

Goal 3

Protect and support the economy

Approximately 55,000 people live, work and play in the Columbia River Gorge National Scenic Area. The second purpose of the National Scenic Area Act mandates the Commission to protect and support the economy by encouraging growth to occur in existing urban areas and by allowing new economic development in a manner that is consistent with the protection of the scenic, natural, cultural and recreation resources. Agriculture, forestry and tourism are the chief economic sectors, and are highlighted within the measures contained in this chapter.

Objectives:

3.1 ENHANCE AND SUSTAIN THE ECONOMIC VITALITY OF THE URBAN AREAS

Documenting income, job growth, construction and housing affordability inside the urban areas of the gorge

3.2 PROTECT AND ENHANCE AGRICULTURE AND FORESTRY

Measuring the vibrancy of the agriculture and forestry economies through land use, revenue, payroll and income

3.3 ALLOW ECONOMIC DEVELOPMENT IN RURAL CENTERS AND NON-URBAN AREAS CONSISTENT WITH THE PROTECTION AND ENHANCEMENT OF THE SNCR RESOURCES

Documenting income, job growth, construction and housing affordability outside of the urban areas

Objective: Enhance and Sustain the Economic Vitality of the Urban Areas

Vital Sign Number: 3.1.a

Vital Sign Title: Income

Vital Sign Measure: Per capita income of National Scenic Area urban area⁹ residents as a percent of state non-metro¹⁰ per capita income: a) Oregon side; b) Washington side.

What We Know:

We can estimate National Scenic Area (NSA) urban area per capita income by summarizing U.S. Census data to the blocks groups¹¹ that contain significant portions of those urban areas. The table below shows the urban area income and statewide non-metro income for 1989 and 1999.

Per Capita Income of NSA Urban Area Residents as Percent of State Non-Metro						
	1989		%	1999		%
State	NSA Urban Area	Statewide Non-Metro		NSA Urban Area	Statewide Non-Metro	
Oregon	12,576	11,918	105.5%	17,794	18,057	98.5%
Washington	10,731	12,459	86.1%	17,047	18,280	93.3%

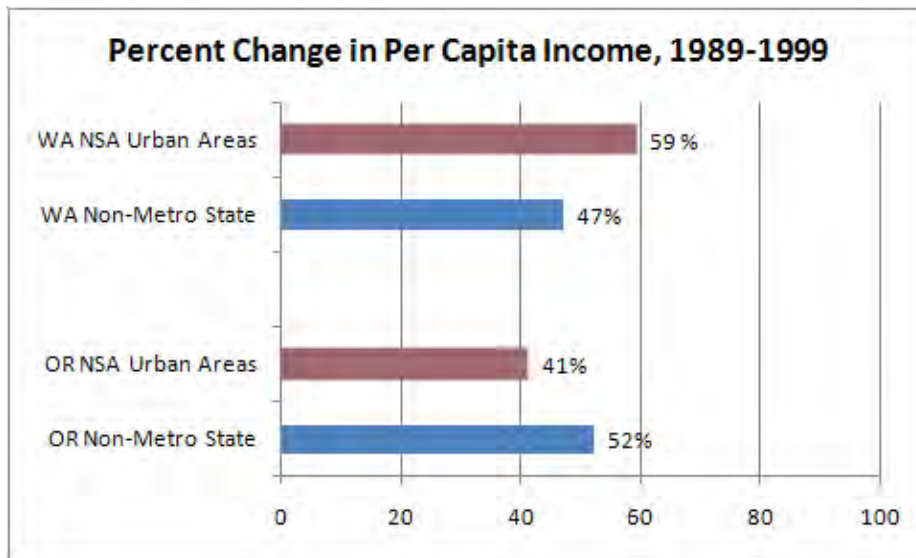
Assessment:

Relative to state-wide non-metro averages, per capita income in the NSA urban areas of Oregon has grown at a slower rate while income in the NSA urban areas of Washington has grown at a faster rate. In 1989, Oregon urban area incomes were approximately 106% of statewide non-metro incomes. However, by 1999, that number dropped to 99%. Conversely, in Washington, urban area incomes grew from 86% of the statewide non-metro average to 93% of that average.

⁹ NSA Urban Area: Census block groups that significantly intersect the 13 National Scenic Area urban areas as defined by Congress and amended by the Gorge Commission.

¹⁰ State non-metro: Those state-wide Census block groups that do not intersect “urbanized” areas as defined by the Census Bureau. There are no Census urbanized areas within the Scenic Area.

¹¹ Census Block Group: A geographical unit used by the U.S. Census Bureau to summarize data. On average, a block group contains between 600 and 3,000 people.



