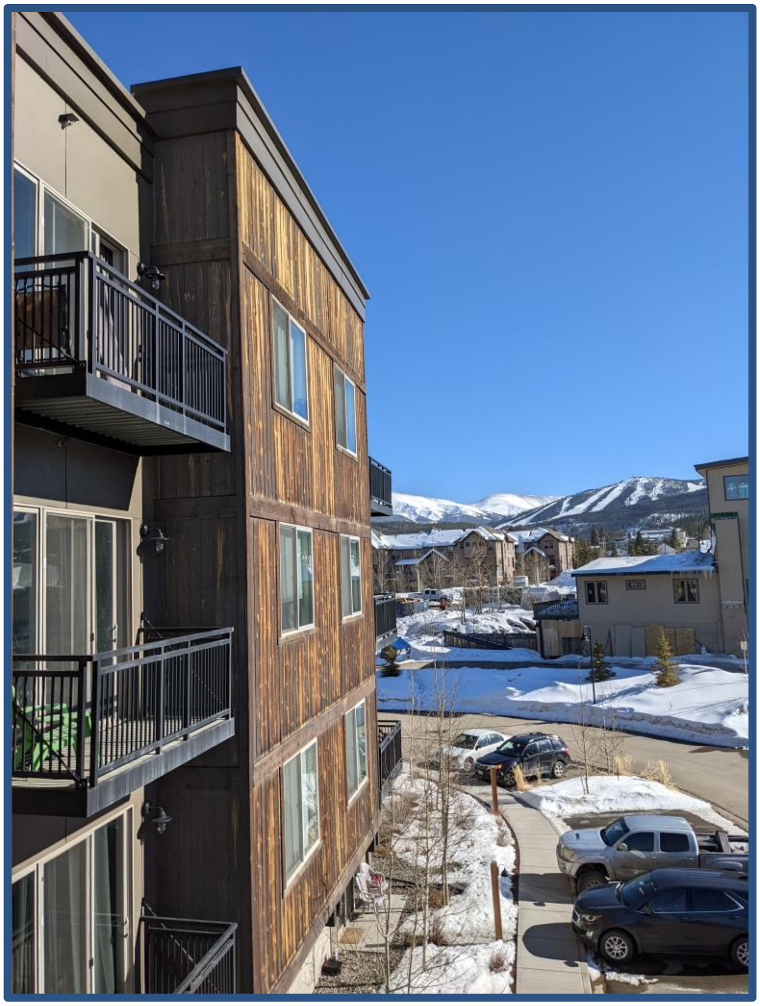
Fraser River Valley



Housing Needs Assessment Update

August 2022

WILLIFORD, LLC
land use & affordable housing

WSW CONSULTING

URBANrural continuum

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Purpose and Scope of the Study

Purpose

The Fraser River Valley Housing Needs Assessment Update was sponsored by Grand County, Colorado, and the Town of Granby, Town of Fraser, and Town of Winter Park. The purpose of this assessment is to evaluate the housing market in the Fraser River Valley, summarize existing housing programs and successes, and identify the housing needs of those who make their living locally.

The data and information in this assessment will help to:

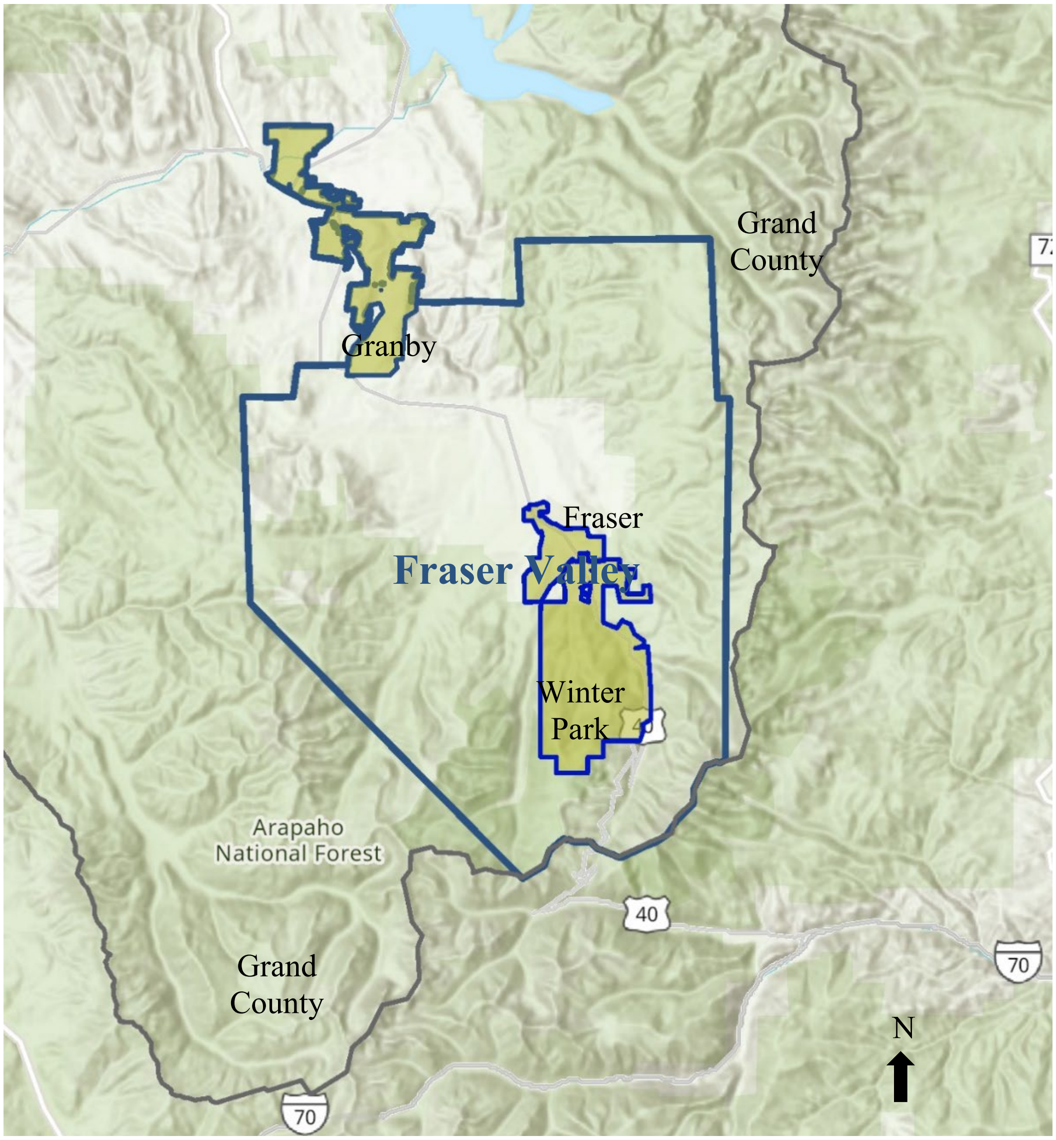
- Inform and assist in the development of future housing policies, new development, and programs;
- Educate the community and stakeholders about the housing issues that affect the local workforce and employers and the benefits to the local community, economy, and environment of expanding housing opportunities for local residents and employees; and
- Acquire financing for local housing projects and programs.

The assessment builds upon data from prior studies, which include *Winter Park Housing Needs Assessment* (2015), *Fraser Housing Needs Assessment* (2016), *Grand County Study Area Housing Needs Assessment* (2018), and *Mountain Migration – Are COVID Impacts on Housing and Services Here to Stay?* (2021).

Study Area

The study area aligns with the geographic boundary of the newly formed Fraser River Valley Housing Partnership in Grand County, which includes the Fraser Valley Recreation District and the Town of Granby, as shown in the below map. Throughout this report, this area is referred to as the Fraser River Valley or The Valley.

Fraser River Valley Study Area



Source: ESRI

Key Definitions

Affordable

This Assessment centers on the understanding of how much households can afford for housing in The Valley. It explores where their needs are being met, and where there are gaps. It uses the definition that housing is affordable when the monthly payment (rent or mortgage, plus utilities) is equal to no more than 30% of a household's gross income (i.e., income before taxes). This definition is industry standard and used by federal and state housing programs. This applies across the income spectrum, from minimum wage to six figures and above.

Area Median Income (AMI)	Household Income Range (2-person household)	Maximum Affordable Rent (2-person household)	Affordable For Sale Price (2-person household)
100%	$70,500	$1,763	$212,300

Source: CHFA, consultant team

Community Housing

Throughout this report, the term “community housing” is used to mean dwellings occupied by residents who live and/or work in the Fraser River Valley. This concept is also referred to as “workforce” or “attainable” housing. The intent is that community housing meets the full range of rental and ownership housing types and prices needed to support household changes over time and ensure The Valley remains a complete and vibrant community.

Executive Summary

While housing opportunities for employees and local residents in the Fraser River Valley have long been challenging, a combination of factors in recent years have exacerbated an already difficult housing situation for people making their living in The Valley. This includes:

- A burst of demand spurred by the COVID pandemic, with a wave of out-of-area households seeking to make The Valley their home – both owners and renters;
- A surge of work-from-home opportunities as businesses shut their offices and permitted employees to work from home. While many businesses have been reigning in their workers in recent months, others have retained this flexibility;
- The East Troublesome fire destroying 384 homes, displacing many long-time residents and reducing the already short housing supply;
- An increase in the number of homes being short-term rented for visitors, while the long-term rental opportunities for locals stagnated, rents rapidly increased, and competition for units rose; and
- Construction supply chain issues and labor shortages contributing to historically high costs of construction, meaning a higher price point for new housing.

Changes in Market Indicators

Looking more specifically at key housing indicators shows the extent of the impact of some of these changes.

Local Occupancy

Changes in the percentage of homes that are occupied year-round indicates whether local residents are gaining or losing ground to second homes and homes for vacation use. The Fraser River Valley has a very low percentage of occupied homes (37%), a rate that is essentially unchanged since 2010. Year-round occupancy did not change much from 2010 to 2020 in Winter Park or Granby, but there was a decrease in Fraser.

Homes Occupied Year-Round

	2000	2010	2020
Grand County	47%	40%	42%
Fraser River Valley	43%	36%	37%
Granby	92%	51%	49%
Fraser	66%	49%	44%
Winter Park	26%	19%	19%

Source: 2000, 2010, 2020 US Census, ESRI

Growth in the Labor Force

A labor force that is growing slower than job growth, as is the case in Grand County, leads to a labor shortage and may be a symptom of a lack of housing options. An estimated 12% of jobs are vacant in the Fraser River Valley, with most employers indicating that a lack of housing is the biggest issue affecting their ability to fill jobs and retain employees.

Change in Labor Force and Jobs: Grand County – 2010 to 2021

	2010	2015	2019	2021	Annual Average % Change (2010-2021)
Labor force	8,924	9,056	9,777	9,718	0.8%
Jobs	8,821	9,792	10,302	10,098	1.2%

Source: Bureau of Labor Statistics (BLS) LAUS, Colorado Demography Office

Home Prices and Incomes

Home sale prices have risen extremely fast. Incomes have also increased, but not nearly at the rate of housing prices. Between these two dynamics, homes are further out of reach for households working locally.

Change in Median Home Sale Prices and Household Incomes: 2018 vs. 2022

	2018	2022	% Change
Granby	$269,550	$684,500	154%
Fraser	$378,200	$874,500	131%
Winter Park	$404,161	$785,000	94%
Median Household Income (Grand County - 3-person household)	$68,400	$79,300	16%

Source: Land Title, MLS, CHFA, consultant team

Note: prices reflect unit types including single family, townhouses, condos and duplexes. Winter Park includes the resort and town areas.

For Sale Inventory

A for-sale inventory below a six-month supply of homes for sale is generally considered to be a seller's market. While a seller's market has existed for many years, the current situation is an extreme seller's market; local workers are unable to find anything to purchase across The Valley.

The majority of employees need homes priced below $380,000 (or 180% AMI). Only one home was available at this price in early June 2022.

For Sale Housing Inventory – Number of Months Supply

	Prior Study	2022
Granby (2018)	2.6 months	1.3 months
Fraser (2016)	1.9 months	1.1 months
Winter Park (2015)	1 year	0.9 months
Fraser River Valley	unknown	1.1 month

Sources: previous Housing Needs Assessments, MLS, consultant team

Market Rents

Market rents have increased significantly in recent years. Average rents have more than doubled in Granby, Fraser, and Winter Park.

Rent Listings – Average Rent Increases

	Granby 2018	Granby 2022	% Change
Average Monthly Rent	$1,417	$3,157	123%
	Fraser 2016	**Fraser 2022**	**% Change**
1-bedroom	$808	No listings	-
2-bedroom	$1,243	$2,759	122%
3-bedroom	$1,700	$4,550	168%
	Winter Park 2015	**Winter Park 2022**	**% Change**
1-bedroom	$841	$1,691	101%
2-bedroom	$1,175	$2,644	125%
3-bedroom	$1,860	$4,067	119%

Note: 2022 figures are based on a small sample size.
Sources: previous Housing Needs Assessments, local rental listings March-April 2022

Rental Vacancy

The rental vacancy rate is and historically has been very low across The Valley. A healthy vacancy level is generally considered to be at least 5%. With vacancies below 1%, the rental market is over capacity and cannot absorb new residents or employees moving to the area, much less allow for existing residents to move as their needs change.

Vacancy Rates for Rental Housing

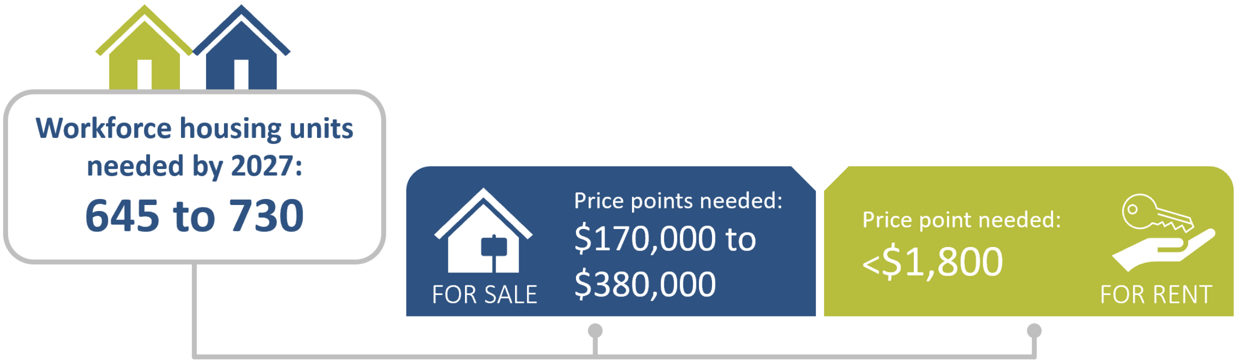
	Prior Study	2022
Granby (2018)	less than 1%	less than 1%
Fraser (2016)	4-6%	less than 1%
Winter Park (2015)	less than 1%	less than 1%

Sources: previous Housing Needs Assessments, local rental listings March-April 2022

Prior studies reported high seasonal fluctuation in vacancy in Winter Park and Fraser, with Winter Park having shoulder season vacancy as high as 30%. Recent property manager interviews indicated that seasonal vacancy has declined.

Housing Needs and Gaps

Between 645 and 730 housing units (in addition to community housing under construction) affordable for residents making their living in The Valley are needed through 2027 to address current housing shortages and keep up with future job growth *(see Deed Restricted Production section)*. The primary need is for rentals prices below $1,800 per month and homes for purchase priced between $170,000 to $380,000.



The gap between what market homes cost to build and what the workforce can afford has increased by over $100,000 in the past seven years. Contributing to this gap are housing prices growing faster than local wages, historically high construction costs, and a rise in interest rates. *(see "How many more housing units are needed through 2027?")*

Community Response

Communities throughout The Valley have prioritized housing for the local workforce and are primed to realize significant progress in the coming months and years:

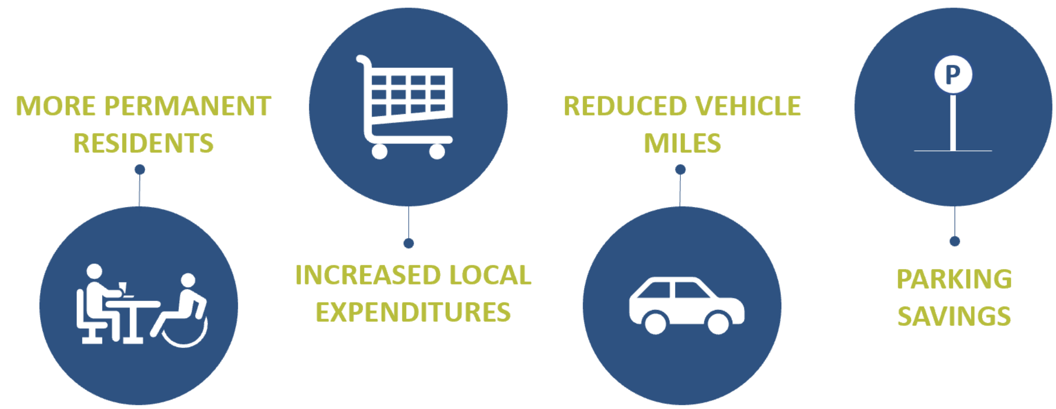
- Deed restricted housing that is under construction will add 112 units in The Valley, almost doubling the current amount (116).
- Granby, Fraser, and Winter Park are catalyzing the construction of deed restricted housing on land they own.
- The Fraser River Valley Housing Partnership, a multijurisdictional housing authority, has been formed and intergovernmental agreements between the four local governments are in place. This entity will coordinate, facilitate, and support the financial feasibility and development of deed restricted housing in The Valley.
- Employers and non-profits are investing in housing solutions.
- Local leaders are exploring asking voters for a dedicated funding source to support the production of community housing.

Strong commitment, dedicated funding, staffing and perseverance will be required to see these investments to completion. (See *What housing has been built and what is planned? What has been accomplished for workforce housing?* and *Recommended Next Steps*.)

How do investments in community housing benefit the community and economy?

Providing housing that local employees can afford greatly benefits the Fraser River Valley. While the current inventory of deed restricted ownership and rental housing is limited (2.4% of housing units in The Valley), the positive impact on the community, economy and residents is already apparent. This section highlights several measurable impacts based on readily available data and input from employers and residents of deed restricted housing through online questionnaires and interviews.

Community Benefits



More Permanent Residents

MORE PERMANENT RESIDENTS

Deed restricted housing provides the opportunity for more permanent residents to live in the Fraser Valley, helping to maintain the community and increase cultural and economic diversity – from artists to teachers to emergency service providers.

36%
of market rate homes are occupied by permanent residents

100%
of deed restricted homes are occupied by permanent residents

We are so grateful for the life we have lived in attainable housing. We stayed in the community because we owned our home. I would love to see the opportunity granted to others.

