

Workforce Housing A Local Perspective

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Issues of Workforce Housing

A Local Perspective

“Some workers can only find affordable housing by living far from their jobs and enduring long commutes—which does not make for a happy workforce. Availability of affordable housing within a reasonable commuting distance is a key factor for business location decisions.”

Source: Fannie Mae Foundation –Twin Cities Workforce Housing Document

*“Every day **1,500** new homes rise along the U.S. coastline. More than half the nation's population now lives in coastal counties, which amount to only 17 percent of the land in the lower 48. In 2003 coastal watersheds generated over six trillion dollars, more than half the national economy, making them among our most valuable assets”*

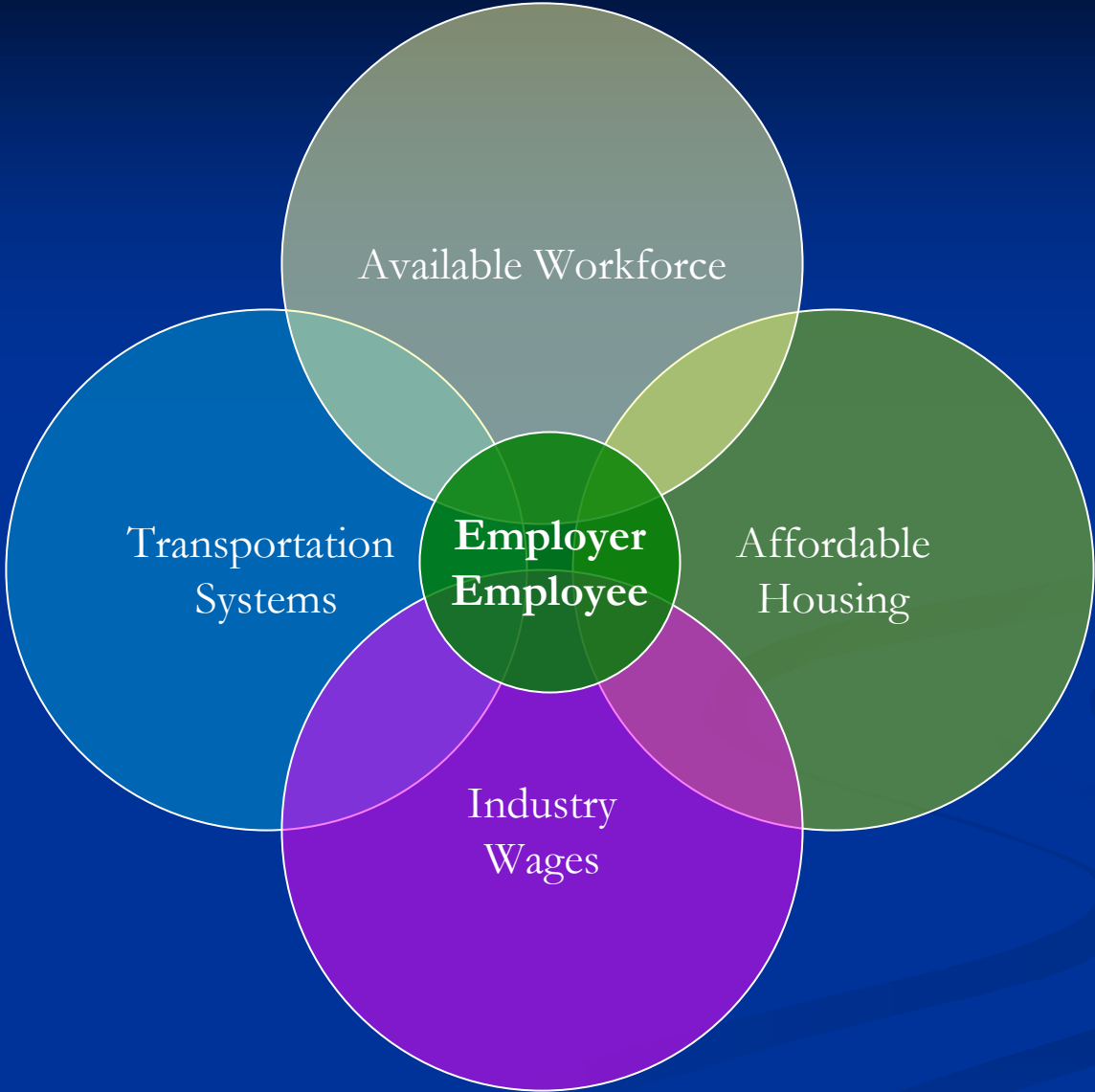
Source: National Geographic Magazine



Prior Solutions To Workforce Housing - Houses were built as closely together as possible. A lot of people needed houses and everyone had to live close enough to walk to work.

