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RESILIENCY AND RECOVERY ROADMAP

PITKIN COUNTY/GREATER ROARING FORK VALLEY

AUGUST 2022

Acknowledgments

The “Colorado COVID-19 Regional Resiliency and Recovery Roadmaps Program” (henceforth “Roadmaps Program”) has been funded by the U.S. Economic Development Administration and administered by the Department of Local Affairs (DOLA) Colorado Resiliency Office in partnership with the Office of Economic Development and International Trade (OEDIT), the Colorado Department of Labor and Employment (CDLE), and Community Builders. Bohannan Huston, Inc. was hired to lead the **Pitkin County/Roaring Fork Valley Regional Community Team** through the Roadmap process, which has resulted in this Recovery and Resiliency Roadmap Plan (Plan). See Appendix A for a full list of jurisdictions and partners that were a part of the Pitkin County/Roaring Fork Valley Regional Community Team.

COLORADO
Resiliency Office
Department of Local Affairs

COLORADO
Office of Economic Development & International Trade
Rural Opportunity Office

COLORADO
Department of Labor and Employment

COLORADO RURAL WORKFORCE CONSORTIUM

community builders

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REGIONAL PARTNERSHIP BACKGROUND & PROCESS OVERVIEW

I. REGIONAL COMMUNITY TEAM OVERVIEW

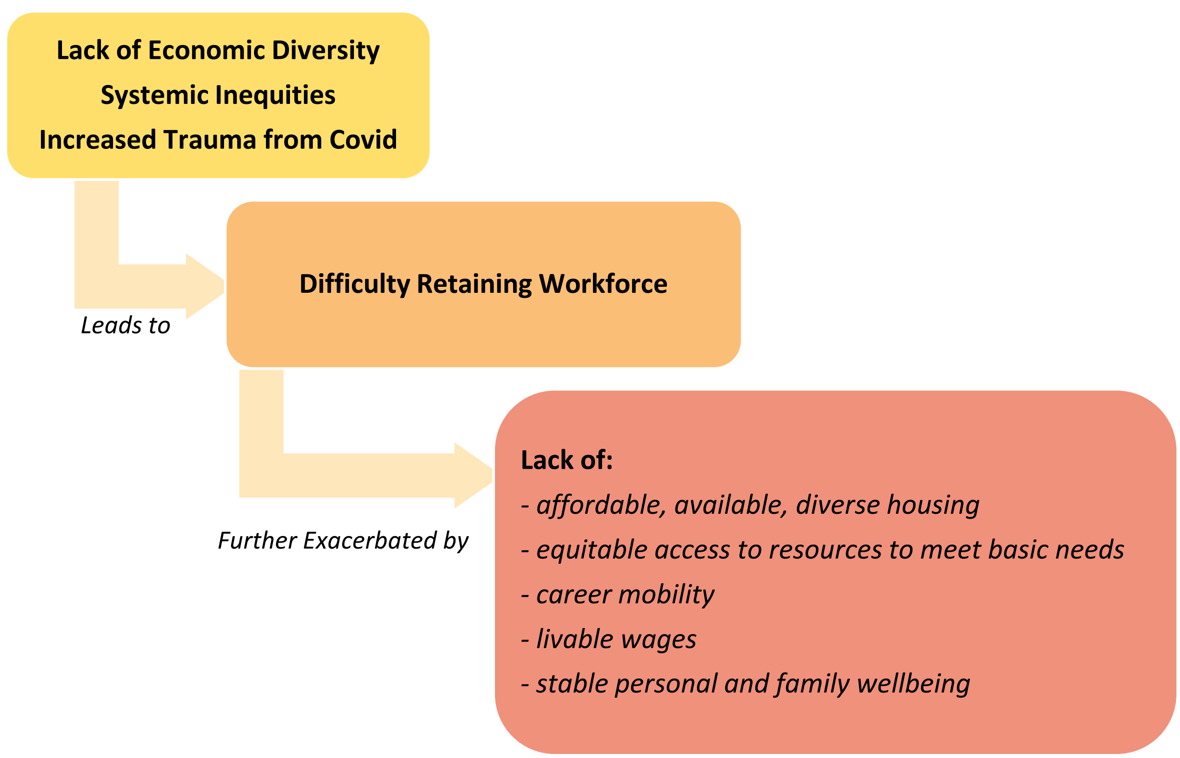
The Roadmaps Program brings together 16 Regional Community Teams made up of 170 rural jurisdictions as well as non-governmental partners. These local partners are actively working with a Roadmaps consultant and a team of State partners to prioritize and strategize around shared regional objectives through a two-year planning and implementation process. Each Regional Community Team is developing a Roadmap that will result in regionally aligned and actionable strategies that will help Colorado's rural communities recover from COVID and be more resilient to future shocks and stressors.

For the purposes of this roadmap plan, the core team was made up of representatives from Pitkin County, City of Aspen, Town of Snowmass Village, and the City of Glenwood Springs. A full list of partners is provided in Appendix A of this plan.

II. REGIONAL ISSUES AND OPPORTUNITIES

During phase one of the roadmap planning process, the regional community team worked through an internal process to better understand the issues and opportunities presented for and shared by the region as a whole. This process worked through an identification of current realities, a range of solutions (tactical to strategic), and an approach to solving these realities. These steps and the information provided to the consultant team is provided below for reference.

CURRENT REALITIES



The ”current realities” outlined above, subsequently led the regional community team through an exercise to identify potential solutions to address each problem. We have included them here below for reference. It is important to note that the team ultimately utilized this information and the collaborative effort to develop it, to subsequently steer the focus of this plan.

RANGE OF SOLUTIONS

Housing

- Pot of funding to incentivise developers to actually implement that structure
- "Company town" where all of their additional houses, etc. go in the same place - start building infrastructure to serve peope and their needs
- Valley-wide housing authority and a workforce center
- Every business and entity should offer affordable housing
- Creation of strategic regional housing collaboration
- Business and government collaboration with regional housing efforts
- Getting all large employers in the valley to participate in a regional housing authority
- Incentivise long-term rentals
- FInd a donor for an affordable housing complex in Pitkin County
- Having a fund for first time homowners

Equitable Access to Resources/ Daily Needs

- Being bilingual and bicultural should be compensated
- RFTA should be free
- Universal healthcare for physical and mental health
- Navigation system to get help
- Paying off mortgages for childcare facilities
- Universal preschools
- Free community college

Economic Diversification

- Regional economic development plan
- Hiring that is not dependent on legal status
- Tri-county and collaborative social services

RANGE OF SOLUTIONS (CONT.)

Retaining Workforce

- Creating hybrid, flexible work schedules for employees
- Incentivize employers to increase remote work

Access and Inclusion

- True representation regionally of who lives here
- Decisions made on data
- A part of the decision making process
- Representation of our community at the table
- Human-based design

Other

- Define the community you want to be and define your laws and policy around that
- Old model needs to be evaluated
  - We keep saying "the new normal"
  - We need to completely re-write the old process, not return to the old, but rewrite the story

REGIONALISM

It was at this point, that the regional community team began to coalesce around an understanding of regionalism. The identification of shared issues, and shared solutions, ultimately led the team to understand the interdependencies between their economic, geographic, and social connections. This understanding generally led the team to the point that the overarching gap throughout the region was the lack of a regional mechanism to solve these problems and a lack of a perceived regional vision, articulated values, and demonstrated evidence of working together. Comments from the team consistently reflected the notion of “we haven’t, we aren’t, and we won’t.”

However, the documentation of this work and subsequent meetings with the regional community team points to the fact that the Roadmaps Program and a parallel effort to develop a regional housing coalition could be the momentum and the organizing structure needed to address regional issues in a more consistent and constructive way.

III. ENGAGEMENT OVERVIEW

Engagement within the Pitkin County/RFV Region was set up and managed differently than originally anticipated as originally noted in the Roadmaps Program developed by the State of Colorado Department of Local Affairs. Engagement, to a substantial extent, was completely managed by and dictated by the regional community team. In most cases, the consultant team was invited to attend or participate rather than leading the engagement activities.

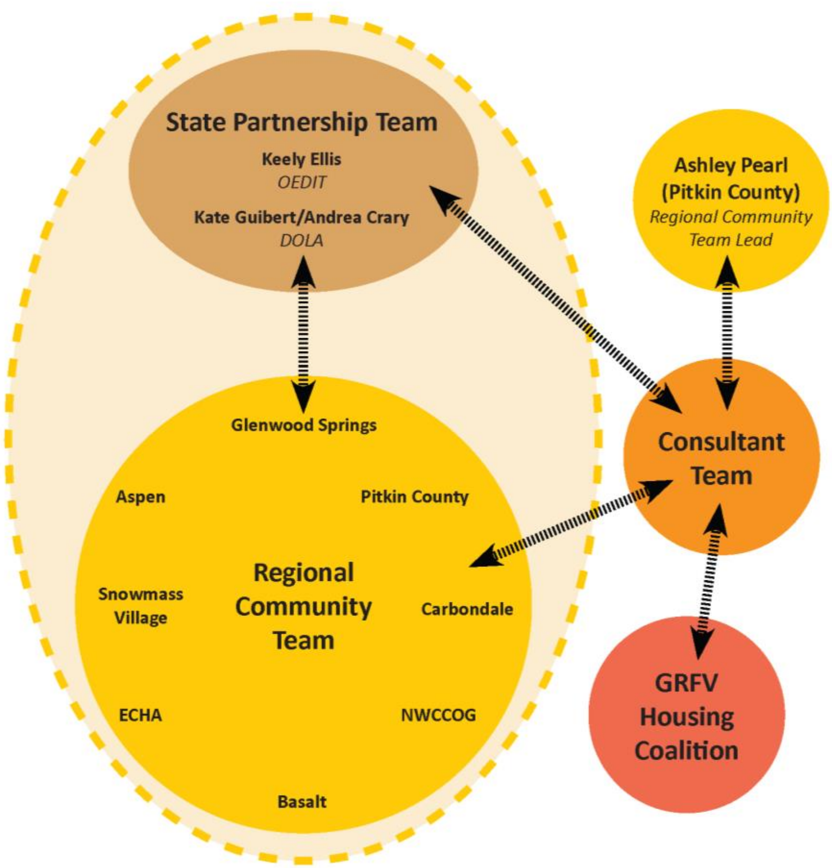
A full account of engagement activities with the regional community team, the community team lead and the Greater Roaring Fork Valley (GRFV) Housing Coalition can be found in the Task B Report, which also includes the engagement strategy, on file with the State Partnership Team (DOLA). A summary of specific meetings is included in the appendix of this plan for reference as well.

In general, the consultant team interfaced with the regional community team through the team lead on a weekly basis from April 2022 to August 2022. Occasionally, updates and feedback needs were discussed with the larger regional community team stakeholders at key points throughout the process. Engagement with the GRFV Housing Coalition was planned and managed through the community team lead and Pitkin County's Assistant to the County Manager.

The consultant team met with the housing coalition on three occasions –

1. **April 2022** - to listen in and obtain direct feedback and suggestions for the use of the Housing Toolkit;
2. **May 2022** – to present an overview of the housing related data supplement the consultant team produced and to discuss early development of the Housing Toolkit; and
3. **August 2022** - to present the Housing Toolkit, provide an overview of initially identified programs and strategies, a summary of Board Member interviews, and to support a facilitated conversation identifying priority projects for the coalition to further develop and implement in the near future (during phase 3 of the roadmap process) and beyond.

The graphic below provides an illustrative example of the engagement feedback loop present throughout the roadmap planning process.



ASSESSMENT

As noted above in the **Regional Issues and Opportunities Section**, the regional community team worked through an internal process to assess their needs, understand overarching opportunities, and determine the key challenge they wanted to address. It is important to note that the consultant team was directed by the regional community team on the key challenge and ultimate deliverable they were after as an outcome for this roadmap planning process. The Consultant team did not participate in this aspect of the process.

I. KEY CHALLENGE AND OPPORTUNITY

Noted above, the regional community team worked through an internal process to better understand the issues and opportunities present for and shared by the region. Early in the process, another regional effort was taking place – the development of a regional housing coalition. This effort began pre-COVID, however stalled a bit as the region managed a collective response and ultimate mitigation of the pandemic; and suffered a setback due to the death of one of the founding members.

However, coming out of the pandemic, the region viewed the development of the housing coalition as an opportunity to leverage the roadmap process as an early input into the strategic planning process for the work program of the coalition. Thus, the key challenge of the region was decided: Housing, and the opportunity outlined was to utilize the housing coalition and the implementing organization in the near future and long-term. Ultimately, the regional community team directed the consultant team to produce two key deliverables to support their efforts: 1) a housing toolkit of development neutral programs and strategies the coalition could consider for full buildout soon; and 2) a data supplement (described and summarized in more detail below) to attempt to address outstanding questions related to the Greater Roaring Fork Region Housing Study (2019) and COVID impacts.

II. DATA

The information presented below is the culmination of an attempt to answer the question, "how has COVID affected the housing issue in the region?" Early in the process, the regional community team was interested in data that could tell a better story about the current housing situation in the region since the publishing of the Greater Roaring Fork Region Housing Study, previously developed by EPS in 2019. The summary below, and subsequent information included in the appendix, aim to provide that information. The consultant team gave their best effort to identify relevant and updated data that would help paint a clearer picture. Ultimately the region is left with more questions than answers, and more data needs, however the information presented in the data supplement can be used to strengthen the argument for funding and to help build buy-in among a variety of stakeholders.

DATA SUPPLEMENT SUMMARY

The regional housing problem was studied and documented well before COVID in studies such as *Greater Roaring Fork Regional Housing Study* (2019). COVID and related events have rapidly exacerbated housing problems throughout the region. Using the EPS report as a foundation for describing the fundamentals of the housing problem, this analysis taps more recent real estate and demographics data to show how COVID has affected the regional housing situation.

Prior to COVID, the Roaring Fork region had an affordability gap between household ability to pay and the cost of housing amounting to a shortfall of 4,000 units in the greater Roaring Fork region.

At this point, about 40 percent (%) of households in Garfield and Pitkin County were "cost-burdened" by housing, meaning they were paying more than 30% of their income for housing costs.

FIGURE 1 – AFFORDABILITY GAP IN 2019

Affordable housing unit shortfall for 60% AMI or lower, greater Roaring Fork region, 2019	2,100 units
Attainable unit shortfall between 100% AMI and 160% AMI, greater Roaring Fork region, 2019	1,900 units
% households paying more than 30% income for housing, Garfield County, 2020	40%
% households paying more than 30% income for housing, Pitkin County, 2020	41%

COVID started a chain of events that have contributed to a rapid widening of the gap between housing costs and ability to pay. Real estate sales volumes escalated dramatically during 2020 and 2021 sending prices up sharply. The number of out-of-area buyers increased in both Pitkin and Garfield County, adding extra competition to the market. In Glenwood Springs, where rental prices have been tracked over several years, rents for apartments increased by 42% in just two years. Average wages have increased as well, but not nearly at the rate of housing costs. Before COVID, 40% of households were cost burdened by housing. COVID has rapidly accelerated the trends that have made it more difficult for working households to afford to live in the valley.

FIGURE 2 –HOUSING MARKET INDICATORS DURING COVID

Δ median single-family sale price in 2019 to 2021, Garfield County	↑ 42% to $686,419
Δ average rent for apartments 2019-2021, Glenwood Springs	↑ 42% to $1,346
Δ average weekly wages, Q4-2019 to Q4- 2021, Garfield County	↑ 16% to $1,197
Δ median single-family sale price in 2019-2021, Pitkin County	↑ 71% to 7,905,394
Δ average weekly wages, Q4-2019 to Q4- 2021, Pitkin County	↑ 34% to $1,545
Δ real estate sales to out of area buyers 2019 to 2021 Garfield County	↑ 79% to 418
Δ real estate sales to out of area buyers 2019 to 2021 Pitkin County	↑ 83% to 689

THE AFFORDABILITY PROBLEM

The Greater Roaring Fork Regional Housing Study (2019) calculated housing affordability gaps for the entire greater Roaring Fork region and by local area (Aspen-Snowmass Village, Basalt area, Carbondale area, Glenwood Springs area, New Castle to Parachute, Eagle to Gypsum). Housing gaps/surpluses were derived from "demand" compared with price of local inventory and do not account for the commuting dynamics between each. "Demand" in the study was based on jobs/wages/salaries, proprietor earnings, as well as incomes of non-working population.

FIGURE 3 - REGIONAL HOUSING AFFORDABILITY GAP

MISMATCH BETWEEN HOUSING PRICES AND ABILITY TO PAY
4,000 unit gap, greater Roaring Fork region
2,100 gap for 60% AMI or lower households
1,900 unit gap for between 100% AMI and 160% AMI households

Source: Greater Roaring Fork Regional Housing Study, 2019, EPS

Local area housing gaps/surpluses were derived from local area demand compared with price of local inventory. As would be expected, the shortfall is highest in the Aspen to Old Snowmass subarea because housing is most expensive in this area. The subarea analysis shows which areas are meeting demand for housing generated by jobs and income in other communities as well as those that generate more employment and income than their housing inventories can accommodate. Aspen Area and Glenwood Springs Areas are the employment centers that are most significantly driving demand for housing in other communities in the region.

FIGURE 4 - AFFORDABILITY SHORTFALL BY SUBAREA

SUBAREA	AFFORDABILITY GAP	BALANCE OF SUPPLY AND DEMAND OVERALL
Aspen to Old Snowmass	4,000 units all incomes up to 160% AMI	Demand for housing exceeds supply
Basalt Area	1,000 units 80% AMI or less	Local supply and demand are fairly balanced
Carbondale Area	600 unit shortfall <60% AMI	Housing inventory is meeting non-local demand
Glenwood Springs Area	2,000 units all incomes up to 160% AMI	Demand for housing exceeds supply

Source: Greater Roaring Fork Regional Housing Study, 2019, EPS

One of the highest-impact results of the affordability gap is commuting. Three-quarters of Basalt survey respondents have a household member working in the Aspen-Snowmass area and half of Carbondale survey respondents have a household member working in the Aspen-Snowmass area. Residents of Basalt and Carbondale also commute up and down valley for work. Other factors such as preferences and family influence commuting, but affordability gaps are the most common reason for commuting.

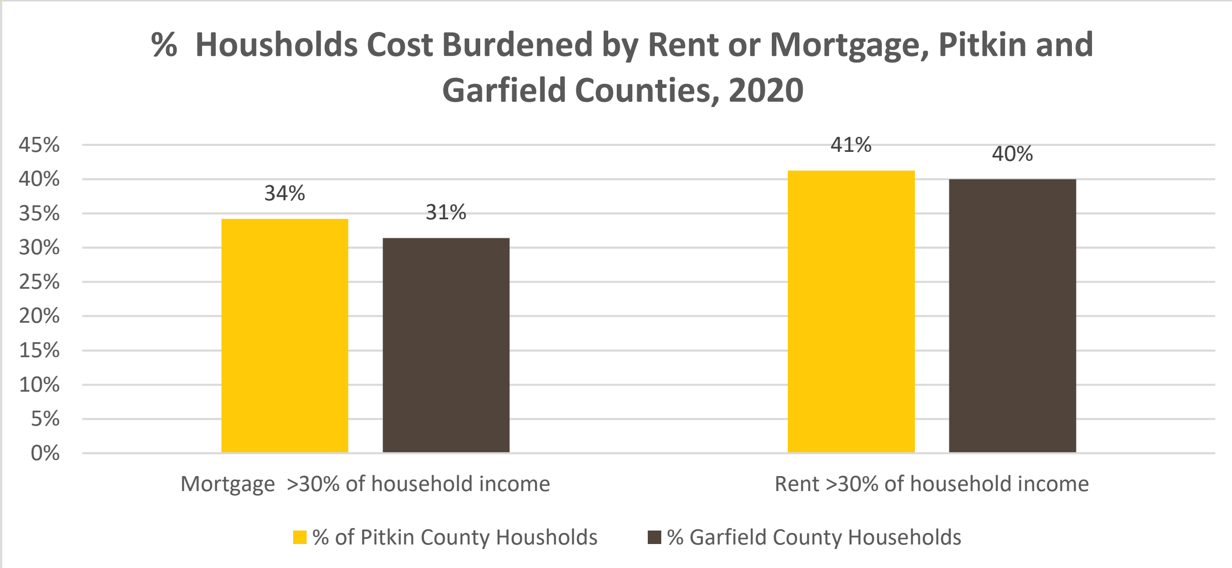
FIGURE 5 - COMMUTING PATTERNS: LOCATION OF HOUSEHOLD JOBS BY PLACE OF RESIDENCE

	Live in Aspen	Live in Basalt	Live in Carbondale	Live in Glenwood Springs
One or More Household Members Working in Aspen	**95%**	**77%**	**49%**	**16%**
One or More Household Members Working in Basalt	**9%**	**50%**	**31%**	**11%**
One or More Household Members Working in Carbondale	**6%**	**22%**	**69%**	**21%**
One or More Household Members Working in Glenwood Springs	**3%**	**16%**	**31%**	**84%**

Source: Greater Roaring Fork Regional Housing Study, 2019, EPS

Despite the countless vehicle miles traveled and hours spent commuting, at least 40% of renter households pay more than 30% of their household income on housing and over 31% of homeowners spend more than 30% of their income on housing. These estimates of "cost-burdened households" are based on the American Community Survey results from 2016-2020 and serve as a pre-COVID benchmark.

FIGURE 6 – COST BURDENED HOUSEHOLDS



Source: American Community Survey, by US Census, downloaded in April 2022

The Greater Roaring Fork Regional Housing Study (2019) predicts that the affordability gap will continue to widen. Demographic trends also suggest increasing demand for housing from the 65+ population, which is expected to grow at double the rate of the population as a whole.

