

# KITSAP COUNTY TRENDS

R E P O R T

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# COMMUNITY WEB SITES

**B** BUS SCHEDULES (KITSAP TRANSIT)  
[www.kitsaptransit.org](http://www.kitsaptransit.org)

**C** CHAMBERS OF COMMERCE  
BAINBRIDGE ISLAND CHAMBER OF COMMERCE  
[www.bainbridgechamber.com](http://www.bainbridgechamber.com)  
BREMERTON AREA CHAMBER OF COMMERCE  
[www.bremertonchamber.org](http://www.bremertonchamber.org)  
KINGSTON CHAMBER OF COMMERCE  
[www.kitsap.net/chamber/kingston/kingston.html](http://www.kitsap.net/chamber/kingston/kingston.html)  
PORT ORCHARD CHAMBER OF COMMERCE  
[www.portorchard.com/chamber](http://www.portorchard.com/chamber)  
GREATER POULSBO CHAMBER OF COMMERCE  
[www.poulsbo.net/gpcc](http://www.poulsbo.net/gpcc)  
SILVERDALE CHAMBER OF COMMERCE  
[www.silverdalechamber.com](http://www.silverdalechamber.com)

**C** CITIES  
BAINBRIDGE ISLAND  
[www.bainbridgeisland.com](http://www.bainbridgeisland.com)  
BREMERTON  
[www.bremertonwa.com](http://www.bremertonwa.com)  
KINGSTON  
[www.kingstonwa.com](http://www.kingstonwa.com)  
PORT ORCHARD  
[www.portorchard.com](http://www.portorchard.com)  
POULSBO  
[www.cityofpoulsbo.com](http://www.cityofpoulsbo.com)  
SILVERDALE  
[www.silverdale.net](http://www.silverdale.net)

**F** FERRY SCHEDULES  
[www.wsdot.wa.gov/ferries](http://www.wsdot.wa.gov/ferries)

**H** HOME BUILDERS ASSOCIATION OF KITSAP COUNTY  
[www.kitsaphba.com](http://www.kitsaphba.com)

**H** HOSPITALS  
HARRISON HOSPITAL  
[www.harrisonhospital.org](http://www.harrisonhospital.org)  
NAVAL HOSPITAL BREMERTON  
[http://nh\\_bremerton.med.navy.mil](http://nh_bremerton.med.navy.mil)

**K** KITSAP COUNTY GOVERNMENT  
[www.kitsapgov.com](http://www.kitsapgov.com)

**K** KITSAP COUNTY ASSOCIATION OF REALTORS  
[www.kitsaprealtors.org](http://www.kitsaprealtors.org)

**K** KITSAP COUNTY CONSOLIDATED HOUSING AUTHORITY  
[www.kccha.com](http://www.kccha.com)

**K** KITSAP PENINSULA VISITOR & CONVENTION BUREAU (VCB)  
[www.visitkitsap.com](http://www.visitkitsap.com)  
[www.golfkitsap.com](http://www.golfkitsap.com)

**K** KITSAP REGIONAL ECONOMIC DEVELOPMENT COUNCIL (EDC)  
[www.kitsapedc.org](http://www.kitsapedc.org)

**N** NAVY WEB SITES  
COMMANDER NAVY REGION NORTHWEST  
[www.cnrnw.navy.mil](http://www.cnrnw.navy.mil)  
COMMANDER SUBMARINE GROUP 9  
[www.csg9.navy.mil/html/top.ssi](http://www.csg9.navy.mil/html/top.ssi)  
NAVAL HOSPITAL BREMERTON  
[nh\\_bremerton.med.navy.mil/](http://nh_bremerton.med.navy.mil/)  
NAVAL STATION BREMERTON  
[www.naswi.navy.mil/navstabrem/default.htm](http://www.naswi.navy.mil/navstabrem/default.htm)  
NAVAL UNDERSEA WARFARE CENTER  
DIVISION KEYPORT  
[www-keyport.kpt.nuwc.navy.mil/](http://www-keyport.kpt.nuwc.navy.mil/)  
PUGET SOUND NAVAL SHIPYARD  
[www.psns.navy.mil/](http://www.psns.navy.mil/)  
SUBMARINE BASE BANGOR  
[www.bangor.navy.mil](http://www.bangor.navy.mil)

**N** NEWSPAPERS  
KITSAP BUSINESS JOURNAL NEWSPAPER  
[www.KitsapBusinessJournal.com](http://www.KitsapBusinessJournal.com)  
BAINBRIDGE ISLAND REVIEW  
[www.bainbridgereview.com](http://www.bainbridgereview.com)  
BREMERTON PATRIOT  
[www.bremertonpatriot.com](http://www.bremertonpatriot.com)  
CENTRAL KITSAP REPORTER  
[www.centrankitsapreporter.com](http://www.centrankitsapreporter.com)

**N** NORTH KITSAP HERALD  
[www.northkitsapherald.com](http://www.northkitsapherald.com)  
PORT ORCHARD INDEPENDENT  
[www.portorchardindependent.com](http://www.portorchardindependent.com)  
THE SUN NEWSPAPER  
[www.thesunlink.com](http://www.thesunlink.com)

**O** OLYMPIC COLLEGE  
[www.oc.ctu.edu](http://www.oc.ctu.edu)

**P** PORT OF BREMERTON  
[www.portofbremerton.org](http://www.portofbremerton.org)

**S** SCHOOL DISTRICTS  
BAINBRIDGE ISLAND SCHOOL DISTRICT  
[www.bainbridge.wednet.edu/home](http://www.bainbridge.wednet.edu/home)  
BREMERTON SCHOOL DISTRICT  
[www.bremertonschools.org](http://www.bremertonschools.org)  
CENTRAL KITSAP SCHOOL DISTRICT  
[www.cksd.wednet.edu](http://www.cksd.wednet.edu)  
NORTH KITSAP SCHOOL DISTRICT  
[www.nksd.wednet.edu](http://www.nksd.wednet.edu)  
NORTH MASON SCHOOL DISTRICT  
[ww.nmsd.wednet.edu](http://ww.nmsd.wednet.edu)  
SHELTON DISTRICT  
[www.shelton.wednet.edu](http://www.shelton.wednet.edu)  
SOUTH KITSAP SCHOOL DISTRICT  
[www.skschools.org](http://www.skschools.org)

**W** WASHINGTON STATE DEPARTMENT OF REVENUE  
[www.dor.wa.gov](http://www.dor.wa.gov)

**W** WASHINGTON STATE EMPLOYMENT SECURITY  
LABOR MARKET & ECONOMIC ANALYSIS  
BRANCH  
[www.wa.gov/esd/lmea](http://www.wa.gov/esd/lmea)

**W** WASHINGTON STATE FERRIES (SCHEDULES &  
FARES)  
[www.wsdot.wa.gov/ferries](http://www.wsdot.wa.gov/ferries)

**W** WASHINGTON STATE LABOR MARKET ANALYSIS  
[www.access.wa.gov](http://www.access.wa.gov)

**W** WASHINGTON STATE OFFICE OF FINANCIAL  
MANAGEMENT  
[www.ofm.wa.gov](http://www.ofm.wa.gov)

**W** WASHINGTON STATE UNIVERSITY, WASHINGTON  
CENTER FOR REAL ESTATE RESEARCH  
[www.cbe.wsu.edu/~wcrer](http://www.cbe.wsu.edu/~wcrer)

# EXECUTIVE SUMMARY

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by  
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## **Kitsap County's Unemployment Rate is Lower Than Other Puget Sound Counties:**

In the "Business Climate" section on page four, Zoltan Szigethy's article points out that Kitsap County's unemployment rate of 6% is lower than other Puget Sound counties. The county's 6% rate also compares favorably to the Washington State unemployment rate of 6.7% for October and 6.6% for November. Armed Forces activity in the county is clearly a factor — the number of military personnel stationed in Kitsap County in 2002 has increased approximately 1,000 since 2001 and is roughly 2,800 (26%) higher than in 2000.

## **Housing Statistics Show Strength:**

Multi-family housing has shown considerable strength over the last year. The average apartment vacancy rate in September 2002 was only 2.7% (vs. 5.0% in September 2002) and average apartment rents were up 9% over that period. In the first half of 2002 single-family home resale activity in Kitsap County was 6.9% lower than the same period in 2001. Though Snohomish County saw a decline in resale activity of 8%, most Puget Sound counties experienced increases and, in the State as a whole, home resales increased 2.8%. Despite this decline in resale activity, in the second quarter of 2002, median home sale prices in the county increased by 3.4%. This was higher than the inflation rate and in line with Snohomish County and the statewide average, though about half the rate of increase seen in King and Pierce Counties.

## **Telecommunications Development Should Help Spur Growth:**

There will soon be three separate fiber optic cable routes into Kitsap County and more are likely to follow. This is strategically important to the county's economic vitality since, without significant competition, internet users will not obtain the same lower prices available in Seattle and on the east side of Lake Washington. High-speed access is now available in most of the county through at least one provider. Important developments include the establishment of a "POP" in Poulsbo and the extension of DSL into many new areas.

## **Higher Education:**

This fall, Olympic College began construction of its branch campus on a 20-acre site near Poulsbo. Classes are expected to begin in the Winter Quarter of 2004. Olympic College will eventually serve 900 full-time-equivalent student on the new campus.

## **Bremerton's Revitalization:**

One of the most exciting addition to this volume of "Kitsap TRENDS" is the article by Gary Sexton, Economic Development Director for the City of Bremerton.. He reports on a variety of development efforts that have a total cost of around \$250 million. Voters approved a public safety bond issue this fall and the city of Bremerton subsequently obtain \$13 million in financing for new law enforcement facilities and equipment. Federal funding has been committed for a \$25 million tunnel that will improve traffic flow from the Bremerton ferry terminal and the \$40 million Bremerton Convention Center is well underway with a completion schedules for 2004.

by  
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## **Economic Opportunities Strong In Kitsap Region:**

Economic opportunities remain strong in the Kitsap Region in spite of the national downturn. This is partly due to the significant presence of our defense industry, but it is also due to the geographic, demographic and institutional characteristics of our community. Available labor, business-friendly governments, choices of business sites, clarity of land use laws, excellent telecommunications, and Puget Sound Regional economic pressures have set the stage for expanded economic activity in the West Sound.

## **Variety of Businesses:**

We have many great businesses in Kitsap County — from manufacturers, technology companies, defense contractors, to service providers of many kinds. We also have great public service employers — including federal, state and local agencies that safeguard our nation and the welfare of our residents. (See the section entitled, “The Top Employers of Kitsap County”, which immediately follows this “Business Climate” section. This survey, completed by the staff of the Kitsap Regional Economic Development Council, was completed in October 2002 and provides a partial economic snapshot.) Our quarter-million population assures the variety and richness of economic, social and cultural activities that most desire, yet within the framework of a series of small-town settings that provide comfort and familiarity.

## **Labor Market Strength:**

The availability of labor remains the region’s strongest economic asset — though our dependable electric power, natural beauty and proximity to Seattle’s metropolitan center are also formidable attributes. Our unemployment figures are smaller than for counties fronting on the east side of Puget Sound, partly due to our stable defense sector. However, Kitsap County’s unemployment figure of 6% provides an ample labor pool for businesses wishing to locate in our county. Furthermore, our large commuter work force — estimated to be as high as 20% of the employed labor force — could be tapped by new businesses. The access to East Sound jobs requires a significant enough commute that workers are often willing to accept local jobs at lower wages.

## **Strong Work Ethic:**

The strong work ethic of a labor pool associated with military employment continues to attract attention from national employers. For example, the manager of a recently recruited, 600-job, primary employer has been able to recruit from our pool of resident workers without any special advertising. They raved that our “workforce is fabulous”! Moreover, while other parts of this national chain closed, the Kitsap office is expanding because its labor force is talented, flexible and motivated.

Spouses of military personnel, newly discharged personnel, and retiring personnel are the highly qualified, highly trainable workforce needed by modern businesses. With the addition of well-qualified students from Olympic College, private training institutes, and local high schools, the Kitsap Region is highly desirable from the perspective of employers.

### **Governmental Cooperation:**

County and local governments are committed to job expansion both in word and deed. Almost without exception, local officials understand the importance of diversification of the regional economy. The impact of previous defense downsizing is clear and the desirability of private industry widely acclaimed. Expanding and relocating employers have received firm commitments to shortened permitting timelines.

Agencies are working more closely in advance of submission of plans to reduce delays. Kitsap County has a proven fast-track permitting system in place. Governments increasingly find creative ways to provide incentives and make the region more competitive with other locations. The concept of business-friendly government with a personal touch has real meaning in the Kitsap region.

### **Land for Development:**

There is substantial land ready for development, including Northwest Corporate Campus near Port Orchard, Day Road Industrial Park on Bainbridge Island, Olympic View Industrial Park and Olympic View Business Park at the Bremerton International Airport, the Olhava project in Poulsbo, the Twelve Trees project in north Kitsap County, the Olympic Resource Management's West Hills site in Bremerton, and a number of smaller industrial sites throughout the county, such as the Powder Hill Business Park in Poulsbo.

An extensive listing of business parks and other primary job sites throughout Kitsap County is available at the Economic Development Council's web site: [www.kitsapedc.org](http://www.kitsapedc.org). At last count, approximately 1,300 acres of properly zoned and available land are on the market, including about 800 acres for sale and 500 acres for long-term lease. Much of the leasable land is within a foreign trade zone that offers significant tax advantages to businesses.

Among the more notable recent land use actions that will bring even more prime industrial land on the market are:

- \* Port Blakely's West Kitsap Lake project's land use designation has been approved, a public-private agreement is in place, all legal challenges have been overcome, and it has been annexed to the City of Bremerton. It will provide 7,000 jobs and 1,200 homes surrounding a corporate campus. Construction is expected to begin within two years.
- \* South Kitsap Industrial Area has been recommended for approval by the Kitsap County Planning Commission as an Urban Growth Area adjoining the Bremerton National Airport. It will provide an additional 1,700 acres of flat, well buffered, and highly desirable industrial land within approximately the same time period as the above properties. A master zone overlay will enable industrial development throughout SKIA in a series of business parks served by interlocal agreements regarding needed infrastructure. These lands will augment the existing development opportunities of the Port of Bremerton at the Bremerton International Airport.

### **West Puget Sound has Benefits over East Puget Sound:**

Economic pressure throughout the eastern Puget Sound region continues to build. Land is becoming scarcer and more expensive. Qualified labor is becoming harder to attract and retain. The west Puget Sound/Kitsap region provides a welcome relief for businesses seek-

ing to remain in the Northwest yet wanting to gain the advantages of quality labor and available land. As a general rule, we have far less congestion, lower cost housing, a well-educated labor force that is relatively inexpensive, and the advantage of being in proximity to the metropolitan center without being in it.

### **Telecommunications:**

Telecommunications provides one of the newest opportunities for business development. Basic infrastructure in the Kitsap region equals that available in the eastern Puget Sound region. SPRINT has installed a point-of-pressure (POP) on the Internet in Poulsbo, making it competitive with major metropolitan areas. SPRINT has provided ISDN service at significantly reduced rates to businesses and residences in their greater Poulsbo region. Downtown Bremerton is heavily wired as a result of the Navy presence. Several Sonnet Rings already exist.

AT&T Broadband Internet has entered the market with some of the most advanced cable infrastructure in the region. Qwest is constructing a number of neighborhood-specific DSL nodes throughout the county. Century Tel is similarly providing DSL services in the northern and southern ends of the county.

### **Fiber Optic Backbone:**

Of particular importance is the Kitsap Public Utility District's creation of a fiber optic backbone throughout the county. This now provides wholesale access to the Bonneville Power grid. In the language of telecommunications, this is a 144-strand fiber optic network that brings an additional OC-48 worth of connection from outside and will deliver it through an OC-48 Sonet and Gigabit Ethernet. The backbone is operational now throughout the major population centers and is being expanded to Bainbridge Island and, subsequently, to Port Orchard. This high-capacity, redundant fiber optic telecommunications system offers competitively priced and qualitatively outstanding service to institutions and businesses throughout Kitsap County. In short, Kitsap is a great place to do E-commerce.

### **Shortage of Large Existing Buildings:**

The most serious regional shortage remains the inventory of large existing buildings. Several large Call Center companies have been pleased with the labor availability and returned looking for appropriate real estate to house their business. However, they find very limited choices of existing buildings, which leads them to consider new construction. In fact, one of them recently completed a new 60,000-square-foot regional center. Businesses with time to "build to suit" can get the best of both worlds: a good labor force and the perfect building for their business needs.

### **Ferry Service and Transportation:**

The Washington State legislature, in its last regular session, enabled continuing capital improvements and maintenance and operation of car and passenger ferries between Kitsap County and the east side of Puget Sound. We remain within 35 minutes of the major metropolitan center of Seattle, and within an hour of Sea-Tac Airport via the Tacoma Narrows Bridge. The Washington State legislature recently approved and has issued bonds to construct a second span of the Tacoma Narrows Bridge. This will further ease access to and from the Kitsap Peninsula. The Bremerton International Airport provides a convenient means for the shipment of goods; a convenience augmented by its adjacent rail line. Indeed, this operating freight connection to Grays Harbor near Aberdeen cuts at least one day off the time of shipping large goods to Asia, as compared to shipment from ports inside Puget Sound. Commuting internally within Kitsap County is swift and unimpaired, with a four-lane highway connecting most employment centers.

Although we have good sea, surface and rail access in and out of the county, the growing perception is that Kitsap's future lies with telecommunications and software, and so we continue to build a state-of-the-art "virtual highway" by means of our multiple and redundant broadband communication corridors.

**Kitsap is an Undiscovered Gem for Business Success:**

A national employer, who had almost rejected the Puget Sound area to locate their new Call Center, was persuaded to visit Kitsap. They were both shocked and pleased to find our abundance of qualified labor so close to the Seattle/King County metropolitan center. Kitsap is an undiscovered gem for business success, but not for long!

Now that we have the necessary assets for primary jobs, more and more business leaders are discovering "Kitsap County, Washington — The Ultimate Business Park ... Naturally!" If you would like to be among them, go to the KREDC's website for all of the insight needed to make an informed decision about your future. Go to [www.kitsapedc.org](http://www.kitsapedc.org). This website provides in-depth information about doing business in Kitsap County and about our quality of life. It outlines how the Kitsap Regional Economic Development Council stands ready to help businesses choose Kitsap County to locate their new offices.

