

Chapter 3 – Economy

Introduction

This chapter describes various factors affecting the economy of the Greater Hansville Area (GHA), including income sources and amounts, businesses within the study area, employment of local residents outside the area, unemployment rates, historical economic base of the GHA, and the pros and cons of business development within the GHA. Much of the data used for this report comes from the 1990 and 2000 census results for the Hansville zip code area 98340 and can be found in the Supplemental Data of this profile.



KEY FACTS

- Median household income in the GHA (\$58,646) is 25% higher than that of Kitsap County (\$46,840).
- The average household has multiple sources of income from wages and salaries, self-employment, interest and dividend, Social Security, retirement funds, etc.
- Business activity has increased since 1990, and today at least 66 businesses in the local telephone book claim the GHA as a location; a significant number of non-listed businesses (such as consultancies, software development, etc.) are probably also located here, but this number is difficult to estimate.
- Unemployment is very low – typically half the rate of the county. Forty three percent of male residents and 64% of females are not part of the labor force.

KEY TRENDS

- The median income increased by 60% between 1990 and 2000 compared to 46% countywide.
- The number of households reporting wage or salary income remained the same between 1990 and 2000, and there was actually a decrease in the number claiming income from self-employment.

FOOD FOR THOUGHT

- What is the impact of the significant increase in local businesses involved in construction?
- With limited opportunity for significant expansion of “downtown” Hansville businesses due to zoning and land-use restrictions, what does the community want to see happen in that area?
- If future growth of local businesses (e.g., home-based businesses) depends on a healthy telecommunication infrastructure, how can the community ensure adequate service?

Where Have We Been?

Income Distribution

One part of the economic assessment of the GHA is the income distribution of the populace. Data set P080 of the Data Supplement to this profile shows the household income distribution of the GHA

and Kitsap County in 1990. The bulk of the income fell between \$25,000 and \$75,000, with roughly equal numbers of earners in the three brackets – \$25,000-35,000, \$35,000-\$50,000, and \$50,000-\$75,000. Per-capita income was \$22,055, and median household income was \$36,494. Data set P080 also

shows the numbers for Kitsap County, which are generally similar but reflect a lower base level, with median household income of \$32,043 and per-capita income of \$14,311. Data set P086 (Age of Householder by Household Income) shows the number of households in various income brackets as a function of the age of the householder. These numbers show a definite pattern: With each succeeding decade of age there was roughly a \$10,000 increase in income until it plateaued in the 50s and then began to decrease as shown in Table 1.

Age Bracket	Peak Income
25 to 35	\$25,000 to \$35,000
35 to 45	\$35,000 to \$50,000
45 to 55	\$50,000
55 to 65	\$50,000
65+	\$35,000 to \$50,000

Data sets P090-P097 show the sources of income for GHA residents in 1990. Of the 593 households:

- 377 reported wage or salary income.
- 97 had non-farm self-employment income.
- 8 had farm self-employment income.
- 380 had interest, dividend or net rental income.
- 218 had Social Security income.
- 7 had public assistance income.
- 179 had retirement income.
- 31 had income from some other source.

Although not tabulated by the census, these numbers indicate that, on the average, most households had between two and three sources of income.

Businesses in the GHA

A chapter of the Hansville Chamber of Commerce was formed in the early 1990s, but disbanded after conducting some preliminary

community planning activities. Businesses in downtown Hansville included the Hansville Grocery and Provision Co., Hansville Realty, Hansville Repair and the Big Maple Tree Farm nearby on Buck Lake Road. Numerous small businesses also were operated from homes and farms throughout Hansville. Following is a list of businesses in operation at that time.

Construction and Landscaping: Crabtree Drilling, Forbes Enterprises, Idlenot Landscaping, Jerry’s Masonry, Unique Landscaping

Organizations: Driftwood Key Community Club, Hansville Water District

Retail/Sales: Hansville Grocery and Provisions Co., Martha’s Yarn Shop, Sound Interiors

Resorts and Restaurants: Captains Landing, Point No Point Resort

Services: All Around Plumbing, At Your Service, Dave’s TV Repair, Dick and Jane’s Upholstery, Erv’s Boat Shop, Hansville Repair, Karen’s Hair Styling, Mac’s Refrigeration, Norwegian Point Inboard/Outboard Repair, TV-VCR & Satellite Servicing

Other: Hansville Realty, ID Embroidery, The Laserworks, RC Quality Delivery Service, Rich Art, Skunk Bay Co.

Unemployment Rate Was Low

Employment information, including type of employment by occupation and industry, is discussed at length in the Demographics chapter.

The Supplemental Data to this profile includes detailed data about GHA

unemployment rates in 1990. The unemployment rate was 2% in 1990, far below the county rate of 6%. Table 2 shows key employment figures.

Where We Are Now

Of the members of the GHA community that are employed, most must seek work outside the community. In this sense the GHA is dependent on the economies of surrounding communities. For those who commute, the primary regions of employment are Kitsap, King, and Pierce counties, with a few workers going in the other direction to Jefferson and Clallam counties.

Household income values for 2000 are shown in the Supplemental Data to this profile. Data set P52 shows very similar distributions for the GHA and Kitsap County, except that the number of households earning \$25,000 to \$30,000 in the GHA is almost twice that of the adjacent brackets – probably because there are two wage earners in these households.

The numbers are actually relatively constant across the spectrum of incomes when we take into account that the two categories with the largest numbers span two and three times the range of the other brackets in the tables. Median household income increased to \$58,646 in the GHA between 1990 and 2000, compared to \$46,840 in Kitsap County.

