

# EXECUTIVE SUMMARY

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by  
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## Employment Up by 6,900 Jobs:

In 2003, employment in Kitsap County grew by almost 6,900, with the Department of Defense hiring not surprisingly leading the way with 5,900 new jobs. This is clearly a function of geopolitical circumstances. But as David Porter of the Economic Development Council points out in his comments concerning the County's strong business climate, it is also a reflection of the trained labor availability and a number of other factors critical to economic growth.

## Fiber Optic "Backbone":

One important aspect of recent infrastructure development in the County is the progress creating a fiber optic backbone serving all major population centers. Most of the County now has this high-speed connection and the final links are underway.

## Major Road Work:

A very visible development to drivers in the Poulsbo area has been the massive roadwork at the intersection of State Routes #3 and #305 that provide highway access to the Olhava project. The branch campus of Olympic College, which opened Winter Quarter 2004, is probably the most exciting element of the Olhava development. But, Olhava will have substantial amounts of commercial, business and residential space. The project represents a key development in Kitsap County's growth.

## Growth in Population and Housing:

There was good growth in the County's population in 2003 — a 2,300 person net increase, roughly 1% of the population base. Residential building permits issued in 2003 were 14% more than in 2002 and were higher than any year since 1996. Only a handful (75) of 2003 residential permits were for multi-family housing.

## Apartment Vacancy Rates Down From a Year Ago:

Just one year ago (March 2003), the apartment vacancy rate for Kitsap County was 9.1%. Now in March of 2004, it was down to 5.6%, which is very close to the five-year average vacancy rate of 5.0%. Not surprising, the apartment rents are up throughout Kitsap County. The average apartment rents for \$731 per month. This represents a 6% increase over rents just one year ago.

## Single-Family Home Vacancy Rates Are At a Six-Year High:

Although apartment vacancy rates are down, the vacancy rate for single-family houses and duplexes is at a six-year high. The March 2004 vacancy rate for houses and duplexes was 4.29%. This was a 6% increase over just one year ago. One reason for this is presumably the sustained very low home mortgage rates. This has made homeownership a possibility for many former single-family/duplex renters.