Source: <http://www.jaha.org/>

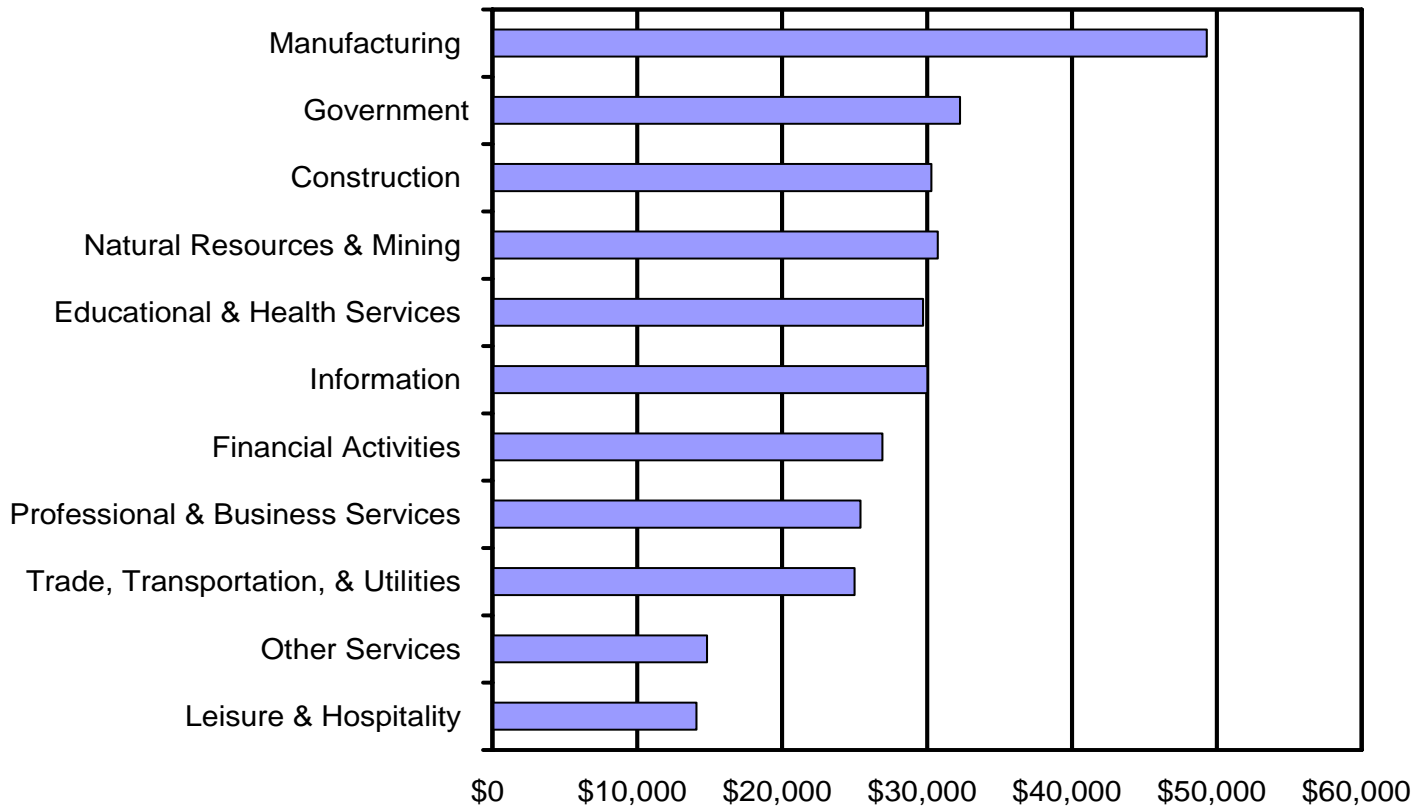
Inter-Connecting Economic & Social Systems