The growth rate of Washington and Oregon non-metro per capita incomes grew at different rates as well: 47% and 52% respectively. Therefore, it was harder for Oregon urban area incomes to maintain their lead over non-metro incomes that grew relatively quickly. And it was easier for the faster growing Washington urban area NSA incomes to catch up to the slower growing Washington non-metro incomes. By the end of the decade, both were either at or less than their state averages – unlike non-urban areas where NSA resident per capita incomes were above state-wide non-metro averages. See Vital Signs Indicator 3.3.a.

Per capita income change in urban areas varied widely between different counties. Urban area incomes in Klickitat County went up by 61%, followed by Skamania at 56%, Hood River at 50%, and Wasco at 36%. Neither Multnomah nor Clark counties have urban areas inside the NSA.

Between 1989 and 1999, some incomes in urban areas went up more slowly in relation to state averages than those in the NSA non-urban areas. See Vital Sign 3.3.a for more information.

Objective 3.1: Enhance and Sustain the Economic Vitality of the Urban Areas

Vital Sign Number: 3.1.b

Vital Sign Title: Job Growth

Vital Sign Measure: Net job growth: a) Oregon side; b) Washington side.

What We Know:

The table below shows short-term and long-term job growth for the four rural counties in the gorge. It also compares those figures to the statewide non-metropolitan job growth in Washington and Oregon. See endnote for data limitations.

Net Job Growth Inside the NSA Urban Areas			
State	Average county net jobs created per year 1992 - 2007	Average county net job growth <u>rate</u> 1992 - 2007	Average statewide non-metropolitan net job growth <u>rate</u> 1992 – 2007
a) Oregon side	323	2.1%	2.5%
b) Washington side	112	1.8%	2.3%

Assessment:

Over this period, Oregon side and Washington side counties have, on average, experienced similar job growth rates; with the Oregon side counties growing at a slightly faster rate (2.1%) than the Washington side (1.8%). However, the state average growth rate for the four gorge counties was significantly less than their respective states' non-metropolitan growth rates. The two Oregon counties combined rate of 2.1% per year between 1992 and 2007 is nearly ½ percentage point less than the 2.5% per year for Oregon. Similarly for Washington, the two gorge counties grew, on average, at 1.8% while non-metro Washington grew at 2.3% per year.

While growth rates for Washington and Oregon have been similar, job growth in the four individual counties has differed markedly. The two western counties, Hood River (2.8%) and Skamania (3.0%), outpaced their respective state averages. The two eastern counties, Wasco (1.4%) and Klickitat (1.1%) lagged far behind state averages. This may reflect the greater growth of tourism related jobs in the western counties, where the majority of overnight lodging in the Scenic Area is located.

Job growth figures show high variability in individual counties with as many as 800 jobs added and 500 jobs lost in a single year between 1992 and 2007.

Objective 3.1: Enhance and Sustain the Economic Vitality of the Urban Areas

Vital Sign Number: 3.1.c

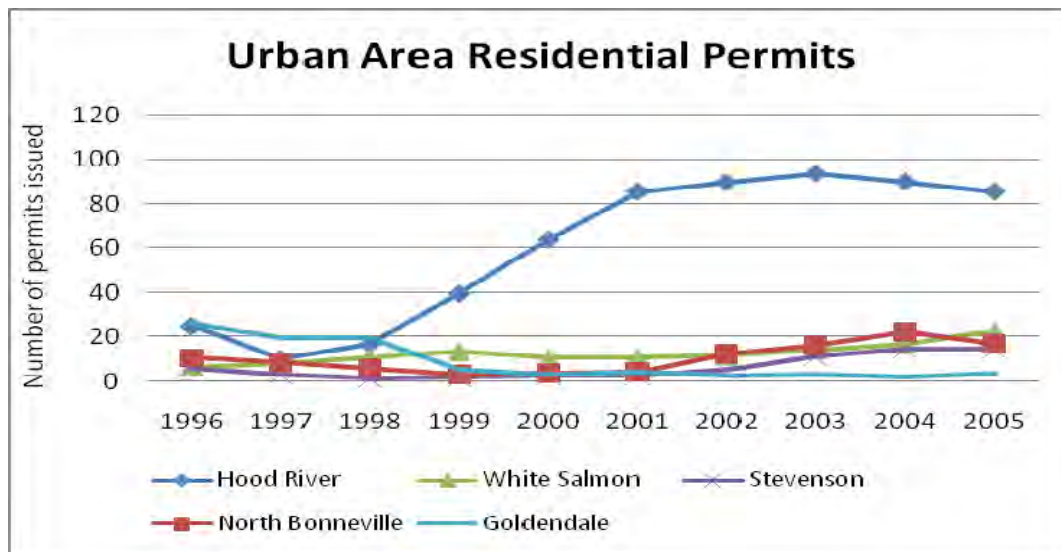
Vital Sign Title: Construction

Vital Sign Measure: Building permits issued, by urban area: a) housing, b) commercial, and c) industrial.

