

Panel #2

Leveraging Data

An orange silhouette of a city skyline with various buildings and trees, positioned above the text.

How do we leverage the data to understand
affordable workforce housing?

Workforce Transitions in Mason County

Cheryl Fambles, CEO
PacMtn Workforce Council

Observation Highlights

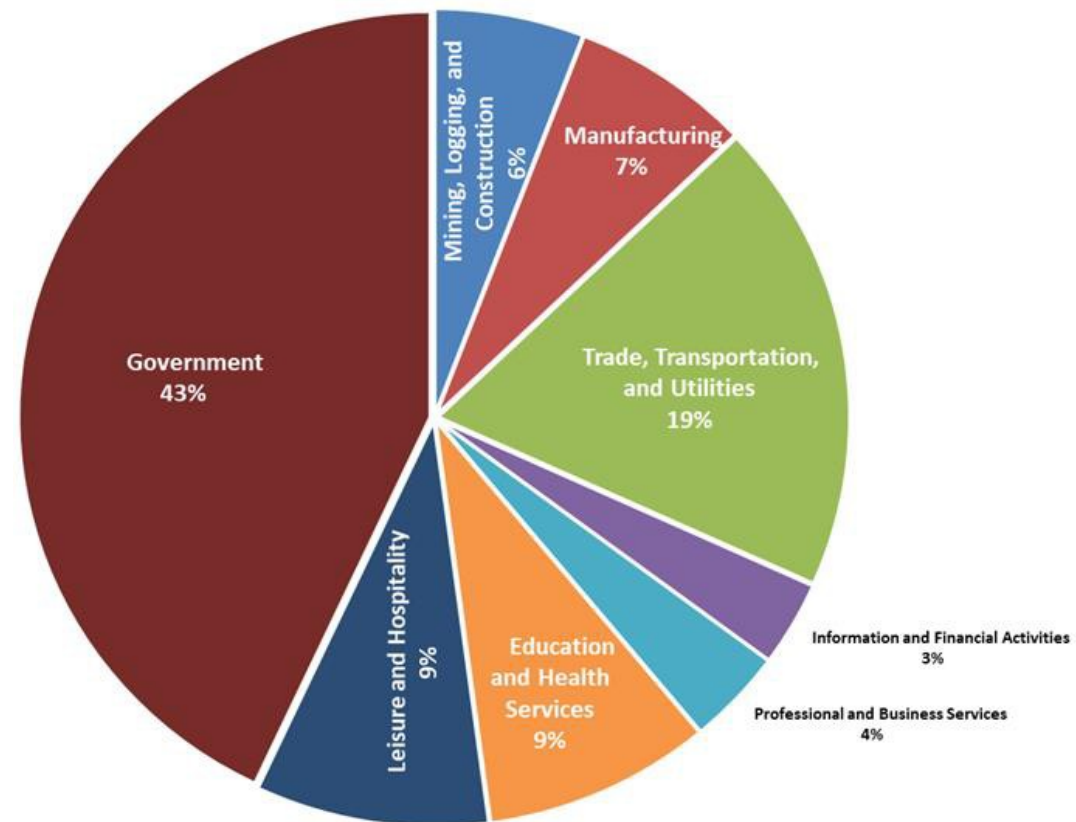


- **Labor Market Demographics: Who is here?**
- **Comings and Goings: Migration and Commuting**
- **Occupational Incomes and Allocated Housing Budgets**
- **Local Workforce Wonderings**

Mason County Workforce Snapshot



Nonfarm employment by industry, 2017



Location	Population Density Per Sq. Mile - 2017	Labor Force Participation Rate - 2017
Grays Harbor	38.36	58%
Lewis	32.23	69%
Mason	65.86	61%
Pacific	22.78	66%
Thurston	383.5	79%
WA	N/A	63%
U.S.	N/A	63%

