

## Walla Walla Trends: Q4 2018 Newsletter

### News from the Port:



#### **2018 Record Year for Business Expansion Inquiries**

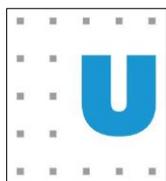
In 2018, the Port of Walla Walla received a record number of business leads looking for either expansion and/or relocation information on Walla Walla County. In any given year, it was not uncommon for the Port staff to have fielded over 20 valid business inquiries. In 2018, Port staff fielded well over 30 valid potential business leads from site selectors and/or businesses engaged in food processing, concentrated juice manufacturing, wood product manufacturing, data centers, composting & growing operation, warehouse distribution, propane distribution, metal fabrication, rail freight distribution, truck equipment business, commercial greenhouse operation, research & development, chemical manufacturing, computer blockchain operation, agriculture research & development, heavy truck maintenance facility, aquaculture farm development, seed shipping operation, 3<sup>rd</sup> party logistics company, advanced manufacturing, graphite manufacturing, grain malting operation, beverage manufacturing to battery manufacturing.

Obviously not all these business leads will call Walla Walla County home, however, it's important to understand that 2018 was strong year for private businesses looking for expansion opportunities here in Walla Walla, Washington State and the nation as a whole, and hopefully those business inquiries in 2018 will lead to positive economic development projects for 2019 that will result in the creation of new family-wage jobs, private capital investment and employment diversification.

**Paul J. Gerola, Economic Development Director, Port of Walla Walla**

### Indicators in the News:

#### **[The Urban Institute - Interactive Maps](#)**



Scuttlebutt around data is implying we have entered into a new revolution - a Data Revolution. While not completely new, the advancement in data visualizations could be, at least partially, occurring because the ability to explain data might also help explain real-world problems, or at least a providing an structured roadmap to a first or next step to making the world a better place.

We at the Community Indicators headquarters love data visualizations and enjoy sharing what we find interesting. This is partly because we know a good data visualization can do an excellent job of explaining complex data, as well as making it a little more fun too.

With data becoming more and more important to all levels of decision making, data visualizations are becoming both more and more mainstream and important.

[The Urban Institute's Interactive Map website](#) is a great compilation of interactive data visualizations that take the complex and simplifies the story. For example, most of the maps include data for every county in the U.S., or a designated boundary, such as "Commuting Zones" as offered in the Mapping America's Futures interactive map. Taking boundaries people are already familiar with (county and state boundaries, for example) and filling in the numbers of the boundaries makes the complex simpler.

A few of the mapped data visualizations titles include:

- [Mapping America's Futures](#) - shows where births, deaths, and migration is occurring by age and race across the U.S.
- [State Economic Monitor](#) - multiple indicators offered in the following categories: employment, earnings, housing, taxes, as well as offering historical data.
- [Income and Race Concentration in Public Schools](#) - showing the share of children from low-income families in public schools.
- [A New View of the Housing Boom and Bust](#) - a visualization showing every mortgage in the U.S., including both purchases and refinances, broken down by the race of the purchaser.
- [America's Public Schools Remain Highly Segregated](#) - shows the share of white kids attending majority white schools across the U.S. during the 2011-2012 school year.

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## [The Opportunity Atlas - The U.S. Census Bureau Maps the Roots of Social Mobility](#)



In recent times, we hear a lot about how much America is changing - how different we are becoming. Regardless of topic, "the where", "the what", and "the who" are the questions that every community indicator must answer. But is that just hyperbole or can differences be quantified? Let's see what the [Opportunity Atlas - Roots of Social Mobility](#) data visualization tells us.

When the City of Walla Walla is chosen as the Location, the Outcome section populates showing that approximately 72% of people who grew up in Walla Walla stay in Walla Walla as adults. However, only 22% of people who grew up in Walla Walla remain living in the same [census tract](#) as adults.

