

Defining the gap...

A look at the workforce and trends that are affecting it

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President & CEO
October 21, 2022

HUDSON VALLEY
PATTERN
for
PROGRESS



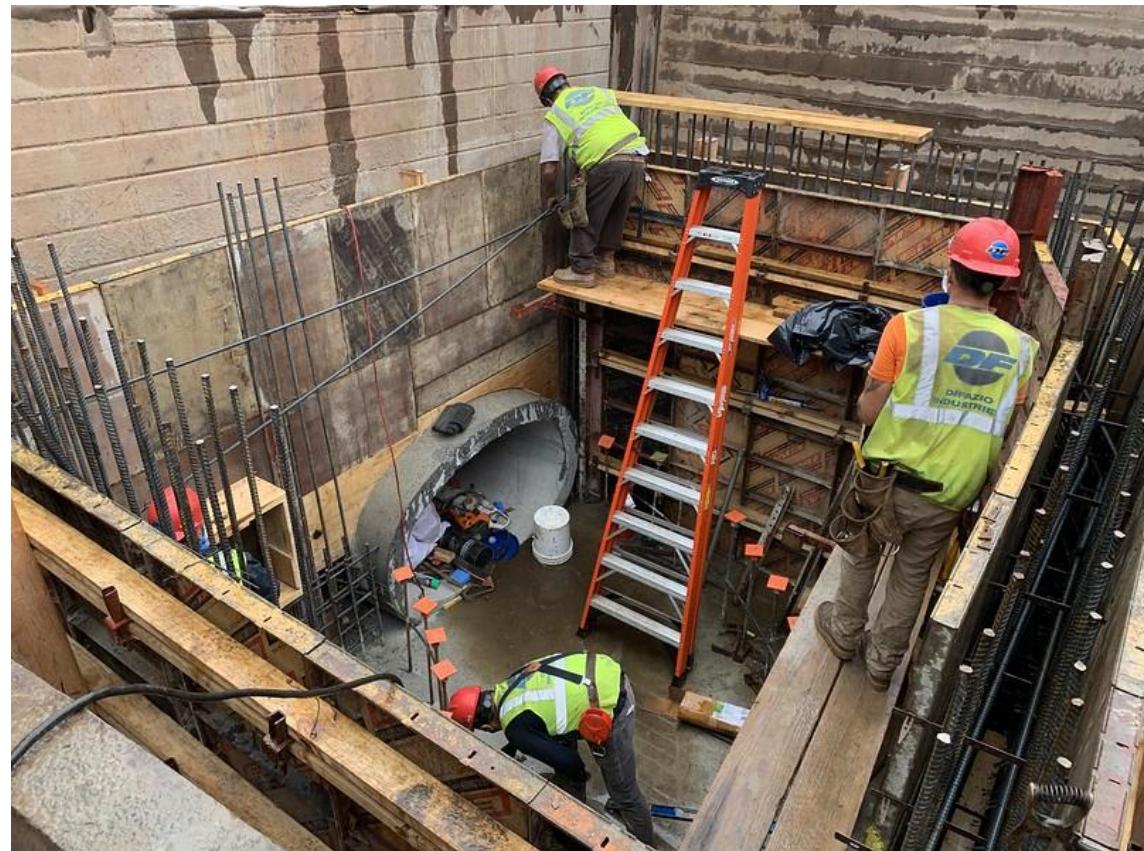
Agenda

- A quick personal story
- Current workforce needs in the region
- The quantity and skill misalignment
- Workforce challenges in the near future
 - Housing
 - Childcare
 - College debt
- The demographic ramifications
- What can we do about it?



Current workforce needs

- Healthcare – doctors, nurses, medical assistants, home health aides, CNAs, respiratory therapists, lab technicians → 40 percent of all job openings
- Food service, tourism and hospitality
- Warehouse workers
- Construction trades
- Drivers with CDL licenses
- Information technology jobs
- Emergency medical technicians
- Wastewater, water treatment and other utility workers
- Administrative and management positions



