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HOMELESSNESS IN OREGON

A Review of Trends, Causes, and Policy Options

March 2019

Prepared for:
The Oregon Community Foundation

FINAL REPORT

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The authors are solely responsible for any errors or omissions.

Executive Summary

Purpose of the Report

Oregon's homeless crisis stretches across the state. Jackson County's homeless population recently hit a seven-year high. During 2017-2018, the number of adults living on the streets, under bridges, or in cars increased by 25.8 percent in Central Oregon. Conditions faced by Lane County's growing unsheltered homeless population triggered the threat of a lawsuit. And news reports have profiled challenges from Astoria to Ontario.

The homeless crisis dominated the 2018 state and local elections. Rival candidates debated camping regulations, sit-lie ordinances, street cleanups, and the use of jails as shelters. Post-election, Governor Kate Brown has advanced a range of initiatives aimed at preventing and addressing homelessness—with a special emphasis on children, veterans, and the chronically homeless. Meanwhile, cities and counties across the state—building on federal and state programs—are crafting localized responses to address the crisis.

This report seeks to advance the policy discussion for a problem that some Oregonians consider intractable. With a statewide focus, it reviews the literature on homelessness determinants, explores trends in homelessness across the state, puts the challenges into a broader national context, and organizes possible responses into a four-part policy framework.

Homelessness in Oregon: Determinants and Recent Trends

Homelessness has declined since the Great Recession but not as much as it would have in a better functioning housing market. Oregon's high rents make the crisis more severe than those in most states and, left unabated, they will contribute to a growing homeless population going forward. Like its West Coast neighbors, Oregon has not expanded its emergency shelter capacity to match the size of its homeless population and, in 2018, had the second highest rate of unsheltered homeless people in the country. The state also had the third highest rate of chronically homeless people in the U.S.

General trends and determinants of homelessness include the following:

- **Oregon has disproportionately large homeless populations.** Oregon's general population represents 1.3 percent of the total U.S. population. By contrast, the state's homeless population is proportionately twice as large, reaching 2.6 percent of the U.S. total. The state's chronically homeless population represents 4.5 percent of U.S. total, and its unsheltered population is 4.6 percent of the national total. Oregon reports 3,361 individuals in an especially vulnerable subgroup—people who are both unsheltered

and chronically homeless. They make up 5.6 percent of the U.S. total—more than four times the rate of Oregon's share of the U.S. total population.

- **Homeless counts are down since the Great Recession but have edged up recently for two key subpopulations—the unsheltered homeless and the chronically homeless.** Statewide, the total number of people experiencing homelessness declined by about 4,364 people from 2007 through 2015 but edged up during 2015-2017. Oregon's unsheltered populations declined through 2013, was stable during 2013-2015, and then increased by 572 people during 2015-2017. The number of chronically homeless individuals—those who are homeless for more than a year or who face repeated spells of homelessness over time—remains above levels recorded during the recession.
- **High rents are to blame for the severity of the state's homelessness crisis.** Economists John Quigley and Steven Raphael were among the first to demonstrate that housing affordability—rather than personal circumstances—is the key to predicting the relative severity of homelessness across the United States.¹ They estimated that a 10.0 percent increase in rent leads to a 13.6 percent increase in the rate of homelessness. Consistent with Quigley and Raphael's findings, our analysis indicates that median rents across U.S. states explains 43 percent of the variance in rates of homelessness in 2017.
- **Homelessness disproportionately affects many racial or ethnic minority groups.** The African American share of the homeless population (6.0 percent) is more than three times their share of the general population (1.9 percent). Similarly, the share of homeless individuals who identify as American Indian/Alaskan Native is 3.5 times this group's representation in the general population, and the share of homeless individuals who identify as Native Hawaiian/Pacific Islander is 3.25 times this group's representation in the general population. The racial disparities in homelessness found in Oregon mirror national data.
- **Housing instability affects many more children than conventional homeless counts would suggest.** The U.S. Department of Housing and Urban Development (HUD) point-in-time (PIT) counts show about 2,500 children are experiencing homelessness in recent years. By contrast, the Oregon Department of Education (ODE) reports almost 22,000 in the 2017-18 school year. Homeless students under the ODE definition are those who lack a “fixed, regular, or adequate nighttime residence.” This count includes sheltered and unsheltered students who are included in the HUD PIT definition but

¹ John M. Quigley and Steven Raphael, “The Economics of Homelessness: The Evidence from North America,” *European Journal of Housing Policy* 1, no. 3 (2001): 323-336.

additionally extends to students who are doubled-up in shared housing, living in a hotel or motel, or who are unaccompanied by adults.

Comprehensive Framework of Responses to Homelessness

The report's policy discussion is organized around a four-part framework. The first set of policies affect regional housing production and describes how progress on that front could lead to small reductions in the likelihood of homelessness for large numbers of households. Next, the report outlines programs designed to serve low-income, cost-burdened renters, most of whom are not currently homeless. A third category of programming narrowly targets increasingly intensive and expensive interventions to homeless individuals and families with the highest needs. Lastly, the report considers the role of emergency shelters in the crisis system.

- **Accelerated housing production—at all price points—would make small reductions in the likelihood of homelessness for large numbers of people.** The underproduction of housing has contributed to the region's rising rents which in turn has increased the severity of the homelessness crisis. Over the 2010-2016 time period, Oregon created only 63 new housing units for every 100 households that formed during the time period, increasing competition for housing. This underproduction has put upward pressure on housing costs.

A supply strategy would start with a top-line production goal which would require returning to annual production levels that keep pace with household formation while simultaneously adding production to address the legacy of decades of underbuilding. Accelerating production requires a re-examination of the regulatory environment to reduce development barriers—both what's in code, as well as the processes by which the regulations are implemented.

- **Means-tested rent subsidies—like HUD's Housing Choice Voucher (HCV) program—can help to prevent homelessness but are in short supply.** Federal, state, and local governments operate a number of programs designed to reduce the cost of housing for low-income households. The largest subsidy program is the HCV program, which caps rent payments at 30 percent of the tenant's income. Gold-standard, controlled-trial experiments have shown that vouchers provided at emergency shelters reduce the proportion of families with subsequent shelter stays by three-fourths.

The Center on Budget and Policy Priorities calculated that about 209,000 low-income, renter households in Oregon received federal assistance or were in need of it in 2016.² Of those, slightly more than one-quarter—56,000 households—received assistance.

² CBPP defines low-income as households with incomes below 80 percent of their area median.

The remaining 153,000 households did not. These unassisted, low-income households paid more than one-half of their income for rent and utilities and were thus at measurable risk of homelessness. Extending federal assistance to these households would have cost more than \$1 billion in 2016.

- **Targeted, intensive services for high-cost, high-needs individuals are promising and can draw on new analytic tools.** Coordinated, national initiatives to end chronic homelessness—typically involving the highest need populations—started in the early 2000s. Permanent supportive housing (PSH), the recognized best practice, provides rent assistance with no time limit and supportive services focused on mental health, substance abuse treatment, and employment.

Expansion of PSH services is already high on the state’s homeless policy agenda. In December 2018, a Statewide Supportive Housing Strategy Workgroup (SSHSW)—jointly sponsored by the Oregon Health Authority (OHA) and Oregon Housing and Community Services (OHCS)—issued its PSH recommendations, including a call for capital to build new units.³ The state’s PIT count of chronically homeless individuals gives a rough sense of need.

- **Emergency shelters are the policy of last resort.** Effective shelter system management diverts entries if safe housing alternatives exists, provides temporary access to a crisis bed, and offers a gateway to permanent housing. Oregon’s tight housing market has overwhelmed the crisis system: high rents put more households into cost-burdened situations, and personal crises pushed some of those severely cost-burdened households into homelessness. At the same time, the evidence-based solution to housing re-entry—deep, sustained rental subsidies—were expensive and in short supply. Inflow to shelters exceeded outflows into permanent housing, and visible, unsheltered homelessness edged up across the state.

No standard formulas exist to inform the system’s expansion. Better progress on the state’s vision of ending chronic homelessness would free up emergency shelter capacity. That’s a necessary first step. Deeper analysis of Homeless Management Information System (HMIS) data might yield insights into patterns of shelter use, identify frequent users, offer ideas on how to further reduce the region’s already below-average shelter spells, and boost capacity. The situation also calls for alternative shelter and support models (e.g., relocation centers, tiny home villages, mobile hygiene clinics, and storage facilities for personal belongings).

³ Oregon Housing and Community Services, “Oregon Statewide Supportive Housing Strategy Workgroup: Permanent Supportive Housing Framework and Recommendations,” www.oregon.gov/ohcs/DO/sshwg/12-05-2018-Oregon-SSHSW-Framework-Recommendations.pdf, (December 5, 2018).

Where Do We Go from Here?

Oregon's policy discussion might improve if homelessness were described as two, related crises. One crisis affects a population of individuals with highly challenging personal circumstances who will struggle to remain housed absent sustained, intensive support. A second crisis affects more than 150,000 households: the short-term homeless plus the growing numbers of severely cost-burdened renters on the verge of homelessness. The first crisis, while challenging, is within the scope of traditional, local homeless agencies to address and solve with additional resources and efficiencies. The second crisis is not. Meaningful progress there would require action by a much broader set of public, private, local, state, and federal actors.

The following recommendations should be considered reinforcements of—and complements to—strong work that has been underway for more than a decade serving some of Oregon's most vulnerable populations.

1. **Accelerate housing supply at all price points.** A dysfunctional, undersupplied housing market is the root of Oregon's homeless crisis. If the state continues the practice of building 63 housing units for every new 100 households formed, rents would continue to rise, vacancy rates would fall, and the effectiveness of all the following recommendations in this report would be diminished.

Future homelessness reduction strategies would be appropriately scoped if they articulated broad housing production goals and associated rent and vacancy rate targets. Appropriately scoped plans would pull more actors to the table: planning agencies that design and oversee housing regulations, permitting agencies that help determine the pace and nature of housing development, state legislators with land-use regulatory oversight responsibilities, and the region's Congressional delegation who help determine the scope of federal rental assistance.

Expanded plans by themselves would do nothing to ease the homelessness crisis. Once the undersupply problem is broadly accepted, the work would turn to politically difficult implementation. Local politics work against accelerated housing supply responses. Current residents usually like their neighborhoods the way they are. To overcome the opposition, localities would need to hold themselves accountable to clear, broadly disseminated production goals; prune land-use regulations that don't serve a clear health, safety, or environmental protection purpose; accelerate permit process timetables; explore little-used but promising policies such as land-value or split-rate taxes; and cede regulatory power to the state for some zoning decisions.

On the latter point, the 2019 Legislature appears poised to act with state-level concepts that could ban single-family zoning in larger communities and require higher housing density along transit corridors. State lawmakers could extend their housing policy packages to provide fiscal rewards and penalties tied to housing goals.

2. **Increase the supply of affordable housing units.** Rent-restricted units, regardless of what income bracket they target, provide stable housing for people who need it. They are also an important component of any comprehensive approach to addressing homelessness. Rent vouchers stretch further when they are used to buy down rent from 60 percent of median family income (MFI) to 30 percent MFI, than when they are buying down market rate rent. Moreover, moving people into units that more closely match their financial capacity frees up lower-cost market-rate and other affordable units to those who may need them more—a benefit that reverberates through the entire housing continuum. In the past, rent-restricted units were primarily federally funded, but those resources have diminished and are insufficient to meet the regional need. Local revenue-raising efforts are important steps. To ensure that those resources go as far as they can, local governments should evaluate opportunities for additional incentives, such as state-enabled tax abatement programs, fee waivers or reductions, and land write-downs for affordable units. They should also identify and remove regulatory barriers that drive development costs up or unintentionally reduce the number of units possible on a site. These include costly parking requirements, building height and bulk restrictions, design guidelines, and requirements for ground-floor non-residential uses.
3. **Strengthen connections between the affordable housing and homeless services sectors.** Two sectors that operate a range of related, interdependent programming could improve coordination. For example, local governments could revisit their affordable housing screening guidelines which sometimes penalize families and individuals with low credit scores or evictions—rendering too many people ineligible. Localities should look into innovative programs like Come Home NYC—a rent guarantee program that reduces a landlord’s risk of accepting an application from a homeless family. And agencies could also consider targeting their limited, local rent subsidy dollars to help further reduce the rent of tenants in units built with the Low Income Housing Tax Credit (LIHTC) program.
4. **Expand and add analytic rigor to the effort to end chronic homelessness.** One-half of the country’s chronically homeless people live in four states: Oregon, California, Washington, and Hawaii. Given the unusually high concentration, public agencies and nonprofits across these states should partner to gain a much deeper understanding of the barriers faced by the West’s long-term homeless.

PSH is the best policy response for a share of the chronic population. But the programming is expensive and, as broadly implemented, has not yet proven to be cost-beneficial. Service agencies will need to invest in better analytic capabilities—like the Silicon Valley Triage Tool—to target the highest cost, highest needs individuals. Lane County has had early success through the Corporation for Supportive Housing’s (CSH) Frequent User Systems Engagement (FUSE) initiative, but agencies have much more to learn in this rapidly evolving service area. Success here would deliver sustained support to the region’s most vulnerable populations, reduce health and public safety expenditures, and free up emergency shelter capacity for more appropriate short stays.

5. **Identify populations—in addition to chronically homeless single adults—that supportive housing models could serve cost effectively.** Public and nonprofit agencies in a number of regions across the country are testing the costs and benefits of extending supportive housing interventions to families with children. Some of the collaborations are organized under “pay for success” frameworks in which investors commit funding upfront in return for calculable, downstream savings. These demonstrations may yield insights into specific populations (e.g., families involved in the child welfare system) that could be cost-effectively targeted for PSH interventions.
6. **Recognize that shallow, temporary subsidies require additional evidence, and enter into partnerships to identify next-generation, low-cost alternatives to the HCV.** The federal government’s HCV program is a proven homelessness prevention tool, but it covers only a quarter of eligible households. To spread limited resources to unserved HCV-eligible populations, communities across Oregon have experimented with shallow and temporary rent subsidies. HUD’s *Family Options Study* delivered disappointing news in this area and showed that long-term vouchers were more effective in reducing future spells of homelessness, improving housing stability, and helping beneficiaries live independently. Shallow, temporary subsidies remain promising but unproven. Here, Oregon would be well-served by recognizing the policy unknowns, partnering with think tanks and communities from across the country, and continuing the investigation for effective, lower-cost alternatives to the HCV. One approach worth a test: target a larger share of federally-funded, long-term vouchers to formerly homeless individuals and shift some locally-funded, short-term vouchers to HCV applicants with less severe needs.
7. **Increase the emergency shelter bed inventory to ensure the safety of vulnerable populations.** U.S. emergency shelter policy broadly falls into East Coast and West Coast schools. The East Coast approach, driven by climate and past litigation, generally expands its emergency bed capacity to meet the need. The West Coast approach does not tie capacity to need which has led to sizable, unsheltered populations.

Safety of vulnerable populations, children, women, and adults with disabilities, is the top priority of a crisis system, and Oregon's bed inventory is too small to ensure that safety. When it comes to expansion, no recommended formulas exist. Neither New York (4.7 percent unsheltered) nor California (68.9 percent unsheltered) are models to replicate. An overbuilt shelter system becomes an expensive, semi-permanent solution for too many individuals and families while an underbuilt system exposes vulnerable populations to unsafe conditions. Adding emergency beds across the state to bring the unsheltered rate to 40 percent would be an appropriate, short-term goal.⁴

While no one should have to experience unsheltered homelessness, tradeoffs abound in shelter expansion. Every dollar spent on emergency beds is a dollar that could be spent on programming with stronger evidence of improving long-term housing outcomes (e.g., long-term vouchers and permanent supportive housing).

The state will not make progress on homelessness if the hard work is done only by those who directly serve the homeless on a daily basis. The problem is too big for that. Progress will require collective action by a range of actors: public and nonprofit agencies that work not only on homeless issues but also broader housing and land-use regulatory policies; federal partners willing to re-examine and invest in rental assistance; state policymakers who can chart new state roles in housing policy; business leaders who will provide leadership and support strategies; philanthropies willing to convene and invest in research and development; and universities that can lead in research and policy innovation.

⁴ This would bring Oregon's statewide unsheltered homeless rate into line with Multnomah County's rate and close to the U.S. average.

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Introduction

Oregon's homeless crisis stretches across the state. Jackson County's homeless population hit a seven-year high in 2018.⁵ Central Oregon's total homeless population was steady during 2017-2018, but the number of unsheltered adults—those living on the streets, under bridges, or in cars—increased by 25.8 percent. In Lane County, a similar upward trend in its unsheltered population triggered the threat of a lawsuit.⁶ And, in Ontario, homeless individuals and families braced for a frigid, Eastern Oregon winter in a community that lacks a single shelter bed.⁷

Not surprisingly, given these trends, Oregon's homeless crisis dominated 2018 state and local elections. Rival candidates found little common ground. They debated camping regulations, sit-lie ordinances, street cleanups, and the use of jails as shelters. Policy price tags ranged from tens of millions to hundreds of millions of dollars. *The Oregonian's* Molly Harbarger rightly noted few issues are as complex or inspire as much passion.

The myriad ways that people enter homelessness drive the complexity. A Central Oregon homeless survey asked about 21 different factors, ranging from domestic violence and mental health to unaffordable rent and unemployment. The wide range of possible causes elicits a wide range of policy responses. Governor Kate Brown's *2019-2021 Governor's Budget* boosts emergency rent assistance, subsidizes the construction of affordable housing, builds permanent supportive housing (PSH) for the chronically homeless,⁸ increases resources of veteran's homelessness services, creates incentives to accelerate the supply of market-rate

⁵ Jamie Parfitt, "New Report Finds Jackson County Homelessness Highest in Seven Years," KRDV, www.kdrv.com/content/news/New-Report-Finds-Jackson-County-Homelessness-Highest-in-Seven-Years-485277291.html, (June 12, 2018).

⁶ "City of Eugene threatened with law suit over homeless population issues," KVAL, www.kval.com/news/local/city-of-eugene-sued-over-homeless-population-issues, (October 5, 2018).

⁷ Kristine de Leon, "With No Shelters in Town, Homeless Residents are Left to Brave the Cold," *Malheur Enterprise*, www.malheurenterprise.com/posts/5114/with-no-shelters-in-town-homeless-residents-are-left-to-brave-the-cold, (December 12, 2018).

⁸ A "chronically homeless" individual is defined as a homeless individual who a) lives either in a place not meant for human habitation, a safe haven, or an emergency shelter, or in an institutional care facility if the individual has been living in the facility for fewer than 90 days and had been living in a place not meant for human habitation, a safe haven, or an emergency shelter immediately before entering the institutional care facility; b) has been living as described above continuously for at least 12 months, or on at least four separate occasions in the last three years, where the combined occasions total a length of time of at least 12 months; and c) has one or more disabling conditions, such as a substance use disorder, serious mental illness, developmental disability, post-traumatic stress disorder, or chronic physical illness or disability. See Federal Register / Vol. 80, No. 233 / Friday, December 4, 2015, page 75792, www.hudexchange.info/resources/documents/Defining-Chronically-Homeless-Final-Rule.pdf.

housing, expands the share of Temporary Assistance for Needy Families (TANF) funds that can be used for housing assistance, and more. The budget is just one, multi-faceted response to a complex problem. Many other responses like it exist at the city and county levels across the state.

A lack of agreement about the root causes of homelessness challenges policy design. Boiling down longer lists, public and elected officials often pivot between two prime culprits: an overpriced housing market or challenging personal circumstances (e.g., drug addiction and mental health issues).

Clarifying the root causes of Oregon's homelessness problem is the first objective of this report. To do that, the next section explores statewide trends in homelessness, situates Oregon's challenges within a broader national context, and reviews the academic and professional literature on homelessness determinants. The review suggests that housing costs and challenging personal circumstances jointly contribute to the crisis. UCLA economist William Yu may have put it best when he described California's problem as the complex intersection of difficult personal circumstances in the wrong kind of housing market.⁹

The report then turns to solutions and is organized around a four-part policy framework. The section opens with a discussion of policies that affect the overall production of housing and describes how progress on that front could lead to small reductions in the likelihood of homelessness for large numbers of households. Next, the report outlines the variety of federal, state, and local programs designed to serve low-income, cost-burdened renters, most of whom are not currently homeless (e.g., housing choice vouchers (HCV), public housing, government-supported affordable housing). An important finding here is that, unlike other components of public safety nets, rental assistance programs are not an entitlement program and do not expand and contract in response to economic conditions or need. A third category of programming narrowly targets intensive and expensive interventions to homeless individuals and families with the highest needs. Precisely defining and identifying "high needs" is the key challenge, but better data and predictive analytics can help. Lastly, the report considers the role of emergency shelters in the crisis system—the policy of last resort. Shelter policy has the safety of vulnerable populations as its top goal. Beyond that, policymakers must strike a balance between the public's strong support for shelter expansion and experts' equally strong warnings that an overbuilt system could become an expensive semi-permanent solution for too many individuals and families.

⁹ William Yu, "Homelessness in the U.S., California, and Los Angeles," www.youtube.com/watch?v=XOxcDJY3ens, (June 18, 2018).

A concluding section offers next steps for state and local plans to reduce homelessness. It suggests framing problems and solutions in ways that could reconcile the disagreement about the root causes of homelessness. The public's understanding of the problem may improve if homelessness were described as two related crises. One crisis affects a population of individuals with highly challenging personal circumstances—mental illness, adverse physical health conditions, or substance abuse issues—who will struggle to remain housed absent sustained, intensive support. A second crisis affects more than 150,000 households: the short-term homeless plus the growing numbers of severely cost-burdened renters on the verge of homelessness. The boundary between these crises is permeable; the loss of housing can trigger chronic illness, depression, and drug use, while these personal issues can also lead to housing instability.

The first crisis, while challenging, is within the scope of traditional, local homeless agencies to address and solve with additional resources. The second crisis is not. Meaningful progress there would require action by a much broader set of public, private, local, state, and federal actors.

Homelessness in Oregon: Determinants and Recent Trends

Measuring Homelessness

Reliable measurement is key to defining a public policy problem, and measurement of homeless populations is inherently challenging. The most commonly cited source of data on homelessness is the Point-in-Time Counts (PIT) organized by the U.S. Department of Housing and Urban Development (HUD). Conducted by local Continuums of Care (CoCs), HUD requires a PIT count of the total number and characteristics of all people experiencing homelessness in each CoC's region on a specific night in January. CoCs count people living in emergency homeless shelters, transitional housing, and safe havens every year, and count unsheltered homeless persons every other year (the latest of which was 2017). Counting methods vary across time and place, rely heavily on volunteers, and can be disrupted by weather. Community effort in getting an accurate count is not uniform across geographies. And the homeless population is in continuous flux.

Together, this means that despite best efforts, the nature of the data varies from year to year and from region to region. While comparisons across time and geographies can be valuable, the inherent inconsistencies in methods, accuracy, and effort must be kept in mind. Take Lane County as an example. The January 2018 PIT count drew on more than 300 volunteers—twice the number of volunteers who participated in the January 2017 count.¹⁰ The increased effort is commendable, but it also calls into questions the comparability of the 2017 and 2018 findings.

Accurate PIT counts in rural areas have particular challenges due to the geographic dispersion of people (including people experiencing homelessness), differences in staffing and volunteers, as well as cultural differences which may obscure the nature of homelessness. Oregon has seven Continuums of Care (CoCs) that organize and perform the PIT counts. Three are in the Portland region, three are in the I-5 corridor and in Central Oregon, and the last bundles rural and suburban areas into a non-contiguous geography called the “Balance of State.” Beyond the operational challenges of counting homeless individuals in rural areas, this large geography obscures variations across small towns and rural counties, grouping together Coastal communities and rural Eastern Oregon.

Accurate PIT counts are necessary to receive funding for homeless services, shelters, and prevention efforts. Undercounting can lead to less funding. Appendix A offers more detail on the PIT calculation methods, and also describes how a snapshot PIT count relates to the number of people who are ever homeless over the course of a year.

¹⁰ Alexandria Dreher, *Lane County 2018 Sheltered and Unsheltered Point in Time Count Full Report* (May 2018), 2.

Determinants of Homelessness and Interstate Comparisons

Theories about the key drivers of homelessness fall into two broad categories: personal behaviors and housing market conditions. A community cannot develop appropriate policy responses until the respective roles of—and interplay between—those factors are better understood.

Those advancing adverse individual circumstances as the primary driver of homelessness have readily observed examples. The incidence of mental illness, substance abuse, family disputes, and domestic violence are much higher for people experiencing homelessness than for the general population. But correlation is not causation. The Appalachian region is struggling with a severe opioid crisis,¹¹ but rates of homelessness in Alabama, Georgia, Kentucky, West Virginia, Tennessee, and other states in the region are less than half those in Oregon.¹² Appalachia's relatively low rates of homelessness suggest determinants extend beyond challenging personal circumstances. Economic analyses evaluating the determinants of homelessness have found little evidence that unemployment rates and rates of disability benefits affect variations in homelessness.¹³

The theoretical tie between housing affordability and homelessness is relatively straightforward. The cost of housing at the extreme low-end of the market rises to levels that crowd out spending on food, clothing, childcare, and essential items to such a degree that some individuals and families have no other choice but to move onto the streets or into emergency shelters. In other cases, individuals and families may face an emergency expense (such as a car repair or medical bill) and, without adequate income or savings, are evicted. In each of these situations, supply-side factors relating to access to housing at a range of affordability levels come into play as well as extenuating circumstances.

The Appalachian region is struggling with a severe opioid crisis, but rates of homelessness in Alabama, Georgia, Kentucky, West Virginia, Tennessee, and other states in the region are less than half those in Oregon. Appalachia's relatively low rates of homelessness suggest determinants extend beyond challenging personal circumstances.

Economists John Quigley and Steven Raphael were among the first to demonstrate that housing affordability—rather than personal circumstances—is the key to

¹¹ Alan B. Krueger, "Where Have All the Workers Gone? An Inquiry into the Decline of the U.S. Labor Force Participation Rate," *Brookings Papers on Economic Activity Conference Drafts* (Washington, DC: Brookings Institution, September 2017).

¹² U.S. Department of Housing and Urban Development, *The 2018 Annual Homeless Assessment Report (AHAR) to Congress* (Washington, DC: U.S. Department of Housing and Development, December 2018).

¹³ Quigley and Raphael, "The Economics of Homelessness."

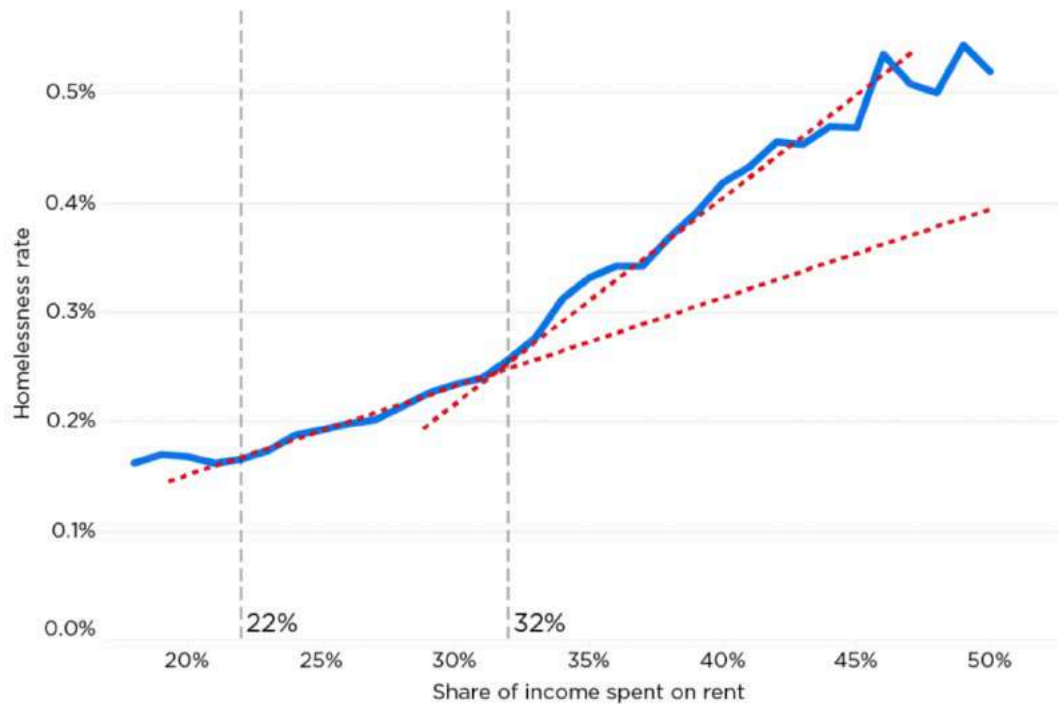
predicting the relative severity of homelessness across the United States.¹⁴ They assembled a variety of homeless and shelter counts from metropolitan areas across the country, as well as a host of location characteristics: rental vacancy rates, nominal rents, rent-to-income ratios, January temperatures, unemployment rates, and numbers of disability benefit recipients. They found that—controlling for weather, unemployment, and disability rates—median rents and vacancy rates in the local rental market are significantly related to the rate of homelessness in that region. They estimated that a 10.0 percent increase in rent leads to a 13.6 percent increase in the rate of homelessness and that a 10.0 percent increase in the vacancy rate of housing units corresponds to a 3.9 percent decline in the rate of homelessness.

Subsequent analyses have validated Quigley and Raphael's work.¹⁵ Recent research by Zillow evaluated the housing conditions of the 386 HUD continuums across the country and determined that homelessness rises more rapidly at two key rent-to-income thresholds: 22.0 percent and 32.0 percent (see slopes in Figure 1), lending credence to the general industry concept that households should not pay more than 30 percent of their gross income on housing costs. While this analysis was performed at the metro level, the relationship between statewide rents and homelessness holds.

¹⁴ Ibid.

¹⁵ See for example, Maria Hanratty, "Do Local Economic Conditions Affect Homelessness? Impact of Area Housing Market Factors, Unemployment, and Poverty on Community Homeless Rates," *Housing Policy Debate* 27, no. 4 (March 20, 2017): 1-16; Chris Glynn and Emily B. Fox, "Dynamics of Homelessness in Urban America," (Durham: College of Business and Economics, University of New Hampshire, 2017).

Figure I. Rates of Homelessness in U.S. Metros Accelerate As Rents Become Less Affordable

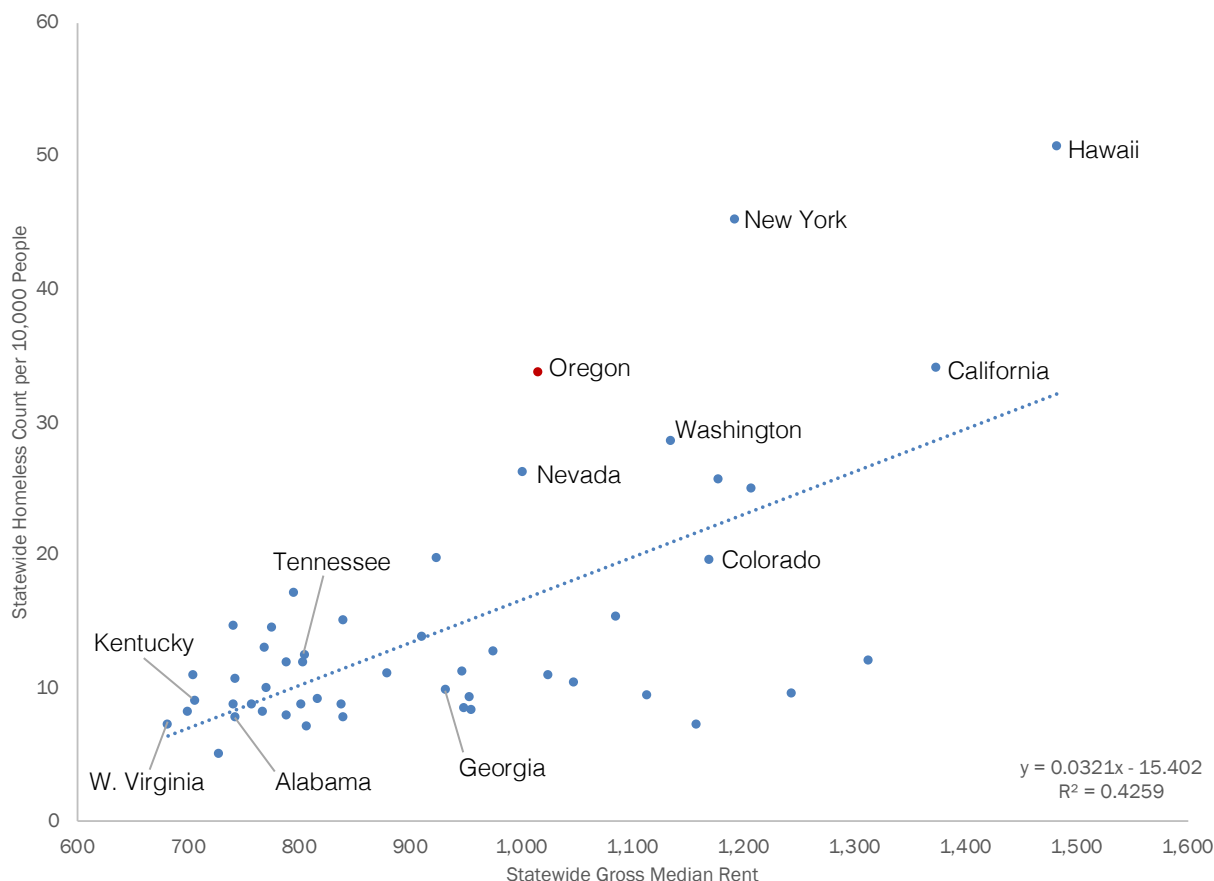


Source: Zillow Economic Research: Analysis by Zillow Research Fellow Chris Glynn of the University of New Hampshire, Thomas Byrne of Boston University, and Dennis Culhane of the University of Pennsylvania. Analysis of housing markets in 386 HUD Continuums of Care.

Additionally, our analysis across the 50 states indicates that median gross rents explain 42.6 percent of the variance in rates of homelessness. UCLA economist William Yu finds the same strong links and describes homelessness as a conjunction of bad circumstances: having difficult personal circumstances in the wrong kind of housing market.¹⁶

¹⁶ William Yu, "Homelessness in the U.S., California, and Los Angeles."

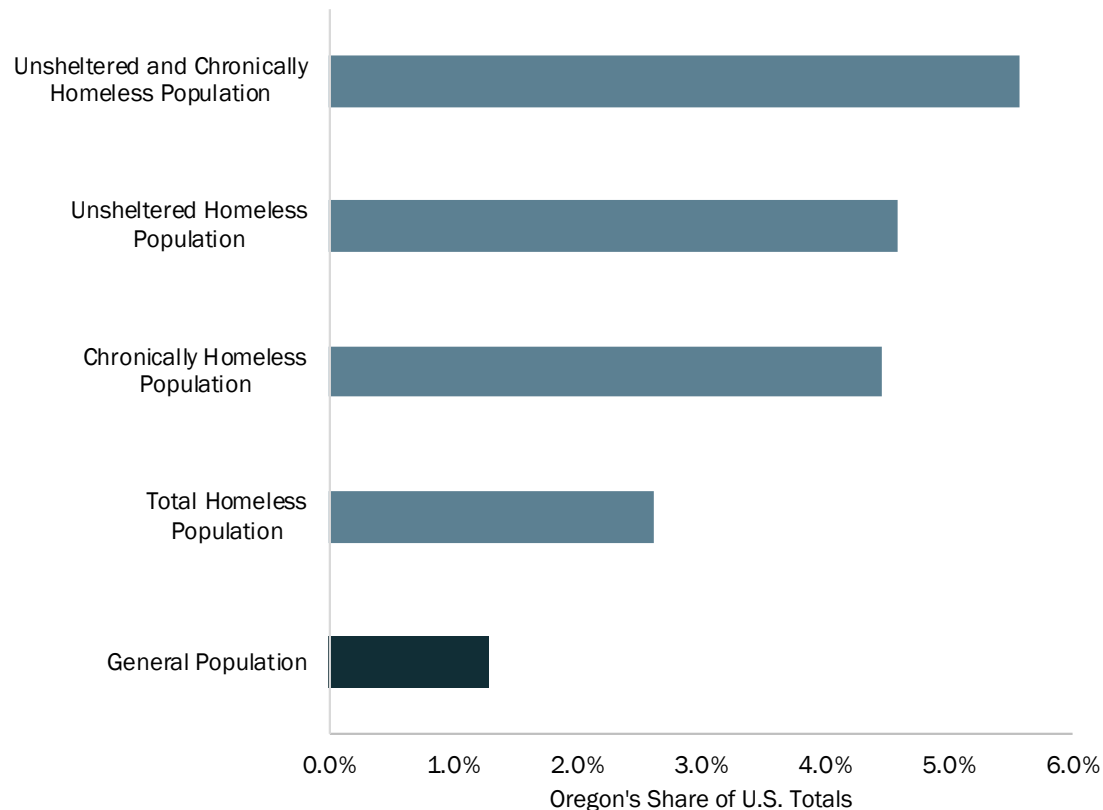
Figure 2. Regions with High Median Rents have High Rates of Homelessness



Source: ECONorthwest analysis of HUD 2017 Point-In-Time Counts and U.S. Census Bureau 2017 American Community Survey data. The diagonal line is the line-of-best-fit for the data, showing a strong positive correlation between median gross rent and rates of homelessness. The linear equation for the line is shown. The R^2 value demonstrates how closely the line fits the data; a higher R^2 indicates a better fit and less variance.

Oregon has disproportionately large homeless populations (see Figure 3). Oregon's general population represents 1.3 percent of the U.S. total. By contrast, the state's homeless population is proportionately twice as large—2.6 percent of the U.S. total homeless population. The state's chronically homeless population, those who are homeless for more than a year or who face repeated spells of homelessness over time, represents 4.5 percent of the U.S. total, and its unsheltered population is 4.6 percent of the national total. Oregon reports 3,361 individuals in an especially vulnerable subgroup—people who are both unsheltered and chronically homeless. They make up 5.6 percent of the U.S. total—more than four times the rate of Oregon's share of the U.S. total population.

Figure 3. Oregon Has Disproportionately Large Homeless Populations



Source: ECONorthwest analysis of HUD 2017 Point-In-Time Counts, U.S. Census Bureau 2018 Annual Estimates of the Resident Population for the United States, Regions, States, and Puerto Rico, and United Nations World Population Prospects Division (2017).

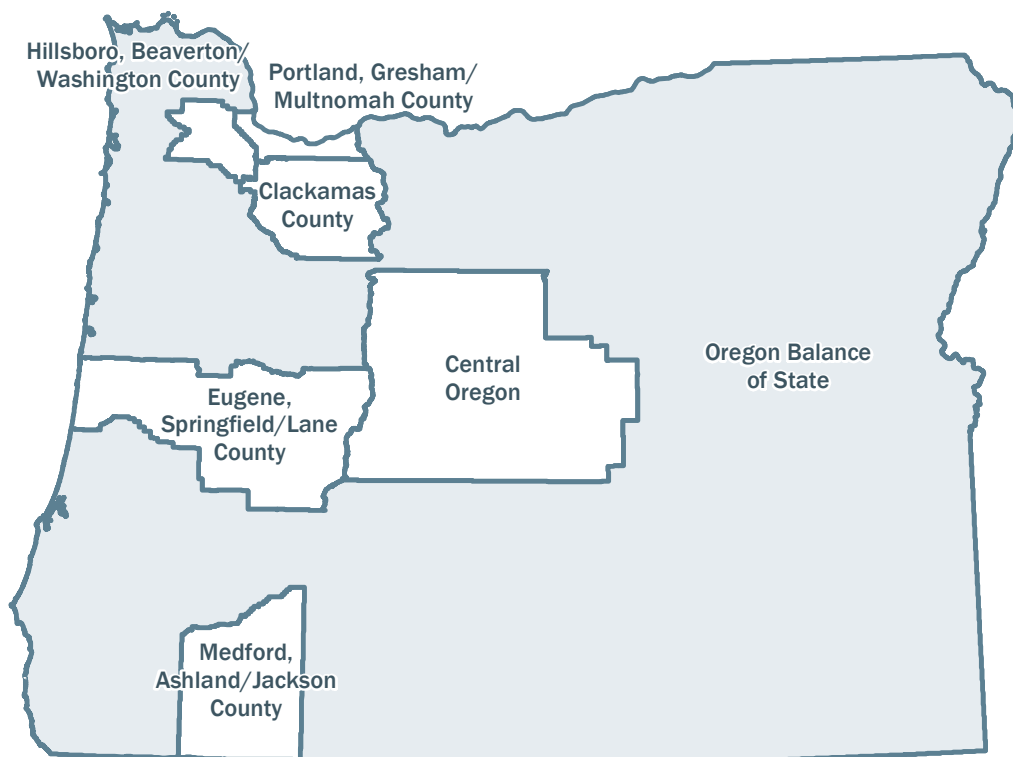
Notes: Although American Samoa is a U.S. Territory, it is not included in the HUD PIT data, so we have excluded it from the U.S. Total General Population for consistency. Other U.S. Territories are included. HUD only requires CoCs to conduct an unsheltered count in odd-years, so 2018 PIT data include 2017 unsheltered figures.

Homelessness in Oregon

Findings from Recent PIT Counts

Seven CoCs gather homeless statistics and coordinate services across Oregon. Three CoCs serve the Portland metropolitan area. Individual CoCs serve areas that are roughly comparable to the Eugene, Bend, and Medford metropolitan areas. The “Balance of the State” CoC serves Salem, Corvallis, and non-metropolitan parts of the state (e.g., the Oregon Coast, the Columbia Gorge, Eastern Oregon, and Southern Oregon outside of Jackson county) (see Figure 4).

