



STATE OF WASHINGTON
DEPARTMENT OF COMMUNITY,
TRADE AND ECONOMIC DEVELOPMENT

FARMWORKER HOUSING IN WASHINGTON STATE

PROGRESS TO DATE

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Background

Washington is a major agricultural state, producing some 300 commercial crops and livestock products valued at \$6.4 billion. Washington ranks first in the U.S. for production of 11 commodities, including apples, sweet cherries, pears, hops and red raspberries. Many of these crops are labor-intensive crops that are highly dependent on seasonal labor.

According to the Employment Security Department's 2006 Agricultural Workforce report, there were an estimated 93,582 agricultural workers employed in the state in 2006. Seasonal agricultural employment averaged about 32,000 workers per month, and peaked in July with over 67,000 workers. Although insufficient data is available to accurately determine what proportion of the seasonal workforce is migrant, a 2000 study estimates that it's about 35 percent.¹



While ESD data indicates that the overall supply of agricultural labor remained stable between 2005 and 2006, growers have increasingly reported shortages of workers during peak cycles. This can be attributed in part to recent trends in the agriculture industry. Higher density plantings and greater diversity in the varieties of fruits being planted have resulted in increased production and, thus, increased demand for labor over extended harvest periods. This is particularly true with cherries, the most labor-intensive tree fruit. In a tight labor market, workers are able to be more selective about where they work and the kind of work they do. For example, a notable trend in Eastern Washington is that cherries appear to be drawing workers away from other crops, leaving asparagus growers without harvesters and apple growers without thinners. Although trends vary by crop and geographic area, the impacts on the demand for seasonal labor are being felt statewide and can be expected to continue for several more years.

In addition to industry trends, recent attempts at immigration reform at the national level have created uncertainty and fear for both employers and employees. The US Department of Labor estimates that 64 percent of migrant and seasonal workers in the Pacific region (Washington and Oregon) are undocumented.² The increasing competition for workers and overall unpredictability of the labor force is causing many growers to take additional measures to recruit and retain workers. Many growers have not only increased wages, but have begun offering bonuses to workers that stay through the season. Some are diversifying their crops to extend work periods and keep workers from leaving the area between harvests. Others are exploring the option of using guest workers for the first time.

¹ Alice C. Larson, Ph.D., "Migrant and Seasonal Farmworker Enumeration Profiles Study, Washington State," 2000.

² Daniel J Carroll, U.S. Department of Labor. Employment and Training Administration. Office of Policy Development and Research, April 2006.

In talking with growers, the availability of housing is consistently identified as a key factor in their ability to attract and retain a stable workforce. Yet housing remains scarce for the thousands of migrant workers employed in Washington each year. Low vacancy rates, high rents, security deposits, and lease requirements make private market rental housing generally unavailable to them. A limited amount of housing is provided by employers and community organizations but, according to the Department of Health, only about 8,200 seasonal beds were licensed statewide in 2006. While some workers are able to find adequate housing, thousands live in overcrowded and substandard housing, and others have no housing at all. The lack of safe, decent, affordable housing for farmworkers continues to have potentially severe impacts not only to the health and well-being of the workers who harvest our crops, but to the agriculture industry and the state's economy.



State Investments in Farmworker Housing

In 1999, the State of Washington identified farmworker housing as a priority and, through a legislative proviso, established funding for a farmworker housing program within the Department of Community, Trade and Economic Development. In addition, the Legislature directed the Departments of Health and Labor and Industries to jointly establish rules for the licensing, operation and inspection of temporary worker housing, and to establish a formal agreement that identifies the role of each agency in enforcing the rules. The formal agreement has been in place for several years and was renewed in 2006. These agencies continue to work cooperatively in the inspection of temporary worker housing to ensure the safety of occupants.

Since 1999, the state has maintained its commitment to increasing the availability of safe, decent and affordable housing for migrant and seasonal farmworkers, appropriating \$8 million per biennium specifically for this purpose. In the 2005-2007 Biennium, the farmworker set-aside was increased to \$11 million and a separate appropriation of \$2.5 million established funding for an infrastructure loan program to assist growers to develop on-farm housing for migrant workers. Recognizing the continuing need, the Legislature further increased the farmworker set-aside to \$14 million and the infrastructure program to \$4 million in the 2007-2009 Biennium.

Addressing the shortage of farmworker housing is particularly challenging. From region to region, and from one year to the next, needs can vary significantly, requiring a variety of solutions. In addition, a number of barriers make the development of farmworker housing especially difficult. Recognizing these challenges, CTED's approach has been to provide enough flexibility to be able to respond to the diverse and changing needs of local communities. CTED's three-pronged strategy for addressing the need for farmworker housing includes:



- Capital investments in permanent (year-round) housing for farmworkers;
- Capital and operating investments in seasonal housing for migrant workers; and
- Emergency assistance for displaced and homeless migrant workers

In addition to financial assistance, CTED provides technical assistance to growers and organizations that want to develop farmworker housing. This assistance is intended to increase

the quantity and quality of projects developed, as well as to leverage additional public and private investments in farmworker housing.

