2016 Summit County Workforce Housing Demand Update

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Photo by Carl Scofield

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Introduction

This study updates the number of workforce housing units needed in Summit County and its basins from the 2013 Summit County Housing Needs Assessment. It identifies by basin:

- How many ownership and rental housing units are needed by the Summit County workforce presently and through 2020 and

- Which AMI levels should be targeted by affordable workforce housing.

As in the 2013 study, workforce housing need estimates are estimated based on average annual employment and do not represent peak season needs for seasonal workers residing in the area for only a few months during the year.

Report Organization

This update was conducted by evaluating several components of the housing and job market, as summarized in the following report sections:

- Area Median Income and Affordable Housing Payments – which identifies the current affordable price point of homes for purchase and rent for each defined area median income (AMI) level. This is important to understand the AMI level at which market rate housing is affordable to local households and below which local housing programs should target.

- New Housing Inventory – which identifies the number of housing units that have been added in Summit County since the 2013 study. This includes affordable rentals and deed-restricted ownership that have been built, as well as planned/pending workforce housing. Workforce housing units produced since 2012 and pending development by 2020 reduce the number of housing units needed in Summit County to keep up with estimated workforce housing needs.

- Jobs and Unemployment – which presents job growth since 2013, projected growth through 2020 and current unemployment rates.

- Ownership Market Conditions – which presents the change in home sale prices since the 2013 study and the distribution of homes that are currently for sale on the market by price. This is used to understand at which price points homes are being undersupplied by the for-sale market.

- Rental Market Conditions – which presents how much market rents have increased since 2013, the affordability of market rents and the availability (or scarcity) of rentals in Summit County. This is used to understand at which price points rentals are being undersupplied by the market.

- Housing Demand Update – which calculates current and future workforce housing needs in Summit County, by basin, through 2020. This section uses information from each of the above sections, plus data and assumptions presented in the 2013 Housing Needs Assessment. Results are presented for both ownership and rental housing and by AMI level, as done in the 2013 study.

Area Median Income and Affordable Housing Payments

Area Median Income (AMI) is published annually by the U.S. Department of Housing and Urban Development (HUD) and represents the median *family* income of an area. Many of the income- and deed-restricted housing units in Summit County use AMI to qualify households for occupancy and establish affordable prices.

The median family income is typically higher than the average income of all households in the county because the AMI does not incorporate incomes from single and non-family roommate households. In 2012, for example, the median income of all households was about $23,100 (or 26%) lower than the median family income.[1]

In 2012, about 38% of Summit County households earned less than 80% AMI (i.e., low income). Another 36% earned between 80 and 120% AMI (i.e., moderate- to middle-income). Income distribution varies by owners and renters, as shown below, with more owners earning within the higher AMI ranges than renters. This same income distribution is assumed for the purposes of this update.

Households by AMI

	Owners	Renters	TOTAL
<=30%	1%	9%	4%
30.1-60%	17%	35%	23%
60-80%	10%	12%	11%
80-100%	20%	25%	21%
100-120	18%	8%	14%
120-150	14%	7%	12%
150+	20%	4%	15%
TOTAL	100%	100%	100%

Source: 2012 Household Survey

[1] Please reference the 2013 Summit County Workforce Housing Needs Assessment, Section 1, Household Income and Area Median Income, for more information.

The affordable housing payment at each defined AMI level is lower in 2016 than in 2012. This is due to two factors:

- The 2016 published AMI is about 8% lower ($82,300) than it was in 2012 ($89,800) based on the calculation methodology used by HUD. This change reduces the affordable price point of homes at each AMI level.

- Mortgage interest rates have increased slightly. Interest rates on 30-year mortgages have fluctuated since 2012, but are generally slightly higher. Affordable purchase prices assumed an interest rate of 4.5% on a 30-year mortgage in the 2013 Housing Needs Assessment, whereas current estimates assume a 5% rate. A 0.5% rise in interest rate decreases the affordable purchase price for a household by about 5%. If interest rates continue to rise, higher incomes will be required of buyers to purchase the same priced home.

Maximum Affordable Housing Costs:
2012 and 2016 Compared

AMI Level	2012		2016	
	Max Rent	Max Purchase Price*	Max Rent	Max Purchase Price**
30%	$570	$95,000	$520	$81,400
50%	$960	$159,000	$865	$135,700
60%	$1,145	$190,000	$1,040	$162,800
80%	$1,380	$229,000	$1,385	$217,000
100%	$1,910	$317,000	$1,730	$271,300
120%	$2,290	$381,000	$2,075	$325,600
150%	$2,865	$476,000	$2,595	$407,000

Source: HUD; Consultant team

*2012: Assumes an average 2.4-person household with a 30-year mortgage at 4.5% with 5% down and 20% of the payment covering taxes, insurance and HOA fees.

**2016: Assumes an average 2.4-person household with a 30-year mortgage at 5.0% with 5% down and 20% of the payment covering taxes, insurance and HOA fees.

New Housing Inventory

About 1,200 new housing units (excluding timeshares) have been constructed or approved in Summit County since the 2013 Housing Needs Assessment. Of these, about 33% are deed-restricted ownership and income- or residency/employment-restricted rental units for the workforce. Development of deed- or income-restricted housing varies by region:

- About two-thirds of the new deed- or income-restricted rentals have been constructed or permitted in the Upper Blue region.
- Over 60 units each have been constructed in the Lower Blue and Ten Mile regions.
- Five new income-restricted rental units have been built or approved in the Snake River area.

