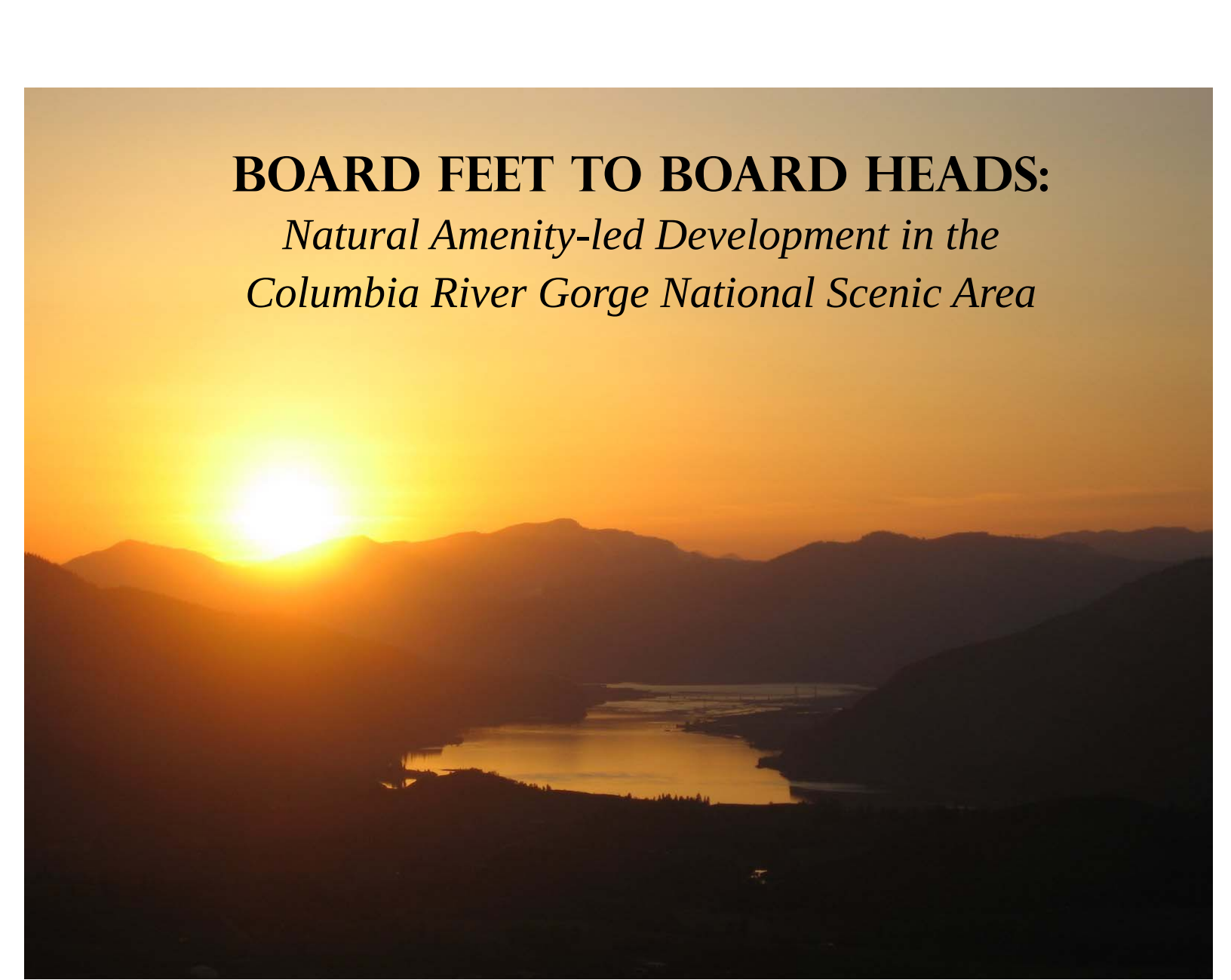




BOARD FEET TO BOARD HEADS:

*Natural Amenity-led Development in the
Columbia River Gorge National Scenic Area*

Terminal Project – Spring Term of 2009

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Abstract

Many rural communities in the American West are in transition from natural resource extraction based economies to new forms of development. Those located in natural amenity rich areas are experiencing an influx of visitors and newcomers that drive increases in the demand for residential, retail, and service sector development. Despite the potency of natural amenity led development, planning theory concerned with employing amenity migration on behalf of community development is in its infancy.

The Columbia River Gorge National Scenic Act is an important response to this type of development and serves as a case study of the evolving approach of the Federal Government in guiding the rural restructuring of the West.

Through a combination of interviews and policy review this project explores the question: Has the National Scenic Act contributed to a new natural resource based economy, in which environmental protection has become the driver for nearby rural communities?

The findings of this research suggest that the National Scenic Act has been implemented quite differently by Washington and Oregon; and these differences have contributed to significantly varying outcomes on opposite sides of the Columbia River. In particular, these findings imply that limiting economic growth to strictly defined urban areas can serve to protect agricultural economies, but may have substantial impacts on housing affordability.

Overall, natural amenity led development is impacting all aspects of rural life and must be carefully planned if it is to result in a sustainable form of development for rural communities.

Prologue

Today in the Columbia River Gorge, hundreds of colorful sails and kites glide across the water like dragonflies on a sunny summer day. The beach is lined with onlookers gazing across the



mighty Columbia, cameras capturing every moment, a story to be retold another day when they get home. A short walk into the bustling downtown area of Hood River brings storefronts filled with all kinds of regalia emblazoned with symbols of the Gorge and names of nearby rural

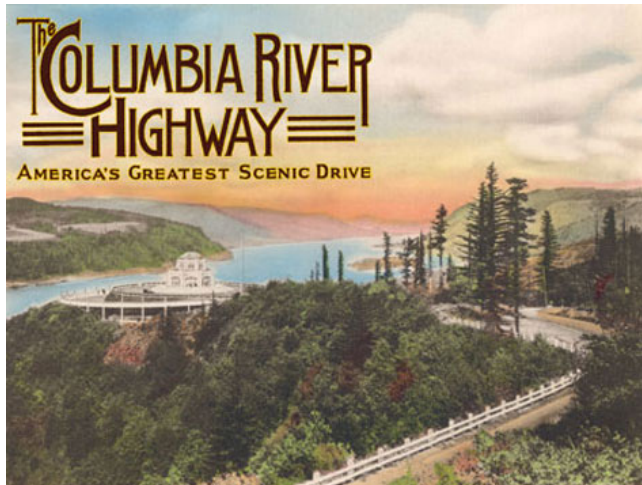
communities. Connoisseurs clutch bottles of award-winning local wines, while families pack crates of local Bosc pears into their vehicles. On the weekends, tourists pour into the local coffee shops and microbreweries, while “Locals Night” is reserved for mid-week when visitors have returned to the city where they scheme up ways of owning a piece of paradise some day.

Around 25 years ago, a stiff wind blew through the Gorge, a result of pressures from outside the region, leaving the once billowing steam stacks at the many lumber mills dormant. A

changing economy left the tight-knit communities facing tough times. Empty storefronts and vacant houses were scattered throughout the Gorge awaiting new tenants. In direct contrast, the urban fringe began to encroach on the Eastern Gorge as proposals for large subdivisions and expansion of the freeway system emerged from Portland and Vancouver. Uncertainty surrounded the future of the Gorge both in terms of viable economic opportunities and the proposal for Federal regulation of private lands.

During the 1920s, a gray fog hung over the swiftly moving water of the Columbia River Gorge; the shoreline was jammed with logs, and denuded cliffs loomed in the distance. The downtown

storefronts were filled with local goods and businesses that supported the loggers, miners, and



orchardists that made up the community. The residents were mostly recent arrivals, seeking to establish themselves in a new community. The nearby Grange provided a meeting place on the

weekends. Meanwhile in Portland, travelers were lined up in Model T Fords along the newly finished Columbia River Highway; the first scenic highway in the United States specifically designed to showcase the dozens of waterfalls lining the Gorge walls. Mostly within a day's drive, rural communities in the Gorge became a destination for urbanites seeking relief from the city.

Each of these points in time reflects a very different social, environmental and cultural climate in the history of the Gorge. Although these narratives may seem anecdotal, they draw on the direct connection between people, place, and public interventions. Federal legislation that is created on a national scale has had significant impacts on rural communities throughout the Nation. The lure of private property in the West, stricter rules about endangered species, and the limitation of private development are all outcomes of Federal initiatives and market forces. Over time, these changes manifest themselves in very different ways in different places. The rich history of the Columbia River Gorge provides an interesting case study for assessing these types of changes and provides insight into contemporary issues facing natural amenity rich rural communities throughout the West.

Chapter 1

Introduction

As many rural communities in the American West are forced to transition from natural resource extraction based economies into new forms of development, many of these natural amenity rich areas are experiencing an influx of visitors and newcomers that drive increases in the demand for residential, retail, and service sector development (Johnson and Beale 1998; Nelson 2001; as cited by Marcouiller, 2005). The presence of wilderness and large expanses of open space are important reasons for why people move to rural counties, not necessarily for economic reasons (Rudzitis, 1999). These communities are developing new identities as they attract more tourists, wealthy retirees, and “lifestyle entrepreneurs.” Isolating the impact of natural amenities on this growth is difficult as these amenities are loosely defined as non-marketed qualities of a locality that make it an attractive place to live and work (Green, 2001; Power 1988). It is important to understand the policy implications of this transition, since amenity-led development poses several challenges to practitioners interested in promoting sustainable community development (Green, 2001). Despite the potency of amenity-led development, planning theory concerned with

employing amenity migration on behalf of community development is in its infancy (Fagan, 1988; Moss and Glorioso, 1999; as cited by Chipeniuk, 2006). Gaining further understanding about the relationship between governmental regulations and the associated impacts on natural amenity-led development is important as more and more rural communities experience this transition.

An important shift in migration patterns underlies the natural amenity-led development; out-migration from the urban areas into rural communities has increased substantially over the last 20 years. These trends are clearly exemplified in demographic shifts between 1990 and 1998, during which time, the average county in the US grew at a rate of 4.1%; whereas the average county in the rural West grew nearly 9% from migration (Nelson, 2001). Several factors have contributed to these changes: more efficient modes of transportation, a mobile workforce, and overall increases in disposable income for travel to name a few. While this is a relatively new phenomenon, many communities are just beginning to see the focus of livelihood shift to service industry jobs to support tourism and amenity-led development. This shift is especially significant in rural areas that are in close proximity to metro areas and have high amounts

of natural amenities (Green, 2001). Policy and planning initiatives need to recognize that economic, demographic, and environmental forces are coalescing in rural communities throughout the West contributing to a new socio-cultural paradigm.

A Case of Compromise

In the Pacific Northwest, where natural amenity rich rural communities are in abundance, the shifting economies have had a profound impact on all aspects of rural life. In particular, the Columbia River Gorge is a very interesting case study of the evolving approach of the Federal Government in guiding the rural restructuring of the West. With the passage of the Columbia Gorge National Scenic Act in 1986, the United States Congress set a new precedent in land use regulation that was intended to protect scenic, natural, and cultural resources as well as encourage economic growth in rural areas (NSA, 1986). The National Scenic Area Act designated 292,500 acres for special protection on both sides of the Columbia River from the outskirts of Portland-Vancouver metro areas in the west to the semi-arid, rural regions of Wasco and Klickitat counties in the East (Abbott, 1998). Three specific land use zones were applied to the region: special management, general management, and urban areas.

Each designation carries its own strict regulations on the allowed uses and process for approval of which are controlled by the Columbia Gorge Commission and administered by the Forest Service. This legislation was the first of its kind and exemplified a new Federal approach to conservation that sought the elusive balance of preserving both the “poetic” and “economic” values of the area (Nash, 2004). In addition, the National Scenic Act set the stage for a form of re-scaled governance in which natural amenities were considered on a regional scale and looked to as a driver of economic development

Map 1-1. Columbia River Gorge Region.



Source: NSA Management Plan. 1992

At the time of the passage of the National Scenic Act, most of the communities in the Gorge were struggling to transition from natural resource extraction and production industries that

were no longer profitable. Population was declining and housing values were low - these communities were struggling. The implementation of the National Scenic Act spurred a fiery debate between the rural communities and the nearby Portland metropolitan area. Rural residents and property rights advocates often referred to the legislation as the creation of “Portland’s Playground;” implying that the economic needs of rural communities were being overlooked in favor of the recreation needs of urban residents. The debate was also made more complicated by the implications of the National Scenic Act regulations having a closer resemblance to Oregon’s land use planning system than Washington’s less stringent regulations. To this day, Klickitat County in Washington refuses to adopt the planning ordinances required by the National Scenic Act leaving the Gorge Commission to administer and enforce the ordinances. Needless to say, the implementation of a bi-state compact between Oregon and Washington, that involves partnerships with the United States Forest Service, four Native American Treaty Tribes, and the six counties within the Scenic Area is complicated and has its share of positive and negative outcomes.

Research Questions

The rural communities spread throughout the Gorge have seen drastic changes in their economy, demographics, and culture over the last 25 years (Abbott, 1998). This transformation has occurred at a different pace and taken on different forms in each community, resulting in large disparities in economic vitality between them. For nearly a century, a combination of conservation efforts have taken place in the Gorge that span local, state, and federal jurisdictions; each striving to achieve a balance between the protection of natural resources and facilitation of economic development. This complicated history begs the question: have these efforts contributed to a new natural resource based economy, in which environmental preservation has become profitable for the nearby rural communities? The Columbia River Gorge serves as a microcosm for the issues facing rural communities across the American West and it is appropriate that this area would become the setting for a new precedent in federal land use initiatives at the end of the 20th century. This paper will explore the question: what effect has the Columbia River Gorge National Scenic Act had on natural amenity-led development in the region?

