

**Housing Market Analysis  
of the Clatskanie Area  
for  
Bert Mitchell  
HSM Development, L.L.C.**

Prepared by:

Risa Proehl

with assistance from Sonoko Endo

Population Research Center  
Portland State University  
Portland, Oregon 97207

June 2004

## **Project Narrative Description**

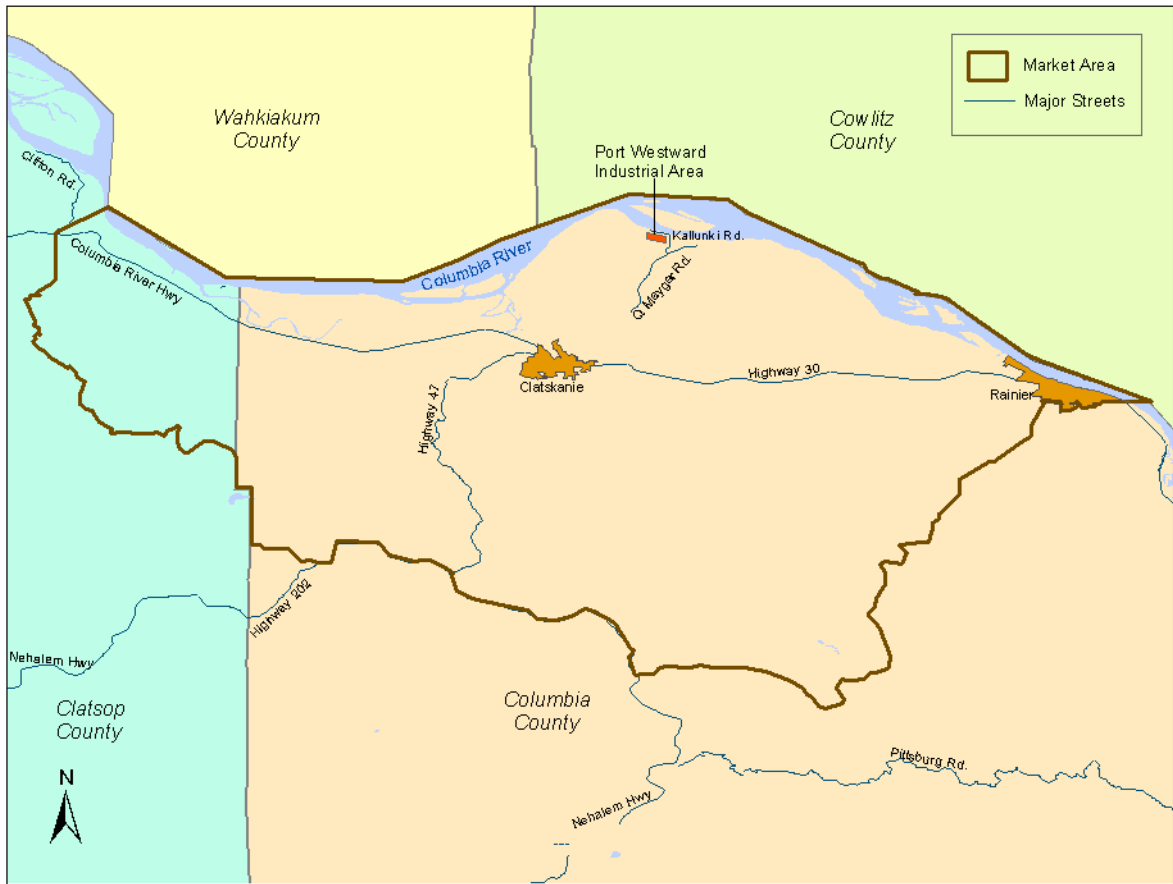
This report, prepared by the Population Research Center (PRC), describes demographic and housing characteristics for the Clatskanie and Rainier areas in Columbia County. In addition, it includes a market analysis for the need for new housing in Clatskanie, Oregon. The development of new industries in the Port Westward area, approximately 6-7 miles outside of Clatskanie, is expected to generate new jobs in the near future. The possible impact that the creation of new job opportunities will have on local population growth and the demand for housing is examined.

This study was conducted with information obtained at the Population Research Center and from local government agencies and organizations such as the Land Use Planning and Development Division and the Chamber of Commerce. A major source of the data used was the 2000 Census of Population and Housing. For a list of data sources, see Appendix 1.

The study area (also referred to as the market area) is comprised of the cities of Clatskanie and Rainier, the unincorporated area of Columbia County in between the two cities, and the northeastern part of Clatsop County. The area roughly spans about a 12 miles east, west and south from Clatskanie and is bounded by the Columbia River to the north (see Map 1).

The market area is defined as the area from where workers might be drawn and in which there might be competition for housing. Additionally, it is also the area from which new occupants of new housing may be drawn.

Map 1. Clatskanie, Market Area, and Port Westward Industrial Area



Source: US Census 2000; Geography Network

Prepared by: Population Research Center, Portland State University

## Demographic and Socio-economic Characteristics of the Market Area

### Population

In 2000, the total population in Clatskanie was 1,528. The population is estimated to have an annual average growth rate of about 1.7 percent since then, increasing its population in 2003 to 1,610. Clatskanie represents 15 percent of the market area's population. The population in the market area was 10,298 in 2000. Assuming an average of annual growth rates estimated for local areas, the population in the market area is estimated to be 10,535 in 2003.