Figure 4. Oregon Is Divided into Seven Continuum of Care Geographies



Source: ECONorthwest analysis of HUD 2018 Continuums of Care

Note: In Oregon, the CoCs are made up of one or more counties; no counties are split across CoC boundaries.

HUD requires PIT counts of sheltered homeless populations every year, and PIT counts of unsheltered populations every two years in odd-numbered years. In Oregon, five of the seven CoCs voluntarily elected to conduct unsheltered PIT counts in 2018. Multnomah and Clackamas counties most recent unsheltered reports are from 2017.

Figure 5 reports homeless counts and rates for the most recent unsheltered PIT counts—either 2017 or 2018. Homeless rates per 10,000 population are elevated across the state. The exceptions are Washington and Clackamas counties, and their low rates are almost certainly related to the concentration and availability of services in nearby Multnomah county.

HUD requires PIT counts of sheltered homeless populations every year, and PIT counts of unsheltered populations every two years in odd-numbered years.

In Oregon, five of the seven CoCs voluntarily elected to conduct unsheltered PIT counts in 2018.

Homelessness in Oregon: Determinants and Recent Trends

Chronically homeless populations across Oregon stand out. In 2018, the Oregon Balance of State CoC reported more chronically homeless individuals (1,503)¹⁷ than the entire of state of Illinois (1,470).¹⁸

Figure 5. Rates of Homelessness Are High Across Most of Oregon

Continuum of Care	Year	Total Population	Episodic Homeless	Chronic Homeless	Total Homeless	Chronic Homeless per 10,000	Total Homeless Per 10,000	Percent Unsheltered
Eugene-Springfield-Lane County	2018	375,120	929	712	1,641	19.0	43.7	69.1%
Portland-Gresham-Multnomah Co.	2017	803,000	2,887	1,290	4,177	16.1	52.0	39.9%
Medford-Ashland-Jackson Co.	2018	219,200	473	259	732	11.8	33.4	44.9%
Central Oregon	2018	235,250	615	172	787	7.3	33.5	70.5%
Oregon Balance of State	2018	1,526,725	4,889	1,503	6,392	9.8	41.9	70.9%
Hillsboro-Beaverton-Washington Co.	2018	606,280	356	166	522	2.7	8.6	68.8%
Clackamas Co.	2017	413,000	343	154	497	3.7	12.0	69.6%

Oregon

Totals not reported because CoC reporting schedules are inconsistent

Source: ECONorthwest analysis of HUD 2017 and 2018 Point-In-Time Counts, Portland State University County Population Estimates, and U.S. Census Bureau 2018 Annual Estimates of the Resident Population for the United States, Regions, States, and Puerto Rico.

Notes: Year varies because some CoC's voluntarily conducted unsheltered counts in 2018. Homeless population counts and total population estimates are provided for the year listed.

The high shares of people experiencing unsheltered homelessness also set Oregon apart. HUD's *2018 Annual Report to Congress* showed Oregon with the second highest rate of unsheltered homeless people (61.7 percent)—behind only California. Multnomah and Jackson counties, with relatively more shelter capacity and lower rates of unsheltered homelessness, nonetheless have unsheltered rates that exceed those of a sizable majority of states.

¹⁷ "2007-2018 PIT Counts by CoC," U.S. Department of Housing and Urban Development, www.hudexchange.info/resource/3031/pit-and-hic-data-since-2007/, (December 2018).

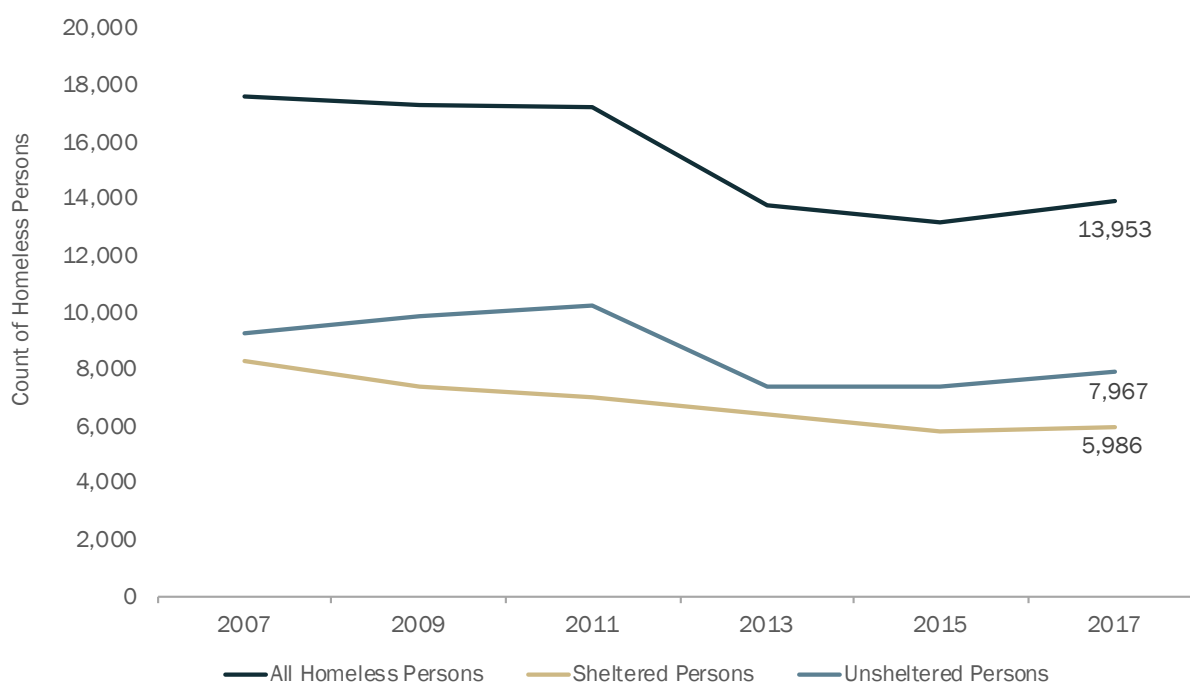
¹⁸ HUD, *Annual Homeless Assessment Report (AHAR) to Congress*, 2018.

Trends 2007-2017

Changing definitions of populations and varying levels of effort in data collection over time can undermine the reliability of long-term homeless trends. Those concerns notwithstanding, a review of 2007-2017 trends can signal major shifts in conditions.

Statewide, the total number of people experiencing homelessness declined by 20.7 percent in the ten years between 2007 and 2017 (see Figure 6). Statewide homelessness was at its lowest in 2015 but increased 5.5 percent during 2015-2017. The sheltered population has declined by about 28.1 percent over this time period. Oregon's unsheltered population is down 13.9 percent in total over the ten-year period but peaked in 2011 at just over 10,240 people and has seen varying trends including a modest increase since 2013.

Figure 6. Statewide Homelessness Declined from 2007-2015 but Increased to 2017 while Sheltered Population has Steadily Declined

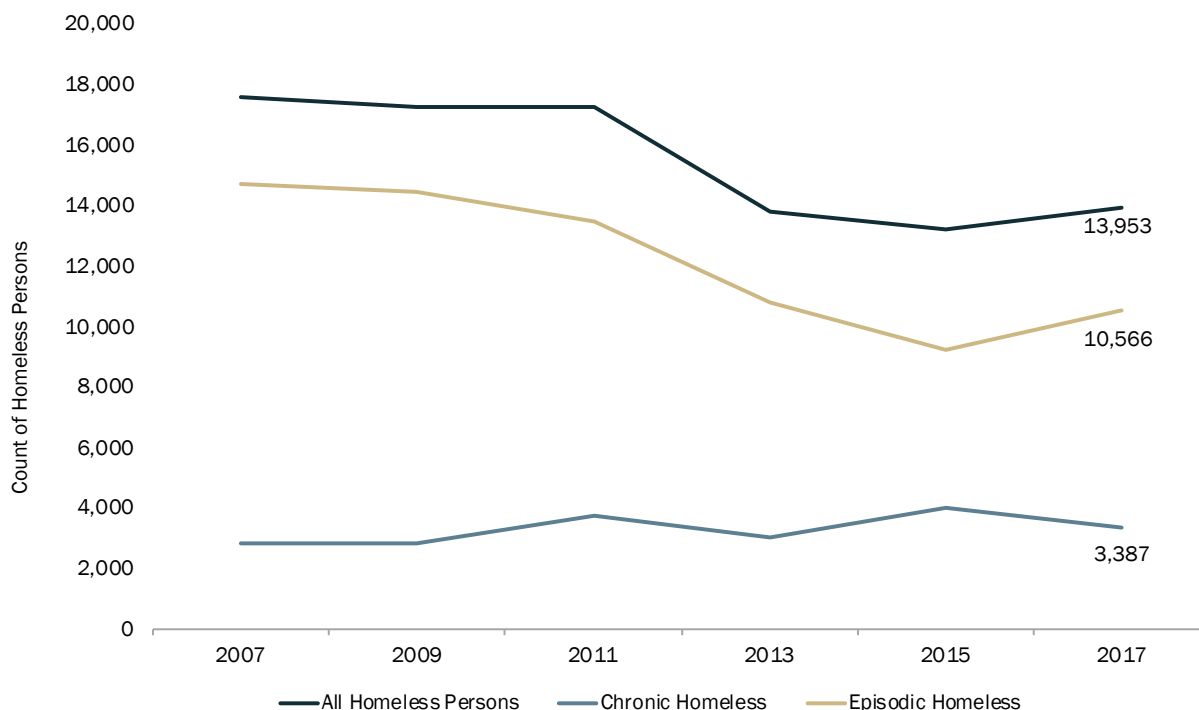


Source: ECONorthwest analysis of HUD Point-in-Time Counts, 2007-2017

The number of episodic homeless—individuals and families who experience homeless spells for less than a year—declined by 37.6 percent during 2007-2015 and then increased by about 14.7 percent during 2015-2017 (see Figure 7). Although the number of chronically homeless individuals has shown a modest reduction since its peak in 2015, the population has gradually

increased 19.7 percent over the past ten years. These individuals generally have disproportionately higher interactions with health, social service, and public safety systems.

Figure 7. Statewide Homelessness Declined Through 2015, Increased 2015-2017, While Chronic Homelessness Has Steadily Risen



Source: ECONorthwest analysis of HUD Point-in-Time Counts, 2007-2017

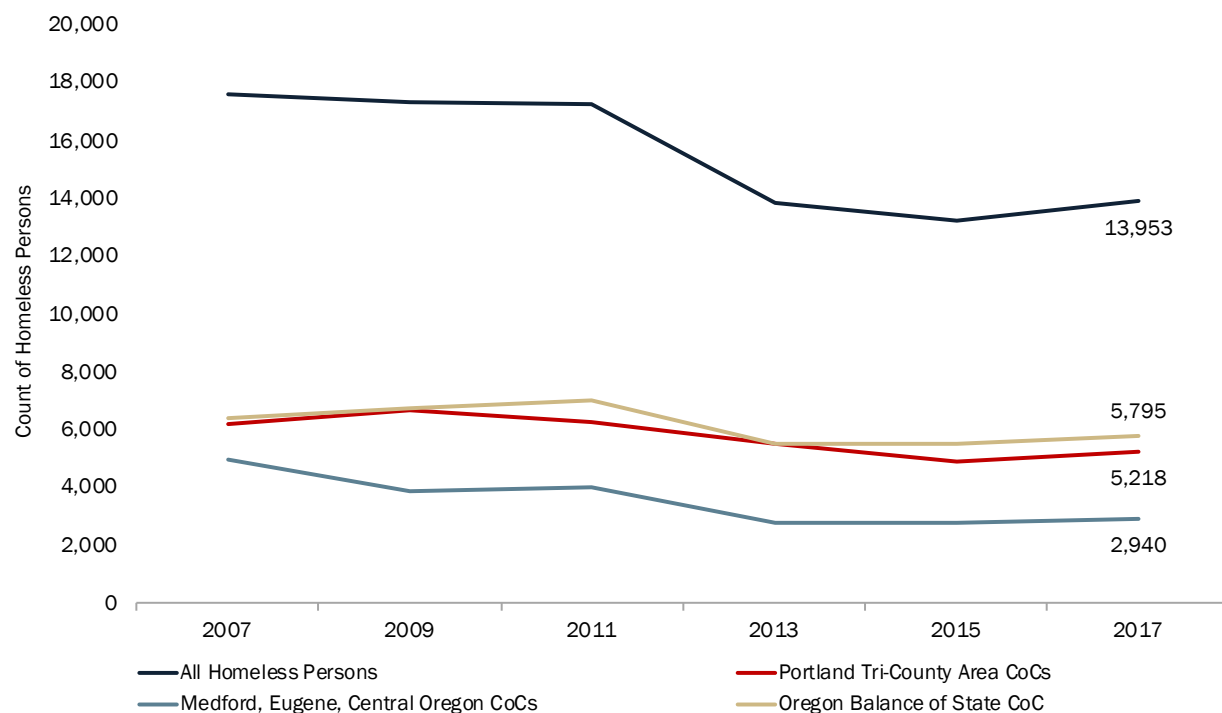
Note: Beginning in 2011, HUD PIT data began including chronically homeless people in families to its definition of total chronic homeless. Prior to 2011, chronic homeless only included chronically homeless individuals.

Statewide total homelessness declined approximately 20.7 percent from 2007 to 2017. However, trends vary across the seven CoC's in the state (see Figure 8).

- In the three CoCs that comprise the Portland metro area (the Portland-Gresham-Multnomah County CoC, the Beaverton-Hillsboro-Washington County CoC, and the Clackamas County CoC), total homelessness peaked in 2009 at 6,660 people, fell through 2015, and increased again in 2017.
- In the three CoCs that comprise Central Oregon (Eugene-Springfield-Lane County CoC, Medford-Ashland-Jackson County CoC, and the Central Oregon CoC encompassing Jefferson, Crook, and Deschutes Counties) total homelessness fell for eight years straight, from 2007 through 2015, and then increased 2015-2017.
- In the Balance of State CoC (encompassing all the remaining counties on the coast and in Eastern and Southern Oregon) total homelessness peaked in 2011, fell meaningfully to 2013, and has increased to 2017.

Some of the variations in trends over time are driven by changes in HUD definitions of homeless, changes in HUD definitions of properties, and changes in the PIT methodologies.

Figure 8. More People are Experiencing Homelessness in the Balance of State than in the Portland Metro Area



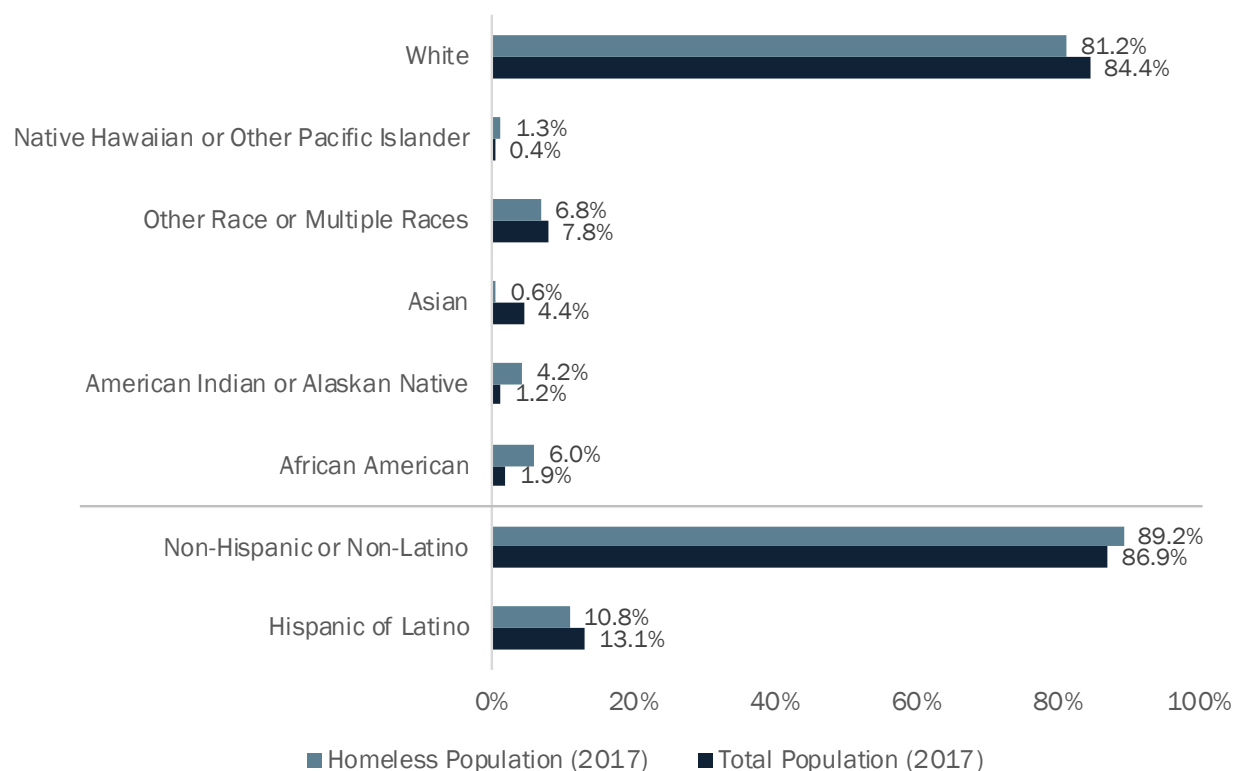
Source: ECONorthwest analysis of HUD Point-in-Time Counts, 2007-2017.

Note: The Tri-County Portland Area CoCs are Portland-Gresham-Multnomah County CoC, Clackamas County CoC, Hillsboro/Beaverton/Washington County CoC, and Vancouver/Clark County CoC.

Homelessness disproportionately affects most racial/ethnic minority groups (see Figure 9). The African American share of the homeless population (6.0 percent) is more than three times its share of the general population (1.9 percent) across the state. Similarly, the share of homeless individuals who identify as American Indian/Alaskan Native is 3.5 times this group's representation in the general population, and the share of homeless individuals who identify as Native Hawaiian/Pacific Islander is 3.25 times this group's representation in the general population. The racial disparities in homelessness found in Oregon mirror national data.¹⁹

¹⁹ "Racial Disparities in Homelessness in the United States," National Alliance to End Homelessness, www.endhomelessness.org/resource/racial-disparities-homelessness-united-states/, (June 6, 2018).

Figure 9. African American, American Indian/Alaskan Native, and Native Hawaiian/Pacific Islander Populations have Disproportionately High Rates of Homelessness Across Oregon



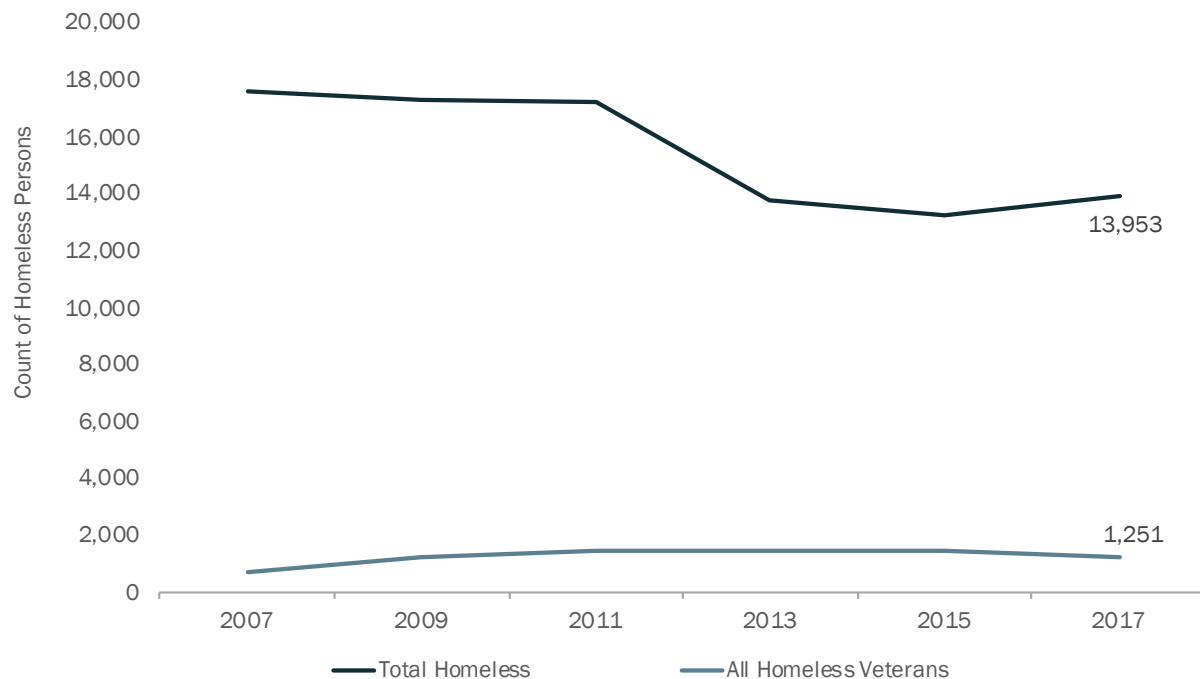
Source: ECONorthwest analysis of 2017 HUD Point-in-Time Counts and American Community Survey 2017 1-year Population Estimates
 Note: Race categories are inclusive of Hispanic and non-Hispanic ethnicities.

Homelessness also disproportionately affects veterans. In 2017 Oregon veterans accounted for 7.5 percent of the total state population but accounted for 9.0 percent of the homeless population.²⁰ Homelessness amongst Oregon veterans has been a stubborn challenge (see Figure 10). In 2017 the HUD PIT counted 1,251 homeless veterans, with approximately 53.0 percent unsheltered—the third highest rate in the country.²¹ In November 2018, Governor Brown created Operation Welcome Home, a campaign that directs the Oregon Housing and Community Services Department and the Oregon Department of Veterans Affairs to work with ten selected communities over a six month time period on targeted efforts to end veterans homelessness.

²⁰ Data on total veterans comes from Oregon Department of Veterans Affairs' "2017 Annual Report to the Governor." Data on total Oregon population comes from the U.S. Census Bureau 2017 Annual Estimates of the Resident Population for the United States, Regions, States, and Puerto Rico. Homeless data comes from the 2017 HUD PIT.

²¹ U.S. Department of Housing and Urban Development, *The 2017 Annual Homeless Assessment Report (AHAR) to Congress* (Washington, DC: U.S. Department of Housing and Development, December 2017).

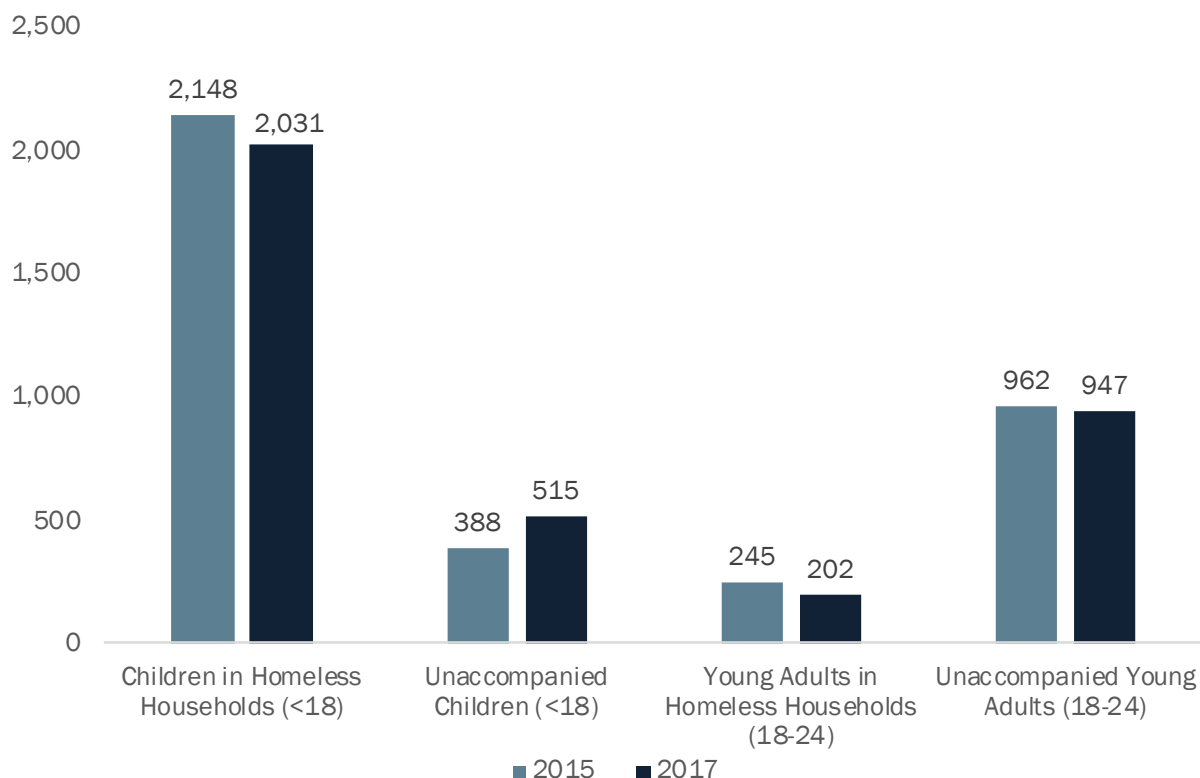
Figure 10. Homelessness Amongst Oregon Veterans has Remained Relatively Constant Over Time



Source: ECONorthwest analysis of HUD Point-in-Time Counts, 2007-2017.

Homelessness can be particularly destabilizing for children and young adults. Figure 11 uses PIT data to show homelessness counts among children (under 18 years old) and young adults (between 18 and 24 years old) in 2015 and 2017 across the state. The counts of homeless children in households, young adults in households, and unaccompanied young adults all declined between 2015 and 2017 while the number of unaccompanied children experiencing homelessness across the state increased.

Figure 11. Counts of Children and Young Adults Experiencing Homelessness Declined from 2015 to 2017 Across Oregon

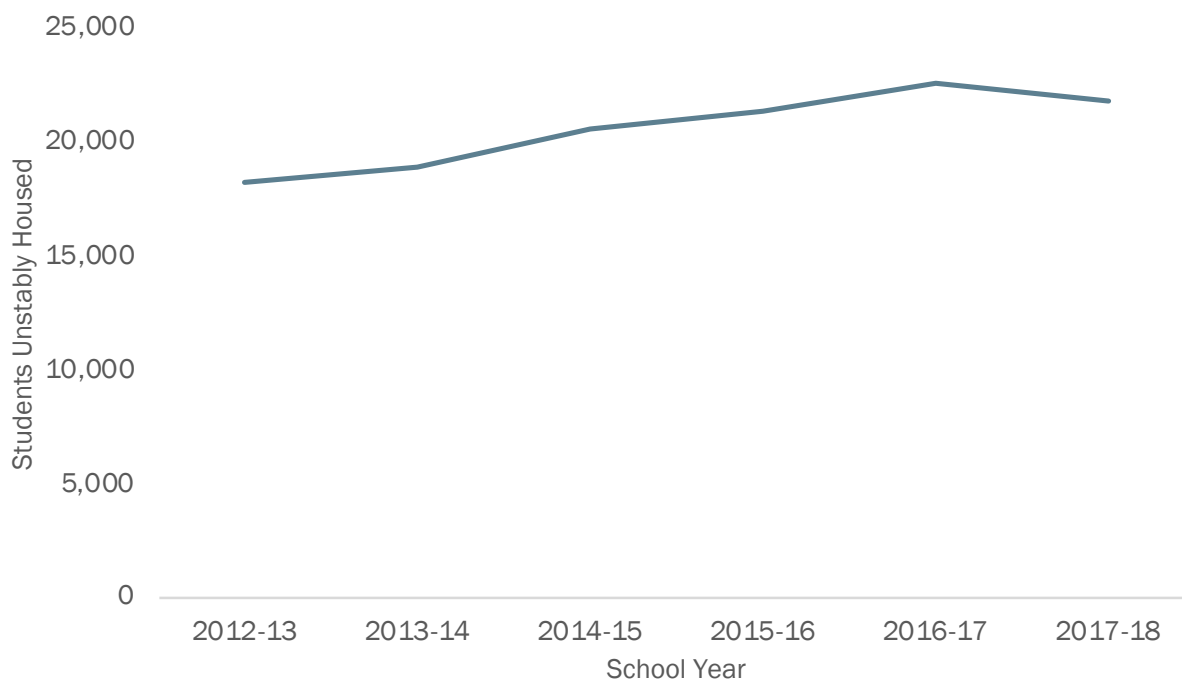


Source: ECONorthwest analysis of 2015 and 2017 HUD Point-in-Time Counts.

Notes: Data on homeless children were not available prior to 2015.

While PIT counts identified around 2,500 homeless children in 2017, the Oregon Department of Education (ODE) estimates that more than 21,750 students were homeless or unstably housed in the 2017-18 school year (see Figure 12). Homeless students under the ODE definition are those who lack a “fixed, regular, or adequate nighttime residence.” The count includes sheltered and unsheltered students who would be counted in the HUD PIT definition but additionally extends to students who are doubled-up in shared housing, living in a hotel or motel, or who are unaccompanied by adults. ODE’s broader definition of homelessness underscores that disruptive, highly unstable housing situations affect many more Oregonians—children and adults—than HUD’s narrower PIT counts suggest.

Figure 12. More than 21,750 Students are Experiencing Homelessness by the Department of Education's Definition, Considerably More Than HUD's Definition

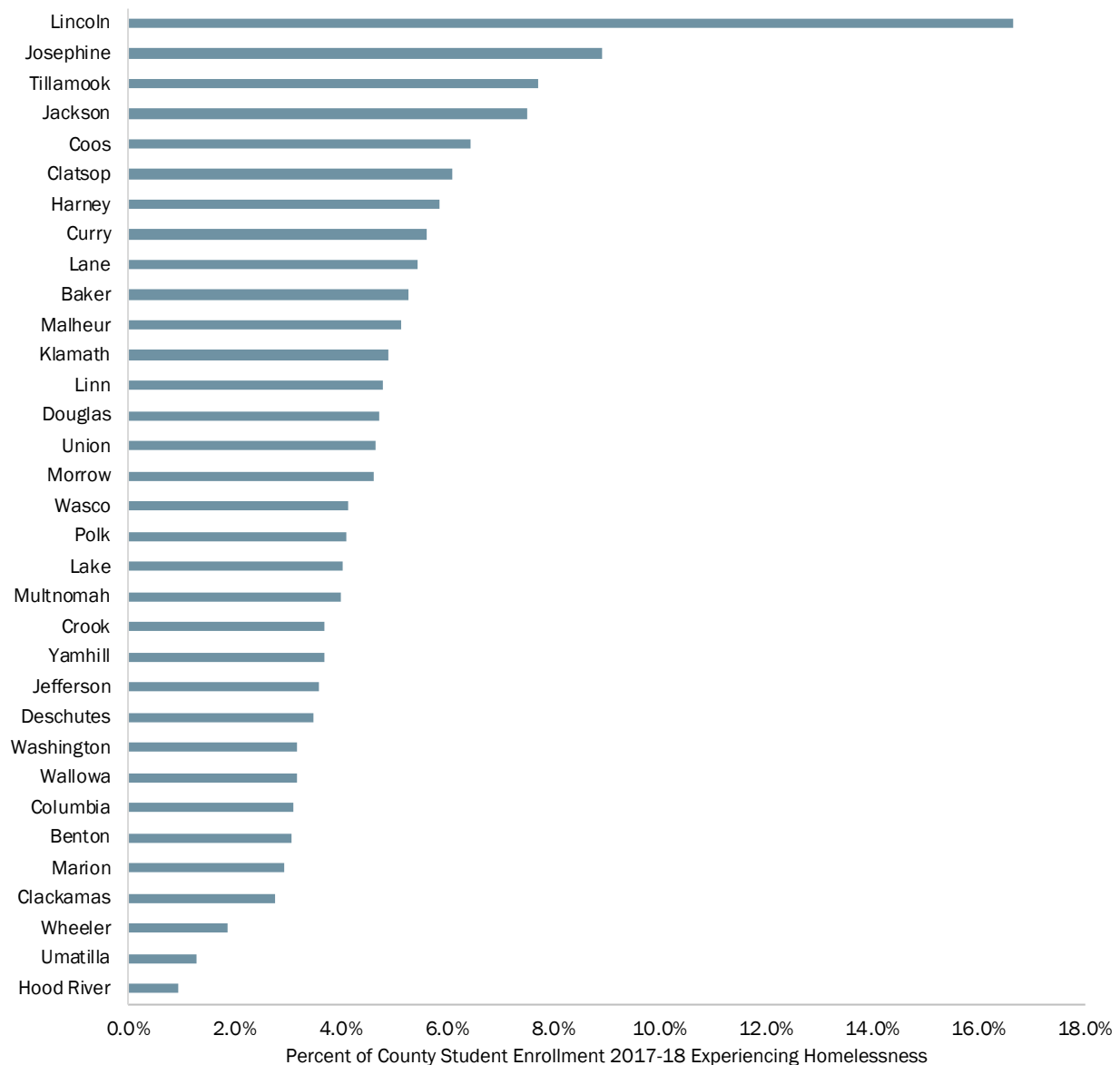


Source: ECONorthwest analysis of Oregon Department of Education Statewide Report Card 2017-2018 data. Available from: www.oregon.gov/ode/schools-and-districts/reportcards/Pages/Statewide-Annual-Report-Card.aspx.

The steady increase in unstably housed students—19.8 percent from the 2012-13 school year—varies across the state. Rates of student homelessness are elevated in coastal and rural counties (see Figure 13). High student mobility, which accompanies homelessness, slows achievement, increases absenteeism, and lowers the chances of high school graduation.²² Addressing homelessness and providing resources for unstably housed students is a critical issue.

²² Sarah D. Sparks, "Student Mobility: How It Affects Learning," Education Week, www.edweek.org/ew/issues/student-mobility/index.html, (August 11, 2016).

Figure 13. Rates of Student Homelessness are Elevated in Coastal and Rural Counties for the 2017-18 School Year



Source: ECONorthwest analysis of Oregon Department of Education “PreK-12 District Counts by Living Situation” data available from: www.oregon.gov/ode/schools-and-districts/grants/esea/mckinney-vento/pages/default.aspx, and 2017-2018 Fall Membership Report data available from: www.oregon.gov/ode/reports-and-data/students/Pages/Student-Enrollment-Reports.aspx.

Note: Data include Pre-K and K-12 students experiencing homelessness as a share of county total enrollment.

Homelessness Differs in Urban and Rural Areas

Homelessness occurs in communities large and small across the U.S. However, as noted in a 2015 Pew Charitable Trust report, *States Struggle with 'Hidden' Rural Homelessness*, important differences exist between urban and rural homelessness with regard to the demographic makeup of homeless populations, the services and funding available, the housing market conditions, and cultural views of homelessness.²³ Combined, these differences make rural homelessness less visible, undercounted, and underserved.

Demographics

The Pew research report notes that causes of homelessness in rural areas are similar to those in urban areas—poverty, mental illness, inadequate housing, domestic violence, and post-war psychological issues. However, people experiencing rural homelessness are more likely to be white and female, and families with children represent larger shares of rural homeless populations than urban homeless populations.

Visibility and Funding

The report also suggests that people experiencing homelessness in rural areas are often less visible—staying in the woods, barns, sheds, tents, or campers. Much research exists documenting the difficulty of accurately counting people experiencing homelessness in rural areas (see the Appendix). Undercounts would translate to less funding for services. In addition, people experiencing homelessness and living in poverty in rural areas have less transit options to reach services they may need. These issues make addressing rural homelessness particularly challenging.

Housing Market Conditions

Because rural areas are growing more slowly than urban areas, developers have fewer incentives to build housing. According to the Joint Center for Housing Solutions, in 2016, 97.0 percent of all recently completed, market-rate, multifamily housing units were located in metro areas, further increasing the concentration of multifamily rental construction in metro areas and especially principal cities.²⁴

²³ Teresa Wiltz, “States Struggle with ‘Hidden’ Rural Homelessness,” The Pew Charitable Trusts, www.pewtrusts.org/en/research-and-analysis/blogs/stateline/2015/6/26/states-struggle-with-hidden-rural-homelessness, (June 26, 2015).

²⁴ “The State of the Nation’s Housing 2018,” Harvard Joint Center for Housing Studies, www.jchs.harvard.edu/sites/default/files/Harvard_JCHS_State_of_the_Nations_Housing_2018.pdf, (2018).

Comprehensive Framework of Responses to Homelessness

Homelessness Dynamics and Implications for Policy

Communities often build their homelessness reduction strategies on inflow and outflow models. They design programming to prevent housing and personal crises (i.e., the inflow) and expedite exits into adequate, long-term housing (i.e., the outflow). Required efforts to improve outflow processes are easier to describe. At any point in time, agencies have some sense, albeit imperfect, of the number of individuals and families experiencing chronic and episodic homelessness, the general kinds of programming needed, and a range of possible programs that could be deployed to house people. Outflow modeling has plenty of challenges, but the broad boundaries of populations, costs, and solutions are known.

Inflow modeling is considerably harder. As Multnomah County's A Home for Everyone housing workgroup noted, "The true number of people who are on the verge of homelessness is difficult to predict and is affected by multiple external economic and social factors like recessions and rental housing markets."²⁵ The workgroup's plan assumes a baseline with a stable inflow of newly homeless and returning homeless individuals.

It's the complex interaction of housing and personal circumstances that makes inflow modeling and homelessness prevention so hard. Economist Brendan O'Flaherty argues that the most reliable indicator of who will be homeless tomorrow is that a person is homeless today. He notes, and many service providers have likely experienced, that it is extremely difficult to predict the next homeless cases among those who are currently housed. This is because high housing costs put tens of thousands of households at risk of homelessness at any given time. It is impossible to know which of those households will experience domestic violence, the loss of a job, a death, a health event, or other adverse circumstances that can trigger homelessness.

In their book, *How to House the Homeless*, Gould Ellen and O'Flaherty have likened a region with high housing costs to a forest under severe drought conditions.²⁶ During an extended drought, firefighters know the likelihood of wildfire is elevated. But they do not know where the lightning will strike. Given the unpredictability of new homeless

"Homelessness is not an indelible characteristic like a birthmark or a Social Security number. Almost everyone who will be homeless two years from today is housed now, and almost everyone who is homeless today will be housed two years from now. Homeless spells are more like semesters than careers. Some homeless spells are many years long, but these are rare. What is important about these spells is that at their starts they are unpredictable."

Brendan O'Flaherty

²⁵ A Home for Everyone, *Housing Work Group Action Plan* (March 3, 2015).

²⁶ Ingrid Gould Ellen and Brendan O'Flaherty, eds., *How to House the Homeless* (New York: Russell Sage Foundation, 2010).

spells, agencies will continue to struggle in their attempts to narrowly tailor prevention activities among those who are currently housed. In short, the at-risk population is simply too broad. That said, broader inflow modeling can be improved. Forecasts of key housing market indicators like rents, rent-to-income ratios, and vacancy rates can strengthen assumptions about the direction of the inflow: increasing, decreasing, or staying the same.

The interplay of housing and personal circumstances has implications for the scope of policies that should be addressed in a plan to end homelessness. The demonstrated importance of broad housing market conditions points to a need to widen the scope considerably. Gould Ellen and O’Flaherty organize a comprehensive response across four policy fronts:²⁷

- **Market-based supply responses.** These include a suite of policies that would expand the supply of housing, such as deregulation of local zoning, state overrides of local zoning, and incentive-based regulations.
- **Means-tested, subsidized housing.** This includes demand- and supply-side subsidies that increase tenants’ abilities to compete for housing in the private market.
- **Targeted programming for high-needs, high-cost homeless individuals.** These are more comprehensive services to quickly move individuals and families experiencing homelessness back into housing that includes wraparound services.
- **Shelters.** The last-resort policy response for emergencies. Shelters serve a necessary role in the housing continuum, providing temporary access to a crisis bed and a gateway to permanent housing, but are primarily for safety and do not provide a long-term solution to issues of homelessness.

The balance of this section steps through each policy category, reviews current policy and programming, and estimates today’s regional public and private expenditures. Then, the section turns to a discussion of the funding gap and focuses on the most cost-effective approaches to moving the state’s population experiencing homelessness into stable housing.