Results

Since the farmworker housing program was established in 1999, CTED has invested over \$65.1 million toward the development and preservation of farmworker housing. These investments are summarized below.

Permanent (Year-Round) Housing

Since 1999, CTED has invested \$38.4 million in the development of permanent housing for farmworkers that remain in the area year-round. Capital investments in rental and homeownership projects have resulted in the creation of 1,068 housing units for farmworkers.



Seasonal Housing

Since 1999, investments totaling \$26.7 million have resulted in the creation or preservation of 6,378 seasonal beds for migrant workers, including:

- 715 beds of **community-based housing** for migrant workers. Projects are developed, owned and managed by nonprofit organizations, and must stay in use as seasonal farmworker housing for a minimum of 25 years.
- 4,057 beds created through the **Infrastructure Loan Program**, which provides zero-interest deferred loans to growers for infrastructure improvements in support of on-farm housing. Growers are required to provide a dollar-for-dollar match toward the total cost of a project and must keep the site in use as licensed temporary worker housing for at least 15 years.
- 1,095 beds created through capital and operating assistance to **migrant camps**, including Esperanza in Mattawa, East Oroville Harvest Park in Oroville, Monitor Park near Wenatchee, and the Pangborn Cherry Harvest Camp in East Wenatchee.
- 1,722 beds provided through the **Rent-a-Tent** program.[‡] Created in 2000, the program leases OSHA-approved tents to growers to provide on-farm housing during the labor-intense cherry harvest. Growers must ensure sites meet all state licensing standards.



Emergency Housing Assistance

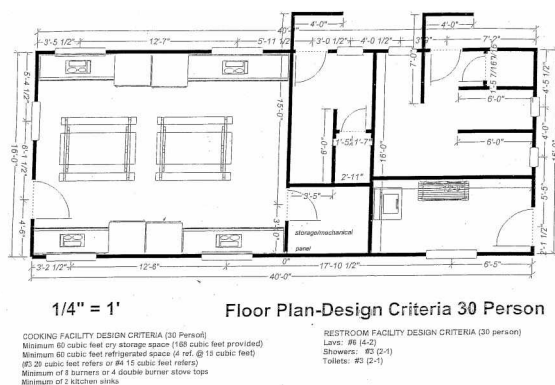
Through a contract with DOH, CTED makes emergency housing vouchers available to migrant workers who are displaced from unsafe living situations. Vouchers are used to provide up to ten days of emergency shelter at licensed facilities, shelters, and motels. In addition to voucher assistance, CTED provides operating support to local service providers for the coordination of emergency services during peak harvest periods.



[‡] 1,722 is the total number of beds made available through Rent-a-Tent. When adjusted for duplication, due to tents rented to some of the migrant camps and infrastructure projects, the unduplicated number of beds created is 511.

Technical Assistance

CTED provides direct technical assistance on planning and design, building codes, temporary worker housing regulations, financing options, and management to growers and nonprofit organizations interested in developing farmworker housing. In addition, CTED contracts with the Office of Rural and Farmworker Housing, a non-profit housing developer, to provide targeted technical assistance in support of specific projects. Projects have included project feasibility analysis and comprehensive support to growers pursuing federal and private funds for on-farm housing; technical assistance to at-risk projects to preserve their use as farmworker housing; partnership development and project pre-development support for community-based projects that include direct financial participation from agricultural employers; development of engineered pre-approved model building plans for on-farm housing; cost/benefit analysis of various types of building structures for seasonal occupancy; and identification of best practices with regard to occupant preferences for seasonal housing, including site selection, building layout/design, and amenities.



Partnerships

Numerous partnerships have been established at the state and local level to address the complex issues surrounding the development of farmworker housing. Ongoing collaboration with the key agencies involved in farm labor issues, including the Departments of Agriculture, Employment Security, Health, and Labor and Industries, is critical to developing a strategic and coordinated approach to the needs of the agriculture industry and implementing effective programs and services at the local level. This collaboration occurs in a number of ways, including planning meetings between state agency staff, both pre- and post-harvest; regular conference calls between state agencies and representatives of the agriculture industry during harvest season; and agency participation in state and local work groups. CTED also seeks guidance from the Governor's Affordable Housing Advisory Board regarding priorities for the investment of state funds in farmworker housing. These types of collaborative efforts provide an opportunity for state and local governments, housing developers, service providers, farmworker advocates, local industry representatives, and other stakeholders to work together to identify issues, develop strategies to address them, and implement programs and projects that are responsive to the needs of both farmworkers and the local agriculture industry.