Table 1. Total Population

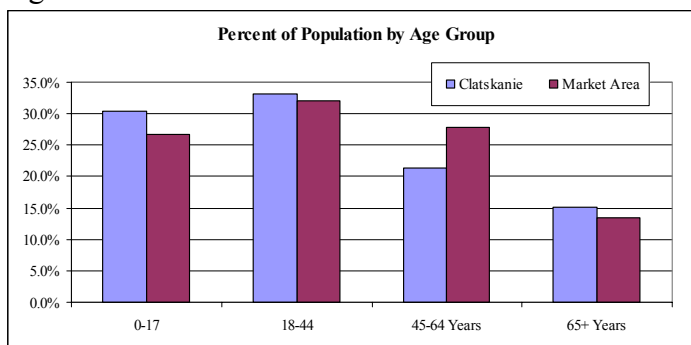
	2000	2003*	Change	
			#	%
<b>Clatskanie</b>	1,528	1,610	82	5.4%
<b>Market Area</b>	10,298	10,535	238	2.3%

The predominant race of the residents in the area is White. Whites capture about 93 percent of the population in both Clatskanie and the market area. Of the 7 percent of the population that is comprised of ethnic minorities, most are Hispanic followed by Native American. The median age in the about 33 years old. Persons in the 18-45 year age group represent the largest segment of the total population. The shares of the population that the elderly (those 65 years and older) and children represent are larger in Clatskanie than in the market area. (See Table 2 and Figure 1).

**Table 2. Demographic Composition**

	<b>Clatskanie</b>	<b>Market Area</b>
<b>Race/Ethnicity</b>		
White	1,461	9,613
Black	1	4
American Indian or Alaska Native	15	193
Asian and Pacific Islander	17	51
Other Race	34	203
Hispanic	45	235
Percent Ethnic Minority	7.10%	6.70%
<b>Age Group</b>		
0-17 yrs.	478	2,743
18-44 yrs.	521	3,310
45-64 yrs.	335	2,859
65+ yrs.	239	1,387

**Figure 1.**



**Housing Stock and Characteristics**

In 2000, the number of housing units in Clatskanie was 666 and the number of units in the market area was 4,246. The number of occupied units were 620 and 3,907 respectively. The vacancy rate in Clatskanie was about 7 percent and was lower than the rate in the market area (8 percent). In Clatskanie, 66 percent of occupied housing units were occupied by owners and 34 percent by renters. The percentage of owner-occupied households in the market area is higher than in

Clatskanie – 80 percent of households were occupied by owners. Most housing units are single-family residences – they comprise 68 percent of all housing units in both Clatskanie and the market area. A larger share of housing units in the market area is manufactured and mobile homes than in Clatskanie, however (26 percent and 13 percent, respectively). (See Table 3).

Approximately 65 housing units were added to the market area from 2000 to 2003. Of the new units, 36 are single-family units, and 29 manufactured homes. Additionally, 62 multi-family units were added for elderly assisted-care living. Only a 5 new housing units were added to Clatskanie other than the senior housing. In 2003, there were approximately 705 housing units in Clatskanie (including senior housing) and a total of 4,373 housing units in the market area.

The average number of persons per housing unit is higher in the market area than it is in Clatskanie. The number is estimated to have remained the same in the market area during 2000-2003. In Clatskanie the number is estimated to have decreased slightly from 2.4 to 2.3. A possible reason is the smaller average number of persons per housing unit is in the recently built senior housing.

**Table 3. Housing Stock and Composition**

	Clatskanie		Added Units	Market Area		Added Units
	2000	2003		2000	2003	
Total Housing Units	666	705	39	4,246	4,373	127
Vacant Housing Units	46			338		
Occupied Units	620		36	3,907		117
Vacancy Rate	6.9%			8.0%		
<b>Tenure:</b>						
Owner Occupied Units	410		24	3,109		93
Renter Occupied Units	210		12	798		24
<b>Type:</b>						
Single Family Residences	454	457*	3	2,886	2,922*	36
Multi-Family Residences	123	157*	34	261	323*	62
Manufactured Homes	89	91*	2	1,099	1,128*	29
<b>Average Number of Persons per Unit</b>	2.4	2.3		2.4	2.4	
<b>Average Number of Persons per Household</b>	2.5			2.6		

\*information obtained from building permit records and PRC population estimate records

### **Multi-family Structures**

There is a larger share of multi-family housing units in Clatskanie than in the market area. Most multi-family housing structures are relatively small with each consisting of 2-4 units in both the city and the market area.

Table 4. **Multi-family Structures, 2000**

<b>Multi-family Structures with:</b>	<b>% of all Multi-family Housing</b>	
	<b>Clatskanie</b>	<b>Market Area</b>
2-4 units	40.7%	45.3%
5-9 units	21.1%	16.2%
10-19 units	15.4%	14.0%
20-49 units	2.4%	14.7%
50 or more units	20.3%	9.7%

Sixty-five to 70 percent of the housing units in the study area have 2-3 bedrooms, which is often characteristic of modest older housing. Fifteen to 18 percent of units have 4 bedrooms. There are more one-bedroom units than there are units with 5 or more bedrooms. However, there are at least 129 housing units with 5 or more bedrooms in the market area.