Housing Units Constructed/Permitted: 2013 - 2016

	Summit County Total	Upper Blue	Snake River	Lower Blue	Ten Mile
Total	1,195	592	118	313	172
Market Rate	803	335	113	246	109
Deed or Income-Restricted	392	257	5	67	63

Sources: Summit County Assessor data, Town/County Planners, Summit Combined Housing Authority, Census Building Permit data

Of new workforce units constructed or approved since the 2013 Housing Needs Assessment, about one-third are deed-restricted ownership and two-thirds are income- and/or residency/employment-restricted rentals.

- The Upper Blue includes a mix of ownership and rental units provided at a range of affordable price points. Units are designed to meet the needs of a variety of household types (singles, families, etc.) at different income ranges.
- The 63 units constructed in the Ten Mile include mostly deed-restricted ownership (60 units), plus three workforce restricted rentals. This includes build-out of Peak One development in Frisco, townhomes under construction at Copper and various units provided through Frisco's voluntary density bonus ordinance.

- All restricted units constructed in the Lower Blue are rentals, with most of them (64 units) located in Sierra Madre Phase 2 apartments for households earning from 40% to 60% AMI.

- The five units in the Snake River area include three income-restricted apartments that are pending construction and a couple of scattered condominiums.

Deed Restricted Workforce Housing Units Constructed/Approved/Permitted: 2013-2016

	Summit County Total	Upper Blue	Snake River	Lower Blue	Ten Mile
OWNERSHIP					
<=60%	2	2	0	0	0
60.1-80%	30	17	0	0	13
80.1-100%	64	37	0	0	27
100.1-120%	41	23	0	0	18
120.1 to 160%	3	1	0	0	2
Live/work restriction only	0	0	0	0	0
TOTAL Ownership	**140**	**80**	**0**	**0**	**60**
RENTAL					
<=60%	175	111	0	64	0
60.1-80%	56	56	3	0	0
Residency/employment restriction only	21	10	2	3	3
TOTAL Rental	**252**	**177**	**5**	**67**	**3**
ALL Workforce Units	**392**	**257**	**5**	**67**	**63**

When the new workforce housing developments are complete, there will be just under 2,500 restricted housing units for the workforce in Summit County. This equates to about 20% of occupied housing in the county.

Total Workforce Housing Units by Region: 2016+

	Summit County Total	Upper Blue	Snake River	Lower Blue	Ten Mile
Ownership	692	451	44	14	188
Rental	1,748	532	541	278	398
Total #	2,446	983	585	292	586
Total %	100%	40%	24%	12%	24%

Sources: Summit County Assessor data, Town/County Planners, Summit Combined Housing Authority, Census Building Permit data, Consultant team

Workforce Housing Projects Under/Pending Construction

Included in the above tables are several projects that are presently under construction and scheduled for completion by 2018. This includes about 200 units in the Ten Mile and Upper Blue regions. About 60% of the units will be affordable rentals in the Upper Blue area.

Workforce Housing Units Under/Pending Construction

Ten Mile	# Units	Own	Rent	Description
Copper Point Townhomes	15	15	0	Construction began summer 2016 on 15 two-bedroom/two-bathroom for-sale townhomes at Copper Mountain. The first five units are anticipated to be completed by the end of 2016. Units will be deed restricted for the workforce at 100% and 110% AMI, ranging in price from about $281,300 to $315,500.
Upper Blue				
Wellington Lincoln Park	62	62	0	Another phase of the Wellington neighborhood development is under construction. Seven (7) of 62 total homeownership units have been completed so far in 2016, with another 12 units scheduled to be built this fall. Units will be available for households earning under 80% AMI, 100% AMI and 110% AMI.
Huron Landing	26	0	26	This 26-unit apartment project is a joint development of the Town of Breckenridge and Summit County on land that was previously the site for a recycling facility. Construction will start this summer on the two-bedroom apartments and be completed by summer 2017. The rents will be affordable to households at 80% AMI.
Denison Placer 1	66	0	66	A LIHTC project with rentals restricted at 30% through 60% AMI. Units will be a mix of 2- and 3-bedrooms, expanding affordable rental options for families.
Denison Placer 2	30	0	30	Studio and one-bedroom apartments, the restrictions for which have not been finalized. This project may involve a partnership with CMC. The focus is on students and younger singles or couples.
TOTAL under development	**199**	**77**	**122**	**-**

Workforce Housing Projects in the Pipeline

Projects in the planning phase or under consideration have the ability to increase workforce housing units in Summit County by over 1,300 homes. This includes a range of projects in each region of the county. Workforce units have yet to be approved. Development will extend beyond the year 2020 – the limit of projections provided in this report.

