

Cannon Beach Housing Needs Survey Results Summary July 2014

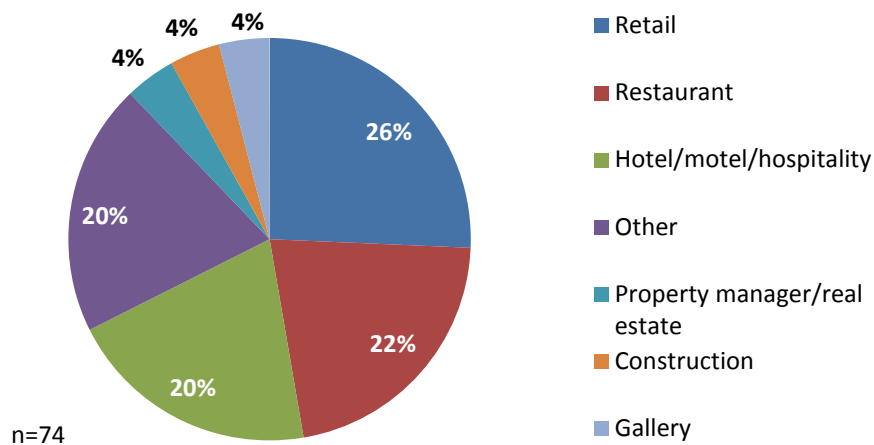
The City of Cannon Beach asked the Housing Development Center to assist with conducting an assessment of the housing needs of low- and moderate-income persons who currently work in Cannon Beach. The City and Housing Development Center created a Housing Needs Survey to be completed online by employers with a license to operate a business in Cannon Beach. The City sent out the survey request via email to approximately 200 businesses in March 2014. The City also conducted in-person interviews to increase participation and gather more information from employers. This document summarizes the findings of the Housing Needs Survey.

Employers Who Completed the Housing Survey

Owners of eighty-three (83) businesses responded to the survey, equating to a 42% participation rate.

The majority of respondents operate retail, restaurant, or hotel/motel/hospitality businesses.

Types of Businesses Operated by Respondents



The response of “Other” includes businesses such as banks, nonprofits, campgrounds, salons, internet sales, HVAC service, landscape maintenance, printing and shipping, and coffee roasting. Nine respondents did not indicate a business type.

Cannon Beach Employees

Number of employees. On average, the surveyed businesses employ nine employees. The range of employees is one to 90.

Cannon Beach business owners who responded to the Housing Needs Survey employ primarily full-time, year-round employees. Sixty-five percent of employees are employed year-round. Only 39% can rely on full-time, year-round employment to pay for housing. Of those who can't, 20% are seasonal and 40% are part time.

Employee Type	Count	Percent
Full time, year round	544	39%
Full time, seasonal	287	20%
Part time, year round	370	26%
Part time, seasonal	201	14%
Total	1,402	100%

Wages. The Housing Needs Survey asked employers about the number of employees paid low and moderate wages – up to \$21 per hour.

Eighty-five percent of the employees of surveyed business owners earn less than \$16 per hour; forty-three percent earn less than \$11 per hour.

Wage Category	Count	Percent	Annual Salary (Equivalent)*	
			Low	High
Less than \$11 per hour	481	43%	\$16,500**	\$21,980
\$11 to \$16 per hour	460	42%	\$22,000	\$31,980
\$16 to \$21 per hour	163	15%	\$32,000	\$41,980
Total	1,104	100%		

*Assuming 40 hours a week and 50 weeks a year.

**Minimum wage of \$8.25 per hour.

Of the low- and moderate-income people working in Cannon Beach, most earn less than \$11 per hour. Most full-time, year-round employees make between \$11 and \$16 per hour.

Employee Type	Less than \$11 per hour		\$11 to \$16 per hour		\$16 to \$21 per hour	
	Count	Percent	Count	Percent	Count	Percent
Full time, year round	145	30%	230	50%	117	72%
Full time, seasonal	76	16%	55	12%	23	14%
Part time, year round	156	32%	137	30%	11	7%
Part time, seasonal	104	22%	38	8%	12	7%
Total	481	100%	460	100%	163	100%

Where employees live. Some employers did not respond to the question regarding where their employees live, presumably because they could not provide this information with accuracy.

Nearly two-thirds of Cannon Beach’s low- and moderate-income employees of businesses that responded to the survey live outside Cannon Beach.