-Attainable Housing Occupant Comment

	Total units	Resident occupancy rate	Occupied units
Fraser River Valley housing units (2020)	9,669	37%	3,564
Market rate units	9,444	35%	3,339
Deed restricted units	225	100%	225
% of units that are deed restricted	2.3%	-	6.3%

Source: Census, ESRI, interviews

Increased Local Expenditures

INCREASED LOCAL EXPENDITURES

Employees living locally spend more of their wages in the area, recycling their pay into the economy. This reduces seasonal fluctuations in the local economy, supports more local businesses and diverse services, and increases involvement in community events and arts and cultural activities, which benefits residents and visitors alike.

$8.9 MILLION/ YEAR

Is spent by the 225 households occupying deed restricted units in the Valley within the local economy.

Average Expenditures Per Year for Consumers With Incomes Under $70,000[1]

Food & Beverage	Housing	Apparel & Services	Entertainment	Health Care	Gas & Motor Oil	TOTAL Expenditures
$8,466	$20,170	$1,405	$2,659	$4,510	$2,387	$39,597

Source: 2018-2019 US Western Region Consumer Expenditure data, Bureau of Labor Statistics.[2]

Reduced Vehicle Miles Traveled

REDUCED VEHICLE MILES

Deed-restricted homes in the Valley allow employees to afford to live locally. This has significant commute savings in terms of:

- The number of miles driven each week.
- The amount employees spend to commute.
- Reducing traffic congestion and pollution in the Valley.

$825 MONTHLY SAVINGS

In commute costs for Valley employees that live in the Valley. Workers living outside of the Valley drive an average of 33 miles one way, or 330 miles per week.

Employees that work, but do not live, in The Valley primarily commute from other areas in Grand County, such as Grand Lake, Hot Sulphur Springs, and Kremmling.[3] The average commute distance is

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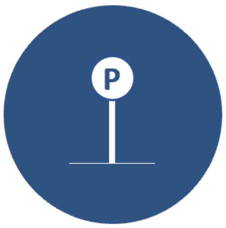
[1] The average yearly household income of deed restricted home occupants is about $65,000. Source: 2022 deed restricted resident online questionnaire.

[2] Resort communities have unique economies – in terms of services and amenities offered, preferences of locals (who may spend more on outdoor activities than other populations), pricing of services and goods (groceries, apparel, fuel) and, of course, housing. These figures are likely conservative given that only expenditures likely to be captured locally have been included (e.g. $39,597 of an estimated $57,387 total expenditures) and they are based on US west averages rather than local pricing and preferences.

[3] Based on Census/LEHD commute data, about 60% of employees working in The Valley (including sole proprietors) reside within Grand County; about 50% reside within The Valley. The majority of employees in the LEHD data that do not reside in Grand County are seasonal workers who come up from the front range, or from further away, for a season. Seasonal employees may live locally while employed in the county, but their permanent tax address (which is a primary source used by the LEHD) shows them living outside of the county. The LEHD shows that only about

about 33 miles one way from these locations. Each employee that resides in The Valley, therefore, saves an average of 330 miles and 5-or-more hours of drive time per week and $825 *per month* in commute costs.[4] Increasing the supply of community housing in The Valley not only saves workers time and money, but may also contribute to fewer vehicle trips on U.S. Highway 40.

Parking Savings



PARKING SAVINGS

By reducing the number of employees driving to work, housing affordable for employees to live near their jobs also reduces congestion on the roads, traffic problems, and the need for parking. Parking often causes frustration among residents, employees, and tourists alike when spaces are unavailable.

$10,000

PER 1 SURFACE PARKING SPACE

In the Town of Winter Park. A structured parking space costs $30,000 in Winter Park.

Employer and Employee Benefits

Secure Housing for Essential Employees

Deed restricted housing in The Valley has provided essential workers with rental and ownership opportunities that would otherwise not be available, providing stability and security to employees, employers, and the community.

2% of employees reside in neighboring counties (e.g., Summit, Clear Creek, and Routt) from which they may conceivably commute to work on a regular basis.

[4] The IRS 2022 mileage reimbursement rate is 62.5 cents/mile. The IRS bases the mileage reimbursement rate on cost data and analysis compiled every year using data from across the country and measures auto insurance premiums, gas prices, maintenance costs, depreciation, and other costs that go into operating a vehicle.

Housing for Essential Employees

The general community benefit of having employees live nearer to work means lower employee turnover, increased employee satisfaction, and lower incidence of tardiness or missed work-days due to commuting. This equates to improved quality of service for residents and visitors.

530 PEOPLE

turned down job offers in the past year because they lacked housing they could afford in the area.

Stronger and More Responsive Services

Having emergency service workers within the community mean that response times and emergency care will be shorter, and services will be available when needed. Health care employees support the public health and welfare of all residents.

Having more skilled health care employees in the community provides better support to the aging population, families, and children.

Improved Customer Service & More Vibrant Community

Visitor service employees are the engine of the resort economy. Satisfied and skilled employees improve customer service for residents and visitors, the bottom line of businesses and increase the vibrancy of the local community.

76%

of those in deed-restricted housing say they have reduced stress about housing by being able to stay in these units. ***60%*** report having ***better quality of life.***

"What, if any, benefits have you experienced by being able to reside in rent or deed restricted housing in the Fraser River Valley? (Mark all that apply)"

	Own	Rent	Total
Reduced stress about housing	82%	74%	76%
Better quality of life	64%	58%	60%
Reduced commute time/distance	45%	58%	55%
More money for things other than housing	55%	55%	55%
Improved home condition/quality	73%	48%	55%
Opportunity to live without roommates	18%	32%	29%
Other benefit - please specify	18%	10%	12%
None of the above - I do not have benefits to report	0%	10%	7%
TOTAL responses	11	31	42

Source: 2022 deed restricted resident online questionnaire

I am so grateful to be at Hideaway Place where I can have secure and affordable housing. I just wish there were more buildings like this so we, as workers, had options.

-Attainable Housing Occupant Comment

Cost to Business When Employees Leave

Employer Cost Savings: Job Recruitment and Training

The lack of housing for employees that they can afford is the most critical problem for most employers in the Valley. The effect on recruiting and retaining employees is significant. When potential employees decline jobs or existing employees leave their job, the cost to businesses is significant.

170 EMPLOYEES

left their employment this past year because they lacked housing they could afford in the area, representing 5% of jobs provided by contacted employers. This cost employers an estimated:

$1.4 MILLION

to recruit and train replacements.

Primary employers in The Valley were contacted to better understand the extent of job recruitment and turnover challenges experienced.[5] The lack of housing for employees was expressed as the biggest issue impacting employers' ability to fill jobs and retain employees.

I know a number of business owners in the area and every single one says employee housing is the single biggest issue impacting their business and it's only been getting worse. It's not sustainable . . . all I can say is it's absolutely critical to this community and businesses may actually not survive. I cannot stress enough the importance.

-Local Employer Comment

Valley employers were asked to estimate how much it costs them to recruit and train employees each time they fill a position.

- National studies estimate that it costs employers between 20% to 30% of an employee's yearly salary to replace that worker. [6] With an average annual wage of $45,260 in the County, this would mean that it would cost between about $9,000 and $13,000 to replace an average employee.
- Valley employers reported that it cost them $8,450 on average to recruit and train a new employee, or about 18% of the average County wage. Costs varied significantly based on

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[5] 18 employers were interviewed and/or provided responses to a short questionnaire, representing 45% of jobs in The Valley.

[6] See, e.g., "There Are Significant Business Costs to Replacing Employees," Center for American Progress, 2012, available at: https://www.americanprogress.org/issues/economy/reports/2012/11/16/44464/there-are-significant-business-costs-to-replacing-employees/

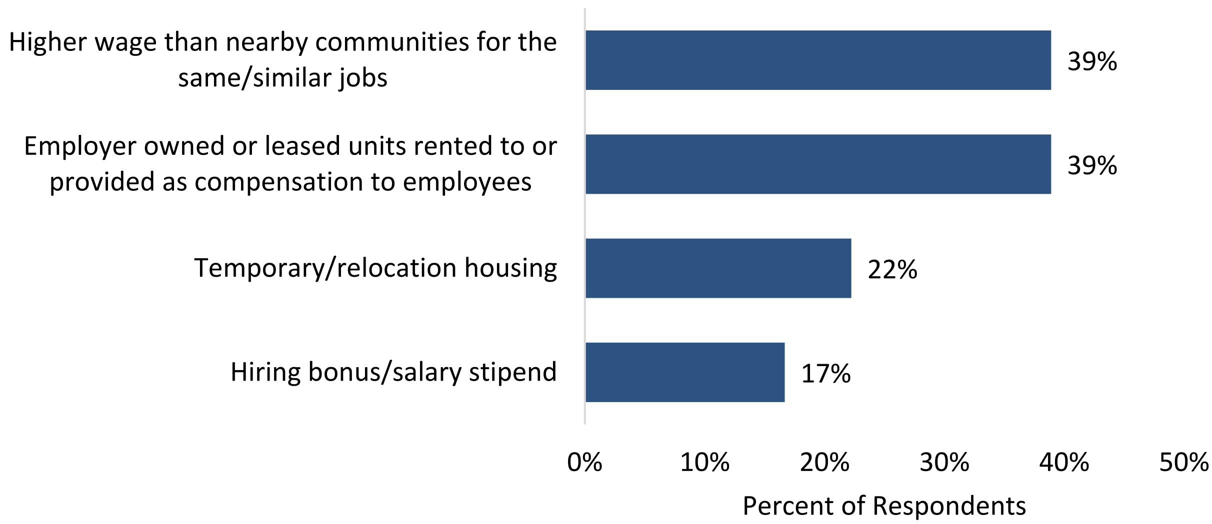
position, generally ranging from $500 to $2,000 for entry or lower skilled positions, $4,000 to $10,000 for mid-level positions, and over $40,000 for skilled health care, utility and labor positions.

Based on these estimates, it will cost survey respondents a combined $1.4 million to replace the 170 employees that left due to a lack of housing.

Employer Involvement in Housing

Employers in The Valley have been active in developing, procuring, and assisting employees with housing and/or paying higher wages. Only three employers contacted indicated they do not provide any type of housing assistance.

"Do you provide any of the following types of housing or cost of living assistance to your employees? (select all that apply)"



Source: Employer questionnaire 2022

Looking ahead, many employers have interest in becoming more involved. Technical assistance and facilitation of partnerships can open up more opportunities.

> *We are interested in working with other community members, businesses, governments, NGOs, school districts, etc. to help address this issue.*
>
> *-Local Employer Comment*

What housing has been built and what is planned?

Deed Restricted Housing Inventory

A total of 116 deed restricted ownership and rental housing for local employees exists in the Fraser River Valley.

Fraser River Valley – Deed Restricted Inventory 2022

Project Name	Own	Rent	Location	≤60%	61%-80%	81%-120%	Employment Only	Total
Miller's Inn	10	8	Winter Park	-	8	10		18
Hideaway Junction	10	0	Winter Park	-	-	-	10	10
Wapiti Meadows*	0	50	Fraser	50	-	-	-	50
Hideaway Place Apartments	0	38	Winter Park	-	-	38	-	38
Subtotal	**20**	**96**	**0**	**50**	**8**	**48**	**10**	**116**
% of subtotal	17%	83%	0%	43%	7%	33%	9%	100%

Source: previous Housing Needs Assessments, interviews, consultant team

*Deed restrictions expire 2025

Housing Permits Since 2018

About 1,436 new residences have been permitted since 2018, or about 343 homes and apartments per year. This data excludes the 99 permits for East Troublesome Fire re-builds, which are outside the study area. Of new residential permits, 150 (10%) were deed restricted.

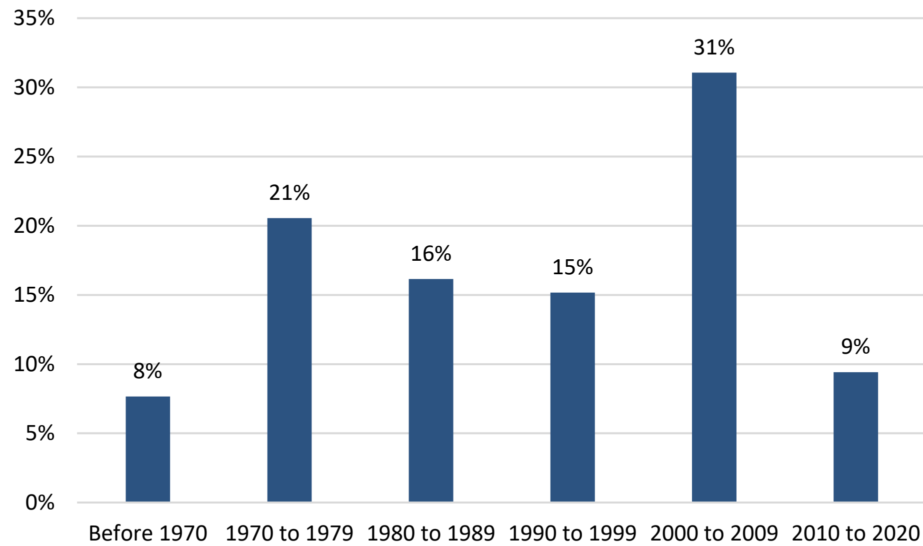
Fraser River Valley New Residential Permits: 2018 - present

	Granby	Fraser	Winter Park	Unincorporated Valley	Total
2018	39	72	96	122	329
2019	136	62	44	79	321
2020	41	38	15	112	206
2021	113	125	117	160	515
2022 YTD	19	12	5	29	65
Total since 2018	**348**	**309**	**277**	**502**	**1,436**
Annual Average	82	74	68	118	343
Market Rate	348	249	189	502	1,288
Deed Restricted	-	62	88	-	150
Deed Restricted % of total	0%	19%	32%	0%	10%

Source: Grand County and Winter Park Building Departments

Despite many permits issued from 2018 to 2020, housing production from 2010 to 2020 did not keep pace with previous decades. The pace of development in 2021 picked up, however, with 60% more permits issued over the 2019 pre-pandemic level.

Age of Homes in the Fraser River Valley



Source: ACS 2015-2019 5-year estimates, 2020 DEC Redistricting Data (PL 94-171)

Deed Restricted Housing Under Construction

Three developments at price points attainable to the local workforce are under construction. Local approvals, financing, and building permits have been secured. Upon completion, these developments will provide much needed housing opportunities for local workers and residents. The 112 rental units currently under construction will essentially double the current inventory. Upon completion, the vast majority will be rentals. The 112 units in the chart below is used to adjust the total housing need, because the new units are not yet occupied. (See *How much Community Housing is Needed through 2027?*)

Workforce Housing - Currently Under Construction 2022

Development Name	Location	Type	Tenure	# of units	Deed Restricted	Target Market
Fireside Creek	Winter Park	Apartments	For rent	50	50	80-120% AMI
Old Town Apartments	Grand County near Fraser	Apartments	For rent	60	50	30-60% AMI
Koselig on Main	Fraser	Apartments	For rent	20	2	Under 80% AMI
Total				**130**	**112**	

Source: stakeholder interviews

Fireside Creek Apartments

This 50-unit building is currently under construction. It includes 40 one-bedroom units and 10 two-bedroom units. There is a deed restriction that buys down rents to 80% AMI for the first five years, after which rents are restricted to 120% AMI. Town contributions included land and about $1.5 million over 10 years. It is a three-story building that had originally been envisioned as a four-story building. One floor was lost through the discretionary site plan review process.

Old Town Apartments

Old Town Apartments is under construction. The development team secured competitive 9% Low Income Housing Tax Credits (LIHTC) and Division of Housing (DOH) Funding in 2019. The Grand County Housing Authority is participating as a special limited partner. The development will have 60 apartments, serving households ranging from 30% to 80% AMI ($21,150 to $56,400). Construction is anticipated to be complete late in 2022. This project has also been called Mill Avenue Apartments in some documents.

Koselig on Main

The development team for Koselig on Main worked with the Town of Fraser to implement a mixed-use project design compatible with a newly updated Residential Mixed Use (RMU) zone that provides incentives for retail and deed restricted housing. The development includes 20 residential units intended to be attainable for people who live and work in The Valley. Apartments range from one- to four-bedrooms, and include two deed restricted units for households below 80% AMI. A local business has also agreed to master lease units for their employees. The development has received Planning Commission support and submitted for building permits to begin construction this summer.

Five Year Housing Production Projection

Housing production appears to be on the rise across The Valley, based on current and pending development approvals. A promising number of developments are proposed to be deed restricted for local residents and employees, however, significant resources will be required to make them economically feasible and they may or may not come to fruition, depending on changing economic conditions. (see *What are the challenges to addressing our community housing needs?*). If these developments are successful, new deed restricted housing production represents about 11% of total projected new housing inventory.

Three important points to consider when interpreting the chart below.

1) None of the units projected in this chart are a sure thing. Economic conditions are changing rapidly, construction and development are resource and risk intensive endeavors, and this housing may not get built.

2) The market rate residences that are planned and entitled are priced and marketed for second homeowners and out-of-town buyers with prices starting at $750,000. Therefore, it is assumed the planned “Market Residences” in the table below will not serve the local workforce.

3) The planned deed restricted developments face serious headwinds related to the cost of infrastructure and construction. ***Substantial financial support from the local communities will be needed for them to come to fruition.*** Currently, an estimated subsidy of about $350,000 is needed to serve a household with income of 100% AMI (See *Cost of Construction*). These developments will need creativity, persistence, public/private partnerships, and new tools to reduce costs and increase local contributions to be successful. Accessing state and federal resources for some portions of these planned developments is also recommended, to ensure scarce local funds are used strategically.

Fraser River Valley: Five Year Residential Projection

	Market Residences	Deed Restricted	Total	% Deed Restricted
Granby	801	200	1,001	20%
Fraser	500	130	570	23%
Winter Park	1,570	65	1,900	3%
Unincorporated Valley	600	40	640	6%
Total	**3,471**	**435**	**4,111**	**11%**
Annual average	694	87	822	

Notes: Seasonal employee housing is not included; totals do not match the community inventories in the "Housing in the Planning Stages by Community" section because those inventories extend well beyond five years.
Source: stakeholder interviews, building department data, consultant team

Housing in the Planning Stages by Community

The sections below summarize the known development opportunities where land has residential entitlements, or entitlements are in process. These development opportunities span from current to several decades in the future.

Granby

Granby has many new market residential units in the planning stages and a significant town-owned site (Highway 40) that could be catalytic for addressing workforce housing needs, as summarized in the following table.