FIGURE 7 – PRE-COVID HOUSING OUTLOOK

PROJECTIONS AND EMERGING TRENDS
Affordability gap will increase for 100%-160% AMI households
Gap between median price and ability to pay will increase:
Population 65+ will at twice the rate as the population as a whole
58% of respondents likely or extremely likely to stay in the region after retirement

Source: Greater Roaring Fork Regional Housing Study, 2019, EPS

HOW COVID AFFECTED HOUSING

The 2008 recession injected volatility into the housing market throughout the U.S. including the Roaring Fork Valley. Between 2008-2018, average sale prices dropped -25% in the Basalt area and -12% in the Carbondale area. The Aspen to Old Snowmass area defied regional trends and housing prices doubled during the same time. Glenwood Springs showed modest growth by 2018. Overall, down-valley housing prices in the Roaring for Valley either fell or grew sluggishly 2008 through 2018.

FIGURE 8 – AVERAGE RESIDENTIAL SALE PRICE 2008-2018

SUBAREA	AVERAGE SALE PRICE 2018	CHANGE 2008-2018
Aspen to Old Snowmass	$2,353,868	Up +100%
Basalt Area	$780,169	Down -25%
Carbondale Area	$719,869	Down -12%
Glenwood Springs Area	$533,425	Up +12%

Source: Greater Roaring Fork Regional Housing Study, 2019, EPS

After the initial stay at home orders were lifted in 2020, the real estate market started to accelerate and had not slowed down as of year-end 2021. In Pitkin County, sales volume in 2021 was 151% higher than in 2019, the average single-family sale price in 2021 was 71% higher than in 2019, and the average multi-family sale price in 2021 was 37% higher than in 2019. In Garfield County, sales volume in 2021 was 96% higher than in 2019, the average single-family sale price in 2021 was 42% higher than in 2019, and the average multi-family sale price in 2021 was 39% higher than in 2019.

III. RESILIENCY CONSIDERATIONS

Key resiliency considerations that have been identified through this process and for the region to address moving forward include the following:

1. Flexibility of program implementation – program/strategy build out must continue to maintain a regional focus with local implementation. Each program the coalition decides to move forward with should be crafted in a way to anticipate issues, but also adapt to changing priorities, and changing market conditions.
2. Long-term and disaster-safe funding – noted below as a risk reduction consideration, the long-term viability of any program the coalition or region decides to move forward with is only effective for the period of time funding has been secured for. The coalition must focus their efforts on finding and securing long term and innovative funding sources to maintain consistency in the programs they implement.
3. Geographic implementation – As the coalition moves forward with implementation, given this is a housing-focused effort, it is important to consider the geographic utilization of programs and strategies. While programs should be tailored to meet the needs of those that need it most, some thought should be given on "where it makes sense". Key items include regional transportation issues, workforce needs, land availability, land suitability – avoiding high-risk areas, and employer participation.
4. Diversity, Equity, and Inclusion (DEI) – Each of the programs included in the toolkit have been detailed to an extent with a DEI consideration. Attention has been given to ensure that the way programs are set up accounts for those with the highest need and those that have been historically disadvantaged in the past. Additionally, considerations have been included to identify how to tailor programs to best fit the needs of underrepresented individuals – ideas and requirements that are typically added to housing program may deter applicants in other groups or may not fit their needs.

IV. RISK REDUCTION CONSIDERATIONS

A key piece to any housing program or strategy sits with the goal of the program in general. For this region, the key goals (also listed below) focus on housing affordability and attainment. However, in times of uncertainty or competing priorities, funding can become a source of consternation – pulling funding from one program to start up or benefit another. Collectively, we say this happen across the board with local governments throughout the state and the country pulling back budgets, reallocating funding and cancelling programs. While less of a concern for housing program in general – residents still need a place to live even during a pandemic – it is something to consider as the broad set of housing programs can be looked at as a way to reallocate funding as a way to handle competing priorities in times of uncertainty.

Another key consideration for this work is the concept of stackable programs – programs that can be used together to maintain access to housing no matter the situation. Care and attention should be paid to not only support a residents need to obtain housing, but also to keep it. Through the research completed to develop the housing toolkit, several examples of programs that are meant to be utilized together are highlighted. It is in the region's best interest to consider this aspect of the programs and strategies they choose to implement.

REGIONAL GOALS

Housing, in and of itself, is *the* shared goal that the regional community team is working to accomplish together. A deeper explanation of this is implementing development neutral programs and strategies that address housing affordability issues ultimately increasing housing attainment. The objectives to meet this goal are present within the housing toolkit helping to guide the decision of the housing coalition. Currently, the coalition is working through organization development, strategic planning, funding identification/application, staffing, and the development of a scorecard to not only guide their programmatic implementation of programs and strategies, but also to help track progress and focus efforts into the future.

STRATEGIES AND ACTIONS

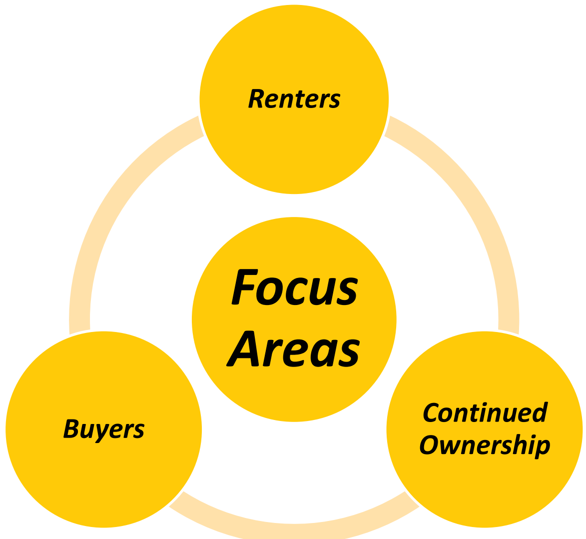
Given the direction provided by the Pitkin County/Roaring Fork Valley regional community team and the consistent direction provided by this region's team lead, all associated strategies and actions contained within this plan focus on the **Key Resilience Issue of Housing Attainability**.

GRFV HOUSING TOOLKIT → ROADMAP PLAN

PROGRAMS AND STRATEGIES

As noted previously in this plan, a planning-level GRFV Housing Toolkit was developed as a part of this roadmap planning process and delivered to the regional community team and the regional housing coalition for immediate consideration for implementation. This toolkit is provided for reference in the appendix of this plan, however each program and strategy identified for implementation with timeline noted, short/medium/long-term, is included in the subsequent tables of this section. The following outline of strategies (and programs) follows the same organizational framework as the toolkit. It focuses on a set of prioritized programs and strategies for three key focus areas, noted below, as identified by the regional community team:

DEVELOPMENT NEUTRAL PROGRAMS AND STRATEGIES FOR REGIONAL IMPLEMENTATION CONSIDERATION



It is important to note that the housing toolkit was intended to provide information to the GRFV Housing Coalition that outlines necessary next steps and programmatic needs for each to lead to implementation. There is substantially more detail for each program and strategy included in the housing toolkit versus here within the plan. For more information, please see **Appendix B**.

Key Resilience Issue: Housing Attainability

Focus Area: Renters

Strategy A: Develop and implement a regional rental assistance program (near term)

Action	Leads	Supporting stakeholders	Resources (available and/or needed)	Baseline metric or progress	Timeline
Develop a program for immediate financial support for renters in the form of first/last, deposit, or a percentage of monthly cost.	GRFV Housing Coalition	Counties and local governments in the region	Available: Housing toolkit (see appendix) Needed: Funding, rental data, true availability, understanding of vacancy, asset caps, income limits, employment requirements, etc.	Quarter over quarter or year over year program usage statistics, i.e. how many residents utilize the program vs. the goal.	Short

Strategy B: Develop and implement a regional rental assistance program (long-term/future)

Action	Leads	Supporting stakeholders	Resources (available and/or needed)	Baseline metric or progress	Timeline
Develop a program leveraging outcomes and learnings from Strategy A, for long term financial support for renters in the form of rental buy down and or relocation support.	GRFV Housing Coalition	Counties and local governments in the region	Needed: Funding support needed, Rental data, true availability/vacancy, asset caps/income limits/employment requirements Subsequent: learnings from near term implementation in Strategy A.	Quarter over quarter or year over year program usage statistics	Medium/Long

Strategy C: Develop and implement a short- to long-term rental conversion program

Action	Leads	Supporting stakeholders	Resources (available and/or needed)	Baseline metric or progress	Timeline
Develop a regionally focused STR to LTR conversion program for eligible properties within the region to provide long term affordable housing to residents/employees in the region.	GRFV Housing Coalition	Counties and local governments in the region	Available: case studies and examples (see appendix) Needed: Funding, and a general understanding of: employment requirements for tenants, how properties and landlords are certified, if/how properties are inspected, how the stipend works, how much funding is necessary for the program, is the program region-wide or targeted to specific geographies, locations?	Number of units or properties brought in and maintained within the program on a quarterly or yearly basis. Coalition should determine target goal and work toward the necessary funding requirement to meet it.	Short/Medium

Strategy D: Develop and Implement a regional master leases for staff (public or private) program

Action	Leads	Supporting stakeholders	Resources (available and/or needed)	Baseline metric or progress	Timeline
Develop a regionally managed/supported program for master leases to provide a mechanism to support residents with housing linked directly to their employment	GRFV Housing Coalition	Counties and local governments in the region/private employers invested in the program.	Available: case studies and examples (see appendix) Needed: funding, and a general understanding of whether or not the coalition should consider purchasing property or identify and partner with rental companies, how this could work on a regional scale, time limits imposed on new renters as they transition to the region, any geographic considerations, how partnerships with private employers can/should work.	Number of master leases held for public and private staff in the region quarter over quarter and/or year over year. Alternatively, the number of units transitioned from a master lease (short-term) to another unit held privately.	Short/Medium

Strategy E: Develop and implement a regional housing stipend program					
Action	**Leads**	**Supporting stakeholders**	**Resources (available and/or needed)**	**Baseline metric or progress**	**Timeline**
Develop a regionally supported housing stipend program to provide housing funds to support renters.	GRFV Housing Coalition	Counties and local governments in the region/private employers invested in the program.	Available: case studies and examples (see appendix) Needed: Funding, and a general understanding of: how the coalition manages the program, time limit imposed on the renter, geographic considerations, employment status changes, income status changes, reassessments for eligibility, and how the region can partner with employers to support the program.	Number of renters supported by the program on a quarterly or yearly basis. Coalition should determine target goal based on funding levels/rent costs, and number of renters supported.	Short/Medium
Strategy F: Update Household Regulations – Family/Group Living Definition					
Action	**Leads**	**Supporting stakeholders**	**Resources (available and/or needed)**	**Baseline metric or progress**	**Timeline**
Develop a regionally focused campaign to support code updates (as needed) related to the definition of family and/or group living to legally expand the number of unrelated adults that can cohabitate.	GRFV Housing Coalition	Counties and local governments in the region, advocacy groups, housing authorities, other support groups.	Available: case studies and examples (see appendix) Needed: Funding and a review of current county and municipal regulations to identify areas of need/gaps in policy.	Coalition would need to determine baseline for the region (average) and specific local requirements, and determine the target.	Long
Strategy G: Create a regional process to promote the use of submetering of utility charges on new housing development					
Action	**Leads**	**Supporting stakeholders**	**Resources (available and/or needed)**	**Baseline metric or progress**	**Timeline**
Develop a regionally focused campaign to support the provision of sub-metering in local applications to more equitably track water utility (and other) usage in housing development	GRFV Housing Coalition	Counties and local governments in the region/development community	Available: case studies and examples (see appendix) Needed: Impact statements and data to support the conversation.	Implementation within communities – number of developments converted to or implementing smart metering for each tenant. Code update/adoption for a smart metering requirement	Long – requires political will
Focus Area: Buyers					
Strategy H: Develop and Implement a regional buy-down/deed restriction program					
Action	**Leads**	**Supporting stakeholders**	**Resources (available and/or needed)**	**Baseline metric or progress**	**Timeline**
Develop a regional buy-down/deed restriction program that provides a mechanism for communities to bridge the gap between what is available on the open market and what is affordable. This program could be some combination of purchase/resell, transaction support, or reverse mortgage.	GRFV Housing Coalition	Counties and local governments in the region	Available: Case studies and examples (see appendix) Needed: An understanding on how eligible properties would be identified, a determination of the available housing stock, how much funding is necessary, how the program would be managed by a regional entity (and how many FTE's would be required), What would the procurement process look like and what entity would hold the deed restriction, and how to vet properties.	The number of properties placed under a deed restriction on a quarterly or yearly basis.	Short/Medium

Strategy I: Develop and Implement a regional cash offer assistance program					
Action	**Leads**	**Supporting stakeholders**	**Resources (available and/or needed)**	**Baseline metric or progress**	**Timeline**
Develop and implement a regional cash offer assistance program to support local residents who are typically at a disadvantage in the real estate marketplace due to competition with cash buyers.	GRFV Housing Coalition	Counties and local governments in the region	Available: Case studies and examples (see appendix) Needed: An understanding of funding levels necessary to support the program, identification of maximum purchase price of property, what employment and resident requirements look like, property requirements, service fees, transaction fees, and eligible household application requirements.	The number of property acquisitions facilitated by quarter or by year. The coalition should set target program goals based on available funding taking into consideration of funding to support the program.	Short/Medium

Strategy J: Develop and Implement a down payment assistance program					
Action	**Leads**	**Supporting stakeholders**	**Resources (available and/or needed)**	**Baseline metric or progress**	**Timeline**
Develop and implement a regional cash down payment assistance program to provide funds to eligible buyers to support the purchase of a home where the buyer may not have the full amount required for the down payment based on the increase in purchase price throughout the region.	GRFV Housing Coalition	Counties and local governments in the region	Available: Case studies and examples (see appendix) Needed: An understanding of funding levels necessary to support the program, identification of maximum purchase price of property, what employment and resident requirements look like, property requirements, service fees, transaction fees, and repayment process (if at all).	The number of supported by quarter or by year. The coalition should set target program goals based on available funding taking into consideration of funding to support the program.	Medium

Focus Area: Sustained Ownership

Strategy K: Develop and Implement a regional Accessory Dwelling Unit/Bedroom Build Out incentive program					
Action	**Leads**	**Supporting stakeholders**	**Resources (available and/or needed)**	**Baseline metric or progress**	**Timeline**
Develop and implement an ADU/Bedroom build out incentive program to support the creation of new units throughout the region while supporting an existing property owner.	GRFV Housing Coalition	Counties and local governments in the region	Available: Case studies and examples (see appendix) Needed: An understanding of where external or internal (bedroom) ADUs are allowed throughout the region, how a regional program should be set up to support implementation, if the program is a loan or grant program, what requirements are added to the property, how a deed restriction works on the property (and who holds it), any employment or income restrictions for the subsequent renter of the unit, and asset caps.	The number of units added through the program and loans (or grants) provided on a quarterly or yearly basis.	Medium/Long

Strategy L: Develop and Implement a regional maintenance funds/appreciation bank program					
Action	**Leads**	**Supporting stakeholders**	**Resources (available and/or needed)**	**Baseline metric or progress**	**Timeline**
Develop and implement a regional maintenance funds/appreciation bank program to support the general maintenance of deed restricted properties and a mechanism to fund other programs within the suite of programs held by the housing coalition	GRFV Housing Coalition	Counties and local governments in the region	Needed: more information/analysis on case studies and examples of communities or organizations that manage these types of programs.	More investigation is needed to understand how this type of program could work.	Long

Strategy M: Develop and Implement a general deed restriction purchase program – including expiring deed restrictions					
Action	**Leads**	**Supporting stakeholders**	**Resources (available and/or needed)**	**Baseline metric or progress**	**Timeline**
Develop and implement a regional deed restriction program to offer a financial incentive to owners and buyers to deed restrict their property to help maintain and sustain affordable/attainable housing within the individual communities and the region as a whole	GRFV Housing Coalition	Counties and local governments in the region	Available: Case studies and examples (see appendix) Needed: An understanding of what funding levels are required to support the program, how to adapt incentives to increase voluntary participation, how this program could supplement other programs, how to obtain information (and protect) on expiring deed restrictions, how to target the program to tiered geographies in the region – areas of highest need are prioritized before others.	Number of deed restricted units added on a quarterly or yearly basis. Number of expiring deed restricted units added back into the holding on a quarterly or annual basis	Short/Medium

IMPLEMENTATION PLAN

The strategies listed in the previous section outline a rough timeframe for implementation, or the consideration thereof, for each included in the plan (Short: 1-5 years; Medium: 5-10 years; Long: 10+ years). In all cases, the lead entity for each action is the Greater Roaring Fork Valley Housing Coalition and implementation of these strategies is ultimately at their will.

Implementation is largely dependent on a broad set of factors such as timing, funding, political will, staff capacity, and coordination. Chief among these factors is funding. One benefit of utilizing the GRFV Housing Coalition as the implementor of the strategies included in this plan is that the makeup of the coalition is largely local government based, and the coalition has developed a funding and programs committee focused solely on obtaining the funding necessary to not only implement the strategies deemed fit for the region, but also hire the staff necessary to manage the programs.

Regional coordination can, at time, also be limiting factor in the implementation of programs and strategies at the regional level. Consensus building is a difficult task and can take time; and when focusing efforts within the housing space, long timeframes to build consensus can be detrimental to progress and impact. In reviewing the programs and strategies included in this plan, one might notice that while each is intended to focus on a regional application, some strategies are inherently local; and can have varying degrees of impact given the diversity of place and diversity of need within this region. A promising note about the housing coalition obtained during board member interviews is the consensus that what gets implemented or utilized in one area of the region is ultimately beneficial for the region as a whole.

NEAR-TERM IMPLEMENTATION

The Housing Toolkit (provided in Appendix B) was delivered to the GRFV Housing Coalition in late July 2022. During the month of July, the consultant team worked with the regional community team lead to implement a housing programs and strategies questionnaire to the GRFV Housing Coalition Board members. The purpose of this questionnaire was to obtain initial feedback on programs and strategies each board member currently has implemented in their community, and to obtain an initial understanding of the top three programs and strategies the board collectively considers a top priority moving forward. The results of this questionnaire are included in **Appendix D**.

As of August 4, 2022, the top three programs/strategies the Board of Directors has identified as potential near-term implementation activities are:

- **Focus Area**: Renters – Rental Assistance Program
- **Focus Area**: Buyers – Buy Down/Deed Restriction Program
- **Focus Area**: Sustained Ownership – ADU/Bedroom Buildout Subsidy and Incentive Program.

The full set of identified programs and strategies were presented to the housing coalition on August 4 during a regularly scheduled housing coalition meeting. At that time, the board identified near-term programs and strategies were identified as a potential starting point for coalition deliberation. Ultimately, full representation of the coalition decided to give all members time to review the toolkit in its entirety and make a final determination at a later date at a subsequent meeting in late August.

PROGRAM/STRATEGY BUILD-OUT

It is important to note that the information contained within the toolkit only takes the coalition to a certain point. Ultimately that point is closer to implementation, however once the top three are identified, each will be prioritized for a complete build out to prepare for regional implementation. Included in most of the programs and strategies in the toolkit are implementation considerations. These aspects of each program are key to the ultimate implementation and success of each program. These considerations include the following:

- How the program can/should be administered
- Staffing required to manage the program
- Funding necessary to implement the program (programmatic and management)
- Data needs of the program
- Legal restrictions/requirements
- Program eligibility requirements
- Etc.

Lastly, the regional housing coalition membership is made up of housing practitioners throughout the region. It is important to leverage this baked-in knowledge to not only build the best and most comprehensive programs possible, but to also adapt to and consider lessons learned from other attempts at similar programs implemented locally throughout the region. Given current momentum, the region, through the housing coalition, is poised to move quickly within the remainder of 2022 to pilot a set of at least three programs for regional implementation.

APPENDIX A - PITKIN COUNTY/ROARING FORK VALLEY REGIONAL COMMUNITY TEAM

State of Colorado

Department of Local Affairs

Colorado Resiliency Office

Colorado Department of Labor and Employment

Office of Economic Development and International Trade

Municipal/County Governments

Pitkin County

Eagle County (Housing Authority)

Garfield County

City of Aspen

Town of Snowmass Village

Town of Basalt

Town of Carbondale

City of Glenwood Springs

Organizations

Northwest Colorado Council of Governments

Aspen Chamber Resort Association

Basalt Chamber of Commerce

Glenwood Springs Chamber Resort Association

Carbondale Chamber of Commerce

Aspen Institute – Hurst Community Initiative

Alpine Legal Services

APPENDIX B - CONNECTION TO THE COLORADO RESILIENCY FRAMEWORK

The roadmap team (consultants and regional community team) worked throughout the plan development timeline with an eye on connections to the Colorado Resiliency Framework – a plan originally developed in 2015 to serve as the State's roadmap to a more resilient future. While the topic of housing has touchpoints across the spectrum of resiliency themes included in the framework, such as community, economic, health and social, infrastructure, and watersheds and natural resources, this plan focuses the strategic connections herein specifically on advancing resiliency within the Housing sector and connecting the dots to Colorado's Housing attainability resiliency priority. Key takeaways from each of these sections of the Colorado Resiliency Framework are noted below for reference.

COLORADO RESILIENCY FRAMEWORK: CHAPTER 3: ADVANCING RESILIENCY ACROSS SECTORS: HOUSING

"Colorado's housing market faces many intertwined resiliency considerations including rapid price escalation and supply shortages in urban and mountain communities, vulnerability to natural hazards, growing distances between place of residence and employment and the unique housing needs and inequities of different demographic groups. ***The Housing sector focuses on housing supply and stability as critical elements of resilient housing****."*

As noted in this chapter of the framework, "Colorado's extremely tight housing supply means that many individuals and families struggle to find quality, affordable housing options." This issue is felt throughout the municipalities in this region as local governments, private developers and non-profit organizations work to innovate approaches to balance and ease the housing needs of families, the general workforce, the seasonal tourism industry, and the short-term rental market. Aside from the regulatory environment for housing development in the region, adding to this issue is the basic housing development requirement of land. In many areas within this region, there is a shrinking amount of suitable land prime for investment. In other areas, where land is available, it often lacks both the interest of the development community, in relation to the return on investment, and the physical infrastructure, political will and/or community support to see any housing development completed.