Methods

To gain a holistic understanding of the topic, my analysis has utilized qualitative methods to collect and synthesize information including: semi-structured interviews and document analysis. In order to focus my project on specific outcomes, I have conducted case studies of two counties that are within the Columbia River Gorge National Scenic Area: Hood River County and Klickitat County. These counties provide a rich source for information about amenity-led development and the impacts of the National Scenic Act. Both of these counties have taken a different approach in the implementation of the National Scenic Act and have seen different levels of development over the last 25 years. In addition, the study of these counties allows for further exploration of the differences between Oregon and Washington planning initiatives, as they lie adjacent to each other on the Columbia River, which serves as the State Line. A qualitative approach is appropriate for focusing on the socio-cultural impacts of amenity-led development in these two counties.

As part of my qualitative analysis, I have conducted a document analysis of relevant materials to inform my semi-structured interviews and connect my findings within the policy and planning context present in the Gorge. To complement the

findings of my document analysis, I have conducted nine interviews that entail approximately an hour of semi-structured questions that are intended to facilitate an informative dialogue about my research topic. Together, these qualitative methods will deepen the understanding of planning procedures and outcomes; and contribute to a more robust explanation of natural amenity-led development.

-Significance

At this point in time there is relatively little academic literature addressing the impact of planning initiatives and amenity-led development in the Pacific Northwest. As is exemplified in other parts of the West, there are unique regional characteristics to natural amenity-led development. Gathering in-depth knowledge about these relationships will contribute to the creation of policies that address the urban-rural inequalities that result from amenity-led development (Green, 2001). When public policy and long-term planning initiatives are developed with a better understanding of amenity-led development, the protection of unique natural features can become a commodity and environmental conservation can become the new natural resource-based economy for rural communities.

-Limitations

This analysis of the National Scenic Act and natural amenity-led development is limited in scope and should not be used to make broad generalizations about other places and circumstances. The author gathered information from a variety of sources and perspectives, but a different interpretation of this data could lead to a different set of findings and recommendations. This information should be accepted as a limited perspective and it would be effective for another author to build on this information by seeking dissenting opinions. Most importantly, as is apparent throughout the analysis: the Gorge is a fluid place that is always in a state of constant change. This analysis is yet another snapshot in time and there is nothing reliable like change.

-Balance of the Project

This section lists the chapters that are part of the analysis and details what information can be found in each of these chapters. Please see the References and Appendices for any further information.

Chapter 2: Literature Review: A literature review that establishes both a historical context and theoretical temporal framework is essential for establishing a better understanding of

the research topic. Through an exhaustive literature review of peer reviewed articles and books focused on the public vs. private land ethic, rural restructuring and amenity-led development in the rural West, I will provide a conceptual basis from which to approach my research topic. Several authors have written about different aspects of amenity-led development and most describe a need for more study of the policy implications surrounding amenity-led development, which will be addressed in the subsequent chapters.

Chapter 3: Methodology and Procedures: In this chapter, I will explain the process by which my qualitative analysis will be conducted. Given the framework put forth in the first two chapters, I will explain my selection of nine interviewees and detail the list of topics that were covered in the semi-structured interviews. In addition, I will explain the method by which I have conducted a document analysis of relevant policy and planning documents.

Chapter 4: Findings (Analysis and Evaluation): An analysis of the information that I have gathered through interviews and document analysis will be included in this chapter. Overall themes will be identified in the interviews and document analysis; these findings will be studied in direct relation to the

research questions. This chapter will include the interpretation of specific statements recorded in the interviews and findings of the document analysis.

Chapter 5: Summary, Conclusions, and Findings: This chapter will summarize the findings detailed in the previous chapter and emphasize the relevancy of these findings. Recommendations will be made to inform policy makers, planners, and future academic research about the research topic.

Chapter 2

Literature Review

The literature review draws together key concepts from the scholarly literature that has explored the concepts of the evolving American land ethic, rural restructuring and natural amenity-led development in the West. As these are such broad and expansive topics, the review focuses on the identification of the key insights that relate to the research questions put forth in the first Chapter.

Historical Context: Land Ethic in the West

-Public Good vs. Private Interest

For the last two centuries, rural communities across the American West have been caught in a battle which pits two highly contrasting viewpoints of how to properly manage natural resources against each other. The delicate balance between preservation for the public good and exploitation for private interest has been a divisive topic in the American mindset for many years. While traditional American values were established on the right to private ownership, a new paradigm began to emerge in which public ownership was used to protect wilderness areas. Over time, many different forms of implementation were undertaken to satisfy both the demand for valuable natural

resources and outdoor recreation. The highly varying processes used to accommodate these needs have led to vastly different outcomes.

In the United States, the political dialogue surrounding public ownership for the preservation of the environment has a dynamic and ever-changing history. The constant battle between the long-term public good and short-term private interest is illustrated by human alterations to the landscape. This can be seen especially in the West, where public holdings of lands dominate the frontier and have varying impacts on the local communities and natural environment. In contrast, it was private ownership of land and natural resource extraction that drove migration into the area. Today, one thinks of public lands as a Western phenomenon, but at one time nearly everything west of the Appalachians was part of the public domain (Robbins, 2004). This remains a prominent issue in the West because of the large amount of public lands. For example, all twelve states West of the Rockies have greater than 30% of their land area designated as Federal lands, whereas nearly all of the states East of the Rockies have less than 10% (USGA, 2004). The historical ownership and prevailing land ethic that existed in the past have no doubt shaped the landscape and its present options for use in

the West (Robbins, 2000). A time period's prevailing land ethic is enacted through governmental regulations; this is critical for comprehending the depth and breadth at which these regulations have their basis.

-Expansion and Extraction

The definition of ownership is an ever-changing concept and has extreme impacts on all parts of our culture, economy, and environment. As word was sent back to the East about the seemingly never-ending supply of natural resources and right to ownership, the populous began their trek to the West. Into the late 1800s, a "Lockean" attitude spread throughout the West and the towering cultural edifice of private property ownership dominated the pioneer mindset (Geilser, 2000). Different groups and different needs were tangled into a web of proximate and ultimate causes for the expansion, including wealthy elite in the East demanding natural resources and lower class Americans looking to strike it rich on the Western frontier by establishing an ownership of these resources. Meanwhile, the wealthy in the East were profiting from this expansion as much as the pioneers themselves through the financing of railways to the West and the commodity trading market to the rest of the World. Once established, the pioneers became the proximate cause of

environmental degradation acting as agents of natural resource extraction such as placer mining and extreme clear-cutting of timber (Nash, 2004). The wealthy in the East contributed to the ultimate cause in several ways, most directly through the demand of more resources for local development, then by the financing of railways for quick transport, and finally through the negotiation of trade outside of the United States (Robbins, 2004).

Governmental institutions, acting under the rubric of social reform, accommodated these demands by emphasizing a land ownership structure that promoted private property and natural resource extraction to support the economic development of the Country as a whole.

-Conservation Movement

By the early 1900s, people began to realize that the seemingly endless supply of resources and land had their limits and a new land ethic began to emerge. Just as some viewed the frontier as a storehouse of land to be privatized and improved for the greater good of the nation, others viewed the frontier as a storehouse of near-sacred wilderness experiences and public patrimony (Geisler, 2000). Preservationists such as George Perkins Marsh extolled both the “poetic” and “economical” justifications for public ownership of nature preserves (Nash,

2004). The federal government responded through several different methods of structural change: refining homesteading policy, setting aside public lands for natural resource reserves, and creating nature preserves primarily for recreation. The creation of this multipurpose public land system has had a lasting effect and continues to be implemented through a range of public agencies such as the Bureau of Land Management, the United States Forest Service, and the National Park Service. Today, these three agencies manage 80% of all Federal lands, which is approximately 25% of all land in the United States (USGA, 2004). It is difficult to comprehend the scale on which these agencies operate, especially here in the West where more land is under Federal management than private ownership (USGA, 2004). The establishment of these protected lands is in direct opposition to the pioneer mindset that dominated the settlement of the American West. Beyond economics, we start to see that culture truly is the hidden hand of land use planning and can't be ignored as an important factor in the justification for protection of lands.

-Managing the Storehouse

The Forest Service and National Parks Service exemplify two very different approaches that emerged from the Conservation Movement. Where the Forest Service is focused on

the management of natural resources to maximize public utility in the form of extraction, the National Park Service is more focused on preservation for public enjoyment and recreation. In effect, these agencies each take a role in separating the “economical” and “poetic” justifications for preservation (Nash, 2004). Often, the ideas of two individuals, Gifford Pinchot and John Muir, are examined to explain the fundamental differences between these two governmental structures (Robbins, 2004). In the late 1890s, before the formation of either the National Park Service or Forest Service, the two men served on the Commission for National Forests. The Commission was tasked with the creation of management strategies for the newly appropriated 21 million acres of Federal Forest Preserves. It was in their recommendations for the National Forests that the stark differences between Pinchot and Muir became apparent. Where Pinchot saw the Forest Reserves as an opportunity for utilitarian objectives and practical forestry, Muir recommended the protection of wilderness for recreation and preservation of natural ecosystems (Nash, 2004). This marks a divergence of conservationists into two main categories: wise-users, following Pinchot, and preservationists, following Muir.

Into the early 20th century, both Pinchot and Muir had the attention of President Teddy Roosevelt and eventually the general public at large. The stark differences in their approach are exemplified by the comments made Pinchot and Muir below:

“...the object of the forest reserves is absolutely for the making of homes...The way to keep homes prosperous is to keep the forest yielding wood, water, and grass, and keep them at it permanently.” (Pinchot in 1904, As quoted in Robbins, 2000)

“Thousands of tired, nerve-shaken, over-civilized people are beginning to find out that going to the mountain is going home; that wildness is necessity; that mountain parks and reservations are useful not only as fountains of timber and irrigating rivers, but as fountains of life.” (Muir, 1918)

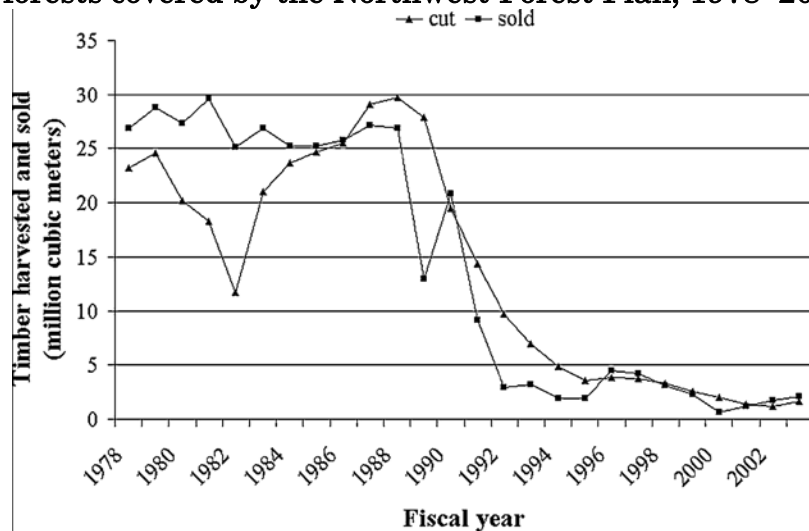
The definitions of what constitutes wilderness, natural resources, and conservation are contingent on social and cultural factors that can be extracted from the diverging tenants of the Forest Service and National Park Service (Geilser, 2000). Understanding these fundamental differences is important for realizing the implications of different policies and planning initiatives spurred on by these agencies.

- Different Demands and Loving Nature to Death

By the turn of the 21st century, the American land ethic had transitioned into a much different place. Suburban sprawl and ever-expanding mega-regions dominated the landscape. It would seem that these types of factors would contribute to a greater demand for both extraction of natural resources to

support building and preservation of natural spaces for escape and recreation. However, a variety of external factors such as globalization of the natural resource supply and leaps in technology contributed to a much different landscape. Pinchot's declaration of public lands as the supplier for building houses seems unreasonable as timber harvest levels have dropped precipitously after peaking in the 1980s (see Figure 2-1.) (Harrill, 2004).

Figure 2-1. Volume of timber harvested and sold in national forests covered by the Northwest Forest Plan, 1978–2002

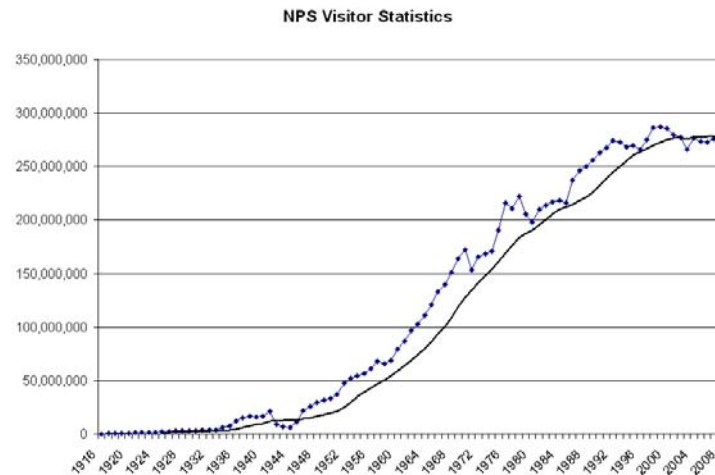


Source: (Charnley, 2006)

At the same time, Muir's assertion of the national parks as a place to escape the masses seems misplaced when the park he fought so hard to protect, Yosemite, had 3.5 million visitors in 2007 (National Park Service – Public Use Statistics, 2008). In fact, the National Park System reached a record amount of

visitors in 2007; roughly 275.6 million people visited America's parks during the year.

