

Rural Economic Development & Housing

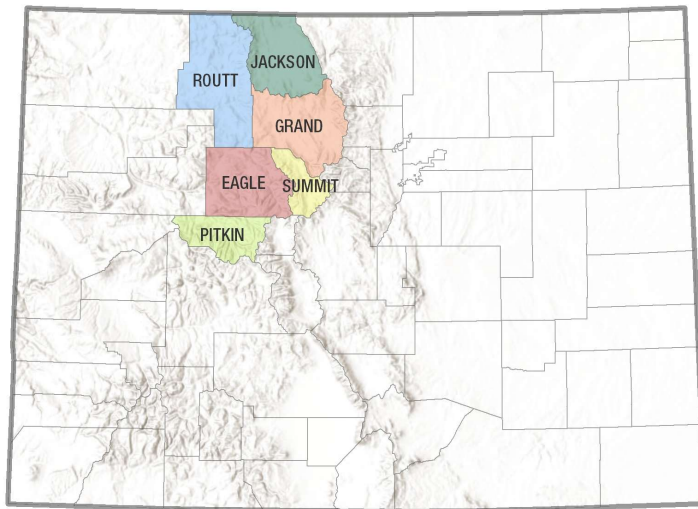
Rachel Tuyn

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Northwest Colorado Council of Governments
EDA Denver Regional Conference

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About NWCCOG & EDD



Five Counties:

- Eagle
- Grand
- Jackson
- Pitkin
- Summit

Population: 113,329

Area: 6,762 sp. Miles

Key Industries:

- Tourism & Outdoor Recreation
 - Accommodations & Food Services
 - Arts, Entertainment, Recreation
 - Retail
- Construction
- Healthcare
- Public Administration



We have a housing problem



Why is Housing so Important?

Housing is Critical to a Strong Local Economy (from opening session today)

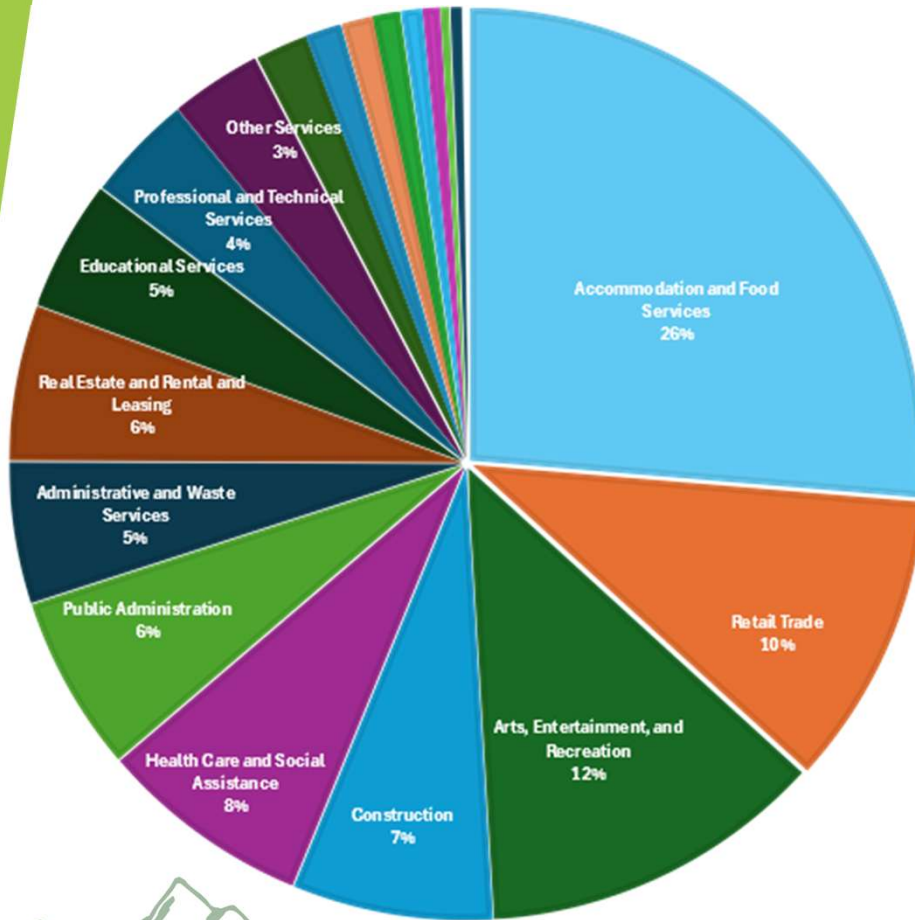
- We need a Resilient Economic System
- Vibrancy
- Supports the Workforce; Business Community
- We need to sustain local folks
- Businesses can't stay open; new businesses cannot open; out-migration
- Trying to create things that last; that are durable
- Shared vision and planning
- Opportunity for All: wealth creation, housing, childcare
- "No hope that my kids will be able to stay in the community they gr



Why is Housing so Expensive?