Also noted in this chapter of the framework, are key sector considerations:

I. Accelerating an Affordable and Diverse Housing Supply,
II. Building Housing for the Future, and
III. Providing Flexibility in Emergency Housing Solutions.

Sector Consideration I. Accelerating an Affordable and Diverse Housing Supply, notes that strategies focused on developing diverse housing types help to increase affordable options and increase opportunities for co-housing, universal design, temporary housing, and housing that provides supportive services. While communities throughout Colorado are completing code audits to identify areas of needed improvement in order to incentivize and streamline the process and requirements around housing development (many of the municipalities in this region are already doing so or are planning to do so), this region has determined that focusing their efforts through the development of a regional housing coalition and focusing on region wide programs and strategies to lessen the attainability gap is something they can implement more quickly in the near term. As noted previously in this plan, this region's current focus for implementation is on development neutral programs and strategies rather than trying to physically develop housing on their own. The goal is to work through development issues in ongoing planning and policy initiatives and partner with developers separately, while also focusing on supporting renters, buyers, and current owners.

Sector Consideration II. Building Housing for the Future, notes that updating local land and building development standards can support and provide an opportunity to build housing that is resilient. This roadmap planning team does not dispute this point, and as noted previously, the municipalities within this region are already doing so, however land availability is a prevailing issue in the region especially when layering on limits to construction in hazardous areas. Again, given the focus of this region and this plan, factoring in this consideration is something that was not included when developing the strategies included in this section.

Lastly, ***Sector Consideration III. Providing Flexibility in Emergency Housing Solutions*** notes the direct connection to the exacerbation of housing attainability and availability when communities work to manage and rebound from disasters. Specific to this plan, several of the programs and strategies listed below focus on supporting immediate needs and future, longer-term stressors that include rent and mortgage relief (or minimizing).

COLORADO RESILIENCY FRAMEWORK: CHAPTER 4: COLORADO'S RESILIENCY PRIORITIES: HOUSING ATTAINABILITY

"The priority emphasizes reducing barriers to developing affordable housing, championing statewide housing policies and resources, and addressing each community's unique housing needs. ***To increase stability and reduce displacement, this priority stresses leveraging and using tested tools, models, and resources, as well as piloting and innovating new housing projects and initiatives."***

The Housing Attainability section of the framework clearly identifies the need to increase the supply of attainable housing throughout Colorado, specifically affordable housing options for workforce populations and those who most experience marginalizing. Also noted, is the clear connection to the fact that in many rural communities, limited funds available for housing supply means minimal housing mobility or choice. While not considered a "poor" or necessarily "low-income" region within the state, this region does grapple with the fact that housing is, in most circumstances, unattainable and unaffordable to the vast majority of residents that provide for the workforce necessary for the region. Even middle-class families and new graduates are hard pressed to find housing that is both affordable and located in an area of the region in close proximity to their place of business. This issue further stresses the cost-burdened lower-income workforce that is forced to find housing extreme distances from their place of employment, exacerbating transportation costs. The following table outlines relevant strategies from the Colorado Resiliency Framework that have a direct connection to this plan's focus areas. Further within this section are the programs and strategies this region's team identified and developed (in many cases) into specific actions that can be taken to address attainability and affordability in the region whether implemented by individual municipalities or on a regional scale through the region's housing coalition.

RELEVANT STATE-LEVEL SUPPORTING STRATEGIES FROM THE COLORADO RESILIENCY FRAMEWORK (CHAPTER 4, PAGE 64)

STRATEGY NAME	STRATEGY DESCRIPTION	RESILIENCY PRIORITIES SUPPORTED
HA1. Build Local Capacity for Developing Resilient Affordable Housing	Provide technical assistance to local communities to meet their unique housing needs and increase the number of affordable and resilient housing units.	Economy and Workforce
HA3. Increase Housing Stability	Ensure Coloradans can remain in their homes and the affordable housing stock is maintained, particularly during disruptive events such as natural disasters and economic disruption, by minimizing evictions and foreclosures and ensuring homes are fortified to withstand disasters. Address barriers to homeownership and housing for people experiencing homelessness.	Housing Attainability; Community Capacity

APPENDIX C - INCORPORATION OF THE RESILIENCY PRIORITIZATION CRITERIA

Outlined in the framework requirements for this roadmap plan was the indication that regional teams should incorporate the resiliency prioritization criteria to ensure that strategies and projects are future-proof and build the resiliency of the region. This region has made their best effort to consider and incorporate this direction, however, it is important to note that the regional community team did utilize expertise from the Regional Housing Coalition to vet, adapt and prioritize the initial strategies that this team developed and are included within this section of the roadmap plan.

Prioritization from the regional community team focused on three main criteria:

1. Gaps in existing programs and strategies currently in place throughout the municipalities in the region;
2. The ability to implement on a near-term timeline (0-3 years); and
3. Available funding for implementation (federal, state, or local monies).

While the planning process is not outlined here, these strategies are highlighted below under the “Key Strategies for Immediate Implementation”, a subsection of this portion of the plan. Immediately below, the team has included the resiliency prioritization criteria that best fit the strategies and purpose of this plan. The team has also included a short narrative for each describing the use of the prioritization criteria within this plan. Also, important to note is that these criteria were specifically defined and “intended to enable State departments and agencies to prioritize resiliency strategies so that limited resources can be leveraged for multiple, triple-bottom-line returns.” While clearly relevant, there is a lack of one-to-one connection as it relates to the priorities of individual municipalities and regions throughout the state.

RELEVANT CRITERIA

CO-BENEFITS:

Description: Provide solutions that address problems across multiple sectors creating maximum benefit.

RFV Roadmap Plan Connection: The programs and strategies developed for this region have the potential to provide considerations for regional and local-level implementation. Addressed throughout the planning process was the connection to workforce and economic development related issues, infrastructure issues, and equity issues.

INNOVATION:

Description: Advance new approaches and techniques that will encourage continual improvement and advancement of best practices serving as models for others in Colorado and Beyond.

RFV Roadmap Plan Connection: Many of the programs and strategies included in this plan were derived as best practices or newly created innovative solutions and ideas from other areas of the state and nationally. It is intended that each can be adapted for use in any community or region and should be seen as transferrable for use in other locations. In the larger Housing Toolkit (provided to the region and included in the Appendix within this plan) implementation considerations are listed to provide background information and needs for the implementor to work through in order to implement the strategy.

ADAPTIVE CAPACITY:

Description: Include flexible and adaptable measures that consider future unknows of changing climate, economic, and social conditions.

RFV Roadmap Plan Connection: The programs and strategies developed for this region and included in this plan are meant to be adaptable in many areas associated with housing throughout the region. For example, as economic conditions change and housing rent/price fluctuates, considerations are made for the funding levels necessary to maintain the program or start up the program (or strategy).

ECONOMIC BENEFIT-COST:

Description: Make good financial investments that have the potential for economic benefit to the investor and the broader community both through direct and indirect returns.

RFV Roadmap Plan Connection: The programs and strategies included in this plan make clear connections to the measurement of the benefit of a program or strategy and the cost/benefit for both the local government or regional entity "investing" in the program, and the individual utilizing the program for the long term. Additionally, in all cases where public funds are used, affordability restrictions are placed on the "user" of the subsidy for the program – for example, the use of a down payment assistance program includes the recording of a deed restriction on the property.

SOCIAL EQUITY:

Description: Provide solutions that are inclusive with consideration to populations that are often most fragile and vulnerable to sudden impacts due to their continual state of stress.

RFV Roadmap Plan Connection: In many cases, the programs and strategies developed for this plan take into consideration the associated cost-burden of the population targeted for use of the programs and strategies. Inclusivity and equity considerations are also included to make sure target investment makes the largest impact and includes the portion of the population with the greatest need.

LONG-TERM AND LASTING IMPACT:

Description: Create long-term gains to the community with solutions that are replicable and sustainable, creating benefit for present and future generations.

RFV Roadmap Plan Connection: The programs and strategies included in this plan for the Roaring Fork Valley are all focused on long-term impact. The idea here being that each program and strategy helps to increase housing attainability and affordability now and maintain it into the future.

APPENDIX D – HOUSING TOOLKIT

WEST MOUNTAIN REGIONAL
HOUSING
COALITION

Housing Programs/Strategies Toolkit

August 2022

Prepared by:

Bohannan Huston

RPI consulting

In association with:

DHM DESIGN

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Eagle County Housing Authority	Garfield County	Carbondale Chamber of Commerce
City of Aspen	Town of Snowmass Village	Town of Basalt
Town of Carbondale	City of Glenwood Springs	NWCCOG
Aspen Chamber Resort Association	Basalt Chamber of Commerce	Glenwood Springs Chamber Resort Association
Alpine Legal Services	Colorado Department of Labor and Employment	Aspen Institute – Hurst Community Initiative
Colorado Mountain College		

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Statement of Purpose

Colorado's extremely tight housing supply is no longer news to most, it's become a daily topic of conversation and planning focus throughout the state. Largely, this issue means that many individuals and families struggle to find quality, affordable housing options and when they do find it, it tends to be in locations that are not conveniently located to their employment. This statewide crisis has extended to all parts of the state and is exacerbated in mountain communities trying to balance workforce needs and tourism opportunities, with a constrained housing stock and decreasing land availability suitable for housing development.

The Greater Roaring Fork Valley Region is one of many regions throughout the state currently working to address housing issues. Housing pressure is due to a wide range of factors including, but not limited to migration, housing and rent costs, part-time resident conversion, employment, and cost burden. Couple these factors with the effects of the COVID-19 pandemic on the region and individual communities and the perception of the issue gets far worse. Pre-pandemic, at least one-third of households in the region were paying more than 30 percent of their income on housing. A brief look into pre-pandemic housing costs show that the region was also already seeing a substantial increase in average sale prices – up 100% between 2008-2018 (mid- to post-pandemic, Pitkin County sales volumes were 151% higher in 2021 than in 2019). Rents have also substantially increased throughout the pandemic. Based on data reported in the Northwest Colorado Council of Government's Mountain Migration Study, market rents within the broader region on units that turned over in 2020 increased 20 to 40 percent. The study also notes that average Pitkin County free-market rents in February 2021 averaged $4,577 per month. Additionally, free-market single family rents topped $7,000 per month in the region. The point being, if someone moving to the region manages to find housing, it is highly likely they cannot afford it.

The purpose of the initial development of this toolkit is to identify potential ways to lessen this issue in the region. The focus is on development neutral programs and strategies for consideration for near term implementation. Ideas presented within section one provides initial details for efforts on financial mechanisms and incentives to create a broader range of attainable housing solutions while adding to the region's housing portfolio. Section two of the toolkit provides a general outline and some initial details for programs and strategies the region may decide to consider at a date further into the future. These programs and strategies will require more planning and potentially more elected official and public buy-in and thus may take longer to implement. Lastly, the appendices include information on programs and strategies to support the physical development of housing in the region along with potential funding mechanisms to consider supporting increased implementation of programs and strategies, as well as the development of attainable, affordable community housing in the future. It is important that as the region works to develop programs and strategies, they consider what it will take to work for all members of the community and the region.

A Note on Community Housing

The programs and strategies included within this toolkit are provided through a lens of housing for all. Community housing encompasses the broad spectrum of housing needs within an area, not only focused on affordable, or workforce, but all types of housing for people with a diversity of needs. While private, market-rate housing development is both necessary and desired in many areas, an intentional focus on supporting the development of housing that is attainable and accessible to a wide range of incomes, ages and social status is necessary to maintain a diverse, healthy, and prosperous community.

Potential Programs/Strategies for implementation consideration

Focus Area: Renters

Programs and Strategies

Regional Rental Assistance Program

Background:

Rental assistance programs generally help households pay rent by providing a monthly subsidy to cover the gap between what the household can afford (typically about 30 percent of their monthly income) and actual rent. Other subsidies, such as first and last months rent, and security deposits, can be utilized in a rental assistance program.

Program Types: There are two different types of rental assistance:

1) Project-based rental assistance is assigned to specific units in specific developments under a long-term contract between the project owner and the subsidizing agency (housing authority, regional entity, local municipality, etc.)

2) Tenant-based assistance. Households can apply for and use the subsidy to rent units anywhere as long as the tenant and the unit meet program requirements.

How it generally works:

Project-based rental assistance. This type of rental assistance is predicated on a partnership and agreement between a subsidy-providing entity and a housing developer or housing provider. A monthly rental assistance subsidy can be provided directly to the provider to decrease the cost of all, or a set number of units within the property effectively lowering the monthly rent cost for eligible tenants.

Tenant-based rental assistance. This type of rental assistance provides the subsidy through the tenant to the housing provider in the form of a monthly rent payment subsidy (decreasing the monthly cost for the renter) or in the form of first and last month rent and/or a security deposit. There are a variety of ways to structure the requirements and the funding in this situation. See implementation considerations below as the development of a regional rental assistance program begins.

Implementation Considerations:

- AMI categories?
- How is a regional program set up?
  - Who manages the program?
  - How is the program advertised?
  - Is a waitlist maintained?
  - Is there a specific geographic focus? Anywhere in the region, or focused communities within the region?
- Should the program be project-based or tenant-based? Or both?
- Is the subsidy monthly, or is it focused on first and last month's rent?
- How should the security deposit be handled? Is it program eligible, or is that the responsibility of the renter?
- Is the subsidy repaid over time, or forgiven after a year?
  - Is the repayment based on household AMI or some other factor?
- Is there an employment location requirement?
- Is there an asset cap for applicants?

Recommendations:

The Greater Roaring Fork Valley Region is well positioned to implement a regional approach to the development of a rental assistance program. The current momentum present with the creation of the Greater Roaring Fork Valley Housing Coalition, and the ability to leverage best practices from current programs in adjacent counties and communities, suggests the region may be able to move fairly quickly in implementing this type of program. However, the region should consider the following recommendations as they move forward in developing a program for the region.

1) If necessary, identify and implement formal agreements between the jurisdictions present in the region and interested in the program to formalize the administration and management of the program. Specific note should be made to record program goals, geographic focus areas, application process and approval authority, annual funding expectations, representation expectations, and desired income limits for qualifying applicants.
2) Leverage the experience of Eagle County Housing Authority, Summit County, and the Aspen Institute's best practices, to understand the complexities of a buy down program and how best to develop a regional program (see below).
3) Identify sustainable funding to be allocated as needed throughout the region – the coalition may choose to identify areas in the region to prioritize efforts on a yearly basis.
4) Determine the pay-back structure to increase the effectiveness and long-term viability of a rental assistance program in the region.
5) Consider a variety of communication and marketing techniques to ensure underrepresented individuals or facets of the region are aware of the availability of the program.
6) Implement an income and asset restriction to ensure the program is targeted to individuals with the greatest need.
7) Consider a regional rental market study to better understand rent costs throughout the region and how to best focus funding for the program.

Examples:

Rent for Locals by Housing Eagle County

As part of the Bold Housing Moves, this program provides assistance for locally employed, full-time, year-round renters signing a new 12-month lease within Eagle County. Applicants may receive up to two months' worth of rental payments to the landlord (the first and last of the annualized rental rate).

The applicant must be full-time, year-round employees working at a business located in Eagle County. An applicant's monetary assets must not surpass five times the rental rate.

Repayment of one- or two-month's rent (dependent on income) may be required within the first 11 months from the move-in date without any applicable interest for future program participation. If an applicant earns more than 120% of area median income ($120,000 for a family of 4), then first and last month assistance shall be repaid. If an applicant earns less than 120% of area median income, then only the last month's assistance shall be repaid.

Program Guidelines: https://www.housingeaglecounty.com/s/Program-Guidelines-_-Rent-for-Locals_Final.pdf

Contact: Kim Bell-Williams, kim.williams@eaglecounty.us,

Rent Assistance Program, Colorado Mountain College

Purpose: Enhance the college's ability to recruit and retain full-time employees within the communities in the valley.

Eligibility Requirements: Full-time regular (40 hours a week) employees that receive a written verification of employment from CMC.

Qualified Residence: The property must be located within the college district or within 60 miles (as driven) of the work location. The property must be considered as the primary residence of the employee. Factors that will be utilized for determining primary residence include the individual who has the main source of income and is the address identified on the individual's tax return.

Income Limitations: rental assistance loan is capped so that the monthly repayment amount of the loan provided by CMC will not exceed 25% of the employee's monthly gross pay.

Assistance details: The College's rent assistance shall not exceed the first month, last month, and security deposit.

- Funds will be provided once the employee presents the college with a signed lease showing the employee as the primary lease holder.
- Funds provided will be prorated based on the number of individuals identified within the lease (i.e., roommates). Names of all people living in the residence must be listed on the lease.

Repayment: Rent assistance will be repaid monthly through a payroll deduction, the full amount will be repaid by the end of the lease or within one year, whichever is sooner – normally, a 6- or 12-month payback period.

- Repayment for those on fiscal year term contracts will be calculated based on the number of months remaining on their current contract.
- If separation of employment occurs before the loan is repaid, the loan amount is immediately due in full. If there is a separation due to a death of an employee, their heirs will have a 90-day period to repay the loan.

Award of Funds: During the fiscal year, the funds will be awarded to qualified renters based upon availability of allocated funding.

Contact: Sean Nesbitt, scnesbitt@coloradomtn.edu

Short-term to Long-term Rental Conversion Program

Background:

Short- to long-term rental conversions programs incentivize property owners to lease their property to residents in the local workforce for six to 12-month time periods.

How it generally works:

Eligible landlords with eligible properties within the given jurisdiction enter into a stipend agreement with the subsidy providing authority ensuring program compliance. Landlords are then typically paid a stipend on a monthly basis per bedroom rented in order to supplement the lease rental rate. In the Eagle County example provided below, incentives are based on unit size and the length of the lease entered with a renter.

Implementation Considerations:

- How is a regional program set up?
- What is the employment requirement for tenants?
- Are properties and landlords certified?
    - What entity maintains the certification and completes any recertification process?
- Are properties inspected?
    - What entity completes inspections?
- What does the stipend structure look like?
- Are areas within the region targeted for the implementation of this program, or is it regionwide?

Examples

Short-Term Fix, Winter Park, CO
The Town of Winter Park offers incentives to property owners to convert their short-term rental property into long-term workforce housing. Winter Park business owners enter a six- or 12-month lease with the property owner and then sublease the property to their employees.

Eligibility for the program is reviewed by a committee and once approved, the property owner is linked with a list of businesses interested in a contracting. After the property owner and eligible business have signed a master lease, the property owner will submit a copy of the contract and signed program contract to receive the Short-Term Fix incentive from the Town.

Incentives are structured as follows:

- Studios and 1-bedroom units | six-month lease ($5,000) | 12-month lease ($10,000)
- 2- and 3-bedroom units | six-month lease ($10,000) | 12-month lease ($20,000)

*These incentives would be paid up-front and are in addition to the revenue the property owner would receive from the rental of their property.

Requirements & Eligibility:

- Property must be located within the Fraser Recreation District boundaries (Winter, Fraser, Tabernash, Meadowridge, etc.).
- Property owners would enter into a six- or 12-month master lease with a Winter Park small business (50 employees or fewer).
- Eligible units must be a minimum of 300 square feet.
- Eligible dwelling units shall include a kitchen (sink, refrigerator, and range) and a full bathroom (sink, toilet, and shower or bathtub).
- The dwelling unit must have a separate entrance from any adjoining units and have adequate parking.
- Second homes that have never been long-term leased or short-term rented are eligible.
- Existing short-term rental units must be in good standing with the Town.

Not eligible:

- Hotels, bed & breakfasts, and other traditional lodging properties are not eligible
- New short-term rentals with first bookings after August 1, 2021, are not eligible
- Rental units that have been long-term leased within the past two years (lease of more than one month)

Program Information: https://www.playwinterpark.com/short-term-fix

Contact: 970.726.8081 x209

Rent Local Program by Eagle County Housing
The Rent Local Program is a long-term rental incentive program that supports residents who are at a disadvantage in the real estate market due to low inventory availability. Given the impact of the short-term rental market inventory that has increased drastically over the last decade, this program provides a cash incentive to eligible landlords to convert their short-term rental unit, vacant home or empty bedroom into a long-term rental. The intent of the program is to restore more year-round rental inventory at attainable rental rates in units that are available in the county today.

Program Guidelines: https://www.housingeaglecounty.com/s/Rent-Local-Program-_-Program-Guidelines-FINAL.pdf

Summit County/Town of Breckenridge

Summit County and the Town of Breckenridge began the pilot program in October 2021 with the goal to unlock new rental housing for the local workforce across Summit County by providing property managers and property owners with cash incentives to long-term lease their properties.

Tenants must complete an Employment Verification form and must work at least 30 hours per week for an employer based in and serving Summit County. For one bedroom or smaller units: at least one tenant in the household must work locally. For two bedrooms and larger units: all tenants in the household must work locally.

Incentives:

Owner Incentive:

Unit Size	Seasonal Incentive	Long-Term Incentive
Studio	$4,500	$7,000
1 Bedroom	$5,000	$8,000
2 Bedroom	$10,000	$18,000
3 Bedroom or Larger	$11,000	$20,000

Property Manager Incentive:

PMs will receive an incentive for each STR to LTR Conversion they produce:

- For two-bedroom units or smaller $500 (seasonal) to $600 (long term)
- For three-bedroom units and larger $1,250 (seasonal) to $1,350 (long term)

Note: this program is funded by Summit County and the Town of Breckenridge but run by Landing Locals an online platform that connects vacation-home owners and renters with the goal of finding all people stable housing in resort towns. Information on how to bring the program to your community can be found here: https://landinglocals.com/future-markets/

Master Leases for Staff (public or private)

Background:

Master leases, in general, provide a mechanism to support residents with housing linked directly to their employment.

How it generally works:

The concept of master leases is not new. Some companies, organizations and even local governments have long provided places for their employees to rent (see examples listed below). In general, a company, organization or local government owns a property and leases units to staff at an affordable rate. These leases can be developed to provide transition time when an employee is moving to the city or town, or can be offered for a longer period of time. In other situations, a company, organization, or local government may enter into a master lease agreement with a property owner and then sublease the unit to staff, again for a set period of time or in perpetuity.