Workforce Housing Units in the Planning Phase

Ten Mile	# Units	Own	Rent	Description
Lake Hill	400 to 600 (est)	-	-	The nearly 45-acre parcel near Frisco between I-70 and the Dam Road was purchased from the US Forest Service by Summit County for $1.75 million. The concept plan for the development, which may have as many as 400 to 600 residential units, is scheduled for completion in September 2016.
Lower Blue				
Smith Ranch	300+ (est)	-	-	Owned by the Town of Silverthorne, this parcel is zoned for up to 309 residential units. The Town considered proposals from developers; however, high infrastructure costs and funding uncertainties stalled the development. With reauthorization of 5A, the Town is reconsidering Smith Ranch.
Upper Blue				
Stan Miller	105	65	40	Through an annexation agreement with the Town of Breckenridge 105 deed restricted units will be developed on the Stan Miller tract. As planned, 40 of these units will be rentals. Ownership units will be restricted for households earning between 100% and 180% AMI.
Block 11	250 (est)	-	-	Block 11 is a parcel along the Blue River owned by the Town of Breckenridge. After construction of Denison Placer 1 and 2, the parcel may contain up to an additional 250 units. The town is planning for additional phases of workforce housing development on this parcel.
McCain Property	100+/-	-	-	The 128-acre McCain property, owned by the Town of Breckenridge, is located at the northern end of Town. The modified Master Plan identifies the appropriate location for the Town's new water treatment plant, overflow parking, open space and trails, solar gardens, some Public Works facilities, affordable housing, and a habitat corridor along the Blue River.
Berlin Placer	20	20		The county is reviewing an application for 30 market rate and 20 deed restricted employee units for a parcel near Breckenridge.

Workforce Housing Units in the Planning Phase (continued)

Snake River	# Units	Own	Rent	Description
PUD in Dillon	3	-	3	Three (3) affordable rentals are proposed as part of a 65-unit condominium PUD.
Keystone rentals	200	-	200	Vail Resorts has entered into a partnership with Gorman Company to develop 200 apartments.
County owned land (Keystone area)	25	25	-	The County is looking to partner with a private builder to build at least 25 for sale units.
TOTAL potential (all regions)	**1,300+**	**-**	**-**	**-**

Other Pipeline Projects

There are several commercial and other projects in the development pipeline throughout the county. Commercial development brings new jobs to the area and impacts the need for workforce housing.

- A mixed-use development has been approved in Dillon, to include a large restaurant, two commercial spaces, 48 condominiums and 17 apartments, including 3 income-restricted rentals;

- A 15,000 square foot commercial office building is under construction in Frisco. Other proposals comprise a total of 5 townhomes and 8 rentals;

- Silverthorne has several projects under construction or in the pipeline, including:
    - Redevelopment of McDonald's restaurant;
    - A 46-unit condo/townhome residential project;
    - Maryland Creek Ranch has begun construction of a large neighborhood on the north end of town. It is slated for 240 single family, duplex, townhome units;
    - 31 luxury condominiums at Rivers Edge Condos;
    - Angry James Brewery – a small craft brewery; and
    - A new performing arts center for the Lake Dillon Theater Company called Silverthorne Performing Arts Center.

- Breckenridge also has several projects under construction or pending approval, including:
    - A new Marriott- hotel (129 rooms);
    - Over 370 timeshare units in the Welk, Grand Lodge at Peak 8, and East Lodge at Peak 8 developments;
    - Three new Restaurants: On-mountain at Peak 6, Elk Restaurant and new Brewery on Airport Rd; and
    - Several large capital public projects, including:
        - Iron Springs Highway 9 Realignment
        - Blue River Corridor Realignment
        - Rec Center Remodel

Jobs and Unemployment

Jobs Estimates and Projections

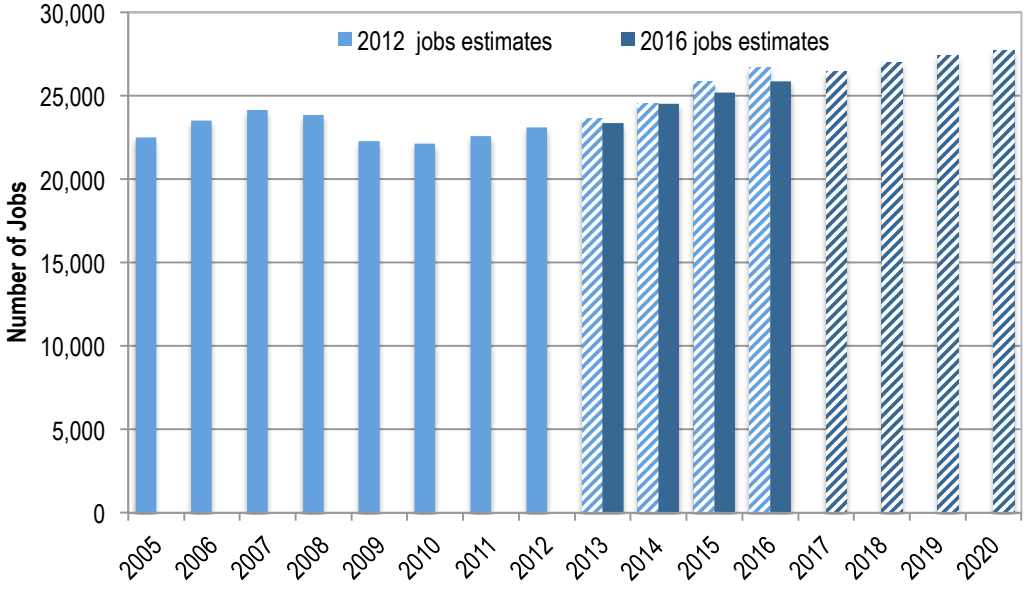
There are about 25,870 jobs in Summit County in 2016. By 2014, the number of jobs in Summit County had fully recovered to pre-recession levels based on job estimates from the Colorado State Demographer.