Market-Based Supply Responses

Housing Underproduction in the U.S. and Oregon

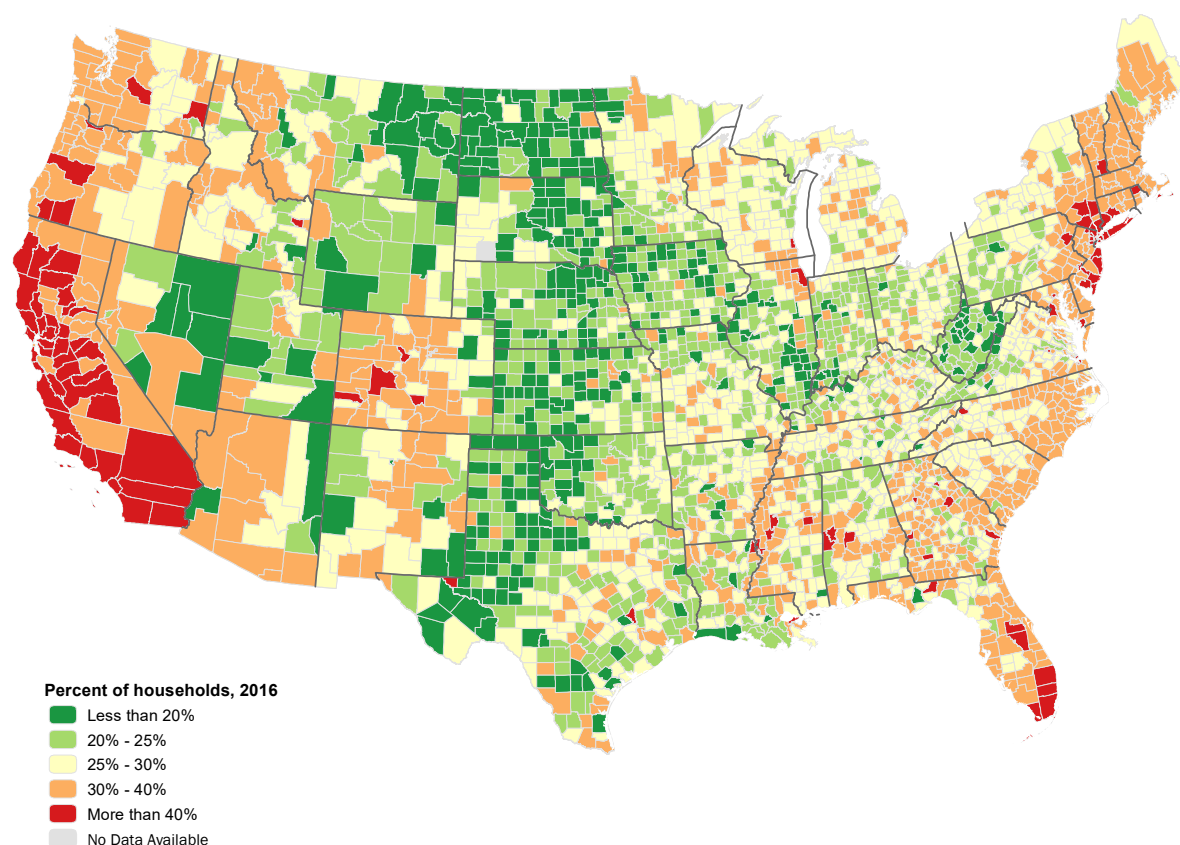
The U.S. Interagency Council on Homelessness notes that homelessness prevention is not the exclusive responsibility of crisis response systems and that reducing the risk of housing crises

²⁷ Ibid.

requires action across a range of community actors.²⁸ Our interregional findings on the relationship between rent and homelessness suggests prevention starts with a better functioning housing market.

The current economic expansion has seen a sharp upturn in the share of households that are housing cost-burdened across the United States and especially in many West Coast metropolitan areas (see Figure 14).²⁹ Slow wage growth is partly to blame, and some communities have responded with increased minimum wages and other labor-related policies. But the problem's geographic nature—in the high-cost coastal markets—points to the underproduction of housing as an important driver of the cost-burden trends.

Figure 14. Many Households in Coastal Counties were Housing Cost Burdened in 2016



Source: St. Louis Federal Reserve GEOFRED

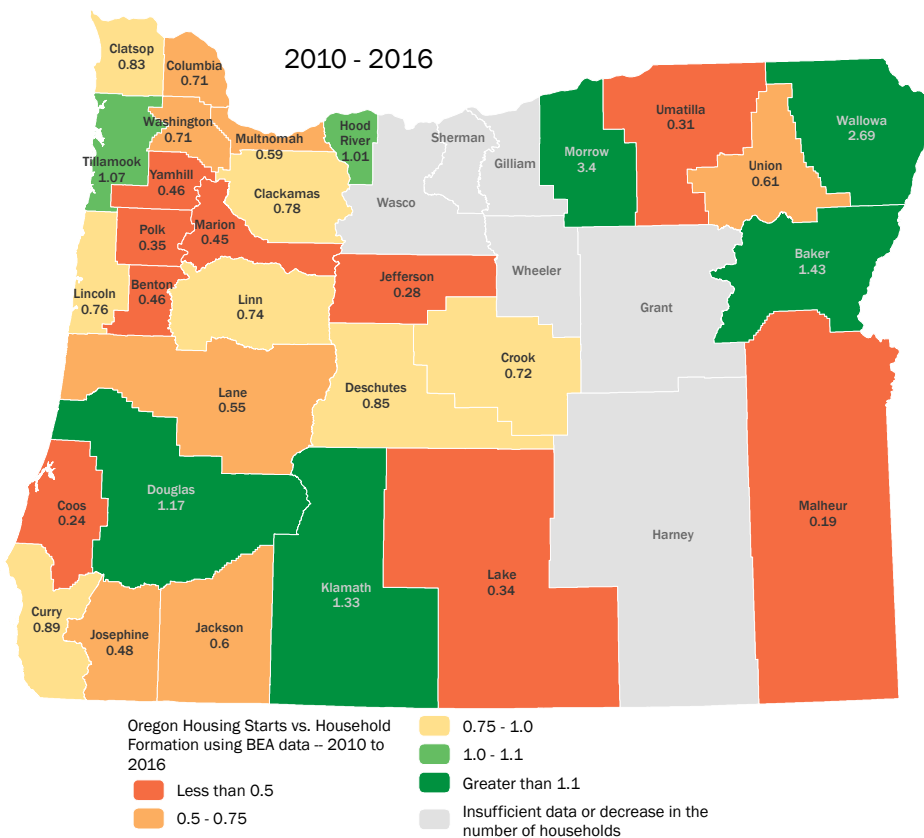
²⁸ United States Interagency Council on Homelessness, *Home, Together: The Federal Strategic Plan to Prevent and End Homelessness* (Washington, DC: United States Interagency Council on Homelessness, 2018), 12.

²⁹ Housing cost-burdened means that a household pays more than 30 percent of their gross income on housing and utilities.

We evaluated trends from 1963-2015 across the United States and estimated that national housing production fell short by as many as 7.3 million units between 2000 and 2015.³⁰ The problem is most easily illustrated by a comparison of housing construction and household formation over time. The U.S. built 1.10 units for every new household during the half century from 1963-2016 which roughly kept pace with population growth while allowing for a vacancy factor, second homes, and the demolition of older, unsafe stock. Since 2010, the national pace of building has slowed considerably, with only 0.72 units built per new household formed.

The problem is particularly acute in Oregon. Housing starts have fallen well below the pace of household formation in the region since 2000 and particularly since 2010: the ratio is 0.48 in Josephine County, 0.60 in Jackson County, 0.55 in Lane County, and 0.45 in Marion County (see Figure 15).

Figure 15. Housing Starts Did Not Keep Pace With Household Formation During 2010-2016



Source: ECONorthwest analysis of PSU Population Research Center, U.S. Census American Community Survey 2010 and 2016 5-year estimates, Moody's Analytics.

³⁰ Madeline Baron, Marley Buchman, Mike Kingsella, Randall Pozdena, and Mike Wilkerson, *Housing Underproduction in the U.S.* (Washington, DC: Up for Growth National Coalition, 2018).

The statewide average ratio, 0.63, indicates that 63 new units of housing were produced for every 100 new households formed during 2010-2016. This underproduction has decreased vacancy rates, put upward pressure on housing costs, and contributed to high rents and cost burdening across the state. In this time period, only a handful of counties produced enough housing to keep up with household formation. In some rural counties both the numerator, new housing, and the denominator, new households, may be low. In other counties, new housing produced may be vacation homes or vacation rentals which do not contribute to the overall housing stock.

The Role of Land-Use Regulation in Housing Underproduction and Implications for Homelessness

Looking for causes of underproduction, economists examine housing's three inputs: land, labor, and capital (construction materials, machinery, etc.). Tight housing markets may trigger shortages of labor and capital. If that happens, construction costs increase, and development feasibility declines in areas where prices do not keep pace. As a result, developers build fewer units in the region. Over the last several decades, inflation-adjusted housing prices have routinely outpaced inflation-adjusted construction costs which suggests that labor and capital are not the key drivers of housing inflation or constraints on production.³¹

The availability and cost of land has been the dominant factor in determining production levels across regions, and economists see land-use regulations playing a major role. Regulations take many forms: minimum lot sizes, minimum off-street parking requirements, maximum square footage constructions, maximum heights, adequate infrastructure requirements, historic preservation, and other factors that limit and influence the design, size, and type of homes produced.

Regulatory design and implementation affect the cost of development and ultimately housing supply. For example, holding other factors constant, regulations that limit the number of units per acre increase the cost of the land per unit and often lead to higher cost housing. Historic preservation districts, industrial zoning, and infrastructure requirements limit or close off access to development in certain parts of town. And in Oregon, urban growth boundaries limit the development of rural lands on the fringe of cities and towns to preserve forest and farmland. In addition to limiting what can be built where, regulations add costs as they are processed by

“Modest improvements in the affordability of rental housing or its availability can substantially reduce the incidence of homelessness in the United States.”

John Quigley and Steve Raphael

³¹ Jason Furman, *Barriers to Shared Growth: The Case of Land Use Regulation and Economic Rents* (Washington, DC: Urban Institute, November 20, 2015), 4, Figure 1.

government agencies. Building permitting, design, and review processes require time to complete, create uncertainty, and add to the cost of development.

Policymakers enact regulations with positive goals in mind. Some serve critical health, safety, and environmental protection purposes. Others seek to optimize the use of existing public infrastructure and, importantly, some encourage the development of lower cost housing units that the market otherwise would not deliver.

While a number of economists have demonstrated the link between housing affordability and land-use regulations, Steven Raphael takes the analysis a step further and investigates the importance of regulation on homelessness.³² He compares regulatory regimes to PIT homeless counts across states and then controls for other determinants of homelessness. He estimates that if highly regulated states reduced their regulatory effort to the median, the number of people experiencing homelessness would fall by 7.2 percent nationally. If all states adopted the policies of the least-regulated states (e.g., Arkansas, Iowa, Missouri, Kansas), homeless populations would decline by 22.0 percent nationally. Raphael's finding does not necessarily imply that housing deregulation is the first step in a plan to eradicate homelessness. The study does, however, identify the relationship between land-use regulation and homelessness that local policymakers should consider as they add to or subtract from their regulatory frameworks.

Development Challenges in Non-Metropolitan Oregon

As the map in Figure 15 demonstrates, the underproduction of housing is a pervasive issue in urban and rural counties alike. Despite low costs of land in rural areas, the cost to construct new housing can be the same or higher. Since prices are lower, housing developers do not have many incentives to build in rural areas when profits may be higher in urban markets. Over the long-term, the market could reach an equilibrium where the lack of supply in rural areas would increase prices to the point at which developers see opportunity and build new units, thereby bringing prices back down. However, this does not account for variations in where people want to live, which is driven by macroeconomic conditions, job and educational opportunities, and demographic preferences. While regulatory barriers to development may not be limiting supply in rural areas, the lack of strong demand for new housing at price points that will cover construction costs will limit development interest. In this case, new construction of housing may not be feasible in rural areas without subsidies.

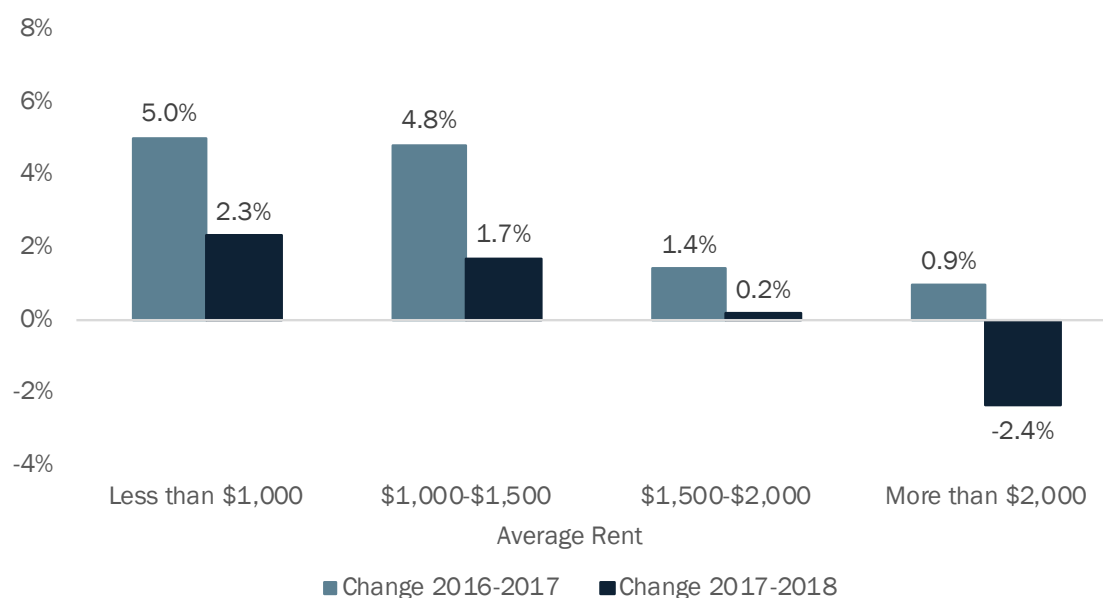
³² Steven Raphael, "Housing Market Regulation and Homelessness," in *How to House the Homeless* (New York: Russell Sage Foundation, 2010), 136-37.

The Housing Supply Imperative in a Strategy to End Homelessness

Calls for broad, market-based supply responses get mixed reactions among homeless advocates. The ties between homelessness and the development of new, often high-end units are indirect, and opponents to new development argue that new supply might increase rents and prices.³³ The predominance of published research finds that the laws of supply and demand apply to housing markets, albeit through complex interactions of submarkets that play out across time.

Trends in the current building cycle illustrate the market's dynamics. Portland has witnessed an acceleration in apartment unit delivery in the past two years, with the majority of new units commanding rents of more than \$1,500 per month. The supply surge has led to rent decreases at the high-end but has also led to decreases in the growth of rent at lower ends of the market (see Figure 16). While rents for lower-priced units are still increasing year-over-year, the rate of increase has slowed. Using Zillow data, regional economist Joe Cortright draws a similar conclusion: rental markets at the low-, middle-, and high-ends move in tandem.³⁴

Figure 16. Average Rent Increases in the Portland Area Have Slowed Since 2017 and Declined at the Highest Rent Levels



Source: ECONorthwest analysis of 2016-2018 Axiometrics Asset Report Property Time Series.

³³ Vicki Been, Ingrid Gould Ellen, and Katherine O'Regan, "Supply Skepticism: Housing Supply and Affordability," NYU Furman Center, NYU Wagner School and NYU School of Law (New York: New York University, August 2018).

³⁴ Joe Cortright, "We Disagree with the Washington Post About Housing Economics," City Observatory, cityobservatory.org/wapo_rents_analysis/, (August 13, 2018).

A supply strategy starts with a top-line production goal. In Oregon's case that will require returning to annual production levels that keep pace with household formation while simultaneously adding production to address the legacy of decades of underbuilding. Accelerating production requires a re-examination of the regulatory environment—both what is allowed in code and the processes by which regulations are implemented. Local zoning that prohibits high-density development in high-demand areas is a key production constraint and an important driver of the affordability problem.

Urban economist Ed Glaeser argues that the locus of regulatory control (local government) inherently leads to underproduction as neighborhoods organize in their own interests to limit growth and protect property values.³⁵ He sees an important state role in regulatory reform—a combination of carrots and sticks and demonstrates that Massachusetts has examples of each. Once the state has determined a locality's rules are too restrictive, it can deploy one of two models. The more powerful (but less politically popular) tool allows the state to override local rules entirely. A second tool requires communities that underproduce housing to make transfer payments to communities that build more. New Jersey has implemented similar state-level overrides of local zoning decisions, and California is considering related approaches.

Oregon House Speaker, Tina Kotek, will propose state-level interventions in the 2019 Legislative session aimed at accelerating housing supply. One concept that has received national attention would end single-family zoning in cities of 10,000 or more.³⁶ If implemented, proponents argue that the change could accelerate the development of duplexes, triplexes, and quads, which could provide a wider range of options for low- and middle-income households. The approach addresses development of the so-called “missing middle housing”—units between single-family homes and apartment complexes. Related legislative concepts could also encourage localities to build more housing around existing transit networks.

State lawmakers will also consider a modified version of rent control—a concept that economists believe has adverse effects on housing affordability in the longer term.³⁷ A study of San Francisco's program showed improved housing stability for the renters directly covered by

³⁵ Ed Glaeser, *Reforming Land Use Regulations* (Washington, DC: The Brookings Institution, April 24, 2017), www.brookings.edu/research/reforming-land-use-regulations/.

³⁶ Elliot Njus, “Oregon House Speaker proposes to abolish single-family zoning in many urban areas,” *The Oregonian*, www.oregonlive.com/politics/2018/12/oregon-house-speaker-proposes-to-abolish-single-family-zoning-in-many-urban-areas.html, (December 14, 2018).

³⁷ “Rent Control,” IGM Forum, www.igmchicago.org/surveys/rent-control, (February 7, 2012).

the program; however, researchers also found the policy slowed housing supply and caused a 5.1 percent increase in citywide rent.³⁸

Means-Tested, Subsidized Housing

Addressing the rates and types of housing produced by the market will have the largest impacts on the costs and availability of housing across the entire continuum. While benefits may accrue in the market for lower-cost housing, it may take decades. For many households at the lowest income levels (e.g., below 50% median family income [MFI]), the market fails to deliver any suitable housing at affordable costs.

For this segment of the market, action by federal, state, and/or local governments is needed to encourage housing production or provide programs and services that enable households to compete in the private market. Housing challenges at this end of the income spectrum are generally addressed through two broad policy approaches:

- **Demand-side approaches.** Voucher programs that help low-income households compete in the private market for housing.
- **Supply-side approaches.** Public housing, project-based rental assistance, tax credits, and regulatory approaches that reduce the operational cost of affordable housing developments thereby making it easier and more cost effective to develop.

Demand-Side Approaches

Federal, state, and local governments intervene on the demand side of the housing market by directly providing housing to low-income households.

HUD Housing Choice Voucher (HCV)

The largest program providing demand-side subsidies is HUD's HCV tenant-based programs which assist an estimated 1.4 million households across the United States.³⁹ These programs are targeted to extremely low-income (under 30% MFI) and very low-income (under 50% MFI) households by allowing them to pay only 30 percent of their income on housing. The subsidy pays the difference between the tenant's portion of the rent and a fair market rent (FMR) set by HUD based on unit location and size. HCV and other rent assistance programs assign the subsidy to the household, giving them freedom to choose suitable housing in any neighborhood within the FMR area.

³⁸ Rebecca Diamond, Timothy McQuade and Franklin Qian, "The Effects of Rent Control Expansion on Tenants, Landlords, and Inequality: Evidence from San Francisco," *NBER Working Paper No. 24181*, (January 2018).

³⁹ HUD's project-based voucher program is described with the supply-side approaches.

Figure 17. 2019 HUD Fair Market Rents Vary By Bedroom Size and Location

Region	Studio FMR	1-Bedroom Unit FMR	2-Bedroom Unit FMR
Portland MSA	\$1,040	\$1,134	\$1,325
Bend-Richmond MSA	\$742	\$884	\$1,071
Coos County	\$490	\$623	\$762
Baker County	\$454	\$529	\$700

Source: HUD FY 2019 Fair Market Rent Documentation System, available from: www.huduser.gov/portal/datasets/fmr/fmrs/FY2019_code/select_Geography.odn.

HUD's HCV programs have not seen funding increases since 1997 and current funding is only for contract renewals and ongoing assistance for families currently holding subsidies.⁴⁰ The Center for Budget and Policy Priorities (CBPP)—a Washington DC-based think tank—estimates that HUD offers 33,755 vouchers in Oregon (see Figure 18).

State and Local Rent Subsidies

Some state and local governments across the U.S. have implemented local rental assistance programs to extend or complement HUD's resources. In Portland, Home Forward's Short-Term Rent Assistance program (STRA) combines federal, state, and local revenue to fund up to 24 months of rent assistance for families that are homeless or at risk of homelessness.⁴¹ The program provides emergency hotel/motel vouchers to homeless individuals, eviction prevention services, and housing placement assistance.

Gold-standard, controlled-trial experiments have proven HCV's effectiveness in improving housing outcomes.⁴²

A Chicago-based voucher lottery found that voucher recipients reduced spending on rent from 58 percent to 27 percent of reported income.

In a Welfare-to-Work trial, vouchers reduced the likelihood of a homeless spell from 45 percent to 9 percent.

In HUD's *Family Options Study*, vouchers provided at emergency shelters reduced the proportion of families with subsequent shelter stays (21-32 months after voucher receipt) by three-fourths.

⁴⁰ U.S. Department of Housing and Urban Development, "Section 8 Rental Certificate Program," www.hud.gov/programdescription/cert8, (2018).

⁴¹ "Short-Term Help Paying Rent," Home Forward, www.homeforward.org/find-a-home/get-help-paying-rent/short-term-help, (April 2018).

⁴² Ingrid Gould Ellen, "What Do We Know About Housing Choice Vouchers?" *Regional Science and Urban Economics* (2018): 1-5.

Supply-Side Approaches

Federal, state, and local governments can also intervene on the supply side of the housing market, either by directly providing housing to low-income households or by encouraging the private market to do so.

Public Housing

Between 1940 and 1970, the federal government funded the construction of millions of public housing units across the country.⁴³ HUD served 4,756 Oregon families in public housing facilities in 2016—a small program compared to the HCV program. Congress has underfunded public housing and, nationally, buildings require an estimated \$26 billion in capital repairs.⁴⁴ HUD is encouraging local housing agencies to convert their public housing into project-based rent assistance programs (see below), which would allow agencies to leverage public and private funding to pay for repairs and upgrades.⁴⁵

Project-Based Rent Assistance

Project-based rent assistance is provided by a few HUD programs and the U.S. Department of Agriculture's (USDA) Rural Development (RD) program. In general, project-based assistance is similar to tenant-based assistance, but the subsidy is tied to an affordable housing unit rather than a household.⁴⁶ This subsidy bypasses the tenant and is paid directly from HUD to the landlord, thereby increasing the supply of affordable housing units.

Project-based rent assistance programs are often deeply subsidized, allowing units to be affordable for households with extremely low incomes (below 30% MFI). These programs are a direct federal subsidy to the local economy and are incredibly valuable from a subsidized housing and economic impact perspective. In Oregon, HUD served 9,210 families in project-based rent assistance in 2016 while the USDA RD program served another 4,629 families (see Figure 18). These programs are dwarfed by the total need in Oregon.

⁴³ Katharine L. Shester, "The Local Economic Effects of Public Housing in the United States, 1940–1970," *The Journal of Economic History* 73, no. 4 (2013): 978–1016.

⁴⁴ Turner Center for Housing Innovation, *Lessons for the Future of Public Housing: Assessing the Early Implementation of the Rental Assistance Demonstration Program* (Berkeley: UC Berkeley, October 2017).

⁴⁵ U.S. Department of Housing and Urban Development, "Rental Assistance Demonstration," www.hud.gov/RAD, (2019).

⁴⁶ The unit has a Fair Market Rent determined by HUD relative to the location and size. The tenant pays 30 percent of their income to the landlord, and HUD pays the difference between the tenant's portion and the FMR.

Figure 18. Major Federal Rent Assistance Programs Do Not Reach all Low Income Renters

Program	Assistance Program					Total Assisted	Unassisted Low-Income Renters
	HUD Vouchers	HUD Public Housing	HUD Sec. 8 Project Based	HUD Supportive Elderly & Disabled	USDA RD Sec 521		
Oregon	33,755	4,756	9,210	1,942	4,629	56,000	153,000
Washington	52,022	11,923	14,387	3,068	5,937	92,000	230,000
California	303,162	28,699	97,669	15,736	17,072	491,000	1,680,000

Source: Center for Budget and Policy Priorities, 2016-2017 Fact Sheet on Federal Rent Assistance. Available from: www.cbpp.org/research/housing/national-and-state-housing-fact-sheets-data.

Note: Total figures are rounded and will not sum. Some of the difference comes from other small federal rent assistance programs.

USDA Rural Development Program

The USDA RD program is an important source of affordable rental housing for rural America. Among its many community development, housing, and anti-poverty programs focused on rural areas, RD provides direct lending to developers (RD Section 515 program) and offers project-based rent assistance to very low income seniors, families, and people with disabilities (RD Section 521 program).⁴⁷

These two programs are linked and at risk. A recent report from the Housing Assistance Council—a nationwide nonprofit that researches, advocates, and build homes in rural America—indicates that no new funding for the Section 515 program has been provided in several years, and a significant number of program loans are maturing, putting the rent assistance and residents at risk.⁴⁸ Residents in these properties are often seniors or people with disabilities, have a nationwide average income of only \$13,600, and are “among the most vulnerable households in the nation.” The CBPP suggests that in Oregon

USDA RD 515 Loans are critical

“Once a loan is paid off, the property owner is no longer subject to government oversight or regulations on use of their property, the federal government is no longer paying to support that housing, any remaining or replacement financing has a higher interest rate than the USDA loan, the tenants are no longer eligible for USDA Rental Assistance, and in some instances, the homes may no longer be affordable for their tenants.”

-Housing Assistance Council

⁴⁷ “USDA Rural Development Summary of Major Programs”, United States Department of Agriculture, www.rd.usda.gov/files/RD_ProgramMatrix.pdf, (November 2017).

⁴⁸ Housing Assistance Council, *Rental Housing for a 21st Century Rural America: A Platform for Preservation* (Washington, DC: Housing Assistance Council, September 2018).

8,700 non-metropolitan households receive federal rent assistance (15.5 percent of all federally assisted households), and RD assists 4,629 of them (about 53.2 percent).⁴⁹

Market Subsidies

Market subsidies are a much more common supply-side intervention and include tax incentives (like the Low Income Housing Tax Credit [LIHTC]), zoning requirements, and reduced fees or expedited land use, design, and permitting reviews. These interventions range from requiring rent-restricted affordable rental housing to be built (e.g., inclusionary zoning) or incentivizing it by reducing upfront development costs (such as reduced fees or the LIHTC) or reductions in ongoing operations (such as tax incentives, LIHTC, or project-based rent assistance). The LIHTC is the largest program to develop rent-restricted affordable housing.

Publicly Funded Construction of Affordable Housing

Through a variety of tax or fee mechanisms, state and local governments can directly finance the construction of affordable housing. In 2016, voters in the City of Portland approved a \$258.4 million general-obligation bond with the goal of creating 1,300 newly affordable homes.⁵⁰ In November 2018, Metro-area voters approved a \$652.8 million bond to finance affordable housing.

Inclusionary Zoning

Inclusionary Zoning (IZ) requires or incents developers to set aside a certain share of new housing at a price affordable to people of low or middle income. In 2016, the Oregon Legislature passed Senate Bill 1533 which allows a jurisdiction to implement an inclusionary zoning policy if it meets certain requirements. These requirements relate to the income at which the units are affordable (80 percent MFI or 60 percent MFI), the percent of the project set aside as affordable (no more than 20 percent of the project), the size of the project (only if greater than 20 units), and the offering of both an in-lieu fee option and incentive package.

In theory, private market-rate development supports some portion of the cost of the affordable units in an inclusionary project. However, in almost all cases, public incentives are also required. These incentives can be regulatory (reduced parking requirements or density bonuses, for example) or financial (property tax abatements or other forms of public investment). Funds can come from general funds, urban renewal, or other municipal sources.

⁴⁹ “2016-2017 Fact Sheet on Federal Rent Assistance,” Center for Budget and Policy Priorities, www.cbpp.org/research/housing/national-and-state-housing-fact-sheets-data.

⁵⁰ Portland Housing Bureau, *Portland's Housing Bond Policy Framework* (Portland: Portland Housing Bureau, October 2, 2017).

Oregon's Affordable Housing Gap: An Upper Bound on the Cost of Homelessness Prevention

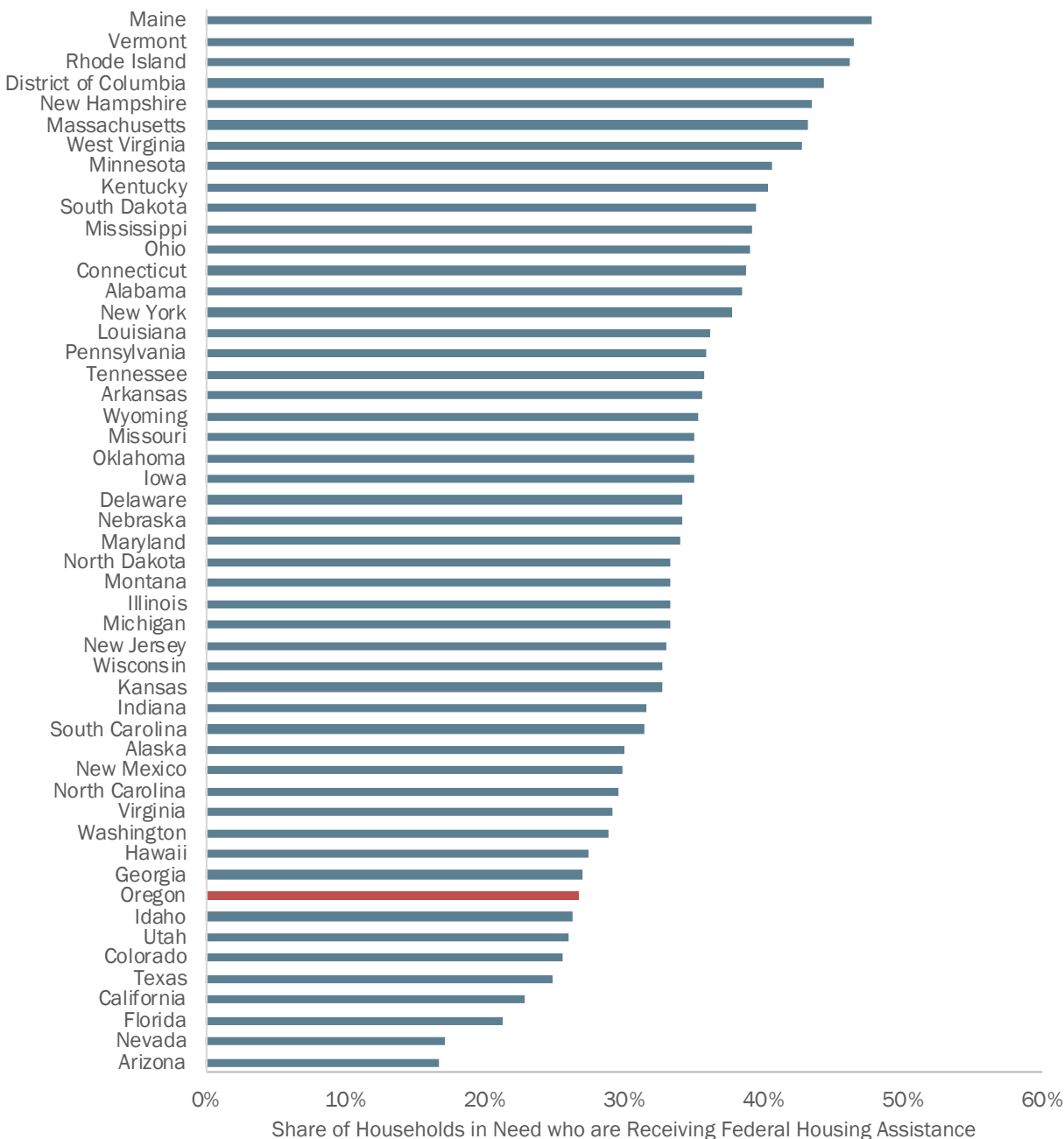
Broad trends in housing and the availability of housing assistance—in its variety of forms—are key affordability drivers. Unlike other aspects of the safety net, housing programs do not automatically expand or contract with need.⁵¹ Increases in rents or big downturns in the job market do not trigger additional assistance. By and large, Congress determines the level of assistance through its annual appropriations process. The CBPP has calculated the gap between the number of households that received federal housing assistance and the total number of households that would be served if the housing programs functioned as a means-tested entitlement program.

The CBPP estimated that in 2016 Oregon had 209,000 low-income renter households who either received federal assistance or were in need of it.⁵² Of those, slightly more than one-quarter (56,000 households) received federal housing assistance. Seventy-three percent (153,000 households) received no assistance and were severely cost-burdened (i.e., paid more than one-half of household income for rent and utilities). Oregon has the ninth lowest share of federally rent assisted households compared to the total number of low-income households (see Figure 19) and is joined by many other states in the West. Low coverage across the West is driven by high rents and disproportionately high need. Congressional appropriations for housing assistance do not take need into account in the same way entitlement programs do (e.g., Medicaid, Medicare, SNAP). Consequently, federal assistance does not stretch as far in high housing cost regions.

⁵¹ Most of the federal housing portfolio is part of the discretionary budget and is subject to the Congressional appropriation process. By contrast, Medicaid, Medicare, and SNAP are entitlement programs with budgets that automatically expand or contract with the number of people deemed eligible to receive them.

⁵² CBPP defined low-income as households that have incomes that do not exceed 80 percent of local area median rent. It characterizes households in need of rent assistance as those who are low income and have severe housing cost burdens.

Figure 19. Only 29 percent of Oregon households in need of federal assistance receive it.



Source: ECONorthwest analysis of Center for Budget and Policy Priorities 2016-2017 Fact Sheet on Federal Rent Assistance. Available from: www.cbpp.org/research/housing/national-and-state-housing-fact-sheets-data.

Note: The share is calculated based on the sum of federally assisted renter households and unassisted low-income renter households (less than 80% AMI). See Center for Budget and Policy Priorities for more details and methodology.

From a prevention perspective, the state's 153,000 low-income, severely cost-burdened households are all at measurable risk of homelessness. As discussed previously, predicting which of these households will encounter a life event that triggers a homeless episode is extremely difficult—if not impossible.

The cost of extending subsidies to these low-income, severely cost-burdened households can serve as an upper bound of the cost of homelessness prevention. The federal government spent an average of \$7,250 per year on assisted households in 2016. Extending assistance to these 153,000 unaided, severely cost-burdened households would cost almost \$1.1 billion annually. Rough estimates suggest that homelessness would fall by four people for every 100 additional households served.⁵³ By this measure, extending universal housing assistance to all low-income, severely cost-burdened households could reduce the region's homeless count by about 6,120 people.

No state has attempted to fill the housing assistance gap in this way.⁵⁴ Policy discussions typically turn to redesigned, targeted programs that could serve broader populations at lower cost and ideally achieve a similar level of homelessness prevention at a lower price. Alternative programming of shallow and temporary subsidies (e.g., payment of rent and utility arrears, move-in expenses, time-limited rent assistance) have been deployed but evidence on effectiveness is limited. Along these lines, the Bipartisan Policy Center's Millennial Housing Commission recommended making one-time emergency rental assistance available to all households with incomes between 30 percent and 80 percent MFI.⁵⁵ Similarly, experts at the Urban Institute recommended testing a flat subsidy equal to 35 percent of area FMR.⁵⁶ Either of these approaches, or variations of them, could serve as useful demonstration projects.

The \$1.1 billion annual affordability gap underscores a central challenge of homeless policy in a tight housing market like Oregon's. If the region cannot manage to slow rent inflation, the number of severely cost burdened households will continue to grow. Each of those households has an elevated likelihood of becoming homeless. To date, no community has demonstrated how to cost-effectively prioritize pre-crisis prevention assistance across this broad, at-risk population. So, policymakers are left with choices: urge federal action, attempt to rally political support for a locally funded expansion of conventional housing assistance, or experiment with shallow and temporary subsidies.

⁵³ Gould Ellen and O'Flaherty, *How to House the Homeless*, 9.

⁵⁴ Mary Cunningham, Josh Leopold, and Pamela Lee, *A Proposed Demonstration of a Flat Rental Subsidy for Very Low-Income Households* (Washington, DC: Urban Institute, January 2014), 9.

⁵⁵ "Housing American's Future: New Directions for National Policy," Bipartisan Policy Center, www.bipartisanpolicy.org/wp-content/uploads/sites/default/files/BPC_Housing%20Report_web_0.pdf, (2013).

⁵⁶ Cunningham et al., 18

Targeted Services for High-Needs, High-Cost Homeless Individuals and Families

The next level of policy intervention pairs housing subsidies with intensive supportive services for individuals or families with the highest likelihood of long spells of homelessness and associated service costs. Rigorous client-selection criteria and carefully designed policies are keys to success.

Targeting the Chronically Homeless

Coordinated, national initiatives to address chronic homelessness started in the early 2000s. Ethical concerns together with the recognition of high-service costs associated with the population motivated federal policy.⁵⁷ Early policy interventions often involved multi-step processes that required demonstrated progress in treatment programs before a homeless individual would become eligible for housing services. Recognized best practices then shifted to permanent supportive housing (PSH), which provides rent assistance and supportive services focused on mental health, substance abuse treatment, and employment for residents with no time limit. The Oregon Statewide Supportive Housing Strategy Workgroup (SSHSW)—jointly sponsored by the Oregon Health Authority (OHA) and Oregon Housing and Community Services (OHCS)—additionally recommends a Housing First model, which does not require treatment of mental illness or substance abuse as a condition of housing assistance.⁵⁸

The indefinite duration of services and high costs pose a challenge for program targeting. Higher cost programming is more likely to sustain political support if program managers can show that the benefits of services outweigh the costs. PSH per person per year costs are estimated at \$17,000 (\$11,000 for rent assistance and \$6,000 for supportive services).⁵⁹ If a PSH program can demonstrate its beneficiaries would have induced even higher spending in the program's absence, the net savings could be deployed to additional homeless services or other public purposes.

⁵⁷ Libby Perl and Erin Bagelman, *Chronic Homelessness: Background, Research, and Outcomes* (Washington, DC: Congressional Research Service, December 8, 2015), 2.

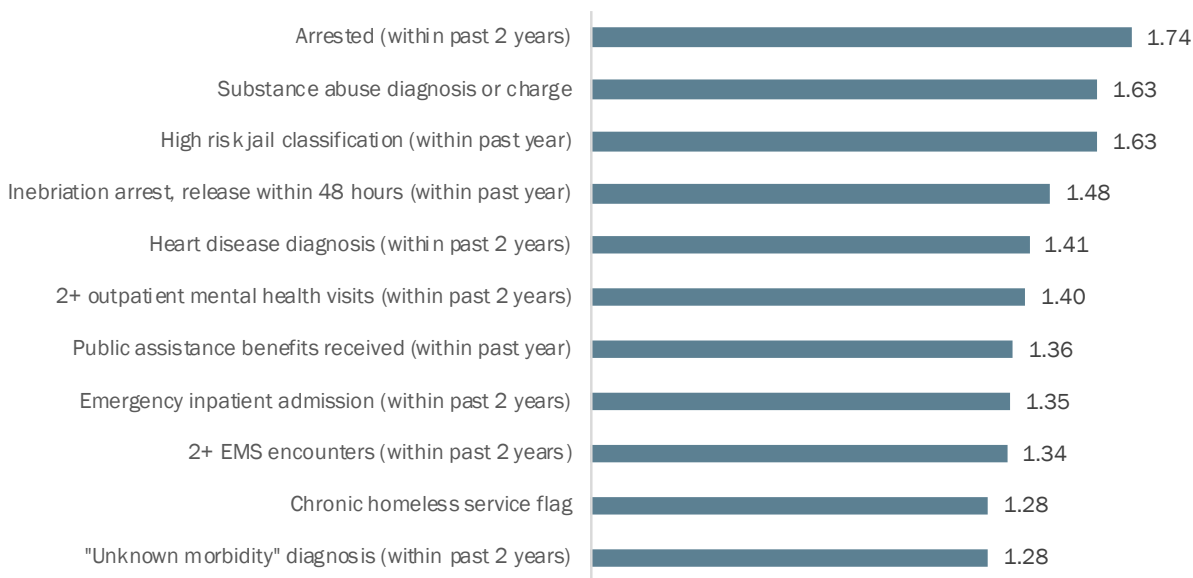
⁵⁸ "Resources: Housing First," National Alliance to End Homelessness, www.endhomelessness.org/resource/housing-first/, (April 2016).

⁵⁹ Halil Toros and Daniel Flaming, *Prioritizing Which Homeless People Get Housing Using Predictive Algorithms: An Evidence-Based Approach to Prioritizing High-Cost and High-Need Homeless Persons for Permanent Supportive Housing* (Los Angeles: Economic Roundtable, 2018).

The National Academy of Sciences recently concluded that more evidence is needed before PSH could be deemed cost-effective.⁶⁰ Many communities across the country—by deploying predictive analytics and innovative finance models—are poised to add to the evidence base.

A higher PSH cost creates a higher expected threshold for savings in the medical, criminal justice, and social service systems. So, forecasting a PSH candidate's future interactions with those systems is a key to effective targeting. Much of this report has emphasized the unpredictability of homelessness which is the case for a sizable majority of episodic cases. But PSH programs narrowly focus on the highest-needs cases—individuals who are already homeless and have characteristics that suggest they will continue to be homeless for an extended period of time. Analysts with the Economic Roundtable, a California-based research nonprofit, have developed a predictive analytic tool that estimates an individual's future public costs. The Roundtable's Silicon Valley Triage Tool draws on individual-level, integrated data from healthcare, corrections, and social services providers and uses 38 demographic, criminal justice, health diagnostic, emergency service, and behavioral health variables to predict the likelihood that an individual will be a high-cost (top decile) case. The emergency services and criminal justice variables show the strongest predictive power, as described in Figure 20.

Figure 20. Recent Arrest and High-Risk Jail Classification are Leading Homelessness Predictors



Source: Toros, Halil and Daniel Flaming. (2018) *Prioritizing Homeless Assistance Using Predictive Algorithms: An Evidence-Based Approach*. CityScape: A Journal of Policy Development and Research. Vol. 20 (1).
Interpreting odds ratios: an individual with this characteristic is X times more likely to be in the high-cost group than an individual without this characteristic.

⁶⁰ National Academies of Sciences, *Permanent Supportive Housing: Evaluating the Evidence for Improving Health Outcomes Among People Experiencing Chronic Homelessness* (Washington, DC: National Academies Press, 2018).

The tool identifies the highest cost individuals: males aged 35-44 who are tri-morbid (i.e., diagnosed with a mental disorder, a chronic medical condition, and abuse drugs or alcohol) and are frequent users of hospital emergency rooms, psychiatric facilities, and jail mental health cell blocks. In the tool's valuation exercises, the individuals correctly predicted as "high cost" generated cross-agency service costs of \$60,000-\$90,000 annually during 2008-2012. Individuals predicted as "lower costs" generated costs of less than \$10,000 annually.

