were down on concerns about inflation, future labor markets, interest rates and income expectations.

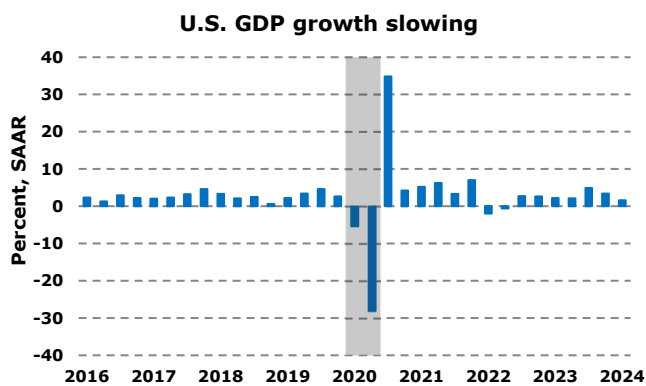
National employment in April increased by 175,000 net jobs. Employment in February and March was revised down due to additional data and updated seasonal factors by a combined 22,000 jobs. Sectors with the largest job gains

in April included healthcare (+56,000), social assistance (+31,000), transportation and warehousing (+22,000) and retail (+20,000). Sectors with declining employment in April included administration and support (-23,000) and information (-8,000).

Initial claims for unemployment insurance increased by 22,000 to 231,000 (SA) in the week ending May 4th. The four-week moving average of initial claims increased by 4,750 to 215,000. Layoff announcements in April, as tracked by outplacement firm Challenger, Gray, and Christmas, totaled 64,789, a 28% decrease compared to the 90,309 job cuts announced in March. Layoff announcements in April were 3.3% lower than those announced in April 2023.

Average hourly earnings for all private sector employees increased by \$0.07 in April. Over the past 12 months, average hourly earnings have increased by 3.9%. The average workweek in April was 34.3 hours, down from 34.4 hours in March. The unemployment rate in April increased by 0.1 percentage point from March to 3.9%.

The advance (first) estimate of real U.S. gross domestic product for the first quarter of 2024 indicates growth of 1.6% (SAAR). This reflected increases in consumer spending, investment and government spending partially offset by inventories and imports. This slowing growth has been expected as higher interest rates continue to impact the economy (see figure). In the fourth quarter of 2023, real U.S. GDP increased by 3.4%.



The Institute for Supply Management’s Manufacturing Purchasing Managers Index (PMI®) for April was 49.2, down 1.1 points from its March level of 50.3 (50 or above indicates expansion). The index has returned to a contractionary level after March’s value indicated the first expansion following sixteen consecutive months of contraction. The services PMI® for April was 49.4, down 2.0 points from the March level. This was the first contractionary value after fifteen consecutive months of services sector expansion.

Industrial production increased by 0.4% (SA) in March following a 0.4% increase in February. Industrial production was unchanged compared to its March 2023 level. New orders for core capital goods (i.e., durables excluding aircraft and military), which is a proxy for business

investment, increased by 0.2% (SA) in March following a revised 0.4% increase in February according to U.S. Census Bureau data. New orders for core capital goods were 0.6% above their March 2023 level.

Light motor vehicle (autos and light trucks) sales in April increased to 15.7 million units (SAAR) from 15.6 million units in March, a 1.1% increase. April sales were 0.4% above their April 2023 level.

Residential construction activity data was down in March compared with February, but new home sales picked up significantly. March housing starts decreased by 14.7% (SA) compared to February and were 4.3% below their March 2023 level. Housing units authorized by building permits in March were 4.3% (SA) below their February level but 1.5% above their year-ago level. New home sales in March increased by 8.8% (SA) compared to February and were 8.3% above their year-ago level. Existing home sales in March decreased by 4.3% (SA) compared to February and were down 3.7% compared to March 2023. The seasonally adjusted Case-Shiller national home price index for February was 0.4% above its January level and 6.4% above its year-ago level.

Two key measures of consumer confidence decreased in April and May. The University of Michigan (UM) consumer sentiment survey decreased by 9.8 points to 67.4 (preliminary) in May after decreasing by 2.2 points in April. The Conference Board index of consumer confidence decreased by 6.1 points in April to 97.0. Survey results indicated that consumer’s feel modestly less optimistic about current conditions and are more concerned about future inflation, labor market conditions and interest rate and income expectations.

For the week ending May 3rd, U.S. benchmark West Texas Intermediate was \$82 per barrel, down \$4 from a month earlier. European benchmark Brent was \$86 per barrel, down \$4 from a month earlier. Gasoline prices increased \$0.05 between April 8th and May 6th, rising to \$3.64 per gallon (regular, all formulations).

The American Trucking Association’s truck tonnage index decreased 2.0% (SA) in March

following a 4.0% increase in February. The index is 1.0% below its March 2023 level. Rail carloads for April decreased 2.1% compared with the level in March and were 6.5% below their year-ago level. Intermodal rail units for April (shipping containers or truck trailers) were 0.3% below the March level and 8.6% above their April 2023 level.

Washington

Washington job growth has been stronger than expected in the four months since the February forecast, although historical revisions have lowered the level of employment. Total seasonally adjusted nonfarm payroll employment increased 24,800 since December, which was 10,800 more than the 13,900 increase expected in the forecast. The construction sector increased by 4,700 jobs while manufacturing employment increased by 2,000 in the four-month period. Education and health services had the largest increase in the private service sector, gaining 6,500 jobs since December. The largest decline was in employment services with a loss of 5,400 jobs. Government employment increased by 8,300 primarily due to a 5,100 job gain in state government education. The combination of downward revisions to history and stronger than expected job growth have resulted in the level of employment being 12,200 lower than expected in the February forecast.

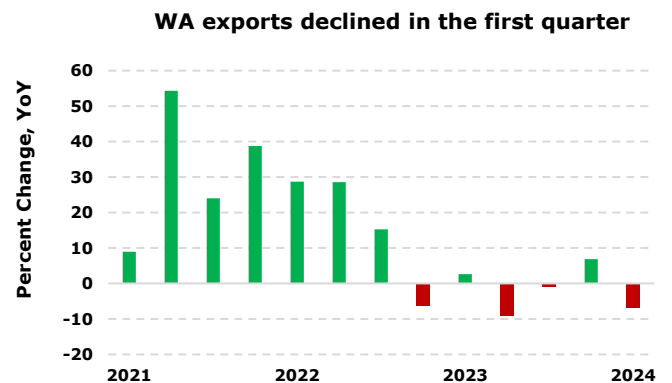
Washington's unemployment rate has been trending upward. The unemployment rate remained at 4.8% in April from the month before, but up from a recent trough of 3.8% in June 2023. Labor force participation declined to 63.8% in April from 63.9% the month before and is down from the recent peak of 64.5% in June 2023.

Washington initial claims for unemployment insurance increased sharply in the most recent week. The seasonally adjusted number of initial claims increased to 7,170 in the week ending May 4th from 5,806 in the prior week. The four-week moving average has increased in each of the past four weeks to 6,161 from a recent trough of 5,604 in the week ending April 6th. Washington housing construction rebounded in the final month of the first quarter of 2024. A total of 38,000 units (SAAR) were permitted in first quarter, up from 34,500 units (SAAR) in the

fourth quarter. The increase in the first quarter was due to 47,400 units (SAAR) being permitted in March. This increase was primarily due to a large number of apartment buildings being permitted. Permits in the first quarter consisted of 20,600 single-family units and 17,400 multi-family units. The February forecast assumed 38,700 units for the first quarter, consisting of 21,200 single-family units and 17,500 multi-family units.

The S&P CoreLogic Case-Shiller Seattle home price index increased 1.1% in February following a decline of 0.1% the month before. Home prices in Seattle are up 7.1% since last year. In comparison, the composite-20 index grew 0.6% in February and 0.2% in January. The composite-20 index was up 7.3% year-over-year in February.

Washington exports declined 7.0% from the first quarter of 2023 to the first quarter of 2024 (see figure). The decline was fueled by a 23.0% decrease in transportation equipment exports. Agricultural exports declined 6.0% over the year, the sixth consecutive decline. Excluding transportation equipment and agricultural products, Washington exports increased 5.3% year-over-year in the first quarter of 2024.