Sources: Pattern Jobs Connection Task Force; NYS ESD; NYS DOL

Employers vs. Job Seekers

Employers: Difficult positions to fill

Hudson Valley

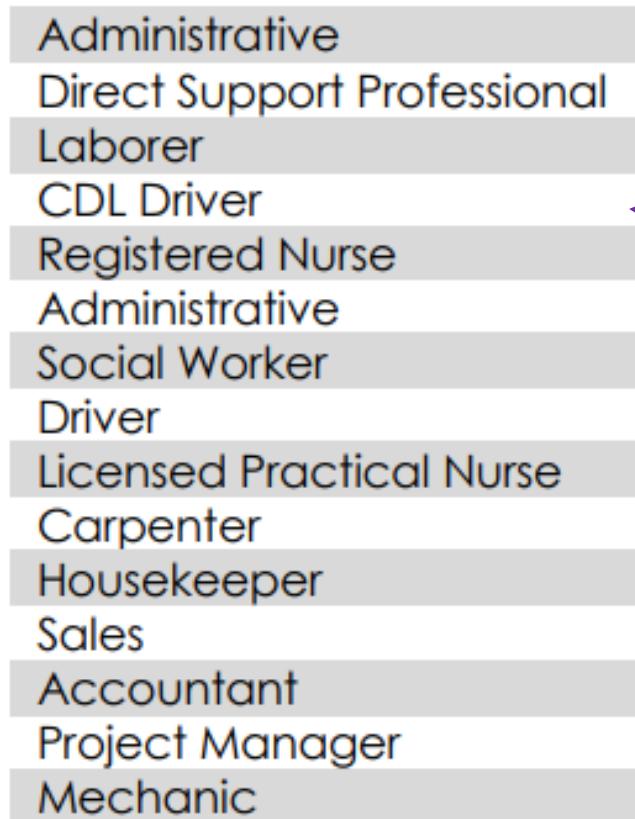
Administrative
Direct Support Professional
Laborer
CDL Driver
Registered Nurse
Administrative
Social Worker
Driver
Licensed Practical Nurse
Carpenter
Housekeeper
Sales
Accountant
Project Manager
Mechanic

Industry	2021		2022	
	Last Job	Seeking Work	Last Job	Seeking Work
Agriculture, Forestry, Fishing	<1%	1%	2%	2%
Utilities	1%	1%	2%	3%
Construction	4%	5%	10%	8%
Manufacturing	5%	5%	5%	4%
Wholesale Trade	1%	1%	2%	2%
Retail Trade	13%	9%	10%	7%
Transportation, Warehousing	7%	7%	6%	6%
Information	2%	3%	3%	4%
Finance and Insurance	4%	4%	5%	5%
Real Estate, Rental & Leasing	1%	2%	2%	3%
Prof., Scientific, Technical	4%	6%	5%	6%
Management of Companies	3%	3%	4%	5%
Admin. & Waste Mgt. Services	4%	5%	3%	4%
Educational Services	6%	6%	6%	6%
Health Care & Social Asst.	16%	18%	13%	11%
Arts, Entertainment & Rec.	5%	6%	5%	6%
Accommodation & Food Svc.	11%	6%	6%	5%
Other Services	8%	7%	7%	6%
Public Administration	3%	6%	6%	6%

Employers vs. Job Seekers

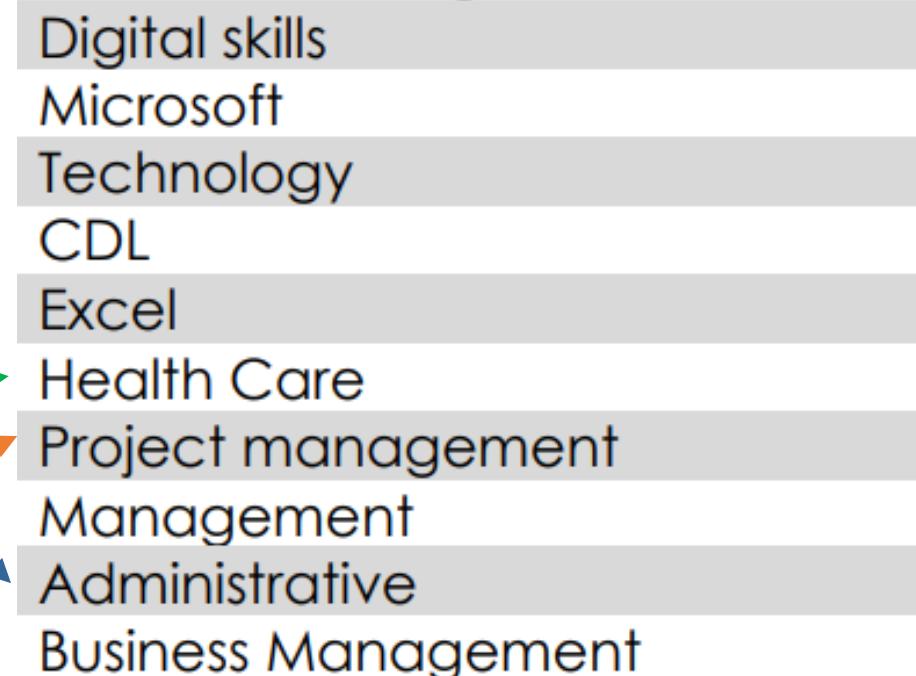
Employers: Difficult positions to fill

Hudson Valley



Job seekers desire training for the following skills

Mid-Hudson Region



Why are we not finding each other?