The promise of well-targeted PSH models has inspired a number of "pay for success" demonstrations. In one of the longer-running collaborations, the Massachusetts Housing and Shelter Alliance is partnering with Santander Bank, the United Way of Massachusetts Bay and Merrimack Valley, and the Corporation for Supportive Housing to provide 500 PSH units that house up to 800 chronically homeless individuals over eight years.⁶¹ An April 2018 report indicated the program had housed 640 individuals and that 93 percent of the participants were either still enrolled in the program or had a positive exit. A triage tool indicated that in the six months prior to enrollment PSH beneficiaries had accumulated almost 51,669 nights in shelter, 3,243 days in the hospital, 1,233 emergency room visits, 889 nights in detox, and 582 ambulance calls.⁶² An early impact study estimates the program saved \$5,966 per participant over six months.⁶³

Expansion of PSH services is already high on the state's homeless policy agenda. In December 2018, the Statewide Supportive Housing Strategy Workgroup (SSHSW) issued its PSH recommendations, including a call for capital to build new units.⁶⁴ The state's PIT count of chronically homeless individuals gives a rough sense of need. The number of people experiencing chronic homelessness across the state gradually rose from about 2,800 people in 2007 to 4,000 in 2015 (a 41.8 percent increase) and then declined to 3,400 in 2017 (a 19.7 percent increase over the ten year period).

Chronic homelessness is strongly related to, but not synonymous with, the highest cost cases that would yield net savings through PSH programming. Given the cost of programming, a

⁶¹ "Massachusetts Launches Pay for Success Initiative to Reduce Chronic Individual Homelessness," Commonwealth of Massachusetts Executive Department Office of Governor Deval L. Patrick, archives.lib.state.ma.us/bitstream/handle/2452/217588/ocn795183245-2014-12-08b.pdf?sequence=1&isAllowed=y, (December 8, 2014).

⁶² Massachusetts Housing and Shelter Alliance, *Pay For Success 2018 Fact Sheet*, www.mhsa.net/sites/default/files/PFS%20Factsheet%20April%202018.pdf, (March 29, 2018).

⁶³ Harvard Kennedy School Government Performance Lab, "Reducing Chronic Homelessness in Massachusetts," (Boston: Harvard University, March 8, 2018).

⁶⁴ Oregon Housing and Community Services, (2018).

rigorous triage tool—backed by integrated health, criminal justice, and social service data—is an important input to service expansion. Along these lines, Lane County and the Corporation for Supportive Housing (CSH) have launched a Frequent User System Engagement (FUSE) initiative and report reductions in use of jail, police contacts, and emergency services for program participants.⁶⁵ CSH's FUSE initiatives are extending in Bend and Portland as well.⁶⁶

Targeting Assistance to Homeless Families

Drawing on the progress of PSH services for chronically homeless individuals, policy experts are exploring program designs for families with children. The dynamics are similar: homelessness and housing instability impose high costs on families and especially on children (e.g., learning loss, lower rates of educational attainment, lower lifetime earnings). If targeted well, benefits to taxpayers more than offset the service costs.

Experts see possibilities in a number of areas.⁶⁷ HUD's *Family Options Study* showed that long-term, conventional housing subsidies provided to homeless families significantly reduced homelessness over the subsequent three years.⁶⁸ Less effective, but also less costly, Rapid Rehousing programs (RRH)—time-limited rental assistance and light case management—show some promise as a crisis intervention tool. And paralleling the work with chronically homeless individuals, programming could target higher cost PSH services to high-need families involved in the child welfare system.

⁶⁵ Jessica Babb, "New Program for Homeless Saves Taxpayer Money," www.kezi.com/content/news/New-program-for-homeless-saves-taxpayer-money-474656433.html, (February 20, 2018).

⁶⁶ "The FUSE Model of Supportive Housing in Oregon: Community Activation to Create Housing for Frequent Users," *Housing First Partners Conference 2018*, static1.squarespace.com/static/513e08bfe4b0b5df0ec24cda/t/5adf716870a6ad6627972a55/1524593003524/WO8F15%7E1.PDF.

⁶⁷ Maya Brennan, Mary Cunningham, James Gastner, and Jamie Taylor, *Ending Family Homelessness* (Washington, DC: Urban Institute, August 15, 2017).

⁶⁸ U.S. Department of Housing and Urban Development, Office of Policy Development and Research, *Family Options Study: 3-Year Impacts of Housing and Services Interventions for Homeless Families* (Washington, DC: U.S. Department of Housing and Urban Development, October 2016).

Innovative Approaches to Addressing Homelessness

The scale of the homelessness crisis in high-rent cities has inspired new ways to target aid and ease the condition of homelessness. City agencies and nonprofits are using technology to provide quicker access and analytics, remove barriers to housing, and find or create housing units. Examples include:

- **Mobile hygiene and care.** The nonprofit [Lava Mae](#) has provided mobile showers and urgent care to more than 10,000 homeless individuals in the Los Angeles and San Francisco regions since 2014. Oregon Harbor of Hope launched similar services in Portland in May 2018. And [Shower to the People](#) has a goal of expanding from its home base in St. Louis Missouri to 20 cities nationwide.
- **Home sharing.** Communities across the country are facilitating matches between individuals and families at risk of homelessness with property owners who have spare rooms. [Silver Nest](#) operates one version of the model—an online matching service with security checks targeted to baby boomers and empty nesters.
- **Technology-aided giving.** Seattle-based [Samaritan](#) provides small beacons to homeless individuals. People with the Samaritan app who pass by a beacon holder can transfer money into an account that can be used in partnering stores.
- **Integrated relationship management.** New York City has rolled out the [StreetSmart](#) technology platform to give city agencies and nonprofits consolidated, real-time information on services provided to homeless individuals. The tool provides an up-to-date measurement of need and—with better tracking of service provision—a better method to allocate services.
- **Smart shelters.** The Win Shelter Network, in collaboration with [New York University's Center for Urban Science](#), is using analytics to predict homeless spells, better tailor services to individuals and families, and reduce re-admissions.

Emergency Shelters

Emergency shelters are an important component of a homelessness crisis response system but are not considered a solution to the problem. Economist Brendan O'Flaherty likens them to unemployment insurance—shelters provide a temporary, minimum level of housing. As with unemployment insurance, policymakers must calibrate the level (e.g., number and quality of

beds) and duration of assistance to ensure shelters do not delay re-entry to permanent housing.

Shelters are the policy of last resort. Effective system management diverts entries if safe housing alternatives exists, provides temporary access to a crisis bed, and offers a gateway to permanent housing. Following this philosophy, many regions across the U.S. de-emphasized shelters in the early 2000s and redirected limited resources to permanent housing solutions. Oregon's tight housing market broke the model: high rents put more low-income households into severe cost-burdened status, personal crises pushed some of those households into homelessness, and the evidence-based solution to housing re-entry—deep, sustained rental subsidies—were expensive and in short supply. Inflow to shelters exceeded outflows into permanent housing, and visible, unsheltered homelessness expanded. And, in 2018, HUD reported that Oregon had the third highest rate of unsheltered homeless individuals in the U.S.⁶⁹

Oregon has company. A number of Western states—with generally temperate climates—have not expanded their shelter capacity to match their sizable homeless populations (see Figure 21). In other parts of the country, the supply of shelter beds roughly matches the size of the homeless population. In some places, that's driven by “right to shelter” laws that entitle some or all homeless individuals to shelter and board. New York City's right to shelter ordinance is the best known.⁷⁰ Supporters of the law point to the city's low unsheltered homeless rate while opponents argue that spending on temporary beds crowds out investments in treatment services and permanent housing solutions.⁷¹

In 2016, Multnomah County attempted to implement a right to shelter policy for families, but demand quickly outpaced the supply of beds, and the County reinstituted a waitlist in November 2017.⁷² California state senator Scott Weiner, who has earned national attention for a

⁶⁹ U.S. HUD, 2018 “Annual Homeless Assessment Report to Congress,” 27.

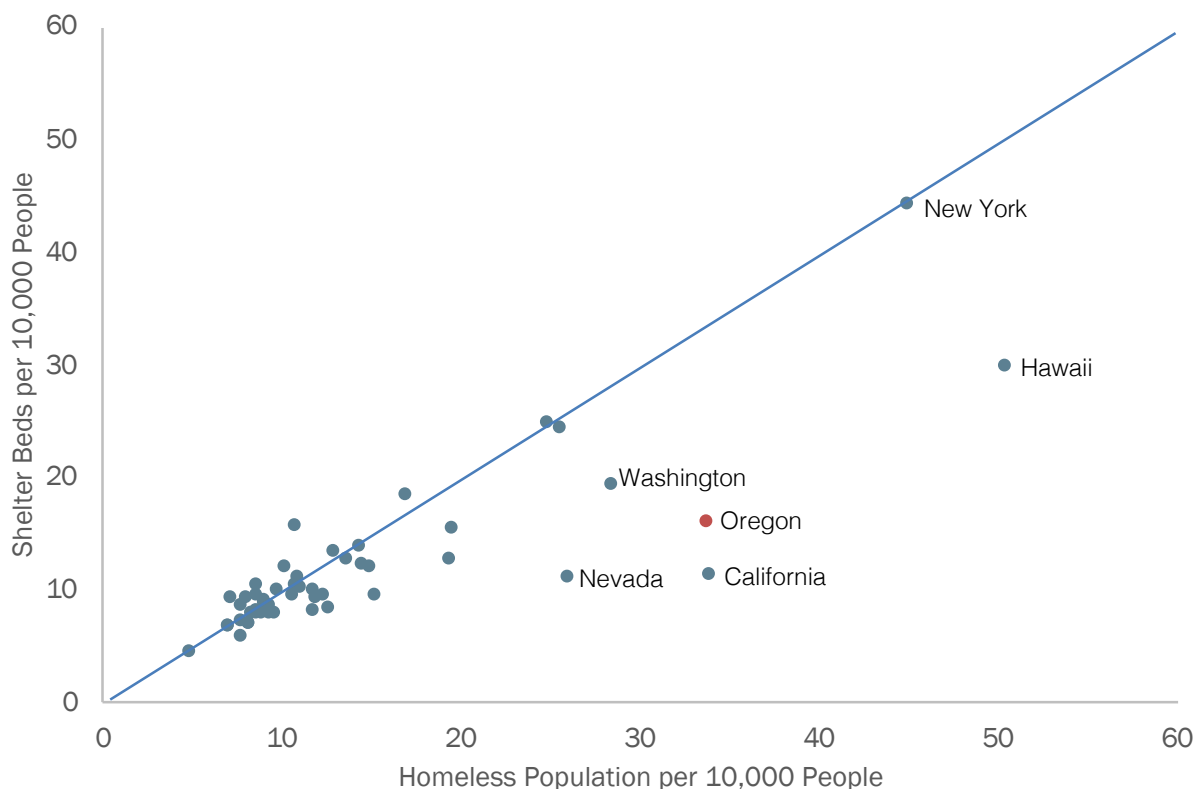
⁷⁰ Supreme Court of the State of New York, County of New York, “The Callahan Consent Decree,” (New York: Coalition for the Homeless, 1981).

⁷¹ Heather Knight, “Radical notion: State Sen. Wiener works on plan to shelter every homeless person in California,” The San Francisco Chronicle, www.sfchronicle.com/bayarea/heatherknight/article/Radical-notion-Sen-Wiener-works-on-plan-to-13455768.php, (December 11, 2018).

⁷² Rachel Monahan, “Portland's Family Shelter Will No Longer Take Anyone Who Comes to Its Door,” Willamette Week, www.wweek.com/news/city/2017/11/10/portlands-family-shelter-will-no-longer-take-anyone-who-comes-to-its-door/, (November 10, 2017).

variety of proposals aimed at easing the state's housing crisis, recently introduced a bill to ensure a safe place to sleep and keep one's belongings.⁷³

Figure 21. Oregon and Other Western States Stand Out for Low Emergency Bed Inventories Relative to Homeless Populations



Source: ECONorthwest analysis of HUD 2017 Point-In-Time Counts, HUD 2017 Housing Inventory Counts, and U.S. Census Bureau 2018 Annual Estimates of the Resident Population for the United States, Regions, States, and Puerto Rico.
 Notes: Shelter beds per 10,000 people include all year round emergency shelter beds, transitional housing units, and safe haven beds for currently homeless individuals divided by state population. Line demonstrates a relationship of 1:1 shelter bed to individual experiencing homelessness (line is not the line of best fit to the data).

While these variations across the nation are dramatic, different shelter inventories and capacities exist across the seven CoCs in Oregon. The Portland-Gresham-Multnomah County CoC had approximately 31.9 emergency shelter beds for every 10,000 people in the county, whereas the Beaverton-Hillsboro-Washington County CoC only had 4.2 and Clackamas County had 2.1 beds available.

⁷³ "Senator Wiener Introduces Right to Shelter Bill, to Ensure Homeless Individuals and Families Throughout California Have Access to Shelter," California State Senate District 11, www.sd11.senate.ca.gov/news/20181205-senator-wiener-introduces-right-shelter-bill-ensure-homeless-individuals-and-families, (December 5, 2018).

Figure 22: Shelter Bed Availability for Currently Homeless Individuals Varies Across the State

2017 Housing Inventory Count	Emergency Shelter Beds	Transitional & Safe Haven Beds	Total Beds Available to Currently Homeless	Beds per 10,000 Population
Eugene-Springfield-Lane County CoC	475	96	571	15.4
Portland-Gresham-Multnomah County CoC	1,749	813	2,562	31.9
Medford-Ashland-Jackson County CoC	170	165	335	15.4
Central Oregon CoC	211	61	272	11.9
Oregon Balance of State CoC	1,390	1,185	2,575	17.0
Hillsboro-Beaverton-Washington County CoC	96	152	248	4.2
Clackamas County CoC	16	69	85	2.1

Source: ECONorthwest analysis of U.S. HUD 2017 Housing Inventory Counts.

Public opinion on unsheltered homelessness is clear. When asked about solutions for their immediate neighborhoods, 82 percent of Portlanders responding to a survey favored building permanent shelters. Only 26 percent of respondents supported camping in neighborhood parks.⁷⁴ The inherent challenge to shelter policy—particularly in a tight housing market—is finding the balance between the public’s strong support for system expansion and experts’ equally strong warnings that an overbuilt shelter system becomes an expensive permanent solution for too many individuals and families.

Recognizing the health, public safety, and sanitation concerns associated with unsheltered populations, many community plans, such as Multnomah County’s A Home For Everyone’s plan, call for expanded emergency beds.

The inherent challenge in shelter policy is finding the balance between the public’s strong support for system expansion and experts’ equally strong warnings that an overbuilt shelter system becomes an expensive permanent solution for too many individuals and families.

How the shelter system scales from here is unclear. No standard ratios or formulas exist. That said, Oregon, California, Washington, and Hawaii—which collectively have 16.1 percent of the U.S. population and 57.9 percent of country’s unsheltered homeless population—are testing the policy frontier.

⁷⁴ DHM Research, *KGW News Homelessness Survey* (Portland: December 2017), 159-162.

Better progress on the state's vision of ending chronic homelessness would free up emergency shelter capacity. That's a necessary first step. Deeper analysis of Homeless Management Information System (HMIS) data might yield insights into patterns of shelter use, identify frequent users, offer ideas on how to further reduce the state's already below-average shelter spells, and boost capacity. The situation also calls for alternative shelter and support models (e.g., relocation centers, tiny home villages, mobile hygiene, and storage facilities).

Conclusions and Recommendations

Oregon faces two, related homelessness crises.

One involves roughly 3,400 chronically homeless individuals facing persistent barriers to housing, such as mental and physical disabilities, substance abuse issues, criminal records, and/or other problematic circumstances. Many of the chronically homeless would struggle to maintain stable housing regardless of the cost of housing or job prospects.

The second crisis involves more than 150,000 households: the episodic, short-term homeless plus the growing numbers of low-income severely cost-burdened renters on the verge of homelessness. Oregon's second crisis has two causes: an under-supplied housing market and a discretionary rental assistance program that does not rise with need.

The two crises require different strategies and tactics. The first—given its scale—can turn to state and locally financed interventions implemented by a familiar network of public and nonprofit agencies. The second crisis is massive by comparison and requires action by a diverse array of government and private-sector actors. Universal and deep rent subsidies would be one way to address the crisis, but it comes with a price tag—for Oregon, more than \$1 billion annually—that no other state in the country has been willing to bear.

So, where do we go from here?

Plans to address homelessness should always be mindful of key takeaways from experts Gould Ellen and O'Flaherty: 1) housing matters—broad trends in the housing market will drive the flow into homeless status, and 2) targeting matters—individuals with high needs or high systems costs today are strong predictors of high needs and high costs tomorrow.

Oregon's elected leaders appear to grasp the breadth and complexity of the homeless challenge. The Governor's *Housing Policy Agenda* draws an explicit link between homeless and housing-supply policies, and emerging legislative concepts are similarly comprehensive. And importantly, state policymakers have elevated equity and racial justice in their homeless and affordable housing plans, which is an imperative given the disproportionate representation of underrepresented minorities in populations experiencing homelessness. Communities of color must be integral to policy development and implementation for these initiatives to succeed.

The following recommendations should be considered reinforcements of—and complements to—strong work that has been underway.

1. **Accelerate housing supply at all price points.** A dysfunctional, undersupplied housing market is the root of Oregon's homeless crisis. If the state continues the practice of building 63 housing units for every new 100 households formed, rents would continue to rise, vacancy rates would fall, and the effectiveness of all the following recommendations in this report would be diminished.

Future homelessness reduction strategies would be appropriately scoped if they articulated broad housing production goals and associated rent and vacancy rate targets. Appropriately scoped plans would pull more actors to the table: planning agencies that design and oversee housing regulations, permitting agencies that help determine the pace and nature of housing development, state legislators with land-use regulatory oversight responsibilities, and the region's Congressional delegation who help determine the scope of federal rental assistance.

Expanded plans by themselves would do nothing to ease the homelessness crisis. Once the undersupply problem is broadly accepted, the work would turn to politically difficult implementation. Local politics work against accelerated housing supply responses. Current residents usually like their neighborhoods the way they are. To overcome the opposition, localities would need to hold themselves accountable to clear, broadly disseminated production goals; prune land-use regulations that don't serve a clear health, safety, or environmental protection purpose; accelerate permit process timetables; explore little-used but promising policies such as land-value or split-rate taxes; and cede regulatory power to the state for some zoning decisions.

On the latter point, the 2019 Legislature appears poised to act with state-level concepts that could ban single-family zoning in larger communities and require higher housing density along transit corridors. State lawmakers could extend their housing policy packages to provide fiscal rewards and penalties tied to housing goals.

2. **Increase the supply of affordable housing units.** Rent-restricted units, regardless of what income bracket they target, provide stable housing for people who need it. They are also an important component of any comprehensive approach to addressing homelessness. Rent vouchers stretch further when they are used to buy down rent from 60 percent of MFI to 30 percent MFI, than when they are buying down market rate rent. Moreover, moving people into units that more closely match their financial capacity,

The state could expand emergency shelter capacity, innovate around mobile hygiene facilities, harness data to end chronic homelessness, and identify cost-effective temporary vouchers. But, if the region continues its recent practice of building 63 housing units for every new 100 households formed, rents would continue to rise, vacancy rates would fall, and the crisis system would be overwhelmed.

frees up lower-cost market-rate and other affordable units to those who may need them more—a benefit that reverberates through the entire housing continuum. In the past, rent-restricted units were primarily federally funded, but those resources have diminished and are insufficient to meet the regional need. Local revenue-raising efforts are important steps. To ensure that those resources go as far as they can, local governments should evaluate opportunities for additional incentives, such as state-enabled tax abatement programs, fee waivers or reductions, and land write-downs for affordable units. They should also identify and remove regulatory barriers that drive development costs up or unintentionally reduce the number of units possible on a site. These include costly parking requirements, building height and bulk restrictions, design guidelines, and requirements for ground-floor non-residential uses.

3. **Strengthen connections between the affordable housing and homeless services sectors.** Two sectors that operate a range of related, interdependent programming could improve coordination. For example, local governments could revisit their affordable housing screening guidelines, which sometimes penalize families and individuals with low credit scores or evictions—rendering too many ineligible. Localities should look into innovative programs like Come Home NYC—a rent guarantee program that reduces a landlord’s risk of accepting an application from a homeless family. And agencies could also consider targeting their limited, local rent subsidy dollars to help further reduce the rent of tenants in units built with the Low Income Housing Tax Credit (LIHTC) program.
4. **Expand and add analytic rigor to the effort to end chronic homelessness.** One-half of the country’s chronically homeless people live in four states: Oregon, California, Washington, and Hawaii. Given the unusually high concentration, public agencies and nonprofits across these states should partner to gain a much deeper understanding of the barriers faced by the West’s long-term homeless.

PSH is the best policy response for a share of the chronic population. But the programming is expensive and, as broadly implemented, has not yet proven to be cost-beneficial. Service agencies will need to invest in better analytic capabilities—like the Silicon Valley Triage Tool—to target the highest cost, highest needs individuals. Lane County has had early success through the Corporation for Supportive Housing’s (CSH) Frequent User Systems Engagement (FUSE) initiative, but agencies have much more to learn in this rapidly evolving service area. Success here would deliver sustained support to the region’s most vulnerable populations, reduce health and public safety expenditures, and free up emergency shelter capacity for more appropriate short stays.

5. **Identify populations—in addition to chronically homeless single adults—that supportive housing models could serve cost effectively.** Public and nonprofit agencies in a number

of regions across the country are testing the costs and benefits of extending supportive housing interventions to families with children. Some of the collaborations are organized under “pay for success” frameworks, in which investors commit funding upfront in return for calculable, downstream savings. These demonstrations may yield insights into specific populations (e.g., families involved in the child welfare system) that could be cost-effectively targeted for PSH interventions.

6. **Recognize that shallow, temporary subsidies require additional evidence, and enter into partnerships to identify next-generation, low-cost alternatives to the HCV.** The federal government’s HCV program is a proven homelessness prevention tool, but it covers only a quarter of eligible households. To spread limited resources to unserved HCV-eligible populations, communities across Oregon have experimented with shallow and temporary rent subsidies. HUD’s *Family Options Study* delivered disappointing news in this area and showed that long-term vouchers were more effective in reducing future spells of homelessness, improving housing stability, and helping beneficiaries live independently. Shallow, temporary subsidies remain promising but unproven. Here, Oregon would be well-served by recognizing the policy unknowns, partnering with think tanks and communities from across the country, and continuing the investigation for effective, lower-cost alternatives to the HCV. One approach worth a test: target a larger share of federally-funded, long-term vouchers to formerly homeless individuals and shift some locally-funded, short-term vouchers to HCV applicants with less severe needs.
7. **Increase the emergency shelter bed inventory to ensure the safety of vulnerable populations.** U.S. emergency shelter policy broadly falls into East Coast and West Coast schools. The East Coast approach, driven by climate and past litigation, generally expands its emergency bed capacity to meet the need. The West Coast approach does not tie capacity to need which has led to sizable, unsheltered populations.

Safety of vulnerable populations, children, women, and adults with disabilities, is the top priority of a crisis system, and Oregon’s bed inventory is too small to ensure that safety. When it comes to expansion, no recommended formulas exist. Neither New York (4.7 percent unsheltered) nor California (68.9 percent unsheltered) are models to replicate. An overbuilt shelter system becomes an expensive, semi-permanent solution for too many individuals and families while an underbuilt system exposes vulnerable populations to unsafe conditions. Adding emergency beds across the state to bring the unsheltered rate to 40 percent would be an appropriate, short-term goal.⁷⁵

⁷⁵ This would bring Oregon’s statewide unsheltered homeless rate into line with Multnomah County’s rate and close to the U.S. average.

While no one should have to experience unsheltered homelessness, tradeoffs abound in shelter expansion. Every dollar spent on emergency beds is a dollar that could be spent on programming with stronger evidence of improving long-term housing outcomes (e.g., long-term vouchers and permanent supportive housing).

The state will not make progress on homelessness if the hard work is done only by those who directly serve the homeless on a daily basis. The problem is too big for that. Progress will require collective action by a range of actors: public and nonprofit agencies that work on not only homeless issues but also broader housing and land-use regulatory policies; federal partners willing to re-examine—and invest in—rental assistance; state policymakers who can chart new state roles in housing policy; business leaders who will provide leadership and support strategies; philanthropies willing to convene and invest in research and development; and universities that can lead in research and policy innovation.

Appendix A: Measuring Homelessness

Point-in-Time Counts

The most commonly cited source of data on homelessness is the Point-in-Time Counts (PIT) organized by the U.S. Department of Housing and Urban Development (HUD). Conducted by local Continuums of Care (CoCs), HUD requires a count of the total number and characteristics of all people experiencing homelessness in each CoC's region on a specific night in January. CoCs count people living in emergency homeless shelters, transitional housing, and safe havens every year, and count unsheltered homeless persons every other year (the latest of which was 2017).

Shortcomings in HUD's PIT approach were highlighted in a recent Portland State University report and include:⁷⁶

- **Counting methods vary across regions.** The biennial counts are large coordinated efforts and can require hundreds of trained volunteers. Each CoC chooses from among a number of HUD-approved counting methods that will work for their region and resources. For example, Portland officials attempt to survey each homeless person while Seattle uses a combination of one-night headcounts followed by surveys of a sample of the homeless. Varied methods create challenges for interregional comparisons.
- **Counts are inherently low and miss hard-to-locate populations.** Researchers and volunteers' best efforts inevitably miss individuals who are sleeping in obscure places or who double-up with friends and families. Language barriers can contribute to undercounts. This can be particularly difficult in larger CoCs and rural areas.
- **Counts rely on unverified, self-reported conditions.** Measurement of key subpopulations (e.g., chronic, disabled) are based on self-reported conditions and are not subject to verification.
- **Changes in a categorization and purpose of a housing facility can change the homeless count.** In Portland, a building that was once operated as transitional housing became permanent supportive housing (PSH) providing longer term housing and services to its residents. While the building's residents did not change, its operations and purpose did. The residents were considered homeless when the building was deemed

⁷⁶ Jessica Chanay, Nishant Desai, Yuxuan Luo, and Davaadorj Purvee, *An Analysis of Homelessness and Affordable Housing in Multnomah County, 2018* (Portland: Portland State University School of Business, July 2018).

transitional housing and were not when its status changed. Thus, the count of sheltered homeless dropped from one year to the next but the change was somewhat artificial.

Despite the well-known limitations, the PIT counts do convey useful information and are helpful in signaling big shifts in homelessness across time and geography. Additional research and analysis is often necessary to properly interpret and draw conclusions using PIT data.

Translating PIT Snapshots to Estimated Annual Counts

The PIT counts, by definition, represent conditions on specific days in January, and a majority of homeless spells are short. Consequently, the PIT approach fails to measure the total share of a region's population that experiences homelessness over the course of year. The Home for Everyone work group used Homeless Management Information System (HMIS) data to produce an annual count in 2013 and estimated 9,650 people experienced homelessness in 2013 in Multnomah County, 2.17 times more than were counted in the January snapshot.⁷⁷

Along similar lines, California's Economic Roundtable used a series of point-in-time snapshots from their HMIS shelter data to estimate the number of individuals who are "ever-homeless" over the course of year.⁷⁸ They started by calculating the probability of homeless exits (i.e., returning to housing) for cohorts who had been homeless for different durations of time. For example, they estimated two-thirds of individuals who had been homeless for one month would return to housing in the next month. Half of those who had been homeless for two months would return to housing in the next month, and so on. The statistical exercise yielded multipliers for each spell duration to arrive at a simulated estimate of the total population that experienced homelessness *at any time during the year* (see Figure 23). The analysis concluded that almost half (48 percent) of Los Angeles's annual homeless population is homeless for one month or less.

While the data and findings are specific to conditions in Los Angeles, the analytic exercise illustrates the differences in the snapshot (PIT) and annual count methods. A comparable, periodically updated analysis for Portland would make a valuable complement to the biennial PIT counts.

⁷⁷ A Home for Everyone, 4.

⁷⁸ Daniel Flaming, Patrick Burns, and Jane Carlen, *Escape Routes: Meta-Analysis of Homelessness in Los Angeles* (Los Angeles, CA: Economic Roundtable, April 2018).

Figure 23. Hypothetical Size and Composition of an Annual Population Experiencing Homelessness
Based on Applying Available Data to a PIT Population of 1,000 Individuals

Total Duration of Homelessness	Observed Percent Duration in Truncated ¹ HMIS Data	Estimated Percent of Monthly Cohort Exiting Homelessness (by end of month)	Projected Percent of Annual Homeless Population	Number of People in Annual Homeless Population	Multiplier
1 month	16%	67%	48%	1,323	8.4
2 months	8%	50%	13%	353	4.4
3 months	7%	50%	7%	200	2.8
4 months	4%	33%	3%	80	2.0
5 months	3%	33%	2%	61	2.0
6 months	6%	25%	2%	58	1.0
7 months	2%	25%	1%	35	1.8
8 months	3%	25%	1%	32	1.1
9 months	1.4%	25%	1%	27	1.9
10 months	1.2%	25%	1%	23	1.9
11 months	0.7%	25%	1%	19	2.7
12+ months	48%	-	19%	529	1.1
Total	100%	-	100%	2,739	-

Source: Daniel Flaming, Patrick Burns, and Jane Carlen, *Escape Routes: Meta-Analysis of Homelessness in Los Angeles* (Los Angeles, CA: Economic Roundtable, 2018).

Note: HMIS data only records duration of homelessness up until the data are collected. They are “truncated” because they do not necessarily capture the entire duration of homelessness for respondents.



YAMHILL COUNTY NEEDS AND OPPORTUNITIES ASSESSMENT

February 9, 2017



Prepared for The Oregon Community Foundation by:

Program and Policy Insight **PPI**



Portland, Oregon

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REPORT NAVIGATION

Within each section covering one of the five core domains (community demographic and social profile; economy and employment; education and training; health and human services; and arts and culture), this report first provides background data on the topic, which was obtained from a variety of secondary sources. Following this background data, the report provides a summary of the qualitative data collected in the process of this needs assessment: stakeholder interview results and community survey results. This qualitative data summary takes the form of narrative, as well as tables and charts. Included intermittently in the qualitative data sections are selected quotes from the stakeholder interviews. Each section covering a core domain concludes with a summary of opportunities that could benefit from local philanthropic dollars. The last section (Overall Community Strengths and Opportunities) provides an overarching assessment of community strengths, greatest needs and key opportunities, based on the background data, stakeholder interviews and community surveys.

EXECUTIVE SUMMARY

PURPOSE

The Yamhill County Needs and Opportunities Assessment was initiated to address the following key questions, which guided data collection and analysis across community issues:

1. What are the current challenges and strengths in the community? What are the challenges and strengths in the community relating to issues of equity, diversity and inclusion?
2. What are the current gaps in nonprofit services in the community?
3. What organizations and partnerships are currently addressing local needs?
 - a. What programs are already in place through these organizations and partnerships?
 - b. What is known about the efficacy of these programs?
 - c. What are the opportunities for growth?

The goal of the needs assessment effort is to collect comprehensive information that can inform future funding, programming, and policy decisions within the region broadly and by select funder organizations.

METHODOLOGY

The Yamhill County Needs and Opportunities Assessment ascertains community needs and perspectives in five core domains:

- Community demographic and social profile
- Economy and employment
- Education and training
- Health and human services
- Arts and culture

The researchers employed three key data collection methods to identify needs in the issue areas: extant data review, key stakeholder interviews, and an online community survey.

COMMUNITY DEMOGRAPHIC AND SOCIAL PROFILE FINDINGS

Yamhill County stakeholders are proud of their community, thoughtful about challenges to community cohesion, and seek to encourage a timely response to changes in the region. Stakeholders describe Yamhill County residents as generous and community-minded with an active volunteer ethos. Although they view proximity to Portland and Salem as an attribute of their location, residents are pleased that Yamhill County has maintained its own sense of identity.

Respondents shared opportunities to further improve community culture:

Inclusion of Diverse Populations	Support increased outreach to underrepresented residents, including Latina/o and low-income residents, to increase support from and engagement with the broader community. Stakeholders repeatedly described segregation between predominantly White populations and Latina/o residents, and noted challenges in outreach, access and participation among Latina/o community members. In addition to more general outreach, support for increased leadership development opportunities for underrepresented residents in business, community and political positions could increase community cohesion.
Facilitate County Evolution	Facilitate proactive dialogue on the evolving nature of Yamhill County's economy and culture to build greater cohesion and collaboration across the “new and old” divide. The wine industry has brought new economic activity and tourism, but stakeholders note a cultural tension between industry evolution and perceived traditional county values.

ECONOMY AND EMPLOYMENT FINDINGS

Stakeholders were pleased to support the wine and tourism boom but cautioned that the region should continue efforts to diversify and strengthen job opportunities in other sectors as well. Investment in public education and public/private partnerships, particularly by expanding opportunities for career/technical education in high schools and “soft skills” development, were identified as key ways to increase the region’s talent supply.

Fostering Yamhill County’s inclination toward collaboration could yield powerful results. Particularly with challenging economic issues such as housing, transportation and creating living wage jobs, the survey and interview responses emphasized the need to work together for positive results. Survey responses and stakeholder feedback prompted the following opportunities that may benefit from local funds:

Economic Development	Support cross-sector economic development planning activities that encourage more family wage jobs. The universal desire among private, public and nonprofit stakeholders to increase the availability of family wage jobs provides an opportunity to encourage the many different economic development planning initiatives in Yamhill County to combine efforts to a common end. For example, a promising target for cross-sector countywide planning is the need to identify more industrial-zoned land. Convening stakeholders to discuss options related to the redevelopment of the closed paper mill site offers another opportunity for cross-sector collaboration.
Workforce Development	Offer small and large grant opportunities to support innovation and collaboration in workforce development. Stakeholders agreed that there is a need to build creativity – as well as technical, communication and computer skills – in the local workforce. There is also an opportunity to encourage workforce development collaboration across sectors and to foster meaningful engagement of industry in education.
Affordable Housing	Support research related to affordable housing planning and development. Community stakeholders suggested several research needs related to affordable housing, including the feasibility of local employer-supported housing or workforce housing more generally, particularly for farmworkers, service workers and new teachers; the identification of tiny house opportunities (such as partnerships between schools, churches or other community agencies to build them) and barriers (such as regulations); and a countywide housing needs analysis to understand the market, demand, barriers and opportunities, with the ultimate goal of driving policy and new construction.

EDUCATION AND TRAINING FINDINGS

Education and training opportunities and outcomes vary throughout Yamhill County based on geography and socioeconomics. In general, a lot of positive work is being done by a wide range of stakeholders in communities to help children and youth learn and succeed. There is strong and growing collaboration among schools, businesses, local government agencies and nonprofits to support early education and care, as well as primary, secondary and post-secondary learning opportunities. However, opportunities for continued work remain:

Family Stability	Invest in family stability. Expand the family resource model in schools to provide additional family stability and resource/referral services centrally in schools. More free and accessible family-centered activities can promote stronger families and communities.
Early Education and Care	Increase supports for early childhood education and care through multiple avenues. Newberg is the county leader in high-quality child care providers, preschool participation and kindergarten readiness. Best practices from this community should be shared with neighboring communities. Expanding pre-kindergarten programming in schools could increase countywide participation in early education and care and improve kindergarten assessment results.
K-12 Innovation	Continue to invest in school innovation programs, supporting cultural changes needed to successfully implement and scale innovation in schools. Collaboration and shared vision between stakeholders can support creative problem-solving. Repurposing or building new community spaces can support school and community innovation and entrepreneurial work.
Out of School Time	Increase summertime learning and enrichment opportunities for youth. Consider including child care for younger siblings to involve a larger number of high school and middle school students.
Retain Yamhill County Talent	Continue meaningful work to align regional post-secondary offerings with local industry needs. This effort can help address workforce development needs and grow skilled labor if graduates remain in Yamhill County. Efforts to encourage graduates to return to Yamhill County after completing college degrees elsewhere, as well as other opportunities to encourage local employment and entrepreneurship in college graduates, could respond to this issue.

HEALTH AND HUMAN SERVICE FINDINGS

Yamhill County has developed innovative programs and partnerships to help residents meet health and human service needs. The Yamhill Community Care Organization (CCO) is a robust agency drawing community partners together to holistically and collaboratively address human service needs in the region. Its Early Learning Hub and Service Integration Teams facilitate critical information-sharing across community partners to coordinate services for individuals, families and children. The robust faith community in the region provides urgent and needed resources to address basic family needs. Yamhill County enjoys medical infrastructure unique to a region of its size, although continued shortages of primary care physicians and psychiatrists limit the ability to meet community needs.

The county has pockets of poverty, including multi-generational rural poverty and new immigrants unable to participate fully in the economy. Survey and interview respondents view health and human services – especially housing, mental health care and transportation – as pressing community needs, not only for poverty-level residents, but also for residents more broadly. They view these areas as opportunities for philanthropic funding to augment existing resources or to fill a funding gap. Based on survey responses and stakeholder feedback, the following opportunities may benefit from local funds:

Increased Medical Capacity	Additional primary care and psychiatric providers would improve medical capacity. Strategic planning sessions among medical and community partners could identify immediate action steps to address provider shortages.
Equitable Access Among Diverse Populations	Continued efforts are needed to increase outreach and service accessibility for diverse populations. Existing organizations focus on increased service access and community-building for Latina/o residents. Lessons learned from these efforts could increase participation in a wide range of services among diverse populations within the region.
Collaboration for Impact	Yamhill County CCO is a leader in collaboration and effectiveness. This model should be replicated to address additional human service challenges, including housing.
Behavioral Health and Wellness	Additional mental health and substance use disorder services are needed to address community demand. Behavioral health issues were considered a pressing issue among respondents, and stakeholders noted a growing need for care as the opioid epidemic continues to affect Oregon. Respondents noted that existing mental health services do not meet community needs and noted the challenge of providing preventive services to avoid future mental health or other human service crises, while still attending to immediate problems.

ARTS AND CULTURE FINDINGS

The arts and culture environment in Yamhill County is a growing field of increasing vitality. Artist studios and monthly wine walks increasingly attract visitors from outside the region. Key institutions – such as Chehalem Cultural Center, George Fox University and Linfield College – play significant roles in providing robust art and cultural offerings to their communities. The vibrancy of the environment varies across the county, and the accessibility of arts and cultural opportunities may not be equitable across different populations.

Respondents identified areas where local philanthropic funds could supplement existing cultural resources. Based on survey responses and stakeholder feedback, the following opportunities may benefit from local funds:

Equitable Access to Art and Cultural Events	Increase access to art and cultural events to low-income residents through expanded outreach, scholarships and integration with existing service providers, including libraries, Head Start and afterschool programs. The geographic reach of arts and cultural events may be increased by expanding existing organizations' capacity to provide systematic art and culture opportunities, or by sponsoring visiting artists to offer courses or exhibitions in outlying communities.
Leadership Development	Support leadership development resources for racial and ethnic minorities in arts and cultural organizations. Increased involvement and leadership of racial and ethnic minorities can improve culturally relevant programming and increase overall access and participation.
Program Sustainability	Promote ongoing sustainability of existing art walks and studios that draw residents and visitors to downtown areas and the surrounding communities. Although the wine industry shares a synergistic relationship with the regional arts and cultural events and has been a key driver in promoting these opportunities, interview respondents noted the importance of a community champion to develop internal structure and sustainability for the effort.

OVERALL COMMUNITY STRENGTHS AND OPPORTUNITIES

Yamhill County is a diversifying economy with a burgeoning arts and culture landscape, a strong sense of community and volunteerism, and rugged physical beauty. Feedback collected through the stakeholder survey and interviews aligned around key strengths and opportunities for improvement in the region:

Innovative Collaboration	The region supports an overarching framework of significant and meaningful collaboration, which supports positive work in economic development, education and training, and health and human services. Yamhill County has developed transformative collaboration across organizations to promote coordinated service infrastructure and address key community needs. Stakeholders cited the need to address remaining barriers to collaboration, and a broad willingness to work across differences to address them.
Diversification of Economic Opportunities	Increased economic opportunities that diversify the economy and provide living-wage jobs were cited as a pressing regional need by the greatest share of survey respondents. Coordinated economic development, education and workforce development strategies may contribute to an effective county response.
Affordable Housing	Housing affordability, including stable housing for vulnerable populations and affordable housing for individuals and families, was cited as a key community need. Organizations are invested in developing innovative responses to meet the housing needs of special populations and expanding the supply of affordable housing for workers and families in the community, but additional resources and strategic planning are needed to further this goal.
Education Services	K-12 education was considered a top community need. Interviewees discussed education as one of the root causes of economic prosperity, and felt a focus on early education and care, primary education, secondary education and post-secondary education and training all have a role to play in supporting economic development in the county.
Behavioral and Substance Use Disorder Services	Increased behavioral health services to address mental health and substance dependency issues was also identified as a key community need through the online survey and stakeholder interviews. Lack of provider capacity and the increasing prevalence of substance use disorder and mental health issues exacerbate this dynamic.
Equitable Access and Participation	Increased focus on improving access to and participation in community services, activities and leaderships roles among diverse residents was a key concern for stakeholders. Respondents noted racial and economic marginalization of residents within the county, and encouraged a more transparent, visible response to improve this dynamic. Similarly, they advised more intentional dialogue and solution-building to bridge a growing rift between the region's traditional economy and cultural norms and the perceived cultural shift ushered in by vineyards, tourism and the "new economy."

CONCLUSION

The Yamhill County Needs and Opportunities Assessment was initiated to help understand community needs, strengths and context, and to inform future funding within the region. The county has embarked on an ambitious effort to increase cross-service collaboration and to transform service delivery, policy development, and family and community outcomes. The CCO, its Early Learning Hub and Service Integration Teams, and business/K-12/government partnership around educational innovation are examples of this effort. Strong civic engagement and volunteerism among residents creates a strong sense of community and responsibility.

