

 Housing Rural Oregon

Better housing, better business

The Tillamook County Creamery Association is partnering with locals to tackle the area's housing shortage

BY EMILY GREEN
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Lilliana Ortega, 22, turned down several opportunities close to her home in College Station, Texas, in order to accept a paid internship at the Tillamook Creamery in Tillamook County.

Back in March 2017, the Texas A&M University junior had three months to set up a place to stay in the coastal dairy farming region. She would be there all summer, working on research and development for the creamery. She scanned Craigslist and online ads, and called local churches as the company had suggested. For two months, it was one dead end after another.

"I was really concerned," said Ortega. "My family doesn't have a lot of money, and so this entire experience, already was a huge, very nerve-wracking situation. We were just thinking, 'How are we going to do this?'"

She couldn't even find a motel that would allow her

an extended stay.

Later that spring, Ortega was on a picnic with a couple of her Texan friends and their families, when someone boasted to the group about Ortega's upcoming internship in Oregon. The parents were eager to hear all about it.

"I had to confess that I didn't have a place to stay," she said. That's when one of her friend's mothers, Jana Perenchio, piped up. She had once met someone from Tillamook at a craft fair in Nebraska. She phoned the fellow crafter, a woman named Lonnie Jenck, and asked if Ortega could live on her dairy farm for a few months.

"In two hours, I was connected to someone 2,000 miles away," said Ortega. "I basically had to rely on the people of Tillamook to house me because there wasn't any kind of housing, and I'm so grateful that the Jencks did."

The housing difficulties Ortega faced in Tillamook are not unique to interns at the creamery, nor are they confined to that section of coast. Up and down Oregon's Pacific shore,

communities are struggling with an extreme shortage of housing that's both affordable and fit to live in.

A population that's aging in place and the proliferation of short-term rentals, along with an economy that's increasingly dependent on low-wage tourism jobs, all contribute to the region's housing crisis.

The shortage has become a roadblock to expansion for many businesses that hire and train new employees only to lose them a few months later because they are unable to find a decent place to live.

Over the course of the past year, said Sarah Beaubien, an executive at Tillamook County Creamery Association, "We've hired manager-level people – these are not low-income folks, these are supervisors – who accepted the job, they came to Tillamook, and they were there for weeks or months, and they could not find a place to live so they quit."

Beaubien was hired to be the company's first senior director of stewardship about 2 ½ years ago and was tasked with streamlining and overseeing its sustainability programing.

She said the company, which operates as a farmer-owned co-op, committed its stewardship arm to six platforms including "fulfilled employees" and "enriched communities."

But these two goals are difficult for a 900-employee company to uphold when two-thirds of those employees work at creamery located in a community with an extreme housing shortage.

For one, it's a quality of life issue when employees have to drive long distances to get to work because they can't find housing nearby, she said. A recent voluntary, company-wide survey revealed 30 percent commute more than 20 miles, although Beaubien suspects those working at the company's Boardman plant in north-central Oregon drive the farthest.

But if workers live closer to the creamery in Tillamook, she said, "they are paying more than 30 percent of their income on rent or mortgages, which ends up taxing them with things like food security and expendable income to spend in the community."

Now the company behind Tillamook's iconic creamery is investing in housing solutions that could benefit the community as a whole. While this is not the only private-public partnership aimed at addressing housing shortages on Oregon's Coast, the creamery association's investments stand out as



Lilliana Ortega stayed on a dairy farm in Tillamook while she was working on research and development for the Tillamook Creamery. Ortega struggled to set up housing in the coastal farming region for the summer of 2017. The housing difficulties she faced in Tillamook are not unique to interns at the creamery, nor are they confined to that section of coast.

substantial.

In addition, rather than placing its focus on building housing exclusively for its own workforce, as The Bandon Dunes Golf Resort has done in Bandon and Jordan Cove has proposed in Coos Bay, Tillamook County Creamery Association is working to help ease the crunch, county-wide.

"We know that if we are investing in the social fiber or the economic resilience of the community, then it's going to be a better place for us to do business," Beaubien said.

In 2017, Tillamook County Creamery Association invested 2.2 percent of its profits – more than \$1 million – in the communities where it operates. Much of that was spent in Tillamook County on housing and food insecurity issues.

