

Landmark

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Affordable Housing: A Need for Rural Oregon Too

By Heather Staten



A shortage of affordable housing isn't just a big city problem, it's a problem that desirable communities of any size are increasingly forced to address. It's certainly become a pressing issue for us in Hood River, Oregon's second smallest county.

This wasn't always the case.

When Hood River County Commissioner Les Perkins was growing up in the 1980s, anyone with a high school diploma and a good work ethic could enter the ranks of home ownership. That time is long gone in Hood River. According to Mr. Perkins "Even with two good incomes, my wife and I couldn't afford the house we live in now if we had to purchase it in today's market. Housing prices have tripled in the 15 years we've owned our home." City and County elected officials have grown increasingly concerned about Hood River's escalating home prices and the effect they have on the composition of our community. There is fear that if nothing is done, Hood River will become an exclusive enclave instead of the diverse, inclusive community that so many of us love being part of today.

Struggling to provide an adequate supply of housing for residents of all income levels is a symptom of success: create a desirable place and people will want to live there. Hood River has the kind of robust, diverse economy that many counties would envy. We're known for our productive orchards and forests, spectacular outdoor recreation, and an emerging technology sector whose founders were drawn here by our quality of life. We have the lowest unemployment rate in the state. But in the near future, the housing shortage may be a drag on economic growth. Employers already complain that Hood River's small and expensive housing supply is a barrier to

recruitment for their companies. As Hood River's Mayor, Paul Blackburn says "It's no good to find a job, if you can't find a place to live."

A couple of recent polls from national magazines naming Hood River "America's Best Outdoor Adventure Town" have elicited mixed emotions from residents who worry about the "Aspenization" of Hood River. We're proud of what our county has to offer, but with increased tourism comes added pressure on our housing stock. The number of units in Hood River used as second homes or vacation rentals has skyrocketed from 4% to 12% of total housing stock since 1995. That trend has accelerated in recent years with the advent of AirBnB and other online sites. Second homes and vacation rentals inflate prices by bringing out-of-area buyers with out-of-area money to our market pushing many houses outside the price range of local workers depending on local wages.

This year Hood River's City Council decided to take our housing issues head on, embarking on a Buildable Lands Inventory and Housing Needs Analysis; the two steps needed for an update to statewide Planning Goal 10 - Housing. It was a systematic, data-driven process that required the city to identify the land available for residential development and compare that to population forecasts to determine whether Hood River has enough land within the Urban Growth Boundary to accommodate growth for the next 20 years. My organization sat on the city's Advisory Committee.

Out of that process came a three-pronged strategy that sought to increase the efficiency of land use, regulate vacation rentals, and develop more affordable housing. Each of those strategies came with a list of sub-strategies ranging from up-zoning to tax incentives for multi-family units. As Mayor Blackburn puts it, "There is no magic bullet, but there is magic buckshot." Each individual strategy is only expected to have a small to

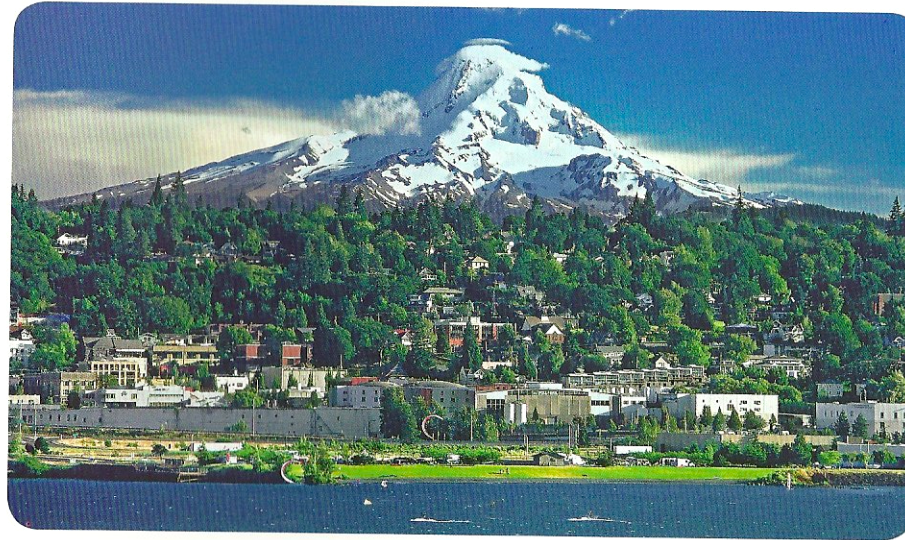
moderate impact. It will require a multitude of policies, incentives, and partnerships working together to bend the curve on housing affordability.

Hood River's local governments and non-governmental actors are aligning on this issue in a way they never have before. While no one discounts what a complicated problem it is to address, Commissioner Perkins is hopeful "We have a very engaged group of people from the public and private sector all pushing for the same thing."

One tool that won't be in Hood River's toolbox is Inclusionary Zoning, a policy that requires new developments to include a percentage of affordable housing to be built along with market rate housing. Every state in the country—except for Oregon and Texas—allows Inclusionary Zoning and decades of data show that it is an effective way to produce durable, affordable units. There was a bill before the State Legislature this session to repeal Oregon's ban on IZ that passed the House before dying in the Senate. Hood River's City Council passed a resolution in support of the Inclusionary Zoning bill arguing that with an issue as intractable as affordable housing, localities need all the tools they can get.

Surprisingly, there was very little pressure for an Urban Growth Boundary expansion in the Housing Needs Analysis process. In areas with high land prices—as in Hood River—an argument is frequently made that if we just scrapped Oregon's land use system and made more land available for development, prices would drop. In Hood River this would mean annexing and from either the National Scenic Area or some of the world's best

farmland. There was consensus among local decision makers that they first find ways to provide housing within existing urban areas before jumping to the more drastic step of expanding the UGB. Hood River's elected officials note that one of the reasons Hood River is so attractive, and its economy so diverse, is because of land use laws that protect farms and forests. As Mayor Blackburn says "Hood River has been saved by Oregon land use. We would have one acre parcels marching up the valley if we didn't have our land use policies."



Hood River is determined to do density and affordability right. The city is crafting policies and making plans so that more compact, diverse neighborhoods also lead to enhanced quality of life, vibrancy, and a sense of community. Mayor Blackburn describes Hood River's challenge, "In order to maintain the quality of life of your successful place, you have to pay attention. In the 1970s the Oregon land use folks took steps, 1000 Friends took steps. It's now up to us to take steps to nurture our community. Let's make sure we're not pricing ourselves out of a beautiful place to live."

About the author: Heather Staten is Executive Director of Hood River Valley Residents Committee, one of Oregon's oldest local land-use watchdog groups with a history nearly as long as Oregon's statewide planning system. Founded in 1978, HRVRC has a mission to protect Hood River's farmland, forests, special wild places and the livability of its urban areas. Learn more at www.hrvrc.org.