Job growth estimates are used to project how many housing units will be needed to house workers filling new jobs. In the 2013 Housing Needs Assessment, it was estimated that between 2,140 and 3,600 new jobs would be added by 2016. This assumed both a slow-growth rate based on estimated job recovery since 2010 (2.2% per year) and a high-growth rate based on State Demographer estimates (estimated 3.7% per year). Revised State Demographer estimates show that estimated job growth occurred near the mid-point of this range (2.9%). More specifically:

- In 2012, the State Demographer projected jobs would increase by 3,600 jobs by 2016. Revised estimates show that a lower 2,755 jobs have been added.

- Projections through 2020 have also been revised downward. Just over 1,800 jobs are projected to be added through 2020, an average increase of about 1.7% per year.

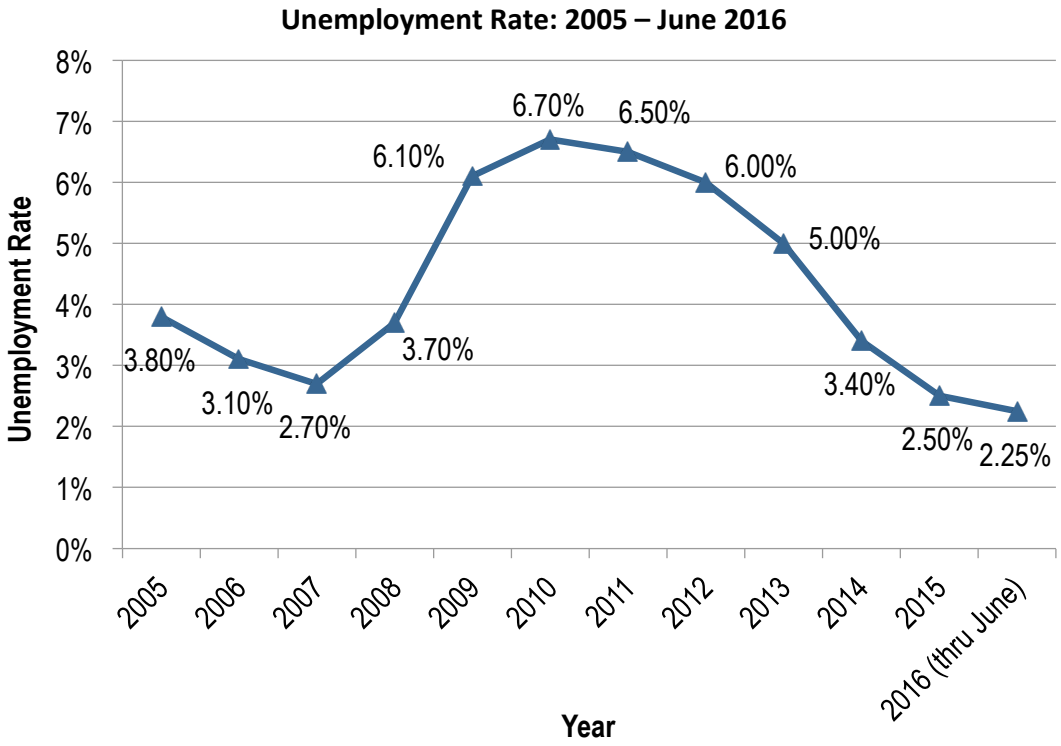
Average Annual Jobs Estimates and Projected Increase:
Summit County, 2005 – 2020



Source: Colorado Department of Local Affairs (DOLA), State Demography Section
Note: Actual job counts are provided through 2014, with estimates provided for later years.

Unemployment Rate

In 2012, the local unemployment rate was about 6%. Unemployment has been falling since that time. The unemployment rate is now near 2.25% and is lower than it was in 2007, just prior to the recession. Because unemployment is so low, workers filling new jobs will be coming from outside the area and most will, therefore, need to find housing.



Source: Colo Dept of Labor and Employment, LAUS

Ownership Market Conditions

This section evaluates how much home sale prices have changed since 2012 to understand the extent to which homes may have become more or less affordable to the workforce.

It also summarizes units currently advertised for sale in Summit County compared to units available in 2012. This shows how the availability of homes both in terms of price points and volume has changed since the 2013 Housing Needs Assessment.