Granby: Planned Residential Development

Name	# of Homes	Deed Restricted	Tenure	Type of Home	Target Market	Timing
Village at Eagle Ridge	26	No	Own	Townhouses	Second homeowners $700,000+	Under construction; many phases
Smith Creek Crossing Phases 2 and 3	80	No	Own	Mobile Homes	Lot rent $643-$693/mo, home prices $250,000+	2022-2023
Granby Market Square	10	No	Both	Mixed Use	Second Homeowners/Some Full Time Residents	Construction start 2022
Granby Station	13	No	Both	Mixed Use	Second Homeowners/Some Full Time Residents	Planning stage
Granby Business Center	Unknown	No	TBD	Mixed Use	Second Homeowners/Some Full Time Residents	Planning stage
Granby Ranch	430	No	Own	Single Family Townhouses	Second Homeowners	Construction start 2023
Silver Ridge	184	No	Own	TH and SF	Second Homeowners/Some Full Time Residents	Construction within 5 years
Highway 40	258	Yes - mixed	Both	Mixed Density	Local workforce	RFP this summer
Childress Property	Unknown	No	TBD	Medium density	TBD	Seeking Annexation
Total	**1,001**					
Known DR*	200					
Known DR %	20%					

Sources: developer interviews, Town of Granby
*DR = Deed Restricted

Highway 40 – Workforce Housing

The Town of Granby owns 30 acres and has developed a master plan that could yield 258 units. The master plan shows a wide range of housing types, with the potential for serving the full spectrum of local housing needs.

The master plan shows development potential for:

- 100 apartments
- 77 townhomes
- 32 duplexes
- 49 single family homes

Most of the site is governed by a covenant that will require homes to be affordable to households below 180% AMI. The Town has drafted a request for qualifications (RFQ) for potential development partners and is seeking to move forward with selection of a development team by early fall 2022, and begin infrastructure development in 2023.

Smith Creek Crossing

This master planned manufactured housing community on the west side of Granby has completed one phase, is under construction on the second phase, and anticipates the third phase being complete in spring 2023. Sun Communities Inc. is the developer and provides financing and community management. Lot rent is $643-$693/month and home prices begin in the mid $200,000 range. Homes are marketed and sold to local residents and second homeowners. Sun Communities works with a third-party financing company called Triad Financial, as traditional mortgages are not available for this product.

Fraser

The current rate of development applications could yield several thousand units over the next decades.

Fraser: Planned Residential Development

Name	# of Homes	Deed Restricted	Tenure	Type of Home	Target Market	Timing
Grand Park	2,697	Unsure	Apartment, Condo, SF, Duplex	For Sale	Second Homeowners/Some Full Time Residents	25-50 Years
Forrest Meadows	380	Unsure	Apartment, Condo	For Sale and Rental	Second Homeowners/Some Full Time Residents	Unsure
Rendezvous (Fraser)	420	Unsure	Apartment, Condo, SF, Duplex	For Sale and Rental	Second Homeowners/Some Full Time Residents	Unsure
Victoria Village	130	Yes – likely 100%	Apartment, Townhome, SF	For Sale and Rental	Local workforce	5-7 Years
Koselig on Main	20	Mix – 2 DR	Apartment, Condo	For Sale and Rental	Local workforce	2 Years
Total	**3,647**					
Known DR*	130					
Known DR %	3.60%					

Sources: developer interviews, Town of Fraser
*DR = Deed Restricted

Most projects are not planned to provide much, if any, housing for local residents. Victoria Village is an exception, and could have a positive impact on the workforce inventory in the near term.

Victoria Village

The Town of Fraser has 11.3 acres to build at least 105-130 units of workforce housing in downtown. The Town is proposing to develop rental housing affordable to households earning 30%-100% of the Area Median Income (AMI), and homeownership opportunities to households with incomes between 60% and 120% of AMI. A mix of uses including commercial buildings and common areas are proposed for the site. The parcel sits at the intersection of two highways on the north side of town, and is adjacent to existing neighborhoods, bus transportation, and employment opportunities. The parcel contains existing water and sewer mains, and electric and natural gas infrastructure. It is a complex site with wetlands, flood zones and easements, but at least 5-7 acres are suitable for housing development.

The property was purchased in May 2022, using a DOH Operation Turn-Key grant, combined with $760,000 from the Town of Fraser. The funding source requires that the project break ground within 24 months of closing, so planning and entitlements will need to move forward quickly. Several developers have contacted the Town regarding partnerships, and the Town intends to issue a RFP to select development partners in the second half of 2022.

Winter Park

Based on entitlements, Winter Park could see over 6,000 new housing units in the future. About 2,000 new residential units are anticipated to be completed over the next five years. Overall, about 5% of entitled units will be targeted to address local workforce housing needs.

Winter Park: Planned Residential Development

Winter Park	# of Homes	Deed Restricted?	For Sale / Rent	Target Market	Estimated Occupancy	Estimated Build-out
Roam	1,076	No	Sale	Second homeowners	2019-2035	15 years
Roam	60	Yes	Sale/Rent	Local	Unknown	Unknown
Lakota	324	No	Sale	Second homeowners	2018-2032	14 years
Rendezvous at Winter Park	1,867	No	Sale	Second homeowners	2020-2050	30 years
Sojourn at Idlewild	216	No	Sale	Second homeowners	2019-2025	6 years
Hideaway Junction – Phase 2	20	Yes	Sale	Local	2024	2 years
Resort Employee	250	No	Rent	Local	2022-2023	2 years
Retreat at Atlas	25	No	Sale	Second homeowners	2022-2025	3 years
Whistlestop	16	No	Sale	Second homeowners	2019-2025	6 years
Lake Trail	16	No	Sale	Second homeowners	2022	1 year
WP Resort	1,454	No	Sale	Second homeowners	Unknown	30 years
Arrow	63	No	Sale	Second homeowners	2018-2022	4 years
Reunion Station	8	No	Sale	Second homeowners	2022	1 year

Winter Park	# of Homes	Deed Restricted?	For Sale / Rent	Target Market	Estimated Occupancy	Estimated Build-out
Riverwalk Tract F	33	No	Sale	Second homeowners	2023-2026	3 years
Headwaters Condo	24	No	Sale	Second homeowners	2022	1 year
Chill Condominiums	42	No	Sale	Second homeowners	2022-2025	3 years
Cooper Creek Village	875	No	Sale	Second homeowners	Unknown	30 years
Cooper Creek Village	45	Yes	Rent	Local	Unknown	6 years
Rogers Annexation	90	No	Sale	Second homeowners	Unknown	Unknown
Total	**6,504**					
Known DR*/Employer	315					
Known DR*/Employer %	5%					

Sources: developer interviews, Town of Winter Park
*DR = Deed Restricted

The community has made significant investments in workforce housing and is on pace to double the current inventory that serves locally employed residents. The planned workforce housing opportunities are summarized below.

Hideaway Junction – Phase 2

The Town of Winter Park owns 20 development ready lots, and is partnering with a private sector developer to deliver deed restricted single family homes for sale as the second phase of this neighborhood. The Town and developer are currently working through contract negotiations, with the hope of delivering homes for sale in early 2024. Town support for the project includes land, infrastructure, and a subsidy of $1.5 million to fill the gap between the cost to construct and desired sale prices.

Resort Employee Housing

Winter Park Resort is proposing to build 250 units which will generate 332 beds. The development is currently going through the planning and predevelopment process, and is on track to begin construction this summer. The new beds are primarily targeted toward the resort’s seasonal employees and will house much of the resort’s seasonal workforce based on anticipated growth.

Unincorporated Grand County

In recent years, the County has issued about 118 new residential permits per year throughout the unincorporated county, not just in The Valley. The vast majority are for single family homes. While some of these homes may serve locally employed households, interviews indicate they are mostly intended for second homeowners. There is one development in the planning stages with a proposed community housing component.

Winter Park	# of Homes	Deed Restricted?	For Sale / Rent	Target Market	Estimated Occupancy	Estimated Build-out
Byers Peak Ranch	1,517	Mix	Apartment, Condo, SF, Duplex	For Sale and Rental	Second Homeowners/Some Full Time Residents	Unknown
Red Hawk Ranch	227	Yes	Sale	Local	Second Homeowners	Unknown
Total	**1,744**					
Known DR*	0					
DR %	0%					

Sources: interviews
*DR = Deed Restricted

Housing Production Compared to Prior Needs Assessments

Significant progress has occurred since the previous Needs Assessments in the Valley.

- Winter Park's prior assessment recommended 40 to 160 new deed restricted homes. Winter Park has accomplished that target, albeit near the middle of the recommended range, with 38 units completed at Hideaway Place Apartments and 50 under construction at Fireside Creek Apartments. All 88 units produced were rentals.
- Fraser's prior assessment recommended producing 40 to 165 deed restricted homes. They are on track to meet this target range with 62 units under construction. Two units are in Town of Fraser and 60 are just adjacent in unincorporated Grand County.
- The 2018 *Grand County Study Area Housing Assessment* showed a need for 135 units in Granby. No deed restricted homes have been built in Granby since that assessment, although some modular homes in Smith Creek Crossing have been attainable for locals.

Loss of Housing

A variety of market and environmental factors have resulted in the loss of housing for the local workforce in recent years, including short term rentals, location neutral workers ("Zoom Boomers"), demolition, and fire. The reversion of deed restricted housing to market rate housing is also a risk.

Short term rentals

Housing that used to be occupied by local working households has been converting to vacation homes and short-term rentals over the past decade. The 2021 Mountain Migration study noted that 9% of renters in Grand County had been forced to move because the home they occupied and rented long term was being sold and converted to a short-term rental.[7]

Hundreds of homes in the Fraser River Valley that could be used as long-term rentals are being used as short-term rentals, adding pressure to an already constrained housing market. About two thirds of the short-term rentals in the county are in the Fraser River Valley as shown below.

Fraser River Valley Short Term Rental Summary

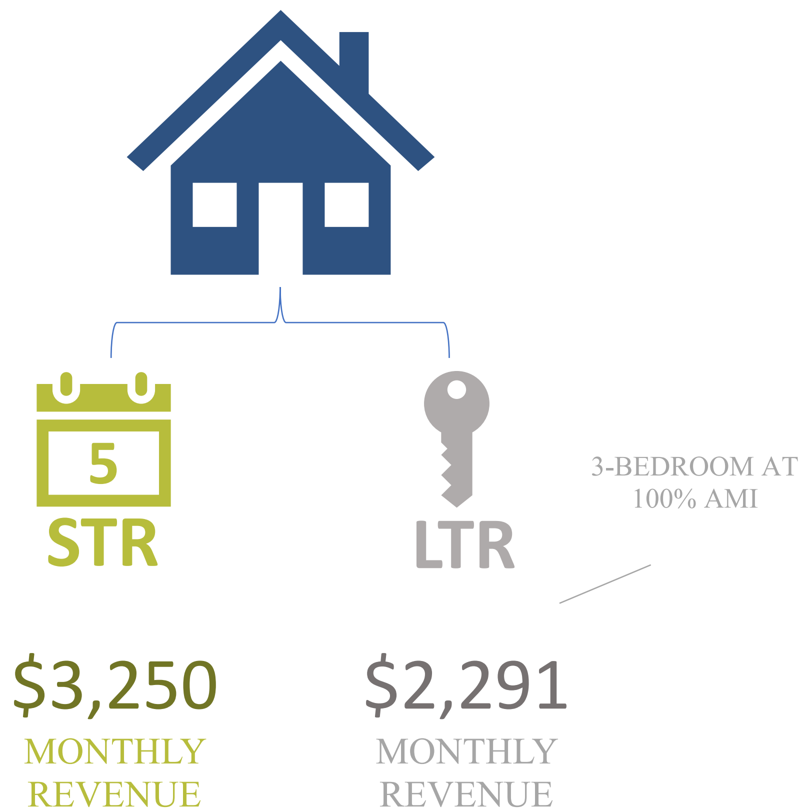
	Granby Area	Fraser Area	Winter Park Area	Tabernash Area
Average Daily Rent	$252	$294	$304	$492
Occupancy Rate	59%	53%	54%	61%
Median Monthly Revenue	$2,896	$3,256	$3,435	$6,414
Median Room Size	2.3 bedrooms	2.8 bedrooms	2.4 bedrooms	3.7 bedrooms
Current Active Rentals	662	531	1,258	119

Note: Location data is not restricted by municipal boundaries and therefore current active rentals in each town may have some overlap. The inventory also may not be comprehensive of all short-term properties.
Source: Air DNA's Market Minder tool.

Occupancy for short-term rentals is 50% to 60% across The Valley. Peak occupancy occurs in July at 80% to 90% and dips down to 20% to 30% in April. The monthly revenue of these units follows a similar trend with peak months yielding over six thousand dollars and shoulder season months producing less than two thousand dollars on average. Despite the fluctuations in revenue, short term rentals often yield higher revenues than on a long-term rental, and provide the added benefit of owners being able to use the unit.

[7] The Mountain Migration Report, Are COVID Impacts on Housing and Services Here to Stay?, Northwest Council of Governments, 2021, available at: https://www.nwccog.org/wp-content/uploads/2021/06/Mtn-Migration-Report-FINAL.pdf

Monthly rental revenue comparison: long- and short-term



Short term rentals in Fraser River Valley's towns (excluding Tabernash) provide a median monthly revenue of $3,250 with the average home being 2.4 bedrooms in size. This exceeds what is the maximum affordable price for someone at 100% AMI for a three-bedroom unit in the Fraser River Valley. Therefore, there is a disincentive to rent units long-term at a rate affordable to the typical locally-employed household.

Overlap between Short-Term and Long-Term Inventory

A study conducted by HR&A[8] estimated that there were 352 short-term rentals in Grand County in 2021 that might otherwise be available and affordable to long term local renters if they were not rented short-term, which is an increase of 47% (112 units) since 2019. While these numbers are significant, it is also expected that they are conservative based on study assumptions and input received through the *Mountain Migration* survey and study.

> *There is such a shortage of workforce locally that Front Range owners are having to drive up to change the sheets and clean the unit mid-week between short term rental commitments.*
>
> *-Local Property Manager*

[8] See Colorado Short Term Rental Impact Study, HR&A, May 2022, available at: https://airbnb.app.box.com/v/coloradoeconomicimpactreport

Property managers observe that short term rentals may be at a tipping point of market saturation, particularly for smaller and older units. The lack of local workforce to clean, provide snow removal, and other management services is also causing some property owners to consider converting to long term rentals.

Short Term Rental Regulations

Local Jurisdictions have responded to the growth in short term rentals with a variety of regulations and incentives.

Winter Park

A diverse community advisory group studied and recommended a short-term rental registration ordinance and fee in early 2021. It was first implemented this past ski season (2021-2022).
Winter Park requires short term rentals to be registered, pay an annual $150 fee, and comply with basic health and safety standards. There are 1,200 registered short-term rentals in Winter Park. The Town plans to move forward with a nexus study this year to evaluate the registration fee.

Granby

Granby requires a short-term rental license. There are currently about 350 active licenses, most of which are located in the second homeowner neighborhoods of Grand Elk or Granby Ranch. There are about three short-term rentals in old town Granby. The Town uses Host Compliance for monitoring.

Fraser

The Town of Fraser has about 300 short term rentals within town limits. They have studied short term rental regulations, but have not yet taken action. The number of licenses is not limited. Fees are $150/year for any type of short-term rental unit. There have been some conversations about making the fee structure more equitable and capturing more of the costs to administer the licenses. Town is interested in exploring a dedicated revenue stream for affordable housing initiatives through short-term rentals as well. Fraser, as a statutory town, is not able to levy an excise tax.

Grand County

Grand County has about 1,000 short-term rentals. The county imposes licensing and health and safety requirements. Grand County has a short-term rental committee that is working on systems improvements, which include database tracking and renewal notification.

Zoom Boomers

The 2021 Mountain Migration study included Grand County, and made the following observations about the increased strain that the work-from-home population put on resort housing markets.

- Across the six-county area, close to 70% of newcomers and 80% of part-time residents have household incomes over $150,000 per year. In contrast, 60% of full-time residents earn under $150,000 in household income per year. The majority of full-time residents making their living in the county do not have the income to compete for housing in the current high competition environment. (*Mountain Migration* page 27)

- Full time resident renters faced serious housing challenges during the peak of the pandemic in 2020.
    - 24% lost their job
    - 18% had a significant rent increase
    - 31% had severe difficulty finding a place to rent
    - 8% were forced to move when their rental sold or converted to a short term rental (*Mountain Migration* page 28)
- Newcomers put additional strain on already tight rental markets. Income levels of newcomers moving to the mountains during Covid was much higher than those who moved in the past. Remote workers rented to stay flexible and test out a new community, and had the resources to outcompete locally-employed households. (*Mountain Migration* page 39)
- For Grand County, only 22% of home sales were to local buyers. The other 78% were to buyers from other parts of Colorado or out of state. (*Mountain Migration* page 31)

Fire and Demolition

The East Troublesome Fire in 2020 destroyed 384 homes. The fire took place north of the study area, but impacted The Valley's housing market as displaced households tried to find housing in an already extremely tight rental market. Only 99 permits have been issued to date for rebuilding homes lost to the fire, and many households remain displaced.

In addition, the Town of Fraser issued a few demolition permits for mobile homes in extremely poor condition. The Town of Winter Park lost a condominium building to fire in 2020. It is being rebuilt, with completion anticipated this summer.

Expiring Deed Restrictions

No housing has been lost to expiring deed restrictions to date, but Wapiti Meadows has a land use restriction agreement through Colorado Housing and Finance Authority that will expire in 2025. Local advocacy to renew and extend that use restriction or create a new deed restriction is recommended.

How much community housing is needed through 2027?

This section quantifies the number of additional housing units needed through 2027 to house the local workforce, broken down into the following two categories.

- Catch-Up Needs – the number of housing units needed to address current deficiencies in housing based on employees needed to fill unfilled jobs.
- Keep-Up Needs – the number of units needed to keep-up with future housing demand through 2027 based on job growth and jobs vacated by retiring employees.

The estimated need for housing focuses on a subset of the total demand for housing in The Valley based on the needs of the local workforce. Other components of need, such as current waitlists for housing, seasonal employees, overcrowding, or households that will be forced to leave due to housing conditions are not included. In addition, remote workers or retirees moving in from elsewhere, second homeowner purchases, investment buyers, and similar market segments are outside the scope of this analysis. As a result, the estimated number of housing units needed identified below is lower than if all other components of need and market segments were included.

Catch Up Needs (Current Conditions)

Unfilled Jobs

When employers cannot fill jobs, business hours are reduced, employees are overworked, and service levels decline. The unemployment rate in Grand County is very low (2.4%). In this tight labor market environment, having housing opportunities for the local workforce provides a competitive advantage.

Based on input from Valley employers, at least 12% of jobs in The Valley are unfilled. This equates to about 1,000 jobs unfilled. About 450 homes are needed to house the employees needed to fill vacant jobs. Seasonal jobs are not included in this calculation.