Economic opportunities, housing, mental health services, and K-12 education were commonly cited regional challenges. Moreover, structural barriers related to intergenerational poverty and disparity in access among

diverse populations undergird these issues. Yamhill County service providers comprise a robust network, from small faith-based efforts to large nonprofit institutions. These providers have shown great interest in refining services and initiating new partnerships to improve service outcomes for families and for the community as a whole. The Yamhill County Needs and Opportunities Assessment provides important baseline information on the current status of community services, strengths and gaps.

PURPOSE

The Yamhill County Needs and Opportunities Assessment was initiated to address the following key questions, which guided data collection and analysis across community issues:

1. What are the current challenges and strengths in the community? What are the challenges and strengths in the community relating to issues of equity, diversity and inclusion?
2. What are the current gaps in nonprofit services in the community?
3. What organizations and partnerships are currently addressing local needs?
 - a. What programs are already in place through these organizations and partnerships?
 - b. What is known about the efficacy of these programs?
 - c. What are the opportunities for growth?

The goal of the needs assessment effort is to collect comprehensive information that can inform future funding, programming and policy decisions within the region broadly and by select funder organizations.

METHODOLOGY

RESEARCH FOCUS

The purpose of the Yamhill County Needs Assessment is to understand 1) the community's strengths, services, needs and gaps that impact quality of life in the region; and 2) what needs can be addressed in part or in whole through the investment of philanthropic dollars. To this end, the assessment ascertains community needs and perspectives within **five core domains**:

- Community demographic and social profile
- Economy and employment
- Education and training
- Health and human services
- Arts and culture

In addition, the cross-sector topics of transportation and housing were investigated both in terms of the economy and health and human services. Further, underlying conditions such as demographics, geography and community culture were researched, including whether there were variations in strengths or needs in different parts of the county or for different populations (such as racial, ethnic or immigrant groups, or individuals of different income levels or sexual orientation/identity).

DATA COLLECTION

The researchers employed **three key data collection methods** to identify needs in the issue areas:

- Extant data review
- Key stakeholder interviews
- Community survey

EXTANT DATA

The extant data analysis sought to understand the current community context in the five core domains. The list of data sources and reports examined was developed by the researchers with input from The Oregon Community Foundation staff and their local Yamhill County contacts. Referrals to sources received during the key stakeholder interviews were also explored. The main sources included:

- U.S. Census Bureau, American Community Survey
- State of Oregon Employment Department
- Oregon Department of Education
- TOP Communities Reporter
- Oregon Department of Human Services
- Local, state and national reports and documents in a variety of issue areas, including foster care, women's issues, agribusiness, and income inequality

INTERVIEWS

A broad group of community, business and government leaders were interviewed to gather their input on needs in Yamhill County. Interviewees were selected based on referrals by individuals knowledgeable about Yamhill County organizations, initiatives and leaders. In addition, interviewees themselves were given the opportunity to suggest additional individuals to interview. Ultimately, 29 individuals were interviewed between November 2016 and January 2017. See Appendix A for the interview protocol.

COMMUNITY SURVEY

The community survey was a web-based electronic survey that mirrored the content of the interview, but in a more succinct format. A public link to the survey was emailed to a list of addresses generated by the researchers with the input of The Oregon Community Foundation and local stakeholders. Each interview subject was sent the survey link with encouragement to forward the link to their networks. Ultimately, 102 complete responses were registered and tallied. More than two-thirds (69 percent) were Yamhill County residents, one-quarter (25 percent) were local business owners or private sector employees, 32 percent worked as public officials or service providers, and 37 percent worked in the nonprofit sector.¹ See Appendix B for a copy of the community survey.

ANALYSIS

The data obtained through each method were analyzed individually and then compared in parallel to identify recurring themes, including key challenges and opportunities. Results from each tool are summarized by domain in this report.

ISSUES, ASSUMPTIONS AND CONSTRAINTS

The research methods employed had the following issues, assumptions or constraints:

- The interview list was not inclusive of all potentially relevant key stakeholders. It was limited by access, interest and the number of people who could be interviewed with available resources.

¹ Respondents could select more than one identification, resulting in totals over 100 percent.

- The community survey was not inclusive of all Yamhill County community members, nor was it a random sample representative of the county population. Due to limited access to email addresses for key community stakeholders, researchers used a network approach to survey dissemination. The initial survey link was emailed to addresses that were accessible either through referrals or online for key agencies and individuals. Interviewees were also sent the survey link. All recipients were encouraged to share the link with their networks.
- The survey and interview requested respondent feedback on “Yamhill County.” However, several respondents and interviewees indicated that their responses reflected their home city only, or that they had difficulty responding for Yamhill County as a whole due to disparities and differences within the county depending on geography (e.g., urban vs. rural settings).

COMMUNITY DEMOGRAPHIC AND SOCIAL PROFILE

KEY FINDINGS

Yamhill County stakeholders are proud of their community, thoughtful about challenges to community cohesion, and seek to encourage a timely response to changes in the region. Key findings regarding community culture include:

- **Physical appeal.** Residents appreciate the rugged beauty and physical aesthetics of the region.
- **Old-fashioned neighborliness.** Stakeholders describe Yamhill County residents as generous, caring and community-minded. They noted an old-fashioned sense of neighborly trust and engagement.
- **Sense of place.** Residents value the unique sense of place within Yamhill County. Although they view proximity to Portland and Salem as an attribute of their location, they are pleased that Yamhill County has maintained its own sense of identity.
- **Transition tension.** The wine industry has brought new economic activity and tourism, but stakeholders note a cultural tension between this industry and traditional county norms. In addition to art and culture, the wine industry has infused the region with more progressive social mores and politics. Stakeholders note a tension between historical cultural and political tradition and the politics of the “new economy,” and often characterize the tension as an “urban/rural” divide.
- **Ethnic disparities.** The Latina/o population in Yamhill County is growing. Stakeholders repeatedly describe segregation between the predominantly White populations and Latina/o residents, and noted challenges in outreach, access and participation among Latina/o community members.
- **Community cohesion.** Residents observed that communities within Yamhill County tend to be somewhat insular and focused on their own town, sometimes to the detriment of broader county cohesion. Stakeholders described an opportunity for county leaders to ensure representation and responsiveness to all regions in the county.

BACKGROUND DATA SUMMARY

Yamhill County is located in the northwestern corner of the Willamette Valley in the state of Oregon, bordered on the north by Washington County, east by Clackamas County, southeast by Marion County, south by Polk County, and west by Tillamook County. The county seat, McMinnville, is 42 miles from the center of the city of Portland, Oregon. The next largest city in Yamhill County – Newberg – is 27 miles from Portland city center. Yamhill County is a part of the Portland-Vancouver-Hillsboro Metropolitan Statistical Area.

102,659

Yamhill County population

143

Yamhill County persons per square mile

POPULATION

Out of 36 Oregon counties, Yamhill County is the 10th-largest in terms of population, with 102,659 residents. At 143 persons per square mile of land area, Yamhill County is the fifth most dense county in the state,

behind Multnomah, Washington, Marion and Clackamas counties. In comparison, there are 1,782 persons per square mile in Multnomah County, the home county to Portland.²

AGE

As indicated in Table 1, Yamhill County's population is somewhat younger than the state overall, and younger still in the county's two largest cities, McMinnville and Newberg. The median age in Yamhill County is 38.2, compared to 39.1 statewide. The median age in McMinnville is 35.5 years and 32.5 years in Newberg. The higher median age countywide than in the two main cities suggests that more of Yamhill County's older residents live in smaller towns or communities. Indeed, Grande Ronde, Sheridan and Amity have median ages of 47.1, 41.1 and 40.0, respectively. However, several small communities also have younger than average compositions, such as Dayton (33.4), Gaston (33.6) and Yamhill (33.6).

RACE/ETHNICITY

In terms of racial identity, more Yamhill County residents identify as White (87 percent) than the state averages. In terms of ethnic identity, most identify as non-Hispanic (84 percent) while the remainder (16 percent) identify as Latina/o or Hispanic. This rate is slightly higher than the statewide average of 13 percent identifying as Latina/o or Hispanic. Since 2009, Yamhill County has become gradually more diverse. For example, between 2009 and 2015, the county added approximately 5,600 new residents through migration or natural increase; 47 percent of the new residents were Latina/o or Hispanic, 30 percent were non-Hispanic White, and 13 percent were non-Hispanic two or more races.³

Yamhill County Is Less Diverse Racially than the State, but More Diverse Ethnically

Table 1: Demographic Characteristics, Geographic Comparison, 2015⁴

	KEY				
	Higher than Oregon	Same as Oregon	Lower than Oregon		
	United States	Oregon	Yamhill County	McMinnville	Newberg
Age					
Median age (in years)	37.6	39.1	38.2	35.5	32.5
Race					
White	73%	85%	87%	86%	87%
African American/Black	13%	2%	1%	1%	1%
Asian	5%	4%	1%	2%	3%
Native American	1%	1%	1%	1%	0%
Some other race	5%	3%	5%	9%	6%
Two or more	3%	5%	3%	2%	4%
Ethnicity					
Latina/o or Hispanic	18%	13%	16%	28%	12%
Not Latina/o or Hispanic	82%	87%	84%	72%	88%

Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates, 2015 (Race/Ethnicity) and 5-Year Estimates (Median Age)

² U.S. Census Bureau, 2010 Census Summary File 1, Table GCT-PH: Population, Housing Units, Area, and Density, United States and County by State, 2010 (land area); American Community Survey, 1-Year Estimates, 2015 (population)

³ U.S. Census Bureau, American Community Survey, 5-Year Estimates, 2009 and 2015

⁴ "Some other race" includes individuals who do not identify as White, Black/African American, Native American, Asian, Pacific Islander, or two or more races.

HOUSEHOLD AND FAMILY COMPOSITION

In Yamhill County, 31 percent of families with children are headed by a single parent, compared to 29 percent statewide. The nationwide rate is also 31 percent.⁵ As many as 40 percent of households in Yamhill County include one or more older adults (defined in this case as those ages 60 and over), compared to 39 percent statewide and 36 percent nationwide.

CIVIC ENGAGEMENT

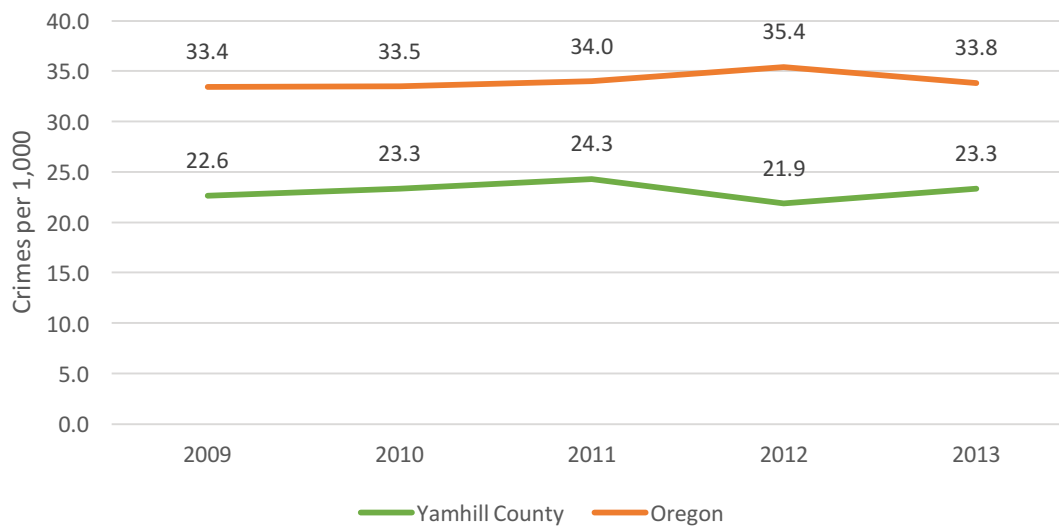
Voter turnout in Yamhill County was 80 percent in 2016, the same rate as the state overall.⁶ All statewide and national offices were won by the Republican nominee in Yamhill County in 2016, except for U.S. Senator Ron Wyden, who won 47 percent of the vote to the Republican challenger's 42 percent.

CRIME

While rates for specific crimes vary, the overall crime rate is consistently lower in Yamhill County than statewide, which corroborates stakeholder feedback on the level of safety and crime in the region.⁷

Overall Crime Is Lower in Yamhill County than in the State

Figure 1: Crimes per 1,000 Residents



Sources: Oregon State Police, Oregon Annual Uniform Crime Reports; PSU Population Research Center, Annual Population Estimates (accessed from the Communities Reporter Tool 11/2016), <http://oe.oregonexplorer.info/rural/CommunitiesReporter>

⁵ U.S. Census Bureau, American Community Survey, 5-Year Estimates, Table B09002

⁶ Oregon Secretary of State (<http://results.oregonvotes.gov/VoterTurnoutDetails.aspx?map=TURN>)

⁷ Crimes include willful murder, forcible rape, robbery, aggravated assault, burglary, larceny (theft), motor vehicle theft, and arson.

QUALITATIVE DATA SUMMARY

Yamhill County is ruggedly beautiful and offers a peaceful respite from larger urban areas in the state. Stakeholders appreciate that the region has been able to maintain its own identity even as the larger metropolitan area boundaries continue to advance. For a community of its size, stakeholders were pleased with the art and culture opportunities and diverse mix of businesses. They also noted an extensive park and trail network throughout the region.

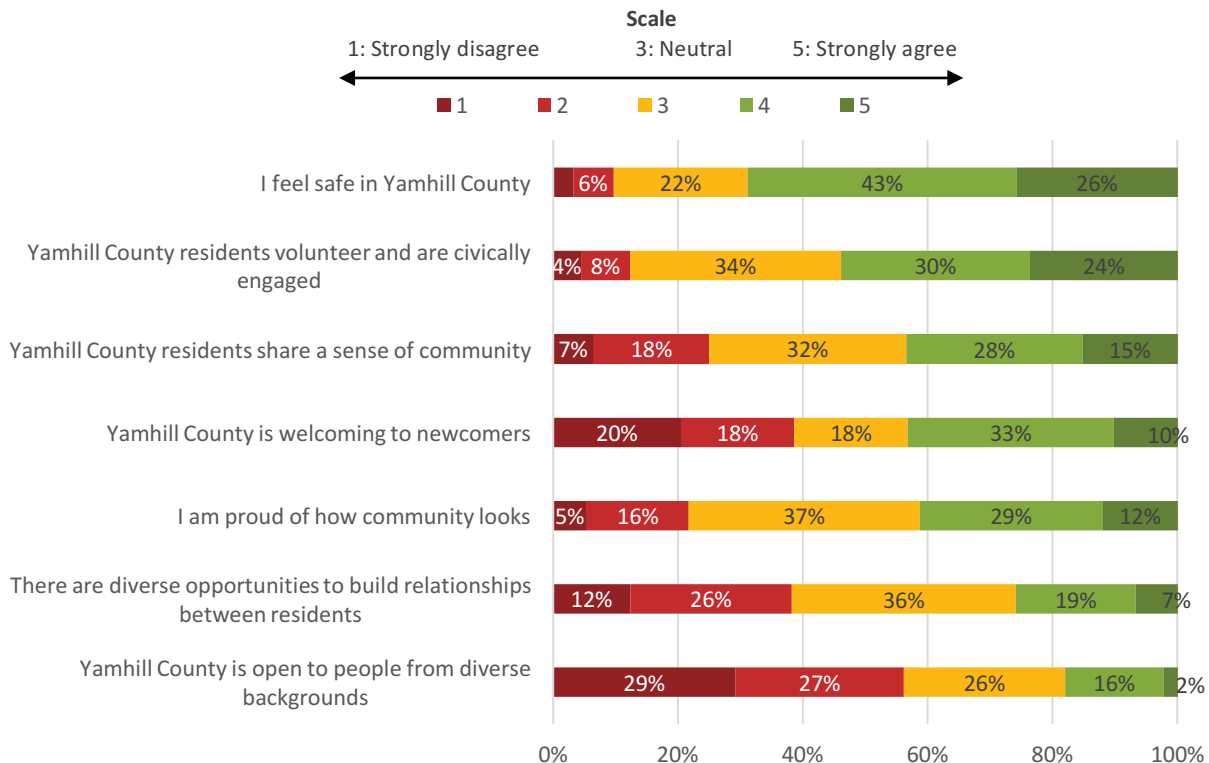
CIVIC ENGAGEMENT, SAFETY AND A SENSE OF COMMUNITY ARE HALLMARKS OF YAMHILL COUNTY.

Sixty-nine percent of survey respondents strongly agree or agree with the statement “I feel safe in Yamhill County,” and 54 percent agree or strongly agree that Yamhill County residents are civically engaged. Over 40 percent of respondents agree or strongly agree that Yamhill County is welcoming to newcomers, that residents share a sense of community, and are proud of how the community works. Many interview respondents described old-fashioned values and neighborliness that distinguish Yamhill County from other communities. They noted thriving volunteer involvement, an engaged faith-based community, and residents inclined to help one another out.

“There is a very strong sense of trust among neighbors – an immediate sense of neighbors helping neighbors.”

Yamhill County Is Safe and Civically Engaged, and Could Improve Openness to People from Diverse Backgrounds

Figure 2: Respondent Rating of Community Culture in Yamhill County



Source: Yamhill County Needs and Opportunities Assessment, Community Survey, 2016

YAMHILL COUNTY IS PERCEIVED TO BE RACIALLY AND ETHNICALLY SEGREGATED DESPITE A GROWING LATINA/O POPULATION.

More than half of survey respondents (56 percent) strongly disagree or disagree that Yamhill County is open to people from diverse backgrounds, and nearly 40 percent of respondents disagreed or strongly disagreed that there are diverse opportunities to build relationships between residents. These sentiments were echoed in stakeholder interviews and open-ended survey responses, which voiced concern for the lack of racial integration within the region. Stakeholders also described a similar lack of visibility and marginalization among lower-income families.

“The Latino population and lower-income population are pretty invisible in community conversations.”

Although the racial composition of the county remains predominantly White, the Latina/o population is growing. Stakeholders indicate that there is little integration between these groups; residents tend to live, work and play in segregated enclaves. As noted above, 56 percent of survey respondents disagreed or strongly disagreed that Yamhill County is open to people of diverse backgrounds. Respondents expressed concern with this segregation and the possibility of developing deep stratification based on racial or ethnic background.

Several organizations, including Unidos Bridging Communities, are working to bridge this divide. Unidos’ original mission was to build bridges of understanding and support between Latina/o and other communities in Yamhill County. Their vision has broadened to include advocating for Latina/o families and individuals so they will thrive in terms of education, health and other needs. Stakeholders observed especially glaring underrepresentation of Latina/o residents in arts and cultural activities, the political infrastructure, and leadership roles. Multiple respondents noted the need for increased outreach and access to broaden this participation, and the need to make these residents more visible to the greater community. They provided several examples of towns in the region embracing these changes, such as the Hispanic Heritage Festival in Dayton, and encouraged other communities to adapt to these changes in a way that supports dignity, appreciation and interest.

RESPONDENTS NOTED A TENSION BETWEEN THE CULTURE OF A MORE PROGRESSIVE “NEW ECONOMY” USHERED IN BY VINEYARDS AND TOURISM, AND THE TRADITIONAL AGRICULTURE AND FORESTRY CULTURE EVIDENT IN THE REGION.

Stakeholders described the “new economy” and its participants as more affluent, educated and politically progressive compared to historical demographic and political trends. This ongoing tension between promoting growth and economic value through new industry, innovation and residents, while simultaneously trying to retain small-town or rural values, is not unique to Yamhill County and perhaps mirrors larger national trends. Respondents identified the current moment as an “identity crisis” and suggested that the county could do a better job of proactively addressing this tension.

Despite a strong regional presence in health and human services and other policy areas, stakeholders suggest that towns within the county can sometimes appear insular in their planning and activities. Respondents encouraged greater cohesion at the county level, and assurance that all regions within the county — including smaller towns and rural areas — have a voice in county policy and decisions.

OPPORTUNITIES

Yamhill County residents are proud of their home and strive to remain engaged with the broader community. The following opportunities may further advance community cohesion:

- **Support increased outreach to underrepresented residents, including Latina/o and low-income residents, to increase support from and engagement with the broader community.** Stakeholders repeatedly describe segregation between predominantly White populations and Latina/o residents,

and noted challenges in outreach, access and participation among Latina/o community members. In addition to more general outreach, support for increased leadership development opportunities for underrepresented residents in business, community and political positions could increase community cohesion.

- **Facilitate proactive dialogue on the evolving nature of Yamhill County's economy and culture to build greater cohesion and collaboration across the “new and old” divide.** The wine industry has brought new economic activity and tourism, but stakeholders note a cultural tension between the new industry evolution and perceived traditional county values.

ECONOMY AND EMPLOYMENT

KEY FINDINGS

The major economic themes that emerged from the analysis of employment, housing and income data, as well as stakeholder interviews and the community survey, include the following:

- **Family wage jobs.** Given the high cost of housing and Yamhill County's geographic remoteness, the county needs to create and attract more family wage jobs. While the wine and tourism boom should be supported and celebrated, the region should continue efforts to diversify and strengthen job opportunities in other sectors. Growing manufacturing in the area is a promising vehicle for these goals.
- **Workforce quality.** Employers report challenges finding qualified local employees. Central to the goal of improving workforce quality is increased investment in schools and public-private partnerships, particularly by expanding opportunities for internships, job shadowing, career/technical education in high schools, and "soft skills" development.
- **Housing shortage.** The housing shortage is expected to increasingly limit economic prosperity in the region if not addressed.
- **Remaining poverty.** Yamhill County has pockets of poverty, including multi-generational rural poverty and new immigrants unable to participate fully in the economy. Child poverty is higher in Yamhill County than statewide, presenting challenges for the health and prosperity of Yamhill County's future workforce.

BACKGROUND DATA

EMPLOYMENT BY INDUSTRY SECTOR

As demonstrated in Table 2, Yamhill County has a diverse industry mix. According to the U.S. Department of Agriculture, Yamhill County is characterized as "nonspecialized" meaning it is not economically dependent on any of these four industries:

farming, manufacturing, Federal or State government, or

services.⁸ Despite the nonspecialized nature of the county's industry mix, there are proportionately more Yamhill County employees working in agriculture and manufacturing than the state averages. Similarly, compared to the state average, more Yamhill County employees work in retail trade, arts/entertainment/hospitality, and public administration sectors. The largest industry sector is educational or health services – one in five Yamhill County employees works in this industry. Still, a lower proportion of Yamhill County employees work in this industry than the state average (20 percent in Yamhill County compared to 23 percent statewide).⁹

18% vs. 11%

Manufacturing employment in Yamhill County compared to the statewide average

The fastest-growing private-sector industries between October 2015 and 2016 were wholesale trade (+60 jobs, or +9.1 percent); construction (+140 jobs, or +8.5 percent); and professional and business services (+110 jobs, or +6.1 percent).¹⁰

⁸ USDA Economic Research Service Economic Type, retrieved from TOP Community Reporter

⁹ U.S. Census Bureau, American Community Survey, 1-Year Estimates, 2015

¹⁰ State of Oregon Employment Department, *Employment in Yamhill County: October, 2016*

Manufacturing Employment Substantially Higher than Statewide Averages

Table 2: Industry Employment (Percent of Total Employment), Yamhill County, 2015

	KEY				
	Higher than Oregon	Same as Oregon	Lower than Oregon		
	United States	Oregon	Yamhill County	McMinnville	Newberg
Yamhill County ABOVE State Average					
Manufacturing	10%	11%	18%	18%	18%
Retail trade	11%	12%	13%	12%	10%
Arts, entertainment, and recreation, and accommodation and food services	10%	10%	11%	8%	18%
Public administration	5%	4%	5%	4%	3%
Agriculture, forestry, fishing and hunting, and mining	2%	3%	5%	7%	2%
Yamhill County SAME AS State Average					
Finance and insurance, and real estate and rental and leasing	7%	5%	5%	5%	4%
Wholesale trade	3%	3%	3%	4%	2%
Yamhill County BELOW State Average					
Educational services, and health care and social assistance	23%	23%	20%	25%	21%
Professional, scientific and mgmt, and administrative and waste mgmt services	11%	11%	7%	6%	7%
Construction	6%	6%	5%	5%	7%
Other services, except public administration	5%	5%	4%	3%	2%
Transportation and warehousing, and utilities	5%	4%	3%	2%	4%
Information	2%	2%	1%	0%	3%

Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates, 2015

TOP EMPLOYERS

A-dec, which manufactures dental equipment, is the top employer in Yamhill County, employing more than 1,000 people. Another top manufacturing employer is Cascade Steel Rolling Mill. George Fox University and Linfield College are among the top five employers in Yamhill County, as is Willamette Valley Medical Center. Other large employers include the Federal Correctional Institute in Sheridan and Providence Newberg Medical Center.¹¹

UNEMPLOYMENT

At 4.8 percent, Yamhill County's unemployment rate was low in November 2016. This rate is less than the statewide November 2016 rate (5.0 percent) and the county's rate a year ago (5.2 percent). The national unemployment rate in November 2016 was 4.6 percent.¹²

4.8%

Yamhill County November 2016 unemployment rate (seasonally adjusted)

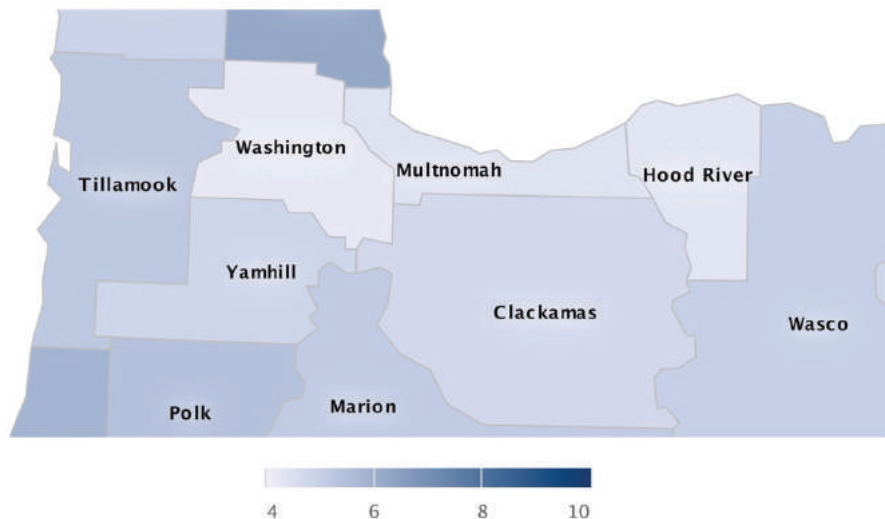
Regionally, Yamhill County's unemployment rate tends to be higher than that of neighbors to the north (Washington County, 4.2 percent) and lower than neighbors to the south, east and west (Polk County, 5.4 percent; Marion County, 5.1 percent; and Tillamook County, 5.2 percent). Figure 3 provides a snapshot of unemployment rates in the counties surrounding Yamhill County.

¹¹ GROW Yamhill County (County of Yamhill), www.growyamhillcounty.com, retrieved February 3, 2017

¹² State of Oregon Employment Department (www.qualityinfo.org); U.S. Bureau of Labor Statistics

Yamhill County's Unemployment Rate Is Lower than the Statewide Average

Figure 3: Unemployment Rate by Oregon County, Seasonally Adjusted Unemployment Rate, November 2016



Source: State of Oregon Employment Department, Local Area Unemployment, Fast Facts Dashboard (<https://www.qualityinfo.org/ed-ffd/>)

COMMUTING

Yamhill County residents are more likely to commute out of their home county for work than other Oregon residents. According to 2015 data, 34 percent of Yamhill County residents commuted out of the county for work, compared to the statewide average of 21 percent. Of the counties surrounding Yamhill County, only Polk County had a higher rate of commuting out of county, at 58 percent of all residents. Nationwide, the rate was 24 percent.¹³ In terms of non-residents commuting into the county, the Yamhill County Economic Development Plan (2013) reports that more Yamhill County residents commute out of the county for work than non-residents commute into Yamhill County for work.¹⁴

AVERAGE WAGES BY SECTOR

Figure 4 on the following page shows how, regardless of industry sector or ownership (private or public), average wages in Yamhill County lag statewide averages. The lowest wages are in the leisure and hospitality sector and the natural resources and mining sector. The highest are in the financial activities sector and the manufacturing sector.

As housing prices reach levels not seen since the pre-recession housing bubble, lower than average wages are constraining household budgets, particularly at lower income levels (see the Housing section below).¹⁵

\$38,989

Average wages in Yamhill County (all industries, public and private)

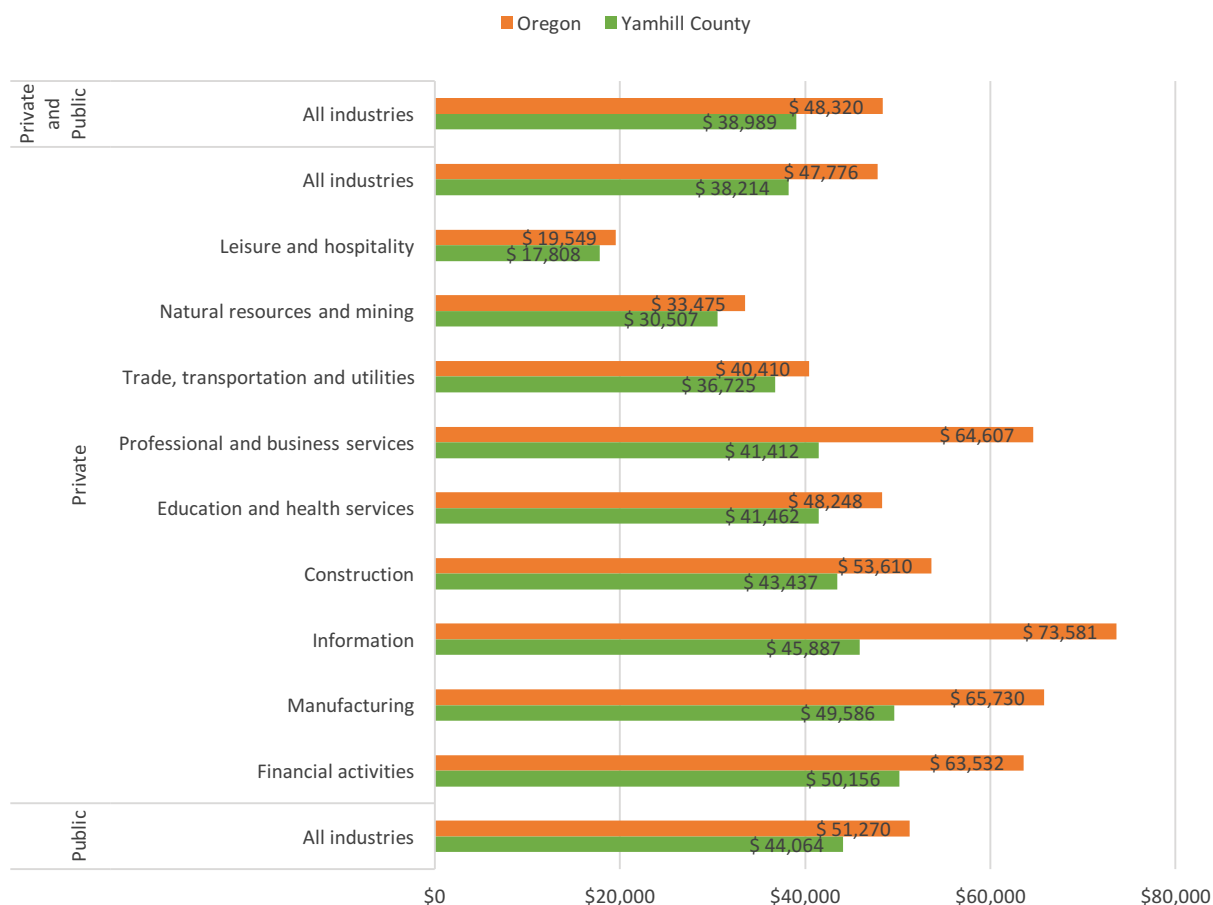
¹³ U.S. Census Bureau, American Community Survey, 5-Year Estimates, 2015

¹⁴ GROW Yamhill County, Yamhill County Economic Development Plan, 2013

¹⁵ Yamhill County Assessor, 2015 Average Home Sale Price by City (www.co.yamhill.or.us)

Average Annual Wages Consistently Lower in Yamhill County than Statewide

Figure 4: Average Annual Wages by Industry and Ownership (Private or Public), Oregon and Yamhill County, 2015



Source: Oregon Employment Department, *Employment and Wages by Industry, 2015* (qualityInfo.org)

HOUSING

Yamhill County's housing stock reflects its rural and suburban landscape. Fully 68 percent of housing units in Yamhill County are single-family detached homes. This rate is higher than the statewide rate of 64 percent. Yamhill County has fewer attached homes and multi-family apartments than the statewide average (22 percent compared to 28 percent). Yamhill County's housing stock consists of more mobile homes than the statewide average (11 percent compared to 8 percent).

More than two-thirds (67 percent) of Yamhill County residents are homeowners, compared to 61 percent statewide. Census data reveal that rental vacancy rates in the city of Newberg are lower than statewide averages. Homeowner vacancy rates are similar to statewide averages.

The median home sale price in January 2017 in Yamhill County was \$259,100, which is below the statewide median of \$295,000. At \$288,400, housing prices in Newberg are nearing the statewide median, while McMinnville median prices are somewhat lower at \$253,900.

As shown in Table 3, Yamhill County has a slightly greater mismatch between rent and household income than the statewide average. Fully 47 percent of renters in Yamhill County spend more than 35 percent of household income on rent, compared to 45 percent statewide and 43 percent nationwide. There is a greater match with respect to homeowner housing costs, with 27 percent of Yamhill County homeowners spending more than 35 percent of their income on monthly housing costs, which is the same rate as the statewide average. However, this varies by region; in Newberg, the rate is 30 percent and in McMinnville the rate is 24 percent.

Higher Rent Burden in Yamhill County than State Average

Table 3: Selected Housing Characteristics, 2015 or 2017

	KEY		Higher than Oregon	Same as Oregon	Lower than Oregon
	United States	Oregon	Yamhill County	McMinnville	Newberg
Housing Types					
Single-family detached	63%	64%	68%	55%	62%
Attached/multi-family	31%	28%	22%	32%	32%
Mobile home	6%	8%	11%	13%	7%
Occupancy					
Homeownership rate	64%	61%	67%	58%	61%
Homeowner vacancy rate	2%	2%	3%	2%	3%
Rental vacancy rate	6%	4%	6%	7%	3%
Housing Value/Costs					
Median home sale price	\$192,500	\$295,000	\$259,100	\$253,900	\$288,400
Median rent	\$1,411	\$1,595	\$1,470	\$1,430	\$1,668
Percentage of renters spending 35% or more of household income on rent	43%	45%	47%	46%	52%
Percentage of mortgage holders spending 35% or more of household income on housing	25%	27%	27%	24%	30%

Source: American Community Survey, 2011-2015 5-year Estimates (housing types, occupancy, proportion of income to housing); Zillow, retrieved January 9, 2017 (median rent, sales price)

ECONOMIC DEVELOPMENT PLANNING

Yamhill County and its cities have engaged in significant economic development planning, advocacy and awareness-building in recent years. In November 2016, the Yamhill County Economic Vitality Summit, titled “Strategic Doing in Yamhill County,” brought diverse stakeholders together to examine the issues of transportation, infrastructure, housing, workforce and land availability. Examples of recent planning efforts include the Newberg Economic Development Strategy, Newberg Downtown Improvement Plan, Newberg Strategic Tourism Plan, McMinnville Economic Opportunities Analysis, Yamhill County Agri-Business Economic and Community Development Plan, Yamhill County Economic Development Plan, and Mid-Willamette Valley Community Development Partnership Board: Regional Comprehensive Development Strategy. In addition to these planning efforts, there are several economic development advocacy initiatives, including the work of the Rural Development Initiative in Yamhill County and several county-sponsored programs such as Grow Yamhill County, Yamhill County Economic Development Small Grant Program, and the Yamhill County Strategic Investment Fund. The Chehalem Future Focus (CFF) is a collaborative effort that was started in 1986 for diverse stakeholders within the Chehalem Parks and Recreation District boundary to discuss issues of regional importance; participants include leaders in business, K-12 education and post-secondary education, as well as city and county government administrators and elected officials. Appendix C includes a synopsis of these diverse efforts. These planning efforts

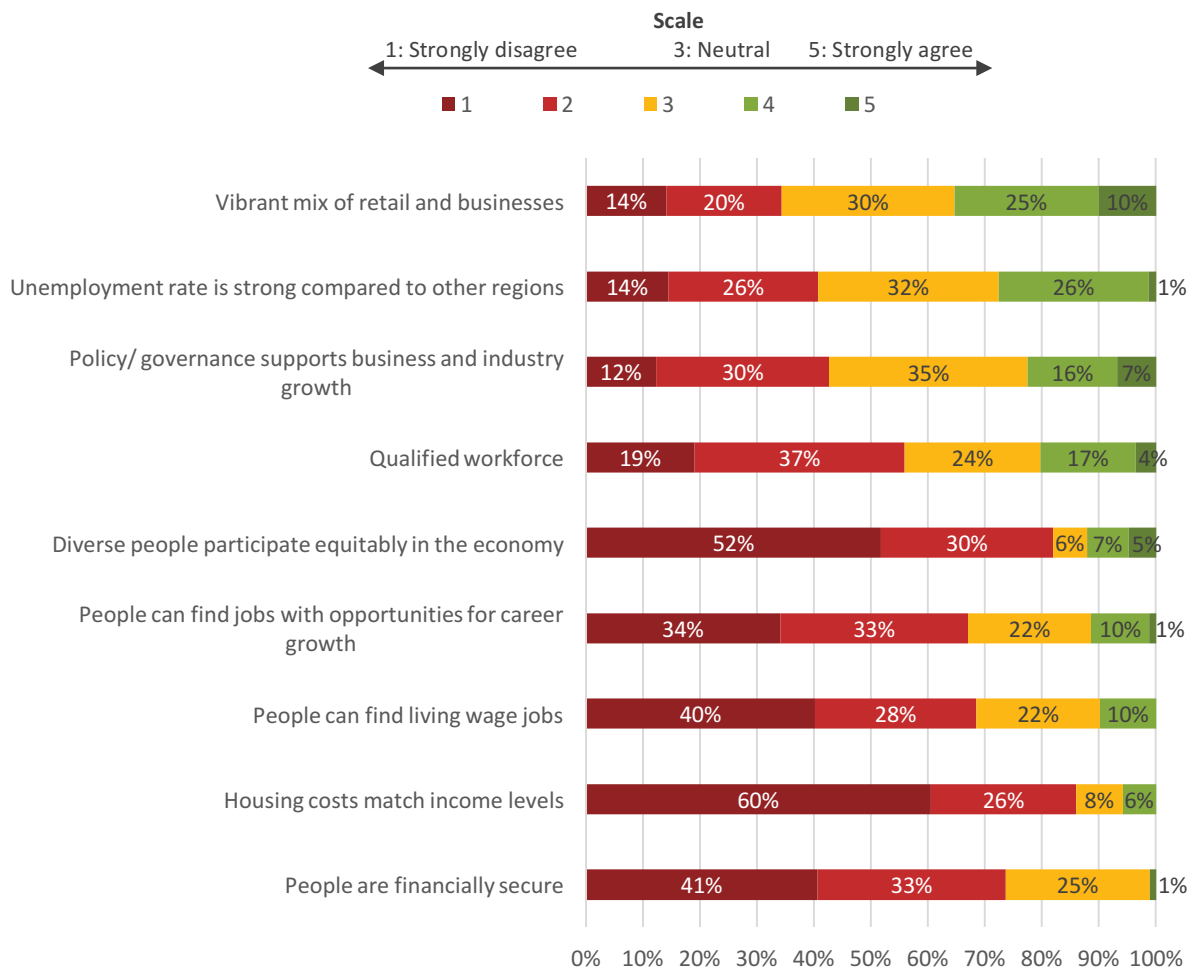
and advocacy initiatives sound common themes that build on the region’s strengths: support the wine tourism industry, grow manufacturing, and enhance quality of life more generally.

QUALITATIVE DATA SUMMARY

Stakeholder survey responses and interviews highlighted the “push-pull” nature of the Yamhill County economy. In the survey, responses about the strength of the Yamhill County economy were lukewarm, with few statements garnering substantial agreement (see Figure 5). The interviews and survey comments shed light on what might be behind the caution: respondents identified many strengths, but at the same time were cognizant of challenges, even when a challenge may be an unwelcome consequence of Yamhill County’s successes. The key findings below highlight this tension as revealed in the survey and interviews.

Good News: Vibrant Business Mix Bad News: Housing Costs out of Reach

Figure 5: Respondent Rating of Agreement with Statements about the Yamhill County Economy



Source: Yamhill County Community Needs and Opportunities Assessment, Community Survey, 2016

WINE INDUSTRY AND TOURISM ARE STRENGTHS, BUT THEY DON'T BRING FAMILY WAGE JOBS. The wine industry is growing rapidly, particularly in the eastern parts of the county. This growth is generally viewed positively for bringing more jobs, increased tourism, international recognition, and growing support of arts and culture opportunities. However, the growing wine industry is a contributor to reduced housing affordability, in part due to vineyards driving up land prices. Also, with some exceptions, the wine industry – as well as the tourism industry which it stimulates – provide mostly lower-paying jobs in the agriculture and hospitality sectors (see Figure 4, Average Wages). These are jobs that may not pay enough to afford the high cost of housing in the region. While survey respondents acknowledged that unemployment is low in Yamhill County, partly thanks to growth in wine and tourism, some stakeholders worried that the plurality of job opportunities offered by these industries were not diverse enough to retain the county's best and brightest, leading to "brain drain" (where local graduates go off to college and want to come back, but can't for lack of family wage jobs). Further, some stakeholders noted that the wine industry has primarily benefited the eastern part of the county; the western part, which is transitioning from a timber-based economy, tends to be struggling more to redefine its economy.