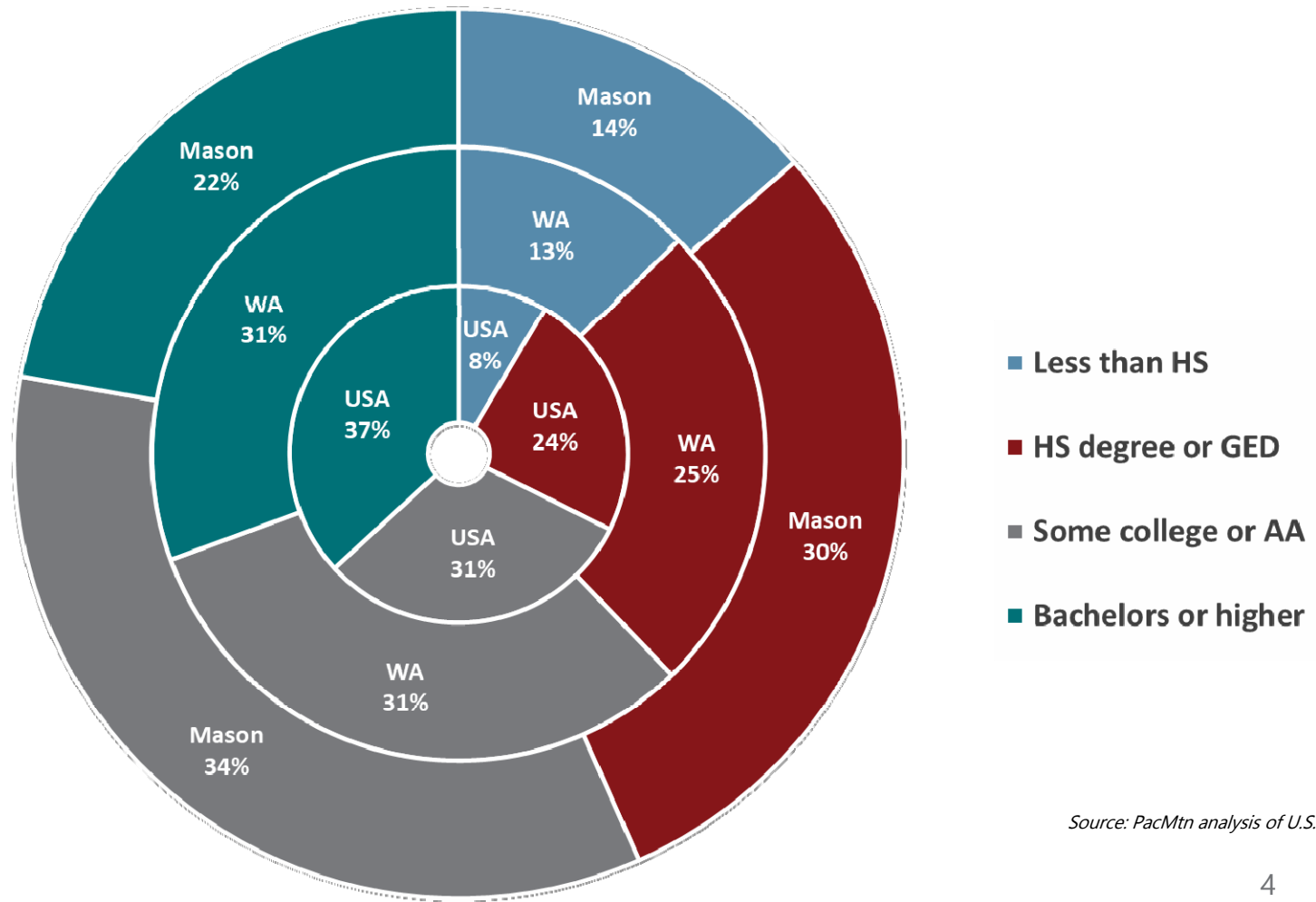
October 2018

Civilian Labor Force: 25,221

Employment: 23,843

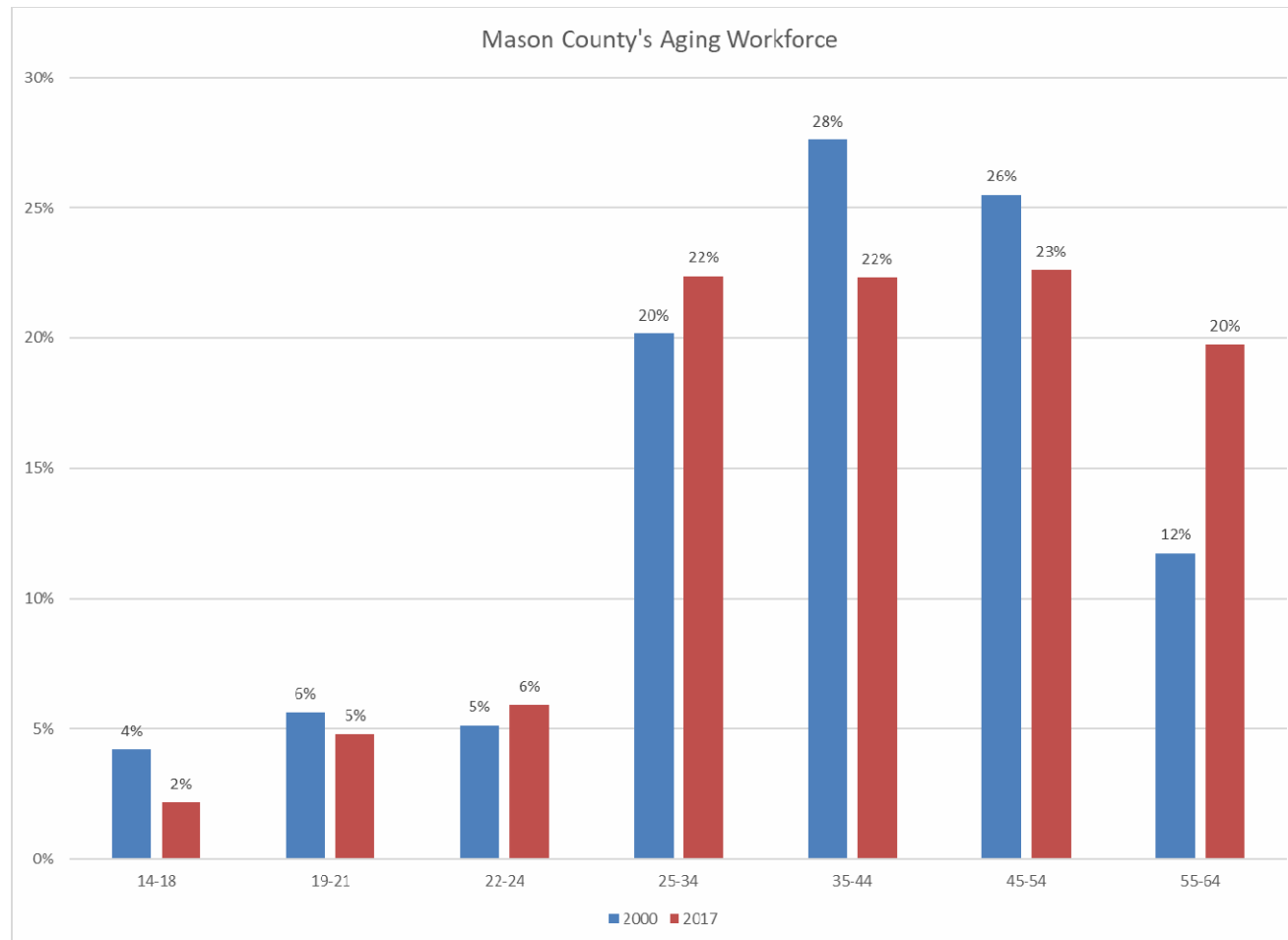