The Neighborhood Characteristics section populates showing the poverty rate (2006-2010) was 12%, 27% of the population was non-white (2010) and about 30% of families with children were led by a single-parent (2006-2010). However, these are simply the default results for Walla Walla. Changing the featured topic will also change the map showing how other jurisdictions and topics compare to the selected location and outcome.

Although some of the data on the Opportunity Atlas isn't as up-to-date as indicators on the Walla Walla Trends website, it does incorporate maps, data, and graphs that are directly comparable to other locations across the U.S.

Additionally, having data that is a little older allows for location totals that include: the nation, each state, every county in the U.S., by metropolitan statistical area (MSA), by city, and even down to the census tract level.

Other outcomes include, but are not limited to: income, incarceration rate, employment rate, spouse's income, marriage rate, poverty rate, and demographics for any location.

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## Walla Walla Trends Website New Look



The Walla Walla Trends website has been completely redesigned into a new, even more user friendly format.

The new web design will still have many of the functions you have become familiar with. For example, the the More Information and Download Data sections work exactly as the previous version.

Search is one of the newest functions available on the Walla Walla Trends website. Sitting directly above the new Hamburger Menu in the upper-right corner of the website, the Search function allows a user to type in a key word or phrase to quickly refine a search for relevant indicators.

Inside the Hamburger Menu, you will also find both familiar and new features. They include:

- **Indicators At A Glance** - a complete list of each indicator in the website with a convenient direct hyperlink to each indicator in the title.
- **Resources** - a list of helpful Walla Walla community resources separated by category.
- **In The Press** - indicators that make the news are featured here.
- **Other Sites** - a list of community indicators websites facilitated by Eastern Washington University.
- **Newsletter** - subscribe, manage your account, and view archived newsletters.
- **Blog** - a list of the most recently updated indicators on the Walla Walla Trends website.
- **Compare** - choose any two indicators from any community indicators website for a side-by-side comparison.

Community Indicator websites available in the Compare feature include: [Benton-Franklin Trends](#), [Chelan-Douglas Trends](#), [Grant County Trends](#), [Kootenai County](#), [Idaho Trends](#), [NE Washington Trends](#) [Ferry, Pend Oreille, and Stevens Counties], [Skagit County Trends](#), [Spokane County Trends](#), and [Yakima Valley Trends](#).

How can I stay involved?

- **Follow us** on social media - find links at the bottom of the open Hamburger Menu.
- **Subscribe** to our Newsletter and Blog - send an email to [srichter20@ewu.edu](mailto:srichter20@ewu.edu) with "WWT Subscribe" in the subject line
- **Send us your photos!** Do you have a high quality digital photo you would like to see on the website? Send it to [srichter20@ewu.edu](mailto:srichter20@ewu.edu) with "WWT Photo" in the subject line. We will be more than happy to add a photo credit with your name on it.

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## Indicators in Action:

### **Non-Residential Property Tax Roll - Growing Slow, but Steady** by Scott Richter & Dr. Patrick Jones

by Scott Richter & Dr. Patrick Jones

The monetary wealth of a community rests on a several legs: financial assets of individuals, intangible assets of businesses (copyrights and patents) and real or physical property. As an economy develops, we expect to see these assets growing on top of stronger and taller legs.

There are no data available at the local level

tracking

financial and intangible

assets. The value of real property;

however, is tracked by local

government for revenue

purposes. This indicator looks at all real

property

except that of

residences. Therefore, the indicator gives one measure of the assets of individuals and businesses in the county.

Property taxes are based on the appraised value of the property that are set by county or local assessors. The taxed amount is the sum of taxes imposed on property owners by all the taxing districts within a municipality. These can include, among others, fire districts, school districts, water and sewer districts, besides the general government of the municipality.

Examining the [Property Tax Roll - Non Residential Property Assessed Value per Capita](#)

indicator on the Trends website, we see that for each of the three non-residential property categories ( Manufacturing, Commercial, and Agriculture/Resource Production/Open Space), assessed values increased throughout the series (2001 - 2017). The data are expressed in per capita terms to allow comparison with the average experience of other counties throughout the state. The per capita values give a sense the average wealth in this category.