MANUFACTURING: THE HEART OF THE COUNTY'S ECONOMY. As with the growing wine industry, interviewees expressed pride in Yamhill County's strength in manufacturing, which offers many family wage jobs with health and retirement benefits. The push-pull element of manufacturing comes from interviewees expressing some insecurity regarding the long-term stability of this industry due to recent plant closures (e.g., SP Fiber Technologies) and the loss of those manufacturing jobs. Still, interviewees reported that existing manufacturing companies, such as A-dec, have largely filled those losses, and there is optimism that the region can attract more manufacturing jobs.

ECONOMIC DEVELOPMENT SHOULD FOCUS ON FAMILY WAGE JOBS. Whether in manufacturing or other sectors, an overriding message in stakeholder interviews and survey comments was the need for more family wage jobs. The assets Yamhill County can put to this end include several existing economic development planning and advocacy efforts, as well as an ethos of community boosterism to promote the region. To encourage the creation of family wage jobs, several stakeholders indicated a strong need to identify land for industrial uses, as well as for residential development. Ongoing and future economic development planning must embrace the need to adapt to future economic conditions and identify how local residents can benefit from the growth in the wine and tourism industries.

NEW INITIATIVES SHOW COMMITMENT TO BUILDING A STRONGER LOCAL WORKFORCE. With respect to workforce development, most survey respondents (56 percent) and nearly all interviewees did not feel the local labor force was sufficiently qualified. There is a sense that employers must increasingly recruit from outside the county, leading to the general perception that higher-paid workers tend to commute into the county to work, while lower-paid jobs are filled by residents. (See page 20 for commuting statistics.)

"It isn't a mystery how to get kids to be successful by any measure; it is simply quality instruction, adequate resources, and time."

Fueled by concerns about the strength of the local workforce, many stakeholders cited a renewed emphasis on career/technical education in public school and several innovative business and education partnerships. This new attention to building a qualified local workforce can be seen in the business engagement in schools through internships, job shadowing and incubators throughout the county. Examples include Innovate Oregon, Innovation Council, and I-3 Center in the Dayton school district; Evergreen Aviation and Space Museum STEM partnership in the McMinnville schools; Chehalem Valley Chamber of Commerce summer internship program; and the Chehalem Valley Innovation Accelerator in the Newberg area. These initiatives are based on the understanding that the

economy can be unpredictable, therefore fostering creativity, soft skills, and the ability to learn is paramount. Stakeholders felt that with sufficient resources, opportunities to expand these partnerships and initiatives abound, and that Yamhill County’s demonstrated capacity for collaboration and coordination makes the region ripe for success in this area.

SHORTAGE OF AFFORDABLE HOUSING IMPACTS WORKER ATTRACTION AND ECONOMIC GROWTH.

There was near unanimity among interviewees and strong agreement among survey respondents that the lack of affordable housing is a severe impediment to economic growth. As shown in Figure 5, when asked whether housing costs matched income levels, 60 percent of survey respondents strongly disagreed and another 24 percent moderately disagreed. In terms of what attracts businesses and employers to the region, affordable housing was at the bottom of the list, with only 7 percent stating that affordable housing attracts businesses and employees to the region. While quality of life, natural beauty, arts and culture, and good schools attract prospective employees (see Figure 6), employers are finding the housing shortage is affecting their ability to recruit both professional and service workers from Portland and Salem metro areas. Prospective employees expect housing prices to be lower in Yamhill County, but they are not finding that is the case. Commuting to Yamhill County for work is not a practical option for many workers when transportation costs eat into wages and traffic delays lead to long commutes.

In response to these realities, many stakeholders cited the need for low-income or workforce housing. Several interviewees noted that even with a rental subsidy in hand from the Housing Authority, some recipients could not find a unit. Further, rental apartments and mobile homes, which provide low income housing options, are often in disrepair when available. Lower-wage workers move further out of Newberg or McMinnville to find lower-cost housing, only to discover that transit options are insufficient or gas costs too much.

“If you missed the window of finding an affordable place to live, you're out of luck. And that impacts everything from the diversity of our community to traffic congestion.”

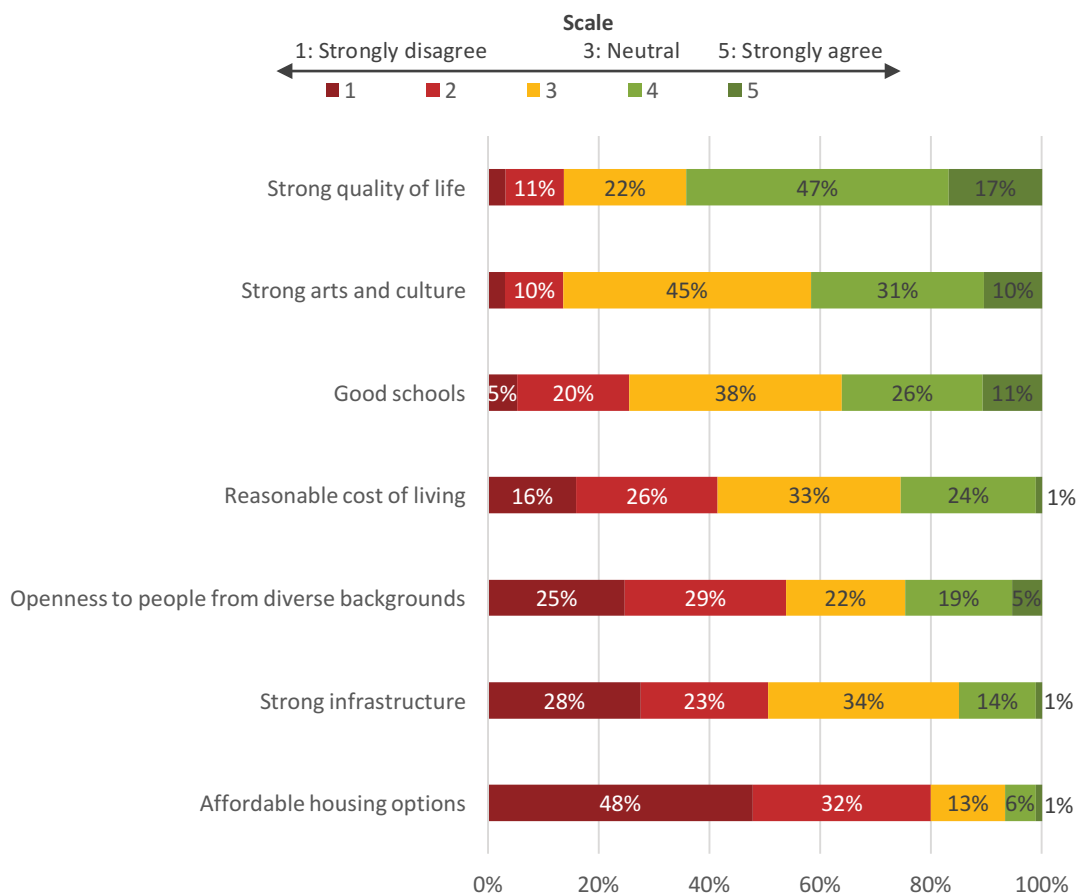
Beyond low income housing, there was consensus that housing supply in general – units at all stages of the continuum, from low to high – was needed to support the local economy. However, land prices have risen substantially, and buildable land is scarce. This affects the motivation or ability for the market to produce low to moderate housing that can pencil out. Stakeholders note that the Housing Authority is limited in the number and scale of projects it can develop; it is not economical for them to develop small units, prompting them to work with employers and developers to investigate innovative options. Recently, the Housing Authority managed a project on the county’s behalf with a private developer, forming a successful public/private partnership that may be replicable. Land constraints also impact the ability for the market to support the development of moderate-cost hotels, which are needed to support the burgeoning tourism industry.

Awareness of the issue was viewed as relatively new by most interviewees, and stakeholders note the need to bring new partners to the table, especially area employers struggling to find workers due to increasing housing costs. As a result, efforts to develop strategies and identify resources to address the housing shortage are in the early stages. For example, the Yamhill County Economic Vitality Summit held in November 2016 (see page 22), which highlighted local housing challenges, was an eye-opener for many community members. In Newberg, the economic development planning efforts conducted in 2016 prompted the creation of Housing Newberg, a collaborative group consisting of nonprofit housing groups, business owners and city leaders. As awareness of housing issues builds, there appears to be growing momentum around employer-developed housing that offers affordable options for workers, and interest in building capacity to implement innovative housing alternatives in the region. Stakeholders suggested that businesses and agencies taking up this issue will struggle with questions of balance: how will the county meet housing needs without losing the rural character and environmental wellbeing

that attracts so many to the region? There was agreement that planning, creativity, compromise and collaboration would be needed to achieve that balance.

Quality of Life, Arts and Culture, and Schools Are Top Attractors

Figure 6: Respondent Rating of Community Qualities that Attract Businesses or Workers to Yamhill County



Source: Yamhill County Needs and Opportunities Assessment, Community Survey, 2016

QUALITY OF LIFE AND ARTS AND CULTURE ARE TOP ATTRACTORS OF FAMILIES AND BUSINESSES.

Survey respondents and interviewees agreed that the county's high quality of life and robust arts and culture offerings were the most attractive aspects of Yamhill County for residents or businesses considering the location. They were also seen as tourism draws. Other attractors include the region's natural beauty, small-town feel, good schools, and quality higher education institutions. The area's proximity to Portland while remaining rural and independent was cited by many as a positive attribute.

INFRASTRUCTURE SCORES LOW, PARTICULARLY TRANSPORTATION. Infrastructure, particularly with respect to transportation (roads and transit), was cited by many as a challenge impeding economic growth and prosperity. As shown in Figure 6, only 15 percent of survey respondents felt that Yamhill County's infrastructure was strong and attracted businesses and employees. The top issues cited were bottlenecks on Highway 99W, insufficient funds countywide to fix non-arterial roads, and poor transit service, both inter-county and intra-county, particularly in rural areas. There was extensive enthusiasm for the congestion relief expected from the first

phase of the Newberg-Dundee Bypass currently under construction on 99W, but there was also recognition that additional phases would be necessary to see substantial reductions in traffic congestion. The lack of industrial land in the county was also cited as a deterrent to new or expanding manufacturing business.

OPPORTUNITIES

Fostering Yamhill County's inclination toward collaboration could yield powerful results. Particularly with challenging economic issues such as housing, transportation and creating living wage jobs, the survey and interview responses emphasized the need to work together for positive results. Survey responses and stakeholder feedback prompted the following opportunities that may benefit from local funds:

- **Support cross-sector economic development planning activities that encourage more family wage jobs.** The universal desire among private, public and nonprofit stakeholders to increase the availability of family wage jobs provides an opportunity to encourage the many different economic development planning initiatives in Yamhill County to combine efforts to a common end. For example, a promising target for cross-sector countywide planning is the need to identify more industrial-zoned land. Convening stakeholders to discuss options related to the redevelopment of the closed paper mill site offers another opportunity for cross-sector collaboration.
- **Offer small and large grant opportunities to support innovation and collaboration in workforce development.** Stakeholders agreed that there is a need to build creativity, as well as technical, communication and computer skills, in the local workforce. There is also an opportunity to encourage workforce development collaboration across sectors and foster meaningful engagement of industry in education. Examples cited by stakeholders include:
 - Link middle and high school career/technical education with employers and community colleges.
 - Offer full summer school opportunities for students.
 - Build infrastructure for career/tech education, such as "maker spaces," kitchens, greenhouses and video studios.
 - Create new, and support existing, school-to-business incubators or innovation centers.
 - Engage parents in supporting their child's education and post-secondary goals, including parents who are linguistically isolated and/or have low levels of educational attainment or income.
 - Provide sustainability funding for existing successful workforce development and career/tech programs.
 - Encourage college-going, particularly for first-generation college students.
 - Build awareness within the business community and capacity within the education community to support internships and job shadowing opportunities.
- **Support research relating to affordable housing planning and development.** Community stakeholders suggested several research needs relating to affordable housing, including the feasibility of local employer-supported housing or workforce housing more generally, particularly for farmworkers, service workers and new teachers; the identification of tiny house opportunities (such as partnerships between schools, churches or other community agencies to build them) and barriers (such as regulations); and a countywide housing needs analysis to understand the market, demand, barriers and opportunities, with the ultimate goal of driving policy and new construction.

EDUCATION AND TRAINING

KEY FINDINGS

Education and training opportunities and outcomes vary throughout Yamhill County based on geography and socioeconomics. In general, there is considerable work being done by a wide range of stakeholders in communities to help children and youth learn and succeed. However, opportunities for continued work remain. Key findings include:

Overall Findings

- **Collaboration.** Collaboration in Yamhill County is strong and growing among schools, businesses, local government agencies and nonprofits supporting early education and care, and primary, secondary and post-secondary learning opportunities. Examples of collaboration include:
 - The Yamhill Community Care Organization's Early Learning Hub convenes stakeholders across the child and family serving systems who are working to address early childhood and family support issues.
 - Innovate Dayton and soon-to-be-launched Innovate Willamina are fostering collaborative school district, business and local government efforts to transform learning environments and the community at large.
 - Strong vocational education opportunities in high schools are collaboratively supported by school districts, local businesses, and colleges.

Early Education and Care Findings

- **Early Education and Care Access.** Many infants and toddlers are not accessing licensed or quality-rated early education and care providers because of limited supply and high cost. About a third of children in the county attend preschool.
- **Kindergarten Readiness.** Many children are not coming to kindergarten ready to learn based on kindergarten assessment results, with the exception of Newberg, which exceeds statewide averages across learning domains.

Primary and Secondary Education Findings

- **Graduation Rates.** School districts throughout the county are improving graduation rates. Strong leadership, innovative approaches to learning, and significant collaboration likely contribute.
- **Out of School Time Programming.** Afterschool care is available in most schools, but participation is limited by transportation challenges. Summer enrichment opportunities are less available.
- **Behavioral Health in School.** Student and family behavioral health problems, and limited resources in schools and communities to address mental health concerns, can impede learning.

Post-Secondary Education and Training Findings

- **Education and Local Industry Alignment.** Community and four-year colleges contribute to workforce development through technical training and educational programs of study aligned with industry needs. Colleges collaborate with secondary schools and businesses to evolve their programming and increase industry alignment.

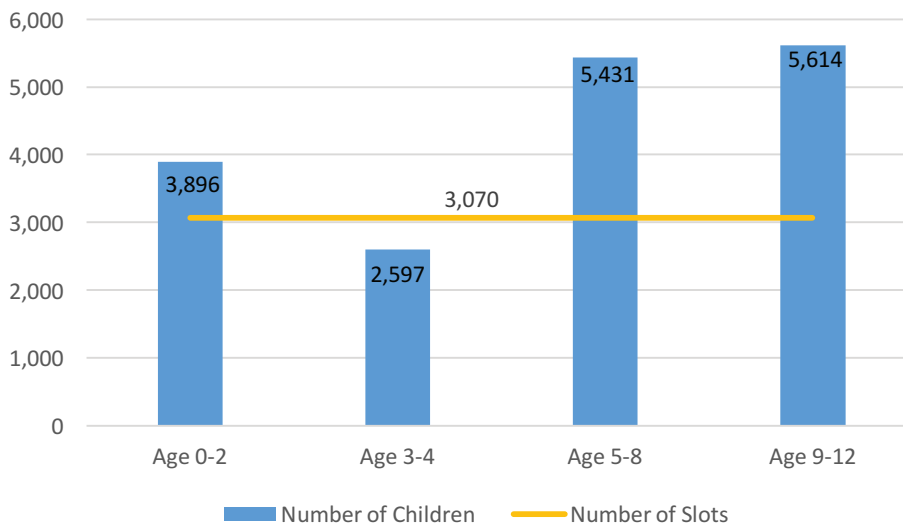
Education and training is a large topic area. To make the data and analysis easier to follow and understand, the following subsections are broken down by age group: 1) early education and care; 2) primary and secondary (K-12) education; and 3) post-secondary education and training.

EARLY EDUCATION AND CARE: BACKGROUND DATA

EARLY EDUCATION AND CARE AVAILABILITY IS INADEQUATE. In 2014, there were 2,182 slots in child care centers and 888 slots in family child care homes in Yamhill County. There were 17,538 children ages 0-12 in that same year in the county, meaning there were visible slots available for 18 percent of children ages 0-12, or approximately half of children ages 0-4. Seventy percent of families in Yamhill County with young children are likely to need child care due to parental employment.¹⁶

Inadequate Supply of Child Care to Meet Needs of Families

Figure 7: Number of Children and Child Care Slots (Center and Family Care Homes) in Yamhill County, 2014



Source: School of Social and Behavioral Health Services, College of Public Health and Human Services, Oregon State University, "Child Care and Education in Oregon and Its Counties: 2014: Yamhill County Profile."

FINANCIAL SUPPORT FOR CHILD CARE IS LIMITED. Head Start is funded to serve 330 preschool children ages 3-5 in Yamhill County, which is 64 percent of the eligible population of 557 children. Early Head Start serves 97 children ages 0-3 and expectant mothers, only 12 percent of the estimated eligible population of 836. Yamhill County Head Start serves most eligible families who enroll, since 36 percent of eligible families do not enroll.¹⁷ Also, 389 children in Yamhill County receive child care vouchers through the Employment Related Day Care (ERDC) program, which is less than the number of eligible children in the county (families must

¹⁶ School of Social and Behavioral Health Services, College of Public Health and Human Services, Oregon State University, "Child Care and Education in Oregon and Its Counties: 2014: Yamhill County Profile."

¹⁷ Yamhill County Head Start, "Head Start of Yamhill County Community Assessment, 2015-16".

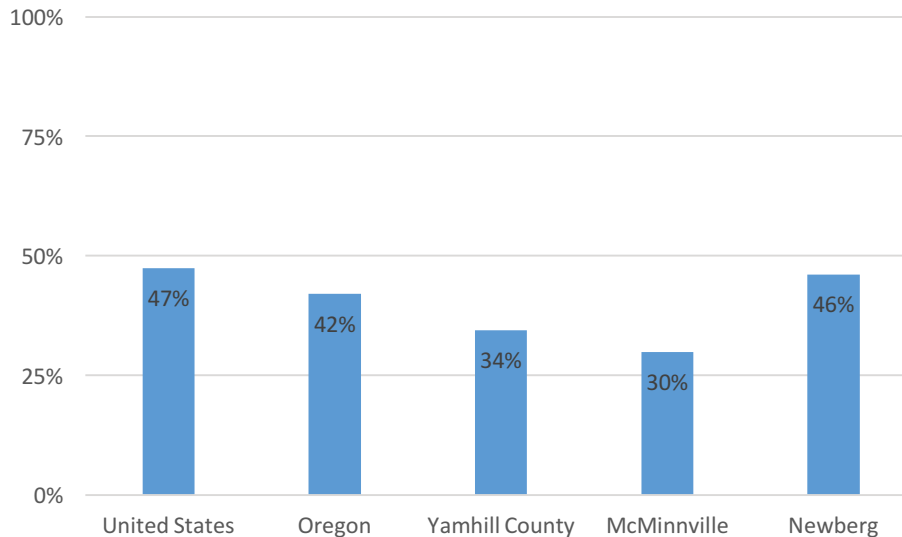
earn less than 185 percent of FPL to qualify). There is no current waiting list for child care vouchers.¹⁸ There are no contracted slots supported through the Child Care Development Fund in Yamhill County.¹⁹

The median annual price of child care in Yamhill County in 2014 was \$9,564.²⁰ This is 18 percent of the median income in the county.²¹ To be eligible for Head Start, families must earn less than 100 percent of the FPL. Families earning up to 85 percent of the State Median Income or 185 percent of 2016 FPL can be eligible for child care subsidies (ERDC) to cover a portion of their care costs while they work.²² Title 1 funded preschool is available free of cost through some of Yamhill County school districts, but slots are limited by school budgets.

YAMHILL COUNTY PRESCHOOL ATTENDANCE RATES ARE HIGHLY VARIABLE. In Yamhill County, 34 percent of three and four year olds are enrolled in preschool, which is a lower rate than in Oregon overall (42 percent) and 47 percent nationwide. Rates in McMinnville are the lowest at 30 percent, whereas the rate in Newberg is above the state and Yamhill County average at 46 percent.

Preschool Attendance Rate Highly Variable Within the County

Figure 8: Percentage of Three and Four Year Olds Enrolled in Preschool, Geographic Comparison, 2015



Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates, 2015

CHILD CARE PROVIDER PARTICIPATION IN QRIS IS LIMITED. Quality Rating Improvement Systems (QRIS) are intended to improve the quality of early and school-age education and care programs. They provide a structure to support programs as they move from licensed to accredited, using a shared definition of quality through professional development, technical assistance, parental involvement and other cross-sector efforts. Thirty-eight child care providers in Yamhill County (out of 97 total) have or have applied for a star rating in

¹⁸ Oregon Department of Human Services, Child Care Assistance, CCDF voucher report by zip code, December 2016

¹⁹ Interview with Sara Mills, Oregon Department of Human Services, Child Care Assistance, Child Care Policy Analyst, January 11, 2017

²⁰ School of Social and Behavioral Health Services, College of Public Health and Human Services, Oregon State University, *Child Care and Education in Oregon and Its Counties: 2014: Yamhill County Profile*

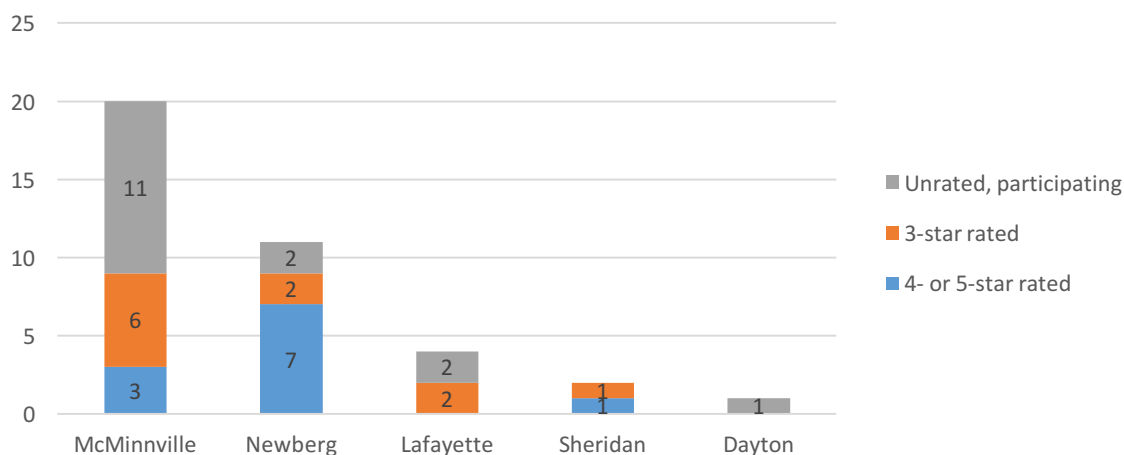
²¹ U.S. Census Bureau, American Community Survey, 5-Year Estimates, 2015

²² Oregon Department of Human Services, Child Care Assistance (<http://www.oregon.gov/DHS/ASSISTANCE/CHILD-CARE/Pages/Parents.aspx>)

Oregon's QRIS.²³ Of these, 22 have received ratings and 11 have achieved the highest quality ratings of 4 or 5 stars. McMinnville has the largest number of participating providers and Newberg has the highest number of high-quality providers.

Most QRIS-Participating Child Care Providers Are in McMinnville, Newberg and Lafayette

Figure 9: Number of Child Care Providers with 4- or 5-Star Ranking, 3-Star Ranking, or Unranked/Participating in QRIS, 2017



Source: Oregon's QRIS Rated Program Search (<http://triwou.org/projects/qris/programsearch?search=Yamhill+County>)

KINDERGARTEN READINESS VARIES ACROSS THE REGION, WITH NEWBERG EXCEEDING STATE AVERAGES.

As shown in Table 4, Newberg outperforms all Yamhill County school districts and exceeds Oregon state averages in all domains of the Oregon Kindergarten Assessment instrument, except for early mathematics for students with disabilities. Dayton outperforms statewide achievement in approaches to learning and Spanish letter sound domains, and Willamina exceeds statewide averages in English letter names and sound domains for total population. All other Yamhill County school districts performed equal to or poorer than statewide averages across learning domains for total population, although they exceed statewide averages for some subpopulations. Yamhill school districts generally surpass statewide results for economically disadvantaged students, particularly in McMinnville, Newberg, Willamina and Sheridan. Amity had the lowest results, trailing the statewide average across all domains for total population, although it exceeded statewide averages for English letter names for economically disadvantaged and English letter sounds for students with disabilities. The table on the next page shows kindergarten assessment results across domains, by Yamhill School District. Note: The scales used in each domain vary (Approaches to Learning, 0-5; Early Mathematics, 0-16; and Early Literacy, 0-00).

²³ Oregon's QRIS Rated Program Search (<http://triwou.org/projects/qris/programsearch?search=Yamhill+County>)

Newberg Outperforms State in Kindergarten Readiness

Table 4: School Districts Kindergarten Assessment Results, 2015/16²⁴

					KEY	Higher than Oregon	Same as Oregon	Lower than Oregon
	Oregon	Amity	Dayton	McMinnville	Newberg	Sheridan	Willamina	Yamhill Carlton
Approaches to Learning (Average Rating, from 1 - 5)								
Self Regulation								
Total Population	3.5	3.3	3.8	3.5	3.7	3.5	3.5	3.5
Economically Disadvantaged	3.4	3.0	3.8	3.5	3.8	3.6	3.5	3.4
Limited English Proficient	3.4		3.9	3.4	3.8			
Students with Disabilities	2.9	2.3		2.8	3.1			
Interpersonal Skills								
Total Population	3.8	3.6	4.2	3.8	4.0	3.8	3.7	3.8
Economically Disadvantaged	3.8	3.2	4.2	3.9	4.2	3.8	3.6	3.7
Limited English Proficient	3.9		4.2	3.9	4.3			
Students with Disabilities	3.3	2.7		3.5	3.6			
Total								
Total Population	3.6	3.4	4.0	3.6	3.8	3.6	3.5	3.6
Economically Disadvantaged	3.5	3.0	4.0	3.6	3.9	3.7	3.5	3.5
Limited English Proficient	3.6		4.0	3.5	4.0			
Students with Disabilities	3.0	2.4		3.0	3.2			
Early Mathematics (Average Number Correct, from 0-16)								
Numbers and Operations								
Total Population	8.5	7.4	7.4	8.1	8.9	7.7	8.5	6.9
Economically Disadvantaged	7.8	7.2	7.4	8.1	8.3	7.6	8.5	6.6
Limited English Proficient	6.8		6.6	7.0	7.9			
Students with Disabilities	7.0	5.9		6.7	6.8			
Early Literacy (Average Number Correct, from 0-100)								
English Letter Names								
Total Population	18.5	17.0	12.8		20.4	16.6	19.2	13.2
Economically Disadvantaged	13.9	14.3	12.8		15.5	17.1	18.8	11.9
Limited English Proficient	7.7		3.9		7.8			
Students with Disabilities	11.8	10.7			12.0			
English Letter Sounds								
Total Population	7.4	6.4	4.2	6.1	10.0	4.5	8.8	4.1
Economically Disadvantaged	4.8	4.5	4.2	6.2	7.0	4.7	8.4	2.5
Limited English Proficient	2.3		2.0	2.5	2.4			
Students with Disabilities	3.8	6.1		2.3	5.0			
Spanish Letter Sounds								
Total Population	1.9		2.1	2.6	3.4			
Economically Disadvantaged	1.9		2.1	2.6	3.2			
Limited English Proficient	1.9		2.1	2.7	3.4			
Students with Disabilities	1.1			0.8	2.0			

Source: Oregon Department of Education, 2015-16 Statewide Kindergarten Assessment Results – Look-Back Report, September 1, 2016 (<http://www.ode.state.or.us>)

EARLY EDUCATION AND CARE: QUALITATIVE DATA SUMMARY

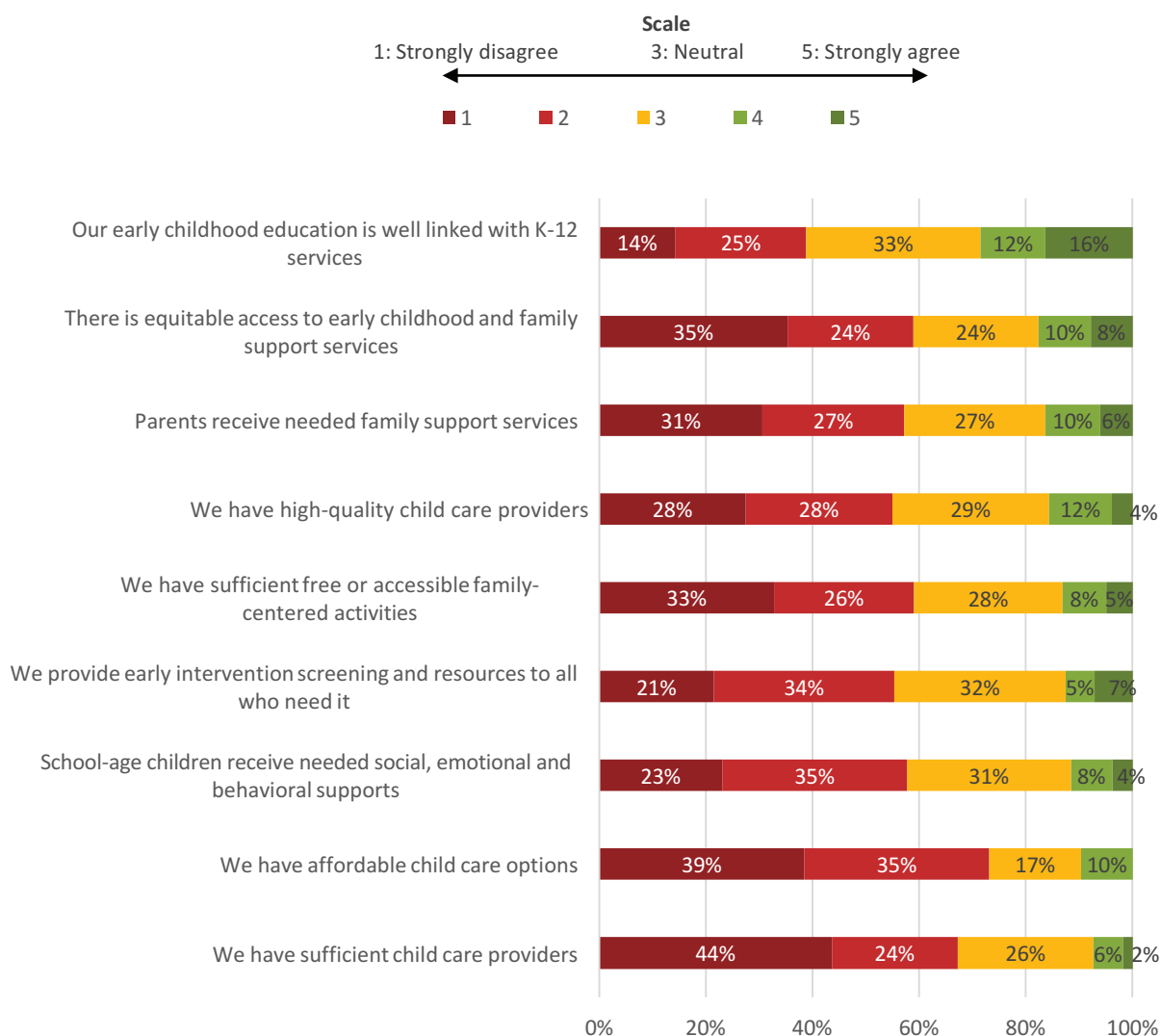
Survey respondents generally felt early childhood and family support needs were not well met. The greatest proportion of respondents disagreed or strongly disagreed that the community did a good job in the following needs:

- We have affordable child care options (73%)
- We have sufficient child care providers (67%)

²⁴ Blank cells indicate data are not available for that district or variable.

Early Childhood Needs Generally Not Well Met; Access to Child Care Is Problematic

Figure 10: Respondent Rating on Early Childhood and Family Support Needs in Yamhill County



Source: Yamhill County Community Needs Assessment, Community Survey, 2016

ACCESS TO CHILD CARE IS IMPEDED BY A LACK OF PROVIDERS AND SLOTS FOR CHILDREN, HIGH COST OF CARE, AND A LACK OF QUALITY CARE FOR CHILDREN. According to interviewees, free preschools associated with the school districts and Head Start programs are continuously full with waiting lists; there is a constant shortage of infant and toddler slots with child care providers; and there are limited options available for families with nontraditional work schedules, including agricultural workers with seasonally extended work days. Interviewees cited recent accomplishments and efforts underway to increase child care access by increasing the supply of providers, including the expansion of Newberg School District's migrant preschool to serve all four year olds with Title 1 funds, Sheridan School District's new preschool program modeled after McMinnville's and Newberg's, and the provision of migrant-seasonal services to Early Head Start children.

The high cost of child care is also an access barrier for families. Interviewees discussed how families earning too much to qualify for Head Start are often unable to afford care, particularly quality care. The median annual cost of

child care in Yamhill County is \$2,500 more than the annual price of public university tuition in the state.²⁵ No interviewees discussed the state's child care subsidy program, Employment Related Day Care, which would provide support to additional higher-earning working families. This may be a result of low program utilization in the county. Working poor families who earn too much to qualify for help, but not enough to afford licensed child care options, are more apt to rely on unlicensed family, friend and neighbor care, or choose to have one parent opt out of the workforce to stay home and care for the children.

Interviewees and survey respondents noted the limited supply of high-quality early education and care providers, particularly in rural areas. Approximately 20 percent of licensed providers countywide have received star ratings in the State's QRIS. Almost all of these rated programs are located in McMinnville, Newberg and Lafayette. Higher costs are often associated with attaining quality ratings, meaning rated providers generally charge more for care.

NEWBERG LEADS THE COUNTY IN PRESCHOOL ATTENDANCE AND KINDERGARTEN READINESS.

Interviewees spoke about increased investment in Newberg's early education and care sector, with efforts led by the Austin Family, Head Start and the Newberg School District. The larger number of child care providers with high rankings indicates a link between children attending high-quality early education and care settings – whether Head Start, private child care or the school's pre-kindergarten program – and improved kindergarten readiness (see Figure 8, Figure 9 and Table 4). Background data and interviewees indicate a possible cultural shift in Newberg, with the broader community understanding the importance of investing in early childhood education to support positive outcomes in the cradle-to-career continuum.

THE YAMHILL EARLY LEARNING HUB ADDRESSES MULTIPLE EARLY CHILDHOOD ISSUES, INCLUDING KINDERGARTEN READINESS, FAMILY STABILITY, AND EARLY INTERVENTION. The Early Learning Hub, organized through the Yamhill Community Care Organization, uses a coordinated multi-generational approach to supporting children and families. Collaborating organizations include school districts, child care providers, Head Start, Linfield College, libraries, the Public Health Department, medical providers, developmental service providers, child welfare/child abuse prevention organizations, Temporary Assistance for Needy Families (TANF), United Way, Lutheran Family Services, and Catholic Services.

The Early Learning Hub and partnering organizations are using a shared measurement framework including four outcomes, with kindergarten readiness as one of them. Interviewees cited the Ready for Kindergarten program for parents in county schools as a specific example of an intervention associated with improved kindergarten assessment results. Survey respondents rated linkage of early childhood and school-age services highest in the early childhood area, demonstrating the positive impact of Early Learning Hub-led collaboration.

“By being part of the Early Learning Hub, I’ve learned how the first few years of life set you up for success or challenges. We need more focus on early years so kids can be in the classroom and focus.”

Healthy, stable and attached families are another mandated outcome of the Early Learning Hub. Family support efforts through home visiting, Lutheran Services' A Family Place Relief Nursery, Early Head Start, coordinated screening and assessment across early childhood and medical providers (including the Family Coordinated 0-3 Referral Exchange, or CORE), and peer support for families support this outcome. Survey respondents and interviewees indicated that more work can be done to further strengthen and support families.

²⁵ Annual average price of public university tuition in Oregon is \$7,061 compared to median price of child care in Yamhill County of \$9,564. School of Social and Behavioral Health Services, College of Public Health and Human Services, Oregon State University, *Child Care and Education in Oregon and Its Counties: 2014: Yamhill County Profile*.

Prevention, screening and early intervention for young children are also addressed through Early Learning Hub collaborative efforts. Survey respondents saw this as relatively less of an issue for young children in the region; however, the overall ranking was neither strong nor weak, with an average score of 2.4 out of 5.

K-12 EDUCATION: BACKGROUND DATA SUMMARY

Of the seven public school districts operating in Yamhill County, four serve a student body that is mostly low-income.²⁶ The racial and ethnic makeup of most county school districts aligns with the countywide racial and ethnic profile.

Financial support for schools varies. Over the past few election cycles, school districts in Yamhill County have had mixed results getting voter support behind local bond initiatives to upgrade or repair facilities, build classrooms, improve safety, and buy curricula. After failing to persuade voters in one election cycle, some school districts came back to voters in subsequent years with scaled-back requests, which were not always successful.²⁷

COMPARED TO THE 2014-15 STATEWIDE GRADUATION RATE, MOST YAMHILL COUNTY DISTRICTS OUTPACE THE GRADUATION RATE ON AVERAGE. As shown in Table 5, high school graduation rates range from a low of 59 percent in Sheridan to highs of 83 percent in Dayton and 84 percent in McMinnville. Only Sheridan (59 percent) and Amity (74 percent) did not meet Oregon’s Annual Measurable Objective of 75 percent graduation rate.²⁸ Most Yamhill County school districts (all except McMinnville and Dayton) lag the national graduation rate of 82 percent.²⁹ Dayton, McMinnville and Willamina student bodies comprise more than 95 percent economically disadvantaged students. When looking at economic status and selected racial and ethnic categories, McMinnville School District outperforms all statewide averages for each subgroup. McMinnville School District also has a lower than average high school dropout rate, as do all Yamhill County school districts except Amity and Sheridan.³⁰

McMinnville, Newberg and Yamhill Carlton school districts outperform statewide averages in English and math for all, or nearly all, grades tested. Willamina’s English and math results trailed statewide averages by two to as many as 30 percentage points, depending on the grade and assessment. Sheridan’s academic performance trailed statewide averages by between 10 and 31 percentage points. Amity and Dayton also trailed statewide averages.

²⁶ A student’s family is considered low income (or “economically disadvantaged”) if they are eligible for Free or Reduced Price School Meals. Families are generally eligible if their income is less than 185% of the Federal Poverty Level.

²⁷ Yamhill County Clerk & Elections (<http://www.co.yamhill.or.us/clerk>)

²⁸ 75% is four-year Annual Measurable Objective rate for 2015-16, and 80% is five-year rate. Oregon Department of Education, *Statewide Report Card 2015-2016: An Annual Report to the Legislature on Oregon Public Schools*.

²⁹ National Center on Education Statistics, Public High School Graduation Rates (https://nces.ed.gov/programs/coe/indicator_coi.asp) May 2016

³⁰ Note: Rates can fluctuate from year-to-year, depending on the characteristics of each cohort.

McMinnville and Yamhill Carlton School Districts Outperform State on Most Metrics

Table 5: School District Enrollment, Graduation Rate, Dropout Rate and Academic Performance, 2015-16

	KEY							
	Higher than Oregon	Same as Oregon	Lower than Oregon					
	Oregon	Amity	Dayton	McMinnville	Newberg	Sheridan	Willamina	Yamhill Carlton
Enrollment								
Total	576,407	851	989	6,616	5,104	1,041	830	1,078
Economically disadvantaged	51%	41%	>95%	>95%	50%	81%	>95%	43%
Graduation Rate*								
All students	74%	74%	83%	84%	76%	59%	76%	80%
Economically disadvantaged	66%	79%	76%	86%	56%	55%	83%	64%
White	76%	73%	83%	85%	78%	60%	72%	78%
Latina/o	67%	92%	80%	83%	64%	67%	80%	100%
Multiracial	73%	0%	100%	100%	60%	20%	100%	100%
Native American	55%	50%	--	83%	75%	50%	100%	--
Dropout Rate*								
All students	4.3%	6.5%	4.2%	2.3%	3.3%	5.1%	3.6%	4.2%
English Language Arts (Met or Exceeded Standard)								
3rd-5th grade	52%	44%	46%	59%	64%	25%	24%	53%
6th-8th grade	57%	48%	41%	58%	54%	26%	35%	75%
11th grade	70%	63%	70%	74%	74%	60%	46%	79%
Mathematics (Met or Exceeded Standard)								
3rd-5th grade	45%	36%	40%	59%	53%	29%	15%	51%
6th-8th grade	43%	33%	33%	47%	40%	21%	20%	44%
11th grade	34%	12%	31%	41%	37%	15%	32%	16%

* Graduation and dropout rates are based on 2014-15 data.

