

**AGENDA  
CARBONDALE BOARD OF TRUSTEES  
SPECIAL MEETING  
MAY 21, 2019**

<b><u>TIME*</u></b>		<b><u>ITEM</u></b>	<b><u>DESIRED OUTCOME</u></b>
<b>6:00</b>	<b>1.</b>	<b>Affordable Housing Update</b>	<b>ATTACHMENT A Discussion</b>
<b>7:15</b>	<b>2.</b>	<b>Waste Hauling Update</b>	<b>ATTACHMENT B Discussion</b>
<b>8:00</b>	<b>3.</b>	<b>Potential Real Property Acquisitions – may include an Executive Session <i>pursuant to C.R.S. Section 24-6-402(4)(a)</i> to discuss the purchase, acquisition, lease, transfer, or sale of real, personal, or other property interest</b>	<b>Possible BOT Action</b>
<b>8:30</b>	<b>4.</b>	<b>Adjourn</b>	

**\* Please Note Times Are Approximate**



**TOWN OF CARBONDALE  
511 COLORADO AVENUE  
CARBONDALE, CO 81623**

**Board of Trustee Memorandum**

Item No: 1  
Attachment: A  
Meeting Date: 5/21/2019

**TITLE:** Affordable Housing Discussion

**SUBMITTING DEPARTMENT:** Planning

**ATTACHMENTS:** Community Housing Guidelines (2019 AMI)  
Executive Summary from the Regional Housing Needs  
Assessment

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**BACKGROUND**

Attached is the Executive Summary from the Regional Housing Needs Assessment that was recently completed. The Study is regional in nature and it should be noted that the Carbondale results are for the Carbondale zip code area, not the incorporated area of the Town.

The full Regional Study can be found at the following link;  
<https://www.carbondalegov.org/Greater%20Roaring%20Fork%20Regional%20Housing%20Study%20-%20April%201%202019.pdf>

The Town Currently has 157 total units in the affordable housing program. This total does not include approved but not built units. The Town also manages 5 employee housing units for Town employees.

**Community Housing Guidelines**

The Town of Carbondale Housing Guidelines state that "The intent of this community housing program is to require new development to mitigate for a portion of the employees generated by such development and to reflect and maintain the Town's small town character and to enhance the livability of the town."

The Adopted Housing Guidelines serve as guidelines for Staff, Developers and others to satisfy the affordable housing program and are amended from time to time to keep up to date with housing prices and needs of the Town and Community as a whole. The

most recent guidelines were amended to add a rental requirement to new development that matches the UDC inclusionary housing requirements, this can be found in Section 5 of the attached guidelines.

### **Unified Development Code**

Chapter 17.05.511 of the UDC outlines the basic requirements of the housing requirements and allows the use of the Adopted Housing Guidelines.

### **Housing Program Administration**

The Town is now utilizing the services of Garfield County Housing Authority to administer the Town's housing program. This includes sales of units, enforcement of Town Deed restrictions and other housing related functions.

It should also be noted that GCHA feel that the Towns inclusionary Standards are some of the best they have seen.

### **DISCUSSION**

The Town contributed \$25,000 to the regional study as did other Government organizations and the study was managed by the Garfield County Housing Authority. While the Study is regional in nature and focus the results should be discussed on how they could be applied on a Town level as well as regionally.

### **RECOMMENDATION**

Staff recommends the Board of Trustees review the attached material for discussion.

Prepared By: John Leybourne

**TOWN OF CARBONDALE**

**COMMUNITY HOUSING  
GUIDELINES**



**Updated with 2018 AMI**

Revised December 13, 2016

These Community Housing Guidelines shall remain in effect until such time as new or amended Guidelines are approved by the Board of Trustees of the Town of Carbondale.

## PURPOSE

Carbondale is located in a unique and highly desirable valley. The Town of Carbondale recognizes that having a supply of Community Housing<sup>1</sup> attainable by working households in the Town of Carbondale is critical to retaining a diversified and sustainable town, having the character and sense of community of a town where people can live and work in the same area. The citizens of the Town of Carbondale do not want Carbondale to become an exclusive community. Historically, working persons and households have been able to attain housing in the Carbondale area; and the Town of Carbondale currently reflects a mix of socio-economic backgrounds. The Town further recognizes that there is a growing gap between housing costs and wages in Carbondale. Therefore, the Board of Trustees has determined that it needs to develop and maintain a Community Housing program.

The intent of the Community Housing program is to mitigate the impact of market-rate housing construction on the limited supply of available land suitable for housing. The goal of these regulations is to require new development to provide community housing attainable by persons working in the Mid-Valley and paying no more than 30 percent of their household income for total housing expense, including debt service, homeowner's insurance, real estate taxes, land lease if any, and HOA dues, or rent plus utilities in the case of affordable rentals.

The Town of Carbondale should not lose ground on the existing level of Community Housing available in and around Carbondale. This means: all new residential developments will integrate community housing into the development or, if integration is impossible, provide meaningful Community Housing in other Carbondale locations; methods will be developed to maintain the affordability of existing housing in Carbondale.

Community Housing should be disbursed throughout the community and, where possible, integrated into the existing community fabric. The Town encourages community participation in solving and benefiting from solutions to the Community Housing concerns.

The Town will emphasize programs that will result in the creation of Community Housing units by units being constructed or by existing units being permanently restricted for Community Housing through deed restrictions.

Community Housing will be transit friendly, integrate with intermodal transportation connections, and perpetuate the Town's history of pedestrian walkability and ease of mass transit use.

The Town's housing program should acknowledge regional issues and encourage coordination among jurisdictions including affordable housing standards and requirements. The Town will seek out partnerships with other entities supporting affordable housing and develop

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<sup>1</sup> All defined terms in these Guidelines are set forth in Part V, below.

reciprocal agreements. The Town will discourage jurisdiction shopping for development proposals.

The Town will support creative housing solutions, including projects that include sweat equity by those benefiting from the Community Housing.

## **POLICY STATEMENTS**

The purpose of this section is to assist Town staff, the development community and the public in understanding the Town's philosophy regarding various aspects of the program. These policy statements will be reviewed and revised by the Board of Trustees as needed from time to time.

- A. Mitigating Community Housing Impacts: The following list establishes the Town's options in order of preference depending on the site location. The following options are solely at the discretion of the Board of Trustees.
  - 1. On-site Community Housing.
  - 2. Buy-down Community Housing.
  - 3. Off-site Community Housing.
- B. Unit types: In areas where developers wish direction regarding the types of unit to construct, the Town would like to see the following (in no order of preference):
  - 1. Entry level Community Housing Sale Units.
  - 2. Family-oriented Community Housing Sale Units.
  - 3. Entry level Community Housing Rental Units
  - 4. Family-oriented Community Housing Rental Units.
- C. Community Housing offered as mitigation shall provide for a balanced range of categories and, where possible, a diversity of unit types.
- D. Applicants are encouraged to be creative with Community Housing proposals. In accordance with C.R.S. § 38-12-301, rental housing subject to rent controls will only be approved by the Town if it is provided (1) pursuant to a voluntary agreement between the Town and a permit applicant or property owner, and/or (2) it includes the placement on the title to such housing units of a deed restriction that limits rent on the property or unit or that is otherwise designed to provide affordable housing stock pursuant to a voluntary agreement between the Town and a permit applicant or property owner.

## **PART I. COMMUNITY HOUSING CATEGORIES**

The Town's goal is to establish and implement a plan to have new development provide housing within the community at sales prices or rents that are attainable to persons and families of various incomes. In order to carry out this objective, Community Housing units are categorized to reflect

which income levels they are to serve as set forth in Sections 1 and 2 below. The maximum gross household income and maximum net assets for each income category are set forth in Table I.

**TABLE I**  
**MAXIMUM GROSS INCOMES AND ASSETS BY CATEGORY 2018**

	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<b>Category 4</b>	<u>R.O.</u>
0 Dependents	\$ 57,200	\$ 71,500	\$ 85,800	<b>\$107,250</b>	n/a
1 Dependent	\$ 64,700	\$ 79,000	\$ 93,300	<b>\$114,750</b>	n/a
2 Dependents	\$ 72,200	\$ 86,500	\$100,800	<b>\$122,250</b>	n/a
3 or more Dependents	\$ 79,700	\$ 94,000	\$108,300	<b>\$129,750</b>	n/a
Maximum Net Assets	\$150,000	\$175,000	\$200,000	<b>\$225,000</b>	n/a

Income Categories: A household may qualify to purchase or rent a unit in a higher Income Category. Persons in the next higher Income Category may bid on lower Income Category units; however bidders qualifying for the unit Income Category have priority.

Net Assets: Net Assets do not include retirement instruments. Persons age 65 and over are allowed a 50% increase in net assets.

R.O.: Resident Owner Occupied units have no income or asset limits.

HUD AMI: The Income Categories correspond to the current HUD Area Median Income (AMI) for Garfield County. Categories 1 through 4 represent 80%, 100%, 120% and 150% AMI respectively. The Town of Carbondale begins its income categories with the Garfield County 4-person household and adds dependents from that benchmark.

## PART II. PURCHASING OR SELLING COMMUNITY HOUSING

### SECTION 1. QUALIFICATIONS TO OCCUPY COMMUNITY HOUSING

In all but employer-ownership circumstances, the deed restrictions for Community Housing Sale or Rental Units require occupancy by Qualified Persons according to the qualifications set forth in the applicable deed restriction and this Section. In employer ownership circumstances, these qualifications apply to the employee-occupant of Community Housing. To initially qualify for and be eligible to occupy a Community Housing unit, a Qualified Person must meet all of the following criteria:

- A. A Qualified Person must be a full-time employee working in the Roaring Fork River Drainage Basin located from Aspen to Glenwood and the Crystal River drainage including Redstone and Marble. ("Employment Area") with priority to persons who live or work within the boundaries of the Town of Carbondale, a retired person who has been a full-time employee in the Employment Area a minimum of four years immediately prior to his or her retirement with priority to persons who live or work within the boundaries of the Town of Carbondale, or a disabled person who has been a full-time employee in the Employment Area a minimum of two years immediately prior to their disability (as defined in the Definitions); or the spouse or dependent of any such qualified employee, retired person, or disabled person. Retirees who are new to the area may qualify to purchase an R.O. unit, but are next in Priority to persons meeting local employment history requirements of Part II, Section 1.A.
- B. A Qualified Person, upon purchase or leasing a Community Housing Sale or Rental Unit, shall occupy the unit as his or her primary residence. A Qualified Person shall be deemed to have ceased to use the unit as his or her sole and exclusive place of residence by accepting permanent employment outside of the Employment Area, or residing in the unit fewer than nine (9) months out of any twelve (12) months. Resident Owner Occupied (R.O.) units must be occupied by the owner at least nine (9) months in a twelve (12) month period. The Developer of a R.O. unit may rent the unit to a qualified household until the unit is sold.
- C. A Qualified Person must not own developed residential real estate or a mobile home in those portions of Eagle, Garfield, Gunnison or Pitkin Counties which are part of the Roaring Fork River drainage, or must list for sale, at competitive market prices, the residential real estate or mobile home prior to or simultaneously with closing on the Community Housing Sale Unit or leasing a Community Housing Rental Unit. If the property is not sold by the time of closing on purchase of the Community Housing Sale Unit or leasing a Community Housing Rental Unit, it must remain listed until sold. If the owner of the other residential property desires to rent that property prior to sale, the owner shall be required to rent such property as Community Housing in accordance with the Guidelines at the income category determined by the Town to be appropriate under the circumstances. If an individual owns vacant land in those portions of Eagle, Garfield, Gunnison or Pitkin Counties, which are part of the Roaring Fork River drainage, while owning or renting Community Housing, as soon as the land is improved with a residence the individual must relinquish the Community Housing.
- D. A Qualified Person must have total current household income no greater than the maximum amount specified in Part I above for the particular category of housing. Persons in the next higher income category may bid on a unit, but will be last in priority to income-qualified applicants and can only be considered if there is no other income-qualified applicant; the income category of the unit remains consistent with the original sale category and future sales will always give priority to income-qualified households within that category.
- E. R.O. is a category for resident-owner occupied Community Housing Sale Units, deed restricted to require the owner to live in the unit as the sole place of residence at least nine (9) months out of any twelve (12) months. There is no (1) income limit, (2) asset limit, (3)



appreciation cap, or (4) sales price restriction. Potential buyers of R.O. units must have worked in the Employment Area for four years immediately prior to retirement; priority will be given to qualified persons who have been employed within the Town of Carbondale boundaries. Disabled applicants must have worked in the Employment Area for at least two years.