Housing Units Needed to Help Fill Jobs	
Total Jobs (Grand County, 2021)	10,100
Total Jobs (study area, estimated at 82% of county)	8,280
Study Area Unfilled Jobs (12%)	995
Jobs per employee	1.13
Employees per households with a worker	1.95
New housing units needed	**450**

Source: Colorado Demography Office, 2015-2019 ACS 5-year estimates, LEHD, consultant team

Under Construction Adjustment

An estimated 112 deed restricted rental housing units are under construction (See Deed Restricted Housing Under Construction section). These projects will address some of the catch-up rental needs, so they are deducted from the "Summary of Housing Units Needed through 2027" table below.

Keep Up Needs (Future Needs)

Additional housing units will be needed to keep up with job growth and retirees over the next five years (through 2027).

Job Growth

The Colorado Demography Office projects a low 0.5% annual average rate of job growth through 2027, which is much slower than that rate prior to the pandemic (1.3% per year on average from 2015 to 2019). As a result, the below estimates calculate a range of housing needed based on these two rates. Additionally, because some of the unfilled jobs captured in the catch-up need may be included in job projections, growth estimates only account for four years of growth rather than five to avoid the potential for double counting.

Based on these assumptions, 75 to 160 new units are needed to house employees filling new jobs over the next five years. If all five years of growth is accounted for, 95 to 195 housing units would be needed to keep up with job growth, or 20 to 35 more than below.

Homes needed for Job Growth	Low (0.5%/yr.)	High (1.3%/yr.)
New Jobs (Grand County, through 2027)	205	425
New Jobs (study area estimate at 82% of county, through 2027)	170	350
Jobs per employee	1.13	1.13
Employees filling jobs	150	310
Employees per household with at least one worker	1.95	1.95
New housing units needed	**75**	**160**

Source: Colorado Demography Office, BLS QCEW, 2015-2019 ACS 5-year estimates

Retiring Employees

As employees retire, employers will need to fill those jobs and the new employees will need housing. Many retirees will stay in The Valley and remain in their homes, although some will sell their homes and leave. If they do leave, most of those homes will not be attainable to new employees. They will likely be purchased by other retirees, second homeowners, or investors. Given current market conditions, the assumption is that 80% of retirees will remain in The Valley, which results in the need for 230 additional homes.

Retirees	
% to retire by 2027	7%
# to retire	565
Employees per households with a worker	1.95
New housing units needed *(assumes 80% of homes not available to new employees)*	**230**

Source: Colorado Demography Office, 2015-2019 ACS 5-year estimates, consultant team

Summary of Needs

Between 755 and 840 housing units are needed by the end of 2027, but 112 community housing units are currently under construction. As shown in the last row of the table below, once those are delivered 645 to 730 units will still be needed, or about 130 to 145 units per year.

Seasonal housing is not included in the need calculation summarized here. Winter Park Resorts expects to grow its workforce over the next five years, including many new seasonal positions. To facilitate this growth, they are building new seasonal employee housing, which will house about 332 employees in 250 units. Following that development, the ongoing need for seasonal housing should be monitored.

Since 2018, about 343 permits have been issued per year, which would appear to be well above the stated need. Yet, as of 2020 only 37% of housing was occupied by locals. Most new housing being built is priced at $700,000 or above, out of reach of most locals. And, only 10% of new permits (about 30/year) have been deed restricted over the past five years. The Valley needs to ramp up its community housing production if it desires to catch up and keep up with local workforce housing needs.

Summary of Housing Units Needed through 2027

	Low	High
Catch Up Need	**450**	**450**
Unfilled Jobs (12% of jobs)	450	450
Keep Up Need	**305**	**390**
New Jobs	75	160
Retiring employees	230	230
Catch-up and Keep-up through 2027	**755**	**840**
Under construction	(112)	(112)
Adjusted Catch-up and Keep-up	645	730

Note: Figures rounded. Catch up need is presented as finite.
Keep up need is presented as a range based on possible new job growth.

Where new housing is built is a function of many variables, including local policy. Policy decisions can facilitate or hinder new residential construction, and direct it to municipalities. Focusing construction of new workforce housing in Granby, Fraser, and Winter Park where jobs, services and infrastructure are present supports more efficient and affordable development patterns and minimizes additional development in the wildland-urban interface.

Needs by Own/Rent and Income

Both for rent and for sale housing for local employees is needed. The majority of new employees will rent homes (typically 70% based on resident surveys in mountain communities). In addition, zero percent rental vacancy for at least the past four years points to the need to increase the number of rentals.

The precise ratio, however, is dependent upon the community's desired direction and housing policy. Rentals are needed to help recruit new workers and residents to the region; ownership is needed to retain year-round residents and support community stability.

The tables below use a tenure split of 70% rentals and 30% for sale housing, which will boost the supply of rentals in the near term, while also providing homeownership opportunities for year-round residents.

Summary of Housing Needs by Own/Rent Through 2027

	Low	High
Units needed through 2027	755	840
Ownership (30%)	225	250
Rental (70%)	530	590
Under Construction (all rental units)	(112)	(112)
Adjusted Rentals Needed	420	480

Note: figures rounded

The following table shows the income targeting for the additional rental units needed based on the income distribution of renter households that live in Grand County. Because there is a range of new rental units needed (low and high), the mid-point is presented below, or 450 rental units.

- 73% of new rental units need to be priced below $2,100 per month; half should be under $1,400.
- There are 112 restricted rentals under construction, with most at prices below 60% AMI or between 80% and 120% AMI.

Rental Units Needed by AMI through 2027

	AMI					
	≤60%	60.1 - 80%	80.1% - 100%	100.1% - 120%	120.1% - 180%	>180%
Max. Income (2-person household)	$42,300	$56,400	$70,500	$84,600	$126,900	>$126,900
Max. Affordable Rent (2-person household)	$1,058	$1,410	$1,763	$2,115	$3,173	>$3,173
Renter Income Distribution	34%	15%	16%	8%	15%	12%
Rental Units Needed by AMI [1]	190	85	90	40	85	70
Under Construction [2]	60	2	----- 50 -----		0	0
Rental Units Needed (450 total)*	**130**	**85**	**65**	**15**	**85**	**70**

[1] Units Needed total is based on the mid-point of the low and high rental housing need estimates; figures rounded
[2] units under construction as of June 2, 2022

The table below shows the target price points for additional for sale homes needed through 2027 based on the estimated income distribution of owner households in Grand County. Because there is a range of new ownership units needed (low and high), the mid-point is presented below, or 240 new for sale units.

- 70% of owner households need housing below $380,000; 30% need homes priced from $170,000 to $250,000, a price range that will require deep subsidy to build given the very high cost of construction (see *What are the challenges to addressing our community housing need? – Cost of Construction* section).
- There was only one home priced under $400,000 in The Valley in early June 2022.

Ownership Units Needed by AMI through 2027

	AMI					
	≤60%	60.1% - 80%	80.1% - 100%	100.1% - 120%	120.1% - 180%	>180%
Max. Income (2-person household)	$42,300	$56,400	$70,500	$84,600	$126,900	>$126,900
Max. Affordable Purchase Price [1] (2-person household)	$127,400	$169,800	$212,300	$254,700	$382,100	>$382,100
Owner Income Distribution	19%	8%	11%	10%	21%	30%
Ownership Units Needed by AMI (240 total) [2]	**45**	**20**	**25**	**25**	**50**	**75**
For sale listings [3]	0	0	0	0	1	57

[1] Assumes 7.5% interest rate 30-year loan, 5% down, and 20% of costs to taxes, insurance, HOA
[2] Units Needed total is based on the mid-point of the low and high ownership housing need estimates; figures rounded
[3] as of June 2, 2022

What are residents of the Fraser River Valley experiencing with regard to their housing?

Individuals and households who earn local wages increasingly cannot find and afford a place to live in The Valley. Second and vacation home buyers make up a very large percentage of the local housing market. The next section highlights the share of unoccupied homes, followed by various metrics and challenges local earners face.

Unoccupied Housing (Vacation Homes)

The share of housing units that are not occupied year-round is very high in The Valley (63%) and has changed little since 2010, except in Fraser.

- Fraser experienced a 5% increase in the share of unoccupied homes from 2010 to 2020. As stated in prior assessments, this trend is not moving in the right direction if the goal is for the majority of homes to be occupied year-round.
- Granby's share of unoccupied homes increased slightly from 2010 to 2020.
- Winter Park has an extremely high number of unoccupied homes, with 8 out of 10 homes not occupied year-round. This figure did not change over the past decade.

Percentage of Housing Not Occupied Year Round

	2010 Census	2020 Census
Grand County	60%	58%
Fraser River Valley	64%	63%
Winter Park	81%	81%
Fraser	51%	56%
Granby	49%	51%

Source: 2010 Census, 2020 DEC Redistricting Data (PL 94-171), Colorado Demography Office, ESRI

In Grand County and the three incorporated Valley communities, the vast majority of homes not occupied year-round are "for seasonal, recreational, or occasional use." In other words, they are vacation homes.

Percentage of Unoccupied Homes Classified as Vacation Homes

	% Vacation Homes
Grand County	88%
Winter Park	86%
Fraser	95%
Granby	83%

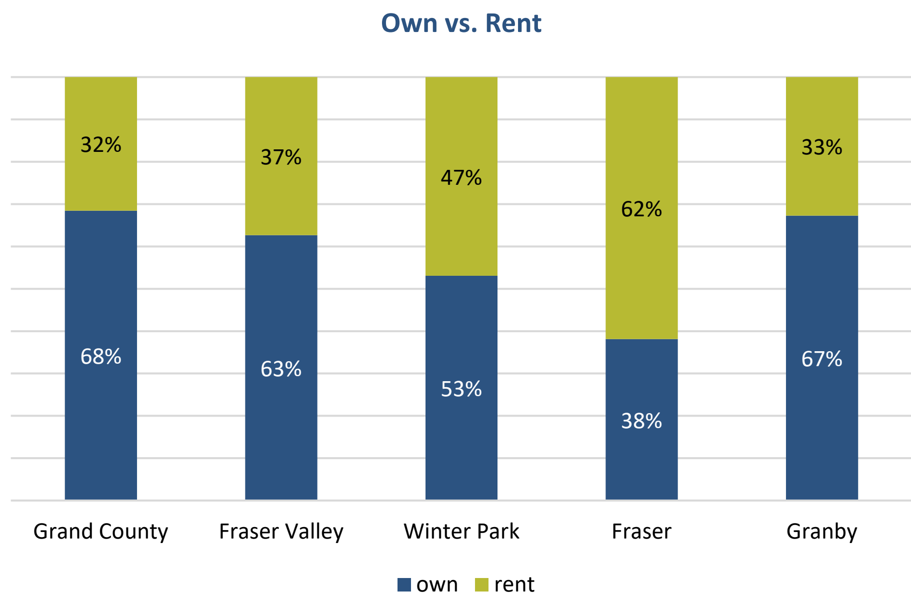
Source: ACS 2015-2019 5-year estimates

The Fraser River Valley has long been a desirable place to have a second/vacation home for those who live on the Front Range or out of state, which only increased since COVID. Local Realtors indicated that since COVID began, the share of homes purchased by those from the Front Range increased. Prior reports showed a very high percentage (78%) of buyers being from out of state or other parts of Colorado. The increase in purchases by non-locals combined with escalating sale prices points to the trend continuing to move in the wrong direction as local workers struggle to compete with households earning incomes elsewhere.

Local Residents: Rent vs. Own

The share of residents who own and rent in Grand County and the Fraser River Valley has changed very little since 2010. There have, however, been changes within specific communities:

- The rate of homeownership in Fraser and Winter Park has declined since 2010, dropping by nine and five percentage points to 38% and 67% respectively.
- The homeownership rate has increased from 62% to 67% in Granby since 2010.

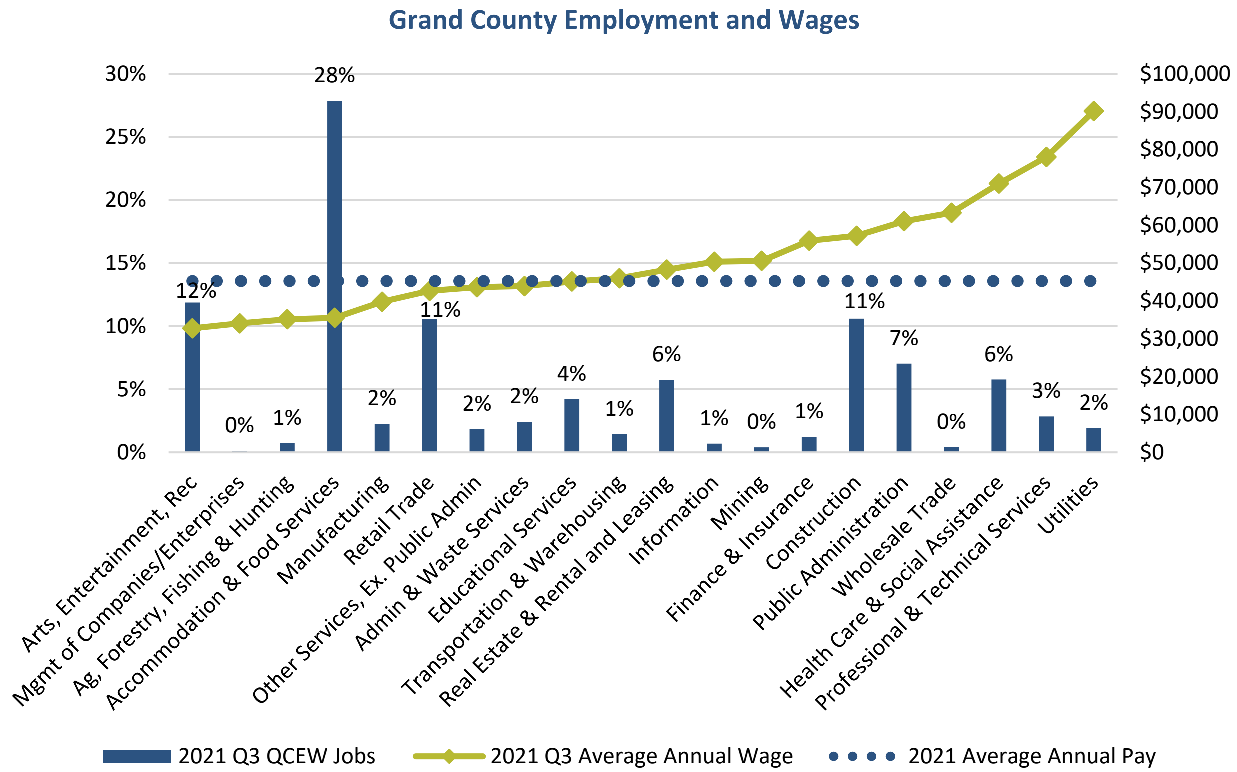


Source: ACS 2015-2019 5-year estimates

Local Wages

A large share of employees work in relatively low-paying jobs, including restaurants and bars, hotels, and retail – jobs that are the lifeblood of the local tourism economy. Wages in these sectors are not sufficient to afford market rate housing in The Valley. People employed in areas of the economy that provide essential services to the community, such as teachers, fire fighters, and law enforcement personnel are also unable to afford current market prices.

> *It's nearly impossible to hire anyone because they cannot find affordable housing.*
>
> *-Local Employer Comment*



Source: BLS, Colorado Department of Employment and Labor LMI Gateway

Although employers report that they have increased wages during COVID, wage and income increases have not kept pace with housing price escalation. Moreover, pay is far lower than on the Front Range, putting local residents at a competitive disadvantage when competing for the same housing.

- The average sale price in The Valley increased by 21% from 2020 to 2021 whereas average annual pay in Grand County only increased by 6% to about $45,260.
- The average annual pay in the Denver Metropolitan Area was about 73% higher ($78,427) in 2021 than in Grand County, and this does not account for other assets and income that high net worth households on the Front Range may have (BLS).
- The median family income reported by the U.S. Department of Housing and Urban Development (HUD) for a family of four in Grand County rose by about 10% per year on average from 2020 to 2022, while the median sale price in The Valley increased by 17% from 2020 to 2021 and another 21% through early June 2022.

Cost Burden

About one in three households in The Valley (similar to Colorado) pays more than 30% of their gross income for housing, which means they are considered cost burdened.

Fraser had the highest share of cost burdened households (39%) prior to the pandemic, followed by Winter Park (30%). Although Granby had the lowest percentage, one in four households (25%) was cost burdened. Rising sale prices and rental rates have likely increased the percentage of cost burdened households in the past two years.

This metric is important because it points to a mismatch between what local households can afford and the cost of housing. Cost burdened households have a smaller share of their income to pay for other life necessities such as food, health care, and transportation. Increasing prices (inflation) for necessities (food and gas) is further straining household budgets and leaves less money for them to spend locally (see *How do investments in housing benefit the community and economy?*).