Implementation Considerations:

- Should the coalition consider purchasing property, or identify and partner with rental companies to facilitate this type of agreement?
- How does a regional entity manage this type of program?
- Is there a time limit imposed on a new renter as they transition to the region/location?
- Is there a geographic consideration on the placement of staff and their employment location? For example, is an employee working in Carbondale required to be paired with housing in Carbondale?
- What happens when employment status changes?
- How can the region partner with employers to support this type of program?

    - Membership-based program management – employer buys in, region manages it.

Examples

- Pitkin County
- City of Aspen
- Holy Cross Energy
- Vail Health
- Vail Resorts
- Many others

Housing Stipend Programs

Background:

Housing stipend programs provide housing funds either directly to the renter or to the housing provider in an agreement between the program administrator, the renter and the property owner. In general these programs decrease the overall rent cost to the renter to increase the affordability of the unit.

How it generally works:

As noted above, a housing stipend can be provided to a renter based on a set of eligibility criteria to decrease the amount of rent the renter is required to pay subsequently increasing the affordability of the unit. This type of program differs from a traditional rental assistance program in that it is typically tied to the renter's employment.

Implementation Considerations:

- How does a regional entity manage this type of program?
    - Is this program combined with a traditional rental assistance program? Is this type of program necessary for the region if a transitional rental assistance program is implemented?
- Is there a time limit imposed on the renter?
- Is there a geographic consideration for the implementation of the program?
- Are there income limits imposed as a part of eligibility requirements?
    - Asset caps?
- Is there a set affordability target for the use of the stipend or is it available for use in any situation?
    - Is the program aiming to target a subsequent rental payment of no more than 30% of the renter's income?
- What happens when employment status changes?
- What happens with income status changes?
- Is there an annual reassessment process to confirm continued eligibility?
- How can the region partner with employers to support this type of program?
    - Membership-based program management – employer buys in, region manages it.

Examples

- Eagle County Schools
- Others?

Hotel Conversion Program

Background:

Hotel conversion programs rehab defunct or dilapidated hotels into rental units for long-term housing. These rentals are typically deeply discounted and more affordable, both from a development standpoint, and a resident standpoint.

How it generally works:

This type of program updates former hotel properties into long-term rental units. Typically some sort of partnership agreement takes place where a developer rehabs a former hotel into update units, or a variety of unit sizes for long-term rent. Given the substantial decrease in development costs associated with a rehab program versus new construction, rents can be maintained at affordable thresholds.

Implementation Considerations:

More analysis is necessary to determine regional implementation considerations.

Examples

- Program-Level Case Studies
    - Homekey: California's Statewide Hotels-to-Housing Initiative
    - Project Turnkey: Oregon's Statewide Hotels-to-Housing Initiative
    - Hennepin County (MN) Hotel/Motel Acquisition Initiative
- Project-Level Case Studies
    - Casa de Esperanza: Fort Worth, TX
    - Casa Luna: Los Angeles, CA
    - Best Inn: Los Angeles, CA
    - Kearny Vista Apartments: San Diego Housing Commission
    - Susan's Place: Champlain Housing Trust, Vermont

Community Housing Inventory

Background:

A community (region) housing inventory provides one web-based location for current residents and those relocating to the region to use to identify potential housing opportunities that fit their needs.

How it generally works:

This type of program requires considerable effort to start up/develop and continual management to provide a "one-stop shop" to find rental housing either currently on the market, or will be on the market in the near future. A prospective renter will log on to the website and be able to search by a set of attributes (location, housing type, availability date, and cost) to identify potential rental properties.

Implementation Considerations:

- Funding to develop, maintain, and manage.
- How do properties get added to, and removed from the system? Is it self-reported by property owners, or managed by coalition staff?
- Should there be a consideration for for-sale properties?
- Will this program actually help renters find housing given current turnover rates and vacancy rates?
- Reporting consideration? Time on the platform, accuracy, success rate, etc?
- What entity should manage the platform?
- Is there an opportunity to leverage in-place systems and increase functionality?

Examples

- Work in Grand, Grand County - https://www.workingrand.com/housing-in-grand-county/
- Others?

Policy/Regulatory

Update Household Regulations – Family/Group Living Definition

Source: City of Denver, Community Planning and Development

Overview: Charges to connect utilities and ongoing costs of providing utilities can be costly to residential developers, especially in communities where water is limited. Strategies to reduce the cost of utilities connections and servicing can facilitate creation of and reduce the operating costs of affordable housing. Communities may waive or reduce tap fees for affordable units. Sub-metering enables utility companies to charge

Creation of Processes to Promote the Use of Submetering of Utility Charges

Source: Colorado Department of Local Affairs, HB21-1271 Qualifying Strategy Guidance Fact Sheet.

Overview: Charges to connect utilities and ongoing costs of providing utilities can be costly to residential developers, especially in communities where water is limited. Strategies to reduce the cost of utilities connections and servicing can facilitate creation of and reduce the operating costs of affordable housing. Communities may waive or reduce tap fees for affordable units. Sub-metering enables utility companies to charge customers based solely on water consumption of their particular unit through "smart" meters. These smart meters, which can report data daily or even hourly, can also help identify leaks. While there are upfront costs to developers for installing sub-meters in their developments, the literature suggests that the investment will pay for itself in the long term.

Impact: The provision of sub-metering to track water utility usage allows tenants and residents to be charged based on their personal household usage, a more equitable system that also provides more efficiency for the landlord (e.g., billing logistics are handled by a third party). Incorporating this system also no longer necessitates landlords having to charge tenants a flat/average monthly bill that might not be commensurate with their actual usage. Research has found that customers using sub-meters consume much less water than unmetered tenants.1 Multiple benefits can be realized by developers, including improved sustainability of building operations (e.g., waste and cost reduction) and better operations efficiency. While sub-meters are easiest to install at the time of construction, some communities do offer incentives for landlords/property managers to retrofit their existing buildings with these systems.

Implementation Considerations: For communities utilities-related solutions, the following steps should be considered:

> Determining approach. Some jurisdictions mandate sub-meters to be installed via municipal codes. Jurisdictions might also consider incentivizing their inclusion in affordable housing developments in a variety of ways (e.g., zero-interest loan to cover the cost, expedited permitting and fee waivers for projects that incorporate sub-metering, etc.)
>
> Roundtable with water utility experts and providing developer education. Jurisdictions should bring together local experts related to water consumption, utilities, water planning, etc. to discuss strategies on how to reduce costs related to water consumption for tenants and the developer while still providing high-quality services. Additionally, education or training should be made available to developers and occupants on how to make the best use of the strategy.
>
> Advantages and challenges. Potential advantages of including water sub-metering into an affordable housing development include:

- Provision of a more equitable fee structure. Each tenant is billed based on their household's water consumption;
- Increased understanding of a household's water consumption, which can help with conservation efforts;
- A transparent billing process since each tenant is already aware of their consumption;
- Fewer property owner responsibilities (e.g., landlord does not have to calculate usage per tenant and does not need to handle payment collection); and
- Overall cost savings for developer over time and potential for reduced costs to tenants.

Potential challenges of including water sub-metering into an affordable housing development include:

- Upfront installation costs might be a disincentive for developers to follow through with their project.

Examples from other Colorado communities.

- City of Denver (requires water sub-metering on new construction) - https://www.guardianwp.com/denversubmetering
- City of Westminster - https://library.municode.com/co/westminster/codes/code_of_ordinances?nodeId=CD_ORD_TITVIIIHESA_CH7WARE_8-7-4SP

Additional resources.

Information for this factsheet gathered from Colorado Waterwise Technical Guide and the National Exemption Service. Additional resources available here:

- Colorado Waterwise, Guidebook of Best Practices: https://coloradowaterwise.org/Resources/Documents/BP%20Project/CWW%20Best%20Practices%20Guide%20-%20FINAL.pdf
- National Exemption Service, Submetering: https://www.submeter.com/water-gas-electric-submetering/

Focus Area: Buyers

Programs and Strategies

Regional Buy-Down/Deed Restriction Program

Background:

A housing buy-down program can provide a mechanism for communities to bridge the gap between what is available on the open market and what is affordable. These programs in essence, buy down a market rate home price to an affordable/attainable price for an interested buyer.

Program Types: There are three different types of buy down programs:

1) Programs where the housing entity purchases (takes title) the home, rehabilitates the property, and re-sells it at an affordable price with a deed restriction attached; or
2) Programs where the housing entity assists in the transaction, providing a substantial subsidy at closing, with the title being held by the home buyer – also including a deed-restriction; or

3) Programs set up like a reverse mortgage where current homeowners are paid to have a deed restriction placed on their home and donate the property to the managing entity (coalition, authority, or local government) upon their death. The property is then rehabbed (if necessary) and resold in as outlined in item number one above.

How it generally works:

Purchase/Rehab/Sale Model – As noted above, the entity (housing trust, housing authority, local government, non-profit, etc.) purchases a home on the open market typically based on a set of guiding criteria, rehabilitates the unit, places a deed-restriction on the property, and places the property back on the market at an affordable price based on local trends and needs.

Key considerations:

- how would eligible properties be found or identified?
- Are there a sufficient number of eligible properties available on the market to support the program?
- How much budget is needed to support this program?
- How many FTEs are necessary to support this program?
- What does the required procurement process look like and what entity maintains the authority to approve or deny program implementation?
- Pricing must take into account the amount of rehabilitation needed.
- Does the property fit program requirements related to unit size, age, geographic location (transit, retail, employment, etc.)
- The program should quantify a specific amount of turn-around time from purchase to rehab to resale.

Subsidy Model – This type of buy down program places the responsibility of finding the home on the prospective buyer, rather than the entity. In this case, a prospective buyer identifies a home they are interested in, works with the entity to prove program eligibility, and apply for the purchase subsidy (typically in the form of the down payment), and subsequently works through the typical home-buying process. At the end of the process, a deed-restriction is placed on the property to maintain affordability in the future.

Key considerations:

- How much budget is needed to support this program?
- How many FTEs are necessary to support this program?
- What is the maximum home price?
- What is the maximum subsidy amount the buyer may receive? Is it a percentage of the purchase price? A flat amount?
- What is the state of repair a property must fit to be eligible?
- Is there an asset cap and income requirement for the buyer?
- How can the program ensure underrepresented individuals have an opportunity to utilize the program?

Implementation Considerations:

- How many eligible units/properties are on the market?
- How is a regional program set up?
- How is authority identified?
- Who/what entity holds the deed restriction?

Potential Funding Options

Funding for buy-down or deed restriction programs typically is based on a municipal or county-level budget appropriation. Noted in the examples below, the Town of Vail began a pilot of their buy-down program with an initial investment of $500,000 from the Town. This investment was allocated within three months and subsequently the Town Council increased the amount to $1.5 million. Since then, the Town allocates $2.5 million annually with an understanding that the program administrator can ask for more if/when needed.

Aside from municipal or county-level annual budget allocations, other possible funding opportunities include:

- Down Payment Assistance, Colorado Division of Housing
- Energy Mineral Impact Assistance Fund, Colorado Department of Local Affairs
- Colorado Community Revitalization Grant, Colorado Office of Economic Development & International Trade
- Transformational Affordable Housing Grant Program
- Private sector partners
- Other upcoming grant and loan programs

Recommendations:

The Greater Roaring Fork Valley Region is well positioned to implement a regional approach to the development of a buy-down/deed restriction program. The current momentum present with the creation of the Greater Roaring Fork Valley Housing Coalition, and the ability to leverage best practices from current programs in adjacent counties and communities, suggests the region may be able to move fairly quickly in implementing this type of program. Specifically, the region should consider the following recommendations as they move forward in developing a program for the region.

1) If necessary, identify and implement formal agreements between the jurisdictions present in the region and interested in the program to formalize the administration and management of the program. Specific note should be made to record program goals, geographic focus areas, application process and approval authority, annual funding expectations, and representation expectations.
2) Leverage the experience of Eagle County Housing Authority to understand the complexities of a buy down program and how best to develop a regional program.
3) Identify sustainable funding in excess of $5 million to be allocated as needed throughout the region – the coalition may choose to identify areas in the region to prioritize efforts on a yearly basis.
4) Consider a variety of communication and marketing techniques to ensure underrepresented individuals or facets of the region are aware of the availability of the program
5) Implement an income and asset restriction to ensure the program is targeted to individuals with the greatest need.
6) Identify what entity will hold the deed restriction. Typically, the entity managing the program maintains this, however the associated local government or other organization may be granted this ownership.
7) Understand the for-sale housing inventory.

Examples:

Summit County, Colorado

Summit County's buy down program allows the County to purchase a favorably priced market-rate unit and place a deed restriction on the property, requiring the unit's occupant to work full time locally and to resell the unit at a discounted, affordable, price.

Stipulations: To be considered, the property must be located within local neighborhoods rather than resort neighborhoods and align with the County's housing priorities. The County's ability to purchase a unit is subject to, among other things, the availability of funds, condition of the property and how well the property fits with the housing needs and priorities at that time.

Other associated programs:

Housing helps is a deed restriction acquisition program with the goal of incentivizing homeowners and real estate buyers and sellers to deed restrict their property to help maintain and sustain homes for locals in the community.

The County pays owners, buyers, and sellers to accept a deed restriction on homes that are currently unrestricted. The amount the County will pay for a deed restriction varies depending on the market and how well the home meets current needs in the community.

Recipients may use the funds for down payment, home repairs, special assessments, or any other purpose. In return, the recipients are required to execute a deed restriction that will ensure the property is used for local housing.

Key Details:

- The annual County budget for the buy-down and housing helps programs is $3 million. Within the first 4 months of 2022, over half had already been obligated (mainly within the Housing Helps program).
- Given the competitive nature of the current housing market, the county has only completed 3 buy-downs 5 years – none in the last 2. Housing helps began in 2020 and has produced 58 deed restricted units by individuals.
- The goal of the housing programs is on the type of buyer, not the type of unit.
- Housing helps provides 15% of the cost of a unit up to a financial contribution of $150,000.
- Overall, the program is managed by 1/3 of an FTE.
- Staff recommendation is to forego a typical buy-down program and focus energy on down payment assistance/subsidy type of programs.
- Summit County partners with Breckenridge to implement the Housing Helps program. Two years after starting the program, more communities in the county are requesting partnerships.

Resources:

- Summit County Buy-Down Program: https://www.summitcountyco.gov/1364/Buy-Down-Program
- Housing Helps Deed Restriction Program: https://www.summitcountyco.gov/DocumentCenter/View/28676/Housing-Helps-Program-Information?bidId=
- Housing Helps Application: https://www.summithousing.us/real-estate/housing-helps/

Contact: Jason Dietz, Housing Director, Jason.dietz@summitcountyco.gov, 970.668.4231.

Town of Vail, Colorado

The Town of Vail's Housing website focused on their buy down program offers only a simple definition: "Buy-down" units are free-market homes purchased by the Town of Vail, deed restricted, then sold or rented to qualified individuals at a subsidized price. This is largely because the Town is more focused on an iteration of this program within the Vail InDeed program. The impetus for the change was difficulty in turning properties over to interested buyers in the traditional model.

The Vail InDeed program is a deed restriction purchase program with a goal of acquiring 1,000 deed restricted housing units by 2027. The program offers a monetary incentive to homeowners and purchasers in exchange for adding a deed restriction to their property.

Stipulations: Eligible properties are within the Town and cannot have a Right of First Refusal clause on their current deed. Applications are reviewed by Town staff on a first come first served basis and approved at staff discretion.

Key Details.

- Program has seen $12 million investment from the Town.

- Impact is immediate with the Vail InDeed program whereas, housing developments take substantial time and investment. For example, the Town is in the process of building 72 housing units at a total cost of 31 million. In the same amount of time it has taken to get over 1000 units deed restricted, it has taken to break ground on the project.
- The 2027 Housing plan focuses the conversation around Goals, Means, and Methods. The Method is the key piece. Elected officials within the Town Council are removed from the decision-making process. Staff within the housing department has the discretion to implement the program as they see fit.
- Deed restrictions expire

Resources:

- Town of Vail Buy-Down Program - https://www.vailgov.com/government/departments/housing/buy-down-program
- Vail InDeed Program - https://www.vailindeed.com/

Contact(s): George Ruther, Housing Director, gruther@vailgov.com, 970.479.2145, Martha Anderson, Housing Coordinator, manderson@vailgov.com

Good Deeds by Housing Eagle County

As part of the Bold Housing Moves, Eagle County Housing and Development Authority (Housing Eagle County) will contribute 5% or 15% of an Eligible Buyer's purchase price in return for recording either a Resident Occupied or Priced Capped Deed Restriction against the property. Eligible properties include those within Eagle County with a maximum purchase price of $850,000. This program may be used in combination with Eagle County Loan Fund Down Payment Assistance. Approval and availability of funds is determined by Housing Eagle County at their discretion.

Program Guidelines:
https://static1.squarespace.com/static/5e4aa4c870139842dc315ab6/t/6165cb0863dee635a500e154/1634061064607/Program+guidelines+Final.pdf

Contact: Kim Bell-Williams, kim.williams@eaglecounty.us,

Eagle Ranch Housing Corporation

Eagle Ranch Housing Corporation will contribute 10% of an Eligible Buyer's purchase price in return for recording the ERHC Deed Restriction against the property. Eligible properties include those within the Eagle Ranch PUD with a maximum purchase price of $600,000. This program may be used in conjunction with ERHC Down Payment Assistance. Approval and availability of funds is determined by ERHC at their discretion.

Program Criteria:
https://www.valleyhomestore.org/ResourceCenter/Download/15685/2019%2003%2007%20Eagle%20Ranch%20Buy%20Down%20Program%20Guidelines?doc_id=2845752&view=1

Avon, Colorado - Mi Casa Avon Deed Restriction Program

Avon Town Council approved over $1,300,000 in funding for the 2022 program with the goal to provide financial assistance to help 15-20 homebuyers purchase homes in Avon by the end of 2022.

Minimum down payment: A buyer must contribute at least three percent of Buyer's funds toward the purchase price of the property which does not include any third party down payment assistance funding. The mortgage shall not exceed 85% of the purchase price of the property.

Maximum Contribution: The maximum purchase price for a deed restriction to be made by the Town is one-hundred thousand ($100,000) dollars.

Resources:

- Application: https://www.avon.org/DocumentCenter/View/20354/Deed-Restricted-Housing-Application

Contact: Ineke de Jong, General Government Manager, idejong@avon.org, 970,748,4013

Cash Offer Assistance Program

Background:

Cash offer assistance programs support local residents who are typically at a disadvantage in the real estate marketplace due to competition with cash buyers.

How it generally works:

This type of program allows for an purchasing authority (housing authority, organization, etc.) to act as a cash buyer on behalf of an eligible household or in its own interest in order to acquire a property, which can then be resold to the/an eligible household. In exchange, a price capped deed restriction against the property is recorded to preserve the property for future local housing.

Implementation Considerations:

- Funding level to support the program
- Maximum purchase price of the property (what does the market look like and how much funding would be necessary to facilitate a purchase)
- Are there employment or resident status requirements
- Property requirements?
- Service fees
- Transaction fees
- Eligible household application requirements

Examples

- Eagle County Housing: Locals First Program: https://static1.squarespace.com/static/5e4aa4c870139842dc315ab6/t/628ea3d094160c6be54c43b3/1653515217029/Locals+First+Program+_+Program+Guidelines+FINAL.pdf
- Others?

Down Payment Assistance Program

Background:

A down payment assistance program provides funds to support the purchase of a home where the buyer may not have the full amount required for the purchase price of the home.

How it generally works:

This type of program generally allows for funds to be used for down payment and closing costs needed to buy a home. Typically, there is a threshold amount (percentage) available and eligibility is determined by a household's gross income.

Implementation Considerations:

- Funding level to support the program
- Maximum purchase price of the property (what does the market look like and how much funding would be necessary to facilitate a purchase)
- Are there employment or resident status requirements
- Property requirements?

- Service fees
- Transaction fees
- Eligible household application requirements
- Asset Caps
- AMI level
- Repayment process, if at all?

Examples

- Eagle County Housing: Loan Fund: https://www.housingeaglecounty.com/s/2022-05-13-IDF-Eagle-County-Loan-Fund-Guidelines-CONV.pdf
- Longmont Colorado - https://www.longmontcolorado.gov/departments/departments-e-m/housing-and-community-investment/housing-programs/down-payment-assistance-program/down-payment-assistance-faqs#:~:text=Housing%20Down%20Payment%20Assistance%20Program&text=The%20funds%20may%20be%20used,by%20the%20household's%20gross%20income.
- Denver Department of Housing Stability/metroDPA: https://www.denvergov.org/content/denvergov/en/housing-information/news/2020/CHAC-DPA.html or https://www.denvergov.org/Government/Agencies-Departments-Offices/Agencies-Departments-Offices-Directory/Department-of-Housing-Stability/Resident-Resources/Affordable-Home-Ownership/metroDPA

Focus Area: Sustained Ownership

Programs and Strategies

ADU/Bedroom Incentive Program

Background:

An ADU/Bedroom rental incentive program is a loan program to support the creation of new units while supporting an existing property owner.

How it generally works:

Typically, low-cost loans are provided for the construction of or conversion of existing space into an accessory dwelling unit. This type of incentive not only provides housing for someone in need, but also added rental income to support sustained home ownership by a long-term resident.

Implementation Considerations:

- How is a regional program set up?
- Should the program be project-based or tenant-based? Or both?
- Is the subsidy monthly, or is it focused on first and last month's rent?
- How should the security deposit be handled? Is it program eligible, or is that the responsibility of the renter?
- Is the subsidy repaid over time, or forgiven after a year?
    - Is the repayment based on household AMI or some other factor?
- Is there an employment location requirement?
- Is there an asset cap for applicants?