What we see isn't too surprising. Each category in both Walla Walla County and Washington

State has increased from 2001 to 2017.

But they have grown by differing rates.

More specifically during 2017, the annual non-residential property tax roll on a per capita basis in:

Walla Walla County for:

- *Manufacturing* was \$3,923, increasing from

\$3,896, or by less than 1% since 2001.

- *Commercial* was \$9,518, increasing from \$4,648, or by 105% since 2001.
- *Agriculture / Resource Production / Open Space* was \$15,493, increasing from \$9,025, or by 72% since 2001.

Washington State for:

- *Manufacturing* was \$4,118, increasing from \$2,911, or by less than 41% since 2001.
- *Commercial* was \$22,179, increasing from \$11,001, or by 102% since 2001.



- *Agriculture / Resource Production / Open Space* was \$6,956, increasing from \$5,193, or by 34% since 2001.

The majority of the non-residential tax roll in Walla Walla County is in the Agriculture/Resource Production/Open Space category, so let's break it down a little further.

Generally, these properties fall within the [Washington State Department of Revenue's land use codes 82 through 99](#). More specifically, they are: agriculture related activities and agriculture classified under "current use"; fishing activities; mining activities; marijuana grow operations; designated forest land; resource production; undeveloped land; noncommercial forest; water areas; open space land; and timberland.

According to Beth Leech, Tax Policy Specialist with the Washington State Department of Revenue (DOR), agriculture designated in "current use" has to meet very specific criteria. Aside from being primarily devoted to agriculture or livestock production, parcels of agricultural land that are:

- 20+ acres must also be enrolled in the federal conservation program.
- 5-20 acres must have produced a gross income of at least \$200 per acre, per year, for three of the past five calendar years.
- Less than 5 acres must have produced a gross income of at least \$1,500, per year, for three of the past five calendar years.

Leech says "The vast majority of agricultural land in the state is in the current use program – 89.8% for taxes due in 2018."

While not a part of the Trends site, historical data from the data source for this indicator, the DOR, offer insights through the agency's [property tax statistical reports](#) website.

Information for both 2007 and 2016 allows us to take a quick look back at the most recent 10-year span to see how both the number and locally assessed values of non-residential of properties in Walla Walla County have changed.

In Walla Walla County during 2016, the number of taxable non-residential parcels designated as:

*Manufacturing:*

- Amounted to 100 parcels, decreasing from 111, or by 10% since 2007; and
- Were assessed at a value of \$259.8 million, increasing from \$220.4 million, or by 18% since 2007.

*Commercial:*

- Amounted to 968 parcels, decreasing from 1,498, or by 35% since 2007; and
- Were assessed at a value of \$619.9 million, increasing from \$440.9 million, or by 41% since 2007.

*Agriculture / Resource Production / Open Space:*

- Amounted to 9,000 parcels, increasing from 8,435 or by 7% since 2007; and
- Were assessed at a value of \$805.3 million, increasing from \$636.2 million, or by 27% since 2007.

Essentially, there are fewer manufacturing and commercial parcels, but total assessed values for both categories have increased. The number of Agriculture/Resource Production/Open Space parcels has also increased, as have their total locally assessed values.

With the non-residential property tax roll increasing in all three categories throughout this series, as well as the total assessed value increasing, growth in the value of these parcels is contributing to the tax base of Walla Walla. Additionally, total non-residential property tax roll is following a similar trend line with the state, making it likely that the county is on a solid foundation to continue growing at a sustainable rate into the future.

## Daily Traffic Counts In and Out of the City of Walla Walla Have Been

**Increasing** by Scott Richter & Dr. Patrick Jones

The movement of vehicles all along the U.S. road system measures the movement of people and commerce. Transportation officials have been counting traffic flows for a long time.