Figure 2-2. National Park Service Annual Recreation Visits, 1916–2008



Source: (National Park Service – Public Use Statistics, 2008)

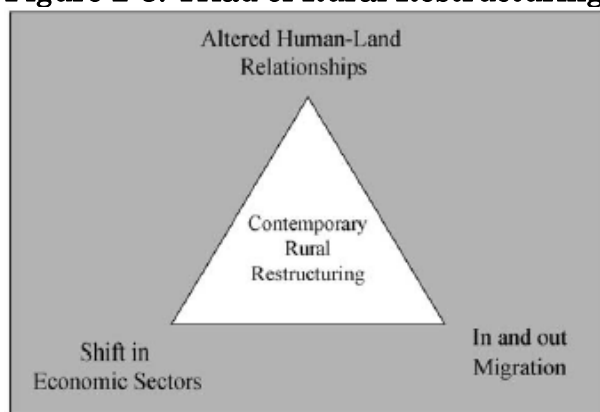
These examples of the changing roles of public lands only scratch the surface of a large amount of scholarly literature that has focused on these trends and their impacts on public policy (Marcouiller, 2005). The American land ethic is changing and this contributes to a whole new perspective on the valuation of natural resources.

Rural Restructuring

In the West, rural communities are often surrounded by thousands of acres of public lands and the output from these lands is woven into the fabric of their culture and livelihoods. These communities are at the metaphorical and physical edge of the changes taking place in the management of public lands

described in the previous sections. Often, these communities are highly dependent on output from public lands and as a result, experience drastic changes across the many aspects of rural life. Contemporary research describes a triad of economic, demographic, and environmental forces combining to reshape the American West (see Figure. 2-3). The following sections these altered human-land relationships, the shift in economic sectors, and in and out migration.

Figure 2-3. Triad of Rural Restructuring



Source: (Nelson, 2001)

-‘Not In My Back Acreage’ (Altered Human-Land Relationships)

The dominant American land ethic discussed in the previous sections is directly related to the idea of “altered human-land relationships,” described as the changes in Federal land management that focus on non-extractive uses of the environment (Nelson, 2001). These changes are in response to the continuously evolving and fluid constructions of what

constitutes wilderness and nature; in both the perspective of landowners and policy makers (Nelson, 2001). More and more newcomers to rural areas are not reliant on extraction of natural resources for their livelihoods and are instead purchasing properties to preserve aesthetics. “Realizing that far more economic gain can be had from promoting the recreational use of natural resources than the extraction of them is now recognized as an effective way to revive the shattered communities dealing with the demise of extractive industries” (Johnson and Beale, 1998). In addition, recreation users are becoming a more empowered group in the protection of natural areas. They are a potentially powerful political and economic force that can influence environmental policies in high amenity rural areas (McHugh, 2003 as cited Moss, 2006). This is a relatively new concept in the rural West and the cumulative impacts have become significant.

These changes in the human-land relationships, and different perceptions about the valuation of natural resources, eventually manifest themselves in local public policy. A “not in my backyard” attitude begins to emerge wherein the newcomers become the watchdogs of established long-time residents that still perform traditional natural resource extraction activities.

-Falling Timber (shift in economic sector)

Many timber-dependent rural communities in the West began to stagnate in the 1980s, as the United States timber industry saw a rapid decline. A myriad of factors contributed to the decline in the profitability of timber extraction from increased international competition as well as policy changes surrounding the methods of timber harvesting (Ghalston and Baehler 1995 as cited in Shumway and Otterstrom 2001; Chornley, 2006). As large production timber mills closed, so did the banks, grocers, and other essential services in many of these communities. Some blamed the Spotted Owl and others saw this as an overextension of the Federal government. Given these changes in the economic viability and feasibility of extraction, politicians and land managers became increasingly aware of the growing economic size and power of the outdoor recreation industry.

The economic value of preserving natural resources far outweighed the gains from their extraction. In the USA, the estimated contribution in 1998 of the National Forest System to the gross domestic product was \$130 billion, over 80% of which was contributed by natural resource amenity values that support recreation opportunities (Dombeck, 1998 as cited by Moss 2006).

A large amount of academic literature has focused on the decrease of natural resource extraction and shifting economies in rural economies.

While traditional resource-based sectors are still struggling to maintain employment levels in many rural communities across the West, this doesn't necessarily mean the end of these communities; rather a shift toward something new may be on the horizon. In fact, studies of these restructuring economies have found quite robust growth in specific economic sectors such as the service industry (Nelson, 2001). More specifically, the most significant growth occurred in "household-oriented services" including health care, education, retail trade, personal services, entertainment, and recreation. In addition, "export-oriented" producer and professional services saw a large increase through restructuring of rural economies (Beyers and Nelson 2000 as cited in Shumway and Otterstrom 2001). Some rural communities have been very successful in capitalizing on the shift to different economic sectors, while many are still struggling to move from traditional economies.

The movement to service sector economies may seem like an all-around positive situation for struggling rural communities, however a significant amount of literature has focused on the negative aspects of service sector employment. Some of the characteristics associated with service sector economies are high seasonality of jobs, less educated workers, little room for

advancement, and low wages (Nelson, 2001). The majority of scholarly literature focuses on the negative aspects of the service sector economy, but often overlooks the fact that these are many of the same problems associated with the traditional natural resource extraction based rural economy (Hunter, Boardman, Saint-Onge 2005). Although the future viability of service sector economies is questionable many rural communities are seeking out this type of growth and this is having a major impact on the restructuring of rural communities.

-Demographic Changes (In and Out Migration)

The changing socio-cultural landscape spurred by migration into natural amenity rich rural communities is arguably the largest factor for rural restructuring (Nelson, 2001). A corpus of academic literature focuses on the topic of migration patterns in the rural West. Most of these studies use quantitative methods to display the descriptive attributes of migrants and the resulting impacts on overall demographics of the communities. “Seven of the ten fastest-growing cities in the USA share a border with or are near National Forests, National Parks or wild lands (Moss, 2006). The USA’s fastest growing states are those comprised of more than 60% accessible public lands (US Census Bureau, 2002). Nationally, 25% of counties experienced net migration rates

exceeding 8.8%, whereas in the rural West, 25% of counties experienced net migration rates greater than 16% (Nelson, 2001). Much of the literature points to a widespread and steady increase in migration to rural areas beginning in the late 1980s, however they report an uneven distribution (Marcoullier, 2005). Some of the academic literature goes a step further, asking questions of these migrants about their reasons for relocating. In a specific survey of migrants to the Northwest, when asked what single factor was most important in their decision to move to their current county, 23% cited employment opportunities. Amenity characteristics (social and physical) made up 77% of the reasons that people moved (Rudzitis, 1999). Furthermore, the survey found that one of the attractive forces pulling people to areas in the more rural West is the presence of Federal lands (Rudzitis, 1999). Increasingly, people appear to be placing greater value on natural resource-based amenities and related attributes that contribute to regional quality of life (Marcoullier, 2005)

“Come to play for a week and stay forever”

-Natural Amenity-led Development

The “quality of life” factor is described in the academic literature as “natural amenity-led development,” a term that is synonymous with rural restructuring. There is a large amount of focus on defining these “natural amenities.” Various aspects of

environmental quality, including scenic, air, and water quality; access to public recreational and cultural resources; and absence of dis-amenities, such as crime, congestion, and noise, all fall under the heading of natural amenities (Garber-Yonts, 2005). However, it is clearly difficult to define, given that desirable attributes of a place are highly subjective and differ from person to person.

Several indices have been developed by the USDA and other researchers to approximate the levels of natural amenities present within Counties across the West. During 1970–1996, rural counties that were ranked low on an “amenities index” comprised of these positive environmental attributes experienced 1% average population change, as compared to 120% among counties ranked high on the index (McGranahan 1999 as cited by Hunter, Boardman, Saint-Onge 2005). In addition, this “amenities index” found that high amenity areas also saw a larger increase in jobs than population, which has since tapered off in the mid-1990s. However different these indices seem to be constructed, many of them are pointing to the same conclusion – natural amenity rich rural areas are growing faster than their amenity poor counterparts.

The next question addressed by the academic literature is: who are these migrants? Three categories are often used to describe the demographic makeup and motivation for these migrants: retirees, lifestyle entrepreneurs, and commuters.

Retirees

A quickly growing segment of the United States population, retirees, are a large faction of the migrants seeking natural amenities in rural areas. Often, the members of this group have purchased vacation homes in amenity rich rural communities during younger years and take up full-time residence in that community after retirement. Some academic literature shows that amenity-driven retirement migration can bring a net economic gain to host communities.

Recently retired migrants tend to have higher average incomes than residents of nonmetropolitan destination communities; pay higher taxes per household; and, primarily due to the fact that they do not tend to have school-age children, impose much lower than average costs on local governments. Health care costs tend to be borne by private insurance and Medicaid (Serow and Hass, 1992).

On the other hand, there are several social implications of having a disproportionate amount of older residents in a rural community that have had a historically different demographic background. Although the migration of retirees to amenity rich rural areas is not necessarily a new phenomenon or specific to the West, this faction of the population is having a significant impact.

“Lifestyle Entrepreneurs”

A portion of the scholarly literature surrounding natural amenity-led development has focused on the attraction of a highly skilled and highly mobile segment of the population. This is an emerging group in the makeup of natural amenity migrants that are often called “lifestyle entrepreneurs” or “lone eagles.” Often, these individuals are willing to accept a lower paycheck for quality of life benefits and are able to conduct their business remotely through the use of modern communication services (Rudzitis 1999; see also Deller et al. 2001). These types of migrants are the antithesis of natural amenity-led development, because they seek out desirable places and bring new forms of economic development with them. The academic literature regarding this group is relatively small and very few findings have been made about the associated economic and social impacts of “lifestyle entrepreneurs.” As more and more rural communities seek to attract these types of migrants however, it is important to fully understand their impact.

Commuters to Nearby Urban Centers

Another segment of the natural amenity migrants are those that choose to live in rural areas, but work in nearby urban centers. As the amount of high-paying, professional jobs in rural communities is relatively small, this segment of amenity

migrants are often willing to sacrifice long commute times to be able to reside in an amenity-rich area. These types of amenity migrants often have proportionately high incomes and education levels when compared with their traditional, non-commuting rural counterparts (Rudizitis, 1999). Again, very little academic literature refers directly to this portion of amenity migrants, but most of the natural amenity indices include proximity to an urban area as a factor. Understanding the increases in commuters residing in rural areas and the implications of their impacts on the infrastructure and economy of rural communities is essential.

-Natural Amenity-led Development and Rural Planning

With the influx of new forms of economic development and a different set of residents, rural planning and public policy have been forced to take a different approach than that of what was traditionally viable. Given the pressures of turning around a fledgling natural resource extraction based economy, rural policymakers and planners are seeking new forms of development without considering the overall effects. In addition, these decisions makers are operating with highly limited resources which makes it that much more difficult to assess the sustainability of these new economies.

Breaking Even

Results of some academic research suggest that the increased

costs of living in natural amenity-rich rural communities are just narrowly offsetting the increased wages and property values. For example, one study showed that recreational homes and their owners are responsible for generating revenues that barely offset expenditures of local governments associated with this type of development (Marcouiller, 2005). Further, the socioeconomic gains made by long-term residents of high-growth, amenity-rich rural areas may be limited to individuals with low initial prestige and growth may be due to low-skill service-sector jobs (Hunter, Boardman, Onge; 2005). Overall, the data are inconclusive as to whether all of this growth is necessarily healthy for rural economies.

Chapter 3

Methodology

This chapter contains an explanation of the methodological approach and process by which this study was performed. The associated benefits and limitations of this approach are also included in this chapter.

Overview of Approach

-Benefits of Qualitative Research

This study uses a qualitative approach that incorporates a document review and interviews to help answer the research questions put forth in the first Chapter. In this study there has been a great deal of interplay between these two forms of qualitative research. The document review helped to identify a set of interviewees and list of relevant discussion topics. From the interview responses, I was able to address specific policies and plans to delve deeper into topics. This approach was informed by methods used in the literature, which was reviewed in the second Chapter, wherein many authors used a similar approach.

-Case Studies

Natural amenity-led development has had varying impacts in different places across the American West. This study uses the Columbia River Gorge National Scenic Area as an overall case

study and it focuses on the policy and planning initiatives that are unique to this area. Hood River County, Oregon and Klickitat County, Washington are used to highlight specific issues that are being played out on a local scale. The fact that the two counties are located in Oregon and Washington, respectively, helps to highlight the policy and planning issues that are different between the two states. Given that natural amenity-led development is very attached to the specific attributes of “place”, the case study approach is highly effective for identifying the key issues on the local, county, state and federal levels.

Document Review

-Plans and Policies

Analyzing the creation and implementation of specific plans and policies in the Columbia River Gorge is important, as these documents contain information that helps to connect their intent with the impacts of specific policies. Further, this analysis is used to validate findings from the interviewees as well as inform specific policy recommendations. In addition to the National Scenic Act itself, County and State documents were reviewed to provide a more in-depth analysis of the interactions between different levels of government. The analysis of specific plans and policies has enriched the findings and recommendations of this study.

Interviews

-Gathering Perspectives

Nine interviews were conducted for this study. Interviews were conducted by phone, lasted approximately one hour, and used open-ended questions. The nine interviewees included current and past planners from county planning departments and the Gorge Commission; representatives from local economic development Departments; representatives from environmental advocacy groups; elected officials from the County Commission; and current residents. The open-ended questions included: creation of the National Scenic Act, natural amenity-led development in the Rural West, impacts of natural amenity-led development in the Columbia River Gorge, the impact of the National Scenic Act on this development, and recommendations for changes to policy and planning initiatives to address these impacts. The interview protocol is included in the appendix of this study (Appendix A: Interview Discussion Topics).

Detailed notes were taken during the interviews, from which specific themes were distilled and incorporated into the findings. The responses reported in the Findings chapter are not tied to specific interviewees to protect their confidentiality. This confidentiality also enabled interviewees to more directly respond to questions based on their personal perspective rather than as a

representative of their respective organizations. This approach yielded a tremendous amount of qualitative data and varying perspectives on the impacts of the National Scenic Act on natural amenity-led development in the Gorge.

