

2016

# Workforce Housing in Pope County

Kelly Asche

*Center for Small Towns (UMM)*

Ryan Pesch

*University of Minnesota Extension*

Brenna Cook

*Student - University of Minnesota, Morris*

Follow this and additional works at: <http://digitalcommons.morris.umn.edu/cst>

---

## Recommended Citation

Asche, Kelly; Pesch, Ryan; and Cook, Brenna, "Workforce Housing in Pope County" (2016). *Center for Small Towns*. Book 74.  
<http://digitalcommons.morris.umn.edu/cst/74>

This Book is brought to you for free and open access by University of Minnesota Morris Digital Well. It has been accepted for inclusion in Center for Small Towns by an authorized administrator of University of Minnesota Morris Digital Well. For more information, please contact [skulann@morris.umn.edu](mailto:skulann@morris.umn.edu).

# Workforce Housing in Pope County

---

## Housing Barriers and Gaps for the Workforce in Pope County

Prepared by the Center for Small Towns | University of Minnesota, Morris  
&  
University of Minnesota Extension | Community Economics

Kelly Asche, Ryan Pesch, Brenna Cook– Report  
Kelly Asche, Ryan Pesch, Natasha Miller, Brenna Cook - Survey Development and Analysis



# CONTENTS

Key Findings.....	1
Background.....	3
Survey Findings .....	3
Demographic Profile of Respondents .....	3
Difficulty in Finding Appropriate Housing in Pope County .....	6
What Type of Housing is Difficult to Find? .....	7
Preference to Live in Pope County .....	8
Profile of Prospective Home Owners .....	9
Housing Needs for local workforce .....	10
Rental Demand .....	10
Home Ownership Demand.....	10
Pricing Considerations .....	11
Current Housing of Respondents.....	11



# KEY FINDINGS

The University of Minnesota Morris | Center for Small Towns and the University of Minnesota Extension worked with Positively Pope County and the Pope County Housing Redevelopment Authority to explore and examine housing issues linked to employment recruitment and retention within the County. This survey was distributed to employees of selected businesses in the county. Participants were asked questions about their current housing situation, demographic information, as well as their preference to live in Pope County and whether it is difficult to find appropriate housing. We hope these findings will assist Positively Pope and the Pope County HRA in making future decisions.

- A majority of respondents believe that it is difficult to find appropriate housing in Pope County. This was true even of the respondents satisfied with their current housing.
- Respondents were significantly more likely to say that it is difficult to find housing in Pope County if they had any of the following characteristics;
  - they currently live in an **apartment or town house**,
  - they currently **rent**,
  - they are **not satisfied** with their **commute**,
  - they **don't currently live in Pope County**,
  - their current housing **doesn't meet their needs**, or
  - were 40 years of age or **younger**.
- Of the respondents that live outside of Pope County but prefer to live in the county, **zero** found it easy to find housing that met their needs.
- Respondents who live outside of Pope County were much more likely to **prefer living in Pope County** if they had any of the following characteristics;
  - currently **renting**,
  - are **not satisfied** with their **commute** time,
  - current housing does **not meet their needs**,
  - were **not married**, or,
  - they began their current **employment** relatively **recently** (within the past few years).
- Most respondents that lived outside of Pope County but desired to live in the county had the following characteristics;
  - currently in **single family homes**,
  - paying an average rent or mortgage of **\$625/month**,
  - have a **household income** around **\$50,000**, and
  - want to purchase a home in the next **few years**.

Focus groups were organized to help provide detail about the types of housing that are difficult to obtain. The following list is the main themes extracted from those group discussions.

- **High rent in Pope County** was a major theme in focus groups when discussing the difficulty in finding housing. Survey responses and the American Community Survey (Census bureau) both provide evidence that rent is higher in Pope County than in surrounding counties by about \$50 to \$150 per month.
- Not only was the rent high, participants also expressed that there is **low availability of rentals** within the County. And, of the rentals that were available, participants expressed that they were of **low quality**. In particular “water damage” was frequently brought up regarding the quality of available housing for both rentals and for-sale.
- Participants also expressed that there is a **gap** of availability between low cost housing and high-end housing; (**\$150,000 - \$250,000**).
- When discussing how developers might be able to meet the demand for more housing (rental and ownership), a few challenges were highlighted.
  - There are **zoning restrictions** that make it difficult to convert agricultural land to residential land, including limits on the number of units, and minimum requirements for square footage of homes being built on that land.
  - It is difficult to **build homes** at the **price point** where the availability gap exists.



# BACKGROUND

The University of Minnesota Morris | Center for Small Towns (CST) worked with the Pope County Housing Redevelopment Authority (HRA) to develop and implement a survey to gather information about housing needs and experiences and its linkage to employee recruitment and retention. Discussion groups were organized to provide more detail on the types of housing that were difficult to find in the county.

Various civic organizations within Pope County continue to discuss the large number of employment opportunities in the county and various reasons why they have been difficult to fill. One opinion is that there is not enough housing available, thus limiting a potential employee in-migration. Housing issues are typically broad and multi-faceted, even though this particular project is focused on workforce housing.

The survey was distributed to approximately 1,700 employees. Participants were asked various questions about their current housing situation, demographic information, as well as their preference to live in Pope County and the difficulty it is to find appropriate housing within the County. The purpose of the survey was to develop a profile of the types of households that don't currently live in Pope County but prefer to live in the County. This will help determine the type of households the County can recruit for housing.

Phase 2 of the project brought together a group of residents for interviews to help identify the main barriers people are experiencing in finding a house that fits their needs.

