

## Report

# 2018 Housing Needs Assessment Update and Feasibility Study

*The Economics of Land Use*



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Clear Creek County, Colorado

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# 1. Introduction and Summary of Findings

This 2018 Housing Needs Assessment Update and Feasibility Study was prepared by Economic & Planning Systems (EPS) for Clear Creek County to assist the County and municipal governments in developing strategies and actions to improve and expand housing options for current and new county residents and workers to support the labor force and improve quality of life. The purpose of this Report is to:

- Determine the types of housing needed to strengthen and sustain the Clear Creek County labor force.
- Recommend housing types and market segments to prioritize for housing development.
- Recommend housing policies, strategies, and actions to implement to expand and improve workforce housing conditions in Clear Creek County.

The focus of the analysis and recommendations in this Report is the “Focus Area” defined as the I-70 Corridor communities west of the Veterans Memorial Tunnels including Idaho Springs, the Downieville-Lawson-Dumont area (a Census Defined Place, “CDP”), Empire, Georgetown, Silver Plume, and the other unincorporated areas along the corridor. As described in **Chapter 2**, this Focus Area has distinctly different demographic and economic characteristics compared to the areas of the county east of the Veterans Memorial Tunnels which are more closely related to the Metro Denver economy.

The Report is organized into five chapters outlined below:

- 1) Introduction and Summary of Findings** – Contains a summary of major findings from the demographic, economic, and housing market analysis chapters, and more than 20 stakeholder interviews. Also presents the recommended Action Plan and Strategies.
- 2) Demographics** – Contains a description of the study Focus Area, and an analysis of key demographic indicators related to housing demand and the health of the labor force.
- 3) Economy** – Summarizes key trends on the economic base of the county and Focus Area and trends in major industry groups.
- 4) Housing Market** – Presents data and analysis on the housing inventory, housing prices and rents, and planned residential development projects.
- 5) Housing and Affordability Conditions** – Assesses affordability conditions by comparing home prices and rent levels to Focus Area incomes to determine the amount of housing affordable to the local population, and the prices/rents that need to be achieved for affordability.

## Summary of Findings

This section summarizes the key findings of trends and conditions from the demographic, economic, and housing market analysis sections of this Report.

### Demographics and Economy

- 1. The Focus Area has grown by less than 100 people over the past five to 10 years, but this trend reversed a period of population loss over the 2000 to 2010 decade.***

From 2010 to 2017, demographic estimates show that Idaho Springs added 43 people, followed by an addition of 23 people in Georgetown, 6 in Empire, 4 in Silver Plume, and 13 in Downieville-Lawson-Dumont, shown in **Table 3**. In total, the Focus Area added approximately 90 people compared to a loss of 350 to 400 during the prior decade.

Most of the housing and population growth in Clear Creek County is occurring in dispersed locations, mainly in East Clear Creek County along the Highway 103 corridor and areas surrounding Floyd Hill and Upper Bear Creek. These areas are more strongly tied to the Metro Denver economy and contribute less to the Focus Area labor force and economy.

- 2. Several demographic indicators suggest that the Focus Area's labor force is small and potentially shrinking, which is a constraint on economic growth.***

The population in the Focus Area is aging. Currently, one in five people are over 65 and of the over 65 population one in four live alone, shown in **Figure 10**. The average household size in most areas of the Focus Area is between 1.7 and 2.1, compared to 2.4 in Summit and Jefferson Counties, shown in **Table 6**. The small household size combined with the fact that 75 to 85 percent of households do not have children shows that the Focus Area struggles to attract people who want to stay in Clear Creek County long term and those who would like to raise a family in Clear Creek County.

- 3. The largest private industries in Clear Creek County are Accommodation and Food Services, Arts, Entertainment, and Recreation, and Retail Trade which have average wages in the \$20,000 to \$25,000 per year range.***

Accommodation and Food Services make up 17 percent of employment in the county, Government makes up 16 percent, Arts, Entertainment, and Recreation makes up 12 percent, and Retail Trade accounts for 8 percent, as shown in **Figure 12**. The fastest growing industries since the early 2000s are Arts, Entertainment, and Recreation and Accommodation and Food Services. In order to support these industries that are currently growing, more workforce housing is needed that is affordable to workers in these wage ranges—largely quality rental housing.



Historically, Henderson Mine was both a major employer and property tax generator, as the County received property tax revenue on the value of the mine's production. In 2015 the County had approximately \$15 million in property tax revenue. The 2018 Budget is for \$12.8 million, a 15 percent reduction. The Mine has an uncertain future. Previously, a closure by 2020 was announced. However, it has more recently ramped up production due to increases in global molybdenum prices. The Mine accounts for roughly 60 percent of the County's assessed value (and property tax revenue); if or when it closes or slows down significantly, it will have major impacts on the County's budget. The County therefore is working to diversify its economy away from mining. Affordable and workforce housing are a component of this economic diversification strategy.

## Labor Force Issues

### **1. *The Focus Area relies heavily on commuters to meet labor force demands as the local labor force is small.***

The total labor force in the Focus Area is approximately 1,900; only 30 percent (approximately 600) of the local labor force works within the Focus Area meaning that 70 percent (approximately 1,300) commute out, shown in **Figure 17**. Of the roughly 2,300 wage and salary jobs in the Focus Area, roughly 1,700 (74 percent) are filled by people who commute to the Focus Area from Gilpin County and west Metro Denver including Lakewood and Golden, and a smaller portion from East Clear Creek County. Employers and other stakeholders cited the tight and low-quality housing supply as a major reason for the large amount of commuting.

Fifteen of the largest employers in Clear Creek County were interviewed by EPS during this study and by County staff in 2017. These 15 businesses and organizations employ nearly 1,200 people, accounting for approximately 40 percent of wage and salary jobs in the Focus Area. Of those surveyed, about half of their employees (in total) commute to Clear Creek County, many from Jefferson County including Golden and Lakewood (**Table 1**). With the exception of Loveland Ski Area, the percentage of workers who commute is estimated to be higher in higher wage jobs including mining/extraction and local government.

**Table 1. Major Employer Unfilled Positions and Commuting**

Industry or Employer	Employees	Commuters		Unfilled Positions
		#	%	
<b>Major Employer Sample</b>				
Summer Recreation & Tourism	150	65	43.3%	50
Restaurants/Bars	240	47	19.6%	18
Retail/Commercial	14	0	0.0%	0
Winter Recreation	350	250	71.4%	12
Surface/Aggregate Mining	41	32	78.0%	0
Local Government	386	194	50.3%	10
Social & Health Services	12	0	0.0%	0
<b>Total Sample</b>	<b>1,193</b>	<b>588</b>	<b>49.3%</b>	<b>90</b>
<b>Housing Units (2 employees per unit)</b>				<b>45 units</b>
<b>Potential Total</b>				
<b>Focus Area Wage and Salary Jobs</b>	<b>2,300</b>			<b>70 to 100 units (1.5 to 2 times)</b>

Source: Clear Creek County; Economic & Planning Systems

The major employers combined have approximately 90 unfilled positions with the largest gap in summer recreation/tourism businesses such as rafting/ziplining and the Georgetown Railroad. It is notable that local government (County and municipal) have unfilled positions in public safety (7) and in the public libraries (3).

Given that this survey of major employers only accounts for about half of the jobs in the Focus Area, it likely understates the number of unfilled positions and potential housing demand associated with the labor shortage. Given the small sample and high degree of commuting, the number of unfilled positions and housing needed could be at least 1.5 to 2.0 times that reported by the interviewees.

**2. *Businesses experience high turnover, difficulty retaining long-term employees, and difficulty in staffing up to meet seasonal demands.***

Employers interviewed in the outdoor recreation, tourism, retail, and food and beverage industries all reported shortages of staff during the summer and winter peak business times. Housing was mentioned as a primary reason for difficulty in finding workers. Affordability was mentioned, but employers cited simply the lack of any available housing, let alone quality housing at a reasonable price or rent. Rental housing often meets the needs of both seasonal and year-round workers, but employers have noted that their employees have had difficulty finding any rental housing. There are reports of employees living in cars/vans, camping illegally, or living in motels as temporary housing.

A key success factor for businesses is being able to grow long term employees into management positions. Several employers have cited housing as a deterrent for management level, and professional and skilled trade's workers

to stay in Clear Creek County. This is a challenge for long term economic stability. The customer experience is degraded when businesses cannot adequately staff their operations.

**3. *The lack of housing is negatively affecting the ability to bring in J-1 and H2-B Visa workers.***

Seasonal employers, especially ski areas, rely heavily on J-1 (international student exchange) and H2-B (temporary seasonal non-agricultural) workers. In order to hire visa workers, an employer must be able to show that they can provide adequate housing. Some employers, particularly Loveland Ski Area, have cut back on the number of visa workers due to concerns that they will not be able to find enough and suitable housing for these guest workers. There are reports of substandard living conditions for some visa workers including overcrowding and living in motels not suitable for long term occupancy.

## Real Estate Market and Housing Conditions

### ***1. Clear Creek County has land and geographic constraints that make real estate development challenging and costly.***

Over 75 percent of the land in Clear Creek County is publicly held, primarily in national forests. Topography is steep, and Interstate 70 occupies a large footprint on the more level valley floor along Clear Creek. The supply of buildable property is therefore limited. In addition, water and sewer infrastructure to allow development at densities high enough to make a project feasible is generally only available within or immediately adjacent to municipalities. It is costly to extend or develop new utilities in the unincorporated county. Infill sites and remaining property in and adjacent to municipalities is therefore highly valuable for affordable housing and other competing real estate.

### ***2. Stakeholders and realtors have stated that much of the Focus Area housing stock is in poor condition and that prices are not justified given the quality.***

The vast majority of homes in the county were built prior to 1980, representing more than 65 percent of the housing stock. The two largest age cohorts of housing are homes built prior to 1940, comprising 22 percent of the housing stock, and homes built between 1970 and 1980, which is 24 percent of the housing stock as shown in **Figure 4**. Many homes of these vintages in Clear Creek County are typically of the lowest construction quality and in need of the most rehabilitation. While average prices are lower than other mountain communities (e.g. Summit and Grand Counties), the local labor force cannot afford both the \$220,000 to \$300,000 average purchase price (**Figure 19**) plus the cost of addressing deferred maintenance. Landlords have little financial motivation to repair or upgrade their units, as the limited supply allows them to charge market rents with little competition.

### ***3. Some new housing is being built in Clear Creek County, but not where or what is needed for the local workforce.***

From 2010 through 2017, Clear Creek County added about 120 housing units. Most of these units were in St. Mary's (approximately 30) and in other dispersed areas surrounding Floyd Hill, the Highway 103 corridor, and other rural mountainous areas, shown in **Table 3**. These homes are built for a mixture of people choosing a rural mountain lifestyle within commuting distance to Metro Denver and second home buyers.

**4. *The rental housing market is undersupplied with a vacancy rate of effectively zero percent.***

Local employers expressed a need for quality, affordable rental inventory throughout the Focus Area to serve seasonal and year-round service workers. With a shortage of adequate rental options, some workers have turned to extended stay motels and camping in order to live and work in Clear Creek County. No new apartments have been built in more than a decade except for the 10 new townhome apartments in Georgetown at Griffith and 14<sup>th</sup> Streets. These units leased within two weeks of being announced.

Several proposed residential developments will contain some rental units including the redevelopment of the middle school in Idaho Springs and the old school site in Empire (6 units). These new rental units are priced around \$1,250 to \$1,500 per month (100 to 120 percent of AMI).

**5. *As a more affordable mountain area, the impact of second home buyers has a negative impact on the availability of housing for locals.***

With average prices in the \$220,00 to \$300,000 range, second home buyers looking for value can buy a home in Clear Creek County for far less than is available in Grand, Summit, or Eagle Counties. Over the past five years, 34 percent of the home sales in the Focus Area were to owners who live outside Clear Creek County. These sales are mostly for second homes, but also likely include sales to investors (landlords) who are renting homes and sales for short-term rental use, which removes them from the for-sale inventory, shown in **Figure 20**. In Georgetown 50 percent of the sales are to non-local buyers, and about two-thirds of the sales were to non-local buyers in Empire and Silver Plume.

Realtors familiar with the Bighorn Crossing project report that second home buyers comprise a large portion of buyers. While specific numbers were not given, it is reasonable to assume that well over half of the buyers are second home or investor buyers. These figures indicate that any for-sale housing targeted at a price affordable to locals can be purchased easily by non-residents.

## **Housing Affordability and Target Markets**

The Clear Creek County Focus Area has a need for all types of housing given the lack of significant recent construction. This section recommends the priorities for the County and municipalities to pursue with their resources (funding and staff) and powers around land use, funding and organizational tools, and utilities and other infrastructure. The five recommended priorities for Clear Creek County are described below.

**1. *The highest priority recommended is to attract rental housing with rents targeted in the \$900 to \$1,300 per month range.***

Existing market rate rental housing in Idaho Springs rents for approximately \$900 to \$1,200 per month and is affordable to households earning roughly \$32,000 to \$65,000 per year (60 to 120 percent of AMI), shown in **Table 14**. New rental housing in Georgetown (Griffith & 14<sup>th</sup>) has been built at rents in the \$1,250 to \$1,500 range targeting a slightly higher market and leased quickly.

It is a major opportunity that market rate housing can serve the needs of a wide range of incomes above and below the median income. With creative design such as higher densities and smaller units developers may be able to build apartments with even slightly lower rents. Some employers expressed tentative interest in bulk leasing units from developers to be reserved for employees.

**2. *Clear Creek County should continue working to develop income restricted apartments serving 60 percent of AMI and below.***

Approximately 44 percent of renters earn less than \$32,000 per year which is 60 percent of AMI. This is a large market that is cost burdened (paying more than 30 percent of income towards housing). Currently, the Low Income Housing Tax Credit (LIHTC) Program is the most viable funding tool for developing housing to serve this income group, but funding is highly competitive. The City of Idaho Springs has been awarded a LIHTC for a development on Colorado Boulevard.

Affordable rents for people earning less than \$32,000 per year (60 percent of AMI) top out at \$800 per month and only 11 percent of the rental inventory currently meets that need, shown in **Table 15**. For households earning less than \$16,000 per year, affordable rents are \$400 per month. No rental units were identified that meet this need.

**3. *For-sale housing is needed to meet the needs of management level workers and the essential community workforce. The County and municipalities may need to take the initial risk in leading development to serve this market segment.***

Employers and other stakeholders indicated that they have difficulty attracting and retaining management level workers and key public-sector employers such as teachers, public safety officers and staff, and skilled maintenance and trade workers. Many of these workers who earn good paying wages are commuting into Clear Creek County which lessens their connection with the community.

Job and population growth figures—fundamental housing demand indicators—are flat. These figures, combined with the lack of private market construction and investment to serve this market, show that attracting new investment and real estate development is challenging. There is currently interest from developers in serving a market priced from \$180,000 to \$300,000 as evidenced by the proposed Bristlecone (Idaho Springs), Bighorn Crossing (underway), and the Idaho Springs former middle school site.

However, most of the housing in these proposed developments will be condominiums. Condominiums will serve a portion of the needs of this workforce, but are not as appealing for those who want to raise a family in Clear Creek County. Another issue is the impact of second home buyers who see Clear Creek County as an affordable place to own a mountain home—as prices are much lower than in Grand, Summit, and Eagle Counties. Without some permanent affordability or residency restriction (e.g., a deed restriction), there is a risk that many units will be sold to non-local buyers who can outpace local buyers.

**4. *To address the needs of the senior population, a combination of services and housing is needed.***

Approximately one in five residents are over 65 and one in four of the over 65 population lives alone. There is a growing need to help seniors with quality of life as they age in place and to provide other options for seniors who either desire to move into senior housing or assisted living or need to for health and safety reasons.

There are several organizations serving the low-income senior population. Project Support manages 27 units of low-income senior housing in two properties in Idaho Springs. Volunteers for America provides transportation and meal assistance. Mt. Evans Home Health Care and Hospice provides home health care and other wellness services to seniors. More funding and volunteer time is needed to expand the roles of these organizations. Loaves and Fishes, a faith-based organization that runs a food bank, is another important group serving at least 120 low-income families each week. Clear Creek County Health and Human Services, a County Department, administers benefits to low-income people including seniors. The Clear Creek County Metropolitan Recreation District has healthy aging programs and fitness activities.

A senior housing or assisted living facility may be needed but it could prove difficult to attract a developer to construct a market rate or income restricted facility due the proximity to Metro Denver, which has better access to medical services.

***5. Mobile homes provide affordable housing options, however some mobile home parks have substandard living conditions that need to be addressed.***

Mobile homes comprise 12 percent of housing inventory in the Focus Area (**Figure 5**). They are a viable option when they are in well maintained mobile home parks and when the homes themselves are well-maintained. Clear Creek County has experienced an influx of mobile home park investors. A few are reportedly raising rents but not addressing the deferred maintenance, sanitary, and code violation issues.

The County and municipalities need to proactively address code violation issues to protect the health and safety of mobile home residents. Developing additional market rate and affordable rental housing will provide some mobile home residents with other options if they chose to move, as some mobile home units are renter, rather than owner-occupied.



## **Dumont Property Feasibility Study**

***1. The Feasibility Study conducted alongside this Needs Assessment and Housing Strategy found that developing the Dumont property is not likely to be financially feasible.***

Clear Creek County acquired the 4.5 acre site formerly owned by the Jesus Christ Church of Latter Day Saints (LDS Church) for approximately \$450,000 to obtain a critical trail easement for the completion of the Clear Creek Greenway Trail. EPS and subconsultant Sanderson Stewart conducted a limited Development Feasibility Study on the property (Attached). A site plan comprised of 34 units of rental housing was developed. The consultant team determined that maximizing the potential density on the site was necessary to try to offset the infrastructure and site development costs.

Total development costs are estimated at \$9.7 million, or \$285,000 per unit. Site development and infrastructure costs are estimated at \$1.85 million, or \$54,000 per unit, and the resulting feasibility gap is at least \$50,000 per unit. The major costs impacting feasibility are the likely need to reconstruct and pave West Dumont Road, and the potential need for a costly water treatment system.

***2. The results of the feasibility study reinforce the importance of developing in the municipalities, other areas with infrastructure, and infill development in expanding affordable housing.***

Infill development that can take advantage of existing infrastructure is generally less costly than developing in new areas that do not have full utilities and other infrastructure. Many of the costs identified in the Feasibility Study are to provide the necessary infrastructure: an internal road network, a well water system, and improving West Dumont Road. These costs are representative of what is needed to develop in unincorporated areas without full services. The site would need to accommodate significantly more density to carry these costs, which would result in a site plan that is less compatible with the surrounding neighborhood.