Examples:

Aid for ADUs by Housing Eagle County

The Aid For ADUs Program, a loan program to support the creation of new units, will support an existing property owner ("Owner") with a low cost loan for the construction or conversion of existing space to an Accessory Dwelling Unit ("ADU") on the Owner's property, where permitted. Through the Aid For ADUs Program, the Eagle County Housing and Development Authority ("ECHDA") may provide up to one hundred thousand dollars ($100,000) in the form of a Loan, secured by a Promissory Note and Deed of Trust, to the Owner. In exchange, the Owner will lease the ADU to an Eligible Household at a monthly rental rate no higher than 100% of area median income of rental rates. The intent of the program is to create new housing units for the year-round Renter at attainable rental rates in units that are available today in Eagle County.

In Eagle County, ADUs have different names throughout the community, such as an in-law apartment, secondary suites, garage apartments, lock-off or the like, however the definition of an ADU for the purpose of this program is at a minimum, a separate dwelling unit subordinate to the principal use of the property which contains kitchen facilities (at minimum a sink and stove or oven in a room or portion of a room devoted to the preparation of meal), bathroom (including toilet, sink, and shower or bathtub), living, and sleeping area(s). The intent of an ADU is to fully house individual(s) separate from those living in the main residence with no dependence upon the main residence for essentials. The ADU may be located within or attached to the structure containing the principal use of the property, or it may be detached from that structure. The Owner is solely responsible for confirming that ADUs are permitted on the Owner's property, for obtaining any required approvals or permits from the local governing jurisdiction and for compliance with all rules and regulations of such jurisdiction, including all building code requirements.

A condition of the Loan is that the Owner shall rent the ADU to an Eligible Household. No short-term rentals are permitted. The Rent For Locals Program is compatible with this Program.

Program Guidelines: https://www.housingeaglecounty.com/s/Aid-For-ADUs-Program-ADU-Loan-_-Program-Guidelines-FINAL.pdf

Contact: Kim Bell-Williams, kim.williams@eaglecounty.us, 970-328-877

Other Example:

- Accessory Dwelling Unit Loan Program, Denver, CO - https://www.denvergov.org/content/denvergov/en/denver-office-of-economic-development/about-us/news/2019/ADU-Program.html

Maintenance Funds and Appreciation Banks

Background:

A maintenance fund/appreciation bank program provides loans or grants to support the general maintenance of deed restricted properties that cannot rely on the appreciated amount of the home value for funding to complete such work.

How it generally works:

Note: More investigation necessary.

Implementation Considerations:

- How would a regional program be set up?
- Is there a waiting period between purchase and the use of the program?
- What does eligibility look like?
- How does this program potentially relate to other programs currently/potentially implemented?

Potential Funding Options:

Funding for maintenance funds and appreciation banks may come from several similar sources listed in other programs within this toolkit.

Examples:

Note: More investigation needed.

General Deed Restriction/Expiring Deed Restriction Purchase Program

Background:

General deed restriction programs offer a financial incentive to owners and buyers to deed restrict their property to help maintain and sustain affordable housing within the community. Expiring deed restriction purchase entails offering a subsequent financial incentive to re-deed restrict a previously deed restricted property or one that is about to expire.

How it generally works:

Note: More investigation necessary.

Implementation Considerations:

- What funding levels are required to support the program?
    - What is the current average home price for housing appropriate for workforce?
- Any requirements on what the financial incentive can be used on?
- Can this program be supplement other programs?
- Need to determine how to obtain information on expiring deed restricted units
    - And determine any privacy controls/concerns between information sharing entities
- How can this program be set up to support interested applicants
- How can this program be targeted beyond the identification of expiring deed restrictions?

Examples:

- Silverthorne, CO, Housing Helps: https://www.silverthorne.org/town-government/community-development/housing-helps
- Fraser, CO, Deed Restriction Program: https://www.frasercolorado.com/330/Housing
- Mountain Village, CO, YES Deed Restriction Program: https://townofmountainvillage.com/community/housing/yes-deed-restricted-program/ (Note: program does not require an appreciation cap, income cap or household size requirement)
- Mt. Crested Butte, CO, Good Deed Housing Program (through Gunnison Valley Regional Housing Authority): https://gooddeedgvrha.org/

Potential Funding Options

Funding for the programs and strategies detailed above may come from several sources. In general, the examples included above are based on municipal or county-level budget appropriations for the program. There is the possibility of utilizing grant funding to support program implementation, however funding requirements and stipulations may place restrictive requirements on the use of funds and ultimately decrease the effectiveness of the program. Other funding options may include:

- Fees – implemented without election
    - Residential Linkage
    - Commercial Linkage
    - Real Estate Transfer
    - Short-term rental
    - Vacant home
- Taxes – implementation is dependent on election
    - Head
    - Lodging
    - Property
    - Sales and use
    - Specific occupation
    - Short-term rental
    - Vacancy
- State/Federal Grants and Loans

Appendix A - Programs and Strategies to support the physical development of housing

Appendix A provides background detail and examples for programs and strategies that support the physical development of housing. In many cases, the housing coalition would need to determine ways to best support the implementation of these programs and/or strategies at the local level within the policy framework in place. Additionally, several of the following programs/strategies leverage information provided by the State of Colorado within the HB21-1271 IHOP funding program.

Transfers of Development Rights (TDR)

Source: Local Housing Solutions – Transfers of Development Rights

Overview:

TDR programs are voluntary programs that allow the owner of one property (the "sending site") to transfer its development rights to the owner of a second property (the "receiving site"). While a TDR program can be used to preserve affordable housing, the tool is most commonly used in conservation efforts, where it provides a mechanism for the owners of environmentally sensitive areas or open spaces who commit to preserve those areas in their current form to offset the loss imposed by the conservation. The development rights are then redirected to an area that has been determined to be more appropriate for growth.

Impact:

Some cities, towns, and counties use TDRs to encourage the preservation of affordable housing developments and generate revenue to support their continued operations. In this context, the sending site—an existing affordable housing development—sells its unused development capacity to a receiving site. The sale preserves the current use of affordable housing and raises funds that can be reinvested in the development to help preserve it for the long-term. The owner of the receiving site may then build at a higher density or building height than would ordinarily be allowed by the underlying zoning code.

Implementation considerations: For communities pursuing a TDR program, the following should be considered:

> Develop a transparent and streamlined method. Local jurisdictions will need to determine whether they should establish or encourage others to establish a TDR bank to ensure the program functions smoothly. Affordable housing owners may wish to sell development rights when there are no viable receiving sites, and developers may wish to purchase excess density at times when there are no sending sites. TDR banks help to address this mismatch and promote ongoing liquidity by buying and holding development rights as needed.
>
> A TDR bank can be complex to administer. A local jurisdiction may choose to work with a local nonprofit partner that can function as a manager of the bank.
>
> Analyze economic value of the bonus. Communities should evaluate the value of the bonus to developers. To make this assessment, the community should ask: 1) Is the bonus we could offer economically feasible? and 2) Is there market demand for this type of increased density?
>
> Define program criteria. In crafting the strategy, the community must determine:

- Household income levels that must be served for developer to be eligible for the incentive (e.g. must serve households at or less than 60% AMI);
- Proportion of units in the development that must be affordable (programs typically range from 5% to 20% of units be designated affordable);
- Length of time that affordable units must remain affordable (common affordability terms range from 15 to 60 years);
- Whether density bonus can be applied to different types of tenure (e.g. rental vs. for-sale) and different types of properties (e.g. multifamily vs. single-family);

Density Bonus Program

Source: Colorado Department of Local Affairs, BH21-1271 Qualifying Strategy Guidance Fact Sheet.

Overview:

Density bonuses allow for more housing units to be built on a specific site than would otherwise be allowed under standard zoning district regulations in exchange for the inclusion of income restricted units or other agreed-upon public goals. The bonus can take the form of an increase in floor area ratio (FAR), greater building height/additional stories, smaller unit sizes, different unit types (e.g., fourplexes on single family detached lots), or flexible setback requirements. In essence, for every affordable unit a developer includes, they are able to add a specified number of market-rate units. The amount of density bonus offered varies by program, market, and unit location—for example, larger bonuses are typically allowed along transportation corridors, particularly transit-accessible routes.

Impact:

Density bonuses improve affordability both directly by providing income restricted units and indirectly by adding to a community's overall supply. Density bonuses have the greatest impact in communities with moderate to high volume of residential development. Density bonuses can best incentivize building affordable units when the rent generated from the additional market-rate units adequately offsets the cost of the affordable units.

Programs with the strongest outcomes to date share similar conditions:

- Demand for affordable and market rate housing;
- Relatively low base heights or FARs, which provides greater added value to the bonuses;
- Ample opportunity to build higher story developments (e.g., along transportation corridors) or add [gentle density] within planned residential areas; and
- Offer bonuses that are economically feasible and attractive to developers.

Implementation considerations: For communities pursuing an density bonus program, the following basic steps should be considered:

Advantages and challenges. Potential advantages of a TDR program include:

- Jurisdictions can identify and approve receiving sites – limiting eligibility to purchase development rights to residential projects in areas where the city wishes to promote growth and where excess density can easily be accommodated.
- Eligible receiving zones may be established in advance of any development applications, allowing developers who purchase development rights to build at higher densities in these areas on an as-of-right basis.
- Communities can approve receiving sites on a case-by-case basis, as developers request permission to build at higher density, allowing for greater flexibility.

- TDR programs can be set up to allow development rights to be sold across jurisdictions. Regional programs help to address some of the natural imbalance that occurs in housing development by providing a mechanism to share resources across jurisdictions.
- Regional programs may also be a productive way for smaller localities or neighboring localities with very different property markets to work collaboratively to address differences in the development of affordable housing regionally.

Potential challenges of implementing a density bonus strategy include:

- A TDR Bank may be complex to administer. A local jurisdiction must consider how to set this up and, if necessary, in regional contexts, who has the responsibility and if there are any administration funding provisions.
- A case-by-case basis system increases flexibility but decreases transparency and predictability in the development process.

Interaction with other programs. Communities interested in creating a TDR program should be cognizant of how TDRs might interact with other affordable housing programs. For example, communities that adopt inclusionary policies often include or provide density bonuses. TDR program guidelines should specify the density allowances and affordability obligations for the subset of properties that qualify for both programs if implemented together.

Examples from other communities.

- Arlington County, VA
- King County, WA (TDR bank example)

Additional resources. Information for this factsheet was gathered from Local Housing Solutions. Additional resources to support development and implementation of TDRs are available here:

- Implementation
  - Smart Growth/Smart Energy Toolkit Bylaw: Transfer of Development Rights
  - Transfer of Development Rights Programs: Using the Market for Compensation and Preservation
- Program design
  - Unlocking the Right to Build: Designing a More Flexible System for Transferring Development Rights
  - Transfer of Development Rights Turns 40

Development Review Fees, Impact Fees, and Expedited Processes

Source: Colorado Department of Local Affairs, HB21-1271 Qualifying Strategy Guidance Fact Sheet.

Overview:

Local jurisdictions can charge developers a range of fees to offset the cost of development review and approval and help pay for expanding infrastructure and other public services related to the new development. Development review and permitting processes are in place to ensure compliance with local land use and zoning laws, building codes, and public health and safety standards. Reducing or waiving development fees and impact fees, as well as expediting the permitting and approval processes, can help incentivize the development of affordable housing or other high-priority community projects.

Impact:

Particularly in strong markets with high levels of construction activity and communities with high development or impact fees, expedited development review or the waiving of development fees can be effective at incentivizing affordable housing development. The reduction or elimination of these fees can help to make a developers' projects more financially viable, and an expedited review process can also help developers avoid project delays and unexpected costs. Both of these strategies may also be tied to other policies in place, such as inclusionary zoning requirements, to help offset added costs to developers.

Programs with the strongest outcomes to date share similar conditions:

- High-level of construction activity (e.g., strong demand for market and affordable housing) or where new development is anticipated;
- Relatively high impact and/or development fees;
- Adequate staff capacity that allows expedited permitting program to be successful without disrupting normal development review process; and
- Balance between making affordable housing development cost-effective for developers while preventing negative funding impacts on other community goals.

Implementation considerations: For communities pursuing this type of program, the following basic steps should be considered:

1. Are local housing market conditions (e.g., level of construction activity) conducive to make developers take advantage of these incentives?
2. Assess cost impact to the jurisdiction and how the revenue from that fee(s) is utilized. Are there other revenue sources available that might be able to cover shortfalls?
3. Does staff have capacity to handle influx of development applications on an expedited timeline? Is there administrative capacity to monitor the program and its effectiveness?

Define program criteria. In crafting the development fee reduction/waiver and expedited development review strategies, the community must determine:

- Whether the jurisdiction reduces or waives all development impact fees or a subset of fees, and availability of other revenue sources to offset those waivers. Similarly, for expedited development review, whether projects are eligible for all review processes to be expedited or just a subset (e.g., building permits and environmental review).
- What eligibility and affordability criteria must be met to qualify for fee waiver/reduction and/or expedited development review (e.g., number of units provided at a certain AMI%, length of time that units must remain affordable for projects).
- Whether fee waivers/reductions and expedited development review be as-of-right or reviewed on case-by-case basis (note: case-by-case is less predictable for developers and demands more administrative capacity).
- How fee waiver/reduction and expedited review applies to mixed-income developments, renovations, and/or conversion of non-residential property to affordable housing.
- Whether to apply a cap on number or annual amount of fee waivers/reductions.
- Capacity to monitor and administer program to ensure that units benefitting from waiver or expedited review are actually being used as specified in the agreement.

Advantages and challenges. Potential advantages of these strategies include:

- Improves the financial feasibility of the developer's project;
- Provides more certainty in the development process; and
- Provides affordable units at a certain AMI level that might not be produced otherwise. Potential challenges of implementing a development review fee waiver or expedited process include:

- Ensuring fee subsidy/reduction amounts and expedited development review are meaningful incentives for developers;
- Limited capacity for program administration and monitoring; and
- Reduced revenue for infrastructure expenses and other public services.

Examples from other Colorado communities.

- City of Commerce City (fee waiver)
- City of Fort Collins (fee waiver and expedited permitting)
- City of Longmont

Additional resources. Information for this factsheet gathered from Local Housing Solutions and National Housing Conference websites. Additional resources to support development and implementation of the fee waiver/reduction strategy are available here:

- Local Housing Solutions, Reduced or waived fees for qualifying projects
- National Housing Conference, Common revisions to Impact Fees
- New York University, School of Law, Vicki Been, Impact Fees and Housing Affordability

Resources for expedited review processes are available here:

- Local Housing Solutions, Expedited permitting for qualifying projects
- NAHB, Creating a separate process for expedited review

Develop and adopt an inclusionary housing ordinance

Source: Colorado Department of Local Affairs, HB21-1271 Qualifying Strategy Guidance Fact Sheet.

Overview:

Inclusionary zoning (IZ) policies provide for the development of dedicated affordable housing units for low- and moderate-income households in market rate housing. IZ programs generally stipulate that developers must either rent or sell a certain proportion of the units to households at specified AMIs. Some IZ programs help offset the cost of supplying affordable units by providing incentives (i.e., density bonuses, fee waivers, reduced parking requirements). The effectiveness of inclusionary housing policies depends on development volume, housing market conditions, and key aspects of program design.

Impact:

Inclusionary zoning policies have the greatest impact in communities with a high volume of residential development.

Programs with the strongest unit-production outcomes to date share similar conditions:

- IZ program is mandatory;
- Program offers incentives, such as expedited development review, fee waivers, density bonus, parking reductions, or other zoning variances;
- Allows developers flexibility in compliance in certain circumstances, such as partnering with an affordable housing provider to satisfy the IZ obligation or building off-site affordable units;
- Has an effective compliance mechanism and ability for eligible households to apply for units as they become available; and
- Requires long-term affordability

Implementation considerations: For communities pursuing an inclusionary zoning program, the following basic steps should be considered:

Compliance with Colorado state law. The Colorado legislature passed HB-1117 in 2021 that allows communities to impose inclusionary zoning for rentals under certain conditions https://leg.colorado.gov/bills/hb21-1117.

Current housing market conditions and local capacity. IZ policies are not likely to be successful in communities experiencing minimal or no growth. In growing smaller communities, capacity to administer the program should be assessed to ensure the effort is worth the return (e.g. number of affordable units produced). In both cases, it may be a more effective policy to adopt an IZ structure that encourages payment of a fee-in-lieu that can be used by jurisdictions and affordable housing partners for unit production.

Analyze economic feasibility of the policy. An economic feasibility study should inform the policy structure including unit contribution, AMI levels, development size threshold, value of cost offset incentive, and affordability period.

Define program criteria. In crafting the strategy, the community must determine:

- Whether the program will be mandatory or voluntary;
- Options for compliance (e.g., paying linkage fee or offsite affordable housing units);
- Whether the policy applies to rental units, homes for purchase, or both;
- Minimum project threshold that triggers IZ requirements (e.g., project size in terms of number of units, new total floor area, rehabilitation or conversion of non-residential buildings to residential);
- Percentage of affordable units required in the development (e.g., between 10-20%, based on project size; sliding scales to reach lower levels of AMIs);
- Affordability targets. These targets should be informed by the economic feasibility study. Many policies are targeted at 60-80% AMI renters and 80-120% AMI homeowners;
- Length of time affordable units must remain affordable (most IZ programs require units to remain affordable for at least 30 years);
- Common offsets available include density bonuses, zoning variances, and reduction in parking requirements;
- Whether IZ policy is applied to entire community or specific neighborhoods/areas; and
- How the program would be administered and monitored.

Advantages and challenges. Potential advantages of an inclusionary zoning policy include:

- Diversifying existing housing stock and providing affordable housing in a growing market.
- Encouraging affordable housing development in low poverty and high opportunity areas.
- Enhancing economic and racial integration. Guidance on how to incorporate racial equity into inclusionary housing programs can be found here.
- Leveraging private dollars over public dollars.

Potential challenges of implementing a density bonus strategy include:

- Potential controversy/opposition (e.g., pushback against public sector regulating private development).
- Administration/capacity to monitor development compliance with policy.
- Burden on development (e.g., developers might stop building if program design is not in sync with the housing market or responsive to developer needs).
- Income targeting (e.g., potential pushback from affordable housing advocates on program not targeting very low income households).

Examples from other Colorado communities.

- City of Longmont
- City of Glenwood Springs
- Town of Basalt
- Town of Carbondale (Section 5.11)
- Town of Mt. Crested Butte

Additional resources. Information for this factsheet gathered from Local Housing Solutions and Grounded Solutions Network. Additional resources to support development and implementation of the strategy are available below.

- Local Housing Solutions
- Grounded Solutions Network
- Lincoln Institute of Land Use Policy

Allow for and Promote Affordable and Flexible Housing Types *(Three Strategies)*

Source: Colorado Department of Local Affairs, HB21-1271 Qualifying Strategy Guidance Fact Sheet.

Overview:

The following guidance document incorporates three strategies: Integrating affordable housing into planned unit developments (PUDs); granting duplexes, triplexes and other appropriate multi-family options as a use by-right; and allowing affordable housing development as a use by right. All three of these strategies would modify zoning or other related processes to increase the supply of affordable and missing middle housing types.

- PUD ordinances allow developers to bypass existing zoning requirements in exchange for satisfying negotiated development criteria. Benefits of PUDs can include more holistic development; greater diversity of mixed-use buildings and housing types; lower infrastructure costs; planned open space and community facilities; streetscape improvements; and other community enhancements. Jurisdictions can require that PUDs include affordable housing or incentivize inclusion through density bonuses, fee waivers, and infrastructure support.
- Allowing duplexes, triplexes, or other appropriate multi-family options as a use by right would help diversify the housing options available to homeowners and renters, as well as provide more naturally affordable housing options.
- Allowing affordable housing developments as a use by right provides more certainty for developers and reduces the risks that affordable housing will be stalled by neighborhood opposition.

Impact:

The impact of each of these solutions depends on program design and local housing market conditions and needs. PUDs can provide affordable housing options that otherwise wouldn't be built, more efficient site design, and lower infrastructure and maintenance costs. Allowing duplexes, triplexes, and other multi-family options can help expand the availability of more naturally occurring affordable options in high-opportunity neighborhoods, encourage residential density and walkability, and provide more housing choices for households with a diversity of needs. Allowing affordable housing developments as a use by right will help temper potential opposition and bolster the availability of housing options for lower-income residents

Implementation considerations. For communities pursuing these strategies, the following steps should be considered:

- For PUDs, determine whether the jurisdictional ordinance will mandate or incentivize the inclusion of affordable housing options in the development. If the jurisdiction wants to provide incentives, they should consider strategies such as density bonuses, fee waivers, or infrastructure support. The jurisdiction must also decide how many affordable units must be provided and at what AMI levels, and how long those units must remain affordable. For ownership units, deed-restrictions, shared equity models, and land trusts should be used to ensure that the affordability carries forward to subsequent owners.
- In addition to allowing duplexes, triplexes, etc. as a use by right, the jurisdiction should also analyze if zoning and land use regulations could impede development of these housing types. For example, setbacks, FAR, minimum lot size or parking requirements might make development financially infeasible or discourage such development. Jurisdictions should also consider providing technical assistance or administrative support to small-scale developers who will most likely build these types of units, as well as assistance to households who would benefit the most from unit construction (e.g., down payment assistance for first time homebuyers). To ensure that the units-built result in housing for permanent residents and workforce and offer some level of affordability, jurisdictions should pair such policies with affordability covenants or deed restrictions; preference policies or first rights of refusal (in initial and subsequent sales); and regulate short-term rentals and second homeownership in the units.

Define program criteria. In crafting these strategies, the community must determine:

- What levels of affordability (% of total units, AMI level, and length of affordability) must be provided in the PUD;
- Whether PUDs will include set guidelines for affordability or if these requirements will be negotiated on a case-by-case basis;
- Whether current zoning restrictions must be amended to ensure development of duplexes, triplexes, and other multi-family housing options is not impeded;
- Whether the community has administrative capacity to provide technical assistance to small-scale developers; and
- Conditions to ensure long-term affordability. If appropriate mechanisms aren't put in place, increased risk that low-income families will have fewer affordable options and/or experience displacement.

Examples from other communities.

- City of Austin, TX
- San Miguel County
- Town of Mt. Crested Butte

Develop and adopt annexation policies that promote the development of affordable housing

Overview:

Annexation policies can include mechanisms to ensure the development of affordable housing as a part of the intended development process for the ensuing parcel of land.