During that year alone, the creamery association put \$50,000 toward a study aimed at pin-pointing Tillamook's housing needs, donated more than

\$600,000-worth of product and cash to local Oregon Food Bank efforts and the school lunch program, and gave \$35,000 to Tillamook's primary social service provider, Community Action Resource Enterprises, Inc., to help it purchase the building where it's located.

The company is also working with Helping Hands, a sober-living transitional homeless shelter, to design a training program for its participants so they will be better prepared to take jobs at the creamery.

With the housing study now complete, the company has pledged an additional \$75,000 for the creation of a GIS map that will highlight areas ripe for development.

Whether it be gap financing to build affordably-priced housing or investing in tiny home villages or apartment buildings, Beaubien said her company is keeping an open mind about how it can continue to



The newly constructed Tillamook Creamery and visitors center.

PHOTO COURTESY OF TILLAMOOK COUNTY CREAMERY ASSOCIATION

support local housing efforts.

And it has good reason to invest in the region's social well-being. Tillamook County is where 78 of the co-op's member dairy farms are located, and it carries the company's namesake – you can't call it "Tillamook cheese" if it's all manufactured in Boardman.

The town of Tillamook is also the home to the company's popular visitor center, attached to its creamery, which has grown to attract 1.5 million people annually.

"It competes with Multnomah Falls and Crater Lake as the most visited site in Oregon," Beaubien said.

On June 20, the company unveiled a brand-new building where the visitor's center will now be housed. It was built to sustain the creamery's increased popularity among tourists.

But as it stands, the creamery typically has about 20 positions it cannot fill, and that number goes up in the summer when the visitor's center needs seasonal cooks, cashiers and ice-cream scoopers at its cafe and store.

While houses, primarily built for vacation homes, are going up at above average rates, badly needed apartment buildings for workforce housing aren't as appealing to developers.

Locals say high building costs and permitting fees are a deterrent to building anything other than luxury vacation homes.

But in recent years, former-commercial-fisherman, Paul Daniels, found a way to build an apartment building in Garibaldi, which lies about 10 minutes north of the creamery. He sold his boat and used the capital to begin building. The units filled up quickly.

When Daniels decided to build a second, adjacent apartment building, the creamery committed to filling three of the apartments in order to help him secure financing.

Since the building's completion two years ago, the creamery has had no problem keeping its promise. Two apartments are allocated as permanent housing for creamery employees, and one is a transitional, furnished apartment where

new employees can live while they look for housing elsewhere.

When asked about the challenges of building apartments in Tillamook County, Daniels said, "When everybody says no, you just have to rephrase the question until you get a yes. The easiest part of the whole project is building."

Once the housing study was complete, community partners began looking for a way to follow-through on its top recommendation: Hire a housing coordinator.

The county government and creamery association joined other local businesses and nonprofits in applying for funding through the governor's Workforce Housing Initiative in January. They anticipated they would need about \$130,000 to pay for a housing coordinator over the first two years.

In May they learned their proposal was not among the five pilot projects selected for funding. However, locally owned Nestucca Ridge Development, which had also signed onto the request, did receive an award to construct 12 new homes on property it already owned. Six of those homes would be pre-leased to employees of its subsidiary, Pelican Brewing Company, in Tillamook County's Pacific City.

While the housing shortage can make it difficult for area businesses, nonprofits and government agencies to retain new employees, there is another factor, too.

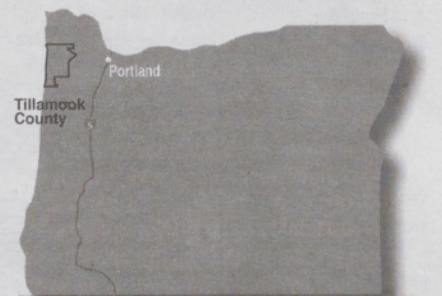
One hundred inches of annual rain and rural living are not for everyone, explained Beaubien, "but some people feel like they've won the lottery."

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Coastal Crossroads

Part IV Tillamook County

Oregon's coastal communities are struggling with a housing crisis all their own – one that's gotten worse every year following the Great Recession. Short-term vacation rentals, generational poverty, an increasingly visible wealth divide and aging populations have all pushed coastal communities to an irrevocable reckoning. For these communities to have a viable future, something has to change, but what?



About this series

This article is part of Street Roots' Housing Rural Oregon series. Read previous articles from the series at news.streetroots.org.