City of Ashland Housing Needs Analysis

Prepared for

City of Ashland

by

ECONorthwest
99 W. Tenth, Suite 400
Eugene, OR 97401
(541) 687-0051

Final Report

May 2002

Table of Contents

Page

EXECUTIVE SUMMARY I

CHAPTER 1 INTRODUCTION 1-1
BACKGROUND 1-1
PURPOSE 1-2
ORGANIZATION 1-2

CHAPTER 2 FRAMEWORK FOR THE HOUSING NEEDS ANALYSIS 2-1
WHAT IS AFFORDABLE HOUSING? 2-1
WHAT OBJECTIVES DO HOUSING POLICIES TYPICALLY TRY TO ACHIEVE 2-2
OREGON HOUSING POLICY 2-3
DEMAND VERSUS NEED 2-4
THE LINK BETWEEN GROWTH MANAGEMENT AND HOUSING AFFORDABILITY 2-6
SUMMARY 2-7

CHAPTER 3 OVERVIEW OF THE ASHLAND HOUSING MARKET 3-1
SOCIOECONOMIC TRENDS 3-1
INCOME AND AFFORDABILITY OF HOUSING 3-4
BUILDABLE LAND SUPPLY 3-10
HISTORICAL DEVELOPMENT TRENDS 3-11
BASELINE FORECAST OF HOUSING DEMAND 3-12

CHAPTER 4 HOUSING NEEDS 4-1
HOUSING NEEDS BY TYPE AND DENSITY 4-1
HOUSING NEEDS OF SPECIAL POPULATIONS 4-5

CHAPTER 5 POTENTIAL POLICIES 5-1
SUMMARY OF AFFORDABLE HOUSING POLICIES 5-1
IMPLICATIONS FOR LOCAL HOUSING STRATEGIES 5-3
RECOMMENDATIONS 5-5

APPENDIX A SOCIOECONOMIC DATA A-1

APPENDIX B HOUSING DATA B-1

Executive Summary

BACKGROUND

Ashland, like many Oregon communities, has experienced a shortage of affordable housing. Ashland's 1990 Affordable Housing Plan laid the groundwork for taking more aggressive steps toward dealing with the problem. The plan recommended implementing both land use strategies (i.e., regulatory approaches) and non-land use strategies. The majority of these recommendations have been implemented, either through codification into the Land Use Ordinance or through the creation of new housing programs. The City has already implemented several strategies including system development charge (SDC) deferments, first-time homebuyer and rental assistance loans, and land use policies intended to increase the efficiency of development.

A complex set of factors affects the local housing market and individual households' ability to afford housing. Moreover, much of the data the 2000 *Consolidated Housing Plan* is based upon is from 1998 or earlier. Recent trends in the housing market suggest new dynamics may be affecting housing development and costs. To better understand these dynamics, the City of Ashland is conducting a housing needs assessment and developing an affordable housing strategy based on identified needs. The City contracted with ECONorthwest to provide an assessment of the current housing situation for all income and housing need categories in Ashland (the *needs assessment).*

This report is the first part of a two-part study. The housing needs assessment contained in this report will be used by the City of Ashland Community Development Department and the Ashland Housing Commission to develop a set of strategies to address housing needs in Ashland. In summary, the overarching goal of the project is to develop a comprehensive housing strategy to ensure a stable supply of affordable housing for current and future residents of Ashland at all income levels.

More specifically, this report is intended to supplement data in the 2000 Consolidated Plan, present an evaluation of housing trends in Ashland since the last detailed assessment was completed in 1998, and project current and future housing needs.

WHAT IS AFFORDABLE HOUSING?

The terms "affordable" and "low-income" housing are often used interchangeably. For the purpose of this study we use the following definitions:

- *Affordable housing* refers to households' ability to find housing within their financial means. Households that spend more than 30% of their

income on housing and certain utilities are considered to experience *cost burden.*[1] As such, any household that pays more than 30% experiences cost burden and does not have *affordable* housing. Thus, affordable housing applies to all households in the community.

- *Low-income housing* refers to housing for "low-income" households. HUD considers a household low-income if it earns 80% or less of median family income. In short, low-income housing is targeted at households that earn 80% or less of median family income.

These definitions mean that any household can experience cost burden and that affordable housing applies to all households in an area. Low-income housing, however, targets low-income households. In other words, a community can have a housing affordability problem that does not include only low-income households.

It is important to underscore the point that many households that experience cost burden have jobs and are otherwise productive members of society. A household earning 80% of median family income in Ashland earns about $32,000 annually—or about $15.50 per hour for a full-time employee. The maximum affordable purchase price for a household earning $32,000 annually is about $80,000. Ashland has virtually no owner-occupied housing valued at under $80,000. These households are eligible for government housing assistance programs.

In summary, any household can face housing affordability problems. Because they have more limited financial means, the incidence of cost burden is higher among low-income households. Statewide planning Goal 10 requires cities to adopt policies that encourage housing at price ranges commensurate with incomes. In short, state land use policy does not distinguish between households of different income levels and requires cities to adopt policies that encourage housing for all households.

FINDINGS

Following is a summary of demographic and housing trends in Ashland:

- **Ashland is growing—but relatively slowly**. The City added about 3,300 people between 1990 and 2000—an increase of about 20%. The 2020 County Coordinated population forecast for Ashland is 22,846 persons. This represents an average annual growth rate of 0.8%, which is less than half the rate the City experienced during the 1990s (1.7% annually).

- **Growth has not occurred evenly in all age groups**. Ashland's share of population growth in ages under 20 and 35 to 44 is notably

[1] Cost burden is a concept used by HUD. Utilities included with housing cost include electricity, gas, and water, but do not include telephone expenses.

lower than in Oregon. Ashland's population in ages 35 to 44 actually *declined* by almost 700 or 21% over the decade. About 52% of Ashland's population growth was in the 45 to 54 age group, compared to only 36% in Oregon. Finally, 20% of Ashland's population growth in the 1990s was in the 65 and over age group, compared to only 8% in Oregon. Despite this larger share of growth in older age groups, Ashland's current share of population aged 65 and over does not vary substantially from that of Jackson County or Oregon.

- **Fewer households own housing in Ashland compared to other areas.** Ashland's share of owner-occupied housing units is 12% to 14% less than the share in Jackson County or Oregon. Ashland's share of renter-occupied units is 12% to 14% greater than Jackson County or Oregon. This trend is consistent with other University communities in Oregon.

- **The fastest growing employment sectors in Ashland do not pay enough for a household to afford fair market rent.** Services and retail sales were the fastest growing employment sectors. Service employment increased by over 1,200 between 1990 and 2000; the average annual pay for a service job in Ashland was $20,942 in 2000. Retail employment increased by 762 jobs between 1990 and 2000. The average retail job paid slightly more than $15,000 in 2000. Rents under $500 per month are considered affordable for households earning less than $20,000 a year. Fair market rent for a two-bedroom unit in Ashland in 2001 was $610.

- **The number of low-income households increased between 1998 and 2001.** Between 1998 and 2001, the estimated number of low-income households increased from 3,562 to 3,660, an increase of about 2.7% percent. The estimated percentage of households in the various low-income categories increased from 35% in 1998 to 42% 2001. Renters are far more likely to be low-income than homeowners. About 61% of renters were low-income in 2001, while only 25% of homeowners were considered low income in 2001.

- **Housing sales prices increased nearly 50% between 1998 and 2001.** The MLS reported 343 sales with an average price of $187,258 in 1998. In 2001, the MLS reported 365 sales with an average price of $277,742.

- **Lot size affects value of single-family housing**. The average value of dwellings on lots under 5,000 square feet was about $165,000 in 2001. The average value of homes on lots between 7,500 and 9,999 square feet was about $190,000 in 2001, while the average value of homes on lots between 12,500 and 14,999 square feet was over $270,000.

- **The largest dwelling unit gap exists for households earning less than $10,000 annually.** We estimate that the City needs

approximately 800 additional units costing less than $250 per month to serve all of these households. Because the market is unable to provide units at this cost, such units fall in the category of government assisted housing. About 30% of these households, however, are in the 18-24 age range and probably represent students at Southern Oregon University. Moreover, over 25% of these households are age 65 or over.

- **Ashland has a large deficit of affordable owner-occupied housing units.** Less than 4% of single-family dwellings are valued below $101,000, the maximum a household earning the median income of $40,400 could afford. Thus, 46% of households earning below the median income cannot afford to purchase a house in Ashland.

- **Few multi-family units were built between 1990 and 2001.** According to building permit data provided by the City of Ashland, a total of 1,842 dwelling units were permitted between 1990 and 2001. Of these, 85% were for single-family dwellings; 62% for detached single-family dwellings and 21% for attached single-family dwellings (including condominiums and townhouses). Only 9% of the permits issued were for multi-family housing types.

- **Ashland is falling short of providing the housing types identified in the 1998 housing needs analysis.** The number of single-family permits issued between 1998 and 2001 exceeded identified need by about 25%, while the number of multiple family units has fallen short of the 30% need by over 20%. No government-assisted housing was built during this period. In summary, the City has fallen short of meeting needs identified for multi-family and government assisted housing types.

- **Ashland has a relatively small inventory of land zoned for multi-family housing.** Only 27% of residential capacity (as measured in dwelling units) exists on lands designated for multi-family use. The owner/renter mix in 2000 was 52%/48%. While tenure does not directly equate to housing type, this figure suggests the City does not have enough land designated for multi-family housing at this time.

Following is a summary of the implications of housing trends in Ashland:

- *The number of affordable units in Ashland causes households to compete against each other for housing.* This has important implications for those households in the lowest income groups. These groups are less able to afford housing and as a result, less able to compete for housing. Moreover, households with higher incomes can choose to live in housing below what is considered the maximum amount affordable to them.

- *Land zoned for multiple family is being used for single family units.* This is important because it reduces the amount of land available for higher density rental housing.

- *Housing costs are forcing Ashland workers to live in other communities.* People that live in communities other than the place they work are less likely to perceive a stake in the community. This has implications for many public services. It also increases the percentage of people that commute. Low-income households are less able to afford the transportation costs associated with commuting.

- *Land price appears to be a decreasing factor in total housing cost.* The ratio of permit value to land value has steadily decreased since 1990. In 1990, the ratio of permit value to land value was 1.42. This increased to 2.13 in 2001. Thus, while land is a factor in housing costs, other factors appear to have a greater influence on total housing cost than land.

- *Housing costs may be contributing to reductions in school enrollment.* While the data do not allow a direct correlation between school enrollment and housing cost, young families tend to have lower incomes than older families. The Census data underscore this trend: between 1990 and 2000, the number of persons aged 25 to 34 increased 4% and the number of persons aged 35 to 44 *decreased* 21%. During the same period, the number of persons between 45 and 54 increased more than 50%. In short, this implies that families are being forced to live in other communities. These demographic trends suggest school enrollments may decrease. Decreases in enrollments will lead to a corresponding decrease in school revenues since a portion of school revenues are allocated on a per student basis.

- *Housing costs may place greater demands on transportation systems and parking (i.e., with more people commuting).* Data from the 1990 Census indicate that one-third of Ashland residents worked in another community. Data from major employers indicates that about 40% of their employees lived outside Ashland in 2002.

- *Housing costs may limit economic development.* The location decisions businesses make are based on a variety of factors. Community characteristics such as schools and housing cost are among those factors. High housing costs may place Ashland at a competitive disadvantage to other communities in the region.

RECOMMENDATIONS

Following is a summary of potential land use strategies for addressing key housing issues identified in this report.

1. ***Encourage more multi-family housing***. The data are conclusive that Ashland needs more affordable rental housing. The most logical

place to target efforts is in the development of multi-family housing. The permit data suggest that few apartments are being built and that most of the activity in higher density housing types is in condominiums and townhomes. Not only are these higher cost multi-family types, many of these units are intended for home ownership. Potential approaches for increasing multi-family housing include:

- *Increase the land supply*. The buildable lands data suggest that the City has capacity for about 525 multi-family dwellings. One approach to encourage apartment development is to designate more land for apartments.

- *Consider restricting uses in certain zones to apartments*. The building permit data suggest that a lot of the high-density housing has been single-family attached types that are owner-occupied units. Designating certain lands for rental units will encourage development of apartments.

- *Consider policies that encourage redevelopment or adaptive reuse of structures*. The location of rental units is also important. Increasing the supply of rental units near employment centers and the University will make these units more attractive.

2. ***Encourage more affordable single-family housing types***. The average sales price of a single-family residence was over $277,000 in 2001. Following are some approaches that can increase more affordable single-family housing types:

   - *Zone more land for small lot development*. The data show a strong correlation between lot size and housing value. The City could decrease minimum lot sizes in certain residential zones, or could take an approach like the City of Corvallis, which requires a certain percentage of small lots (lots between 2,500 and 3,500 square feet) with subdivisions and planned unit developments.

   - *Make more land available for manufactured housing*. The City identified a need of 3.5% of all housing for manufactured homes in subdivisions and manufactured homes in parks. Increasing land available for manufactured homes is one potential approach to allowing more affordable single-family housing.

3. ***Develop more government-assisted housing.*** The data show a need for nearly 800 dwelling units that are affordable to households with annual incomes of $10,000 or less. About 30% of these households, however, are in the 18-24 age range and another 25% are age 65 or over. The data suggest the City could develop as many as 50 units per year for the next 20 years to address this need. It is unlikely, however, that the City will have the resources to meet this need. A more realistic target would be 10-15 units annually. Partnerships with

other local housing organizations can help leverage limited City resources.

4. ***Reduce development fees for low-income projects***. The City should conduct a careful review of the components of housing cost and calculate the percentage of total unit cost that is a result of development fees.

Chapter 1 Introduction

BACKGROUND

Ashland, like many Oregon communities, has experienced a shortage of affordable housing. Ashland's 1990 Affordable Housing Plan laid the groundwork for taking more aggressive steps toward dealing with the problem. The plan recommended implementing both land use strategies (i.e., regulatory approaches) and non-land use strategies. The majority of these recommendations have been implemented, either through codification into the Land Use Ordinance or through the creation of new housing programs. The City has implemented strategies that include system development charge (SDC) deferments, first-time homebuyer and rental assistance loans, and land use policies intended to increase the efficiency of development.

Unlike many smaller communities facing housing affordability problems, the City of Ashland is an entitlement community under the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) Program. In short, Ashland has special resources to invest in affordable housing programs, and the requirement for a plan for investing those resources. These resources, however, are limited—in 2000 the City received less than $250,000 in CDBG funds.

Despite these efforts, housing prices continue to increase in Ashland, further exacerbating the affordability problem. The findings presented in the City's most recent Consolidated Housing Plan underscore the extent of the City's housing problems.[2] Although the issues are complex, the Plan's findings can be summarized into a few key points:

- Housing prices have been rising rapidly while household income has increased at a slower rate;
- Low- and moderate-income households are much more likely to rent than to own housing;
- A significant majority (two-thirds) of low- and moderate-income households are burdened by housing costs (i.e., they pay more than 30% of their income for housing and certain utilities), creating an "affordability gap;" and
- Market forces are eroding housing options for low- and moderate-income households.

A complex set of factors affects the local housing market and individual households' ability to afford housing. Moreover, much of the data the 2000 *Consolidated Housing Plan* is based upon is from 1998 or earlier. Recent

[2] City of Ashland CDBG Consolidated Plan, 2000-2004, May 2000.

trends in the housing market suggest new dynamics may be affecting housing development and costs. To better understand these dynamics, the City of Ashland is conducting a housing needs assessment and developing an affordable housing strategy based on identified needs. The City contracted with ECONorthwest to provide an assessment of the current housing situation for all income and housing need categories in Ashland (the *needs assessment).*

PURPOSE

This report is the first part of a two-part study. The housing needs assessment contained in this report will be used by the City of Ashland Community Development Department and the Ashland Housing Commission to develop a set of strategies to address housing needs in Ashland. In summary, the overarching goal of the large project is to develop a comprehensive housing strategy to ensure a stable supply of affordable housing for current and future residents of Ashland at all income levels.

More specifically, this report is intended to supplement data in the 2000 Consolidated Plan, present an evaluation of housing trends in Ashland since the last detailed assessment was completed in 1998, and project current and future housing needs. Specifically, this report:

- Describes socioeconomic characteristics and trends that affect housing;
- Describes recent housing development trends;
- Describes housing condition, tenure, and sales;
- Identifies vacant land and land ownership;
- Assesses trends in jobs/housing location;
- Presents housing policies used in other communities;
- Describes the impacts of local housing policies upon other municipal services and social service organizations; and
- Quantifies housing needs by type and density, and compares it with household incomes and other factors.

ORGANIZATION

The remainder of this report is organized as follows:

Chapter 2: Framework for the Housing Needs Assessment presents the dimensions of a housing needs analysis and how they are framed for this study.

Chapter 3: Overview of the Ashland Housing Market describes socioeconomic factors affecting demand for housing, trends in the housing sales, and recent development patterns.

Chapter 4: Housing Needs quantifies key housing needs in Ashland by affordability, type, density, and population characteristics.

Chapter 5: Potential Policies presents housing policies commonly used by cities to address housing needs. The discussion is intended to serve as a point of departure for more detailed policy discussions by the Housing Strategy team.

This report also includes two appendices:

Appendix A: Socioeconomic Data presents data tables used in the socioeconomic analysis.

Appendix B: Housing and Land Supply Data presents data tables pertaining to housing and housing needs.