# TOP EMPLOYERS IN KITSAP COUNTY

Contact for this Section is  
 Kitsap Regional Economic Development Council  
 (360) 377-9499

The KREDC conducted a telephone survey of Kitsap County employers who employ at least 10 people in the federal defense sector, in state, county, city, school district and other local public agencies, and in the private sector. The following lists identify the major employers in various categories. These employers employ 48,593 people, of whom 42,236 have full-time jobs and 6,357 have part-time jobs. Please note that not all the employers surveyed by the KREDC are on these lists. Also note that the survey did not identify all employers in Kitsap County. See the footnotes for further qualifiers.

## AS OF OCTOBER 2002

Private Sector Manufacturing Firms	Total	Full Time	Part Time
Sound Publishing, Inc.	292	238	54
Seattle Systems, Inc.	231	230	1
The Sun Newspaper	200	150	50
ACE Paving Co., Inc.	130	30	100
SAGE Manufacturing Corp.	118	118	0
BOXLIGHT Corp.	113	113	0
Watson Furniture Group	111	111	3
Fred Hills Materials	108	106	2
Safeboats, Inc.	65	65	0
Net Systems, Inc.	46	42	4
Leader Health & Manufacturing, Inc.	44	44	0
Kitsap Ready Mix	32	31	1
Port Orchard Sand & Gravel	30	27	3
Private Sector Retail & Service Firms	Total	Full Time	Part Time
Harrison Hospital	1740	661	1079
Safeway, Inc.	556	130	426
Wal*Mart Stores, Inc.	554	382	172
Albertsons Kitsap County	463	459	4
Fred Meyer	441	188	253
Laurier Enterprises (McDonald's)	437	201	236
Group Health Cooperative	432	189	243
Crista Ministries (Retirement Home)	404	404	0
Town & Country Market	393	234	159
The Doctors Clinic	290	250	40
Martha & Mary Lutheran Services	289	233	56
Kitsap Mental Health	259	221	38
Courtesy Auto Group	257	212	45
Kitsap Comm. Fed Credit Union	250	186	64
COSTCO Wholesale Corp.	249	133	116
Kitsap Bank	184	164	20
The BON Marche	180	120	60
OSTROM Mgmt. Co. (Rtrmnt. Hms.)	180	134	46
Sound City Food (Burger King)	170	35	135
JC PENNEY Co.	168	108	60
TARGET Corp.	166	18	148
Westbay Auto Parts/Parts Plus	141	133	8

Private Sector Defense Contractors	Total	Full Time	Part Time
Johnson Controls World Services	1006	863	143
BAE Systems	372	361	11
AMSEC LLC	301	157	144
Lockheed Martin Bangor/Space Sys.	240	240	0
Raytheon Systems	219	211	8
CDI Marine	90	27	63
Concurrent Technologies Corp.	70	62	8
Northrop Grumman Corp.	54	54	0
Applied Technical Systems	23	21	2
Tech Law, Inc.	13	10	3
Other Private Sector Firms	Total	Full Time	Part Time
TeleTech (Parity, contracted by Nextel)	630	630	0
Electronic Data Systems (EDS) Corp.	148	148	0
Chips Casino & Deli	108	80	28
Waste Management-Brem Air Disposal	107	105	2
Peter Kiewit & Sons Construction	100	100	0
Olympic Resource Management, Inc.	93	71	22
Puget Sound Energy, Inc.	86	86	0
Stirrett-Johnson, Inc.	70	69	1
Airbiquity, Inc.	61	59	2
Jennings Distribution	58	58	0
American Financial Solutions	58	0	0
Land Title Company	55	55	0
Paladin Data Systems Corp.	54	53	1
State & Local Public Agencies	Total	Full Time	Part Time
Central Kitsap School District**	1353	1353	0
Olympic College	1153	168	985
South Kitsap School District**	1070	1070	0
North Kitsap School District	878	549	329
Bremerton School District	766	531	235
Bainbridge Island School District	476	362	114
WA State Dept. of Transportation	391	369	22
Kitsap Transit	368	252	116
Suquamish Tribe (Port Madison Ent)	322	291	31
Olympic Educ. Serv. District #114	314	185	129

State & Local Pub. Agencies (cont)	Total	Full Time	Part Time
WA State Dept. Social & Health Svcs	222	210	12
Port Gamble S'Klallam Tribe	206	111	95
Kitsap Regional Library	187	75	112
Frances Haddon Morgan Center	142	95	47
Point No Point Casino (S'Klallam Tribe)	110	110	0
Washington State Patrol	86	85	1
Bremerton Housing Authority	82	81	1
Kitsap County Cons. Housing Auth.	<b>68</b>	52	16
<b>Federal Non-Defense Agencies</b>			
United States Post Office**	385	385	0
Veterans Home & Outreach	285	237	48
<b>Federal Defense Agencies****</b>			
Naval Station Bremerton (NAVSTA)	7060	862	6198
Puget Sound Naval Shipyard (PSNS)	8125	8096	29
Naval Submarine Base Bangor	8114	2293	5821
Naval Undersea Warfare Ctr (Keyport)	1368	1315	53
Naval Hospital Bremerton	885	287	598
Engineering Field Activity NW	230	175	55
Human Resources Service Ctr. Regnl.	208	208	0
<b>Notes:</b>			
* September 2001 Data			
** Full-time Equivalent Employees Counted as Full-Time			
*** Total Employees Counted as Full-Time			
**** Dec. 2001 Data from Navy Region NW Public Affairs Office			
<i>Disclaimer: This report includes incomplete &amp; estimated data</i>			

# TELECOMMUNICATION TRENDS IN KITSAP COUNTY

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## Continuing to Extend E-Commerce Services:

When considering the impacts of technology on the economic development of a community, our thinking must extend well beyond the "Internet Presence" issues of e-commerce. To prosper, Kitsap County needs to actively pursue the means to extend service to commercial and non-commercial projects, both existing and planned. Community planners must include e-commerce infrastructure in their plans so both the business parks and our residential areas can enjoy the technology services our high-tech society now demands.

## Installation of High Bandwidth Communications:

The semi-rural nature of Kitsap County is an enticement to live here. This semi-rural nature has also hampered the installation of high bandwidth communications throughout the area. Thanks to several initiatives, high bandwidth connection (fiber optic cable) between Seattle and Kitsap County is becoming more diverse. Until recently, a single carrier provided access to and throughout Kitsap County. This carrier transports the majority of all communication to and from the area. Other Kitsap County telecommunication providers lease services from that sole carrier to connect to Seattle and beyond. There are local telecommunications companies who control other available connections including older microwave links normally used for voice circuit connections to Seattle. With the completion of the extension of the NOANET through Shelton and into Kitsap County, as well as extension of AT&T Fiber from Tacoma, Kitsap County will have at least three distinct fiber routes into the county, with more to follow. The NOANET leg has now been completed into North Kitsap and additional routes are being added for potential customers to provide redundant, diverse paths for stability and survivability. A true diversity of choices is now available in the county for the first time.

## Problems Distinct to Kitsap County:

Communications within the county are further complicated by the existence of four distinct service areas served by three telephone companies (Qwest, Sprint and CenturyTel). Establishing voice or data routes, between these service areas, inserts additional costs ranging as high as 40-60%, as well as creating management and maintenance problems that would otherwise not occur.

The transportation choke points at the Tacoma Narrows Bridge and Kitsap County ferry terminals parallel the problems of inadequate telecomm/data infrastructure. The inability to transport people and goods efficiently to and from the peninsula mandates that a method of relief be found. To fix the transportation issue without spending hundreds of millions of dollars is not possible. The only viable alternative, widely recognized as effective and immediately useful, is substantially upgrading the telecommunications and data delivery infrastructure.

Fiber cable infrastructure has, until now, not been built by large communication companies due to lower financial rewards when compared to large business areas such as Seattle and Bellevue. There are additional regulatory restraints on the Incumbent Local Exchange Carrier (ILEC) (the telephone company) that has hampered infrastructure buildout. Other independent providers have reviewed the market area and have, until now, chosen not to build to the Kitsap County/West Sound area.

### **Options Being Considered and Projects Underway:**

There are several Projects in the planning process or underway to improve Kitsap County's telecommunication services. AT&T acquired local cable companies. They upgraded and extended the cable infrastructure. COMCAST has now completed the purchase of AT&T cable, and the transfer of operations is ongoing. Qwest continues to extend fiber through the county and onto the Olympic Peninsula.

Qwest and Sprint have upgraded their interconnect within the county, with Sprint opening a major node in Poulsbo. Smaller companies are extending wireless and DSL services in several areas of the county. Cable modems are becoming widely available for home use. Qwest DSL is becoming more available, and Qwest has begun to undertake extending DSL to the F2 facilities, thereby extending the range of DSL availability. CLEC's such as NewEdge Networks have co-located equipment and are providing service in Bremerton, Silverdale and Poulsbo. High speed access is now widely available in most of the county, through at least one of the mentioned technologies. There remain remote areas that are either under served or not served at all. For the most part, these are remote households in the most rural areas of the county.

### **Public Utility Districts In Process of Putting In Fiber Optic Backbone:**

A recently passed Washington State bill permits Public Utility Districts to provide facilities in rural under-served areas that would not otherwise have options for high-speed telecommunications services. This situation is in a state of flux, with the start of the build-out of a new fiber optic backbone by Kitsap Public Utility District #1. Kitsap PUD #1 is working in conjunction with Mason County PUD #3 to bring fiber optic infrastructure through Belfair, along highway 303 to the Port of Bremerton, and then through Bremerton to the north end of the county. The first connection will be for a demonstration project at the Port of Bremerton in mid April 2001. The first customers at the Port of Bremerton industrial park are on line, and the build-out to other customers is underway.

### **Private Network Linking Bremerton, Port Orchard and Silverdale:**

In addition, smaller projects are underway including the installation of a fiber-optic infrastructure "build" in downtown Bremerton by Convergence Technologies/NW Commnet that will quickly expand to cover locations in East Bremerton and Manette. This network is connected via wireless, wired and fiber-optic systems to provide networking for medical facilities, doctors offices, and multi-location businesses and agencies. Currently, a multi-office agency is being serviced as well as a downtown call center. This construction is in conjunction with projects in Silverdale and Port Orchard that will expand a private network between Silverdale, Bremerton, and Port Orchard. This network is now in service.

### **Carrier Grade Co-location Facility Planned for Bremerton:**

A carrier grade co-location facility is planned for Bremerton. This facility provides environmental and technical facilities for co-location and hand off ("meet-me") for high speed telecommunications services between carriers. It will also provide equipment co-location space for Internet access. Emergency generators, HVAC, fire protection and high security

are planned for an initial 1100-square-foot facility. Up to 10,000 square feet which is expected to double in the first year. Up to 10,000 sq. ft. are available in the facility, if needed. Currently, Qwest Fiber is available, NOANET/KPUD #1 Fiber installed by January 2003.

**Many Smaller ISPs Are Merging or Closing:**

There is an continuing shakeout in the high-tech telecommunications industry that is seeing small ISPs merge or close, although that process has slowed in Kitsap County. Competitive local exchange carriers, especially those concentrating on DSL, are dropping service or closing entirely. The CLED DSL provider turmoil has ended and the market has stabilized around a few large and regional DSL providers. Despite this retrenchment, several companies continue to thrive and competitive options are becoming more available.

**Competition Effects Pricing:**

Once high bandwidth communications infrastructure is built in Kitsap County, the area can experience similar service pricing as areas on the east side of Puget Sound. Seattle, Bellevue and Redmond markets have communication competition. This has helped to drive the end use costs lower. The existing TELCO pricing model used in the West Sound areas imposes the addition of expenses to be added when extending service from Seattle to Kitsap County.

When additional high bandwidth connections cross Puget Sound and fiber cable is constructed throughout Kitsap County, service will be more widely available, the cost will be lower and the new connections will provide the same access to band width as the East Sound. The improvement in cost and availability will make Kitsap County as much a player in attracting business as any east side area. Other demographics will help boost the economic potential in Kitsap County once this project is in place.

**What Is High Bandwidth?:**

What is this “high bandwidth” we are so concerned about? It is simply “the size of the pipe”. The following chart gives you a reference for what it means to have at T-1 or a DS-3 or an OC-3 connection into a neighborhood, a business park, or a community. It is not trivial information.

BANDWIDTH CHART		
Connection	Bandwidth	Payload
DS-0 (POTS)*	64Kbps	1 DS-O
DS-1 (T-1)	1.544 Mbps	24 DS-0's
DS-3 (T-3)	44.7 Mbps	28 DS-1's (672 DS-0's)
STS-1/OC-1	51.84 Mbps	1 DS-3 (672 DS-0's)
STS-3/OC-3	155.520 Mbps	3 DS-3's (2016 DS-0's)
STS-12/OC12	622.08 Mbps	12 DS-3's (8064 DS-0's)
STS-48/OC48	2488.32 Mbps	48 DS-3's (32,256 DS-0's)
STS-96/OC96	4976.64 Mbps	96 DS-3's (64,512 DS-0's)
OC-192	9953.28 Mbps	192 DS-3's (129,024 DS-0's)
OC = Optical Carrier (fiber)	*POTS = Plain Old Telephone Service	STS = Electrical Radio

## **The “Last Mile Link”:**

The key link to all the wonderful high speed “pipe” that makes it all work is what is known as the “last mile link”. This is the link that reaches the end user. With advances in technology, that last mile link will be delivered several ways, including wireless, fiber optic cable, and legacy copper. Wireless technologies have matured remarkably during the past two to three years and now offer a very competitive means to deliver volume voice circuits as well as data. The “last mile” remains the toughest part of the telecommunications equation, and innovation will continue to drive effective and affordable solutions to this problem.

## **Kitsap County Needs to Be On the Communications Super-Highway:**

With the extending of fiber optic networks, super high speed connections are potentially available. With the accelerating evolution of data technologies, existing copper is being used for higher and higher speed connections. Many of these elements are in place, in construction or in planning. Key will be the old mantra, “location, location, location”. Just as communities died when they were bypassed by the railroad, by highways and by the interstate, the health of communities will increasingly depend on not being bypassed by the “communications super-highway”. We need to make sure Kitsap County thrives in the continuing telecommunications revolution. As was stated at a recent EDC forum, Kitsap County has no other choice. If Kitsap County is to grow and prosper, high speed connections to Seattle and beyond is essential. Happily, that important evolutionary step is well in progress. And, many more improvements are on the way.

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### **Programs Offered:**

Olympic College is a public, Washington State two-year post secondary institution serving the people of Kitsap and Mason Counties. Instructional offerings include academic transfer and professional-technical programs as well as continuing education for adult learners and basic skills that help students overcome deficiencies that may be a barrier to educational goals. Non-credit classes include small business, professional development, life enrichment, and specific programs designed to meet the goals of extensive educational partnerships including the Navy and the Emergency Readiness Center.

### **Services both Kitsap and Mason Counties:**

The area Olympic College services includes both Kitsap and Mason counties, which have a combined 1354 square miles and have a population of about 280,000. Today about 12,000 students are enrolled at several locations, among them 1,000 students who attend the Shelton Campus. Shelton is a city, which is located in Mason County and is about 35 miles south of the main Bremerton campus. Olympic College's academic year is on the quarter system: Fall, Winter and Spring plus a Summer session.

### **Poulsbo Campus of Olympic College Hopes to Open Winter Quarter 2004:**

Olympic College is finally moving ahead with a bid schedule that will shape the structure and services of the Poulsbo Campus. The construction bid process began in May 2002 on the initial 38,000 square-foot, multi-use building. With favorable bids, it is expected that construction will begin in summer 2002. Typically, students could expect to be taking classes at the new branch campus by winter quarter 2004. Just exactly what core classes, professional-technical programs, and continuing education or non-credit opportunities may be scheduled at the Poulsbo Campus is undecided at this time.

### **New President, Dr. David Mitchell, Started July 1, 2002:**

Olympic College's new President, Dr. David Mitchell, believes that community colleges should be a part of the communities that they serve. He stated that he was looking forward to partnering with local education, government and business organizations to successfully integrate Olympic College into planning for the future of Kitsap and Mason Counties.

For the past five years he has served as the South Seattle Community College President. During his tenure, South Seattle Community College received a commendation for "Institutional Effectiveness". Dr. Mitchell worked closely with the College's Foundation to successfully complete its first "Capital Campaign", which raised \$1.7 million.

## Harrison Hospital

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### Harrison Hospital Serves the Entire Olympic Peninsula Region:

Harrison Hospital is a not-for-profit, acute-care community hospital whose origins date to the turn of the century. Today it is one of the region's busiest medical centers, with three campuses serving Kitsap County and the Olympic Peninsula region. At the main hospital in East Bremerton, and facilities in Silverdale and Port Orchard, Harrison Hospital offers a comprehensive range of services, including OB/GYN and pediatrics; cardiology; orthopedics; oncology; diagnostic imaging; laser, laparoscopic, and retinal surgery; rehabilitation; home health; mental health; emergency and urgent care. Plans to provide open-heart surgery at the main campus by Spring 2003 are also underway. The main campus is also the site of a \$12-million Emergency Department expansion and renovation, slated for completion in November 2003. Fully accredited by the Joint Commission on the Accreditation of Healthcare Organizations, Harrison Hospital is a Level III Trauma Center.

### Emergency Room (ER) Improvement Project:

This exciting new chapter in Harrison Hospital's around-the-clock emergency services is an expansive state-of-the-art ER at the main hospital in East Bremerton. Harrison ER and urgent care staff treat over 70,000 patients annually, making the department one of the busiest in the region. Some 34,000 of these patients are treated at the main campus in Bremerton, which serves our region with Level III trauma services. Harrison Hospital Silverdale ER — also offering 24-hour care — serves 19,000 patients, while another 18,000 receive care at our Port Orchard Urgent Care facility.

The 19,000-square-foot addition and 5,800-square-foot renovation includes 33 private exam rooms, additional parking, plus separate ambulance and walk-in entrances providing optimal access to other hospital facilities for patients, staff, and public. The new ER design addresses space efficiency and comfort in a beautiful and comfortable setting. Improved processes — from registration to lab to X-ray, and a new fast-track system for patients with less critical conditions, all aim to shorten the time patients spend in the ER.