Key Industries + Wages



Tourism & Outdoor Recreation
(48% of all Jobs)

Accommodations & Food Service
\$42,363

Arts, Entertainment, Recreation
\$46,653

Retail
\$47,467

Cost of Housing in NWCCOG Region

- Family of 4
- Construction: **\$78,953**
- Healthcare: **\$80,579**
- Family Income: **\$159,532**
- Monthly: **\$13,294**
- 30%: **\$3,988**

Rent:

\$4,200/month: A 3-bedroom, 4-bathroom, 1,980 sq ft house

Deed Restricted:

Purchase: \$525,000 (w/20% down)
\$2,604

Market Rate:

Purchase: \$1,000,000 (w/20% down)
\$5,844



Housing Programs in NWCCOG Region

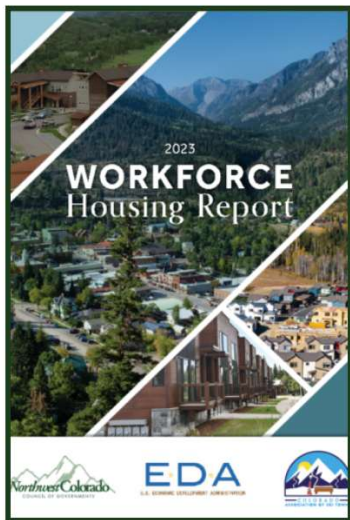
- NWCCOG doesn't build housing
- Our role is information sharing, best practices sharing, resources
- NWCCOG Regional Workforce Housing Report (2023)
- Regional Economic Summit - housing panel
- On-going Housing discussions - EDD board meetings



Housing Programs in NWCCOG Region

- Need a mix of housing - SFH for home ownership; rental housing; second homes; multi-family housing, senior housing, etc.
- Employer - built housing
- Developer-built housing (thru the development process)
- Deed Restrictions
 - Income restrictions
 - Employment requirement
- Funding sources
 - Low Income Tax Credits
 - County and Town Taxes: eg 5A in Summit County
 - Developer Fees
 - Real Estate Transfer Tax

Housing Programs in NWCCOG Region



2023 Workforce Housing Report

The Northwest Colorado Council of Governments (NWCCOG) partnered with the Colorado Association of Ski Towns (CAST) to produce this Workforce Housing Report in an effort to provide our membercommunities, as well communities outside of the NWCCOG/CAST region which face similar challenges, with tools, strategies, best practices, and innovative ideas to increase the supply of affordable workforce housing.

https://www.nwccog.org/wp-content/uploads/2023/10/23078-Workforce-Housing-Report_FF_web.pdf



Tools

Purchase Deed Restrictions on Existing Housing*	Incentives
Density Bonuses	
Fee Waivers	
Fast-track Processing	
Reduced Parking Req.	
# of parking required per multi-family unit	Public Private Partnerships
Develop public land for housing (fed,state,local)	
Public entity partner with private developer	
Town/County acts as developer	
Purchase existing structure for workforce housing	
Town/County provides housing for its own employees	ADUs
Is part of a regional housing authority	
ADUs as Use by Right	
Development Code encourages ADUs	

Has deed restrictions: income qualification	Development Regulations
Has deed restrictions: Residency and/or local employment requirement	
Commercial Linkage	
Inclusionary Zoning	
Zoning allows for modular/manufactured homes	
Zoning allows for Tiny Homes	Funding
Excise Tax on Short-Term Rentals used for Affordable Housing	
Property Tax	
Sales Tax	
Other Funding Source; Fees**	
General Fund Revenues	Short Term Rentals
Currently Regulate STRs	
Exploring creating regulations of STRs	

Funding

Real Estate Transfer Revenue

Real Estate Transfer Taxes (RETT) are a proven revenue generator for mountain communities, especially during periods of extreme price escalation and property speculation. Twelve communities (Aspen, Avon, Breckenridge, Crested Butte, Frisco, Gypsum, Minturn, Ophir, Snowmass Village, Telluride, Vail, and Winter Park), nearly all of which are in the NWCCOG region have a RETT with specified uses.

In 1992, Colorado voters approved an amendment to the Colorado Constitution. This tax policy amendment, known as TABOR, contained a one sentence prohibition

against future impositions of, or increases in, RETT by the state or local governments. The twelve communities with a RETT were exempted from the RETT prohibition and continue to impose a RETT today.

As shown in the table below, RETT revenue is either directly allocated to affordable housing projects, or used to provide General Fund relief so communities have more flexibility in pursuing affordable housing solutions. RETT revenues are invaluable to those communities that are fortunate enough to access them in their efforts to address their respective housing crises.