Chapter 2 Framework for the Housing Needs Assessment

Economists view housing as a bundle of services for which people are willing to pay: shelter certainly, but also proximity to other attractions (job, shopping, recreation), amenity (type and quality of fixtures and appliances, landscaping, views), prestige, and access to public services (quality of schools). Because it is impossible to maximize all these services and simultaneously minimize costs, households must, and do, make tradeoffs.

What they can get for their money is influenced by both economic forces and government policy. Moreover, different households will value what they can get differently. They will have different preferences, which in turn are a function of many factors like income, age of household head, number of people and children in the household, number of workers and job locations, number of automobiles, and so on. Thus, housing choices of individual households are influenced in complex ways by dozens of factors; and the housing market in Ashland and Jackson County is the artifact of the individual decisions of thousands of households.

The complexity of a housing market is a reality, but it does not preclude the need for some type of evaluation of housing demand and unmet need. Thus, we start our housing needs assessment with a framework for thinking about housing markets, and how public policy affects those markets.

WHAT IS AFFORDABLE HOUSING?

The terms "affordable" and "low-income" housing are often used interchangeably. These terms, however, have different meanings:

- *Affordable housing* refers to households' ability to find housing within their financial means. Households that spend more than 30% of their income on housing and certain utilities are considered to experience *cost burden.*[3] As such, any household that pays more than 30% experiences cost burden and does not have *affordable* housing. Thus, affordable housing applies to <u>all</u> households in the community.

- *Low-income housing* refers to housing for "low-income" households. HUD considers a household low-income if it earns 80% or less of median family income. In short, low-income housing is targeted at households that earn 80% or less of median family income.

[3] Cost burden is a concept used by HUD. Utilities included with housing cost include electricity, gas, and water, but do not include telephone expenses.

These definitions mean that any household can experience cost burden and that affordable housing applies to all households in an area. Low-income housing targets low-income households. In other words, a community can have a housing affordability problem that does not include only low-income households.

It is important to underscore the point that many households that experience cost burden have jobs and are otherwise productive members of society. A household earning 80% of median family income in Ashland earns about $32,000 annually—or about $15.50 per hour for a full-time employee. The maximum affordable purchase price for a household earning $32,000 annually is about $80,000. Ashland has virtually no owner-occupied housing valued at under $80,000. These households are eligible for government housing assistance programs.

As stated above, cities can also have affordability problems for households that earn more than 80% of median family income. For example, rough calculations performed as part of this study suggest Ashland has a deficit of housing units for households earning between $32,000 and $40,000 annually. This equates to a purchase price between $80,000 and $125,000. The median sales price of a single-family residence in 2001 was $277,000; only 10 of the 365 sales recorded in 2001 were for less than $125,000. These households are not eligible for government housing assistance.

In summary, any household can face housing affordability problems. Because they have more limited financial means, the incidence of cost burden is higher among low-income households. Statewide planning Goal 10 requires cities to adopt policies that encourage housing at price ranges commensurate with incomes. In short, state land use policy does not distinguish between households of different income levels and requires cities to adopt policies that encourage housing for all households.

WHAT OBJECTIVES DO HOUSING POLICIES TYPICALLY TRY TO ACHIEVE?

The *Practice of State and Local Planning*[4] classifies goals that most government housing programs address into four categories:

- *Community life.* From a community perspective, housing policy is intended to provide and maintain safe, sanitary, and satisfactory housing with efficiently and economically organized community facilities to service it. In other words, housing should be coordinated with other community and public services. Although local policies do not always articulate this, they are implicit in most local government operations. Comprehensive plans, zoning, subdivision ordinances, building codes, and capital improvement programs are techniques

[4] *The Practice of Local Government Planning, 2nd Edition,* International City Managers Association, 1988.

most cities use to manage housing and its development. Local public facilities such as schools, fire and police stations, parks, and roads are usually designed and coordinated to meet demands created by housing development.

- *Social and equity concerns.* The key objective of social goals is to reduce or eliminate housing inadequacies affecting the poor, those unable to find suitable housing, and those discriminated against. In other words, communities have an obligation to provide safe, satisfactory housing opportunities to all households, at costs they can afford, without regard to income, race, religion, national origin, family structure, or disability.

- *Design and environmental quality.* The location and design of housing affect the natural environment, residents' quality of life, and the nature of community life. The objectives of policies that address design and environmental quality include neighborhood and housing designs that meet: household needs, maintain quality of life, provide efficient use of land and resources, reduce environmental impacts, and allow for the establishment of social and civic life and institutions. Most communities address these issues through local building codes, comprehensive land use plans, and development codes.

- *Stability of production.* Housing is a factor in every community's economy. The cyclical nature of housing markets, however, creates uncertainties for investment, labor, and builders. The International City Manager's Association suggests that local government policies should address this issue—most do not. Moreover, external factors (e.g. interest rates, cost of building materials, etc.) that bear upon local housing markets tend to undermine the effectiveness of such policies.

Despite the various federal and state policies regulating housing, most housing in the U.S. is produced by private industry and is privately owned. While the land use powers of local government have been an important factor in the production of housing, the role of local government has largely focused on regulation for public health and safety and provision of infrastructure. More recently, awareness has grown regarding the impact policies and regulations have had on the other aspects of community life such as costs of transportation and other infrastructure, access of residents to services and employment, and social interactions.

OREGON HOUSING POLICY

The passage of the Oregon Land Use Planning Act of 1974 (ORS Chapter 197), established the Land Conservation and Development Commission (LCDC), and the Department of Land Conservation and Development (DLCD). The Act required the Commission to develop and adopt a set of statewide planning goals. Goal 10 addresses housing in Oregon and provides

guidelines for local governments to follow in developing their local comprehensive land use plans and implementing policies.

At a minimum, local housing policies must meet the requirements of Goal 10 (ORS 197.295 to 197.314, ORS 197.475 to 197.490 and OAR 600.008). Goal 10 requires incorporated cities to complete an inventory of buildable residential lands and to encourage the availability of adequate numbers of housing units in price and rent ranges commensurate with the financial capabilities of its households.

Goal 10 defines needed housing types as "housing types determined to meet the need shown for housing within an urban growth boundary at particular price ranges and rent levels." This definition includes government-assisted housing and mobile home or manufactured dwelling parks as provided in ORS 197.475 to 197.490. For communities with populations greater than 2,500 and counties with populations greater than 15,000, needed housing types include (but are not limited to):

- Attached and detached single-family housing and multiple family housing for both owner and renter occupancy; and

- Manufactured homes on individual lots planned and zoned for single-family residential use.

In 1996, the Oregon legislature passed House Bill 2709 which is now codified as ORS 197.296. It amends the Oregon Land Use Planning Act and further refines Goal 10 as follows:

- Refined the definition of buildable lands;

- Requires coordination of population projections by counties (ORS 195.036);

- Sets criteria for prioritizing land for UGB expansions (ORS 197.298);

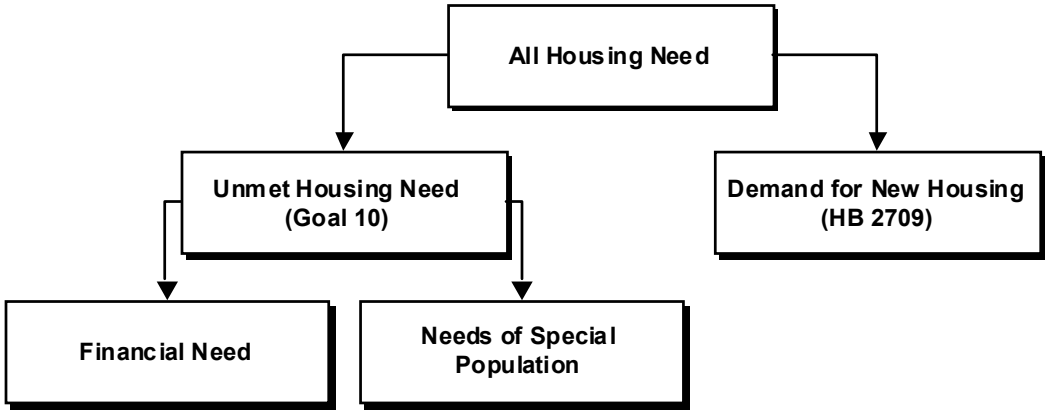
- Sets specific requirements in ORS 197.296 for conducting residential buildable land inventories and housing needs assessments; and

- Requires demonstration of a 20-year buildable land supply.

DEMAND VERSUS NEED

The language of Goal 10 and ORS 197.296 usually refers to housing need: it requires communities to provide needed housing types for households at all income levels. Goal 10's broad definition of need covers all households: from those with no home to those with second homes. Many people would not consider those in the latter category as having a housing need, and that their housing should be a big concern of public policy. Figure 2-1 shows our way of distinguishing between housing needs that are unmet, those that are met via market transactions, and statewide housing policy.

Figure 2-1. Relationship between housing need, housing demand, and statewide land use policy



In developing such an estimate, however, it is necessary to make a distinction between housing that people might need (housing needs) and what the market will produce (housing market demand).

Most housing market analyses and housing elements of comprehensive plans in Oregon make forecasts of new demand (what housing units will get built in response to market forces). Work by housing authorities is more likely to talk about housing need for special classes, especially low-income. It is the role of cities under Goal 10 to adopt and implement policies that will encourage provision of housing units that meet the needs of all residents.

Housing Need vs. Housing Demand

While state policy does not make a clear distinction between need and demand, it is instructive to make such a distinction based on housing policy:

- *Housing need* is based on the broad mandate of Goal 10 that requires communities plan for housing that meets the needs of households at all income levels. Thus, Goal 10 implies that everyone has a housing need. However, standards defined by public agencies that provide housing assistance (primarily HUD and HCS), identify several need components: financial need, housing condition, crowding, and needs of special populations.

- *Housing market demand* is what households demonstrate they are willing to purchase in the market place. Growth in population leads to a growth in households and implies an increase in demand for housing units that is usually met primarily by the construction of new housing units by the private sector based on developers' best judgments about the types of housing that will be absorbed by the market. H.B. 2709 includes a market demand component that applies to certain jurisdictions: buildable land needs analyses must consider the density and mix of housing developed over the previous five years or since their most recent periodic review.

It is unlikely that housing markets in any metropolitan area in the US provide housing to meet the needs of every household. Even many upper-income households probably believe they "need" (want) more housing than their wealth and income allows them to afford. Goal 10 does not require communities address the housing “want” of residents.

More important, however, are more basic housing needs. At the extreme there is homelessness: some people do not have any shelter at all. Close behind follows substandard housing (with health and safety problems), space problems (the structure is adequate but overcrowded), and economic and social problems (the structure is adequate in quality and size, but a household has to devote so much of its income to housing payments that other aspects of its quality of life suffer).

Moreover, while some new housing is government-assisted housing, public agencies do not have the financial resources to meet but a small fraction of that need. New housing does not, and is not likely to fully address all these needs because housing developers, like any other business, typically try to maximize their profits.

In fact, many of those needs are much more likely to be satisfied by existing housing: the older, used stock of structures that is usually less expensive per square foot than new housing. Thus, forecasting the type of new units that might be built in a region (by type, size, price) is unlikely to bear any relationship to the type of housing to which most people with acute housing needs will turn to solve their housing problems.

THE LINK BETWEEN GROWTH MANAGEMENT AND HOUSING AFFORDABILITY

Nelson and Knapp in their report titled *The Link Between Growth Management and Housing Affordability: The Academic Evidence* address this relationship vis-à-vis the academic literature.[5] A common assumption concerning the impact of growth management policies is that by limiting the supply of developable land, such policies reduce the supply of housing. Basic economic theory suggests that if housing supply is low relative to demand, then the price for it will be high, reducing its affordability. However, this is a simplistic view. Housing prices are determined by a variety of complex factors, such as the price of land, the supply and types of existing housing, the demand for housing, the amount of residential choice in the region, and household mobility. Following is a summary of the key linkages.

1. Market demand, not land constraints, is the primary determinant of housing prices

Nelson and Knapp conclude the strength of the housing market is the single most important influence on housing prices no matter what growth management policies are in place. The effects of growth management policies on housing prices are much more complicated to isolate because of the variations in policy styles and implementation, the structure of local housing markets, the patterns of land ownership, and the stringency of other local regulations.

2. Both traditional land use regulations and growth management policies can raise the price of housing

Nelson and Knapp found that both traditional zoning practices and growth management policies can increase home prices, but they do so in different ways. Traditional zoning and other planning and land use controls limit the supply and accessibility of affordable housing, thereby raising home prices by excluding lower-income households.

[5] The Brookings Institute, 2002.

The authors point to evidence that shows that some growth control and land use policies serve to reduce housing supply and the affordability. Such policies frequently favor low-density-housing, dictate minimum housing size, or ban certain housing types. Nelson and Knapp state that "such policies are, in fact, specifically intended to make housing more expensive and thereby exclude lower-income families, who are often people of color. This 'chain of exclusion' is a powerful reality for limiting the affordability of housing in certain jurisdictions."

Growth management policies can improve the supply and location of affordable housing and accommodate other development needs, thereby increasing the desirability of the community and thus the price of housing. Carefully crafted growth management programs can break the chain of exclusion by incorporating policies that increase housing densities, mandating a mix of housing types, and promoting regional fair share housing or other inclusionary housing elements.

3. If housing prices may increase in any land use environment, then the decision is between good and bad regulation to improve housing choice

Nelson and Knapp state "…the question for affordable housing is not whether prices rise because of growth management, but which regulation - traditional land use practices or growth management programs - will increase the distribution of housing types in a metropolitan area." They indicate that traditional land use practices tend be "laissez-faire" in their approach to affordable housing, or they deliberately zone for low-density, expensive homes to exclude low-income households or communities of color.

SUMMARY

This chapter described a framework for addressing housing needs at the local level. The first step in that process is to define the problem as it exists now; in other words to conduct an assessment of the various factors that affect local housing markets. The next step is to review those trends and use them to interpret how that will influence the housing market in the future. Once a thorough evaluation is completed, a set of strategies can be developed to address identified needs.

State land use policy recognizes that land use regulation can influence local housing markets. The preceding discussion makes it clear, however, that limitations exist to the extent to which land use policy can affect housing markets. Thus, affordable housing strategies should include a combination of strategies.

Chapter 3 Overview of the Ashland Housing Market

This chapter provides an overview of the key factors affecting Ashland's housing market: socioeconomic trends, housing costs, buildable land, and several others. Data come from the 2000 U.S. Census,[6] Claritas Inc., the Oregon Employment Department, the City of Ashland, and the Southern Oregon Multiple Listing Service.

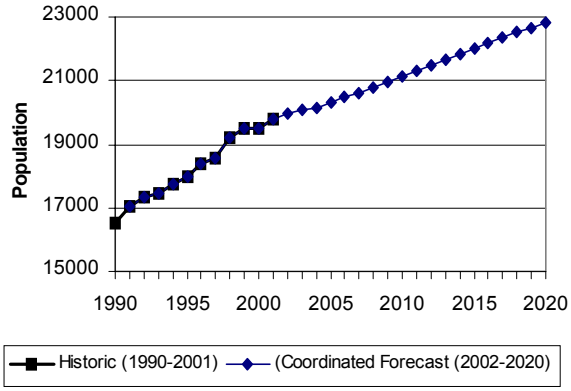
To keep the report brief and to the point, we summarize the data in a series of bullet points and include a discussion of the implications of the data. The data tables are presented in the appendices.

SOCIOECONOMIC TRENDS

Key regional and local trends that affect housing need include population growth, age structure, household characteristics, and household income. This section will identify these key trends and their implication for the housing market in Ashland. Source data for the points in this section is provided in Appendix A of this report; references to the specific tables in Appendix A are included in this chapter.

DEMOGRAPHICS

Figure 3-1. Population trends, Ashland, 1990-2020



Source: CPRC, Portland State University, City of Ashland

Ashland is growing—but relatively slowly. Figure 3-1 shows population trends and forecasts between 1990 and 2020. The 2020 County Coordinated population forecast for Ashland is 22,846 persons. This represents an average annual growth rate of 0.8%, which is less than half the rate the City experienced during the 1990s (1.7% annually).

Further review of population and demographic data from the 1990 and 2000 Census reveals the following key trends that may affect the housing market:

- Ashland's population increased from 16,234 in 1990 to 19,522 in 2000, an

[6] At the time this report was completed, only part of the 2000 Census data were available: the Summary File (SF) 1 data. The SF-1 data include general demographic and household characteristics, but do not include many of the data variables that are important to a housing needs assessment such as household income, employment, and detailed housing variables. Data on these variables presented in this report comes from other sources.

increase of 20%. Ashland's growth rate was equal to the Oregon average but less than the rate in Jackson County, which grew by 24% in the same period (see Table A-1).

- While population in Ashland and Oregon grew at about the same rate in the 1990s, total housing units grew by 26% in Ashland but only 22% in Oregon over the same period (see Table A-4).

- Ashland's large student population at Southern Oregon University shows up in demographic data for the community. 12% of Ashland's population is age 20 to 24, compared to only 6% in Jackson County and 7% in Oregon. And 6% of Ashland's population lives in group quarters, which include dormitories, compared to only 2% in Jackson County and Oregon (see Table A-2).