Table 5. **Number of Bedrooms**

<b>Bedrooms per Housing Unit</b>	<b>Clatskanie</b>	<b>Market Area</b>
No bedroom	0.9%	1.8%
1 bedroom	12.0%	7.8%
2 bedrooms	27.5%	25.2%
3 bedrooms	37.8%	46.7%
4 bedrooms	18.2%	15.5%
5 or more bedrooms	3.6%	3.0%

In 2000, there were 105 households in the market area that were considered to be over-crowded (more than 1 person per room). Of the over-crowded units, 17 were in Clatskanie where most were occupied by renters. In the market however, almost two-thirds of over-crowded units were owner-occupied (62 households).

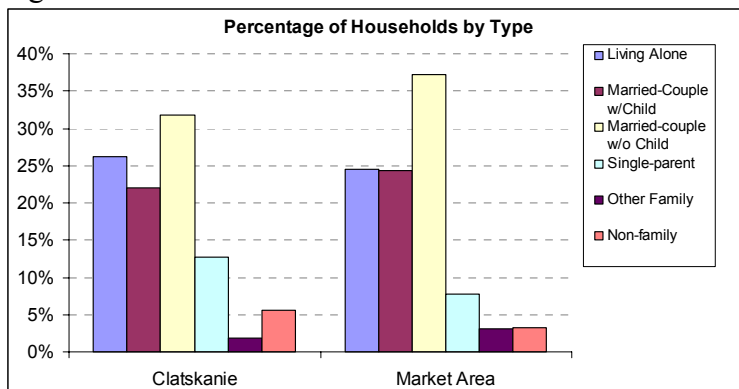
### **Household Type**

Approximately one-quarter of all households in Clatskanie and in the market area are occupied by one person (162 households and 876 households respectively). About one-third of all households have children residing in them. Almost the same share of are married-couple households with no children. A small percentage of households have occupants who are unrelated. (See Table 6 and Figure 2).

Table 6. Number of Households by Type of Occupants, 2000

Household Type	Clatskanie	Market Area
Living Alone	162	876
Married-Couple with Children	136	964
Married-couple without Children	197	1,475
Single-parent	79	275
Other Family	12	130
Non-family	35	187
No Children Present	405	2,668
Children Present	215	1,239

Figure 2.



### Age of Housing

About three-quarters of the housing units in Clatskanie and the market area were built 25 years ago or more. Most were built during 1960-1979 and prior to 1939.

Table 7. Age of Housing, 2004

Age of Structure	Clatskanie	Market Area
5 years or less	39	184
6-9 years	16	227
10-14 yrs	26	233
15-24	64	492
25-34 years	190	1,086
35-44 years	117	590
45-54 years	40	229
55-64 years	53	348
65 years or older	160	983

## Housing Value

The median value for owner-occupied homes in the market area in 2000 was \$126,335; it was lower in Clatskanie where the median value was \$110,000. The majority of homes in Clatskanie were valued around the median value or lower. In the market area, the numbers of homes were more evenly dispersed amongst all values up to around \$250,000.

Table 8. **Housing Value, 2000**

	<b>Clatskanie</b>	<b>Market Area</b>
<\$60,000	56	486
\$60,000-\$100,000	220	581
\$100,000-\$125,000	118	462
\$125,000-\$150,000	75	471
\$150,000-\$175,000	33	379
\$175,000-\$250,000	25	525
\$250,000-\$500,000	1	199
over \$500,000	0	5

Since 2000, the median value of homes has risen. According to local realtors, it is currently around \$135,000-\$140,000 in the Columbia County part of the market area. The realtor's multiple listing service lists as the average sale price of homes in the Rainier and Clatskanie areas in the last twelve months as \$138,894. The median value of homes in the northeastern part of Clatsop County is lower – about \$75,000-\$80,000.

## Planned or Available Housing units

In the market area, building permits for the construction or siting of 31 housing units have been issued or approved since July 2000 that have not been completed. Twenty-two building permits were issued or approved for single-family units and 9 were issued for manufactured homes. It is uncertain whether these housing units will be added to the market area.

Currently, only one small housing sub-division is planned for construction in the Clatskanie area. It consists of 11 single-family homes. Two homes are almost completed and are already sold.

Two rural communities that are located several miles west of the Wauna Paper Mill area on Highway 30, called Knappa and Svensen, are areas of some potential housing construction. No subdivisions are planned, but some homes are being built by partitioning of land owned by several individual property owners. The construction of homes in this area have a maximum density requirement of 2 acres per single-family dwelling.

According to local realtors and the Realtor Multiple Listing Service, there are currently 95 homes for sale in the market area. Fifty-eight of those homes are in the Clatskanie area. The average time on the market is approximately 90 days or more.

Factors that could account for the length of time homes on are on the market are the price, age, size, and type of housing for sale. In Clatskanie and the rest of the market area, most homes are smaller, older homes that may not have been updated.