Percentage of Cost Burdened Households

Grand County	31%
Winter Park	30%
Fraser	39%
Granby	25%

Source: ACS 2015-2019 5-year estimates

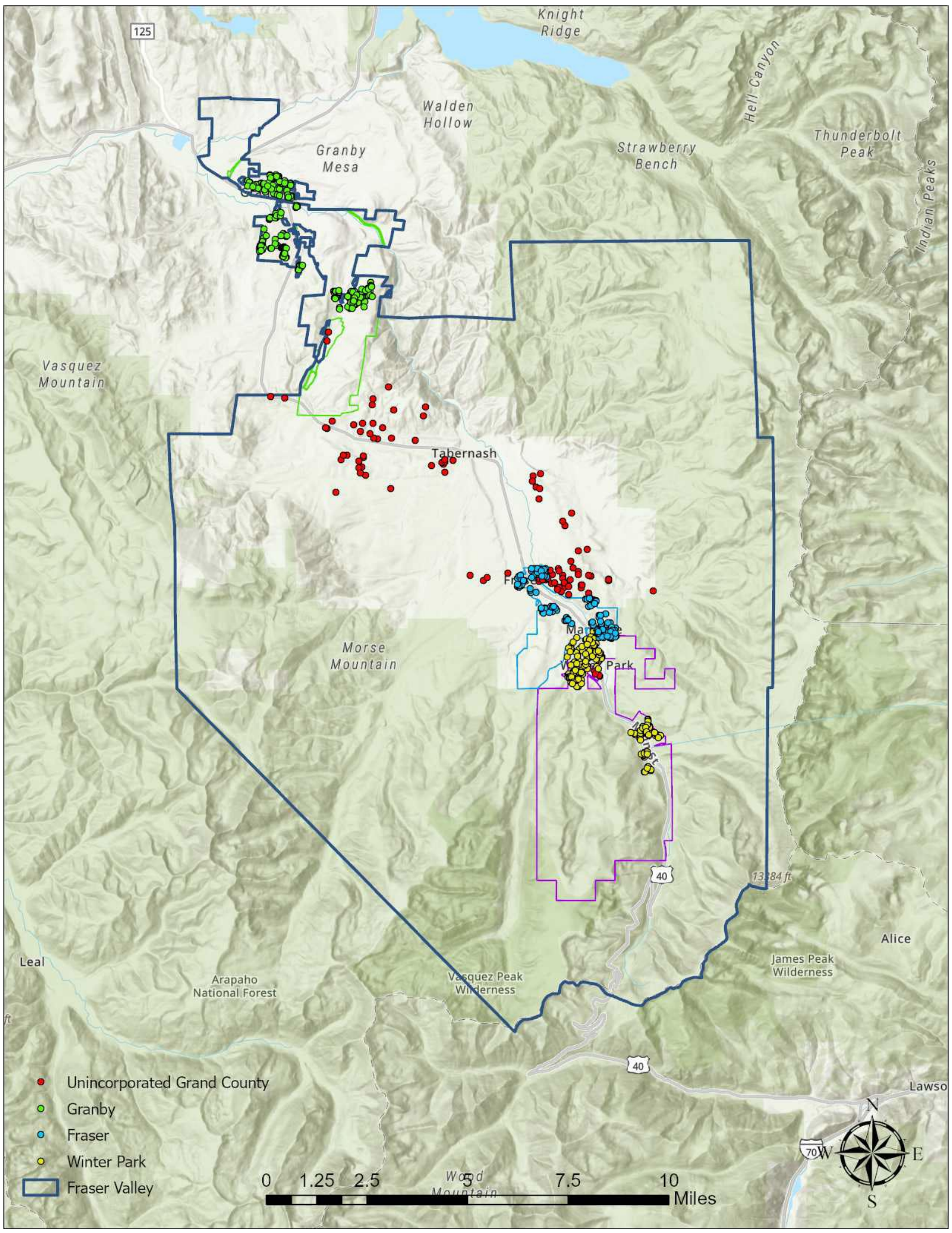
How has the for-sale market changed?

The for-sale market has changed quite dramatically over the past several years. Prices have increased, inventory has decreased, and workforce affordability is very low.

Price Trends

Most homes sold from 2020 to early June 2022 (86%) were in the municipal limits of Winter Park, Fraser, and Granby.

Fraser River Valley Home Sales, 2020 to 2022 [1]



[1] through June 2, 2022
Source: MLS, ESRI, consultant team

The price of homes has escalated dramatically in the last few years to the point where homeownership is now out of reach for most of the local workforce. From 2020 to 2021, the median annual sale price in The Valley increased by 17% and another 21% from 2021 through early June 2022. The average sale price of homes in The Valley in the first five months of 2022 was just under one million dollars, up almost $300,000 from the 2020 average.

> *I want to own my own place but have no chance in this market or in this community.*
>
> *-Local Resident*

Fraser River Valley Home Prices, 2020 to 2022 YTD

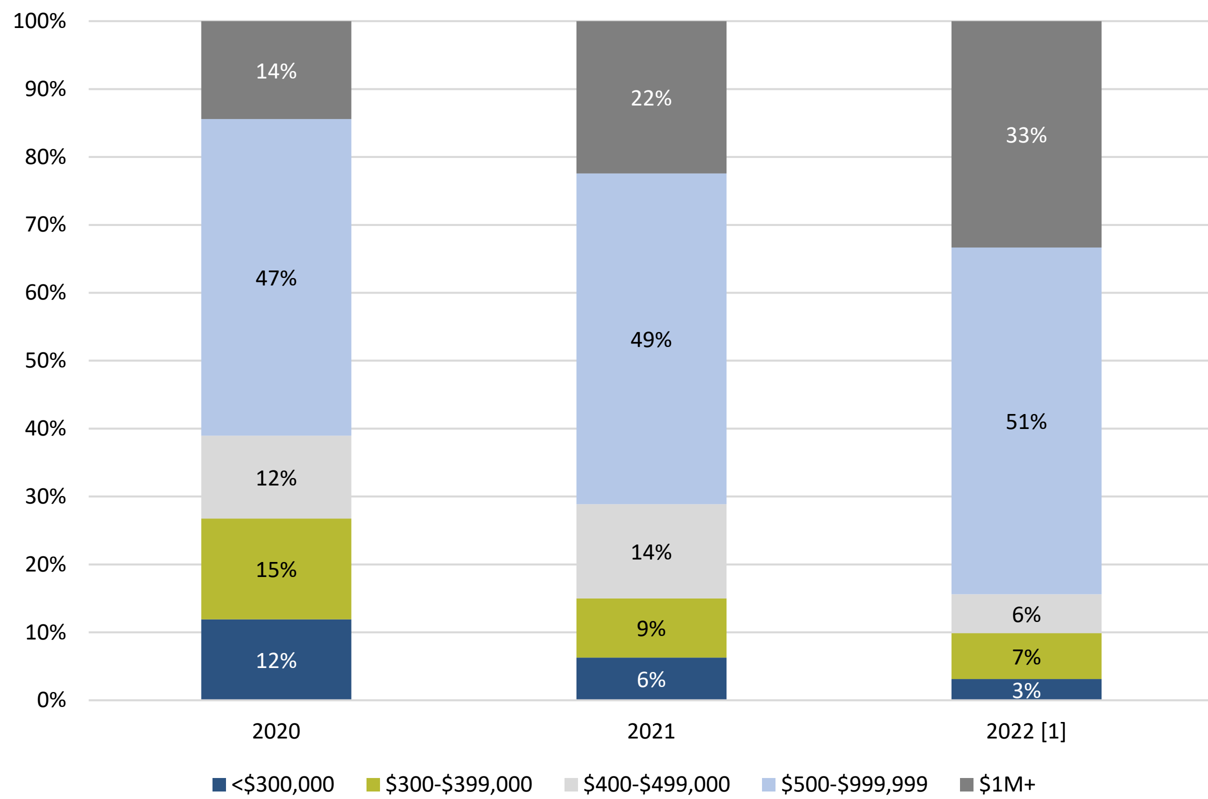
	Average Sale Price	Median Sale Price
2020	$672,587	$585,501
2021	$811,024	$683,860
2022 [1]	$969,598	$830,000

Note: inclusive of sales with a price greater than zero
[1] through June 2, 2022
Source: MLS, consultant team

The change in the average sale price per finished square foot underscores how dramatically The Valley's housing market has changed during the pandemic. In 2020, the average sale price per finished square foot was $395. It increased to $498 in 2021 and was $592 for sales through early June 2022, a 50% increase from the 2020 average.

The distribution of home sales from 2020 to early June 2022 by price range highlights how quickly the share of homes under $500,000 has diminished and the share of homes over one million dollars has increased. Note that to afford a $500,000 home, a 2-person household would need to make about $166,000 per year (236% AMI).

Fraser River Valley Home Sale Distribution, 2022 to 2022 [1]



Note: inclusive of sales with a price greater than zero
[1] through June 2, 2022
Source: MLS, consultant team

In addition to very high and increasing sale prices, 84% of homes sold from 2020 through early June 2022 had an HOA fee. Fees ranged widely with an overall Valley average of about $340 per month, which adds the equivalent of about $50,000 to the price of a home.

A closer look at each incorporated municipality highlights the same price spike in the last few years, with Winter Park and Fraser experiencing the highest increase in the median sale price (about 45%) since 2020.

Median Sale Price by Municipality

	Winter Park	Fraser	Granby
2020	$541,500	$608,000	$541,000
2021	$630,000	$719,852	$600,000
2022 [1]	$785,000	$874,500	$684,875
Percent Change 2020 to 2022 [1]	45%	44%	27%

Note: inclusive of sales with a price greater than zero
[1] through June 2, 2022
Source: MLS, consultant team

Fraser's median sale price exceeded that of the other municipalities, but Winter Park's prices remain the highest per finished square foot at about $700.

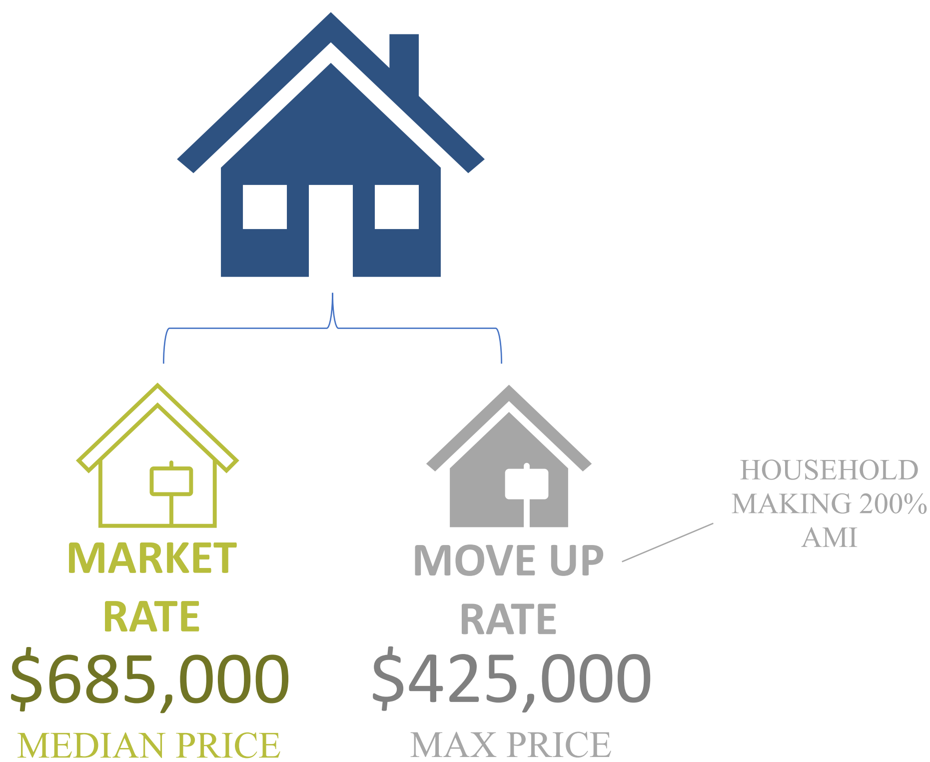
Average Sale Price per Finished Square Foot by Municipality

	Winter Park	Fraser	Granby
2020	$471	$396	$284
2021	$591	$510	$360
2022 [1]	$702	$625	$418

Note: inclusive of sales with a price greater than zero
[1] through June 2, 2022
Source: MLS, consultant team

Market rate homes in Fraser River Valley sold for a median price of about $685,000 in 2021, but the maximum affordable price for a "move-up" household (one making 200% AMI) is only about $425,000. This discrepancy means that owners are disincentivized to sell homes at prices that are affordable to the move-up market.

Supply: disincentive to sell to local "move-up" household

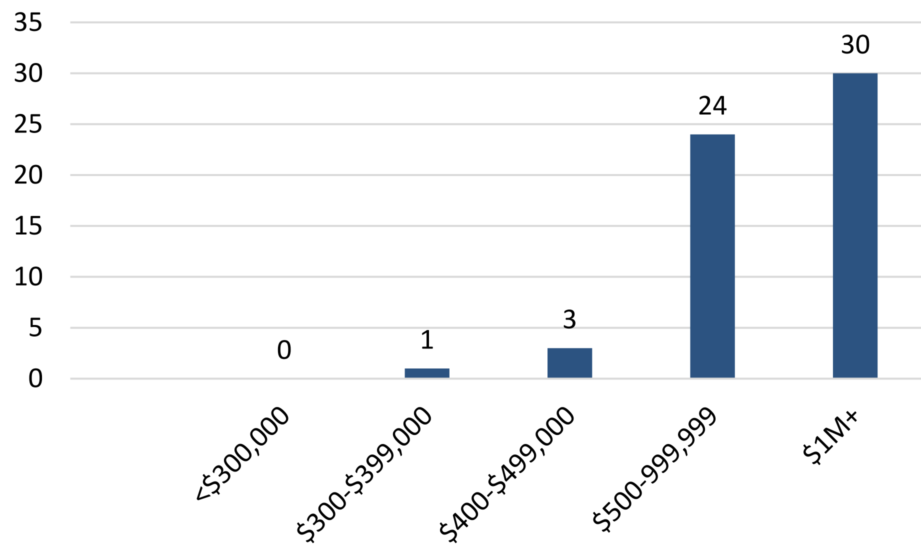


For Sale Availability

There were only 58 homes listed for sale in The Valley as of June 2, 2022. Relative to 2021 monthly sales, this represents about one month supply of inventory. A general industry standard is that when the number of homes for sale is below a 6-month supply, it is a seller's market. The number of listed homes affordable to the local workforce, however, is much lower.

- There were only four (4) homes for sale in early June 2022 under $500,000, which represents about a one week supply of inventory in this price range.

Fraser River Valley For Sale Listings [1]

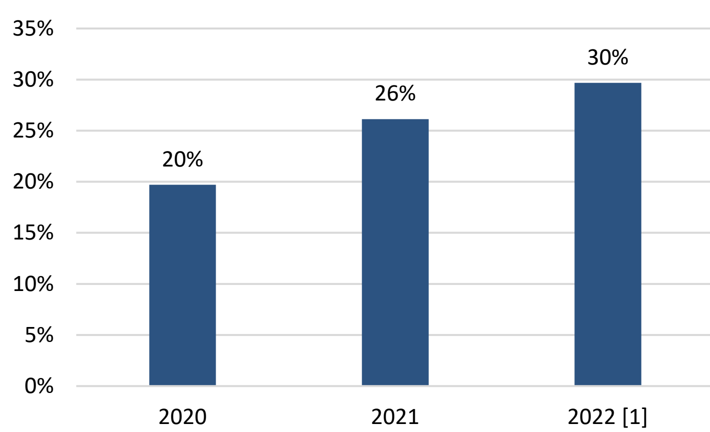


[1] listings as of June 2, 2022
Source: MLS, consultant team

Locals also must compete with buyers from outside of The Valley, many with cash, making the prospect of becoming a homeowner or moving into larger or smaller housing as circumstances change (new families needing another bedroom, seniors downsizing) even more dire.

- One in five purchases in 2020 was with cash.
- Almost one in three purchases in 2022 through early June was with cash.

Fraser River Valley Cash Purchases, 2020 to June 2022



[1] listings as of June 2, 2022
Source: MLS, consultant team

Within the three incorporated communities, cash was also used for many purchases. The highest share was in Winter Park where almost one in three sales were paid for with cash, followed by Fraser (1 in 5) and Granby.

"I have never seen so many cash transactions in my 20+ year career in the valley. Where does all this cash come from? And prices just keep rising."

-Local Realtor

Share of Sales Financed with Cash by Community, 2020 to 2022 [1]

	% Cash Purchases
Winter Park	30%
Fraser	20%
Granby	16%

Source: MLS, consultant team

Realtors and property managers interviewed noted that not only are there more cash buyers than before the pandemic, but there are bidding wars occurring in the market. Bidding wars are very difficult for locals to win, exacerbating the challenges faced by local households wishing to purchase.

If a buyer's price point is $400,000, you have to look at homes for sale in the $300,000's given bidding wars.

-Realtor/Property Manager Focus Group

Local Workforce Affordability

Current listings are unaffordable to 70% of owner households. There were only four listings under $500,000 as of June 2, 2022.

- A 550 square foot condominium in Fraser was the only listing affordable to those making under 180% AMI excluding the HOA fee of $445 per month.
- The remaining three were a 532 square foot condominium in Winter Park ($300+ per month HOA fee) and two single-family homes in Granby listed at $479,900 and $495,000.

Homeowner Income Distribution Compared to Available Homes

AMI	Household Income Range (2-person household)	Maximum Affordable Price	Owner Household Distribution	For Sale Listings (June 2, 2022)
<60%	$0 to $42,300	$127,400	19%	0%
60.1-80%	$42,301 to $56,400	$169,800	8%	0%
80.1-100%	$56,401 to $70,500	$212,300	11%	0%
100.1-120%	$70,501 to $84,600	$254,700	10%	0%
120.1-180%	$84,601 to $126,900	$382,100	21%	2%
180.1-300%	$126,901 to $211,500	$636,800	18%	14%
>300%	> $211,500	> $636,800	12%	849%
Total		-	100%	100% (58 listings)

[1] Max purchase price assumes 30-year mortgage at 7.5% with 5% down and 20% of the payment covering taxes, HOA, PMI and insurance. Note: May not add to 100% due to rounding
Source: CHFA; Ribbon Demographics, LLC; consultant team

How has the rental market changed?

There are very few rentals available in The Valley. Those that are available exceed what most workers earning local wages can afford. This was the case prior to COVID, and has only gotten worse as rental rates have increased in the last two years.

When vacancy rates are this low, the rental market is near capacity and cannot absorb new residents or employees moving to the area. This results in several issues:

- Renters have difficulty moving from one unit to another as their circumstances change;
- Renters are vulnerable to increasing levels of cost burden, because there is nowhere to move to if the landlord seeks to increase their rent;
- New employees struggle to find housing when hired by local businesses;
- Rents increase at rates much faster than incomes; and
- Landlords have little incentive to make repairs and capital investments. For those trying to maintain or repair their property, contractors are hard to come by making this task even less likely to occur than in the past. One interviewee indicated that getting a contractor on site for even small fixes currently takes anywhere from two to three months.

Rental Availability

In general, vacancy rates at or below 3% are very low, double-digit vacancy rates are very high, and a vacancy rate of around 6% that is trending downward typically indicates to developers that construction of additional units should begin.

There is an extremely scarce supply of rentals in general, and even fewer that are affordable to the local workforce. A search for advertised rentals in March and April 2022 yielded 52 listings, mostly condos (69%).

- The vacancy rate in April 2022 was about 1.7%, and less than 1% for those earning 120% AMI or less (max rent of $2,100).
- Near or zero vacancy is not new to The Valley. The vacancy rate has effectively been zero for the last four years and COVID started a "buying frenzy" by non-locals that reduced the number of rentals in The Valley.
- About 10% of listings were for mid-term stays of 2-5 months.
- Rentals are filled almost immediately. One local property manager has a 100-person waitlist. No advertising is necessary.

Combined Rental Listings by Number of Bedrooms (March and April 2022)

	Winter Park	Fraser	Tabernash	Granby	Total	Percent of Total
Studio/1 bedroom	4	1	1	6	12	23%
2 bedroom	9	13	0	0	22	42%
3+ bedroom	3	6	1	8	18	35%
Total	**16**	**20**	**2**	**14**	**52**	**100%**

Source: consultant team

One-bedroom units are in high demand but the least available. Real estate professionals and employers noted that fewer people want to live with roommates than in the past, which is increasing the demand for studio and one-bedroom units.