# SURVEY FINDINGS

## DEMOGRAPHIC PROFILE OF RESPONDENTS

The survey was distributed to approximately 1,700 employees of the 6,368 total employees in Pope County<sup>1</sup>. 608 employees participated in the survey, which is a response rate of about 35%.

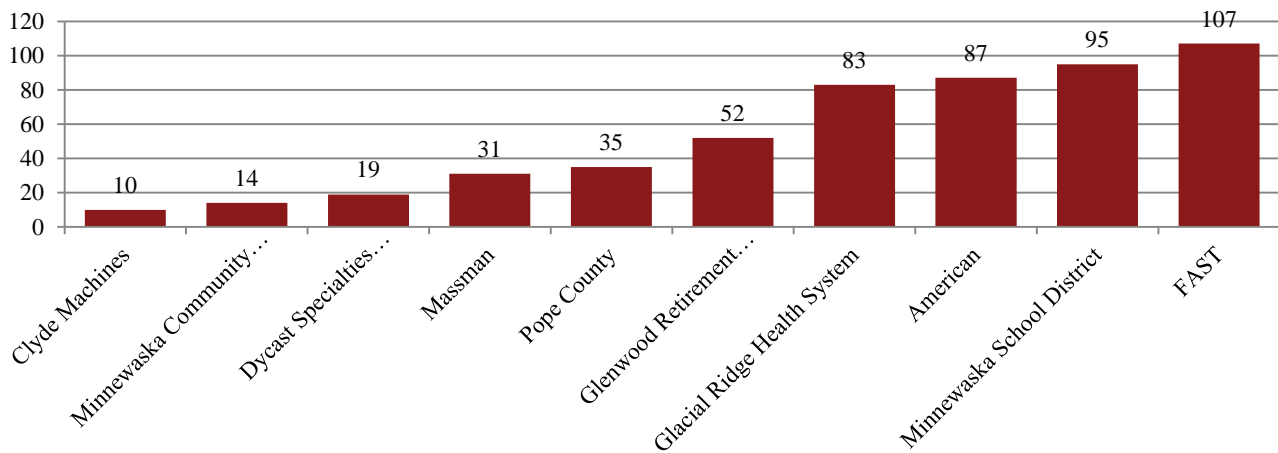


Figure 1: # of respondents by place of employment (n=533)

<sup>1</sup> MN Department of Employment and Economic Development



Business	No. of Responses	No. of Employees	Response Rate
FAST	107	381	28%
Minnewaska School District	95	230	41%
American Solutions for Business	84	230	37%
Glacial Ridge Health System	83	270	31%
Undesignated	78	-	-
Glenwood Retirement Village	52	120	43%
Pope County	35	90	39%
Massman	31	178	17%
Dycast Specialties Corporation	19	46	41%
Minnewaska Community Health Services	14	120	12%
Clyde Machines	10	35	29%
Total	608	1,700	35%

Survey respondents were primarily between 30 and 59 years of age (figure 2) and well educated, with 64% having received a degree beyond a high school diploma (figure 3). Most respondents were in households with an annual income between \$50,000 and \$99,999 (figure 4).

Compared to census data for Pope County, the responses over-represent 30-39 year olds (figure 2) and people who have attained an Associate’s degree or higher (figure 3) while under-representing employees with a high school diploma (figure 3). This likely resulted in the over-representation of household’s earning an income between \$50,000 and \$99,999 (figure 4) as well as under-representing households earning less than \$25,000 (figure 4).

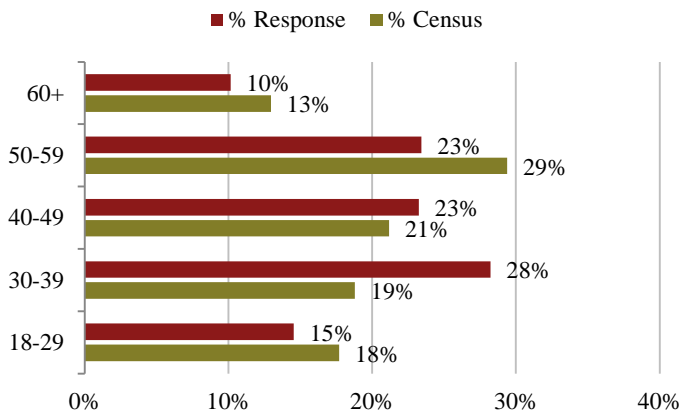


Figure 2: % of respondents by age (n=542)

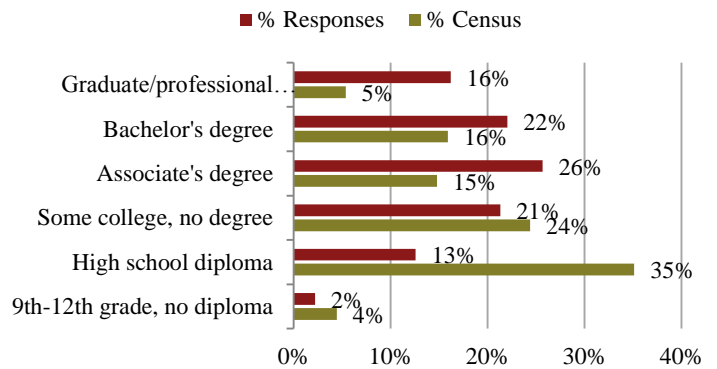


Figure 3: % of respondents by highest level of education attained (n=549)