Other programs to consider

- Land acquisition and entitlement programs
- Develop/incentivize creative partnerships
- Review and update minimum parking requirements for new affordable housing (IHOP funding qualifying strategy)

Appendix B – Additional Funding Mechanisms to Investigate

Appendix A provides background detail and examples for programs and strategies that support the physical development of housing. Specific attention was paid to provide similar information in each program and/or strategy for comparison's sake.

- Excise Tax on STR
- Property Tax
- Sales Tax
- Innovative Fees
  - Excise tax on large homes
  - Real Estate Transfer Tax (RETT)
- General Fund line item
- Demolition Tax
- Voluntary Real Estate Transfer Tax (RETT)
- Create a housing trust fund
- Develop a service sharing agreement within the region to fund projects – public, private partnerships; management of various properties; percentage of developer fees; LIHTC; HOME; and private activity bonds for specific projects.
- Implement/update commercial linkage fees – imposed on commercial construction based on the need for additional workforce housing that the development will generate
- Update developer impact fees – based on the assessed impact of new developments on the demand for housing
- Create or partner with a community land trust
- Dedicate funding to subsidize affordable housing infrastructure costs and fees (IHOP funding qualifying strategy) - https://drive.google.com/uc?export=download&id=1zBG4lxpY5Zzpel1q0GAkZ63VBkZeIofA
- Fee for service/membership model

APPENDIX E – HOUSING DATA SUPPLEMENT

WEST MOUNTAIN REGIONAL

HOUSING

COALITION

Housing Data Supplement

August 2022

Prepared by:

RPI consulting

In association with:

Bohannan Huston

DHM DESIGN

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Eagle County Housing Authority	Garfield County	Carbondale Chamber of Commerce
City of Aspen	Town of Snowmass Village	Town of Basalt
Town of Carbondale	City of Glenwood Springs	NWCCOG
Aspen Chamber Resort Association	Basalt Chamber of Commerce	Glenwood Springs Chamber Resort Association
Alpine Legal Services	Colorado Department of Labor and Employment	Aspen Institute – Hurst Community Initiative
Colorado Mountain College		

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Summary

The regional housing problem was studied and documented well before COVID in studies such as Greater Roaring Fork Regional Housing Study, 2019. COVID and related events have rapidly exacerbated housing problems throughout the region. Using the EPS report as a foundation for describing the fundamentals of the housing problem, this analysis taps more recent real estate and demographics data to show how COVID has affected the regional housing situation.

Prior to COVID, the Roaring Fork region had an affordability gap between household ability to pay and the cost of housing amounting to a shortfall of 4,000 units in the greater Roaring Fork region. At this point, about 40% of households in Garfield and Pitkin County were "cost-burdened" by housing, meaning they were paying more than 30% of their income for housing costs.

Figure 1 – Affordability gap in 2019

Affordable housing unit shortfall for 60% AMI or lower, greater Roaring Fork region, 2019	2,100 units
Attainable unit shortfall between 100% AMI and 160% AMI, greater Roaring Fork region, 2019	1,900 units
% households paying more than 30% income for housing, Garfield County, 2020	40%
% households paying more than 30% income for housing, Pitkin County, 2020	41%

COVID started a chain of events that have contributed to a rapid widening of the gap between housing costs and ability to pay. Real estate sales volumes escalated dramatically during 2020 and 2021 sending prices up sharply. The number of out-of-area buyers increased in both Pitkin and Garfield County, adding extra competition to the market. In Glenwood Springs, where rental prices have been tracked over several years, rents for apartments increased by 42% in just two years. Average wages have increased as well, but not nearly at the rate of housing costs. Before COVID, 40% of households were cost burdened by housing. COVID has rapidly accelerated the trends that have made it more difficult for working households to afford to live in the valley.

Figure 2 –Housing market indicators during COVID

Δ median single-family sale price in 2019 to 2021, Garfield County	↑ 42% to $686,419
Δ average rent for apartments 2019-2021, Glenwood Springs	↑ 42% to $1,346
Δ average weekly wages, Q4-2019 to Q4- 2021, Garfield County	↑ 16% to $1,197
Δ median single-family sale price in 2019-2021, Pitkin County	↑ 71% to 7,905,394
Δ average weekly wages, Q4-2019 to Q4- 2021, Pitkin County	↑ 34% to $1,545
Δ real estate sales to out of area buyers 2019 to 2021 Garfield County	↑ 79% to 418
Δ real estate sales to out of area buyers 2019 to 2021 Pitkin County	↑ 83% to 689

The Affordability Problem

The "Greater Roaring Fork regional housing study" by EPS, 2019 calculated housing affordability gaps for the entire greater Roaring Fork region and also by local area (Aspen-Snowmass Village, Basalt area, Carbondale area, Glenwood Springs area, New Castle to Parachute, Eagle to Gypsum). Housing gaps/surpluses were derived from "demand" compared with price of local inventory and do not account for the commuting dynamics between each. "Demand" in the study was based on jobs/wages/salaries, proprietor earnings, as well as incomes of non-working population. Prior to COVID, the Roaring Fork region had an affordability gap between household ability to pay and the cost of housing amounting to a shortfall of 4,000 units in the greater Roaring Fork region.

Figure 3 - Regional housing affordability gap

Mismatch between housing prices and ability to pay.
4,000 unit gap, greater Roaring Fork region
2,100 gap for 60% AMI or lower households
1,900 unit gap for between 100% AMI and 160% AMI households

Source: Greater Roaring Fork Regional Housing Study, 2019, EPS

Local area housing gaps/surpluses were derived from local area demand compared with price of local inventory. As would be expected, the shortfall is highest in the Aspen to Old Snowmass subarea because housing is most expensive in this area. The subarea analysis shows which areas are meeting demand for housing generated by jobs and income in other communities as well as those that generate more employment and income than their housing inventories can accommodate. Aspen Area and Glenwood Springs Areas are the employment centers that are most significantly driving demand for housing in other communities in the region.

Figure 4 - Affordability shortfall by subarea

Subarea	Affordability Gap	Balance of Supply and Demand Overall
Aspen to Old Snowmass	4,000 units all incomes up to 160% AMI	Demand for housing exceeds supply
Basalt Area	1,000 units 80% AMI or less	Local supply and demand are fairly balanced
Carbondale Area	600 unit shortfall <60% AMI	Housing inventory is meeting non-local demand
Glenwood Springs Area	2,000 units all incomes up to 160% AMI	Demand for housing exceeds supply

Source: Greater Roaring Fork Regional Housing Study, 2019, EPS

One of the highest-impact results of the affordability gap is commuting. Three-quarters of Basalt survey respondents have a household member working in the Aspen-Snowmass area and half of Carbondale survey respondents have a household member working in the Aspen-Snowmass area. Residents of Basalt and Carbondale also commute up and down valley for work. Other factors such as preferences and family influence commuting, but affordability gaps are the most common reason for commuting.

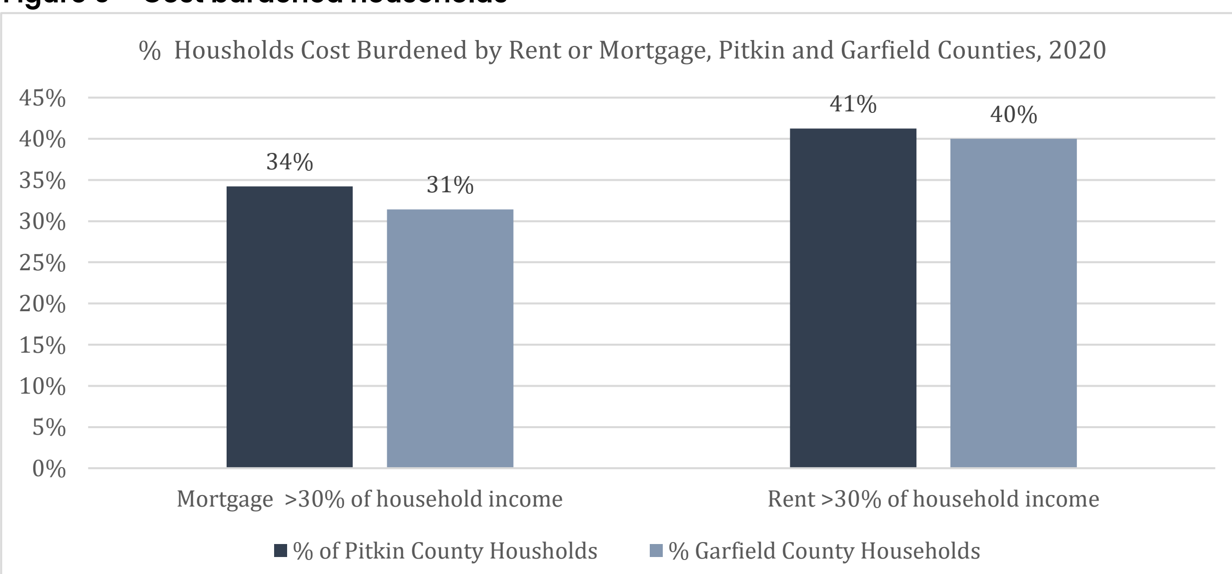
Figure 5 - Commuting patterns: location of household jobs by place of residence

	Live in Aspen	Live in Basalt	Live in Carbondale	Live in Glenwood Springs
One or More Household Members Working in Aspen	**95%**	**77%**	**49%**	**16%**
One or More Household Members Working in Basalt	**9%**	**50%**	**31%**	**11%**
One or More Household Members Working in Carbondale	**6%**	**22%**	**69%**	**21%**
One or More Household Members Working in Glenwood Springs	**3%**	**16%**	**31%**	**84%**

Source: Greater Roaring Fork Regional Housing Study, 2019, EPS

Despite the countless vehicle miles traveled and hours spent commuting, at least 40% of renter households pay more than 30% of their household income on housing and over 31% of homeowners spend more than 30% of their income on housing. These estimates of "cost-burdened households" are based on the American Community Survey results from 2016-2020 and serve as a pre-COVID benchmark.

Figure 6 – Cost burdened households



Source: American Community Survey, by US Census, downloaded in April 2022

The "Greater Roaring Fork Regional Housing Study" predicts that the affordability gap will continue to widen. Demographic trends also suggest increasing demand for housing from the 65+ population, which is expected to grow at double the rate of the population as a whole.

Figure 7 – Pre-COVID housing outlook

Projections and emerging trends
Affordability gap will increase for 100%-160% AMI households
Gap between median price and ability to pay will increase:
Population 65+ will at twice the rate as the population as a whole
58% of respondents likely or extremely likely to stay in the region after retirement

Source: Greater Roaring Fork Regional Housing Study, 2019, EPS

How COVID Affected Housing

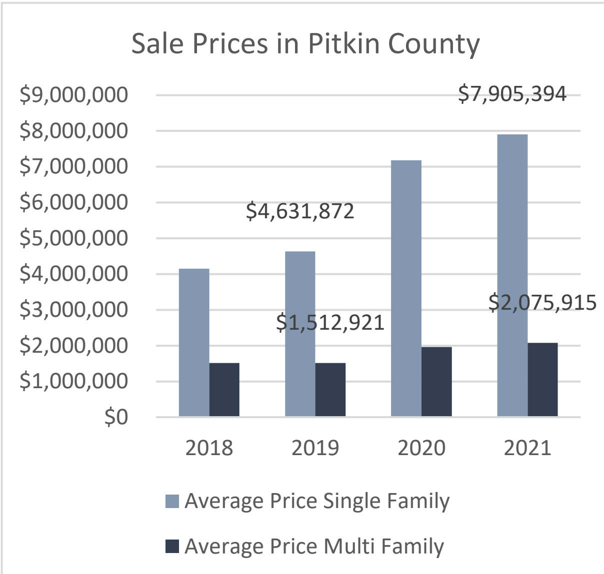
The 2008 recession injected volatility into the housing market throughout the U.S. including the Roaring Fork Valley. Between 2008-2018, average sale prices dropped -25% in the Basalt area and -12% in the Carbondale area. The Aspen to Old Snowmass area defied regional trends and housing prices doubled during the same time period. Glenwood Springs showed modest growth by 2018. Overall, down-valley housing prices in the Roaring for Valley either fell or grew sluggishly 2008 through 2018.

Figure 8 – Average residential sale price 2008-2018

Subarea	Average Sale Price 2018	Change 2008-2018
Aspen to Old Snowmass	$2,353,868	Up +100%
Basalt Area	$780,169	Down -25%
Carbondale Area	$719,869	Down -12%
Glenwood Springs Area	$533,425	Up +12%

Source: Greater Roaring Fork Regional Housing Study, 2019, EPS

After the initial stay at home orders were lifted in 2020, the real estate market started to accelerate and had not slow down as of year-end 2021. In Pitkin County, sales volume in 2021 was 151% higher than in 2019, the average single-family sale price in 2021 was 71% higher than in 2019, and the average multi-family sale price in 2021 was 37% higher than in 2019. In Garfield County, sales volume in 2021 was 96% higher than in 2019, the average single-family sale price in 2021 was 42% higher than in 2019, and the average multi-family sale price in 2021 was 39% higher than in 2019.



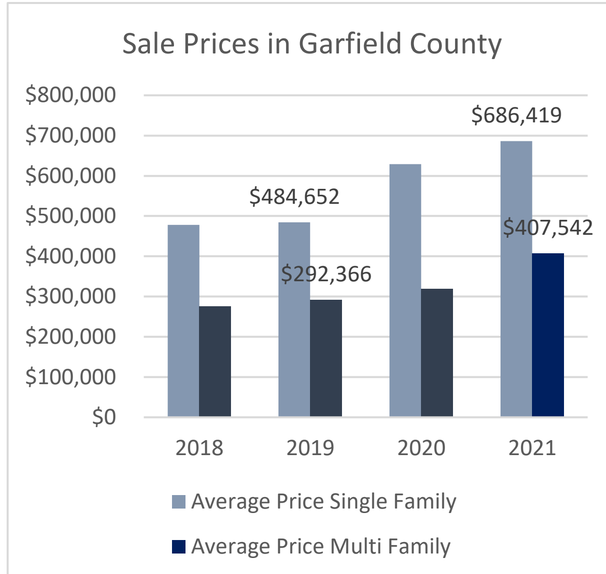
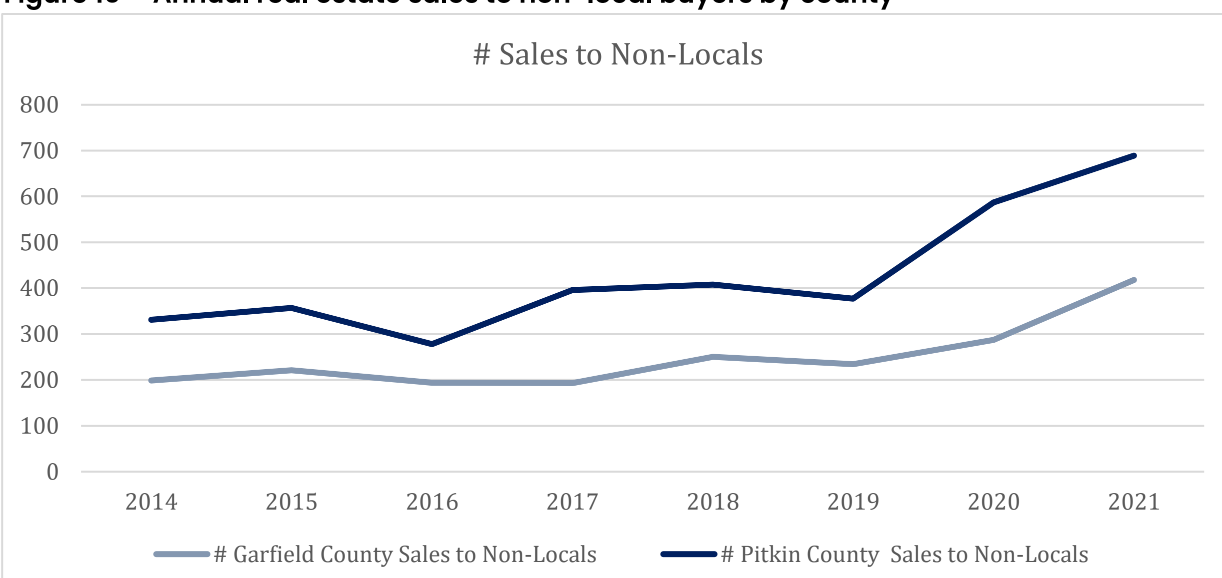


Figure 9 – Residential median sale prices

Source: Land Title Guarantee Company

The number of out-of-area buyers increased in both Pitkin and Garfield County, adding extra competition to the market. Real estate sales to out of area buyers in Garfield County increased by 79% between 2019 and 2021 while sales to out of area buyers in Pitkin County increased by 83%.

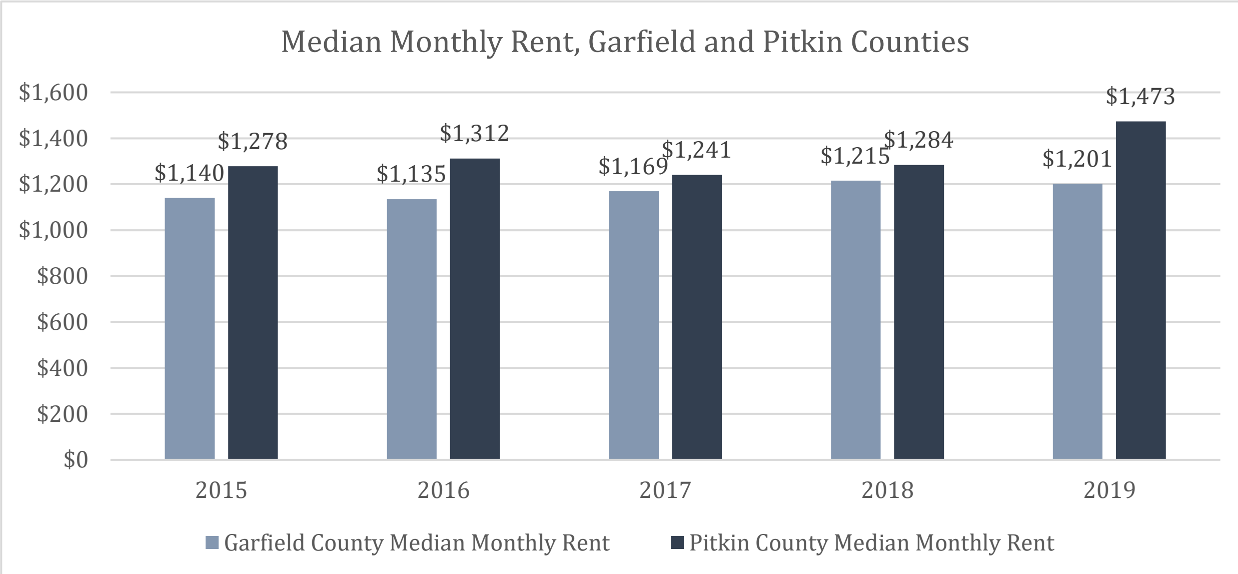
Figure 10 – Annual real estate sales to non-local buyers by county



Source: Land Title Guarantee Company

In the years leading up to COVID, median rents (all unit types) increased slowly in Garfield County from $1,140 per month in 2015 to $1,201 in 2019, a five percent increase in four years. In Pitkin County, rents fluctuated between $1,241 and $1,312 from 2015 to 2018 and then increased 14% in 2019.

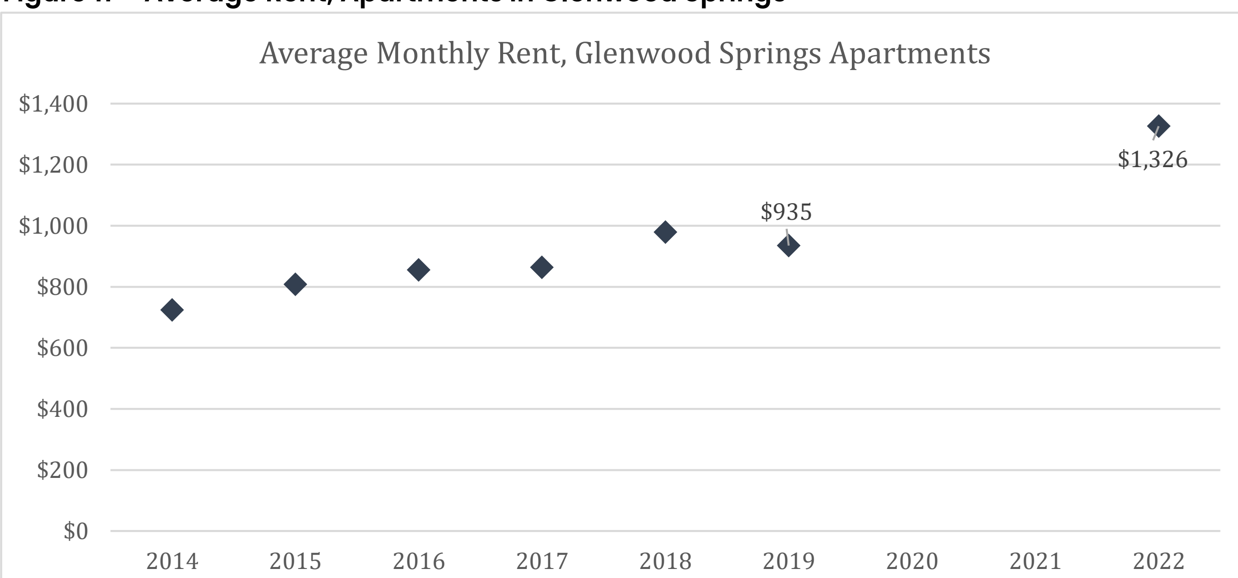
Figure 10 – Median Rent by County



Source: American Community Survey, by US Census, downloaded in April 2022

Census data is not yet available for 2021 and 2022 county median rents but in Glenwood Springs, where apartment rental prices have been tracked over several years, rents for apartments increased by 42% up to $1,346 in just two years between 2019 and 2021. Prior to COVID, average rent for apartments in Glenwood Springs increased by 29% in five years from 2014-2019.