I live with my brother in a two bedroom. Ideally, as I am in my 30s now, I would prefer to live alone in a one bedroom. Secure and affordable one bedroom units in this county are a rarity so not really a possibility.

-Local Resident

Long Term Rental Conversions

Long term rentals are being lost due to conversions to short-term (less than 30 days) and mid-term (2 to 5 months) rental. Some short-term units are being rented for five to six months, but pricing and payment terms put them out of reach of most locals, while others are being rented longer term to East Troublesome fire victims.

Owners of long-term rental units have been selling their units to capitalize on very high for sale prices and avoidance of rising expenses and reduced profit margins. New owners of these units are often renting them on a less than long term basis to be able to use the property for personal use at other times of the year. A local property manager indicated that in the last two years, 10 clients have sold their property and left the long-term business.

A few short-term rental units were listed on vacation home rental sites like AirBnB and VRBO in the spring of 2022 where hosts were offering stays of five to six months. Such listings are not accounted for in the availability or market price tables herein because they are primarily targeted toward well-to-do visitors who desire to stay for a season and are not affordable to most locals.

A lot of my friends are recently being forced to move due to home owners who want to do short term housing.

-Local Resident

- The lowest cost unit listed was a studio for $2,800 per month; most listings ranged from $3,600 to $7,000 per month.
- Not only is the monthly rate too high for most locals, but a lot of the total booking cost is due at the time of reservation, which necessitates a large cash outlay that most local renters do not have.

Some short-term rental owners have leased their units for longer periods to residents who lost their homes in the East Troublesome fire. (More on short-term rentals in *What has been built and what is planned? Loss of housing* section)

Rental Market Prices

An analysis of advertised rentals in the spring of 2022 showed that:

- Rents averaged about $1,600 for a one bedroom, $2,700 for a 2 bedroom, and $4,500 for a three-bedroom rental unit.
- In general, rental rates are higher the closer the unit is to the Winter Park Resort – highest in Winter Park and lowest in Granby.

- Property managers reported slightly lower average rents than market rate listings, which is common. In this tight rental market, most managed rentals are filled by word of mouth and are never advertised. Advertised units, therefore, tend to be higher priced homes that local employees cannot afford.

Fraser River Valley Rent Prices by Bedroom Size (2022)

	0/1-bedroom	2-bedroom	3+-bedroom	Overall Avg.
Property manager interview (typical range)	$1,000-$1,500	$1,500-$2,500	$2,500-$4,000	$1,000-$4,000
March-April 2022 listing range	$975-$1,900	$1,500-$3,200	$3,500-$6,800	$1,000-$5,500
March-April 2022 average listed rent	$1,642	$2,707	$4,556	$3,067
AMI affordability of advertised rent [1]	93%	137%	230%	155%
Income needed to afford advertised rent	$65,680	$108,280	$182,240	$122,680
Number of average wages needed to afford rent [2]	1.5	2.4	4.0	2.7

Notes: calculations exclude a 3 bedroom single family rental on a working ranch with an extremely low monthly rate.
[1] calculation assumes 2 people in a 0/1 bedroom unit, and 3 people in 2- and 3-bedroom units and overall
[2] 2021 average wage of $45,261 (preliminary, subject to revision)
Source: Property manager interviews, online rental listings (Craigslist, Zillow, Apartments.com, WorkInGrand.com, HotPads.com), Bureau of Labor Statistics, consultant team

Rental rates have increased since the COVID pandemic began, pushing some out of The Valley.

- Rental rates have increased by at least $300-$400 per month for most people in the last two years, and as high as $500 per month in some cases.
- Landlords desiring to retain good tenants or work within eviction moratoriums have kept rates more stable.
- The higher rates are pushing some renters out of The Valley. One local property manager has had 20 tenants leave The Valley in the last two years.

Local Workforce Affordability

There is a major disconnect between the price points of available listings and what local renters can afford. The majority (65%) of renters can afford about $1,750/month or lower, yet 80% of rental listings are higher than this.

Renter Income Distribution Compared to Available Rentals

AMI	Household Income Range (2-person household)	Maximum Affordable Rent	Renter Income Distribution	Available Rentals [1]
<60%	$0 to $42,300	$1,058	34%	4%
60.1-80%	$42,301 to $56,400	$1,410	15%	4%
80.1-100%	$56,401 to $70,500	$1,763	16%	12%
100.1-120%	$70,501 to $84,600	$2,115	8%	15%
120.1-180%	$84,601 to $126,900	$3,173	15%	31%
180.1-300%	$126,901 to $211,500	$5,288	9%	21%
>300%	> $211,500	> $5,288	3%	13%
Total		-	100%	100% (52 listings)

Note: May not add to 100% due to rounding

[1] March-April 2022

Source: CHFA; Ribbon Demographics, LLC; consultant team

What are the challenges to addressing our community housing needs?

The community has long acknowledged that housing for the local workforce is a challenge, and many have agreed that it is a priority. Yet, complexities and challenges remain.

Market Appreciation

The loss of "naturally occurring" housing that is affordable to the local workforce has been rapid in the past five years. As home prices and rents appreciate beyond what local wage earners can afford, existing homes are being sold and changing from year-round occupancy to shorter stay vacation homes. This dynamic is often starkly illustrated when retiring long-term employees sell their homes at prices many times above what their successors can afford.

Cost of Construction

Construction cost escalation has been present in the Colorado market for nearly two decades, but has been even more pronounced in the past 18 months. Developers are reporting construction costs of \$310-\$350 for ***vertical construction only***. This means that if land, design, financing, site work, and local permit fees are free or already paid for outside the project, the cost to build a new 1,200 sq ft home ranges from \$372,000 to \$420,000. Most projects do not have this luxury and therefore the table below assumes \$470 per square foot inclusive of land, infrastructure, local fees, and other soft costs.

Following the format of the development proforma used in the 2016 Fraser Housing Needs Assessment, the table below demonstrates a more complete picture of the cost to build, and why building new housing for the local workforce is so challenging.

Development Proforma: 20 residences – 1,200 sq ft each – For Sale

	Total Cost	Per Square Foot	Per Housing Unit
Land Acquisition	\$1,000,000	\$42	\$50,000
Soft Costs	\$844,000	\$35	\$42,200
Hard Costs	\$7,440,000	\$310	\$372,000
Financing Costs	\$372,000	\$16	\$18,600
Sales Costs	\$579,000	\$24	\$28,950
Owner's Contingency (10%)	\$1,023,000	\$43	\$51,150
Total Uses	**\$11,258,000**	**\$470**	**\$562,900**

Source: interviews, consultant team

There are many variables which can make development more and less risky and expensive. This analysis uses the best information currently available, and demonstrates an increase of about \$100,000/unit over 2016 costs. The gap between the cost to build and what local households can afford has grown.

- In 2016, a median income household could afford \$200,000, and the cost to build was about \$465,000, for a gap of \$265,000.

- Now, a median income two-person household can afford about $212,000. With construction costs of $562,900, the gap is now about $350,000 per home.

	Household Income	Affordable Purchase Price	Gap between Cost to Build and Sales Price
Break Even Price	**$154,000**	**$562,900**	**$ -**
50.1 - 80% AMI	$56,400	$169,800	($393,100)
80.1 - 100% AMI	$70,500	$212,300	($350,600)
100.1 - 120% AMI	$84,600	$254,700	($308,200)
120.1 - 140% AMI	$98,700	$297,200	($265,700)
140.1 - 180% AMI	$126,900	$382,100	($180,800)

Source: CHFA, developer interviews, consultant team

Historically, local governments in resort communities have used contributions of land and local fees to catalyze development of housing for the local workforce. In today's development environment, land and fee waivers are not enough to close the gap and make development for the local workforce economically feasible. Significant additional funding support is typically needed to serve all but the very highest income local residents.

Rate of Production

The number of unfilled jobs, projected job growth and retirements indicate that the Fraser River Valley needs about 130 to 145 new homes per year, with about 75% (approximately 100 to 110 per year) priced below 180% AMI to be affordable to the local workforce.

There is an ironic cycle that I don't have enough workers to build housing because they can't find housing. My guys would love to be building housing they could afford.

-Local Developer

Over the past five years, about 340 homes were permitted each year, however, only 10% of these (about 34 per year on average) were deed restricted for households living and working in The Valley.

Therefore, the rate of production of community housing needs to increase by approximately 65 to 75 units per year over recent production to meet the identified need.

Community Buy-In

Even though 72% of employers contacted during this assessment agree that housing is one of the most critical local issues, when developers and public agencies seek to build, they are often met with resistance or opposition. Strong public engagement, open and transparent processes, and ongoing communication of workforce housing success stories can help to counter this dynamic. Making workforce housing a use by right in certain zone districts, and increasing the ability to build housing types that are cost effective to construct can also be effective strategies.

What has been accomplished for workforce housing in the past five years?

Since the last housing needs assessments in the area, each jurisdiction has taken action and committed resources to make workforce housing more feasible. In addition to the specific development projects described in *What has been built and what planned?* additional accomplishments supporting community housing in the region are described here.

Granby

In addition to master planning the Highway 40 Parcel, Granby has taken additional initiatives to further workforce housing in the past five years.

Policy Direction

Town Council has stated that workforce housing is an important policy priority, and has directed staff to master plan and solicit development partners for the Highway 40 parcels, and participated in the newly formed Fraser River Valley Housing Partnership.

Zoning for Affordability

Granby updated codes to allow accessory dwelling units in all residential districts, although they have not found many property owners seeking to build them to date. A group of elected officials and staff will be working on updates to the accessory dwelling unit codes, looking at possible ADU incentives, and looking at proposing some inclusionary zoning updates to the code.

Deed Restriction for Community Housing

Granby is currently developing a deed restriction to support the Highway 40 Project and other community housing to serve local residents and the workforce. The deed restriction is anticipated to be complete in fall of 2022.

Fraser

In addition to the purchase of Victoria Village, Fraser has undertaken several initiatives to further workforce housing in the past five years.

Policy Direction

Town Council has stated that workforce housing is the top policy priority, and has directed staff to purchase land and seek opportunities to further this policy goal.

Zoning for Affordability

Since the recommendations of the *2016 Housing Needs Assessment*, Fraser has implemented a wide array of zoning code updates to support community housing goals. These include:

- Lessened minimum parking requirements for all land uses, including several policies and programs that may result in a reduction in the number of parking spaces required and a more efficient use of parking resources.
- Adopted Resolution 2018-15-15 establishing an attainable housing plant investment fee incentive program. This has expired, but staff expressed interest and willingness to pursue renewing it.
- Amended Code to allow for the deferred collection of Plant Investment Fees (PIF). Collect fees prior to issuance of a certificate of occupancy rather than at building permit issuance. Reduced the PIF for multi-family rental units under common ownership, such as apartments buildings.
- Reduced the amount of open space required for multi-family projects from 55% to 35%.
- Established a density bonus program in two zoning districts subject to the provisions of deed-restricted affordable housing dwelling and include incentives for other desired outcomes like mixed use in the downtown. The recently approved Koselig on Main was made possible with these changes.
- Code change to allow the development of reduced lot size, width, setbacks and/or floor area for a residential dwelling unit subject to certain provisions and via a conditional use process.
- Accessory Dwelling Units are a use by right in all zoning districts except for Low-Density Single-Family where it is a conditional use.

General Fund Appropriation for Community Housing

For the past several years, Fraser has appropriated $500,000-$800,000 from the general fund to support community housing efforts. The Community Housing Fund is part of Town's budget and currently has $400,000 and recently expended $760,000 in matching funds for the procurement of Victoria Village.

Deed Restriction Purchase Program

The Town of Fraser created a deed restriction purchase program for existing properties, modeled after Vail InDeed. The restriction would require the unit be occupied by a full-time resident employed in the local economy. Fraser has been seeking to invest about $20,000 per bedroom to secure inventory for local workforce long term. The program has not purchased a deed restriction to date.

Winter Park

In addition to the initiating development of Hideaway Place, Fireside Apartments, and Hideaway Junction Phase 2, Winter Park has undertaken several initiatives to further workforce housing in the past five years.

Short Term Fix

Following the East Troublesome Fire in fall of 2020 and COVID 19 shutdowns the same year, the Town of Winter Park implemented an emergency housing program that matched property owners with local businesses to house employees. The Town deployed $350,000 to incentivize conversion of previously short term or vacant housing to employee rentals. The program was successful in securing 49 bedrooms for the 2020/2021 ski season and beyond. Leases could be six months or a year, and had to be between the landowner and a Winter Park based business. The average monthly rent per bedroom was $1,100, and the total investment per bedroom was about $7,150. Winter Park plans to survey businesses in the coming months to gauge interest in running the program again for the 2022-2023 ski season. While the total program budget will likely be similar, staff will use the business survey to anticipate the level of need for the coming winter season.

Zoning for Affordability

Winter Park has been assessing what elements of the zoning code need improvement to support housing affordability and attainability. They have had conversations around parking reductions and density bonuses, and are in the process of updating the Uniform Development Code. Allowing Accessory Dwelling Units by right is also anticipated to be part of the code update.

Annexation and Development Agreements

Winter Park Council and staff have been focused on negotiating community housing requirements with annexation and development agreements. A recent success was Cooper Creek, where the developer has converted underutilized commercial space into 40 new bedrooms.

Real Estate Transfer Assessment

Winter Park has negotiated real estate transfer assessments that occur at every transfer of a property in some select development agreements. This source has raised just under $100,000 per year for community housing in recent years, and is likely to grow as new developments with these agreements enter the for-sale market.

Impact Fee

The current Impact Fee of $3.00 per square foot of new development has been generating $95,820 to $425,461 per year over the past seven years. This impact fee is low compared to other resort communities, and an updated nexus study is recommended.

Winter Park Housing Assistance Fund

The Town of Winter Park, Grand Foundation and Winter Park Resort have partnered to create the Winter Park Affordable Housing Donor Advised Fund. The Fund is designed to provide housing assistance to eligible applicants up to 150% AMI, focusing on emergency rental assistance and down payment assistance grants.

Unincorporated Grand County and Region Wide

Grand Foundation Housing Assistance Fund

This fund has granted over $800,000 for rent assistance and down payment assistance to households up to 150% AMI in the past four years. Granting is coordinated with Grand County Housing Authority.

Grand County Housing Authority

The housing authority administers 140 Housing Choice vouchers, and is currently leasing up 50 more. They also offer down payment assistance, and provide property management for several subsidized senior housing sites. The Housing Authority anticipates bringing a housing renovation program online when they are able to staff appropriately; this could support up to $500,000 in Grand County and Clear Creek County in housing improvements annually.

Grand County Housing Authority is also a special limited partners on the Old Town Apartments development in Fraser, assisting the economic feasibility of that rental housing development.

Northwest Council of Governments (NWCCOG)

Provides Weatherization services to low-income households, helping to improve the quality and affordability of the existing housing stock.

Recommendations and Next Steps

The communities in the Fraser River Valley are on track with implementing many of the best practices for addressing workforce housing needs. These strategies include using a balanced toolbox of incentives, regulations, funding, and partnerships. Communities in the Fraser River Valley are taking a holistic approach, looking at land use regulations, infrastructure, and fees to help remove barriers to community housing. They are securing land and having a mission driven or public sector entity catalyzing new housing development to meet local needs. Another best practice is having a regional coordinated response, which is currently underway with the newly formed Fraser River Valley Housing Partnership. We recommend bolstering these current activities with the following considerations.

Produce new housing to meet your local workforce market

There are major market deficiencies in housing both for sale and for rent in the Fraser River Valley. New housing production is needed to create a balanced and functional housing market, and some of it is already underway.

See the current pipeline of community housing development projects through to completion

Communities in The Valley have already invested significant resources in upcoming development projects to meet this need, but the challenges of today's development environment leave some of these projects. Hideaway Junction Phase 2, Victoria Village, and Highway 40 will all take significant time, funding, and political will to become realities. Work across the region to dedicate the staffing, partnerships, best practices and lessons learned, and coordinate the funding needed to make these projects successful.

Create a balanced for-sale market for locally employed households

Homes available at prices for locally employed households are essentially non-existent. Rising interest rates are putting additional strain on local wage earner's buying power, and the amount of subsidy required to make homeownership happen is increasing. The most recent deed restricted home sale had a lottery of over 40 qualified applicants. With essentially no inventory under $500,000, local working households have no options for homeownership. Essential workers are better able to commit to staying in a community when they have the opportunity to purchase a home.

The consultant team recommendation is that 20-30% of the deed restricted inventory created across The Valley in the next five years be for homeownership. Other considerations include:

- Focus on producing housing under $500,000 to be affordable to locally employed households; ideally, the average deed restricted price would land somewhere around 120% AMI ($254,700).
- Use deed restrictions to create year-round neighborhoods. Neighborhoods where most or all of homes have "lights on" increases sense of community. Residents of year-round enclaves in other resort communities report high levels of satisfaction with their housing and commitment to stay in the community.

- Do not allow short term rentals in deed restricted housing.

Create a functional rental market

A functional supply of rental housing would be when the vacancy rate is at least 5% for units priced within range of the local workforce (typically under $2,100/month) or 120% AMI). The overall rental vacancy rate in The Valley is very low (approximately 1.7%) and even lower when accounting for rentals affordable to the local workforce (less than 1%). This low rate has pushed rental prices up, constrained the ability new workers to move to the area, and the local workforce to move freely within The Valley as their circumstances change.

Based on this vacancy rate, the rental market is not functional. Pairing this observation with the number of unfilled jobs, long standing low vacancy, and availability of financing to assist in filling the capital gap to construct rental housing, the consultant team recommends:

- Making rental inventory a greater part of deed restricted housing inventory in the next five years. Bringing 70-85% of new community housing online as rentals is likely realistic and could begin to address the significant housing gaps related to unfilled jobs and pending retirements.
- Focus on creating a broad spectrum of rentals, from seasonal dorms, one and two-bedroom apartments, through larger duplexes and townhouses for families.
- Build for the full spectrum of local wages, from hourly/seasonal to new middle and upper management moving to the area. Use state and federal resources to build where those program constraints intersect with community needs. Use local funding sources to build housing that meets community needs outside the state and federal “box.”
- Do not allow short term rentals in new housing intended for the local workforce.

Land Bank

Right now, there are significant development opportunities for community housing. But looking out past the five year time horizon, those opportunities diminish. Seize the day when opportunities arise to secure land for future development. Some of the main characteristics of suitable land include flat topography, close proximity to water, sewer, transportation, and jobs, and correct zoning. But not all of characteristics may be present for every parcel, but securing land for future development should still be a priority.

Add momentum, capacity, more funding and new partners to current initiatives

Community housing is already identified as a priority by jurisdictions across The Valley, and communities are making strong progress. Employers and non-profits are also diligently working to address the myriad of housing issues. Continuing this work and adding more coordination, staffing, and bringing new partners into the mix can help to further the community response to the housing shortage.