Unemployment Rate: 5.5%

Educational Mix Of Employed Workers



Source: PacMtn analysis of U.S. Census Bureau data

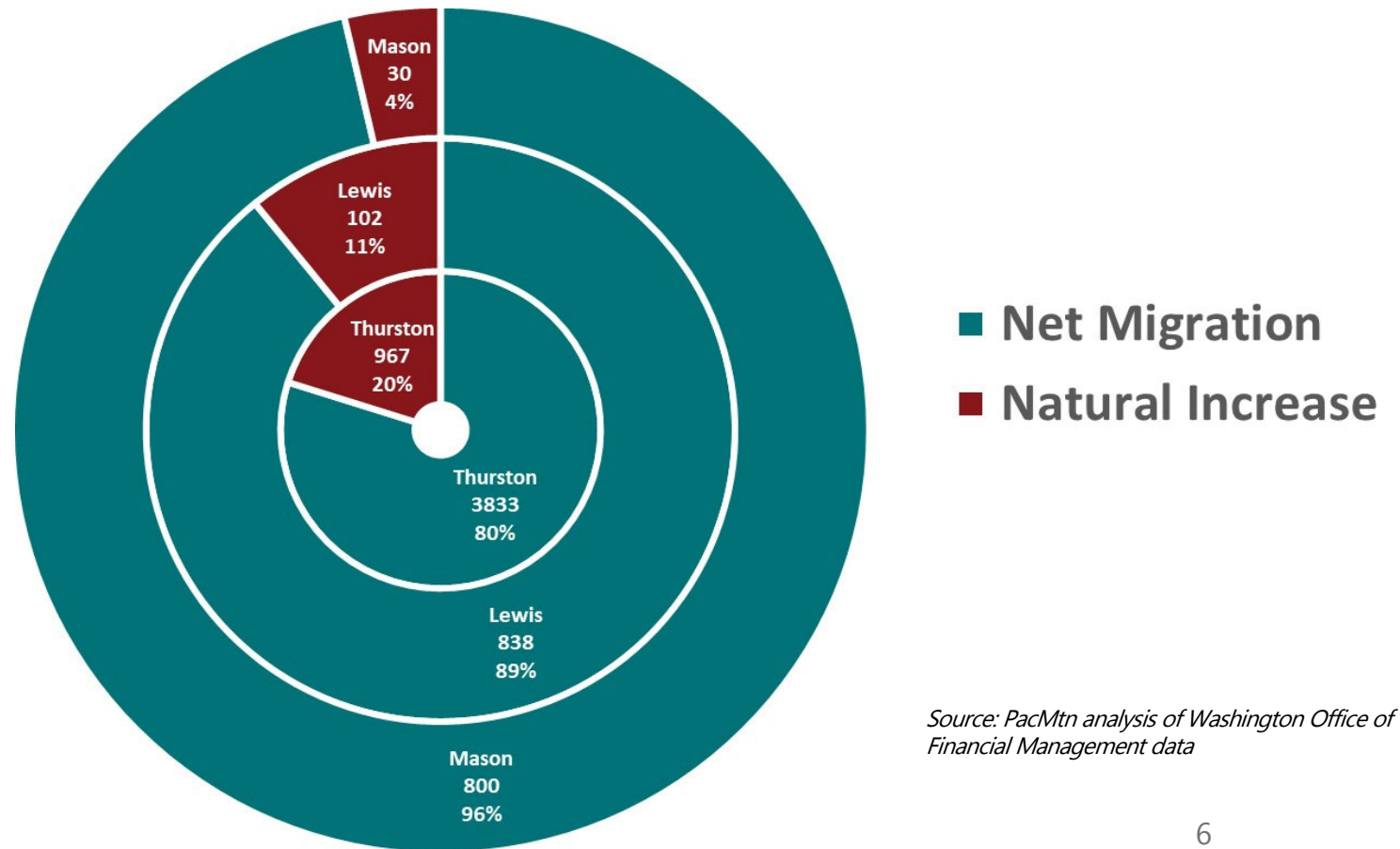