Table 3-1. Summary of selected demographic characteristics, Ashland, 1990 and 2000

Characteristic	1990	2000	% Change
Population	16,234	19,532	20%
% Under 20	27%	24%	
% Over 65	14%	15%	
Employment	5,725	9,016	57%
Pop/Emp	2.84	2.17	-24%
Housing Units	7,204	9,050	26%
Avg HH Size	2.20	2.14	-3%

Source: US Census, 1990 and 2000

- Ashland's share of population growth in ages under 20 and 35 to 44 is notably lower than in Oregon. Ashland's population in ages 35 to 44 actually *declined* by almost 700 or 21% over the decade. Since many parents with young children fall in the 35 to 44 age group, the decline in this age group caused Ashland's population under 20 to grow more slowly than in Oregon over the 1990s (see Table A-3).

- About 52% of Ashland's population growth was in the 45 to 54 age group, compared to only 36% in Oregon (see Table A-3).

- About 20% of Ashland's population growth in the 1990s was in the 65 and over age group, compared to only 8% in Oregon. Despite this larger share of growth in older age groups, Ashland's current share of population aged 65 and over does not vary substantially from that of Jackson County or Oregon (see Tables A-1 and A-3).

- Ashland has a notably larger share of non-family households than Jackson County or Oregon, and a correspondingly lower share of family households, married-couple families, and households with children under 18 (see Table A-2).

- Ashland's average household size is 2.14–15% lower than in Jackson County or Oregon (see Table A-2).

- Ashland's share of owner-occupied housing units is 12% to 14% less than the share in Jackson County or Oregon. Ashland's share of renter-occupied units is 12% to 14% greater than Jackson County or Oregon (see Table A-2).

In short, Ashland's housing market is dominated by baby boomers, students, and retirees. A larger share of these people form non-family households, which include people living alone, unmarried couples, and unrelated people sharing housing, all with no children. These non-traditional households reduce Ashland's average household size. These conditions imply stronger demand for smaller non-traditional housing units in Ashland.

INCOME

Table 3-2 shows a comparison of average household income for Ashland and two zip code areas in Medford in constant 2001 dollars. The data indicate that real household income grew relatively slowly over the 11-year period.

Table 3-2. Average household income, 1989 and 2001 (in 2001 dollars)

Area	1989	2001	% Change
Ashland	$33,350	$35,706	7%
Medford (97501)	$29,403	$31,697	8%
Medford (97504)	$41,097	$45,876	12%

Source: Claritas, Inc.

Data from Claritas, a private provider of demographic and marketing data, shows that the 2001 household income distribution in Ashland does not vary substantially from that of Medford, Jackson County, or Oregon. Compared to these other areas, Ashland has a larger share of households with an annual income less than $15,000. This may reflect the student population in Ashland (see Table A-5).

Data on median household income in 1979, 1989, and 2001 shows that Ashland's median income has increased from about $31,000 to about $36,000 over that period. Ashland's median household income has exceeded that for the 97501 zip code area in Medford, but is less than the median household income in the 97504 zip code area in Medford (see Table A-6).

Over 50% of the households than earn $10,000 or less annually are headed by individuals between age 18 and 24 or over 65 (see Table A-7).

EMPLOYMENT

For this study ECONorthwest obtained confidential ES-202 employment data from the Oregon Employment Department. This data allowed us to describe employment levels and examine trends at the sub-county level. A review of this employment data from 1990 and 2000 reveals the following key trends that may affect the housing market:

- Total covered employment in Ashland grew by 3,291 or 57% between 1990 and 2000, compared to 6% in Medford

Table 3-3. Employment by sector, Ashland and Jackson County 1990 and 2000

	% of Total 2000 Emp.		Emp. Growth 1990-2000	
	Ashland	Jackson Co.	Ashland	Jackson Co.
Agricultue, Forestry, Fishing, Mining	1%	3%	160%	51%
Construction	1%	3%	89%	73%
Manufacturing	8%	13%	26%	5%
Transportation & Utilities	1%	5%	55%	36%
Wholesale Trade	1%	3%	-22%	2%
Retail Trade	28%	26%	43%	38%
Finance, Insurance, & Real Estate	3%	4%	40%	28%
Services	34%	28%	64%	70%
Nonclassifiable	0%	0%	0%	0%
Government	18%	14%	98%	17%
Total Employment	**100%**	**100%**	**57%**	**36%**

Source: Oregon Employment Department, confidential ES-202 file

and 36% in Jackson County (see Table A-11).

- Total covered employment in Ashland grew by 57% in the 1990s while population grew by only 20% in the same period. This suggests that fewer Ashland residents commute out for work, more people commute to Ashland for work, or both (see Tables A-1 and A-11).

- Employment growth in Ashland was led by Services, Government, and Retail Trade, which together accounted for over 80% of Ashland's employment growth (see Table A-8).

- Average payroll per employee in Ashland was $23,900 in 2000, $2,500 less than in Medford and Jackson County. However, average payroll per employee grew by $5,700 in Ashland between 1990 and 2000 (using constant 2000 dollars), more than in Medford ($4,500) or Jackson County ($2,900) (see Tables A-8, A-9, and A-10).

- Ashland's increase in average payroll per employee was driven by job growth in industries with a relatively high payroll per employee: Health Services, Other Manufacturing, Business Services, and Construction (see Table A-8).

INCOME AND AFFORDABILITY OF HOUSING

POVERTY STATUS AND LOW-INCOME HOUSEHOLDS

Income is a key indicator of households' ability to find and retain safe, decent housing. Two income indicators are commonly used in housing studies to identify at-risk households: poverty and percent of median income. Table 3-4 summarizes the estimated number of low-income households in Ashland in 2001. About 42% of all Ashland households were considered low-income using the HUD standards for 2001. This is less than the estimated 49% for Jackson County. Additional facts concerning income and poverty status:

Table 3-4. Estimate of low-income households, Ashland, 2001

Income Level	Income Limit	All Households	
		Number	Percent
Extremely low-income (0%-30% of the median)	$0 - $12,120	1,020	12%
Low-income (31%-50% of the median	$12,121 - $20,200	1,161	13%
Moderate-income (51%-80% of the median)	$20,201 - $32,320	1,479	17%
Middle-income (81%-95% of the median)	$32,321 - $38,380	698	8%
Households with incomes 80% or less of the median income		3,660	42%
Total households		8,645	

Source: Claritas, Inc.; analysis by ECONorthwest

- About 42% of Ashland households (3,660) were considered low income (80% or less of median family income) in 2001. Slightly more than 1,000 households (12% of all Ashland households) were considered extremely low-income (30% or less of median family income), with about 13% considered low-income (between 31% and 50% of median family income), and 17% were considered moderate income (51% to 80% of median family income) (see Table

3-4).

- Between 1998 and 2001, the estimated number of low-income households increased from 3,562 to 3,660, an increase of about 2.7% percent. The estimated percentage of households in the various low-income categories increased from 35% in 1998 to 42% 2001.

- Renters are far more likely to be low-income than homeowners. About 61% of renters were low-income in 2001, a one percent increase from 1998. Only 25% of homeowners were considered low income in 2001, a 2% increase from 1998.

- About 13.2% of Jackson County households fell below the federal poverty level in 1989. This increased to about 14.6% in 1995. According to the 2000 Oregon Population Survey, the poverty rate in Jackson County was 11.3%.[7]

- The poverty rate in Ashland was about 16% in 1989. In 1995, about 15.4% of children aged 5-17 fell below the poverty level. This was comparable to Jackson County (15.4%) and higher than the state (13%).

AVAILABILITY AND COST OF HOUSING

Statewide planning Goal 10 requires communities to ensure availability of housing at prices commensurate with household incomes. This section uses Census data, assessment data, MLS data, rent data from local property managers, and information from personal interviews conducted by ECONorthwest.

HOUSING STOCK

Table 3-5. Housing stock, Ashland, 1990 and 2000

	1990		2000	
Housing Characteristics	**Number**	**Percent**	**Number**	**Percent**
Housing Occupancy				
Total housing units	7,204	100%	9,050	100%
Occupied housing units	6,853	95%	8,537	94%
Vacant housing units	351	5%	513	6%
Homeowner vacancy rate (percent)	2.6%		1.6%	
Rental vacancy rate (percent)	2.8%		4.1%	
Housing Tenure				
Occupied housing units	6,853	100%	8,537	100%
Owner-occupied housing units	3,535	52%	4,456	52%
Renter-occupied housing units	3,318	48%	4,081	48%
Average household size of owner-occupied units	2.43		2.30	
Average household size of renter-occupied units	2.01		1.98	

Source: US. Census, 1990 and 2000

Table 3-5 shows selected housing variables for Ashland and Jackson County in 2000. According to the 2000 Census, Ashland had 9,050 housing units. About 94% of these units were occupied. The homeowner vacancy rate was 1.4%, while the rental vacancy rate was 4.1%. This contrasts sharply with the 2000 *Consolidated Housing Plan* which

[7] The Oregon Population Survey is a different data source than the Census and uses a different methodology. Thus, the two sources are not directly comparable.

estimated rental vacancies to be about 1% based on estimates from local property management companies.

- The total number of dwelling units in Ashland increased by 26% (1846 dwelling units) between 1990 and 2000. Population increased by 22% during the same period. This difference can be explained by slightly higher vacancy rates, an increase in seasonal housing units, and a decrease in average household size.[8]

- The homeownership rate remained virtually unchanged between 1990 and 2000 at 52%.

HOUSING VALUE

Housing value is a key indicator of housing affordability. ECO used data from the Jackson County Assessor, the Southern Oregon Multiple Listing Service (MLS), and a survey of local property managers to obtain recent data on housing value.

Single-family housing

Table 3-6 shows *assessed* value of single-family dwellings by lot size. The average total assessed value of single-family dwellings in the Ashland UGB is about $228,500. The data show a direct price relationship exists between lot size and assessed value. The average assessed value of units on lots smaller than 5,000 square feet is about $157,000. This increases to $191,000 for lots between 5,000 and 7,499 square feet, and $215,000 for lots between 7,500 and 9,999 square feet. Dwellings on lots larger than 15,000 square feet averaged $315,000.

Table 3-6. Assessed value of single-family dwellings by lot size, Ashland, 2001

Lot Size (sq ft)	Number of DU	Percent of DU	Average Value
<2500	251	5%	$128,631
2500-4999	381	8%	$176,720
5000-7499	933	20%	$191,299
7500-9999	1,213	26%	$215,123
10000-12499	847	18%	$251,004
12500-14999	382	8%	$270,936
15000-19999	341	7%	$283,534
20000+	368	8%	$343,008
Total/Average	**4,716**	**100%**	**$228,595**

Source: Jackson County Assessor; analysis by ECONorthwest

- Older dwellings are among the highest value dwellings in Ashland. The averaged assessed value of dwelling units built before 1900 was $317,195. The lowest value dwelling units were built during the 1940s. Dwelling units built during this decade average about $175,000 in assessed value (see Table B-1).

- Newer dwelling units (units built since 1980) have higher assessed values than the citywide average. Dwellings built during the 1980s

[8] The Census defines seasonal housing as vacant units used or intended for use only in certain seasons or for weekend or other occasional use throughout the year. Seasonal units include those used for summer or winter sports or recreation, such as beach cottages and hunting cabins.

averaged about $257,000, units built during the 1990s averaged about $252,000, and units built since 2000 averaged about $237,000 (see Table B-1).

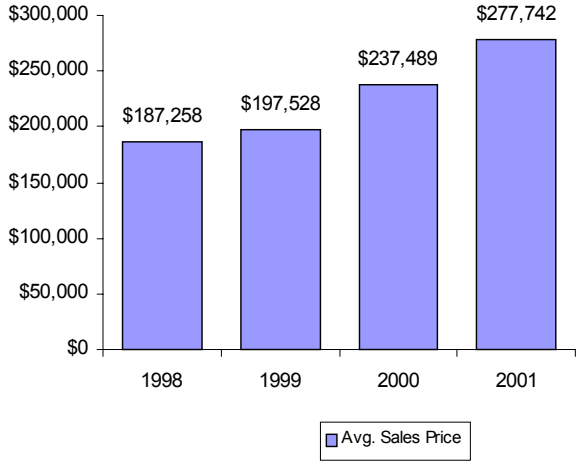
- About 13% of single-family units are on lots smaller than 5,000 square feet, while 20% are on lots between 5,000 and 7,499 square feet. About one-quarter of units are on lots between 7,500 and 9,999 square feet. Approximately 42% of the single-family units are on lots greater than 10,000 square feet (see Table B-2).

- Nearly three-quarters of the dwelling units on lots of less than 5000 square feet were built since 1990. This suggests a trend towards smaller lot sizes (see Table B-2).

Housing sales

Housing sales prices in Ashland have increased substantially in recent years (see Figure 3-2). The average sales price of owner-occupied housing increased from $112,328 in 1989 to $189,327 in 1998 to $277,742 in 2001. This represents a 147% increase over the 11-year period. The rate of increase was particularly high between 1998 and 2001; the average sales price of owner-occupied housing increased nearly 50% between 1998 and 2001 (see Figure 3-2). The MLS reported 343 sales with an average price of $187,258 in 1998. In 2001, the MLS reported 365 sales with an average price of $277,742 (see Table B-4).

Figure 3-2. Average Home Sales Price, Ashland, 1998-2001



Source: Southern Oregon Multiple Listing Service

- About one-quarter of sales recorded between 1998 and 2001 were two or fewer bedrooms. About 60% were three bedrooms, while about 14% were four bedroom units. Only two percent were five or more bedrooms (see Table B-5).

- The average size of dwelling units sold in Ashland between 1998 and 2001 was about 1,717 square feet. The average size of dwelling units sold increased from 1,655 square feet in 1998 to 1,778 square feet for sales recorded in 2001, an increase of about 7% (see Table B-4).

- The average price per square foot for housing sold in Ashland between 1998 and 2001 was about $131 per square foot. Average price per square foot increased 38% between 1998 and 2001. Sales recorded in 1998 averaged $113 per square foot; this increased to $156 per square foot in 2001 (see Table B-6).

- Average housing cost increases with number of bedrooms. The average sales price of one bedroom homes sold between 1998 and 2001 was about $137,000. Two bedroom homes averaged about $171,000, while three bedroom homes averaged $221,000 (see Table B-6).

- Age of housing affects sales price. The oldest dwellings—those built before 1900—had the highest average price. On a per square foot basis, these units averaged $163. Dwellings built during the 1960s, 1970s and 1980s were the least expensive, averaging between $118 and $120 per square foot. Units built since 2000 averaged $138 per square foot (see Table B-7).

Rental units

Table 3-7 summarizes rent survey data gathered by ECONorthwest for this project. In summary, the results show:

- Property managers contacted for this study estimated rental vacancy rates in Ashland are currently around 5%. Data provided by these property managers on their actual number of vacant units shows a vacancy rate of 3.4%.

- Property managers said that studio and one-bedroom units were the most popular because of the strong demand from Ashland's student population. Other units stay on the market no more than 2–3 weeks. Data provided by the property managers support this—vacancy is 0% for studios and 1.9% for one-bedroom units.

Table 3-7. Ashland rent survey, February 2002

Rent	Studio	1-Bed	2-Bed	3-Bed	Total	Percent
<$200						0%
$200-$299						0%
$300-$399	1				1	0%
$400-$499	11	87	56		154	38%
$500-$599		13	163		176	43%
$600-$699		3	54	20	77	19%
$700-$999						0%
$1000+						0%
Total Units	**12**	**103**	**273**	**20**	**408**	**100%**
Total Vacant	0	2	12	0	14	
Vacancy Rate	0.0%	1.9%	4.4%	0.0%	3.4%	

Source: Interviews with local property managers, February 2002; ECONorthwest

- Data provided by area property managers show that most studio and one-bedroom units in Ashland rent for $400–$499, most two-bedroom units rent for $500–$599, and most three-bedrooms rent for $600–$699.

- Area property managers do not foresee any changes in Ashland's rental market in the near future. They expect demand for rental units to remain strong because of SOU and Ashland's attractiveness. Property managers report that no apartment units are being built in Ashland to meet this demand because the zoning for multi-family units allows condominiums and townhomes, which generate a higher profit for the developer and do not need to be managed like an apartment complex.

INCOME SPENT ON HOUSING

In this section we evaluate the relationship between income, housing cost, and housing affordability. A typical standard used to determine housing affordability is that a household should pay no more than 30% of its total monthly household income for housing, including utilities.

Table 3-8. Sample occupations and HUD Section 8 program income limits for Ashland, 2001

Income Level	Hourly Wage	Annual Wage	Sample Occupations
Minimum Wage	$6.50	$13,559	Service station attendant, temporary work, convenience store clerk, dishwasher
30% of MFI	$5.81	$12,120	Fast food cooks, dining room attendants, service station attendants
50% of MFI	$9.68	$20,200	Retail clerks, home health aides, electronic assemblers, carpenters
80% of MFI	$15.49	$32,320	Electronic engineering tech, real estate sales/broker, accountants
120% of MFI	$23.24	$48,480	Physician, Attorneys, Dentists, Professors, Engineers

Source: ECONorthwest

- The HUD fair market rent for a two-bedroom unit was up to $610. To afford that rent, an employee must earn $24,400 annually, or $11.71 per hour. A full-time minimum-wage job pays about $13,500 per year. A household could afford a rent of about $340 on that income (see Table B-9).

- Over 3,000 households in Ashland (42% of all Ashland households) cannot afford to pay the fair market rent as determined by HUD (see Table 3-9).