### Open-Heart Surgery:

Harrison Hospital's expanding cardiovascular services — long recognized as a Center of Excellence — will bring open-heart surgery to the Olympic Peninsula region for the first time. This program — a unique collaboration with the esteemed University of Washington's Regional Heart Center — will offer immediate critical support to the area's growing population, while laying the groundwork for the hospital's future. Over 300 patients annually will receive cardiac bypass and other heart surgery who otherwise would have to travel for these services at a time when they are medically fragile and anxious, and family care and bedside education are crucial. The program enhances Harrison's first-class cardiovascular services, which includes a team of the region's finest cardiologists and vascular surgeons, a nationally renowned chest-pain clinic, catheterization lab, and the latest diagnostic and treatment tools featuring echocardiography and angiography.

## Radiation Oncology Center:

Harrison Hospital's new Radiation Oncology Center, located at the main hospital campus in East Bremerton, provides world-class cancer care. One step in development of a regional cancer program, the center is both high-tech and high touch — along with the latest linear accelerator and aggressive treatment options, there is also an emphasis on education, humor, comfort, family and friends.

## Harrison's Silverdale Healthcare Campus:

Harrison Hospital's newest campus is much more than a birthing center. In addition to the Women's and Children's Center, there is a state-of-the-art Surgery Center (for men *and* women!). The facility also hosts 24-hour emergency services and adult and pediatric outpatient rehabilitation services, including the latest in aquatic therapy.

**The Harlow Medical Building** located at the Silverdale site is a cornerstone of the 32-acre campus. The building shares a common entryway with Harrison Silverdale. It houses local doctors and a variety of clinical offerings, including an open MRI, women's breast center, laboratory and conference center.

## Harrison Hospital's South Satellite:

Harrison Hospital's Port Orchard satellite provides South Kitsap residents with first-rate walk-in care seven days a week, plus an array of other services, including rehabilitation and home health. The facility also is home to physician's offices, a pharmacy and a kidney dialysis center.

## Naval Hospital Bremerton

Contact for Naval Hospital Bremerton

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Naval Hospital Bremerton Web Site:

[http://nh\\_bremerton.med.navy.mil/](http://nh_bremerton.med.navy.mil/)

## Naval Hospital Bremerton:

Naval Hospital Bremerton, with its 67 licensed beds and extensive system of health services, provides care to approximately 56,000 military, family members and retirees who live within the hospital's beneficiary base. The hospital runs three major branch medical clinics and two satellite clinics located on military bases in the West Sound area and Everett. Naval Hospital is also home to Fleet Hospital Five, the expeditionary arm of the military treatment facility and to the Puget Sound Family Medicine Residency Program.

The hospital opened its new 55,000-square-foot wing on August 20, 2001. This new three-story wing, the Family Care Center, is home to the Family Practice Clinic, Immunization Clinic, the new Pharmacy, Medical Records and the Health Education Department with its Wellness Center. It includes a TRICARE Service Center. Adjacent the new wing, is a three-level parking garage, with two levels of covered parking.

Renovation has begun on the 7-story main building, expanding and updating many clinical and administrative spaces. This construction will continue in segments throughout 2002.

The hospital provides the following in-patient specialties: Medical/Surgical, Pediatrics, Labor/Delivery, Mother/Baby, Level II Nursery, ICU, as well as an Ambulatory Procedure Unit. Core outpatient services include: Family Practice, Pediatrics, Internal Medicine, Mental Health, OB/GYN, Physical Therapy, Orthopedics and Emergency.

### **Naval Hospital Bremerton Emergency Department is Best in State:**

On October 20, 2000, Naval Hospital Bremerton was presented with an award recognizing their Emergency Department as the best in the state of Washington. The Emergency Nurse's Association selected the Naval Hospital over all other Washington state hospitals for having the best customer service, most certifications and for their involvement in state and national nurse associations.

### **Laser Correction War Fighters' Program:**

In late Fall 2002, the Naval Hospital Bremerton will become the fifth site in the nation to provide laser corrective surgery for active duty aviators and special warfare combatants. Rather than lose the money spent on years of training, the Navy will now correct the vision of specific personnel (aviators, S.E.A.L., etc.) to be able to keep them on the job. This new program will be called the "Laser Correction War Fighters' Program".

### **Website Access, TRICAREOnline.com:**

Bremerton is one of the first military medical facilities nationwide to be linked to [TRICAREOnline.com](http://TRICAREOnline.com), which is a new service started in the Spring of 2002. The Department of Defense created the website to improve healthcare access and wellness education for 8.4 million beneficiaries. It provides secure, interactive customer services, including medical advice and health information. Patients enrolled with TRICARE Prime and Bremerton Plus at Naval Hospital Bremerton — or any branch medical clinics — use the website to book routine and follow-up primary care appointments.

### **Personalized Healthcare:**

Patients create an on-line, personal health journal, recording current treatment, immunizations, prescribed medications and past medical procedures. By using a secure password, they can retrieve personal health care information on-line from any location, when moving, traveling or away from home on temporary assignment. TRICAREOnline is available seven days a week, 24 hour a day.

### **On-line Pharmacy:**

As a compliment to TRICAREOnline, the hospital has recently installed an on-line pharmacy refill system that is available through their home page. The patient types in the prescription number and choose if they want to pick up their prescription at the Naval Hospital Bremerton, Smoky Point Pharmacy in Everett or one of the branch clinics (SUBASE Bangor or PSNS Bremerton).

### **"Most Wired" Status:**

When compared to all other hospitals in the nation (not just military hospitals), the Naval Hospital Bremerton was selected as one of the nation's top 100 "most wired" healthcare facilities for the years 1999, 2000 and 2001. "Hospitals & Health Networks", a monthly magazine, presented the award.

### **Personal Digital Assistant (PDA):**

The Naval Hospital Bremerton will initiate the use of PDAs during the summer of 2002. PDA stands for personal digital assistant. The hand-held device has the ability to provide wireless access to the Internet. It can store and retrieve appointments and telephone numbers. A PDA can also exchange or synchronize information with a full-sized computer.

**Robots in the Pharmacy:**

The Naval Hospital Bremerton (NHB) is the first of three sites in the nation to try the robotics system, ScriptPro, to fill pharmacy prescriptions. The robots move quickly through the vertical prescription isles helping to process 1,500 prescriptions/day at the NHB pharmacy. Drug cross-contamination is eliminated, because robots fill vials directly from the dispensing cells. Robots print and apply prescription labels with bar codes to assure accuracy and quality control. They deliver uncapped vials to a tray for manual inspection and on-screen drug image verification. Even power outages are factored into account. The robots are linked to an “uninterruptible” electrical source.

**Skin Doctor is One “Click” Away:**

Personnel on board the USS Carl Vinson can have a skin lesion diagnosed within 24 hours by using the new “Teledermatology” system. Ships and outlying military clinics can transmit digital pictures and medical history of various diseases of the skin, hair or nails to the dermatology staff at NHB (CDR Robert Butler is the only naval dermatologist in the Pacific Northwest). Currently, they see 15-20 cases/month.

**Other Health Care Facilities**

**Doctors Clinic, Group Health Cooperative, KPS and Westsound Community Health Network:**

The Doctors Clinic is a multi-specialty group practice with about fifty of the greater than three hundred civilian physicians who serve in Kitsap County. Group Health Cooperative is the largest Health Maintenance Organization (HMO) that serves the area, with approximately twenty-five physicians in Kitsap County. Kitsap Physicians Service (KPS) is the locally-based, health insurance provider for many of the residents of Kitsap and adjacent counties. Westsound Community Health Network is a Physician-Hospital Organization which includes over one-hundred physicians in Kitsap and Jefferson Counties.

**A Healthy Community:**

Many indices reflecting the fact that Kitsap County residents experience a relatively high level of individual health can be found in “Health Status of Kitsap County”. This report was prepared by Bremerton-Kitsap County Health District, Harrison Memorial Hospital, Kitsap Physicians Service, and Group Health Cooperative of Puget Sound.

**Life Expectancy at Birth**

Life expectancy at birth is generally regarded as a key indicator of overall community health status. As shown below, Kitsap County residents’ life expectancy is significantly higher than that of other residents of Washington or the United States. It compares favorably with Japan, which has the highest life expectancies of any country in the world.

**A Healthy Future:**

	Kitsap	Washington	United States	Japan
Males	76.2 yrs	74.0 yrs	72.2 yrs	76.4 yrs
Females	81.1 yrs	80.0 yrs	78.8 yrs	82.8 yrs

Kitsap County has a relatively young and healthy population. The region has an environment that beckons with a myriad of recreational activities. The community has a track record of creative, collaborative, and successful efforts to improve residents’ quality of life and provide quality, cost-effective healthcare. Vision and leadership continue to develop services and facilities to meet future health needs based on today’s solid foundation.

# KITSAP COUNTY DEPARTMENT OF COMMUNITY DEVELOPMENT

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Information provided by

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## **Comprehensive Land Use Plan History:**

Having a valid Comprehensive Plan returns a level of stability and predictability to land use planning and development throughout Kitsap County. On February 8, 1999, the Central Puget Sound Growth Management Hearings Board (CPSGMHB) issued an order rescinding its September 8, 1997 decision declaring the Kitsap County Comprehensive Plan invalid. The County had been operating under an Interim Zoning Ordinance since the original invalidation order on October 6, 1995. In addition, the Hearings Board order remanded a number of issues and directed the County to take action by no later than August 6, 1999.

## **Two Remand Issues:**

The Kitsap County Board of Commissioners (BCC) divided the remand issues into two separate packages for review. The first remand package included revisions to the Zoning Ordinance, joint planning policy language and corrections to the Transportation and Economic Development Appendix and the appropriate designation of the "Screen Property" which were addressed on May 10, 1999.

The second package of remand items included the appropriate designation for the Port Gamble area. It also included updates to the six-year financing plan in the Capital Facilities element of the plan (1998-2004) that the BCC addressed on July 21, 1999.

## **Port Gamble Designated "Rural Historic Town":**

On March 30, 2000, Kitsap County received a ruling from the CPSGMHB that upheld the county's designation of Port Gamble as a "Rural Historic Town" and brought its Comprehensive Plan into full compliance with goals and requirements of the Growth Management Act (GMA). The county developed the designation, along with special development regulations for the historic town, pursuant to language added to the GMA by the legislature in 1998. The county has successfully taken this planning approach with the Suquamish and Manchester areas, with the Port Gamble case being the first time the Hearings Board delivered a ruling on the GMA requirements for these "limited areas" of intensive rural development.

The Hearings Board agreed with the county that areas with this designation are "not quite urban, but not quite rural." The decision speaks approvingly of the plan the county developed for Port Gamble and concludes that the mix of uses within the town and its physical form clearly qualify it as the type of "limited area of more intensive rural development" envisioned by the legislature. The Hearings Board upheld both the outer boundary of the town, which includes the area know as Gamble Village, and the range and intensity of uses allowed within the town.

This decision completes all the challenges and remand items issued on the county's 1998 Comprehensive Plan. The full text from the Hearings Board's decision can be found on the county's web site at [www.kitsapgov.com](http://www.kitsapgov.com).

**Subarea Planning/Joint Planning Areas (JPAs):**

The Comprehensive Plan outlined a process for addressing the issues of Urban Joint Planning Areas (JPAs) through the development of Subarea Plans and Interlocal Agreements (ILAs). These areas are contiguous to cities and are subject to coordinated city/county planning in an effort to resolve outstanding land use and capital facility issues.

**One JPA Approved and Three JPAs Being Prepared For:**

There are currently four JPAs currently being prepared for. The Kitsap County Commissioners have given tentative approval to the overall plan for the South Kitsap Industrial Area (SKIA) JPA, about 2,000 acres which includes the Bremerton National Airport and the Olympic View Industrial Park. A final decision on the concept will come when the county's Comprehensive Plan is updated in 2003. Properties included in SKIA are owned by the Port of Bremerton, McCormick Land Co., the Overton family and others. Ultimate development could produce an estimated 9,350 jobs.

The remaining three JPAs are still in process. The Anderson Hill/Berry Lake JPA adjacent to the City of Port Orchard is expected to be completed in 2003 or 2004. The Gorst JPA and Kitsap Lake JPA have no established target dates to begin the planning process. Recently completed subarea planning efforts include the Port Blakely Subarea Plan/UGA (2000), the ULID #6 Subarea Plan/UGA (2002) and the Poulsbo Subarea Plan/UGA (2002).

**Areas of More Intensive Rural Development (AMIRD):**

The Comprehensive Plan recognizes recent amendments to the Growth Management Act (GMA) which allows counties to define "Limited Areas of More Intensive Rural Development" subject to a number of guidelines and criteria (RCW 36.70A.070(5)(d)). These areas allow for the recognition and designation of existing areas with established development patterns.

**Two Demonstration Projects:**

Two demonstration projects were recommended — Suquamish and Manchester — to help develop and test criteria for defining a process that will be used to consider future designations. The "Suquamish Rural Village Subarea Plan" was developed and successfully adopted by the Board of County Commissioners on April 19, 1999. This process established additional guidelines for defining the "Rural Village" concept, which resulted in the adoption of the Manchester Community Plan on March 18, 2002.

**Population & Employment Projections Determines Land Needed:**

The Kitsap Regional Coordinating Council (KRCC) developed a recommendation on the initial process for requesting additional population allocations for Kitsap County through the year 2017. These allocations and projections are primarily used to determine the size of the Urban Growth Areas throughout the County. The revised recommendation that came from the Planning Directors work group stated, "All requests for 2017 population allocation, including Urban Growth Area boundary changes, will be submitted for review at or before the June 2001 meeting of the Kitsap Regional Coordinating Council Policy Board". There were two requests for additional populations submitted, one from the City of Port Orchard for the Sk ULID #6 Sub-area planning effort (10,000) and the other from the county for the Kingston Urban Growth Area and sub-area planning effort (up to 3,000). It's anticipated that future population allocations for the year 2022 will be discussed sometime in 2003.

**Comprehensive Plan Amendment Process:**

On April 16, 2001, the Board of County Commissioners adopted Resolution No. 060-2001 providing for the review and possible amendment of the Kitsap County Comprehensive Plan. The Washington State Growth Management Act requires that the comprehensive plans be subject to review and evaluation no more than once a year and at least once every five years (RCW 36.70A.130). The goal of the review is to ensure that the Plan complies with new requirements and remains consistent with the County's vision of future development. A complete listing of all information related to the 2001 annual review process can be located on the Kitsap County website: [www.kitsapgov.com](http://www.kitsapgov.com). Additional review periods will be considered annually pursuant to the requirements of Ordinance No. 254-2001. The second annual review and amendment process is scheduled to be completed by mid 2003.

**Buildable Lands Program (BLP):**

The Buildable Lands Program (BLP) is a process for counties and their cities to monitor development trends while keeping an eye on growth management objectives. The planning and monitoring activities that stem from the BLP include: data collection, jurisdictional coordination and updates to buildable lands inventories.

**BLP Report:**

Kitsap County has prepared a report and findings in response to the requirements outline in the Growth Management Act (GMA). This report addresses a set of 1997 amendments to the GMA, which are referred to as the "Buildable Lands Program" (RCW 36.70A.215). The analysis and report is the first evaluation requirement, which was completed prior to the due date of September 1, 2002. Periodic evaluation reports will be expected every five years thereafter.

**What the BLP Report Is:**

- \* Prepared in response to the legislative requirements to address six key GMA questions.
- \* A snap-shot in time — showing development densities and land supply through 1999 (with supplemental reports to follow)
- \* Generally indicative of whether land supply is adequate for forecasted demand.
- \* Intended to show whether the County and cities are achieving urban densities.
- \* Intended to reflect development trends in rural area.

**What the BLP Report Is Not:**

- \* A market analysis of economic conditions — it does not indicate number, size and availability of buildable lots; and does not include market factors affecting development (future analysis may consider these issues.)
- \* A prediction of where and when development may occur.
- \* Intended to be accurate at extremely small levels of geography — data analyzed is aggregated for analysis purposes.

For additional information or copies of the report contact the Department of Community Development or it can be viewed on-line at <http://www.kitsapgov.com>.

# BREMERTON REVITALIZATION

Contact Gary Sexton  
 Bremerton Economic Development Director  
 (360) 478-5282  
 www.ci.bremerton.wa.us

**Revitalization of Bremerton Under Way:**

You can view the ten-page “Bremerton Revitalization Five-Year Plan” by going to the city’s website, [www.ci.bremerton.wa.us/maintenance/ad/bremrev.pdf](http://www.ci.bremerton.wa.us/maintenance/ad/bremrev.pdf). Gary Sexton is the City of Bremerton’s Economic Development Director, and, as such, he is the “point man” for the Bremerton downtown revitalization. This redevelopment plan is built on several smaller projects coming together to create a strong downtown presence rather than an “all-encompassing” project.

**Total Investment Will Be \$240-250 Million Over Five Years:**

The Development Strategy for the revitalization is expected to cost \$240-250 million. A number of public/private partnerships have been set up to accomplish the development (see TABLE #1).

Five-Year Plan for Bremerton Revitalization			
Project	Partner	Investment	Timeframe
Public Safety Building	Bremerton Police & Municipal Court	\$5 Million Public Safety Bond Issue	2004-2006
Conference Center Hotel/Parking Garage	OPUS/KPFD, Kitsap County & Transit	\$20 Million Private \$20 Million Public	Dec. 2002-2004
Government Center	Kitsap County Consolidated Housing Authority & Kitsap Co.	\$25 Million Real Estate Excise Tax	2002-2004
Waterfront Condos (200 units)	Kitsap County Consolidated Housing Authority	\$35 Million Sales of Condominiums	2003-2006
Maritime Park	Navy Shipyard Naval Museum	\$6 Million Grants Federal Government	2003-2006
Expanded Marina (50-200 slips)	Port of Bremerton	\$10 Million	2003-2006
East Park Development (300 Units)	Private Investor "Security Properties"	\$70 Million Private	2003-2007
West Park Development Commercial & Housing	Bremerton Housing Authority	\$10-20 Million	2003-2007
Ice Arena	Skating, Inc.	\$4 Million Private	2003-2004
Ferry Tunnel	Federal Government, State & Kitsap Transit	\$25 Million Federal & Local Matching	2004-2007
Parking Garage	Puget Sound Naval Shipyard	\$10 Million Federal Funds	2003-2005

## **Regional Conference Center/ Hotel/ Restaurant/ Parking Garage:**

An overview and map of how the Regional Conference Center, etc. will be laid out can be seen on the second page of the ten-page document on the city of Bremerton's website. The Conference Center will have 18,500 square feet and a capacity of 600 people for a conference type of setting and a capacity of 420 for a banquet type of setting. The Hotel's capacity is 109 rooms. There will be parking for 518 cars. The restaurant will have 5,000 square feet. There will be 10,000 square feet of retail space and another 10,000 square feet of office space. The total estimated cost for the Conference Center is estimated at \$46.8 Million, of which half will be paid by private investors and half by public funding. The partners identified are: KPFD, Kitsap Transit, Kitsap County Consolidated Housing Authority, LMN Architects, OPUS Northwest LLC and the City of Bremerton. The estimated time of completion of the Conference Center is 2004.