Mason County Workforce Growing Older





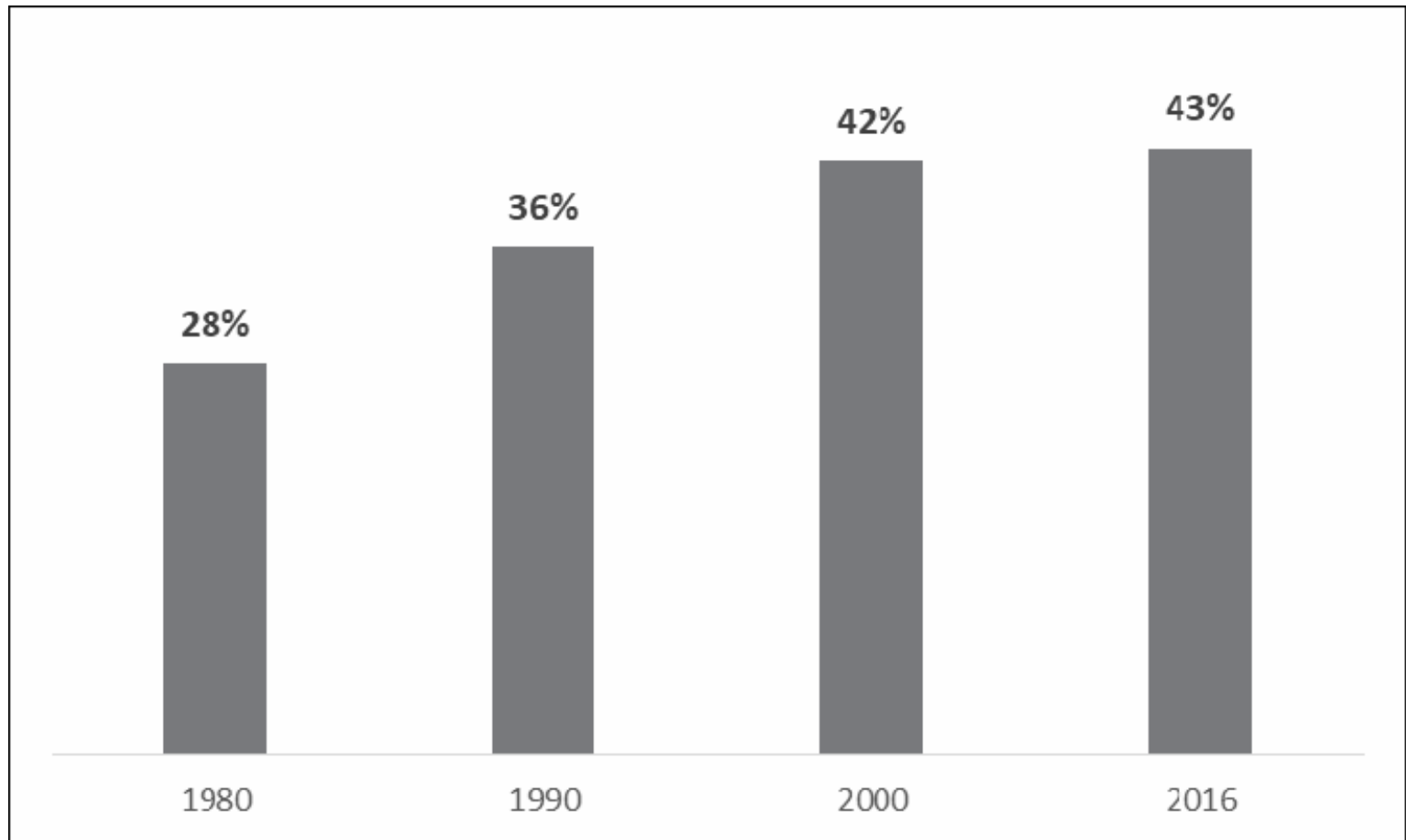
In-Migration Fuels Mason County Population Growth