Proxy Measure: Number of residential building permits issued, by urban area.

What We Know:

Building permit data that differentiate between the types of permits described in 3.1.c or whether a site is in or out of the NSA or an urban area is not collected by county building departments at this time. The chart below shows residential building permit activity using data obtained from the U.S. Census Bureau – the most complete data available at this time. In order to “smooth” the data, each data point is a three-year average using the designated year as the mid-point.



Assessment:

All four gorge urban areas experienced significant increases in building permit activity between 2001 and 2005; the most recent year data are available. Hood River, on the other hand, saw dramatically higher permit activity beginning in 1999 and continuing through 2005. Generally counties were experiencing higher permit activity in 2005 than they had at anytime in the prior ten years. For comparison purposes, note that Goldendale, WA, which is outside of the NSA (and to the east), decreased from the mid-1990s and has remained very low since 2000.

Objective: Enhance and Sustain the Economic Vitality of the Urban Areas

Vital Sign Number: 3.1.e

Vital Sign Title: Housing Affordability

Vital Sign Measure: Percent of households that can afford the median priced house.

Proxy Measure:

Percent of renters and owners inside the NSA paying less than 30% of household income on rent or select monthly owner costs: a) Oregon side; and b) Washington side.

What We Know:

According to the Massachusetts Institute of Technology Center for Real Estate, the most common metric for housing affordability is the percent of household income spent on monthly housing costs. Generally, to be affordable, monthly costs should be less than 30% of income. The U.S. Census Bureau data on the percent of household income spent on rent or monthly owner costs has been summarized to the block groups that intersect the Scenic Area (NSA block groups) as well as to the entire counties that intersect the Scenic Area (all county block groups). The tables and graphs shown on the following pages show the approximate percent of households that have “affordable” monthly housing costs by renters and owners.

Assessment:

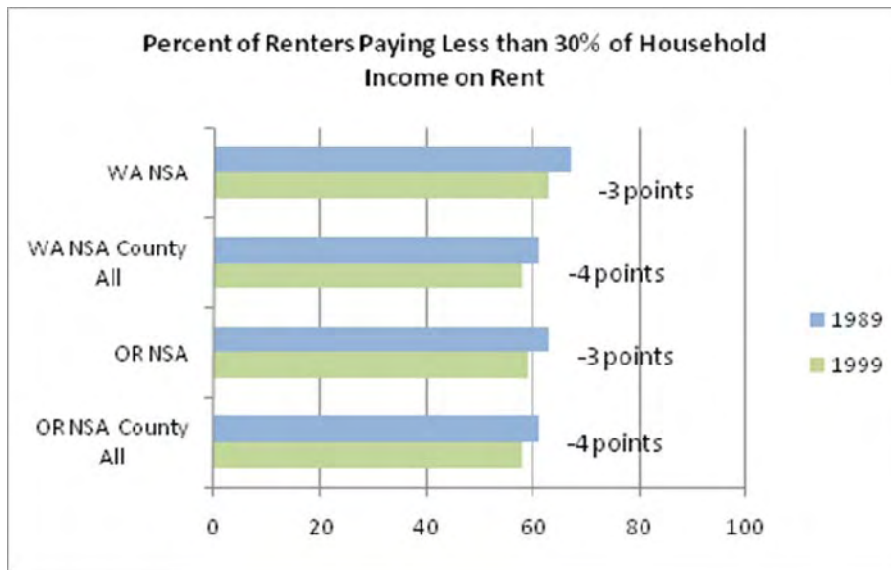
On average, housing affordability for both owners and renters has decreased for Scenic Area residents in both states between 1989 and 1999. For renters the affordability went down by four percentage points in both Oregon and Washington. Renting has also become less affordable at a similar rate throughout those counties that intersect the Scenic Area.

The affordability of home ownership in the Scenic area has also decreased but much more significantly between 1989 and 1999. Affordability has also decreased throughout the counties intersecting the Scenic Area, but at a lesser rate.