Barrier to Education	Mid-Hudson	
	Mild	Severe
Cost	19%	36%
I don't know where to start	18%	10%
I'm worried it will be too difficult	17%	8%
I don't know what I need	18%	9%
Lack of available programs	20%	10%
Current loan debt	13%	19%
Child care / family obligations	12%	11%
Don't want to commit the time	10%	3%
Can't give up job at this time	8%	11%

Also....

- Most employers said they rely on word of mouth to find candidates, but job seekers said they don't have a large professional network
- Most job seekers said they lack the right experience, degree, or digital skills to do the job they want
- Logistics like transportation, child care and funding also cited as barriers

Challenges ahead

- Housing – the Hudson Valley has built less housing than other comparable areas across the country, while constriction in the supply and migratory forces have caused prices rise significantly
- Child care – the high cost of this service is keeping women out of the workforce, causing young families to have fewer children, and is equivalent to a mortgage payment for some families
- College debt – continues to weigh down many young families, preventing them from saving for the down-payment for a home or affording children
- Demographics – our region is having fewer children, losing young people to outward migration, and facing a retirement wave from the Baby Boomers

The Pandemic Created a Child-Care Crisis. Mothers Bore the Burden.

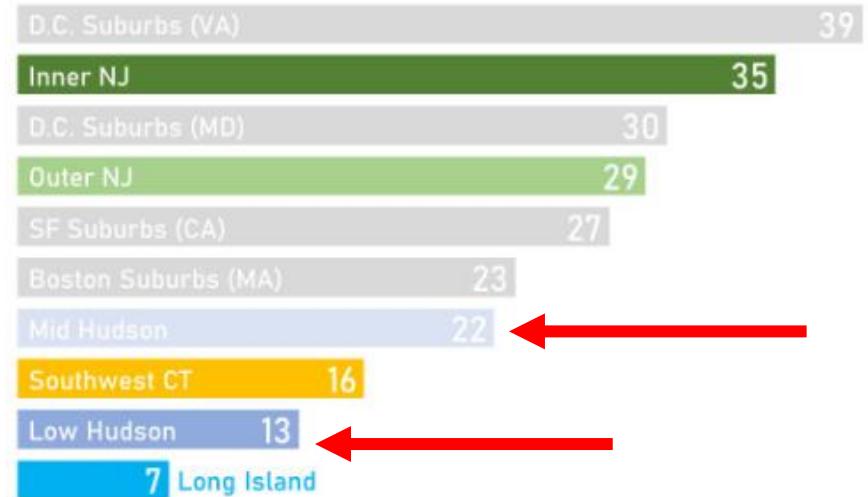
By Claire Cain Miller Photographs by Bethany Mollenko
May 17, 2021

This generation of women had achieved what no other had. They were part of a monumental shift in the roles women could play in American society that began in the late 1970s and continues today — “[the quiet revolution](#),” the economist Claudia Goldin calls it. In 1955, women were one-third of the American labor force — they were unlikely to attend college, and if they worked, they were mostly limited to certain jobs, like teacher or secretary. That share slowly expanded until, in January 2020, women achieved a milestone: They made up [more of the work force](#) than men.