## Action Plan

This section provides the recommended general strategies and specific actions for the County and local jurisdictions to pursue in addressing housing conditions in Clear Creek County. These recommendations were developed from the information and understanding gained from stakeholder and business owner interviews, as well as the economic, demographic, and real estate analyses contained in this Report. First, four general strategies and principles are described, followed by more detailed action steps. The highest priority actions, which are also more measurable, are summarized at the end of this section in the **Action Plan Matrix**. Only the most directly measurable actions are included in this Matrix.

The recommendations apply equally to the County and the individual municipalities in the county. The economies of each community are linked, and housing and economic development will benefit all. Small communities with limited funding and staff resources should collaborate, not compete, on housing and economic development. In particular, grant funding is competitive and there should be coordination on the pursuit of grant funding so that the jurisdictions are not competing against each other.

For brevity, “affordable housing” is defined in this section as any housing that is affordable to or “attainable” by the Focus Area labor force. It includes rental and for-sale housing.

### General Strategies and Principles

#### ***1. Housing is part of the economic recovery and sustainability of Clear Creek County.***

The Clear Creek County Economic Resurgence and Resilience Action and Implementation Project documented the need for the County to diversify away from mining and other extractive industries. It also identified housing as an important component of economic development and quality of life. Housing is vital to supporting the existing labor force and in creating capacity for the labor force to grow as local businesses grow. Clear Creek County needs more quality housing—market rate, affordable, rental, and for-sale—for the current population and for people to fill jobs.

Local businesses need workers to fill jobs, and workers need adequate housing within a reasonable distance of their jobs. Having good quality housing, and a mix of housing choices makes a community more appealing as a place to live, work, and own or start a business.

**2. *The private market is not meeting the needs of the local workforce, creating a role for local government to engage in housing.***

This study shows that both market rate and affordable rental housing are the largest needs. Very little new rental housing has been constructed in Clear Creek County. In the for-sale housing category, the only significant new housing development occurring is in Georgetown (Bighorn Crossing), and the majority of buyers are second homeowners. Empire and other areas have also experienced an increase in investor purchases of homes to be used as short-term rentals. In total, about half of the home sales in the Focus Area are to non-local buyers.

Proximity to Denver and low cost of housing compared to adjacent mountain counties makes Clear Creek County appealing to second homeowners in lower price ranges than Summit, Eagle, and Grand Counties. There is a risk that new affordably priced for-sale housing will be purchased by outside buyers and not be available for the local workforce. This reinforces the justification for local governments and the Housing Authority to engage in housing development and other housing programs directed at local residents and employees.

While the biggest housing priority is recommended to be rental housing, a small amount of resident occupied deed restricted housing should also be pursued for essential community workers and management level positions (e.g. teachers, emergency services personnel, business managers). Many of the upper wage workers in Clear Creek County commute from Jefferson County and Metro Denver. A portion of them may wish to live in Clear Creek County, which will help build a stronger sense of community. With the market pressure for second home purchases and investors purchasing homes for short term rentals, a mechanism is needed to preserve some housing for these workers and community members.

Deed restrictions have been used in high cost mountain markets (Summit County, Aspen and Pitkin County) to limit occupancy to local employees and to people below defined income thresholds. Clear Creek County could test the success of a limited number of resident occupied (RO) deed restrictions. This type of deed restriction is the most permissive form of deed restriction, structured so that an occupant must be a resident of Clear Creek County and work a minimum of 30 hours per week in Clear Creek County. No appreciation caps would be recommended as found in higher cost communities.

A test or pilot program is recommended as a starting place to test the market for RO deed restricted housing. Developing new RO housing may be risky since there is no track record for it here. In addition, Clear Creek County does not have the same level of affordability gaps as Summit County or Aspen, Second, reversing the commuting trend is challenging given the quality of schools and lack of job opportunities for partners or spouses in Clear Creek County compared to Metro Denver. If a small number of RO units can be developed initially and are purchased by qualified buyers within a reasonable time period thus proving the market, the program could be expanded.

**3. *Building strong collaborative partnerships will be needed to implement the recommendations in this Housing Strategy.***

Local governments (cities, towns, and counties) have the power to regulate land use and development and provide services to development. Local jurisdictions also own property and buildings that may be viable for housing development. Collaboration among each jurisdiction in Clear Creek County is necessary to coordinate and focus the limited resources (funding and staff time) that is available. Consistent land use policies and approaches towards housing will also help create a level playing field for new development.

The private market builds most of the housing in any market, and therefore is a key partner. At the general level, local jurisdictions should be encouraging and working to attract new housing construction, especially apartments (market rate and affordable) and for-sale housing priced below approximately \$275,000 (120 percent of AMI).

Local businesses also have a role in advancing affordable housing. Businesses could partner with the Housing Authority and real estate developers to develop rental housing, or contract/bulk lease rental units from a developer for seasonal employees. Businesses can also play a role in the legislative and policy environment, working with elected officials on funding (such as potential voter approved taxes), lobbying state and federal governments on revenue and housing policy, and on local land use policy to support housing.

Given the challenges in attracting private investment to Clear Creek County and the broad need for any new quality housing, there should not be too much focus on the specific type of rental housing being built. Market rate apartments and income restricted affordable apartments should be pursued and encouraged with equal favor.

**4. *Focus efforts on creating affordable housing in well-located areas, particularly along the I-70 corridor in and between Idaho Springs and Georgetown.***

Affordable housing development should be focused in areas with good access to jobs as well as utilities needed to serve housing development. These areas are in the incorporated jurisdictions and some areas of the county along I-70. Floyd Hill could be a location for affordable housing if water and wastewater infrastructure can be addressed. However, people without their own automobile may have difficulty accessing jobs east of the Veterans Memorial Tunnels. Affordable housing development is not recommended in more remote areas such as St. Mary's due to the high-altitude environment, high development costs, and difficult winter road conditions and commuting. Silver Plume could accommodate affordable ownership housing for the right buyer looking for a rural mountain lifestyle and who is able to manage the limited transportation access and difficult winter road conditions.

## Actions

The recommended actions described below can be further prioritized by the Clear Creek County Housing Task Force. An annual work program can be developed from these recommendations.

### **1. Prioritize developing new rental housing and expanding the supply of housing available for long-term rental.**

Employer interviews combined with the market analysis and housing gap analysis in this Report show that rental housing is one of the greatest areas of need. Market rate and affordable rental housing is recommended as the highest housing priority in Clear Creek County.

- a. Review zoning regulations in each jurisdiction to ensure that there are sufficient areas where multifamily housing (and housing in mixed use development) is allowed by right under the current zoning. Amend zoning as needed to allow for more multifamily housing minimizing the need for discretionary approvals.
- b. Educate landlords on the use of Section 8 housing vouchers, which pay market rents. Few landlords in Clear Creek County accept Section 8 vouchers. Grand County, which administers the Section 8 program for this area, has clients seeking housing in Clear Creek County. Rental units are eligible for Section 8 tenants if they meet health and safety requirements and the market rent is within the payment standard for the region. The payment standard in Clear Creek County is \$1,127 for a one bedroom unit, \$1,418 for a two bedroom unit, and \$1,970 for a three bedroom unit. Section 8 voucher holders pay up to 40 percent of their gross income on rent and utilities.
- c. Explore the interest among owners of short-term rental properties in converting their properties to long-term or seasonal employee rentals. The Family and Intercultural Resource Center (FIRC) based in Silverthorne has established this type of program and now has an inventory of 25 properties.

### **2. Establish a rental housing production goal of 300 new units over the next 10 years.**

Based on the affordability gap analysis and employer housing needs, Clear Creek County is estimated to need 274 units (**Table 18**) ranging in affordability from \$400 (30 percent AMI) to \$1,100 (80 percent AMI). (Affordable rents illustrated in **Table 14**.)

A housing production goal of 300 new rental units over the next 10 years is recommended. This is a measurable and ambitious goal to organize and focus housing resources. This target translates to building 30 new rental units per year, or a 60 unit rental project every two years. Market rate rental housing can serve households earning over \$32,000 (80 percent AMI) (**Table 15**). Affordable housing funding using the low income housing tax credit (LIHTC) program or other public funding will be needed to serve households earning less than \$32,000 (60 percent AMI).

- a. Continue pursuing LIHTC allocations to help fund affordable apartments, recognizing that these allocations are highly competitive.
- b. Generate interest from businesses on bulk leasing apartments for employees on both a seasonal and year-round basis. Generating a pool of commitments to market to developers will help reduce development risk and further prove demand.
- c. Identify undeveloped properties and potential redevelopment sites in each community appropriate for multifamily housing. Work with landowners to develop these sites or market them to developers.

**3. *Establish a deed restricted for-sale housing pilot program with a goal of constructing and selling 10 to 20 deed restricted for-sale homes over the next five years.***

There is both need for this type of housing, but there is risk in developing it due to competing housing options in Jefferson County and Metro Denver and preferences of some management level workers to commute into Clear Creek County. A pilot program of 10 to 20 units could be established to test the market for this type of ownership. If homes are sold to qualified buyers within a reasonable time period (possibly within six months to a year) the program could be expanded.

These units are recommended to be developed on infill lots in the municipalities or well-located lots in the county with available infrastructure. Another recommended approach is through development agreements to include RO deed restricted homes in new projects that receive assistance from the public such as financial incentives or infrastructure assistance, or as otherwise agreed to in a development agreement. They are not recommended at this stage to be built together in a single project in order to minimize risk and to build community by integrating these new residents into existing neighborhoods.

**4. *Utilize the Clear Creek County Housing Authority to perform the full range of functions that housing authorities are authorized to perform.***

In 2017 the Clear Creek Board of County Commissioners formed the Clear Creek County Housing Authority to help address the shortage of housing for low income families. The Board of County Commissioners acts as the Housing Authority. The County Housing Coordinator is a half-time staff person within the Community Development Division that reports to the County Commissioners.

The Clear Creek County Housing Authority can work countywide and in the municipalities to advance affordable housing for the benefit of all businesses, people, and employees in the county. With a small staff, the Housing Authority may need support in some areas from other County or municipal staff. As it grows, staff could be added for specific positions/needs. However, the Housing Authority can lead many of the development-related recommendations including:

- Acquiring land for affordable housing development
- Acting as a housing developer
- Partnering with developers so that new affordable housing has tax exempt status—an incentive that helps cash flow (e.g. a non-profit owner or partner in LIHTC development)
- Acting as a land trust (owning and leasing land at below market rates for apartments or for-sale housing)
- Managing design and construction projects
- Qualifying renters and buyers who wish to live in affordable housing
- Property management (could contract out)

**5. *Coordinate activities across each jurisdiction in the county, including grant applications and housing development.***

- a. Establish memorandums of understanding (MOUs) or intergovernmental agreements (IGAs) that recognize the role of the Clear Creek County Housing Authority in developing housing and coordinating housing efforts throughout the county. Include agreements or commitments to support the efforts of the Housing Authority through staff assistance and land use policies.
- b. Focus the work of the Clear Creek Housing Task Force on specific action items or issues, and establish a regular meeting interval (e.g. quarterly) and task schedules. This Task Force was formed in 2018 as an outcome of the County participation in the Freeport McMoRan Foundation Initiative for Cohort Groups. This Task Force is comprised of Clear Creek County Housing Authority, Clear Creek Economic Development, Inc., Blue Spruce Habitat for Humanity and the local business community.
- c. At the appropriate time, seek funding contributions from other jurisdictions in Clear Creek County to generate more resources for housing and to strengthen the local cooperation needed to develop housing and administer housing programs.

Housing Authorities can perform many functions ranging from acquiring and developing housing, managing property, partnering with developers, and acting as a land trust. Separate organizations can be formed, but should only be created when needed for a specific purpose such as qualifying for a certain type of grant or loan. If needed, these other organizations can be formed as legal entities but often can be overseen by the current staff and elected officials in the County.

**6. Identify public and private land and building assets that can be used to create new housing. Acquire additional land for housing development as well.**

A constraint in creating affordable housing is finding land or buildings at a cost that makes it feasible to develop housing priced or rented below market value. Partnerships can be structured in which affordable housing is built by the private sector (or public sector) on land provided at no or below market cost which reduces project costs and incentivizes development. The County and municipalities should prioritize the acquisition of land to create a land bank of properties that can be used for housing development, and identify existing land and building assets that can be used for affordable housing. The County and municipalities have the most power to influence the use of publicly-owned property, but should also explore privately-owned lots and infill sites.

- a. The County is already performing land bank functions through the Clear Creek Land and Development Bank (CCL&DB). The CCL&DB is currently assisting with the purchase of an infill site in Idaho Springs to be developed by Habitat for Humanity. CCL&DB is a sister organization to CCEDC established to acquire, hold, and transfer interests in real property and capital assets in Clear Creek County to promote economic development and workforce housing. This organization should continue to be used to promote affordable housing as part of an economic sustainability strategy. Inventory vacant land and surplus property owned by Idaho Springs, Empire, Georgetown, Silver Plume, the County and other public entities. Surplus property can include land such as excess parking, outdoor equipment storage lots, and other un-used property. Screen these sites for development viability and establish a process for housing development. An initial list of potential properties is provided below.
  - i. **Dumont Property** - This former LDS Church site was purchased by the County as a key trail connection for the regional Clear Creek Greenway Trail. The feasibility study conducted alongside this Needs Assessment and Housing Strategy indicates that development with approximately 34 workforce housing units is not likely to be feasible due to high infrastructure costs.
  - ii. **Idaho Springs 16<sup>th</sup> & Virginia St.** - The Housing Authority is partnering with Blue Spruce Habitat for Humanity to develop 8 to 10 townhomes or cottages on this property. There are other infill sites—albeit privately owned—in Idaho Springs, Empire, the Downieville-Lawson-Dumont CDP, Georgetown (50 units), and Silver Plume (10 units).
  - iii. **Town of Empire** - The Town of Empire estimates capacity for 10 to 30 units of housing on various infill sites. There is potentially other town-owned property or property that could be acquired adjacent to the Town as well.



- iv. **Idaho Springs Middle School** – Pursue a small amount of RO deed restricted housing in this development and market rate apartments. The project, if executed, may be built to serve an upper end market more oriented to Denver commuters.
  - v. **Empire School** – A developer is currently renovating this un-used school building and converting it to apartments. This could serve as a model for re-using other surplus buildings for housing.
- b. Design affordable housing projects for key public sites, identify funding, and recruit a developer or builder to construct the project.
  - c. Inventory buildings with the potential for low-cost renovation and conversion to affordable housing. Identify funding and procure design and construction.

***7. Look for opportunities to work with non-profit and philanthropic organizations with the capacity and/or funding to acquire land, develop affordable housing, or implement other recommendations in this Housing Strategy.***

There are other organizations in Colorado and Metro Denver carrying out some of the recommendations in this Report such as the Thistle Community Land Trust (Boulder, CO) and the Urban Land Conservancy (Denver, CO). Thistle is a partner with ROC Communities, which works with mobile home park tenants to acquire and manage the land under their homes. The Urban Land Conservancy is a major non-profit housing and commercial developer embarking on an expansion of its land trust program. There may be other non-profits and potential philanthropic funding organizations with an interest in working in Clear Creek County. Periodic discussions with these types of organizations should be had to gauge common interests and identify project or funding opportunities.

**8. *Adopt land use and building regulations that allow for the development of innovative housing products that contribute to the supply of affordable housing.***

Land use and building regulations and policies should allow the market to create a variety of housing types. With limited public funding, Clear Creek County communities need to rely on the private market as much as possible. Promoting new housing types and construction techniques such as accessory dwelling units, modern manufactured housing, encouraging infill housing and redevelopment of obsolete commercial space, and even promoting “tiny homes” and permanent cottage-style single family homes will help the market create more types of housing at a lower cost.

The size of a home drives much of the cost of construction and therefore price. Small cottage style single family homes, townhomes, and “tiny homes” should be considered by developers and others such as Habitat for Humanity and the Housing Authority. Costs for move-in ready homes range widely but are in the \$25,000 to \$50,000 range for a modest model (building only, on a trailer). Tiny homes are not a solution for all housing needs but can fill a niche in affordable rental housing and for seasonal or other temporary housing needs. However, the current trend in tiny home development in the mountains is for term rentals and or “luxury” camping. If intended to be used for affordable housing, regulations will be needed to limit short term rentals and address these market forces.

ADUs also have limitations. First, they can be costly to build. Major costs include extending water and sewer from the connection point, or potentially a second well is needed which requires a state permitting process. For units above older garages, the structure and slab may not be sufficient to support the ADU. For homeowners who wish to create an ADU for long term rentals to locals, an incentive or grant program could be considered to cover part of the cost.

Each jurisdiction should ensure that its land use and building regulations allow a wide variety of housing options to be built, especially smaller low-cost options. This will allow gradual additions of affordable housing when small property owners see an opportunity, as well as larger developments.

- a. Review local zoning and building code requirements including the existing County regulations on ADUs to determine if changes are needed to support smaller units and ADUs.
- b. Support re-zoning requests for housing that will create market rate or affordable apartments.
- c. Explore a grant or incentive program to encourage developing ADUs rented to local workers.
- d. Encourage and incentivize a smaller number of for-sale units with RO deed restrictions, as described in the Public Benefits recommendations.

**9. *Adopt public benefit policies to create affordable housing in new developments that receive public assistance or incentives.***

Another policy that may be pursued is public benefit for public investment, whereby local governments can assist with infrastructure or other development costs to accelerate new development. Any contributions by local government would be in exchange for some percentage of units set aside as permanently affordable through a deed restriction on the lot or donation of the lot to a land trust or other organization. A consistently applied policy of receiving public benefit for this investment could generate affordable housing, if the investment offered is significant enough to be a meaningful incentive for a developer.

This Report is not recommending a fixed percentage of affordable units be provided; instead, it recommends a general policy of negotiating for an amount of affordable units, market rate apartments, or RO deed restricted for-sale homes that are appropriate given the circumstances of the project.

There are likely to be opportunities to utilize tax increment financing (TIF) in urban renewal projects, particularly in Idaho Springs. As an example, the City of Fort Collins requires 10 percent of residential units to be affordable when a project receives public financing or incentives.

- a. Adopt public benefits policies through ordinance stating the intent to tie development assistance to the provision of affordable housing.
- b. Look for opportunities in new development to incentivize a small amount of for-sale housing reserved, through deed restriction, for people who work in Clear Creek County a minimum of 30 hours per week. These would be targeted to the local management/professional workforce, and essential public workers such as emergency personnel, teachers, and local government employees.

**10. *Periodically review short-term rental regulations and the short term rental market to determine if they adequately protect each community from a loss of rental housing stock.***

Short term rentals have benefits as well as negative impacts. The benefits include expanding the tourist accommodation bed base and introducing a short-term rental product that has not existed in Clear Creek County—larger homes that can accommodate families and larger groups. The negative impact is that when properties are bought for short term rental use, they are removed from the long-term rental or for-sale inventory available for locals.

