

# SNOQUALMIE VALLEY RECORD

## Lack of transit, housing crisis and pandemic fuel local labor shortage

There are nearly 3,000 unfilled positions in the Snoqualmie Valley.

By [Conor Wilson](#) • November 23, 2021 5:30 am



*Tony Persson, general manager of the North Bend Ace Hardware. Conor Wilson / Valley Record*

Staffing numbers have been OK the past few months for Tony Persson, general manager of the Ace Hardware in North Bend.

Although nearly 10% of the store's positions remain vacant, Persson has managed to wrangle together enough high school and college students to pick up needed hours and prevent his store from closing like it did early in the pandemic.

"It's really been a lifesaver for us that these young people have been willing to work while they're in school," he said. "Without them, I don't know what I would have done."

Ace Hardware is one of dozens of businesses in the Snoqualmie Valley feeling the effects of a nationwide worker shortage that has hit the Valley particularly hard.

There are an estimated 3,000 vacant positions across the Snoqualmie Valley, with fears that businesses will close or move out if labor is not found soon.

"We heard from the very beginning when COVID started that businesses were desperate for people to work," said Kelly Coughlin, the executive director of the Snoqualmie Valley Chamber of Commerce. "It is the most important time to support mom and pop stores. It's critical now more than ever."

A month after the pandemic broke out, the Washington unemployment rate more than tripled, reaching 16%, according to the U.S. Bureau of Labor Statistics.

As of September, the state's unemployment rate is at 4.9%, the lowest it's been since Feb. 2020. However, the actual employment rate is likely much higher because it does not count those who have stopped looking for work.

Impacts on Valley businesses have been wide-ranging over the past few months, with some only needing to make minor adjustments for being short staffed, while others have had difficulties remaining open.

Coughlin said several restaurants, including coffee shops and fast food, have closed indoor dining because they lack extra staff to check the vaccination status of their guests, which is required in King County.

"If you drove through Fall City Saturday, most restaurants didn't seat tables or have enough staff to be open," said Angela Donaldson, the president of the Fall City Community Association. "We need to drive more applicants into town."

Jay Blucher, owner of Farmhouse Market, an independent grocery store in Fall City, said he is down to 16 employees and could easily hire four more workers. Recently, he said, his new hires have been more college-aged than in prior years.

"Most of the success we've had [in hiring] is people who already live here," he said at a meeting of Fall City business owners. "We had plenty of applicants two years ago. Since then, we've really had to get creative without a lot of success."

Even large businesses have felt the impact of the labor shortage. The Snoqualmie Casino, one the largest employers in the Valley, has struggled to find workers, according to Maria Boggs, the casino's director of human resources.

The casino currently has 70 open positions. In October, the casino hosted a job fair in Maple Valley. Although the casino has participated in off-site job fairs before, it was the first off-site fair the casino held itself. Boggs said they did not get as much traffic as desired, but they received applications from half of those who attended.

"Unfortunately, I know in speaking with fellow HR colleagues that we are not alone in this struggle," she said. "Our overall numbers are about the same as this time last year. We are not quite back to pre-COVID employment numbers quite yet."

### **Causes of the shortage**

The Valley has had a hiring problem for several years, particularly for cooks and waitstaff. High housing costs and a lack of incoming public transit have all served as barriers for low-income workers.

However, the situation has been more dire in the past two years.

"Before the pandemic, we were having shortages of people as well, but it's nowhere as bad as it is now," said Coughlin of the SnoValley Chamber.

Although the Valley is not an urban employment center, it has a high demand for service workers, partially due to its dependence on the tourism industry.

There has been speculation about the cause of the labor shortage. Boggs of Snoqualmie Casino said it seems like there is hesitancy from candidates to return in-person work. Some have said the problem has been exacerbated because of increased unemployment benefits.

“What we’re finding as a management team is nine out of ten people we call aren’t looking for work, they’re just looking to collect,” said Tony Persson of North Bend Ace Hardware.