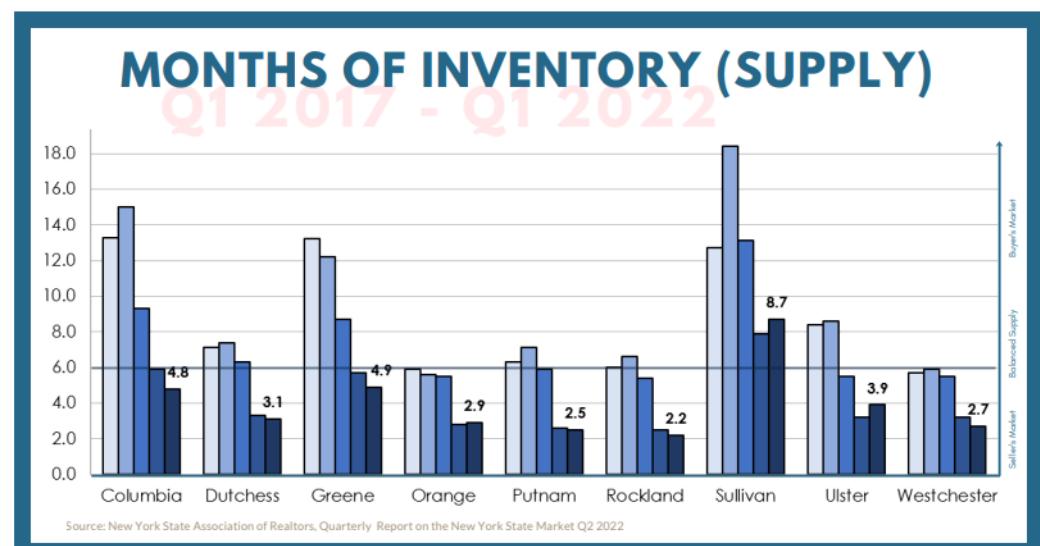
Home ownership

- Housing activity and affordability usually leads to commercial
- For two decades, our region has built less housing than comparable metro suburbs
- The cost of homes have skyrocketed in recent years due to several factors
 - Constriction in the supply
 - Migration and competition driven by the pandemic
 - Cost of materials, labor and supply chain shortages
 - And now...rising interest rates
- Columbia, Dutchess, Greene all have less supply than a healthy housing market, which has 6 months
- Median sale price up about \$100,000 in past two years → now at \$325K - \$415K



Suburban Housing Units Permitted per 1,000 Residents, 2012-2021

Sources: U.S. Census Bureau BPS Annual Files; NYC DCP Housing Database v22Q2; U.S. Census Bureau 2020 Redistricting Data



Rental housing

- The high cost of housing has pushed many more people toward rentals → many cannot save for the down payment and closing costs
- Fair-market rents across the Hudson Valley remains unaffordable for renters who are the average hourly wage in each county
- Cost burdened if they spend more than 30% of income on housing → severely cost burdened if more than 50%
- The typical renter in Columbia, Dutchess, Greene falls \$970-\$1,582 short each month of making rent and adequate but modest living costs
- Must have a roommate, a spouse, a severely restrained standard of living, or gov't assistance
- Often cannot participate in the economy in other ways through the purchase of goods and services

OUT OF REACH HUDSON VALLEY 2022

AN ANNUAL REPORT FROM PATTERN FOR PROGRESS

Hudson Valley Pattern for Progress and its Center for Housing Solutions & Community Initiatives have analyzed rental housing and wage data for many years, providing statistics and trends to support communities, builders, and non-profit agencies in their efforts to develop and provide housing that is affordable in the region.

Our annual Out of Reach (OOR) Report illustrates the affordability of rental housing throughout the nine counties we serve: Columbia, Dutchess, Greene, Orange, Putnam, Rockland, Sullivan, Ulster, and Westchester.



Rental housing

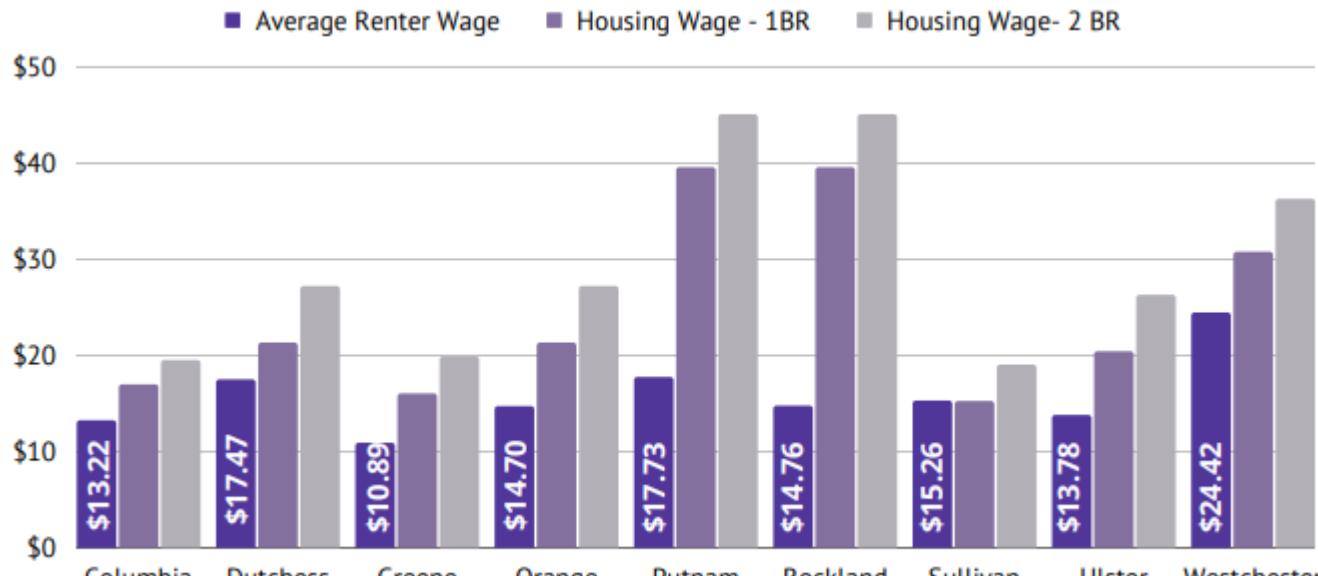


Chart 1. Average hourly wages per county alongside Housing Wages for 1-BR and 2-BR FMR. Source data: NLIHC 2022.