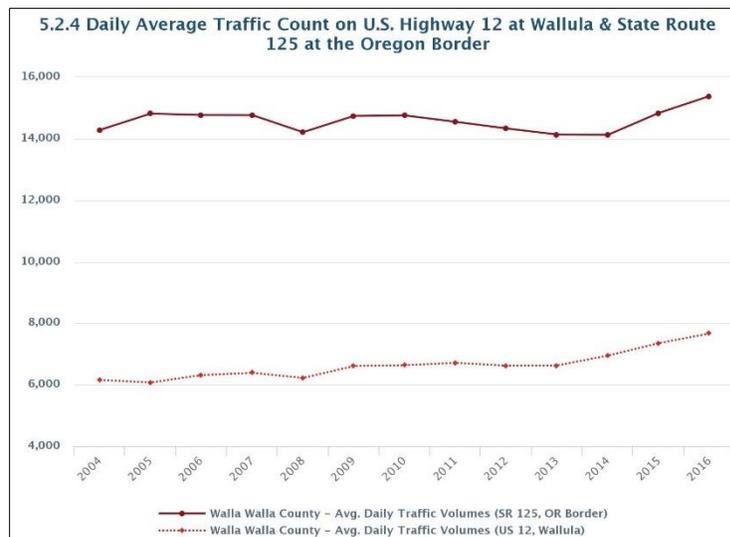
While the number of vehicles traveling on a particular roadway is interesting enough at face value, most, if not all, roadway construction projects or improvements across the country are justified by traffic volume. Vehicle counts along a stretch of

roadway are automated by using permanently placed volume-speed-classification traffic recorders. These recorders count traffic in all lanes of a roadway, traffic flowing in both directions,

speed, and vehicle classification. [Vehicle classifications are](#): passenger vehicles, light-duty vehicles, and heavy-duty vehicles.

The data are not just about traffic volume. An increasing number of vehicles traveling on a roadway can decrease the estimated life of the roadway. A decreasing average vehicle speed might also indicate traffic issues. Even if the volume of standard vehicles remains constant while heavy vehicle usage increases, a roadway might also deteriorate faster than originally estimated. These are all things traffic volume-speed-classification recorders can tell us. This data can also help predict future traffic volume.

During 2017 in Washington State, there were ninety-seven permanently placed traffic volume recorders. Six of these were actually located in Oregon, just across the border between both states. Since traffic recorders count vehicles flowing in both directions, the Washington State Department of Transportation (WSDOT) is able to use data from recorders located in Oregon. Twenty-four are Weigh In Motion (WIM), and in addition to measuring volume, speed, and vehicle classification, WIM recorders also measure the total weight (vehicle + contents) of a vehicle. [Click here](#) to see a location map of permanently placed traffic



volume-speed-classification recorders in Washington State (see: page 10).

Looking at the [Daily Average Traffic Count on U.S. Highway 12 at Wallula & on State Route 125 at the Oregon Border](#) indicator on the Trends website,

traffic volume is measured at two different places.

[The first](#), on U.S. Highway 12, is located on the Wallula Spur just east of the junction with U.S. Highway 730 at milepost 307.9. WSDOT refers to this recorder as "R008". R008 is the only permanently placed traffic volume-speed-classification recorder inside Walla Walla County and does not have WIM capabilities. According to WSDOT:

*This stretch of roadway "is an important freight and recreation route within Washington. The corridor moves high volumes of freight from Burbank to Walla Walla [and]*

*recreational travelers heavily use the corridor, accessing attractions such as the Columbia and Snake rivers, the Blue Mountains, and the Umatilla National Forest. The corridor links with SR 125, SR 261, SR 127, SR 128, and SR 124 that serves as an alternative to US 12.”*

[The second](#), on S.R. 125 is located just across the border in Oregon. This recorder counts traffic volume between the City of Walla Walla and the Oregon border. According to WSDOT:

*“This seven-mile long north-south corridor travels between the US Route 12 junction in Walla Walla and the Oregon state line. The corridor includes a three-quarter mile spur, also known as Pine Street, which runs between 9th Avenue and Myra Road. The corridor passes through the cities of College Place and Walla Walla. The northern portion of the corridor, including the spur, lies within Walla Walla and is primarily urban in character with commercial, residential, and light industrial land uses. The corridor’s character between the outskirts of Walla Walla and*

*Oregon is predominantly suburban and rural with residential and agricultural land uses.”*

During 2016, the annual daily average traffic count on:

- U.S. 12 at Wallula was 7,664 vehicles, increasing from 6,154, or by 25% since 2004.
- S.R. 125 at the Oregon Border was 15,377 vehicles, increasing from 14,276, or by 8% since 2004.

The results might be a little surprising. In other words, traffic volume on S.R. 125 on the Oregon border, which is the best measurement available for traffic volume between the City of Walla Walla and the Oregon border, has more than double the traffic volume that is occurring on U.S. Highway 12 at Wallula, which is the best measurement available for traffic volume between the City of Walla Walla and the Tri-Cities. While at least two large Walla Walla factories are located Wallula, the traffic counter on U.S. 12 points to much of the commuting traffic to those firms coming from north of the counter, that is, the Tri Cities. The relatively high traffic count at the Oregon border reveals the interconnection of Walla Walla/College Place and the town immediately to the south.

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**Walla Walla Metro Area: Connecting More Households to the Internet and Creating More Opportunities** by Brian Kennedy & Dr. Patrick Jones

Many claim that the internet is the greatest invention of modern times. It has revolutionized everyday life, from ordering groceries online to simply interacting with distant relatives through voice and video calls, to getting most of the daily news. It’s hard to imagine life without it

once you have had it. With the rise of online shopping giants and the shift to businesses using the internet to connect with customers, the importance of having households connected to the internet cannot be understated.

In addition to the business benefit, an understanding of how many people are connected to the internet tells much about community development. So how is Walla Walla

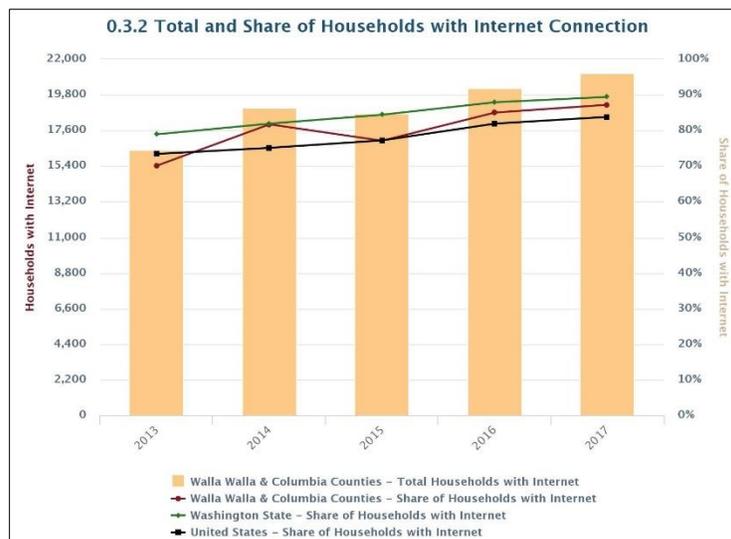
doing compared to the State, nation, and surrounding communities? [Indicator 0.3.2](#) tracks just that and gives insight to these relationships.

In terms of the share of households connected to the internet, the Walla Walla metro area (comprised of Walla Walla and Columbia Counties) has been growing at a very fast rate the last five years. With nearly 5,000 households adding connections since 2013 and growing at a compound annual rate of 4.5%, the community has surpassed the U.S. rate, now sitting three percentage points higher. This is quite a shift from the start of the measure when Walla Walla lagged the U.S. by three percentage points. This rapid growth puts the share of households in the Walla Walla metro area at 87.2%, trailing the State by just two percentage points, a gap that was nearly 10% in 2013. In all, community connections to the internet are 21,153 out of the 24,256 total households in the two counties.