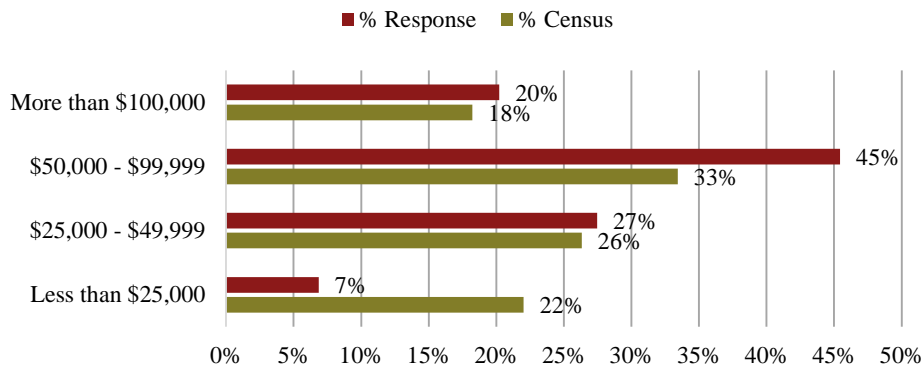


Figure 4: % of respondents by household income (n=539)

Many respondents had worked with their current employer for at least ten years (34%), though many also had held their current positions for 2 years or less (31%).

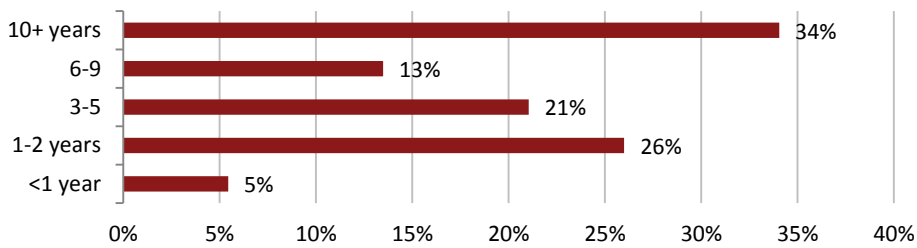


Figure 5: % of respondents by length of time they have been employed at their business (n=423)

Most respondents lived in a household with at least one other person (figure 6), and 66% were married (figure 7). The mean household size was 3 people, and of the households with more than one person, 65% had children under the age of 18 living in their home. 25% of all respondents reported having children who attended daycare, and of them, 76% said their children attended daycare 5-7 days per week.

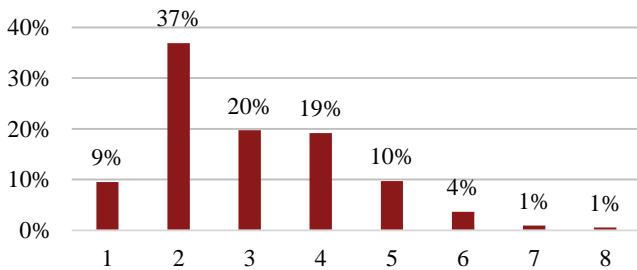


Figure 6: % of respondents by number of people living in household (n=548, mean = 3)

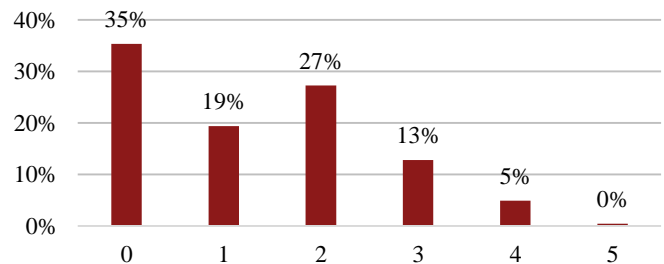


Figure 7: % of respondents by number of people 18 years or younger in household (n=470)

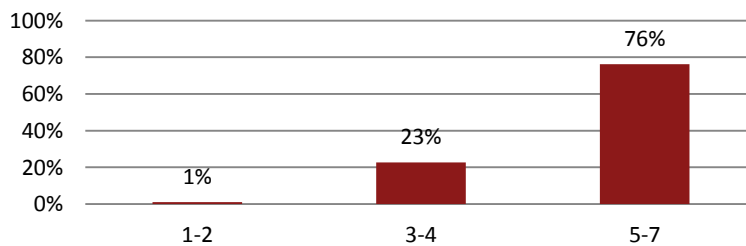


Figure 8: % of respondents who have children in daycare by...

## DIFFICULTY IN FINDING APPROPRIATE HOUSING IN POPE COUNTY

Nearly 50% of all respondents found it at least somewhat difficult to find housing that meets their needs in Pope County (figure 9). However, a large majority (61%) of respondents living outside of Pope County believe it is difficult to find housing in the County that meets their needs (figure 10).