Challenges

The development of farmworker housing is uniquely challenging for a number of reasons. Some of the key impediments include:

Lack of funding for ongoing operation and maintenance

Seasonally-occupied housing, by its very nature, is not cost-effective. Because of workers' low incomes, and the fact that the housing is occupied only part of the year, rental revenues are not sufficient to support the ongoing operating costs. Significant rental and operating subsidies are

needed in order for community-based organizations to be able to develop and sustain seasonal housing projects, but these resources are extremely limited.



Siting issues

Areas most in need of farmworker housing are often areas that are also hardest to develop. The lack of available land and community infrastructure can significantly increase the amount of time and money needed to develop a project. Local zoning and permitting regulations, as well as inconsistent interpretations of state regulations, can also be a barrier.

NIMBYism

Many areas continue to face local opposition to the development of farmworker housing, particularly seasonal housing, making it difficult to obtain the support necessary from local governments to move a project forward. Housing providers must sometimes incur substantial legal expenses to defend projects at the local level.

Lack of local capacity

Few organizations have the specialized expertise and level of commitment needed to develop and manage successful farmworker housing projects over the long term. Additional capacity is needed in order to sustain and increase the development of new projects.

Uncertainty in the agriculture industry

There are many variables impacting the workforce needs of the agricultural industry which, in turn, impact the demand for farmworker housing. Issues like immigration reform and changing global markets are cause for a lot of uncertainty. While growers speak increasingly of labor shortages and a need for housing to attract workers, many are reluctant to invest in housing because they don't know what the future holds.

Lack of data

There is little data to tell us how many people need housing, what kind of housing they need, how much housing is available, and how much more is needed. More current, reliable data would enable the state to be more strategic in targeting limited resources and to better evaluate the impact of its investments.



**CTED INVESTMENTS IN FARMWORKER HOUSING
1999 - 2007**

By Year

	Seasonal Housing		Permanent Housing		Total
	Beds Created	\$ Invested	Units Created	\$ Invested	\$ Invested
1999	150	\$ 2,134,197	96	\$ 2,327,685	\$ 4,461,882
2000	863	\$ 1,538,875	182	\$ 5,723,359	\$ 7,262,234
2001	1,110	\$ 3,013,362	88	\$ 4,760,434	\$ 7,773,796
2002	1,233	\$ 2,616,486	119	\$ 3,193,872	\$ 5,810,358
2003	487	\$ 1,049,876	133	\$ 4,250,332	\$ 5,300,208
2004	442	\$ 2,040,105	76	\$ 4,105,807	\$ 6,145,912
2005	268	\$ 2,455,480	207	\$ 8,024,722	\$ 10,480,202
2006	814	\$ 2,337,721	66	\$ 2,500,000	\$ 4,837,721
2007	1,011	\$ 9,551,194	101	\$ 3,500,000	\$ 13,051,194
Total	6,378	\$ 26,737,296	1,068	\$ 38,386,211	\$ 65,123,507

By County

	Seasonal Housing		Permanent Housing		Total
	Beds Created	\$ Invested	Units Created	\$ Invested	\$ Invested
Adams	120	\$ 178,441	25	\$ 776,868	\$ 955,309
Benton	291	\$ 564,270	23	\$ 715,556	\$ 1,279,826
Chelan	1,570	\$ 10,283,808	26	\$ 944,000	\$ 11,227,808
Clark	287	\$ 221,390			\$ 221,390
Cowlitz	382	\$ 34,751	75	\$ 2,800,000	\$ 2,834,751
Douglas	819	\$ 5,993,874	43	\$ 2,322,495	\$ 8,316,370
Franklin	392	\$ 1,184,202	45	\$ 1,405,000	\$ 2,589,202
Grant	267	\$ 2,429,248	188	\$ 7,118,814	\$ 9,548,062
Klickitat	90	\$ 164,277	19	\$ 636,690	\$ 800,967
Lewis	-	\$ -	95	\$ 2,880,000	\$ 2,880,000
Okanogan	1,009	\$ 2,487,382	27	\$ 1,202,850	\$ 3,690,232
Skagit	890	\$ 809,964	174	\$ 5,997,046	\$ 6,807,010
Walla Walla	108	\$ 1,500,000			\$ 1,500,000
Whatcom	-	\$ -	50	\$ 980,000	\$ 980,000
Yakima	153	\$ 885,689	278	\$ 10,606,892	\$ 11,492,581
Total	6,378	\$ 26,737,296	1,068	\$ 38,386,211	\$ 65,123,507