- The fastest growing employment sectors in Ashland do not pay enough for a household to afford fair market rent. Services and retail sales were the fastest growing employment sectors. Service employment increased by over 1,200 between 1990 and 2000; the average annual pay for a service job in Ashland was $20,942 in 2000. Retail employment increased by 762 jobs between 1990 and 2000. The average retail job paid slightly more than $15,000 in 2000 (see Tables A-10 and B-9).

- Ashland has a large deficit of affordable owner occupied housing units. Less than 4% of single-family dwellings are valued below $101,000, the maximum a household earning the median income of $40,400 could afford. Thus, 46% of households earning below the median income cannot afford to purchase a house in Ashland (see Table B-12).

- Affordability is not just an issue for households earning below the median income. Ashland has 2,750 single-family dwellings valued at more than $187,000, yet only 1,360 households can afford a dwelling valued at more than $187,000 (see Table B-12).

- It is unlikely that a significant percentage of homeowners in Ashland experience cost burden at this time. Most homeowners purchased housing at a time that it was within their financial means to afford. Increases in housing costs have priced a substantial segment of households in Ashland out of the owner market. Moreover, new households that would like to live in Ashland will find it difficult to

Table 3-9. Financially attainable housing in Ashland, 2001

Market Segment by Income	Income range	Number of Households	Percent of Households	Financially Attainable Products: Owner-occupied	Financially Attainable Products: Renter-occupied	
High (120% or more of MFI)	$48,480 or more	2,482	29%	All housing types; higher prices	All housing types; higher prices	↑ New Housing
Upper Middle (80%-120% of MFI)	$32,320 to $48,480	2,503	29%	Manufactured/Single-family on small lots	Single-family attached; detached; manufactured on lots;	Used Housing ↓
Lower Middle (50%-80% of MFI)	$20,200 to $32,320	1,479	17%	Manufactured on lots; single-family attached; duplexes	Apartments; manufactured in parks; duplexes	
Low (30%-50% or less of MFI)	$12,120-$20,200	1,161	13%	None	Low cost apartments; manufactured in parks; duplexes; government assisted housing	
Very Low (Less than 30% of MFI)	Less than $12,120	1,020	12%	None	Apartments; government assisted housing	

Source: ECONorthwest

purchase housing and will increasingly seek housing in other parts of the region.

- ECO estimates, based on household income data, that less than 30% of households in Ashland can afford all housing types. This implies that new housing and a significant portion of the existing housing stock will only be affordable to households that are migrating to Ashland. This has serious implications for Ashland's work force, municipal services, and many other social implications.

In summary, the data suggest that Ashland is facing an increasing affordability gap. This gap has the biggest impacts on renters, although homeowners are increasingly affected by escalating housing costs.

BUILDABLE LAND SUPPLY

Land supply affects land price and by extension, housing price. Goal 10 and ORS 197.296 requires communities to maintain a 20-year supply of buildable residential land within their Urban Growth Boundaries. This section describes Ashland's supply of buildable residential land based on an inventory updated by City staff in January 2002. Table 3-10 summarizes Ashland's buildable land supply by plan designation.

- Ashland has about 640 buildable acres classified as vacant or partially vacant in all plan designations. The City estimates vacant buildable lands in all designations that allow residential uses have a total capacity of 2,245 dwelling units (see Tables B-13).

- About 387 vacant and partially vacant acres are in residential plan designations. Estimated capacity of lands designated for residential uses is 1,932 dwelling units. The City assumes a overall density of 5.0 dwelling units per net residential acre across all designations (see Tables B-13 and B-14).

Table 3-10. Buildable residential land, Ashland UGB, January 2002

Plan Designation	Number of Tax Lots	Total Acres	Buildable Acres	Capacity (DU)	Density
High Density, Multi-Family Residential	34	11.5	7.8	137	17.6
Multi-Family Residential	80	74.0	43.0	389	9.1
Single-Family Residential	373	415.2	246.0	1,058	4.3
Single-Family Reserve	27	118.1	49.8	75	1.5
Woodland Residential	9	12.7	2.5	9	3.5
Suburban Residential	19	63.2	37.8	264	7.0
Total	**542**	**694.6**	**386.8**	**1,932**	**5.0**

Source: City of Ashland

- Only 27% of residential capacity (as measured in dwelling units) exists on lands designated for multi-family use. The owner/renter mix in 2000 was 52%/48%. While tenure does not directly equate to housing type, this figure suggests the City does not have enough land designated for multi-family housing at this time (see Tables B-13 and B-14).

HISTORICAL DEVELOPMENT TRENDS

Analysis of historical development trends provides insights into how the local housing market is working. The housing type mix and density are also key variables in forecasting future land need. Moreover, such an analysis is required by ORS 197.296.[9] The specific steps are described in Task 2 of the DLCD HB 2709 Workbook:

1. Determine the time period for which the data must be gathered.

2. Identify types of housing to address (all needed housing types).

3. Evaluate permit/subdivision data to calculate the actual mix, average actual gross density, and average actual net density of all housing types.

ORS 197.296 requires the analysis of housing mix and density to include the past five years or since the most recent periodic review, whichever time period is greater. Because this project is not intended for periodic review, ECO reviews building permit data for the period 1990 through 2001. This long-term analysis provides greater insight into the functioning of the local housing market. Table 3-11 shows actual housing mix as implied by building permits issued between 1990 and 2001

[9] While this report is not intended to meet the requirements of ORS 197.296 or to update the Housing Element of the City's Comprehensive Plan, this type of analysis is pertinent to any housing needs analysis.

Table 3-11. Actual housing mix, 1990-2001

Housing Type	Total Units	Percent of Units
Single-family		
Single-family detached	1,151	62%
Single-family attached	386	21%
Manufactured	30	2%
Subtotal	**1,567**	**85%**
Multi-family		
Duplex	79	4%
Multi-family	88	5%
Subtotal	**167**	**9%**
Other	108	6%
Total	**1,842**	**100%**

Source: City of Ashland building permit data; analysis by ECONorthwest

- According to Census data, Ashland added 1,842 dwelling units between 1990 and 2000—a 26% increase in total dwelling units.

- According to building permit data provided by the City of Ashland, a total of 1,842 dwelling units were permitted between 1990 and 2001.[10] Of these, 85% were for single-family dwellings; 62% for detached single-family dwellings and 21% for attached single-family dwellings (including condominiums and townhouses). Only 9% of the permits issued were for multi-family housing types (see Table 3-11).

- The actual average density of residences permitted between 1990 and 2001 was 4.3 dwelling units per net residential acre. The average density of single-family housing types was 4.0 dwelling units per net residential acre, while the average net density for multi-family housing types was 9.3 dwelling units per net residential acre (see Table B-17).

- Fifty percent of the units built between 1990 and 2001 were located in the single-family reserve plan designation. The average net density in this plan designation was 3.8 dwelling units per net acre. About 8% of dwelling units were permitted in the high-density residential designation (see Table B-18).

BASELINE FORECAST OF HOUSING DEMAND

This chapter concludes with a baseline forecast of housing demand. The baseline forecast represents our best estimate of how the market will perform in the next 19 years. The forecast assumes no changes in present City policy. In summary, it is intended to provide a rough estimate of what we think the housing market will build in Ashland over the next 19 years.

It uses the City's coordinated population forecast as its foundation but also requires assumptions about average household size, persons in group quarters, and housing mix. The baseline is not solely an extrapolation of historical trends—it reflects pressures we think will affect the market during the planning period. We think those trends will lead to a slightly higher

[10] It is a coincidence that the numbers reported by the Census and building permit data are the same. The Census provides an actual dwelling unit count as of April 1, 1990 and April 1, 2000. The building permit data are for the period between January 1, 1990 and December 31, 2001. This time period suggests that more permits should have been issued than the increase in dwelling units reported by the Census. The reason more permits are not included is that some of the permits had incomplete data.

single-family/multi-family split in the future of 75% single-family and 25% multiple family.

Table 3-12 shows ECO's estimate of new housing demand between 2001 and 2020. The forecasted increase in population for the planning period is 3,076 people. Based on review of Census data, and review of local demographic data, we assume that about 200 of the new people will be housed in group quarters. Using a household size assumption of 2.30 persons per single-family dwelling unit and 2.00 persons per multiple family dwelling unit, Ashland will need about 1,340 new dwelling units between 2001 and 2020.

Table 3-12. Baseline forecast of housing demand, Ashland UGB, 2001-2020

Variable	Value
Change in persons, 2001-2020	3,076
-Change in persons in group quarters	200
=Persons in households	2,876
Single-family dwelling units	
Percent single-family DU	75%
Persons in single-family households	2,157
÷Persons per occupied single family DU	2.30
New occupied single-family DU	938
Vacancy rate	2.5%
Total new single-family DU	962
Multiple family dwelling units	
Percent multiple family DU	25%
Persons in multiple-family households	719
÷Persons per occupied multiple family DU	2.00
New occupied multiple-family DU	360
Vacancy rate	5.0%
New multiple family DU	378
Totals	
=Total new occupied dwelling units	1,297
Aggregate household size (persons/occupied DU)	2.2
+ Vacant dwelling units	43
=Total new dwelling units	1,340
Dwelling units needed annually 2000-2020	71

Source: ECONorthwest

Housing Needs

The previous chapter presented data describing factors that affect housing demand in Ashland. As described in chapter 2, we make a distinction between housing demand and housing need for this report. Housing demand is housing that the market has built or is likely to build in the future. Housing need is based on the broad mandate of Goal 10 that requires communities plan for housing that meets the needs of households at all income levels. Thus, Goal 10 implies that everyone has a housing need.

This chapter focuses on two specific need components: housing needs by housing type and density as implied by households' ability to afford housing, and needs of special populations.

HOUSING NEEDS BY TYPE AND DENSITY

We begin our analysis of housing need by reviewing the housing needs identified in the City's 1998 housing needs analysis. Table 4-1 compares housing need by housing type identified in the 1998 analysis with housing built between 1998 and 2001. The results show some profound differences between identified need by type and permits issued by type during the four-year period between 1998 and 2001. The number of single-family permits issued between 1998 and 2001 exceeded identified need by about 25%, while the number of multiple family units has fallen short of the 30% need by over 20%.

Table 4-1. Comparison of housing need by type identified in 1998 with permits issued 1998-2001

Housing Unit Type	Percent of total units built 1990-98	Allocation of Housing Need	Percent of permits, 1998-2001	Difference
Multi-family residential (MFR)	32.6%	30.0%	9.0%	-21.0%
Multi-family residential detached: (MFR-D)	4.4%	4.0%	2.0%	-2.0%
Manufactured housing units: (MH)	0.5%	1.0%	2.0%	1.0%
Manufactured housing units in Parks: (MHP)	1.6%	2.5%	2.0%	-0.5%
Mixed Use, commercial with residential unit(s): (MU)	1.4%	2.0%	2.0%	0.0%
Single-family residential Detached: (SFR)	51.1%	45.0%	62.0%	17.0%
Single-family residential Attached: (SFR-A)	5.3%	12.5%	21.0%	8.5%
Government assisted housing: (GA)	3.1%	3.0%	0.0%	-3.0%
Total	**100.0%**	**100.0%**	**100.0%**	

Source: City of Ashland, 1998 Housing Needs Analysis; building permit data; analysis by ECONorthwest

The 1998 study identified needed housing for the 20-year period between 1998 and 2018. At this point, the City is one-fifth of the way through that planning period. While some differences between identified need and what housing has been built can be explained by the cyclical nature of the housing market, particularly in multiple family housing, recent trends in housing

costs suggest this trend will continue. In summary, the City is falling short of providing needed housing types as identified in its own 1998 study.

At the end of Chapter 3 we presented a baseline forecast of new dwelling units needed to accommodate population increases between 2001 and 2020. The baseline forecast builds from the coordinated population forecast and has several assumptions implicit in it:

- *Housing mix*. The baseline forecast assumes a housing mix of 75% single-family and 25% multiple-family.

- *Household size*. The baseline forecast assumes an average household size of 2.2 persons between 2001 and 2020. This is consistent with the 2000 Census data.

- *Vacancy rate*. The baseline forecast assumes an overall vacancy rate of 3.2%. This is slightly lower than the 4.8% observed in the 2000 Census.

The baseline forecast, however, is a forecast of housing *demand*. Other data presented in Chapter 3 suggest that the market is not meeting the housing needs of many Ashland residents and workers. The rapid increase in housing sales prices compared to wages in the past four years has exacerbated the problem. Moreover, even if housing prices increase at a slower rate, the types of jobs forecast to grow in Ashland will not allow workers to afford housing. In summary, the financial need is substantial and a large deficit of lower cost units exists (see Table 4-2). Several points should be kept in mind when interpreting this data:

- Because all of the affordability guidelines are based on median family income, the percentage of households meeting the income criteria are comparable in all jurisdictions. For example, 36% of households earn 80% of the median family income. Thus, the income guidelines provide a rough estimate of financial need and may mask other barriers to affordable housing such as move-in costs, competition for housing from higher income households, and availability of suitable units.

- The ratios applied in the HUD income guidelines are defined such that somewhere around 40% of households will *always* be considered low income. Ashland will add more than 1,300 new households between 2001 and 2020. Assuming 36% of these new households are considered low-income by HUD, about 480 of these new households will be low-income.

- Households compete for housing in the marketplace. In other words, affordable housing units are not necessarily *available* to low-income households. For example, if Ashland has a total of 100 dwelling units that are affordable to households earning 30% of median family income, 50% of those units may already be occupied by households that earn more than 30% of median family income. Competition from

students attending Southern Oregon University exacerbates this problem.

Table 4-2. Rough estimate of income and affordability, Ashland, 2001

Income Level	Number of HH	Percent	Affordable Monthly Housing Cost	Estimated Rental Units	Crude Estimate of Affordable Purchase Owner-Occupied Unit	Estimated Owner Units	Unit Gap
Under $10,000	985	11%	$0 to $250	130	$0 to $25,500	63	-792
$10,000-$19,999	1,441	17%	$250 to $500	1,303	$25,000 to $50,000	7	-130
$20,000-$24,999	714	8%	$500 to $625	1,173	$50,000 to $62,500	5	464
$25,000-$29,999	542	6%	$625 to $750	652	$62,500 to $75,000	18	128
$30,000-$34,999	542	6%	$750 to $875	434	$75,000 to $87,500	29	-78
$35,000-$39,999	603	7%	$875 to $1,000	304	$87,500 to $100,000	61	-238
Ashland Median: $40,400			1,010		101,000		
$40,000-$49,999	886	10%	$1,000 to $1,250	217	$100,000 to $125,000	209	-460
$50,000-$74,999	1,579	18%	$1,250 to $1,875	130	$125,000 to $187,500	1,575	126
$75,000-$99,999	654	8%	$1,875 to $2,450	0	$187,500 to $245,000	1,146	492
$100,000-$149,999	493	6%	$2,450 to $3,750	0	$245,000 to $375,000	1,229	736
$150,000 and over	207	2%	More than $3,750	0	More than $375,000	374	167
Total	8,645	100%		4,344		4,706	

Source: ECONorthwest, based on Claritas income data, and HUD income limits
Notes: Estimates do not consider accumulated household assets; rental distribution based on interviews with property managers; distribution of owner-occupied units based on Jackson County Assessment data.

The data in Table 4-2 indicate that:[11]

- Nearly 20% of Ashland households cannot even afford a studio apartment according to HUD's estimate of $356 as fair market rent;
- About 36% of Ashland households cannot afford a two-bedroom apartment at HUD's fair market rent level of $610;
- A median family household can afford a home valued up to about $101,000, while the average sale value of single-family dwellings in Ashland in 2001 was $277,000.
- The largest dwelling unit gap exists for households earning less than $10,000 annually. We estimate that the City needs approximately 800 additional units costing less than $250 per month. These units fall in the category of government assisted housing.
- Based on Jackson County Assessment data, ECO estimates that only 183 owner-occupied units in Ashland are valued under $100,000—or about 3% of all owner occupied units. However, 50% of Ashland's population cannot afford housing valued more than $100,000. The small number of owner-occupied units valued under $100,000 limits

[11] The data shown in Table 4-1 should be used with caution and are intended for general illustrative purposes. The distribution of rental rates was estimated by ECONorthwest using data from the rent survey, the 1990 Census, and interviews with local property managers. The 2000 Census will report this data and will represent a much more accurate source, however, Census data on rental distributions will not be available until summer of 2002.

ownership options in Ashland for households earning less than $40,000 annually.

- The large number of apartments in the $500 to $750 range suggest that a surplus of units exists in this value range. The data also suggest that a deficit of owner-occupied units exists in the $75,000-$125,000 range.

In summary, our evaluation of housing mix, density, and affordability suggests the City has an affordability problem and needs to plan for a larger share of multiple family housing, and for a greater number of single-family housing types on smaller lots. Only 15 multiple family units have been built since 1998. Housing tenure remained constant at 52% owners and 48% renters.

In 1998, the City conducted a buildable lands inventory and a housing needs assessment to meet the requirements of ORS 197.296. The housing needs assessment identified housing need by housing type and plan designation. Using building permit data for the period between 1998 and 2001 ECO conducted an interim evaluation of how well the market is meeting housing needs identified in the 1998 study.

For sake of continuity with the 1998 study, we use the same needed housing types. The data suggest that some modification to the 1998 needed mix is appropriate. Table 4-3 shows the proposed modification and the needed units by type.