According to local sources, the vacancy rate is estimated to be lower now than in 2000. Almost all of the homes for sale are still occupied. The local newspaper recently listed only 19 units available for rent or purchase.

Clatskanie’s urban growth boundary surrounds the border of the city limits fairly closely. In Clatsop and Columbia Counties, land outside an urban growth boundary and land surrounding rural communities are zoned agriculture and forest and there are constraints to construction of housing. The lack of water and sewage services, and roads are some of the constraints. Housing density, is another limitation because it is lower outside the urban growth boundary. The minimum property size a house may be built on is 2-80 acres outside of the urban growth boundary. Rural communities may have fewer constraints but these areas also have less potential for development on a large scale than within the city limits or within the urban growth boundary.

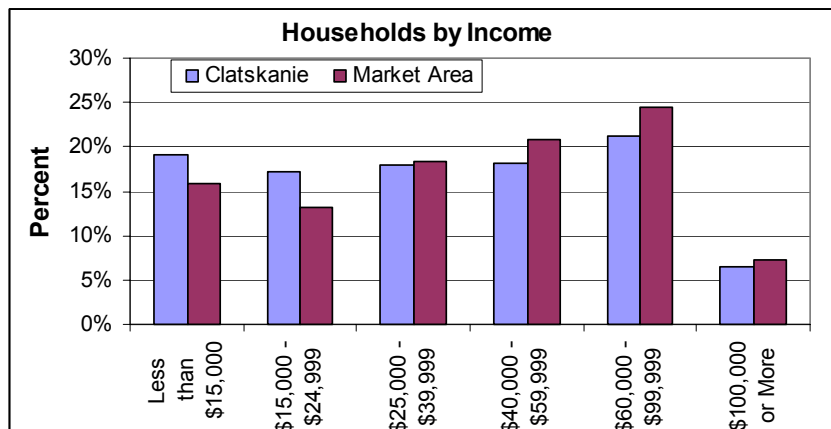
**Income**

In 2000, the median household income in the market area was about \$43,000 per year. It was lower in Clatskanie at just under \$36,000. Almost one-third of all households had income of \$60,000 or more in the market area; in Clatskanie the share was slightly lower at 28 percent. Additionally, the percentage of low-income households was higher in Clatskanie than in the market area in 2000.

Table 9. **Household Income, 2000**

Annual Income	Clatskanie	Market Area
Less than \$15,000	118	620
\$15,000 - \$24,999	107	517
\$25,000 - \$39,999	111	717
\$40,000 - \$59,999	112	813
\$60,000 - \$99,999	132	956
\$100,000 or More	40	284

Figure 3.



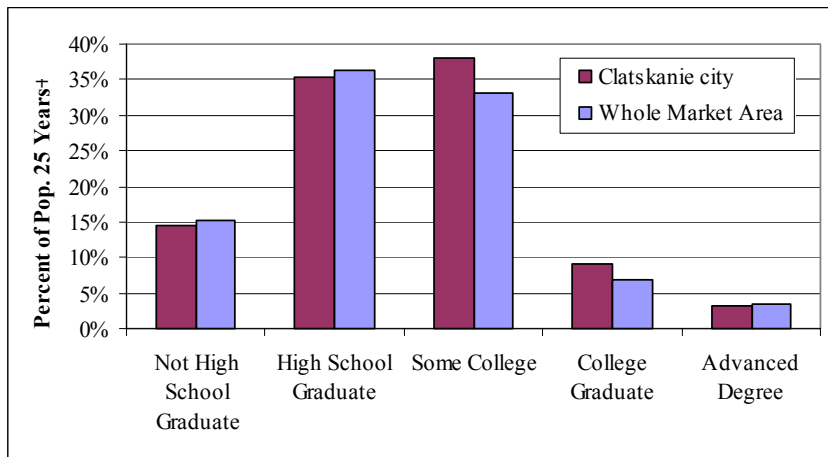
### Educational Attainment

In 2000, about one-half of the population 25 years and older had achieved no higher than a high school level of education in both Clatskanie and the market area. Persons with a college degree (a Bachelor's or advanced) represented 12 percent of the same population in Clatskanie and 11 percent in the market area. (See Table 10 and Figure 4).

Table 10. Educational Attainment for Population 25 Years and over, 2000

	Clatskanie	Share of Population	Market Area	Share of Population
<b>Not High School Graduate</b>	137	14%	1,047	15%
<b>High School Graduate</b>	338	35%	2,486	36%
<b>Some College</b>	362	38%	2,256	33%
<b>College Graduate</b>	87	9%	471	7%
<b>Advanced Degree</b>	30	3%	230	3%

Figure 4. Highest Level of Education Attained, 2000



### Employment

Just over 60 percent of the population 16 years and older are in the labor force in both Clatskanie and the market area. Of the 744 labor force participants in Clatskanie in 2000, 44, or 5.9 percent, were unemployed. The unemployment rate for the market area was higher during the same period, at 7.4 percent.