## **Bremerton Regional Government Center:**

You can view what the new Bremerton Regional Government Center will look like by going to page four of the ten-page "Revitalization Plan" document on the city's website. The Center is estimated to cost \$25 Million to complete. The partners in this project are LMN Architects, Kitsap County, the City of Bremerton and the Kitsap County Consolidated Housing Authority. It is anticipated to be complete by 2004.

## **Maritime Park:**

You can view the layout of the new Maritime Park by going to page five of the ten-page document on the city's website. The park is estimated to cost \$6 Million to complete. Funds will be coming from grants and the Federal Government. The park is expected to be completed in 2006.

## **Ferry Exit Tunnel:**

This project is not expected to even begin until 2004 with a completion date of 2007. The cost is estimated to be \$25 Million to be paid with Federal Government money and local matching funds.

## **Waterfront Condominiums:**

It is hoped that by 2006, 200 beautiful new condominiums will grace the downtown Bremerton waterfront. You can view what these condominiums will look like by going to page seven of the ten-page document on the city's website. The total cost of these condos is expected to be \$35 Million and will be paid for totally by selling the individual units. The partners for this project are Sienna Architects and the Kitsap County Consolidated Housing Authority.

## **Bremerton Ice Arena:**

This much desired addition to the recreational development of Bremerton is expected to be completed in 2004. It is expected to cost \$4 Million and will be paid for by Skating, Inc./ Miles Yannick Company. You can view the artist sketch of the Bremerton Ice Arena by viewing page eight of the ten-page Bremerton Revitalization Plan on the city's web site ([www.ci.bremerton.wa.us](http://www.ci.bremerton.wa.us)).

## **Expanded Bremerton Marina:**

The Port of Bremerton hopes to have the expansion of the Bremerton Marina completed in 2006. This expansion effort will add 200 more slips for an estimated cost of \$10 Million.

**Additional Four Projects:**

The Parking Garage is expected to be completed in 2005 for a cost of \$10 Million to be paid for by Federal funds. The Public Safety Building should be completed the next year (2006) for a cost of \$5 Million to be paid for by the Public Safety Bond Issue. This building will house the Bremerton Police offices and the City of Bremerton's Municipal Court.

Both the East Park and West Park projects are expected to be completed in 2007. The East Park Development is an entirely privately funded project. Security Properties will build 300 residential units for an estimated cost of \$70 Million. The West Park Re-Development project will be funded by the Bremerton Housing Authority for \$10-20 Million. The West Park project involves both commercial and residential development.

# POULSBO PLACE

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Contact Poulsbo Place at:  
(360) 697-0060  
1-877-882-0060  
[www.poulsboplace.com](http://www.poulsboplace.com)

## **Best Homes, Best Community:**

The “Poulsbo Place” development has transformed what used to be an eyesore of older WWII vintage multiple family housing into a cozy community of well-built homes. The development won “Best in Show”, “Best Home under \$170,000”, and “Best Home in the price range of \$170,000 to 225,000” in the 2001 Kitsap County Parade of Homes.

At the state level, the development was awarded the “Best Community Land Use”, “Best Community of the Year” and “Best Design for detached home under \$200,000”. The Poulsbo Place development also won the Residential Architect Design “Community of the Year Award” for 2001.

## **Walking Distance to Downtown Poulsbo:**

Poulsbo Place is a residential style neighborhood designed to capture the traditional historic charm of the downtown Poulsbo area. This unique development was specifically engineered to recreate a small-town traditional urban fabric. All homes are located within walking distance to the downtown Poulsbo shops, restaurants, banks, post office, waterfront and marina.

## **Efficient Land Use:**

The key to Poulsbo Place is the efficient use of land. By combining the New England Cape Cod style of homes and placing them around a common courtyard, Security Properties, Inc. has come up with a winning plan that provides homeowners with real value. The bright color palette helps differentiate the homes while the white trim and picket fences tie the community together. Old-fashioned street lamps with flower baskets dress up the sidewalks.

Contact is  
**Ron Sciepko**  
Northwest Corporate Campus  
(360) 792-2686/ fax (360) 373-1422  
E-mail: rsciepko@nwcorgcampus.com

**High-Tech Business Park:**

Northwest Corporate Campus is a 188-acre high-tech business park. It will provide an environment where people can walk to work and where they will enjoy views of Sinclair Inlet, Puget Sound, and the Olympic and Cascade mountains. The business park is located on a hill above Sinclair Inlet in South Kitsap, between Highway 16 and Old Clifton Road.

**Local Jobs for Local People:**

Northwest Corporate Campus hopes to attract businesses that will employ local residents who otherwise commute to jobs in Tacoma, Seattle, and elsewhere. Targeted properties include high-tech companies, research & development, biotech, corporate headquarters and divisions and call centers.

**Live Where you Work:**

By bringing jobs to where people are living, the Northwest Corporate Campus will significantly improve the quality of life for Kitsap County residents. Fifty-six (56) acres of the property are set aside for residential development. In addition, it is located next to McCormick Woods, an upscale residential and golf community.

**Five-Year Process Made for an Environmentally Sensitive Project:**

The Northwest Corporate Campus has been designed to exist in harmony with environmental issues. Engineering, wetlands, wildlife, geological, and wellhead protection studies have been completed to ensure compliance with environmental concerns. In addition, of the site's 377 total acres, half of the property has been set aside for open space.

**Building Scheduled to Open Fall 2003:**

The developer expects to complete a 139,000 square-foot Class A office building by the Fall of 2003. The building will be state-of-the-art, featuring fiber-optic cabling, and high-speed data and voice connections and networks. Prospective users will have the options to lease building space, built to suit their needs, and/or to purchase and develop property in the park to suit their needs

Contact is  
**Kent Berryman**  
**Olhava Project Manager**  
Kent Berryman Associates  
(360) 620-4656/ fax (360) 307-0344  
Email: kba@charter.net

### **Mixed Use 215-acre Development:**

The Olhava Master Plan Development (MPD) is a 215-acre mixed use project located within the city limits of Poulsbo, WA. It is located at the intersection of State Routes 3 and 305. The development's Master Plan and accompanying Environmental Impact Statement are approved to include commercial, business, residential, and a 20-acre Olympic College branch "campus in the woods". Site construction started September of 2002. A new water tank has been completed that will provide the development with a potable water supply and the required fire flows. Grading and drainage work will continue as weather allows during winter months. The remaining site work, including the highway interchange and utility infrastructure, will be completed in the Spring and Summer of 2003.

### **Road Access and Utilities/Services:**

Interchange improvements to State Routes 3 and 305 are designed to provide highway access to the Olhava project. Finn Hill Road links the development with historic downtown Poulsbo. Thompson Hill Road and Parnell Place join the project with several of North Kitsap's newer communities and schools. Recently renovated Viking Avenue enables additional access for a 41-acre residential cluster located southeast of the State Route 3/305 interchange. Water, sewer and public services are available from the City of Poulsbo. Other utilities and services include natural gas, public transit and high-speed communications lines.

### **Integrated Land Use Mix:**

#### **Commercial and Business**

The master plan allows 840,000 square feet of commercial floor space. Commercial sites include a variety of locations and sizes within the project. The Olhava Business Park includes 325,000 square feet of business/office floor space. Business sites are centrally positioned between other commercial areas and the planned Olympic College campus. The development enjoys several viewpoints to Mount Rainier and Liberty Bay.

#### **Residential and Recreation**

The plan allows 420 multi-family and 70 single-family homes. Residential clusters include perimeter privacy buffers and open space park and recreation sites. Bicycle paths and nature trails stimulate non-vehicular access within the development and to an 8-acre community park. Residents are presented with a rare opportunity to enjoy shopping, conduct business or attend college, without traveling outside the development.

## **Public Education**

The branch campus for Olympic Community (OC) College began construction this Fall. The OC site is twenty acres, located at the northwest corner of the Olhava Master Plan. New construction for the 38,000-square-foot classroom and administration building is underway, site work including paving and utilities has been completed. Classes are anticipated to begin during the Winter quarter 2004.

Associated parking for vehicles and bicycles will be provided. It will also include a bus stop for Kitsap Transit. And, the community will be able to enjoy an educational nature trail through the beautifully wooded site. The facility will provide extended education for up to 900 full-time-equivalent students. Classes are planned to begin Winter Quarter 2004.

## **Development Standards:**

Development standards will guide the project to best assure a cohesive and professional appearance. Site standards include landscaping, lighting and signage. Building standards include harmonious building form, height, texture and color. Because of Poulsbo's prevalent Scandinavian culture, soft site and building details will be encouraged.

# PORT BLAKELY KITSAP LAKE PROJECT 29

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Contact is  
**Elizabeth C. Wilson**  
**Port Blakely Communities**  
(360) 697-7206 / fax (360) 598-3779  
Email: ewilson@portblakely.com  
Web Site: www.issaquahhighlands.com

## **Port Blakely Communities:**

Port Blakely Communities is a division of Port Blakely Tree Farms, which is a family owned company that has operated tree farms in Kitsap County and throughout Washington state since the late 1800's.

## **Planning and Zoning Process:**

The 1998 Kitsap County Comprehensive Plan designated 440 acres of property owned by Port Blakely, located west of Kitsap Lake, as an Urban Joint Planning Area for Business and Light Industrial Land uses. The designation was made to achieve the County's goal of having land zoned and available for businesses to locate on and to help create jobs. A Subarea Plan was prepared by Bremerton and Kitsap County that identifies the zoning for the property and specifies the environmental protections that must be included for the project to be built. It was approved in September 2000.

## **Projected Land Use Mix:**

The land use being considered for the site, is a mixed use project that would include approximately 900 homes and 2,225,000 square feet of business uses such as offices, light assembly and manufacturing facilities and business park. In addition, a maximum of 100,000 square feet of retail and commercial services will be included in the project to serve the needs of the community. The project will also include public trails, a public park and a buffer adjacent to neighboring properties.

## **Environmental Protection:**

The project will only proceed if it is demonstrated that there will not be adverse impacts to the productive salmon resources of Chico Creek or to the water quality of Kitsap Lake. A master drainage plan will be prepared at the time there is a specific project that will include the best management procedures for protecting water quality and controlling water runoff. A monitoring plan that establishes construction and post-construction monitoring will also be developed. If it is found that mitigation measures are not achieving the desired results, mitigation will be adjusted.

## **Annexation to the City of Bremerton:**

The property was annexed to the City of Bremerton in December 2000. A Development Agreement that reiterates the goals and requirements contained in the subarea plan and establishes the zoning for the site was approved in the same time-frame. Master planning and environmental review is planned to take place in 2002 and 2003 with construction beginning in the Spring of 2004.

## Access and Services:

The first step in design of the project will be the traffic corridor study. This study will evaluate 12 potential access roads identified during the sub-area planning process and others that may be brought forward. The project will be served with water and sewer by the City of Bremerton.

## Other Projects:

Issaquah Highlands is another planned community that the Port Blakely company is currently developing. This project includes 3,000 homes, parks, trails, recreation, a regional retail center and a business center. Port Blakely also developed "Montrues", a residential community of 300 homes in the City of Issaquah and "Woodside", a residential community of 500 homes in the Renton area.

***Port Blakely is dedicated to developing environmentally sensitive communities and growing sustainable forest to benefit current and future generations.***

Ken Attebery, Chief Executive Officer  
**Port of Bremerton**  
(360) 674-2381, Ext. 21 / fax (360) 674-2807  
Email: [kena@portofbremerton.org](mailto:kena@portofbremerton.org)  
Web Site: [www.portofbremerton.org](http://www.portofbremerton.org)

## **Vision:**

The adopted vision of the Port of Bremerton is to build, operate and maintain world-class facilities providing recreation and economic development opportunities for aviation, marine and business facilities. The Port of Bremerton's jurisdiction covers portions of the west and south half of Kitsap County, Washington.

## **Bremerton National Airport:**

Serving corporate and general aviation, Bremerton National Airport is ideal for general aviation and corporate hangars, aviation business and maintenance operations. Adjacent to Olympic View Business and Industrial Park, Bremerton National's 6,200-ft runway is equipped with a state-of-the-art instrument landing system, pilot controlled approach lighting and a non-directional beacon, and is capable of accommodating most Boeing 727, 737 and 757 aircraft. There are over 600 acres available for development of corporate maintenance operations.

Aircraft hangar and tie-down spaces are available as well as a full-service restaurant. The Avian Flight Center is the airport's Fixed Base Operator (FBO), offering Avgas (truck and 24-hour self-service) and Jet "A" fuel, pilot training services, aviation supply store, scenic flights, aircraft rentals, car rentals and corporate services. Avian Aeronautics provide aircraft engine repair services.

Bremerton National Airport is the regional hub for aircraft activities and is home to 140 aircraft. As a general aviation airport, Bremerton National is a major asset for the future economic development of the Puget Sound region. Bremerton National is only 10 minutes by air from SeaTac Airport and Boeing Field.

## **The Olympic View Industrial Park:**

The Port of Bremerton's Olympic View Business and Industrial Park, located west of Bremerton National Airport on State Highway 3, offers 560 acres of zoned industrial property. Rail frontage is available. The existing infrastructure will accommodate 30 more acres of development. Additional roads and utility systems will require significant funding in coming years to make the remaining acreage fully available. The industrial park and airport are located in an urban growth area and are zoned industrial.

The park is a catalyst to the diversification of the economy by attracting new industries to Kitsap County. Thirty-seven businesses, occupying 75 acres and 312,000 sq. ft. of building space, now call Olympic View Business and Industrial Park home. Competitive operating costs, combined with a supportive building permitting process, assistance with industrial development revenue bonds, developer services and aggressive lease practices are some of the economic development tools and benefits offered by the Port.

The Port of Bremerton and Port of Grays Harbor, located in Aberdeen, have formed a partnership that would link Olympic View Industrial Park to Grays Harbor's deep-water marine terminals via Puget Sound and Pacific Railroad. Grays Harbor is the closest multi-modal port to the Pacific Rim. Local businesses would be able to utilize a multi-modal freight system owned by Waste Management in the industrial park capable of loading freight onto rail cars. The Port of Bremerton is also just ten minutes by air to Sea-Tac International Airport and one hour by interstate highway and ferry systems to the East Puget Sound region, and to the deep-water ports at Seattle, Tacoma and Olympia.

### **Olympic View Business Park:**

Olympic View Business Park, with spectacular views of the Olympic Mountains, is an excellent setting for technology-oriented businesses. Adjacent to the Bremerton National Airport and the Industrial Park, development plans call for an infrastructure and roadway system to accommodate office and high-tech development, including extension of broadband fiber optics located at the entrance to Olympic View.

### **Foreign Trade Zone Designation:**

Over 500 acres of land at the Port's industrial park and airport are designated by the US Department of Commerce as a Foreign Trade Zone (FTZ). Users can benefit from delayed and reduced duty payments, and in some cases no payments, on a wide variety of import and export activity. Warehousing, repackaging, assembly and manufacturing activities can all benefit financially from use of the FTZ.

### **Port Orchard and Bremerton Marinas:**

The Port's award winning recreational marinas provide both permanent and guest moorage, offering state-of-the-art accommodations and utilities to both permanent and guest boaters. Both the Port Orchard and the Bremerton Marinas draw high numbers of guest boaters every year and contribute approximately \$1.5 million to the local economies. The cities of Port Orchard and Bremerton offer community events on the waterfront such as concerts and farmer's markets, the annual Blackberry Festival in Bremerton, and the annual Cruz Classic Car Show and the Street Fair in Port Orchard. There are many shopping and entertainment opportunities within walking distance of both marinas. The promotion of tourism is a major part of the Port's economic development plan.

\*

***The Port of Bremerton has a strong relationship with its neighbors and local government. The Port plans projects and infrastructure that encourage today's businesses to flourish and future businesses to become established in Kitsap County.***

# POPULATION TRENDS

Data Obtained from  
 Washington State Office of Financial Management  
 Web Site: [www.ofm.wa.gov](http://www.ofm.wa.gov)

**Kitsap County Population Estimated Gain of 1,300 in 2002:**

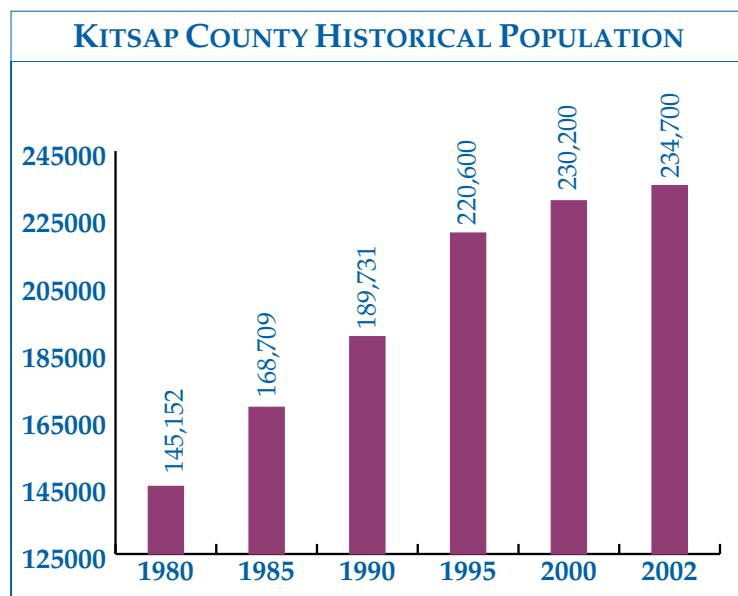
Of the 1,300 population gain in Kitsap County, about 45% (580) went to the county’s cities. And, about 55% (720) of these additional people settled into the unincorporated parts of the county. Bremerton, Bainbridge Island, Port Orchard and Poulsbo all experienced about 1% growth in population.