Data set P56 shows median incomes by age of householder. There may be a two-income factor in the 25-35 and 35-45 age brackets. There is a lessening from 45-55, probably reflecting a return to single wage-earner status, and an increase again in the 55-65, reflecting the higher salary at the end of a career.

Data sets P59-P66 show sources of income

Employment Table 2			
In the Armed Forces	Unemployed	Employed	Not in Labor Force
Number of Males			
7	7	341	203
Number of Females			
0	6	222	350

for the GHA and Kitsap County. Of the 821 households:

- 518 had wage or salary income (303 did not).
- 66 had self-employment income (735 did not).
- 462 had interest, dividend or net rental income (359 did not).
- 287 had Social Security income (534 did not).
- 36 had Supplemental Security Income.
- 271 had retirement income.
- 135 had other sources of income.

The average household had between one and two sources of income.

The number of businesses in the GHA increased to more than 66 by 2000. Following is a list of businesses based on a survey of telephone listings for the local area. (Starred entries indicate businesses that existed in 1990).

Agricultural: Foulweather Farm, Greenwoodes Farm, Labyrinth Hill

Construction and Landscaping: American Tree Service, Arborview Construction, Aspen Trucking and Excavating, Barbara Schmidt Landscape Design Inc., Beaver Pond Stump Grinding, Brockman Builders, Crabtree Drilling Co.*, Design Lighting & More, Design NW Inc, Duck Blind, Forbes Homes*, Hansville Hardwood Flooring, Idlenot Landscaping*, Island Homes Construction Inc., Jerry's Masonry Inc.*, La Maison Design

and Construction, McClain Landscape Services, Nail Construction, North Kitsap Roofing, Patrick Leuner Landscape Design, Whitworth Excavating, Windjammer Construction, Y & R Stump Grinding, Yardworks Landscaping & Maintenance

Organizations: Driftwood Key Club*, Shore Woods Community Club

Resorts: Point No Point Resort*, The Guest House at Twin Spits

Retail/Sales: Creature Comforts, Hansville Grocery & Provision Co.*, R/M Sales & Marketing, Treasures In Time

Services: A & M Windshields, ABE Computer Consultants, Allen’s Law ESP, Brian's Electric, D & W Enterprises, Erv’s Boat Shop*, For Morward, G O Inc, Group Insurance Brokerage, Inc., Hansville Auto Repair*, Karen’s Hairstyling*, Lacasse Services, Mannatech Associates, The Massage Clinic, No Point Records, Pete’s Repair Service, The Pressroom, Steamway Carpet Cleaning, Steve’s Refinishing & Repair, Valeo Consulting Group, Wolf, JD ND

Other: Big Maple Tree Farm, Cedar Mood Studio, Danco Industries, Hansville Realty*, Interstate Emblems, Liffall Inc., Lindahl Designs, Northwest Course for A Course in

In the Armed Forces	Unemployed	Employed	Not in Labor Force
Number of Males			
29	15	383	324
Number of Females			
0	7	283	514

Miracles, Quantum Health Quest, Quitting Business Inc., Road Trip Transport, Tsimshian Eagle

This list omits businesses that do not have a local listing, such as software consultancies, editorial work, etc. It is hard to estimate the number of businesses in the GHA’s “hidden economy,” but given the high level of educational attainment and the omnipresence of DSL and high-speed cable (see Telecommunications chapter), the number is probably significant.

The Supplemental Data for the profile shows employment status as determined by the 2000 census. Of the population of 1,555 residents over age 16, there were 751 males and 804 females; 427 of the men and 290 of the women were in the labor force. Of the 389 civilian employees, 383 were employed while 15 were unemployed. Only 3% of the people in the labor force that wished to be employed were unemployed. Table 3 shows key employment figures for 2000.

Trends

The median household income increased by 60% between 1990 and 2000 within the GHA, compared to 46% in Kitsap County. In 1990, 64% of households reported wage or salary income, compared to 63% in 2000. Sixteen percent had non-farm self-employment income in 1990 versus 8% in 2000 – a surprising result considering the increased opportunities for self-employment in 2000.

In 1990, 64% reported income from interest and/or dividends, compared to 56% in 2000. Thirty seven percent reported income from Social Security in 1990 versus 35% in 2000. Thirty percent of the households in 1990 reported retirement income, compared to 33% in 2000. Only 1% reported public assistance income in 1990, compared to 4% in 2000. Aside from the surprising decrease in self-

employment in the intervening decade, the numbers are quite stable. The average number of sources of income actually decreased during this period from about 2.3 to 1.7.

The 1990 census shows that 31% of available males and 20% of females over 16 years old were employed, compared to 27% of males and 19% of females in 2000. This indicates there was little or no shift in the percentage of occupation of the labor force. Slightly less than one-third of eligible workers in the GHA are employed. For Kitsap County in 2000, 38% of eligible men and 25% of eligible women were employed – a higher percentage than in the GHA. This is probably because the GHA has a higher rate of retirees than the county.

The number of GHA business listings in the

telephone book increased significantly from 1990 to 2000, showing a shift in both the number and type of businesses. In 1990 there was only one construction firm listed, in 2000 there were eight, and 15 ancillary businesses in such areas as landscaping, excavation, etc.

One factor limiting the expansion of certain types of businesses in the GHA is the lack of buildable space zoned commercial in downtown Hansville due to the presence of wetlands. Most new business would have to be established on the owner's land, which would be subject to county zoning and land-use regulations (see the Land Use chapter). It is also not clear that expansion of business activities is desirable for the GHA – part of the answer to this question must come from the residents through this very Futures process.

Sources of Information

1. 1990 and 2000 US Census – See Supplemental Data for the profile from this source.
2. 1990 and 2005 CenturyTel telephone book for Kingston and surrounding communities.