Home Sales

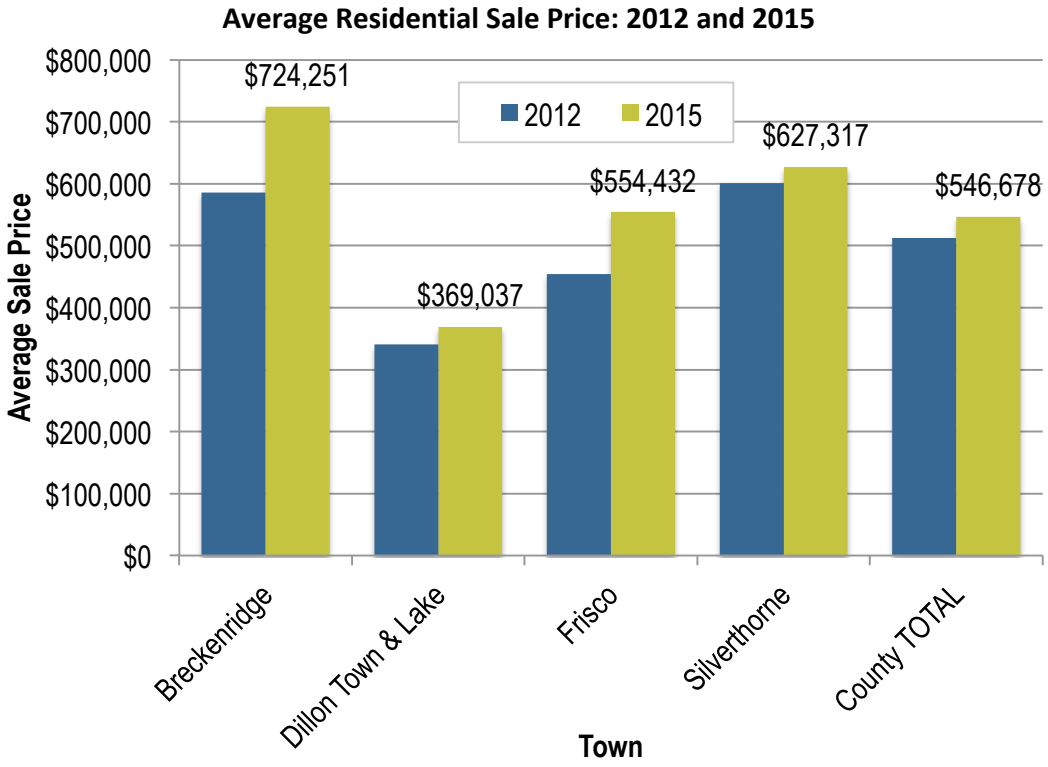
The average price of homes sold in 2015 were 12% to 13% higher than those sold in 2012. This equates to an average increase of 3.8% per year.

Change in Sale Prices: 2012 to 2015

	2012	2015	% Change
Single Family			
Median sale price	$619,000	$685,000	11%
Average sale price	$764,445	$855,925	12%
Condo/Multi-family			
Median sale price	$315,000	$339,000	8%
Average sale price	$353,339	$399,232	13%

Source: Land Title Guarantee

Prices in all towns rose. The increase in average sale prices varied from about 4% in Silverthorne to over 20% in Breckenridge and Frisco.



Source: Land Title Guarantee

Sales volume is also up significantly.

- The number of sales more than doubled in 2015 compared to 2012.
- Condominiums showed a large 77% increase in sales volume.
- Total sales are still below the peak sales year in 2007 (2,580 units).

Number of Sales: 2012 and 2016

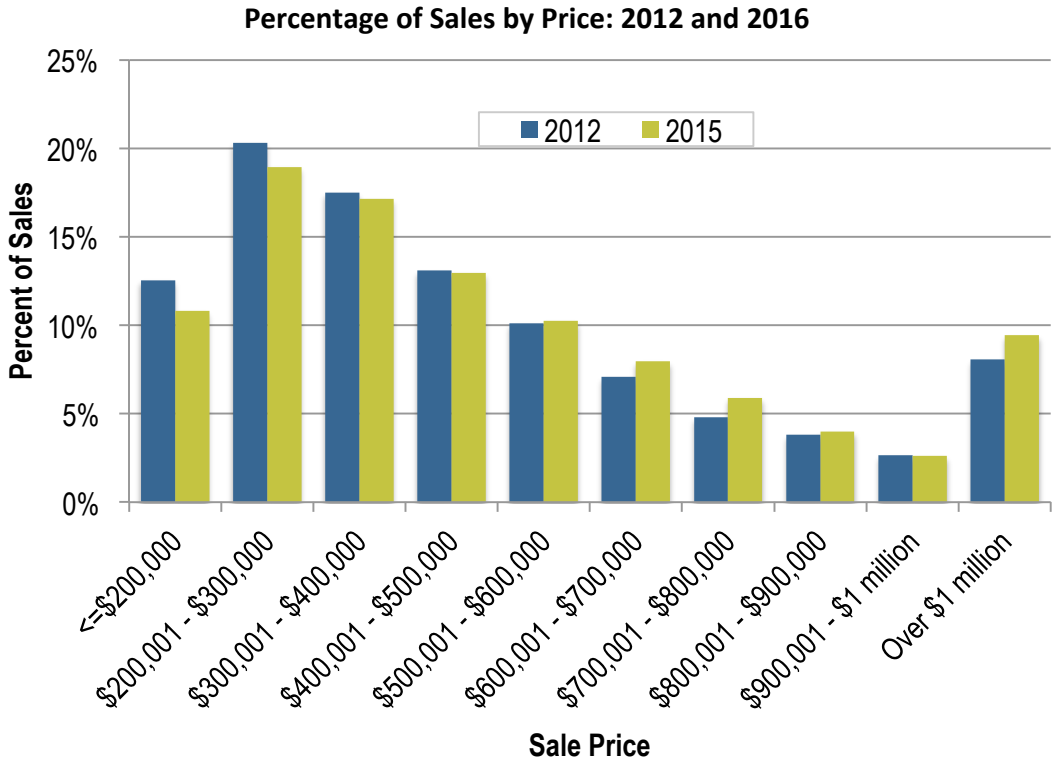
	2012	2015	% Change
Single Family	509	678	33%
Condo/Multi-family	805	1,422	77%
All Residential	1,314	2,100	60%

Source: Land Title Guarantee

Sales in 2015 show a similar distribution by price point as units sold in 2012. This is largely due to the higher rate of growth in lower-priced condominium sales than single-family homes.