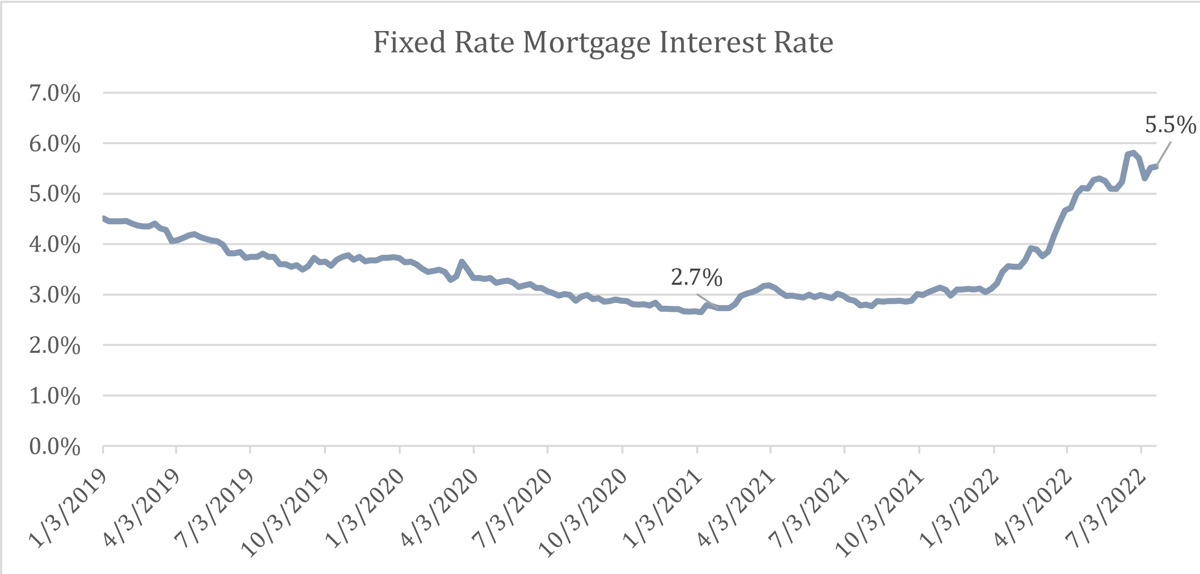
Figure 11 – Average Rent, Apartments in Glenwood Springs



Source: Colorado Statewide Apartment Survey 1st Quarter 2022, Colorado Housing and Finance Authority

Pitkin County's market rate housing for sale has been out of reach to nearly all working locals for decades. This has not been the case in Garfield County, where market rate housing had stayed within reach for most households up until COVID hit. Rising interest rates beginning in 2022 have coupled with rising sale prices to make it more difficult than ever for working families to afford to buy a home in Garfield County.

Figure 12 – Fixed Rate 30 Year Mortgage Interest Rates



Source: Primary mortgage rate survey, FreddieMac, 2022

Monthly payments for a 30-year fixed rate mortgage for a median priced Garfield County multi-family home with 20% down more than doubled between 2019 and 2022 due to higher sale prices and interest rates. Similarly, monthly payments for a mortgage for a median single-family home more than doubled from $1,208 to $2,535.

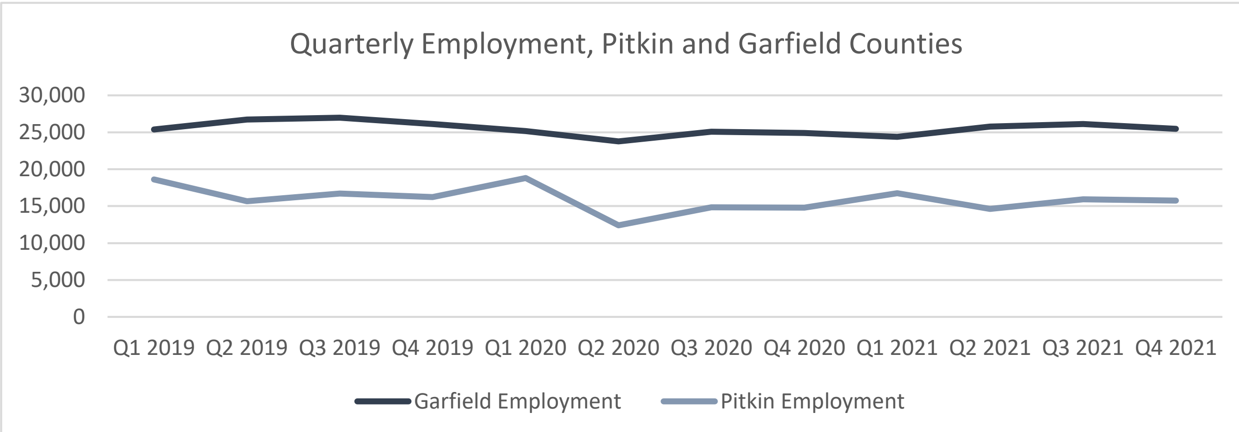
Figure 13 -Estimated monthly mortgage payments, median priced Garfield County Home, 2019 vs. 2022

	Monthly Mortgage, Median Price Multi-Family Attached	Monthly Mortgage, Median Price Single-Family
2019	$729	$1,208
2022	$1,505	$2,535
% Change	106%	110%

How has COVID affected employment and wages?

During second quarter of 2020, Pitkin County employment fell -20.8% compared to 2019 and then nearly recovered by the fourth quarter of 2021 when it was down -3%. Garfield County employment was less affected, but still experienced an initial drop of -11% and then had come close to recovering by fourth quarter of 2021 when it was down -2.6%.

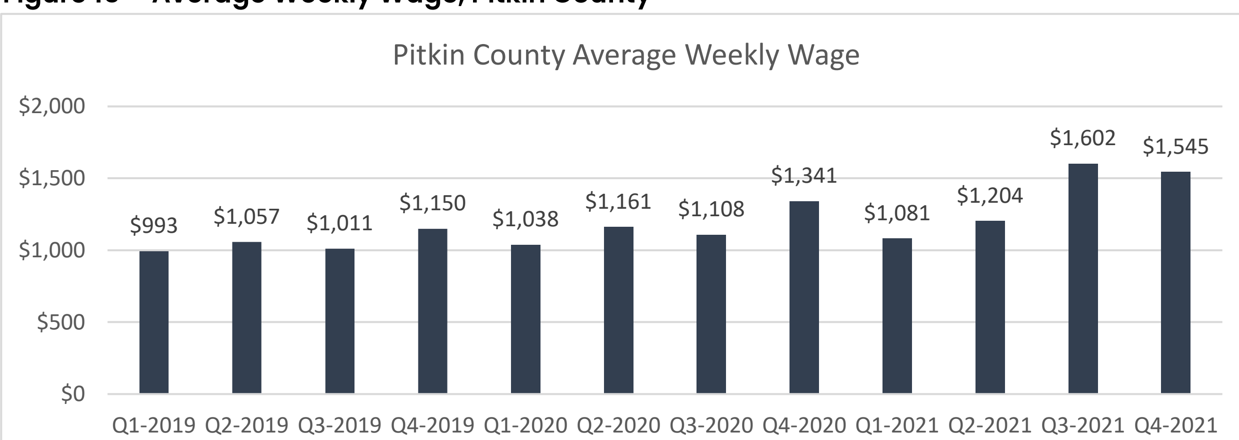
Figure 14 –Quarterly employment by county



Source: Colorado Department of Labor and Employment

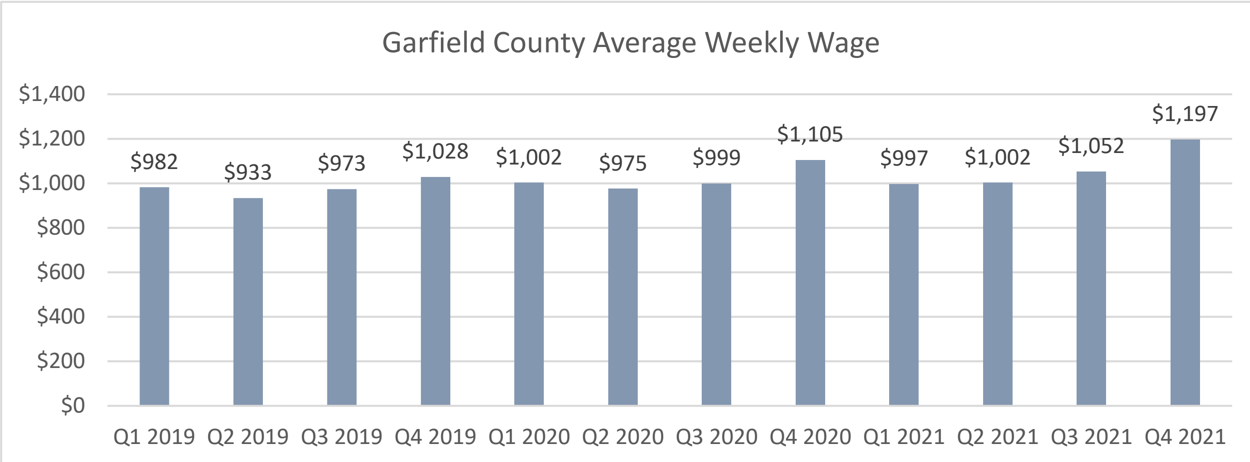
By the end of 2021, wages in both Pitkin County and Garfield County had increased, but not nearly at the rate of housing prices. Fourth-quarter 2021 Garfield County average weekly wages rose 16% up to $1,197 per week compared to fourth-quarter 2019. Fourth-quarter 2021 Pitkin County average weekly wages rose 34% up to $1,155 per week compared to fourth-quarter 2019. These rising wages have partially mitigated the increase in housing costs, but not enough to compensate for the doubling of mortgage payments or for the 40% increase in rent for apartments.

Figure 15 – Average Weekly Wage, Pitkin County



Source: Colorado Department of Labor and Employment

Figure 16 – Average Weekly Wage, Garfield County

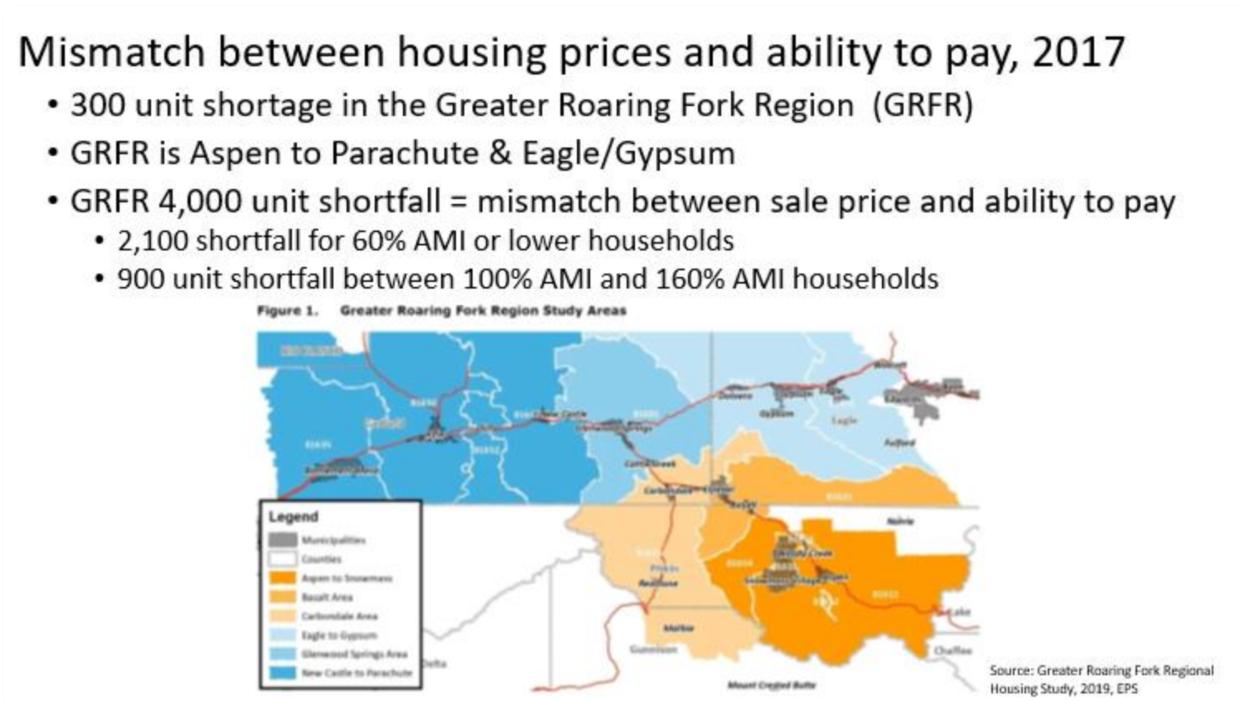


Source: Colorado Department of Labor and Employment

Supplemental Data and Charts

The information included below is additional and, in some cases, more detailed than the information provided in the data summary above. It is assumed that this information not only helps provide a snapshot of the current issues and trends to date (of available data) but also helps provide backup documentation and background information for case making buy-in development and funding applications in the near future. The information contained below may also be helpful in the process of further developing the programs and strategies identified and included in the housing toolkit.

Note: the information included below is from a slide deck developed to share data initially with the Roadmap Regional Community Team for further discussion and refinement.



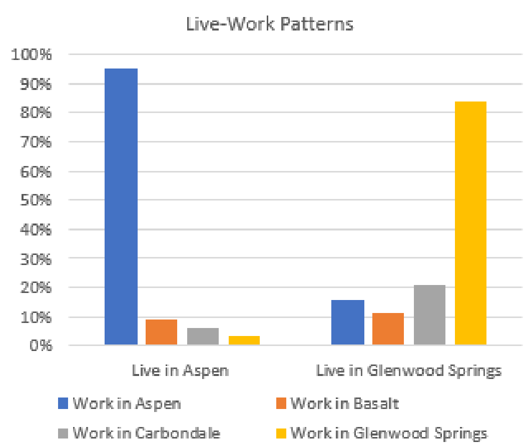
Local affordability shortfall, 2017

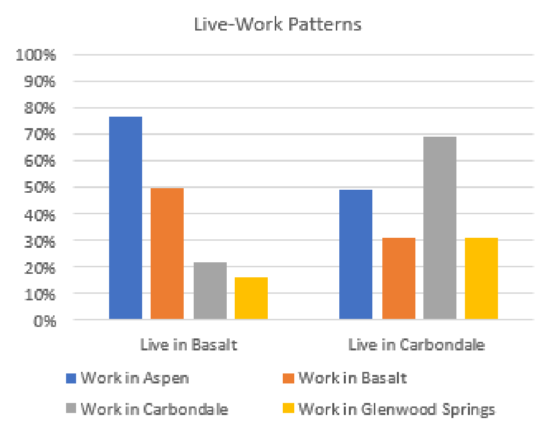
Subarea	Affordability Shortfall	Balance of Supply and Demand Overall
Aspen to Old Snowmass	4,000 units all incomes up to 160% AMI	Demand for housing exceeds supply
Basalt Area	1,000 units 80% AMI or less	Local supply and demand are fairly balanced
Carbondale Area	600 unit shortfall <60% AMI	Housing inventory is meeting non-local demand
Glenwood Springs Area	2,000 units all incomes up to 160% AMI	Demand for housing exceeds supply

- EPS model utilizes multiple data sources: wage and salary employment/income, proprietors, commuting, multiple job holding, household size, housing sale prices.

Source: Greater Roaring Fork Regional Housing Study, 2019, EPS

Why is it important? Commuting.

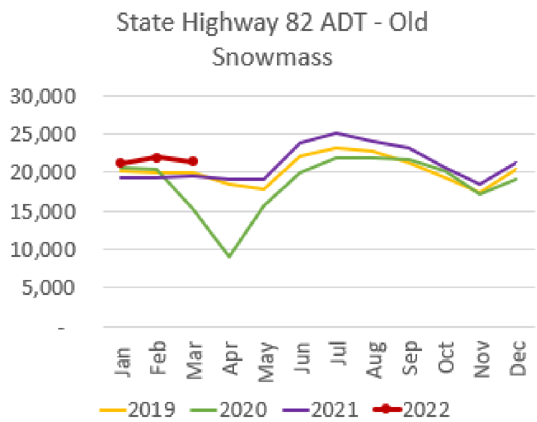


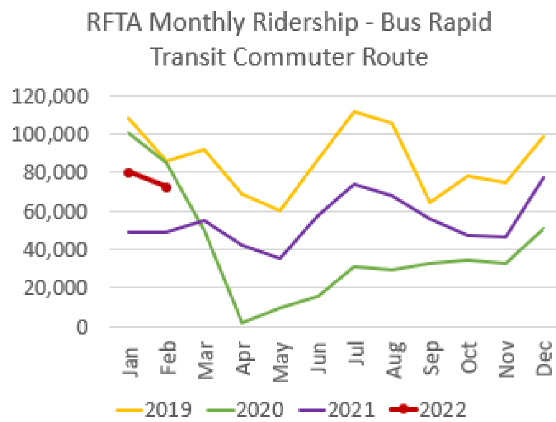


- Most Aspen and Glenwood households have workers in town, fewer commuting out
- Basalt and Carbondale households work throughout the valley

Source: Household survey results from Greater Roaring Fork Regional Housing Study, 2019, EPS

What happened with commuting during COVID?

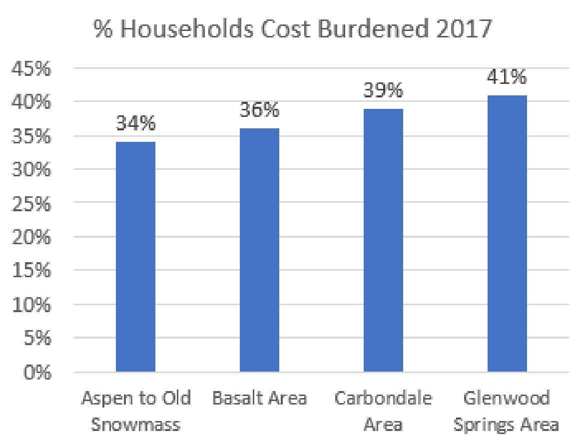


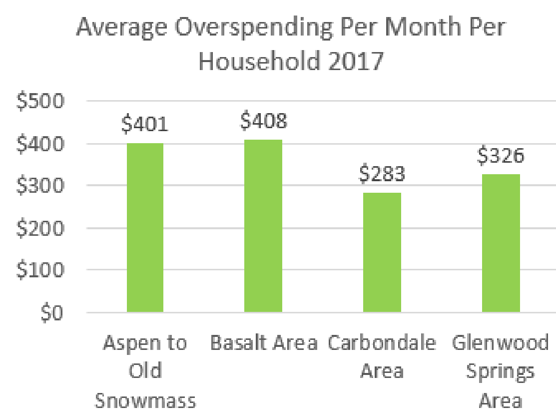


- Monthly average daily traffic on Hwy. 82 up +7% vs. 2019 since April 2021
- Monthly average RFTA BRT ridership Mar. 2020 to Feb. 2022 down -47% vs. 2019

Sources: Colorado Dept. of Transportation, Roaring Fork Transit Authority

Why is it important? Cost-burdened households.

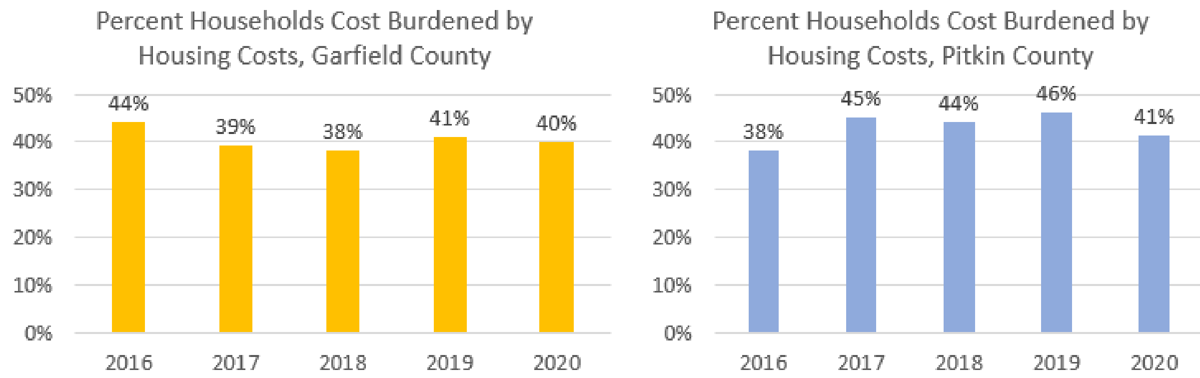




- At least one-third of households are paying more than 30% income on housing
- $33.8 million in annual overspending on housing – some goes to absentee owners
- Average $283 to $408 overspending per month per household

Source: Greater Roaring Fork Regional Housing Study, 2019, EPS

What happened with cost-burdened households during COVID?



- 2020 ACS data shows a drop in cost burdened households in Pitkin County
- This could be related to fewer peak season tourism workers in 2020

Source: American Community Survey, by US Census, downloaded in April 2022

Why is it important? Workforce challenges.

- 86% of employers have challenges recruiting/retaining employees
- 100% of largest employers have challenges recruiting/retaining employees
- 66% of employers say lack of affordable housing is the biggest challenge
- 73% employers feel housing has negatively affected employee performance
  - 48% say employees have displeasure with wages
  - 29% attribute high turnover to housing
  - 29% cite tardiness from long commutes

Source: Employer survey results from Greater Roaring Fork Regional Housing Study, 2019, EPS

Projections & emerging trends (regional housing study)

- GRFR shortfall <= 100% AMI to grow from 2,100 units in 2017 to 5,700 units in 2027.
- GRFR shortfall for 100-160 AMI "missing middle" to remain the same through 2027
- The gap between ability to pay and median price will widen by another 100% to 400%
- GRFR population will increase by 24,000 people or 33% from 2017-2027
- GRFR population over 65+ years old will increase 60% 2017-2027
- Resident survey respondents retiring in the next 10 years:
  - Aspen to Old Snowmass – 37%
  - Basalt to Carbondale – 42%
  - Glenwood to Battlement Mesa – 34%
- 58% of respondents likely or extremely likely to stay in the region after retirement.