The County, Empire, and Georgetown have regulations regarding short term rentals and Idaho Springs is in the process of developing its own. These regulations were developed to account for the homes being used as STR's, ensure that health, safety, and zoning concerns were being met and to collect appropriate taxes (such as lodging or business taxes).

**11. Address living conditions in Clear Creek County's mobile home parks.**

Mobile homes can be a viable affordable housing option when they meet basic health, safety, and habitability standards. Many of the mobile homes date from the 1970s and earlier, predating HUD regulations on construction quality. Currently there are 20 to 23 designated Mobile Home Parks and 250 to 300 mobile homes. Some mobile home parks in Clear Creek County have substandard living conditions in individual units and in the parks themselves, including failing or unreliable water and sanitary sewer and septic systems. Each jurisdiction needs to continue with code enforcement efforts to protect the health and safety of residents and surrounding property owners.

In addition, mobile home park residents are at risk of rising housing costs when they do not own the land under their home. There are models that help residents take ownership of their land and therefore control their housing costs.

- a. Consider assisting mobile home park landowners with improving utilities, roads, and the overall condition of mobile home parks. Any assistance provided by the public would be in exchange for agreements on service and lease standards. Going another step, the County and/or municipalities could pursue taking ownership of streets and utilities to ensure adequate service provision and maintenance.
- b. Look for opportunities to convert mobile home parks to shared equity ownership. Under this model, residents pool resources and/or find a partner to help them purchase the land under their mobile homes, thus protecting them from outside financial interests and maintaining long term affordability. This model is challenging however because it requires sufficient funding or financing to first purchase the property. Second, a strong owners association is needed to manage the operations and maintenance of the community.

There are groups that work with mobile home park owners and residents to transition to this model. Resident Owned Communities (ROC) USA is a national non-profit organization that has converted 200 mobile home communities in 14 states to resident ownership. A community of at least 60 to 100 units is needed to achieve the economy of scale in this ownership model. Locally, the Thistle Land Trust in Boulder County is a technical assistance provider for ROC.

- c. Consider purchasing key mobile home parks when funding allows. The Yampa Valley Housing Authority (Routt County, Steamboat Springs Area) purchased a mobile home park that was otherwise likely to be purchased for redevelopment. The Authority reports success in preserving affordability, improving living conditions, and positive cash flow from the land rentals that are increased only 1.0 percent annually and rented slightly below market. When homes are vacated, unsafe units are removed and new residents must move into a new unit or a unit in good condition. Occupancy is limited to owners (no renting), and full-time Routt County residents.

**12. Expand services and assistance for the senior population in Clear Creek County.**

Low-income seniors, many living alone, comprise a large part of the Focus Area population. Many seniors would like to remain in their home as long as they are physically able. Additional services (transportation, food assistance, shopping, and social interaction) will enable them to live with a better quality of life in their home.

- a. Support organizations that provide services to seniors and low income people. The major organizations serving this role are Volunteers of America, Project Support, Mount Evans Home Health Care and Hospice, Loaves and Fishes, Clear Creek County Health and Human Services, and the Clear Creek County Metropolitan Recreation District.
- b. Improve and expand aging in place services. Many seniors would like to stay in their homes as long as they are able. Many need or will need assistance with transportation, grocery shopping, and accessing essential services such as prescription medications and regular medical care and checkups. Transportation is a part of this, as well as staff and volunteer time.
- c. Pursue the development of an additional senior living facility similar to Project Support pending a deeper market analysis and feasibility study on senior housing needs.
- d. Pursue options to reduce living costs for seniors. For seniors on a fixed income, affordability can be affected by rising property values and therefore rising property taxes. A senior property tax exemption can be considered. In addition, utility providers can be approached to offer discounted utility rates to low income seniors.
- e. Organize and expand home repair/maintenance services. Performing maintenance themselves and finding qualified and reliable labor becomes challenging for seniors. A central registry of qualified contractors and handy people, provided to seniors would be a useful resource. Also, programs such as the "Be a Tool" volunteering event held in Idaho Springs, should be expanded.

**13. Pursue funding to be used for actual housing development costs and to expand programs and assistance for the target population.**

As a young organization, it may be premature to pursue a dedicated funding source for housing development such as voter-approved taxes like Summit County's sales and excise taxes. The initial focus on funding is recommended to be tied to projects: identify a project to build or acquire and then identify the funding and financing sources and tools needed for implementation. As the Housing Authority builds a successful track record, a larger voter-approved funding source could be considered.

- a. Continue discussions with other Clear Creek County jurisdictions on contributing funding to pool for housing projects that benefit the workforce and businesses.
- b. Longer term, explore the possibility of a voter-approved stable funding source such as a mill levy, sales tax, construction use tax, or excise tax dedicated to affordable housing. Coupling housing with a dedicated economic development or infrastructure funding source could broaden support for the tax.
- c. Pursue targeted grants and loans when projects are identified. Maintain contact with Colorado Department of Local Affairs (DOLA), Division of Housing, and USDA Rural Development (USDA RD) staff regarding funding availability, eligibility, and recommendations. One of the keys to a successful grant application, especially for housing development, is to have a well-defined project with due diligence completed.
- d. Schedule semi-annual meetings with local representatives from DOLA and USDA RD to learn about funding opportunities. These meetings could also generate project ideas from these representatives' knowledge of the larger region and what other communities are doing.

USDA RD provides low interest loans and grants that can assist with many of the recommendations in this Report. Clear Creek County is a qualifying Rural Area.

- **Community programs** – Loans and grants for community facilities including childcare, public safety buildings, medical facilities, and vehicles and equipment.
- **Water and environmental programs** – construction and repair of water and wastewater systems.
- **Single family homes** – Direct low interest loans (50 percent of AMI) and loan guarantees (100 percent of AMI) to purchase or build a home. Also provides repair/renovation grants up to \$7,500 to people over 62 below 50 percent of AMI.
- **Multifamily housing** – Direct loans and loan guarantees for multifamily housing development. Can finance 90 to 100 percent of development costs.

There are other loan programs to finance development available through the Colorado Housing and Finance Authority (CHFA). DOLA manages the CDBG and HOME Funds allocations from the federal government, and there are some gap closure and predevelopment funds available. Other potential funding sources to pursue are outlined below.

- **Colorado Division of Housing** – A key funding source is gap closure funding with subsidies ranging from roughly \$4,000 to \$10,000 per unit. These funds are competitive, but not as competitive as 9% tax credit allocations. The Division of Housing looks for well planned projects with an in-kind or cash contribution from the local sponsor jurisdiction.
- **Rural Community Assistance Corporations** – RCAC is a national non-profit organization with a lending arm that provides housing and community development assistance throughout the Western U.S. RCAC also works with USDA RD in the Section 523 Mutual Self-Help Housing program. Under this program, low-income borrowers can work together under the guidance of a nonprofit public housing entity (self-help grantee) to build homes. With a construction supervisor on site, these building groups perform at least 65 percent of the construction work required (“sweat equity”) to build their homes.
- **Colorado Enterprise Zones** – Enterprise Zone tax credits are available from the State of Colorado in economically distressed areas. There are currently 14 enterprise zones in Colorado including most of Clear Creek County. Tax incentives offered from the State of Colorado range from a new employee tax credit to a vacant commercial building rehabilitation credit.
- **Federal Opportunity Zones** - The federal government created Opportunity Zones in the recently passed Tax Cuts and Jobs Act. States designate 25 percent of their eligible census tracts that experience low-income and high-poverty rates as Opportunity Zones, and Idaho Springs is a designated Opportunity Zone. In Opportunity Zones, investors are offered capital gains tax reductions and deferrals. The capital gains tax can be eliminated if the investment is held for 10 years. This tax benefit can apply to multifamily development, pertinent to this Housing Strategy.
- **Grants** - Grants, program funding, and other forms of partnerships, from or with foundations or philanthropic organizations should also be pursued where a project or program aligns with the organization’s mission. The County and Blue Spruce Habitat have received grants from the Coors Foundation, and this study was funded through a grant from the Freeport McMoRan Foundation.

## 2019-2029 Action Plan Matrix

Action	Category	Actions	Time Period	Level of Effort / Cost	Notes
1	Rental Housing	<ul style="list-style-type: none"> <li>Target 300 rental units over 10 years.</li> </ul>	Over 10 Years	Moderate – existing County, Town, and City staff	<ul style="list-style-type: none"> <li>Determine if more land should be zoned to allow apartments.</li> <li>Identify development sites.</li> <li>Recruit developers.</li> <li>Create public-private partnership opportunities.</li> </ul>
2	Rental Housing	<ul style="list-style-type: none"> <li>Collect interest in bulk leasing from employers</li> </ul>	Years 1-2	Low	<ul style="list-style-type: none"> <li>Employers may be interested in partnering on a development project.</li> <li>Pool of renters or guaranteed leases is marketable to developers to reduce project risk.</li> </ul>
3	Rental Housing	<ul style="list-style-type: none"> <li>Track and inventory all new rental housing including rent levels</li> </ul>	Year 1	Low	<ul style="list-style-type: none"> <li>Keeping an up-to-date inventory will allow monitoring of rental housing supply and affordability.</li> <li>Monitor progress on 300 units 10 year production goal.</li> </ul>
4	Rental Housing	<ul style="list-style-type: none"> <li>Identify 3 development sites</li> </ul>	Year 1	Moderate – may require additional due diligence High – cost and effort to execute development	<ul style="list-style-type: none"> <li>Sites can be marketed to developers.</li> <li>Sites can be acquired by Housing Authority or local jurisdictions.</li> </ul>
5	Rental Housing	<ul style="list-style-type: none"> <li>Pursue another 9% LIHTC allocation in the next 5 years.</li> <li>Seek opportunities for a 4% LIHTC allocation.</li> </ul>	Years 1-5; Ongoing	Moderate – identify site, attract developer(s)	<ul style="list-style-type: none"> <li>Recognize successful award in Idaho Springs in 2018.</li> <li>4% LIHTC allocations are less competitive but require more developer or public equity/funding. Free land from a public entity can incentivize the project.</li> </ul>



Action	Category	Actions	Time Period	Level of Effort / Cost	Notes
6	For-Sale Housing	<ul style="list-style-type: none"> <li>Target 10 to 20 RO deed restricted for-sale homes over the next 5 years</li> </ul>	Years 1-5; Ongoing if successful	High	<ul style="list-style-type: none"> <li>Identify and acquire infill sites.</li> <li>Partner with developers/builders.</li> <li>Utilize developer agreements and community benefits policies when working with new development.</li> </ul>
7	Housing Rehabilitation	<ul style="list-style-type: none"> <li>Expand awareness and usage of grant and loan programs for housing rehabilitation.</li> <li>Identify interested homeowners.</li> <li>Work with local USDA RD and DOLA representatives to secure funding and administer program.</li> </ul>	Ongoing	Low – use existing loan and grant programs	<ul style="list-style-type: none"> <li>65% of the housing stock was built prior to 1980.</li> </ul>
8	Senior Housing	<ul style="list-style-type: none"> <li>Evaluate demand and feasibility for an additional senior housing or an assisted living facility.</li> <li>Target an additional low income senior facility of 25 to 50 units.</li> </ul>	Years 3-5	Moderate – additional study required	<ul style="list-style-type: none"> <li>Senior housing is a pressing need in Clear Creek County.</li> </ul>
9	Land Bank	<ul style="list-style-type: none"> <li>Identify publicly-owned property for development</li> </ul>	Ongoing	Moderate - may require additional due diligence	<ul style="list-style-type: none"> <li>Advance sites with lowest infrastructure costs to development planning.</li> <li>Use RFP/RFQ process for partnering with developers.</li> <li>Collaborate with Clear Creek County Economic Development on land banking.</li> </ul>

Action	Category	Actions	Time Period	Level of Effort / Cost	Notes
<b>10</b>	Land use regulation	<ul style="list-style-type: none"> <li>Review zoning and building codes to determine if small low cost housing units and ADUs are supported</li> </ul>	Year 2	Low	<ul style="list-style-type: none"> <li>Determine if changes are needed to allow cottage homes, ADUs, and tiny homes for full-time resident or seasonal employee occupancy.</li> <li>Water is a constraint in unincorporated areas; well permits are regulated by the Colorado Division of Water Resources.</li> </ul>
<b>11</b>	Land use regulation	<ul style="list-style-type: none"> <li>Adopt public benefit policies in each jurisdiction</li> </ul>	Years 1-2	Moderate – requires political support	<ul style="list-style-type: none"> <li>Policy of requiring housing or other public benefit when development receives financial or infrastructure assistance, or uses development agreements with a local jurisdiction.</li> </ul>
<b>12</b>	Mobile homes	<ul style="list-style-type: none"> <li>Create a program or process for monitoring mobile home park conditions and code violations</li> </ul>	Years 3-5	Moderate – multijurisdictional effort	<ul style="list-style-type: none"> <li>Identify mobile home parks that require intervention to protect public safety.</li> <li>Create a communication process in which residents can log complaints with the County and local jurisdictions.</li> </ul>
<b>13</b>	Mobile homes	<ul style="list-style-type: none"> <li>Establish a mobile home resident advocacy group</li> </ul>	Years 3-5	Moderate – multiple stakeholders	<ul style="list-style-type: none"> <li>Create awareness of problems.</li> <li>Improve communication with local jurisdictions and County.</li> <li>Gauge interest and capacity to purchase land.</li> </ul>
<b>14</b>	Organization & Funding	<ul style="list-style-type: none"> <li>Seek MOUs or IGAs from each jurisdiction stating intent to cooperate with and support the Housing Authority</li> </ul>	Years 1-2; Ongoing	Moderate - multiple stakeholders	<ul style="list-style-type: none"> <li>Pooling of resources and funding will result in greater success and measurable outcomes.</li> <li>Ask for support from municipalities in acquiring new property or banking/contributing existing property.</li> <li>Consider funding contributions from municipalities.</li> </ul>

Action	Category	Actions	Time Period	Level of Effort / Cost	Notes
<b>15</b>	Organization & Funding	<ul style="list-style-type: none"> <li>Form a housing working group</li> </ul>	Years 1-2	Low – existing staff	<ul style="list-style-type: none"> <li>A group of County and Municipal staff focused on housing and supporting the County Housing Coordinator.</li> </ul>
<b>16</b>	Organization & Funding	<ul style="list-style-type: none"> <li>Schedule semi-annual meetings with USDA RD and DOLA representatives</li> </ul>	Year 1; Ongoing	Low	<ul style="list-style-type: none"> <li>Maintain contact to learn of funding opportunities.</li> <li>Learn about projects (infrastructure, housing, community development) completed in other communities for ideas.</li> </ul>

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## 2. Demographics

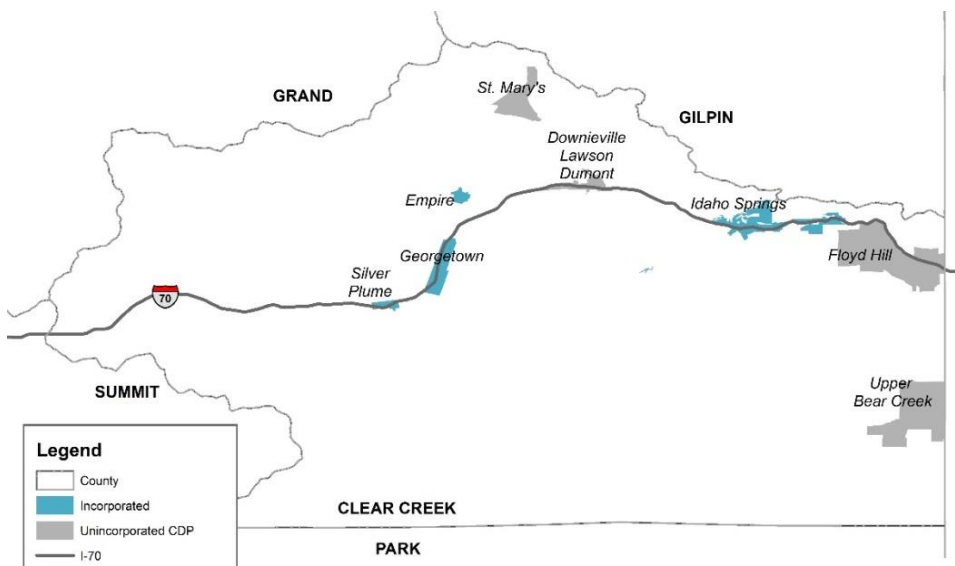
This chapter provides an overview of population and demographic trends in Clear Creek County. Overall, the County and Focus Area are aging and have slow housing and population growth.

### Geography

Clear Creek County contains two distinct housing market areas generally divided by the Veterans Memorial Tunnels (formerly known as the Twin Tunnels). East of the Veterans Memorial Tunnels are the Floyd Hill, Upper Bear Creek, and Highway 103/ Squaw Pass areas. Here the labor force and housing market is more oriented to the west Denver metro area. The average 2017 home sale price in the Floyd Hill area is \$507,107 and \$722,500 in Upper Bear Creek compared to \$286,871 in the Focus Area. There is a much wider range of jobs available in urban Metro Denver compared to Clear Creek County which is more dependent on tourism and recreation. Therefore, the housing and labor markets in eastern Clear Creek County are vastly different than in the Focus Area along the I-70 corridor west of the Veterans Memorial Tunnels.

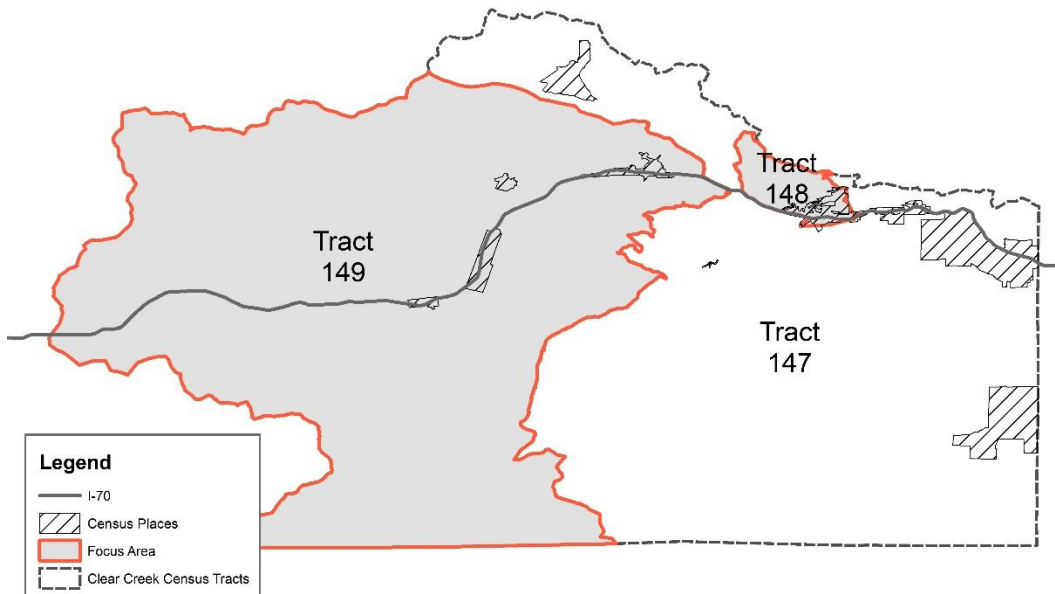
In **Figure 1** below, incorporated municipalities including Idaho Springs, Empire, Georgetown, and Silver Plume are shown in teal. Unincorporated Census Designated Places include St. Mary's, Downieville-Lawson-Dumont, Floyd Hill, and Upper Bear Creek, shown in gray. For the purposes of this Strategy and Housing Needs Assessment, Silver Plume, Georgetown, Empire, Downieville-Lawson-Dumont, and Idaho Springs are included in the defined Focus Area.