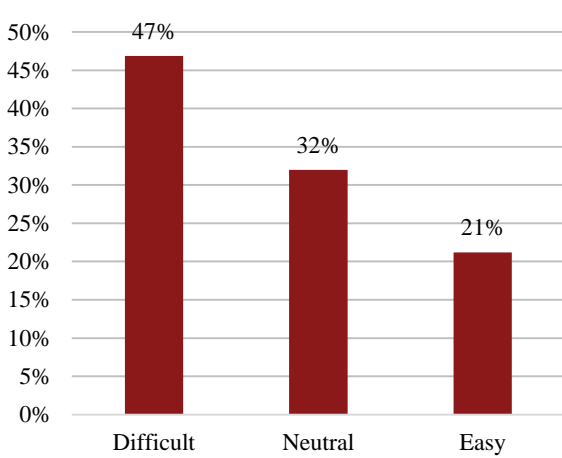


Figure 9: % of respondents by difficulty in finding housing in the county (n=510)

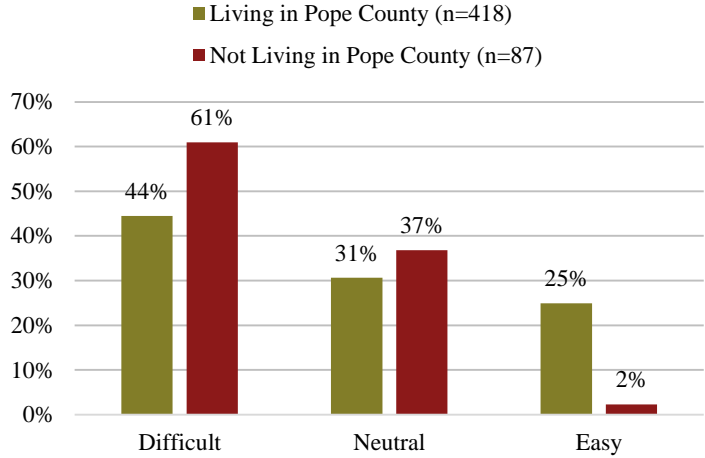


Figure 10: % of respondents on how difficult it is to find housing in Pope County by living in or out of the county

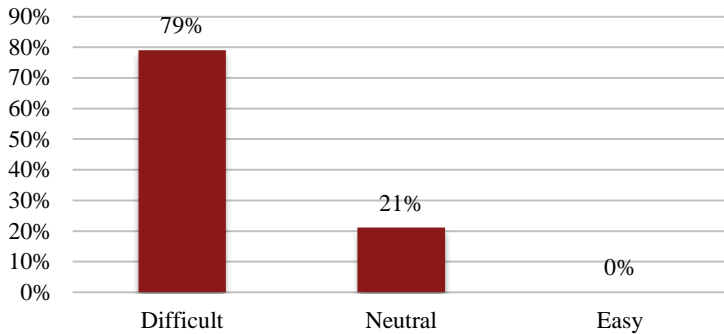


Figure 11: Respondents outside Pope County who prefer to live in the County by level of difficulty in finding housing in Pope County

Of the respondents who live outside of Pope County but prefer to live in the county, none of the respondents reported that it was easy to find housing within the county (figure 11).

Respondents were more likely to say that it is difficult to find housing in Pope County if they had any of the following characteristics; they currently live in an apartment or town home, are renters, are unsatisfied with their commute, they live outside of Pope County, their current housing doesn't meet their needs, or are under the age of 40 years old. The following table provides the % of respondents within each of these characteristics.



76% of respondents that live in an apartment and 71% in town homes find housing difficult to obtain in Pope County.



72% of respondents that currently rent find housing difficult to obtain in Pope County.



75% of respondents that are unsatisfied with their commute find housing in Pope County difficult to obtain.



60% of respondents that currently live outside of Pope County find housing difficult to obtain inside the county.



70% of respondents who do not currently live in a home that meets their needs find housing difficult to obtain in Pope County.



Over 50% of respondents in each age cohort under 40 years of age find housing difficult to obtain in Pope County.

### WHAT TYPE OF HOUSING IS DIFFICULT TO FIND?

A major theme in the focus group discussions was the lack of rental availability. Most rental units in the county are single-family homes although it was expressed that something smaller such as an apartment or town home was needed.

In addition, high rents were a significant concern; in particular, when combined with the dilapidated state of the housing available. Below is a table that compares the contract rent (not including utilities) of Pope and surrounding counties from the American Community Survey 5-year Average (2014) with the median contract rent of respondents who live in Pope County. The surrounding counties of Grant and Swift were used as other counties were not as comparable.

The table shows that Pope County has higher rent than surrounding counties for both the census information and the survey responses. This may reflect the feeling that current renters who live outside of Pope County but prefer to live in Pope County find housing difficult to obtain in the county since they may be paying a lower rent in a surrounding county. The stated quality of rentals may exacerbate the issue since people are expected to pay more rent for housing that is in worse condition.

	Survey Median (In Pope)	Pope County (ACS)	Grant County (ACS)	Swift County (ACS)
Contract Rent (Median)	\$600	\$503	\$385	\$450

Participants in the group discussion also expressed that there is a gap of homes available for ownership between low cost housing and high-end housing; (\$150,000 - \$250,000). It was stated many times that when households were looking for houses to purchase, many were either in a very dilapidated state (especially considering the price) or were way too large and expensive. The “sweet spot” many folks brought up needing were around 1,500 – 2,000 square feet of decent quality and cost between \$150,000 and \$250,000. Many current owners stated that they feel “lucky” to have found the place they are currently living.

A profile of employment that was given regarding homeownership affordability were salaries for starting teachers and health care industry professionals such as technicians and nurses. It was expressed that many of the workers in the health care industry that have started in the past few years are on waiting lists for places to rent in Pope County so they can limit their current commute.

The reasons for these housing gaps in rental and for-sale were discussed during the group discussions and the following list highlights the main themes;

- Communities are surrounded by agricultural land that is very valuable, making it difficult for cities to expand and add residential areas.
- There are zoning restrictions that make it difficult to convert agricultural land to residential land, including limits on the number of units, and minimum requirements for square footage of homes being built on that land.
- The lots that are available are too large, making it difficult to build an affordable home.
- It is difficult to build homes at the price point where the availability gap exists.