F. Hybrid R.O. is a R.O. unit with an appreciation cap on re-sales.

## SECTION 2. HOW TO QUALIFY FOR COMMUNITY HOUSING

**INITIAL QUALIFICATION:** In order to determine that a person or household desiring to purchase or lease a Community Housing unit meets all of the criteria set forth in Section 1 above, the Town or its administrative assignee shall request any combination, or all, of the following documentation as proof of residency, income, and employment:

1. Federal income tax returns for the last two years. Prospective purchasers must also furnish a current income statement and a current financial statement that identify all sources of income, in a form acceptable to the Town, verified by applicant to be true and correct; or other documentation acceptable to the Town.
2. Verification of employment in the Employment Area (i.e., wage stubs, employer name, address, and phone number, plus evidence of legal residency (e.g. I.N.S. Form I-9, Employment Eligibility Verification, or other appropriate documentation, as requested by the Town).
3. Verification of residency and physical address.
4. Copy of valid Colorado Driver's License.
5. Verification of telephone service (date of installation, person listed to).
6. Vehicle registration and/or voter registration.
7. Any other documentation which the Town deems necessary to make a determination.
8. The applicant desiring to purchase a unit will be required to sign a release so that the Town can obtain a copy of the completed loan application submitted to any prospective lender.
9. If you have been divorced and you receive any sort of alimony or child support, a copy of the divorce decree must indicate that it has been entered of record and all exhibits and supplements must be attached.
10. Information on assets, including bank and savings account statements or any other information deemed appropriate, in documentation acceptable to the Town.

### SECTION 3. QUALIFICATIONS TO RESIDE IN COMMUNITY HOUSING

To remain eligible to reside in a Community Housing unit, a person must meet the requirements of Part II, Section 1, A, B, and C.

### SECTION 4. PROCEDURES FOR PURCHASE AND SALE OF COMMUNITY HOUSING SALE UNITS

#### A. SALES / REALES / LOTTERY

1. **SALE OR RESALE:** An owner of a Community Housing Sale Unit desiring to sell shall consult with the Town's Administrative Agent and review the Deed Restriction covering the unit to determine the maximum sales price permitted and other applicable provisions concerning a sale. Initial sales prices for new units are governed by an approved Housing Mitigation Plan with the Town.
2. **OFFERING FOR SALE:** The Community Housing Sale Unit shall be offered for sale with the Town's Administrative Agent which will administer the sale in accordance with the Guidelines in effect at the time of the listing; R.O. units with no appreciation cap are excepted.
  - A. Any termination in the offering may require the payment of administrative and advertising costs.
  - B. The Town's Administrative Agent acts as a Transaction Broker representing both the Buyer and Seller.
  - C. The Town's Administrative Agent is responsible for preparing all documents pertaining to the sale and purchase of mitigation units.
  - D. The fees paid to the Town's Administrative Agent are to be paid regardless of any actions or services that the purchaser or seller may undertake or acquire.
    - i. There is a 1.5% fee involved in the sale transaction of a Deed Restricted Community Housing Unit, payable to the Town or its Administrative Agent.
    - ii. A fee shall be required for administration of R.O. deed restrictions as established by the Town's Administrative Agent; these units are not subject to sales fees as they are not sold through the Town's Administrative Agent.
3. **LOTTERY:** A lottery will be held for Community Housing Sale Units offered for sale through the Town's Administrative Agent. It is the intent of the Town of

Carbondale to ensure a simplified lottery process. The Program Administrator will take the following steps to notify the public of the availability and status of Community Housing Sale Units:

- A. The Program Administrator will advertise the lottery at least 21-30 days prior to the date of the lottery, or a reasonable period to be determined by the Program Administrator. Sources of information about prospective lotteries will include, but not be limited to local newspapers and the web site established for this purpose. This information will include:
  - B. A description of the Community Housing Sale Units available for purchase. This will include the unit type, square footage, number of bedrooms, maximum sale price and address of the properties.
  - C. A description of the maximum income a household may have in order to qualify to purchase the advertised Community Housing Sale Units.
  - D. Date, time and location for applications to enter the lottery
  - E. Date, time and location of the lottery.
  - F. Results of the lottery will be posted and available to the public.
  - G. If a lottery is required for a R.O. unit with no appreciation cap, the Town's Administrative Agent will assist the listing agent with the lottery to ensure that priorities outlined in the Guidelines are applied.
- 4. These Guidelines are intended to assure that all purchasers and all sellers will be treated fairly and impartially. Questions will be answered and help provided to any potential purchasers or sellers equally in accordance with the then-current Guidelines.
  - 5. In pursuit of the above, the Program Administrator will be acting on behalf of the Town. It should be clearly understood by and among all parties to a sales transaction that the Program Administrator is not acting as a representative or agent to the transaction, but as a representative of the Town and its interest in Community Housing.
  - 6. All purchasers and sellers are advised to consult legal counsel regarding examination of title and all contracts, agreements and title documents. The retention of such counsel, licensed real estate brokers, or such related services, shall be at purchaser's or seller's own expense. Any fees paid to the Program Administrator are to be paid regardless of any actions or services that the purchaser or seller may undertake or acquire.
- B. **DEED RESTRICTION:** The purchaser must execute, in a form satisfactory to the Town Attorney for recording with the County Clerk and Recorder concurrent with the closing of

the sale, a document acknowledging the purchaser's agreement to be bound by the recorded Deed Restriction covering the sale unit.

**C. ADDITIONAL INFORMATION:**

1. Any co-ownership interest other than joint tenancy or tenancy-in-common must be approved by the Town.
2. Co-signers of debt recorded against a unit may be approved for ownership of the unit but shall not occupy the unit unless qualified by the Town for occupancy.

If a unit is listed for sale and the owner must relocate to another area, the unit may, upon approval of the Town, be rented to a qualified individual who meets the income, asset and employment requirements of the unit income category, at the owner's cost as defined in Section 5 below for a maximum period of two (2) years. A letter must be sent to the Town requesting permission to rent the unit until sold. The rent shall be the owner's cost. Owner's cost as used herein includes the monthly mortgage principal and interest payment, plus owners' association fees, plus utilities remaining in owner's name, plus taxes and insurance prorated on a monthly basis, plus land lease costs if any, plus \$20 per month. A minimum six (6) month written lease must be provided to the tenant with a sixty (60) day move out clause upon notification when the unit is sold. All tenants must be qualified by the Town and the unit must be leased for the terms set forth in the Deed Restriction on the unit or, if there are no such provisions in the Deed Restriction, upon terms approved by the Town. Prior to the Town's qualification of a tenant, said tenant shall acknowledge as part of the lease that said tenant has received, read and understands any existing homeowners' association covenants, rules and regulations for the unit and shall abide by them. Enforcement of said covenants, rules and regulations shall be the responsibility of the homeowners' association. A copy of the executed lease shall be furnished by the owner or tenant to the Town.

## SECTION 5. PROCEDURES FOR LEASING COMMUNITY HOUSING RENTAL UNITS

Rental Community Housing Units may be developed to mitigate for new residential development or to satisfy inclusionary housing requirements as set forth in Article 5.11 of Chapter 17 of the Carbondale Municipal Code. To qualify to lease a Community Housing Rental Unit, an individual must meet the qualifications established in Part II, Section 1, A, B and C of these Guidelines and furnish the Town with the documents required in Part II, Section 2 of these Guidelines. Generally, developers of Community Housing Rental Units shall have the ability to select the renters of the units as long as the prospective renters are employed full-time in Carbondale or the Carbondale Employment Area and meet all of the occupancy, income, and asset requirements established in Part 1 of these Guidelines. However, all prospective renters must be qualified by the Town prior to occupying a Community Housing Rental Unit.

Only one person of a family must meet the employment requirements established herein to qualify to lease a Community Housing Rental Unit, but all of the family members' income and assets that are going to occupy the unit shall be used to determine if the family qualifies based on the income and asset restrictions set forth herein.

To ensure that the Town may administer Community Housing Rental Units, in addition to the standard deed restriction described in these Guidelines, developers constructing Community Housing Rental Units must file all necessary documents for Conveyance of an interest in the rental property, or other transaction(s) deemed necessary by the Town, to ensure that the rental units do not violate the prohibition of C.R.S. § 38-12-301.

Table I below sets forth the maximum monthly rents that can be charged for newly deed restricted Community Housing Rental Units on the effective date of these Guidelines. The maximum monthly rent of a unit shall be controlled by the Deed Restriction covering the unit executed by the initial developer.

**TABLE I**  
**Maximum Monthly Rents\***

<b>Unit Type</b>	<b>Studio</b>	<b>1-Bedroom</b>	<b>2-Bedroom</b>	<b>3-Bedroom</b>
<b>Category 1</b>	<b>\$1,002</b>	<b>\$1,073</b>	<b>\$1,288</b>	<b>\$1,488</b>
<b>Category 2</b>	<b>\$1,252</b>	<b>\$1,341</b>	<b>\$1,610</b>	<b>\$1,860</b>
<b>Category 3</b>	<b>\$1,503</b>	<b>\$1,609</b>	<b>\$1,932</b>	<b>\$2,232</b>

**\*2018 Maximum rents taken from CHAFA guidelines**

1. Community Housing Rental Units will be offered for rent to all qualified persons under the procedures established by these Guidelines. The maximum rents shall be allowed to increase by a 3% simple annual increase or the percent of increase in Consumer Price Index (CPI) over the previous 12- month period, whichever is less. The maximum rents include utilities (e.g. water, sewer, electric, natural gas), but do not include trash, telephone, cable television charges, or snow removal.
2. All newly deed restricted Community Housing Rental Units must be in a marketable condition and comply with the Town's adopted building code and with all rules, regulations, and codes of all governmental utilities and agencies having jurisdiction at the commencement of the lease term. Prior to rental at the beginning of each lease, the unit must be inspected and approved by a certified building inspector, architect or engineer approved by the Town for compliance with the Guidelines. Cost of such inspections shall be the responsibility of the applicant, and the results of such inspection must be approved by the Town.

**NOTE:** A household may qualify to purchase a unit in a higher category.

**SECTION 6.**  
**LEAVES OF ABSENCE**

If an otherwise Qualified Person who occupies a Community Housing Sale or Rental Unit must leave the Employment Area for a limited period of time and desires to rent the unit during their absence, a leave of absence may be granted by the Town for one year upon clear and convincing evidence which shows a bona fide reason for leaving and a commitment to return to the area. A letter must be sent to the Town, at least 30 days prior to leaving, requesting permission to rent the unit during the leave of absence. Notice of such intent to rent and the ability to comment shall be provided to any applicable homeowners' association at the time of request to the Town. The leave of absence shall be for one year and may, at the discretion of the Town, be extended for one year, but in no event shall the leave exceed two years. The rent for Community Housing Sale Units shall not exceed the owner's cost. Owner's cost as used herein includes the monthly mortgage principal and interest payment, plus owners' association fees, plus utilities remaining in owner's name, plus taxes and insurance prorated on a monthly basis, plus land lease costs if any, plus \$20 per month. The owner shall rent to a Qualified Person who meets the provisions of Part II, Section 1, A, B and C. Prior to the Town's qualification of a tenant, said tenant shall acknowledge as part of the lease that said tenant has received, read and understands the homeowners' association covenants,

rules and regulations for the unit and shall abide by them. Enforcement of said covenants, rules and regulations shall be the responsibility of the homeowners' association. A copy of the executed lease shall be furnished by the owner or tenant to the Town. Additionally, an owner may request a one-time leave of absence for one (1) year by Special Review with all the above conditions applying. The rent for any authorized sub-tenant of a Community Housing Rental Unit shall not exceed the maximum rent allowed to be charged to the Qualified Person who is taking a leave of absence.