Affordability fell by nine percentage points in Oregon and a significant 15 percentage points in Washington. Washington-side homeowners inside the NSA saw a steeper decline in affordability than residents statewide. This is explained by a precipitous drop (34 percentage points) in ownership affordability in Clark County. At the same time renters in Clark County found renting significantly more affordable than average, while renters in Skamania and Multnomah Counties experienced just the opposite.

Renters:

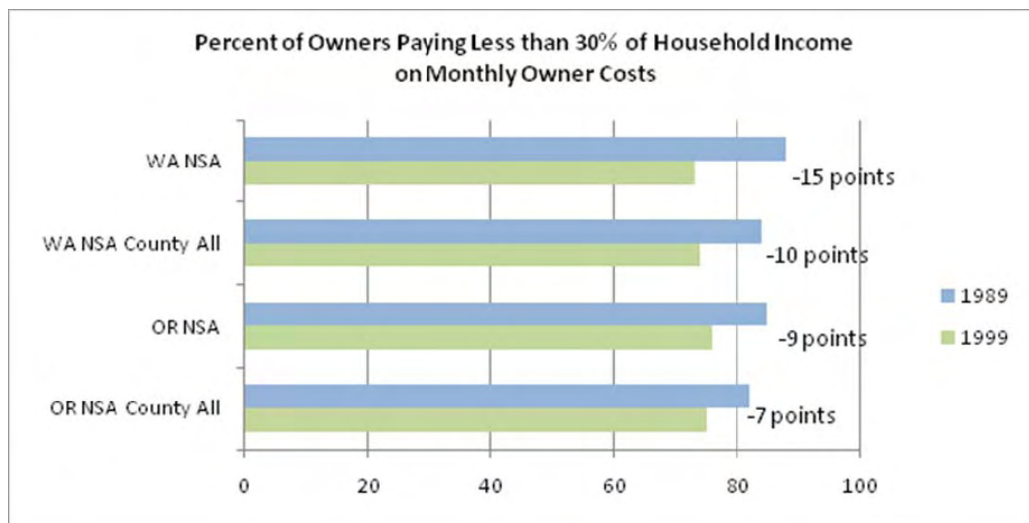
Percent of Renter Occupied Households Paying Less than 30% of Household Income on Rent				
County/State	1989		1999	
	NSA block groups	All county block groups	NSA block groups	All county block groups
Clark	53	63	80	59
Skamania	73	67	56	56
Klickitat	66	54	64	57
Multnomah	87	60	68	57
Hood River	60	60	61	63
Wasco	63	64	57	58
Oregon	63	61	59	58
Washington	67	61	63	58
NSA Overall	64	61	60	58



In general, the percent of renters residing inside the NSA urban areas that are paying less than 30% of their household income on rent is decreasing (from 64% in 1989 to 60% in 1999), meaning that it is becoming increasingly more expensive over time. However, when compared to the county block groups, renters in the NSA urban areas are paying less of their monthly income towards rent than those who live outside of the NSA.

Owners:

Percent of Owner Occupied Households Paying Less than 30% of Household Income on Select Monthly Owner Costs				
County/State	1989		1999	
	NSA block groups	All county block groups	NSA block groups	All county block groups
Clark	91	85	57	72
Skamania	87	84	76	76
Klickitat	89	82	75	75
Multnomah	80	81	73	72
Hood River	84	88	75	74
Wasco	87	87	77	77
Oregon	85	82	76	75
Washington	88	84	73	74
NSA Overall	86	83	75	74



Similar to NSA urban area renters, homeowners are on average, paying less of their monthly income towards owning a home than those who live outside of the NSA. However, the data shows that this trend may not continue for long. In 1989 three percent more NSA urban area homeowners paid less than 30% of their monthly income than the county block groups, and in 1999 there is a difference of only one percent.

Objective: Protect and Enhance Agriculture and Forestry

Vital Sign Number: 3.2.d

Vital Sign Title: Land Base

Vital Sign Measure: Total acreage in a) agriculture uses and b) forest uses*

* Forest uses are not addressed at this time.