Actual wages versus housing wage to prevent being “cost burdened”

Percent AMI for average renter

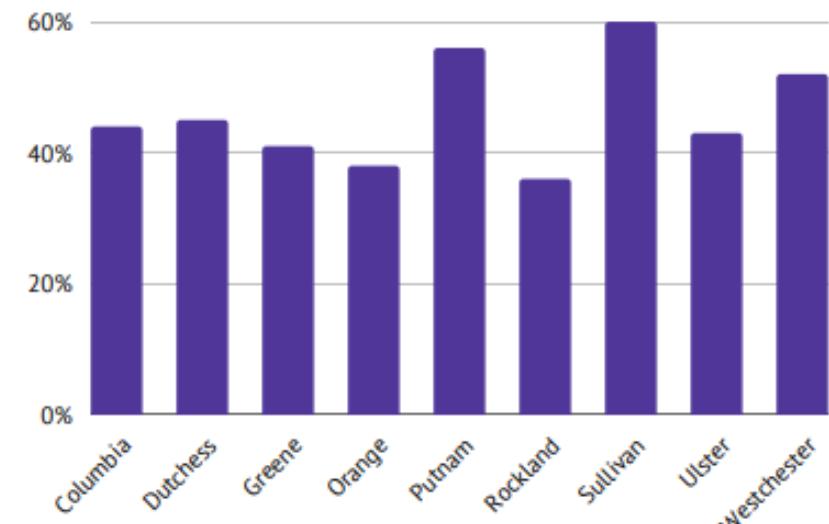


Chart 2. Estimated % AMI for average renters working 40 hours per week. Source data: NLIHC 2022.

Rental housing and cost of living

OUT OF REACH: COST OF LIVING

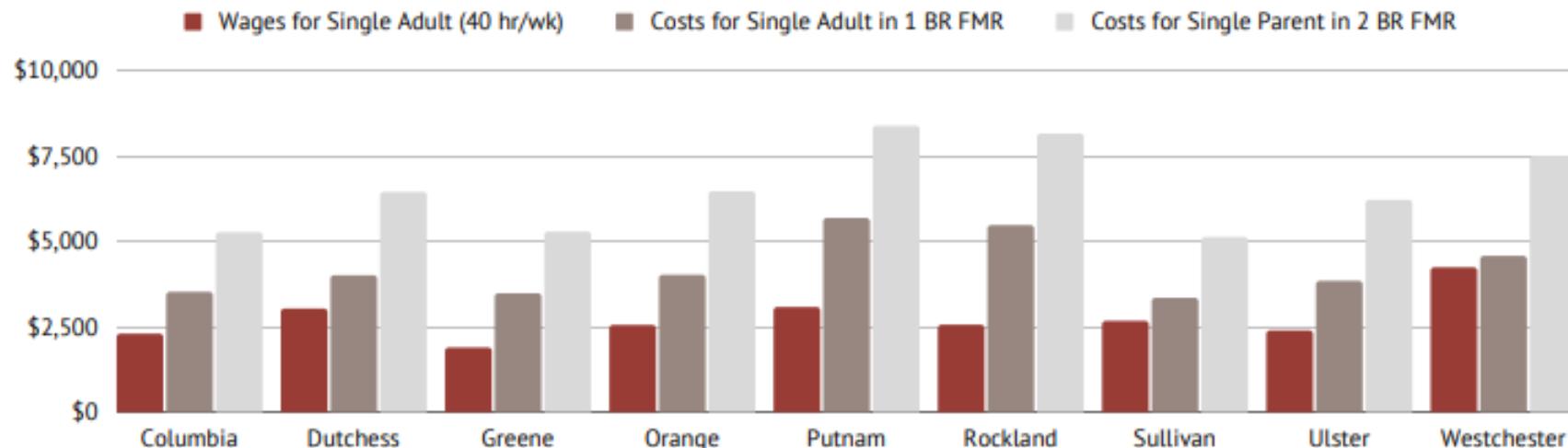


Chart 5. Monthly wages for a single adult alongside monthly costs for single adults and single parents. Sources: NLIHC 2022; EPI 2022.