## SECTION 7. SPECIAL REVIEW

A Special Review for a variance from the strict application of these Guidelines, except those requirements as outlined in Section 5.11 of the Unified Development Code, Community Housing Inclusionary Requirements, may be requested if an unusual hardship can be shown, and the variance from the strict application of the Guidelines is consistent with the Community Housing goals, purpose and policy. In order to request a Special Review, a letter must be submitted to the Town stating the request, with documentation regarding the unusual hardship. The applicant shall submit any additional information reasonably requested by the Town. A Special Review meeting will then be scheduled in a timely manner. The Special Review Committee may grant the request, with or without conditions, if the approval will not cause a substantial detriment to the public good and without substantially impairing the goals and purpose of the Guidelines, and if an unusual hardship is shown.

## PART III. INFORMATION FOR DEVELOPMENT OF COMMUNITY HOUSING

Part III of the Guidelines contains information to be used by developers of Community Housing units in the Town of Carbondale whether required in connection with an application for free-market development or otherwise.

## SECTION 1. HOUSING MITIGATION POLICY

### A. Mitigation of New Development.

- Residential development will be required to mitigate at a rate of 20% of the units, including 15% of the total bedrooms, for developments of greater than four units.
- 20% of the total number of residential units remaining (total residential units minus total mitigation units) will be restricted to Resident Occupancy (R.O.), as defined in the Community Housing Guidelines.
- .

### B. Fractional Remainders – Rather than creating a cash-in-lieu mechanism for fraction requirements the development's mitigation responsibility will be rounded to the nearest

whole number – below 0.5 rounds down (=Zero unit), and round up from 0.5 and higher (=One unit).

C. Sequencing of Mitigation Units – The sequence of required mitigation units will be as follows:

- 1<sup>st</sup> mitigation unit – Category 2
- 2<sup>nd</sup> mitigation unit – Category 1
- 3<sup>rd</sup> mitigation unit – Category 3
- 4<sup>th</sup> mitigation unit – Category 4

Repeat the cycle for additional mitigation units.

D. Maximum Selling Price for each Category: The maximum price of a unit will be calculated based upon not more than 30% of gross household income for principal, interest, taxes, insurance and Homeowner Association fees. See Section 3, Table III.

## SECTION 2.

### ANNEXATION POLICY FOR COMMUNITY HOUSING MITIGATION

Annexation Policy – future annexations will be expected to provide a Real Estate Transfer Assessment based on a sliding scale as follows:

- 0% for units priced at \$250k or less;
- 0.5% for units priced between \$250k and \$500k; and
- 1% for units priced at \$500k or more.

Deed restricted units with an appreciation caps are exempt.

Additionally, future annexations will be required to provide 20% mitigation for residential development of 5 units or more.

Finally, of the total number of residential units remaining (total residential units minus total mitigation units), 30% will be restricted to Resident Occupancy (R.O.), as defined in the Community Housing Guidelines.

## SECTION 3.

### REZONING POLICY FOR COMMUNITY HOUSING MITIGATION

Rezoning Policy – For development that requests rezoning from non-residential to residential zone districts, the development will mitigate for affordable housing as the Code requires and of the total number of residential units remaining after mitigation (total residential units minus total mitigation units), 20% will be restricted to Resident Occupancy, as defined in the Community Housing Guidelines.



**SECTION 4.**  
**MINIMUM SQUARE FOOTAGE FOR**  
**NEWLY DEED RESTRICTED COMMUNITY HOUSING UNITS**

Table II sets forth the allowable Minimum Square Feet for each unit type and category. Developers may choose to construct larger units; however, allowable sale prices for such larger units may not exceed the maximum set forth in Table III. The minimum square footage requirements may be reduced upon approval by the Board of Trustees based on a finding that the development satisfies, or is required to adjust to, other physical factors or considerations including, but not limited to, design for livability, common storage, other amenities, location or site designs.

**TABLE II**  
**SQUARE FEET FOR EACH UNIT TYPE AND INCOME CATEGORY**

<u>Unit Type</u>	<u>Categories 1 &amp; 2</u> <u>Square Feet</u>	<u>Category 3 &amp; 4</u> <u>Square Feet</u>
Studio	415	500
1 Bedroom	580	690
2 Bedroom	750	900
3 Bedroom	1,000	1,100
Single-Family Detached	1,100	1,200

Square footage calculations shall be required for the Community Housing component of a project and must be verified by the Building Department prior to issuance of any building permits for either the free market or Community Housing component of the project. The Building Department shall retain a set of approved building permit drawings for the project and the Building Department or Town may check the actual construction of the Community Housing units for compliance with the approved building permit plans.

**SECTION 5.**  
**MAXIMUM SALES PRICES FOR NEWLY DEED RESTRICTED**  
**COMMUNITY HOUSING SALE UNITS AND FOR COMMUNITY LOTS**

Table III sets forth the maximum sales price for newly deed restricted Community Housing Sale Units to the initial purchaser. The maximum resale price of a unit shall be controlled by the Deed Restriction covering the unit executed by the initial purchaser upon closing of the initial purchase.

**TABLE III  
MAXIMUM UNIT SALES PRICES**

<b>Category</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b>Price Range</b>	<b>\$200,200 To \$250,250</b>	<b>\$273,600 To \$321,750</b>	<b>\$334,400 To \$393,250</b>	<b>\$431,850 To \$482,625</b>

**There is no maximum initial price on R.O. (Resident Owner Occupied) Category units.**

Maximum sales prices are based on not more than 30% of household income for housing costs, including principal, interest, taxes, insurance and Homeowner Association fees. These amounts will change annually with the release of the HUD Area Median Income (AMI for Garfield County).

**NOTES:**

All newly deed restricted Community Housing Sale Units must be in a marketable condition and comply with the Uniform Building Code and with all rules, regulations, and codes of all governmental utilities and agencies having jurisdiction. Prior to sale the unit must be inspected and approved by a certified building inspector, architect or engineer approved by the Town for compliance with the Guidelines. Cost of such inspections shall be the responsibility of the applicant, and the results of such inspection must be approved by the Town.

**SECTION 6.  
NO FEES IN LIEU**

The Town of Carbondale will not accept payments of fees in lieu of Community Housing mitigation. If a fraction of a unit is calculated for housing mitigation, the unit requirement rounds up to the nearest whole number if the calculation is .5 or more; calculations of less than .5 will not require a unit or fraction thereof.

**SECTION 7.  
CONVEYANCE OF VACANT LOTS**

Pursuant to the Town Code, an applicant for a development, under certain conditions and subject to certain requirements, may satisfy the Community Housing requirement by the conveyance of vacant lots. Acceptance of the lots shall be at the sole discretion of the Board of Trustees.

- A. All lots must be fully developed and ready for construction, i.e., improved lots with water, sewer, roads, telephone, electricity and gas (if available) in place to the property line. A soils report, prepared by a qualified engineer and based upon test holes within the building envelope of each lot, stipulating that the lot is suitable for construction of the intended

dwelling type without requiring unusual excavation, foundation work or accommodation of other unusual conditions such as hydro-compactive soils or sink holes shall accompany the conveyance.

- B. All lots shall be conveyed to the Town concurrent with recordation of final plat for the project.
- C. At the time of conveyance, the developer shall establish an escrow account in an amount sufficient to cover 125% of the estimated costs required to complete the improvement of the lots in accordance with Item A above. Improvements as noted in Item A above, shall be completed within one year from the date of conveyance of the property to the Town.
- D. The Subdivision Improvements Agreement and the Protective Covenants shall incorporate the conditions stated in subsections A, B and C above.

## SECTION 8.

### **BUY-DOWNS: DEED RESTRICTING EXISTING DWELLING UNITS**

- A. An applicant for a development, under certain conditions and subject to certain requirements, may satisfy the Community Housing requirement by deed restricting existing unrestricted housing to comply with the Guidelines. Acceptance of existing units shall be at the sole discretion of the Board of Trustees.
- B. If accepted by the Town, existing units must be upgraded in accordance with the following criteria, unless a variance from these requirements is approved by the Board of Trustees: all units must be freshly painted; all appliances must be purchased within the last five years and be in good condition and working order; new carpet shall be provided (unless carpet has been purchased in last five years and is in good condition and repair); the exterior wall shall be freshly painted within one year of dedication; a general level of upgrade to yards and landscaping shall be provided; and windows, heating, plumbing and electrical systems, fixtures and equipment shall be in good condition and working order. The roof must have a remaining useful life of at least ten (10) years. All units shall meet The Town's building code in effect at that time, and the condition of all units shall be verified by the Town Building Official. Applicant shall provide a Building Inspection Report by a qualified building inspector approved by the Town describing the condition, at a minimum, of all of the above items. Applicant shall bear the costs and expenses of any required upgrades to meet the above standards as well as any structural/engineering reports required by the Town to assess the suitability for occupancy and compliance with the Town standards of the proposed units
- C. Early Buy-down proposals from developers seeking Community Housing mitigation credit prior to submittal of a specific development application are subject to the following conditions:
  - 1. Consideration of an early Buy-down proposal shall be at the sole discretion of the Board of Trustees.

2. The property location, condition and zoning for an Early Buy-down proposal shall be disclosed, and the property shall be inspected by Town staff prior to proposal submittal; the Board of Trustees is encouraged to view the units in order to determine their merit.
3. At least 50% of Community Housing mitigation shall occur on-site if Early Buy-down Credits are to be used.
4. Sales price adjustments shall be made for units not meeting the development standards set forth in the Guidelines (e.g., the percent of shortage in minimum square footage shall be translated into an equal percent reduction in maximum allowable initial sales price).
5. Credit vouchers shall be issued equal to the newly deed restricted income category and number of bedrooms for each unit (thus encouraging a range of income categories and unit types).
6. Persons currently living in the Early Buy-down Units shall have first priority to purchase the units if they qualify for the income category of the deed restriction.
7. Credit vouchers shall be valid for five (5) years from the date of issuance.

#### SECTION 9.

#### **EXECUTION OF DEED RESTRICTIONS BY DEVELOPMENT APPLICANTS**

Deed Restrictions must be submitted by the development applicant to the Town, which shall have an approved, executed and recorded Deed Restriction for the required commitment by the applicant prior to issuance of any building permit for the project. Prior to issuance of any Certificate of Occupancy, the Deed Restriction shall be amended, if necessary, to reflect changes approved by the Town which may have occurred during construction or conversion of the unit(s) (i.e., net livable square footage), executed and recorded.

### **PART IV. GRIEVANCE PROCEDURES**

A grievance is any dispute that a unit owner or purchaser may have with the Town with respect to action or failure to act in accordance with the individual's rights, duties, welfare or status. A grievance may be presented to the Town's Special Review Committee under the following procedures.

#### SECTION 1.

#### **FILING A GRIEVANCE**

- A. Any grievance must be presented in writing to the Town. It may be simply stated, but shall specify: (1) the particular ground(s) upon which it is based; (2) the action requested; and

- (3) the name, address, telephone number of the complainant and similar information about his or her representative, if any.
- B. Upon presentation of a written grievance, a hearing before the Special Review Committee shall be scheduled as soon as reasonably practicable. The matter may be continued at the discretion of the Committee. The complainant shall be afforded a fair hearing providing the basic safeguard of due process, including notice and an opportunity to be heard in a timely, reasonable manner.
  - C. The complainant and the Town shall have the opportunity to examine and, before the hearing at the expense of the complainant, to copy all documents, records and regulations of the Town that are relevant to the hearing. Any document not made available after written request may not be relied upon at the hearing.
  - D. The complainant has the right to be represented by counsel.

## SECTION 2. CONDUCT OF THE HEARING

- A. If the complainant fails to appear at the scheduled hearing, the Committee may make a determination to postpone the hearing or make a determination based upon the written documentation and the evidence submitted.
- B. The hearing shall be conducted by the Committee as follows: Oral or documentary evidence may be received without strict compliance with the rules of evidence applicable to judicial proceedings.
- C. The right to cross-examine shall be at the discretion of the Committee and may be regulated by the Committee as it deems necessary for a fair hearing.
- D. Based on the records of proceedings, the Committee will provide a written decision and include therein the reasons for its determination.

## PART V. DEFINITIONS

**Buy-down Unit** - Free-market unit approved by Board of Trustees which the Town or a developer acquired and deed restricted to a specific category of Community Housing to meet Community Housing mitigation requirements.