Table 11. **Employment, 2000**

	Clatskanie	Market Area
Total Population, Ages 16 and over	1,188	7,915
Civilian Labor Force	744	4,876
% Total Population in Labor Force	62.6%	61.6%
Total Employed	700	4,517
Total Unemployed	44	359
Unemployment Rate	5.9%	7.4%

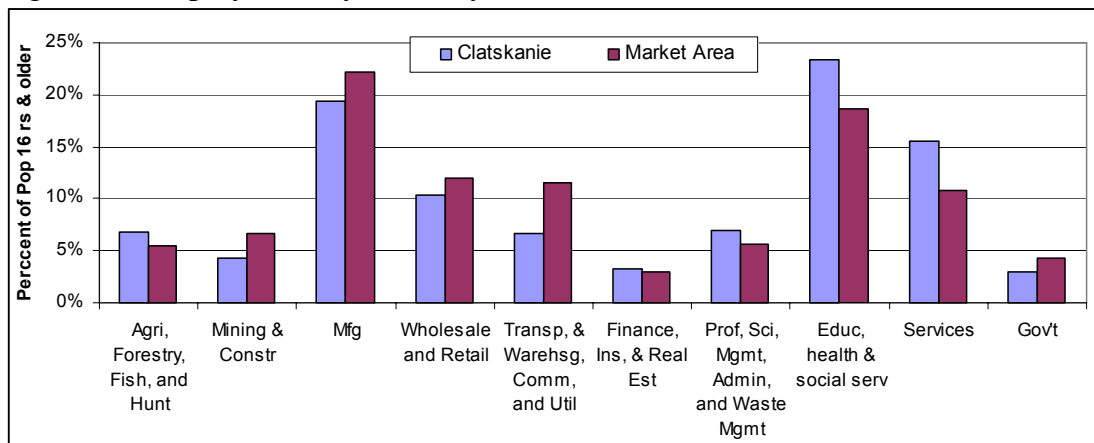
The unemployment rate in Columbia County in 2000 was 6.3 percent – higher than for Clatskanie, but lower for most of the market area except in the northeastern portion of Clatsop County, (close to the Wauna Paper Mill), where the rate was only 3.5 percent.

Unemployment data after the 2000 Census are available for larger areas – for Columbia County or larger regions. Unemployment trends during 2000 to 2003 are assumed to follow a similar pattern as Columbia County. During this period, unemployment rates almost doubled due to poor economic conditions that have occurred throughout Oregon. In Columbia County, employment in manufacturing and government saw the greatest decreases. Not all sectors of employment experienced as severe declines as others. Jobs in the trade, transportation, and utilities sectors remained fairly stable.

### Employed Persons by Industry and Place of Work

Residents of the study area were mostly employed in the manufacturing and educational, health, and social services sectors during 2000.

Figure 5. **Employment by Industry**



Currently, the largest employers in the study area as reported by the Clatskanie Chamber of Commerce are listed in the table below.

**Table 12. Largest Employers in the Clatskanie Area, 2004**

<b>Business</b>	<b>Classification</b>	<b>Employment (estimated)</b>
Georgia Pacific Wauna Paper Mill	Manufacturing	1,130
U.S. Gypsum Company	Manufacturing	150
Clatskanie (Columbia) 6-J School District	Educational Services	104
Stimson Lumber Mill	Manufacturing	75
PGE Beaver Turbine Generation Plant	Utilities	67
Fibre Farm	Manufacturing	N/A

In 2000, over 60 percent of employed population residing in cities in the market area worked outside of the city. Fifty-five percent of the employed population in the market area worked in the county in which they resided in. Thirty-eight percent of the employed population in Clatskanie worked within the city limits, 64 percent worked in Columbia county, and 22 percent worked outside of Oregon.

**Table 13. Place of Work**

<b>Areas and sub-regions in study area</b>	<b>Worked in City of Residence</b>	<b>Worked in County of Residence</b>	<b>Worked Out of Oregon</b>
Clatskanie	37.8%	63.5%	22.4%
Rainier	22.9%	48.6%	36.8%
Unincorporated Columbia County (within market area)	N/A	53.0%	30.5%
Northeastern Unincorporated Clatsop County (within market area)	N/A	63.1%	3.2%
Market Area	N/A	54.9%	27.7%

### **Travel Time to Work**

Most people don't drive more than 20 minutes to work. Shorter commute time is more desirable to people. Clatskanie is the closest community with the convenience of services to Port Westward industrial area. The commute time to Port Westward from Clatskanie is approximately 10-15 minutes. In 2000, the median commute time of workers that lived in Clatskanie was 17 minutes. In the market area it was 19 minutes.

Table 14. **Commute Time to Work, 2000**

Areas and sub-regions in study area	Median Commute Time
<b>Clatskanie city, Oregon</b>	17
<b>Rainier city, Oregon</b>	17
<b>Northeastern Clatsop Co.</b>	17
<b>Unincorporated Columbia County (within market area)</b>	21
<b>Market Area</b>	19

The average commute times in areas in Multnomah County and Washington County are about 20-25 minutes - shorter than it would take residents to get to Port Westford from those areas.