- Pattern examined fair-market rents combined with modest yet adequate living expenses
- Single renters cannot afford to live in any of our nine counties without help from a roommate, spouse, working long hours, maintaining a severely restrained standard of living, or government assistance
- Two renters cover a 1BR by about \$300-\$1,000; fall short of a 2BR by about \$300-\$1,500

Childcare

- Childcare costs \$800-\$1,300 per month across the Hudson Valley and Catskills for one child
 - Two children averages around \$2,000
- Access to childcare listed as a major impediment to people returning to work, or training for new jobs
 - Pandemic closures
 - Keeping women out of work
 - The unintended consequences of universal pre-K
- 80 percent of childcare workers earn below a living wage in New York
- In the greater Buffalo area 31% of child care workers rely on Medicaid, 19% are eligible for public assistance income, and 18% receive SNAP benefits
- The model of governance for good, affordable childcare is broken and we must fix it



When schools and child care centers shut down last spring, 5.1 million American mothers stopped working for pay. Today, 1.3 million of them remain out of work.

Sources: Cornell University, National Women's Law Center, U.S. Census Bureau, Economic Policy Institute

College debt

- The profile of college debt in New York
 - \$90.3 billion in total student debt
 - \$37,600 average loan balance
 - Student loan debt has increased by 24% over the last five years
 - Two children averages around \$2,000
- Of the 43.4 million borrowers nationwide, 21.3 percent owe more than \$50,000
- Average monthly student loan payment \$393 → nearly \$800 for a young couple
- Childcare + student debt \simeq \$2,000/month = \$24,000/yr

County	Columbia	Dutchess	Greene
Two-renter income	\$54,984	\$72,672	\$45,312
Minus childcare and debt	\$30,984	\$48,672	\$21,312
AMI	\$88,700	\$115,700	\$79,000
Minus childcare and debt	\$64,700	\$91,700	\$55,000

Balance in 2021Q4	Number of Borrowers	Percent of Borrowers
betw \$1 and \$5,000	7,284,200	16.8%
betw \$5,000 and \$10,000	6,757,100	15.5%
betw \$10,000 and \$25,000	11,524,900	26.5%
betw \$25,000 and \$50,000	8,669,100	19.9%
betw \$50,000 and \$75,000	3,985,600	9.2%
betw \$75,000 and \$100,000	1,928,900	4.4%
betw \$100,000 and \$150,000	1,641,200	3.8%
betw \$150,000 and \$200,000	764,500	1.8%
\$200,000+	911,700	2.1%
Total Borrowers	43,467,200	

Sources: NY Federal Reserve, Rockefeller Institute, HUD, U.S. Census Bureau

Demographics

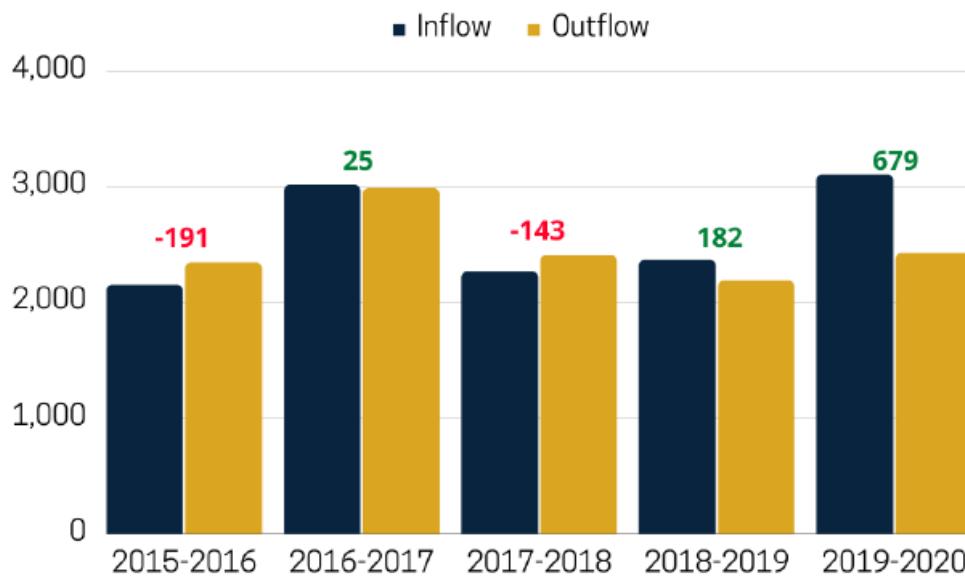
Live births in Columbia County	
Year	Births
1997	664
2000	661
2010	595
2019	479
Change 1997-2019	- 185 (-27.9%)

Live births in Dutchess County	
Year	Births
1997	3,399
2000	3,340
2010	2,867
2019	2,699
Change 1997-2019	- 700 (-20.6%)

Live births in Greene County	
Year	Births
1997	491
2000	479
2010	461
2019	360
Change 1997-2019	- 131 (-26.7%)