Washington car and truck sales appear to have leveled off. The seasonally adjusted number of new vehicle registrations declined 3.1% in April to 270,500 (SAAR). Passenger car registrations declined 3.1% while light truck registrations declined 2.8%. The number of total registrations remained up 0.7% over the year in April.

Revenue

Overview

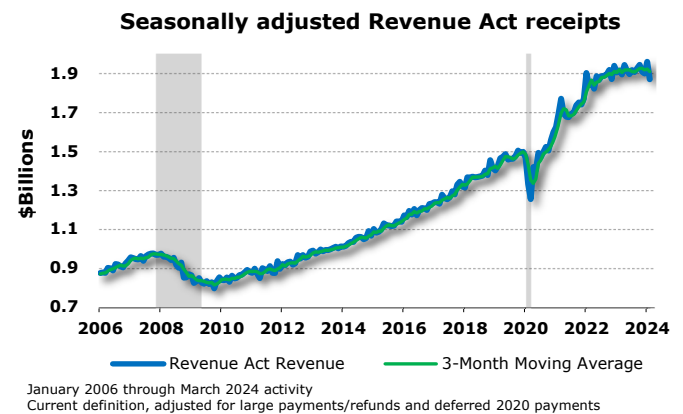
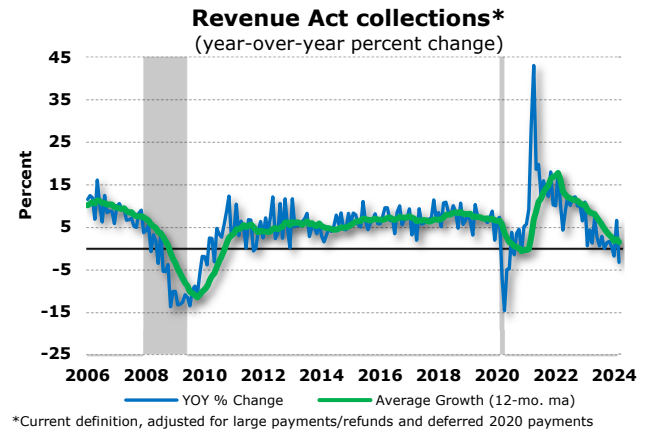
Major General Fund-State (GF-S) revenue collections for the April 11 - May 10, 2024 collection period came in \$114.0 million (4.6%) lower than forecasted in February after last month's \$82.9 million surplus. \$42.7 million of this month's shortfall came from property tax collections. This shortfall is likely due to a change in the pattern of payments ahead of the spring due date rather than expected lower collections and will therefore probably be reversed next month. Cumulatively, tracked collections are now \$60.6 million (1.0%) lower than forecasted.

Revenue Act

Revenue Act taxes consist of the sales, use, business and occupation (B&O), utility, and tobacco products taxes along with associated penalty and interest payments. The revenue collections reported here are for the April 11 - May 10, 2024 collection period. These collections correspond primarily to the March 2024 economic activity of monthly filers and first quarter 2024 activity of quarterly filers.

Revenue Act collections for the current period came in \$105.7 million (5.1%) lower than forecasted in February. Cumulatively, collections are now \$51.4 million (0.9%) lower than forecasted.

Adjusted for large one-time payments and refunds, Revenue Act collections decreased 3.4% year over year after increasing 6.5% annually last month (see figure). Part of the reduction in year-over-year collections was due to there being only 21 weekdays in March 2024 vs. 23 weekdays in March 2023. The 12-month moving average of adjusted year-over-year growth decreased to 1.3% from last month's average of 2.0%. Adjusted collections for first quarter 2024 activity (collections from February 11 - May 10, 2024) increased 0.03% year over year after 1.0% annual growth in adjusted fourth quarter 2023 activity. Seasonally adjusted collections decreased from last month's level (see figure).



Unadjusted Revenue Act collections for first quarter 2024 activity increased 1.4% year over year after 1.2% annual growth in fourth quarter 2023 activity. As shown in the "Key Revenue Variables" table, unadjusted Revenue Act receipts in the current monthly collection period decreased 1.7% year over year. Retail sales tax collections decreased 0.2% year over year and B&O tax collections decreased 4.2% year over year.

Total tax payments from electronic filers who also filed returns for March 2023 activity in the April 11 - May 10, 2023 period were down 2.1% year over year (payments are mainly Revenue Act taxes but include some non-Revenue Act taxes as well). Last month payments were up 3.0% year over year. Some details:

- Total payments in the retail trade sector decreased 1.9% year over year. Last month, payments in the sector increased 0.4% year over year.

- Payments from the motor vehicles and parts sector decreased 1.1% year over year. Last month, payments in the sector decreased 1.7% year over year.
- Eight out of eleven retail trade sectors had negative year-over-year payment growth. The sectors showing the most negative growth were sporting goods, toys, books and music (-14.4%), furniture and home furnishings (-8.4%) and drug and health stores (-7.9%).
- Payments from non-retail trade sectors decreased 2.3% year over year in the current period. Last month, year-over-year payments increased 4.3%.
- Tax payments by businesses in the accommodation and food services sector were up 3.2% year over year. Last month receipts from the sector increased 6.1% year over year.
- Payments from the manufacturing sector decreased 1.8% year over year. Last month payments increased 1.8% year over year. This month saw a moderately large increase in payments from the petroleum refining sector and a large decrease in payments from the transportation equipment sector. Excluding the transportation and petroleum sectors, payments from the remaining manufacturing sectors decreased by 2.6% year over year after increasing 4.7% last month.
- Tax payments by businesses in the construction sector decreased 5.2% year over year. Last month receipts from the construction sector decreased 0.8% year over year.

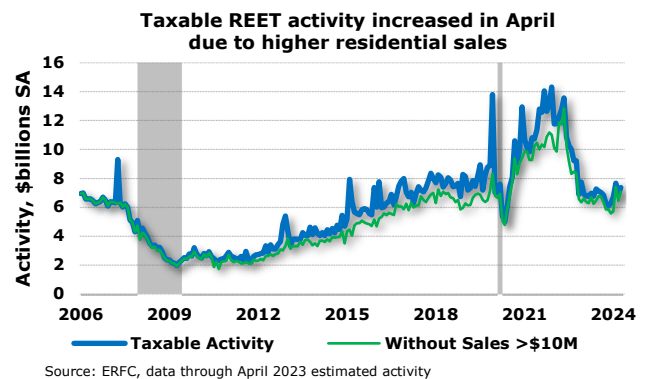
DOR Non-Revenue Act

April DOR non-Revenue Act collections came in \$7.7 million (1.9%) lower than forecasted. Cumulatively, DOR non-Revenue Act collections are now \$10.3 million (1.3%) lower than forecasted.

Property tax collections came in \$42.7 million (16.6%) lower than forecasted. The shortfall is likely due to a lower-than-usual percentage of spring payments being deposited in April instead

of May rather than a decrease in expected collections. The shortfall is therefore likely to reverse next month when the bulk of the spring payments, which were due April 30th, will be deposited. Cumulatively, collections are \$29.1 million (8.6%) lower than forecasted.

Real estate excise tax (REET) collections came in \$7.9 million (9.9%) higher than forecasted. Seasonally adjusted estimated taxable activity increased from last month's level (see figure). Transactions of \$10 million or more decreased from a revised \$414 million in March to \$293 million (preliminary) in April, while activity for smaller, mainly residential properties increased. Cumulatively, collections are now \$7.7 million (3.7%) higher than forecasted.



Cigarette tax receipts came in \$4.5 million (22.7%) lower than forecasted. The shortfall, however, was due to a larger-than-expected number of deferred payments, which will be collected next month. Cumulatively, receipts are now \$5.7 million (10.0%) lower than forecasted.

Liquor tax collections came in \$3.4 million (11.9%) lower than forecasted. Cumulatively, collections are now \$4.3 million (5.4%) lower than forecasted.

While a \$0.8 million net refund of unclaimed property was expected, instead there was an \$36.7 million net deposit into the GF-S, a surplus of \$37.5 million. Cumulatively, net deposits of unclaimed property out of the GF-S are \$35.7 million higher than forecasted.

Other DOR revenue came in \$2.4 million (12.4%) lower than forecasted. Cumulatively, this revenue is now \$14.6 million (12.3%) lower than forecasted.