Regional Coordination

All sectors need to be at the table, and there are numerous benefits to a region-wide, coordinated effort:

- Ensure that resources are allocated efficiency and effectively, and projects within The Valley are not competing against each other for resources such as tax credits or grant funds.
- Ensure that projects are sequenced so that risk is well managed, and the full spectrum of local community housing need gets addressed.
- Ensure that no one is siloed geographically or otherwise.
- Share capacity and lessons learned. Housing is a complex business, and each jurisdiction does not have the scale to employ the level of staffing needed to carry forward complex projects and manage ongoing inventory.
- Have a "one stop shop approach" to community housing that provides a clear and consistent approach that helps consumers of community housing understand what is available, what to expect with regard to restrictions and expectations, and to compare products across jurisdictions to make informed choices about tradeoffs and build consumer confidence that eligibility and re-sale processes are fair, transparent, and consistent.
  - The Fraser River Valley Housing Partnership offers an excellent opportunity to be the convening body for housing coordination and one-stop shop for consumers. The agency should be mindful to convene diverse stakeholders to inform, guide, and implement regional coordination.

Public Private Partnerships

Significant progress has been made and big projects are in the works, but the cost to construct is still much higher than what the local workforce can afford. Bringing costs down and securing permanently affordable housing when public funds are used is paramount.

Use of a wide-ranging array of tools is needed to reduce the gap between cost to construct and what local workforce can afford. It is important to align the public sector tools with the most desired outcomes to ensure that the types of the housing the community most wants and needs receive the most types of public support to make them happen. Tools include:

- Fee waivers, reductions and deferrals subsidy to close the gap
- Donated, reduced, or deferred payment for land and infrastructure
- In-house transaction broker services through Fraser River Valley Housing Partnership
- Construction financing through local jurisdictions or FRVHP to support for sale and for rent workforce housing
- Bonding for permanent mortgages on workforce rentals through local jurisdictions or FRVHP
- Direct subsidy to buy down sale and rent price

Deed Restrictions

The Valley will continue to be a desirable location for vacation homes. Those making such purchases will continue to outcompete most local workers. The community has begun to use deed restrictions to protect housing resources for the local workforce, and this practice will likely be increasingly necessary in coming years as local households are priced out of the unrestricted market. Develop a uniform set of deed restrictions and housing guidelines that can be used across the region. This will support greater ease of use for consumers as they understand their housing options, as well as greater community accountability and fidelity in compliance over the long term. Mountain resort communities with large portfolios of deed restricted housing report that having consistent deed restrictions is highly desirable.

Fraser River Valley Housing Partnership

The Fraser River Valley Housing Partnership is a multi-jurisdictional housing authority formed in 2022. This agency presents tremendous potential for addressing the housing needs identified in this report. It is also a brand new agency, which needs to hire staff, develop a balance sheet, build capacity, reputation, and a community presence.

The Partnership's anticipated primary role will be to facilitate the development of workforce housing units in The Valley. The participating governments (Grand County, Granby, Fraser, Winter Park) will contribute $20,000 each to fund preliminary work until a primary funding source is established. Some initial considerations for this agency include:

Capacity Development

Ideally, the Fraser River Valley Housing Partnership will grow from seedling organization to a high capacity leader in the community housing space in short order. Building the capacity, setting up systems, and hiring staff are near term priorities. There is a laundry list of daunting (and exciting) tasks ahead, including:

- Understanding the local housing landscape,
- Engaging with community leaders to develop and implement effective housing solutions,
- Learning and understanding its role and what tools can be used to effectively partner with developers,
- Exploring when and how to pursue state and federal funding opportunities, and
- Strategically planning and growing a small organization to address an urgent and complex community problem.

Resources such as *CHFA's Housing Development Guide*, *Colorado Division of Housing's Developer Toolkit*, *Housing Colorado Annual Conference*, and consultant support may be helpful.

The organization should develop a mission, vision, and strategic work plan. The workplan should include near-term, mid-term, and long term strategic objectives, and should have buy-in from the participating jurisdictions.

The organization should hire an Executive Director and one additional staff person as soon as financially possible. Hiring two staff will be needed for the ambitious workload that will be required of this group, and will create the opportunity to match the tasks and talents of the two best candidates. There are many demands on a new housing authority, that range from operational to strategic. Leadership, community relationships, and ability to manage complex projects may be as, or more, important then prior technical experience doing below market housing. At least one staff member should have (or be able to obtain) a real estate license.

Ongoing "backbone" Services

Some of the typical services that mountain/resort housing authorities provide include buyer and tenant eligibility management, leasing, transaction broker services, deed restriction compliance management, and/or property management. A new housing authority may not be able to do all of these tasks immediately, but having them in the long-term plan will greatly enhance the community's ability to develop and manage a successful community housing portfolio.

Development Partnerships

Colorado housing authorities have the ability to confer tax exemption to construction and ongoing operations of rental properties. The Fraser River Valley Housing Partnership should use this power to help make projects more economically feasible, and over time, should grow expertise and capacity to take on a larger role in development partnerships, which could include things like securing land, navigating entitlements, securing funding, providing local project management, and ultimately, taking the lead on some projects.

Dedicated Funding Sources

Given the large gap between the cost to build and what the local workforce can afford, a large amount of money is needed and this organization has numerous funding avenues it can pursue. It is vital that a dedicated, consistent funding source be identified in the near future to stand up this entity and ensure it is on solid footing from its infancy.

Cultivating local dedicated funding sources for attainable housing has been recommended in all the previous needs assessments for the region. A local dedicated funding source creates the flexibility to address housing needs in a manner that is truly targeted to local conditions and priorities (compared to State and Federal sources, which are also important, but do not address the full spectrum of local needs). With rising construction costs, rising interest rates, and no attainable inventory, dedicated local funding is more important than ever before. Continue to develop immediate, mid- and long-term plans for dedicated funding. Typically funding sources being used in other communities include:

- Short term rental excise tax – This tool is available for home rule municipalities by a vote of the people.
- Reallocation of Local Marketing District funds – This tool was recently signed into law at the State level, indicating that local jurisdictions could vote to use local marketing district funds for community benefits such as housing and childcare.
- Sale Tax – A potentially powerful tool for community housing revenue. Requires a local ballot initiative.

- Property Tax - A potentially powerful tool for community housing revenue. Requires a local ballot initiative.
- Commercial and Residential Impact Fees – Winter Park could conduct a nexus study to increase their impact fees. Other communities could consider implementing fees.
- Inclusionary Zoning – This tool can support mixed income neighborhoods as communities grow, and can produce revenue for community housing when developers pay “cash in lieu” of their requirement. It is most effective in markets with a high level of luxury housing development, which is the current condition in the Fraser Valley.
- Real Estate Transfer Tax – Advocating for a change at the State legislative level could bring this tool into the toolbox for The Valley.
- General Funds and Municipal Bonding – These can be good one-time or ongoing funding sources.
- Windfall funds – Many rural and resort communities are using ARPA and other windfall funds to extend infrastructure and address housing needs.
- State funds, philanthropy, and Low Income Housing Tax Credits are also excellent one-time investments that support making community housing economically feasible.

The consultant team recommends that the Fraser River Valley Housing Partnership become the hub for dedicated funding sources. This entity has representation and buy-in from all of the participating regional partners, creating the potential to prioritize and allocate resources transparently. Individual entities can (and likely should) continue to dedicate funds to housing efforts, but a decade from now, having Fraser River Valley Housing Partnership as the dominant local funder will likely produce the best outcomes.

Encourage, support, and partner with employers

Many Valley employers are working diligently to secure housing for their employees, including building housing. The provision of housing has become an additional and mandatory business expense to recruit and retain employees. But, most Valley employers are not real estate professionals or housing developers, rather they provide other goods and services. Local jurisdictions, non-governmental organizations, and community-minded real estate and allied professionals, including local builders, should seek to support and partner with Valley employers to help them house their employees. The Fraser River Valley Housing Partnership, in coordination with the Chamber, would be a logical convener of this work.

Balance workforce housing with vacation home production

Demand for second homes in the Fraser River Valley will remain strong, but the Valley’s economy and community fabric hinges on available and affordable community housing. Setting community targets could help to better balance second home production with more community housing production. Both at the jurisdiction level and across the region, we recommend setting goals for community housing production and including those in comp plans, work plans, and intergovernmental agreements. This will help keep the topic at the forefront of policy conversations, development negotiations, funding conversations, and signal it’s importance to the development community.

Preserve your existing inventory

In recent years, the community has lost housing that has long served the local workforce through price appreciation, change of use from year-round to short term occupancy, fire, and demolition. Construction of new workforce housing is an essential strategy in this region, but should also be paired with preservation of the existing inventory. New construction is time consuming, takes considerable subsidy, and has risks associated with all the milestones. If the community pours all their efforts into new construction while a great number of existing units are being lost, overall progress on workforce housing needs will be diminished.

Ensure equity, inclusion, and adherence to community values

All efforts to develop and preserve housing that is affordable to the local workforce must be inclusive of all community members. Leadership should proactively include and recruit members from the most vulnerable populations to ensure that housing is being built and advertised equitably. Key strategies to promoting equity in housing include:

- Advertise a comprehensive list of rentals on the housing authority website.
- Make zoning and land use decisions in a way that prevents locals from being displaced.
- Invite and educate diverse populations on new initiatives, developments, and other engagement events.
- Ensure that all materials and information is available in English and Spanish and that inclusive language is being used.
- Make housing investments in coordination with transportation, childcare, and other community infrastructure that positively impacts cost of living and households' ability to thrive.

Appendices

Appendix A – Study Methodology, Data Sources, Definitions, and Acknowledgements

Primary Research

Primary research was conducted to generate information beyond that available from existing public sources and included the following.

Employer Interviews and Short Questionnaire

Information was gathered from The Valley's larger employers via interviews. In addition, a short questionnaire was distributed to employers with limited time for an interview or as a way to quickly gather information from Valley employers. Eighteen Valley employers completed the questionnaire, representing about 1,670 year-round jobs, 920 summer seasonal jobs, and 2,350 winter seasonal jobs.

Interviews and Focus Group

Interviews were conducted with current community leaders, non-profits, government organizations, builders/developers, property managers, and other stakeholders to supplement data needs and gather local perspectives on community housing concerns, issues, impacts, and observations. A focus group of realtors and lenders helped to inform market observations.

Secondary Data

A variety of sources of published information were used in the preparation of this report, including but not limited to:

- U.S. Census 2000, 2010, 2020 DEC Redistricting Data (PL 94-171) (limited, complete 2020 Census data was not available for this assessment.).
- American Community Survey data (ACS) to understand general trends since the 2010 Census.
- State Demography Office, Colorado Department of Local Affairs.
- Employment information from the Quarterly Census of Employment and Wages (QCEW) accessed via the Bureau of Labor Statistics and the Colorado Department of Labor and Employment, Labor Market Information Gateway.
- 2022 Area Median Income from the Colorado Housing Finance Authority (CHFA).
- Current MLS listings, recent home sales and historic sale trends acquired through local real estate agent assistance.
- Various records from the planning and building departments of Winter Park, Fraser, and Granby.
- Prior housing assessments and reports:
    - Town of Winter Park Housing Needs Assessment, September 2015
    - Town of Fraser Housing Needs and Development Study, May 2016
    - Housing Needs assessment for the Study Areas of Granby, Grand Lake, Kremmling, and Hot Sulphur Springs, June 2018
    - Mountain Migration – Are COVID Impacts on Housing and Services Here to Stay? (2021)

Definitions/Terminology

Affordable Housing	As used in this report, housing is affordable if the monthly payment (rent or mortgage, plus utilities) is equal to or less than 30% of gross household income (before taxes).
Area Median Income (AMI)	A term that generally refers to the median incomes published annually for counties by the US Department of Housing and Urban Development (HUD). In Colorado, these figures are published by annually by the Colorado Housing Finance Authority (CHFA). They are used to set income and rent limits for affordable housing programs statutorily linked to HUD income limits (e.g. low-income housing tax credit rentals). Common affordability categories used are as follows: ▪ Extremely Low Income – At or below 30% AMI ▪ Very Low Income –Between 31% and 50% AMI ▪ Low Income – From 51% to 80% AMI ▪ Moderate Income – From 81% to 120% AMI ▪ Move up Market – Above 200% AMI
American Community Survey (ACS)	The ACS is part of the Decennial Census Program of the U.S. Census. The survey was fully implemented in 2005, replacing the decennial census long form. Because it is based on a sample of responses, its use in smaller areas (under 65,000 persons) is best suited for monitoring general changes over time rather than for precise estimates due to margins of error.
Attainable Housing	See “Community Housing”
Average household size	This refers to the number of persons living in a housing unit and includes all adults and children.
Catch-up Needs	The number of housing units needed to catch up to meet the current shortfall in housing available for residents.
CHFA	Colorado Housing and Finance Authority - administers LIHTC and provides mortgage funding

Community Housing	In this report, “community housing” is used to mean dwellings occupied by residents who live and/or work in the Fraser River Valley. This concept is also referred to as “workforce” or “attainable” housing. The intent is that community housing meets the full range of rental and ownership housing types and prices needed to support household changes over time and ensure The Valley remains a complete and vibrant community.
Cost Burdened	When housing costs exceed 30% of a household’s gross (pretax) income. Housing costs include rent or mortgage and may or may not include utilities, homeowner association fees, transportation or other necessary costs depending upon its application.
COVID-19 / COVID	Coronavirus disease 2019, causing global pandemic starting March 2020 and extensive local public health precautions.
Deed Restricted/Restriction	A deed is a legal document that defines who owns a particular property. Deed restrictions are stipulations written into a property’s deed or recorded as a restrictive covenant. Such restrictions can be varied. Throughout this report, use of the terms deed restricted housing or a deed restriction(s) is generally in reference to written rules that limit the amount a property can be sold or rented for, or that restricts who it can be rented or sold to based on household income or the location of the tenant/future owner’s employment, etc.
DOH	The Division of Housing is within the Colorado Department of Local Affairs. It partners with local communities to create housing opportunities for Coloradans who face the greatest challenges to accessing affordable, safe, and secure homes. DOH supports projects ranging from homelessness prevention to homeownership.
Employee (or workforce) Housing	Housing intended for and affordable to employees and households earning local wages.
ESRI	Environmental Systems Research Institute - supplier of geographic information system software, web GIS and geodatabase management applications.

FHA	Federal Housing Administration, provides secondary market for residential mortgages.
HOA	Home Owners Association, typically part of condominium developments.
HUD	Housing and Urban Development; federal agency providing funding and regulations for low income housing.
Keep-up Needs	Keep-up refers to the number of housing units needed to keep up with job growth and retiring employees to ensure housing is available for employees filling new or vacated jobs through 2027.
LAUS	Local area unemployment statistics
LEHD	Longitudinal Employer-Household Dynamics
LIHTC	Low Income Housing Tax Credit – a federal program to stimulate capital investment in affordable rental housing, administered in Colorado by the Colorado Housing and Finance Authority.
Local Resident Housing	For the purpose of this report, housing that is intended to be affordable or suitable for Teton Region employees and full-time residents. The term encompasses the full range of affordability levels for local residents – from very local income to 120% AMI or more.
MLS	Multiple Listing Service used for purchase and sale of residential real estate
Occupied housing unit	Occupied housing unit means housing units that are occupied by persons that consider the Fraser River Valley as their usual place of residence or that have no usual place of residence elsewhere. (US Census definition). Occupied units are also referred to as resident/local households in this report.
Workforce (or Employee) Housing	See “Community Housing”

Acknowledgements

We would like to thank everyone who gave their time, assistance, knowledge, and expertise to this process. Information in this report relied on participation from many individuals and organizations through interviews, data sharing, focus groups, outreach, etc. We are grateful for the time given by everyone we reached out to. We would like to give particular thanks to the Fraser River Valley Housing Committee, who were instrumental in this entire process.

Housing Committee
Alisha Janes, Assistant Town Manager, Town of Winter Park
Michael Brack, Assistant Town Manager, Town of Fraser
Ted Cherry, Town Manager, Town of Granby
Sheena Darland, Director/Operations Manager, Grant County Housing Authority

We appreciate the opportunity to work with such dedicated town and county staff, local employers and residents who are dedicated to obtaining a better understanding of the housing challenges and needs of The Valley and willing to tackle the topic head on for the benefit of The Valley and its residents.

Appendix B – Catch Up and Keep Up Tables

Jobs per Employee and Employees per Household

The number of jobs per employee and the number of employees per employed household are used to translate job growth into the number of housing units needed by workers to fill new jobs.

- The number of jobs held fluctuates with the seasons and many employees, particularly those in lower paid service jobs, work more than one job to afford to live in The Valley. Workers in Grand County hold about 1.13 jobs on average during the year.
- Many households have more than one employee. For example, this may be two working roommates or a couple with kids who both work. On average there are 2 employees per household in the county.

Average Jobs per Resident Employee, 2022

Grand County	
Jobs Held By Residents	10,492
Jobs multiply held	1,218
Jobs per employee	1.13

Source: Colorado Demography Office

Employees per Household with a Worker, 2019

Grand County	
Households with Worker	4,433
Employed Population Age 16 and Over	8,646
Employees per Household	2.0

Source: ACS 2015-2019 5-year estimates

Appendix C – Demographics and Housing Inventory

How have The Valley's demographics changed?

Demographic changes are directly tied to housing demand.

- As the population grows, so does the need and demand for housing.
- The age and household profile of residents helps define what types of housing may be needed and, for households needing assistance, the most beneficial programs. Seniors and aging households need different types and prices of homes than young and growing families, for example.

Population and Resident Households

Fraser River Valley's population of about 8,000 represents about half (51%) that of the county. The three municipalities of Winter Park, Fraser and Granby represent about 57% of The Valley's population. Within The Valley:

- Fraser had the highest rate of population growth from 2010 to 2020 (1.6% per year on average), followed by Granby.
- Winter Park grew at the lowest rate during the decade at about 0.4% per year on average.

