

Our projected job growth, 50,000 or more new jobs in the next few years, will have a huge impact on our community, most will be positive, but there are areas where we are not yet ready for this historic growth. In October of last year EDawn invited our local, regional and state partners to work together to provide the community a unified assessment of the potential impacts of this growth. The result is the upcoming Economic Planning Indicators Committee (EPIC) report due out in the next few weeks. Preliminary data indicates there are a few significant concerns that we must address if we are to mitigate the potential negative aspects of this growth. What stands at the top of the list is the huge impending demand for new housing. If not addressed immediately, this could be our greatest crisis.

Not to be overly dramatic, but the projected demand for housing, new housing, apartments, condos etc., is far beyond the scope of any prior housing boom. Using conservative estimates, there will be more than 50,000 new jobs by 2020, with more than 50,000 new residents (may be much more,) most to help us fill these new jobs. However, these are not all Californians - some of this growth is organic. Our kids or grandkids, graduating from high school, or college will now have the opportunity to stay here for a great job opportunity rather than move outside the region for a job.

The ratio associated with new housing units needed per job ranges between .64 and 1.0 new housing units per job. According to Brian Bonnenfant at the UNR Center for Regional Studies, many in the housing industry like to use .75 new housing units per job. When you do the math: .75 times 50,000 new jobs equal 37,500 new housing units needed in the next 5 years. This could be a real problem, considering we have averaged only 840 new housing units per year during the past 5 years (2010-2014) and just 1,376 last year!

For anyone that has been looking for an affordable house, apartment or condo lately there is not much out there now! So far this year we have added over 4,780 new jobs in the region, according to the Center for Regional Studies and that means (at .75 units per job) we now need another 3,500 new housing units. With the significant growth in our construction industry, driving the need for extra construction workers, along with the addition of more than 1,000 new UNR students expected in each of the next 5 years, any slack in our housing availability is now gone.

Since we built only 1,376 new housing units in all of last year, we are continuing to lose ground. To consider the magnitude of our housing challenge, we need to build **new**... not one, but **two new Carson City's worth of housing units** by 2020, as they have about 21,000 households now! Even if we accelerate our housing starts from 1,376 last year to 3,000 next year, our historic average, we still fall short by more than 30,000 units by 2020. The highest number of new housing units ever built here was just over 6,000 in 2005 – we need almost 9,000 a year for the next 5 years. WOW!

While this new housing need is urgent, enormous and very real, we still have the capacity as a region to address it. According to the Center for Regional Studies, there are 28,058 lots approved now and another 20,000 that can be available in the next few years. Additionally, there are thousands of lots in the areas around the metro area, Fernley, Dayton Valley, Carson City and others. Furthermore, there are numerous projects going forward that will add apartments or condos to the region, some revitalizing old casinos. Finally, the Regional Water Management Plan (published by the Western Regional Water Commission) indicates that the available amount of sustainable water resources identified are much more than what is required to support the 20-year population forecast.

So now is the time to embrace this challenge as a region. It is no longer “business as usual.” We must acknowledge that this is not the last housing boom built off of speculation, but one based on real job growth. It will take a collaborative effort between local government and the private sector to accelerate our housing starts now, before it becomes a real crisis. Our success as a region depends on it.