Components of Population Change: 2017-2018





Residents Working Outside Mason County

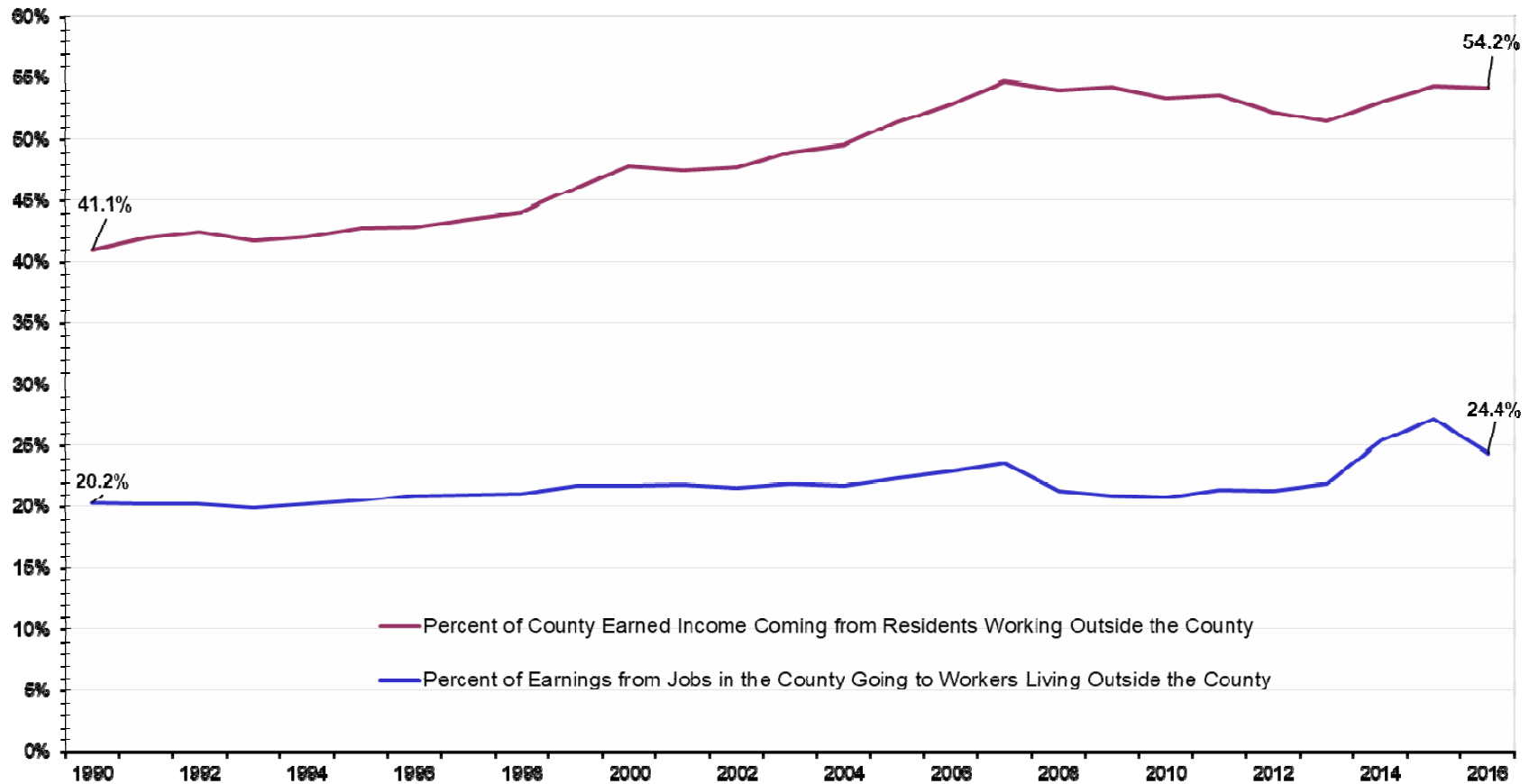


Source: PacMtn analysis of U.S. Census data



Resident Income Earned Outside Mason County

Mason County: Inflation-Adjusted Earnings Flows from Cross-County Commuters



Source: U.S. Bureau of Economic Analysis



Housing Budget Available at 30% of Gross Income

Yearly Income	Area Median Income (AMI)	Monthly Housing Budget
\$31,058	60% AMI	\$776
<i>Career Examples: Security Guard, Preschool Teacher, Janitor</i>		
\$51,749	AMI	\$1,294
<i>Career Examples: Licensed Practical Nurse, Sales Representative</i>		
\$72,465	140% AMI	\$1,812
<i>Career Example: Civil Engineer, Financial Manager, Radiologic Tech.</i>		

AMI = Area Median Income for FY 2018 as determined by the U.S. Department of Housing and Urban Development

Occupational income examples from 2018 Occupational Employment Survey for Southwest WA NMA, U.S. Department of Labor

Local Workforce Wonderings



- **If housing needs/wants of workers are changing what is the right mix of housing types (owner-occupied, rental, single-family, multifamily)?**
- **What is the connection between in-county living wage jobs and housing availability and affordability?**

Questions?



Thank you!

Cheryl Fambles

PacMtn – CEO

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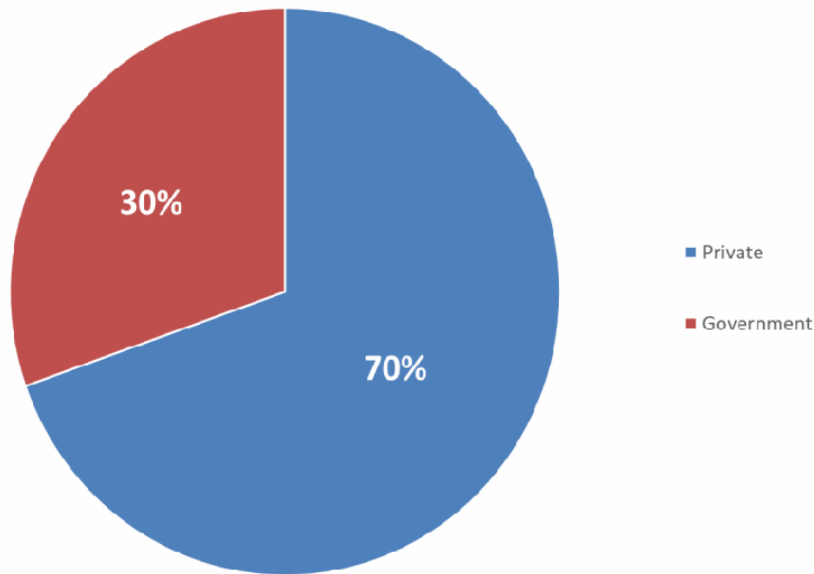