### **New Industry at Port Westward**

Three industrial operations are proposed for development in the Port Westward industrial area in Columbia County. The location of the facilities for all three projects is 6 to 7 miles northeast of Clatskanie, adjacent to the Columbia River. The three projects are:

- 1) Cascade Grain Ethanol Plant and affiliated CO2 plant— an ethanol processing facility generating products such as animal feed, food-grade wheat goods, carbon dioxide, and ethanol.
- 2) Summit Westward Energy Power Plant – a gas-fired electricity generating plant
- 3) PGE Port Westward Power Plant – a gas-fired electricity generating plant

All three projects have plans to break ground sometime during summer of 2004. It is estimated that it will take 18-24 months for construction to be complete. Summit Westward plans to be in operation by December 2005, and PGE and Cascade Grain plan to be in production by the first quarter of 2006.

### New Jobs at Port Westward Industries

During the construction phase of the plants, each of these projects is likely to employ between 300-400 construction workers. Once construction of the facilities is complete, permanent jobs will become available. It is estimated that approximately 150 permanent positions will be created to run and maintain the new industrial operations. The number of employees predicted to be needed by each operation is displayed in the table below.

Table 15. Estimated Number of Permanent Jobs Created

Assumed Occupations	Cascade Grain Ethanol Plant	Cascade Grain CO2 Plant	Summit Westward Energy	PGE Port Westward Power Plant	Total
Management	3	1	1	1	6
Administrative	8	1	1	1	11
Engineers	17		17	17	51
Technicians			4		4
Production	27	4			31
Transportation	8	8			16
Warehouse or Maintenance	12		4	3	19
Miscellaneous	10	1			11
Total	85	15	27	22	149

It is not possible to predict how many workers will come from the local employment pool of residents. However, to get a perspective on the size of the employment pool, the numbers of residents in the market area in 2000 that were employed in similar jobs as anticipated to become available in the industries locating in Port Westward are displayed in the table below.

Table 16. Employed Persons in Selected Occupations, 2000

Occupations	Clatskanie	Market Area
Management	10	88
Administrative	67	375
Engineers	8	51
Technicians	0	23
Production	84	564
Transportation	15	156
Maintenance	39	251
Total	223	1,507

### **Impact of New Jobs on Population and Housing in Clatskanie and the Market Area**

In an extreme case scenario, one in which an 8.0 percent unemployment rate in the market area is assumed in 2006, (higher than the rate currently estimated for Columbia County), the number of unemployed persons in the occupations similar to those that the new industries will require, is estimated to be 121. This estimate is the number of workers that reside in the market area that would possibly be available to fill the new jobs. It is unlikely, however, that as many as 121 persons in the market area would actually be available. The number is calculated only to demonstrate a minimum possible need.

**Table 17. Estimated Unemployed Workers in Selected Occupations at 8 Percent Unemployment Rate (market area residents)**

<b>Occupations</b>	<b>Theoretical Available Workers</b>
Management	7
Administrative	30
Engineers	4
Technicians	2
Production	45
Transportation	12
Maintenance	20
Total	121

**If 121 of the new jobs were filled by local residents, 28 positions would still remain to be filled by persons who reside outside of the market area (149 new jobs -121 jobs filled by local residents = 28 positions to be filled).** The 28 persons represent those who might possibly move to the area and be in need of housing. Even in this most optimistic circumstance, one in which the majority of new jobs would be filled by local residents, a need for new housing would exist because the employment pool in the market area is not big enough to fill all of the 149 predicted new jobs. Because most people have the desire to live within 20 minutes or less of their job (as evident from data on commuting times of workers), there is a good chance that the newcomers will want to move into the market area to be closer to Port Westward. The greater the number of new jobs that are secured by persons who do not currently reside within the market area, the greater the demand for housing will be. It can be inferred in this scenario that a minimum of 28 housing units could be needed by new workers at Port Westward who previously resided outside of the market area.

Under a second scenario the positions to be filled by engineering occupations is examined. More than one-third of the 149 predicted new jobs are expected to be filled by engineers (51 engineers). A maximum of 51 persons residing in the market area in 2000 were working as engineers. It is extremely unlikely that all or even a majority of them would be available to fill all of the engineering positions in the industries at Port Westward in 2006. However, **applying the same 8 percent unemployment rate as in the first scenario, only a maximum of 4 engineers would be available for new work. If they all happen to secure positions at Port Westward, still 47 engineering positions would be available and would be filled by persons residing outside of the market area (51 new engineering positions – 4 unemployed engineers = 47 additional**

**engineering positions**). As many as 47 engineers would potentially be in need of new housing close to work at Port Westward.

### **Temporary Workers**

As mentioned above, at least 900 workers are expected to be working on the three projects for the 18-24 month construction period. In the 2000 Census, 275 persons residing in the market area reported their occupation to be construction related. **Even if all 275 construction workers were available for work, 625 would still be needed to fill the jobs needed to complete the construction of the three industries slated for development in Port Westward (900 temporary positions available – 275 construction workers residing in market area = 625 minimum works from outside the market area)**. Consequently, most of the construction workers will have to be come from out of the area. Out of the 600 or more construction workers that will temporarily employed at Port Westward, it is probable that some will be compelled to settle in the Clatskanie area if there were available affordable new housing at least temporarily if not permanently. If only 5 percent of the constructions workers decided to move to Clatskanie, 31 housing units would be needed. And at the least the temporary workers would be in need of temporary housing for the duration of the construction period.