A divide between the state and the local community is understandable given that the Walla Walla metro area is the smallest (in terms of population) and one of the more rural metros in the state. A state whose averages are largely driven by a west side that houses many global tech giants like Amazon and Microsoft is sure to have high internet connectivity rates. Given this, a better metric of comparison could be the other rural metros in east of the Cascades. So how does Walla Walla fare against

the likes of a metro area like Wenatchee or the Tri-Cities? As it turns out, quite well.

There are four metro areas in Eastern Washington: Wenatchee (comprised of Chelan and Douglas Counties), Yakima (comprised of just Yakima County), the Tri-Cities (comprised of Benton and Franklin County) and Spokane (comprised of Spokane, Pend Oreille, and Stevens Counties). Compared to all these metro areas, Walla Walla “out-connects” all of them. The Spokane metro area is Walla Walla’s closest competitor sitting at 87.1%. While this is a tenth of a percentage point behind Walla Walla, after taking the margins of error into account there is



no statistically significant difference between the two, despite Spokane’s considerably more urban composition. Walla Walla outperforms the Wenatchee area (lowest connected Eastern Washington metro at 82.8%) by nearly five percentage

points with the Tri-Cities and Yakima metros falling in the middle of the pack.

Recently the [U.S. Census](#) published an article stating that nationwide “households in rural counties trail the national average by 13 points.” The above data are based on the U.S. Census’s one year estimates, but there are enough data to provide estimates for the smaller populations and more rural counties using five year estimates. Given this, does Walla Walla County follow the national average and outperform the surrounding rural counties in Eastern Washington by 13 percentage points?

The national relationship doesn't seem to hold here. Walla Walla County's 5-year estimate for households with internet sits at 80%. While Walla Walla County does outperform its surrounding rural neighboring counties, it doesn't do so by 13 percentage points in most cases. Among Adams, Asotin, Columbia, and Garfield Counties, share of connected households in Walla Walla County lies slightly higher than its closest rival, Asotin County (78%). The shares of the rest fall between 73% (Garfield) and 76% (Columbia), with the exception of Adams County. Here, the national divide between urban and rural divide holds true. Walla Walla separates itself from Adams County by 16 percentage points, as Adams only connects about 64% of their households to the internet. As the data reveal, households in Washington Counties on a whole are more connected to the internet regardless if they are living in an urban or rural community.

However, these estimates are not above question and there might still be some disparities among rural and urban communities. Those who remember what it was like tying up a phone line, taking upwards to five minutes to connect to the internet and sometimes longer to load webpages, understand the difference between high speed broadband and dialup or worse. The [Seattle Times](#) recently cites a study conducted by Microsoft that concludes there is more of an internet gap between rural and urban centers than claimed by government statistics.

In their study, the company claims that in Ferry County, the Federal Communications Commission estimates that everybody in the county has access to broadband internet. Microsoft contests that claim, citing that outside of the county seat in Republic there is little access to broadband. In the article, the mayor states that "people routinely drive into town to use Wi-Fi in the public library and other

spots for software updates, online shopping, or schoolwork." In Ferry County, Microsoft estimates that only about 2% of the population uses broadband services. According Patrick Reay, Executive Director of the Port of Walla Walla, the community has been able to narrow the gap between the rural and urban households in part by the local providers. He states that "yes, there are still rural parts of our county that have limited or no access, although this is becoming less and less of a problem with the various providers that provide service via airway technologies rather than hardline."

[Indicator 0.3.3](#) shows the breakdown of households with internet by type for Walla Walla, the State, and the U.S. Using household survey data, we can get a glimpse into estimates of internet usage by type. In 2017, the Walla Walla metro area was estimated to have 89.7% of the households with internet connection using broadband, versus 10% accessing the internet through cell phone and less than a percent through dialup. The indicator shows that Walla Walla doesn't stray much the U.S. and Washington benchmarks. As a result, roughly 19,000 households of the total 24,256 households, or 78%, are connecting to the internet via broadband, leaving over a fifth of the households falling behind these technological shifts.