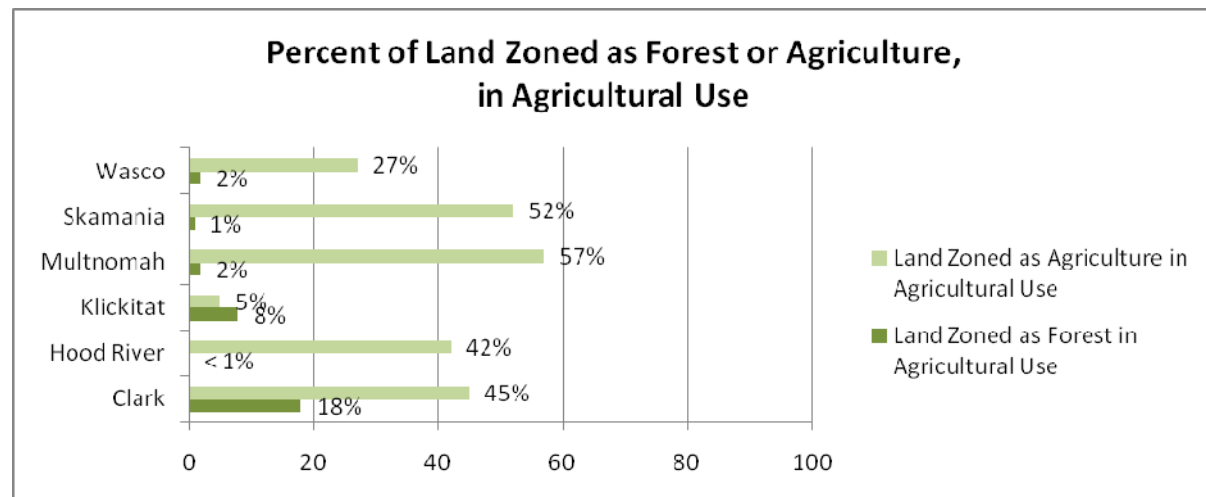
Proxy Measures:

- 1) Percent of land classified as agriculture¹² or pasture per agriculture and forest zoning.
- 2) Number of inventoried cattle and calves per [entire] county.

What We Know:

By combining land use designations and a 2004 USFS land cover classification, it is possible to estimate the amount of land that is designated forest or agriculture that was in agricultural use. See table below.

Percent of Land in Cultivation Based on Zoning						
County	Zoned as Agriculture			Zoned as Forestry		
	Acres Zoned as Agriculture	Acres in Agricultural Use	Percent in Agricultural Use	Acres Zoned as Forestry	Acres in Agricultural Use	Percent in Agricultural Use
Clark	3540	1602	45%	464	83	18%
Hood River	881	368	42%	7440	29	< 1%
Klickitat	39830	1867	5%	4394	370	8%
Multnomah	1629	922	57%	6788	135	2%
Skamania	4669	2445	52%	42830	504	1%
Wasco	25062	6868	27%	2315	51	2%



¹² Agriculture: Agricultural use in this context and according to the Management Plan can include cultivation of crops and pastures as well as cattle grazing.

Assessment:

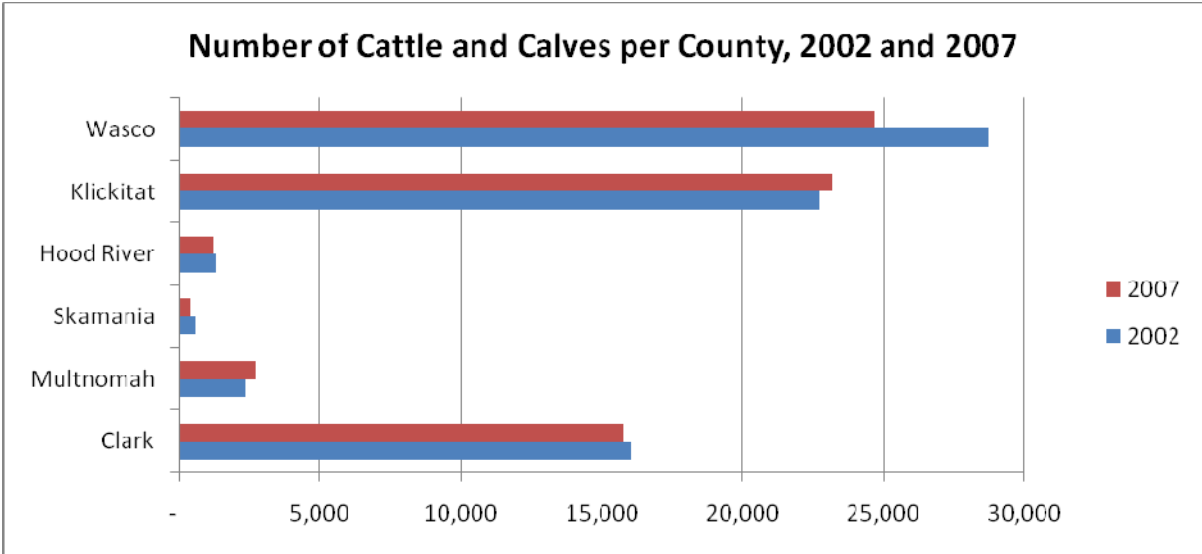
In 2004, between 20-60 percent of land in each county within the Scenic Area that is zoned as agriculture was used for cultivation related agriculture, with the exception of Wasco County. For lands zoned as forest, the amount in cultivation ranges from less than 1% in Hood River County up to 18% in Clark County. Most counties, with the exception of Wasco (27%) and Klickitat (5%), have approximately 50% of land zoned as agriculture in cultivation. As one may expect, there is little land zoned as forest in cultivation. However, Clark County has a significant percentage (18%) of forest land in cultivated use. Klickitat County has only 8% of its forest land in cultivated use but that is still a higher proportion than the 5% of its agriculturally zoned land in cultivated use.