**Capital Improvements** - Unless otherwise defined in the Deed Restriction covering the community housing unit, any fixture erected as a permanent improvement to real property excluding repair, replacement, and maintenance costs.

**Community Housing-** Residential dwelling units within the Town of Carbondale that are deed restricted to the housing size and type for individuals meeting income, occupancy and employment

guidelines approved by the Town, including both Community Housing Sale Units and Community Housing Rental Units, as defined below.

**Community Housing Rental Unit**- A Community Housing unit that is deed-restricted to establish maximum rents as well as residency, employment and income qualifications for tenants.

**Community Housing Sale Unit**- A Community Housing unit that is deed-restricted to establish maximum initial sales and resale prices, as well as residency, employment and income qualifications for owners and occupants.

**Consumer Price Index (CPI)** - The Consumer Price Index that is used for purposes of the Guidelines and for purposes of the Deed Restriction is the West Region, Consumer Price Index, Urban Wage earners and Clerical Workers (CPI-W) (1982-84=100), not seasonally adjusted, published by the U.S. Department of Labor, Bureau of Labor Statistics ("Consumer Price Index").

**Cosigner** - A joint signatory of a promissory note who shall not occupy the unit unless qualified by the Town for occupancy.

**Deed Restriction** - A contract entered into between the Town and the owner or purchaser of real property identifying the conditions of occupancy and resale.

**Dependent** - A minor child (18 years or younger) or other relative of the owner of a Community Housing unit, which child or relative is taken and listed as a dependent for federal income tax purposes by such owner or his or her present or former spouse (said dependent must also be related by blood or adoption and residing with the individual at least six months and one day (183 days) out of every 12-month period of time).

**Disabled Person** - A person who meets the definition of "individual with a disability" contained in 29 U.S.C. Section 706(8), and/or as defined in the Americans with Disabilities Act of 1990; and/or a person who has a "handicap," as defined in C.R.S. 24-34-301(4), the Colorado Anti-discrimination Act.

**Early Buy-down Unit** - A free-market unit approved by the Board of Trustees which a developer acquired and deed restricted to a specific category of Community Housing to meet a portion of Community Housing mitigation requirements for a future development application.

**Employee/Qualified Resident** - A person who is employed on the basis of a minimum of 1,500 hours worked per calendar year in the Employment Area, which averages 35 hours a week, 10 months a year or 32 hours a week, 11 months a year, physically working in the Employment Area and who resides in the unit as their sole and exclusive place of residence a minimum of nine (9) months of a twelve (12) month period.

**Employer** - A business whose principal business address is located within the Employment Area, whose business employs employees (as defined herein).

**Employee Housing** - See definition for Community Housing.

**Employment Area** – Employment Area shall mean that portion of the Roaring Fork River Drainage Basin located from Aspen to Glenwood and the Crystal River drainage including Redstone and Marble. Priority will be given to residents or persons employed within the Town of Carbondale boundaries.

**Family-Oriented Unit** - A dwelling unit attached or detached, 2 bedrooms or more, with direct ground floor access to a useable yard area.

**Fee Simple Estate** - The maximum possible estate that one can possess in real property; complete and absolute ownership of indefinite duration, freely transferable, and inheritable.

**Gross Income** - The total income, including alimony and child support, derived from a business, trust, employment and from income-producing property, before deductions for expenses, depreciation, taxes, and similar allowances.

**Household** - All individuals who will be occupying the unit regardless of legal status.

**Household Income** - Combined gross income of all individuals who will be occupying the unit regardless of legal status. Adjustments to the gross for business expenses can be made for persons who are self-employed.

**Hybrid R.O. (Hybrid - resident-owner occupied)** – Hybrid R.O. is a category for resident- owner occupied units with an appreciation cap for re-sales.

**Income Category** – Income categories are measured by maximum gross household income and household net assets. Housing units are categorized to reflect which income levels they are to service. A person or household can purchase a unit in a *higher* income category, but not in a lower income category than is reflected by their household gross annual income and net assets. Qualified applicants in the next higher income category may bid on a unit; priority is given to applicants that qualify for the unit income category. If a unit is purchased by a household in the next higher income category, the original category deed restriction remains in place at resale.

**Occupancy** – A qualified person, upon the purchase of any category of Community Housing Unit, must occupy the unit for no less than nine (9) months of a twelve (12) month period as their sole and exclusive place of residence. Resident Owner Occupied (R.O.) units must be occupied by the owner at least nine (9) months in a twelve (12) month period.

**Present Value** - For the purposes of these Guidelines and any Deed Restrictions containing such terms, the present value shall be the cost or price of any capital improvements as established at the time of such improvement and shall be neither appreciated nor depreciated from such time.

**Primary Residence** - The sole and exclusive place of residence for Income Category Units. The owner shall be deemed to have ceased to use the unit as her sole and exclusive place of residence by accepting permanent employment outside of the Employment Area, or residing in the unit fewer than nine (9) months out of any twelve (12) months. Resident Owner Occupied (R.O.) units must be occupied by the owner at least nine (9) months in a twelve (12) month period.

**Purchaser** - A person who is buying or has purchased a deed restricted unit which is subject to these Guidelines, and any qualifying potential purchaser or past owner of any such deed restricted unit, but only with respect to any issue arising under these Guidelines.

**Qualified Person** - A person meeting the income limitations who meets the profile requirements (part of which requirements include being a qualified employee, a retired person, a disabled person, or dependent(s) of any of these as such terms are defined herein) established by the Town from time to time and in effect at any time.

**Retirement Age** - Should an owner of a deed restricted unit retire before the age of 65, that individual must sell the unit. Such individual may go through Special Review to ask for a waiver to maintain ownership of his/her unit.

**R.O. (resident-owner occupied)** – R.O. is a category for resident-owner occupied units, deed restricted to require the owner (natural person) to live in the unit as their primary residence: Resident Owner Occupied (R.O.) units must be occupied by the owner at least nine (9) months in a twelve (12) month period. Unit must be occupied within 60 days of purchase. There is no (a) income limit, (b) asset limit, (c) initial sale price cap or (d) appreciation cap. Retirees who are new to the area may qualify to purchase an R.O. unit, but are next in priority to persons meeting local employment/ employment-history requirements of the Town of Carbondale Community Housing Guidelines Part II, Section 1.A.

**Senior Citizen** – A person 65 years of age or older.

**Special Review Committee** – Town Manager, Housing Program Administrator, Town Finance Department Manager, and Town Housing Planner.



# 1. Executive Summary

This is a housing needs analysis for a region that covers the Roaring Fork Valley and the Colorado River Valley; from Aspen and Snowmass Village to Glenwood Springs, and from Parachute to Edwards. It encompasses up- and down-valley locations, and is characterized by innumerable cross-commuting patterns. Although no formal designation exists for this large region, the team of municipalities and counties that led this effort call it the Greater Roaring Fork Region (GRFR) for the purpose of analysis.

Study after study has documented unaffordable housing prices, inventory shortages, and an ever-expanding commute shed for workers. Moreover, decades of implementing best practices in most of the region's communities has helped many, but left still many more needs unmet. This study provides an understanding of the dynamics, interdependencies, and the "face" (with a regional workforce, resident, and employer survey) of *regional* housing needs. The purpose is to create a common language with uniformly-collected information and analysis from which *regional* solutions can finally address *regional* problems.

## What are the key takeaways from this study?

- The region has a 2,100-unit shortfall in housing for households at 60 percent of area median income (AMI) and less, and a 1,900-unit shortfall for households between 100 and 160 percent AMI, the "missing middle" (**Table 1**).
- Market imbalances throughout the region mean that shortfalls by affordability level are much worse in certain areas.
- Overspending costs the region \$54 million per year.
- More than 26,000 workers (out of 47,000 employed residents) cross paths in their daily commute versus just 19,000 employed residents who live where they work.

**Table 1. Housing Units Needed by AMI, 2017 & 2027**

Income Category	Units Needed in 2017	Units Needed in 2027
Less than 60% AMI	2,118	2,383
61% to 80% AMI	---	2,748
81% to 100% AMI	---	590
101% to 120% AMI	703	---
121% to 140% AMI	195	---
141% to 160% AMI	968	1,105
Greater than 160% AMI	---	---

Source: Economic & Planning Systems  
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- This cross-commuting impacts roads, quality of life, and the environment.
- Year-round business has grown, which can increase the region's resilience to another down-turn.
- The population is aging and retiring; over the next 10 years, it is projected that the population over 65 will increase 60 percent (7,800 people).
- Non-local property ownership and STRs put undue pressure on the housing market's prices, which impacts the local workforce and the permanent resident population.

### What is the study area geography?

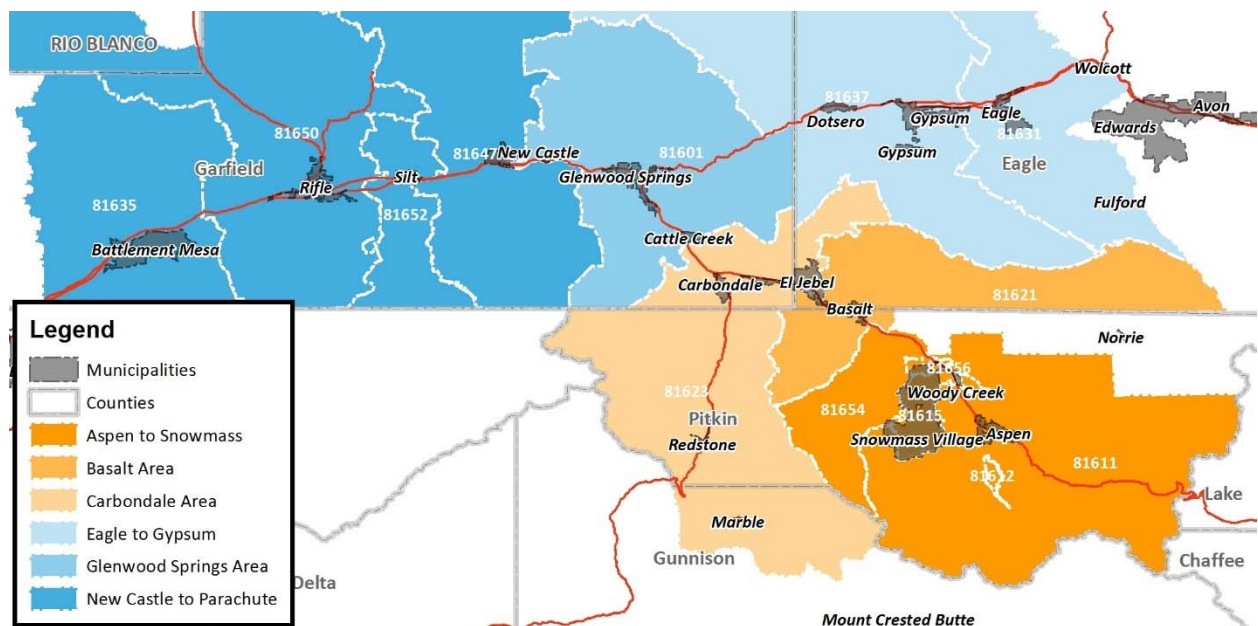
The study area geography was built on the boundaries of zip codes throughout the Greater Roaring Fork Region and is divided into six distinct areas, illustrated in **Table 2** and **Figure 1**.

**Table 2. Study Area Geography Definitions**

Area	Municipality	Zip Code
Aspen to Snowmass Village	Aspen	81611, 81612
	Snowmass	81615, 81654
	Woody Creek	81656
Basalt Area	Basalt	81621
Carbondale Area	Carbondale	81623
Glenwood Springs Area	Glenwood Springs	81601, 81602
New Castle to Parachute	Battlement Mesa	81635
	Parachute	81635
	New Castle	81647
	Rifle	81650
	Silt	81652
Eagle to Gypsum	Eagle	81631
	Dotsero	81637
	Gypsum	81637

Source: Economic & Planning Systems  
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**Figure 1. Greater Roaring Fork Region Study Areas**



### How are housing needs and gaps defined?

A mismatch between the distribution of supply and the distribution of demand is called a “gap.” In this housing analysis, two kinds of gaps are identified.

- **Overall gaps** – Does each local area have sufficient supply (in sheer numbers) to meet locally-generated demand?
- **Gaps by income** – Is that supply appropriately distributed to meet the needs of households by income level?