Other Revenue

The GF-S share of fines, fees, surcharges, and forfeitures from the Washington court system was \$0.6 million (13.7%) lower than forecasted. Cumulatively, this revenue is now \$1.0 million (9.3%) higher than forecasted.

Key U.S. Economic Variables

	2023		2024				2022	2023
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.		
Real GDP (SAAR)	-	3.4	-	-	1.6	-	1.9	2.5
Industrial Production (SA, 2017 = 100)	102.9	102.6	101.8	102.3	102.7	-	102.6	102.8
<i>YOY % Change</i>	-0.1	1.1	-0.7	-0.3	0.0	-	3.4	0.2
ISM Manufacturing Index (50+ = growth)	46.6	47.1	49.1	47.8	50.3	49.2	53.5	47.1
ISM Non-Manuf. Index (50+ = growth)	52.5	50.5	53.4	52.6	51.4	49.4	56.0	52.8
Housing Starts (SAAR, 000)	1,512	1,566	1,375	1,549	1,321	-	1,553	1,420
<i>YOY % Change</i>	6.0	15.4	2.6	7.9	-4.3	-	-3.0	-8.5
Light Motor Vehicle Sales (SAAR, mil.)	15.5	16.1	14.9	15.7	15.6	15.7	13.8	15.5
<i>YOY % Change</i>	8.9	18.9	-1.4	5.6	4.2	0.4	-8.0	12.9
CPI (SA, 1982-84 = 100)	308.0	308.7	309.7	311.1	312.2	-	292.6	304.7
<i>YOY % Change</i>	3.1	3.3	3.1	3.2	3.5	-	8.0	4.1
Core CPI (SA, 1982-84 = 100)	312.3	313.2	314.4	315.6	316.7	-	294.3	308.4
<i>YOY % Change</i>	4.0	3.9	3.9	3.8	3.8	-	6.2	4.8
IPD for Consumption (2009=100)	121.3	121.4	122.0	122.4	122.8	-	116.0	120.4
<i>YOY % Change</i>	2.7	2.6	2.5	2.5	2.7	-	6.5	3.7
Nonfarm Payroll Empl., e-o-p (SA, mil.)	157.0	157.3	157.6	157.8	158.1	158.3	154.3	157.3
<i>Monthly Change</i>	0.18	0.29	0.26	0.24	0.32	0.18	4.53	3.01
Unemployment Rate (SA, percent)	3.7	3.7	3.7	3.9	3.8	3.9	3.6	3.6
Yield on 10-Year Treasury Note (percent)	4.50	4.02	4.06	4.21	4.21	4.54	2.95	3.96
Yield on 3-Month Treasury Bill (percent)	5.52	5.44	5.45	5.44	5.47	5.44	2.08	5.28
Broad Real USD Index** (Jan. 2006=100)	115.5	113.8	114.2	115.1	115.1	116.4	115.1	114.6
Federal Budget Deficit (\$ bil.)*	314.0	129.4	21.9	296.3	236.5	-209.5	1,375.4	1,695.2
<i>FYTD sum</i>	380.6	509.9	531.9	828.1	1,064.6	855.1		
US Trade Balance (\$ bil.)	-62.7	-64.2	-67.6	-69.5	-69.4	-	-951.2	-779.8
<i>YTD Sum</i>	-715.6	-779.8	-67.6	-137.1	-206.4	-		

*Federal Fiscal Year runs from October 1st to September 30th.

**Weighted average of U.S. dollar foreign exchange values against currencies of major U.S. trading partners, Federal Reserve.

Key Washington Economic Variables

	2023		2024				2022	2023	
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.			
Employment								<i>End-of-period</i>	
Total Nonfarm (SA, 000)	3,612.0	3,622.5	3,626.4	3,632.7	3,641.0	3,647.2	3,569.3	3,622.5	
<i>Change from Previous Month (000)</i>	10.7	10.5	3.9	6.3	8.4	6.2	104.4	53.2	
Construction	228.5	229.3	229.9	230.6	230.7	234.0	234.5	229.3	
<i>Change from Previous Month</i>	0.5	0.8	0.6	0.6	0.2	3.3	6.1	-5.2	
Manufacturing	274.8	275.2	276.1	277.5	277.2	277.2	272.5	275.2	
<i>Change from Previous Month</i>	0.6	0.4	0.9	1.4	-0.3	0.0	8.1	2.8	
Aerospace	80.7	80.6	80.9	81.5	82.0	82.4	73.7	80.6	
<i>Change from Previous Month</i>	1.3	-0.1	0.3	0.6	0.5	0.4	5.8	6.9	
Software	84.1	84.7	84.5	84.7	85.1	84.8	88.4	84.7	
<i>Change from Previous Month</i>	0.1	0.6	-0.2	0.2	0.4	-0.3	5.4	-3.7	
All Other	3,024.6	3,033.2	3,035.8	3,039.9	3,047.9	3,051.2	2,973.8	3,033.2	
<i>Change from Previous Month</i>	9.5	8.6	2.6	4.1	8.0	3.3	84.9	59.4	
Other Indicators								<i>Annual Average</i>	
Seattle CPI (1982-84=100, NSA)	-	345.0	-	349.3	-	-	322.4	341.2	
	-	4.4%	-	4.3%	-	-	8.9%	5.8%	
Housing Permits (SAAR, 000)	31.1	35.9	33.2	33.3	47.4	-	49.2	37.4	
	-15.6%	-8.5%	4.7%	-39.6%	31.4%	-	-12.3%	-23.9%	
WA Index of Leading Ind. (2004=100)	135.8	137.0	137.0	137.7	138.1	-	139.3	137.1	
	-0.1%	0.2%	-0.8%	-0.5%	0.4%	-	1.9%	-1.6%	
WA Business Cycle Ind. (Trend=50)	95.3	96.9	95.2	97.0	97.2	-	98.7	94.7	
	2.5%	3.8%	4.6%	6.5%	5.6%	-	11.5%	-4.0%	
Avg. Weekly Hours in Manuf. (SA)	39.3	39.1	40.2	40.1	39.7	-	40.0	39.6	
	0.0%	0.3%	-1.0%	-1.3%	-0.8%	-	-2.0%	-1.1%	
Avg. Hourly Earnings in Manuf.	30.8	31.3	31.6	31.4	31.9	-	29.9	29.7	
	3.5%	4.1%	9.5%	9.9%	9.6%	-	6.6%	-0.6%	
New Vehicle Registrations (SA, 000)	22.7	23.8	22.6	23.0	23.3	22.5	19.9	22.6	
	7.1%	15.6%	13.8%	10.6%	6.3%	0.7%	-9.1%	13.4%	
Initial Unemployment Claims (SA, 000)	26.0	22.9	23.9	22.4	20.6	19.8	20.6	23.2	
	1.4%	-7.0%	22.3%	8.6%	3.8%	2.5%	-49.9%	13.0%	
Personal Income (SAAR, \$bil.)	-	632.5	-	-	-	-	586.5	622.4	
	-	5.7%	-	-	-	-	2.7%	6.1%	
Median Home Price (\$000)	-	583.2	-	-	-	-	614.7	611.9	
	-	2.8%	-	-	-	-	11.1%	-0.5%	

*Employment data has been Kalman filtered and does not match figures released by the BLS