Chapter 3

Findings and Analysis

This chapter includes a summary and analysis of the information that was gathered through the document review and interviews described in the previous chapter. Several topic areas will be covered in this chapter including: background of the region, contemporary conflicts, and current perspectives. Each topic area will include a discussion of the factual background, themes identified in the interviews and specific data points that contribute to the understanding of the impacts of amenity-led development in the Columbia River Gorge National Scenic Area.

Background of the Region

Because of its prevalence in the American West as a transportation corridor and abundant source of natural resources, the Columbia River Gorge provides a rich case study for analyzing migration and the resulting impacts from the establishment and management of public lands. An interviewee explained, “one must look back 100 years to see how the land ethic changed through the years in the Gorge. This has always been an area packed with natural resources and those trying to utilize those resources. Eventually, those same people that established themselves in the area through resource extraction

began to realize the value of the natural area for things like recreation and scenery.” Current issues facing the Gorge are steeped in a complex history and consideration of this history is vital to making sound planning and policy decisions.

-Crossroads of the West

Transportation and mobility are an integral aspect of the transformation of the Gorge. The constant movement of people and natural resources has shaped a cultural narrative that is illustrated in extreme alterations to the landscape. The most prominent of these alterations include the Bonneville and the Dalles Dams, an Interstate Highway, and train tracks on each side of the river that accommodate nearly 60 trains a day (Pierce, 2007). These projects are significant on a national scale, as they connect a large part of the Country with natural resources and access to the West. By no means is this a new function for the Columbia River Gorge; it has long served as a transportation corridor between the Great Plains and the Pacific Coast. For several thousands of years, the area was inhabited by Native American tribes that harvested the abundant natural resources and utilized the transportation advantages of the Columbia River (Barber and Fisher, 2007). Mobility will continue to serve as a

critical function of the Gorge, both in the export and transfer of goods, but also in the access for newcomers and visitors.

Portland's Playground

-From Necessity to Luxury

Once thought of as a dangerous obstacle between the arid lands of the Columbia Plateau and the fertile plains of the Willamette Valley, the Gorge began to take on a new character in the early 1900s. Fueled by the export of natural resources, Portland began to grow and its wealthy residents began to seek adventures into the nearby wilderness for recreation (Lipin, 2006). This emerging demand reflects a national movement at the time, which was focused on escapes into the wilderness from wealthy urban dwellers (Nash, 2004). Different forms of transportation exponentially increased access to the Gorge as sternwheeler steamboats previously used strictly for essentials were now marketed as sightseeing vessels (Pierce, 2007).

Furthering this progression, the construction of the Columbia River Highway in 1916 enabled personal automobile travel into the Gorge. The Columbia River Highway was built mainly for tourism as the design was intended to showcase the natural beauty of waterfalls and cliffs lining the south side of the Columbia River. This was a highly debated project since only the

wealthiest Oregonians owned vehicles at the time. In response, some politicians touted the increased access to rural agricultural lands in the Eastern Gorge (Lipin, 2006). Upon completion, the scenic highway closely resembled the carefully engineered roads being built in Europe. "There are thirty Switzerlands in Oregon," Sam Hill, developer of Maryhill, boasted, and if the proper steps were taken "we will cash in, year after year, on our crop of scenic beauty, without depleting it in anyway" (Lipin, 2006). Eventually, several roadside attractions including restaurants and tourist shops emerged in strategic locations along the Highway, turning the roadway into an economic driver in the rural communities previously relatively disconnected from the Portland metro (Pierce, 2007). With the success of the Columbia River Highway, a regional identity began to form, one which was tied to the unique natural landscape. An interviewee also noted "several artists' renderings of the Gorge contributed to the marketability of the highway on a national scale and began to attract visitors from all over the Country." Rural communities throughout the Gorge were directly impacted by these changes and some were quick to capitalize on the new venture.

-Tourism Drives Protection

While tourism spurred on by the Historic Highway and scenic steamboat tours became a significant factor in the Gorge, heavy natural resource extraction remained the driving force of the economy (Pierce, 2007). As more and more people visited the Gorge, a movement for preservation of the lands adjacent to the Highway began to emerge, as well as pressure on the extractive industries to limit their negative impacts on the scenery. At first, the acquisition of land to serve as parks came from the City of Portland and conservation-minded clubs in the city (Abbott, 1998). This movement towards preservation in the Gorge reflects the dialogue occurring at a Federal level between the ideals of Muir and Pinchot. The success of the Historic Highway spans a bridge between these two ideals: it helped to spur economic growth through the “wise-use” of natural resources that Pinchot desired as well as promoted the preservation and escape to wilderness that Muir wanted to expand (Nash, 2004). The situation in the Gorge was very similar to the battle being fought over Hetch Hetchy and Yosemite outside of San Francisco; however the protection of the Gorge never made it to a national level (Nash, 2004). Instead, the push for protection of the Gorge came mainly from the residents of the Portland metro area and eventually reached out to the Forest Service.

-A First for the Forest Service

As a wave of wilderness areas were being designated across the West through the BLM, Forest Service and National Park Service; a push to protect portions of the Columbia Gorge emerged. In 1916, a group of Portlanders convinced the Forest Service to set aside 14,000 acres as a scenic reserve (Abbott, 1998). On this land, the Forest Service constructed its first public campground at Eagle Creek and counted 100,000 picnickers a year by the 1920s (Pierce, 2007). This was a markedly different approach than the Forest Service was using in the rest of the West, where the agency had focused on the management of lands to support extractive industries. In the case of the Gorge, they were using a new approach in which recreation and preservation of scenery was the impetus. In particular, it is interesting that the Eagle Creek Campground was the first campground for an agency that now has over 14,000 recreation sites (USFS Website, 2009). This new approach by the Forest Service solidified their presence in the Gorge and set the stage for future policy and planning initiatives.

-Industrialization of the Gorge

As the depression hit the Nation in the 1930's, discretionary spending decreased and the tourism industry began to fail; the focus of local and federal policy turned to industrial

development (Robbins, 2008). Less support could be mustered for strict preservation of natural resources as the nation's economy fell on tough times and those touting the benefits of large hydroelectric projects prevailed. For example, a prominent Portland businessman and supporter of the construction of the Scenic Highway, John B. Yeon (elder) wrote a report that supported the construction of the Bonneville Dam (Abbott, 1998). Conversely, the report called for larger forest reserves and a unified general plan to help minimize the industrialization of the Gorge. Most importantly, the report explained that Portland could gain the benefits of both industrial uses as well as preservation of the scenery.

While relatively little public outcry ensued, tensions ran high between Washington and Oregon over the rights to the power from the new dam (Robbins, 2008). The construction of the Bonneville Dam marks a point in time at which natural resource extraction and industrialization became the focus of the economies and communities in the Gorge. During the construction period of these projects, the rural communities were overflowing with a relatively transient population that migrated there for short-term construction and building jobs. Eventually, the relatively cheap power generated by the dams contributed to

the creation of several aluminum plants and low-skill employment associated with that type of industry (Robbins, 2008). Again, Federal policy and varying approaches to land management were directly impacting the rural Gorge.

Contemporary Conflicts

The Columbia River Gorge saw drastic changes throughout the first half of the 20th Century both socially and physically. The once Mighty Columbia River pouring through Gorge now resembled a placid lake, with the harnessed energy pumped through power lines into the expanses of the Region. Few things remain constant in the Gorge, but throughout all of these changes agriculture has endured as a constant economic driver in the rural areas of the Gorge (Pierce, 2007). In addition, Portland still needed the Gorge for immediate access to food, natural resources, and recreation. The preservation movement that had seemingly disappeared in the 1930's was reignited and many of the same debates about the management of public and private lands reemerged: urban-rural divide, differences between policies in Oregon and Washington, and the management of Federal lands.

-Changing Demands and Supply

In the late 1970s and early 1980s, a changing economic landscape and new era of federal policy initiatives focused on

environmental protection were ushered into the West (Nash, 2004). The rural communities of the Gorge were forced to transition into new economies and navigate the implementation of a new land ethic. This new precedent was enacted as not only a response to environmental degradation associated with natural resource extraction, but also a response to the more contemporary conflict of suburban expansion. As with many cities in the Pacific Northwest, Portland became an important transportation hub and the center of technological innovations; the population started to push into the more pristine landscapes of the nearby rural areas (Pierce, 2007). This demand for growth and expansion of the suburbs created a conflict between those who wanted to protect these areas as a place for recreation for city dwellers and those that wanted to continue the exploitation of natural resources. The value of agricultural lands was also put into question, as the immediate profitability of housing development proved more attractive to rural owners than that which could be made from producing crops. These changes were coupled with global changes in the supply and demand of natural resources. For example, timber production in South America and other places abroad decreased the profitability of natural resource extraction in the United States (Nash, 2004). In addition, the

globalization of the food supply put significant pressure on domestic agricultural products, like pears (Pierce, 2007). A major divide was created between urban and rural communities, as they both struggled to fulfill different needs. A trend towards protection of the Gorge began to emerge, but in very different ways and across a variety of institutions and multiple actors.

-Friends and Enemies (Urban-Rural Divide)

At first, the push for protection of the Gorge came from an unusual place – a group of Gorge residents. As a response to the conflicting demands on the natural resources in the Gorge, a group called the Columbia Gorge Coalition was formed by a Gorge Resident named Chuck Williams (Abbott, 1998). An ardent supporter of the National Park System, Chuck Williams convinced the National Park Service to do a study on the feasibility of establishing a National Park in the Gorge. This ignited a controversial debate in both the rural communities of the Gorge and the Portland metro area. An interviewee stated “Gorge residents were concerned about the fate of their private lands and the perceived notion of the National Park Service forcing them out of their homes.” The Gorge Coalition was sensitive to this argument and tried to rally supporters behind the “people” focused approach that the National Park Service had

established in other areas. Eventually, the National Park Service produced a report that suggested several alternatives, setting a baseline from which supporters and the opposition would debate for several years to come.

Portland conservationists were generally excited about the idea of protecting the Gorge and began to form their own ideas on how this could be best accomplished. Out of this tension, arose the Friends of the Gorge, with Nancy Russell as their leader. An interviewee stated “Nancy Russell was a Republican conservationist and Portland resident that was convinced that the Gorge Coalition was taking an overly-ambitious approach by supporting the National Park Service.” Instead, the Friends of the Gorge wanted to support a deal with the Forest Service. The Friends of the Gorge began to persuade Gorge Coalition members to join their group and caught the attention of prominent local political figures. An interviewee stated, “The Friends of the Gorge pushed for Forest Service Control. Partly because the Forest Service already had such a large presence in the area, but also because local political leaders were more sympathetic to the Forest Service in general - as logging was still a major economic driver at that time.” Eventually, the Friends of the Gorge took

the lead role and reestablished the presence of Portland residents in the efforts to protect the Gorge.

-Across the River (Washington vs. Oregon Regulations)

One thing that the Friends of the Gorge and the Gorge Coalition could agree on was the need for more strict land use regulation on the Washington side of the Columbia River. At the time, there were highly contrasting land use policies in Oregon and Washington. In the mid-1970s, Oregon enacted a strict new land use planning initiative that constricted growth to designated growth areas in hopes of protecting natural resource lands for agriculture and timber. These Urban Growth Areas were intended to encompass enough land to provide for 20 years worth of growth, and therefore gave local jurisdictions a defined area within which to plan and site infrastructure (Pierce, 2007). In addition, each Oregon County had to enact strict zoning regulations to delineate between different types of land use and preserve natural resource lands. As an interviewee stated, “being a statewide program with a top-down approach, the counties in Oregon had relatively little room for making adjustments without breaking the Statewide planning goals.” While the debate over this program raged on within Oregon, policy took a different approach on the northern side of the Columbia River.

Washington had a much more laissez-faire approach to land use regulation and more control was placed in the hands of counties and local jurisdictions. No significant zoning standards or designated Urban Growth Areas were required in Washington until the passage of the Growth Management Act in the mid 1990s. Opponents of Gorge-wide legislation on the Washington side touted the benefits of local control. A Skamania County commissioner argued that, “land-use controls are in effect. Local governments can and should have the responsibility for land-use control in the gorge.” On the other hand, the Gorge Coalition and Friends distrusted the “development-minded Skamania and Klickitat County Officials who can’t be trusted to resist “the onslaught of disastrous projects” (Seattle P-I, 1986). The debate on how to protect the Gorge shifted focus onto the different approaches to land use planning and zoning in Oregon and Washington.

-Impetus for Change

As the Portland and Vancouver metro areas began to expand into the Gorge, growth was taking on a much different form on either side of the Columbia. Although most of the interviewees stated that the impetus for the National Scenic Act did not arise from only one easily identifiable issue; they agreed

that it was mostly a response to un-checked sprawl on the Washington side. In particular, many interviewees stated that several large housing development proposals on the Washington side of the river concerned preservationists. This concern was heightened by construction of the I-205 Bridge, which is a heavily traveled, interstate freeway that connects suburban communities in Vancouver to Portland. "People felt this would contribute to growth in the outer-ring suburbs of the Portland-Vancouver metro area and eventually push into the Gorge," an interviewee added "this relates back to the idea of the area being 'Portland's Playground' and many of the constituents pushing for regulation were from the metro area in Oregon."

-Back in Washington D.C

While the debate raged on in the Oregon and Washington legislatures, the Reagan administration was in control in D.C. In general, Reagan was concerned about Federal planning initiatives and felt the National Scenic Act provided an opportunity to force implementation onto the States and Counties. The Reagan administration took the stance of supporting the "concept" of preserving the Columbia Gorge, but didn't want to spend money to acquire land or impose federal controls on private property. (Seattle P-I, 1986). In addition, the National Park Service was

definitely not favored by the Reagan administration. Funds for operating national parks fell by 20 percent from their high in 1980 and zero funding for land acquisition was proposed under the Reagan administration (Frome, 1992). After much debate at the State and Federal level, President Reagan very reluctantly signed the Columbia River Gorge National Scenic Act in 1986 stating “While I am strongly opposed to the Federal regulation of private land use planning, I am signing this bill because of the far-reaching support of both States for finding a solution to long-standing problems related to the management of the Gorge” (Abbott, 1998).