**Figure 1. Focus Area Geography**



Income and other demographic estimates in this Report come from the US Census American Community Survey, US Census Small Area Income and Poverty Estimates, and ESRI Business Analyst. The diverse geography of Clear Creek County lead the US Census to define census tracts grouped around areas based on their demographic similarities, resulting in somewhat unusual census tract boundaries. Tracts 148 and 149 best represent the demographics of the Focus Area and local labor force targeted in this Study, shown in **Figure 2**. Tract 148 encompasses Idaho Springs; Tract 149 covers most of Upper Clear Creek County (Upper CCC) including the Downieville-Lawson-Dumont CDP, Empire, Georgetown, and Silver Plume. The remaining area of Clear Creek County is included in Tract 147 which includes the areas east of the Veterans Memorial Tunnels and Fall River Road, also a higher income area of Clear Creek County.

**Figure 2. Focus Area Census Tracts**



## Income Measures

### Definitions

These terms help to define housing affordability conditions in the Focus Area throughout this Study.

**Area Median Income (AMI):** Households are categorized by income expressed as a percentage of the area median income: \$53,831 for the Focus Area in 2016.

**Cost Burden:** A household that spends over 30 percent of income on housing is considered to be cost-burdened.

**Affordable Housing:** A general term for housing that is “affordable” to a given household (i.e., less than 30 percent of income is spent on housing costs).

## Income by Source and Geography

Housing affordability is measured in increments of the median income. The U.S. Department of Housing and Urban Development (HUD) groups Clear Creek County in the Denver Metro Area, as a result, the area median income (AMI) ranges according to HUD are \$30,000 higher than the Focus Area AMI. HUD income limits are “qualifying incomes” used when applying for federal housing programs and receive funding but do not always represent the actual incomes of an area accurately. For the purposes of this Strategy and Assessment an AMI that is more reflective of the Focus Area demographics is used.

The HUD income limits are derived from median family income estimates and fair market rent area definitions by metropolitan area. HUD income limits are based on the size of the household and are used to qualify for assisted housing programs including Public Housing, Sec. 8 project-based, Sec. 8 Housing Choice Voucher, Sec. 202, and Sec. 811. Additionally, HUD’s Multifamily Tax Subsidy Projects Income Limits, apply to income eligibility for projects financed with Low Income Housing Tax Credits or tax exempt housing bonds.

As shown in **Table 2**, the HUD 2018 AMI for the Denver Metro Area and the Census Tract AMI for Eastern CCC are both around \$30,000 higher than the Focus Area AMI. To reflect the Clear Creek County AMI in the Focus Area as accurately as possible, the average of census tracts 148 and 149 is used to estimate an AMI of \$53,831 which is 40 percent lower than the HUD AMI of \$89,900. Using this local AMI, income ranges are established to represent different segments of the market and evaluate them separately. These segments range from “Extremely Low” income at 30 percent AMI or \$16,000 or less annually to “Above Median” at 120 percent AMI or \$65,000 or more in annual income.

**Table 2. Area Median Income Ranges**

Description	120%	Median 100%	Low 80%	Very Low 60%	Extremely Low 30%
<b>Focus Area</b>	<b>\$65,000</b>	<b>\$53,831</b>	<b>\$43,000</b>	<b>\$32,000</b>	<b>\$16,000</b>
Census tract 148	\$63,000	\$52,869	\$42,000	\$32,000	\$16,000
Census tract 149	\$66,000	\$54,792	\$44,000	\$33,000	\$16,000
HUD, 2018	\$108,000	\$89,900	\$72,000	\$54,000	\$27,000
Census tract 147	\$102,000	\$84,899	\$68,000	\$51,000	\$25,000

Source: US Census American Community Survey, 2016; Economic & Planning Systems

## Population and Households

The 2017 population of Clear Creek County was estimated at 9,426. Clear Creek County lost 234 residents between 2000 and 2010. However, since 2010 the population has grown by 338 people or 0.5 percent annually. Countywide, the population gains made up the losses, but some local areas still had a net loss. Since 2000, Idaho Springs and Georgetown are estimated to have experienced a decline in population with a loss of 212 and 65 people since 2000 respectively, as shown in **Table 3**.

Between 2000 and 2010, the County gained 189 households, and 557 new housing units. When housing units grow more than households, in mountain areas this typically indicates an increase in second homes. The majority of the housing growth occurred outside of the established places and municipalities in unincorporated Clear Creek County in dispersed locations. Since 2010, growth has increased in population and households, but slowed for housing unit construction. This may indicate an increase in full time residents moving to Clear Creek County, as suggested from interviews with realtors.

The majority of growth occurred outside of the municipalities and Census Designated Places (e.g., Idaho Springs, Georgetown, Empire, the Downieville-Lawson-Dumont CDP, and St. Mary's) in the unincorporated areas of Clear Creek County. These unincorporated areas accounted for nearly half of the population growth since 2010 with an increase in population of 167.



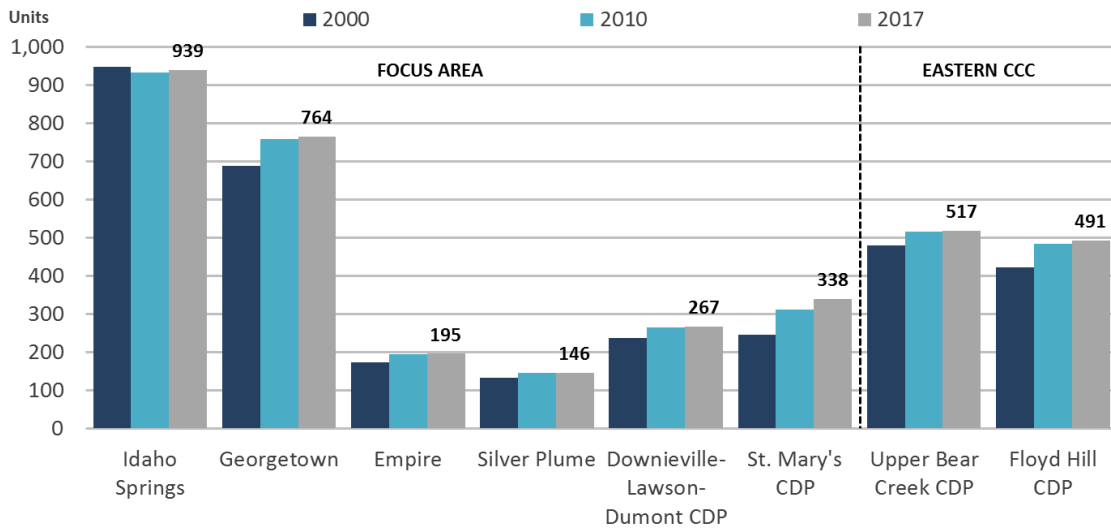
**Table 3. Population and Households, 2000-2017**

Description	2000	2010	2017	2000-2010			2010-2017		
				Total	Ann. #	Ann. %	Total	Ann. #	Ann. %
<b>Population</b>									
Idaho Springs	1,969	1,714	1,757	-255	-26	-1.4%	43	6	0.4%
Georgetown	1,122	1,034	1,057	-88	-9	-0.8%	23	3	0.3%
Empire	285	282	288	-3	0	-0.1%	6	1	0.3%
Silver Plume	184	170	174	-14	-1	-0.8%	4	1	0.3%
Downieville-Lawson-Dumont CDP	601	594	607	-7	-1	-0.1%	13	2	0.3%
St. Mary's CDP	275	283	315	8	1	0.3%	32	5	1.5%
Other	<u>2,887</u>	<u>2,954</u>	<u>3,121</u>	<u>67</u>	<u>7</u>	<u>0.2%</u>	<u>167</u>	<u>24</u>	<u>0.8%</u>
<b>Subtotal</b>	<b>7,323</b>	<b>7,031</b>	<b>7,319</b>	<b>-292</b>	<b>-29</b>	<b>-0.4%</b>	<b>288</b>	<b>41</b>	<b>0.6%</b>
Upper Bear Creek CDP	1,058	1,059	1,058	1	0	0.0%	-1	0	0.0%
Floyd Hill CDP	<u>941</u>	<u>998</u>	<u>1,049</u>	<u>57</u>	<u>6</u>	<u>0.6%</u>	<u>51</u>	<u>7</u>	<u>0.7%</u>
<b>Total Clear Creek County</b>	<b>9,322</b>	<b>9,088</b>	<b>9,426</b>	<b>-234</b>	<b>-23</b>	<b>-0.3%</b>	<b>338</b>	<b>48</b>	<b>0.5%</b>
<b>Households</b>									
Idaho Springs	879	826	846	-53	-5	-0.6%	20	3	0.3%
Georgetown	508	505	516	-3	0	-0.1%	11	2	0.3%
Empire	154	163	166	9	1	0.6%	3	0	0.3%
Silver Plume	84	84	86	0	0	0.0%	2	0	0.3%
Downieville-Lawson-Dumont CDP	223	235	240	12	1	0.5%	5	1	0.3%
St. Mary's CDP	117	139	155	22	2	1.7%	16	2	1.6%
Other	<u>1,239</u>	<u>1,374</u>	<u>1,449</u>	<u>135</u>	<u>14</u>	<u>1.0%</u>	<u>75</u>	<u>11</u>	<u>0.8%</u>
<b>Subtotal</b>	<b>3,204</b>	<b>3,326</b>	<b>3,458</b>	<b>122</b>	<b>12</b>	<b>0.4%</b>	<b>132</b>	<b>19</b>	<b>0.6%</b>
Upper Bear Creek CDP	430	450	449	20	2	0.5%	-1	0	0.0%
Floyd Hill CDP	<u>385</u>	<u>432</u>	<u>454</u>	<u>47</u>	<u>5</u>	<u>1.2%</u>	<u>22</u>	<u>3</u>	<u>0.7%</u>
<b>Clear Creek County</b>	<b>4,019</b>	<b>4,208</b>	<b>4,361</b>	<b>189</b>	<b>19</b>	<b>0.5%</b>	<b>153</b>	<b>22</b>	<b>0.5%</b>
<b>Housing Units</b>									
Idaho Springs	946	932	939	-14	-1	-0.1%	7	1	0.1%
Georgetown	688	758	764	70	7	1.0%	6	1	0.1%
Empire	173	194	195	21	2	1.2%	1	0	0.1%
Silver Plume	132	145	146	13	1	0.9%	1	0	0.1%
Downieville-Lawson-Dumont CDP	236	265	267	29	3	1.2%	2	0	0.1%
St. Mary's CDP	246	310	338	64	6	2.3%	28	4	1.2%
Other	<u>1,807</u>	<u>2,082</u>	<u>2,148</u>	<u>275</u>	<u>28</u>	<u>1.4%</u>	<u>66</u>	<u>9</u>	<u>0.4%</u>
<b>Subtotal</b>	<b>4,228</b>	<b>4,686</b>	<b>4,797</b>	<b>458</b>	<b>46</b>	<b>1.0%</b>	<b>111</b>	<b>16</b>	<b>0.3%</b>
Upper Bear Creek CDP	479	516	517	37	4	0.7%	1	0	0.0%
Floyd Hill CDP	<u>421</u>	<u>483</u>	<u>491</u>	<u>62</u>	<u>6</u>	<u>1.4%</u>	<u>8</u>	<u>1</u>	<u>0.2%</u>
<b>Clear Creek County</b>	<b>5,128</b>	<b>5,685</b>	<b>5,805</b>	<b>557</b>	<b>56</b>	<b>1.0%</b>	<b>120</b>	<b>17</b>	<b>0.3%</b>

Source: ESRI Business Analyst; Economic &amp; Planning Systems

The Focus Area was estimated to have around 2,650 housing units while Eastern Clear Creek County had an estimated 1,000 housing units in 2017, as shown in **Figure 3**. From 2010 to 2017, Clear Creek County gained 120 new units. Saint Mary's and other dispersed areas accounted for almost 80 percent of the housing growth. Overall, the housing unit inventory in the county has not grown significantly since 2010.

**Figure 3. Housing Units by Census Defined Place, 2000-2017**

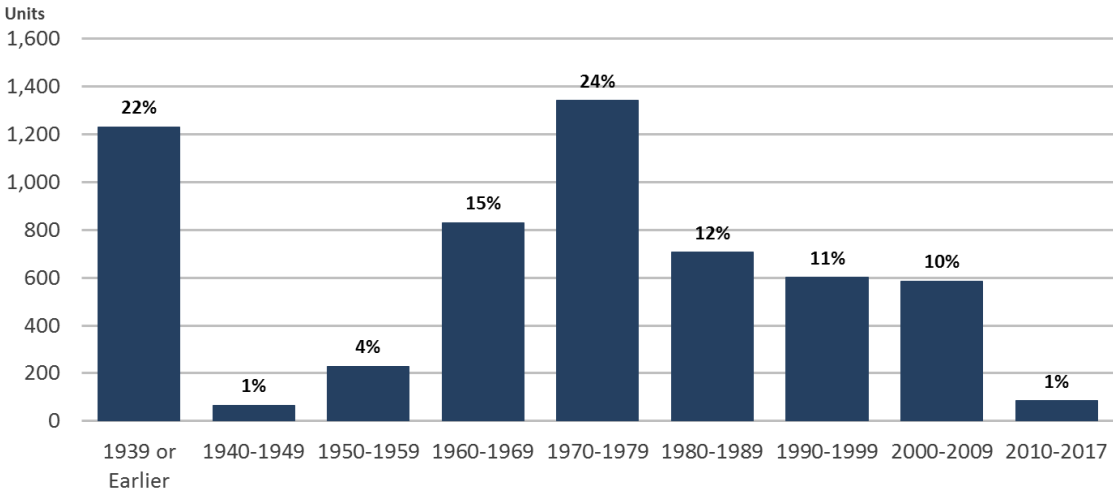


Source: ESRI Business Analyst; Economic & Planning Systems

## Housing Characteristics

The housing inventory in Clear Creek County is dated. **Figure 4** below shows that 65 percent of the housing stock in the county was built prior to 1980. Since 2010 only 85 units have been added countywide. Stakeholders and realtors interviewed report that the older housing units are often overpriced for the quality, as many older homes need costly repairs. Overall, there is a short supply of housing which further drives up prices.

**Figure 4. Clear Creek County Housing Units by Year Built, 2016**

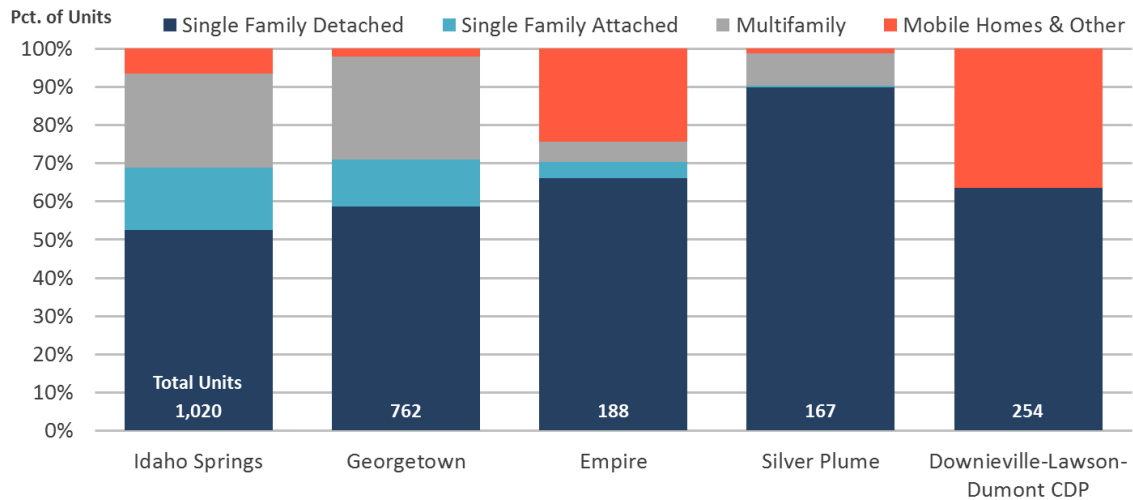


Source: US Census American Community Survey; Economic & Planning Systems

More than half of the units in the Focus Area along I-70 are single family detached units at 53 percent, as shown in **Figure 5**. Idaho Springs and Georgetown have the most diverse mix of housing while the other communities are almost exclusively single family and mobile homes.

Mobile homes are concentrated in the Downieville-Lawson-Dumont CDP and Empire, although they are common countywide. Even though mobile homes can be an affordable housing option, the health, safety, and welfare of residents is a concern due to utility (water and septic systems), code compliance, and property management issues. Eastern Clear Creek County including Floyd Hill CDP and Upper Bear Creek CDP are entirely made up of detached single family housing, with the exception of 52 multifamily units in Floyd Hill.

