

# Workforce HOUSING



Miller Ranch, an award-winning, affordable housing neighborhood in Edwards, Colorado.

BY KATHERINE HOUSE

## Last summer, representatives of two large hospitals approached the Charleston Metro Chamber of Commerce in South Carolina about a vital issue: the difficulty of hiring and retaining employees because of the area's high housing costs.

One hospital had conducted a national search for a senior executive. The top candidate needed to relocate but requested a salary 50 percent higher than the initial offer. Why? It would take that much to afford a house of similar size and quality in Charleston with a comparable commute—and he had the data to back up his request.

Leaders at the chamber took notice. “It’s not a new issue for us, but it’s a renewed focus,” said Ian Scott, the chamber’s senior vice president of advocacy.

The Charleston Chamber has plenty of company. University towns, resort communities and fast-growing locales are among those seeking solutions for affordable housing. As a result, chamber executives are addressing the issue by doing what they do best: convening stakeholders, educating members, launching outreach campaigns, and advocating at the town, county and state levels.

### Making the Case

Data collection is an important early step in understanding the housing issue—and conveying it to others. In larger chambers, researchers or economic staff may compile data. The Charleston Chamber benefits from a unique arrangement: it shares an economic researcher with the local economic development entity. Another example is the Vail Valley Partnership, which has relied on housing reports from the county government.

Neither path was an option for the Big Sky Chamber of Commerce. Big Sky, Montana, is an unincorporated census-designated place that straddles two counties but does not have its own governing body, according to Candace Carr Strauss, the chamber’s CEO. About five years ago, the chamber commissioned a local consulting firm to study the housing issue in the resort area located 90 miles from an entrance to Yellowstone National Park.

The study’s cost was covered by a grant the chamber received from the Big Sky Resort Area Tax District. Published in 2014, the “Big Sky Housing Development Plan” helped quantify the demand for workforce housing and analyzed policies and programs successful in other resort communities.

Surveys can be an important part of data gathering—and storytelling. In 2017, the Greater Boston Chamber’s City Awake initiative, a program to empower emerging leaders, partnered with the Boston Foundation to survey area millennials. The goal was to uncover issues of “greatest concern” to young workers.

### DEFINING TERMS

What do people mean by “affordable housing?” Unfortunately, there is no universal definition. As a starting point, the United States Department of Housing and Urban Development (HUD) defines affordable housing as “housing for which occupants pay no more than 30 percent of income for gross housing costs, including utilities.” HUD’s web site acknowledges that “some jurisdictions may define affordable housing based on other, locally determined criteria.”

Many chamber leaders prefer terms such as “workforce housing” or “middle income housing” to convey their goal of helping those unlikely to qualify for other assistance programs. Indeed, chamber executives say people often mistakenly assume they are referring to Section 8 or low-income housing when “affordable housing” is mentioned.

The Urban Land Institute defines “workforce housing” as “housing that is affordable to households earning 60 to 120 percent of the area median income.” The Greater Boston Chamber of Commerce uses the term “workforce housing” and currently is focused on advocating for solutions for those earning 80 percent to 120 percent of the median income.

Workforce housing can connote housing for public workers (teachers, fire fighters, and others) who can’t afford to live where they work, according to a *Workforce Housing Overview* put together by the National Association of Realtors. But today the term is more broadly understood to cover many types of employees. Workforce housing generally implies housing that is close to people’s places of employment.

In Charleston, the chamber is working to convey that affordable housing affects “young professionals in every discipline,” said Ian Scott, senior vice president of advocacy for the Charleston Metro Chamber of Commerce. For a long time, residents associated the issue primarily with hospitality industry workers, but, he said, with “our economy firing on all cylinders” and lengthy approval processes for development in some jurisdictions, no business sector is unaffected by the area’s housing shortage and spiraling costs.



Nearly one-third said affordable housing was the most important issue to them; 80 percent disagreed or strongly disagreed “with the notion that Greater Boston is made up of affordable cities and neighborhoods.” The results reinforced what Bostonians have known for a long time. But, more importantly, the data helped the chamber begin to frame the challenge as a significant business issue, said Benjamin Stuart, the chamber’s research and data analyst.

The Big Sky Chamber also featured excerpts from employer interviews, as well as survey results of more than 1,000 residents and in-commuters, in a 2018 report.

### Education and Outreach

In the Vail Valley of Colorado, workforce housing has been a topic of discussion for years. But efforts by developers were often stymied by “a small, vocal minority” that would show up at planning and zoning meetings to shut down projects, said Erik Williams, director of community development for the Vail Valley Partnership in Edwards, Colorado. That minority was eloquent and effective, often appearing at meetings with lawyers in tow, he said.

In 2017, the Partnership formed a Workforce Housing Coalition and convened four meetings. Anyone responsible for getting projects approved and occupied was invited, including architects, developers, and local officials. Meetings were widely advertised and open to anyone. Williams personally invited one of the biggest critics of development to attend.

The first meeting gave leaders a better idea of “what the community knew and where people wanted us to go,” said Williams. The final meeting was a day-and-a-half-long “NIMBY Jamboree” subtitled “Creating a Healthy Community through Workforce Housing.” It included breakout sessions

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## TIPS FOR SUCCESS

### Gather appropriate data.

Collecting relevant statistics can help your organization make a compelling case about the need for affordable housing. Some indicators to consider:

- What percentage of households pay 30 percent or more of their income for housing?
- What is the area median income required to afford an average home or rental?
- How does the percentage of area median income devoted to housing costs compare to that in other cities?
- How does the number of available units compare to the number of desired units?