Location	Count	Percent
Outside Cannon Beach	607	62%
In Cannon Beach	370	38%
Don't know	6	1%
Total	983	100%

Commute. About three-quarters of the respondents answered the question regarding the length of their employees’ commute.

Twelve-percent of the surveyed businesses’ employees commute more than 20 minutes. Most business owners said they have at least one employee with a commute of at least 20 minutes.

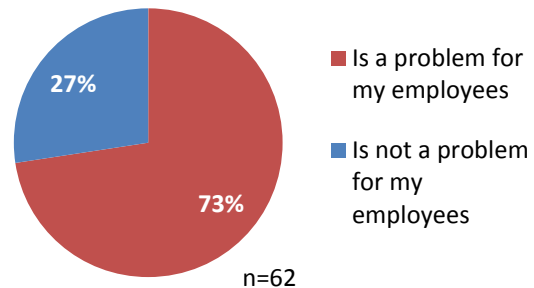
Employers With at Least One Employee Commuting at Least 20 Minutes	Count	Percent
More than 20-minute commute	36	59%
Less than 20-minute commute	25	41%
Total	61	100%

Employers' Views on Housing

The Housing Needs Survey queried business owners about their views on the relationship between housing and the success of their business. About three-quarters of respondents answered this series of questions.

Three-quarters of surveyed business owners believe that finding quality, affordable housing is a problem for their employees.

Do you believe that finding quality, affordable housing is a problem for your employees?



Findings

- The majority of restaurant owners (92%) and most hotel/motel/hospitality business owners (79%) said that finding housing is a problem for their employees.
- Employers of full-time, seasonal staff were most likely to say that finding housing is a problem for their employees. Business owners who mostly employ full-time, year-round employees were least likely to say that finding housing is a problem for their employees.
- Business owners who said that finding affordable housing is a problem for their employees have a majority of employees living outside Cannon Beach. Conversely, among employers who do not think housing is a problem, relatively few of their employees live outside Cannon Beach.
- A majority (64%) of employers who think that finding affordable housing is a problem for their employees also have at least one employee with at least a 20-minute commute. Conversely, among employers who do not think housing a problem, the majority (53%) do not have employees with longer than 20-minute commutes.

Many respondents do believe that finding quality, affordable housing is a problem for employees.

"I have two employees who have actively searched for affordable housing in Cannon Beach for more than four months and both were unsuccessful."

"If employees find Cannon Beach housing, rent is high or the house is not in good condition."

"One employee has kids and a large family, lives between Nehalem and Tillamook because that is the only location she can afford."

"Nothing that is available is affordable."

"Cannon Beach does not offer many, if any, homes to rent or that are for sale that are within our average workers budget."

"The employees communicate this need all the time"

"I have several employees that would rather live in the town that they work."

Other respondents don't believe affordable housing is a problem for employees.

"Most had established residence before they began working [here]."

"It is not for my staff, but it is most certainly an issue in town"

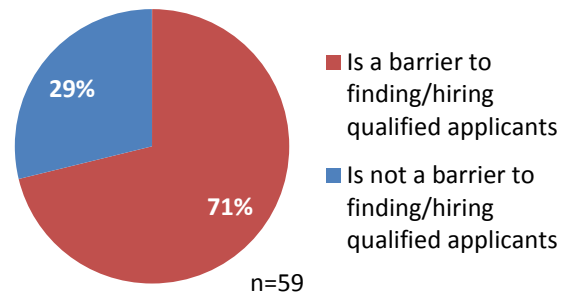
"Lots of affordable housing in CB. More subsidized housing per capita in CB than virtually any city in America."

"[My employees] are homeowners."

"[My employees] are older w/ spouses and are established re: housing."

Seventy percent of surveyed business owners think that the inability to find quality, affordable housing is a barrier to finding and hiring qualified applicants.

Do you think your employees' ability to find quality, affordable housing is a barrier to finding qualified applicants?



Findings

- Of the 71% who say that the ability to find housing is a barrier to finding qualified applicants, restaurateurs (26%) and retailers (21%) were more likely to say that the ability for employees to find affordable housing poses a barrier to finding and hiring qualified applicants.
- Employers who do *not* think the availability of housing is a barrier have a higher percentage of year round employees (81%) than those that do think it is a barrier (66%).

Most respondents do think their employees' ability to find quality, affordable housing is a barrier to finding and hiring qualified applicants.

"It absolutely limits the quality and quantity of people available to work."

"We have been looking for more help for quite some time, but there are very few people looking to work in Cannon Beach."