### What types of findings are there in this analysis?

The findings indicate two types of conditions:

- **Oversupply** – when the number of housing units (regardless of affordability level) exceeds local housing demand; areas are referred to as being “net suppliers” or have a “net surplus” or “excess” of housing.
- **Undersupply** – when local housing demand exceeds the local supply of units (regardless of affordability level); areas are referred to as having a “net deficit” or “shortfall” of housing.

### Housing is Integral to the Economy

Nationwide, housing accounts for nearly 50 percent of all capital and represents the largest portion of most households' net worth. As a result, supply shortages and affordability challenges manifest as quality of life challenges. For example, rising housing costs and stagnating incomes lead households to spend more of their income on housing.

When households spending more of their income on housing, their discretionary spending drops, which leads to lower local spending on goods and services. When households try to avoid cost burden, many try to find affordable housing farther away from their jobs, schools, etc. Under both scenarios, household spending on housing and/or transportation increases, and discretionary spending decreases.

While the causality of these shifts is debatable (because households do make trade-offs), both scenarios lead to a diminished quality of life and negatively impact the economy. That is why an optimally located housing supply supports resident and workforce mobility, productivity, and contributes to a higher quality of life.

Source: Economic & Planning Systems  
Y:\Projects\DEN\173102-Roaring Fork Valley Regional Housing Needs\Data\173102-Text Boxes.xlsx\Housing is Integral

## How should the findings be interpreted?

The housing analysis was completed with layers of uniformly available data at the regional and sub-regional levels. The following are notable limitations of these data:

- **Geographic boundaries** – Zip code boundaries allowed for seamless regional analysis of supply and demand factors without omitting the impacts of unincorporated areas. As a result, findings at the sub-regional level are not exclusively the municipalities. For example, the Carbondale Area includes El Jebel and other unincorporated parts of Pitkin, Garfield, and Eagle counties.

- **Recency of estimates and orders of magnitude** – Data in this analysis are representative of a similar vintage (2017); however, it is important to note that employment measures are an average of 12 months of employment in 2017 whereas housing inventory measures reflect the middle of the year. If specific beginning, middle, or end of year measures were used, the analysis would be skewed by seasonality. As such, estimates of housing supply (e.g. totals, occupied, and vacant), as well as gaps should be interpreted as orders of magnitude. Furthermore, because the geographies are larger than the municipalities after which the areas are named, the estimates of housing supply are also generally larger than actual estimates for individual municipalities.

## Projection of Gaps

Additional to the 2001 and 2017 housing gaps, a forward-looking analysis of what the gaps might look like 10 years out has also been completed. The analysis utilizes the same demand components as outlined above, making reasonable assumptions about the continuation or shift in underlying conditions. (See the discussion of Housing Gaps on page 21.)

### Definitions

<b>Affordable housing</b>	For decades, the federal government has defined "affordable" by the rule that no household should spend more than 30 percent of its income on housing, implying high-income earners, hourly-wage workers, young professionals, the elderly on fixed incomes, and everyone in between. Affordable housing means a place to live that is "affordable" so that when the rent or mortgage is paid, money is left over for basic necessities like food, transportation, healthcare, and all that contributes to one's socioeconomic mobility and quality of life.
<b>Area Median Income (AMI)</b>	This metric identifies the midpoint of an area's household income distribution, in which 50 percent of households earn more and 50 percent earn less. Percentages of AMI are used to isolate different levels of affordability need, such as 60, 80, 100, and 120 percent AMI. In analysis like this, information and data are broken down by AMI to determine needs and preferences, and in policy, AMI metrics are used to qualify a household's eligibility to purchase or rent a home at different levels of affordability.
<b>Cost Burden</b>	Based on the definition above, as identified by the federal government and the housing industry, owner and renter households that spend more than 30 percent of their income on housing are considered cost-burdened. At this level of housing cost expenditure, households are likely to be experiencing a level of financial stress on other quality of life expenditures.
<b>Overspending</b>	Referring specifically to the amount that households spend on housing costs, "overspending" is the amount spent above the cost-burden threshold of 30 percent of income. For example, if a household's spending threshold is \$1,000 per month but they spent \$1,400 per month, their overspending is \$400.

Source: Economic & Planning Systems  
Y:\Projects\DEN\173102-Roaring Fork Valley Regional Housing Needs\Data\173102-Text Boxes.xlsx\Definitions

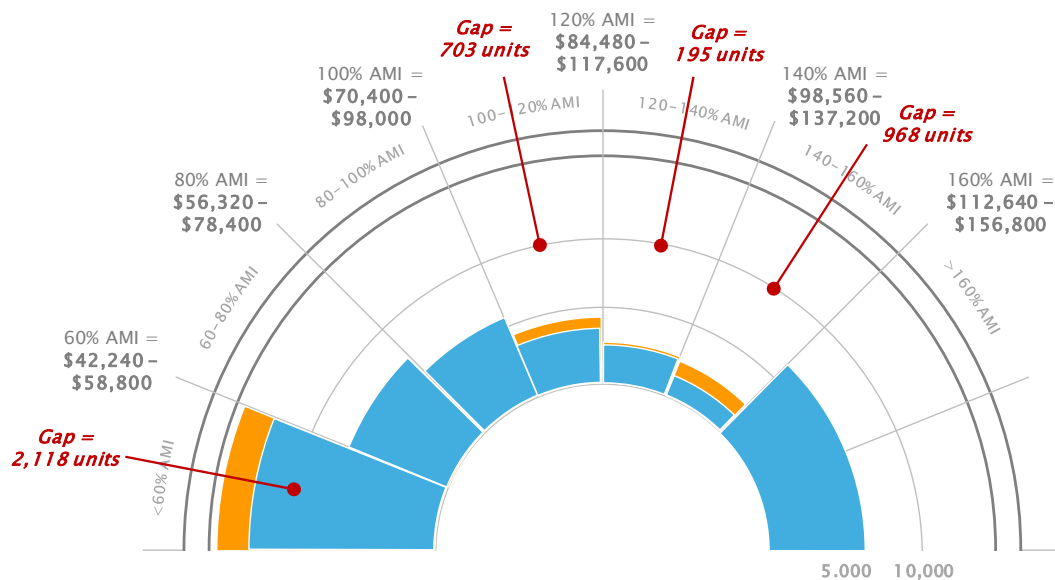
## Summary of Findings

This summary highlights the major findings of the research, analysis, and process that address the questions at the heart of the region's relevant housing questions. The findings are also delineated by demand-side trends, supply-side trends, considerations of stated preferences, and case studies.

### 1. The region generates more demand for housing than it has.

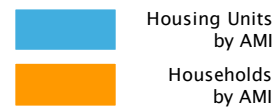
In 2017, the region had a 2,000-unit shortfall for households at 60 percent AMI and below, a 700-unit shortfall for those at 100 to 120 percent AMI, and a 1,200-unit shortfall for the “missing middle”—households between 120 and 160 percent AMI. By 2027, it is projected that the shortfall of units affordable to households at or below 100 percent AMI will balloon to 5,700 units, and the shortfall for the missing middle will remain the same.

Figure 2. Overall GRFR Housing Gaps by AMI, 2017



Total Households (demand) and  
Total Housing Inventory (supply), 2017

Source: U.S. Census ACS 5-year estimates,  
B19019, B25063, B25118; Economic & Planning Systems



**2. *Housing in the Eagle to Gypsum area is meeting housing demands from other parts of the region.***

This area contains 1,300 housing units that essentially meet housing demands emanating from other parts of the region. On the basis of affordability, however, the area has a small (200-unit) shortfall for households at 60 percent AMI and a 160-unit shortfall at 140 to 160 percent AMI. Those conditions, however, are likely to change over the next 10 years,<sup>1</sup> when a 1,100-unit shortfall at 60 percent AMI and a 150 unit shortfall at 80 to 100 percent AMI are projected to emerge.

*"Government officials in the area need to look at the long-term big picture and decide if they want to attract young professionals who will stay to raise families or just cater to the wealthy..."*

Source: Resident / Workforce Survey 2018  
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**3. *Housing in the New Castle to Parachute area is also meeting housing demands from other parts of the region.***

This area contains 2,600 units that meet housing demands emanating from other parts of the region. On the basis of affordability level, the local supply amply meets demands being generated locally.

**4. *Demand for housing in the Glenwood Springs area exceeds its supply.***

The area has an overall 2,000-unit shortfall, which is projected to remain relatively the same over the next 10 years. That shortfall is also spread across nearly every income level, but the shortfall for the missing middle category (120 to 160 percent AMI) is projected to double by 2027 (from 500 to 1,000 units).

**5. *The Carbondale area's inventory is also meeting non-local demand.***

The area's housing supply has a net 1,200 units meeting non-local housing demand, which is projected to remain relatively constant through 2027. On the basis of affordability level, the current 600-unit shortfall at 60 percent AMI is projected to stay the same, and shortfalls at every level between 80 to 140 percent AMI are anticipated to emerge.

**6. *The Basalt area's housing market is fairly balanced.***

In 2017, it is estimated that the area had a 500-unit excess of units (though this falls within a margin of error<sup>2</sup>). On the basis of income, however, current 1,000-unit shortfalls (under 80 percent AMI) are projected to expand and widen to approximately 1,600 at 120 percent AMI or below.

<sup>1</sup> It should be noted that for this and other areas of the GRFR, the same projection assumptions were used.

<sup>2</sup> The U.S. Census ACS 2017 5-year estimate for the Town of Basalt is approximately 2,200 housing units with a nearly 300-unit margin of error (MOE), +/- 14 percent. Given that this analysis uses the zip code 81621, a MOE of 14 percent could suggest that the balance of local demand and supply is closer to zero (0).

### ***7. Demand for housing in the Aspen to Snowmass area exceeds supply.***

The Aspen to Snowmass area currently has a 3,000-unit shortfall, which is projected to increase to 3,400 units by 2027. As expected in such a high-priced market, the shortfall is spread across the entire affordability spectrum (except for above 160 percent AMI, which contains an excess of 1,000 units). Collectively, the area has a 4,000-unit shortfall for households under 160 percent AMI, and by 2027, that shortfall is projected to increase to 5,200 units.

*"Aspen may be beautiful and offer some great things, but if you are financially stressed 24-7 and living paycheck to paycheck even with good jobs, the quality of life actually [stinks]."*

Source: Resident / Workforce Survey 2018  
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### **Where is this demand coming from?**

Jobs and people generate demand for housing. Business and employment growth translate to housing demand, and households choose where to live based on a variety of factors. At different life stages, people and households have different preferences for what they want in a house, their neighborhood, and a community.

### ***8. Year-round business growth means more need for resident housing.***

Job growth is a sign of the economic health, and between 2001 and 2017, the GRFR added more than 10,000 jobs to its year-round business sectors. Relative to the state, the region accounts for 2 percent of Colorado's jobs, but captured more than 2.5 percent of the state's growth during this time.

### ***9. Seasonal housing needs are relatively the same as they were more than a decade ago.***

The magnitude of seasonal jobs has remained relatively constant in actual numbers but declined as a portion of overall employment.<sup>3</sup> During the recession, many of the seasonal workforce needs were met by international workers.

### ***10. Proprietorships are a mainstay of the regional economy.***

Proprietorships will continue to be a ubiquitous phenomenon of the labor force and business activity in the GRFR as long as there is seasonality in the larger economy. An analysis shows that the GRFR had approximately 33,000 sole proprietors in 2017, up from 22,000 in 2001.<sup>4</sup>

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<sup>3</sup>

See

the

discussion

of

Seasonality On page 31.

<sup>4</sup> See the discussion of Proprietorships on page 32.



### **11. The regional population grew by young and old, but mostly old.**

The GRFR grew by 28,000 residents (approximately 10,000 households) between 2001 and 2017, more than 1,700 persons per year. Just over 20 percent of the growth was in population between 35 and 64; more than 40 was under 35; and nearly 60 percent was over 65. Over the next 10 years, the regional population is projected to grow by 24,000 people—33 percent under 35; 30 percent 35 to 64; and 30 percent over 65.