- A slightly lower percentage of sales in 2015 were priced under $300,000 (30%) than in 2012 (33%).

- A slightly higher percentage were priced over $600,000 in 2015 (30%) than in 2012 (26%).



Source: Land Title Guarantee

Current Availability

There is a much lower inventory of homes for sale in the current market than in 2013 and homes listed for sale are more expensive.

- The number of listing in July 2016 (564) is 60% lower than in January 2013 (950);
- About 22% of listings in 2013 were priced over $1 million compared to 39% in 2016;
- About 50% of listings in 2013 were priced under $500,000 (500 units) compared to only 28% in 2016 (160 units); and
- There is a significant shortage of homes priced under $400,000 (18% of listings) compared to sales in 2015 (47% of sales), equating to about a 1.2-month supply of homes at this price point.

Source: July 30, MLS (breckenridgerealestatecompany.com); Consultant team

A significant majority of units for sale in July 2016 that are priced under $400,000 are condominiums. This was also the case in 2013. These units also tend to be older. About 70% were built prior to 1990, with an average year built of 1982.

With few exceptions, single-family homes and townhomes are priced over $400,000.

Residential For-Sale Listings by Type:
Summit County, July 2016

	Condominiums	Single Family/ Townhomes	TOTAL	TOTAL %
<=$200,000	19	0	19	3%
$200,001-300,000	34	3	37	7%
$300,001-400,000	39	7	46	8%
$400,001-500,000	41	16	57	10%
$500,001-600,000	19	19	38	7%
$600,001-700,000	21	28	49	9%
$700,001-800,000	11	31	42	7%
$800,001-900,000	5	28	33	6%
$900,001-1,000,000	7	16	23	4%
>$1 million	22	198	220	39%
TOTAL	218	346	564	100%
Median List Price	$444,450	$1,244,450	$797,000	-
Average List Price	$550,870	$1,506,839	$1,137,333	-

Source: July 30, MLS (breckenridgerealestatecompany.com); Consultant team

In 2013, there was a shortage of homes available priced for households earning 120% AMI or below. It was noted that as home prices continued to recover from the recession that it may again become necessary to assist households earning over 120% AMI, as was needed prior to the recession.

In 2016, there is currently a deficit of homes priced under about $400,000, which are affordable for households earning under 150% AMI. The below table shows that this is consistent across all Summit County regions. The Snake River area has the most units within this lower price range; however, nearly all of these units are older condominiums, which can pose challenges for local workforce housing as noted in the 2013 Housing Needs Assessment.

Residential For-Sale Listings by AMI and Location:
Summit County, July 2016

AMI Level	Lower Blue	Snake River	Ten Mile	Upper Blue	Summit County	
					#	%
Under 60% AMI	1	4	1	0	6	1%
60.1 - 80%	2	9	3	1	15	3%
80.1 - 100%	1	13	3	2	19	3%
100.1 - 120%	5	5	3	3	16	3%
120.1 - 150%	4	8	11	8	31	5%
Over 150% AMI	57	81	70	269	477	85%
TOTAL	70	120	91	283	564	100%
Median value:	$732,000	$634,000	$500,000	$1,049,000	$797,000	
Average value:	$959,335	$828,744	$813,603	$1,416,308	$1,137,333	
Median PPSF	$343	$360	$439	$462	$413	
Average PPSF	$342	$368	$461	$511	$451	

Source: July 30, MLS (breckenridgerealestatecompany.com); Consultant team

Rental Market Conditions

This section evaluates how much market rents have increased since 2013 and how availability of units has changed. It is used to understand the current affordability of market rents to the workforce and whether available units are meeting demand.

Rental Availability and Market Rents

The rental market rebounded strongly after the Recession. Vacancies dropped sharply and rents began to rise in 2012. At the time of the 2013 Housing Needs Assessment:

- Vacancies were very low – under 2%;
- Market rents had risen to equal or exceed pre-recession levels; and
- Market rents averaged $1,280 in the county, which was affordable for households earning 80% AMI or higher.

Under current conditions, vacancy rates have remained below 2%:

- In 2015, rental vacancy rates in Summit County were near zero percent. The Summit Combined Housing Authority (SCHA) reported no vacancies in 2015 through their rental database of approximately 900 units. The Colorado Division of Housing reported a vacancy rate of 0.5% in the third quarter of 2015.
- In March and the first half of April 2016, 101 units were advertised for rent or as coming available for rent in local papers, Zillow and Craigslist. This equates to a less than 2% vacancy rate at the tail end of the winter season.