**Largest City in Kitsap County is Bremerton:**

The city of Bremerton had an estimated year-end population of 37,530. Bainbridge Island is the second largest city with a population of 20,920. Port Orchard had an estimated year-end population of 7,900 and Poulsbo had a population of 7,005.

KITSAP COUNTY POPULATION								
	1980	1990	1995	1998	1999	2000	2001	2002
<b>Kitsap County</b>	147,152	189,731	220,600	229,000	229,700	230,200	233,400	234,700
Annual Growth Rate	-	+2.89%	+2.38%	-0.17%	+0.31%	+0.22	+1.39%	+0.56%
<b>Bremerton</b>	36,208	38,142	39,610	37,260	36,270	36,160	37,260	37,530
Annual Growth Rate	-	+0.53%	+0.77%	-3.47%	-2.66%	-0.30%	+3.04%	+0.72%
<b>Port Orchard</b>	4,787	4,984	6,240	6,945	7,255	7,270	7,810	7,900
Annual Growth Rate	-	+0.41%	+5.81%	-0.29%	+4.46%	+0.21%	+7.43%	+1.15%
<b>Poulsbo</b>	3,453	4,848	5,765	6,590	6,445	6,500	6,965	7,005
Annual Growth Rate	-	+4.04%	+3.00%	+6.72%	-2.20%	+0.85%	+7.15%	+0.57%
<b>Bainbridge Island</b>	2,196	3,081	17,910	19,080	19,840	20,150	20,740	20,920
Annual Growth Rate	-	+4.03%	*	+0.85%	+3.98%	+1.56%	+2.93%	+0.87%

*\*Incorporation of entire Island of Bainbridge Island (1991)*



**Historical Population Trends:**

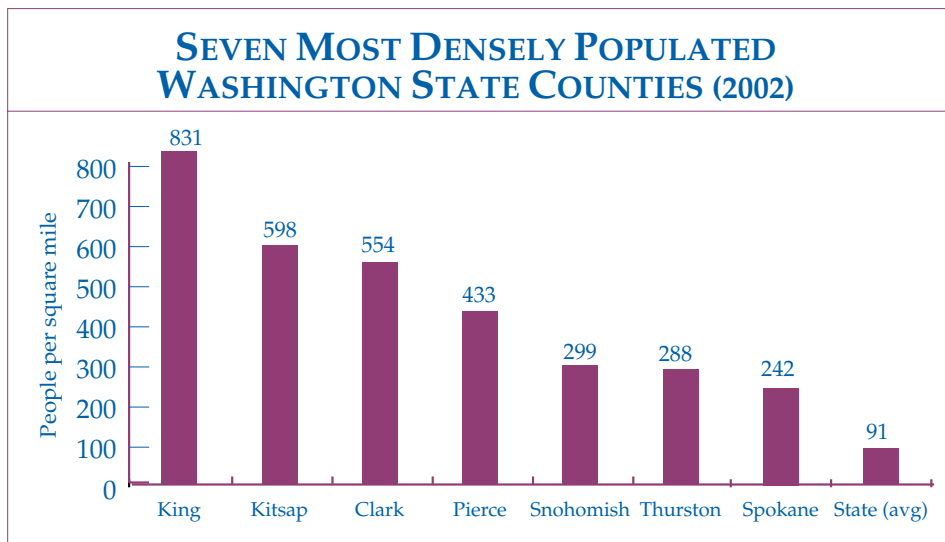
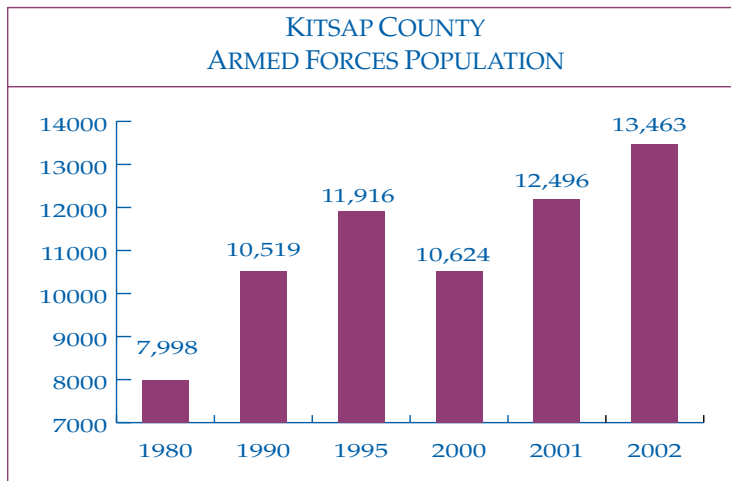
Kitsap County ranks 17th out of 39 counties in the State as the fastest (percentage) growing from 1990-2000. During the 20-year period of 1970 to 1990, Kitsap County's population grew from 101,732 to 189,731, an increase of 87%, representing 88,000 people. By comparison, the state population grew by 42.6% over the same period. In the last ten years (1990 to 2000), Kitsap County grew by 22%. The state population grew by 21% during the same ten-year period.

**Older Population Percentage Same as Ten Years Ago:**

Kitsap population aged 65 and over was 10.6% in 1990 and it increased only slightly to 10.9% in 2002. This is less than the state average of 11.2%. Only nine of the 39 Washington State counties have smaller 65 and over populations than Kitsap County. Four Washington State counties register over 20% of their populations are 65 years old and over.

**Armed Forces Personnel in Kitsap County:**

Although Armed Forces personnel population has been reduced in other parts of Washington State, Kitsap County has maintained a fairly steady military population. In fact, this last year Kitsap County experienced an 8% increase in its military population.



**Kitsap County Population Density is 2nd Highest out of 39 Counties in the State:**

Although the general appearance of Kitsap County seems “rural” due to the vistas of water, mountains and trees, it is, in fact, the second most dense county in the state of Washington, second only to King County.

SEVEN MOST DENSELY POPULATED WASHINGTON STATE COUNTIES (2002)			
COUNTY	2002 People/Sq. Mi.	LAND AREA (Square Miles)	2002 POPULATION
King	831	2,135.001	1,774,300
<b>Kitsap</b>	<b>598</b>	<b>392.70</b>	<b>234,700</b>
Clark	554	656.30	363,400
Pierce	433	1,675.00	725,000
Snohomish	299	2,098.00	628,000
Thurston	288	737.00	212,300
Spokane	242	1,758.30	425,600
<i>State (avg.)</i>	<i>91</i>	<i>66,662.10</i>	<i>6,041,700</i>

**Kitsap County Median Household Income Ranks 8th out of 39 Counties in the State:**

Kitsap County enjoys a relative high Median Household Income compared to the majority of Washington state counties. It ranks 8th out of the 39 counties. King County enjoys the highest Median Household Income (\$59,540). Kitsap County’s Median Household Income is 7% less than the state average.

EIGHT HIGHEST MEDIAN INCOME WASHINGTON STATE COUNTIES (2002)	
COUNTY	Median Household Income
King	\$59,540
Snohomish	\$56,158
Benton	\$51,274
Clark	\$49,797
Pierce	\$49,706
San Juan	\$48,959
Thurston	\$47,730
<b>Kitsap</b>	<b>\$46,592</b>
<i>State (avg.)</i>	<i>\$46,898</i>

# BREMERTON/KITSAP EMPLOYMENT 36

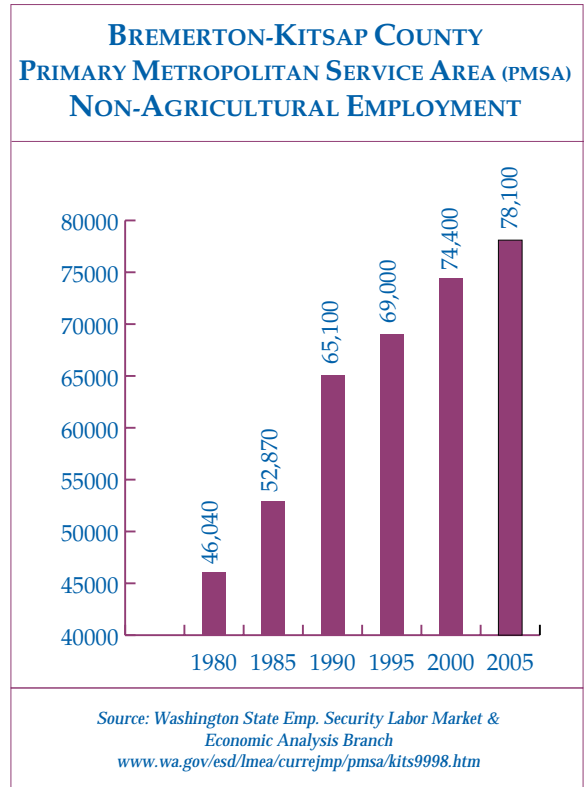
Data Obtained from  
 Washington State Emp. Security Labor Market & Economic Analysis Branch  
 Web Site: [www.wa.gov/esd/lmea/](http://www.wa.gov/esd/lmea/)

<b>BREMERTON-KITSAP COUNTY PRIMARY METROPOLITAN SERVICE AREA (PMSA) NON-AGRICULTURAL EMPLOYMENT LEVELS</b>				
Industry	2000	2005 Projection	% Change	Industry Share
Manufacturing	2,300	2,200	-0.9%	3.1%
Mining/ Construction	4,200	4,400	+0.9%	5.6%
Trans & Public Utilities	2,000	2,300	+2.8%	2.9%
Wholesale/ Retail Trade	17,000	17,800	+0.9%	22.8%
Finance, Ins/ Real Estate	2,600	2,800	+1.5%	3.4%
Services	20,100	22,200	+2.0%	28.4%
Government	25,700	26,400	+0.5%	33.8%
<b>TOTAL</b>	<b>73,900</b>	<b>78,100</b>	<b>+1.1%</b>	<b>100.00%</b>

*Source: Washington State Emp. Security Labor Market & Economic Analysis Branch  
[www.wa.gov/esd/lmea/currejmp/pmsa/kits9998.htm](http://www.wa.gov/esd/lmea/currejmp/pmsa/kits9998.htm)*

**Non-Agricultural Employment Is Projected to Increase:**

The Non-agricultural employment is projected to increase by 4,200 over the five-year period of 2002-2005. This would be an increase of 840 jobs/year (+1.1%/year). All employment categories are projected to experience increases except Manufacturing, which is expected to experience a decrease.



**Slow but Steady Employment Growth:**

The graph above illustrates annual Kitsap County non-agricultural employment levels from 1980 to 2000. Annual growth in non-agricultural employment has been gradual but steadily uphill. The last column represents projected growth for 2005.

# THE NAVY IN KITSAP COUNTY

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## Puget Sound Naval Shipyard

Web Site: [www.psns.navy.mil](http://www.psns.navy.mil)

**Puget Sound Naval Shipyard (PSNS)** is comprised of 179 acres of property bordered on the south by Sinclair Inlet, on the west by Naval Station Bremerton, and on the north and east perimeters by the City of Bremerton. PSNS is the Pacific Northwest's largest Naval shore facility and one of Washington State's largest industrial installations. Puget Sound Naval Shipyard is focused on providing its customers with quality and cost efficient maintenance and technical/ logistical support.

## Naval Submarine Base Bangor

Web Site: [www.bangor.navy.mil](http://www.bangor.navy.mil)

**The Naval Submarine Base at Bangor, WA** encompasses 7,201 acres. It serves the Navy as a home port for the TRIDENT Submarines. Industrial activities include incremental submarine overhauls, modernization and maintenance; assembly and processing missiles and components; and training military and civilian personnel on the latest military technologies.

## Naval Undersea Warfare Center Division Keyport

[www-keyport.kpt.nuwc.navy.mil](http://www-keyport.kpt.nuwc.navy.mil)

**The Naval Undersea Warfare Center (NUWC) Division, Keyport, WA**, is a shore Command under the Naval Sea Systems Command, Washington, D.C. It is one of two divisions of the Naval Undersea Warfare Center, which is headquartered at Division Newport, Rhode Island. NUWC's mission is to test torpedoes, provide training in the maintenance and repair of torpedoes and to evaluate the effectiveness of torpedoes.

## Fleet and Industrial Supply Center (FISC) Puget Sound

[www.puget.fisc.navy.mil](http://www.puget.fisc.navy.mil)

**Fleet and Industrial Supply Center (FISC)**, located in Bremerton, WA is one of six FISCs supervised by the Naval Supply Systems Command. They provide a one-stop supply and logistics service delivery mechanism in which ships can obtain all logistics and port services. Their "Material Processing Center" provides custom sorting and delivery services.

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**Olympic College and the Navy Team up on Fire Fighting Training:**

The Navy can now obtain Fire Fighting Training for its personnel locally. Olympic college spent \$400,000 and the Navy spent \$250,000 to equip a new "Emergency Readiness Center". Before, more than 700 Navy personnel annually had to travel to North Bend to attend the "Fire Training Academy" there. The new ERC located in Bremerton can also train Coast Guard, National Guard, ferry personnel, police and, of course, local firefighters. Olympic College hopes to make the Emergency Readiness Center a regional training ground for fire fighting training for the entire Olympic Peninsula. Even commercial fisherman and Holland America Cruise Lines have expressed interest.

**Olympic College Provides Culinary Arts and Barber Training for the Navy:**

Olympic College now provides training to Navy personnel in Culinary Arts, Barbering and other skills. In the past, they used to travel to San Diego, CA for such training.

**PSNS Provides Welding Courses:**

Instead of Navy personnel trekking off to Illinois for months of training, they now can attend 14-week welding courses locally. The courses are offered at the Puget Sound Naval Shipyard, Shop 36.

Local training saves the Navy money and it adds to the quality of life for Navy personnel. Married sailors do not have to have unneeded family separations and the Navy gets personnel back to their duty station in a timely manner.

# SINGLE-FAMILY BUILDING PERMITS/AVERAGE PRICES

Information provided by  
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 (Updated once per Year)

**Kitsap County Building Permit Levels:**

Statistics for year end 2001 indicate little change in the overall residential housing market trend for the Bremerton/ Kitsap County area. As can be seen in **TABLE #1**, new construction has remained relatively flat over the past five years as total annual building permits have ranged from only 1,423 to 1,546 dwelling units. This is down substantially from peak years 1990 and 1991 when permit levels topped 3,200 units each year. If you average the building permit activity of the last five years, apartment construction fell to an average of 4.8% of total units permitted, while mobile home construction remained more constant at its 18-year average (24.4%). Single-family construction remains the most popular form of development and increased to an average of 70.8% of all units permitted over the past five years.

**TABLE 1**

<b>RESIDENTIAL BUILDING PERMITS BREMERTON/KITSAP COUNTY AREA</b>							
Year	Single-Family		Multi-Family		Mobile Home		Total #
	#	%	#	%	#	%	
1984	986	47.7%	462	22.4%	617	29.9%	2,065
1985	1,430	57.8%	454	18.3%	591	23.9%	2,475
1986	1,009	58.5%	140	8.1%	576	33.4%	1,725
1987	1,056	45.9%	705	30.7%	538	23.4%	2,299
1988	930	51.7%	384	21.3%	485	27.0%	1,799
1989	1,347	54.0%	526	21.1%	623	25.0%	2,496
1990	1,914	55.2%	718	2.07%	836	24.1%	3,468
1991	1,660	59.9%	839	30.3%	707	25.5%	3,206
1992	1,892	65.3%	290	10.0%	690	23.8%	2,872
1993	1,611	55.6%	667	23.0%	536	18.5%	2,814
1994	1,766	64.5%	573	20.9%	539	19.7%	2,739
1995	1,387	65.8%	274	13.0%	448	21.2%	2,109
1996	1,345	66.1%	250	12.3%	441	21.7%	2,036
1997	1,030	66.8%	65	4.2%	446	28.9%	1,541
1998	970	62.2%	175	11.2%	415	26.6%	1,560
1999	1,132	75.2%	20	1.3%	354	23.5%	1,506
2000	1,107	72.6%	103	6.8%	315	20.7%	1,525
2001	1,069	71.3%	129	8.6%	301	20.1%	1,499
<b>Total</b>	<b>23,667</b>	<b>59.5%</b>	<b>6,667</b>	<b>16.8%</b>	<b>9,457</b>	<b>23.8%</b>	<b>39,791</b>

Source: HUD, Seattle Regional Office (1984-1996); Richards & Associates (1997-2001)

**Home Sales At All Time High in 2001:**

Much of the new single-family construction appeared to involve custom homes, and the level of "spec" construction was more limited. As can be seen in TABLE #2, home sales volume was at an all time high in 2001 (3,753 units).

**TABLE 2**

NUMBER OF RESIDENTIAL SALES BY AREA MULTIPLE LISTING SERVICE DATA										
MLS Area	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
1 South Kitsap	764	827	845	739	770	671	819	919	914	1,095
2 West/Central	551	541	580	512	396	382	477	465	480	471
3 W. Bremerton	256	232	237	216	243	240	304	321	359	349
4 E. Bremerton	144	142	155	136	143	131	182	215	232	215
5 East/Central	381	361	290	334	267	288	301	326	331	413
6 North Kitsap	630	622	646	639	581	589	712	814	705	826
7 Bainbridge Island	279	270	322	279	320	359	481	472	418	384
<b>Total Single Family</b>	<b>3,005</b>	<b>2,995</b>	<b>3,075</b>	<b>2,855</b>	<b>2,650</b>	<b>2,660</b>	<b>3,276</b>	<b>3,532</b>	<b>3,439</b>	<b>3,753</b>
<b>Condos</b>	<b>79</b>	<b>85</b>	<b>99</b>	<b>94</b>	<b>88</b>	<b>68</b>	<b>130</b>	<b>160</b>	<b>134</b>	<b>158</b>
<b>Total Residential</b>	<b>3,084</b>	<b>3,080</b>	<b>3,174</b>	<b>2,949</b>	<b>2,738</b>	<b>2,728</b>	<b>3,406</b>	<b>3,692</b>	<b>3,573</b>	<b>3,911</b>

**South Kitsap and North Kitsap Experienced the Greatest Sales Volume:**

New home sales (see TABLE #3) represent only 16.89% of the total of home sold in 2001. The greatest sales volume occurred in the South Kitsap and North Kitsap market areas where the combined new and used home sales volume totaled 1,095 and 826 homes respectively. This sales activity was consistent with that of previous years.