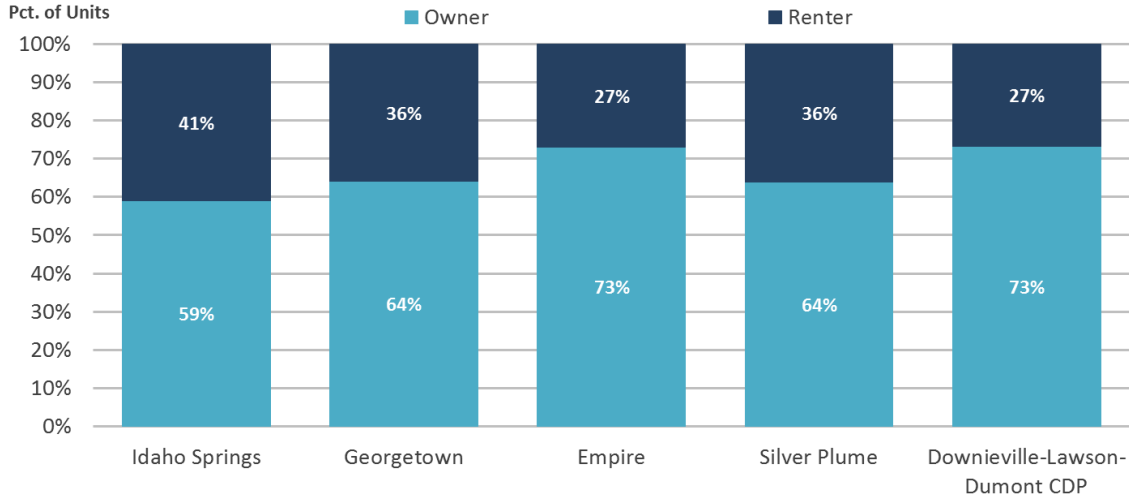
**Figure 5. Units in Structure, Focus Area, 2016**



Source: ESRI Business Analyst, Economic & Planning Systems

The percentage of renters in CCC ranges from 27 percent in the Downieville-Lawson-Dumont CDP, to 36 percent in Georgetown, and 41 percent in Idaho Springs, shown in **Figure 6**. Idaho Springs and Georgetown have higher percentages of renters because there are more apartment buildings in these communities compared to the other areas where mobile homes and single family homes are more common. The percentage of renters is lower in eastern Clear Creek County at 14 percent renters and 86 percent owners in the Floyd Hill area and Upper Bear Creek.

**Figure 6. Housing Tenure, 2017**



Source: ESRI Business Analyst; Economic & Planning Systems

**Table 4** below shows housing vacancy status in three categories including for sale or rent, second or seasonal homes, and other (e.g., held for settlement of an estate, held for personal reasons, or held for repairs). In 2010, 18 percent of homes in Clear Creek County were estimated to be vacant for occasional or seasonal use (second or seasonal homes). Silver Plume and Georgetown have the highest share of second or seasonal homes with 41 (28 percent) and 164 (22 percent) respectively. Idaho Springs, Empire, and Downieville-Lawson-Dumont have a larger year round population with lower vacancies due to less second home ownership.

**Table 4. Vacancy Detail Focus Area, 2010**

Description	Idaho Springs	Georgetown	Empire	Silver Plume	Downieville-Lawson-Dumont CDP	Clear Creek County
<b>Vacant Units</b>						
For Sale/Rent	51	64	10	14	5	250
Second/Seasonal	24	164	18	41	18	1,045
Other	31	25	3	6	7	182
Occupied Units	826	505	163	84	235	4,208
<b>Total Units</b>	<b>932</b>	<b>758</b>	<b>194</b>	<b>145</b>	<b>265</b>	<b>5,685</b>
<i>Pct. Second/Seasonal</i>	3%	22%	9%	28%	7%	18%

Source: ESRI Business Analyst; Economic & Planning Systems

### Short Term Rentals

Throughout Clear Creek County there are a total of 100 to 150 short term rental units. Most of these units are second or seasonal homes. The short term rental inventory was compiled from estimates from online advertisements. It is assumed that each short term rental is advertising on two or three websites, which translates 303 total advertisements to 100 to 150 rentals. According to LODGINGRevs, 40 percent of short term rentals are within incorporated areas and 60 percent are in unincorporated Clear Creek County, as shown in **Table 5**. Among incorporated areas Idaho Springs has the most short term rentals, followed by Georgetown, Silver Plume, and Empire.

**Table 5. Short Term Rentals, 2018**

Description	Advertisements	Properties	
		Range	Percent
Incorporated	122	40 - 60	40%
Unincorporated	181	60 - 90	60%
<b>Clear Creek County</b>	<b>303</b>	<b>100 - 150</b>	<b>100%</b>

Source: LODGINGRevs; Economic & Planning Systems

## Household Characteristics

The majority of households in Clear Creek County are one to two person households. Typically these small households are younger singles, couples without children, or especially in Clear Creek County, people 65 and older who are aging in place. Clear Creek County as a whole has a smaller household size than both Jefferson County (2.4) and Summit County (2.4) at an average of 2.1 people per household, as shown in **Table 6**. Empire and Silver Plume have the smallest average household sizes at 1.7 and 1.9.

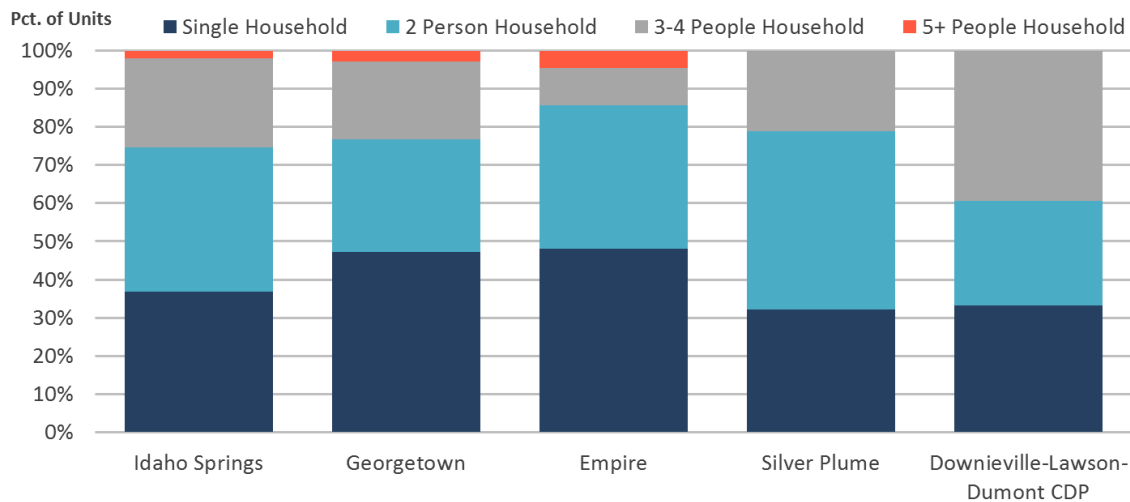
**Table 6. Household Size, 2017**

Description	2017
Idaho Springs	2.1
Georgetown	2.0
Empire	1.7
Silver Plume	1.9
Downieville-Lawson-Dumont CDP	2.5
<b>Clear Creek County</b>	<b>2.1</b>
Jefferson County	2.4
Summit County	2.4

Source: ESRI Business Analyst; Economic & Planning Systems

**Figure 7** below shows household size in greater detail. In all of the communities in the Focus Area more than 60 percent of households are one to two person households. The greatest share of three to four person households can be found in Idaho Springs and the Downieville-Lawson-Dumont CDP.

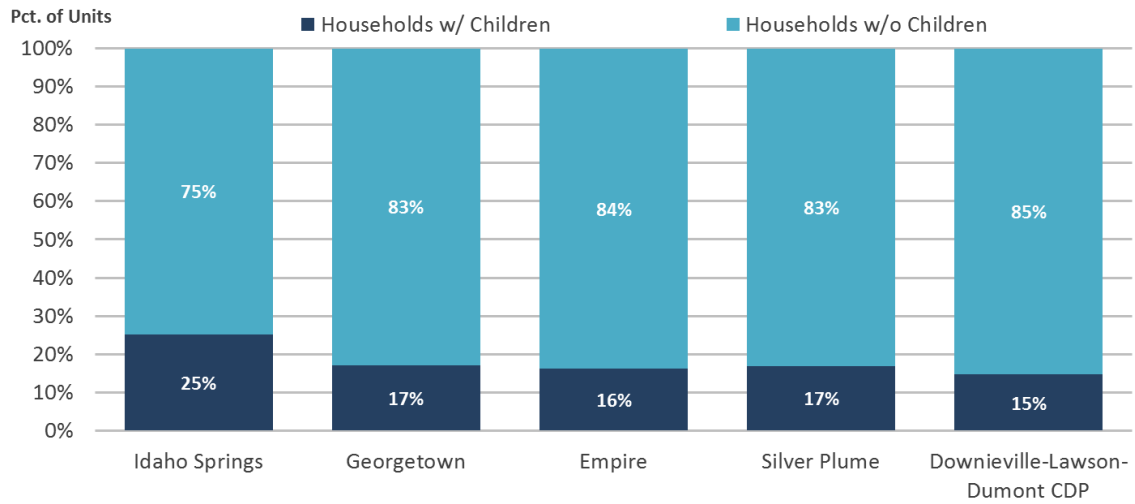
**Figure 7. Household Size, 2015**



Source: ESRI Business Analyst; Economic & Planning Systems

Across the Focus Area, 25 percent or fewer households have children under 18, as shown in **Figure 8**. Idaho Springs as the largest community, has a greater share of children, with one in four households with children. Overall, these household characteristics show that households in the Focus Area are generally smaller, with few families in the area. Contributing factors to these trends are housing availability, housing types, access to education and employment, and affordability of housing.

**Figure 8. Households with Children Under 18, 2015**

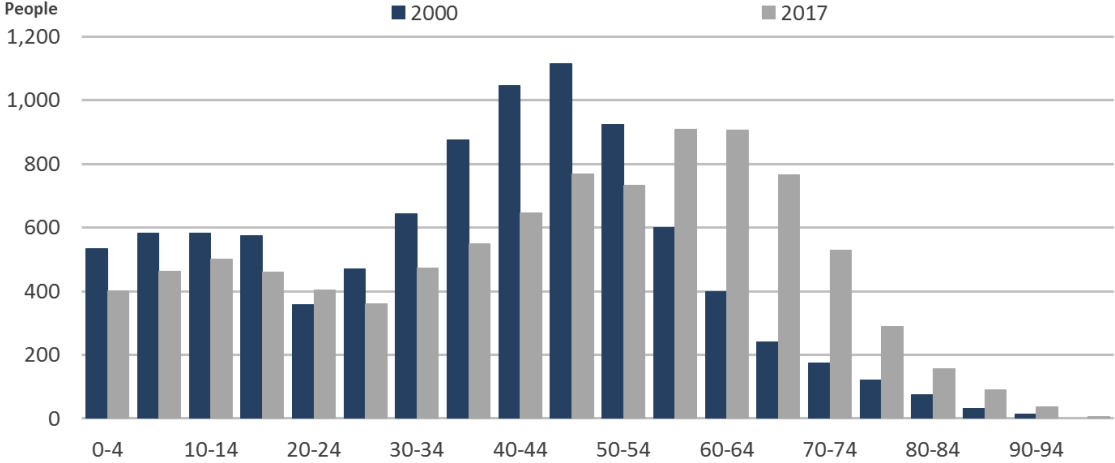


Source: ESRI Business Analyst; Economic & Planning Systems



Between 2000 and 2017, the age distribution of residents in Clear Creek County shifted to older age brackets. Shown below in **Figure 9**, age cohorts below 50 years are shrinking as age cohorts greater than 55 years are growing. There are fewer young families with children in the area compared to 17 years ago. Today, one in five people are over 65.

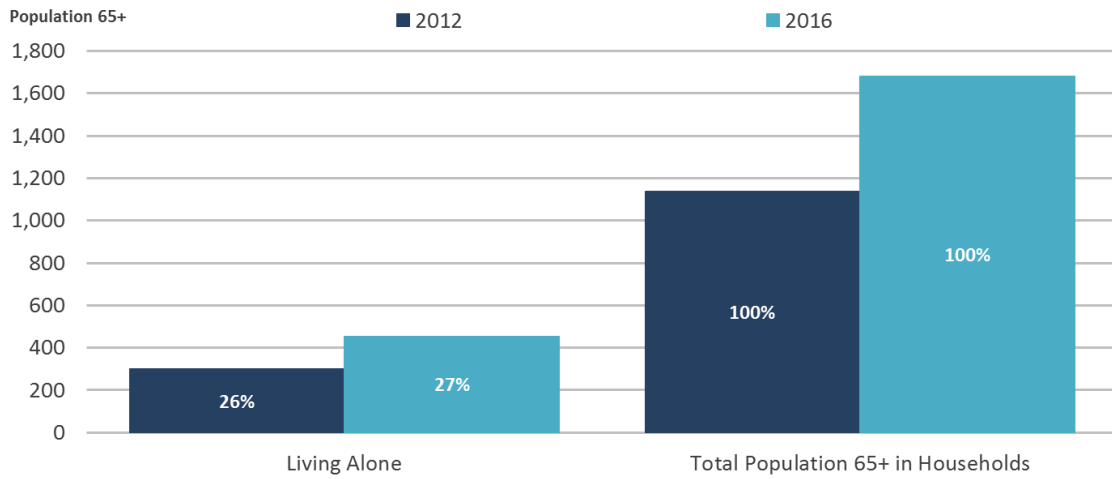
**Figure 9. Clear Creek County Age Distribution, 2000-2017**



Source: CO Dept. of Local Affairs; Economic & Planning Systems

Of the over 65 population, one in four are living alone as shown in **Figure 10**. This again contributes to the smaller household sizes seen in the Focus Area. Elderly populations require specific housing types, services, and affordability to meet their changing needs to allow for aging in place.

**Figure 10. Population 65+ Living Alone, 2012-2016**



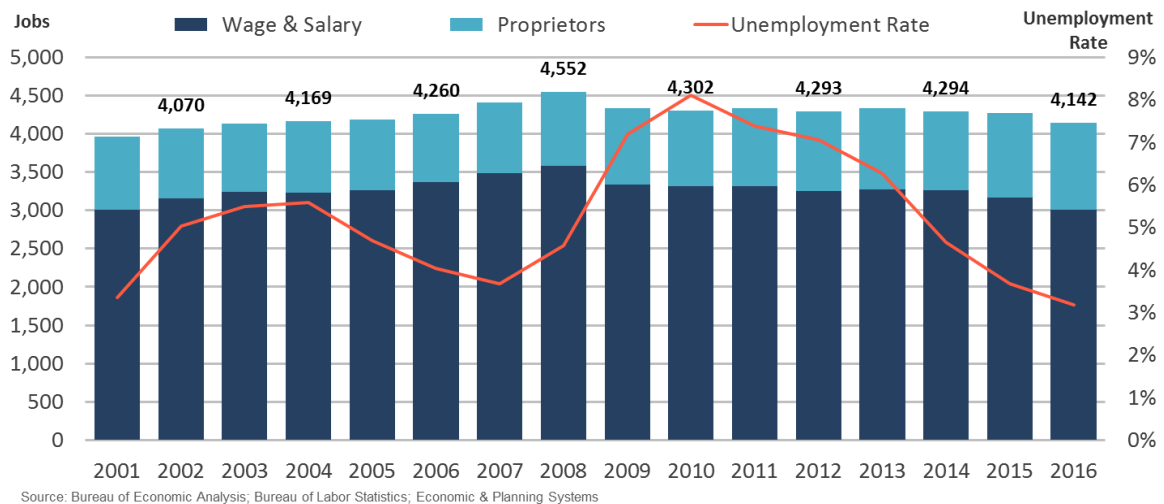
### 3. Economy

The economy in Clear Creek County is seasonal and concentrated in a small number of industries. This section describes the economic base, wages and sources of income, and commuting patterns to better understand how the economy in Clear Creek County relates to housing demand.

#### Economic Base

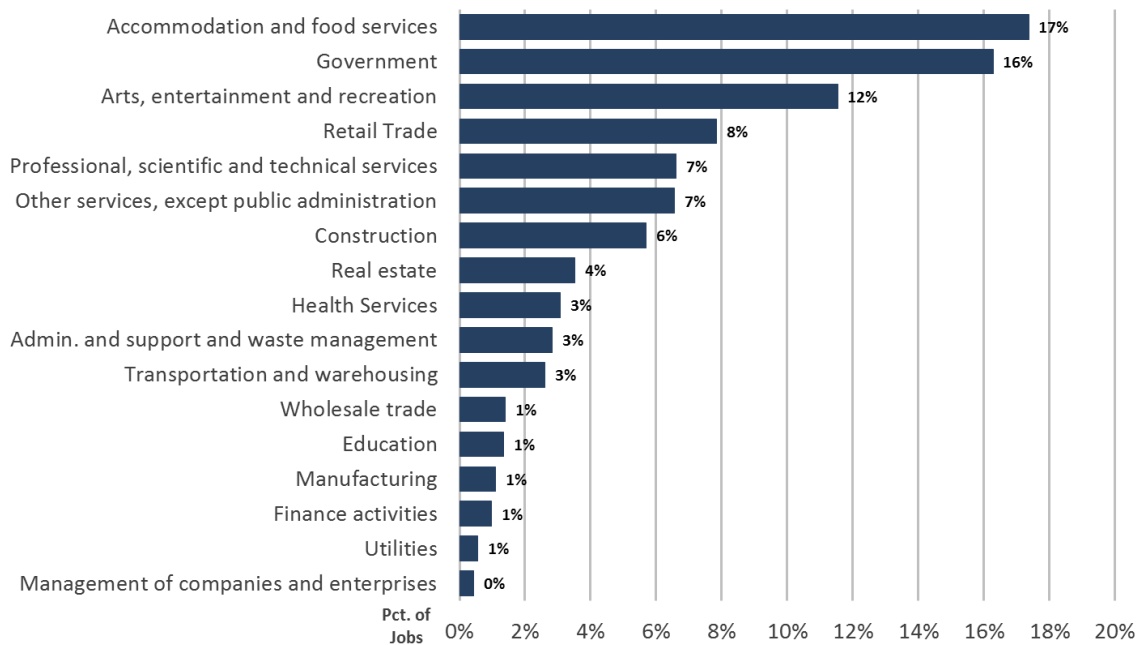
The number of jobs in Clear Creek County now is about the same as in 2001. Employment fluctuated between just under 4,000 in 2001 to 4,500 in 2008 just before the Great Recession and back down to 4,142 in 2016 (most recent total estimates), as shown in **Figure 11**. The share of proprietor employment (self-employed) has risen from 32 percent in 2001 to 38 percent in 2016. The unemployment rate was highest in 2010 at 8.1 percent and reached pre-recession lows in 2015 at 3.7 percent.

**Figure 11. Total Employment and Unemployment Rate, 2001-2016**



The largest industries in Clear Creek County are Accommodation and Food Services (25 percent), Retail Trade (19 percent), and Public Administration (10 percent), as shown in **Figure 12**. The fastest growing industries since the early 2000s are Arts, Entertainment, and Recreation and Accommodation and Food Services. These employment sectors include restaurants and bars, recreation (e.g., rafting, ziplining, and skiing), and lodging. This industry mix is common in small mountain communities. Industries that experienced a decrease in jobs include construction, professional and business services, and other services.

