

# AN OPEN LETTER TO THE ASHLAND COMMUNITY

## Tell your Councilmember in Ashland - Oppose Ordinance No. 3254

### A NEW TAX ON APPLIANCES IS BAD POLICY FOR ASHLAND. TOO MUCH AT STAKE. TOO MANY UNINTENDED CONSEQUENCES.

As members of this community from all walks of life, who together, specialize in providing homes with safe and reliable energy, we are writing with concerns about Ordinance 3254 – an approximate 100% tax on appliances that will impact new home construction. There is too much at stake and there are too many unintended consequences resulting from this ordinance.

This proposed ordinance represents a 100% tax on new appliances, without the vote of Ashland residents. Lower income Ashland residents and families looking to buy their first new home will have to pay even more for housing, creating inequities in our community and exacerbating the affordability problem in Oregon. For example, a new home with a natural gas furnace, will have an added \$4,118 in costs to Ashland homebuyers. According to a 2024 Priced Out report by the National Association of Home Builders, for every \$1,000 increase in the cost of building a home, 812 Oregon households are priced out from the housing market.

Ordinance 3254 will make the equity divide even worse in Oregon. According to a 2024 State of the State's Housing report from Oregon Housing and Community Services, there is a 15.3% gap in homeownership by race and ethnicity, with exclusionary policies, wealth gaps, and institutional barriers that prevent BIPOC communities from buying homes cited as primary drivers. Imposing more taxes on new home construction are an example of these exclusionary policies.

According to the same report, Oregon has the highest number of families with kids experiencing homelessness in the country. With housing costs so high, many parents have to choose between keeping a roof over their heads or putting food on the table – when they should have both. Even those who have housing are struggling to keep up, as prices keep rising faster than wages.

Here are some other astonishing facts from the report that have a direct correlation to the disproportionate impact the ordinance will have on housing affordability:

- While higher-income groups and individuals are increasingly experiencing cost burdening, this has long been a reality for BIPOC communities and low-income households. Over the past two decades, these disparities have worsened, disproportionately impacting Oregon's most vulnerable populations.
- Both renters and homeowners spend more than 30% of their income on housing.
- Oregon ranks 3rd in the nation for people experiencing homelessness.

Ordinance 3254 is not going to help us solve the problem of housing affordability in Ashland, in fact the new tax will make it worse. Oregonians need real solutions that don't involve imposing additional affordability barriers on anyone, especially those who are least likely to afford them.



**Brad Hicks**

Interim Executive Director,  
Builders Association of  
Southern OR



**Zachary Lindahl**

Government Affairs  
Director, Multifamily  
NW



**Drew Johnson**

Government Affairs  
Committee Chair, Oregon  
REALTORS®



**Paul Elder**

Business Manager,  
UA Local 290



**Harvey Gail**

Executive Director,  
Oregon Hearth Patio  
Barbecue Association