Unemployment benefits were extended by the passage of the American Rescue Plan Act in March. The bill extended benefits to those who had not previously qualified and provided \$300 in weekly payments. Federal unemployment benefits ended Sept. 6, with 120,000 Washingtonians losing their benefits, but September job gains were modest.

Washington added 17,600 jobs in September, according to a preliminary report from the Washington State Employment Security Department. That is 1,200 more jobs gained than in August, but significantly less than gains made in prior months. In June and July, for example, the state added over 25,000 each month.

Coughlin said workers in the Valley are being stretched thin. Workers have also been heavily criticized for complying with the state’s COVID-19 vaccine mandate, she said, which requires those in most indoor spaces to be vaccinated or have a negative test within 72 hours.

“These workers are only getting five minute breaks, they’re working seven days a week, and then people are coming in and being hateful,” she said. “Right now it’s a nasty environment for our workers.”

Some have said the labor shortage can be more accurately described as workers escaping often demanding and low-paying environments. Perhaps no industry has experienced this to a greater degree than the childcare industry, which saw huge numbers of workers leave the industry during the pandemic.

“There’s a lot of factors. The pay is very low, the hours are long and now with COVID, children can’t be vaccinated, which makes it even harder,” said Nela Cumming, the executive director of Encompass NW. “Some staff will say, ‘hey I don’t want to put myself at risk with this low pay.’”

Low-income workers have been hit particularly hard by the pandemic, according to a study by the Pew Research Center. Employment among these workers fell by almost 11% between Feb. 2020 and Feb. 2021. That is more than double the fall of middle-income workers.

In August, a record 2.9% of the nation’s workforce quit their jobs, according to the U.S. Bureau of Labor Statistics, including 6.4% of those in leisure and hospitality positions.

Residents also left the Valley in record numbers during the pandemic, which could be contributing to the problem. There were an estimated 700 new residents on the Snoqualmie Ridge alone. There was also high turnover in North Bend and Fall City.

When the pandemic struck, lots of residents moved out, Coughlin said, in favor of more affordable housing elsewhere. She said this included many families with working age children and many low-income workers who had been sharing or renting out rooms. They were replaced by primarily high-income families.

According to a 2019 Snoqualmie Valley Community Needs Assessment report, those living in the Valley who made between \$25,000 and \$43,000, just below \$21 an hour, were burdened or severely cost-burdened by housing prices 91% of the time.

A 2020 study from the University of Washington that looked at self-sufficiency wages, defined as how much a person needs to make to cover basic living expenses, found that a single adult in King County needed to make \$17.61 an hour to get by, well above the state average of \$10.86.

In east King County — the richest region of the state — a single adult needs to make over \$21 an hour, and a single parent with a baby needs at least \$39 an hour.

Cynthia Crass, a consultant hired by the Fall City Community Association to address the worker shortage in Fall City, said many of the businesses she spoke with while doing a needs assessment also said their hiring problems began prior to the pandemic, but had become worse.

“Every single person I talked to started with a sigh and you could sense the overall discouragement,” she said. “There’s a lot of discouragement, but we realize there’s no silver bullet, there’s no easy solution, but it’s not a good idea to sit and do nothing. We need to do something.”

### **The transit barrier**

One of the main problems for businesses in the Valley is that those who work low-income jobs are not living near their employer.

“When you look at the people who are paid \$15 to \$16 an hour, those people can’t afford to live here. That means you need buses from areas outside,” said Amy Biggs, the executive director of Snoqualmie Valley Transit (SVT). “When we talk about [low-wage] jobs, it’s not local people. We get local people to local jobs.”

The majority of low-income workers in North Bend and Snoqualmie travel in from other cities like Auburn, Kent, Covington and Maple Valley, where housing is more affordable. The main transportation barrier for these workers is the lack of service between the Valley and South King County along the State Route 18 corridor.

Without a car, it is nearly impossible for these workers to reach the Snoqualmie Valley. Even during peak weekday hours, the bus trip between Auburn to North Bend takes around eight hours. To Biggs’ knowledge, there has never been a bus along Highway 18.

Over the last several decades, King County Metro has slashed most of its bus services to the Snoqualmie Valley in favor of more highly populated, dense urban areas.