**Figure 12. Employment by Industry, 2017**

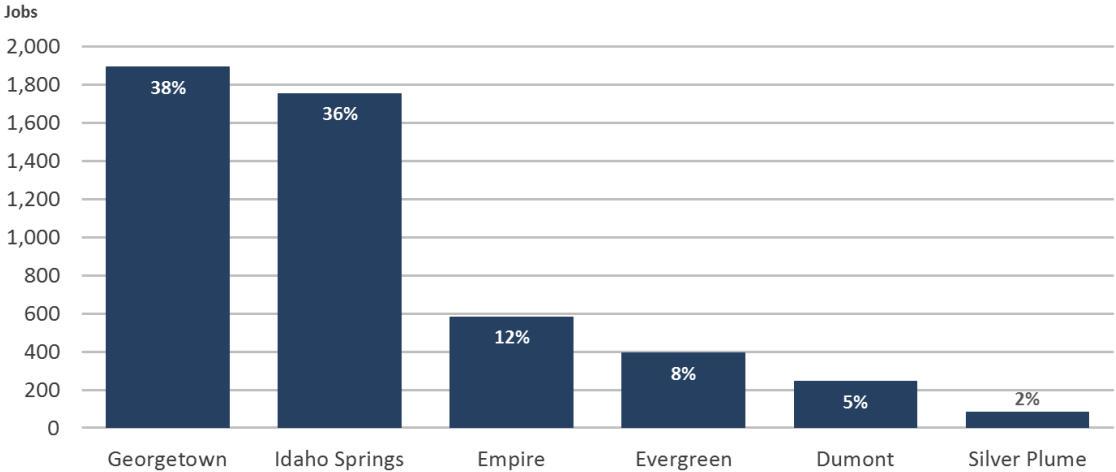


Note: Employment data for Agriculture, Mining, and Information sectors are not disclosed for Clear Creek County.  
 Source: DOLA; Economic & Planning Systems

The economic base in Clear Creek County is shifting. Production at Henderson Mine, previously one of the County’s largest employers, is declining and the Mine was planned for closure in about 2020. However, it has ramped up production again, although at lower levels than historically. The decline in mining is reducing County tax revenues, as mines pay property tax on the value of their production. Tourism is growing as a result of the growth of nearby Metro Denver and the demand for nearby accessible recreation. Clear Creek County is expecting this economic restructuring, and is working to diversify the economy away from extractive industries.

Most jobs are located in Georgetown and Idaho Springs. Together, these two places account for 73 percent of Clear Creek County employment, as shown in **Figure 13**. The remainder of employment is dispersed throughout Empire, near Floyd Hill and Upper Bear Creek, Dumont, and Silver Plume. Jobs and commercial development in Georgetown and Idaho Springs are primarily located along the I-70 corridor.

**Figure 13. Jobs by Place, 2017**



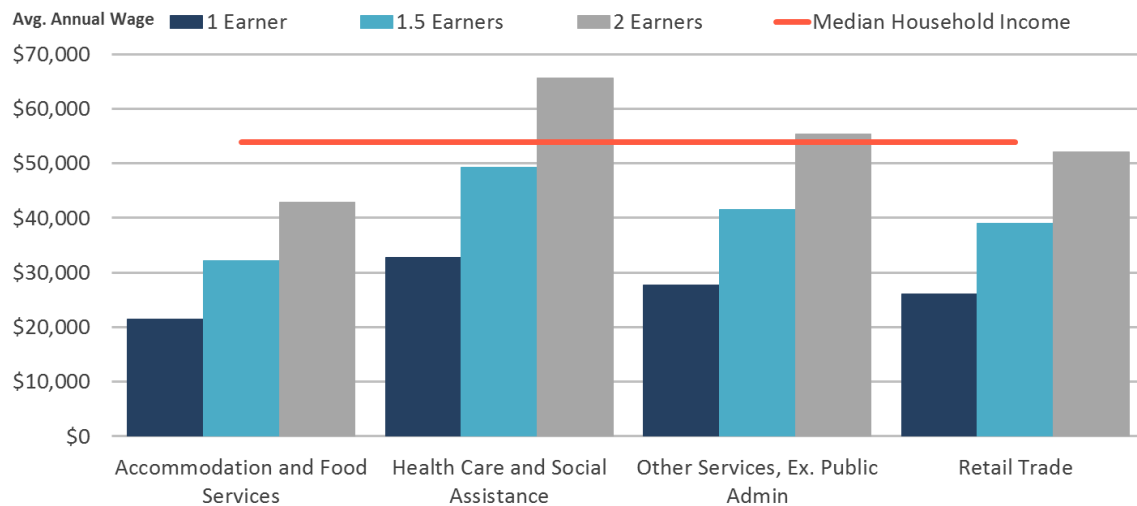
Source: InfoGroup; Economic & Planning Systems

## Wages and Source of Income

The wages for major industries including Retail Trade and Accommodation and Food Services, along with other large industry sectors are shown in **Figure 14** below. Average wages represent a single earner, whereas household income represents the total income of a household that may have multiple workers. To compare wages and the median household income, average wages for each industry are shown for one, one and a half (i.e., full time plus a part time earner), and two earners earning the same wage.

Health Care and Social Assistance and Other Services (e.g., grantmaking, advocacy, providing drycleaning and laundry services, and personal care services) both have wages that are above the median income for a two person household. The two largest industries in Clear Creek County, Retail and Accommodation and Food Services, fall below the median household income with two earner households. The average wage in Accommodation and Food Services is \$21,411 which is 40 percent of AMI for single earner households, 60 percent AMI for one and a half earner households, and 80 percent AMI for two earner households. Retail Trade average wages are \$26,014 or 48 percent AMI for a single earner household, 72 percent AMI for a one and a half earner household, and 97 percent AMI for a two earner household.

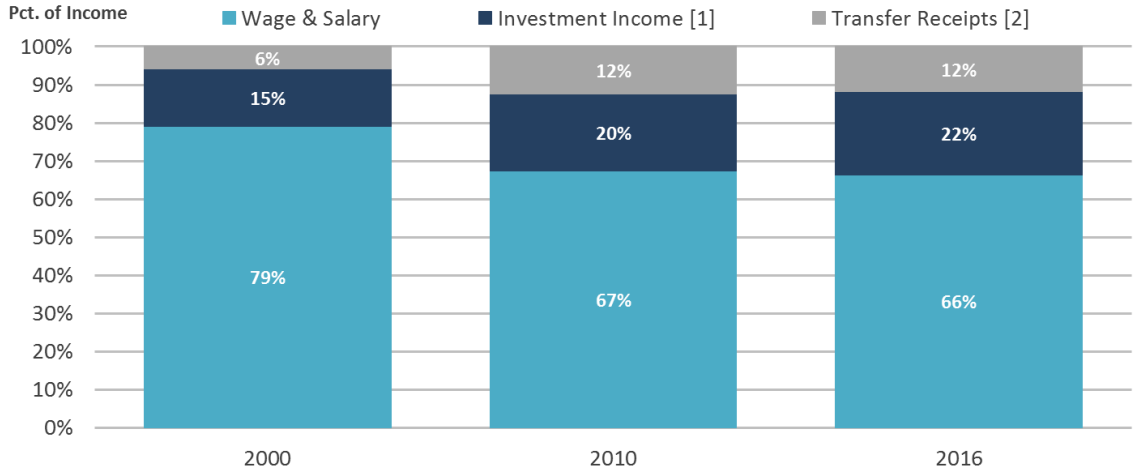
**Figure 14. Target Industry Sector Wages**



Source: Colorado Department of Revenue, Economic & Planning Systems

Household or “personal income” is comprised of three main types of income: wage and salary, investment income, and transfer receipts. Wage and salary income in Clear Creek County is declining as a percent of total income, as shown in **Figure 15**. Since the year 2000, the amount of income from wages and salaries has decreased by 13 percent while investment income and transfer receipts have grown. Investment income includes personal dividend income, personal interest income, and rental income. Residents with investment income are typically older retirees or wealthy people with investment portfolio income (non-wage income). Transfer receipt income includes government support such as Social Security benefits, medical benefits, veterans’ benefits, and unemployment. Many residents receiving transfer receipts are likely older as well.

**Figure 15. Personal Income by Source, 2000-2016**



[1] Consists of personal dividend income, personal interest income, and rental income of persons with capital consumption adjustment (CCAdj).  
[2] Current transfer receipts from government include Social Security benefits, medical benefits, veterans’ benefits, and unemployment insurance benefits. Current transfer receipts from business include liability payments for personal injury and corporate

Source: Bureau of Economic Analysis; Economic & Planning Systems

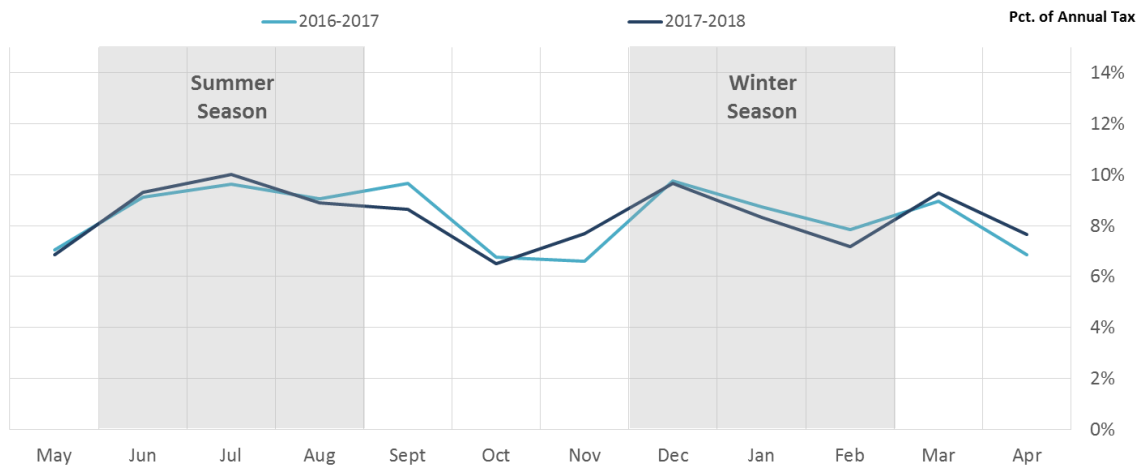
## Seasonality

Historically, employment in Clear Creek County was weighted heavily toward winter months because of the volume of people passing through and visiting Clear Creek County during the ski season, and the popularity of Loveland Ski Area. However, in recent years summer tourism has grown which has boosted the economy and helped to mitigate the seasonal economic fluctuations. Employers interviewed for this Study indicated a less severe seasonal swing in recent years. There is a role, especially in seasonal housing, for businesses to collaborate with each other and the Housing Authority on addressing the shortage of seasonal worker housing.

**Figure 16** below shows sales tax collections in Clear Creek County from May 2016 to May 2018 adjusted for the two-month collection lag. The two peak seasons in the county are highlighted including the Summer Season (June, July, and August) and the Winter Season (December, January, and February). The off season decrease in sales tax is most evident in October and April in the middle of the fall and spring. As evidenced by the sales tax data, the summer and winter peak seasons both draw nearly 30 percent of the annual sales tax each.

The spring and fall seasons are still slower which creates staffing and cash flow challenges for businesses. Many businesses try to keep a core staff on year round to keep good employees.

**Figure 16. Sales Tax, 2016-2018**



Source: Clear Creek County, Economic & Planning Systems

Stakeholders and employers indicated that housing is a constraint to recruiting seasonal workers, particularly J-1 Visa workers. The J-1 Visa, international student exchange workers, brings more than 300,000 participants from almost every country in the world come to the United States visas each year. J-1 Visa visitors work and engage with Americans to share culture, strength English language skills, and learn new skills. In order to hire J-1 Visa workers, an



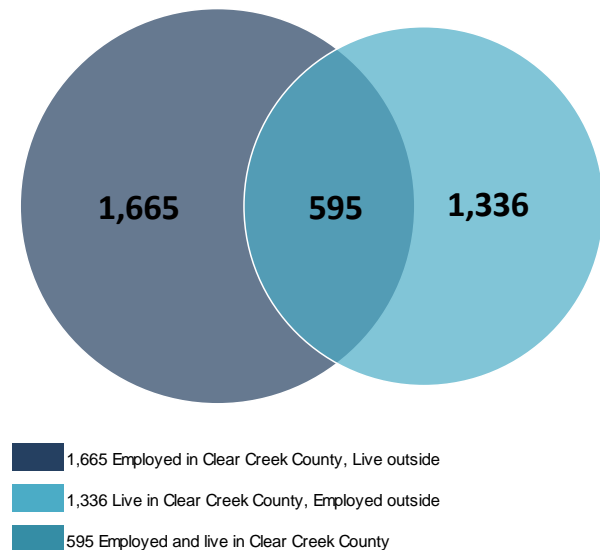
employer must be able to show that they can provide adequate housing for these workers. Some employers, particularly Loveland Ski Area, have cut back on the number of J-1 workers due to concerns that they will not be able to find enough and suitable housing for these guest workers. Many seasonal employers utilize both the J-1 (student exchange) and H2-B (temporary seasonal non-agricultural workers) programs.

Loveland hires less than six J-1 Visa workers annually because the only housing available is a house that has been providing this service for some time. There are reports of substandard living conditions for some J-1 workers including overcrowding and living in motels not suitable for long term occupancy. In order for Loveland to hire 15 to 20 J-1 Visa workers through an international program cost effectively, housing would need to be guaranteed. A more abundant supply of quality rental housing in the County would allow Loveland and other seasonal employers to rely on this workforce on a larger scale.

## Commuting Patterns

The total labor force in the Focus Area is approximately 1,900; only 30 percent of the local labor force works within the Focus Area (approximately 600) meaning that 70 percent (about 1,300) commute out, shown in **Figure 17**. Of the roughly 2,300 jobs in the Focus Area, 74 percent are filled by people who commute from outside of Clear Creek County. Several stakeholders observed that most of their management and professional level employees commute from other areas, especially Metro Denver for several reasons which include substandard housing conditions and availability, underperforming public education, and lack of employment opportunities for partners or spouses.

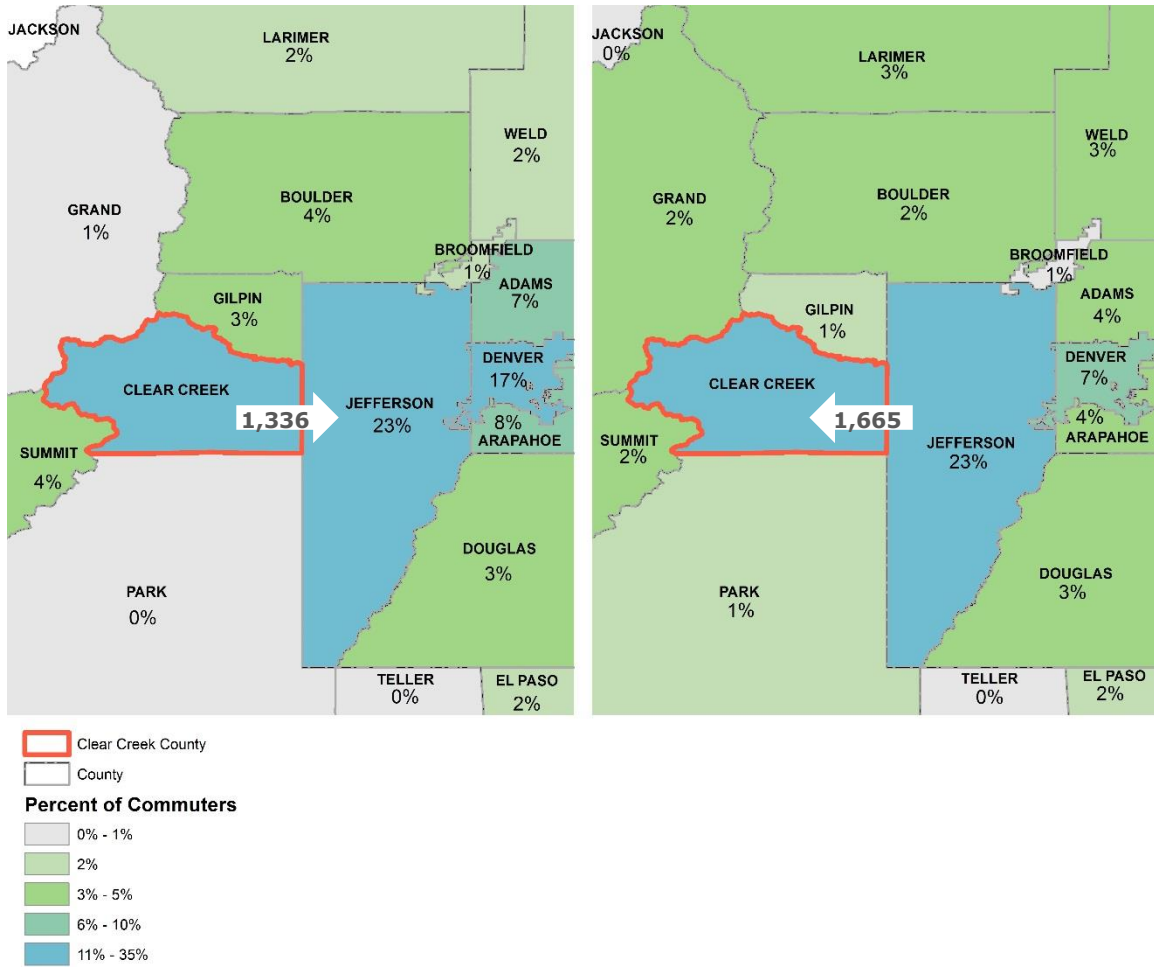
**Figure 17. Clear Creek County Commuting Patterns**



The majority of out-commuters are leaving Clear Creek County for employment in Jefferson, Adams, Denver, and Arapahoe Counties. A big portion of the population commuting out of Clear Creek County for work live in eastern Clear Creek County in Floyd Hill or Upper Bear Creek. In-commuters are mainly commuting to Clear Creek County for employment from Jefferson and Denver Counties, as shown in **Figure 18**.

Source: LEHD On the Map; Economic & Planning Systems

**Figure 18. Commuting Patterns**



## 4. Housing Market

This chapter examines housing market trends and conditions in the Focus Area over the past 10 years.

### For Sale Housing

Between 5 and 6 percent of the housing inventory in the Focus Area sells annually, this is lower than a 7 to 10 percent turnover rate typical in more active markets. There have been an average of approximately 73 sales per year over the last 10 years. Over the past 10 years housing sales in Georgetown (269 sales) and Idaho Springs (313 sales) account for 73 percent of sales in the Focus Area, as shown in **Table 7**. Overall, total housing sales have fluctuated between 56 sales in 2009 and 2010 and 94 sales in 2014. The lowest number of sales were seen following the Great Recession in 2009 and 2010, however, annual sales have returned to pre-recession rates.