"I have a great employee that would love to return to Cannon Beach but cannot because of what she would have to pay for housing and the wages she could expect to make in Cannon Beach."

"We've lost many qualified applicants due to the lack of affordable housing, and the reality that few 'staff' members can afford to purchase homes in the area."

"We are in a broad competition with other communities for employees and it is for the most part normally less expensive to live where you work so we garner second tier employees with fewer skills. These less

skilled employees require far more training even in simple tasks. We find ourselves paying more per hour just to attract and hopefully hold onto qualified employees. Even then if a job is offered closer to their homes they are willing to take a slight pay cut to be close to home. Inadequate bus service also plays into this scenario since not all employees own vehicles."

"None of the applicants live in Cannon Beach. No one puts in applications for the Cannon Beach location, have to take from the Seaside location and convince them to work here."

"We feel it's the biggest challenge to owning a business in Cannon Beach."

Other respondents don't think their employees' ability to find quality, affordable housing is a barrier to finding and hiring qualified applicants.

"Reputation of business for being a good place to work precludes the problem of lack of affordability."

"No problem finding employees (almost all employees are family)."

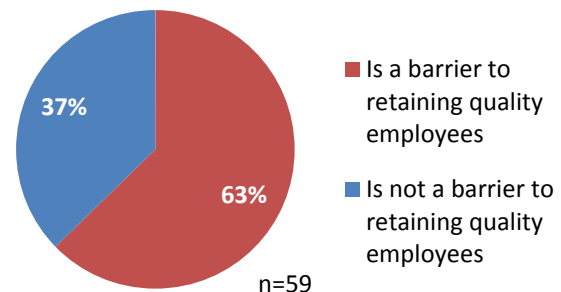
"Have not noticed it being a hindrance. Most are used to commuting."

"Not for my business but it is an issue for many others."

"It seems like when I have people interested in moving here they find it hard to find housing in Cannon Beach. If they are from this area they are aware."

Nearly two-thirds of surveyed business owners think the inability to find quality, affordable housing is a barrier to retaining quality employees.

Do you think your employees' ability to find quality, affordable housing is a barrier to retaining quality employees?



Findings

- Employers who employ more year round workers, whether full- or part-time, reported lower difficulties (60% and 61%, respectively) in retaining quality employees than in hiring them (75% and 88%). For employers with seasonal workers, the difficulty was consistently high for both hiring and retention.
- Employers who think that finding quality affordable housing is a barrier to hiring and retaining quality employees have a larger percentage of seasonal workers in their workforce. Conversely, those employers who do not view it as a barrier have a larger share of year-round workers.

Most respondents have had difficulty retaining good employees due to a lack of affordable housing.

"Have lost several employees over the years for that reason."

"Decent employees find the commute (20 minutes) too far. No affordable rentals."

"Staff usually have to live in Seaside and commute to Cannon Beach because of the limited housing in here, but once they realize they can make almost as much salary in Seaside, Gearhart, Warrenton, Astoria, etc., but with cheaper housing and living costs, we eventually lose that staff."

"Prospective new employees from Portland wouldn't find an affordable place to live. Contemplating buying something to rent out to employees."

"Who wants to drive from Seaside to Cannon Beach in the summer???? NO ONE"

"We have people who have left our employ as soon as the busy season winds down and the reason is often because their hours are going to be reduced and they can't afford to stay."

"They try to recruit outside Cannon Beach, but then employees find they can't live in Cannon Beach and the commute makes working here more costly."

"People want to be close to their jobs, so if they live in Seaside and there is a job opportunity there, vs. one in Cannon Beach, they will take the shorter commute."

Other respondents haven't had difficulty retaining good employees due to their housing options.

"We have been lucky to retain our employees over the years."

"Our employees enjoy working here. It seems to be worth the commute."

"Once they begin work they want to stay, they find a place and stay."

"Most employees work out some type of arrangement for housing because they need to remain employed."

"So far retaining employees has not been an issue with housing."

Summary Findings

The majority of surveyed business owners believe the lack of quality, affordable housing in Cannon Beach creates challenges for their employees and for the success of their business.

Business owners who employ full-time, year-round staff have less difficulty attracting and retaining good employees and are less likely to believe affordable housing is a problem for their business.

Business owners who think that finding quality affordable housing is a barrier to hiring and retaining quality employees have a larger percentage of seasonal workers in their workforce.

Employers with employees who live outside of Cannon Beach and/or who have commutes of longer than 20 minutes are more likely to believe affordable housing is a problem for their business.