State of Oregon - Region 1

Clatsop, Columbia, Tillamook Counties

2004 Clatsop County Average Covered Wage



Source: Oregon Employment Department

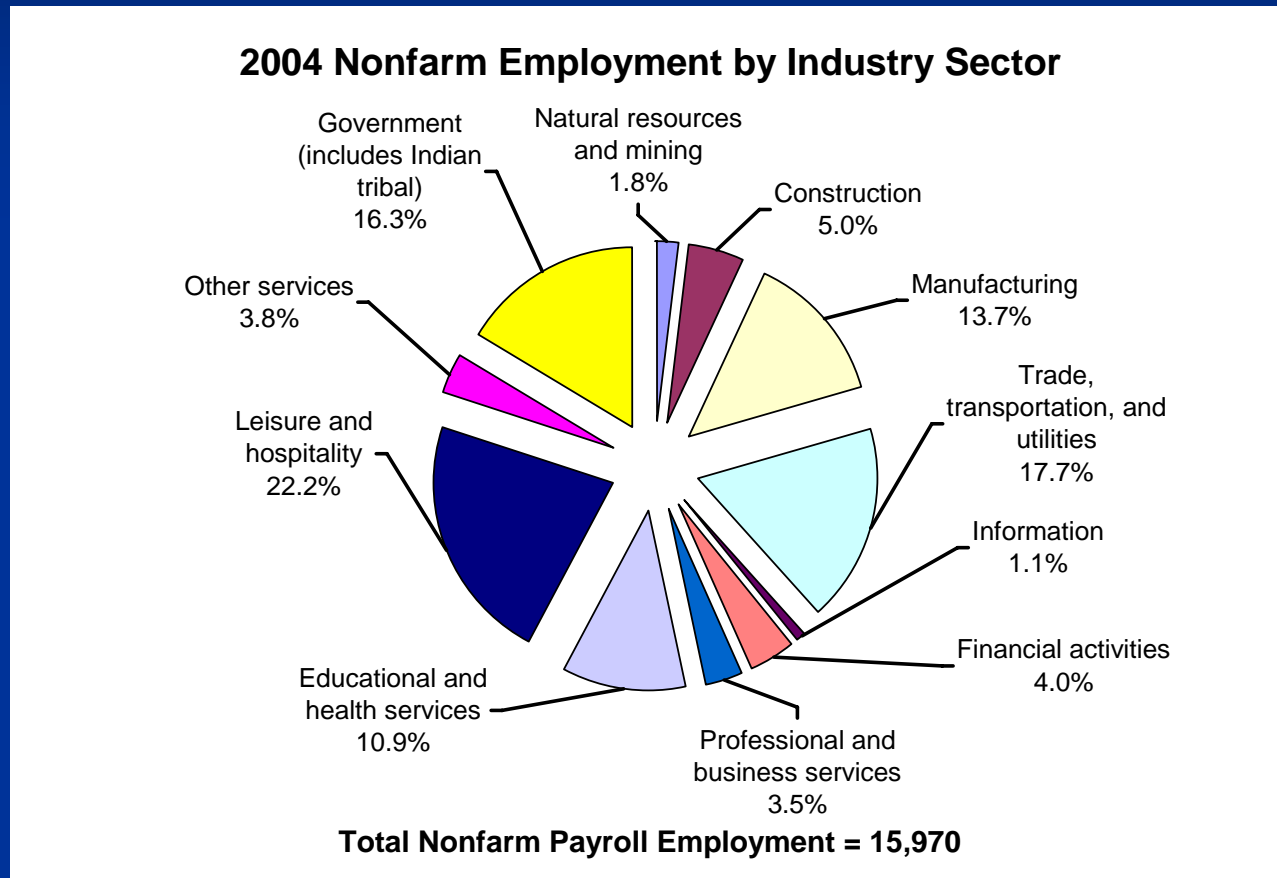
Future Employment Trends

Top Performing Private Industries

	2004	2014	Change	Percent Change
Industries With the Most Jobs*				
Food services and drinking places	2,242	2,718	476	21.2%
Accommodation	1,066	1,278	212	19.9%
Food and beverage stores	477	543	66	13.8%
General merchandise stores	470	564	94	20.0%
Social assistance	456	536	80	17.5%
Industries Adding the Most Jobs*, 2004-2014				
Food services and drinking places	2,242	2,718	476	21.2%
Accommodation	1,066	1,278	212	19.9%
Building material and garden supply stores	161	294	133	82.6%
Ambulatory health care services	363	465	102	28.1%
Nursing and residential care facilities	257	357	100	38.9%
Industries Growing the Fastest*, 2004-2014				
Building material and garden supply stores	161	294	133	82.6%
Nursing and residential care facilities	257	357	100	38.9%
Administrative and support services	241	312	71	29.5%
Ambulatory health care services	363	465	102	28.1%
Machinery manufacturing	171	217	46	26.9%
*Limited to industries with a minimum 2004 employment of 30 and that satisfy Employment Department confidentiality criteria.				