Table 4-3. Proposed modification to housing need by type, 2001-2020

Housing Unit Type	Allocation of housing need	Needed DU based on 1998 allocation, 2001-2020	Proposed modification of housing need	Needed DU based on modified allocation, 2001-2020
Multi-family residential (MFR)	30.0%	416	35.0%	485
Multi-family residential detached: (MFR-D)	4.0%	55	5.0%	69
Manufactured housing units: (MH)	1.0%	14	1.0%	14
Manufactured housing units in Parks: (MHP)	2.5%	35	2.5%	35
Mixed Use, commercial with residential unit(s): (MU)	2.0%	28	2.0%	28
Single-family residential Detached: (SFR)	45.0%	624	37.0%	513
Single-family residential Attached: (SFR-A)	12.5%	173	7.5%	104
Government assisted housing: (GA)	3.0%	42	10.0%	139
Total	**100.0%**	**1,387**	**100.0%**	**1,387**

Source: Ashland Housing Needs Analysis, 1998; proposed modifications by ECONorthwest

Ashland's comprehensive plan and zoning ordinances provide for a mixture of housing in some zoning districts. Updated buildable land inventory data presented in Chapter 3, however, show capacity for about 525 dwelling units in multiple family plan designations. The modified need shown in Table 4-3 suggests the City needs to designate more land for multiple family housing.

The data in Chapter 2 also show a direct correlation between density and housing value for single-family units. Moreover, we estimate the actual density of all housing types between 1990 and 2001 based on building permits was 4.3 dwelling units per net acre. Several factors contribute to this relatively low density: the housing mix is one of the most important. Ashland also has a lot of land constraints (primarily slope) that limit densities. In summary, strategies that increase the supply of land available for apartments and encourage smaller lots for single-family units would be appropriate responses to these trends.

HOUSING NEEDS OF SPECIAL POPULATIONS

In its *Housing Strategies Workbook,* the Oregon Department of Housing and Community Services identifies several "special populations" that have housing needs distinctly different than the general population. These include runaway youth, elderly and frail individuals, large families, farmworkers, persons recently released from state institutions, and persons infected with the HIV virus, among others.

The housing needs of these special populations are highly dependent on individual circumstances. Moreover, it is not uncommon for the same individual to be classified into two or more of the categories. As such, it is very difficult to develop an estimate of the number and type of housing units needed for these special populations. In this section we estimate the number of persons with such disabilities and provide projections based on anticipated population growth in Jackson County. For reasons stated above, we do not attempt to estimate the number or types of units needed to house individuals with special housing needs.

Table 4-4 summarizes the number of *persons* statewide and in Jackson County who fall within each of the special population categories.[12] It is difficult to estimate the specific number and type of housing units needed by these populations. Although the need varies by group, collectively, these groups have significant housing needs. Please refer to the *Housing Strategies Workbook* for a detailed discussion of issues and special considerations for these populations.

[12] Data were not available at the City level.

Table 4-4. Historic and forecast persons with special housing needs, Jackson County and Oregon

Special Population	Oregon	Jackson County Historic	Jackson County 2020 Estimated
1993 Runaway Youth (0-17 years)	3,559	53	97
1993 Elderly, Frail (Served by Area Agencies)	13,638	1,077	1,619
1990 Large Families (Households)	103,848	5,015	7,539
1989 Farmworkers[1]			
Seasonal	49,549	3,149	4,734
Migrant	100,726	6,953	10,453
Homeless in 1990	5,397	na	na
1992 Persons Being Released from Correctional Institutions	5,845	158	238
1992 Persons with Psychiatric Disabilities[2]	22,101-66,304	1%-3%	2,216-6,650
1992 Persons with Physical Disability			
Persons 18-59 needing assistance in ADL or IADL[3]	27,339	325	489
Persons 18-59 unable to work	4.1%	5.2%	11,527
1990 Persons 16-64 with self-care or mobility limitation	3.30%	3.30%	73,15
1996 Teen Mothers (birth mothers 19 and under)	3,108	152	229
1996 Teen Pregnancies Per 1,000 (birth morthers, 15-17)	47.3	43.8	na
1990 Single Parent Households	8.4%	8.8%	19,507

Sources: *Housing Strategies Workbook*, Oregon Department of Housing and Community Resources, 1993 except large families (households) and single parent households from 1990 U.S. Census 3A, persons with self-care or mobility limitation from *Oregon: A Statistical Overview 1996*, Southern Oregon State College, and teen mothers from *Oregon Vital Statistics Annual Report 1996 Volume 1*, Oregon Health Division.
[1] Includes family members.
[2] ODHCS estimates that between one and three percent of the population have psychiatric disabilities. The figures represent an estimated range of persons with psychiatric disabilities
[3] ADL is Activities of Daily Living such as dressing and eating. IADL is Instrumental Activities of Daily Living such as shopping and cooking.

The data reviewed in this chapter suggest that Ashland has both demand and need for housing. It is reasonable to expect some new development will be needed housing types as defined in Goal 10. Our discussion of special needs housing and housing affordability suggests that housing *need* in Ashland is considerable. New housing built will potentially free some existing housing that are consistent with the Goal 10 definition of needed housing types.

Given that considerable need exists, the next chapter discusses potential policies that other communities have used to address housing affordability issues.

Chapter 5

Potential Policies

This report is intended to inform the City's housing strategy. This chapter describes potential policies that other cities have used to address housing needs. It is not intended to be a comprehensive discussion of the benefits and costs of various policy approaches.

It begins with a summary of affordable housing policies with an emphasis on land use policies. It concludes with a summary of the implications of the data presented in this report.

SUMMARY OF AFFORDABLE HOUSING POLICIES

The identification of a set of land use policies that will lead to development of more affordable housing while achieving other community goals is difficult at best. Ashland, however, is not the only community in Oregon, or the United States that is facing housing affordability problems. A considerable body of literature exists on land use policy and affordable housing that summarizes approaches that communities have used to address the housing affordability issue.

In general, communities should review policies to ensure that (1) they do not create barriers or exclude to any housing types, and (2) they reduce the cost of housing.

This section summarizes some of the policy approaches that communities can consider to address housing affordability.[13] Figure 5-1 provides a summary of broad policy approaches that other cities have used to address housing affordability issues.

Not all of the approaches are appropriate or applicable to Ashland. Oregon communities already commonly apply some of the standard approaches, such as adequate public facilities requirements.

[13] Much of the information in this section is from *Affordable Housing: Proactive and Reactive Planning Strategies,* S. Mark White, American Planning Association Planning Advisory Service Report Number 441, 1992.

Figure 5-1. Potential affordable housing strategies

Measure	Description	Potential Issues
Proactive Measures: Land Use Controls		
Inclusionary Zoning	Inclusionary zoning policies tie development approval to, or provide regulatory incentives for, the provision of low- and moderate-income housing as part of a proposed development. Mandatory inclusionary zoning: requires developers to provide a certain percentage of low-income housing. Incentive-based inclusionary zoning: provides density or other types of incentives.	Price of low-income housing passed on to purchasers of market-rate housing; inclusionary zoning impedes the "filtering" process where residents purchase new housing, freeing existing housing for lower-income residents. Inclusionary zoning is prohibited by state statute.
Linkages	Linkage ordinances require developers of office buildings or other forms of non-residential uses to build housing, pay a fee in lieu of construction into a housing trust fund, or make equity contributions to a low-income housing project.	Potential constitutional issues of nexus and proportionality as established by *Nollan v. California Coastal Commission*. May discourage economic development.
Financing Affordable Housing	A housing trust fund is generally defined as a "dedicated source of revenue available to help low- and moderate-income people achieve affordable housing." Sources of funds can include linkage payments, tax increment financing, endowments and grants, surplus funds from refinancing municipal bond issues, and taxes and fees.	Developing reasonable revenue streams.
Promoting Infill Development	Infill development promotes housing affordability by using existing infrastructure and services rather than extensions of services. Regulatory approaches include: Administrative streamlining Density bonuses Elimination of overzoning for industrial uses Accessory dwelling units	Impacts to existing property owners; density. The City already allows accessory dwelling units.
Preserving Existing Housing Supply	Housing preservation ordinances typically condition the demolition or replacement of certain housing types on the replacement of such housing elsewhere, fees in lieu of replacement, or payment for relocation expenses of existing tenants. Approaches include: Housing preservation ordinances Housing replacement ordinances Rent control Single-room-occupancy ordinances	Interference with local market; rent control discourages investment in new housing and maintenance.
Reactive Measures: Modification of Regulatory Measures		
Zoning and Subdivision Reform	Development ordinances that regulate minimum lot size, setbacks, lot coverage, lot dimensions, street widths and other aspects of residential development that contribute to housing costs. Approaches include: Zero lot line zoning Cluster zoning Mixed-use zoning Planned unit development Small lot zoning Lot coverage and dimension requirements	May lead to inconsistent development patterns.
Adequate Public Facilities Ordinances	Adequate Public Facilities Requirements (APFRs) help local governments avoid the negative impacts of rapid growth, such as insufficient sewer capacity and traffic congestion. The main objective of APFRs is to ensure that new development has adequate urban services. They serve to give local governments more control over the timing and location of new development.	The impacts of a set of requirements can be difficult to predict; requiring high service levels may discourage certain types of development; the development approval process will be more complicated; APFRs will place new demands on capital improvement budgets.
Administrative and Procedural Reforms	Regulatory delay can be a major cost-inducing factor in development. Oregon has specific requirements for review of development applications, however, and complicated projects frequently require additional analysis such as traffic impact studies, etc.	How to streamline the review process and still achieve the intended objectives of local development policies.

Source: Matrix developed by ECONorthwest, information from *Affordable Housing: Proactive and Reactive Strategies*, White, 1992

IMPLICATIONS FOR LOCAL HOUSING STRATEGIES

Ashland is facing a housing affordability crisis. The rapid escalation in housing value, coupled with little development of apartments, has serious implications for the City. Lower income workers in Ashland face two choices: (1) compete in the local housing market for housing which implies they will experience cost burden; or (2) move to another community where housing is more affordable.

ECONorthwest contacted the City of Ashland, Southern Oregon University, Ashland Community Hospital, and Ashland Public School District for data on the number of their employees by place of residence and salary range. Only the City of Ashland and Southern Oregon University provided this data. Table 5-1 shows the data for these two large employers combined. With the exception of employees earning $10,000 to $19,999 per year, Table 5-1 clearly shows that higher-income employees are more likely to live in Ashland. The large share of employees living in Ashland that earn $10,000 to $19,999 per year probably reflects employees that are not the primary breadwinner of their household or that have multiple jobs.

Table 5-1. Employees at the City of Ashland and Southern Oregon University by place of residence and annual salary, 2001

	Employees		Percent	
Annual Salary	**In Ashland**	**Out of Ashland**	**In Ashland**	**Out of Ashland**
$10,000 - $19,999	21	8	72%	28%
$20,000 - $29,999	105	89	54%	46%
$30,000 - $39,999	121	122	50%	50%
$40,000 - $49,999	118	65	64%	36%
$50,000 - $59,099	74	15	83%	17%
$60,000 - $69,099	14	5	74%	26%
$70,000 - $79,099	9	2	82%	18%
$80,000 - $89,099	2	1	67%	33%
$90,000 - $99,099	1	0	100%	0%
$100,000 - $109,099	1	0	100%	0%
$110,000 - $119,999	0	0		
$120,000 - $129,099	1	0	100%	0%
Total	**467**	**307**	**60%**	**40%**

Sources: Compiled by ECONorthwest from data provided by the City of Ashland and Southern Oregon University.
Notes: Data from the City is for employees earning less than $48,000 per year. City staff indicated that City employees earning more have salaries of $80,000 per year and over, and all live in Ashland. Data from Southern Oregon University does not include student workers.

Southern Oregon University identified the city of residence for their employees. Of the employees that live outside of Ashland, about 50% live in Medford, 20% live in Talent, 8% live in Phoenix, and 7% live in Central Point. The remaining 15% of employees living outside of Ashland are distributed among 11 other towns in the region.

Following is a summary of the implications of housing trends in Ashland:

- *The number of affordable units in Ashland causes households to compete against each other for housing.* This has important implications for those households in the lowest income groups.

These groups are less able to afford housing and as a result, less able to compete for housing. Moreover, households with higher incomes can choose to live in housing below what is considered the maximum amount affordable to them.

- *Land zoned for multiple family is being used for single family units.* This is important because it reduces the amount of land available for higher density rental housing.

- *Housing costs are forcing Ashland workers to live in other communities.* People that live in communities other than the place they work are less likely to perceive a stake in the community. This has implications for many public services. It also increases the percentage of people that commute. Low-income households are less able to afford the transportation costs associated with commuting.

- *Land price appears to be a decreasing factor in total housing cost.* The ratio of permit value to land value has steadily decreased since 1990. In 1990, the ratio of permit value to land value was 1.42. This increased to 2.13 in 2001. Thus, while land is a factor in housing costs, other factors appear to have a greater influence on total housing cost than land. Land cost, however, is still a significant issue. The average assessed value of vacant residential tract land (tax lots greater than 1 acre) designated for single-family use in 2002 was about $125,000. Tax lots smaller than 0.3 acre in single-family areas averaged nearly $75,000, or $365,000 per acre.

- *Housing costs may be contributing to reductions in School enrollment.* While the data do not allow a direct correlation between school enrollment and housing cost, young families tend to have lower incomes than older families. The Census data underscore this trend: between 1990 and 2000, the number of persons aged 25 to 34 increased 4% and the number of persons aged 35 to 44 *decreased* 21%. During the same period, the number of persons between 45 and 54 increased more than 50%. In short, this implies that families are being forced to live in other communities. These demographic trends suggest school enrollments may decrease. Decreases in enrollments will lead to a corresponding decrease in school revenues since a portion of school revenues are allocated on a per student basis.

- *Housing costs may place greater demands on transportation systems and parking (i.e. with more people commuting).* Data from the 1990 Census indicate that one-third of Ashland residents worked in another community. While data from the 2000 Census on commute patterns are not yet available, it seems unlikely that this figure would decrease. As stated previously, the rapid increase

in housing costs is making it difficult for many households to find affordable housing in Ashland.

- *Housing costs may limit economic development.* The location decisions businesses make are based on a variety of factors. Community characteristics such as schools and housing cost are among those factors. High housing costs may place Ashland at a competitive disadvantage to other communities in the region.

RECOMMENDATIONS

Following is a summary of potential land use strategies for addressing key housing issues identified in this report.

1. ***Encourage more multi-family housing***. The data are pretty conclusive that Ashland needs more multi-family rental housing. The permit data suggest that few apartments are being built and that most of the activity in higher density housing types is in condominiums and townhomes. Not only are these higher cost multi-family types, many of these units are intended for home ownership. Potential approaches for increasing multi-family housing include:

   - *Increase the land supply*. The buildable lands data suggest that the City has capacity for about 525 multi-family dwellings. One approach to encourage apartment development is to designate more land for apartments.

   - *Consider restricting uses in certain zones to apartments*. The building permit data suggest that a lot of the high-density housing has been single-family attached types that are owner-occupied units. Designating certain lands for rental units will encourage development of apartments.

   - *Consider policies that encourage redevelopment or adaptive reuse of structures*. The location of rental units is also important. Increasing the supply of rental units near employment centers and the University will make these units more attractive.

2. ***Encourage more affordable single-family housing types***. The average sales price of a single-family resident was nearly $225,000 in 2001. Following are some approaches that can increase more affordable single-family housing types:

   - *Zone more land for small lot development.* The data show a strong correlation between lot size and housing value. The City could decrease minimum lot sizes in certain residential zones, or could take an approach like the City of Corvallis, which requires a certain percentage of small lots (lots between 2,500 and 3,500 square feet) with subdivisions and planned unit developments.

- *Make more land available for manufactured housing*. The City identified a need of 3.5% of all housing for manufactured homes in subdivisions and manufactured homes in parks. Increasing land available for manufactured homes is one potential approach to allowing more affordable single-family housing.

3. ***Develop more government-assisted housing.*** The data show a need for nearly 800 dwelling units that are affordable to households with annual incomes of $10,000 or less. The data suggest the City could develop as many as 50 units per year for the next 20 years to address this need.

4. ***Reduce development fees for low-income projects***. The City should conduct a careful review of the components of housing cost and calculate the percentage of total unit cost that is a result of development fees.

Appendix A Socioeconomic Data

POPULATION AND DEMOGRAPHICS

The population and demographic data presented in this section is drawn from the U.S. Census for 1990 and 2000.

Table A-1. Population by age and race in Ashland, Jackson County, and Oregon, 2000

	Ashland		Jackson Co.		Oregon	
Population						
1990	16,234		146,389		2,842,321	
2000	19,522		181,269		3,421,399	
% Change 90-00	20%		24%		20%	
Age and Race						
Age						
Under 20	4,775	24%	49,164	27%	944,004	28%
20 to 24	2,314	12%	10,826	6%	230,406	7%
25 to 34	2,174	11%	20,330	11%	470,695	14%
35 to 44	2,378	12%	25,930	14%	526,574	15%
45 to 54	3,249	17%	27,954	15%	507,155	15%
55 to 59	1,042	5%	10,220	6%	173,008	5%
60 to 64	694	4%	7,854	4%	131,380	4%
65 to 74	1,272	7%	14,279	8%	219,342	6%
75 to 84	1,143	6%	10,926	6%	161,404	5%
85 and over	481	2%	3,786	2%	57,431	2%
Race						
White	17,873	92%	166,125	92%	3,316,654	97%
Non-white	1,649	8%	15,144	8%	104,745	3%
Of Hispanic origin (any race)	695	4%	12,126	7%	275,312	8%

Source: U.S. Census Bureau. Census 2000. Profiles of General Demographic Characteristics: Oregon. May 2001. 1990 population from State of Oregon, Housing & Community Services Department. *Oregon Census Abstract*. July 1993.