Due to the shortage of units, rents have continued to increase. Households must now earn over 100% AMI to afford median market rents:

- In the 7-month period between April and November 2015, market apartment rents increased 6.2% and rents for condo/duplex/single-family homes increased 7.4% based on the SCHA rental database. This indicates rents are increasing at annual rates exceeding 10%.
- Available units were advertised at a median county-wide rent of $1,898 per month. This is affordable for an average-sized household earning about 110% AMI. By bedroom size, advertised rents are affordable for households earning between about 95% and 140% AMI.

Market Rents of Vacant Units by Bedroom Size:
Summit County, Mar/Apr 2016

	Units	Median Rent	AMI Affordability
Studio/1 BR	32	$1,475	95%
2 BR	38	$1,895	100%
3+ BR	31	$3,000	140%
Total Listings	101	$1,898	110%

Sources: Summit Daily News, Zillow and Craigslist; 2012 Housing Survey

The current rental market is underserving households with incomes at or below 80% AMI, which is the core rental market in most communities. The majority of available listings (87%) were priced for households earning 80% AMI or above.

Market Rents of Vacant Units by AMI:
Summit County, Apr/Mar 2016

	Studio/ 1-bedroom	2-bedroom	3+-bedroom	Total listings	% listings
<60%	1	0	0	1	1%
60.1-80%	9	2	1	12	12%
80.1-100%	8	16	2	26	26%
100.1-120%	12	12	5	29	29%
>120%	3	7	23	33	33%
Total	**33**	**37**	**31**	**101**	100%

Sources: Summit Daily News, Zillow and Craigslist

Housing Demand Update

This section updates the current and future workforce housing needs in Summit County, by basin, through 2020. This section:

- Updates the 2013 Housing Needs Assessment projections of total needs for 2012 through 2016;
- Identifies how many workforce housing units have been constructed or approved during this time;
- Calculates how many units are still needed to address the housing deficit identified in 2013 (e.g., total needs minus the number of workforce housing units provided or to be built by 2020); and
- Projects how many units will be needed to keep up with job growth, retiring employees and loss of homes to second homeowners, utilizing the same assumptions from the 2013 study, where applicable.

Results are presented for both ownership and rental housing and by AMI level, as done in the 2013 study. The prior study should be referenced for more detail on these assumptions.

Catch-Up Needs (2016)

Catch up in 2016 refers to the number of units needed to catch up to meet current workforce housing needs that are in short supply. Currently about 660 units are needed to catch up to current needs.

For the purposes of this update, catch-up is calculated by:

- Updating the total housing needs calculated in the 2013 Housing Needs Assessment for the time period between 2012 and 2016 and
- Subtracting the number of workforce housing units constructed or approved since the 2013 study from total needs.

<u>Updated 2013 Study Estimates</u>

In the 2013 Housing Needs Assessment, both a lower and upper count of housing needs was identified. Estimates assumed both a slow-growth rate based on job recovery since 2010 and a high-growth rate based on State Demographer projections. Revised State

Demographer estimates show that job growth occurred near the mid-point of this range. Updated estimates are based on:

- A four-year, rather than 5-year, need. Estimates presented in the 2013 study covered from 2012 to 2017. Revised estimates show needs from 2012 through the current year (2016);

- Updated actual and estimated job growth between 2012 and 2016 from the State Demographer, showing that a total of 2,755 jobs have been added; and

- Revised estimates of units lost to second homeowners through the sale of homes by locals. Updated counts from assessor records indicate a lower loss of 56-units per year, rather than 86-units per year.

These estimates do not include an estimate of resident housing lost due to conversion to short-term rentals, a topic of concern in Summit County and many other communities. Insufficient data is currently available to be able to provide these estimates.

Updated Workforce Housing Needs for the Period From 2012 to 2016

	TOTAL	Lower Blue	Snake River	Ten Mile	Upper Blue
2013 Estimated Total Need (2012-2016)					
Ownership (120% or below)	415 – 660	90 – 150	70 – 105	115 – 185	140 - 225
Rentals (80% or below)	410-770	55 – 105	70 – 130	130 – 245	160 - 295
TOTAL below market units	825 – 1,430	145 – 255	140 – 235	245 – 430	300 - 520
Updated Total Need (2012-2016)					
Ownership (120% or below)	485	105	80	135	165
Rentals (80% or below)	563	75	95	175	215
TOTAL below market units	1,048	180	175	310	380

NOTE: differences are due to rounding

2016 Catch-Up Estimates

Revised estimates of need for 2012 to 2016 show that about 1,048 workforce housing units were needed to address deficiencies in 2012 and keep up with job growth and loss of resident units through 2016. A total of 389 of these units have been built or are pending development in Summit County by 2018.[2] Therefore, another 659 units are needed to address the remaining needs.