These data establish a rough estimate for cultivated land by land use designation in the year 2004. However, future analysis will incorporate historic and current imagery as well as classification methods designed specifically to detect cultivation to create a more accurate picture of changes in agricultural use over time.

Grazing data are not readily available for lands within the Scenic Area; therefore Census of Agriculture data aggregated to the county level are used. The table below lists the number of animals per county as well as the number of farms raising cattle and calves.

Census of Agriculture, Inventory of Farms with Cattle and Calves				
	2002		2007	
County	Number of farms	Number of cattle and calves*	Number of farms	Number of cattle and calves*
Klickitat	267	22719	337	23223
Clark	693	16068	795	15799
Skamania	34	626	36	449
Hood River	95	1304	84	1235
Multnomah	159	2348	130	2764
Wasco	216	28779	270	24730

* Includes beef, milk and other cattle which includes pasture only cattle



The count of cattle and calves includes the beef and dairy sectors of the cattle industry. Beef production composes a significant portion of the agricultural economic sector in the eastern side counties of Wasco and Klickitat. The apparent trend between 2002 and 2007 for these counties is an increased number of farms and a decreased average of cattle per farm. However, the number of animals in each county remained relatively stable. The exception is Wasco County where the number of farms has increased by 24% while the average number of cattle per farm has decreased by 31%, resulting in a net decrease of more than 4000 animals. In Klickitat County the number of farms increased by 26% while average number of cattle per farm decreased by 19%.

Clark County, though considered an urban county, also has a significant cattle related agricultural sector. However, unlike the eastern counties whose cattle industry is related almost entirely to beef production, Clark County's industry was composed of 40% dairy production in 2007.

Objective: Allow Economic Development in Rural Centers and Non-Urban Areas Consistent with the Protection and Enhancement of the SNCR Resources

Vital Sign Number: 3.3.a

Vital Sign Title: Income

Vital Sign Measure: Per capita income of National Scenic Area non-urban area¹³ residents as a percent of non-metro¹⁴ per capita income: a) Oregon side; b) Washington side.

What We Know:

We can estimate NSA non-urban area per capita income by summarizing U.S. Census data to the block groups that do not contain significant portions of those urban areas. The table below shows the difference between non-urban area income and statewide non-metro income for 1989 and 1999.

Per Capita Income of NSA Non-Urban Area Residents as a Percent of Non-Metro						
	1989		%	1999		%
State	NSA Non-Urban Area	Statewide Non-Metro		NSA Non-Urban Area	Statewide Non-Metro	
Oregon	13,360	11,918	112%	21,092	18,057	117%
Washington	12,809	12,459	103%	18,756	18,280	103%

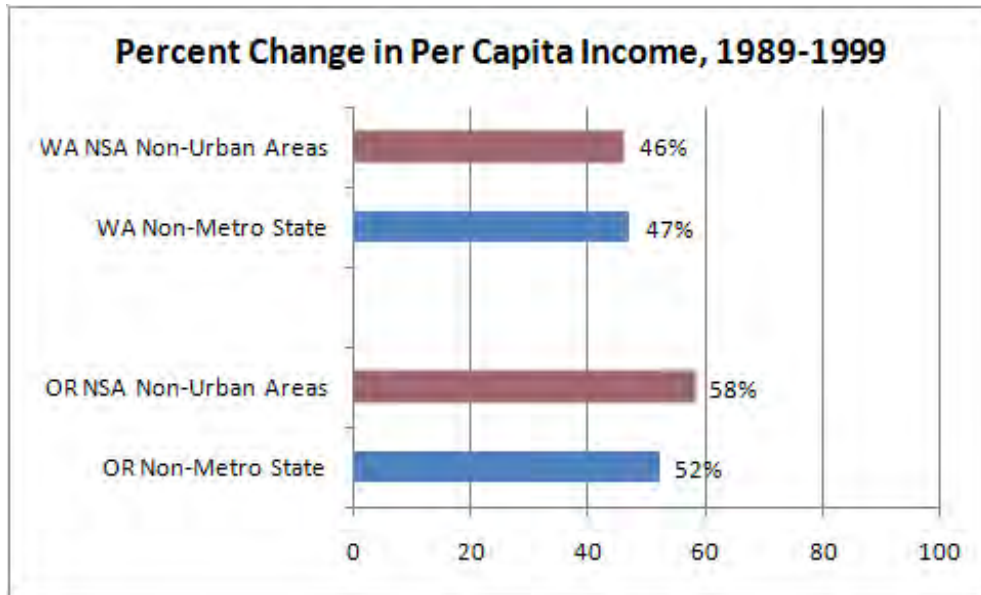
Assessment:

Relative to state-wide non-metro averages, per capita income in the NSA non-urban areas of Oregon grew at a faster rate while income in the NSA non-urban areas of Washington grew at almost the same rate. In 1989, Oregon non-urban area incomes were approximately 112% of state-wide non-metro incomes and grew to 117% by 1999. Washington non-urban area income held steady at 103% of non-metro state income in both 1989 and 1999.

¹³ NSA Non-Urban Area: Those Census block groups that intersect the National Scenic Area but do not significantly intersect the 13 National Scenic Area Urban Areas as defined by Congress and amended by the Gorge Commission.

¹⁴ State non-metro: Those state-wide Census block groups that do not intersect “urbanized” areas as defined by the Census Bureau. There are no Census urbanized areas within the Scenic Area.

The growth rate of Washington and Oregon non-metro per capita incomes grew at different rates between 1989 and 1999: 47% and 52% respectively. The higher growth rate in Oregon was exceeded by the NSA non-urban areas, resulting in an ever greater lead over state non-metro average income.



Per capita income change in the NSA non-urban area varied widely between different counties. Non-urban area per capita incomes in Multnomah County increased by 78% followed by Klickitat at 65%, Skamania at 49%, Clark at 38%, Hood River at 36%, and Wasco at 30%.

Between 1989 and 1999, some incomes in NSA urban areas went up more slowly in relation to state averages than those in the NSA non-urban areas between 1989 and 1999. See Vital Sign 3.1.a for more information.

Objective 3.3: Allow Economic Development in Rural Centers and Non-Urban Areas Consistent with the Protection and Enhancement of the SNCR Resources

Vital Sign Number: 3.3.c

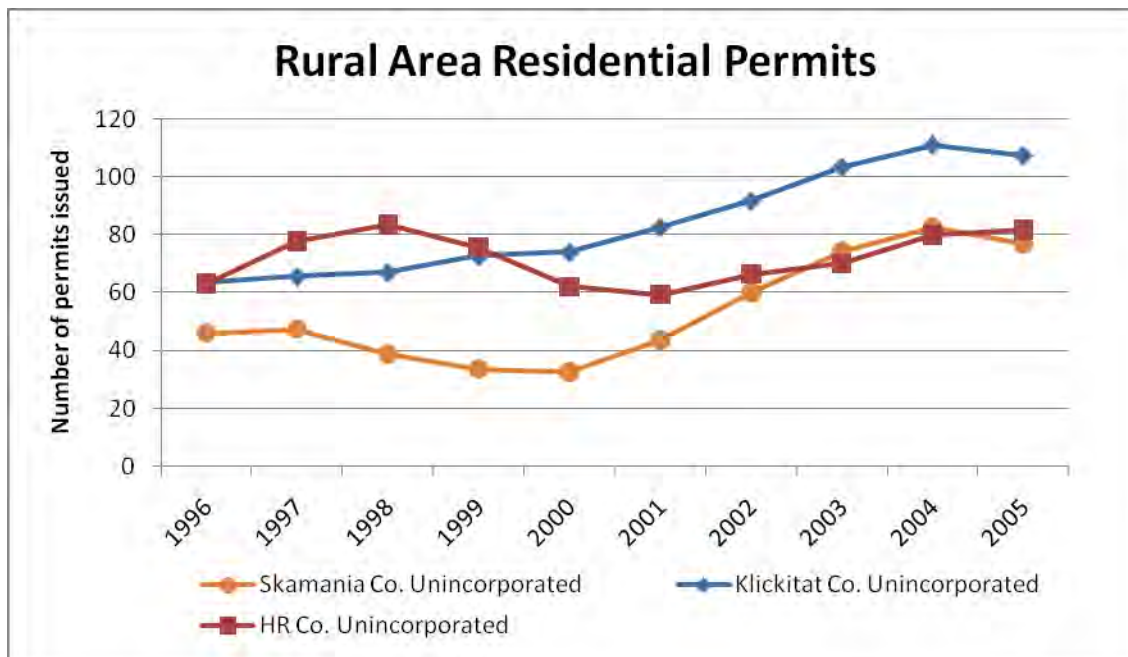
Vital Sign Title: Construction

Vital Sign Measure: Building permits issued in rural centers and non-urban areas: a) housing, b) commercial, and c) agricultural.