-Another First for the Forest Service

The Forest Service was assigned as the lead Federal Agency in the implementation of the National Scenic Act. While the Forest Service had already established a significant presence in the Gorge, the National Scenic Act presented a huge challenge as the two main purposes of the act are very difficult to effectively balance:

1. To establish a national scenic area to protect and provide for the enhancement of the scenic, cultural, recreational, and natural resources of the Columbia River Gorge; and

2. To protect and support the economy of the Columbia River Gorge area by encouraging growth to occur in existing urban areas and by allowing future economic

development in a manner that is consistent with purpose
1. (NSA, 1986)

An interviewee pointed out, “At the time of the passage of the NSA (National Scenic Act), the Forest Service was in a major period of transition because they were funded by the cutting down of trees and now were seeking scenic preservation goals. Community members had a hard time with accepting this, as their economies were devastated by the decline in timber.” It was unclear to Gorge residents as to how the second goal, economic development, was going to be achieved in the shadow of the first goal. Prior to the passage of the Act, the city administrator of Cascade Locks, Oregon, located in the center of the Columbia River Gorge, stated “You can't eat beauty,” to which a supporter of the Act responded “Sure, you can't eat the scenery, but you can certainly sell it,” touting the Gorge's tourism potential (Seattle P-I, 1986). The National Scenic Act put the Forest Service in a difficult position. Implementation of the Act marks a point in time when the Forest Service was forced to take on a new approach to management of public lands.

- Intent Meets Implementation

The Forest Service was not alone in the implementation of the Act, nor did they hold jurisdiction over most of the land contained in the National Scenic Area. Instead, to achieve the

purposes of the National Scenic Act, Congress called for preparation of a Management Plan that would treat the two-state, six-county area as a region and incorporate the input of these entities into the Plan. The Scenic Area is managed through a partnership between the Forest Service, local Tribal Representative, and a bi-state Columbia River Gorge Commission, which has members that are both governor-appointed and voted-upon in each State (NSA, 1986). An interviewee stressed that the makeup of the positions on the Gorge Commission are in response to many of the issues brought up in the debate over how to implement the act: “voted-in members were intended to provide a source of local control; governor-appointed members were intended to represent both States’ views, and a Tribal representative was included because tribal lands were surrounded by the National Scenic Area.” This approach was an attempt at drawing out a consensus among the Local, State, and Federal levels. This approach also served to take the pressure off of the Forest Service, and placed the implementation of the Management Plan in the hands of the counties – just as Reagan had desired.

Through much controversy and debate, it took five years for the group to complete the Management Plan. The Scenic Area was divided into three categories of land: Urban Areas, Special

Management Areas (SMA) and General Management Areas (GMA) described below (NSA Management Plan, 1992):

Urban Areas: Congress designated 13 cities and towns covering 28,511 acres as Urban Areas. They are exempt from the Management Plan and will be the primary focus for future growth and economic development.

Special Management Area (SMA): includes 115,100 acres of the region's most sensitive lands, concentrated primarily in the western half of the Scenic Area. The U.S. Forest Service was given authority to purchase lands in the SMA. Land divisions are prohibited, new homes are not allowed on parcels less than 40 acres in size, and forest practices are regulated for scenic, cultural, natural, and recreation concerns.

General Management Area (GMA): The remainder of the Scenic Area makes up the GMA, which totals 149,004 acres and includes the Columbia River. The Gorge Commission was authorized to plan for the GMA. These lands blanket most of the eastern Gorge and are scattered in the central and west end of the Gorge. They are predominantly devoted to agricultural and forestry uses (including clear-cutting), but also contain areas of existing residential development.

These designations were spread across the Gorge in highly varying amounts across State lines and within Counties. See Table 4-1. below for a summary.

Table 4-1. National Scenic Area Acreage by Designation

	GMA	SMA	Urban Areas
Clark County	8,215	1,091	0
Skamania County	13,636	44,861	7,537
Klickitat County	33,921	11,723	10,459
Washington Total	55,772	57,675	17,996
	GMA	SMA	Urban Areas
Multnomah County	6,596	31,150	550
Hood River County	34,953	20,910	4,066
Wasco County	52,180	4,894	5,903
Oregon Total	93,729	56,954	10,519
National Scenic Area Total	149,501	114,629	28,515

Source: Calculations by Author, Columbia Gorge Commission, 2009.

Major compromises and concessions were made to enable the palpability of the Plan for the rural communities in the Gorge. Many of the interviewees echoed “the compromises made in the implementation of the National Scenic Act, mainly to get Washington to sign-on, have contributed to many of the issues that are being debated today in the Gorge.”

-Concessions

Large Urban Areas on the Washington Side

Washington Counties were much more reluctant to accept the regulations set forth in the Management Plan. An interviewee stated “to Washington, the National Scenic Act presented an entirely new paradigm in contrast to their general lack of zoning and land use planning.” For example, the rural communities in Oregon had established Urban Growth Boundaries (UBGs) nearly 15 years prior to the introduction of the Management Plan, whereas communities on the

Washington side were being required to develop these UGBs through the implementation of the National Scenic Act. As a concession, the Washington side of the river received a much larger amount of acreage in the Urban Growth Area designation, especially when considering the relatively small amount of development that existed at the time in those communities. This is highly significant, as the land inside of the Urban Growth area is not regulated under the National Scenic Act.

Table 4-2. National Scenic Area Urban Area Acreage for Washington

	NSA Urban Areas (acres)	Incorporated City Limits (acres)	% of City Limits to Urban Area
Dallesport	6,404	unincorporated	-
White Salmon/Bingen	3,355	791	76%
Lyle	244	unincorporated	-
Wishram	458	unincorporated	-
Klickitat County	10,461	791	92%
Stevenson	3,118	1,089	65%
North Bonneville	2,561	1,751	32%
Carson	1,893	unincorporated	-
Home Valley	555	unincorporated	-
Skamania County	8,127	2,840	65%
Clark County	0	0	-
Total	18,588	3,631	80%

Source: Calculations by Author, Columbia Gorge Commission, 2009.

As you can see in Table 4-2. Above, there are a significant number of rural communities in Washington that are unincorporated and other relatively small communities that have large amounts of land designated as Urban Area. For example, the community of Dallesport has less than 1,200 residents, whereas the city of The Dalles across the river in Oregon

has over 12,000 people with significantly less acres in their designated Urban Area (see Table 4-3.) (Census, 2000).

Table 4-3. National Scenic Area Urban Area Acreage for Oregon

	NSA Urban Areas (acres)	Incorporated City Limits (acres)	% of City Limits to Urban Area
Hood River City	2,392	1,688	29%
Cascade Locks	1,577	1,494	5%
Mosier	392	293	25%
Hood River County	4,361	3,475	20%
The Dalles	5,514	3,857	30%
Wasco County	5,514	3,857	30%
Total	9,875	7,331	26%

Source: Calculations by Author, Gorge Commission, 2009.

Overall, this illustrates the large disparity between Oregon and Washington in the amount of land exempt from National Scenic Area regulation.

Limited Funding of Land Acquisitions

As part of the National Scenic Act, the Forest Service was instructed to acquire lands of high scenic value from willing landowners in order to serve two main purposes; protect high value lands and compensate willing landowners that have lost rights to development (NSA, 1986). However, Forest Service land acquisition was restricted the Special Management Areas and the funding set aside for acquiring sensitive lands was relatively minimal. By early 1991, the Forest Service had already spent \$19 million of the \$40 million allocated to land acquisition (Abbott, 1998). An interviewee pointed out another weakness

in the land acquisition system, “if a willing land owner offered land and the Forest Service didn’t act on it within a certain time period, the land was de-regulated to a less strict level.” The interviewee continued “with the National Park Service, more money for acquisition may have been possible.” This particular concession is deeply entrenched in the Federal politics and displays one of the outcomes of having the Forest Service as the lead agency on the Act, such as the preference of the Reagan administration to avoid acquisition.

Clear-cutting on Private Lands and Forest Service Lands

Another concession at the time of the development of the Management Plan was the lack of regulation of forestry practices. In the final plan, there was allowance of clear-cutting on private lands within Special Management Areas (Abbott, 1998). In addition, clear cutting is allowed on Forest Service lands within the General Management Areas. An interviewee pointed out that this creates large conflicts for Gorge residents, “when the color of your house and amount of glare off your windows is regulated by the Gorge Commission, yet there is a clear-cut happening next door.” Another concession, this one an example of the difficult balance between scenic, environmental, and economic values.

Klickitat County Refuses to Implement the Plan

To this day, Klickitat County in Washington refuses to adopt the planning ordinances required by the National Scenic Act, leaving the Gorge Commission to administer and enforce the ordinances. This places

a significant amount of additional work on the Gorge Commission, which was not intended to handle the administration and enforcement duties of the counties. An interview respondent pointed out that, “this takes away a level of local control from Klickitat County residents who must submit applications directly to the Gorge Commission.” From a theoretical standpoint, the situation in Klickitat County is seen as an example of Oregon literally having to enforce their “ideals” and standards across state lines. Another level of complication has been recently added to the debate, as the state of Washington decided to remove funding for a full-time planner at the Gorge Commission, thus placing further stress on the Gorge Commission and bringing Washington’s commitment to the National Scenic Act into question. Lastly, Klickitat County does not have access to the Washington Investment Board , which was created as part of the Act to provide counties with funding and resources to take promote economic development.

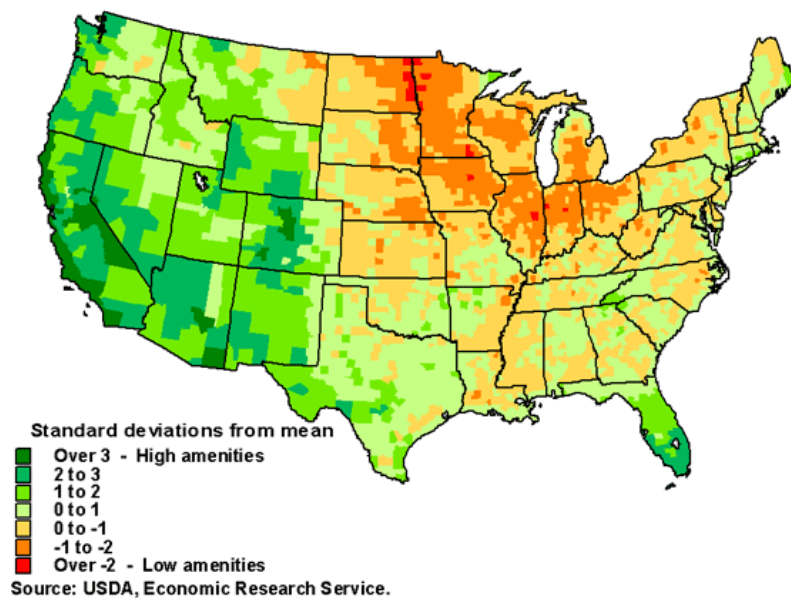
Outcomes

This section will provide an overview of the impacts of natural amenity-led development and the outcomes of the protection provided by the NSA specifically in Hood River County and Klickitat County. The USDA has developed a natural amenities scale, used as a measure of the physical characteristics of a county area that enhance the location as a place to live. The scale was constructed by combining six measures of

climate, topography, and water area that reflect environmental qualities most people prefer (USDA, 2003). As discussed in the literature review, natural amenities vary greatly across the United States, with the highest concentration in the West. See Map 4-4. below.

Map 4-4. USDA Natural Amenity Index

Natural amenities scale



Source: USDA Amenity Index, 1999.

Overall, the counties in the Gorge possess a high ranking on the USDA natural amenities scale, with the exception of Skamania County (see Table 4-5. below). The lower ranking of Skamania County is mainly attributable to high amounts of rainfall (twice the annual precipitation of Klickitat County). Further, it is interesting to see that Klickitat County has a relatively lower score to Hood River County, but this may be attributable to the coarseness of the index on a County level. An interviewee noted, “it is interesting how natural amenities differ so

greatly across the small areas in the Gorge and how those differences have impacted growth.”

Table 4-5. USDA Natural Amenity Index

State	County	Natural amenity	
		Scale	Natural amenity rank* 1=Low 7=High
Oregon	Hood River	4.54	5
Oregon	MULTNOMAH	4.33	5
Oregon	WASCO	3.38	5
Washington	Klickitat	1.97	4
Washington	CLARK	4.25	5
Washington	SKAMANIA	-0.04	3

*calculated as deviations from National mean

Source: USDA Amenity Index, 1999.

While the USDA Natural Amenity Index provides a basic understanding of the natural amenities present in the Gorge, it is missing some key elements that are associated with amenity-led development such as access to public lands, infrastructure to support outdoor recreation, and relative proximity to basic services. An interviewee stressed the importance of access to public lands saying, “allowing access, and protecting these natural areas is what brings visitors and eventually persuades people to move here.”

It appears that the Scenic Act has increased this access and protection, but an interviewee stated, “it is unclear as to whether the Forest Service and proponents of the Act were making a conscious effort to see tourism and natural amenity-led development as a sort of commodity.” When windsurfing entered the scene in the Gorge in the

late 1980s, the potential impacts of this development suddenly became apparent (Pierce, 2007). Simply put by the interviewee “they (NSA) had the basketball court, and suddenly everyone wanted to play basketball (windsurfers).” Given that Hood River and Klickitat possess similar amenity values, it is interesting to analyze the resulting impacts spurred on from the “discovery” of these natural amenities.

-Natural Amenity-led Development in Hood River County and Klickitat County

The following analysis will use the framework set forth in the literature review to understand these different outcomes through the lenses of altered human-land relationships, shifts in economy, and changing demographics.