Source: Oregon Department of Education, District Report Cards, 2015-16 (www.ode.state.or.us/data/reportcard/reports.aspx)

MULTIPLE ORGANIZATIONS PROVIDE OUT OF SCHOOL TIME OPTIONS FOR STUDENTS. Statewide, 16 percent of children participate in afterschool programming. An additional 44 percent would participate if a program were available to them. Twenty-two percent of children are unsupervised after school. Boys and Girls Clubs and school-based programs are the most prevalent in Oregon.³¹ Yamhill County has school-based and nonprofit-based options, including:

- McMinnville Kids on the Block After-School Enrichment for first through fifth graders in all public elementary schools, sponsored by City of McMinnville Parks & Recreation Department, McMinnville School District, and nonprofit KOB Inc.
- McMinnville School District's 21st CCLC Project for middle school and high school students, funded by the 21st Century Community Learning Center grant through the Elementary and Secondary Education Act, administered by Oregon Department of Education
- Newberg before and afterschool CARE program for kindergarten through fifth graders in all Newberg School District elementary schools, offered by the Chehalem Park & Recreation District
- MyZone Youth Activity Center for middle school students in Newberg, at Newberg Christian Church, including transportation Monday through Thursday
- Evergreen Museum summer camps and home school programming
- Yamhill Carlton's Cougar Club afterschool program, for kindergarten through sixth graders, sponsored by Yamhill Carlton Together Cares in cooperation with Yamhill Carlton School District
- Yamhill Carlton's summer programming includes Kids Camp for kindergarten through fifth graders, New Adventures Summer Camps for second through sixth graders, Summer Cougar Club for children ages 5-11,

³¹ American After 3PM, *Oregon After 3PM* (<http://www.afterschoolalliance.org/documents/AA3PM-2014/OR-AA3PM-2014-Fact-Sheet.pdf>) 2014

and Youth Work Experience, also sponsored by Yamhill Carlton Together Cares in cooperation with Yamhill Carlton School District

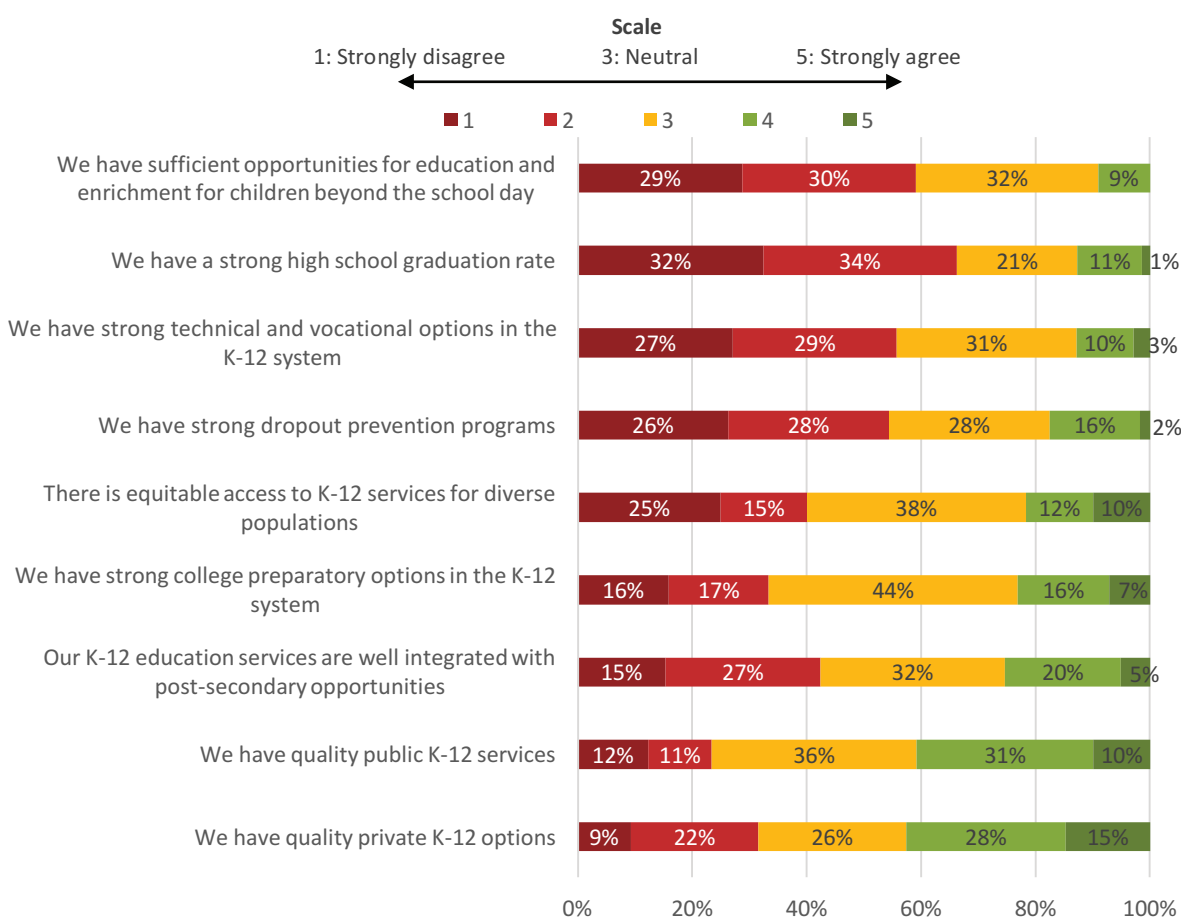
- Willamina Career Academy piloting afterschool program focused on building and using drones in agricultural applications, in partnership with Innovate Willamina Initiative
- Dayton School District and Innovate Dayton supported programming after school and on weekends, including "make-a-thons"
- Sheridan High School After School Program

K-12 EDUCATION: QUALITATIVE DATA SUMMARY

Graduation rates, out of school time, and vocational opportunities are community concerns. Survey respondents ranked improving high school graduation rates as the highest need, followed by out of school time care, technical and vocational opportunities, and dropout prevention programming. Equitable access and coordination with post-secondary and college ranked slightly higher. The only areas respondents ranked above average were quality public and private K-12 schools.

Concern over Graduation, Out of School Time, and Vocational Education Opportunities

Figure 11: Respondent Rating on Primary and Secondary Education Needs in Yamhill County



Source: Yamhill County Community Needs Assessment, Community Survey, 2016

STAKEHOLDERS ARE CONCERNED ABOUT COUNTY GRADUATION RATES. Many interviewees discussed concerns over low graduation rates, particularly among economically disadvantaged and non-White students. Oregon Department of Education data (see Table 5) paint a more nuanced picture, with economically disadvantaged students having higher graduation rates than the overall student body in Amity, McMinnville and Willamina school districts, and Latina/o, multiracial and Native American students generally graduating at similar or higher rates than their White peers (with exceptions in Newberg, where all nonwhite students have lower rates, as well as Amity and Sheridan, where multiracial and Native American students lag behind Latina/o and White graduation rates).³² Interviewees from Newberg were particularly focused on the need to increase their community's graduation rate, which is in the mid-lower tier of the county at 76 percent overall. Sheridan's rate is significantly lower than other Yamhill school districts at 59 percent.

“Despite poverty, kids [in our district] outperform other kids on all statewide assessments. The upshot is that there are lots of things our kids need, but I want people to know that they will see amazing things if we have the resources to do it.”

OUT OF SCHOOL TIME PROGRAMMING IS LIMITED. Enrichment out of the school day through out of school time programming received the second-lowest ranking by survey respondents. Interviewees discussed active afterschool programming in McMinnville and Newberg. McMinnville has the only 21st Century Community Learning Center grant³³ in the county, funding programming for middle and high school students. The district is working in partnership with community-based STEM and career/technical education (CTE) industries to provide afterschool, weekend and summer programming where students can earn dual college credits or career certifications in field and industry-based settings.³⁴ Other programs are funded through school districts, park and recreation departments, churches and nonprofits. Transportation to and from out of school time activities is a participation barrier for many families. Interviewees spoke of the need for increased summertime programming for youth. Youth with parents working in agriculture have long hours in the summer without parental care. Interviewees noted that Latina/o youth often provide child care for younger siblings in the summer, and generally cannot participate in enrichment activities. Study participants also discussed Evergreen Museum's efforts to extend educational programming to the afterschool sphere, particularly in the West Valley of the county through the West Valley's educators' group.

SCHOOLS DISTRICTS ARE WORKING TO MEET STUDENTS' AND FAMILIES' HEALTH AND MENTAL HEALTH NEEDS. McMinnville has a Wellness to Learn Program in elementary schools that connects the school and families to community health workers. Sheridan is putting a family resource center in their school district along with Lutheran Services, so families can receive broader support services needed to support family stability. The county health and human services department has contracts with over half of the school districts to staff behavioral health providers in the schools. A flight team, or rapid response team, supports school staff and students around traumatic events. Interviewees generally thought existing resources were inadequate to handle behavioral health needs of students and families, with approximately a third of students having a behavioral health

³² Oregon Department of Education, District Report Cards, 2015/16 (www.ode.state.or.us/data/reportcard/reports.aspx) based on 2014/15 data

³³ 21st Century Community Learning Center grants are competitive grant authorized under Title IV, Part B of the Elementary and Secondary Education Act, administered by Oregon Department of Education for five-year timeframes. Statewide have 22 grantees in 96 sites in third year. McMinnville has 3 funded sites in the district's high school and two middle schools.

³⁴ Oregon Department of Education, 21st CCLC Cohort #3 – Year #3: 2015-2016, (www.ode.state.or.us/opportunities/grants/nclb/title_iv/b_comlearning/cohort3abstractcontacts2015-16.pdf)

diagnosis. Despite districts' efforts, insufficient community resources, particularly around mental health needs, mean these needs are likely going unmet.

INNOVATIVE K-12 COLLABORATION AND PROGRAMMING ARE GROWING, AND SCHOOL LEADERSHIP IS A KEY FACTOR IN SUPPORTING INNOVATION. Interviewees commonly cited leadership as a key factor in supporting educational success. The McMinnville superintendent and Dayton's middle school and high school principal were lauded for their effective leadership. Interviewees felt teachers in these districts are more engaged and mission-driven and students were more excited to show up and learn because of administrative and school board leadership. Newberg has had more turnover with high school leadership, but there is a lot of enthusiasm about new hires.

School districts in the county are working collaboratively with community partners to innovate education and invigorate students. The county has been working to foster partnerships between schools, businesses and government. Collectively, all stakeholders benefit from the partnership through improved educational systems, which generate creative thinkers for the workforce and community, attract and retain businesses and employees, and support overall economic development.

"Every kid has it within him to be inspired. It's our job to lead them there."

Dayton school district has been at the forefront of this effort. Working with a local vineyard owner, the school invited Innovate Oregon³⁵ and OnlineNW to work collaboratively in the school to use business best practices to reshape a rural community and school district. The school adopted agile principles to its learning environment through project-based work in multiple areas of the school. The school is collaboratively developing a maker space and ideation lab in phases where students and community members can build solutions to community problems, called the I-3 Center.

Transitioning to this innovation model is bringing exponentially more resources to the table to support students in Dayton's public schools. School administrators receive daily phone calls from people who want to be a part of what's happening in the community. Local and national industries are coming to the table with ideas and funding. Sustainable funding for continuing innovation work is coming from OnlineNW's 10-gigabit fiber optic line in Dayton, which is providing access to resources in the new digital economy and online learning opportunities. A portion of the revenue from the fiber optic line flows back to an innovation fund, which supports projects implemented through the I-3 center. This funding is a source of ongoing, community0 based revenue that creates a stable baseline on which other grants can build.

Willamina is the next community working with OnlineNW to implement a 10-gigabit fiber optic line to support school innovation, following the Dayton model. OnlineNW conducted a contest to determine which community could get the most customers to pre-register for Internet; Willamina won by a landslide, at least in part because of the leadership of the new city manager. Willamina will fund innovation work within the Willamina Community Campus. Dayton is collaborating with Willamina to support successful implementation and scaling of their model.

³⁵ Innovate Oregon came from the Technology Association in Oregon, which represents all technology-based companies in the state. The foundation is an arm that looks at how to better prepare talent needed for the industry. Innovate Oregon began an educational initiative in the Portland area, before being invited to Dayton.

Interviewees commonly discussed the lack of sufficient education funding from state government and local voters. Communities have varied facilities as a result, with some in purportedly better condition than others. Universally, interviewees discussed large class sizes as a problem. The innovation model seems to be an effective approach to bring businesses to the table to support education with their varied resources, including funding.

Regional schools with smaller budgets are talking about building centers of excellence within different schools which students throughout the county use. Yamhill Carlton was the home of the drone program, which has expanded beyond the school district to a countywide program. Survey respondents and interviewees cited the need for more collaboration across school districts so funds are not used to duplicate programming, instructors or other resources in each school when collaboration is possible.

“If you change the community’s mindset from one of scarcity to one of abundance, you can tap existing resources and more come to participate in that.”

VOCATIONAL AND POST-SECONDARY PIPELINE PROGRAMS ARE A GROWING K-12 FOCUS. There is a growing focus on vocational education, training and internships in McMinnville, Newberg, Yamhill Carlton and Dayton school districts. Strong collaboration between local businesses, school districts and local colleges makes these opportunities possible. Examples include a viticulture focus in Yamhill Carlton, a machining program in Newberg, an aviation jobs program in McMinnville, farm equipment repair in multiple high schools, and work associated with the Innovate Dayton program such as coding, circuit boards, design thinking, and invention. Newberg School District recently hired a School to Business Coordinator to expand their work in this area. Much of this collaboration is relatively recent, so interviewees were anxious to see an ongoing and increasing focus on aligning educational and training opportunities with local business needs. Interviewees also discussed the need to provide soft skills training to students to prepare them for the workforce.

McMinnville and Newberg high schools have strong dual credit opportunities for high school students. Some interviewees worry that the strong focus on developing trade skills in youth may be a detriment, since the training may not transfer to skillsets needed ten years in the future in the workforce. These individuals felt the focus should rather be on teaching students how to learn, with an emphasis of the value of continuing education into college.

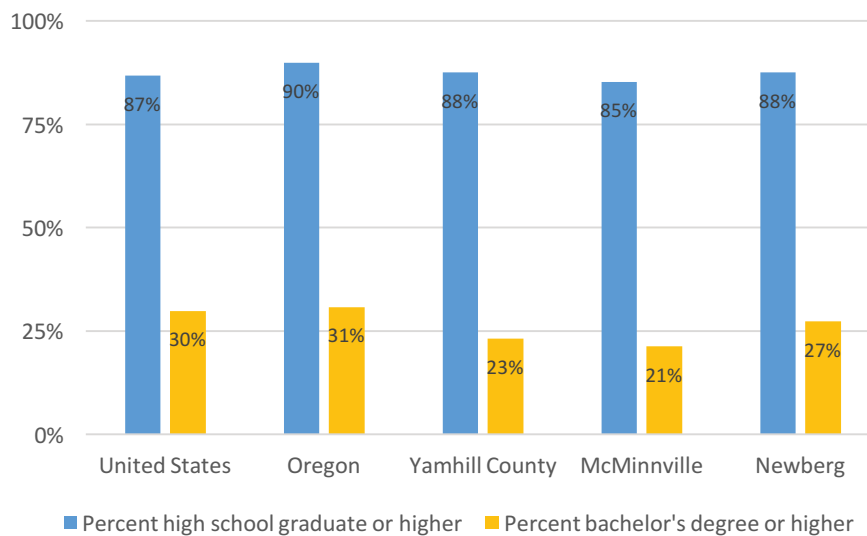
POST-SECONDARY EDUCATION AND TRAINING: BACKGROUND DATA SUMMARY

There are two private four-year higher education institutions in Yamhill County: Linfield College in McMinnville and George Fox University in Newberg. In addition, a branch of Portland Community College is located in Newberg, and the Yamhill Valley campus of Chemeketa Community College is located in McMinnville.

PERCENTAGE OF COLLEGE DEGREE HOLDERS IS BELOW STATE AVERAGE. As shown in Figure 12, Yamhill County has fewer college graduates/degree holders than the state and national averages (23 percent compared to 31 percent and 30 percent, respectively).

Lower than Average Rates of People with College and High School Degrees

Figure 12: Percentage of Residents Over Age 25 with a Bachelor's Degree or Higher, or a High School Diploma or Higher, Geographic Comparison, 2015



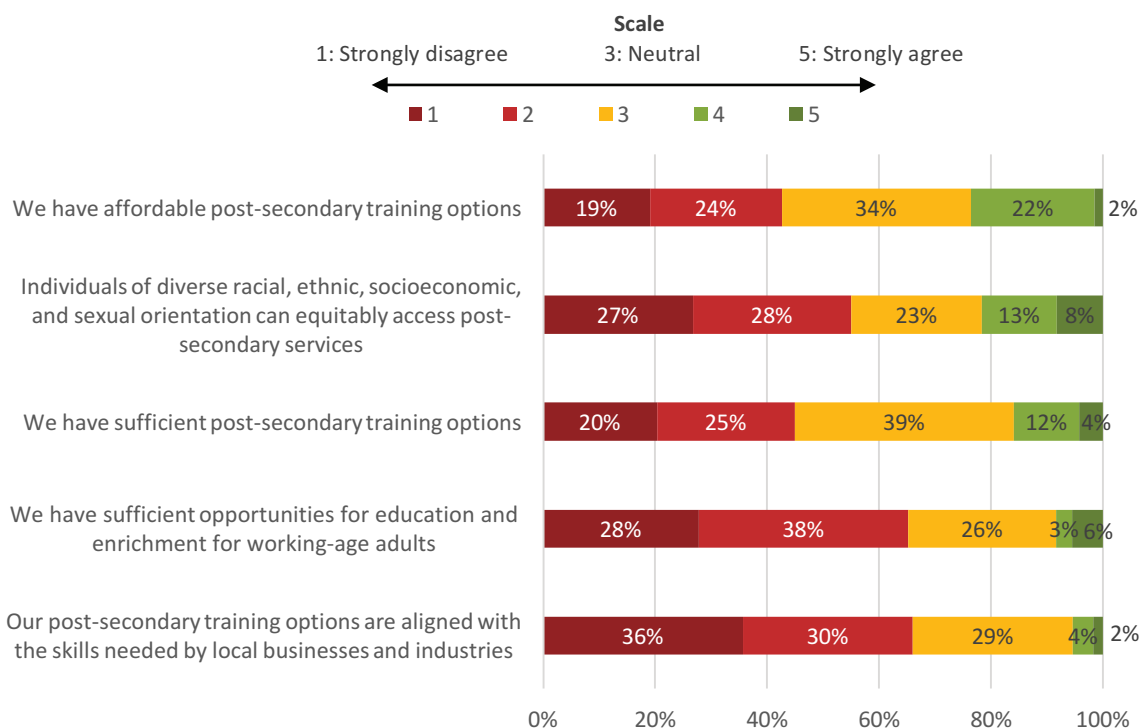
Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates, 2015

POST-SECONDARY EDUCATION AND TRAINING: QUALITATIVE DATA SUMMARY

As shown in Figure 13, survey respondents felt the biggest need in post-secondary education is to better align education and training with the skills needed in local businesses, with opportunities for working age adults and equitable access as the second- and third-highest needs. Affordability and supply were seen as less problematic. Several interviewees felt the cost of a college education was an access barrier for many youth, creating a shift toward increased focus on vocational education for high school students and young adults not attending college. Interviewees were anxious to see the impact of a year of free community college on workforce development.

Focus on Aligning Post-Secondary Education and Training with Local Industry Needs

Figure 13: Respondent Rating on Post-Secondary Education and Training Needs in Yamhill County



Source: Yamhill County Needs and Opportunities Assessment, Community Survey, 2016

LOCAL POST-SECONDARY INSTITUTIONS ARE DEVELOPING COURSE CONTENT ALIGNED WITH REGIONAL NEEDS.

Interviewees noted meaningful work being done by Chemeketa Community College, Linfield College and George Fox University to align with local industry needs. Chemeketa Community College focuses on agricultural work, including winery careers, and provides early childhood training opportunities. Linfield College has a wine studies program and trains 25 percent of the state's graduates with Bachelor of Science in Nursing degrees. Linfield's nursing program is based in Portland, and many students do not return to Yamhill County after completing their degrees. George Fox also provides a nursing program partnered with the local hospital for clinical work, a master of business administration degree program, and its engineering department works closely with the Public Works Department through internships. Portland Community College's campus has recently started to provide manufacturing training after local stakeholders requested that Portland Community College become more responsive to local business needs.

Linfield College and George Fox University have a broader positive economic impact on the community. Linfield College hosts two international wine conferences annually, attracting tourists. Both are also major regional employers bringing educated people to the region for work and because of the quality of life they support through cultural and educational events. Many students stay in the area after completing their degrees.

OPPORTUNITIES

Survey respondents and interviewees felt that education and training were important issues for the community to contend with and a good use of philanthropic resources. Survey respondents focused more on school-age children's unmet needs, while interviewees placed equal emphasis on early education and care and primary and secondary education. Specific opportunities mentioned by interviewees and survey respondents include:

Overall Opportunities

- **Invest in family stability.** Expand the family resource model in schools to provide additional family stability and resource/referral services centrally in schools. More free and accessible family-centered activities can promote stronger families and communities.

Early Education and Care Opportunities

- **Increase supports for early childhood education and care through multiple avenues.** Newberg is the county leader in high-quality child care providers, preschool participation, and kindergarten readiness. Best practices from this community should be shared with neighboring communities. Expanding pre-kindergarten programming in schools could increase countywide participation in early education and care and likely improve kindergarten assessment results.

Primary and Secondary Education Opportunities

- **Continue to invest in school innovation programs, supporting cultural changes needed to successfully implement and scale innovation in schools.** Collaboration and shared vision between stakeholders can support creative problem-solving. Repurposing or building new community spaces can support school and community innovation and entrepreneurial work.
- **Increase summertime learning and enrichment opportunities for youth.** Consider including child care for younger siblings to involve a larger number of high school and middle school students.

Post-Secondary Education and Training Opportunities

- **Continue meaningful work to align regional post-secondary offerings with local industry needs.** This effort can address workforce development needs and grow skilled labor if graduates remain in Yamhill County. Efforts to encourage graduates to return to Yamhill County after completing college degrees elsewhere, as well as other opportunities to encourage local employment and entrepreneurship in college graduates, could respond to this issue.

"If we can support our employers to have more kids coming out of the educational system having skills to be employable, this is the best thing we can do."

HEALTH AND HUMAN SERVICES

KEY FINDINGS

Yamhill County has developed innovative programs and partnerships to help residents meet health and human service needs. Despite this progress, additional resources and responses are required to address unmet needs.

- **Innovative collaboration.** The Yamhill Community Care Organization (CCO) is a robust agency drawing community partners together to holistically and collaboratively address human service needs in the region. Its Early Learning Hub is particularly noted for its innovative and integrated approach to coordinate and align services for children.
- **Streamlined systems.** CCO Service Integration Teams facilitate critical information-sharing across community partners to streamline processes and coordinate services for individuals and families.
- **Robust medical infrastructure.** Providence Newberg Medical Hospital, the Willamette Valley Medical Center and other medical clinics provide important infrastructure and medical capacity unique to a region of Yamhill County's size.
- **Engaged faith community.** The robust faith community in the region provides urgent and needed resources to address basic family needs, including food, medical care and shelter; these providers are integral to the region's capacity to address human service needs.
- **Medical care shortages.** The region faces an ongoing shortage of primary care physicians and psychiatrists, which limits the capacity of the medical infrastructure to meet community needs.
- **Limited public transportation.** Public transportation is limited and hinders individuals outside of the Newberg and McMinnville regions from accessing services, attending education or training, and maintaining employment.
- **Limited mental health care capacity.** The demand for mental health and substance use disorder services exceed capacity in the region; several organizations are working to address this growing issue.
- **Affordable housing shortage.** Affordable housing is a growing crisis in the region. Limited affordable housing stock affects working families as well as the elderly and individuals with disabilities, mental health, or substance use disorder issues. The county is working on solutions to provide stable housing to its most vulnerable populations, as well as developing partnerships with the business community to investigate employer-sponsored housing development opportunities.

BACKGROUND DATA SUMMARY

YAMHILL COUNTY CHILD POVERTY AND PUBLIC ASSISTANCE RECEIPT IS HIGHER THAN AVERAGE.

As shown in Table 6, the overall poverty rate in Yamhill County is the same as the statewide rate (17 percent). However, the child poverty rate is higher in Yamhill County than in the state (24 percent and 22 percent, respectively). Child poverty is particularly high in the county's largest cities, with 31 percent of in McMinnville and 28 percent of children in Newberg living in poverty. Recent analysis of poverty data by school district identified Yamhill Carlton as the school district with the seventh-lowest poverty rate in the state, at 7 percent. However, more than five times as many Yamhill Carlton students qualified for school meals in 2015-16 as the Census Bureau estimate lived in poverty in 2015, suggesting that a large portion of children are from working poor families who may avoid abject poverty but remain low-income.

McMinnville and Newberg: Higher than Average Poverty Rates

Table 6: Selected Poverty and Public Assistance Characteristics, 2015

	KEY				
	Higher than Oregon	Same as Oregon	Lower than Oregon		
	United States	Oregon	Yamhill County	McMinnville	Newberg
Poverty					
Poverty rate (all ages)	16%	17%	17%	21%	21%
Poverty rate (under 18)	22%	22%	24%	31%	28%
Public Assistance					
Percent receiving cash public assistance or Food Stamps	28%	35%	40%	44%	46%

Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates, 2015

More Yamhill County residents receive public assistance in the form of Supplemental Security Income, other cash assistance or Food Stamps (Supplemental Nutrition Assistance Program) than state and national averages. Statewide, 35 percent of residents receive these types of income support, whereas 40 percent of Yamhill County residents receive income support. For Food Stamps/SNAP alone, 18 percent of households in Yamhill County receive Food Stamps/SNAP, compared to 19 percent statewide and 13 percent nationwide. In McMinnville and Newberg, 21 percent of households receive Food Stamps/SNAP.

AMONG OREGON'S 36 COUNTIES, YAMHILL COUNTY GENERALLY RANKS WELL – ON AVERAGE – IN OVERALL HEALTH. For instance, Yamhill County ranks eighth-highest in “health outcomes,” which includes premature death, self-reported assessment of physical and mental health, and babies born with low birth weight. Similarly, Yamhill County ranks 12th in “health factors,” which includes health behaviors (smoking, physical activity, overweight, etc.), health care access, social and economic factors, and the physical environment.³⁶

As of 2015, there were 6,733 Yamhill County residents ages 0-64 without health insurance coverage. This is equivalent to 8.0 percent of all residents. This is essentially the same rate as the statewide average of uninsured (8.3 percent) and less than the nationwide rate (10.9 percent). McMinnville has a higher rate of uninsured (9.3 percent) than Newberg (6.6 percent). Over two-thirds of Yamhill County residents have private health insurance (67 percent), the same as the statewide rate. Slightly more Yamhill County residents use public health insurance (42 percent) compared to the statewide rate (40 percent).³⁷

8.0%

Percentage of Yamhill County residents without health insurance

Several measures are commonly used to measure how well young children are faring in terms of physical health. For example, the proportion of pregnant mothers receiving prenatal care in the first trimester measures both access to care and whether mothers are getting this important level of preventive health care. More Yamhill County mothers receive early prenatal care (81 percent) than mothers statewide (77 percent). The percentage of Yamhill County babies born at low birth weight (5 percent) is similar to the statewide average (4 percent). However, whether children are adequately immunized by age 2 does not compare as favorably. In 2014, 68 percent of Yamhill County two year olds were adequately immunized compared to 72 percent of two year olds

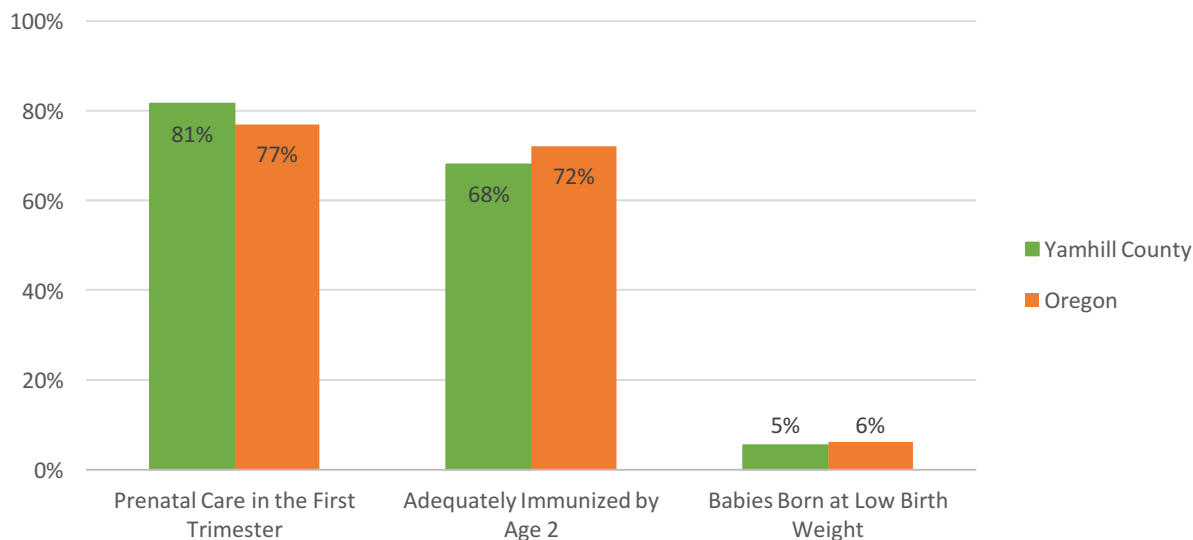
³⁶ County Health Rankings and Roadmaps (www.countyhealthrankings.org)

³⁷ Private and public percentage sum to more than 100 percent because some individuals have both private and public coverage. Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates, 2015

statewide. Despite lagging statewide rates, there has been a 10-point improvement in immunization rates in Yamhill County since 2009.

Early Childhood Health Indicators Are Mixed

Figure 14: Early Childhood Health Indicators, Yamhill County and Oregon, 2013 (Low Birth Weight) or 2014 (Prenatal, Immunization)



Sources: Oregon Health Authority, Center for Health Statistics (Low Birth Weight, Prenatal Care); Oregon Immunization Program, Oregon Health Authority (Immunization Rate)

QUALITATIVE DATA SUMMARY

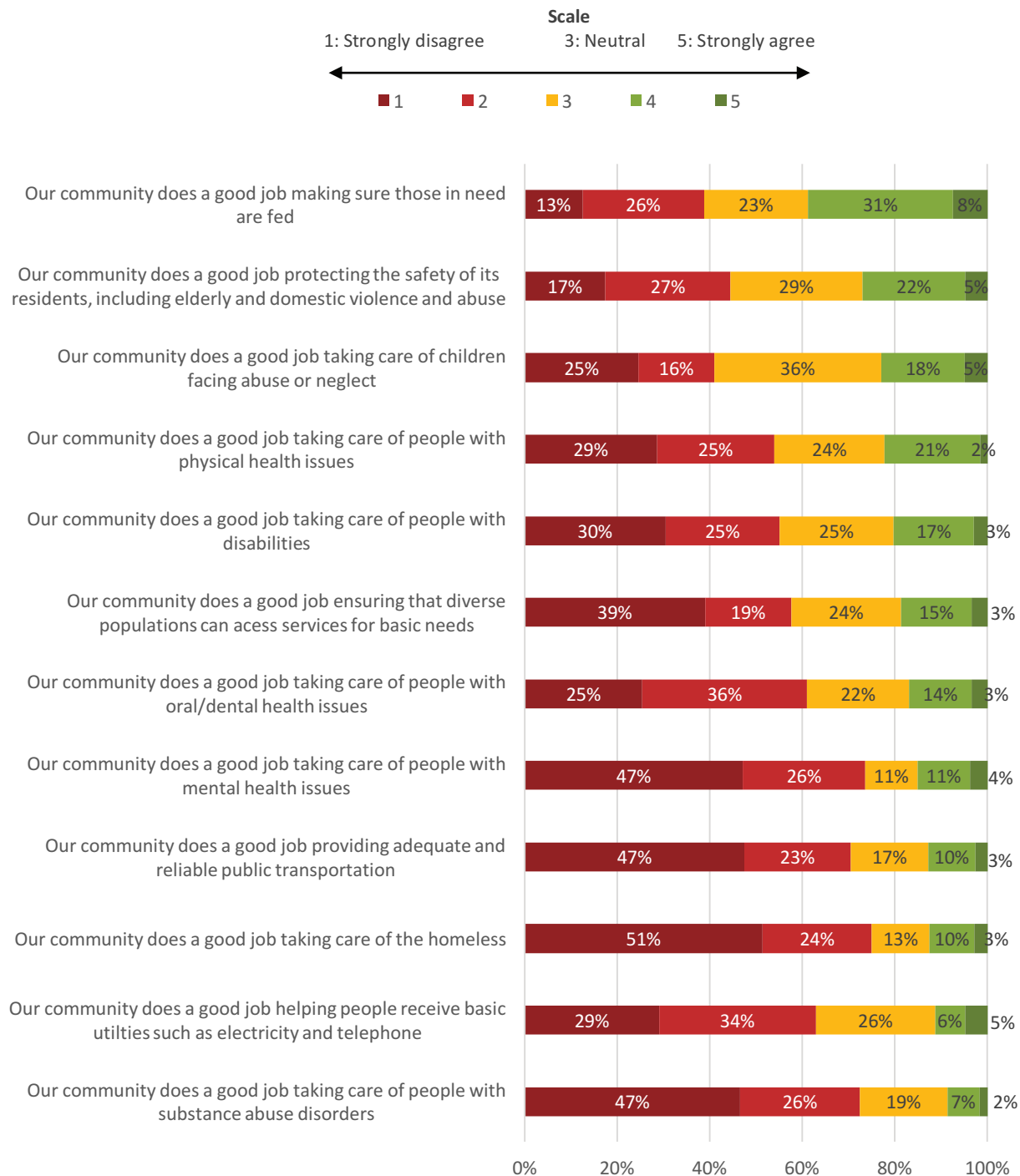
Yamhill County's health and human service infrastructure provides the foundation for family stability, quality of life, and economic opportunity. As demonstrated in Figure 15, the greatest proportion of respondents agreed or strongly agreed that the community did a good job making sure those in need are fed (39%); protecting the safety of its vulnerable populations (27%); and taking care of children facing abuse or neglect (23%).

More than half of respondents strongly disagreed with the statement that the community does a good job taking care of the homeless, and the greatest proportion of respondents disagreed or strongly disagreed that the community does a good job in the following needs:

- Taking care of the homeless (75%)
- Taking care of people with mental illness (74%)
- Take care of people with substance abuse disorders (72%)
- Providing adequate and reliable transportation (71%)

Homelessness, Mental Health, Substance Use Disorder, and Transportation Are Largest Human Services Needs

Figure 15: Respondent Rating on Health and Human Services in Yamhill County



Source: Yamhill County Needs and Opportunities Assessment, Community Survey, 2016

A NETWORK OF BASIC NEED PROVIDERS ADDRESSES COMPLEX FAMILY, ECONOMIC AND CULTURAL ROOTS OF POVERTY. Although respondents acknowledge that some families in Yamhill County may still struggle to meet basic needs, they described an extensive network of service providers to address these issues. Many stakeholders described the importance of the faith-based community in addressing food insecurity through their pantry and meal delivery programs, and noted their contribution to homeless and medical care through shelter and rotating clinics housed in churches. These faith-based services provide a foundation of support for basic needs that augments the capacity and reach of all community providers.

Stakeholders noted several dynamics within the region that impact human service provision. They described the intergenerational nature of poverty in the region, and the need to adopt a multigenerational approach and provide economic, educational and service opportunities to youth to break the cycle of poverty and develop new support infrastructure and habits. They also noted the “invisibility” of poverty in the region, which enables residents to overlook this pervasive issue. Respondents also described the limitation of the child welfare system to achieve positive outcomes for children, and the need to work with families more holistically to help parents navigate needed services, unite or reunite families, and reduce foster placements. Stakeholders noted that this is not only in the best interest of the child and his or her parents, but over time reduces burdens on the juvenile justice systems and produces positive outcomes for youth.

Interview respondents noted a growing working poor population based on stagnating wages and limited skills to progress on a career ladder. These working poor families are often caught in the gap of service provision — ineligible for public support, but unable to afford services such as child care or health insurance on their own. Stakeholders suggest this is a growing pocket of the population that may require targeted services.

As noted in the Economy section, transportation was also a commonly cited need. Limited public transit impedes residents’ ability to access services, pursue education and training, and maintain employment. It also limits their ability to seek more affordable housing in areas outside of regional centers.

INNOVATIVE AND WIDESPREAD COLLABORATION SUPPORTED BY THE YAMHILL COMMUNITY CARE ORGANIZATION HAS STREAMLINED ACCESS AND IMPLEMENTATION OF SERVICES FOR FAMILIES. The Yamhill Community Care Organization was consistently cited as one of the most effective and innovative developments in human services within the region, providing prevention and intervention support around health, education and wellbeing. Stakeholders noted the importance of the Early Learning Hub in providing coordinated, comprehensive services for children ages 0-8 throughout the region, and the innovation of the maternal medical home. They also describe the tremendous benefit of the seven Service Integration Teams aligned with each school district to provide cohesive, coordinated services to families across providers. These teams gather local community partners to identify broad human service needs, as well as necessary interventions for specific families. Each partnering organization is able to provide capacity based on identified needs and, as determined, serve as the liaison to bring services to the community at large or to specific families or individuals.

“With the medical community, as well as the social service providers, the CCO has provided a natural hub for a lot of the coordinated work to happen – a natural ‘coming together.’”

The Yamhill CCO is unique in that its geographic catchment area is aligned wholly with Yamhill County, eliminating potentially complicated funding delegation across municipalities and streamlining provision of services. This organization was routinely cited as a benchmark for service delivery and integration, and stakeholders describe the organization’s plan to expand the collaborative approach to new community challenges, including housing. Despite this robust operation, several stakeholders noted a lack of information or knowledge about the degree to

which human services are coordinated across the county, suggesting an opportunity to raise awareness about the model and impact of the Yamhill CCO.

LACK OF AFFORDABLE HOUSING AND HOMELESSNESS WERE CITED AS ONE OF THE MOST PRESSING NEEDS IN THE COMMUNITY. Seventy-five percent of survey respondents strongly disagreed or disagreed with the statement “My community does a good job taking care of the homeless,” and 64 percent of survey respondents felt that housing was one of the community’s most pressing needs. Respondents indicated that the lack of affordable housing is an issue for vulnerable populations, such as the elderly and individuals with disabilities or mental health issues; it also increasingly affects families with children and the working poor. As noted earlier, although Section 8 housing vouchers exist, respondents note that the wait list for vouchers can be several years long, and that once families receive the voucher, they struggle to find housing that is within the allowable rent limits. Although there are more affordable housing options available in the more rural or remote parts of the county, limited public transportation options make these locations difficult for families to access services, education and employment.

Several innovative programs are underway to address direct homelessness, including Helping Hands Re-entry Outreach Centers and Re-entry Homes in McMinnville and Newberg. The Yamhill Community Action Partnership also operates three shelter homes and provides ongoing housing services such as case management, affordable housing, rental assistance, and transitional shelters. Recently, the Yamhill Housing Authority and the County Health and Human Services partnered to develop a successful project that placed working individuals and individuals with special needs together in housing units. The Housing Authority also manages a family unification program that reserves 60 housing vouchers for families working with the Department of Health and Human Services. The vouchers are provided on the condition that families continue case management work to maintain or reunite their families; this is a multigenerational project that incorporates mental health and substance use disorder treatment into the program. Local churches also play a critical role in providing housing for homeless populations. Despite these options, stakeholders note that the county is still under capacity in homeless shelters, transitional housing, and affordable housing options.

“County stakeholders are aware of the issues. They aren’t reaching all the people in need, but generally they know they are out there, but they don’t have funding or capacity to reach them all.”

INSUFFICIENT BEHAVIORAL HEALTH SPECIALISTS AND GROWING DEMAND ARE OF REGIONAL CONCERN. Behavioral health issues were considered a pressing issue among respondents, and stakeholders noted a growing need for care as the opioid epidemic continues to affect Oregon, as it has other regions in the nation. Seventy-five percent strongly disagreed or disagreed with the statement “My community does a good job taking care of people with mental health issues,” and one-quarter felt that mental health issues were both a pressing need and a strategic use of philanthropic resources. Respondents noted that mental health services are under capacity based on community needs, and noted a tension between providing prevention services to avoid future mental health or other human service crises, while still attending to the immediate problems.

The county serves as the behavioral health provider of the Community Care Organization, providing direct service as well as subcontracting to a range of transitional housing, chemical dependency, medication assistance, and other behavioral health network services and innovations. Stakeholders noted a lack of psychiatric providers in the region, and insufficient inpatient and outpatient services more broadly, to meet the mental health needs of community residents. Respondents suggested that the shortage in mental and behavioral health providers leads many individuals to visit the emergency department for care, yet emergency rooms are not equipped to manage

ongoing mental health crisis and care. Several stakeholders described the innovative partnership with George Fox University that places master and doctoral social work and counseling students in outpatient clinics to provide additional mental health capacity.

YAMHILL COUNTY HAS A ROBUST MEDICAL INFRASTRUCTURE, BUT INSUFFICIENT PROVIDERS AND LACK OF ACCESS FOR TARGET POPULATIONS LIMITS CAPACITY. Yamhill County has a strong medical infrastructure, which includes two respected full-service hospitals and numerous specialty clinics. Plans for additional clinic development are underway, expanding the medical infrastructure in the region. Despite this potential, stakeholders noted an ongoing shortage of primary care providers and psychiatric specialists.

Additionally, stakeholders described limited access to services for diverse populations in the community. They noted a lack of veteran services to meet the unique medical and behavioral needs of this population, and described discussions underway to bring service providers from the Veterans Administration in Salem to Yamhill County for regular service hours each week. They also described language and cultural barriers to providing services to ethnic and language minorities, including the Latina/o population and migrant workers. Respondents noted that Unidos Building Community has done a good job of increasing outreach and accessibility, but that continued work is needed to ensure inclusive care for all residents. Respondents also highlighted the work of the Virginia Garcia Memorial Health Center clinics generally, and described the Salud program that provides mobile medical, dental and preventive services to vineyard agricultural workers. Despite these innovative programs to increase access and awareness of medical and human services, respondents noted the need to increase capacity, outreach and publicity to ensure all populations are reached.