Demographics

Columbia County



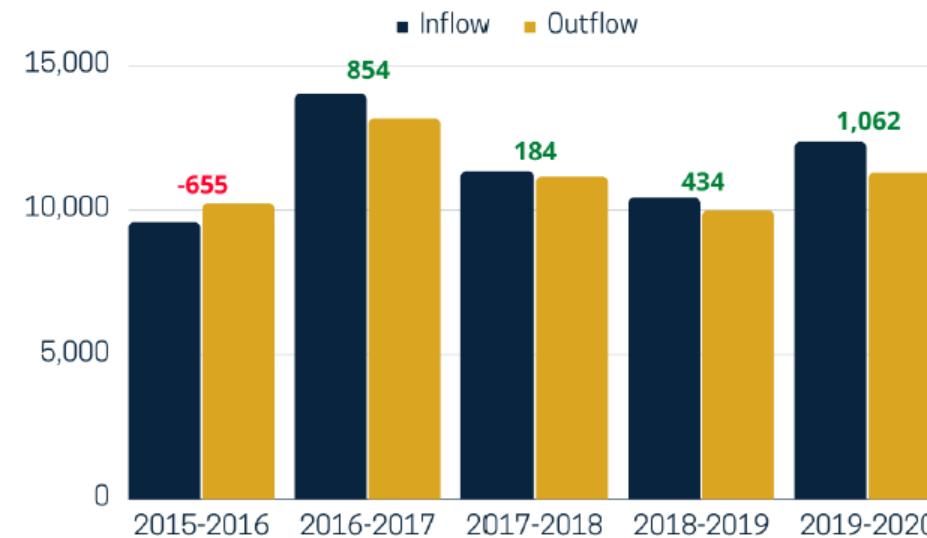
Columbia County Outflow		
County	State	Number of People
Rensselaer County	NY	291
Albany County	NY	218
NYC Counties	NY	134
Berkshire County	MA	81
Saratoga County	NY	55
Schenectady County	NY	38

* Note: Counties are not included when the migration to/from them is fewer than 20 people.

Columbia County Inflow		
County	State	Number of People
NYC Counties	NY	1,091
Rensselaer County	NY	174
Albany County	NY	131
Berkshire County	MA	81
Long Island Counties	NY	37
Schenectady County	NY	36

* Note: Counties are not included when the migration to/from them is fewer than 20 people.

Dutchess County

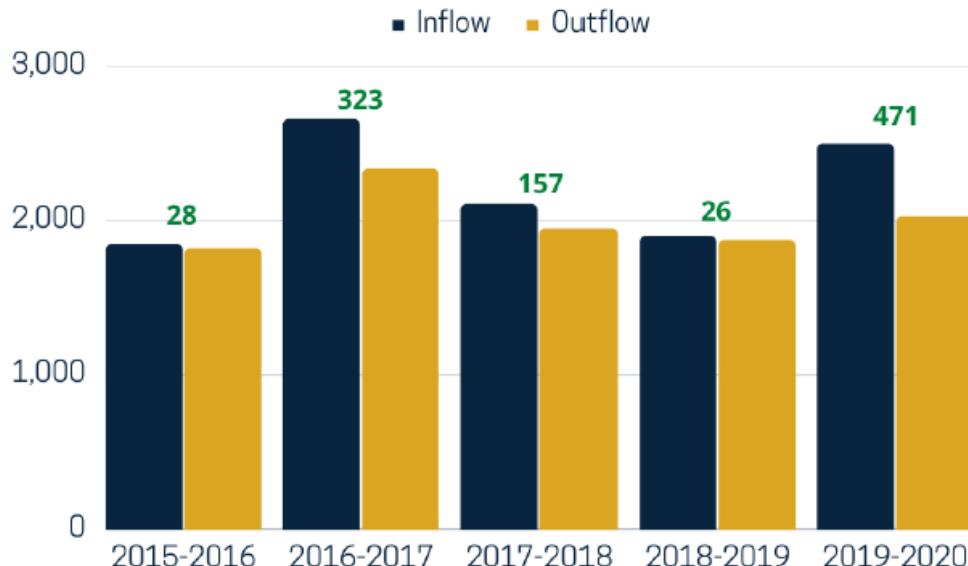


Dutchess County Outflow			Dutchess County Inflow		
County	State	Number of People	County	State	Number of People
NYC Counties	NY	951	NYC Counties	NY	5,906
Fairfield County	CT	317	Fairfield County	CT	234
Litchfield County	CT	183	Long Island Counties	NY	513
Horry County	SC	176	Albany County	NY	111
Long Island Counties	NY	165	Litchfield County	CT	101
Albany County	NY	126	Hudson County	NJ	84
Palm Beach County	FL	111	Bergen County	NJ	62
New Haven County	CT	99	Los Angeles County	CA	55
Middlesex County	MA	69	New Haven County	CT	55
Wake County	NC	66	Essex County	NJ	46

Sources: Internal Revenue Service

Demographics

Greene County



Greene County Outflow		
County	State	Number of People
Albany County	NY	432
NYC Counties	NY	127
Rensselaer County	NY	78
Saratoga County	NY	47
Schenectady County	NY	40
Schoharie County	NY	37

* Note: Counties are not included when the migration to/from them is fewer than 20 people.