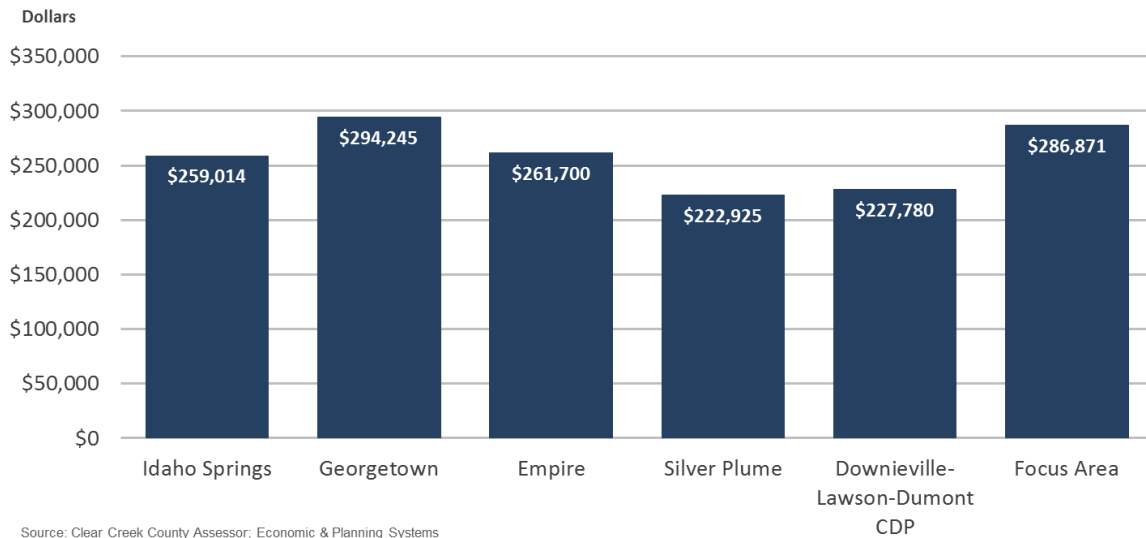
**Table 7. Number of Sales, 2007-2017**

City	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Percent
Idaho Springs	24	25	12	19	30	25	28	36	29	20	21	34%
Georgetown	42	31	26	23	24	22	32	38	32	21	22	39%
Empire	6	3	5	5	6	8	7	10	11	11	10	10%
Silver Plume	5	4	7	5	7	6	5	5	1	4	4	7%
Downieville-Lawson-Dumont CDP	10	6	6	4	4	9	14	5	6	8	13	11%
<b>Focus Area</b>	<b>87</b>	<b>69</b>	<b>56</b>	<b>56</b>	<b>71</b>	<b>70</b>	<b>86</b>	<b>94</b>	<b>79</b>	<b>64</b>	<b>70</b>	<b>100%</b>

Source: Clear Creek County Assessor; Economic & Planning Systems

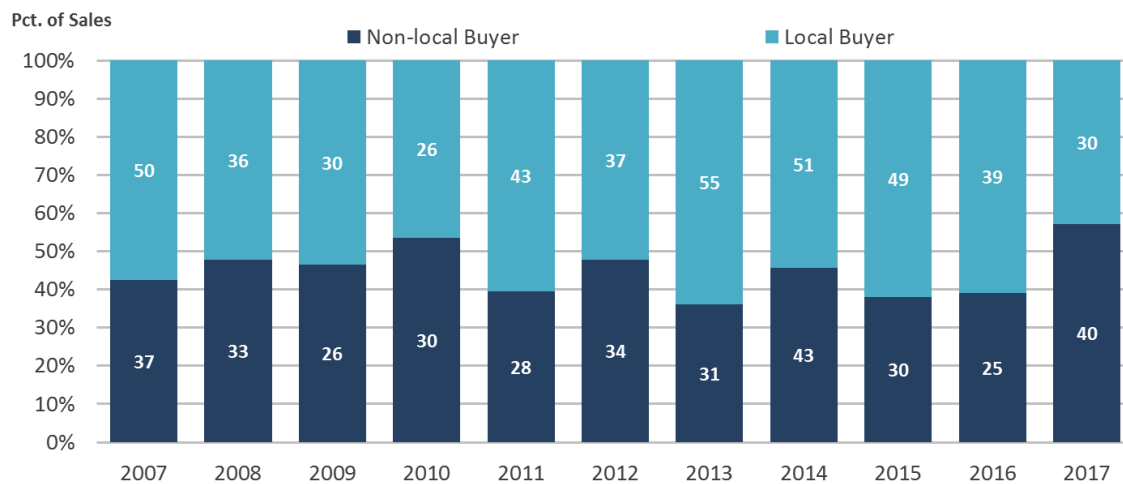
The average sale price in 2017 in the Focus Area was \$286,871, as shown in **Figure 19**. Prices range by about 25 percent above or below the average. Silver Plume has the lowest average price of \$222,925 while Georgetown has the highest at \$294,245.

**Figure 19. Average Sale Price by Area, 2017**



Data from the Clear Creek County Assessor on owner addresses provides an estimate of the number of homes sales occurring to second homeowners and other non-local owners such as investors buying homes as rental property or for short term rental by owner (RBO) use. Many of the properties that sold and that have a non-local buyer address fall into these categories. As shown in **Figure 20**, the split between local sales and second home sales has remained fairly consistent since 2007. However, 2017 saw the highest share of second home sales in the past 10 years with 40 out of town buyers representing 57 percent of sales.

**Figure 20. Second Home Sales, 2007-2017**



## Rental Housing

Data on rental housing is not as readily available as data on ownership housing. While the US Census reports rents for area units, the data lags behind a few years and is less accurate in a rapidly changing market like Clear Creek County.

In order to characterize the rental market, online classified ads from Zillow, Craigslist, and the Clear Creek Courant were collected during May and June of 2018. This data was combined with rental data included in the 2017 Rental Market Study of River Bend Residences in Idaho Springs, prepared by Prior & Associates. Finally, rental data on recently completed projects in Georgetown and other existing apartments were received through interviews with area developers and realtors.

Average rental rates in the Focus Area range from \$921 per month for a studio to \$1,668 per month for a three bedroom, as shown in **Table 8** below. Online listings as well as the recently finished Griffith Apartments in Georgetown have higher rental rates compared to other options on the market. It is important to note that many of the online listings are larger homes and some of the units come furnished or with other amenities that increase the monthly rent. According to interviews with local employers, many employees cannot afford these rates, particularly seasonal workers. Many of these workers opt to live in area motels due to the absence of affordable rental options.

The vacancy rate for rental units in Clear Creek County is effectively zero. Interviews with developers, employers, and realtors revealed low vacancy rates in rental properties. Low rental vacancy rates were also observed in the Rental Market Study for the River Bend Residences by Prior and Associates. The Rental Market Study found that in March 2018 the surveyed projects in the Clear Creek County primary market area had an overall vacancy rate of 1.5 percent.

**Table 8. Multifamily Properties in Clear Creek County**

Description	Unit Type	Units	Average Rent
<b>Big Horn Apartments</b>			
<i>Idaho Springs</i>	Studio	4	\$950
	1 BD	18	\$1,100
	2 BD	18	\$1,325
<b>Aspen Leaf Apartments</b>			
<i>Idaho Springs</i>	1 BD	15	\$755
	2 BD	9	\$908
<b>2315 Virginia Street</b>			
<i>Idaho Springs</i>	2 BD	4	\$1,100
<b>Griffith Apartments</b>			
<i>Georgetown</i>	2 BD	5	\$1,250
	3 BD	5	\$1,500
<b>11th Street Apartments</b>			
<i>Georgetown</i>	2 BD	8	\$850
<b>900 Argent</b>			
<i>Georgetown</i>	2 BD	12	\$850
<b>713 Brownell</b>			
<i>Georgetown</i>	2 BD	8	\$850
<b>Online Listings</b>			
<i>Focus Area</i>	Studio	3	\$883
	1 BD	4	\$1,155
	2 BD	15	\$1,444
	3 BD	3	\$1,948
<b>Total/Weighted Average</b>			
	Studio	7	<b>\$921</b>
	1 BD	37	<b>\$966</b>
	2 BD	51	<b>\$1,052</b>
	3 BD	8	<b>\$1,668</b>

Source: Prior & Associates; Zillow; Craigslist; Clear Creek Courant; Economic & Planning Systems

## New Development

Recent and planned housing developments in Clear Creek County are summarized in **Table 9** below. Idaho Springs has four projects in the planning phase of development. Between the four projects, condos and small lot single family developments are proposed. Several projects have not revealed development plans at this time and the Middle School site has submitted several scenarios for development. At this stage, the price point for new condos in Idaho Springs falls between \$180,000 and \$400,000.

In January of 2018, 10 new apartments were completed in Georgetown on Griffith Street. These two to three bedroom units are priced at \$1,250 to \$1,500 per month. The Griffith Apartments are the first new apartments in many years and are getting rents 15 to 20 percent above average for a two bedroom.

Other proposed developments in the community include condos and townhomes. Condos under construction in Big Horn Crossing are being priced at \$195,000 to \$225,000, and the phase one condos have already sold out. Townhomes in Big Horn Crossing are more expensive starting at \$300,000 for two to three bedroom units. The majority of the units in Big Horn Crossing are being purchased by second home buyers. Many will be in a short term rental program managed by the Windham hotel that is also part of the development.

Recent housing development in Empire includes the completion of two single family homes by Blue Spruce Habitat for Humanity. One more 1,200 square foot single family dwelling is under construction with five more planned over the next two years for a total of eight units. The old Empire School will be retrofitted within the next year to contain six apartment units with rents expected to start at \$1,300 per month.

During the development of this report, the River Bend Apartments—a 47-unit LIHTC project in Idaho Springs—were approved and awarded funding by the Colorado Housing and Finance Authority; construction is scheduled to begin in 2019. In addition, Blue Spruce Habitat for Humanity is under contract on an infill lot in Idaho Springs (16<sup>th</sup> and Virginia) that is being planned for 8 to 10 homes.

**Table 9. Residential Development Pipeline**

Description	Program	Unit Mix	Price	Timeframe	Comments
<b>Idaho Springs</b>					
<b>Middle School</b>	35 acre site	TBD	TBD	Under contract	Multiple scenarios for development
<b>Bristol Cone</b>	Condos		\$180,000 to \$350,000		
<b>ARGO Mill Site</b>	TBD	TBD	TBD	Planning	Potential for 80 market rate condominiums, 10 employee housing units, 20-30 1-bedroom units.
<b>Habitat</b>	11 lots	TBD	35-80% AMI [1]	In negotiation	8-10 housing units
<b>River Bend Apartments</b>	47 apartments	---	30-60% AMI [1]	Spring 2019	9% LIHTC Project
<b>Georgetown</b>					
<b>Big Horn Crossing</b>	64 townhomes 72 condos Wyndham Microtel	2 to 3 BR townhomes 1 to 2 BR condos	\$300,000 + townhomes \$195,000 to \$225,000 condos	Under Construction	Phase I Condos Sold Out
<b>Millsite</b>	12 townhomes / condos			Proposed	
<b>Griffith Apartments</b>	10 apartments	2 to 3 BR apartments	\$1,250 for 2 BR unit \$1,500 for 3 BR unit	Completed January 2018	
<b>Empire</b>					
<b>Habitat Homes</b>	8 single family homes	1,200 square feet	35-80% AMI [1]	2 complete 1 under constuction 5 over next 2 years	
<b>Old School Site</b>	6 apartments	---	\$1,300 +	Proposed Under Construction	Renovation of old school within a year

[1] HUD AMI

Source: Economic & Planning Systems



## 5. Housing and Affordability Conditions

This chapter compares housing market conditions to the income of residents in the Focus Area to evaluate housing affordability conditions.

### Household Income

The income distribution of owner and renter households differs greatly, as shown in **Table 10**. Nearly half of owner households have a household income greater than \$65,000 (120 percent AMI). Another 20 percent of owner households have an income between \$43,001 and \$65,000 (81 to 120 percent AMI). Owner households with an income less than \$43,000 (less than 80 percent AMI) account for less than one-third of all owners.

On the other hand, renter households have a more evenly distributed income range. One in four renter households have an income greater than \$65,000 (120 percent AMI). Similarly, 21 percent of renter households have an annual income less than \$16,000 (30 percent AMI). The rental distribution is nearly split evenly between households earning less than \$32,000 (60 percent AMI and below) and greater than \$43,001 (80 percent AMI and above).

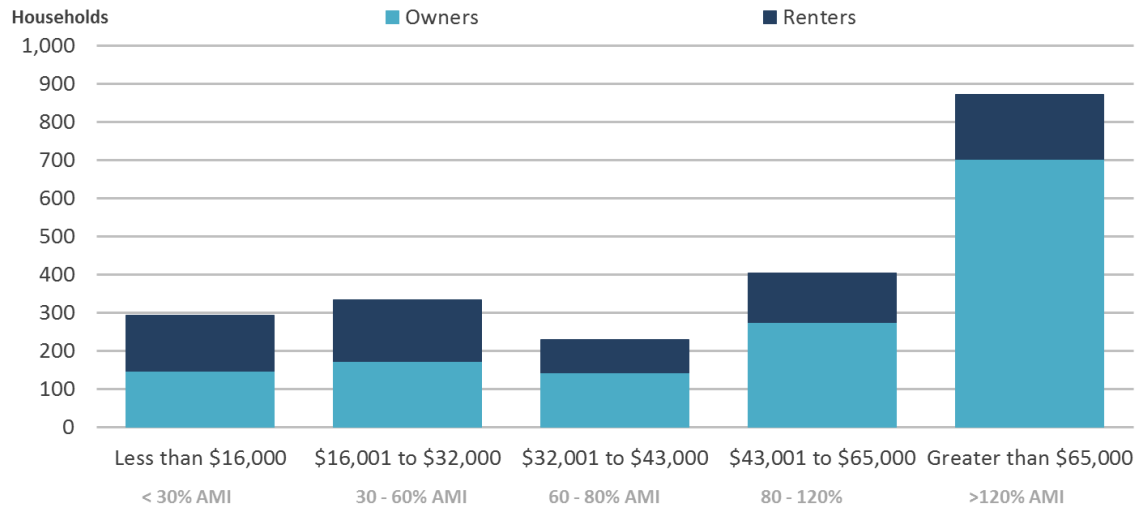
**Table 10. Households by AMI, 2016**

Income Range	AMI Level	Owners		Renters		Total Households	
		#	%	#	%	Total	%
Less than \$16,000	Less than 30% AMI	147	10%	145	21%	292	13.7%
\$16,001 to \$32,000	31% to 60% AMI	173	12%	161	23%	334	15.7%
\$32,001 to \$43,000	61% to 80% AMI	143	10%	86	12%	229	10.7%
\$43,001 to \$65,000	81% to 120% AMI	275	19%	128	19%	404	18.9%
Greater than \$65,000	Greater than 120% AMI	<u>702</u>	<u>49%</u>	<u>170</u>	<u>25%</u>	<u>872</u>	<u>40.9%</u>
<b>Total</b>		<b>1,439</b>	<b>100%</b>	<b>691</b>	<b>100%</b>	<b>2,131</b>	<b>100.0%</b>

Source: US Census; Economic & Planning Systems

These income ranges are highlighted in **Figure 21** below. Owner households are concentrated in the higher income ranges (80 percent AMI +). Renter households are more evenly distributed across all income ranges, with the exception of the middle range from \$32,001 to \$43,000 (61 to 80 percent AMI).

**Figure 21. Household Distribution by Tenure and Income, 2016**



Source: US Census; Economic & Planning Systems

## Cost Burden

Cost burden is a metric used to calculate the economic strain of housing costs on a household’s income. Cost burdened households are defined as those who spend more than 30 percent of their income on housing. As shown in **Table 11**, households have a higher chance of being cost burdened if they have a lower income. Nearly 70 percent of cost burdened households make less than \$32,000 annually (60 percent AMI). Additionally, a higher percentage of renter households are cost burdened compared to owner households. In the Focus Area, 37 percent of renter households (253 divided by 691) are cost burdened while only 24 percent of owner households (346 divided by 1,439) are cost burdened.

**Table 11. Cost Burdened Households by Income and Tenure, 2016**

AMI Level	AMI Level	Total Households		Cost Burdened HH		Total Cost Burdened	
		Owners	Renters	Owners	Renters	# Households	% of Total HH
Less than \$16,000	30% AMI	147	145	115	90	206	10%
\$16,001 to \$32,000	60% AMI	173	161	88	122	210	10%
\$32,001 to \$43,000	80% AMI	143	86	37	32	69	3%
\$43,001 to \$65,000	120% AMI	275	128	59	9	68	3%
Greater than \$65,000	Over 120% AMI	702	170	46	0	46	2%
<b>Total</b>		<b>1,439</b>	<b>691</b>	<b>346</b>	<b>253</b>	<b>599</b>	<b>28%</b>

Source: Economic & Planning Systems

## For Sale Housing

A household earning the area median income of \$53,831 can afford a \$236,100 home, or \$1,346 in monthly rent. **Table 12** below shows the maximum purchase price a household can afford by income level in Clear Creek County. The target housing price range for for-sale homes affordable to people earning \$43,000 to \$65,000 (80 to 120 percent AMI) is therefore between \$180,000 and \$300,000. This price range is consistent with proposed new development in the County including condos and townhomes under construction in Big Horn Crossing. The price point for condos under construction in Big Horn Crossing is \$195,000 to \$225,000. Townhomes in Big Horn Crossing are more expensive starting at \$300,000 for two to three bedroom units.

Condominiums can be good options for some first time small buyers and smaller households and families. As families grow out of this sized home, larger unit (such as single family detached) homes are desired by some, especially those who wish to stay in Clear Creek County to raise a family.