Walla Walla falls in the upper tier of communities when it comes to the share of households connecting to the internet. Paul Gerola, Economic Development Director of the Port of Walla Walla, attributes this in part to the high level of government employees and to the three colleges located in the community. This is certainly echoed in the data as well. According to the [Quarterly Census of Wages](#), healthcare, educational services, and government workers account for 40% of those employed in Walla Walla. The presence of a large number of workers in these three sectors helps drive up

internet usage at home since many can work from home.

Understanding that the internet can harbor great things in today's age is a given. However, getting access to quality internet is less certain, especially for those living in rural communities. And while Walla Walla might be defined as an urban county, it is one of the smallest and most rural urban counties in the state. Still, when it

comes to connecting users to their favorite game, online retailer, or their parents who may live halfway around the world, Walla Walla residents seem to be out-connecting their counterparts in Eastern Washington. The benefits and opportunities arising of such connections are hard to quantify, but in the push towards a more technologically driven society, Walla Walla has a good foundation.

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### **Wages: What's Happening in the Largest Employing Sector and What's Driving the Divergence in the Retail Sector?** By Brian Kennedy & Dr. Patrick Jones

The top five employing sectors in Walla Walla account for just over 70% of all employment in the county. With more than two out of every three employed in these sectors, overall wage growth is largely driven by these industries. According to [indicator 1.1.4](#), Walla Walla County's overall average annual wage was \$42,998 in 2017. It has increased by a compound average annual growth rate of 2.9% since 1997 where it sat at \$23,644. The overall average annual wage is an important barometer of how income is growing over time, as it counts for the bulk total personal income. It can be pushed upward when more people are employed in higher wage sectors. Average annual measure tells us a lot about income growth but doesn't tell us about which sectors are the driving force behind this growth.

Enter [indicator 1.1.5](#), the average annual wage of the top five employing sectors in the county. The top five employing sectors in Walla Walla County are (in order of magnitude, data of which can be found on [indicator 1.3.5](#)): government employing 20.4% of the total workers, health care and social assistance at 16%, agriculture at 12.9%, manufacturing at

13.7%, and retail trade rounding out the top five with 8.1%.

There are at least two interesting stories happening around wages in the County's top five employing sectors. One comes from the government sector and the other from retail. The large health care and social assistance sectors display little variation between the state and the county, with the county lagging the state by roughly \$3,000 throughout the 16 year trend. Similarly, manufacturing in Walla Walla doesn't diverge much from the state's primarily west side aerospace-dominated manufacturing sector. While it is evident they are separated by a much larger absolute value, the county and the state share a similar compound annual growth rate throughout the period, with Walla Walla growing about 2.7% per year and the State growing by 2.6%. Therefore, the sectors of real interest lie within the government and retail sectors.

Not only is government Walla Walla County's largest employing sector, it is the highest paying sector as well. In 2017 the average annual wage for a government worker in the county was \$53,707, roughly \$11,000 more than the overall average annual wage. Data taken from the [Quarterly Census of Wages](#), (QCEW) reveal that even within the sector the average wage can fluctuate substantially. Federal government workers in the county showed an average wage

of \$70,782 in 2017, whereas local government workers sat at just \$43,496., Wages of Washington state employees rested in the middle, at \$54,642. Of the over 5,585 total government jobs in Walla Walla County, 44% of those were found in the local government, which in part accounts for the lagging wages compared to the state.

Ajsa Suljic, Washington State Regional Labor Economist for the Walla Walla area, notes that “changes in employment impact overall payrolls, leading to changes in the average annual wage for government employees.” Overall government employment went through boom and bust cycles quite different than the

state overall: Walla Walla showed the largest employment growth in 2007 and 2008 for government workers yet sharp declines in 2011 and 2012. These coincide with rises in and falls in the gap of the average annual wage compared to the

state. From 2007 to 2009, wages in Walla Walla County nearly matched the state average, separated by under of \$1,000. As employment started to fall starting in 2011 and 2012 wages stay stagnant throughout 2014 and the gap between the state widened to \$7,000 at the peak. However, there is some relief in the offing: Suljic noted that recent data show a trend in government employment starting to tick upward.