### **A Fourth Possible New Industry to Locate at Port Westward**

Negotiations for a fourth energy industry locating in Port Westward have been taking place recently. Cherry Point Energy is exploring the possibility of building a liquefied natural gas plant. If the plant is developed, it is estimated that 60-70 permanent employees would be hired to operate and maintain the facility. A 2-year construction phase is predicted which means a few hundred additional construction workers could temporarily be working in the Port Westward vicinity. The project is still in the negotiating phase, however, if another industry is developed, it would create further need for housing in the Clatskanie area.

### **Affordable Housing**

Another source for the demand of new housing could be from those who are living in conditions that are not affordable. An affordable housing condition is defined as one where no more than 30 percent of income is spent on housing costs. A household spending more than 30 percent of its month income on monthly rent, or mortgage, taxes and insurance is referred to as being cost-burdened and are in need of affordable housing. Affordable housing is not necessarily low-income housing.

In 2000, 600 households in the market area, or 15 percent of all households, lived in a situation that was not affordable. One-hundred twenty of the cost-burdened households were located in Clatskanie. More renter households were cost-burdened than owner occupied households in Clatskanie. In the market area the opposite was true – there were more owner-occupied cost-burdened households.

Most cost-burdened households are low income and a relatively small percentage of all households with income above \$35,000 per year were cost-burdened. However, **92 households in the market area whose income was \$35,000 or greater were in need of affordable housing in 2000.** Unless household income has increased at a higher rate than housing costs from 2000 to 2003, the number of households in need of affordable living conditions is assumed to currently be at about the same. **Even if all 39 new housing units built since 2000 were affordable, 53 affordable housing units would still be needed in the market area.**

Table 18. **Cost-burdened Households, 2000**

Household Income	Renter Occupied		Owner Occupied		Total	
	Clatskanie	Market Area	Clatskanie	Market Area	Clatskanie	Market Area
Less than \$20,000	61	215	19	146	80	361
\$20,000-\$35,000	9	51	19	96	28	147
\$35,000-\$50,000	0	0	11	46	11	46
\$50,000-\$75,000	0	0	1	35	1	35
\$75,000 or more	0	0	0	11	0	11
Total	70	266	50	334	120	600

### **Affordable Housing for New Workers**

#### **Estimated Income of New Workers and Monthly Affordable Housing Costs**

Using the wage amounts for various occupations of those currently employed in Columbia County, the income was estimated for the assumed new workers' occupations.

It is estimated that more than half of the new workers employed at the three planned industries at Port Westward will be earning an annual salary of \$35,000 or less. Over one-third are estimated to make \$60,000 or less. The average salary for all of the workers in the assumed occupations is almost \$45,000 per year.

The monthly housing costs that are affordable for each income category is displayed in the table below. The range of housing costs for each category represents 30 percent of monthly income.

Table 19. **Affordable Housing Costs by New Workers' Estimated Salaries**

Annual Salary	Estimated Number of Workers	Monthly Affordable Housing Costs
Less than \$20,000	12	\$500 or less
\$20,000-\$35,000	75	\$500-\$875
\$35,000-\$45,000	6	\$875-\$1,125
\$45,000-\$60,000	5	\$1,125-\$1,500
\$60,000-\$75,000	43	\$1,500-\$1,875
\$75,000 or more	8	\$1,875 or more
Average Salary	\$ 44,765.04	\$ 1,119.13

There are several factors that affect monthly housing costs for homeowners. The price of a house that an individual can afford to buy also depend on these factors. The amount of the loan needed to purchase the house, the duration of the loan, the amount of money put down thereby affecting the amount of the loan required to purchase the house, interest rates, mortgage insurance, the property tax rate, and the cost of homeowners insurance all determine what monthly housing costs will be.

Based on the average wages for the predicted new jobs at Port Westward, and assumed monthly amounts for property tax (\$200-300), homeowners insurance (\$40), monthly mortgage costs on a 30-year loan 6.0% interest rate (\$877-\$951 with mortgage insurance), and 15 percent to no money down on the mortgage loan, the average estimate value of affordable housing for the workers is around \$140,000-\$165,000.

For the workers with higher wages, those who have salaries of \$60,000 per year or more, (based on similar rates and methods as used above) the estimated affordable housing price is at least \$180,000.

### **Georgia Pacific Wauna Paper Mill**

Recently about 100-110 new jobs were created at Georgia Pacific's Wauna Paper Mill which is located in the northeastern part of Clatsop County and only about 10 miles west of Clatskanie. Most new workers were drawn from the local employment pool and there was little impact on housing in the market area. Clatskanie was the source of about 6-10 homes to the new employees. Westport, the residential community near the paper mill virtually was not impacted by the new workers. Some of the new workers commute to rural communities west of the mill and to the coast. It is believed however, that the majority of new workers were already established in living situations in the market area or in neighboring areas.

The Wauna Paper Mill employs approximately 1,100 workers whose average wage is about \$60,000. Many of the employees commute from homes that are distances much further than Clatskanie, perhaps due to the lack of desirable housing opportunities in the Clatskanie area.