Additional Reference Slides

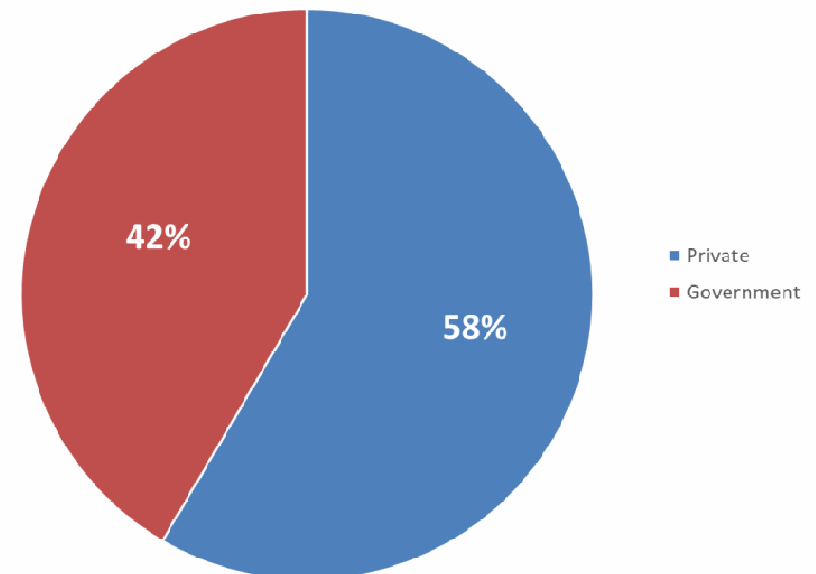
Slides to follow will not be specifically addressed, but may be of interest.

Public Sector becoming bigger factor

2000



2017

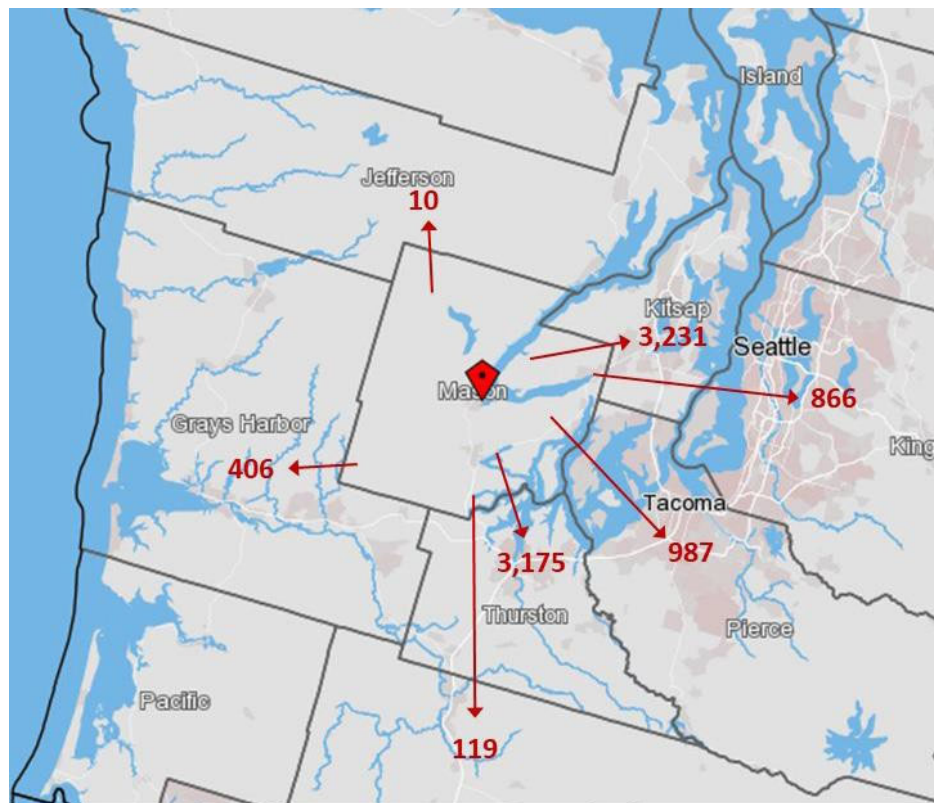


Source: Quarterly Census of Employment and Wages (QCEW), Washington State Employment Security Department¹³