[2] Because these units are either built or will be completed before the year 2020, removing all of these units from the catch-up figure will have the same end-result as removing just those units currently constructed from catch-up and units pending completion by 2020 from the keep-up number. A combined

Estimated Catch-Up Workforce Housing Needs: 2016

	TOTAL	Lower Blue	Snake River	Ten Mile	Upper Blue
Updated Total Need (2012-2016)					
Ownership (120% or below)	485	105	80	135	165
Rentals (80% or below)	563	75	95	175	215
TOTAL below market units	1,048	180	175	310	380
MINUS					
Workforce Units Built/Approved (2012-2016)					
Ownership (120% or below)	137	0	0	58	79
Rentals (80% or below)	252	67	5	3	177
TOTAL	389	67	5	61	256
EQUALS					
CATCH-UP: 2016 (remaining units needed)					
Ownership (120% or below)	348	105	80	77	86
Rentals (80% or below)	311	8	90	172	38
TOTAL	**659**	**113**	**170**	**249**	**124**

NOTE: Differences are due to rounding

Keep Up Needs (2016 to 2020)

It is estimated that about 1,025 workforce housing units are needed to keep up with changes through 2020. As done in the 2013 study, the need for workforce housing units through 2020 is based on:

- Projected job growth. The State Demographer estimates about 1,800 jobs will be added through 2020 – fewer jobs added than during the past four years, but still significant;

- The need to fill jobs vacated by retirees. This was estimated to be about 200 jobs per year in the 2013 Housing Needs Assessment; and

- The need to replace units lost to second homeowners through the sale of homes by locals (about 56 units per year).

The same assumptions regarding the mix of units by ownership and rental, by AMI price point and by Summit County region are the same as those used in the 2013 Housing Needs Assessment, which can be referenced for more detail. This includes:

total of 389 rentals below 80% AMI plus ownership below 120% AMI would be subtracted through either method.

- Rentals should comprise about 56% of new units, on average, to accommodate the various characteristics of households filling these new homes – whether they are new employees to the area filling new jobs or jobs of retirees, in-commuters relocating to Summit County, or households occupying homes built to replace ones lost to second homeowners;

- Workforce housing units are now needed for owners earning under 150% AMI and renters earning under 100% AMI based on continued rising housing costs and scarce supply since the 2013 Housing Needs Assessment;[3] and

- Units are distributed based on maintaining a balance of where workers live and where jobs are located within each region of the county.

Estimated Keep-Up Workforce Housing Needs: 2016 to 2020

	Summit County	Lower Blue	Snake River	Ten Mile	Upper Blue
Ownership (150% or below)	430	95	70	120	145
Rentals (100% or below)	595	80	100	185	230
TOTAL	**1,025**	**175**	**170**	**310**	**375**

NOTE: differences are due to rounding

Total Needs (2016 to 2020)

About 1,685 catch-up and keep-units are needed in Summit County through 2020 to house about 3,035 employees filling local jobs. [4] This represents workforce housing units at price points that the market will not provide through 2020, including below 150% AMI for ownership and below 100% AMI for rentals. This will allow Summit County to address both current housing needs and keep up with annual average job growth through 2020. Just as in the 2013 needs assessment,[5] this includes:

- Addressing the deficiency in below-market rental and ownership housing for residents. This does not address the need for seasonal worker housing during peak periods;

[3] Only the town of Breckenridge has workforce units pending development by 2018 that will serve household earning over 120% AMI, which has been subtracted from the keep-up totals (13-units at Stan Miller).

[4] These are employees filling average year-round jobs and not peak seasonal jobs. Housing for these employees need to accommodate a variety of household sizes, types and preferences. The 2013 Summit County Housing Needs Assessment provides more detail on the types of homes needed by these employees. See in particular Section 4 (What Employees Want – Design and Pricing of Workforce Housing) and Section 8 (Type).

[5] Section 7 Workforce Housing Catch Up and 5-Year Keep Up Needs of the 2013 Summit County Workforce Housing Needs Assessment can be referenced for more detail.

- Housing the 5% to 10% of in-commuters that would prefer to move to Summit County;
- Housing employees hired to replace retiring workers;
- Replacing the loss of resident-owned homes that have been sold to second homeowners. This does not include making up for the loss of long-term rentals to the short-term rental market due to the current lack of information to estimate this loss;
- Housing 80% of the employees that are needed to fill new jobs within Summit County – this assumes that 20% of workers will continue to in-commute;[6] and
- Distributing housing needs among each basin based on multiple factors including: each area's share of jobs in the county, where workers prefer to live and maintaining a mix of incomes within each basin.

Total Needs: Catch-Up Plus Keep-Up: 2016 – 2020

	Summit County	Lower Blue	Snake River	Ten Mile	Upper Blue
Catch-Up (2016)	659	113	170	249	124
Keep-Up (2016 – 2020)	1,025	175	170	310	375
TOTAL Housing Units	**1,685**	**290**	**335**	**560**	**500**
Average employees per household*	1.8	1.8	1.8	1.8	1.8
# of Employees Housed	3,035	520	605	1,010	900
OWNERSHIP					
<=60%	227	51	37	64	75
60.1-80%	99	29	21	23	27
80.1-100%	194	57	41	45	50
100.1-120%	185	50	36	45	53
120.1-150%	76	17	12	21	26
TOTAL	780	205	145	200	230
RENTALS					
<=60%	593	39	128	242	185
60.1-80%	130	25	29	62	14
80.1-100%	182	24	30	57	70
TOTAL	905	85	185	360	270

NOTE: differences are due to rounding
*Source: 2012 Household Survey

[6] About 20% of workers commuted in from residences located outside of Summit County in 2012. Because some workers will prefer commuting for multiple reasons, this ratio was kept consistent in the 2013 report and in the current update.