*Percentage Change is Year-over-Year

EXHIBIT 4

Key Revenue Variables

Thousands of Dollars

	2023					2024							
	May 11- May 10	May 11- June 10	Jun 11- Jul 10	Jul 11- Aug 10	Aug 11- Sep 10	Sep 11- Oct 10	Oct 11- Nov 10	Nov 11- Dec 10	Dec 11- Jan 10	Jan 11- Feb 10	Feb 11- Mar 10	Mar 11- Apr 10	Apr 11- May 10
Department of Revenue-Total	2,406,497	3,696,838	2,441,041	2,307,055	2,095,197	2,102,061	2,413,488	3,718,721	2,306,932	2,268,871	1,883,263	1,929,013	2,380,339
Revenue Act	2,018,133	1,813,802	1,890,151	2,117,078	1,913,284	1,931,166	2,049,459	1,903,587	1,888,856	2,100,047	1,702,322	1,713,241	1,983,482
Retail Sales Tax	1,254,718	1,157,665	1,251,780	1,378,663	1,268,909	1,251,678	1,320,523	1,229,818	1,219,369	1,343,371	1,077,926	1,085,624	1,252,721
Business and Occupation Tax	594,719	485,161	501,279	580,097	515,538	529,675	576,150	543,263	520,365	604,818	479,154	473,674	569,878
Use Tax	87,795	102,808	78,830	97,502	73,802	96,230	91,225	73,873	81,228	86,339	72,735	79,737	86,282
Public Utility Tax	56,241	47,028	41,607	41,337	36,940	40,603	40,394	35,380	41,042	52,244	54,634	53,578	51,516
Tobacco Products Tax	4,485	1,780	1,952	6,519	4,322	4,615	4,675	1,895	5,096	2,976	2,111	5,046	1,938
Penalties and Interest	20,173	19,359	14,701	12,961	13,774	8,365	16,491	19,357	21,755	10,299	15,761	15,581	21,146
Non-Revenue Act*	388,364	1,883,036	550,890	189,976	181,913	170,895	364,029	1,815,134	418,077	168,824	180,941	215,772	396,857
Liquor Sales/Liter	29,483	25,489	29,423	29,793	33,090	31,229	27,414	26,860	30,211	39,156	25,239	24,381	25,594
Cigarette	19,873	22,141	22,973	27,657	22,072	24,268	21,909	21,137	18,288	20,992	16,099	19,530	15,316
Property (State School Levy)	249,991	1,737,543	397,588	28,948	13,257	21,923	66,463	1,644,352	293,392	17,448	10,716	85,307	214,258
Real Estate Excise	58,323	84,815	98,902	88,649	94,023	80,684	74,588	61,771	64,959	68,870	59,701	71,244	87,802
Unclaimed Property	10,621	-5,938	-8,296	-1,512	2,190	-95	156,245	44,573	-4,388	-4,988	-13,331	11,054	36,713
Change in amount	17,168	1,353	-2,283	4,948	3,255	4,285	1,486	616	2,403	-11,755	-14,421	13,625	26,092
Other	20,073	18,986	10,300	16,441	17,281	12,887	17,411	16,441	15,614	27,346	82,517	4,256	17,174
Washington Court System (GF-S share)	3,804	3,868	3,639	3,807	4,138	4,385	4,418	5,525	4,429	3,884	4,339	4,239	3,680
	7.2	13.0	6.7	6.2	21.2	23.5	28.1	33.1	36.7	35.6	48.2	14.3	-3.3
Total General Fund-State**	2,410,302	3,700,706	2,444,680	2,310,862	2,099,335	2,106,446	2,417,906	3,724,246	2,311,361	2,272,755	1,887,602	1,933,252	2,384,019
	-2.1	-0.2	5.7	0.4	-2.6	-0.4	-3.4	4.5	-2.1	-0.7	-0.5	6.2	-1.1

*Monthly Revenues (month of beginning of collection period)
 ** Detail may not add due to rounding. The GFS total in this report includes only collections from the DOR and the Washington Court System.
 Note: *Italic figures refer to year-over-year percent change unless otherwise noted.*

Revenue Forecast Variance

Thousands of Dollars

Period/Source	Estimate*	Actual	Difference Amount	Percent
April 11 - May 10, 2024				
May 10, 2024 Collections Compared to the February 2024 Forecast				
Department of Revenue-Total	\$2,493,759	\$2,380,339	(\$113,421)	-4.5%
Revenue Act** (1)	2,089,191	1,983,482	(105,710)	-5.1%
Non-Revenue Act (2)	404,568	396,857	(7,711)	-1.9%
Liquor Sales/Liter	29,039	25,594	(3,445)	-11.9%
Cigarette	19,818	15,316	(4,502)	-22.7%
Property (State School Levy)	256,971	214,258	(42,713)	-16.6%
Real Estate Excise	79,929	87,802	7,873	9.9%
Unclaimed Property	(804)	36,713	37,517	NA
Other	19,615	17,174	(2,441)	-12.4%
GF-S Share of Court Fees, Fines & Forfeitures (2)	4,263	3,680	(583)	-13.7%
Total General Fund-State***	\$2,498,022	\$2,384,019	(\$114,003)	-4.6%

Cumulative Variance Since the February 2024 Forecast (February 11 - May10, 2024)

Department of Revenue-Total	\$6,254,275	\$6,192,614	(\$61,661)	-1.0%
Revenue Act** (3)	5,450,404	5,399,044	(51,360)	-0.9%
Non-Revenue Act (4)	803,871	793,570	(10,301)	-1.3%
Liquor Sales/Liter	79,541	75,214	(4,327)	-5.4%
Cigarette	56,619	50,945	(5,674)	-10.0%
Property (State School Levy)	339,355	310,281	(29,075)	-8.6%
Real Estate Excise	210,998	218,747	7,749	3.7%
Unclaimed Property	(1,235)	34,436	35,671	NA
Other	118,593	103,947	(14,646)	-12.3%
GF-S Share of Court Fees, Fines & Forfeitures (4)	11,217	12,258	1,042	9.3%
Total General Fund-State***	\$6,265,491	\$6,204,873	(\$60,619)	-1.0%

1 Collections April 11 - May 10, 2024. Collections primarily reflect March 2024 taxable activity of monthly filers and first quarter 2024 taxable activity of quarterly filers.

2 April 2024 collections.

3 Cumulative collections, estimates and variance since the February 2024 forecast (February 11 - May 10, 2024) and revisions to history.

4 Cumulative collections, estimates and variance since the February forecast (February - April 2024) and revisions to history.

* Based on the February 2024 economic and revenue forecast released February 14, 2024.

**The Revenue Act consists of the retail sales, B&O, use, public utility, tobacco products taxes, and penalty and interest.

*** Details may not add to totals due to rounding. The General Fund-State total in this report includes only collections from the Department of Revenue and the Washington court system.

WHITMAN COUNTY

Average Annual Change Since 2015



See 4th page, Introduction, for data context

Population	47,800	(+0.3%)
Households*	18,885	(+0.8%)
Low Income Renter Households*	7,879	(+0.7%)
MFI: HUD Median Family Income	\$79,800	(+2.6%)

All statistics are for 2022 (* = projected)

Progress Indicators

These indicators measure progress towards housing goals since approximately 2015

Goal	Indicator	Progress
Reduce Housing Insecurity	Percentage of households experiencing housing cost-burden	→
	Homeless persons per capita	↓
Reduce Housing Disparities	Racial and ethnic disparities in housing cost burden	↗
	Racial and ethnic disparities in homeownership rate	↗
Increase Housing Production & Housing Diversity	Annual total housing unit production	↑
	Annual middle housing production	↗
	Annual multifamily unit production	↘
	Annual units built with MFTE incentive	❖
Support Housing Affordability	Affordable and available units per renter household with income 50% of MFI	↓
	Homeownership Affordability Index	↓
	Transitional Renter Affordability Index	↗
	Subsidized Affordable Housing Supply Compared to Need	↓

↑	Significant Improvement
↗	Moderate Improvement
→	No Change / Insufficient Progress
↘	Conditions have Worsened
↓	Conditions Worsened Significantly

●	High Margin of Error
❖	No Usage of Program
☒	Data Unavailable

Housing Insecurity

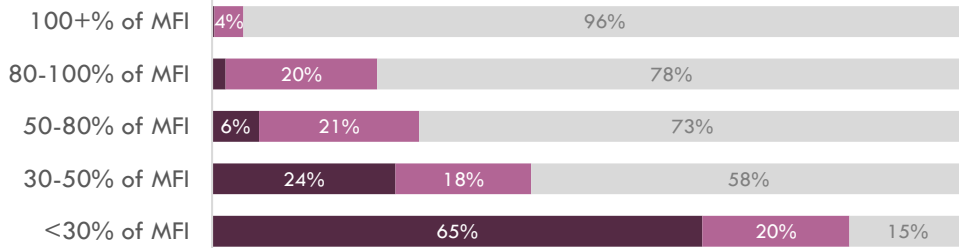
Housing Disparities

Severely Cost-Burdened Moderately Cost-Burdened Not Cost-Burdened

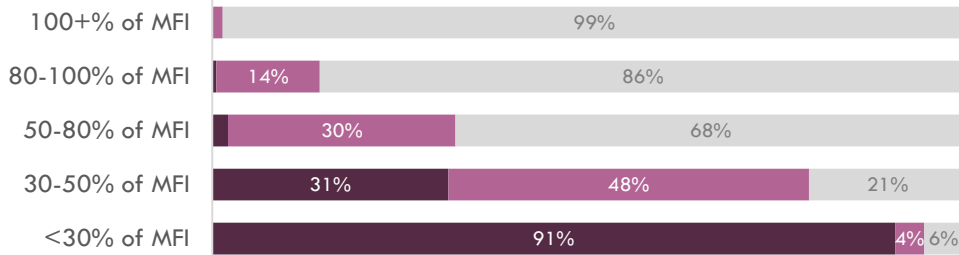
* Category excludes Hispanic/Latino households