Table A-2. Households by type and housing occupancy in Ashland, Jackson County, and Oregon, 2000

	Ashland		Jackson Co.		Oregon	
Households and Household Types						
Relationship						
In households	18,308	94%	177,592	98%	3,343,908	98%
In group quarters	1,214	6%	3,677	2%	77,491	2%
Household by Type						
Total households	8,537	100%	71,532	100%	1,333,723	100%
Family Households	4,479	52%	48,423	68%	877,671	66%
w/children under 18	2,159	25%	21,663	30%	410,803	31%
Married couple families	3,193	37%	38,053	53%	692,532	52%
Female householder	1,001	12%	7,530	11%	130,782	10%
Non-family households	4,058	48%	23,109	32%	456,052	34%
Householder living alone	2,839	33%	17,978	25%	347,624	26%
Householder over age 65	931	11%	7,838	11%	121,200	9%
HH with individuals under 18	2,265	27%	23,616	33%	445,764	33%
HH with individuals 65 and over	2,006	23%	20,119	28%	305,475	23%
Average HH Size	2.14		2.48		2.51	
Average Family Size	2.72		2.95		3.02	
Housing Occupancy						
Total housing units	9,050	100%	75,737	100%	1,452,709	100%
Occupied housing units	8,537	94%	71,532	94%	1,333,723	92%
Owner-occupied units	4,456	52%	47,564	66%	856,951	64%
Average HH Size	2.30		2.52		2.59	
Renter-occupied units	4,081	48%	23,968	34%	476,772	36%
Average HH Size	1.98		2.40		2.36	
Vacant housing units	513	5.7%	4,205	5.6%	118,986	8.2%
Seasonal housing units	150	1.7%	834	1.1%	36,850	2.5%

Source: U.S. Census Bureau. Census 2000. Profiles of General Demographic Characteristics: Oregon. May 2001.

Table A-3. Population growth by age in Ashland and Oregon, 1990–2000

	1990	2000	Growth	% of Growth
Ashland Total	**16,234**	**19,522**	**3,288**	**100%**
Under 20	4,390	4,775	385	12%
20 to 24	1,794	2,314	520	16%
25 to 34	2,055	2,174	119	4%
35 to 44	3,071	2,378	-693	-21%
45 to 54	1,545	3,249	1,704	52%
55 to 64	1,146	1,736	590	18%
65 to 74	1,278	1,272	-6	0%
75 to 84	771	1,143	372	11%
85 and over	184	481	297	9%
Oregon Total	**2,842,321**	**3,421,399**	**579,078**	**100%**
Under 20	802,516	944,004	141,488	24%
20 to 24	189,142	230,406	41,264	7%
25 to 34	451,544	470,695	19,151	3%
35 to 44	474,851	526,574	51,723	9%
45 to 54	296,595	507,155	210,560	36%
55 to 64	236,349	304,388	68,039	12%
65 to 74	224,438	219,342	-5,096	-1%
75 to 84	128,071	161,404	33,333	6%
85 and over	38,815	57,431	18,616	3%

Sources: 1990 population from State of Oregon, Housing & Community Services Department. *Oregon Census Abstract*. July 1993. 2000 data from U.S. Census Bureau. Census 2000. Profiles of General Demographic Characteristics: Oregon. May 2001.

Table A-4. Total housing units in Ashland and Oregon, 1990–2000

	1990	2000	Growth	% of Growth
Ashland	7,204	9,050	1,846	26%
Oregon	1,193,567	1,452,709	259,142	22%

Sources: 1990 population from State of Oregon, Housing & Community Services Department. *Oregon Census Abstract*. July 1993. 2000 data from U.S. Census Bureau. Census 2000. Profiles of General Demographic Characteristics: Oregon. May 2001.

INCOME

Income data in this section is from Claritas, a private vendor of socioeconomic and marketing data. Claritas uses public information such as the U.S. Census and proprietary methods to estimate socioeconomic characteristics. The data presented in this section for Ashland and Medford is for the zip codes for these areas—97520 for Ashland and 97501 and 97504 for Medford. These zip code areas are larger than the city limits or UGBs of these cities.

Table A-5. Household income by income range in Ashland, Medford, Jackson County, and Oregon, 2001

	Ashland	Medford	Jackson Co.	Oregon
<$5,000	481	999	2,514	39,761
$5,000-$9,999	673	1,695	4,047	60,238
$10,000-$14,999	851	2,334	5,718	86,129
$15,000-$24,999	1,672	4,776	12,410	187,592
$25,000-$34,999	1,269	4,600	11,101	178,004
$35,000-$39,999	706	1,763	4,216	84,648
$40,000-$49,999	1,038	3,589	8,535	151,630
$50,000-$74,999	1,849	6,221	15,143	283,782
$75,000-$99,999	766	2,601	5,789	145,212
$100,000-$149,999	577	1,525	3,123	92,406
$150,000+	242	1,049	1,803	59,066
Total	10,124	31,152	74,399	1,368,468
<$5,000	4.8%	3.2%	3.4%	2.9%
$5,000-$9,999	6.6%	5.4%	5.4%	4.4%
$10,000-$14,999	8.4%	7.5%	7.7%	6.3%
$15,000-$24,999	16.5%	15.3%	16.7%	13.7%
$25,000-$34,999	12.5%	14.8%	14.9%	13.0%
$35,000-$39,999	7.0%	5.7%	5.7%	6.2%
$40,000-$49,999	10.3%	11.5%	11.5%	11.1%
$50,000-$74,999	18.3%	20.0%	20.4%	20.7%
$75,000-$99,999	7.6%	8.3%	7.8%	10.6%
$100,000-$149,999	5.7%	4.9%	4.2%	6.8%
$150,000+	2.4%	3.4%	2.4%	4.3%
Total	100.0%	100.0%	100.0%	100.0%

Source: Claritas, Inc.
Note: Data for Ashland and Medford is for their zip code areas, which are larger than the city limits.

Table A-6. Median household income in Ashland and Medford, 1979, 1989, and 2001 (in constant 2001 dollars)

	1979	1989	2001
Ashland	$30,977	$33,350	$35,706
Medford (97501)	$30,713	$29,403	$31,697
Medford (97504)	$39,077	$41,097	$45,876

Source: Claritas, Inc.
Note: Data for Ashland and Medford is for their zip code areas, which are larger than the city limits.

Table A-7. Household income by age, Ashland, 2001

	2001 Age of Householder											
Income in 2001	**15-24**	**25-34**	**35-44**	**45-54**	**55-59**	**60-64**	**65-69**	**70-74**	**75-79**	**80-84**	**85 +**	**Total**
Under $5,000	147	116	14	30	26	17	8	8	29	11	18	**424**
$5,000-$9,999	157	108	81	34	31	20	29	31	64	39	37	**631**
$10,000-$14,999	196	155	138	74	30	24	36	38	50	30	26	**797**
$15,000-$24,999	200	486	248	196	80	52	54	63	60	38	37	**1,514**
$25,000-$34,999	60	213	239	322	52	32	54	70	46	29	27	**1,144**
$35,000-$49,999	23	211	360	431	99	57	63	72	56	38	29	**1,439**
$50,000-$74,999	1	167	311	485	172	129	82	80	60	28	30	**1,545**
$75,000-$99,999	14	34	101	206	78	66	26	28	13	7	11	**584**
$100,000-$149,999	12	8	60	160	39	31	15	20	22	16	22	**405**
$150,000-$249,999	0	14	29	44	1	0	4	2	8	5	6	**113**
$250,000-$499,999	0	5	1	9	2	4	1	3	2	4	0	**31**
$500,000 or More	0	0	0	13	0	2	0	0	0	1	0	**16**
Total Households	**810**	**1,517**	**1,582**	**2,004**	**610**	**434**	**372**	**415**	**410**	**246**	**243**	**8,643**
Median Income	$12,577	$22,809	$37,958	$47,042	$48,030	$52,907	$36,190	$34,643	$25,435	$26,724	$26,296	**$33,375**

Source: Claritas, Inc.

EMPLOYMENT

For this study ECONorthwest obtained confidential ES-202 employment data for Jackson County from the Oregon Employment Department. This data covers the years 1990 and 2000. This data set reports the SIC (industry) monthly employment, and annual payroll for individual employers in Jackson County.

This data is used by the Oregon Employment Department to publish employment data for counties in Oregon. The primary advantage of using the raw ES-202 data is the ability to analyze trends in employment and payrolls for sub-areas of Jackson County. State law requires that we maintain the confidentiality of individual employers. For this reason we cannot use the data to report characteristics of individual employers, such as their level of employment or annual payroll. In addition, we cannot report data for an industry that has fewer than three firms or in which a single employer represents more than 80% of employment in that industry. The data presented here has been formatted to maintain the confidentiality of individual employers.

To identify employers in Ashland and Medford we used the zip code in the mailing address for each employer. The zip codes cover an area larger than the city limits or UGB for these communities.

The ES-202 data does not always accurately represent the actual location of employers within the County. For example, the data for Jackson County includes U.S. Postal Service employees in the county, but the address for individual Post Offices is their regional payroll office outside of Jackson County. For this reason we cannot identify the level of Postal Service employment in Medford or Ashland.

This issue can cause anomalies in the data presented in this section. For example, it appears that Government employment in Ashland increased by 809 over the 1990–2000 period. However, the ES-202 data does not show any employment at Southern Oregon University (or Southern Oregon State College) in Ashland in 1990. The ES-202 data does include SOU's

employment in 2000, and this accounts for much of the apparent Government employment growth in Ashland in the 1990s.

Table A-8. Employment and payroll per employee in Ashland, 1990 and 2000

	SIC	1990 Emp.	2000 Emp.	Growth	%Growth	Payroll/Employee 1990	2000	Change
Agricultue, Forestry, Fishing, Mining		**50**	**130**	**80**	**160%**	**$17,652**	**$17,686**	**$34**
Agricultural Services	07	42	79	37	88%	$14,130	$17,329	$3,199
Other Agriculture, Forestry, Fishing, Mining		8	51	43	538%		$18,238	
Construction		**218**	**411**	**193**	**89%**	**$23,764**	**$33,418**	**$9,655**
General Building Contractors	15	129	207	78	60%	$24,699	$36,149	$11,450
Heavy Construction	16	28	58	30	107%	$24,901	$34,148	$9,247
Special Trade Contractors	17	61	146	85	139%	$21,263	$29,257	$7,994
Manufacturing		**595**	**748**	**153**	**26%**	**$24,846**	**$26,387**	**$1,540**
Food & Kindred Products	20	37	65	28	76%	$11,315	$18,598	$7,283
Apparel	23	28	30	2	7%	$12,268	$17,482	$5,214
Lumber & Wood Products	24	327	103	-224	-69%	$26,539	$29,875	$3,336
Printing & Publishing	27	96	148	52	54%	$19,557	$24,038	$4,481
Fabricated Metal	34	21	60	39	186%	$35,841	$30,220	-$5,621
Instruments	38	18	45	27	150%	$21,909	$21,883	-$26
Other Manufacturing		68	297	229	337%		$28,859	
Transportation & Utilities		**78**	**121**	**43**	**55%**	**$18,691**	**$21,797**	**$3,106**
Trucking & Warehousing	42	29	104	75	259%	$27,244	$22,514	-$4,730
Transportation Services	47	14	4	-10	-71%	$14,591	$18,309	$3,718
Other Transportation & Utilities		35	13	-22	-63%		$17,137	
Wholesale Trade		**131**	**102**	**-29**	**-22%**	**$32,790**	**$28,764**	**-$4,026**
Durable Goods	50	59	53	-6	-10%	$28,141	$35,061	$6,919
Nondurable Goods	51	72	49	-23	-32%	$36,599	$21,953	-$14,646
Retail Trade		**1,752**	**2,514**	**762**	**43%**	**$12,861**	**$15,073**	**$2,212**
Building Materials	52	52	46	-6	-12%	$18,585	$21,282	$2,697
General Merchandise	53	100	98	-2	-2%	$14,337	$18,880	$4,542
Food Stores	54	310	420	110	35%	$14,665	$16,299	$1,634
Automotive Dealers & Service	55	218	255	37	17%	$24,316	$29,332	$5,015
Apparel	56	37	79	42	114%	$8,393	$15,315	$6,922
Furniture	57	42	46	4	10%	$15,658	$17,380	$1,722
Eating & Drinking	58	832	1,278	446	54%	$8,527	$10,646	$2,119
Miscellaneous Retail	59	161	292	131	81%	$13,804	$17,543	$3,739
Finance, Insurance, & Real Estate		**179**	**251**	**72**	**40%**	**$20,425**	**$22,387**	**$1,962**
Depository Institutions	60	57	63	6	11%	$20,541	$24,252	$3,712
Insurance Agents	64	34	54	20	59%	$21,097	$22,926	$1,830
Real Estate	65	75	104	29	39%	$14,031	$21,177	$7,147
Other FIRE		13	30	17	131%		$21,690	
Services		**1,893**	**3,101**	**1,208**	**64%**	**$15,797**	**$20,942**	**$5,145**
Hotels & Lodging Places	70	429	369	-60	-14%	$10,950	$13,247	$2,297
Personal Services	72	53	96	43	81%	$11,940	$13,014	$1,074
Business Services	73	51	269	218	427%	$18,784	$32,102	$13,318
Auto Repair & Services	75	15	35	20	133%	$16,821	$16,331	-$489
Motion Pictures	78	67	99	32	48%	$11,200	$12,996	$1,796
Amusement & Recreation	79	397	535	138	35%	$20,238	$21,624	$1,386
Health Services	80	315	870	555	176%	$23,196	$26,029	$2,833
Legal Services	81	39	35	-4	-10%	$30,178	$39,925	$9,746
Educational Services	82	63	63	0	0%	$14,237	$17,124	$2,887
Social Services	83	249	392	143	57%	$12,243	$13,396	$1,153
Membership Organizations	86	141	167	26	18%	$5,400	$12,258	$6,858
Engineering & Management	87	36	108	72	200%	$22,120	$26,599	$4,479
Private Households	88	12	32	20	167%	$8,100	$9,121	$1,021
Other Services		26	31	5	19%		$37,313	
Nonclassifiable	99	**5**	**5**	**0**	**0%**	**$8,600**	**$32,358**	**$23,758**
Government		**824**	**1,633**	**809**	**98%**	**$25,966**	**$39,937**	**$13,970**
Total Employment		**5,725**	**9,016**	**3,291**	**57%**	**$18,189**	**$23,866**	**$5,677**

Source: Confidential ES-202 employment data provided to ECONorthwest by the Oregon Employment Department
Note: Confidential data about individual employers has been suppressed. 1990 payroll per employee stated in constant 2000 dollars.