Mason County Commute Flows

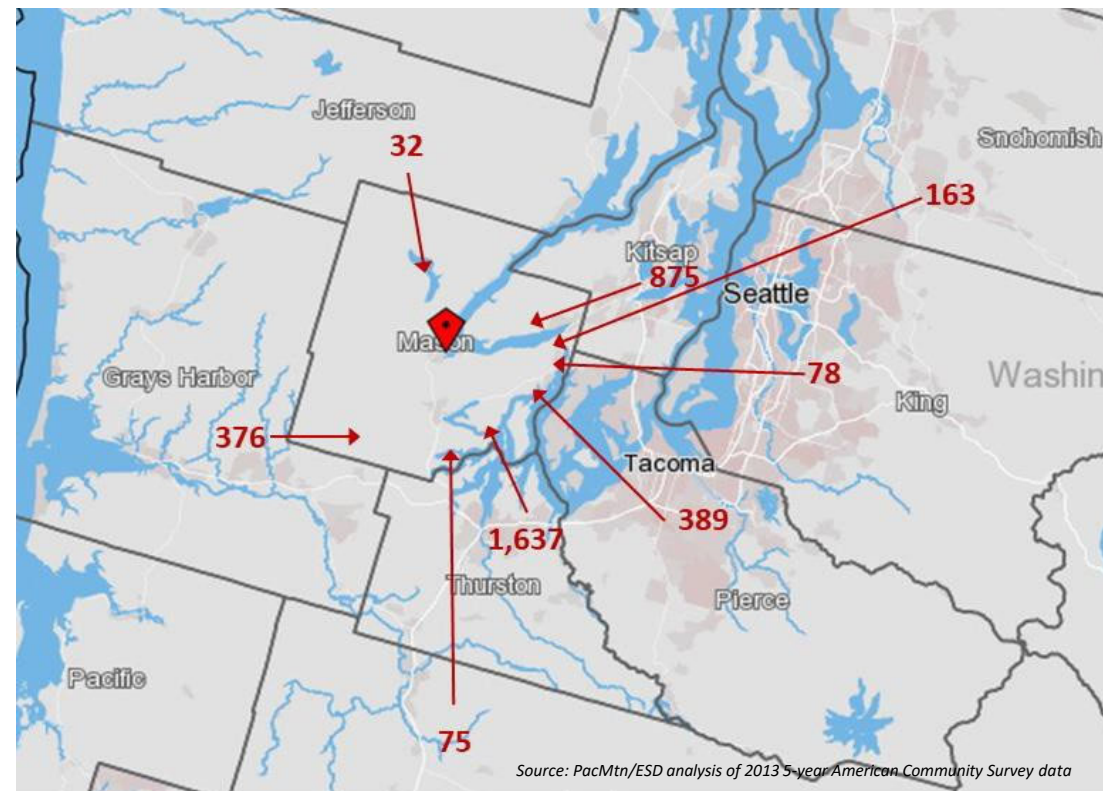


Lives in Mason, Commutes Out



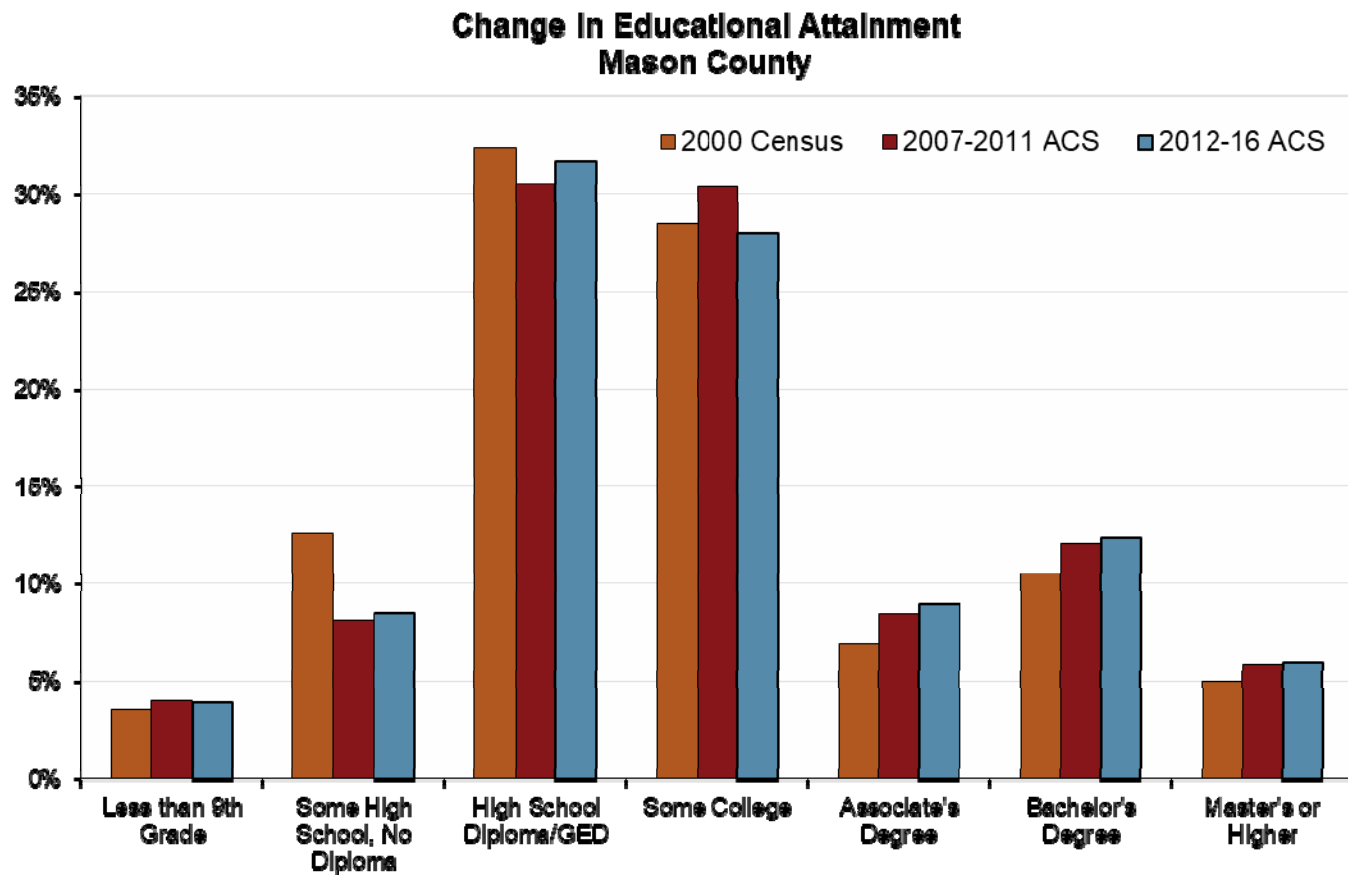
Total Commuting out: 8,794

Lives Outside Mason, Commutes In



Total Commuting in: 3,625

Change in Educational Attainment



Source: U.S. Census Bureau



Housing Affordability Index

How well does the Median Income support the Median Sale Price

- 20% Down Payment
- 30% Housing Debt to Income Ratio

Median Income Mason County

\$51,764

Monthly Income

\$4313

Mortgage Interest

5%

30% Housing Expense

\$1294 - Principle, Interest, Taxes, Insurance

Loan Amount

=

\$241,048

Purchase Price with 20% Downpayment

\$301,310

Mason County \$300,000



- Built in 2004
- 2306 Square Feet
- 3 Bedroom 2.5 Bath
- 1.24 Acres
- Just Outside City Limits

60% Median Income Mason County

\$31,047

Monthly Income

\$2587

Mortgage Interest

5%

30% Housing Expense

\$777 - Principle, Interest, Taxes, Insurance

Loan Amount

=

\$144,590

Purchase Price with 20% Downpayment

\$180,000

Mason County \$180,000



- Built in 1996
- 1040 Square Feet
- 3 Bedroom 1.5 Bath
- Quarter Acre Lot
- Timberlakes

140% Median Income Mason County

\$72,444

Monthly Income

\$6,037

Mortgage Interest

5%

30% Housing Expense

\$1,811 - Principle, Interest, Taxes, Insurance

Loan Amount

=

\$337,376

Purchase Price with 20% Downpayment

\$421,720

\$420,000 Mason County



- **Built in 1995**
- **2430 Square Feet**
- **3 Bedroom 2.5 Bath**
- **1.25 Acre**
- **Union, WA**

Number of Sales Within the Workforce Affordability Bracket

Under \$180,000 - 344 or 25%

\$180,000 - \$421,000 - 852 or 63%

Over \$421,000 - 168 or 12%



Thank You!

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A photograph of a two-story house with light-colored horizontal siding and a dark roof. The house features a front porch with a railing and a large deck on the side. The house is surrounded by green trees and a well-maintained lawn. The sky is overcast and grey.

WORKFORCE HOUSING SUMMIT **2019**

WORKFORCE HOUSING SUMMIT

HOUSING AFFORDABILITY

Regional Housing: **The Problem**



Recent population growth (in Thurston County) equates to the need for over 2,000 new housing units per year