## PREFERENCE TO LIVE IN POPE COUNTY

Preferences to live in Pope County are largely determined by where respondents already live. Respondents who already live in Pope County overwhelmingly prefer to live in the county, whereas respondents who live outside of the County were largely indifferent or had a weak preference to live in Pope County (figure 12).

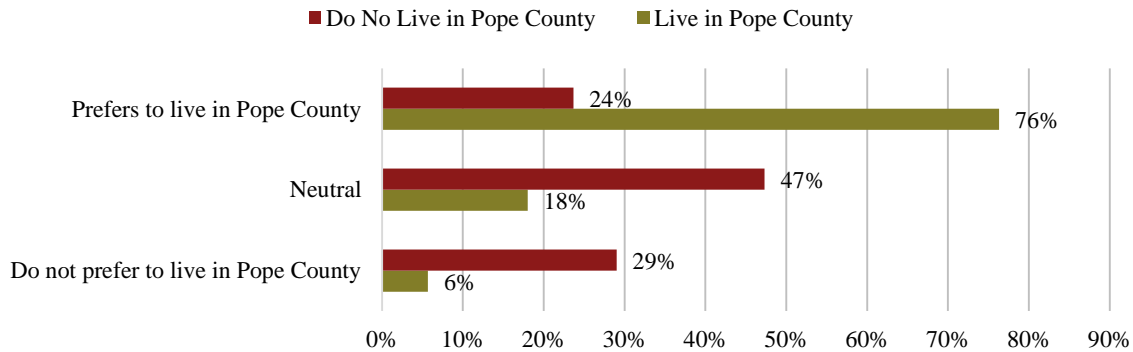


Figure 12: Preferences of living in Pope County by respondents

However, this is to be expected since most people have already chosen a house to match their preferences. What this research is meant to do is to parcel out who does prefer to live in Pope County that doesn't already live there. If we look at the respondents who currently live outside the county, there are significant differences between who would prefer to live in the county and who does not.

Respondents who live outside of Pope County were much more likely to prefer living in Pope County if they had any of the following characteristics; were renters, were unsatisfied with their commute, were in housing that doesn't meet their needs, or started their most recent employment within the last few years. The following table provides the % of respondents within each of these characteristics.



65% of respondents that currently rent outside of Pope County prefer to live in the county.



60% of respondents living outside of Pope County that are unsatisfied with their commute prefer to live in the county.



76% of respondents who do not currently live in a home that meets their needs prefer to live in the county.



64% of respondents who started their employment within in the past 2 years would prefer to live in the county.

## PROFILE OF PROSPECTIVE HOME OWNERS

A profile of prospective homeowners interested in living in Pope County can be developed. Most respondents that lived outside of Pope County but desired to live in the county had the following characteristics;

- currently in single family homes (figure 13),
- paying an average rent or mortgage of \$625.00/month (figure 15),
- have a household income around \$50,000 (figure 14), and
- want to purchase a home in the next few years (figure 16).

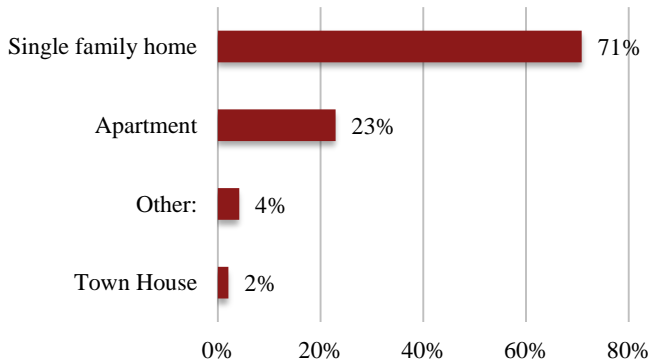


Figure 13: Current housing for respondents living outside Pope County but prefer to live in the county (n=48)

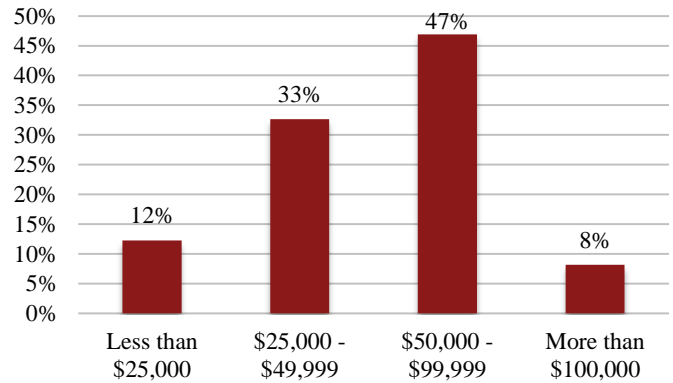


Figure 14: Respondents outside Pope County but prefer to live in the county by household income (n=49)

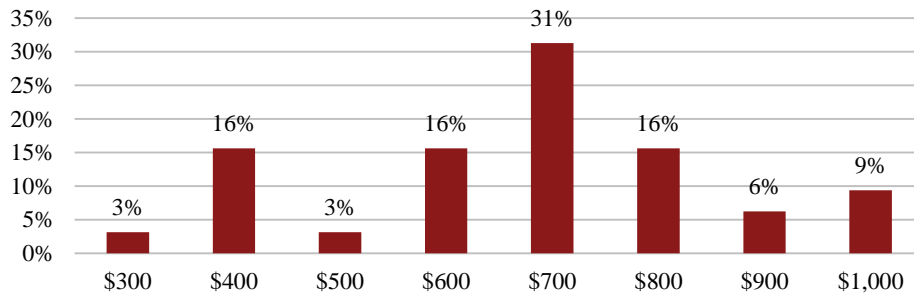


Figure 15: % of respondents outside Pope County but prefer to live in the county by current rent or mortgage payment (n=32, mean=\$623)