Table A-9. Employment and payroll per employee in Medford, 1990 and 2000

Sector / Industry	SIC	1990 Emp.	2000 Emp.	Growth	% Growth	Payroll/Employee 1990	2000	Change
Agricultue, Forestry, Fishing, Mining		**1,417**	**1,243**	**-174**	**-12%**	**$15,314**	**$18,958**	**$3,644**
Agricultural Production - Crops	01	1,003	737	-266	-27%	$14,625	$17,947	$3,321
Agricultural Services	07	185	195	10	5%	$13,139	$18,349	$5,210
Forestry	08	90	254	164	182%	$20,168	$17,466	-$2,702
Other Agriculture, Forestry, Fishing, Mining		139	57	-82	-59%	$20,037	$40,769	$20,732
Construction		**1,525**	**1,400**	**-125**	**-8%**	**$24,392**	**$30,434**	**$6,042**
General Building Contractors	15	498	268	-230	-46%	$24,077	$31,718	$7,641
Heavy Construction	16	197	30	-167	-85%	$26,658	$30,317	$3,659
Special Trade Contractors	17	830	1,102	272	33%	$24,043	$30,125	$6,082
Manufacturing		**3,974**	**2,361**	**-1,613**	**-41%**	**$29,518**	**$36,074**	**$6,555**
Food & Kindred Products	20	226	212	-14	-6%	$23,732	$36,522	$12,790
Apparel	23	54	12	-42	-78%	$13,186	$22,544	$9,358
Lumber & Wood Products	24	2,034	780	-1,254	-62%	$32,806	$37,356	$4,550
Furniture	25	28	7	-21	-75%	$16,023	$12,631	-$3,391
Printing & Publishing	27	552	596	44	8%	$22,886	$28,992	$6,107
Stone, Clay, & Glass	32	161	194	33	20%	$22,928	$43,921	$20,993
Fabricated Metal	34	241	163	-78	-32%	$29,946	$32,661	$2,715
Industrial Machinery & Equipment	35	114	65	-49	-43%	$29,711	$33,550	$3,839
Transportation Equipment	37	101	61	-40	-40%	$28,947	$38,540	$9,593
Instruments	38	54	125	71	131%	$24,953	$60,721	$35,768
Miscellaneous Manufacturing	39	112	18	-94	-84%	$31,002	$30,297	-$704
Other Manufacturing		297	128	-169	-57%	$31,590	$32,338	$749
Transportation & Utilities		**1,791**	**2,344**	**553**	**31%**	**$29,350**	**$32,612**	**$3,262**
Passenger Transit	41	143	263	120	84%	$14,793	$17,027	$2,234
Trucking & Warehousing	42	622	246	-376	-60%	$30,588	$29,062	-$1,526
Air Transportation	45	104	259	155	149%	$25,741	$29,552	$3,811
Transportation Services	47	235	300	65	28%	$30,643	$38,680	$8,037
Communications	48	567	994	427	75%	$30,807	$31,061	$253
Electric, Gas, Sanitary	49	120	282	162	135%	$33,988	$52,065	$18,077
Wholesale Trade		**1,798**	**1,734**	**-64**	**-4%**	**$29,426**	**$32,931**	**$3,506**
Durable Goods	50	1,174	1,055	-119	-10%	$30,907	$35,080	$4,173
Nondurable Goods	51	624	679	55	9%	$26,638	$29,592	$2,954
Retail Trade		**12,106**	**13,336**	**1,230**	**10%**	**$15,324**	**$20,138**	**$4,814**
Building Materials	52	383	391	8	2%	$20,879	$22,508	$1,628
General Merchandise	53	1,260	1,879	619	49%	$16,220	$18,009	$1,788
Food Stores	54	1,578	1,107	-471	-30%	$15,729	$20,466	$4,737
Automotive Dealers & Service	55	1,196	1,532	336	28%	$22,396	$32,855	$10,459
Apparel	56	344	484	140	41%	$12,444	$12,176	-$268
Furniture	57	504	583	79	16%	$20,306	$22,262	$1,957
Eating & Drinking	58	3,939	3,381	-558	-14%	$9,222	$11,494	$2,272
Miscellaneous Retail	59	2,902	3,979	1,077	37%	$18,826	$23,926	$5,100
Finance, Insurance, & Real Estate		**1,694**	**1,980**	**286**	**17%**	**$28,298**	**$36,930**	**$8,633**
Depository Institutions	60	587	577	-10	-2%	$24,696	$31,237	$6,541
Nondepository Institutions	61	87	187	100	115%	$29,012	$32,626	$3,615
Security & Commodity Brokers	62	114	152	38	33%	$72,429	$99,001	$26,572
Insurance Carriers	63	253	211	-42	-17%	$29,483	$40,504	$11,021
Insurance Agents	64	205	306	101	49%	$24,058	$30,069	$6,010
Real Estate	65	421	521	100	24%	$16,345	$21,810	$5,465
Holding & Investment Offices	67	27	26	-1	-4%	$125,428	$186,105	$60,677
Services		**11,211**	**14,347**	**3,136**	**28%**	**$21,502**	**$26,130**	**$4,628**
Hotels & Lodging Places	70	917	433	-484	-53%	$10,817	$14,941	$4,124
Personal Services	72	449	521	72	16%	$13,677	$18,082	$4,405
Business Services	73	1,173	2,397	1,224	104%	$14,510	$18,067	$3,557
Auto Repair & Services	75	414	527	113	27%	$20,321	$23,553	$3,232
Miscellaneous Repair	76	213	101	-112	-53%	$22,947	$25,864	$2,916
Motion Pictures	78	149	165	16	11%	$15,836	$13,440	-$2,396
Amusement & Recreation	79	763	609	-154	-20%	$15,395	$11,209	-$4,185
Health Services	80	4,405	5,903	1,498	34%	$31,542	$37,423	$5,880
Legal Services	81	270	265	-5	-2%	$26,909	$33,382	$6,473
Educational Services	82	293	314	21	7%	$13,054	$17,682	$4,629
Social Services	83	1,053	1,795	742	70%	$13,861	$15,422	$1,560
Membership Organizations	86	694	657	-37	-5%	$9,415	$14,609	$5,194
Engineering & Management	87	329	569	240	73%	$25,240	$31,757	$6,517
Private Households	88	71	79	8	11%	$13,129	$11,193	-$1,936
Other Services		18	12	-6	-33%	$9,485	$6,782	-$2,703
Nonclassifiable	99	**17**	**12**	**-5**	**-29%**	**$31,100**	**$15,998**	**-$15,102**
Government		**4,996**	**4,380**	**-616**	**-12%**	**$26,881**	**$31,739**	**$4,857**
Total Employment		**40,529**	**43,137**	**2,608**	**6%**	**$21,985**	**$26,443**	**$4,458**

Source: Confidential ES-202 employment data provided to ECONorthwest by the Oregon Employment Department
Note: Confidential data about individual employers has been suppressed. 1990 payroll per employee stated in constant 2000 dollars.

Table A-10. Employment and payroll per employee in Jackson Co., 1990 and 2000

Sector / Industry	SIC	1990 Emp.	2000 Emp.	Growth	% Growth	Payroll/Employee 1990	2000	Change
Agricultue, Forestry, Fishing, Mining		**1,587**	**2,391**	**804**	**51%**	**$15,672**	**$18,345**	**$2,673**
Agricultural Production - Crops	01	1,018	978	-40	-4%	$14,624	$17,700	$3,077
Agricultural Production - Livestock	02	105	104	-1	-1%	$17,095	$19,352	$2,257
Agricultural Services	07	270	561	291	108%	$14,693	$20,530	$5,836
Forestry	08	107	587	480	449%	$19,320	$13,097	-$6,223
Other Agriculture, Forestry, Fishing, Mining		87	161	74	85%	$24,760	$33,124	$8,364
Construction		**2,121**	**3,662**	**1,541**	**73%**	**$25,210**	**$30,784**	**$5,574**
General Building Contractors	15	590	860	270	46%	$25,288	$31,949	$6,661
Heavy Construction	16	322	475	153	48%	$27,151	$33,540	$6,389
Special Trade Contractors	17	1,209	2,327	1,118	92%	$24,655	$29,791	$5,136
Manufacturing		**8,846**	**9,257**	**411**	**5%**	**$30,029**	**$33,283**	**$3,254**
Food & Kindred Products	20	377	465	88	23%	$22,702	$28,425	$5,722
Apparel	23	60	56	-4	-7%	$12,739	$18,750	$6,011
Lumber & Wood Products	24	5,231	4,045	-1,186	-23%	$31,851	$35,314	$3,462
Furniture	25	102	159	57	56%	$23,120	$31,246	$8,125
Printing & Publishing	27	742	948	206	28%	$23,657	$27,313	$3,656
Chemicals	28	131	151	20	15%	$37,041	$40,430	$3,389
Rubber & Plastics	30	44	87	43	98%	$22,851	$23,651	$801
Stone, Clay, & Glass	32	242	413	171	71%	$26,906	$35,429	$8,523
Fabricated Metal	34	296	434	138	47%	$29,340	$27,582	-$1,758
Industrial Machinery & Equipment	35	219	383	164	75%	$28,125	$32,893	$4,768
Electronic & Electric Equipment	36	601	890	289	48%	$26,949	$27,364	$415
Transportation Equipment	37	239	308	69	29%	$25,111	$32,507	$7,395
Instruments	38	66	619	553	838%	$25,858	$50,101	$24,243
Miscellaneous Manufacturing	39	150	292	142	95%	$29,161	$24,869	-$4,292
Other Manufacturing		346	7	-339	-98%	$41,327	$18,124	-$23,202
Transportation & Utilities		**2,837**	**3,865**	**1,028**	**36%**	**$31,463**	**$32,543**	**$1,080**
Passenger Transit	41	200	279	79	40%	$13,397	$16,968	$3,571
Trucking & Warehousing	42	1,275	1,536	261	20%	$31,428	$31,572	$144
Air Transportation	45	127	278	151	119%	$26,501	$29,730	$3,230
Transportation Services	47	239	335	96	40%	$30,603	$37,458	$6,855
Communications	48	668	1,056	388	58%	$31,796	$31,269	-$527
Electric, Gas, Sanitary	49	328	377	49	15%	$44,484	$49,535	$5,051
Wholesale Trade		**2,479**	**2,518**	**39**	**2%**	**$29,586**	**$31,996**	**$2,410**
Durable Goods	50	1,436	1,528	92	6%	$29,983	$34,348	$4,365
Nondurable Goods	51	1,043	990	-53	-5%	$29,038	$28,364	-$674
Retail Trade		**13,691**	**18,934**	**5,243**	**38%**	**$15,200**	**$18,468**	**$3,268**
Building Materials	52	525	651	126	24%	$23,023	$22,968	-$55
General Merchandise	53	1,510	2,217	707	47%	$16,038	$18,090	$2,053
Food Stores	54	1,875	2,226	351	19%	$15,209	$17,543	$2,334
Automotive Dealers & Service	55	1,496	2,203	707	47%	$20,770	$29,142	$8,372
Apparel	56	412	591	179	43%	$11,778	$12,472	$695
Furniture	57	541	690	149	28%	$20,059	$21,710	$1,651
Eating & Drinking	58	4,315	5,845	1,530	35%	$9,283	$11,011	$1,728
Miscellaneous Retail	59	3,017	4,511	1,494	50%	$18,713	$23,200	$4,487
Finance, Insurance, & Real Estate		**2,028**	**2,598**	**570**	**28%**	**$27,324**	**$33,422**	**$6,098**
Depository Institutions	60	790	803	13	2%	$23,743	$29,474	$5,730
Nondepository Institutions	61	99	202	103	104%	$29,051	$32,973	$3,922
Security & Commodity Brokers	62	117	168	51	44%	$71,529	$92,312	$20,783
Insurance Carriers	63	267	218	-49	-18%	$30,989	$40,300	$9,311
Insurance Agents	64	215	387	172	80%	$23,654	$28,300	$4,647
Real Estate	65	511	768	257	50%	$16,908	$20,698	$3,790
Holding & Investment Offices	67	29	52	23	79%	$117,638	$103,077	-$14,561
Services		**12,071**	**20,490**	**8,419**	**70%**	**$21,307**	**$24,194**	**$2,887**
Hotels & Lodging Places	70	953	958	5	1%	$10,882	$13,849	$2,967
Personal Services	72	467	686	219	47%	$13,557	$17,046	$3,490
Business Services	73	1,348	3,773	2,425	180%	$14,811	$18,880	$4,069
Auto Repair & Services	75	489	740	251	51%	$20,535	$22,876	$2,341
Miscellaneous Repair	76	256	172	-84	-33%	$22,373	$23,709	$1,335
Motion Pictures	78	177	312	135	76%	$14,732	$13,305	-$1,426
Amusement & Recreation	79	795	1,292	497	63%	$15,554	$15,591	$37
Health Services	80	4,579	7,085	2,506	55%	$31,317	$35,652	$4,335
Legal Services	81	272	320	48	18%	$28,504	$34,404	$5,900
Educational Services	82	311	451	140	45%	$12,694	$17,567	$4,872
Social Services	83	1,217	2,513	1,296	106%	$13,980	$15,117	$1,137
Membership Organizations	86	726	1,169	443	61%	$9,751	$14,224	$4,473
Engineering & Management	87	374	819	445	119%	$24,579	$30,635	$6,055
Private Households	88	85	146	61	72%	$12,488	$11,188	-$1,300
Services NEC	89	16	35	19	119%	$19,311	$35,165	$15,854
Nonclassifiable	99	**24**	**24**	**0**	**0%**	**$27,529**	**$21,118**	**-$6,411**
Government		**8,709**	**10,191**	**1,482**	**17%**	**$29,232**	**$34,761**	**$5,528**
Federal		1,825	1,748	-77	-4%	$36,241	$42,992	$6,751
State		1,567	1,786	219	14%	$28,175	$40,584	$12,410
Local		5,317	6,657	1,340	25%	$27,138	$31,037	$3,899
Total Employment		**54,393**	**73,930**	**19,537**	**36%**	**$23,579**	**$26,485**	**$2,906**

Source: Confidential ES-202 employment data provided to ECONorthwest by the Oregon Employment Department
Note: Confidential data about individual employers has been suppressed. 1990 payroll per employee stated in constant 2000 dollars.

Table A-11. Comparison of employment growth by sector in Ashland, Medford, and Jackson County, 1990–2000

	% Employment Growth		
	Ashland	**Medford**	**Jackson Co.**
Agricultue, Forestry, Fishing, Mining	160%	-12%	51%
Construction	89%	-8%	73%
Manufacturing	26%	-41%	5%
Transportation & Utilities	55%	31%	36%
Wholesale Trade	-22%	-4%	2%
Retail Trade	43%	10%	38%
Finance, Insurance, & Real Estate	40%	17%	28%
Services	64%	28%	70%
Nonclassifiable	0%	-29%	0%
Government	98%	-12%	17%
Total Employment	**57%**	**6%**	**36%**

Source: Confidential ES-202 employment data provided to ECONorthwest by the Oregon Employment Department. Summary and analysis by ECONorthwest.

Table A-12. Comparison of employment composition by sector in Ashland, Medford, and Jackson County, 2000

	% of Total Employment		
	Ashland	**Medford**	**Jackson Co.**
Agricultue, Forestry, Fishing, Mining	1%	3%	3%
Construction	1%	3%	3%
Manufacturing	8%	5%	13%
Transportation & Utilities	1%	5%	5%
Wholesale Trade	1%	4%	3%
Retail Trade	28%	31%	26%
Finance, Insurance, & Real Estate	3%	5%	4%
Services	34%	33%	28%
Nonclassifiable	0%	0%	0%
Government	18%	10%	14%
Total Employment	**100%**	**100%**	**100%**

Source: Confidential ES-202 employment data provided to ECONorthwest by the Oregon Employment Department. Summary and analysis by ECONorthwest.

Table A-13. Covered employment/population ratios in Ashland, Medford, Jackson County, and Oregon, 1990 and 2000

	Employment/Population Ratios		
	1990	**2000**	**Change**
Ashland	0.35	0.46	0.11
Medford	0.86	0.68	-0.18
Jackson Co.	0.37	0.41	0.04
Oregon	0.43	0.47	0.04

Source: Confidential ES-202 employment data provided to ECONorthwest by the Oregon Employment Department. Oregon employment from the Oregon Employment Department, Covered Employment and Payroll, 1990 and 2000. Population from the U.S. Census. Analysis by ECONorthwest.

Appendix B Housing and Land Supply Data

HOUSING

COUNTY ASSESSMENT DATA

The Jackson County Assessor keeps records on properties for taxation purposes. The City of Ashland maintains a geographic information system (GIS) database that includes properties linked spatially to tax lot boundaries. The data in this section were provided by the City of Ashland Planning Department and represent tax lots in the Ashland Urban Growth Boundary with a property classification of 101 (single-family residential with improvements).

Table B-1. Summary of single-family housing value by year built, Ashland UGB

Year Built	Number	Average Assessed Value
1850-1899	110	$317,195
1900-1909	161	$282,947
1910-1919	106	$268,283
1920-1929	65	$208,672
1930-1939	69	$185,491
1940-1949	309	$175,804
1950-1959	498	$185,492
1960-1969	612	$214,081
1970-1979	795	$229,479
1980-1990	665	$257,030
1990-1999	1,047	$252,274
2000-2001	173	$237,787
None	106	$60,954
Total/Average	**4,716**	**$228,595**

Source: Jackson County Assessors Office, City of Ashland GIS Data
Note: includes only tax lots with property class 101,
single-family residential with improvements

Table B-2. Single-family housing units by year built and lot size, Ashland UGB

	Lot Size (square feet)								
Year Built	<2500	2500-4999	5000-7499	7500-9999	10000-12499	12500-14999	15000-19999	20000+	Grand Total
1850-1899		8	12	20	23	19	15	13	110
1900-1909	2	5	41	33	28	22	10	20	161
1910-1919		3	19	25	20	10	11	18	106
1920-1929		5	11	22	6	6	1	14	65
1930-1939		5	12	18	8	9	7	10	69
1940-1949		11	101	70	35	28	31	33	309
1950-1959	2	7	91	169	96	43	46	44	498
1960-1969		1	80	217	177	58	42	37	612
1970-1979		1	97	306	209	69	72	41	795
1980-1990	28	44	134	148	121	59	68	63	665
1990-1999	141	221	284	162	101	49	29	60	1,047
2000-2001	39	57	37	15	12	5	4	4	173
None	39	13	14	8	11	5	5	11	106
Grand Total	**251**	**381**	**933**	**1,213**	**847**	**382**	**341**	**368**	**4,716**
Percent of Total	**5%**	**8%**	**20%**	**26%**	**18%**	**8%**	**7%**	**8%**	**100%**

Source: Jackson County Assessors Office, City of Ashland GIS Data
Note: includes only tax lots with property class 101, single-family residential with improvements

Table B-3. Single-family housing value by year built and lot size, Ashland UGB

	Lot Size (square feet)								
Year Built	<2500	2500-4999	5000-7499	7500-9999	10000-12499	12500-14999	15000-19999	20000+	Grand Total
1850-1899		245,449	249,896	276,564	290,540	319,854	407,119	425,490	317,195
1900-1909	193,305	184,300	246,885	265,575	309,296	386,832	287,658	265,649	282,947
1910-1919		220,453	229,443	243,428	210,840	288,830	374,690	339,161	268,283
1920-1929		138,668	189,540	189,702	266,300	145,245	438,910	264,556	208,672
1930-1939		112,098	138,669	160,537	197,870	197,229	207,930	287,118	185,491
1940-1949		119,485	139,776	172,972	196,677	172,589	207,833	261,359	175,804
1950-1959	119,870	117,801	151,295	166,964	193,160	198,557	218,968	276,642	185,492
1960-1969		204,560	184,229	187,914	214,361	242,973	258,583	335,201	214,081
1970-1979		236,400	176,968	212,601	244,472	254,047	260,813	306,713	229,479
1980-1990	76,418	174,383	185,691	247,916	297,808	299,536	339,818	360,688	257,030
1990-1999	156,233	181,955	220,400	281,173	337,241	381,203	350,338	514,105	252,274
2000-2001	186,760	206,031	237,243	299,101	366,285	311,580	399,418	323,550	237,787
None	5,329	24,745	86,329	76,764	82,261	94,724	133,250	187,647	60,954
Average	**128,631**	**176,720**	**191,299**	**215,123**	**251,004**	**270,936**	**283,534**	**343,008**	**228,595**

Source: Jackson County Assessors Office, City of Ashland GIS Data
Note: includes only tax lots with property class 101,
single-family residential with improvements

MLS DATA

The Southern Oregon Multiple Listing Service (MLS) tracks data on all residential property sales. The MLS divides Jackson County into subareas. Ashland is in subarea 12.