OPPORTUNITIES

Survey and interview respondents view health and human services — especially housing, mental health care, and transportation — as pressing community needs. They also view these areas as opportunities for philanthropic funding to augment existing resources or fill a funding gap.

Based on survey responses and stakeholder feedback, the following opportunities may benefit from local funds:

- **Additional primary care and psychiatric providers would improve medical capacity.** Strategic planning sessions among medical and community partners could identify immediate action steps that address provider shortages.
- **Continued efforts are needed to increase outreach and service accessibility for diverse populations.** Existing organizations focus on increased service access and community-building for Latina/o residents. Lessons learned from these efforts can increase participation in a wide range of services among diverse populations within the region.
- **Yamhill CCO is a leader in collaboration and effectiveness.** This model should be replicated to address additional human service challenges, including housing.
- **Additional mental health and substance use disorder services are needed to address community demand.** Behavioral health issues were considered a pressing issue among respondents, and stakeholders noted a growing need for care as the opioid epidemic continues to affect Oregon. Respondents noted that existing mental health services do not meet community needs, and noted a tension between providing preventive services to avoid future mental health or other human service crises, while still attending to immediate problems.

ARTS AND CULTURE

KEY FINDINGS

The arts and culture environment in Yamhill County is a growing field of increasing vitality. The vibrancy of the environment varies across the county, and the accessibility of arts and cultural opportunities may not be equitable across different populations. Key findings on arts and culture include:

- **Robust arts culture.** The county as a whole has a robust culture of artist studio tours. More densely populated areas, such as McMinnville and Newberg, have developed vibrant monthly art walks. These offerings increasingly attract visitors from outside the region.
- **New arts institutions.** The Chehalem Cultural Center is renowned across the region for the diversity of arts and cultural opportunities it offers, including art classes, live theater, writing studios, and arts and culture lectures (including discussion of social issues affecting Yamhill County and the region).
- **Synergy with universities.** George Fox University and Linfield College play significant roles in providing robust arts and cultural offerings to their communities.
- **Disparities in arts access.** Communities outside of McMinnville or Newberg have less access to arts and culture events and resources, and access to arts and cultural opportunities for lower-income residents and racial minorities is limited across all regions.

BACKGROUND DATA SUMMARY

Yamhill County has a variety of county cultural assets, including:

Visual	<ul style="list-style-type: none"> • Art Harvest Studio Tour • Coastal Hills Art Festival 	<ul style="list-style-type: none"> • Art Walk – McMinnville and Newberg • Craft Fairs
Performance	<ul style="list-style-type: none"> • Gallery Players • Chehalem Players Repertory • Valley Repertory Theater • Tunes on Tuesday – outdoor summer concerts in Newberg 	<ul style="list-style-type: none"> • McMinnville Summer Concert Series • Brown Bag Summer Concert Series – McMinnville • Dayton Friday Nights • Walnut City Music Festival
Literary/ Humanities	<ul style="list-style-type: none"> • Paper Gardens Writing Contest • Terroir Creative Writing Festival 	<ul style="list-style-type: none"> • Velvet Monkey Open Mic for Writers • The Society for Creative Anachronism
Epicurean	<ul style="list-style-type: none"> • Wine Weekend – Memorial Day weekend/Thanksgiving weekend • International Pinot Noir Celebration 	<ul style="list-style-type: none"> • Sip • Flavors of Carlton
Festivals	<ul style="list-style-type: none"> • Newberg Old Fashioned Days • Dayton Harvest Festival • McMinnville Turkey Rama • Yamhill Derby Days • Carlton Fun Days • Phil Sheridan Days • Amity Daffodil Festival 	<ul style="list-style-type: none"> • Willamina 4th of July Celebration • Alien Days • Camellia Festival • Lavender Festival • Dia de los Muertos • Native American Spring Gathering
Arts/Culture Organizations	<ul style="list-style-type: none"> • Arts Alliance of Yamhill County • Art Conspiracy • Art Harvest Studio Tour • Chehalem Cultural Center • Gallery Theater 	<ul style="list-style-type: none"> • Oregon Arts Commission • Oregon Cultural Trust • Salem Art Association • Yamhill County Cultural Coalition

Museums	<ul style="list-style-type: none"> Yamhill County Historical Society and Museum 	
Libraries	<ul style="list-style-type: none"> Amity Public Library Dayton (Mary Gilkey) Public Library McMinnville Public Library 	<ul style="list-style-type: none"> Sheridan Public Library Willamina Library Newberg Library
	<ul style="list-style-type: none"> Chemeketa Community College George Fox University 	<ul style="list-style-type: none"> Linfield College Portland Community College
Media	<ul style="list-style-type: none"> McMinnville Community Media Channel 11 & 29 	<ul style="list-style-type: none"> Newberg Graphic News Register

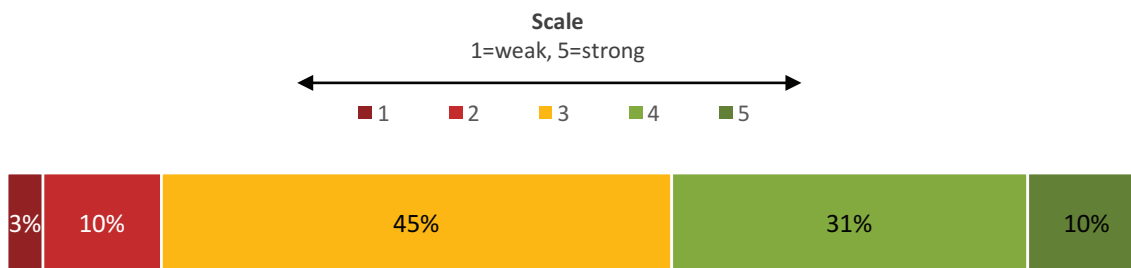
Sources: Yamhill County Cultural Coalition, "YCCC Cultural Facets," and "Cultural Resources," <http://yamhillcountyculture.org>

QUALITATIVE DATA SUMMARY

Yamhill County's arts and culture landscape is growing, with opportunities to strengthen progress and expand access to new areas. As shown in Figure 16, 45 percent of needs assessment survey respondents indicated that Yamhill County had a moderately strong arts and culture environment, or a three on a five-point scale. Nearly one-third (41 percent) indicated a strong (4) or very strong (5) arts and culture environment in the region.

Yamhill County Residents are Positive About the Arts and Culture Environment

Figure 16: Respondent Assessment of Strength of the Yamhill County Arts and Culture Environment

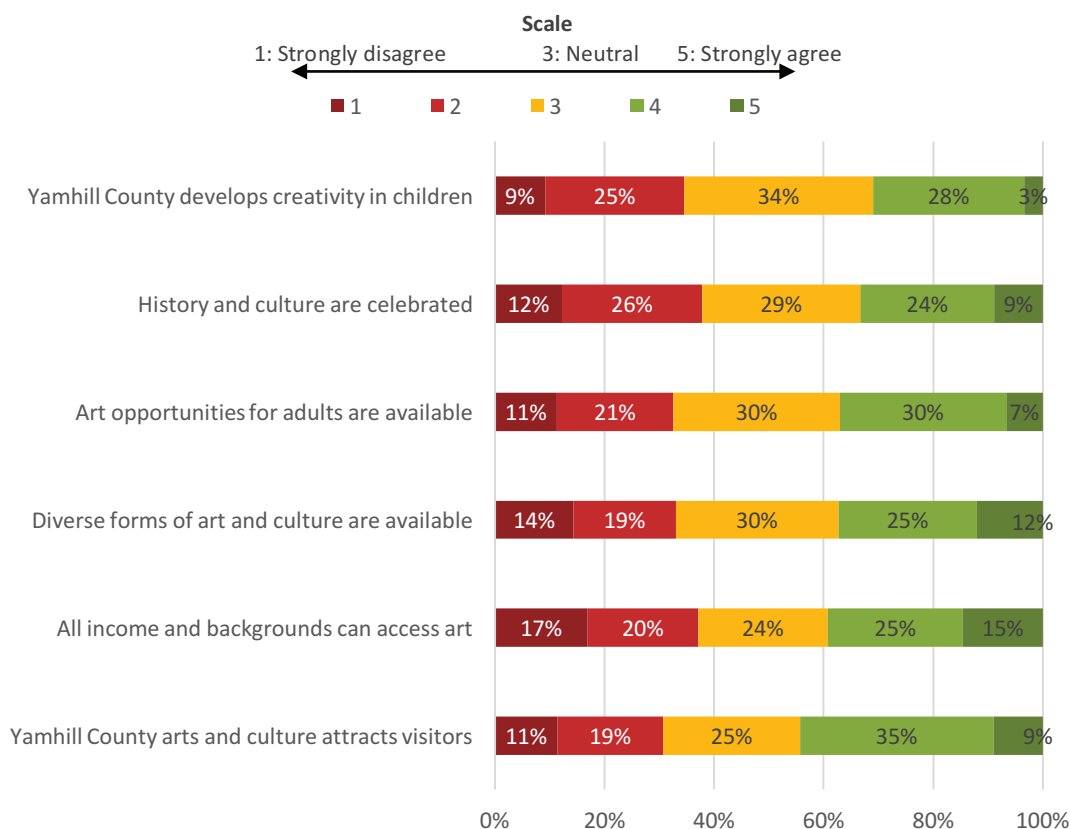


Source: Yamhill County Needs and Opportunities Assessment, Community Survey, 2015

Needs assessment interview stakeholders also described a vibrant arts and culture landscape, with targeted opportunities for growth especially among youth programs. As illustrated in Figure 17 below, 37 percent of survey respondents felt strongly that Yamhill County provides many opportunities to enjoy diverse forms of arts and performance; 30 percent of respondents offered moderate agreement with this statement. Additionally, 37 percent of survey respondents agreed with the sentiment that Yamhill County offers opportunities for adults to express creativity; 32 percent disagreed. Similarly, roughly one-third of respondents agreed (while another third disagreed) with the statement that Yamhill County develops creativity in children and youth, suggesting opportunities to continue growing the capacity and reach of arts and culture institutions.

Yamhill County Arts and Culture Attract Visitors

Figure 17: Respondent Rating of Arts and Culture in Yamhill County



Source: Yamhill County Community Needs Assessment, Community Survey, 2016

HARVEST STUDIO TOURS AND MONTHLY ART WALKS ATTRACT VISITORS AND SUPPORT LOCAL ARTISTS AND BUSINESSES. Many respondents described the harvest studio tours that enable both visitors and residents to view and experience art studios of diverse mediums — from painting to sculpture, welding and ceramics — as key community events. During the harvest studio season, artists invite students from area schools into their studios during the week for contextual learning in and exposure to the arts.

The monthly art and wine walks in Newberg and McMinnville also provide critical exposure both for area artists and for local vineyards. Stakeholders described the impact that the growing wine industry has had in cultivating and supporting these events, as well as in attracting artists to the region. Although the wine industry shares a synergistic relationship with the regional arts and cultural events and has been a key driver in promoting these opportunities, interview respondents noted the importance of a community champion to develop internal structure and sustainability for these efforts.

ARTS AND CULTURE MAY PROVIDE BROADER ECONOMIC DEVELOPMENT VALUE FOR THE REGION. Most stakeholders viewed the arts and cultural environment as an opportunity to increase economic development and tourism in the region, and to attract new residents to live in the region. Nearly half (44 percent) of survey respondents felt strongly that Yamhill County arts and cultural events draw visitors to the region.

Community stakeholders noted the ability for a strong arts and culture infrastructure to attract more artists and galleries, as well as secondary industries such as restaurants, retail and lodging. In Newberg, for example, the community completed a planning process to identify what arts and culture activities could encourage greater downtown activity; they are now establishing an advisory committee to implement this framework.

KEY INSTITUTIONS SUPPORT ARTS AND CULTURE IN THE REGION. Stakeholders across the region identified the Chehalem Cultural Center as a key arts and cultural cornerstone, especially for Newberg. The refurbishment of the center provides opportunities for diverse arts and cultural events — from art classes to ballroom dancing, theater, writing and cultural lectures. Stakeholders did note that it took some effort to promote the value of the arts, in addition to core services, in the region; they still sometimes face challenges to the value of the arts in relation to other human service needs. However, the growth of the Chehalem Cultural Center has expanded community exposure and support of the arts, and has spawned new arts organizations working in synergy with the center. Stakeholders were enthusiastic about forthcoming plans to expand the Center and offer a cinema, industrial kitchen, and food innovation center, among other resources.

In addition to the Chehalem Cultural Center, which serves the region but disproportionately benefits Newberg due to proximity, stakeholders identified the Yamhill County Cultural Coalition, the Arts Alliance of Yamhill County, and the Yamhill Cultural Trust as key leaders in this area. They also noted the importance of tribal influence and activity in the arts, especially in the West Valley region of the county. The local colleges, including Linfield College and George Fox University, also play a key role in providing arts and culture for the region. The colleges support theater, music and art installations at relatively low cost to county residents. Additionally, the Willamina Community Campus is poised to be an important center for innovation and creativity in that community.

“Cultural institutions alone have the power to transcend politics and offer a voice for everyone — so we can consolidate our commonality and reconcile our difference. Then finally we might rediscover the good, old-fashioned, underappreciated art of compromise. That's at least the starting place for all the other solutions to follow.”

OPPORTUNITIES AND ACCESS TO THE ARTS VARIES ACROSS THE REGION. Despite the relatively robust arts offerings for a county of its size, stakeholders noted disparities in access to art and cultural events across the region, both geographically and among different population groups. Geographically, smaller towns do not have the funding capacity or infrastructure to support a cultural center similar to the one in Newberg. Stakeholders also noted decreased funding for the arts in schools, which may exacerbate limited arts resources in less populated regions of the county.

Additionally, stakeholders suggested that lower-income families or families of diverse racial or ethnic heritage may have reduced access to the various arts and cultural events in the region. Forty percent of survey respondents felt that people of all income levels and background have access to arts and cultural opportunities in Yamhill County; roughly the same amount (37 percent) disagreed with this statement. This access issue may stem from reduced capacity to pay for arts events or classes, but may also be the result of limited outreach to low-income or minority communities, or limited cultural relevance or alignment of events or offerings. Several efforts are underway by various organizations to address these concerns. They include free arts events at local libraries to increase access for low-income families, as well as increased culturally relevant projects, such as the oral history project of the Latina/o community (sponsored by the Yamhill Cultural Trust), the Mexican Independence Day celebration (held in collaboration with Chemeketa Community College), and the Dayton Hispanic Celebration. Currently, 38 percent

of survey respondents did not think Yamhill County celebrates history and culture while 33 percent did, perhaps reflecting underlying questions about which cultures are celebrated through traditional events.

OPPORTUNITIES

Although just 9 percent of survey respondents suggested that arts and culture is one of the top three most pressing needs in Yamhill County, more than one-quarter (26 percent) of respondents identified it as one of the top three issues for the best use of local philanthropic funds. Although respondents may not have viewed arts and culture as a critical need in the region at the moment, they do see an opportunity for local philanthropic funds to supplement existing resources.

Based on survey responses and stakeholder feedback, the following opportunities may benefit from local funds:

- **Increase access to art and cultural events to low-income residents through expanded outreach, scholarships, and integration with existing service providers (including libraries, Head Start, and afterschool programs).** The geographic reach of arts and cultural events may be increased by expanding existing organizations' capacity to provide systematic art and culture opportunities, or by sponsoring visiting artists to offer courses or exhibitions in outlying communities.
- **Support leadership development resources for racial and ethnic minorities in arts and cultural organizations.** Increased involvement and leadership of racial and ethnic minorities can improve culturally relevant programming and increase overall access and participation.
- **Promote ongoing sustainability of existing art walks and studios that draw residents and visitors to downtown areas and the surrounding communities.** Although the wine industry shares a synergistic relationship with the regional arts and cultural events and has been a key driver in promoting these opportunities, interview respondents noted the importance of a community champion to develop internal structure and sustainability for this effort.

OVERALL COMMUNITY STRENGTHS AND OPPORTUNITIES

As part of the needs assessment, community stakeholders were asked to consider community needs and strengths across all core domains. They were also asked to consider top community needs overall. This section highlights countywide, cross-cutting themes that emerged across data sources.

KEY COMMUNITY STRENGTHS

Yamhill County is a diversifying economy with a burgeoning arts and culture landscape, a strong sense of community and volunteerism, and rugged physical beauty.

CULTURE OF COLLABORATION SETS REGION APART, AND BODES WELL FOR SUCCESS

Yamhill County has developed transformative collaboration across organizations to promote coordinated service infrastructure and address key community needs. As one stakeholder said, “Relationships allow things to happen quickly in Yamhill County.” Examples across education, health and human services, and economic and workforce development include:

“We are the kind of county that looks for partnership opportunities.”

- The recent collaboration between business, schools and government across multiple school districts within the region has shifted the K-12 education paradigm to focus on innovation and reshaping the rural economy through its public schools. This partnership between business, the school systems and local government is robust and growing.
- The development of the Yamhill Community Care Organization (CCO) has created a collaborative approach to addressing both community- and family-level health and wellbeing. The Early Learning Hub provides coordinated wraparound care for children ages 0-8 and their families. Service Integration Teams aligned with seven school districts coordinate holistic services for individuals and families, match resources to needs, and avoid both service duplication and the service silo effect. The Primary Care Medical Home and Community Health Hub advance medical care and prevention at the individual and community level.
- Economic and workforce development collaboration yields education/business partnerships that offer internships and on-the-job training for high school students, and multi-agency economic development, tourism and downtown planning initiatives.

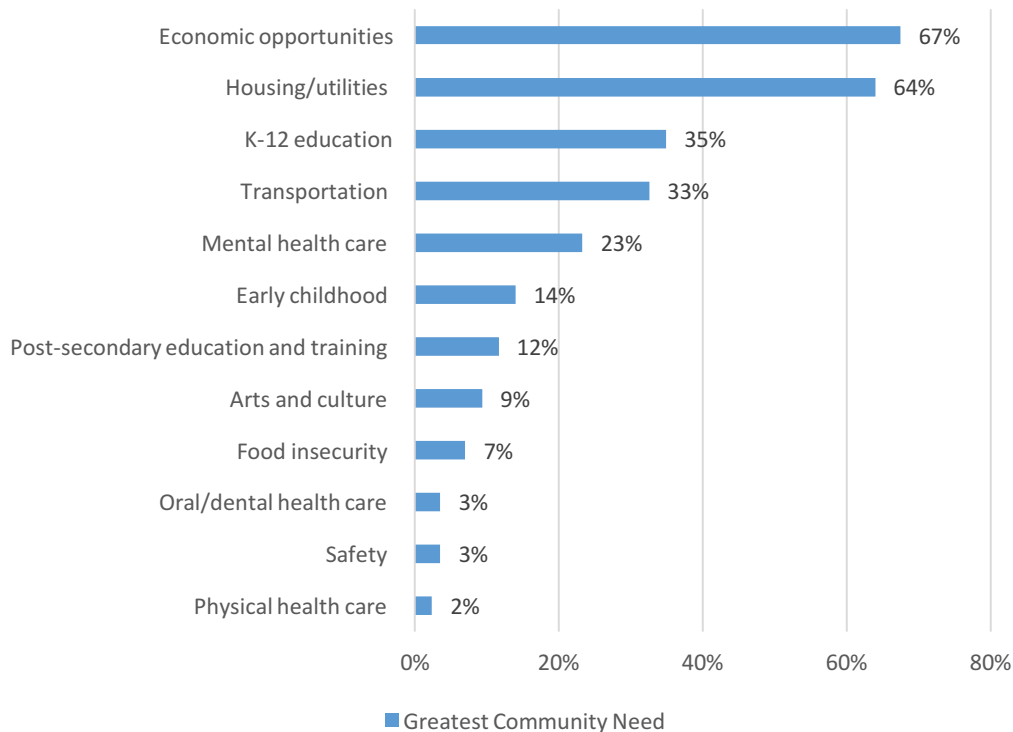
Collaboration has its challenges. Stakeholders cited the need to address barriers that include siloed government departments, differing political or cultural ideologies, tensions between long-term residents and newcomers, and economic and racial/ethnic differences. However, survey and interview data revealed broad agreement on problem areas and a willingness to work across differences to address them.

KEY COMMUNITY OPPORTUNITIES

When asked to select the top three most pressing overall community needs, survey respondents cited economic opportunities, housing, K-12 education, and transportation (see Figure 18).

Economic Opportunities and Housing are Chief Community Concerns

Figure 18: Survey Responses on Greatest Community Needs



Source: Yamhill County Community Needs and Opportunities Assessment, Community Survey, 2016

Feedback collected through the stakeholder survey and interviews aligned around survey data and suggest key opportunities for improvement in the region:

- **Increased economic opportunities that diversify the economy and provide living-wage jobs were cited as a pressing regional need by the greatest share of survey respondents.** Coordinated economic development, education and workforce development strategies may contribute to an effective county response.
- **Housing affordability, including stable housing for vulnerable populations and affordable housing for individuals and families, was cited as a key community need.** Organizations are invested in developing innovative responses to meet housing needs of special populations and expanding supply of affordable housing for workers and families in the community, but additional resources and strategic planning are needed to further this goal. Interviewees discussed education as one of the root causes of economic prosperity, and felt a focus on early education and care, primary education, secondary education, post-secondary education and training all have a role to play in supporting economic development in the county.
- **K-12 education was considered a top community need.** Interviewees discussed education as one of the root causes of economic prosperity, and felt a focus on early education and care, primary education, secondary education, and post-secondary education and training all have a role to play in supporting economic development in the county.
- **Increased behavioral health services to address mental health and substance dependency issues was also identified as a key community need through the online survey and stakeholder interviews.** Lack

of provider capacity and the increasing prevalence of substance use disorder and mental health issues exacerbate this dynamic.

- **Increased focus on improving access to and participation in community services, activities and leaderships roles among diverse residents was a key concern for stakeholders.** Respondents noted racial and economic marginalization of residents within the county, and encouraged a more transparent, visible response to improve this dynamic. Similarly, they advised more intentional dialogue and solution-building to bridge a growing rift between the region's traditional economy and cultural norms, and the perceived cultural shift ushered in by vineyards, tourism and the "new economy."

Service providers and community stakeholders are proud of Yamhill County's success, cognizant of ongoing challenges, and engaged in developing creative, coordinated responses to these opportunities.

CONCLUSION

The Yamhill County Needs and Opportunities Assessment was initiated to help understand community needs, strengths and context, and to inform future funding within the region. The county has embarked on an ambitious effort to increase cross-service collaboration and transform service delivery, policy development, and family and community outcomes. The CCO, its Early Learning Hub and Service Integration Teams, and business/K-12/government partnership around educational innovation are examples of this effort. Strong civic engagement and volunteerism among residents creates a strong sense of community and responsibility.

Economic opportunities, housing, mental health services, and K0 12 education were commonly cited regional challenges. Moreover, structural barriers related to intergenerational poverty and disparity in access among diverse populations undergird these issues. Yamhill County service providers comprise a robust network, from small faith-based efforts to large nonprofit institutions. These providers have shown great interest in refining services and initiating new partnerships to improve service outcomes for families and the community as a whole. The Yamhill County Needs and Opportunities Assessment provides important baseline information on the current status of community services, strengths, and gaps.

“If we had sufficient resources, we could do anything. We could change the quality of our community. So many of the outcomes you get are related to the people implementing. If OCF was to invest in this community, they could see some great things happen.”

Appendix A: Stakeholder Interview Protocol

Appendix B: Community Stakeholder Survey Protocol

Appendix C: Synopsis of Selected Economic Development Planning Initiatives

YAMHILL COUNTY NEEDS ASSESSMENT

INTERVIEW PROTOCOL, NOVEMBER 22, 2016

INTRODUCTION

- On behalf of the Oregon Community Foundation, PPI is conducting a needs assessment of Yamhill County to understand the community strengths, services, needs, and gaps that contribute to quality of life in this region. We are focusing on issues related to the economy, training and education systems, housing, and social/health and human services, so please consider these issues when responding.
- We also know that Yamhill County is a diverse region, and needs may vary across the county. When responding, please consider any variation in needs or strengths in different parts of the county or for different populations, such as different racial, ethnic, or immigrant groups, or individuals of different income levels or sexual orientation or identity.
- We are talking to a variety of regional stakeholder to collect their perspective on strengths and opportunities in Yamhill County. In addition, we will be summarizing existing data about quality of life in the area, and surveying community stakeholders and service providers for their perspective on these issues.
- Your responses will be confidential, and any inclusion in the summary report will remain anonymous. A public summary of the needs assessment results will be available at the close of the study.
- Do you have any questions about the needs assessment before we begin?

BACKGROUND

- 1) Please tell me a little bit about yourself, your position, and your (organization, company, role as political official).
- 2) How long have you been active in this capacity?
- 3) How long have you lived in Yamhill County?

OVERALL NEEDS ASSESSMENT

- 1) What are the biggest challenges facing the community in Yamhill County? These may include individual, family or community social or economic needs, for example.
 - a. Does this vary across the region?
 - b. Does this vary by different populations within the region? That is, do different populations, such as different racial, ethnic, or immigrant groups, or individuals of different income levels or sexual orientation or identity, experience different challenges?
 - c. Do you foresee any changes in community needs or challenges in the near future? If so, what changes do you see, and why?
- 2) What are the community's greatest strengths or assets?
 - Does this vary across the region?
 - How has this changed over time, and what do you foresee as future changes?

ECONOMIC CONTEXT

- 1) How would you describe Yamhill County's economy, in terms of primary industries and job opportunities?
 - a. How has the Yamhill County economy changed in recent years, if at all?
 - b. Do you foresee changes to Yamhill County's economic climate in the near future? In what way?
- 2) What do you see as the strengths of Yamhill County's economy?
- 3) What do you see as the challenges to/opportunities for Yamhill County's economy?
- 4) *As an employer/business owner*, how easy is it for you to attract and retain skilled workforce?
 - a. What are challenges to attracting and retaining employees? What makes families want to live here, or not?
 - b. What are strategies that you have developed to attract and retain employees?
 - c. How could Yamhill County better attract and retain skilled workers?
- 5) Please tell me about your view on housing needs in the community.
 - a. What is being done to address this need?

ARTS AND CULTURE

- 1) How would you describe the arts and cultural environment in the region? What are the arts and cultural strengths, and what are the arts and culture challenges or opportunities?
 - a. *How does the arts and cultural environment impact economic development, if at all. Can you describe examples where this has been the case?*

EDUCATION AND TRAINING

- 1) Are you familiar with early childhood services in the region, including services directed at children from birth to 5 years of age and their families?
 - a. What do you see as the strengths and opportunities of the early childhood system in the region?
 - b. Who are the main providers of early childhood services in the region?
 - c. How accessible or affordable are early childhood services?
- 2) Are you familiar with K-12 education system in the region (including Newberg School District, Yamhill Carlton District, McMinnville District, and/or Dayton District)?
 - a. What do you see as the strengths of the region's K-12 education system?
 - b. What are the challenges/opportunities of the education system?
 - c. Are there adequate and affordable out of school time supports and care options for children/families (before school, afterschool, and summertime?)
 - d. How well is vocational/technical education integrated in K-12 education?
 - e. *For K-12 education providers:* Can you describe any innovative or unique initiatives the district is pursuing?
 - f. *For K-12 education providers:* What do you think would make the greatest positive impact on K-12 education in the region?

- 3) Are you familiar with post-secondary resources or training available in the region? This may include private or community colleges, or private or public post-secondary training options, such as workforce investment programs.
 - a. If yes, what post-secondary education or training is available in the region?
 - b. Do you have a sense of how well training programs respond to regional economic or industry needs?
 - c. *Do you have a sense of how well coordinated K-12 and postsecondary education options are?*

HEALTH AND HUMAN SERVICES

- 1) What resources are available to Yamhill County residents to address individual, family, or community challenges, including human services, health and other social issues?
 - a. Who are the biggest human service providers/resources in the region?
 - b. Who are the biggest healthcare providers in the region?
- 2) *For service providers:* What kinds of services does your organization provide?
- 3) *For service providers:* How well integrated/coordinated are social services in Yamhill County? Does this vary across the region?
- 4) Where are there gaps in community resources to meet human service or health needs?
- 5) *If possible, please describe an existing innovative program or initiative that you think is addressing community needs.*

CONCLUSION

- 1) Considering the economic, education or human service challenges we've discussed:
 - a. How do regional political systems or momentum support or impede progress?
 - b. How does existing social service integration or coordination support or impede progress?
 - c. *Are there other structural or political challenges that affect the response to community needs?*
- 2) *What changes or initiatives would have the biggest positive impact on Yamhill County quality of life?*
 - a. What is the most important thing that can be done to improve quality of life in the community?
- 3) Considering the availability of federal, state, and other sources to meet various community needs, what issues do you think are the best focus for local philanthropic resources? Why do you think these are the best use of these resources?
- 4) Is there anything else that I didn't ask you that you would like to share about your community's strengths or needs that we should know for this assessment?
- 5) *Are there any resources we should review for our analysis?*
- 6) *Are there other people we should speak with as we progress with our analysis?*
- 7) We are in the process of conducting an online community survey, which you should have/will receive(d) by email. **We encourage you to forward this link** to any additional individual or appropriate community listservs to provide input on the needs and strengths of Yamhill County.
- 8) Thank you so much for your time and insight!

YAMHILL COUNTY NEEDS ASSESSMENT

Stakeholder Survey

INTRODUCTION

On behalf of a local foundation, The Oregon Community Foundation is conducting a needs assessment of Yamhill County. The goal of the needs assessment is to understand the community strengths, services, needs, and gaps that contribute to quality of life in this region.

This brief survey will ask you a series of questions about community challenges, strengths, and services available to address challenges. Your responses will be aggregated with responses from other community members and will remain anonymous. The resulting data will be used to help The Oregon Community Foundation summarize community perspectives on strengths, opportunities, and quality of life in Yamhill County. A public summary of the needs assessment results will be available at the close of the study.

We appreciate your effort, and **encourage you to share the survey link** with other community stakeholders—including staff, colleagues, member organizations, or regional professional networks—to facilitate broad participation and input.

Thank you!

BACKGROUND

To start out, please provide some information about yourself and your relationship with Yamhill County.

1. What best describes you? (check all that apply)
 - I am a Yamhill County community member.
 - I am a policy maker/government official.
 - I am a private sector business owner or employee.
 - I am a public sector service provider.
 - What type of services do you provide (e.g. health, human, education, recreation)? _____
 - I am a non-profit service provider.
 - What type of services do you provide (e.g. health, human, education, recreation)? _____
 - I fund community programs.
 - Other _____
2. How long have you lived in Yamhill County?

Less than 1 year

1-3 years

3-5 years

5-10 years

More than 10 years

3. In what town or community do you live and/or work? Please provide zip code _____

ECONOMIC CONTEXT

1. Please respond to the following statements about Yamhill County's economy (strongly disagree-strongly agree): (strongly disagree to strongly agree, DK)

Yamhill County's unemployment rate is strong compared to other communities in Oregon..

Yamhill County policy and governance support business and industry growth.

Yamhill County has a vibrant mix of retail and businesses.

People in our community can find living wage jobs.

People in our community can find jobs with opportunities for career growth.

Yamhill County has a qualified workforce.

People in our community are financially secure.

Housing costs match income levels in our community.

People of diverse racial, ethnic, socioeconomic, and sexual orientation backgrounds participate equitably in the YC economy.

2. Please respond to the following statements about community qualities that may attract **businesses** and/or **prospective workers** to locate and remain in Yamhill County. (strongly disagree to strongly agree, DK)

YC has strong infrastructure.

YC has good schools.

YC has strong quality of life.

YC has strong arts and culture.

YC has a reasonable cost of living.

YC has affordable housing options.

YC is open and inviting to a diverse mix of residents.

3. Open comment – What are other comment or concerns you have regarding the economic context in Yamhill County?

ARTS AND CULTURE

1. Please respond to the following statements about arts and culture in YC: (strongly disagree to strongly agree, DK)

People of all income levels and backgrounds have access to art and cultural opportunities.

Our community provides many opportunities to enjoy diverse forms of art and performance.

Our community's art and cultural activities attract visitors.

Our community offers opportunities for adults to express creativity.

Our community develops creativity in children and youth.

Our community celebrates history and culture.

2. Open comment – What are other comment or concerns you have regarding arts and culture in Yamhill County?

COMMUNITY CULTURE

1. Please respond to the following statements about the YC community. (strongly disagree to strongly agree, DK)

I am proud of how my community looks.

YC residents have diverse opportunities to build relationships with other residents.

YC residents share a sense of community.

Our community is welcoming to newcomers.

I feel safe in Yamhill County.

YC residents are active in community volunteering and civic engagement opportunities.

YC values people from diverse racial, ethnic, socioeconomic, and sexual orientation backgrounds.

2. Open comment – What are other comment or concerns do you have regarding community culture in Yamhill County?

EDUCATION AND TRAINING

1. Please respond to the following statements about early childhood services in YC. (strongly disagree to strongly agree, DK)

We have sufficient child care providers.

We have high quality child care providers.

We have affordable child care options.

We have sufficient free or accessible family centered activities.

We provide early intervention screening and resources to all who need it.

Our early childhood education is well linked with K-12 services.

School age children receive needed social, emotional, and behavioral supports.

Parents receive needed family support services, including home visiting and parent education.

Families of diverse racial, ethnic, socioeconomic, and sexual orientation can equitably access early childhood and family support services.

2. Please respond to the following statements about K-12 education in YC. (strongly disagree to strongly agree, DK)

We have quality public K-12 services.

We have quality private K-12 options.

We have sufficient opportunities for education and enrichment for children beyond the school day.

We have a strong high school graduate rate.

We have strong drop-out prevention programs.

We have strong technical and vocational options in the K-12 system.

We have strong college preparatory options in the K-12 system.

Our K-12 education services are well integrated with post-secondary opportunities.

Our K-12 programs provide equitable access and services to members of diverse racial, ethnic, socio-economic, and sexual orientation populations.

3. Please respond to statements about post-secondary education in YC. (strongly disagree to strongly agree, DK)

We have sufficient post-secondary training options.

We have affordable post-secondary training options.

Our post-secondary training options are aligned with the skills needed by local businesses and industries.

We have sufficient opportunities for education and enrichment for working age adults.

Individuals of diverse racial, ethnic, socioeconomic, and sexual orientation can equitably access post-secondary services.

3. Open comment – What are other comments or concerns do you have regarding education and training in Yamhill County?

HEALTH AND HUMAN SERVICES

- 6) Please respond to the following statements about health and human services in YC. (strongly disagree to strongly agree, DK)

Our community does a good job taking care of the homeless.

Our community does a good job helping people to receive basic utilities such as electricity and telephone.

Our community makes sure those in need are fed.

Our community does a good job taking care of people with physical health issues.

Our community does a good job taking care of people with disabilities.

Our community does a good job taking care of people with oral/dental health issues.

Our community does a good job taking care of the people with mental illness.

Our community does a good job taking care of people with substance use disorders.

Our community does a good job protecting the safety of its residents, including elderly and domestic violence and abuse.

Our community does a good job taking care of children facing abuse or neglect.

We have adequate and reliable public transportation.

- 7) Individuals of diverse racial, ethnic, socioeconomic, and sexual orientation can equitably access services to meet basic needs. Open comment – What are other comment or concerns you have regarding health and human services in Yamhill County?

CONCLUSION

- 9) Considering the economic, education or human service challenges we've discussed, what do you feel are the most pressing needs in Yamhill County (select three):

Economic opportunities

Arts and culture

Early childhood

K-12 education

Post-secondary education and training

Housing/utilities

Food insecurity

Transportation

Safety

Physical health care

Mental health care

Oral/dental health care

- Other _____
- Other _____
- Other _____

10) Considering the availability of federal, state, and other sources to meet various community needs, what issues do you think are the best focus for local philanthropic resources? (select three):

- Economic opportunities
- Arts and culture
- Early childhood
- K-12 education
- Post-secondary education and training
- Housing/utilities
- Food insecurity
- Transportation
- Safety
- Physical health care
- Mental health care
- Oral/dental health care
- Other _____
- Other _____
- Other _____
- Comment box to provide any comments on above selections.

11) The regional political environment supports progress in addressing community needs (strongly disagree to strongly agree, DK)

Explain _____

12) Existing social service integration and coordination supports progress in addressing community needs (strongly disagree to strongly agree, DK)

Explain _____

13) Is there anything else that I didn't ask you that you would like to share about your community's strengths or needs that we should know for this assessment?

Yamhill County's cities and the county have engaged in significant economic development planning and advocacy in recent years. All the efforts listed below have a certain level of synergy in the areas of wanting to build on the regions strengths: support the wine tourism industry, grow manufacturing, and enhance quality of life more generally.

Newberg Economic Development Strategy, March 2016

The vision of this effort was to “build on [Newberg’s] advantageous geographic location and the capacities of its business, education, government, and community partners to become a national leader for cross industry innovation in viticulture, wine production, and high-tech manufacturing.”

Newberg Downtown Improvement Plan, October 2016

The Newberg Downtown Improvement Plan is motivated by the following vision: “Downtown Newberg will be a thriving, active and attractive destination at the gateway to Oregon’s wine country. Building upon an authentic main street environment and maximizing redevelopment opportunity, downtown will have a successful, complementary mix of retail, civic, entertainment, cultural, office and residential uses, showcasing its pedestrian-friendly streetscapes, public art, and strong connections to adjacent neighborhoods and activity centers. Downtown Newberg – a unique destination, and a place to live, work, shop and play.”

Newberg Strategic Tourism Plan, June 2016

The Tourism plan lays out three key strategies to success: organizational development, destination development and destination marketing.

McMinnville Economic Opportunities Analysis, November 2013

This analysis provides an assessment of key economic advantages and disadvantages related to existing land, transportation, public, environmental, and labor market resources, and identifies economic potential for the McMinnville area.

Grow Yamhill County

County Board of Commissioners led economic development initiative: www.growyamhillcounty.com.

Yamhill County Economic Development Small Grant Program

Yamhill County government-sponsored annual grants of up to \$10,000 annually to support ongoing operations or projects of local businesses, organizations, government entities and educational institutions that seek to create an economic benefit within Yamhill County.

QUALITATIVE DATA SUMMARY

Yamhill County is ruggedly beautiful and offers a peaceful respite from larger urban areas in the state. Stakeholders appreciate that the region has been able to maintain its own identity even as the larger metropolitan area boundaries continue to advance. For a community of its size, stakeholders were pleased with the art and culture opportunities and diverse mix of businesses. They also noted an extensive park and trail network throughout the region.

CIVIC ENGAGEMENT, SAFETY AND A SENSE OF COMMUNITY ARE HALLMARKS OF YAMHILL COUNTY.

Sixty-nine percent of survey respondents strongly agree or agree with the statement “I feel safe in Yamhill County,” and 54 percent agree or strongly agree that Yamhill County residents are civically engaged. Over 40 percent of respondents agree or strongly agree that Yamhill County is welcoming to newcomers, that residents share a sense of community, and are proud of how the community works. Many interview respondents described old-fashioned values and neighborliness that distinguish Yamhill County from other communities. They noted thriving volunteer involvement, an engaged faith-based community, and residents inclined to help one another out.

“There is a very strong sense of trust among neighbors – an immediate sense of neighbors helping neighbors.”

Yamhill County Is Safe and Civically Engaged, and Could Improve Openness to People from Diverse Backgrounds

Figure 2: Respondent Rating of Community Culture in Yamhill County

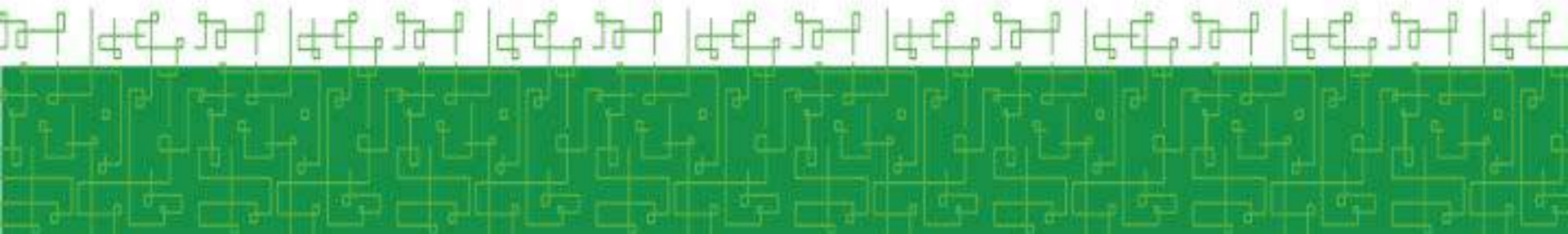
Program and Policy Insight





McMinnville City Council Meeting

MAY 28, 2019



COMMUNITY FOUNDATIONS

Grantmaking foundations
that are dedicated to
improving the lives of
people in a defined
community.



OVER 100 YEARS OLD

Currently there are over 750
community foundations in the
United States



501(c)(3) PUBLIC CHARITIES

Community Foundations support a
wide variety of purposes

Oregon Community Foundation



VISION

A Healthy, Thriving,
Sustainable Oregon

MISSION

To improve the lives of all
Oregonians through the power of
philanthropy



Three Steps to Impact

HERE'S HOW IT WORKS



GIVE

Meet with OCF to create a fund that reflects your goals.



GRANT

Recommend grants with expert assistance from OCF.



GROW

Watch your fund grow over time.



5 things to know:

- You can start with a gift of \$5,000 or more. Fund must reach \$25,000 before grantmaking can begin
- You may recommend grants to qualified nonprofit public charities, religious institutions and governmental entities
- Funds can be endowed or fully exhausted over a period of time
- 1-3 advisors to the fund will work directly with OCF staff to recommend grant distributions
- Each OCF fund works closely with a Donor Relations Officer who will provide ongoing information and technical assistance

☐—————

OCF brings **together** generous Oregonians to
transform individual philanthropy into
sustained, community-driven **impact**.

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Thank you!