### **12. An aging population requires different housing solutions, care, and services.**

Although longer life expectancies can be attributable to advances in medical treatment and healthier lifestyle, living longer means these medical services and treatments need to be available. It also means that different housing solutions need to be addressed. Elderly households frequently express an interest in downsizing and lower maintenance living arrangements, but also express frustration that there are so few, if any, opportunities in the region. Not only does the lack of appropriate housing impact their quality of life, it negatively impacts the region and municipal sales tax revenue collections.<sup>5</sup>

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*"The only way I will be able to remain in this area when I retire is if I am able to obtain an apartment in one of the senior housing complexes in the area. There is so little housing available in this area that someone on a fixed income can afford."*

Source: Resident / Workforce Survey 2018  
Y:\Projects\DEN\173102-Roaring Fork Valley Regional Housing Needs\Data\173102-Text Boxes.xlsx Sheet 1

### **13. Lower mortgage interest rates were supposed to work in people's favor.**

Although approximately 3,500 households paid off their mortgages between 2000 and 2017, they were not replaced by a proportional number of new owner households. As a result, the percentage of owner households with a mortgage dropped from 79 percent to 73 percent over this time. Ironically, historically low borrowing conditions were supposed to incent more households into homeownership, but they exacerbated the unsustainable increase in housing sales prices and instead ushered in a period of ownership disinvestment.

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<sup>5</sup> Analysis of Bureau of Labor Statistics Consumer Expenditure Survey data shows that older households spend less on typical taxable retail items and more on "experiential" purchases, such as travel. While elderly households typically spend less than households of working age (35 to 64), a bulk of their purchases (i.e. travel) do not generate local sales taxes.



## Housing supply matters by type, price, and location

Housing supply constraints, land availability, and a variety of factors (adequate infrastructure, roads, sewer, utilities, and public services) impact where a household chooses to live. Considering substantial rates of second homeownership and inventory used for short-term rentals, this set of circumstances becomes a major market challenge.

### ***14. The overall housing inventory grew proportionally to jobs.***

The region added 11,900 housing units (nearly 750 units per year) between 2000 and 2017—almost identical to the net increase in wage and salary jobs. Unfortunately, much of that construction (60 percent) took place in primarily out-commuting locations—i.e. the New Castle to Parachute and Eagle to Gypsum areas (36 and 25 percent, respectively). Moreover, 16 percent of the new inventory is estimated to have been built for the second homeowner market—defined as “vacant, for seasonal use.”

### ***15. Non-local ownership increased its toehold in the region.***

While the portion of residential properties (single family and multifamily) in local ownership decreased from 73 to 72 percent, nearly 60 percent of new residential property valuation added between 2005 and 2017 was in the hands of non-locals.<sup>6</sup>

### ***16. Short term rentals (STR) are a constraint on housing for residents.<sup>7</sup>***

A current snapshot of STRs in the GRFR reveals more than 1,600 listings—more than 3 percent of the region’s entire housing stock (i.e. total housing inventory). As expected, a majority of STRs are located in the Aspen to Snowmass area, with smaller proportions in the other areas of the region, ranging from less than 1 percent of total inventory in New Castle to Parachute to approximately 3 percent of the Carbondale area’s inventory.<sup>8</sup>

### ***17. The cost to build housing has increased.***

Rising home prices are not just the product of market demand factors; they are the result of costs and/or shortages of labor and materials.<sup>9</sup> Since 2001, materials costs have appreciated 56 percent, and the cost of labor has risen by 70 percent. Confounding this trend was the net loss (and lack of recovery) of more than 1,300 construction jobs after 2008.

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<sup>6</sup> Local ownership was defined as when the property owner zip code was among the 19 zip codes used to define the GRFR. Non-local ownership was designated when the property owner zip code was anything other than one of the zip codes defined as the GRFR.

<sup>7</sup> The term short-term rental (STR) or vacation rental refers to the rental of a furnished home, apartment, or condominium for a “short-term stay.” Definitions of “short-term” vary from 5 days or fewer to up to 60 days. STRs can be managed independently by owners or third-party representatives and/or advertised via online platforms such as [www.airbnb.com](http://www.airbnb.com), [www.vrbo.com](http://www.vrbo.com), or others.

<sup>8</sup> Although this study does not delve into a measurement of the impact that STRs have, their impact can be generally understood as a constraint on supply, which under any circumstances (holding all other demand drivers constant) will cause an increase in the price of housing.

<sup>9</sup> Typically, the cost of constructing a house accounts for 55 to 60 percent of the sales price of a home. Of that, approximately half is the cost of materials and half is the cost of labor.

## How unaffordable are housing prices?

The type of demand and supply constraints the region experiences inevitably lead to affordability challenges. Rates of commuting increase, ownership and investment declines, and the community and environment suffer. Most concerning is that this impacts the community, its heritage, and the people's quality of life.

### **18. A second homeowner-driven market has driven its workforce away from their jobs.**

The region's workers have struggled for decades with the price of housing, and that is one of the main reasons why the region has become so large; workers have sought more affordable and available housing farther and farther away from their jobs. In 2017 and 2018, the (weighted) average price of housing in the GRFR fluctuated between \$700,000 and \$1,000,000—from just under \$400,000 in the New Castle to Parachute area to the out-of-reach high in the Aspen to Snowmass area of \$2.4 million.

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*"I am appalled at the housing condition! I will continue to fight to find a place for my family and to attend meetings in the area to ensure others in my situation have an option, but I am losing hope in this valley caring about the housing and life quality of its non-wealthy, non-retired locals and workers."*

Source: Resident / Workforce Survey 2018  
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Needs\Data\173102-Text Boxes.xlsx\Sheet1

### **19. An investor-driven market exposes its workforce to the risk of equity loss.**

In years following the Great Recession<sup>10</sup>, nearly every one of the areas (including those whose housing markets are oriented more to the workforce) of the region experienced serious housing price drops and protracted volatility. While forecasting another market contraction was not a part of this study, continued expansion of the second homeowner market does illuminate the risk that another downturn may have similarly detrimental impacts on the region's resident population and workforce.

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<sup>10</sup> The National Bureau of Economic Research (NBER) defines an economic recession as: "a significant decline in economic activity spread across the economy, lasting more than a few months, normally visible in real GDP, real income, employment, industrial production, and wholesale-retail sales." The Great Recession refers to the period of economic contraction beginning in December 2007 and ending in June 2009.

**20. *The gap between what a household can afford and the median price of a home will widen further.***

The affordability gap has widened in each area of the region—from \$116,000 in the Eagle to Gypsum area to \$290,000 in the Carbondale area and \$1.4 million in the Aspen to Snowmass area.<sup>11,12</sup> Given the upward trajectory of the Federal Reserve’s overnight borrowing rate, it is easy to imagine mortgage rates rising higher over the next decade. Although forecasting is filled with uncertainty, affordability gaps could widen by another 100 to 400 percent (depending on area) over the next 10 years.

**21. *Cross-commuting patterns are the “market” solution to affordability challenges.***

The Aspen to Snowmass area imports an average of 7,500 workers per day, and Glenwood Springs is a net importer of 2,400 workers. The other areas generally export workers. From a policy perspective, these cross-commuting patterns are what happens when the “market is left to its own devices.” That is, the market may be “taking care of itself”, but it is not taking care of workers’ quality-of-life—for those who would rather not commute as far.

*"No one is asking for palaces on top of Red Mountain. We just want 'starter homes', like the rich people all around us had in the 1950s."*

Source: Resident / Workforce Survey 2018  
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Needs\Data\173102-Text Boxes.xlsx Sheet 1

**22. *Cost burden costs the region \$54 million a year.***

Although some households are making quality of life trade-offs when they choose to spend more than 30 percent of their incomes on housing, the economic impact of “overspending” cannot be overlooked. It is estimated that overspending amounted to approximately \$54 million in 2017, averaging \$320 per month for each of the region’s 14,100 cost-burdened households. The impact is that \$320 per month spent regionally would recirculate locally in very different ways (creating jobs) in the hands of households rather than the hands of non-local landlords or residential mortgage bond-holders (e.g. Wall Street).

<sup>11</sup> This analysis uses regional median household incomes from the Department of Housing and Urban Development as well as current underwriting conditions. The affordability gap is the difference between the median price of a home sold and what a household (4 persons) earning the median income.

<sup>12</sup> The analysis utilizes historic 30-year fixed rate mortgage information from the Federal Reserve Bank of St. Louis, an average property tax mill levy of 52 mills, factors for insurance and utilities, as well as a 10 percent down payment.

## Findings and Conclusions: Household and Employer Surveys

The survey-based component of the study was conducted during late winter and spring 2018. An extensive survey-based effort targeted both local residents/employees and employers. Full results of the surveys are presented in a report that discusses key findings. In addition, the survey results have been portrayed in a series of Appendices that are provided under separate cover. Below, selected highlights of the survey research are summarized.

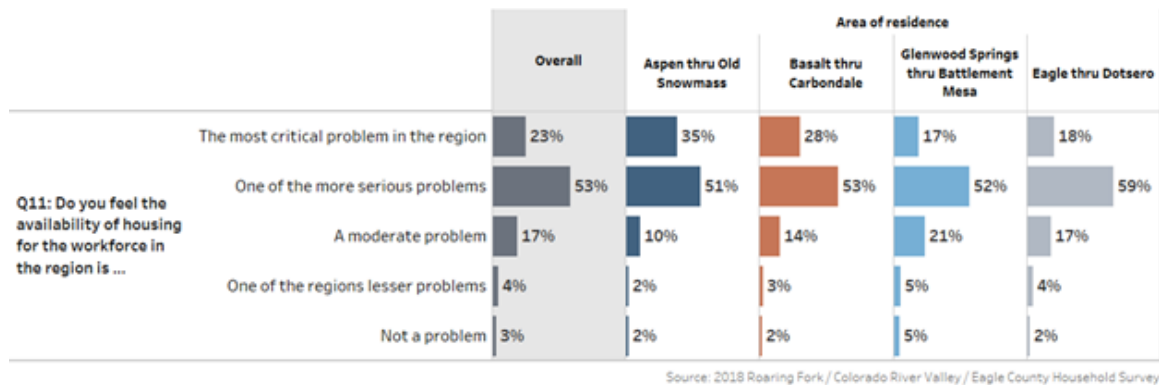
### What are workers and residents saying?

Feedback from the surveys support an overall conclusion: residents and employers throughout the region are experiencing housing problems and the similarities between survey results from both groups are striking. To a large extent, housing issues are being felt throughout the area and the problems generally don't respect city or county boundaries.

Among residents, dissatisfaction with current residence was probed in a variety of ways. Overall, about 1 in 10 residents report they are "somewhat" or "very" dissatisfied with their current residence. Similarly, about 9% report dissatisfaction with the community where they live. Responses to this question are similar across the region although average satisfaction ratings with residence are somewhat lower (more dissatisfaction) in the Aspen/Snowmass area (3.8) compared to Glenwood Springs through Battlement Mesa (4.0), and Eagle through Dotsero (4.2). Survey results show that renters are more than twice as likely to be dissatisfied (19% compared to 7% owners).

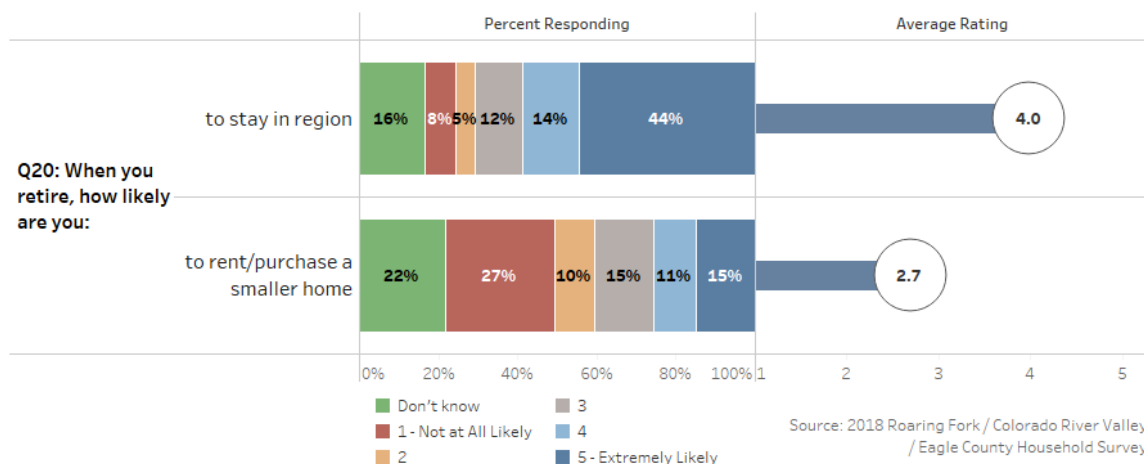
Further exploration of dissatisfaction shows that couples with children, single parents with children and unrelated roommates are relatively more likely to rate satisfaction with their residence to be a low. Although the majority of respondents did not report dissatisfaction with their residence, the problems experienced by those that are dissatisfied are challenging and the complaints aired in open-ended comments reinforce these findings. Targeting the dissatisfied segment of residents should be a focus of local programs.

