

Pandemic, supply chain issues inflare workforce housing crisis

Posted on Tuesday, Dec 6, 2022

An expert with UW-Madison says the pandemic and supply chain disruptions have inflamed an existing workforce housing crisis in the state.

Kurt Paulsen, a professor of urban and regional planning with the university, says the cost of building new housing has risen by 35 percent in the past two years.

“It’s been a slow-burning crisis for the last 20 years, but then you just add on COVID and the supply chain and that just flames everything up,” he told WisconsinEye yesterday during an interview.

He was joined by Wally Orzechowski, executive director of the Southwestern Wisconsin Community Action Program. They agreed that the shortage of workforce housing harms low-income workers and their families the most.

Orzechowski noted many Wisconsin residents end up with a long commute if they’re unable to find affordable housing near where they work, placing more of a burden on those with an already tight budget. His organization is focused on supporting low-income residents in the region.

“You’re paying for gas and wear and tear on your vehicle, and that adds to the additional cost to the family that’s struggling anyway ... their child care comes into play, and all kinds of other factors come into play,” he said. “So it’s not a good thing.”

WisEye’s Lisa Pugh, who moderated the interview, noted many communities in the state have more open jobs than available housing units. For example, Waukesha County has a ratio of 1.37 open jobs for every available home or housing unit. Other counties with a similar ratio include Brown, with 1.33; Dane, 1.32; and Outagamie, 1.31.

Paulsen explained this trend puts pressure on the rural housing market as more workers look outside the traditional urban centers for options of where to live. That

leads to higher prices in these areas, and can pose a problem for economic development as well, he said.

“That makes it difficult for employers, right, if you have shift work and people are stuck in the snow or their car breaks down, it’s just hard to keep and retain a workforce,” he said.

He added that builders and developers are more likely to look to urban and suburban areas, where the population density makes it easier to recover costs.

“So one of our challenges is, even though there’s a shortage of housing in rural workforce areas, nobody’s building any housing,” he said.

Orzechowski discussed a workforce housing effort led by the Southwestern Wisconsin Community Action Program in Lafayette County, where more than half of the jobs are supported by agriculture. The Meadows project in Darlington is aimed at supporting ag laborers, many of which are immigrants, he said. Local partners and his organization are building 32 housing units to support this workforce.

“The idea is, not only are we providing housing for a labor force that we and they desperately need to keep the dairy industry going, but also it’s an opportunity to help those farmers being able to recruit and retain their employees,” he said.

See the full interview:

<https://wiseye.org/2022/12/05/newsmakers-the-need-for-workforce/>

-By Alex Moe