Table B-4. Summary of housing sales by year, Ashland, 1998-2001

Year	Number of Sales	Avg. Bedrooms	Avg. Bathrooms	Avg. Sq. Ft.	Avg. Sales Price
1998	373	2.9	1.9	1,655	187,258
1999	442	3.0	2.0	1,694	197,528
2000	465	2.9	2.0	1,738	237,489
2001	365	3.0	2.0	1,778	277,742
Total/Average	**1,645**	**2.9**	**2.0**	**1,717**	**224,395**

Source: Southern Oregon Multiple Listing Service

Table B-5. Summary of housing sales by number of bedrooms, Ashland, 1998-2001

Number of Bedrooms	Number of Sales	Avg. Sq. Ft.	Average Sales Price	Average Price / Sq. Ft.
0	4	1,059	307,100	290
1	24	808	136,910	169
2	374	1,236	171,266	139
3	971	1,728	221,100	128
4	231	2,332	293,466	126
5+	41	2,945	437,003	148
Total/Average	**1,645**	**1,717**	**224,395**	**131**

Source: Southern Oregon Multiple Listing Service

Table B-6. Housing sales by number of bedrooms, Ashland, 1998-2001

	Bedrooms									
Year	**0**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**9**	**Average**
Number of sales										
1998	0	7	90	223	44	6	1	2	0	**373**
1999	1	9	91	258	68	13	1	1	0	**442**
2000	2	4	102	288	62	6	1	0	0	**465**
2001	1	4	91	202	57	5	2	1	2	**365**
Subtotal	**4**	**24**	**374**	**971**	**231**	**30**	**5**	**4**	**2**	**1,645**
Average Sales Price										
1998		116,993	163,693	180,258	256,774	249,250	565,000	370,000		**187,258**
1999	285,000	130,278	150,451	195,110	245,688	306,385	249,900	880,710		**197,528**
2000	381,700	111,500	176,317	236,838	334,292	306,383	465,000			**237,489**
2001	180,000	212,100	193,909	276,942	334,382	523,300	1,044,100	845,000	1,075,000	**277,742**
Average	**307,100**	**136,910**	**171,266**	**221,100**	**293,466**	**331,110**	**673,620**	**616,427**	**1,075,000**	**224,294**
Average Square Feet										
1998		792	1,225	1,677	2,381	2,372	2,900	2,821		**1,655**
1999	1,002	784	1,212	1,693	2,247	2,624	3,120	3,650		**1,694**
2000	1,618	759	1,232	1,763	2,391	2,823	3,193	0		**1,738**
2001		939	1,273	1,780	2,333	2,829	4,760	3,558	4,879	**1,778**
Average	**1,059**	**808**	**1,236**	**1,728**	**2,332**	**2,647**	**3,747**	**3,212**	**4,879**	**1,716**
Average Price Per Square Foot										
1998		$148	$134	$107	$108	$105	$195	$131		**$113**
1999	$284	$166	$124	$115	$109	$117	$80	$241		**$117**
2000	$236	$147	$143	$134	$140	$109	$146			**$137**
2001		$226	$152	$156	$143	$185	$219	$237	$220	**$156**
Average	**$290**	**$169**	**$139**	**$128**	**$126**	**$125**	**$180**	**$192**	**$220**	**$131**

Source: Southern Oregon Multiple Listing Service

Table B-7. Summary of housing sales by year built, Ashland, 1998-2001

Year Built	Number of Sales	Average Sq. Ft.	Average Sales Price	Average Price / Sq. Ft.
1850-1899	62	1,944	317,781	163
1900-1909	71	1,588	236,565	149
1910-1919	53	1,719	276,716	161
1920-1929	38	1,533	233,867	153
1930-1939	25	1,400	201,428	144
1940-1949	78	1,354	177,368	131
1950-1959	111	1,601	208,346	130
1960-1969	155	1,642	195,365	119
1970-1979	200	1,773	209,369	118
1980-1989	181	1,802	216,648	120
1990-1999	511	1,764	226,689	128
2000-2001	149	1,793	248,073	138
na	11	1,683	249,573	148
Total/Average	**1,645**	**1,716**	**224,294**	**131**

Source: Southern Oregon Multiple Listing Service

RENT SURVEY

Data in this section is drawn from interviews with property managers in the Ashland area.

Table B-8. Distribution of rental units by monthly rent in Ashland, February 2002

	Studio	1-Bed	2-Bed	3-Bed	Total
<$200					
$200– $299					
$300– $399	1				1
$400– $499	11	87	56		154
$500– $599		13	163		176
$600– $699		3	54	20	77
$700– $799					
$800– $899					
$900– $999					
$1,000– $1,249					
$1,250– $1,499					
$1,500– $1,749					
$1,750– $1,999					
$2,000+					
Total Units	**12**	**103**	**273**	**20**	**408**
Number Vacant	0	2	12	0	14
Vacancy Rate	0.0%	1.9%	4.4%	0.0%	3.4%

Source: ECONorthwest, from contacts with area property managers.

HOUSING AFFORDABILITY

This section presents data on the relationship between income, housing cost, and housing affordability. A typical standard used to determine housing affordability is that a household should pay no more than 30% of its total monthly household income for housing, including utilities.

Table B-9. Analysis of affordable housing wage and rent gap by HUD income categories, 2001

Value	Minimum Wage	30% MFI	50% MFI	80% MFI	100% MFI	120% MFI
Annual Hours	2086	2086	2086	2086	2086	2086
Minimum Wage	$6.50	$5.81	$9.68	$15.49	$19.37	$23.24
Annual Wage At Minimum Wage	$13,559	$12,120	$20,200	$32,320	$40,400	$48,480
Annual Affordable Rent	$4,068	$3,636	$6,060	$9,696	$12,120	$14,544
Monthly Affordable Rent	$339	$303	$505	$808	$1,010	$1,212
HUD Fair Market Rent (2 Bedroom)	$624	$624	$624	$624	$624	$624
Is HUD Fair Market Rent Higher Than The Monthly Affordable Rent?	Yes	Yes	Yes	No	No	No
Rent Paid Monthly OVER 30% of Income	$285	$321	$119	na	na	na
Rent Paid Annually OVER 30% of Income	$3,420	$3,852	$1,428	na	na	na
Percentage of Income Paid OVER 30% of Income for Rent	25%	32%	7%	na	na	na
Total Spent on Housing	55%	62%	37%	23%	19%	15%
For this area what would the "Affordable Housing Wage" be?	$11.97	$11.97	$11.97	$11.97	$11.97	$11.97
The Affordable Housing Wage Gap IS:	$5.47	$6.16	$2.28	na	na	na

Source: HUD, Oregon office; analysis by ECONorthwest

Table B-10. Sample occupations and HUD Section 8 program income limits for Jackson County, 2001

Income Level	Hourly Wage	Annual Wage	Sample Occupations
Minimum Wage	$6.50	$13,559	Service station attendant, temporary work, convenience store clerk, dishwasher
30% of MFI	$5.81	$12,120	Fast food cooks, dining room attendants, service station attendants
50% of MFI	$9.68	$20,200	Retail clerks, home health aides, electronic assemblers, carpenters
80% of MFI	$15.49	$32,320	Electronic engineering tech, real estate sales/broker, accountants
120% of MFI	$23.24	$48,480	Physician, Attorneys, Dentists, Professors, Engineers

Source: HUD, Oregon Region Office, Oregon Employment Department (sample occupations), analysis by ECONorthwest, 2002

MFI: Median family income

Table B-11. Financially attainable housing type by income range

Market Segment by Income	Income range	Number of Households	Percent of Households	Financially Attainable Products: Owner-occupied	Financially Attainable Products: Renter-occupied	
High (120% or more of MFI)	$48,480 or more	2,482	29%	All housing types; higher prices	All housing types; higher prices	↑ New Housing
Upper Middle (80%-120% of MFI)	$32,320 to $48,480	2,503	29%	Manufactured/Single-family on small lots	Single-family attached; detached; manufactured on lots;	Used Housing ↓
Lower Middle (50%-80% of MFI)	$20,200 to $32,320	1,479	17%	Manufactured on lots; single-family attached; duplexes	Apartments; manufactured in parks; duplexes	
Low (30%-50% or less of MFI)	$12,120-$20,200	1,161	13%	None	Low cost apartments; manufactured in parks; duplexes; government assisted housing	
Very Low (Less than 30% of MFI)	Less than $12,120	1,020	12%	None	Apartments; government assisted housing	

Source: Analysis by ECONorthwest, 2002

MFI: Median family income

Table B-12. Rough estimate of housing affordability and dwelling unit gap, Ashland, 2001

Income Level	Number of HH	Percent	Affordable Monthly Housing Cost	Estimated Rental Units	Crude Estimate of Affordable Purchase Owner-Occupied Unit	Estimated Owner Units	Unit Gap
Under $10,000	985	11%	$0 to $250	130	$0 to $25,500	63	-792
$10,000-$19,999	1,441	17%	$250 to $500	1,520	$25,000 to $50,000	7	87
$20,000-$24,999	714	8%	$500 to $625	1,303	$50,000 to $62,500	5	594
$25,000-$29,999	542	6%	$625 to $750	521	$62,500 to $75,000	18	-3
$30,000-$34,999	542	6%	$750 to $875	348	$75,000 to $87,500	29	-165
$35,000-$39,999	603	7%	$875 to $1,000	261	$87,500 to $100,000	61	-281
Ashland Median: $40,400			1,010		101,000		
$40,000-$49,999	886	10%	$1,000 to $1,250	174	$100,000 to $125,000	209	-504
$50,000-$74,999	1,579	18%	$1,250 to $1,875	87	$125,000 to $187,500	1,575	83
$75,000-$99,999	654	8%	$1,875 to $2,450	0	$187,500 to $245,000	1,146	492
$100,000-$149,999	493	6%	$2,450 to $3,750	0	$245,000 to $375,000	1,229	736
$150,000 and over	207	2%	More than $3,750	0	More than $375,000	374	167
Total	8,645	100%		4,344		4,706	

Sources: Claritas, Inc, and Oregon Housing & Community Services. Analysis by ECONorthwest

Notes: FMR-Fair market rent

LAND SUPPLY

BUILDABLE LAND SUPPLY

The City of Ashland updated its buildable lands inventory as a part of this project. The buildable lands inventory classifies land as either developed, vacant, partially vacant, or redevelopable. It also nets out constrained lands such as steep slopes and wetlands.

Table B-13. Vacant and partially-vacant land by classification, Ashland UGB, January 2002

Classification	Number of tax lots	Total Acres	Buildable acres	Capacity (DU)
Developed	20	6.4	0.0	0
Vacant	477	648.8	351.9	1,159
Vacant/Airport	7	61.3	0.0	0
Vacant/OS-Park	106	556.8	0.0	6
Vacant/Parking	28	14.1	0.0	0
Vacant/Undevelopable	92	337.8	0.0	0
Partially Vacant	267	552.6	287.3	1,080
Redeveloped	391	174.5	0.0	0
Not classified	3	1.8	0.0	0
Total	**1,391**	**2,354.1**	**639.2**	**2,245**

Source: City of Ashland Planning Department, analysis by ECONorthwest

Table B-14. Vacant and partially-vacant land by residential plan designation, Ashland UGB, January 2002

Plan Designation	Number of Tax Lots	Total Acres	Buildable Acres	Capacity (DU)	Density
High Density, Multi-Family Residential	34	11.5	7.8	137	17.6
Multi-Family Residential	80	74.0	43.0	389	9.1
Single-Family Residential	373	415.2	246.0	1,058	4.3
Single-Family Reserve	27	118.1	49.8	75	1.5
Woodland Residential	9	12.7	2.5	9	3.5
Suburban Residential	19	63.2	37.8	264	7.0
Total	**542**	**694.6**	**386.8**	**1,932**	**5.0**

Source: City of Ashland Planning Department, analysis by ECONorthwest

BUILDING PERMIT DATA

The City of Ashland tracks permits issued for new residential construction. The following tables are based on permit data for the period between 1990 and 2001. The permit data included tax lot information which allows analysis of permits by plan designation, and density.

Table B-15. Building permits issued for new residential construction by type, Ashland UGB, 1990 - 2001

Year	Single-family detached	Single-family attached	Duplex	Manu-factured	Multiple family	Other	Total
1990	104	24	2	0	14	1	145
1991	87	4	4	0	6	0	101
1992	80	10	0	5	0	0	95
1993	79	6	3	1	4	2	95
1994	89	9	0	4	8	5	115
1995	92	6	2	0	10	47	157
1996	92	19	0	2	31	14	158
1997	142	29	44	0	0	8	223
1998	89	107	4	1	15	6	222
1999	121	66	2	3	0	6	198
2000	104	94	2	0	0	11	211
2001	72	12	16	14	0	8	122
Total	**1,151**	**386**	**79**	**30**	**88**	**108**	**1,842**
Annual Permits	105	35	7	3	8	10	167
Percent of Total	62%	21%	4%	2%	5%	6%	100%

Source: City of Ashland Planning Department, analysis by ECONorthwest

Table B-16. Actual housing mix, Ashland UGB, 1990 – 2001

Housing Type	Total Units	Percent of Units
Single-family		
Single-family detached	1,151	62%
Single-family attached	386	21%
Manufactured	30	2%
Subtotal	**1,567**	**85%**
Multi-family		
Duplex	79	4%
Multi-family	88	5%
Subtotal	**167**	**9%**
Other	108	6%
Total	**1,842**	**100%**

Source: City of Ashland Planning Department, analysis by ECONorthwest

Table B-17. Net residential density by housing type, Ashland UGB, 1990 – 2001

Housing Type	Total Units	Percent of Units	Net Residential Acres	Density (DU/Net Res. Ac.)
Single-family				
Single-family detached	1,151	62%	346.8	3.3
Single-family attached	386	21%	15.8	24.4
Manufactured	30	2%	25.5	1.2
Subtotal	**1,567**	**85%**	**388.2**	**4.0**
Multi-family				
Duplex	79	4%	3.7	21.4
Multi-family	88	5%	14.2	6.2
Subtotal	**167**	9%	**17.9**	9.3
Other	108	6%	19.7	5.5
Total	**1,842**	**100%**	**425.8**	**4.3**

Source: City of Ashland Planning Department, analysis by ECONorthwest
Note: Other housing types include accessory dwellings, studios and retirement housing

Table B-18. Net residential density by plan designation, Ashland UGB, 1990 – 2001

Plan Designation	Dwelling Units	Percent of DU	Net Acres	Density (DU/Net Acre)
Residential				
High Density, Multi-Family Residential	149	8%	10.2	14.6
Low Density Residential	78	4%	72.7	1.1
Multi-Family Residential	209	11%	46.5	4.5
Townhouse Residential	40	2%	3.2	12.6
Single-Family Reserve	922	50%	242.2	3.8
Suburban Residential	148	8%	11.7	12.6
Woodland Residential	10	1%	19.2	0.5
Subtotal	**1,556**	**84%**	**405.8**	**3.8**
Non-Residential				
Commercial	28	2%	5.5	5.1
Employment	14	1%	2.5	5.7
Health Care	236	13%	13.4	17.7
Southern Oregon University	8	0%	4.3	1.9
Subtotal	**286**	**16%**	**25.7**	**11.1**
Total	**1,842**	**100%**	**431.5**	**4.3**

Source: City of Ashland Planning Department, analysis by ECONorthwest

Table B-18. Net residential density by zoning district, Ashland UGB, 1990 – 2001

Zoning District	Dwelling Units	Percent of DU	Net Acres	Density (DU/Net Acre)
C-1	28	2%	5.5	5.1
COUNTY	14	1%	26.4	0.5
E-1	14	1%	2.5	5.7
HC	236	13%	13.4	17.7
NM	40	2%	3.2	12.6
R-1-10	196	11%	63.5	3.1
R-1-3.5	146	8%	9.0	16.3
R-1-5	510	28%	91.4	5.6
R-1-7.5	189	10%	50.3	3.8
R-2	208	11%	46.2	4.5
R-3	149	8%	10.2	14.6
RR-.5	90	5%	80.6	1.1
RR-1	3	0%	3.9	0.8
SO	8	0%	4.3	1.9
WR	11	1%	21.3	0.5
Total	**1,842**	**100%**	**431.5**	**4.3**

Source: City of Ashland Planning Department, analysis by ECONorthwest