The relatively low level of dissatisfaction of residents is in seeming contrast to the widely held belief by residents and employers alike that housing is a "serious" or "critical" problem. While many are not dissatisfied with their homes, they recognize the housing problems are widespread and that housing issues create other impacts including traffic and commuter-related congestion and service quality issues as explained in open-ended comments obtained through the survey. The fact that this opinion is shared by most residents living throughout the region (76%), is illustrated by the graph below. Similarly, employers called it a problem at the same level, 76%. Consensus between residents and employers that availability of housing represents a major problem provides an environment where public and private sector cooperative efforts become more viable.



Retiring workers are a time bomb - problems exist today but they will only get worse. The currently housed work force will be getting smaller because of increasing percentages of retirees in the next few years, and a significant number of retiring workers now live in deed restricted units exacerbating the challenges. The survey finding that many older households want to stay in their community and in their current residence worsens the problems. The survey data can be analyzed further as policy discussions on retirement-related issues move.

Survey respondents were asked how they expect to use their home in the future. This figure varies from 82% in Aspen/Snowmass to 64% in Glenwood to Parachute. While few respondents expect to sell and move outside the area (8% overall), this expectation was relatively higher in the down valley areas (12%) and very low in Aspen (4%). Overall, the results show general similarities across the region; in other words, all communities can expect a significant number of residents to want to stay in their community and in place into the future. The survey results also suggest that there is a segment of the community that will be interested in renting or purchasing a smaller home upon retirement—about 26% say they are “extremely” or “very” likely. Encouraging the development of some new smaller homes for retiring workers should be considered as a part of local housing plans.



Live/Work Patterns. The relationship between where households live and where they work in the region is central to understanding current housing demand patterns and to planning for future housing and transportation policies. Analyzing these patterns is complex because households typically have more than one worker and for most, the decision where to live is based on a calculus that includes a variety of considerations. Commuting patterns and demand are closely tied to housing problems. The fact that significant percentages of employees are commuting long distances has a variety of implications. The data can support analysis of policy options and the relationship between commuting and housing tradeoffs.

Commuting. With the exception of Aspen, most households in the region have one or more workers working outside their community. Another way of looking at these data is to consider the pull of Aspen as an employment center. Survey results show that in communities between Snowmass and El Jebel, between 62% and 97% of respondents have one or more household member working in Aspen. Among Carbondale residents the figure drops to 49%, and it then falls off even more sharply among Glenwood Springs (16%) and Rifle (8%) residents. Nonetheless, a still significant 18-20% of New Castle and Silt households report one or more persons working in Aspen. The survey clearly shows widespread commuting that provides the demand that is served in part by RFTA and by other efforts including employer transportation assistance or subsidies.

The survey also explored where current residents “would like to live if you could afford the cost of housing.” Results show 91% of Aspen respondents prefer Aspen, 67% of Snowmass residents prefer Snowmass, and 56% of Basalt residents prefer Basalt. Significant majorities living in Carbondale (75%) and Glenwood Springs (64%) also prefer their communities. Among towns further west the figure dips to between 40 and 50%. For residents in Eagle it is a high 78%, and in Gypsum it is 63%. These data are important, with many implications. For example, they suggest that while Aspen may be the location of employment for many, it is not necessarily everyone’s preferred place to live. Additionally, the data provide a measure of current living conditions in the region; this metric could be used to measure change over time as individual communities work on policies and infrastructure to enhance their livability and attractiveness.

Employers Subsidizing Transportation Costs. Assistance with the costs of commuting are quite widely provided in the Aspen/Snowmass area (31%) and in the Basalt/Carbondale area (38%). Transportation subsidies are less common in Glenwood Springs and for residents further to the west (18%), and in Eagle County (12%).

Preferences – Important Factors in Looking for a Place to Live. Cost of housing to buy/rent was most identified (receiving an average score of 4.6 on a five-point scale). Of interest, while there are some differences by community (for example, Aspen residents choosing “proximity to place of employment” and “proximity to bus/shuttle”) the overall averages are fairly similar across the geographic areas.

Examples include "community character" and "energy efficiency" which were rated of relatively high importance and received similar ratings from all geographic areas.

Interest in Considering a Deed-Restricted Unit? There was an overall willingness to consider purchasing units with deed restrictions among about two-thirds of survey respondents. However, this figure varies geographically with 83% willingness in Aspen/Snowmass, to more like 50 to 70% in other areas. The open-ended responses to this question help to explain the thinking of residents. Those that are not interested sometimes cite the loss of resale value, a "poor investment" and "not worth it," and inability to qualify, and concerns/dislike for the program as reasons for saying "no, they would not consider it."

Open-Ended Comments. The Household Survey contained a large number of "open-ended" questions that permitted respondents to comment or expand upon a quantitative response. Taken together, these comments represent over 300 pages of input. In an effort to make these results readily available the consultant team has provided several different summaries of the results. Various "themes" emerge from written comments and they are categorized into various sub-categories. Additionally, a listing of verbatim comments from several of the key open-ended questions is presented as an Appendix to the full report.

A Comments Tool. Provided to assist in reviewing comments, the tool is a means for self-exploration of the comments using an Excel based feature. A reader can investigate comments by community and can also get a feel for the range of suggestions and the total number of individual responses received in response to each survey question. The tool has been provided under separate cover and it can be shared with interested individuals upon request

## What are employers saying?

The primary purpose of the Employer Survey was to understand local housing and employment issues from the perspective of employers. The survey collected a variety of data on employment patterns, the impact of housing availability on retaining/recruiting employees and business operations, employer opinions, and activities regarding local workforce housing, and related issues. A total of 300 employer surveys were received. The responding employers represent a diverse range of sizes, locations, and industry sectors. The responding employers account for 14,485 total peak-season employees (taking the maximum of winter employment and summer employment for each employer), an appreciable share of total employment in the region.

Employer Demographics. The survey contained a series of questions designed to characterize employers on the basis of location, industry sector, square footage, and other functional characteristics. Employer location - Responses were obtained from employers throughout the region, with the greatest representation in the employment centers of Aspen (43%) and Glenwood Springs (20%). Industry sector - Survey respondents were distributed across a broad variety of industry sectors, led by construction (10% of respondents), retail trade (10%), professional/scientific/technical services (8%), and bar/restaurant (7%). Square footage - Employers occupied a diverse range of spaces, with 22% occupying less than 1,000 square feet, 32% occupying 1,000–2,499 square feet, 15% occupying 2,500 – 4,999 square feet, 11% occupying 5,000 – 9,999 square feet, and 20% occupying 10,000+ square feet. The median space occupied was 2,200 square feet, and the average (pulled up by very large employers) was 19,251 square feet. The broad representation of employers in the sample provides a data base that could be used to further explore policy options in the future (i.e. employer opinions and support for housing initiatives, fees or subsidies, etc.).

Employees by job status. Employers were asked to report their total number of year-round full-time, year-round part-time, seasonal full-time, and seasonal part-time employees, in both the summer and winter seasons. Findings included:

- Year-round vs. seasonal job status: Most jobs with responding employers are held by year-round employees in both summer (80% of employees) and to a lesser degree winter (69%). A significant share of employees are seasonal in summer (20%) and to a higher degree in winter (31%).
- Full-time/part-time job status: Most persons employed by responding employers are full-time workers (32 or more hours per week), while a minority are part-time (under 32 hours/week).

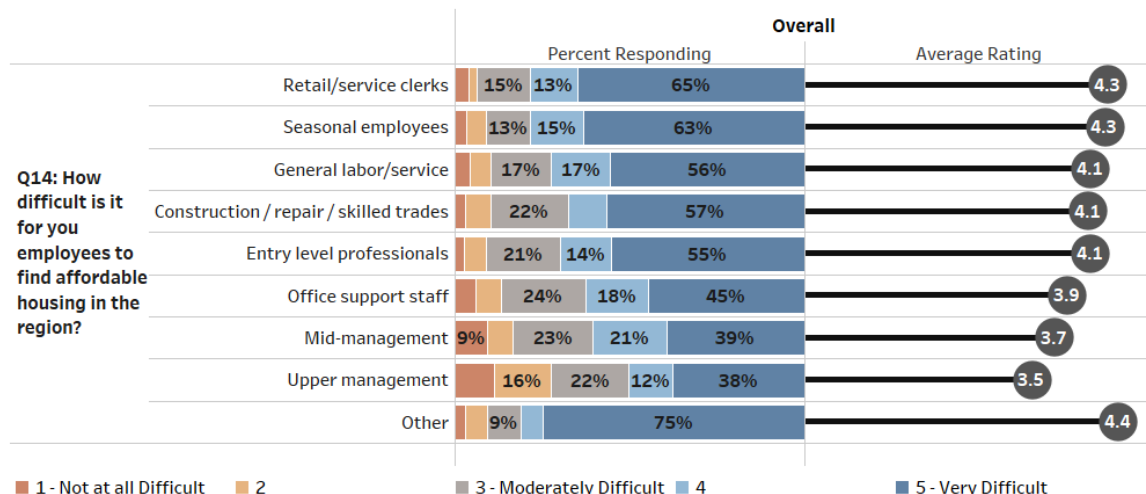


Unfilled jobs at the present time. Fully 45% of responding employers said they had unfilled jobs at the present time, including 37% with unfilled full-time jobs and 19% with unfilled part-time jobs. This past winter (2017/18 season), 32% of responding employers had jobs they were unable to fill. The share of employers with unfilled jobs varied from 18% for employers with 1 to 4 workers to 60% for employers with 50+ workers. Employers—including respondents both fully staffed and understaffed—were on average understaffed by 2.8% this past winter.

Persons unable to accept a job or who left employment because they lacked affordable housing. In the past 12 months, 47% of responding employers had workers decline a job or leave their employment due to a lack of affordable housing. Employers had an average of 3.2 job candidates or employees in this situation, which is equivalent to 6.3% of their peak season employment.

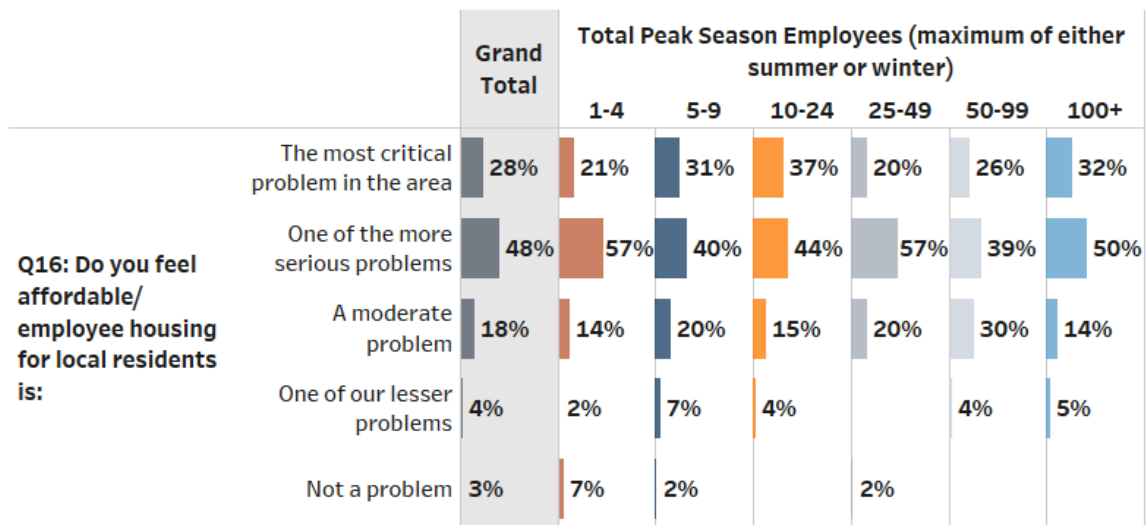
Ease of finding and retaining qualified employees, and challenges in recruiting. Most employers (57%) say it has gotten harder to find and retain qualified employees over the past three years, while 28% say it has stayed about the same, and just 1% say it has gotten easier (13% don't know). Fully 86% of responding employers say they have challenges in recruiting and retaining employees, including 74% of the smallest employers and 100% of the largest. The biggest challenge by far is a lack of affordable housing, cited by 66% of employers.

