

An Unmet Need: Workforce Housing in the Bitterroot

Major employers – housing perspectives:

John Bishop, Bitterroot Health (formerly Marcus Daly Memorial Hospital)ⁱⁱ

"The number one concern with us being able to fill open positions is housing.... Housing is number one reason that we lose new employees.... Outside of hospital operations housing is our number one issue."

Healthcare industry does not have option to not grow. Bitterroot Health has experienced "explosive growth." Bitterroot Health has ~780 current employees and 120 job openings. It has hired 559 people since start of 2020, with 88 from outside Ravalli County. Bitterroot Health has eleven housing units used for six-month entry-level housing for new employees, and many have a hard time finding permanent housing in that time frame.

Katelyn Andersen, Rocky Mountain Labs (RML)iii

"We are concerned [that] the impact of rising housing costs and lack of available housing in general will significantly impact our ability to recruit talented researchers for our positions."

RML has ~500 staff and a lot of short-term workers and visitors. Two hundred and fifty of RML employees are engaged in research and the others support these scientists. Roughly 30% of workforce, about 75 people, are eligible to retire in the next three to five years. Roughly another 75 people are in 1-5 year training positions and cycle in and out of the community. RML started experiencing housing issues in 2018. Housing solutions should include a mix of housing types and costs.

Koren Golder, GSKiv

"Growing demand and competition for housing has made it increasingly challenging to not only afford the rising rents and the home prices but also to find available places to call home.... As an employer we have faced challenges in filling positions based on the challenges of finding affordable housing. This is impacting our ability to attract and retain talent."

GSK has 250 employees, and should have 275 by the end of 2023.

Dan Huls, Chair, Ravalli County Board of Commissioners^v

"We at the County are experiencing the same problems that these other employers are in trying to recruit people who aren't living here already.... It is a crisis."

Real Estate Experts:vi

Rob Child, Sapphire Property Management

In Hamilton housing and transportation costs are 61% of income. This is the highest in Montana. Projected growth rate in Hamilton jobs is 7% over next ten years, with a 17% increase in population over that time frame. Owner occupancy rate has increased a lot in recent years, resulting in less rental availability. Housing starts are not keeping up with demand.

Darwin Ernst, Real Estate Broker and Appraiser

House prices are historically elevated relative to incomes. Housing prices doubled from 2000 to 2018, then doubled again from 2018 to 2022. Median sale price in Hamilton is \$425,000 and in Ravalli County it is \$695,000. Housing starts are not keeping up with demand.

Public Comment:vii

"Try to look for land in County where we can put up apartment buildings."

"City put a lot of effort into developing Envision Hamilton [Growth Policy] and a lot of the housing issues] are in fact addressed in that Envision Hamilton document so as you move forward in [addressing employers needs] you have an excellent guide."

¹ Statements made to Hamilton City Council Committee of the Whole, February 28, 2023. Audio available <u>here</u>.

ii Begins audio minute 39:45.

iii Begins audio minute 43:00.

iv Begins audio minute 46.30.

^v Begins audio minute 48:40.

vi Statements made to Hamilton City Council Committee of the Whole, February 28, 2023, accompanied by PPT (available upon request)

vii Begins audio minute 56:45.