-Altered Human-Land Relationships

“The Gorge winds used to be hated by orchardists because of damage to crops and deterred many amenity migrants seeking warm, sunny winters...then windsurfing blew into town” an interviewee stated. This is a direct example of an altered human-land relationship in which different users perceive the environment in very different ways. In the Gorge, these changing perspectives have had a large impact on the local communities, both socially and economically. For example, this impact has been two-sided for pear orchardists as they are able to attract more tourists during harvest. On the other hand, as newcomers settle in proximity to the orchards, more pressure has been put on the orchardists’

use of pesticides and hiring of un-documented migrant workers. Taken a step further, many orchardists have converted their orchards into vineyards to better capitalize on the tourist economy (Pierce, 2007). In addition, an interviewee pointed out that “even timber companies, like SDS (largest operating lumber mill in the area), are starting to convert their timber holdings into real estate because there is so much money to be had in that industry.” The altered human-land relationship is not a simple concept to display with facts and figures, but many of the interviewees stressed the importance of understanding the vast differences in this relationship between Klickitat and Hood River Counties.

An interviewee pointed out, “the “quality of life” factor was realized much earlier on in Hood River and sees that “Klickitat County is starting to embrace tourism, but has a much more extraction and manufacturing based background and rural values.” Whereas, many interviewees believe that Hood River County has been quicker to adapt to tourism, and has many more migrants from outside of the long-standing local community. An interviewee noted, “these new people have started up businesses to cater to tourists and the new economies.” The interviewee went on to explain that “demographics change first”, and in Klickitat County “the County is full of more locals and has been slowly transitioning into more of a natural amenity migrant destination. When

these new people move in, they are likely to support groups like Friends of the Gorge and are generally more liberal than locals.” These varying perspectives provide insight into the prevailing land ethic in both counties.

-Shift in Economy

The economic impacts of amenity-led development in the Gorge follow closely with the findings in the literature review; however the impacts are proving to be quite different between Klickitat County and Hood River County. See Table 4-6. below for the USDA County Typology Codes which focus on the economic characteristics of counties across the US.

Table 4-6. County Typology Codes (Economic) 1989 and 2004

	1989	2004
Hood River County	Services*	Nonspecialized
Klickitat County	Farming	Manufacturing
*(SIC categories of retail trade; finance, insurance, and real estate; and services)		

Source: USDA Economic Research, 1989 and 2004.

Klickitat County was farming-dependent in 1989 (farming contributed 20 percent or more to overall income). Interestingly, farming dependent communities are more likely to be located in the Midwest and are generally associated with low natural amenity areas (USDA, 2004). In 2004, Klickitat County was Manufacturing-dependent (manufacturing contributed 25 percent or more to overall income). This illustrates that Klickitat County has not yet capitalized on a tourism based economy, but remains focused on other economic endeavors. Using the same scale,

from 1989 Hood River County went from services-dependent (service activities contributed 50 percent or more to overall income) to 2004, where Hood River County was non-specialized (did not meet the dependence threshold for any one of the above industries). This illustrates that Hood River County was focused more on a tourism-based economy even in the late 1980s. In 2004, these findings suggest that Hood River County has managed to diversify the economy and not remain dependent on any one type of industry.

The USDA Typology Codes are useful for setting a baseline for analysis, however further detailed analysis can help to explain the changing economies of the two counties. See Table. 4-7 below. These figures confirm the findings of the USDA Typology Codes, but provide some insight into the payroll and wages associated with the services and manufacturing industries. For example, notice the relatively low average payroll for the Services and Retail Industries in Hood River. This follows the findings in the literature, that tourism and natural amenity-led development support relatively low-paying jobs. The figures in this table also show Klickitat County's lack of diversification across industries (62% of Total Payroll in Manufacturing and Government).

Table 4-7. Industry Rankings by Total Payroll in 2000

	Industry	Employees	Industry Payroll	% of Total	Average Payroll
Hood River					
1	Services	2,559	\$49,109,956	21.90%	\$19,191
2	Government	1,372	\$39,654,483	17.70%	\$28,903
3	Manufacturing	1,204	\$30,896,305	13.80%	\$25,661
4	Retail Trade	1,796	\$29,334,376	13.10%	\$16,333
5	Agriculture, Forestry and Fishing	1,775	\$27,356,541	12.20%	\$15,412
Klickitat					
1	Manufacturing	1,345	\$52,635,236	33.30%	\$39,134
2	Government	1,630	\$46,340,288	29.30%	\$28,430
3	Agriculture, Forestry and Fishing	811	\$14,260,967	9.00%	\$17,584
4	Services	681	\$12,149,874	7.70%	\$17,841
5	Transportation and Public Utilities	336	\$10,934,511	6.90%	\$32,543

Source: Calculations by MCEDD, Data from 2000 Census

Since these figures were collected in 2000, another study found that tourism is certainly important to Hood River County, greatly enhancing its appetite for food and beverage. With a 30 percent gain in jobs over the 2000-2006 period, Hood River led the state of Oregon in food service and drinking establishment growth. During the same period, Oregon grew 13 percent - less than half the pace reached by Hood River County at 28 percent (Fridley, 2008). Table 4-8 below gives a more detailed look at the occupations by total employment in both Hood River and Klickitat. It is interesting to note that both counties rely heavily on Management, professional, and related occupations but Farming, fishing and forestry occupations remain stronger in Hood River County at 11% compared to 4% in Klickitat County.

Table 4-8. Occupation Rankings by Total Employment in 2005

		Total Employment	% of Total
Hood River County			
1	Management, professional, and related occupations	3,158	30%
2	Service occupations	2,060	20%
3	Sales and office occupations	2,050	20%
4	Farming, fishing, and forestry occupations	1,136	11%
5	Production, transportation, and material moving occupations	1,101	11%
6	Construction, extraction, maintenance and repair occupations	920	9%
	Total Civilian employed population 16 years and over	10,425	
Klickitat County			
1	Management, professional, and related occupations	2,570	32%
2	Sales and office occupations	1,616	20%
3	Production, transportation, and material moving occupations	1,251	16%
4	Construction, extraction, maintenance and repair occupations	1,162	15%
5	Service occupations	1,089	14%
6	Farming, fishing, and forestry occupations	322	4%
	Total Civilian employed population 16 years and over	8,010	

Source: 2005-2007 American Community Survey 3-Year Estimates

A more detailed look at industry level data in Table 4-9 below displays the similarities between Hood River and Klickitat even more clearly. Where both counties rely heavily on many of the same industries, however Hood River County employs a significantly larger number of people in the top five industry rankings. Even the detailed industry level data does not give you a clear picture of the current economies of the two counties and it is interesting to take a look at major employers in the two counties:

Klickitat County major employers include: - SDS Lumber Co., Underwood Fruit & Wholesale, Mercer Ranches, Rabanco Regional Disposal.

Hood River County major employers include: Embarq, Cardinal IG, DaKine and Mt. Hood Meadows. (Source: CGEDA Website)

Overall, these data points show that the economies in the Gorge are in the experiencing a transition, but at different levels in each county.

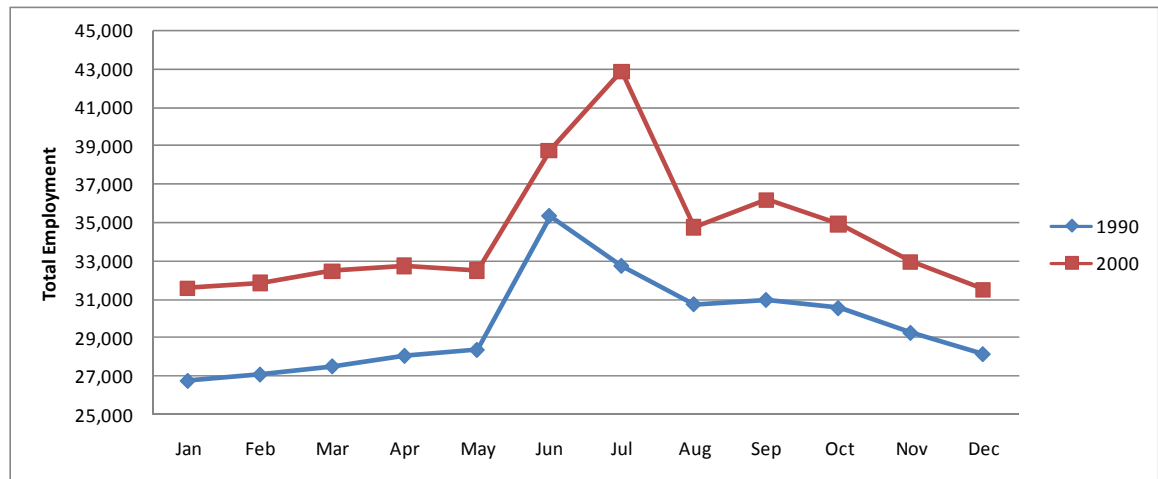
Table 4-8. Industry Rankings by Total Employment in 2005

		Total Employment	% of Total
Hood River County			
1	Educational services, and health care and social assistance	1,798	17%
2	Agriculture, forestry, fishing and hunting, and mining	1,454	14%
3	Arts, entertainment, and recreation, and accommodation, and food services	1,176	11%
4	Retail trade	1,013	10%
5	Professional, scientific, and management, and administrative and waste management services	927	9%
6	Construction	745	7%
7	Transportation and warehousing, and utilities	622	6%
8	Manufacturing	564	5%
9	Other services, except public administration	557	5%
10	Wholesale trade	434	4%
11	Finance and insurance, and real estate and rental and leasing	419	4%
12	Public administration	390	4%
13	Information	326	3%
Klickitat County			
1	Educational services, and health care and social assistance	1,217	15%
2	Agriculture, forestry, fishing and hunting, and mining	978	12%
3	Public administration	913	11%
4	Retail trade	823	10%
5	Arts, entertainment, and recreation, and accommodation, and food services	757	10%
6	Construction	717	9%
7	Professional, scientific, and management, and administrative and waste management services	637	8%
8	Transportation and warehousing, and utilities	619	8%
9	Manufacturing	502	6%
10	Other services, except public administration	403	5%
11	Finance and insurance, and real estate and rental and leasing	205	3%
12	Wholesale trade	173	2%
13	Information	66	1%

Source: 2005-2007 American Community Survey 3-Year Estimates

Seasonality of employment is a difficult obstacle for tourism-based economies to overcome, as was cited frequently in the literature review. In addition, seasonality is difficult for natural resource-based economies to overcome. Graph 4-9. below illustrates the level of seasonality in the Mid Columbia Economic Development Department (MCEDD) region, which constitutes five counties that lie within the National Scenic Area. As you can see on the graph, there are significant increases in employment during the months of June and July; and, this trend has increased substantially from 1990 to 2000. These findings show that the economies of the Gorge are restructuring, but the quality and social impacts of this growth are difficult to discern.

Graph 4-9. Total Employment by Month in MCEDD Region, 1990 and 2000.



Source: Calculations by MCEDD, Data from 1990 and 2000 Census

It is important to remember that not all natural amenity-led development is necessarily tourism-based, it can take on different forms based on the skills of the newcomers. Consistent with the theory that “quality-of-life” considerations strongly motivate the creative class, counties high in natural amenities are most likely to be creative-class magnets (USDA, 2007). According to USDA Creative Class Index, Klickitat and Hood River have seen substantial increases in the amount of “Creative Class” employment from 1990 to 2000. These increases are even more sizeable in Klickitat County at a 53% increase.

Table 4-10. USDA Creative Class Employment in 1990 2004

	1990			2000			Change		
	Total	Creative Class	% of Total	Total	Creative Class	% of Total	Total	Creative Class	% of Total
Hood River County	8,448	1,559	18.45%	9,525	2,142	22.49%	12.75%	37.41%	21.87%
Klickitat County	7,229	905	12.51%	7,848	1,506	19.19%	8.56%	66.49%	53.36%

Source: USDA Economic Research, 2004.

While the “Creative Class” can be viewed very similarly to the group described in the literature review as “Lifestyle Entrepreneurs”

another group – the “Commuters” are also having an impact in the Gorge. See Table 4-11. below. The proximity of the Portland and Vancouver Metro area has attracted many amenity migrants to reside in Hood River and Klickitat counties, who then commute into the metro area for employment. A large part of both counties are over an 40 minute drive from the urban area, so take note of the increase in commuters above that range.

Table 4-11. Change in Commuting times from 1990 to 2000

	Hood River County		Klickitat County	
	Workers	% of Total	Workers	% of Total
Less than 5 minutes to 19 minutes	555	24%	628	38%
20 to 39 minutes	509	22%	118	7%
40 or more minutes	1,064	47%	746	45%
Worked at home	145	6%	150	9%
Total	2,273	100%	1,642	100%

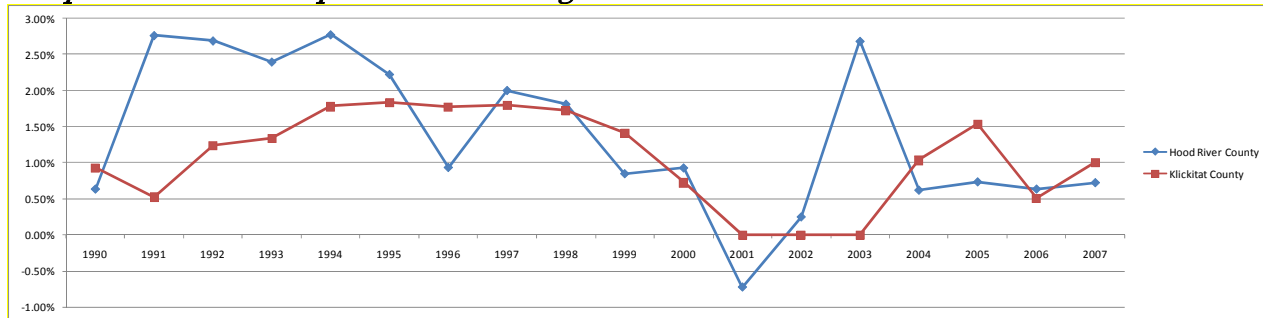
Source: Calculations by MCEDD, Data from 1990 and 2000 Census

As people are more mobile and required to work outside of their place of residence, the fabric of rural communities is lost. Transient residents are just as foreign as the tourists visiting for the first time. An interviewee stated that “this makes it difficult to maintain essential social community functions like coaches or involved teachers willing to stay after class, or come in for events on the weekend or at night. Determining how to effectively manage this type of amenity led development reaches beyond economic issues into social aspects of rural life.