How difficult is it for your employees to find affordable housing? Employers were asked to rate how difficult it is for various employee groups to find affordable housing. A majority of employers believe it is “5-very difficult” for: retail/service clerks (65%), seasonal employees (63%), general labor/service (56%), construction/repair/skilled trades (57%), and entry level professionals (55%). A significant but smaller share of employers say that finding affordable housing is very difficult for office support staff (45%), mid-management (39%), and upper management (38%).



Impact of housing availability on work performance of employees. Almost three-quarters of employers (73%) feel that the availability of affordable housing has impacted the work performance of their employees, rising from 61% of the smallest employers to 81% of the largest. Impacts include displeasure with wage rates due to high housing costs (48%), high turnover (29%), tardiness from long commutes (29%), high absentee rates (8%), and other issues (7%, e.g. fatigue from long commutes, inability to expand business, etc.).

Seriousness of the issue of affordable/employee housing for local residents. In a key finding from the research, there is broad agreement among employers of all sizes that affordable housing is a problem for residents. This opinion is shared by residents. Most employers feel that affordable/employee housing is a serious issue, with 28% rating it as “the most critical problem in the area,” and 48% rating it as “one of the more serious problems.”

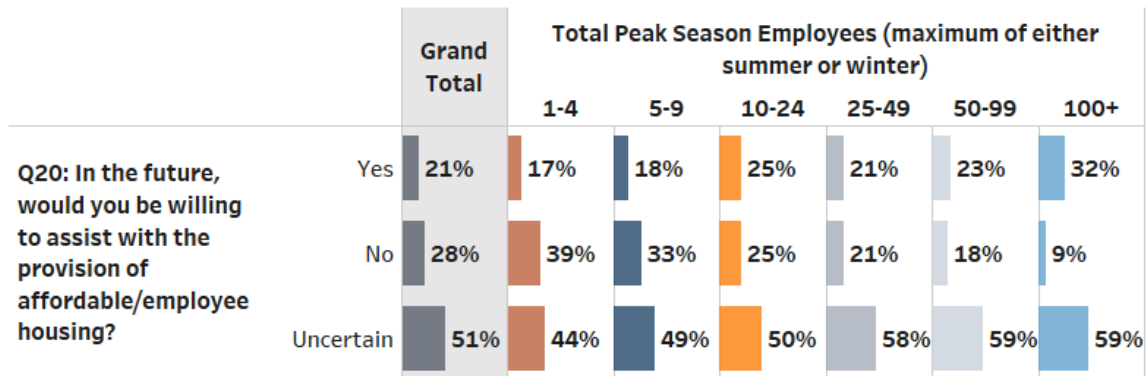


Source: 2018 Roaring Fork / Colorado River Valley / Eagle County Employer Survey

**Employer Actions.** The survey probed specific actions currently being undertaken by employers to address housing needs, as well as their potential willingness to assist in the future. Provision of housing and housing assistance to employees was evaluated. A significant share of employers—the largest employers in particular—provide some type of housing assistance to their employees. Specifically, 17% of respondents provide housing (including 10% of the smallest employers, increasing to 41% of the largest). Additionally, 10% of employers provide other types of housing assistance, including 2-13% of small to medium employers and 36% of the largest. Responding employers provide housing to 1,030 employees in summer and 1,055 employees in winter—roughly equivalent to 9% of their summer employees and 8% of their winter employees. Slightly over half of the employees housed are seasonal employees (53% of employees housed in summer, 54% in winter), while 46-47% of those housed are year-round employees.

Additionally, responding employers provide other types of housing assistance to 275 employees in summer and 260 employees in ski season—roughly equivalent to 2% of their summer and winter employees.

Willingness to assist with provision of affordable housing in the future. About one in five employers (21%) stated they would be willing to assist with the provision of affordable housing in the future, while 28% are unwilling, and fully half (51%) are uncertain. The high level of uncertainty may imply a potential openness to assisting, subject to the details of what that might entail.



Source: 2018 Roaring Fork / Colorado River Valley / Eagle County Employer Survey

(If willing to assist) Preferred type(s) of assistance. Among employers who expressed a willingness to assist, the most preferred types of assistance are leasing housing for employees (57%) and constructing units for employees (46%). Lesser shares cite subsidizing rents (24%), providing down payments (17%), contributing to damage deposits (13%), and other approaches.

(If willing to assist) Type(s) of employees you would assist. Among employers who expressed a willingness to assist, a strong preference is apparent for assisting year-round employees (95% of employers would assist), with much lower shares willing to assist ski season employees (18%) or summer season employees (18%). Survey results indicate that there is broad interest in assisting with housing by employers (25% overall, with over 50% “uncertain”) the preferred types of assistance are narrow: leasing and constructing, and assisting year-round employees, not seasonal. This finding provides direction for future policy discussions, cooperative measures between employers and households, and any potential regulatory efforts.

Open-ended Comments. The Employer Survey included several opportunities for open-ended comments. A complete listing of these comments is presented under separate cover. The comment feedback obtained from the following question included responses that have been grouped into the various topics:

Q24: Do you have any other comments or suggestions regarding affordable housing for employees in the region?

- Affordable Housing Concerns.
- Support vs. Opposition to Employee Housing.
- The Role of Government in Affordable Housing.
- Other Themes and Comments.



## TOWN OF CARBONDALE

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### BOARD OF TRUSTEES AGENDA MEMORANDUM

**TITLE:** Trash Hauling Roll-out Campaign – Public Relations

**SUBMITTING DEPARTMENT:** Administration

**ATTACHMENTS:** (A) PR Studio's Work Proposal

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### BACKGROUND

The Town is moving to a single trash hauler this summer. Staff received feedback and requests from Trustees to secure the services of a public relations firm to work on the trash hauling roll-out campaign, and requested that staff provide an informational update on the project.

### INFORMATIONAL UPDATE

On May 9<sup>th</sup>, the Town secured the services of PR Studio, a Carbondale based public relations firm, who has done work for a number of government entities. Some of the projects you may have heard of or seen branding materials on include:

- Colorado Department of Transportation (CDOT),
- CDOT Grand Avenue Bridge Project,
- Town of Eagle,
- City of Aspen – New City Offices Construction Project,
- Aspen Housing Partnership,
- Castle Creek Bridge/Hallam Street Improvement Project,
- City of Aspen – Engineering Projects,
- City of Aspen – Castle Creek Corridor Improvement Project,
- Roaring Fork & Colorado River Valley E-Bikes Project,
- Pitkin County Open Space & Trails – Town 2 Crown Project,
- Glenwood Springs – Fourth of July Celebrations,
- Aspen Pedestrian Mall,
- and Shop Glenwood Springs branding.

Information about the above projects can be viewed on the PR Studio website at to bottom of their homepage ([www.prstudioco.com](http://www.prstudioco.com)).

On May 13, 2019, the PR Studio Team and Town Staff had a project kick-off meeting, and Town Staff provided PR Studio ALL current documentation and messaging that is in front of the public to date. The PR Studio team is working diligently to create the first round of PR materials.

There will be an internal team meeting on Wednesday, May 22, 2019 to do the first review of PR materials, and provide feedback. At that time there will be a schedule for the release of PR materials presented and discussed with the core group/team. PR Studio will take our feedback and update the materials for release. Staff will then continue to work with PR Studio throughout the remainder of May and the entire month of June to release information to the public as laid out in PR Studio's finalized schedule and plan.

Per trustee feedback, the Town's [waste hauling webpage](#) layout was also updated.

Town Staff would like to thank PR Studio for taking on this important project with short notice.

***Public Feedback*** –What is the most common public feedback we've been receiving?

Most public inquiries up to this point have centered around the following four general categories. This information has been shared with PR Studio, and will be incorporated into their materials.

- Concerns with Volume-Based Pricing- Higher cost than they are currently paying for 96-gallon containers via HOA contracts or other haulers.
- Questions related to multi-family units- Several site-specific questions of whether or not the new contract applies to their specific situation.
- Being able to visualize the different sizes of containers-Want to see the different sizes of containers before they make their decision in June.
- HOA related questions- Current contracts, centralized collection vs. individual collection, how to handle charges in areas where collection is currently part of their HOA dues.

***Internal Preparations*** – What are we doing internally to address to prepare to provide trash hauling services for the citizens of Carbondale?

A full-time employee has been hired in the Finance Department to address signup for trash service. This employee will have a dedicated "trash" phone (970.510.1202) in the dedicated "trash" office. In the office will be a computer which is connected to the internet so customers can sit down and fill out the registration form from our online site for trash and print it out if they would like a copy. Sherrie, our full-time trash employee, will be available to answer questions, help with the registration, and provide any support that may be required.

A sign will be up directing people to the trash office. Finance was a bit reorganized to provide a secure space and privacy for trash customers and to minimize interruptions in the office. A new fund has been set up in Caselle and the rates are being entered so in June as people fill out the forms and submit them either online to [trash@carbondaleco.net](mailto:trash@carbondaleco.net) or in paper, they can be entered as a new service in their utility account.

New reports for trash container & recycle containers have preliminarily been set up so Mountain Waste can order and set up prior to service beginning October 1. This will also allow us a cross reference to determine who hasn't signed up for service and follow up with them.

Prepared by: Angie Sprang; Renae Gustine; & Kevin Schorzman

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Town Manager



Town of Carbondale  
Strategic Communications and Outreach Services  
Waste Hauling Campaign  
**Proposal Letter – Exhibit A**  
May 9, 2019

Presented By:  
Kathleen Wanatowicz, Principal  
PR STUDIO  
970-618-5114  
[Kathleen@prstudioco.com](mailto:Kathleen@prstudioco.com)

## Introduction

The Town of Carbondale is changing the way trash hauling services are managed. It is important for the citizens of Carbondale to be informed. PR STUDIO will lead the awareness campaign targeted at Carbondale citizens. PR STUDIO will develop compelling informational materials and host informational events throughout the month of June.

PR STUDIO is a strategic communications firm located in Carbondale, Colorado and serving clients throughout the western slope, providing full-service communications, outreach and project marketing services.





## Scope Objectives

- Develop understanding of project impacts and create appropriate and engaging communications and outreach plan.
- Advise and counsel on public relations strategy, messaging and media relations.
- Recommend messaging and channels to distribute project information.
- Advise Town of Carbondale on outreach activities and meetings.  
*(3) Pop Up Events: First Friday, City Market, Recreation Center*
- Attend and host meetings as appropriate.
- Coordination with project team.

## Communications Services

- Public relations and outreach
- Develop content for ongoing project information
- Community education and awareness
- Press releases as needed
- Creation of social media content and updates: Facebook, Instagram, Twitter (Town of Carbondale)

## Outreach Services

- Pop-up Events
- One-on-one outreach with stakeholders (HOA outreach, personal calls)

## Monthly Project Service Fee

Service Fees: All services will be billed at a total of \$7,000, including branding, separated over two payments of \$3,500. The lump sum all-inclusive communications service fee includes all communication services above. Direct expenses are not included. The total project service fee will not exceed \$7,000.

- Included: communications and branding artwork; all public relations and outreach efforts
- Branding: Information flyer, social media artwork, advertising development.

## Term

The term of this engagement will be effective May 13<sup>th</sup> through July 1<sup>st</sup>, 2019.

## Direct Expenses | Advertising Budget

PR STUDIO recommends a minimal advertising budget will be needed. This includes radio and print ads. Direct advertising expenses are not anticipated to exceed \$3,000.

Direct Expenses: Advertising in the Sopris Sun, Boosted Social Ads, Underwriting on KDNK, Printing

communications + project management + public relations + community outreach + strategic planning