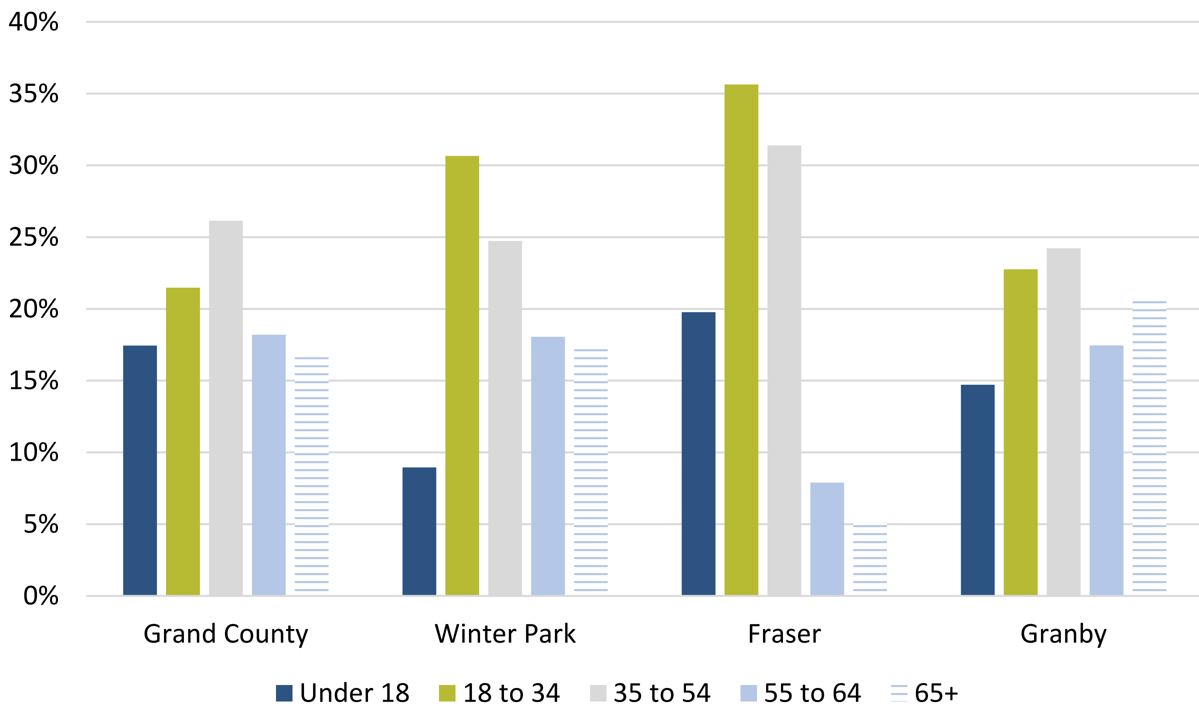
Population, 2010-2020

	2010	2020	2010-2020 Annual Growth Rate
Grand County	14,790	15,707	0.6%
Fraser River Valley	7,622	8,013	0.5%
Winter Park	993	1,036	0.4%
Fraser	1,217	1,420	1.6%
Granby	1,858	2,120	1.3%

Source: Colorado Demography Office, ESRI

As was the case in 2010, Fraser is home to many of The Valley's younger workers and has the highest share of residents age 18 to 54 (67%). Unsurprisingly, it also has the lowest median age (31) compared with Winter Park (40) and Granby (45).

Age of Residents



Source: ACS 2015-2019 5-year estimates

Relative to 2010, Fraser's age distribution remained stable. Winter Park and Granby experienced a decline in the share of residents under 18 and age 35 to 54, and an increase in the share of residents near retirement (55 to 64) or age 65+.

Percentage Point Change in Age Distribution Since 2010

	Grand County	Winter Park	Fraser	Granby
Under 18	-3	-6	0	-10
18 to 34	1	-3	0	1
35 to 54	-7	-7	0	-10
55 to 64	2	7	-2	5
65+	6	9	2	14

Source: 2010 Census, ACS 2015-2019 5-year estimates, ESRI

There are about 3,550 resident households in The Valley, or about half (51%) of all households in the county. The rate of household growth from 2010 to 2020 was highest in Fraser (1.8%) and lowest in Winter Park (0.7%) where the occupancy rate is lowest.

Households, 2010-2020

	2010	2020	2010-2020 Annual Growth Rate
Grand County	6,168	7,000	1.3%
Fraser River Valley	3,325	3,564	0.7%
Winter Park	478	513	0.7%
Fraser	537	641	1.8%
Granby	775	882	1.3%

Source: Colorado Demography Office, ESRI

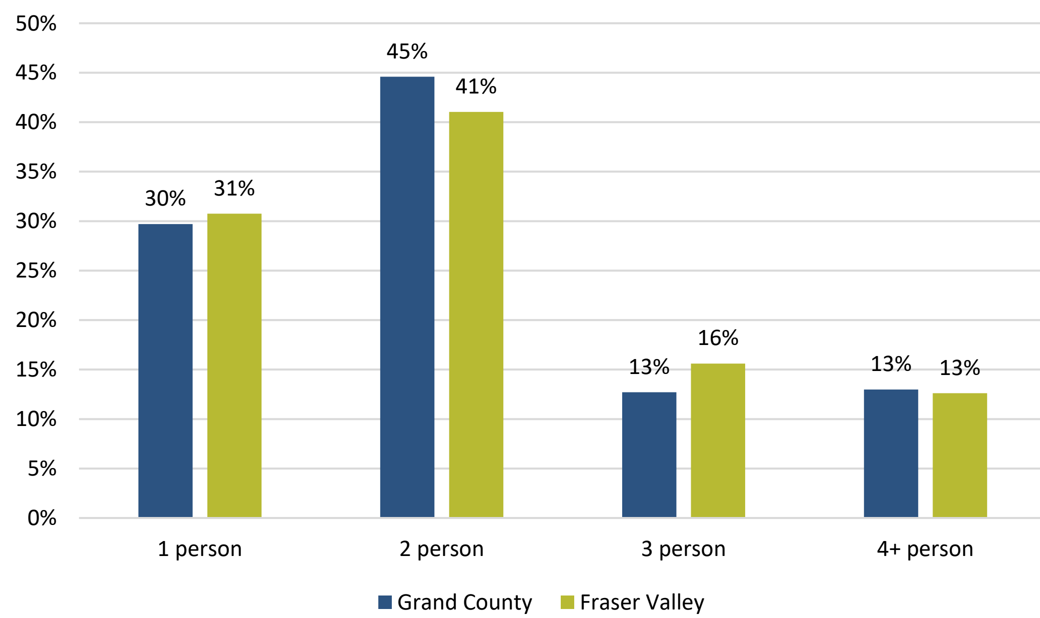
Household Size and Type

The size and type of households is important because they affect housing needs. The average size and distribution of households by size in the Fraser River Valley is quite similar to that in Grand County.

- The average household size in The Valley has changed little since 2010. It is estimated to be 2.2 people per household, which is lower than the county (about 2.5).

An estimated 72% of households in the Fraser River Valley are comprised of only one or two people, which is slightly higher than in 2010. Most two-person households in the county and in each community are married couples without kids.

Household Size Distribution

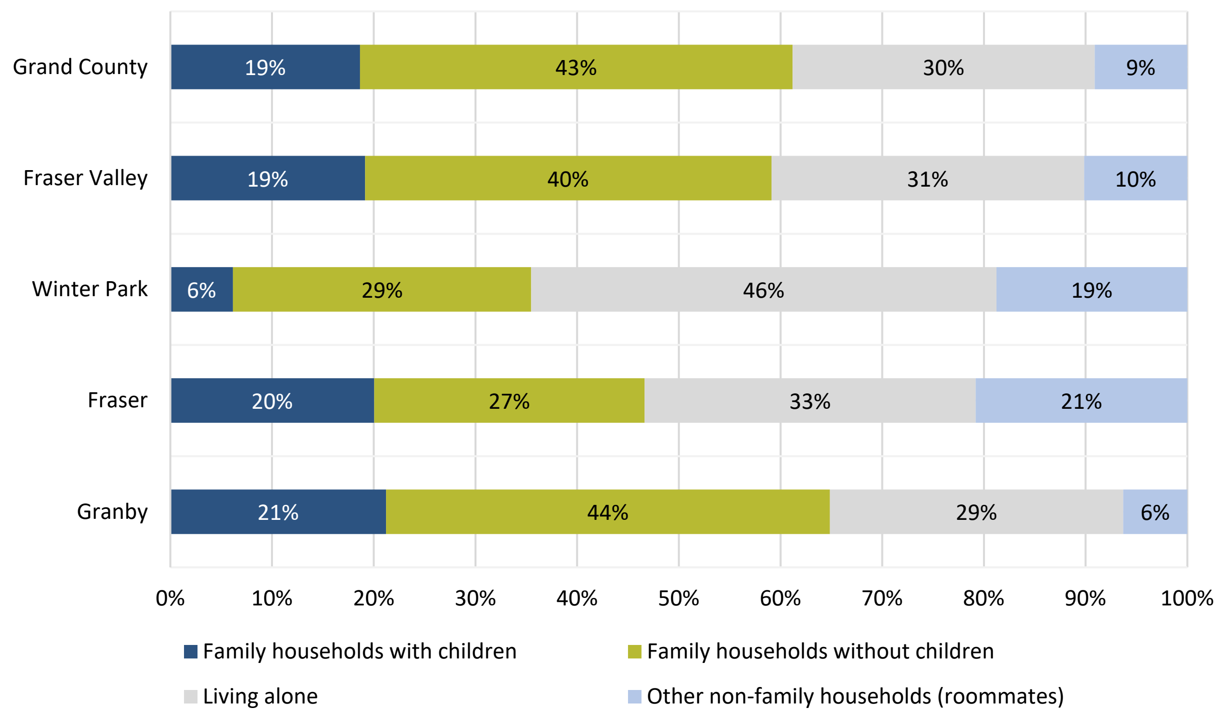


Source: ACS 2015-2019 5-year estimates, ESRI

About one in five households in The Valley, Fraser, and Granby are family households, which are those with two or more people related by birth, marriage, or adoption. Winter Park's share of family households is very low (6%).

Granby has the largest share of family households without children due to an older population including many retirees (38% age 55+). Winter Park has a much higher share of people living alone than The Valley or incorporated Valley communities. Fraser and Winter park have the highest share of nonfamily households, which include people living with non-relatives (e.g., roommates).

Household Types



Source: ACS 2015-2019 5-year estimates, ESRI

There have been a few notable changes in the distribution of households by type since 2010.

- The share of family households with children has decreased since 2010 except in Winter Park.
- The share of non-family households has increased in The Valley and most notable in Granby (11 percentage point increase).

Percentage Point Change in Household Type Since 2010

	Grand County	Fraser River Valley	Winter Park	Fraser	Granby
Family households with children	-6	-5	2	-4	-25
Family households without children	6	6	1	16	-3
Living alone	0	1	-7	-2	18
Other non-family households (roommates)	0	2	4	-9	11

Source: 2010 Census, ACS 2015-2019 5-year estimates, ESRI

How has the housing inventory changed?

Housing Units

There were about 9,700 homes in The Valley as of 2020, comprising about 60% of homes in Grand County. Fraser River Valley has been growing faster than the rest of the county.

- Between 2010 to 2020, 66% of homes built in Grand County were in The Valley.
- Fraser grew at the highest annual average rate (2.9%), followed by Granby (1.7%).

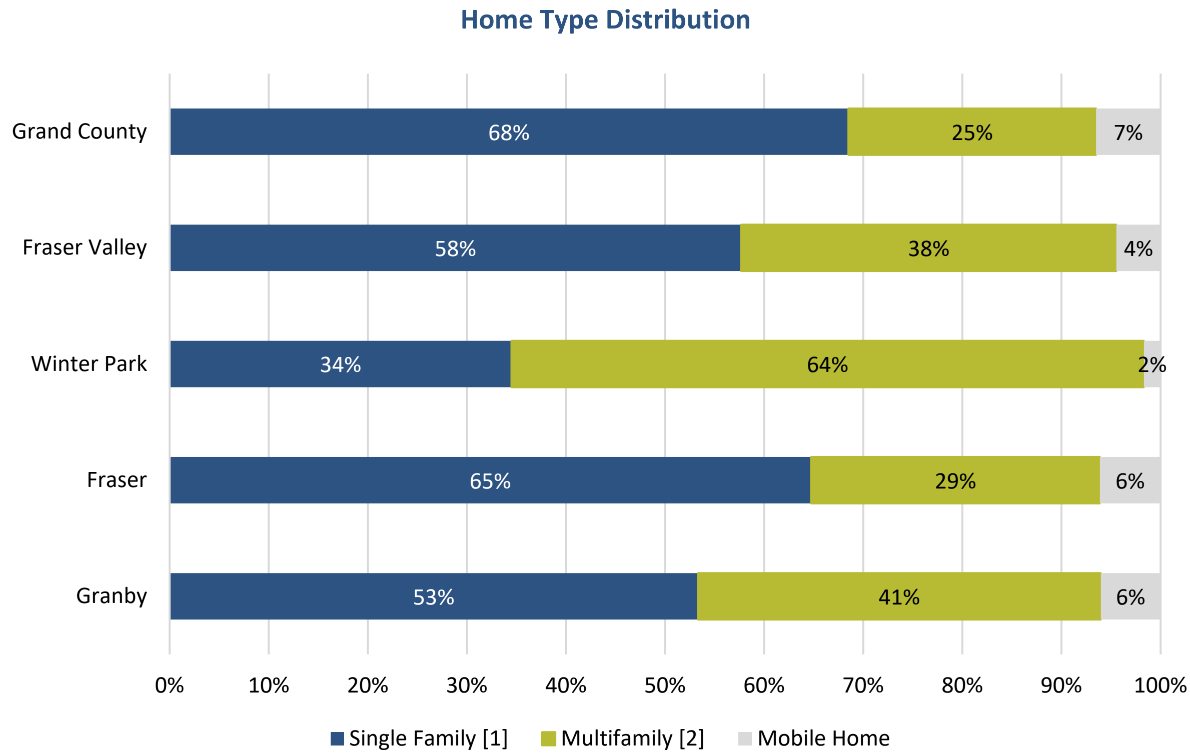
Housing Units, 2010 to 2020

	2010	2020	2010-2020 Annual Growth Rate
Grand County	15,396	16,784	0.9%
Fraser River Valley	8,759	9,669	1.0%
Winter Park	2,572	2,736	0.7%
Fraser	1,096	1,460	2.9%
Granby	1,535	1,817	1.7%

Source: Colorado Demography Office, ESRI

Home Type

Almost two thirds (62%) of the housing stock in the Fraser River Valley is comprised of single-family homes and mobile homes. Multi-family housing is predominately located in the Towns of Granby, Fraser and Winter Park. From 2015 until prior to the COVID pandemic, the share of multi-family units in Grand County, Winter Park and Fraser declined while the share of single-family units has increased.



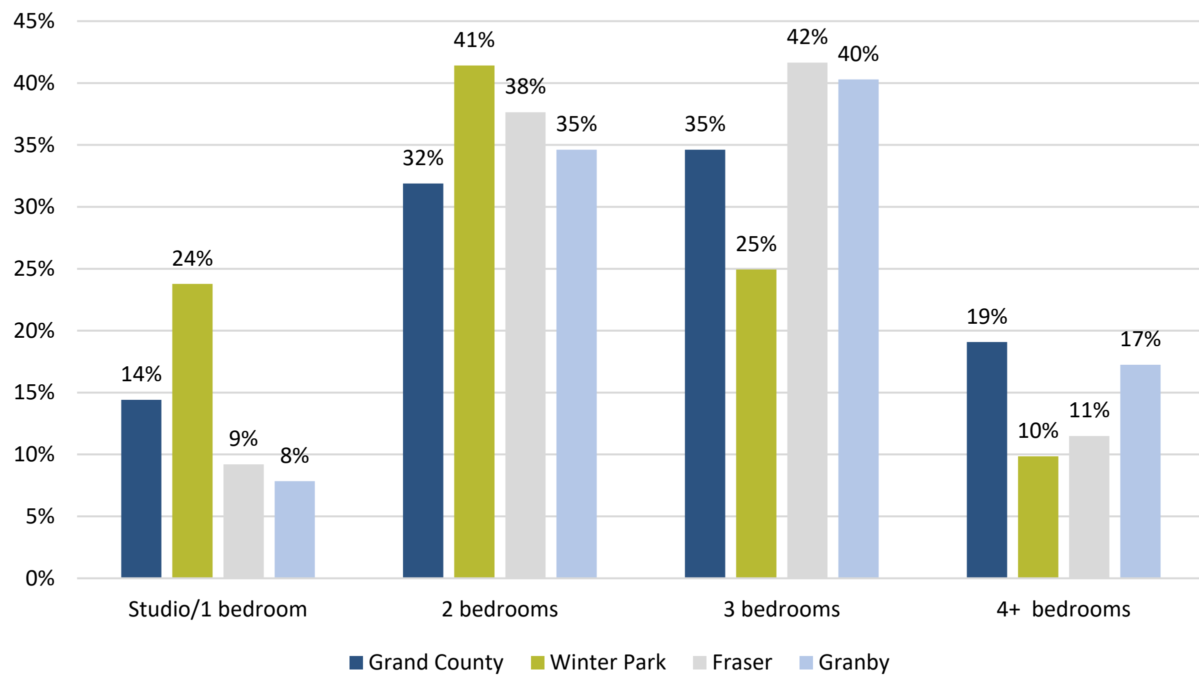
[1] attached and detached homes
[2] 2 or more units per structure
Source: ACS 2015-2019 5-year estimates

Building permit data from 2020 through 2022 suggest a stronger balance between single-family and multi-family beginning to emerge, with Old Town Apartments, Fireside, and Granby Station receiving permits during that time.

Bedroom Mix

Only about 16% of units in the towns of Winter Park, Fraser, and Granby are studio or 1-bedroom homes. The majority are 2- and 3-bedroom units (72%). More studio and one-bedroom options could help smaller renter households, reducing the need to find roommates to fill extra bedrooms. Although there are many two- and three-bedroom units that could house families, most are not affordable to working families.

Bedroom Mix



Source: ACS 2015-2019 5-year estimates

More townhouses, duplexes, small units, and multi-family housing are needed in The Valley. Specifically, stable rental units like apartments are needed rather than owner-leased condominiums and homes.

Appendix D – Area Median Income Table

The Area Median Income (AMI) is included throughout this report because it is a metric used by affordable housing funders. CHFA publishes the AMI annually.

Grand County - 2022 INCOME LIMITS								
AMI	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
120%	74,040	84,600	95,160	105,720	114,240	122,640	131,160	139,560
100%	61,700	70,500	79,300	88,100	95,200	102,200	109,300	116,300
80%	49,360	56,400	63,440	70,480	76,160	81,760	87,440	93,040
70%	43,190	49,350	55,510	61,670	66,640	71,540	76,510	81,410
60%	37,020	42,300	47,580	52,860	57,120	61,320	65,580	69,780
55%	33,935	38,775	43,615	48,455	52,360	56,210	60,115	63,965
50%	30,850	35,250	39,650	44,050	47,600	51,100	54,650	58,150
45%	27,765	31,725	35,685	39,645	42,840	45,990	49,185	52,335
40%	24,680	28,200	31,720	35,240	38,080	40,880	43,720	46,520
30%	18,510	21,150	23,790	26,430	28,560	30,660	32,790	34,890

Source: Colorado Housing and Finance Authority, 2022 Colorado County Income and Rent Tables