Cost-Burdened Share by Income Level

Owner-Occupied Households

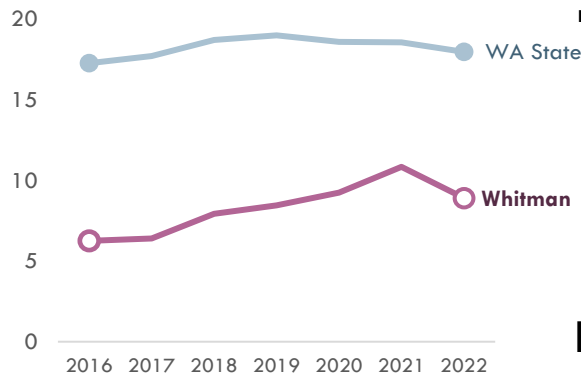


Renter-Occupied Households



Homeless Persons

Homeless Residents per 1,000 Population

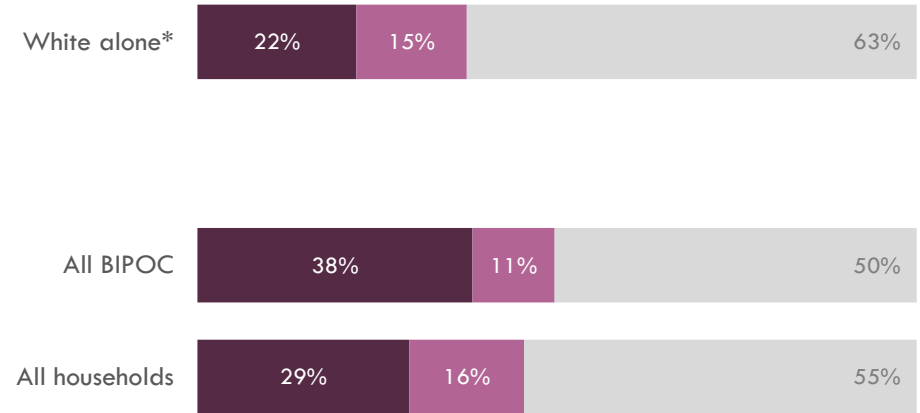


Roughly 426 homeless individuals reside in Whitman County, a 134-person increase since 2016.

Meanwhile, the per-capita homeless rate has increased.

EXHIBIT 5

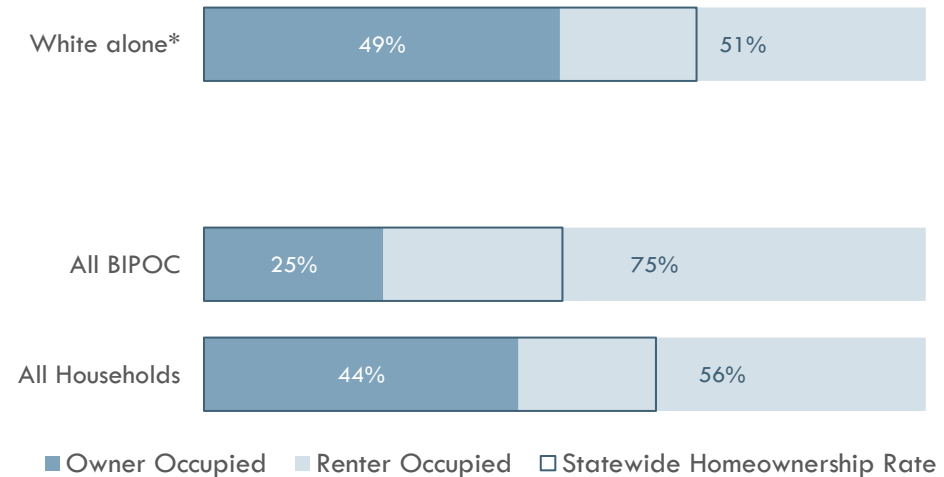
Cost-Burden by Race and Ethnicity



Note: One or more groups were excluded from chart due to high margin of error

Roughly **7,211** households in Whitman County are moderately or severely cost-burdened, including **1,479** BIPOC households (50% of all BIPOC households, which is 12.2 percentage points higher than White alone households)

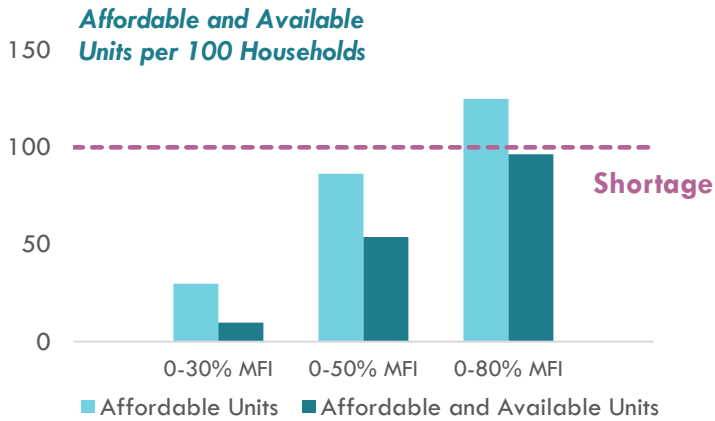
Homeownership Rate by Race and Ethnicity



Note: One or more groups were excluded from chart due to high margin of error

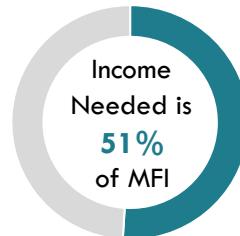
Housing Affordability

Rental Housing Affordability



Fair market rent (FMR) represents the 40th percentile of gross rent in a local housing market.