**TABLE 3**

NUMBER OF NEW & USED HOME SALES BY AREA MULTIPLE LISTING SERVICE DATA									
MLS Area	1999			2000			2001		
	New	Used	Total	New	Used	Total	New	Used	Total
S. Kitsap	126	793	919	164	750	914	179	916	1,095
Silverdale	54	411	465	38	442	480	51	420	471
W. Bremerton	13	308	321	11	348	359	15	334	349
E. Bremerton	9	206	215	25	207	232	15	200	215
Central Kitsap	16	310	326	50	281	331	99	314	413
N. Kitsap	143	671	814	136	569	705	176	650	826
Bainbridge Island	111	361	472	119	299	418	99	285	384
<b>TOTALS</b>	<b>472</b> <b>13.36%</b>	<b>3,060</b> <b>86.64%</b>	<b>3,532</b> <b>100%</b>	<b>543</b> <b>15.79%</b>	<b>2,896</b> <b>84.21%</b>	<b>3,439</b> <b>100%</b>	<b>634</b> <b>16.9%</b>	<b>3,119</b> <b>83.1%</b>	<b>3,753</b> <b>100.0%</b>

**Home Prices Up Almost 3% Over Last Year:**

Despite the decline in new construction, prices for both new and used homes throughout most areas of Kitsap County continue to rise (see **TABLE #4**). The average price of a home reached \$191,299, which was an increase of 2.7% over the prior year (see **TABLE #5**). Despite increased price levels, the average number of day (DOM) that it takes to sell these homes continued to decline. In 2000, it took an average of 84 days to sell a home. In 2001, the average dropped to 82 days to sell a home.

**TABLE 4**

MLS AVERAGE PRICES DAYS ON THE MARKET (NEW & USED HOMES BY AREA)										
CMLS Area	1997		1998		1999		2000		2001	
	Price	DOM	Price	DOM	Price	DOM	Price	DOM	Price	DOM
1 South Kitsap	\$131,875	146	\$147,924	94	\$149,754	90	\$149,594	82	\$159,104	85
2 West/Central	\$155,853	138	\$159,393	90	\$162,472	82	\$168,894	77	\$177,702	87
3 W. Bremerton	\$100,494	115	\$97,066	83	\$97,810	75	\$108,358	77	\$105,859	63
4 E. Bremerton	\$108,274	119	\$117,846	85	\$115,871	68	\$124,236	81	\$128,923	52
5 East/Central	\$126,502	127	\$132,374	93	\$138,806	65	\$140,272	72	\$149,512	72
6 North Kitsap	\$161,365	149	\$171,771	94	\$188,771	95	\$190,273	87	\$201,808	73
7 Bainbridge Isl.	\$300,480	142	\$339,973	97	\$382,044	93	\$416,975	112	\$434,697	128
<b>County Averages</b>	<b>\$161,212</b>	<b>139</b>	<b>\$175,155</b>	<b>92</b>	<b>\$183,669</b>	<b>85</b>	<b>\$186,214</b>	<b>84</b>	<b>\$191,299</b>	<b>82</b>
<b>Less Bainbridge</b>	<b>\$138,171</b>		<b>\$146,791</b>		<b>\$153,070</b>		<b>\$154,285</b>		<b>\$163,557</b>	

**TABLE 5**

MLS SINGLE-FAMILY APPRECIATION RATES (AVERAGE PRICES)										
MLS Area	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
1. South Kitsap	16.0%	3.3%	1.9%	2.3%	3.3%	0.8%	12.2%	1.2%	-0.1%	6.4%
2. West/Central	0.3%	1.0%	1.9%	-6.1%	5.3%	6.1%	2.3%	1.9%	4.0%	5.2%
3. W. Bremerton	11.1%	7.6%	3.5%	-6.9%	7.0%	12.9%	-3.4%	0.8%	10.8%	-2.3%
4. E. Bremerton	13.2%	2.4%	2.1%	-2.2%	5.9%	2.8%	8.8%	-1.7%	7.2%	3.8%
5 East/Central	7.5%	0.5%	3.5%	-0.7%	0.5%	6.1%	4.6%	4.9%	1.1%	6.6%
6. North Kitsap	8.9%	7.9%	2.3%	-0.2%	9.2%	3.2%	6.4%	9.9%	0.8%	6.1%
7. Bainbridge Island	5.0%	4.4%	8.4%	8.5%	-1.3%	3.0%	13.1%	12.4%	9.1%	4.3%
<b>County Totals</b>	<b>8.5%</b>	<b>3.8%</b>	<b>5.3%</b>	<b>-0.3%</b>	<b>5.2%</b>	<b>7.0%</b>	<b>8.6%</b>	<b>4.9%</b>	<b>1.4%</b>	<b>2.7%</b>
<b>Less Bainbridge</b>	<b>9.8%</b>	<b>4.1%</b>	<b>2.6%</b>	<b>-1.4%</b>	<b>3.4%</b>	<b>5.1%</b>	<b>6.2%</b>	<b>4.3%</b>	<b>0.8%</b>	<b>6.0%</b>

**The Average Price of a New Home Went Up 3.4% Over Last Year:**

**TABLE #4** above details the average sales price for all home (new & used). **TABLE #6** summarizes new homes only. The average price of a new home in Kitsap County was \$240,117 for year ending 2001. This was a 3.4% increase over the prior year's average price of a new home.

**TABLE 6**

AVERAGE "NEW HOME" PRICES BASED ON THE DIGEST AND NWMLS DATA									
Digest Area	1992	1993	1994	1995	1996	1998	1999	2000	2001
North Kitsap	\$110,075	\$130,859	\$139,562	\$145,562	\$163,076	\$182,576	\$202,517	\$214,040	\$227,973
Bainbridge Island	\$186,940	\$205,725	\$249,673	\$260,458	\$304,735	\$348,819	\$382,306	\$410,050	\$453,023
Central Kitsap	\$123,100	\$147,284	\$149,333	\$150,264	\$148,161	\$145,979	\$147,269	\$150,782	\$165,656
Bremerton	\$106,100	\$115,014	\$123,596	\$126,331	\$123,303	\$137,049	\$136,048	\$155,137	\$173,459
South Kitsap	\$108,783	\$144,870	\$140,896	\$145,001	\$148,424	\$160,975	\$175,148	\$178,600	\$207,873
<b>County Totals</b>	<b>\$117,413</b>	<b>\$143,078</b>	<b>\$148,880</b>	<b>\$153,131</b>	<b>\$162,651</b>	<b>\$195,219</b>	<b>\$226,200</b>	<b>\$232,136</b>	<b>\$240,117</b>
Less Bainbridge Isl.	\$115,054	\$139,674	\$141,826	\$146,819	\$150,911	\$165,298	\$178,201	\$182,202	\$200,179

**For the Fourth Year, Home Inventory Is Declining:**

As can be seen in **TABLE #7**, the average monthly Home Inventory dropped from 1,652 homes in 2000 to 1,498 homes in 2001. This decrease in inventory has been a constant trend which began in 1998. As inventory goes down, usually average sales price goes up.

**TABLE 7**

MLS SINGLE-FAMILY HOME INVENTORY (MONTHLY AVERAGE)							
MLS Area	1995	1996	1997	1998	1999	2000	2001
1 South Kitsap	586	623	636	532	531	504	421
2 Silverdale	327	327	336	276	233	205	175
3 W. Bremerton	179	162	231	176	163	155	117
4 E. Bremerton	90	123	130	98	93	93	68
5 Central Kitsap	183	220	230	162	137	131	107
6 North Kitsap	425	492	547	419	352	360	376
7 Bainbridge Isl.	269	213	278	227	202	204	234
<b>County Totals</b>	<b>2,059</b>	<b>2,160</b>	<b>2,388</b>	<b>1,890</b>	<b>1,711</b>	<b>1,652</b>	<b>1,498</b>

**Pressure For New Home Construction:**

As inventories decline, pressure for new home construction and lot development should increase. Platting was up slightly in 2001 (see **TABLE #8**). However, only 232 new lots were platted in 2001 compared to the eight-year average of 408 lots per year. In addition, lot development is far below the recent level of building permits issued. This low lot development trend will probably lead to continued shortage of home inventory and continued price increases.

**TABLE 8**

RESIDENTIAL LOTS CREATED		
Year	Plats Recorded	Lots Created
1994	24	723
1995	3	78
1996	25	825
1997	16	373
1998	16	445
1999	17	388
2000	7	196
2001	13	232

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Information provided by  
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**Lots Applied For/ Lots Created:**

The following chart (TABLE #1) displays the number of lots applied for and created by area for all twelve months of the year 2001.

**TABLE 1**

<b>SINGLE FAMILY LOTS (JAN 2001-DEC 2001)</b>	
<b>Lot Location</b>	<b># of Lots Created</b>
Bainbridge Island	76
Bremerton	7
Port Orchard	58
Poulsbo	56
Kitsap County	216
<b>TOTALS</b>	<b>413</b>

The following chart (TABLE #2) displays the number of lots applied for and created by area through the Third Quarter of 2002. Includes plats, short plats, large lot subdivisions and binding site plans.

**TABLE 2**

<b>SINGLE FAMILY LOTS (JAN 2002-SEP 2002)</b>	
<b>Lot Location</b>	<b># of Lots Created</b>
Bainbridge Island	112
Bremerton	9
Port Orchard	56
Poulsbo	79
Kitsap County	303
<b>TOTALS</b>	<b>559</b>

TABLE 3

<b>PLANNED COMMUNITIES IN KITSAP COUNTY</b> (CREATED IN FIRST 3 QTRS OF 2002)		
<i>Plat Name</i>	<i>Lots Created</i>	<i>Location</i>
Breckenridge Div II	40 lots	Central Kitsap
Woodland Village	27 lots	Bainbridge Island
President's Point	12 lots	north Kitsap
Mosher Creek Div II	66 lots	Bremerton
Heron Ridge	30 lots	Port Orchard
Canyon Estates	26 lots	Bremerton
Whitney's Glen	28 lots	Poulsbo
Flower Meadows	24 lots	Port Orchard
Southworth Ridge	4 lots	Port Orchard
Fort Ward parade Grounds	22 lots	Bainbridge Island
Poulsbo Place Phase 1, Div 3A	21 lots	Poulsbo
Poulsbo Place Phase 1, Div 3B	6 lots	Poulsbo
Poulsbo Place Phase 1, Div 3C	3 lots	Poulsbo
Covington Place	66 lots	Port Orchard

TABLE 4

<b>NEW "CONDOS" IN KITSAP COUNTY</b> (CREATED JAN-SEP 2002)		
<i>Condominium Complex</i>	<i># of units</i>	<i>Location</i>
Kingston Meadows	9 units	Kingston
Kingston Meadows Phase II	12 units	Kingston
Sinclair Sunset View	4 units	Port Orchard
South Beach	19 units	Bainbridge Island
Villa Lindgard	2 units	Bainbridge Island
Ericksen Cottages	11 units	Bainbridge Island
Appaloosa	6 units	Bremerton

# HOUSING MARKET & AFFORDABILITY

Information provided by  
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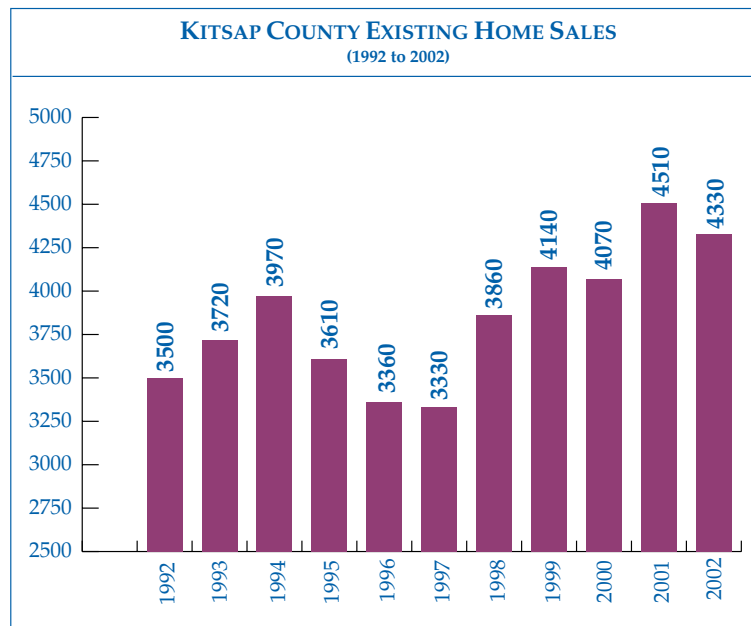
### Housing Market and Housing Affordability Data Sources:

This analysis of housing markets and housing affordability in Washington was prepared for the Kitsap County TRENDS publication by the Washington Center for Real Estate Research at Washington State University. It is based on a quarterly report published by the Center which examines county-by-county housing markets across the state. Data estimates are based on data from the U.S. Department of Commerce, multiple listing services, local REALTOR associations and private data vendors.

### Record Home Sales Activity in 2001:

Housing markets in Washington State during the first half of 2002 responded to a combination of soft underlying economics and the lowest mortgage interest rates seen in a generation. Households that were confident about their personal employment situation were willing to purchase homes. This market was led by first-time buyers, but the sellers of those homes were able to move into higher price ranges. Home sales were less robust in Kitsap County than in many areas of the state, with the level of sales activity in the first half actually declining by 6.9% compared to early 2001 (See Table #1). Among the counties compared in this report, only Snohomish County reported a weaker first half.

TABLE 1



**Washington Center For Real Estate Research:**

The Washington Center for Real Estate Research uses data from multiple listing systems and other groups that monitor housing market activity throughout the state to compute measures of existing home sales (housing resales, excluding new homes sold). Since many sales take place outside of multiple listing systems, the data is linked to sales reported in the most recent published Census (they are still using 1990). Accordingly, the sales activity reported by the Center will be higher than other measures, but should be generally consistent in terms of percentage changes.

**Statewide Home Sales Up By 2.8%/ Kitsap County Sales Down By -6.9%:**

As can be seen in **TABLE #2**, five of the nine markets compared for this report experienced higher levels of home resales during the first half of 2002 than they reported during the same period in 2001. Clark County showed no change. Three counties, including Kitsap County, showed a decline in home resale activity over a year ago. Kitsap County experienced a decrease in home resales of -6.9%. The statewide average of resale housing activity during the first half was 2.8% ahead of a year earlier.

**TABLE 2**

RESALE HOUSING ACTIVITY - 1997-2002 FIRST HALF TOTALS								
County	1997	1998	1999	2000	2001	2002	Percent Change 00-01	Percent Change 01-02
Benton/ Franklin	1,170	1,300	1,370	1,380	1,640	1,570	+18.8%	-4.3%
Clark	2,010	2,470	2,450	2,390	2,640	2,640	+10.5%	0.0%
King	16,690	16,810	17,750	16,340	16,960	17,480	+3.8%	+3.1%
Kitsap	1,980	2,010	2,220	2,160	2,600	2,420	+20.4%	-6.9%
Pierce	13,300	17,860	21,970	21,970	23,400	13,100	+12.0%	+1.4%
Snohomish	5,220	6,310	6,290	5,940	6,790	6,250	+14.4%	-8.0%
Spokane	2,600	3,030	3,100	3,130	3,370	3,600	+7.7%	+6.8%
Thurston	1,510	1,620	1,820	1,760	1,920	2,140	+9.1%	+11.5%
Whatcom	1,220	1,530	1,580	1,660	1,660	1,730	+9.9%	+4.2%
Statewide	50,830	54,810	59,560	58,280	63,390	65,150	+8.8%	+2.8%

**Home Prices:**

Sales competition and potential marketing time for homes is of interest primarily to those who are actively in the housing market as either buyers or sellers. General business analysts also find the resale housing activity statistics useful. Far greater interest is expressed over the data on median home prices. Part of this interest is from individuals who want to own a home, but who have found the Puget Sound region's rapidly escalating housing costs diminishing their ownership potential. Others find their homes are a considerable element in their financial portfolio, and monitor housing prices like they would stock prices. Certainly the state of housing prices is a frequent topic of conversation throughout Washington.

Driven by low mortgage rates and turmoil in equity markets, home prices reflected both homeownership benefits and investment potential, with prices continuing to rise in the face of sluggish overall economics. As can be seen in **TABLE #3**, as of mid-year 2002, the median home price in Washington was 3.7% higher than last year. Despite a reduced sales volume in Kitsap County, the local median price increased by a nearly identical 3.4% — greater than the rate of inflation

**Kitsap County Median Price (\$163K) is \$100K Less Than King County:**

Kitsap County home prices are noticeably lower than the prevailing price in neighboring King County. The median price of a home in Kitsap County was \$162,900 compared to the median price of a home in King County of \$282,500 (see TABLE #3). Among the five major counties in the greater Seattle area, only Thurston (Olympia) has a lower median price than Kitsap County, a situation which should make the local housing market more attractive to buyers from throughout the region.

A quick note about median prices is needed. Half the homes sell for prices above the median, half below. Both buyers and sellers are sometimes confused by these prices. Suburban sellers often forget that there are many less expensive homes in less desirable (by their standards) neighborhoods which help keep the medians down. Meanwhile, prospective buyers may be frightened out of the market by the unfounded belief they can't buy a home for less than the median.

TABLE 3

MEDIAN HOME PRICES - 1998-2002 (Second Quarters)							
County	2nd Qtr 1998	2nd Qtr 1999	2nd Qtr 2000	2nd Qtr 2001	2nd Qtr 2002	Percent Change 00-01	Percent Change 01-02
Benton/ Franklin	\$105,500	\$108,300	\$117,100	\$124,500	\$134,200	+6.3%	+7.8%
Clark	\$138,500	\$140,000	\$147,200	\$152,500	\$155,000	+4.3%	+1.6%
King	\$192,000	\$229,500	\$255,000	\$265,000	\$282,500	+3.9%	+6.6%
Kitsap	\$137,500	\$142,000	\$146,500	\$157,500	\$162,900	+7.5%	+3.4%
Pierce	\$137,000	\$143,000	\$155,000	\$159,000	\$168,000	+2.6%	+5.7%
Snohomish	\$170,000	\$184,600	\$195,000	\$211,000	\$218,000	+8.2%	+3.3%
Spokane	\$103,600	\$103,800	\$103,700	\$106,100	\$106,400	+2.3%	+0.3%
Thurston	\$129,000	\$130,000	\$136,000	\$145,000	\$150,000	+6.6%	+3.4%
Whatcom	\$137,200	\$144,600	\$149,600	\$155,200	\$155,800	+3.7%	+0.4%
Statewide	\$158,900	\$168,800	\$178,000	\$180,400	\$187,000	+1.3%	+3.7%

**All-Buyer Affordability Index:**

Affordability is calculated two ways. The "All-Buyer Affordability Index" assumes a purchaser selects the area's median price home, makes a 20% down payment, and takes out a 30-year mortgage at prevailing interest rates. This buyer is assumed to earn a typical or median income for a **family** (no one-person house-holds) in the area. The question then arises, could this typical family afford the monthly payments on a typical home? During the Second Quarter of 2002, the answer remained "Yes", and much more emphatically than in recent quarters.