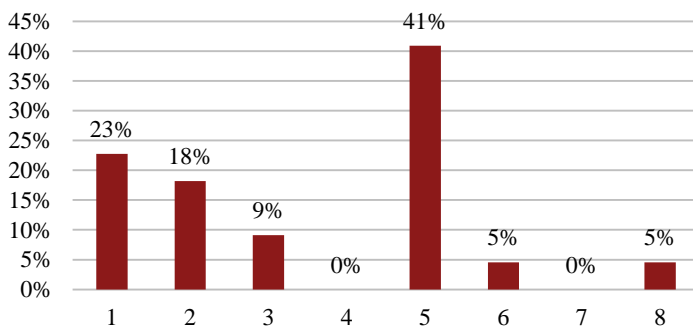
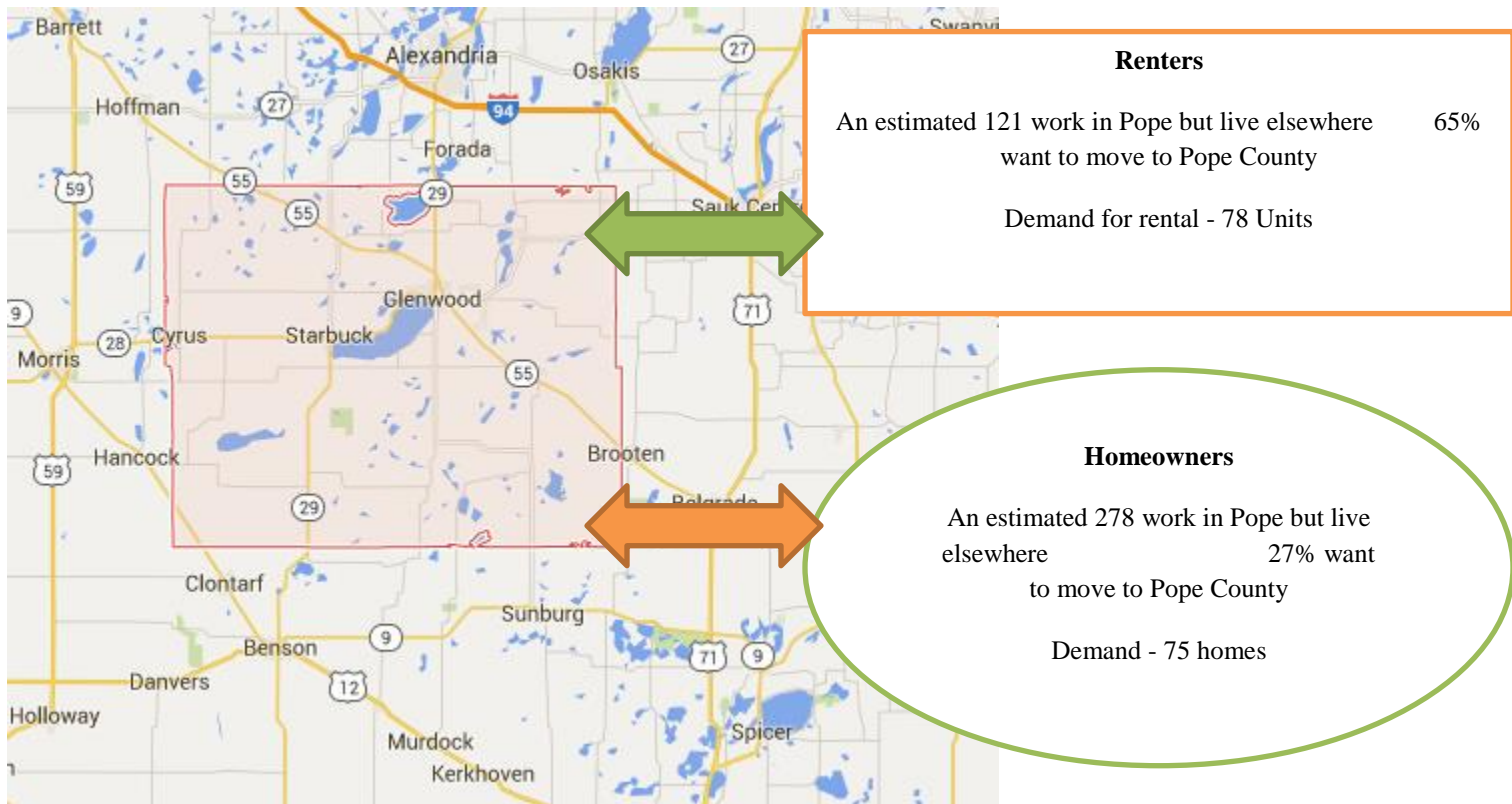


Figure 16: % of respondents outside Pope County but prefer to live in the county by years until they purchase a home (n=22, mean=3.5 years)

The number of years respondents were waiting before buying a new home was split; with one group looking to buy in the next few years, and another group looking to buy 4 to 6 years out.

## HOUSING NEEDS FOR LOCAL WORKFORCE

Assuming our sample of respondents (608) is representative of all employees of the target businesses in Pope County (1,700), we found a significant need for housing in Pope County, especially rental housing.