-Demographic Changes

The rural communities of the Gorge are changing at a much different pace (see Graph 4-12. below). The large fluctuations in the average annual growth rate for Hood River County in comparison to Klickitat are substantial. This may illustrate the cyclical nature of tourism-based economy.

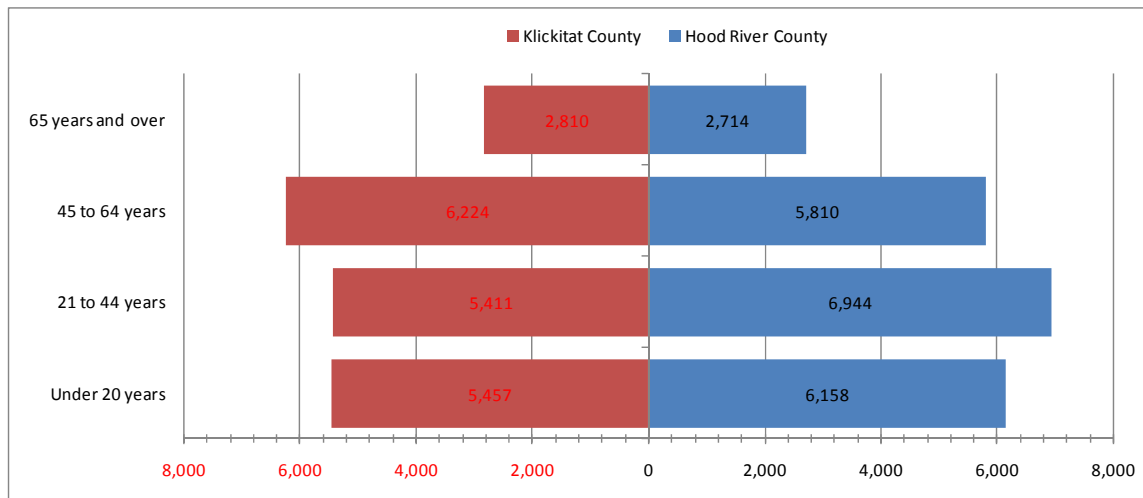
Graph 4-12. Total Population - Average Annual Growth Rate – 1990-2007



Source: USDA Economic Research, 2004.

Natural amenity-led development is often associated with retirement destinations, and the literature review discusses the impacts of this type of migration. An interviewee believes that, “the people moving to the Gorge for natural amenities are surprisingly young and not many are retirees.” Another interviewee pointed out that, “many of these people are “lifestyle” folks that windsurf or have other recreational activities that they try to turn into jobs or are successful entrepreneurs and ‘come to play and stay.’” It appears that this notion is more accurate for Hood River County than Klickitat County. See Table 4-13. below. This also relates to the interviewee comments about Klickitat County having retained more long-time, older residents.

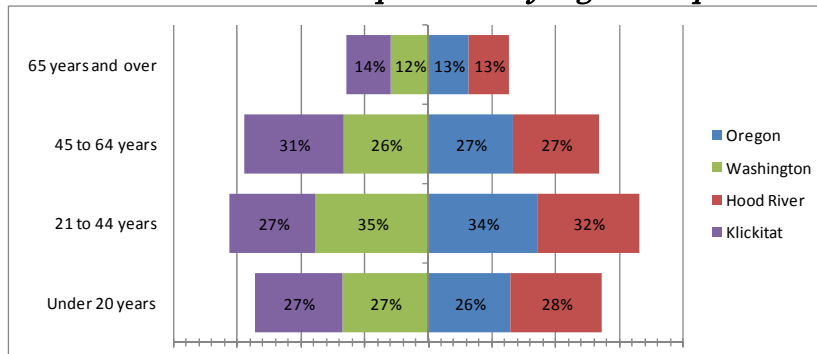
Table 4-13. Total Population by Age Group in 2007



Source: Calculations by Author, Data from PSU Population Research Center and WA OFM.

Take a step further, Table 4-14 below displays the comparison between State-level population pyramids and the case study counties. This data illustrates that Klickitat County has a significantly large number of older residents in comparison with the rest of the states of Washington and Oregon. Hood River County's population distribution matches more closely with the rest of Oregon, and shows a relatively higher number of residents under 20 years old.

Table 4-14. % of Total Population by Age Group in 2007



Source: Calculations by Author, Data from PSU Population Research Center and WA OFM.

As stated in the literature review, often the migrants to high natural amenity rural communities have higher levels of education than the locals. This situation over-saturates the small demand for highly educated workers in rural communities. According to the *Underemployment Indicator* put together by the Center for Study of Rural America, which measures how well local communities are capitalizing on the supply of highly-skilled workers, Hood River and Klickitat are experiencing much different situations (See Table 4-15.) Hood River County's score of 3.0 suggests a surplus of highly-skilled workers, Klickitat County's score of -0.8 suggests that the county has more jobs available than it has high-skilled workers to fill those positions.

Table 4-15. Underemployment Indicator 1990-2000

	1990			2000		
	Share of labor force with at least a college degree	Estimated demand for high-skilled labor	Surplus = high supply - high demand	Share of labor force with at least a college degree	Estimated demand for high-skilled labor	Surplus = high supply - high demand
County	Supply	Demand	Skill Surplus	Supply	Demand	Skill Surplus
Hood River County	20.1	16.0	4.1	23.0	20.0	3.0
Klickitat County	12.6	13.8	-1.2	17.5	18.3	-0.8

Source: Calculated by the Center for the Study of Rural America.

-Housing Affordability

Another situation in which supply and demand are highly relevant indicators is the Housing market in the Gorge. Recently, this has become a hot topic in the Gorge as it affects so many different aspects of the community. Natural amenity-led development has increased the demand for houses, specifically for vacation and seasonal uses. See Table 4-16. The amount of vacant houses used for seasonal or recreational use has

increased substantially in both counties. While it appears that Hood River County may have had an over-supply of vacant houses in 1990, the large increase in vacation homes has overcome that gap. An interviewee was very concerned with the social and community impacts of vacation homes, “these essentially empty homes fill up our neighborhoods and make it difficult to plan for schools, infrastructure, and take away from the general sense of a small community that many people seek in rural areas.”

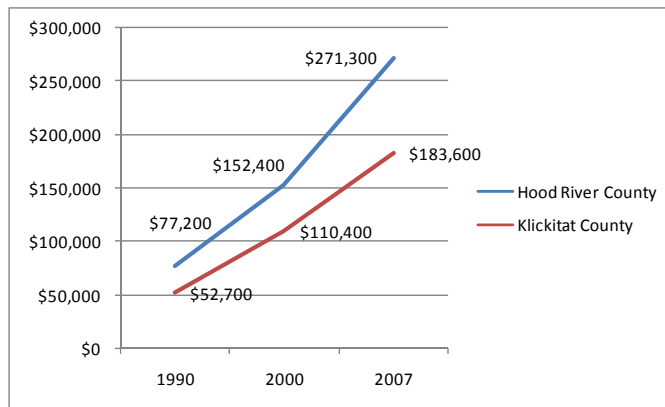
Table 4-16. Vacant Houses; Recreation/Seasonal Use from 1990 to 2000

	Housing units: Vacant			Vacant housing units: For seasonal; recreational; or occasional use		
	1990	2000	% Change	1990	2000	% Change
Hood River County	1,144	570	-50%	112	227	103%
Klickitat County	1,003	1,160	16%	328	475	45%

Source: Census, 1990 and 2000.

Beyond social aspects, the steadily rising housing market in the Gorge is contributing to other problems. Both Hood River and Klickitat County are coded as having “Housing Stress”, which means that greater than 30 percent of households had one or more of the following housing conditions in 2000: lacked complete plumbing, lacked complete kitchen, paid 30 percent or more of income for owner costs or rent, or had more than 1 person per room (USDA, 2004). See Graph 4-17. below which illustrates the large increases in the median home values in Hood River and Klickitat Counties.

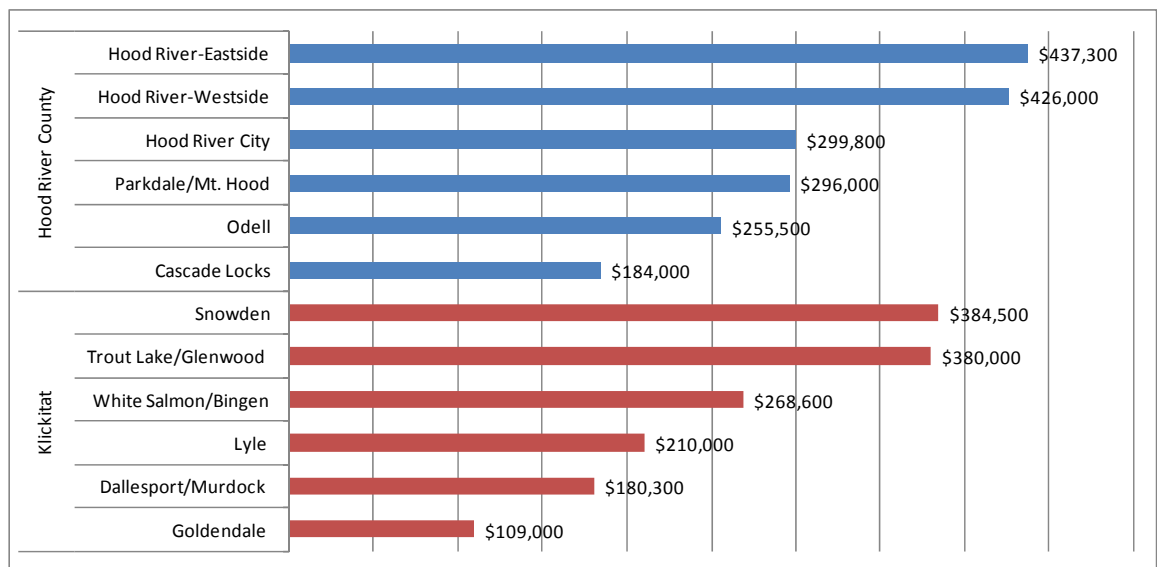
Graph 4-17 Median Home Value



Source: *Census, 1990 and 2000. American Communities Survey Estimate, 2007.*

According to *the Oregonian* “in 1990, Hood River saw its real-estate prices explode, when only a few years earlier, newcomers could find “fixer uppers” for under \$10,000.” Now, the average price of a house in Hood River is nearly equal to Portland's (Pierce, 2007). Further detail illustrates that this increase in prices is occurring much differently throughout the Gorge.

Table 4-18. Median Home Sales Price in 2006.



Source: *Regional Multiple Listing Service (RMLS) Publication. 2007.*

It is difficult to parse out the impacts of natural amenities on these communities, as they all possess such varying amounts of appeal to potential migrants. Certainly for the communities with very high demand, such as the City of Hood River, the restrictive Urban Growth Boundary regulated through the National Scenic Act is playing a major role in restricting supply.

- Conclusion of Findings

Natural amenity-led development has had a significant impact on the rural communities in the Columbia River Gorge; this becomes apparent when considering the complex history of tourism in the region and the highly contrasting approaches to the management of natural resources over the last century. The National Scenic Act marks a turning point in the region and has substantially impacted the form of which natural amenity-led development has taken place. The findings from the interviews and other analyses also highlight the varying outcomes attributable to the different planning approaches in Oregon and Washington. As natural amenity-led development continues to grow across the West, this area can be used as an example of a unique approach for how to plan for this type of development.

Chapter 5

Summary, Conclusions, and Recommendations

This chapter includes a summary of the information that was presented in the previous chapters; provides some conclusions related to original research question; and recommendations for communities in the National Scenic area and further research.

Summary

Exportation is a constant in rural communities in the West: it began with the export of natural resources and is now moving into a more esoteric notion of natural amenities. The National Scenic Act has contributed to natural amenity-led development in the Gorge by establishing a “branding” of the region which promotes an identity that attracts tourists from all over. As one interviewee stated, “the best way to get people to visit an acre of the forest, is to officially designate it a National Wilderness Area.” Beyond a place to visit, a “quality of life” factor has started to be recognized externally that attracts amenity migrants. Federal Protection, and more importantly a regional approach, has contributed to identifying a unified approach of how to restructure the rural economies of the Gorge.

While external and even global factors have had a huge impact on everything from the decline of timber to booming housing prices, the

National Scenic Act has created an anomaly to the normal sprawl and “Aspenization” often associated with high natural amenity rich rural areas. Limiting growth to the urban areas is probably the most significant function of the National Scenic Act because of its two-fold impacts: decreasing sprawl and preserving agricultural lands. An interviewee stated, “Agriculture is still holding its own after 100 years. If growth was left unchecked the agricultural land base would have been used up by residential, commercial, and industrial uses. This also helps to alleviate the volatility of the tourism economy.” The obvious downside to this approach is the impacts on affordable housing and the displacement of long-time community members to accommodate wealthy newcomers. Given the current upward trajectory of natural amenity-led development in the Gorge, the National Scenic Act will play an increasingly important role in the future of development in the region.