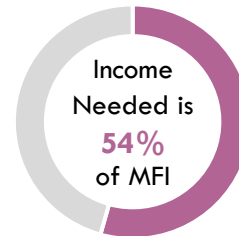
1-Bedroom FMR



Rent: **\$763**

Income Needed: **\$30,520**

2-Bedroom FMR

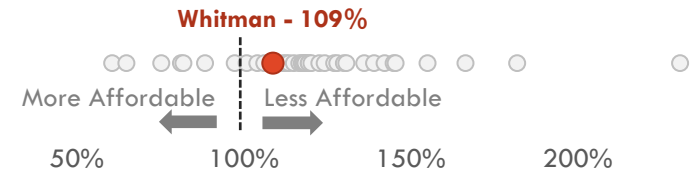


Rent: **\$977**

Income Needed: **\$39,080**

Homeownership Affordability

Percent of MFI Required to Afford to Own a Home

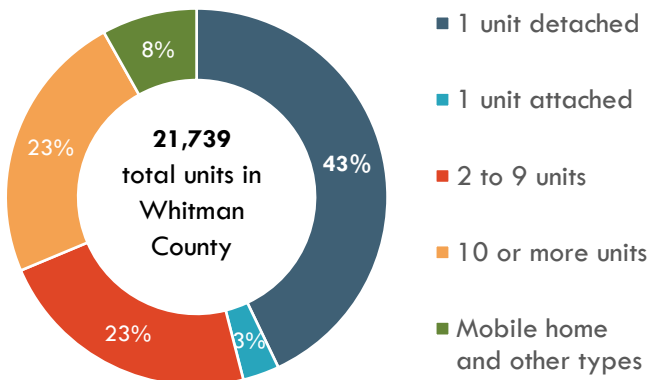


Each circle represents a county

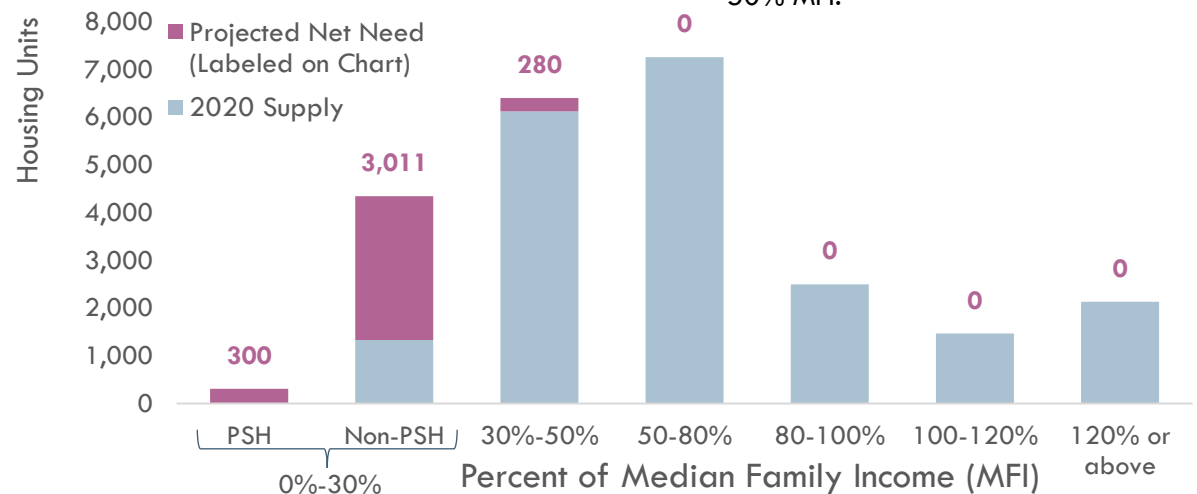
A household needs 109% of MFI to afford to purchase a home, which ranks #12 of all Washington counties

Housing Supply & Future Need

2020 Housing Stock by Units in Structure



Whitman needs an additional 3,591 housing units by 2044, an average of 150 per year (a 2.9% increase in rate of production compared to recent trend). 100% of the net need is for homes affordable at or below 50% MFI.



Introduction

This appendix includes profiles of housing need for every county and urban area in Washington. Each profile visualizes the latest available data about housing insecurity, housing affordability, racial and ethnic disparities, current housing supply, and projected housing needs. This introduction provides an overview of the data sources methodology used to develop these profiles.

Geographic Areas

Counties

Included in this appendix is a unique profile for every county in Washington State. These profiles are organized alphabetically.

Urban Areas

Following the county profiles are 14 additional profiles for the urban areas listed in Exhibit 1. These areas were defined by the U.S. Census Bureau. These areas were defined following the 2020 Census based on a minimum population or housing unit threshold for qualification.¹ They do not reflect jurisdictional boundaries (such as cities or towns) even though many are named after a single city. Rather they may include a core city plus neighboring cities and unincorporated urbanized areas. Some urban areas cross state boundaries and include parts of Idaho or Oregon. A map of the urban area is included at the top of each urban area profile.

Exhibit 1. Urban Areas Defined by the Census

- Bellingham, WA
- Bremerton, WA
- Kennewick--Richland--Pasco, WA
- Lewiston, ID--WA
- Longview, WA--OR
- Marysville, WA
- Mount Vernon, WA
- Olympia--Lacey, WA
- Portland, OR--WA
- Seattle--Tacoma, WA
- Spokane, WA
- Walla Walla, WA--OR
- Wenatchee, WA
- Yakima, WA

Source: U.S. Census Bureau, 2022.

County Profile Data Sources and Methodology

The county profiles each include three pages of content. Data and findings that are presented in each section are described in more detail below.

Countywide Statistics

The first section of each profile provides a few key statistics related to population and housing. All statistics are for the year 2022. Definitions and data sources are as follows:

¹ For more details on how the Census defines Urban Areas, see [Redefining Urban Areas following the 2020 Census](#) (2022).

Statistic	Definition	Data Source
Population	Total resident population in 2022	Washington State Office of Financial Management (OFM) April 1 Official Population Estimates , 2022.
Households	Total occupied housing units in 2022, projected by BERK.	Total housing units: OFM, 2022; Occupancy rate: Census American Community Survey (ACS) 5-Year Estimates, 2017-2021.
MFI: HUD Median Family Income	HUD's official measure of median family household income for the year 2022	U.S. Department of Housing and Urban Development (HUD) Income Limits , 2022.
Low Income Renter Households	An estimate of the total renter households with incomes at or below 80% of MFI in 2022, projected by BERK.	HUD, Comprehensive Housing Affordability Strategy Data , based on ACS 5-Year Estimates, 2015-2019.

Progress Indicators

This page includes key statistics about population, households, low-income renter households, and median family income (MFI). Next, it presents a series of progress assessments based on twelve indicators that assesses progress towards four housing goals:

- Reduce Housing Insecurity
- Reduce Housing Disparities
- Increase Housing Production and Diversity
- Support Housing Affordability

A full description of data sources and methodology for these indicators is included in the Progress Toward Meeting Affordable Housing Needs chapter of the AHAB 2023-2028 Housing Advisory Plan.

Housing Insecurity

Cost-Burden Share by Income Level

The affordability of housing depends on two factors, the cost of the housing and the income of the household living there. The U.S. Department of Housing and Urban Development (HUD) considers a household cost-burdened if it is spending more than 30% of its income on housing costs, including utilities. Cost burdened households have less income remaining for other necessities like food, transportation, education, and health care. These charts differentiate moderately cost-burdened households (those who spend between 30-50% of income on housing) and severely cost-burdened households (those who spend more than 50% of income on housing).

Data for this indicator is provided by the U.S. Department of Housing and Urban Development (HUD), which publishes a dataset called the Comprehensive Housing Affordability Strategy (CHAS). These data are derived from Census American Community Survey (ACS) and are based on survey responses from 2015 to 2019. Therefore, this data does not reflect very recent changes in the housing market.

Homeless Persons

The most direct measure of housing insecurity is the number of persons who are homeless. This indicator uses the best available data about homeless and unstably housed population and divides it by total population to calculate a per capita rate. An increasing rate indicates that conditions are worsening and there is an increase in housing insecurity. Conversely, a decrease in rate indicates conditions are improving and that a smaller share of the population is experiencing homelessness.

The primary data source for this indicator is the Snapshot of Homelessness in Washington State ("Snapshot"). This is a biannual report prepared by the Department of Social and Health Services (DSHS) Research and Data Analysis (RDA) unit. Drawing on linked data from multiple databases used for administering public benefits and associated claims, the report counts applications for social services from people who were unsheltered or living in emergency shelter. Snapshot data is available from 2016 through 2022. A [more detailed description](#) of the Snapshot report is available on the Commerce website. Population data was obtained from OFM.²

Housing Disparities

Cost-Burden Share by Race and Ethnicity

This chart presents HUD CHAS data to compare housing cost burden status by the race or ethnicity of householder, or the person in whose name the housing unit is owned or rented. The term BIPOC refers to Black, Indigenous, and People of Color, which is defined as all householders that do not identify as White, Non-Hispanic. The racial categories (American Indian or Alaska Native (AIAN), Asian, Black, Native Hawaiian or Other Pacific Islander (NHOPI), White, and Multi-racial/other) reflect respondents that identified as non-Hispanic or Latino. The Hispanic or Latino category includes respondents that also identified as any racial category.

This chart presents HUD CHAS data, which, as described above, are based on survey responses from 2015 to 2019. Therefore, this data does not reflect very recent changes in the housing market.

Homeownership Share by Race and Ethnicity

This section displays household tenure data (the share of households that own or rent) from the Census American Community Survey by the race or ethnicity of the householder. Like the cost-burden chart, above, the racial categories only include non-Hispanic or Latino respondents, and the Hispanic or Latino category is inclusive of any racial category.

This chart draws from the 2017-2021 American Community Survey, which is based on survey responses over a 5-year period. A portion of the sample therefore reflects somewhat recent housing market trends (2020-2021).

Housing Affordability

Affordable and Available Units per 100 Households

In some housing markets, moderate- or higher-income households occupy lower cost rental units, effectively making them unavailable to low-income households. This can occur when there are few ownership options that are affordable or desirable. Using HUD CHAS data, it is possible to measure the impact of this "down renting" on the supply of homes that would otherwise be affordable to low-income households. However, the data reflects conditions surveyed between 2015 and 2019, and therefore do not reflect recent changes in the housing market.