The statewide "All-Buyer Affordability Index" stood at **131.2** in June (see TABLE #6), significantly higher than this time last year, but below the level which prevailed at year-end 2001. It should be interpreted that a middle income family with a 20% down payment could afford the payment on a home priced about 30% above the statewide median. In Kitsap County a nearly identical measure of **135.0** prevailed.

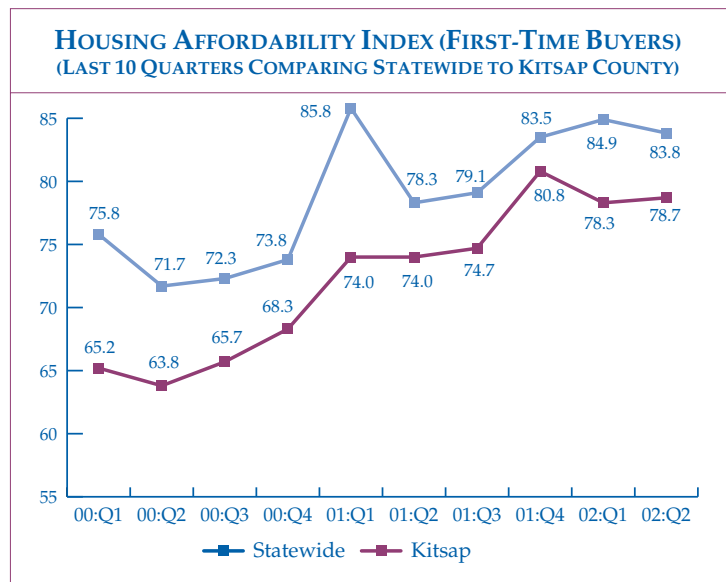
**First-Time Buyer Index:**

The real issue of affordability, however, is the ability of a household to purchase their first home. The calculation of the "First-time Buyer Index" begins with a less expensive home (85% of median), a 10% down payment, and a 30-year loan with private mortgage insurance. To account for the fact that most higher-income households are already home owners, the comparative income level is 70% of the median household income (single-persons are more likely to be first-time buyers). The resulting picture of Washington is a place where it is difficult to buy your first home. The typical renter who might want to own a home has only 78.7% of the income required to qualify for a mortgage on the typical starter home.

**Home Affordability Attracts New Businesses**

Kitsap County's first-time buyer affordability in the Second Quarter 2002 stood at 83.8 (see TABLE #4). This relative affordability for first-time buyers in the county may be the key in attracting new businesses to the community.

**TABLE 4**



**Month's Supply of Housing/ Appreciation Potential:**

The newest housing market measure introduced by WCRER is the comparison between sales during the Second Quarter 2002 to the inventory of homes available for sale in selected price ranges in each market. If it is assumed that a "normal" market provides roughly a 5-month supply of homes, values significantly lower than five indicate the market is primed for rapid price increases in that market segment, while values significantly higher than five imply the owners of properties may need to be flexible in their pricing in order to sell the property in a reasonable time. Based on these statistics (see TABLE #5), the market in Kitsap county is currently well balanced, with a slight shortage of lower-priced homes and only a moderate oversupply of homes priced above \$500,000. This means the local market would be expected to see strong price performance for a home priced under \$160,000, and some softness of prices in the higher end (above \$500,000) homes.

TABLE 5

MONTH'S SUPPLY OF HOMES BY PRICE RANGE - JUNE 2002						
County	Under \$80,000	\$80,000-\$159,000	\$160,000-\$249,999	\$250,000-\$499,999	\$500,000 and above	Total Market
Benton/Franklin	4.7	3.8	7.4	15.2	64.0	6.9
Clark	3.6	1.8	2.9	5.6	17.4	3.1
King	1.9	1.8	2.5	4.3	9.4	4.3
<b>Kitsap</b>	<b>2.5</b>	<b>2.5</b>	<b>4.1</b>	<b>8.4</b>	<b>16.3</b>	<b>4.9</b>
Pierce	2.9	3.0	4.3	8.5	20.8	4.7
Snohomish	8.1	3.2	3.2	5.8	14.9	4.6
Spokane	8.0	6.9	8.3	14.5	31.7	8.7
Thurston	3.2	2.3	4.0	8.9	20.5	4.0
Whatcom	10.4	5.7	6.8	10.9	25.8	8.1
<b>Statewide</b>	<b>6.7</b>	<b>4.3</b>	<b>4.1</b>	<b>6.0</b>	<b>11.8</b>	<b>5.5</b>

**All-Buyer Index and First-Time Buyer Index Both Show Kitsap is Affordable:**

TABLE #6 below illustrates the relative affordability of Single-Family homes in Kitsap County utilizing both ways of calculating affordability ("All-buyer Index" and "First-time Buyer Index").

TABLE 6

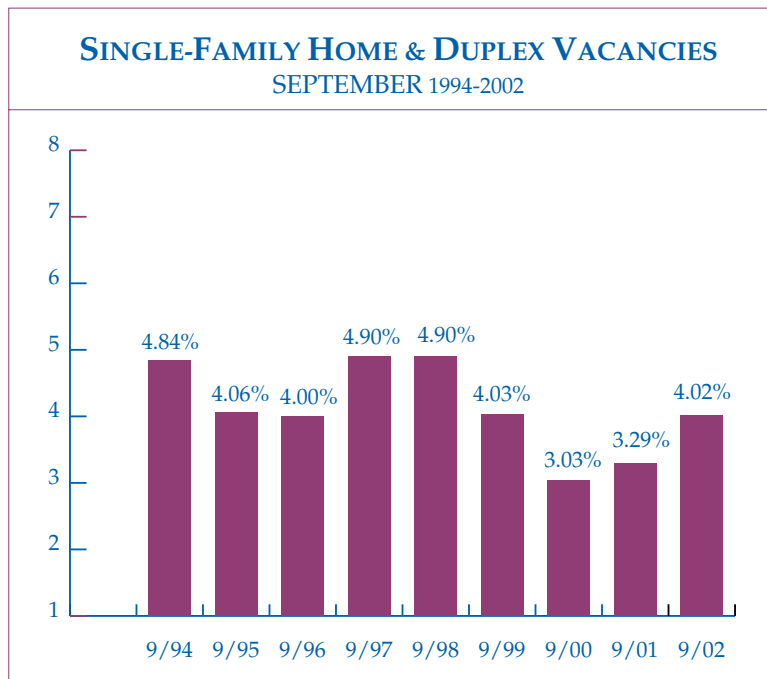
HOUSING AFFORDABILITY CONDITIONS - LAST 5 QUARTERS ENDING 2ND QTR 2002										
County	All-Buyer Affordability Index					First-Time Buyer Affordability Index				
	01:Q2	01:Q3	01:Q4	02:Q1	02:Q2	01:Q2	01:Q3	01:Q4	02:Q1	02:Q2
Benton/ Franklin	171.8	174.4	170.4	167.7	171.9	103.0	104.4	101.8	100.1	102.5
	119.8	123.0	121.5	120.9	125.3	73.1	75.1	74.2	73.8	76.5
98.3	147.9	147.7	154.9	160.0	154.4	91.4	91.1	95.3	98.3	94.7
74.9	120.3	121.9	131.9	130.4	124.4	68.9	69.9	75.6	74.9	71.5
<b>84.9</b>	<b>127.2</b>	<b>128.2</b>	<b>135.2</b>	<b>137.1</b>	<b>135.0</b>	<b>78.3</b>	<b>79.1</b>	<b>83.5</b>	<b>84.9</b>	<b>83.8</b>
85.7	133.5	136.1	143.1	141.4	140.0	80.5	82.3	86.8	85.7	85.0
77.6	114.7	115.7	122.9	124.3	123.8	71.5	72.1	76.6	77.6	77.3
107.7	177.1	168.1	185.5	190.4	185.7	99.7	94.8	104.7	107.7	105.3
89.2	141.3	140.5	151.6	148.7	148.8	84.5	84.1	90.8	89.2	89.3
77.6	130.7	136.0	139.2	138.4	140.6	73.8	76.6	78.1	77.6	78.6
<b>78.3</b>	<b>124.0</b>	<b>125.0</b>	<b>135.1</b>	<b>130.6</b>	<b>131.2</b>	<b>74.0</b>	<b>74.7</b>	<b>80.8</b>	<b>78.3</b>	<b>78.7</b>

# SINGLE-FAMILY VACANCIES

Contact is  
**Darlene Reysack**  
West Sound Naval Housing Office  
(360) 396-5983 / fax (360)396-5970  
reysackdk@everett.navy.mil

**Vacancies Low:**

The Naval Housing Office conducted a survey of over 14,000 single-family homes and duplexes in Kitsap County in September of 2002 and found a vacancy rate of 4.02%. Single-Family vacancy rates tend to be lower in the Fall months than in the Spring months, historically. So, this low vacancy rate is very good news for local landlords. As recently as March 1997, the vacancy rate was 6.8%.



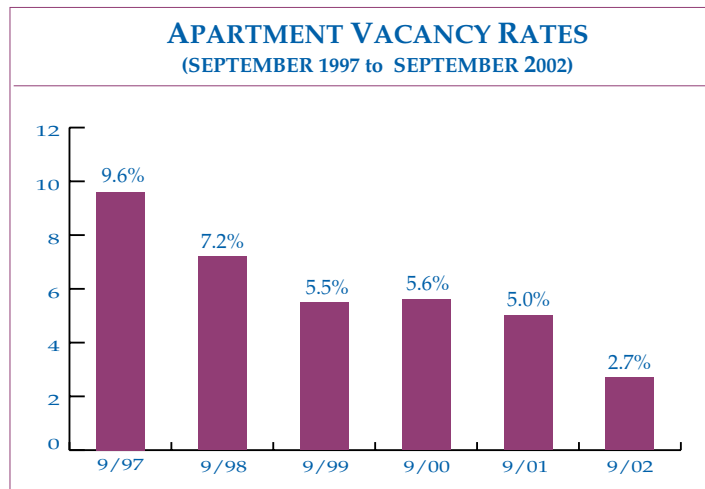
# APARTMENT VACANCIES/AVERAGE RENTS 51

Information provided by  
**Dupre + Scott Apartment Advisors, Inc.**  
 (206) 935-3459/ fax (206) 935-6763  
 Web Site: www.dsaa.com/ E-mail: apts@dsaa.com

**Apartment Vacancy Rate Down:**

As of September 2002, only 2.7% of all available apartments in Kitsap County were vacant (see **TABLE #1**). This is a very low vacancy rate. Only four and a half years ago (March 1998), the vacancy rate was 11.9%.

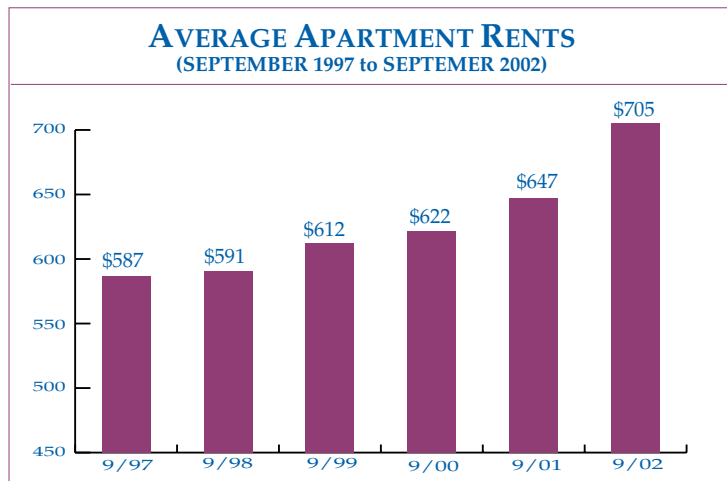
**TABLE 1**



**Rents Are Up:**

As of September 2002, the average apartment in Kitsap County rented for \$705/month. Studio apartments rented for an average of \$523/month, 1-bedroom apartments rented for an average of \$585/month, 2-bedroom apartments rented for an average of \$672/month, 2-bedroom apartments that had two bathrooms rented for an average of \$787/month and 3-bedroom apartments that had two bathrooms rented for an average of \$875/month.

**TABLE 2**



**Port Orchard Experienced the Highest Increase in Their Retail Vacancy Rate:**

The biggest increase was in Port Orchard where the retail vacancy rate increased by 4.20% (see **TABLE #4**). Most of the increase was due to the closing of the K-Mart store in Port Orchard. West Bremerton and Bainbridge Island are the only areas in the County that showed a decrease in retail vacancy rate. The vacancy rate on Bainbridge Island is now only 0.55%. Downtown Bremerton continues to have the highest vacancy rate in Kitsap County, 14.25%.

**AVERAGE RENTS/VACANCY RATES BY AREA (SEPT 2002)**

Bremerton	\$663/mo	(2.9% vacancy rate)
Port Orchard	\$640/mo	(2.7% vacancy rate)
Poulsbo	\$805/mo	(2.4% vacancy rate)
Silverdale	\$776/mo	(2.4% vacancy rate)

AVERAGE APARTMENT RENTS BY SIZE OF UNIT						
COUNTY	Studio	1 Bed	2/1 Bath	2/2 Bath	3/2 Bath	All
Bremerton	\$523	\$533	\$645	\$750	\$856	\$663
Port Orchard		\$547	\$604	\$728	\$784	\$640
Poulsbo		\$661	\$732	\$983		\$805
Silverdale		\$656	\$746	\$820	\$918	\$776

The vacancy and rental rate surveys were supplied by Dupre + Scott Apartment Advisors, Inc. of Seattle, Washington. Contact Dupre + Scott (206-935-3459/ fax 206-935-6763) for more detailed information like Average Days Vacant and % Turnover.

# COMMERCIAL REAL ESTATE

Information provided by  
 Tim Arnold, President  
 Gary Gartin and Marion Brouillard  
**Bradley Scott, Inc. Commercial Real Estate**  
 (360) 479-6900/ fax (360) 479-5499

**Office and Industrial Vacancy Rates Increased/ Retail Vacancy Rates Decreased:**

The Bradley Scott, Inc. "Office, Retail and Industrial Vacancy Survey" shows a small increase in office and industrial vacancies over the last six months. Given the very negative market conditions in the Puget Sound area, a "small" increase is good news. Office vacancies increased by only 0.54%. Industrial vacancies increased by 3.66%. If two large warehouses in the county were not vacated, there would have been a decrease in industrial vacancy. Retail vacancies decreased by 0.40%. Kitsap County's Naval Bases provide a stable foundation for our economy. However, the large amount of office sublease space currently on the market, suggests that unless the national and regional economy improves, we can expect our office vacancy rates to continue to increase. Because much of the vacancy, especially in retail and industrial space, is in a few large buildings, there will be a significant improvement if even one of these is lease. Unfortunately, there are currently very few businesses looking for lease space.

**Office Vacancy Rate Increased Slightly:**

The Bradley Scott, Inc. survey of over 2.5 million square feet of office space indicates vacancies increased slightly, from 10.28% to 10.82% (see **TABLE #1**).

**TABLE 1**

<b>KITSAP COUNTY OFFICE VACANCY SURVEY</b>			
<b>(AS OF OCTOBER 2002)</b>			
<i>Area</i>	<i>Office Space (sq. ft.)</i>		<i>Percent</i>
	<i>Surveyed</i>	<i>Vacant</i>	<i>Vacant</i>
Bainbridge Island	233,558	21,272	9.11%
Downtown Bremerton*	445,887	64,378	14.44%
East Bremerton	340,118	45,369	13.34%
West Bremerton	244,732	12,679	5.18%
Poulsbo	501,193	54,206	10.82%
Port Orchard	186,887	22,411	12.01%
Silverdale	551,356	50,451	9.15%
<b>Total</b>	<b>2,503,731</b>	<b>270,796</b>	<b>10.82%</b>
<i>*Does not include Bremer Dept. Store (42,740 sq. ft.)</i>			
<i>Source: Bradley Scott, Inc.</i>			

As can be seen in **TABLE #2**, Port Orchard had no change in office vacancy rate. East Bremerton and West Bremerton experienced very slight increases. Silverdale actually experienced a 1% drop in office vacancies, primarily as the result of one large lease. The Navy and government contractors pulled back on their leases in Bremerton and Poulsbo, which caused some of the increase in vacancy rates in those two locations (Bremerton, 5.2% increase/ Poulsbo, 2.48% increase). This may turn around in the future if the passage of a larger military budget creates a need for space by government contractors. The Navy, however, is not expected to return to leasing office space out in the community. They appear to be pulling back inside the base fences for security reasons. Bainbridge Island showed the largest improvement, with a drop in vacancy of 7.52%. It should be noted that almost half of the space leased went to a physical fitness center.

TABLE 2

KITSAP COUNTY OFFICE VACANCY RATES (AS OF OCTOBER 2002)			
Office Space Location	Sep 2001	Apr 2002	Oct 2002
Bainbridge Island	8.60%	16.63%	9.11%
Downtown Bremerton	8.65%	9.28%	14.44%
East Bremerton	10.94%	13.21%	13.34%
West Bremerton	9.84%	5.09%	5.18%
Poulsbo	11.20%	8.34%	10.82%
Port Orchard	9.10%	12.01%	12.01%
Silverdale	8.76%	10.19%	9.15%
<b>Kitsap County</b>	<b>9.22%</b>	<b>10.28%</b>	<b>10.82%</b>

**Retail Vacancy Space Decreased by 16,396 Sq. Ft.:**

The Bradley Scott, Inc. survey of almost 5.7 million square feet of retail space indicates the amount of vacant space decreased by 16,396 square feet. The decrease was from 9.11% to 8.71%. The retail change on Bainbridge Island, Downtown Bremerton, Poulsbo, Port Orchard and Silverdale were each about 1% or less. **TABLE #3** shows the retail space available by area within Kitsap County.