Greene County Inflow		
County	State	Number of People
NYC Counties	NY	566
Albany County	NY	248
Long Island Counties	NY	94
Rensselaer County	NY	62

* Note: Counties are not included when the migration to/from them is fewer than 20 people.

Sources: Internal Revenue Service

Demographics

	New York State		Mid-Hudson	
	Population	Percent	Population	Percent
Age				
Age 24 & Under	5,865,692	30.1	741,804	31.9
Age 25 – 34	2,865,358	14.7	270,544	11.7
Age 35 – 44	2,428,957	12.4	278,811	12.0
Age 45 – 54	2,548,713	13.1	323,297	13.9
Age 55 – 64	2,584,427	13.2	318,675	13.7
Age 65 & Over	3,221,702	16.5	388,835	16.7

The Hudson Valley has a workforce math problem...

641,972 people in the two oldest workforce cohorts – 549,355 people in the two youngest =

A 92,617 difference in the size of the potential labor pool

Conclusions

- There is misalignment between the workforce we need and the workforce we have
 - Quantity and sector misalignment
- The greatest number of openings tend to be in jobs that do not require a four-year degree
 - Construction trades, hospitality, warehouse, drivers, lower end medical services
- The cost of housing, childcare, college debt and other expenses are making it hard for young families to live here
 - They leave or they have fewer children, which exacerbates our workforce shortage
 - We are not building enough across the entire spectrum of housing
- The pandemic and other forces have created a generational change in the desires and expectations of the workforce
 - More time off and schedule flexibility is the top priority



Business will not come to the Hudson Valley and Catskills if we do not have a workforce to fill their open positions, and the housing, childcare and other supportive services to sustain that workforce.

What can we do?

- Set the conditions that encourage more housing
 - Modern zoning, review times, building up and encouraging density where it is appropriate, and services are available
 - Missing middle housing
- Get serious about solutions to childcare
 - Pattern to study governance and service-delivery models through an independent research project in 2023
- School districts need to be part of the conversation
 - How are they working with local leaders to understand the workforce needs?
 - How can we identify kids who are not going to college and connect them with jobs in sectors that direly need them?
- Meet people where they are to bridge the gap between workforce supply and demand
- Understand that we need the full spectrum of workers to sustain our local economy → not just the people at the top



Questions?



**Hudson Valley
Pattern for Progress**

Presents

Our Annual Event

A Regional Welcome To Four New College Presidents
A chance to speak to academic leaders about the education and training our next generation workforce needs to meet the demands of our region.


SUNY DUTCHESS
Peter Grant Jordan, Ed.D.


MARIST COLLEGE
Kevin C. Weinman, Ph.D.


SUNY NEW PALTZ
Darrell P. Wheeler, Ph.D.


SUNY ULSTER
Alison Buckley, Ed.D.

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WEDNESDAY, NOVEMBER 2, 2022
5:30 P.M. - 8:30 P.M.

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**HUDSON VALLEY
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HUDSON VALLEY PATTERN for PROGRESS

THE PATTERN FELLOWS PROGRAM

2022 - 2023

OUR SHARE OF THE REGION

An expert review of the Hudson Valley and our part in making it work

We invite you to join the The Pattern Fellows, a regional leadership training program for mid-career professionals. The program develops regional leaders by helping participants look beyond their personal areas of expertise, exposing them to regional thinking about their roles in the growth, equity and sustainability of the Hudson Valley.

During its 16th year the program will focus on "Our Share of the Region: An expert review of the Hudson Valley and our part in making it work." Pattern staff and expert guests will teach participants about the essential topics that drive the Hudson Valley now and in the future. Those topics include the following:

- Housing
- Water
- Healthcare
- Transportation
- Tourism
- Energy
- Solid waste
- Zoning and land use....and more!

Pattern fellows will collaborate with special guests to explore the challenges, opportunities and jobs connected to each topic. Fellows will also utilize research to consider the broader community's role in each topic. In addition, Pattern experts will teach special skills classes on communication, research skills, leadership and more.

We look forward to having you as a member of the 2022-2023 class of Pattern Fellows!

APPLY NOW
Pattern-for-Progress.org/Fellows

NOMINATE

Do you know an incredible emerging leader in your organization? An inspiring person from your community who should be a Pattern Fellow?

Tell us about them!
Pattern-for-Progress.org/Nominate

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