Source: Greater Roaring Fork Regional Housing Study, 2019, EPS

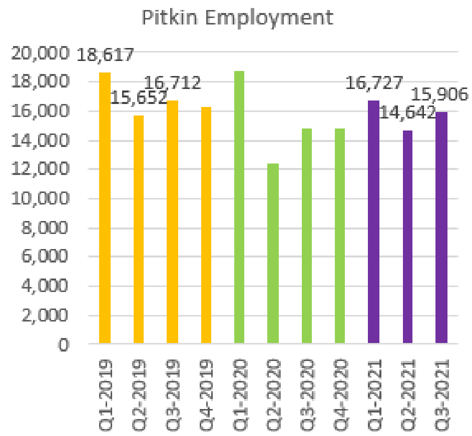
Demand factor: employment

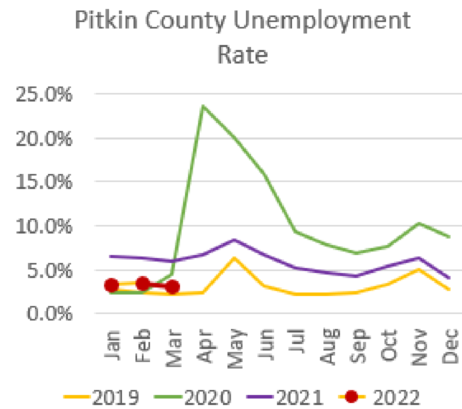
Area	Change in # of Jobs 2008-2017	Change in # of Jobs 2001-2017
Aspen to Old Snowmass	-535	2098
Basalt	-393	487
Carbondale	155	1025
Glenwood Springs	297	1503

- Aspen to Basalt had fewer jobs in 2017 than in 2008
- Carbondale through Glenwood Springs had more jobs in 2017 than in 2008.

Source: Greater Roaring Fork Regional Housing Study, 2019, EPS

What happened with employment during COVID?

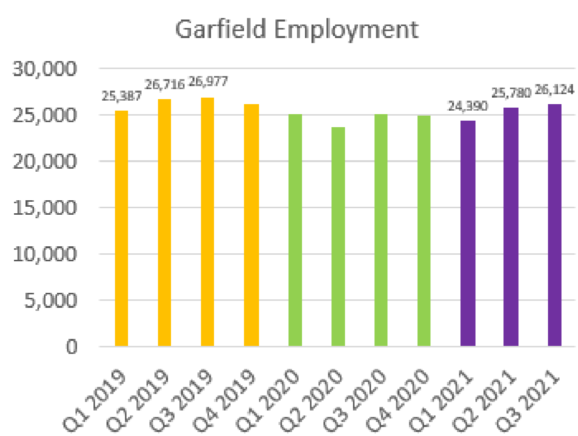


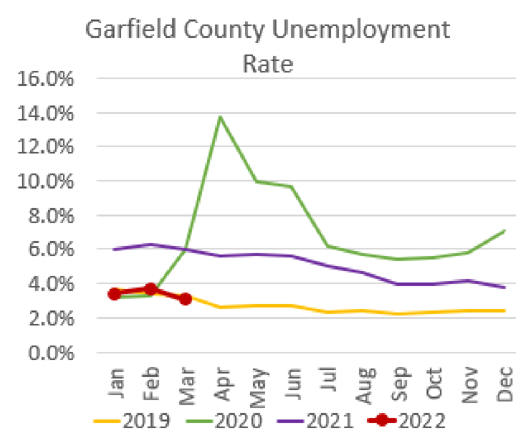


- Q1 2021 jobs were down about 2,000 during from 2019, Q3 2021 down 800
- Unemployment continued to fall toward 2019 levels through Q1 2022

Source: Colorado Department of Labor and Employment

What happened with employment during COVID?

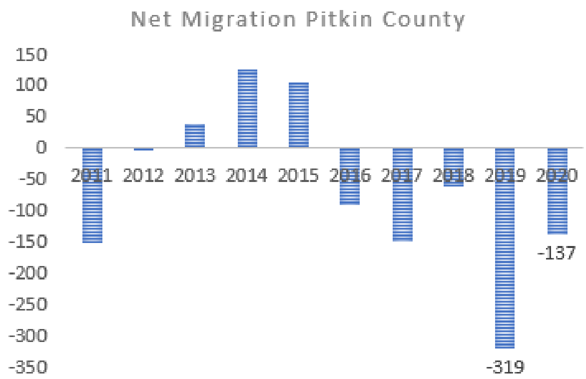


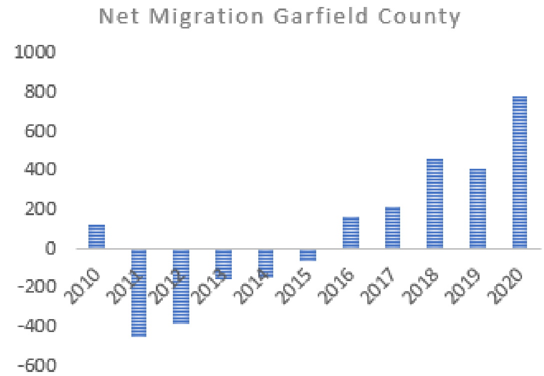


- Q1 2021 jobs were down about 1,000 during from 2019, Q3 2021 down 850
- Unemployment fell to 2019 levels in Q1 2022

Source: Colorado Department of Labor and Employment

Demand factor: migration





- Pitkin County had negative net migration from 2016 through 2020
- Garfield County net migration increased by 89% in 2020 compared with 2019

Source: Colorado Demography Office

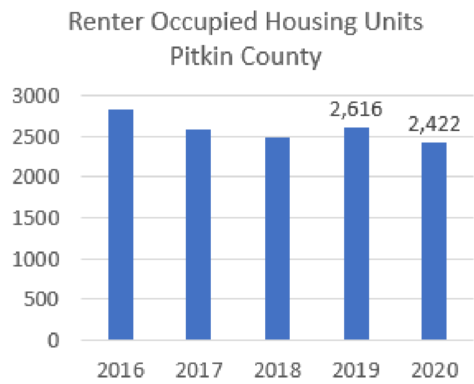
Demand factor: newcomers (moved in 2019-2020)

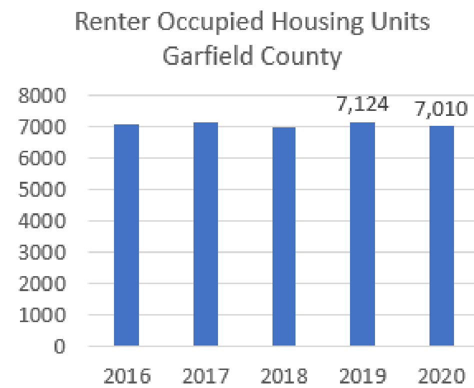
SURVEY OF NWCOG RESIDENTS:

- 91% of newcomers are employed
- 61% of newcomers work for an out-of-county employer and 24% are self-employed
- 49% newcomers moved “because you could work remotely”
- 70% of newcomers have incomes over $150,000 per year

Source: “Mountain Migration Report” Northwest Colorado Council of Governments, 2021

Demand factor: migration

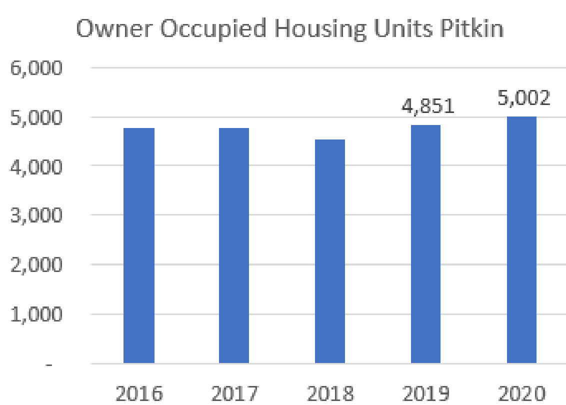


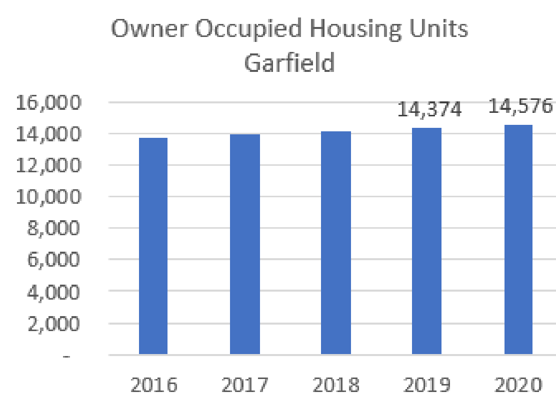


- Pitkin & Garfield Counties registered a decrease in renter occupied housing units in 2020

Source: American Community Survey, by US Census, downloaded in April 2022

Demand factor: migration





- Pitkin & Garfield Counties gained owner-occupied housing units in 2020

Source: American Community Survey, by US Census, downloaded in April 2022

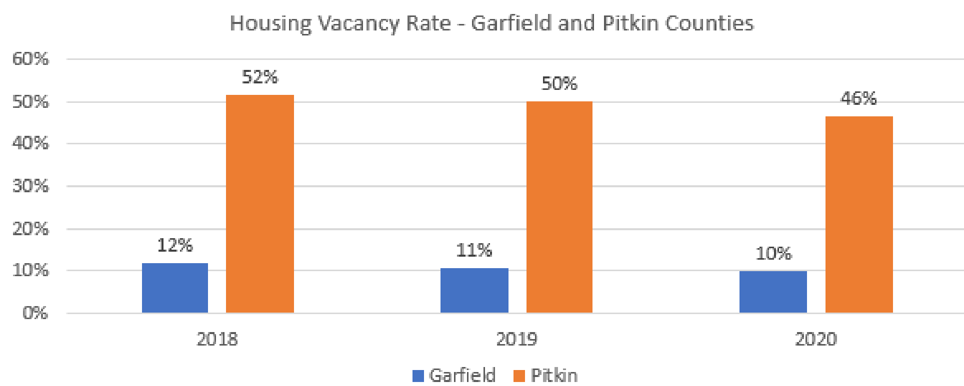
Demand factor: part-time residents

SURVEY OF NWCOG RESIDENTS:

- 17 % part-time residents increased the time in their homes in 2020 vs. 2019
  - 35% part-time residents "spend more time b/c you could work remotely"
  - 80% part-time residents "spend less time traveling elsewhere because of COVID"
- 20% part-time residents decreased the time in their homes in 2020 vs. 2019
- Unpaid stays in STRs + 30% in 2020 over 2019 (Pitkin, Routt, Summit, Eagle Counties)
- 9% part-time residents intend to become full time residents
- Part-time residents intend to increase time spent by 30% or 1.2 months

Source: "Mountain Migration Report" Northwest Colorado Council of Governments, 2021

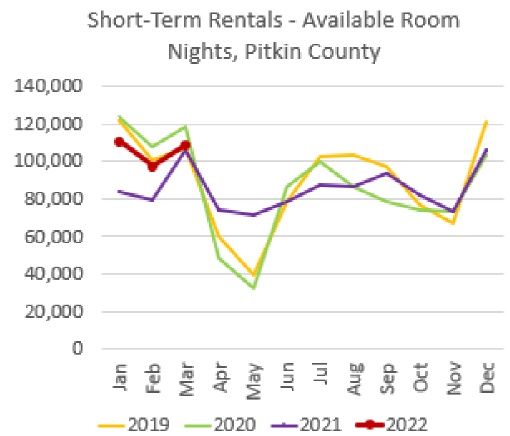
Demand factor: part-time residents

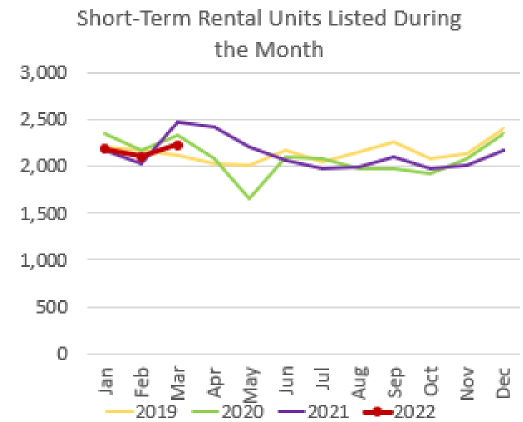


- Pitkin County housing vacancy rate fell 6% between 2018-2020.
- Vacancy rate is an approximation of % part-time residents.

Source: American Community Survey, by US Census, downloaded in April 2022

Demand Factor: Short-Term Rentals (Pitkin County)

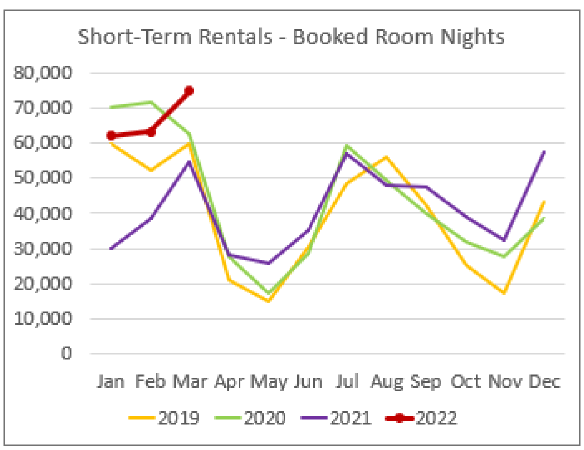


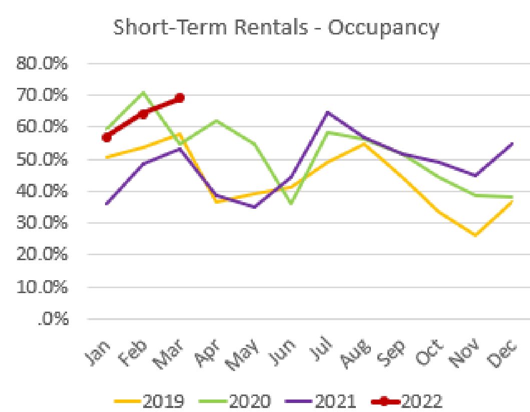


- Pitkin County short-term rental supply was slightly lower March 2020-March 2022 vs 2019:
  - Monthly listings down -2%
  - Monthly room nights available down -.6%

Source: AirDNA

Demand Factor: Short-Term Rentals (Pitkin County)





- Pitkin County short-term rental monthly occupancy was up +17% March 2020-March 2022 vs 2019:

Source: AirDNA

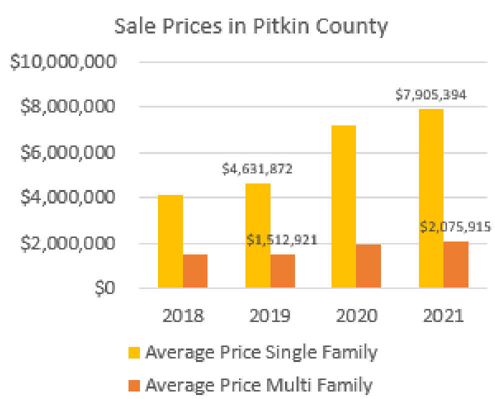
Sale prices

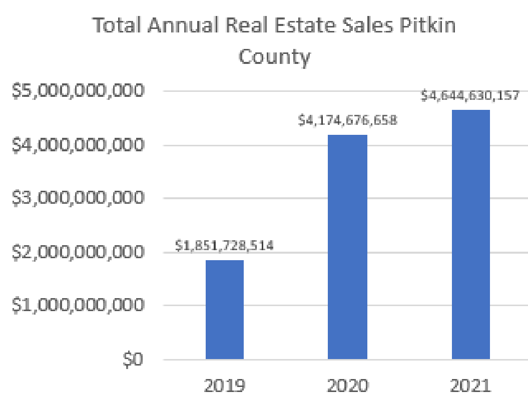
Subarea	Average Sale Price 2018	Change 2008-2018
Aspen to Old Snowmass	$2,353,868	Up +100%
Basalt Area	$780,169	Down -25%
Carbondale Area	$719,869	Down -12%
Glenwood Springs Area	$533,425	Up +12%

- The housing market was turbulent between 2008-2014
- Market had stabilized or was showing growth by 2018.

Source: Source: Greater Roaring Fork Regional Housing Study, 2019, EPS

Sale prices – Pitkin County 2018-2021

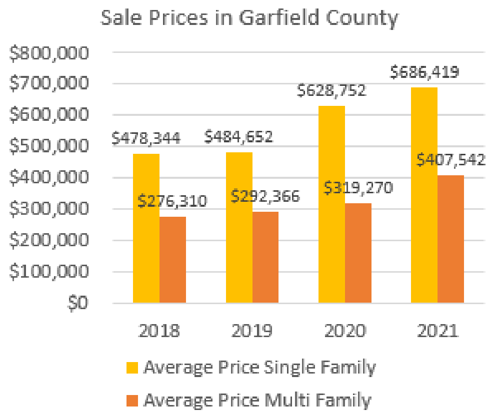


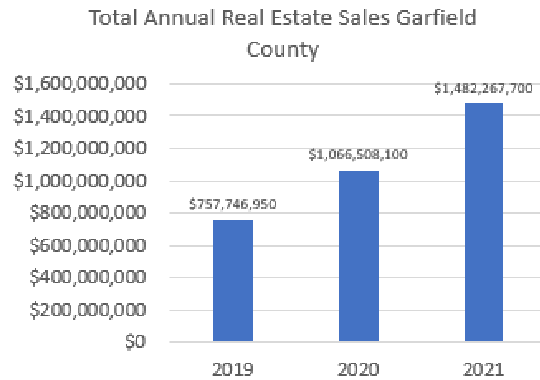


- Sales volume in 2021 was 151% higher than in 2019
- Average single family sale price in 2021 was 71% higher than in 2019
- Average multi-family sale price in 2021 was 37% higher than in 2019

Source: Land Title Guarantee Company

Sale prices – Garfield County 2018-2021

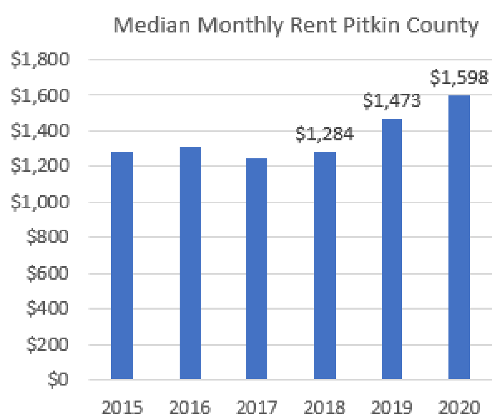


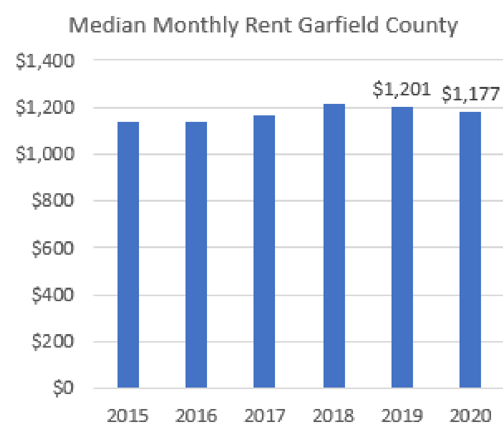


- Sales volume in 2021 was 96% higher than in 2019
- Average single family sale price in 2021 was 42% higher than in 2019
- Average multi-family sale price in 2021 was 39% higher than in 2019

Source: Land Title Guarantee Company

Rents: American Community Survey





- Pitkin County rents increased similarly in 2018-19 and 2019-20 (includes affordable units).
- Rents in Garfield County did not appear to increase 2019 to 2020

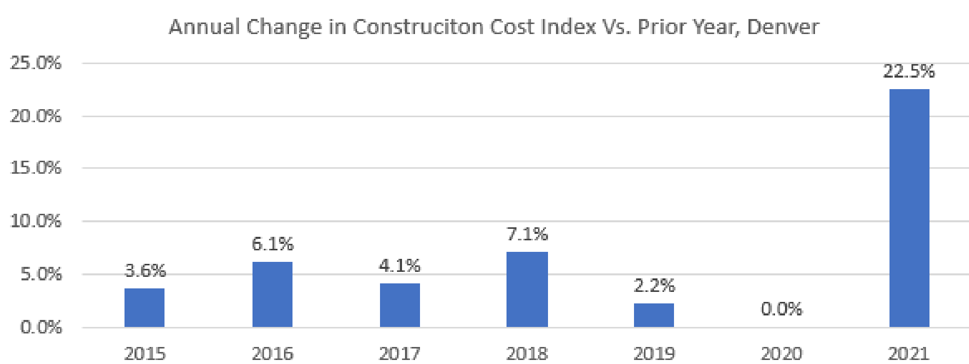
Source: American Community Survey, by US Census, downloaded in April 2022

Rents: Mountain Migration Study

SURVEY OF NWCOG RESIDENTS AND OTHER ANALYSIS:

- Market rents on units that turned over in 2020 increased 20% to 40%
- Average Pitkin County free-market rents Feb. 2021: $4577/mo
- Average Pitkin County free-market single family rents Feb. 2021: $7000/mo
- Newcomer renters: 30's and 40's, established careers, have children
- Newcomers have much higher income than newcomer renters in the past
- 90% said housing availability and housing affordability got worse in 2020

Construction Costs



- Q4 2019 to Q4 2021 materials price increases: Lumber +115%, PVC Pipe +110%, Structural Steel +35% Copper Pipe +80%, Steel Pipe +66%, Plywood +58%, Copper Wire +66%, Conduit +78%
- National construction cost increase 2020-2021 was 21.5%

Source: Mortenson Cost Index