TABLE 3

KITSAP COUNTY RETAIL VACANCY SURVEY (AS OF OCTOBER 2002)			
Area	Office Space (sq. ft.)		Percent Vacant
	Surveyed	Vacant	
Bainbridge Island	153,995	850	0.55%
Downtown Bremerton*	172,931	26,508	15.33%
East Bremerton	1,033,716	69,062	6.68%
West Bremerton	347,476	22,135	6.37%
Poulsbo	310,263	4,419	1.42%
Port Orchard	1,240,607	129,393	10.43%
Silverdale	2,416,035	241,937	10.01%
<b>Total</b>	<b>5,675,023</b>	<b>494,304</b>	<b>8.71%</b>
*Does not include Penneys, Payless & Sears Buildings (55,055 sf) Source: Bradley Scott, Inc.			

**West Bremerton Experienced the Highest Increase in Retail Vacancies:**

The largest increase was in West Bremerton where the retail vacancy rate increased by 3.20% (see **TABLE #4**). This increase is almost entirely attributable to the addition to the survey of one large vacant building. The largest decrease in retail vacancies was in East Bremerton where the vacancy rate dropped by 2.10%. Most of this decrease was the result of the reopening of the Redwood Theater. As with the rest of the country, it appears that the consumer in Kitsap County is continuing to hold up the economy.

TABLE 4

KITSAP COUNTY RETAIL VACANCY RATES (AS OF OCTOBER 2002)			
Office Space Location	Sep 01	Apr 02	Oct 02
Bainbridge Island	2.01%	0.55%	0.55%
Downtown Bremerton	14.02%	14.25%	15.33%
East Bremerton	5.74%	8.78%	6.68%
West Bremerton	4.81%	3.17%	6.37%
Poulsbo	1.27%	1.46%	1.42%
Port Orchard	6.82%	11.02%	10.43%
Silverdale	8.75%	10.25%	10.01%
<b>Kitsap County</b>	<b>7.22%</b>	<b>9.11%</b>	<b>8.71%</b>

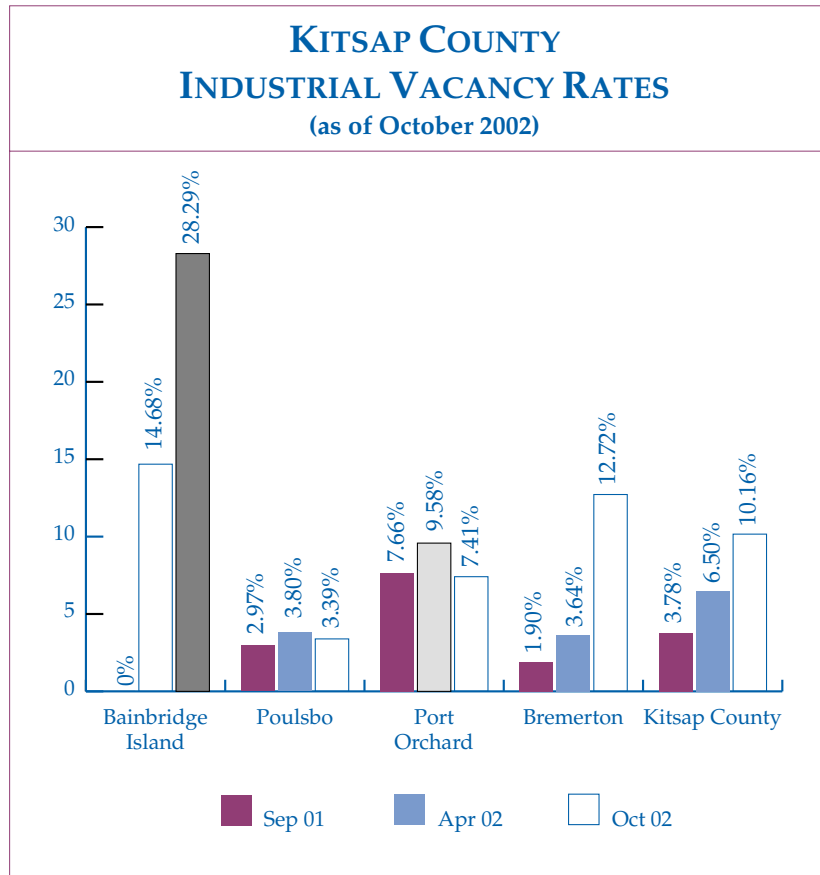
**Industrial/ Warehouse Vacancy Rates Increased:**

The Bradley Scott, Inc. survey of over 1.2 million square feet of industrial space indicates the vacancy rate has increased to 10.16% from 6.50% (see **TABLE #5**). This is a increase over the last six months of 3.66% (see **TABLE #6**). The vacancy rate actually decreased in both the Poulsbo/North Kitsap area and the Port Orchard/Olympic View/South Kitsap area. Brainbridge Island currently has the highest vacancy rate (28.29%). Almost all of this is in two large buildings. Also, the 9.08% increase in the Bremerton Auto Center area is the result of the vacating of the 33,234 square foot Anheuser-Busch warehouse. Three large warehouses account for over half of the industrial vacancy in Kitsap County. There is still a demand for smaller warehouse space.

TABLE 5

KITSAP COUNTY INDUSTRIAL VACANCY SURVEY (AS OF OCTOBER 2002)				
		Industrial Space (Sq. ft.)		Percent Vacant
<i>Industrial Park</i>	<i>Area</i>	<i>Surveyed</i>	<i>Vacant</i>	
Day Road	Bainbridge	129,680	36,680	28.29%
North Kitsap	Poulsbo	342,538	11,615	3.39%
Olympic View	Port Orchard	369,384	27,384	7.41%
Auto Center Area	Bremerton	385,055	48,963	12.72%
<b>Total</b>		<b>1,226,657</b>	<b>124,642</b>	<b>10.16%</b>
<i>Source: Bradley Scott, Inc.</i>				

TABLE 6



# SCHOOL DISTRICT ENROLLMENT

Information Provided by  
 Deanna Councilor  
 Kitsap County Consolidated Housing Authority  
 email: Councilor@kccha.com

**School Enrollment Up in Three Districts/Down in Two for 2002/2003 School Year:**

The enrollment of the five school districts of Kitsap County is summarized in the table below. Enrollment increased in Central Kitsap, North Kitsap and Bainbridge Island School Districts. Bremerton and South Kitsap School Districts both experienced a decrease in enrollment over last year.

KITSAP COUNTY SCHOOL DISTRICT ENROLLMENT							
District	1996	1997	1998	1999	2000	2001	2002
Bremerton	5,979	6,157	5,991	4,862	5,922	6,450	5,807
% Change	+1.9%	+3.0%	-2.7%	-18.8%	+21.8%	+8.9%	-10%
Central Kitsap	13,547	13,643	13,606	12,841	12,872	12,546	12,733
% Change	+3.0%	+0.7%	-0.3%	-5.6%	+0.2%	-2.5%	+1.5%
North Kitsap	6,815	6,861	6,992	7,007	6,840	6,657	6,803
% Change	+5.2%	+0.7%	+0.9%	+1.2%	-2.4%	-2.7%	+2.2%
South Kitsap	11,421	11,671	11,533	10,998	11,317	10,693	10,587
% Change	+2.6%	+2.2%	-1.2%	-4.6%	+2.9%	-5.5%	-1.0%
Bainbridge Island	3,407	3,544	3,664	3,763	3,859	3,862	3,921
% Change	+6.2%	+4.0%	+3.4%	+2.7%	+2.6%	0.0%	+1.5%
Kitsap County	40,173	41,215	41,937	41,801	39,304	40,627	39,851
% Change	+0.3%	+2.6%	+1.8%	-0.3%	-6.0%	+3.4%	-1.9%

# CONSUMER PRICE INDEXES

Information obtained from  
**U.S. Bureau of Labor Statistics**  
 Web Site: <http://stats.bls.gov>

**CPI for Seattle-Tacoma-Bremerton Higher than National Urban Average:**

The Labor Department's index for tracking inflation, the consumer-price index (CPI), was 190.9 in October 2002 for the Seattle-Tacoma-Bremerton area. This is 5.3% more than the average CPI (inflation) for all U.S. Cities (CPI of 181.3).

CONSUMER PRICE INDEX ALL URBAN CONSUMERS					
U.S. City Average			Seattle-Tacoma		
Year	CPI	Annual Change %	Year	CPI	Annual Change %
1980	82.4	13.5%	1980	82.7	16.6%
1981	90.9	10.3%	1981	91.8	11.0%
1982	97.6	7.4%	1982	97.7	6.4%
1983	101.3	3.8%	1983	99.3	1.6%
1984	105.3	3.9%	1984	103.0	3.7%
1985	109.3	3.8%	1985	105.6	2.5%
1986	110.5	1.1%	1986	106.7	1.0%
1987	115.4	4.4%	1987	109.2	2.3%
1988	120.5	4.4%	1988	112.9	3.4%
1989	126.1	4.6%	1989	118.2	4.7%
1990	133.8	6.1%	1990	126.8	7.3%
1991	137.9	3.1%	1991	134.1	5.8%
1992	141.9	2.9%	1992	139.0	3.7%
1993	145.8	2.7%	1993	142.9	2.8%
1994	149.7	2.7%	1994	147.8	3.4%
1995	153.5	2.5%	1995	152.3	3.0%
1996	158.6	3.3%	1996	157.5	3.4%
1997	161.3	1.7%	1997	163.0	3.5%
1998	163.9	1.6%	1998	167.8	6.5%
1999	168.3	2.7%	1999	174.4	3.9%
2000	174.0	3.4%	2000	181.5	4.1%
2001	176.7	1.6%	2001	186.1	2.5%
Oct 2002	181.3		Oct 2002	190.9	
<i>Source: U.S. Bureau of Labor Statistics  <a href="http://www.bls.gov/eag/eag/wa_bremerton.htm">www.bls.gov/eag/eag/wa_bremerton.htm</a></i>					

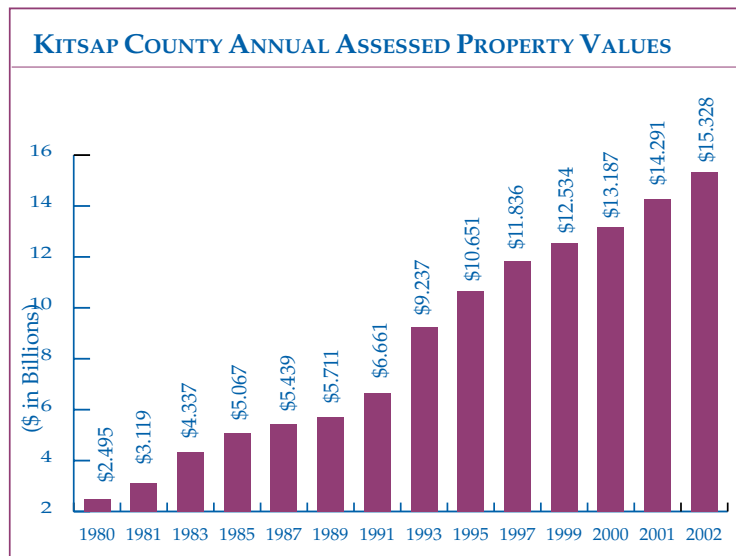
A wealth of statistics can be obtained by going to the web site for the U.S. Bureau of Labor Statistics. That web site is: <http://stats.bls.gov/>.

# ASSESSED PROPERTY VALUES

Information provided by  
**Mike Wikstrom**  
 Kitsap County Assessor's Office  
 (360) 337-7090/ fax (360) 337-4874  
 Web Site: [www.kitsapgov.com](http://www.kitsapgov.com)

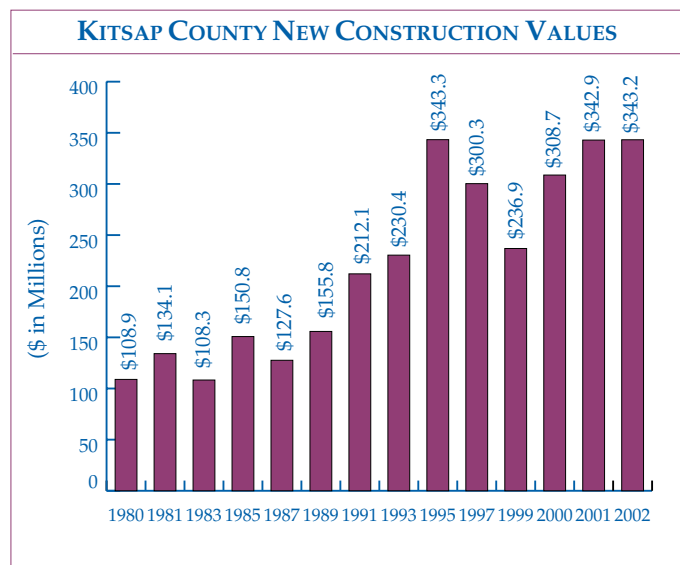
**Assessed Property Values Continue to Grow:**

The total assessed value of all properties in Kitsap County for the Assessment Year of 2002 is \$15.328 billion. This is an increase of 7.3% over Assessment Year 2001.



**New Construction Property Values Continued the Turn Around:**

The property values of New Construction in Kitsap County had been decreasing since peaking in 1994 and 1995. For the Tax Year 2002, the value of new construction is back up to that 1995 high.



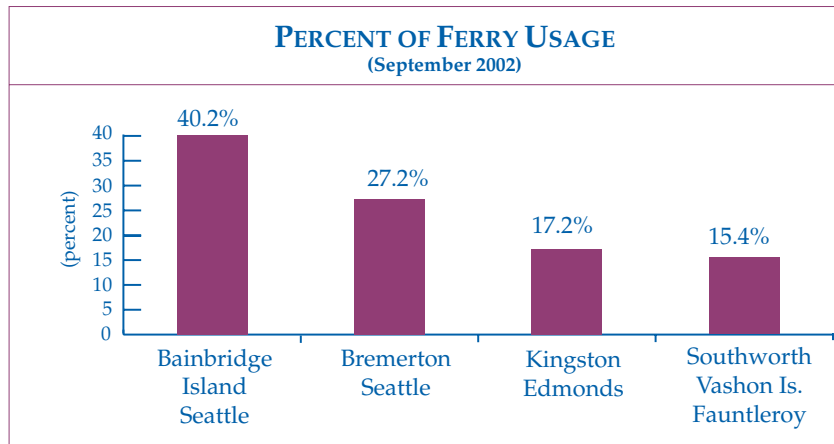
# FERRY RIDERSHIP

Information provided by  
 Marsha Walker  
**Washington State Ferries Planning Department**  
 (206) 515-3490  
 fax, (206) 515-3499

**Bainbridge Island Ferry Run is Most Used:**

Kitsap County is serviced by four major ferry runs, the Bainbridge Island-Seattle run, the Kingston-Edmonds run, the Bremerton-Seattle run and the Southworth-Vashon Island-Fauntleroy (Port Orchard-Seattle) run. The Bainbridge Island-Seattle ferry run continues to carry the most riders (see **TABLE #1**).

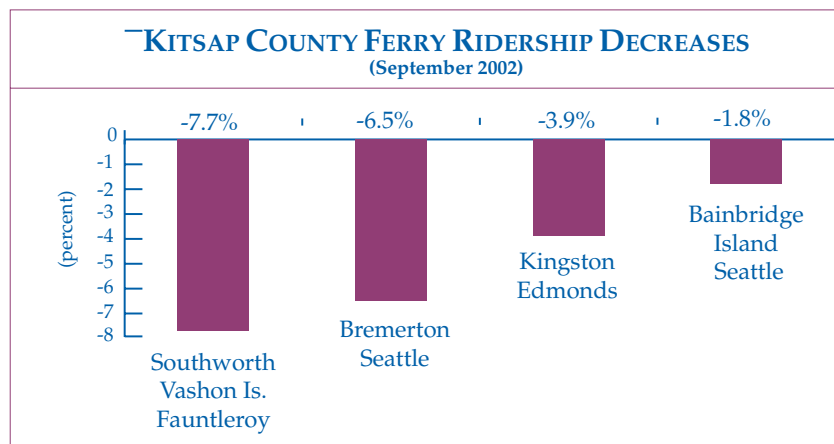
**TABLE 1**



**All Ferry Runs Lost Riders (September 2002):**

A 20-percent ferry fare increase, which occurred June 3, 2001, continues to affect the ridership statistics of all of the ferry runs to and from Kitsap County (see **TABLE #2**). Ridership for the Southworth-Vashon Island-Fauntleroy route lost the most riders. The Bainbridge Island-Seattle run fared the best.

**TABLE 2**



**More Ferry Riders During Summer Months:**

The Third Quarter 2002 (JUL 1-SEP 30) had more ferry riders than the two previous quarters of 2002 (see **TABLE #3**). However, ferry ridership for the Third Quarter of 2002 was down from the ferry ridership for the Third Quarter of 2001 in all four Kitsap County to West Sound ferry runs.

**TABLE 3**

<b>KITSAP COUNTY TOTAL FERRY RIDERSHIP</b> (IN THOUSANDS)					
	Bremerton Seattle	Kingston Edmonds	Bainbridge Island Seattle	Southworth Fauntleroy Vashon	<b>TOTAL</b>
1st Qtr 02	658.9	969.8	1,547.2	732.4	<b>3,908.3</b>
2nd Qtr 02	748.8	1,158.2	1,704.3	824.0	<b>4,435.3</b>
3rd Qtr 02	839.7	1,333.0	1,922.2	847.8	<b>4,942.7</b>

**Ferry Ridership in the 1990s Showed an Increase of 34% Over the 1980s:**

For the decade as a whole, ferry ridership in the 1990s surpassed 214 million riders in the Puget Sound area. This is a 34% increase over ferry ridership in the 1980s. Two major cross-Sound routes, Bainbridge Island-Seattle (72% increase) and Kingston-Edmonds (33% increase), experienced the greatest increases during the decade. If the current trend continues of only 17.9 million riders/year, this next decade would show only about 180 million riders total (a decrease of about 16% when compared to the 1990's). Time will tell.