Proxy Measure: Number of residential building permits issued in unincorporated portions of rural NSA counties.

What We Know:

Building permit data that differentiate between the types of permits based on whether a site is in or out of the NSA is not collected by gorge building departments at this time. The chart below shows residential building permit data obtained from the U.S. Census Bureau. These data represent a three-year rolling average of each year's data, in order to smooth out the curves. It is the most complete dataset at this time. These data are not reported for Wasco County. Clark County and Multnomah County were not included due to the small size of the NSA portions of both counties.



Assessment:

Overall, annual construction rates have increased over time for NSA rural areas. Construction slumped around 2000, but three counties rebounded by 2004. The increase in rural building activity was much stronger in the early part of the decade for Washington NSA counties than the trend for unincorporated Hood River County. This is the inverse of the urban area data which show the City of Hood River growing at a much faster rate during this period than other gorge urban areas.

Economy Chapter Endnotes:

3.1.a Income

Source: U.S. Census Bureau, 1990 and 2000 surveys.

NSA data are summarized to the block groups that intersect the National Scenic Area. Because the block groups do not align with the Scenic Area boundary, information for areas outside the boundary may be included. Those block groups that significantly intersected the Scenic Area boundary were designated as “NSA.” Those block groups that fell outside the Census delineated urbanized areas were designated as “non-metro.” NSA block groups that contained significant portions of the Scenic Area urban areas were designated as “urban area” block groups.

3.1.b Job Growth

Source: Quarterly Workforce Indicators program of the U.S. Census Bureau:
<http://lehd.did.census.gov/led/datatools/qwiapp.html>.

Job growth data for the small portions of Clark County and Multnomah County in the National Scenic Area (NSA) are not available from any known source.

3.1.c Construction

Source: U.S. Bureau of the Census Building Permit Estimates - U.S., State, and Metropolitan Areas:
<http://censtats.census.gov/cgi-bin/bldgprmt/bldgdisp.pl>

3.1.e Housing Affordability

Source: U.S. Census Bureau, 1990 and 2000 surveys.

NSA data are summarized to the block groups that intersect the National Scenic Area. Because the block groups do not align with the Scenic Area boundary, information for areas outside the boundary may be included.

3.2.d Land Base - Agriculture use

Source: Land cover classification based on 2004 satellite imagery, USFS, CRGC.
Land use designations, 2008, CRGC.

Cattle and Calves: Inventories and Sales, USDA Census of Agriculture, 2002, 2007.

The spatial resolution of this imagery is 30 meters. There are 20 land cover classes identified, with 15 related to forest and shrub. The Ag/Golf/Pasture class was isolated and reviewed by using 2005 and 2006 aerial photographs at a coarse scale of approximately 1:24,000. Golf courses and other obvious non-agriculture areas (i.e. lawns) were removed from this class. The resulting data were combined with the forest and agricultural related land use designations and summarized. For the next report, staff hopes to have an improved evaluation of agricultural uses based in Landsat 7 ETM+ image classification. Free historic imagery as well as more recent raw imagery will be provided by the Forest Service for the new evaluation.

Grazing land use cannot be assessed with imagery and will instead be tracked through grazing permits, owner class and other information. Census of Agriculture 2002 and 2007 data were used to compute statistics on cattle inventories for this report. Sub-county data are not available.

3.3.a Income

Source: U.S. Census Bureau, 1990 and 2000 surveys.

NSA data are summarized to the block groups that intersect the National Scenic Area. Because the block groups do not align with the Scenic Area boundary, some information for areas outside the boundary may be included.

Those block groups that significantly intersected the Scenic Area boundary were designated as “NSA.” Those block groups that fell outside the Census delineated urbanized areas were designated as “non-metro.” Though all NSA block groups are outside Census urbanized areas, those block groups that did not contain a significant portion of an NSA defined “urban area” were designated as “rural NSA.”

3.3.c Construction

Source: U.S. Bureau of the Census Building Permit Estimates - U.S., State, and Metropolitan Areas:
<http://censtats.census.gov/cgi-bin/bldgprmt/bldgdisp.p>

Please see www.gorgevitalsigns.org for more information.



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