### **Conclusions**

Population growth rates are higher in Clatskanie than in other areas in the market area. Based on recent population growth trends alone, it is estimated that 1,696 persons will be residing in Clatskanie by 2006. Persons moving into the market area for new jobs or other reasons are more likely to move to Clatskanie than to other parts of the market area based on population trends. Additionally, most people prefer to be close to the conveniences in the city rather than having to drive distances to access stores and services. With the old age of the majority of housing units in the market area and the probability that most are not updated, newcomers to the area would be drawn to occupy new and affordable housing.

While it is hard to predict how many new residents there will be in Clatskanie in the near future, based demographic and socio-economic trends in Clatskanie and the market area, and an estimation of new jobs in Port Westward, sources for potential newcomers and occupants of new housing are listed below. The sources that potential population are generated from may overlap one another.

**Newcomers to Clatskanie based on population growth trends:**

- An estimate of 86 new residents by 2006

Applying the 2000 average number of persons per household (2.5), 34 housing units will be needed.

**New permanent workers coming to work at Port Westward from outside the market area by 2006:**

- An extreme minimum estimate of 28, but
- A more likely minimum of 47

Assuming one housing unit for each worker alone or for each worker and their families, in an extreme situation a minimum 28 housing units will be needed. More likely, however, there will be a need for at least 47 housing units for the new workers. These workers are those predicted to have the higher wage positions and be able to qualify for housing with value of at least \$160,000 or more.

**Temporary workers coming to work at Port Westward from outside the market area:**

- A minimum estimate of 600

Assuming a low 5 percent of the temporary workers deciding not to commute from outside of the market area to work at Port Westward, at one housing unit per worker, 30 housing units will be needed.

**Workers with a desirable commute time:**

An average of 14 percent of workers commute 10-14 minutes to work - the number of minutes it would take to commute from Clatskanie to Port Westward. If 14 percent of the new workers at Port Westward follow the same behavior, 21 could live in Clatskanie and have the same commute time (149 new workers \* 14% who commute 10-14 minutes to work = 21 living in Clatskanie).

**Existing residents in need of affordable housing in the market area:**

- Over 300 owner-occupied households, of which 92 households had income of at least \$35,000, and 46 had income of at least \$50,000.

Unless the 92 households living in unaffordable housing conditions in 2000 moved and are the new occupants of the 39 housing units built since 2000, this shows a need for 92 affordable housing units. Forty-six housing affordable units are needed for households with income of \$50,000 or more. Housing that is considered affordable for those with income \$50,000 and over is valued at over \$165,000.

**Existing residents in over-crowded living situations:**

- At least 62 existing overcrowded owner-occupied households  
This shows a need for larger housing.

**Existing residents wanting to move up into newer, perhaps larger housing:**

Another market source for new housing is from the current residents of Clatskanie and the market area. It is likely that some residents would like to move to larger and new housing. Little growth of new housing units is currently occurring and the vast majority of the housing stock in the Clatskanie area is older, modest and probably not updated.

If the development of the planned new industries are completed, population growth in Clatskanie is certain to occur and the demand for new housing will exist. Based on the expected number of residents and new workers that will be in the Clatskanie area by 2006, and the current housing inventory and characteristics of households, the need for housing units is estimated to be in the range of about 25 at minimum to over 100. Considering population trends and the types of workers that are predicted to be permanently employed in industries at Port Westward alone, the need is anticipated to be around 30-50 housing units. If new industries, in addition to Cascade Grain, Summit Westward Energy, and PGE Port Westward Power Plant, were to be developed in the area, the need would be greater.

Persons coming from outside of the market area to work at the new industries in Port Westward potentially would want to reside close to work. Clatskanie is the closest community to Port Westward with minimum constraints on housing density which means the development of a neighborhood of new homes, or a sub-division is possible. The city offers the convenience of business, services, schools, and recreation without having to drive great distances. Availability of attractive housing with adequate space in Clatskanie would provide the option for people employed at Port Westward industries to live close to work. Currently there is a lack of new, spacious, and updated housing in the Clatskanie area. New or updated dwellings with amenities and space are typically more desirable and are in higher demand than outdated smaller housing. Most likely a new housing sub-division in Clatskanie would attract the new workers in the Port Westward industrial area and also those who already work in the market area but are required to commute long distances. Additionally, current residents would be given the opportunity to move up and improve their living situation.

## **Appendix 1 Sources**

The sources used for compiling and reporting information for this study are listed below. Data were obtained from reports and documents, or from communication with individuals employed in the governmental agency or community organization.

U.S. Census, 2000 Census of Population and Housing  
Population Research Center, Population Estimates Program  
Oregon Economic and Community Development Department  
Oregon Employment Department  
Port of St. Helens  
Columbia County Land Development Services Department  
Clatsop County Community Development Department  
Clatskanie Chamber of Commerce  
City of Clatskanie  
Windermere Realty  
Oregon Realtor Multiple Listing Service  
Herb Clifford Realty  
John Stennick Realty  
Stimson Lumber Co.  
Oregon Department of Education  
PGE  
Mortgage 101.com  
The Clatskanie Chief Newspaper  
Conversations with local residents