Bus 208 is the only Metro bus route to Snoqualmie and North Bend. A 2019 report found this route only connects the Valley to the Issaquah Transit Center every two hours. The report also found service outside of weekday peak hours is nonexistent.

Snoqualmie Valley is 512 square miles, which is one quarter of the land in King County. Most of its homes are spread out and in unincorporated areas that often lack sidewalks and streetlights. All of these produce difficulties for effective public transportation.

Biggs said there is a lack of geographic equity in the county, as the cash-strapped county Metro allocates funding based on ridership numbers, a metric that heavily favors urban areas over rural ones.

“The challenge we have with people trying to get jobs is quite frankly we’re not urban or an employment center,” Biggs said. “What we’re asking of our transit system is to get people here. This is the opposite of what we currently have, which assumes everybody wants to go somewhere else to work.”

In 2017, to address challenges in the Valley, the county started the Snoqualmie Valley Mobility Coalition, a partnership between all six Valley jurisdictions, the Snoqualmie Tribe and other regional partners.

An initial survey from the coalition in 2017 sent to all Valley households found that 82% of people were dissatisfied or extremely dissatisfied with their current transportation options. A 2019 assessment found low-income Valley residents were spending more than 25% of their income on transportation.

“We knew at that point there was a gap,” said Staci Sahoo, director of mobility management for the King County Mobility Coalition. “People need to get to employment, to school, the grocery store and we’re seeing how transportation is part of that solution. When we think of success, we see residents coming into the Valley and transportation isn’t a barrier to everyday life.”

So far, the commission’s biggest work is a five-year transit plan it published in 2020. The plan includes several policy proposals such as the launch of a shuttle pilot program along Highway 18 between South King County and North Bend.

“There was a lot of advocacy from the business community for that connection,” said Salwa Raphael, coordinator of the Snoqualmie Valley Mobility Coalition. “There are no reliable services to get employees from their South King County residences to the Valley.”

Raphael and Sahoo said one of the commission’s biggest successes has been pulling the six Valley jurisdictions, and their city planners, together.

“Where the coalition adds the most value is we work with folks on ground and synthesize that information into readable formats for city staff and transit providers,” Sahoo said.

In March 2021, the mayors of Carnation, Duvall, North Bend and Snoqualmie, alongside the Snoqualmie Tribal Chairman, sent a letter to King County calling transportation a lifeline and asking King County Metro for better services in the Valley.

“The measurement for efficiency in a rural area cannot be compared to urban areas, as this measurement system has caused our largely rural area to lose connection for residents and businesses,” the letter reads. “This is especially so anytime we experience an economic downturn. Service in the rural area is always the first to be cut.”

Biggs said Metro responded that it did not have the funds to support additional transportation in the Valley. However, in recent years, she said Valley city officials have been much more invested in transportation solutions.

“For the first time since I started doing this, cities are involved and talking about transit with the people who can fund it, which is King County Metro,” she said.

## **Moving forward**

As the busy winter holiday season approaches, there is fear that Valley businesses will see high turnover, particularly in the restaurant industry, which has already been stretched thin.

“Some restaurant owners I’ve seen have been crying. They didn’t know how they were going to survive,” said Coughlin of the SnoValley Chamber. “I’m surprised we haven’t had more closing because they’re barely hanging on.”

In the short term, the Chamber has been working with the Empower Youth Network and is hoping to encourage more high school students to work, particularly during school breaks when tourism in the Valley is at its highest. However, a more long-term solution is needed.

Coughlin said a Chamber member looked into the shortage of workers in the Valley and found that, in 1990, the area was facing a similar issue with a lack of available housing for its workers.

To remedy this long-standing issue, Coughlin said she is continuing to advocate for a Metro bus line to the Valley along Highway 18. She is also hopeful that more funding will come through to help expand Highway 18 to reduce congestion for those driving to the Valley.

“We’re trying desperately to send Metro a big push,” Coughlin said. “If we’re going to get any help, it’s going to have to be the ability to get people here.”