### Don’t overlook human stories.

“You need more than data,” said Chris Romer, president & CEO of Colorado’s Vail Valley Partnership. “You need people. You’d better find stories of nurses and first responders who can’t afford to live in your community and a favorite restaurant owner who plans to close at lunch because he can’t attract workers.”

### Be prepared to tackle related issues.

The housing issue is complex, but it’s also inextricably intertwined with other issues. “It’s like going down a rabbit hole,” said Candace Carr Strauss, CEO of the Big Sky Chamber of Commerce in Montana. Related issues vary by community but may include public transportation, water supply, wastewater systems needed for dense development and attitudes toward historic preservation. Some of those issues may need to be addressed—or at least better understood—before you can make progress on housing.

“There are a lot of things packed up in housing, including the attitude of a community toward growth,” said Charleston Metro Chamber senior vice president of advocacy Ian Scott.

### Identify specific barriers to increasing the housing supply.

Some may be related to issues mentioned above. Others may be tied to specific zoning regulations (parking space requirements, for example) or the length of time it takes for project approval.

### Learn the vocabulary.

Wendy Northcross, CCE, CEO of the Cape Cod Chamber of Commerce in Centerville, Massachusetts, has 30 years of chamber experience under her belt. Yet when it comes to real estate development and zoning ordinances, she needed to research the nuances to become a more effective advocate of housing solutions.

### Develop new allies and partnerships.

The local housing authority’s director sits on the Cape Cod Chamber of Commerce board. Her presence provides the chamber with a better understanding of housing issues and the housing authority with insights from the business community, said Northcross.

### Set near-term and long-term goals.

Tackling affordable housing and other big issues takes time. Pace yourself, and don’t expect instant success.

### Make sure you understand what type of housing your community needs—and wants.

In Massachusetts, the Cape Cod Chamber encouraged a separate Young Professionals group to run a housing design contest. In Big Sky, Montana, a survey incorporated into a 2018 report polled residents and commuters about their preference to rent vs. own, desired housing amenities (energy efficiency, ability to accommodate pets) and more.

### Embrace your role as convener.

“Chambers are so uniquely positioned to be a convener of different groups,” said Romer. “That has a significant upside in developing trust among all entities that may have historically been at odds.”



Architects, developers and local officials participate in breakout sessions and tours during Vail Valley Partnership's "NIMBY Jamboree."

and tours of two local developments. More than 300 people attended the four meetings, which were financed through chamber sponsorships and ticket sales.

As an outgrowth of the coalition's work, the chamber formed the Eagle County Housing Task Force. The group focuses in part on bringing local officials to the table, initiating discussions about the role they play, and educating them about making the approval process more customer-focused, said Romer.

In Charleston, the chamber and its new Housing Attainability Task Force are planning an outreach campaign in late 2018 that will incorporate earned media, social media and outreach to elected officials. The goal? "We want people to talk about housing the way they talk about traffic," said Scott. "We are preparing the soil for policy changes."

## The Advocacy Angle

On Cape Cod, the rise of the short-term rental market has significantly impacted availability of units, especially those needed by seasonal workers, said Wendy Northcross, CCE, CEO of the Cape Cod Chamber of Commerce in Centerville, Massachusetts. The market was already tight given the area's high number of vacation homes and the dearth of high-density developments.

As a result, the chamber has been advocating on multiple fronts for changes that could help ease the housing shortage. The Smarter Cape Cod Partnership, of which the chamber is a key stakeholder, developed a model bylaw for accessory dwelling units (ADUs). The bylaw "should make it easier to take part of a home and turn it into a legal accessory unit to rent out," said Northcross. It aims to eliminate a "mishmash" of laws related to ADUs.

So far, three of 15 towns on the Cape have adopted the bylaw. Northcross wrote letters to the editor and testified before planning boards about the need to adopt the bylaw. The chamber also hired a part-time lobbyist to work on that and other issues. "More ADUs increase the supply without picking up a hammer, while allowing an older population to age in place," she said.

Examples of other chamber initiatives:

- James Rooney, president and CEO of the Greater Boston Chamber of Commerce, testified in support of the governor's 2018 housing bill. A key

element of the bill, which did not pass, would have allowed local authorities to adopt certain zoning changes with a simple majority instead of a two-thirds super-majority. Chamber policy staffers Benjamin Stuart and Jamie Sutherland held a webinar to educate chamber members and elected officials about the bill.

- The Cape Cod Chamber advocated for passage of a state-wide, short-term rental tax. The levy was designed to put short-term rentals on an even playing field with hotels and potentially lead to conversion of some units to long-term rentals. At the same time, some revenue was earmarked to help Cape Codders improve their wastewater management system, which is critical for higher-density development, said Northcross. The bill came "within inches" of being signed into law, she said.
- The Vail Valley Partnership favored passage of a 2016 county ballot initiative authorizing a 3/10 sales tax (exempting groceries) to help solve the affordable housing crisis. Revenues would have been used for construction of deed-restricted housing, down payment assistance programs and more, but it did not pass.

How vital is advocacy when working on affordable housing? "On a scale of one to 10, I'd say an 11," said Vail Valley Partnership's Romer. 

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