The chart provides two different views of the affordable housing supply. The light blue bars summarize the number of affordable rental units per 100 renter households at three different income thresholds. The dark blue bars summarize the number of units that are not only affordable but also occupied by a renter household at the specified income level. These units are considered both affordable and available.

² Source: Washington State Office of Financial Management (OFM) [April 1 Official Population Estimates](#).

The table below the chart summarizes the number of affordable and available rental units at three income thresholds (0-30% of MFI, 0-50%, and 0-80%), along with the total number of renter households at those same income thresholds. It shows the gap between the number of households and the number of affordable and available units to serve those households, representing the effective shortage of affordable rental housing in the housing market (at the time the data was collected).

Income Needed to Afford Fair Market Rent

Each year, HUD calculates a Fair Market Rent (FMR) for various housing unit sizes (e.g., number of bedrooms) for all Metropolitan Statistical Areas along with their corresponding counties. FMRs represent estimates of the 40th percentile of gross rents (inclusive of shelter and major utilities) for standard quality units in the area of analysis (MSAs or nonmetropolitan counties). HUD uses this measure to help determine payment standards for federal housing voucher programs and rent ceilings for several assistance programs and Continuum of Care grantees. FMR is therefore often used as a proxy for rental affordability; however, this measure, on its own, does not reflect the extent to which area households can afford a FMR unit.

This section therefore looks at the affordability of 1- and 2-bedroom FMR, relative to each county's Median Family Income. The charts show the percent of MFI needed to afford an FMR unit (e.g., the minimum income needed to spend less than 30% of the household's income on rent). Because HUD calculates MFI by household size, the calculations assume a 1.5 person household MFI for a 1-bedroom FMR, and a 3-person household MFI for a 2-bedroom FMR. The total income needed to afford each FMR unit is listed below each chart, along with HUD's FMR for each unit size. This section uses 2022 data for both FMR and MFI.

Homeownership Affordability

Several factors contribute to the ability of a household to afford to buy a home, including market home values, income, property taxes, interest rates, typical insurance costs, and the size of a down payment, among others. This section uses a variety of data sources to estimate the ability of a median income household to afford a median-priced home in every Washington county. The chart in this section shows the percent a county's MFI required to afford to own a home, and places that county in the context of all other counties. Scores under 100% suggest a more affordable homeownership market, and scores above 100% indicate a less affordable market for prospective home buyers.

This calculation relies on data from several sources. MFI for a three-person household comes from HUD, and is used as the basis for the affordability ratio described above. Median home value data comes from the Washington Center for Real Estate Research (WCRER) at the University of Washington. The estimated monthly mortgage was generated using an assumed 20% down payment (based on the WCRER median home value data) and an assumed 5% interest rate applied to a 30-year fixed-interest loan. In addition to estimated monthly mortgage costs, the estimated cost of homeownership also includes property taxes and insurance. Property taxes were calculated based on a conversion of WCRER market-based home values to an estimated assessed value, using property tax ratio data from the Washington State Department of Revenue (DOR). Estimated county-level property tax rates from DOR were then applied to the estimated assessed value for median value homes, which generated the annual estimated property tax associated with owning a home. Annual insurance is based on an assumed 0.2% rate applied to the WCRER median home value. A minimum annual income for homeownership was then calculated so that the combined total of mortgage costs, property taxes, and insurance would not comprise more than 30% of the household's income. This annual income needed estimate was divided by the MFI for a three-person household to generate the percent of MFI needed to afford to buy a home.

Housing Supply and Future Need

2022 Housing Stock by Units in Structure

This chart breaks down the housing supply by the number of units in structure. A 1-unit detached home is typically a “single family” home on its own lot. A 1-unit attached home is typically a townhome or rowhouse where each unit has its own lot and shares a wall with neighboring units. Units in 2-9 unit or 10+ unit structures are typically apartment or condominiums in multifamily buildings. Mobile home and other types refers to any manufactured or mobile home, houseboats, or other vehicles used as housing.

The American Community Survey and the Washington Office of Financial Management both provide detailed data about Washington’s housing supply by housing type. However, they separate the data in different ways and have different methods of tracking manufactured housing units. For this analysis, BERK used OFM’s estimates for total housing unit counts for 2022, and used ACS data to separate some of OFM’s categories by units in structure. For example, the ACS separates 1-unit housing structures by attached and detached. BERK applied the statewide ACS share for each category to the OFM total count of all 1-unit housing structures statewide. For structures with two or more units, BERK similarly applied the ACS share for each category (i.e., 2 to 9 units, 10 or more units) to the OFM total count of all structures with two or more units. For mobile homes, BERK used OFM’s data without ACS-based modifications. BERK also estimated rental and ownership units using a similar approach, applying the tenure shares from the ACS for each structure size (e.g., 1-unit detached, 1-unit attached, 2 to 9 units, 10 or more units) to the total estimated housing supply for those corresponding categories.

Projected Net Housing Need

Changes to the Growth Management Act in 2021 required Commerce to develop housing needs projections for every county in the state. As documented in a detailed methodology report,³ these projections account for the housing needs of the entire future projected population, including people who are currently homeless or cost-burdened. The projections account for historic underproduction of housing and demographic trends that indicate changes in future average household size. The projections are broken down by income level and also include needs for permanent supportive housing, or PSH. The chart displays the net need for new housing in purple as well as the estimated 2020 supply by income level.

The data source Commerce used to develop the estimate 2020 supply by income level is HUD CHAS, based on Census American Community Survey 5-year estimates from 2014-2018. This data was supplemented by analysis of Census Public Use Microdata Sample (PUMS) data for the same timeframe. The affordability of rental units and owner-occupied units was evaluated differently, as detailed in Commerce’s methodology report.⁴ Finally, these estimates of percentages shares of housing by affordability level based on CHAS and PUMS data were applied to OFM’s 2020 estimates of total housing units.

Urban Area Profile Data Sources and Methodology

The profiles for the 14 urban areas listed in Exhibit 1 have a similar structure to the county profiles, with a few notable differences based on the availability of data for these custom, Census-defined geographies. Like the county profiles, each urban area has sections for housing insecurity, housing disparities, housing affordability

³ See the [Updating GMA Housing Elements](#) page on the Commerce website for the Projected Housing Needs Methodology and projection data available in the [Housing for All Planning Tool](#).

⁴ See prior footnote for link to methodology report.

and housing supply. Much of the data and content within these sections is the same as in the county profiles; however, the urban area profiles do not include the following content areas from the county version:

- Homeless and unstably housed persons (under Housing Insecurity)
- Homeownership affordability (under Housing Affordability)
- Projected Net Housing Need (under Housing Supply and Future Need)