The estimated 399 employees who live outside the county (23% of all employees) who prefer to move to Pope would need 78 rental housing units and 75 homes for purchase to meet their housing needs in Pope County. This assumes that those who currently rent would prefer to rent and those who currently own would prefer to own in this short term. In the long term, over 90% of those who rent would like to own a home in the next five years.

### *RENTAL DEMAND*

Based on our survey of employees, 32% of all renters or 121 employees at the ten target businesses rent a home outside of Pope County. Of the estimated 121 employees who rent outside of the county, 65% of them outside would prefer to live in the county. Assuming each employee would rent a single housing unit, Pope County would need to supply 78 housing units to accommodate those employees currently renting outside the county and prefer to live in Pope.

The current rent and willingness to spend each month point to a base of renters who could afford market rate mid-tier rental housing, which our focus group reported was a gap. Focus group members told of many low-end and low quality rental properties in the county which would not be acceptable to all but the most in need of rental housing. Many pointed to the need for decent, even modest, rental housing which could fit the needs of new employees beginning families or single individuals without families.

### *HOME OWNERSHIP DEMAND*

Based on our survey of employees, 21% of all homeowners at the ten target businesses own a home outside of Pope County. Of the estimated 278 homeowners outside of the county, some 27% would prefer to live within Pope. Assuming each employee would own a single housing unit, Pope County would need to supply 75 houses to fill their needs.

One major theme in our focus group on housing was the need for mid-tier homes in Pope County, that is, homes in the \$150,000 to \$250,000 price range of modest quality. When asked about gaps in housing types, many reported that many homes were either low quality or high end with a gap in-between even though overall availability for all home types was low. Participants reported that many

moderate income workers in the county could not afford the executive high-end homes being built in the county, but were looking for decent quality not found in the marketplace among low-end properties.

**PRICING CONSIDERATIONS**

Those respondents who live outside of Pope and want to move to the county currently pay an average of \$611/month for their current rental (n=24) and \$998 for their monthly mortgage (n=19), which does not include utilities for a majority of respondents who rent (15 out of 24 respondents).

Our survey also asked if their current housing met their needs, which is an indication about motivation. Those with inadequate housing are most motivated to move. In total, 16 of 49 respondents who live outside of the county and want to move to Pope indicated that their current housing is inadequate. Furthermore, these same respondents replied that they would be willing to spend an average of \$828 per month for rental housing (n=14). Only one prospective homeowner gave a maximum amount of \$250,000.

**CURRENT HOUSING OF RESPONDENTS**

The most common housing type among respondents was a single family home (figure 17). On average, respondents’ homes had 3 bedrooms (figure 18) and 2 bathrooms (figure 19). 86% of respondents believed that their current housing met their needs.

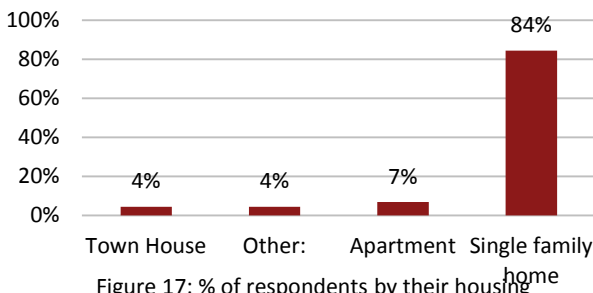


Figure 17: % of respondents by their housing type (n=572)

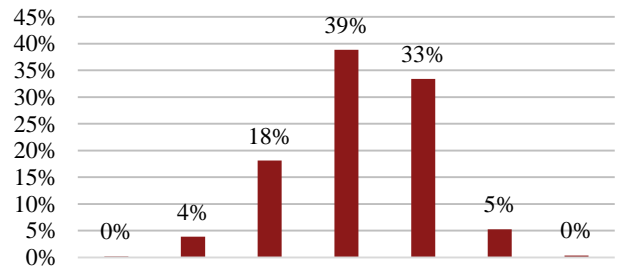


Figure 18: % of respondents by number of bedrooms (n=569)

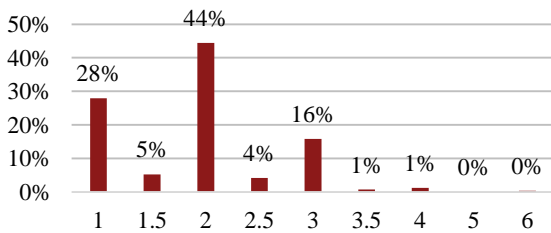


Figure 19: % of respondents by number of bathrooms in current home (n=551)

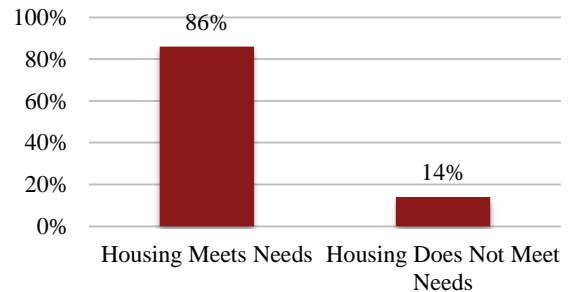


Figure 20: % of respondents on whether current housing meets their needs (n=558)

22% of respondents rent their current homes (figure 21), and of them, 67% planned to buy a home (figure 22). The average expected time to do so was within 4 years. Interest in buying a home was greater among renters who did not live in Pope County, with 58% of renters who lived in Pope County and 90% of respondents who did not live in Pope County planning to do so.