**Table 12. Supportable Purchase Price by Income**

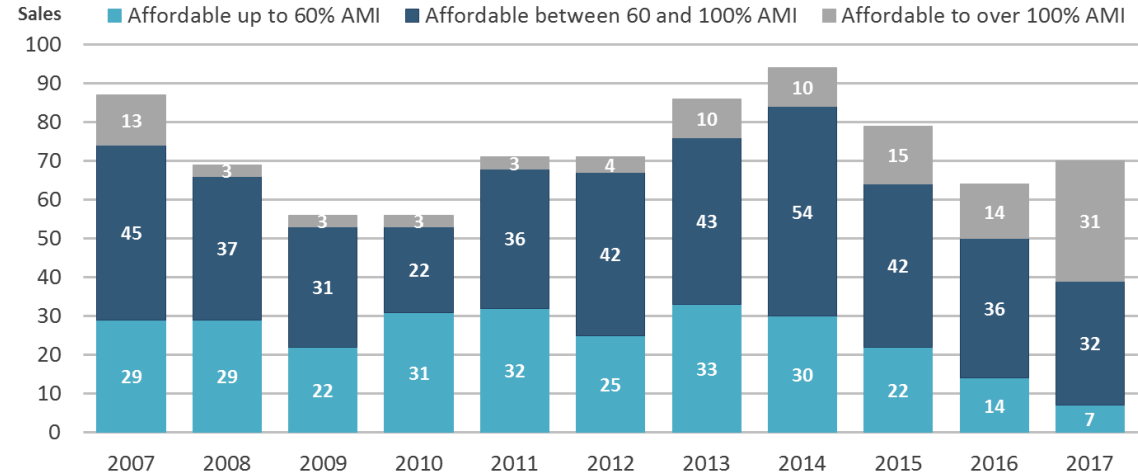
	Income Level				
	30% AMI	60% AMI	80% AMI	100% AMI	120% AMI
Household Income	\$16,149	\$32,299	\$43,065	\$53,831	\$64,597
Monthly Rental Maximums at 30%	\$404	\$807	\$1,077	\$1,346	\$1,615
<b>Supportable Monthly Payment</b>					
Less: Insurance	-\$125	-\$125	-\$125	-\$125	-\$125
Less: Property Taxes	-\$20	-\$60	-\$80	-\$100	-\$130
<u>Less: Miscellaneous (e.g. HOA Dues)</u>	<u>-\$50</u>	<u>-\$50</u>	<u>-\$50</u>	<u>-\$50</u>	<u>-\$50</u>
<b>Net Supportable Mortgage Payment (Monthly)</b>	\$209	\$572	\$822	\$1,071	\$1,310
<b>Valuation Assumptions</b>					
Loan Amount	\$43,700	\$119,900	\$172,100	\$224,300	\$274,400
Mortgage Interest Rate	4.0% int.	4.0% int.	4.0% int.	4.0% int.	4.0% int.
Loan Term	30-year term	30-year term	30-year term	30-year term	30-year term
Downpayment as % of Purchase Price	5.0% down pmt	5.0% down pmt	5.0% down pmt	5.0% down pmt	5.0% down pmt
<b>Supportable Purchase Price</b>	<b>\$46,000</b>	<b>\$126,200</b>	<b>\$181,200</b>	<b>\$236,100</b>	<b>\$288,800</b>

Source: Economic & Planning Systems

For-sale homes are becoming less affordable to low and middle income households. Sales by affordability level are shown over time in **Figure 22**. The number of sales affordable up to 100 percent of AMI peaked in 2013 and 2014, but decreased in recent years. Until 2015 the number of units affordable to households earning up to \$32,000 (60 percent AMI) was relatively stable. Since 2015, the number of annual sales affordable to households earning less than \$32,000 dropped from around 30 sales annually prior to 2015 to seven sales in 2017.

Meanwhile, the number of sales affordable to households earning greater than \$53,831 (100 percent AMI) has increased starting in 2013. Prior to 2013, with the exception of 2007, sales affordable to households earning greater than \$53,831 were less than 5 sales per year. In 2017, more than 31 sales were only affordable to households earning greater than \$53,831 annually, a major shift. Finally, the middle affordability level for households making between \$32,000 and \$53,831 (60 to 100 percent AMI) has fluctuated over the years. This affordability level has been on the decline since 2014, however, housing sales overall are down as well. Realtors report a small supply of homes for sale. As noted in **Chapter 4**, Clear Creek County has a low housing turnover rate (5 to 6 percent compared to 7 to 10 percent in more active markets) which translates to low sales volume.

**Figure 22. Home Sales by Affordability (2017 AMI Levels), 2007-2017**



Source: Clear Creek County Assessor; Economic & Planning Systems

### For-Sale Housing Gap

Ownership housing affordability gaps are identified below in **Table 13** by comparing the number of owner units and owner households in each income range or AMI level. The price distribution of the existing housing stock is obtained from 2016 to 2017 sales data. **This comparison shows a deficit of 126 units for households earning less than \$16,000 (less than 30 percent AMI) and three units for households earning between \$32,000 and \$43,000 (80 percent AMI).**

The sales price data only accounts for the price itself and not the quality of the home. Stakeholders and realtors interviewed report that the older housing units are often overpriced for the quality, as many older homes need costly repairs. Therefore, homes that appear “affordable” in the data in reality may cost more once deferred maintenance has been addressed.

**Table 13. Ownership Housing Affordability Gaps**

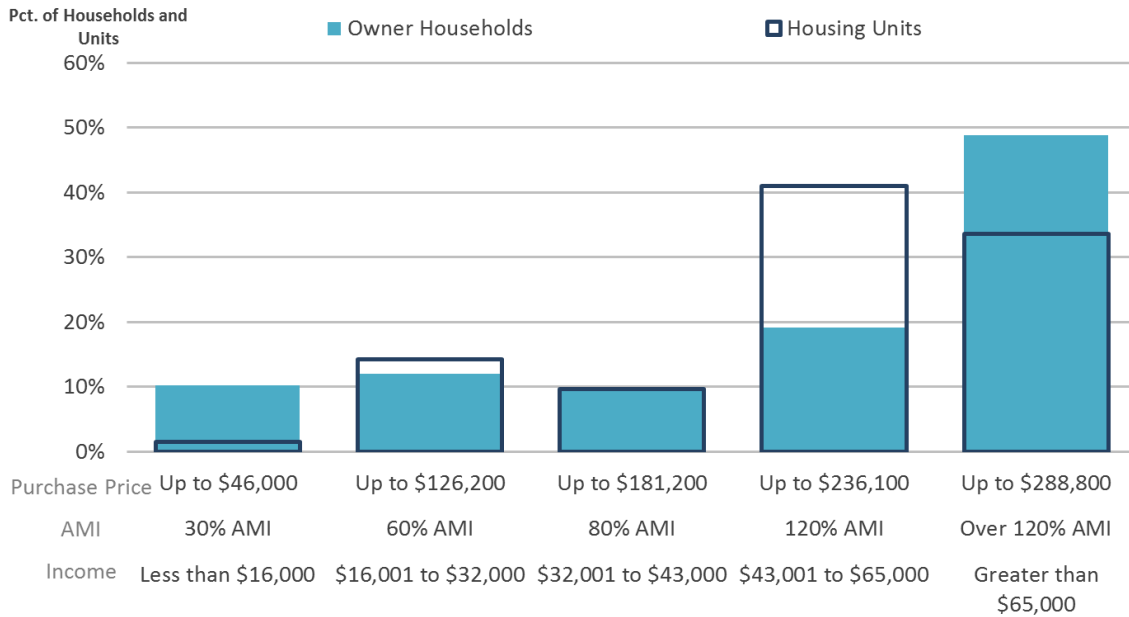
Household Income	AMI Level	Owner Units	Owner Households	Under/Over Supply
Less than \$16,000	30% AMI	21	147	(126)
\$16,001 to \$32,000	60% AMI	204	173	31
\$32,001 to \$43,000	80% AMI	140	143	(3)
\$43,001 to \$65,000	120% AMI	591	275	316
Greater than \$65,000	Over 120% AMI	<u>483</u>	<u>702</u>	<u>(219)</u>
<b>Total</b>		<b>1,439</b>	<b>1,439</b>	<b>0</b>

Source: US Census; Economic & Planning Systems

The greatest affordability challenges are for households earning less than \$32,000 per year (60 percent AMI), and especially for households earning less than \$16,000 (30 percent AMI). Owner households earning less than \$16,000 are most likely mobile home residents or seniors. Some residents in this income bracket may stay in their current residence as they do not wish to move or cannot afford to.

**Figure 23** below shows the affordability gaps in the ownership housing market in Clear Creek County based on the 2016 and 2017 housing sales price distribution. Households earning more than \$65,000 (over 120 percent AMI) are likely purchasing lower cost housing because it is more abundantly available, while households earning less than \$43,000 (80 percent AMI) have fewer affordable options and are more likely to be cost burdened.

**Figure 23. Ownership Housing Affordability Gaps**



Source: US Census; Economic & Planning Systems

The number of cost burdened (paying more than 30 percent of monthly income toward housing) owner households earning less than \$32,000 (60 percent AMI) is around 200 households (64 percent of owner households in this income range). This market segment is the hardest to serve with ownership housing because the financing gap to reach this affordability level (\$46,000 to \$126,000 price point) is too great to be covered by available funding.

The majority of owners in this income range are aging in place seniors with retirement income or mobile home residents. To reach these populations, the County should focus resources on expanding aging services and improving mobile home living conditions (e.g., code enforcement, utility upgrades, and improved management review).

Habitat for Humanity works with families to build decent affordable housing and offers an affordable mortgage. The program primarily targets households in the 60 to 80 AMI range based on the Metro Denver HUD AMI (\$89,900) which is \$30,000 more than the AMI of the Focus Area which allows more people to qualify for the program. Habitat for Humanity has completed three homes in Empire and will construct five over the next two years. They are also looking at 11 lots in Idaho Springs for additional single family ownership housing.

## Rental Housing Gap

Similar analysis can be done for rental units to understand the affordability of rental housing in the Focus Area. **Table 14** below shows the maximum monthly rental rates for each income range. A household earning the median income of \$53,831 annually can afford monthly rent up to \$1,346 spending 30 percent of their income.

New and proposed rental units are priced to be affordable for households earning between \$53,831 and \$65,000 or more (100 to 120 percent AMI). The Griffith Apartments, completed in 2018, are renting \$1,250 to \$1,500 per month for two or three bedrooms. The old Empire School will be retrofitted within the next year to contain six apartment units priced starting at \$1,300 per month.

**Table 14. Maximum Monthly Rent by Income**

	Income Level				
	30% AMI	60% AMI	80% AMI	100% AMI	120% AMI
<b>Annual HH Income</b>	<b>\$16,149</b>	<b>\$32,299</b>	<b>\$43,065</b>	<b>\$53,831</b>	<b>\$64,597</b>
Hourly Wage	\$7.76	\$15.53	\$20.70	\$25.88	\$31.06
<b>Monthly Rental Maximums at 30%</b>	<b>\$404</b>	<b>\$807</b>	<b>\$1,077</b>	<b>\$1,346</b>	<b>\$1,615</b>
Avg. Income for 1.5 Earner HH	\$10,766	\$21,532	\$28,710	\$35,887	\$43,065
Hourly Wage	\$5.18	\$10.35	\$13.80	\$17.25	\$20.70
Avg. Income for 2 Earner HH	\$8,075	\$16,149	\$21,532	\$26,916	\$32,299
Hourly Wage	\$3.88	\$7.76	\$10.35	\$12.94	\$15.53

Source: Economic & Planning Systems

The rental housing affordability gaps are calculated by comparing the rental unit price distribution with the renter households by income range, shown in **Table 15** below. The rental unit price distribution is based on the rental inventory, shown in **Table 8**. **This comparison shows a deficit of 145 units for households earning less than \$16,000 (30 percent AMI) and 83 units for households earning between \$16,001 and \$32,000 (60 percent AMI).**

This gap may be larger than this data indicates, as only households that are currently renting their home are captured, and it does not account for those who may be living with family or in roommate situations who would rent a unit if available and affordable. Additionally, the monthly rent only accounts for the price and not the quality of the unit. Stakeholders and realtors interviewed report that the older rental housing units are often overpriced for the quality.



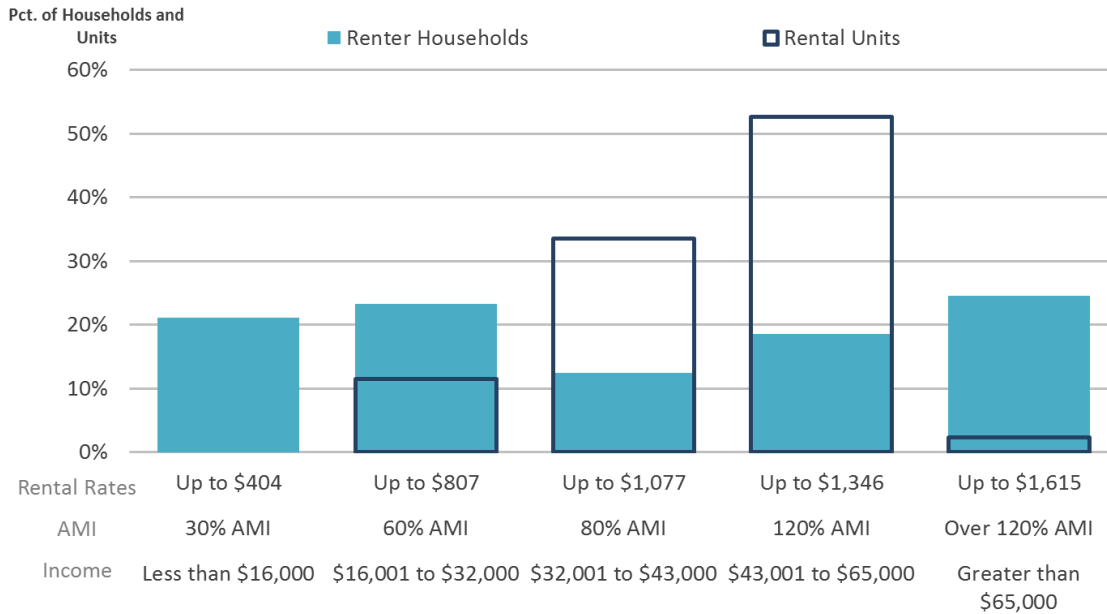
**Table 15. Rental Housing Affordability Gaps**

AMI Level	AMI Level	Rental Units	Renter Households	Under/Over Supply
Less than \$16,000	30% AMI	0	145	(145)
\$16,001 to \$32,000	60% AMI	78	161	(83)
\$32,001 to \$43,000	80% AMI	229	86	143
\$43,001 to \$65,000	120% AMI	359	128	231
Greater than \$65,000	Over 120% AMI	16	170	(154)
<b>Total</b>		<b>682</b>	<b>691</b>	<b>(9)</b>

Source: Prior & Associates; Zillow ; Craigslist; Clear Creek Courant; US Census; Economic & Planning Systems

The greatest need for rental housing is shown for households earning less than \$32,000 (60 percent AMI) with a deficit of 228 affordable units. Out of the 307 households in this income range, 212 of them are cost burdened (70 percent). Cost burdened households earning less than \$32,000 (60 percent AMI) are likely living in the available rental units priced in the affordability range of households earning between \$43,000 and \$65,000 (120 percent AMI), as shown in **Figure 24**.

**Figure 24. Rental Housing Affordability Gaps**



Source: US Census; Economic & Planning Systems

## Employer Housing Needs

Through a series of interviews with local employers in Clear Creek County, a quantitative representation of unfilled positions and commuters in the County was collected, summarized in **Table 16**. The employers interviewed represent around one fourth of employment in the County and include employers in the following industries: summer recreation and tourism, restaurants and bars, retail and commercial businesses, winter recreation, mining and extraction, local government, and social and health services.

According to these employers 49 percent of employees commute from outside the County and some expressed that number would be less if there were more quality attainable housing in the County. In addition to commuters, businesses expressed that it is difficult to hire management and professional staff because there is nowhere for them to live. Employers interviewed estimated around 90 unfilled positions due to housing difficulties and other factors. With two employees per unit, this translates to around 45 additional housing units needed.

**Table 16. Employer Housing Needs**

Industry or Employer	Employees	Commuters		Unfilled Positions
		#	%	
<b>Major Employer Sample</b>				
Summer Recreation & Tourism	150	65	43.3%	50
Restaurants/Bars	240	47	19.6%	18
Retail/Commercial	14	0	0.0%	0
Winter Recreation	350	250	71.4%	12
Surface/Aggregate Mining	41	32	78.0%	0
Local Government	386	194	50.3%	10
Social & Health Services	12	0	0.0%	0
<b>Total Sample</b>	<b>1,193</b>	<b>588</b>	<b>49.3%</b>	<b>90</b>
<b>Housing Units (2 employees per unit)</b>				<b>45 units</b>
<b>Potential Total</b>				
<b>Focus Area Wage and Salary Jobs</b>	<b>2,300</b>			<b>70 to 100 units (1.5 to 2 times)</b>

Source: Clear Creek County; Economic & Planning Systems

Given that this survey of major employers only accounts for about half of the jobs in the Focus Area, it likely understates the number of unfilled positions and potential housing demand associated with the labor shortage. Given the small sample and high degree of commuting, the number of unfilled positions and housing needed could be at least 1.5 to 2.0 times that reported by the interviewees.

The dominant industries in the County are Accommodation and Food Services, Health Care and Social Assistance, Other Services, and Retail Trade. These industries pay wages between \$21,411 to \$32,816 or \$10.00 to \$16.00 per hour. **Table 17** below shows the household income of workers in these industries based on the number of earners in a household. Single earner households fall in the 40 to 60 percent AMI range, households with one and half earners (i.e., full time plus a part time earner) fall into the 60 to 90 percent AMI range, and double earner households reach the 80 to 120 percent AMI range. Based on these household income calculations, the 45 units needed by employers for unfilled position are assumed to fall into the one and a half earner range of 60 to 90 percent AMI.

**Table 17. Growing Industry Wages**

Description	Wages		Household Income			AMI Level		
	Avg. Annual 2016	Avg. Hourly 2016	1 Earner	1.5 Earners	2 Earners	1 Earner	1.5 Earners	2 Earners
Accommodation and Food Services	\$21,411	\$10	\$21,411	\$32,117	\$42,822	40%	60%	80%
Health Care and Social Assistance	\$32,816	\$16	\$32,816	\$49,224	\$65,631	61%	91%	122%
Other Services, Ex. Public Admin	\$27,658	\$13	\$27,658	\$41,487	\$55,315	51%	77%	103%
Retail Trade	\$26,014	\$13	\$26,014	\$39,021	\$52,028	48%	72%	97%

Source: Colorado Department of Revenue; Economic & Planning Systems

## Rental Housing Targets

Based on the affordability gap analysis and the employer housing needs, Clear Creek County needs 274 units ranging in affordability from 30 percent AMI to 90 percent AMI, as shown in **Table 18**. This is the basis for the recommended goal of constructing 300 new rental units over the next 10 years. This target translates to approximately 30 units per year or one 60 unit project every other year. As shown in the gap analysis, rental housing affordable to households earning over \$32,000 (80 percent AMI) can be provided by the market. The County should focus efforts that serve households with an AMI less than 60 percent. The monthly rent for these projects would range from \$400 (30 percent AMI) to \$800 (60 percent AMI).

**Table 18. Rental Housing Targets**

AMI Level	AMI Level	Under/Over Supply	10 Year Target	
			Units per Year	10 Year Total
Employer Housing Needs	60 to 90% AMI	(45)	5	45
<b>Affordability Gap</b>				
Less than \$16,000	30% AMI	(145)	15	145
\$16,001 to \$32,000	60% AMI	(83)	8	83
\$32,001 to \$43,000	80% AMI	143	---	---
\$43,001 to \$65,000	120% AMI	231	---	---
Greater than \$65,000	Over 120% AMI	(154)	---	---
<b>Total</b>		<b>(54)</b>	<b>27</b>	<b>274</b>

Source: Prior & Associates; Zillow ; Craigslist; Clear Creek Courant; US Census; Economic & Planning Systems