Over the last six years we've been short by an average of 600 units per year county-wide



Household size is getting smaller, requiring more units than before



This shortage has led to vacancy rates below 3% for several years (many vacant units aren't rent ready, shrinking supply)



WORKFORCE HOUSING SUMMIT

HOUSING AFFORDABILITY

Regional Housing: The Problem Cont...



Too much demand & not enough supply = Increased prices



Bringing on new supply is expensive, leading to little to no new development (supply) for the lower end of the market



This leads to wealth destruction (people spending too much on housing) and increased homelessness, etc.



Public & non-profits can't build enough units to come close to solving the problem



WORKFORCE HOUSING SUMMIT

HOUSING AFFORDABILITY

Regional Housing: **What's Really Going On?**



Why aren't we getting enough supply?



Why aren't more affordable units being built?



There's a simple explanation



New housing development in five steps



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HOUSING AFFORDABILITY

Regional Housing: Potential Solutions



Incentivize (and make it possible for) the private market to build affordable units

1. Expedite permitting & up-zone properties
2. Mitigate fees (permit, impact, hookup, etc.)
3. Tax flexibility (property, sales, B&O)



WORKFORCE HOUSING SUMMIT

HOUSING AFFORDABILITY

Regional Housing: Moving Forward



What we're doing isn't working



We must innovate and work together



We've created a "Housing Affordability Model" that outlines how we can incentivize more affordable housing



For more information contact zach@primelocations.com

Thurston Thrives - Housing Action Team



A photograph of a two-story house with light-colored horizontal siding and a dark roof. The house features a large front porch with a wooden railing and a second-floor balcony. A wooden deck with stairs is visible on the right side. The house is surrounded by green trees and a lawn. The sky is dark and cloudy.

WORKFORCE HOUSING SUMMIT **2019**

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Leveraging Data



How do we leverage the data to understand
affordable workforce housing?