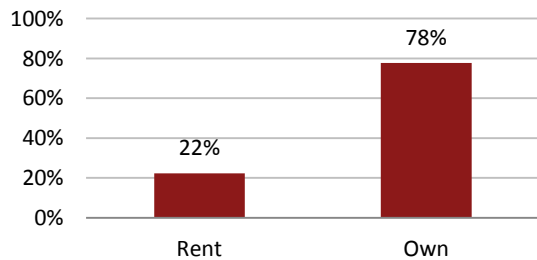


Figure 21: % of respondents by ownership status of their home (n=572)

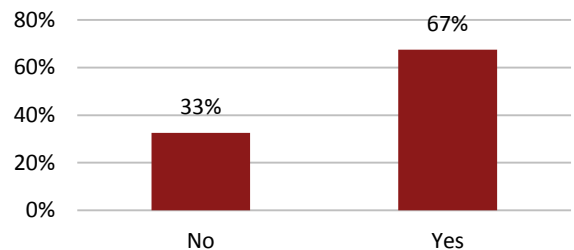


Figure 22: % of respondents who currently rent by plans to purchase a home (n=127)



Overall, respondents paid an average of \$646.47 per month for their housing. At \$578.01, average monthly housing payments were lower for renters than for homeowners, who paid \$676.98 (figure 23 and 24).

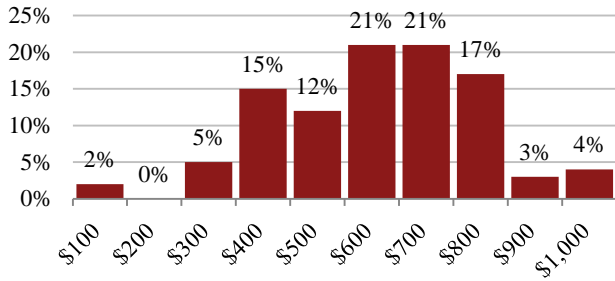


Figure 23: % of renters by monthly rent (n=101; mean = \$578)

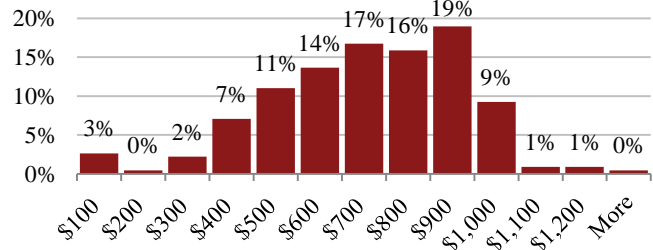


Figure 24: % of home owners by monthly mortgage payment (n=227, mean = \$677)

Most respondents said driving to their workplace took 10 minutes or less, with an average commute time of 14 minutes (figure 25). 77% have a spouse or significant other, who drives an average of 15 minutes to their workplaces. 90% of respondents said they were satisfied with their current commute time (figure 26). Commute time satisfaction was higher among those who lived in Pope County (98%) than among those who lived outside of Pope County (66%). Those who were dissatisfied with their current commute time reported a willingness to drive up to 15 minutes to work, one way, reducing their current commute by 17 minutes (one way) on average (figure 27).

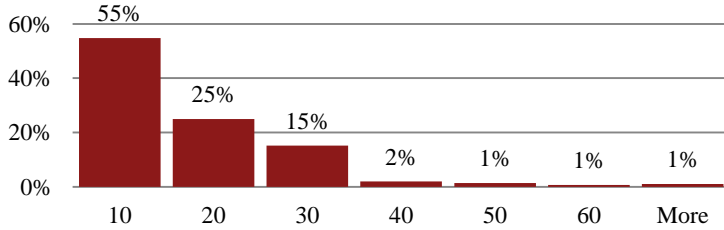


Figure 25: % of respondents by commute minutes to work (n=561, mean = 14 minutes)

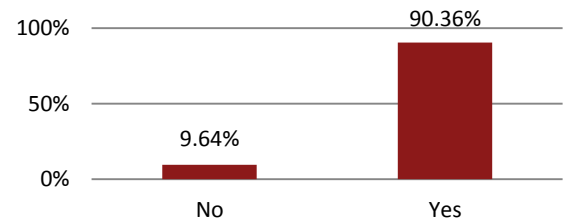


Figure 26: % of respondents by their satisfaction with their commute time (n=562)

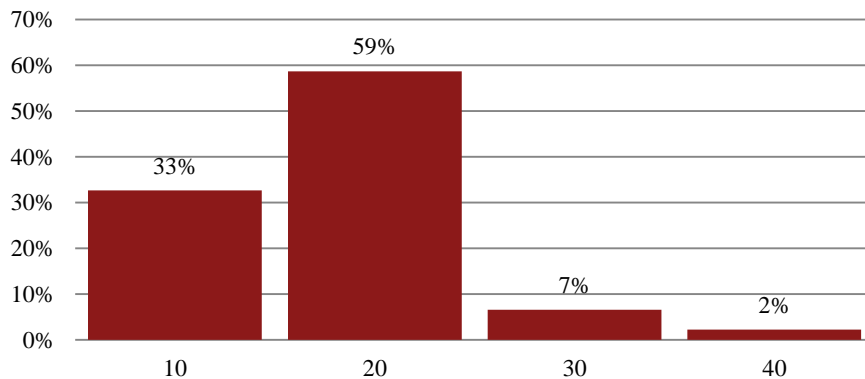


Figure 27: % of unsatisfied with their current commute by the number of minutes they are willing to commute (n=46, mean = 15 minutes)