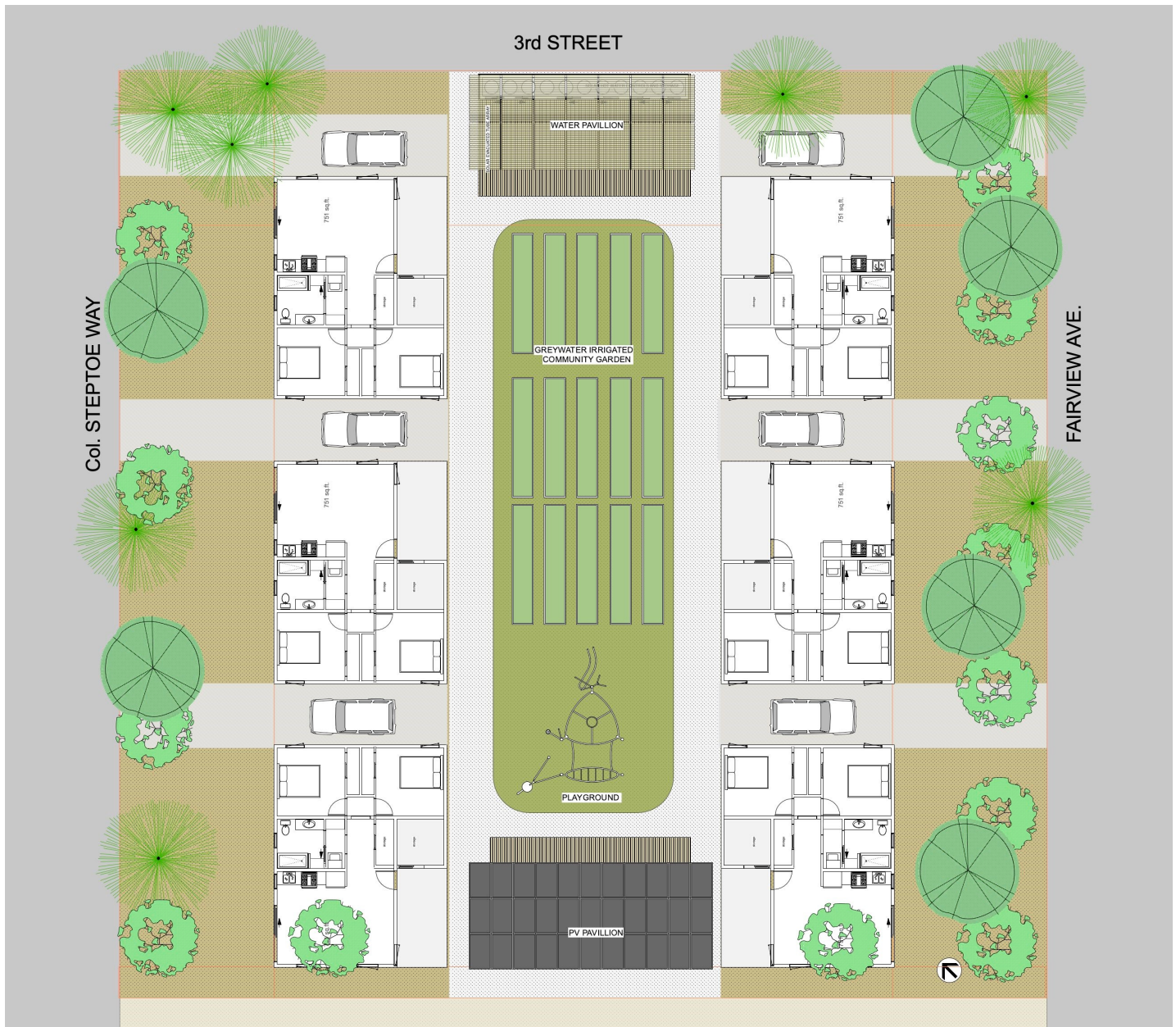
The data for the three content areas listed above is not available for the custom urban area geographies. For the remainder of the content areas within each section, the urban area profiles use the same data sources and visual presentations as the county profiles. For content areas derived from the American Community Survey (housing units in structure and homeownership rate by race and ethnicity), the data is available at an urban area level, meaning that the methodology is identical to the county profiles. However, for all content areas that rely on CHAS data (both cost-burden sections, affordable and available units, and the low-income renter household indicator at the top of each profile), the urban area profiles use a custom calculation technique because CHAS does not provide outputs for urban area geographies.

For CHAS-derived sections, the profiles use a method of proportional allocation to assign CHAS data at the Census tract-level to overlapping urban areas. This begins with spatially joining Census blocks (the smallest geographic unit) to corresponding urban areas. Block-level population data from the 2020 Census (with each block tagged with either an urban area or no urban area) is aggregated to the Census tract-level, and each tract then has a share of its total population assigned to one or more urban areas, or to no urban area. These tract-level shares – e.g., the percentage of its total data assigned to one or more urban areas, or no urban area – allow for the aggregation of tract-level CHAS data up to urban area geographies. Importantly, because several urban areas overlap adjacent states – Lewiston (Idaho), Longview (Oregon), Portland (Oregon), and Walla Walla (Oregon) – tract-level CHAS data was gathered from these adjacent states as well and allocated to their associated urban areas. Altogether, this method produces reliable urban area summaries with comparable outputs to the County profiles.

Steptoe Village

Small Home Courtyard Housing

Rosalia Washington



- 4-6 “small homes” (~800 sf) with *perpetual affordability* for home ownership
- Priced and offered as “attainable” with possible incentives or discounts
- *May* have income eligibility at 80% AMI or 200% FPL
- Great opportunity for public-private partnership
- Delivered sales price targeted at up to \$200,000

Steptoe Village

Rosalia Attainable Housing Project - 2024

The Project supports a strategy of the development of attainable housing that includes a focus on providing more diverse housing options that allow more neighborhoods to be attainable to more households. Attainability is the ability of households of various incomes and sizes to obtain housing that is suitable for their needs and affordable to them. Attainable housing includes diverse housing types beyond single-family detached units and these housing types tend to be smaller and more affordable than the typical new detached home in that neighborhood or community.

The goals of the project:

- Increase opportunities to meet Whitman County's diverse housing supply needs and obligations, as well as the County's economic development objectives.
- Reduce impediments/restrictions of the County's single-family residential zones to diversify the County's communities by diversifying the County's housing stock.
- Create more opportunities for homeownership for more households in more parts of the County. Develop model for replication.

Here are some basics on the Rosalia property:



Three lots at 50' X 140'

- Purchased for a self-help home ownership grant with USDA but has since been closed. Land is owned by CAC and available for future sale.
- Preliminary verbal ok by Whitman County Public Health to increase density to up to 6 small homes, pending review and approval of local municipality.
- All pre-development for use of USDA funds on the site were submitted in 2016-2018, but we could not come to an affordable sale price for the sites as of 2019.

Concepts for SIP-Built Small Home Designs & Styles



Structural Insulated Panel- SIP built homes.



What are SIPs?

Structural insulated panels (SIPs) are high-performance building panels used in floors, walls, and roofs for residential and light commercial buildings. The panels are made by sandwiching a core of rigid foam plastic insulation between two structural facings, such as oriented strand board (OSB). Other skin materials can be used for specific purposes.

SIPs are manufactured under factory-controlled conditions and can be custom designed for each project. The result is a building system that is extremely strong, energy-efficient, and cost-effective. Building with SIPs will save you time, money, and labor.

[Frequently Asked Questions on SIPs | Premier SIPS \(premierbuildingsystems.com\)](https://premierbuildingsystems.com)

Next Steps:

- Community conversations with Rosalia officials, community members and Whitman County Planning and Building, others.
- Predevelopment budget estimates for design/build
- Finalize home ownership model (land trust vs fee simple).
- Explore grant funding for site development and construction.

Contacts: Jeff Guyett, Executive Director, Community Action Center, jeffg@cacwhitman.org
Randall Teal, Architecture Department Chair, University of Idaho, rteal@uidaho.edu
Paul Kimmell, Business and Public Affairs, Avista, paul.kimmell@avistacorp.com

Property	City	# of Units	Type of Housing	Date	Kind
Bellevue Duplexes	Pullman	28	Family - Mixed income	1990	Rehab
Maple Street	Pullman	4	CMI & Market	1998	Rehab
Palouse Cove	Palouse	11	Seniors (62+)	1999	New
Hillside Court	Colfax	8	Developmental Disabilities	2003	New
Kenwood Square	Pullman	39	Seniors & Disabled	2004	Rehab
Wheatland Court	Tekoa	8	Section 8 Family	2004	Rehab
Johnson House	Colfax	4	Developmental Disabilities	2007	Rehab
Hughes House	Pullman	4	Developmental Disabilities	2008	Rehab
Davis Way	Pullman	9	Transitional	2009	Rehab & New
Steptoe Court	Pullman	4	Developmental Disabilities	2009	New
Tomason Place I	Pullman	26	Family - Mixed income	2011	New
<i>Tomason Place II *</i>	<i>Pullman</i>	<i>28</i>	<i>Family - Mixed income</i>	<i>2012</i>	<i>New</i>
Marcus Place	Colfax	18	Seniors & Disabled	2013	Rehab
Grady House	Colfax	4	Developmental Disabilities	2016	Rehab
Summer Street	Pullman	4	Developmental Disabilities	2017	New
River View Apartments	Pullman	56	Family - Mixed income	2019	New
TOTAL		255			
Homes managed by CAC		227			
<i>* Tomason Place II managed by others</i>					
Home Rehab Program		Repaired over 250 homes in Whitman County starting in 1996			
Self-Help Homes		CAC has built and sold 16 homes in the County			
1st Time Homebuyer's Loans		Over 30 Down Payment Loans were provided for 1st time homebuyers, to purchase a home in the County			