The two main research questions for this project became more cyclical and interrelated than anticipated: What effect has the Columbia River Gorge National Scenic Act had on natural amenity-led development in the region? Have these efforts contributed to a new natural resource based economy, in which conservation has become profitable for the nearby rural communities? It is difficult to parse out the impacts of the National Scenic Act from external factors that all natural amenity-rich communities in the West experienced: which came first and had the

biggest impact the National Scenic Act or the outside forces of rural restructuring? When asked how the National Scenic Act is impacting the restructuring of the rural communities in the Gorge, the most common response from interviewees was that “the National Scenic Act is helping to stop unhealthy growth and sprawl that other high natural amenity areas in the West have experienced.” While this is a simple response the core concept remains: “land is worth more in a beautiful area; where the conflict lies is in the approach to protecting that value.”

The approach of the National Scenic Act is that of a regional, long-term plan that relies on a balance of Local, State, and Federal regulatory mechanisms. While it has taken 25 years to realize the full implications of the Act, it has also taken that long to realize the impacts of compromise and concessions made at inception. Looking back, these compromises may have been necessary for the political palatability of the Act, however the realized impacts must be acknowledged and properly dealt with in the context of today. This seems to be an inherent difficulty for long-term regional planning efforts as they need a strict rigidity upon implementation coupled with the ability to change and adjust to future scenarios. An interviewee discussed the local impacts of the current economic downturn but went on to say “The next wave of growth is on the horizon in the Gorge and now is the time to prepare.”

Recommendations

-Specific to the National Scenic Act

Transparency and Collaboration

When asked about suggested changes to the National Scenic Act, a common interviewee response echoed, “it worked - the five most economically depressed counties in Oregon and Washington in the mid-80s now have housing affordability issues and relatively burgeoning economies.” In general, many of the interviewees expressed concern about re-opening the document, as this would reinvigorate a battle that is unnecessary. More of the recommendations for change were focused on the local level; however two main themes emerged: more transparency and collaboration between the effected parties in the Gorge.

Adversarial relationships are a common outcome of long-term, regional planning initiatives in which “drawing strict lines around communities will always produce conflict as these areas are not static.” The Gorge Commission, Forest Service, and other regulatory bodies of the Act need to better communicate outcomes and reasoning to the local residents. Many interviewees felt this transparency was lost during the initial implementation of the Act, and led to a certain amount of distrust from residents. In addition, the advocacy groups pressure the Gorge Commission to make more strict interpretations of the Act often comes in the form of lawsuits and other tactics which are perceived negatively by locals. A more collaborative approach would be useful for all parties.

Today, 20 years after the implementation there is certainly room for improvement and change, but there are also obvious successes. The same effort that went into “branding” and “marketing” the area to outsiders needs to take place locally - touting the beneficial outcomes of the Act.

Expansion of Urban Areas

Currently, the most controversial topic surrounding the implementation of the National Scenic Act is the expansion of Urban Areas. The Dalles, Lyle, and Hood River have all approached the Gorge Commission with requests for expansion. While there are provisions in the act to accommodate “revisions to the Urban Areas”, the definition of what constitutes as a “demonstrable need to accommodate long-range urban population growth requirements or economic needs consistent with the Act” is contested (NSA, 1986). Further, many fervent supporters of the Act would like to see “that all Urban Areas reach this threshold before one is able to expand” while those in opposition believe that “cities that stagnate, die.” A strict interpretation of the Act needs to be made by the Gorge Commission to alleviate all of this uncertainty. Until that judgment is made, the expansion of urban areas will continue to contribute to the divide between local jurisdictions and the Commission.

Regulation of Clear-cutting and Mining Practices

An interviewee involved with the management of public lands in the Gorge stated that “clear cutting still takes place in the Gorge due to the Western Oregon Plan Revisions (WOPR) and Forest Service

regulations.” This contributes to a rift between homeowners that to adhere to strict scenic guidelines, while the significant environmental degradation is taking place next door. This brings up the broader conflict the differences between scenery and ecology. Some of the scenic restrictions of the act regarding window glare and colors of houses override tangible environmental impacts of some of the activities in the Gorge. To increase the overall viability of the Act, these discrepancies need to be addressed and the protection of ecology over scenery must prevail.

Economic Development Incentives

As part of Goal 2 of the National Scenic Act, there were \$10 million in economic development funds appropriated to the Washington Investment Board and Oregon Investment Board to be used for supporting economic activity in the Scenic Area. These funds were used mostly for the construction of Skamania Lodge, Columbia Gorge Discovery Center, and an assortment of loans (Abbott, 1998). During the debate over the implementation of the Act, these funds and projects were used as an incentive to encourage communities to support the Act. It is no surprise that Wasco County and Skamania County, the receivers of the Lodge and Discovery Center, were the first to sign on to the Act.

A reauthorization of the appropriations for economic development and recreation infrastructure needs to happen. This was an integral part

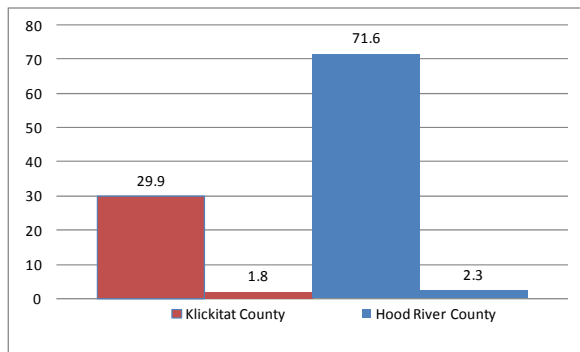
of the NSA that has not been fully funded or utilized in a way that would contribute to some of the struggling communities. Because Klickitat County doesn't implement the NSA, they don't get any Washington Investment Board Funds. It is important to spread this money across all of the Counties and this may encourage Klickitat County to sign on with implementation of the National Scenic Act. Symbolically, this is really interesting in that there was never enough money on the table to convince Klickitat to sign on. To ensure future commitment to the National Scenic Act and remain consistent with the two goals of the Act, Congress needs to increase funding to stimulate healthy economic growth in the Urban Areas of the Gorge.

-Other Jurisdictions in the Gorge Keeping Tourism Dollars Local

As the service sector and tourism economies play a larger role in the rural communities of the Gorge, it is important to capture these revenues locally. Because of the dominance of multi-national corporations in tourism related businesses like hotels and restaurants, a large amount of tourism dollars leave the local economy (Marcoiller, 2005). Plus, the tax structure in Oregon is not as suitable as Washington in capturing some of these dollars. As you can see in Table 5-1 below, the estimated revenues generated by tourism related activities are nearly twice as much in Hood River County (\$71.6 million) than Klickitat

County (\$29.9 million), yet the amount of tax receipts associated with those revenues is nearly the same.

Table 5-1. Estimated Tourism Impacts and Tax Receipts in Klickitat County and Hood River County, 2007 (in millions)

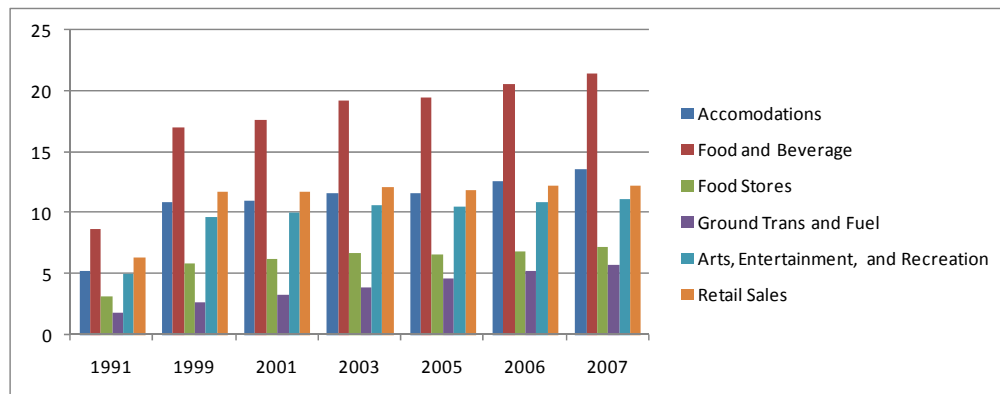


Source: Washington State Travel Impacts Study. 2008

Using this research, Klickitat County has a 6% “tourism tax rate” while Hood River County only comes in at 3%. This is largely due to the lack of a sales tax in Oregon, yet both Counties are not capitalizing on a significant driver of their economies.

This same research breaks down the tourism impacts by specific commodities, see Table 5-2 below. This shows that in Hood River County, Food and Beverage tourism impacts are by far the majority of tourism dollars spent in the area; however this isn’t equating to tax dollars.

Table 5-2. Estimated Tourism Impacts in Hood River County, 1991 to 2007 (in millions)



Source: Oregon Travel Impacts Study. 2008

The communities in the Gorge could consider a tax on food and beverage outputs. For example, the City of Ashland, Oregon currently has a 5% tax on prepared food and beverages that goes to funding parks and wastewater treatment plant. In addition, although there is a statewide hotel tax, Ashland adds an additional 9% tax to contribute to local public revenues. These taxes help to alleviate the impacts of visitors and new-comers to the natural amenity rich areas. In general, tourists have a more elastic demand for pricing, as they are generally wealthier and have fewer options to seek out lower prices in small communities. An interviewee noted that “a group of local restaurateurs in Hood River have proposed a similar tax.” Implementing tools for keeping tourism dollars local is key to both capitalizing on and alleviating the negative impacts of natural amenity-led development.

Affordable Housing Initiatives

Lack of affordable housing will continue to be a problem in the Gorge and is likely to increase as more development occurs in a highly constricted area. The impacts on affordable housing are numerous: increased demand for housing from new-comers and vacation home owners; limited supply of housing in areas designated by the National Scenic Act; and lower wages associated with service sector based economies to name a few. Again, this becomes an exercise in the distribution of wealth and negative impacts of amenity migrants across the different segments of rural communities. In Hood River County the property tax rate was \$15.11 per \$1,000 of Assessed Value (2006-2007) and \$12.08 in Klickitat County. These revenues and others like the “tourism tax” proposed above can be used to support a variety of methods to increase the affordability of housing:

- **Support Community Land Trusts** - (CLTs) are 501(c)(3) non-profit organizations that develop affordable housing, commercial space, and parks while promoting homeownership, historic preservation, local control, and neighborhood revitalization. Community land trusts typically acquire and hold land, but sell off any residential or commercial improvements which are on the land. This allows the CLT to reduce the cost of land, thus making the housing more affordable (Skamania Housing Report, 2007).
- **Encourage High Density Development** – Natural amenity migrants often demand low density residential on high quality nature areas. Higher densities of residential development can decrease infrastructure costs and better utilize the limited supply of land in Urban Areas.

- **Local Option Tax (LOT) on Vacation Homes** – Rural communities could place higher tax rates on vacation, non-primary residences, which could be dedicated to affordable housing projects. Some natural amenity rich communities in Idaho have successfully implemented these types of taxes on vacation homes.

Workforce housing is an emerging problem that is an inevitable part of successful amenity-led development and will continue to be an issue that rural communities in the Gorge must confront.

Growing Agro-Tourism

Many of the supporters of the National Scenic Act point to the preservation of agricultural lands as one of the major positive outcomes of the legislation and it is up to local jurisdictions to capitalize on these resources. Several interviews commented on growing demand for agro-tourism. This type of tourism shares many of the same tenants as traditional natural amenity-led development, in that it relies on unique environmental features. With a successful local agricultural economy, you really can “eat scenery.” It is up to local jurisdictions to support these entities and promote preservation of these activities. The unique basalt cliffs lining the Gorge are just as important as are the rows of pear orchards to the prosperity of communities in the Gorge.

Conclusion

-People, Places, and Perspectives Differ

There are highly varying situations and perspectives on the issues addressed in this study. The selected case studies, documents, and interviewees that are a part of this study do not represent those

differences entirely, nor are they intended to. With qualitative research it is difficult to parse out the magnitude or scale to which these findings can be generalized. The findings from this study cannot be directly transferred to another unique place and situation without careful consideration of the differences in context. The author encourages others to conduct similar methods of study in other places being impacted by natural amenity-led development.

-Board feed to Board heads

The communities in the Columbia River Gorge have transitioned from economies based on the extraction of board feet of timber to the attraction of board heads and other visitors seeking natural amenities. While this type of development has its share of negative impacts, there are many positive aspects that rural communities in the region can seek to maintain. Finding this balance is difficult, but the National Scenic Act sought to find a middle ground between the strict interpretation of “wise-use” and “preservation.” Now, it is up to current planners and policy makers to learn from the past and prepare for the future by striking the balance between the protection of scenic, cultural, recreational, and natural resources as well as supporting the economy of the Columbia River Gorge.

Appendix A

Interview Discussion Topics

Creation of the National Scenic Act:

- 1) What do you feel was the impetus for the National Scenic Act?
- 2) Discuss your knowledge of the political dialogue surrounding the Act.
- 3) Discuss the differences between Oregon and Washington Land Use Planning at the time of adoption.
- 4) On more of a theoretical level, what are your thoughts about the tensions between commodity production and recreation, and between regulation and land acquisition as tools for achieving public land use goals?

Natural Amenity Led Development in the West:

- 1) Discuss your thoughts on the economic transition of rural communities.

Changing Economies and Demographics in the Gorge:

- 1) Do you feel that natural amenity led development is having a substantial impact in the Columbia River Gorge? Was this development inevitable or were there local/external factors
- 2) What do you feel are some valid indicators to prove or disprove this idea in Klickitat and Hood River Counties?

Impacts of the National Scenic Act on Natural Amenity-led Development:

- 1) In what ways does the NSA impact these changes? Positive or negative impacts.
- 2) Given current issues facing the Gorge Commission, what changes do you foresee? Will these contribute to amenity led development?
- 3) Compare and contrast these impacts across Hood River County and Klickitat County

Recommendations to address past/current/potential issues:

- 1) Would you suggest any changes to the original legislation?
- 2) How about other policy changes that address natural amenity led development?
- 3) Are there specific communities that would be contribute to recommendations for the Columbia River Gorge?

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