Source: Oregon Employment Department

Employment Sector Breakdown - 2004



Source: Oregon Employment Department

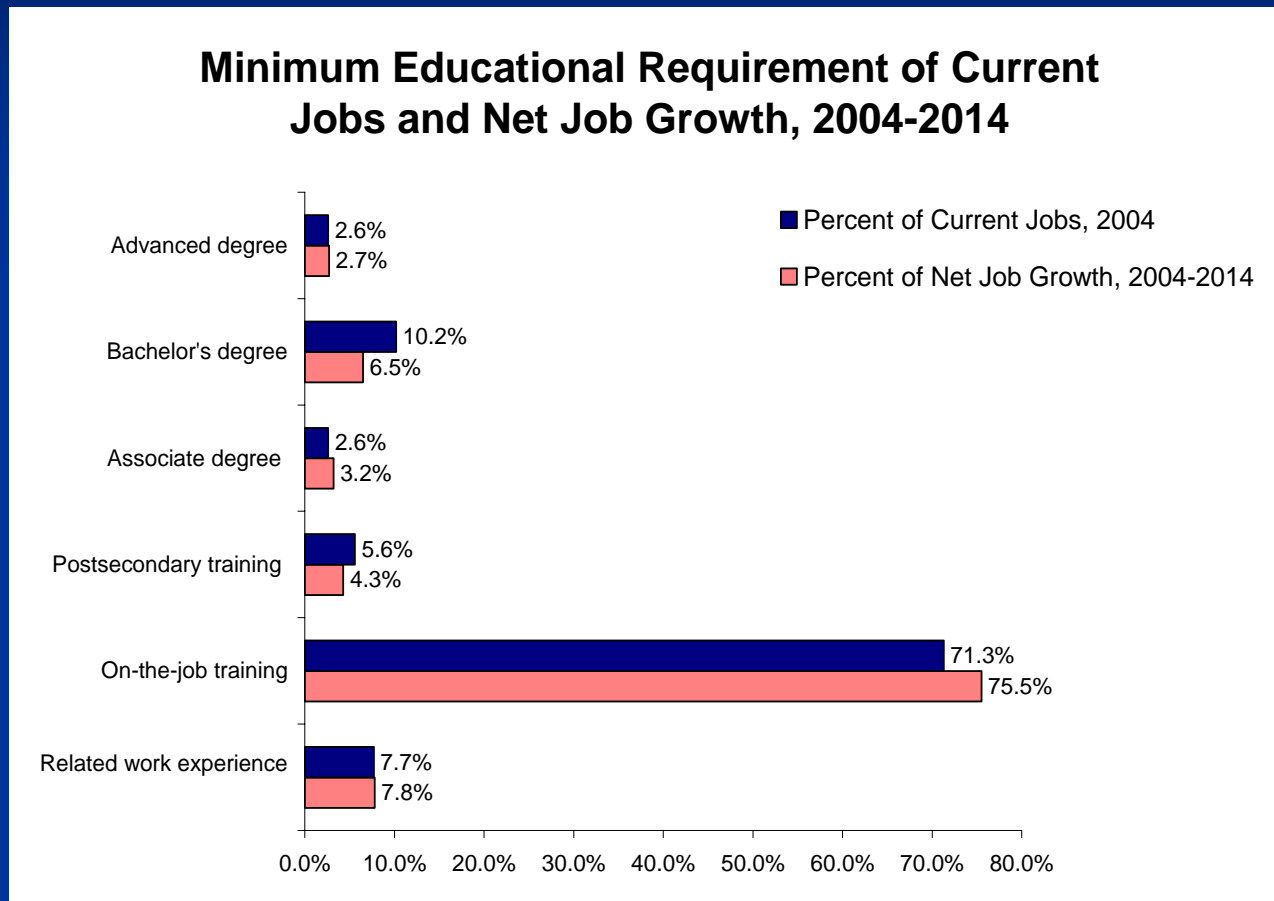
2006 Average Nonfarm Employment

Industry Classification	# of Jobs	% of Total
Natural Resources & Mining	280	1.7%
Construction	1,050	6.3%
Manufacturing	2,120	12.6%
Trade, Transportation & Utilities	2,980	17.8%
Information	170	1.0%
Financial Activities	620	3.7%
Professional & Business Services	720	4.3%
Educational & Health Services	1,800	10.7%
Leisure & Hospitality	3,680	21.9%
Other Services	620	3.7%
Government	2,750	16.4%
Total Number of Jobs	16,780	

Source: OLMIS (Oregon Labor Management Information System)
www.olmis.org

Region 1

Clatsop, Columbia, Tillamook Counties



Source – Oregon Employment Department

- The average list price in Seaside of homes that received acceptable offers was \$546,498 during the month of August. The average time on the market was 117 days.
- The month before (July) the average was \$297,233 in price and only 67 days of average listing time.

Source - Lynn Brigham (*Seaside Signal*, September 2007)

What can we conclude from current and projected employment figures?

- Fastest growing industries – building materials and garden supply stores, nursing and care facilities
- Industries adding most jobs – Leisure and hospitality, accommodation
- Industries with the most jobs - Leisure and hospitality, accommodation

County Community Survey March 2005

Residential Findings

- “Quality of Life” characteristics rated “**Most Important**” in Clatsop County were:
 1. Quality of educational system
 2. **Living wage jobs**
 3. **Affordable housing**

Source: *Survey compiled March 2005 by University of Oregon*

County Community Survey March 2005

- Residential Findings
 - “Quality of Life” characteristics rated “**The Lowest**” in Clatsop County were:
 1. Living wage jobs
 2. Affordable housing

Source: *Survey compiled March 2005 by University of Oregon*

County Community Survey March 2005

Business Survey Key Findings

- 53% of businesses indicated they plan to expand in the next 5 years. 80% of these intend to expand in Clatsop County.

Source: *Survey compiled March 2005 by University of Oregon*