Now, let’s shift attention to the smallest of the top five sectors and the sector with the lowest average annual wage, retail trade. Retail trade

employs 8.1% of the workforce in 2017 and yields an average annual wage roughly \$16,000 lower than the overall average annual wage. At a little over \$23,000 in 2017, the sector substantially lags the state, which sits at \$52,545.

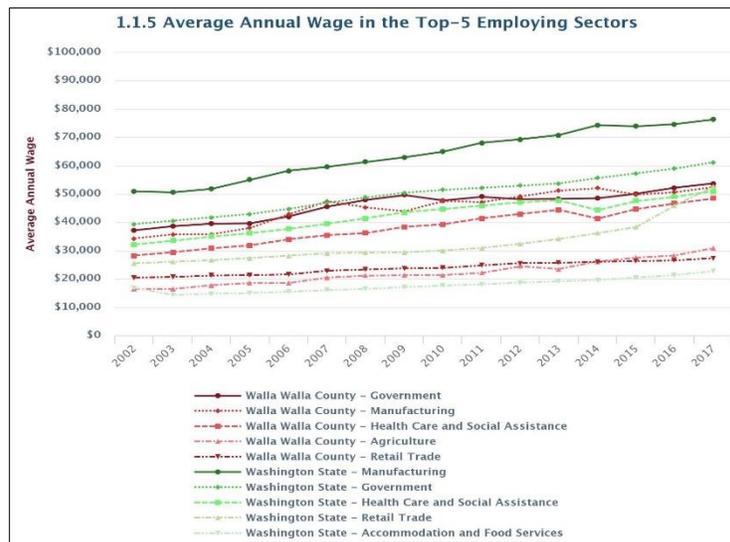
However, this divergence is a recent development. From 2002 to 2012, county and the state average annual wages ran parallel to each other. While there was still roughly a \$5,000-\$7,000 wage gap, their compound annual growth rates were largely the same, the state at 2.2% and the county at 2%. Beginning in 2015, however, a noticeable shift can be observed in the state. Retail wages climbed by

nearly \$15,000 in three years, an annual growth rate of 11.1%. Over this same period, wages in the county stayed relatively stagnant, growing just over \$1,000, or 1.3% per year.

According to Suljic, this is largely a result of the

passage of minimum wage initiatives on the west side. Seattle, Sea-Tac, and Tacoma all moved to increase the minimum wage starting in 2014. The retail sector in King County alone employs 39.6% of the entire retail sector across the state. With King County representing such a large portion of the state retail sector, it is easy to see how its minimum wage increases can dramatically shift what is happening with the state wages.

Another contributor to this high growth in retail wages can be explained through the Amazon effect. Looking at the QCEW data, in 2014 statewide non-store retailers accounted for just



5.2% of the employment and by 2017 this grew to 13.5%. This is a compound annual growth rate of 24% whereas the retail sector as a whole only grew by 2%. Walla Walla County hasn't seen that kind of growth, non-store retailers still only make up 2.8% of all of retail. With an average annual wage of \$39,508 in the County and over \$170,000 in the State it's clear that the growth in employment of Amazon, and similar ecommerce firms, are driving up wages in the retail sector statewide.

While Walla Walla County is falling behind the State benchmark in terms of wages there is

hope. Suljic mentions that "the county is emerging from slow economic growth, but emphasis on current industry support is critical. Existing industries that have higher average annual wages usually have a lot of room to grow. How to expand these industries through recruitment of new business, fostering an entrepreneurial environment or supporting expansions are opportunities for community to work together. Walla Walla community has high potential to expand and increase high paying industry employment base, as some of the work is already in progress."