Municipality	RETT Rate	Audited 2021 Revenue Generated	Dedicated Purpose
Aspen, CO	1.5%	\$31,940,488	Housing RETT 1.0%. Wheeler Opera House RETT 0.5%.
Avon, CO	2.0%	\$7,354,186	Capital Improvements
Breckenridge, CO	1.0%	\$7,838,100	General Fund
Crested Butte, CO	3.0%	\$3,285,614	Capital Improvements
Frisco, CO	1.0%	\$2,773,501	Capital Improvements
Gypsum, CO	1.0%	\$1,922,774	General Fund
Minturn, CO	1.0%		Street Repair Fund
Ophir, CO	4.0%		General funds; excess funds moved into Capital Improvements
Snowmass Village, CO	1.0%	\$8,309,993	Transportation-related capital improvements, operating & maintenance for transportation system, parks/ recreation operations
Telluride, CO	3.0%	\$12,905,780	Capital Improvements and open space
Vail, CO	1.0%	\$10,448,525	Acquiring, maintaining and improving local property for parks, recreation, open space and for supporting sustainable environmental practices.
Winter Park, CO	1.0%	\$2,345,141	General Fund

CAST supports two approaches that will allow communities throughout Colorado to access real estate transfer revenues:

Summit County 5A Fund

The voters in Summit County voted to support workforce-housing needs by passing the Summit Combined Housing Authority Referred Measure 5A in November 2006, and then renewing the measure in perpetuity in November 2015. The measure authorizes a sales and use tax of one eighth of one percent (0.125%) and a Development Impact Fee of two dollars or less per square foot for new construction. The cumulative funds collected are to be used for affordable workforce housing purposes (e.g., land purchases, construction of new homes, and purchases of existing homes for employee use).

Affordable Housing Development Impact Fees are assessed on new construction and additions, as applicable. Property developers and owners have the option of avoiding the impact fee at the time of building permit issuance by voluntarily imposing a private transfer fee upon subsequent sale of the property.

Smith Ranch- Silverthorne, CO



- Town-owned Land
- Public/Private Partnership
- LIHTC -Low-Income Housing Tax Credits
- Home Ownership + Rental Housing
- Targets 30% - 125% AMI
- At least 1 individual must work avg 30 hrs week in Summit County
- Base income requirement: \$171,045 (135% AMI for family of 4.5)
- Lottery
- Below 135% AMI and work for Silverthorne business = Extra entries
- Lotter managed by Summit Combined Housing Authority
- No appreciation cap



Can't build our way out of this problem

SAMPLE COSTS TO CONSTRUCT WORKFORCE HOUSING

Recent average cost:

Summit County | **\$407,643**
per unit

Eagle County | **\$600,000**
per unit



Per square foot costs in Frisco:



One Bedroom | **\$556**
per sq. ft.

Two Bedroom | **\$647**
per sq. ft.

Vail InDEED Program | Vail, Colorado

- Cash incentives to current homeowners and real estate buyers in exchange for deed restrictions
- To date, the Town of Vail has acquired 1,040+ deed restrictions to ensure homes for year-round and seasonal residents living and working within the community.



Housing Helps | Summit County, Colorado



Incentivize ADUs

Summit County residents can now be paid for building accessory dwelling units. Here's how it works.

A new county program provides subsidies to homeowners who convert or build rent-capped units



A two-story accessory dwelling unit built by homeowners in Summit Cove is pictured after construction was completed in June 2023.

In a Snow Paradise, They Live in This Parking Lot

People experiencing homelessness can sleep in their cars in this wealthy ski town in Colorado, but only if they have a job.

The New York Times



- Ski Instructor
- Snow plow driver
- Ski Lift Operator
- Ice Fishing Guide
- Dog Sledding Guide
- ER Nurse
- Cashier at Grocery Store
- Server at local restaurant
- Ski Boot Fitter (\$24/hour) - more than minimum wage

Unsheltered in Summit



US Unsheltered In Summit 
Bridging the Divide Toward Shelter for All

**Invites You To
THE SUMMIT SAFE PARKING PROGRAM**

Do you work in Summit County?
Live in your vehicle?
This program was designed for you!

Call, email or text
unshelteredsummit@gmail.com / 970-368-2204

Building Community By Supporting People Wherever They Are In Life

Program inspired by


**There Is No Power For Change
Greater Than a Community
Discovering What It Cares About.**

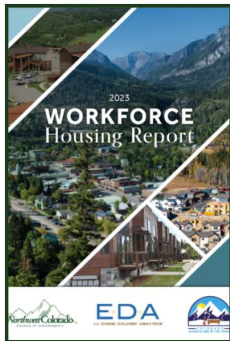
The Summit Safe Parking Program provides safe overnight parking for employed individuals in Summit County who use their vehicles as their homes. For a small monthly fee, it provides trash and portalet services. It requires certain documentation and an interview to join the program.

Thank You!

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