Challenges to housing a workforce!

- Limited land in Seaside to build on
- Current wage scales do not match current housing prices
- Remote ownership, vacation rentals and B&B's – but also provide income to the economy
- Proximity to Portland where there are a greater number of well paid jobs for investment opportunities and the drive is approx 1.5 hours to the coast

Challenges to housing a workforce!

- Apartments sold off as condos for investment purposes - reducing affordable housing available
- Economies built on industries that do not provide family wage income, although some of those factors are also related to geography, proximity to supply lines, infrastructure and other factors
- Employers expected to pay higher than normal wages to meet employee housing prices

Challenges to employers

- Lack of workforce housing could impact availability of workforce as well as expansion opportunities
- Increased wages to match housing market – reduced profit margins
- Workforce less motivated due to travel and quality of life issues – less available income
- Attracting professional or qualified personnel more difficult due to lack of affordable housing and house prices

Impact on economy & industries

- Challenges in attracting new industries due to lack of affordable workforce housing
- Expansion opportunities reduced. Hiring remote workforce difficult unless transport systems allow commuting to work in cost and time effective way
- Other rising costs, transportation, energy etc competing with rising housing costs
- Loss of workforce to other areas that provide housing solutions or that have lower cost housing

Conclusion

- Balancing investment properties, available land and providing workforce housing is not an easy task without regulation or discrimination
- Solutions have been designed by other communities in similar situations and although geographical landscapes may present unique challenges in each, those solutions are not beyond us.
- The good news is that employers, employees, government and all other parts of the community agree. Providing workforce housing in Seaside is a priority. We must all come together to find those solutions.