



To: Mayor Schmidt and Town Council
From: Jennifer Kermode, Executive Director, GVRHA
Thru: Dara MacDonald, Town Manager, Michael Yerman, Community Development Director
Subject: Work Session – Gunnison Valley Housing Plan
Date: September 24, 2018

Background

The Gunnison Valley Housing Authority (GVRHA) Board of Directors has directed staff to create an operations plan for the housing authority. This plan is intended to build upon local and regional planning efforts over the past five years, and guide the operations of the housing authority over the next five years. GVRHA has contracted with Willa Williford to assist in outreach and plan drafting. The process kicked off with an open house in Almont on August 23, 2018. We are now in the process of meeting with planners, managers, and elected officials across the valley to understand your current strengths and assets, your housing goals and objectives, and how GVRHA can best support your efforts.

Questions for the Council

1. Do you have any feedback or revisions on our draft vision statement and guiding principles?
2. Have we accurately captured your current workforce housing goals and objectives?
3. How can GVRHA best support you? What roles do you seek for GVRHA to take on?
4. What are your thoughts on these criteria if GVRHA were in a position to provide land or funding to projects?

Draft Vision Statement

Our vision is to support the character and economic vitality of communities in the Gunnison Valley by increasing housing choices and opportunities for local residents.

Draft Guiding Principles

- Each community in the valley has unique characteristics, and will bring different assets and priorities to their affordable housing work. At the same time, the housing challenges in our valley are regional in nature, and sometimes require collaborative responses.
- A holistic approach to affordability is needed – we acknowledge that physical deed restricted homes are the most tangible element of housing affordability, but energy efficiency,

transportation, healthcare, childcare, and local wages are all ingredients in a sustainable local cost of living.

- The strength of our local economy is closely linked with the strength of our housing market; the housing authority's role is to create more housing choices for local employees and residents, not to compete with private sector endeavors or undertake work that might oversupply housing for a specific demographic.
- A successful workforce housing inventory requires long term commitment and consistent administration through periods of economic downturn as well as economic growth. The Gunnison valley is anticipated to remain a highly desirable place to live were housing costs outpace local wages for the foreseeable future.
- The Housing Authority was created to meet a need not met by the private market; the housing authority's efforts in partnership with local governments, non-profits, and the private sector can help to address these unmet needs. Partnerships that build upon the strengths and assets of the respective partners are essential for bridging the gap between what the market will provide and what local residents need for housing.
 - Housing Authority and local government roles include land use entitlements, public works and infrastructure, appropriate subsidies, and transparency and long-term accountability to the tax payers;
 - Private sector roles include local participation in creating economic vitality, access to capital, skilled labor and expertise such as architecture, engineering, development, finance, and vertical construction.

Crested Butte Housing Goals and Objectives

We understand the Town of Crested Butte's affordable housing goals and objectives to be as follows.

- Ensure our community's residents are successful in attaining long term safe and energy efficient housing
- Residents residing in deed restricted housing are active year-round members of our community
- Secure 30% of the housing inventory to be deed restricted for local year-round residents; this currently requires an additional 93 deed restricted units to be built
- Seek partnerships to build rental housing
- Secure 15 units for Town employees (currently have eight, with two more planned)
- Work on regional collaborations

Please confirm or refine these goals and objectives.

GVRHA Role

The Housing Authority has the opportunity to play numerous roles in funding, partnering, and managing affordable housing in the valley, such as being a proactive partner in the development of affordable housing, rental property management, deed restriction administration, technical assistance, community relations/advocacy and community programs and services like GV-HEAT and homebuyer education. We are seeking additional feedback on how we can best support implementation of your housing goals and objectives.

Draft Criteria for Land Purchases and Financial Investments in Housing

We are seeking uniform criteria to use across the valley when considering land purchases, potential partnerships, and prioritizing local and regional funding applications. These same criteria could be used for making funding decisions, if the local initiative for a dedicated funding source for housing is successful at the ballot, or other local funding becomes available. Please provide your feedback on these proposed criteria.

1. Responsiveness to local workforce housing goals
2. Consistency with adopted community plans and community engagement
3. Track record of potential partners
4. Financial feasibility
5. Location
 - Proximity to transit
 - Suitable residential zoning
 - Availability of utility services on/near site
 - Balancing provision of housing across the valley
6. Matching site opportunities with market demand
 - Project type – for sale or rental
 - Design style – condo, townhome, SFD, multifamily
 - Targeted AMIs and level of affordability
 - Sustainable design
 - Number of housing units provided
7. Sustainability of the project
 - Quality of construction and design
 - Rental properties with adequate maintenance and repairs budget
 - For-sale product with HOAs that have adequate maintenance and repair budget
 - Affordability over the long term for residents

Are these the right criteria? Is anything missing?

Attachments:

1. Housing Tools by Jurisdiction
2. Draft update of Housing Needs

Gunnison Valley Housing Plan

Housing Tools in Use by Jurisdiction

9/19/18

<i>Land Use, Housing Initiatives, and Housing Programs</i>				
Housing Tools	City of Gunnison	Crested Butte	Gunnison County (including CB South)	Mt Crested Butte
Land Banked Land	X	X	X	X
Update land use code to remove barriers	In process		In process	
Density bonuses	X	X		X
Linkage Fees		X	X	X
Expedited Development Review for affordable housing	X		X	
Short term rental regs, fee and/or excise tax		X	In discussion	
Consistent Deed Restriction	X	X	X	
Property maintenance code	Under consideration	X	Under consideration	
Annexation policy		X		
Accessory dwelling units	Under consideration	X	X	
Workforce housing in commercial zones		X	Case by case	
Fee waivers or reduction	X	X	X	
Inclusionary Zoning		X		

North						
Owner Units by AMI	Max Affordable Price	HNA Need	Built since 2016	Under Construction	In Pre-development	Remaining need
<50%	\$108,000	12				12
50% to 80%	\$172,900	25				25
80.1 to 120%	\$259,300	43			15	28
120.1 to 200%	\$432,200	74	6	16	31	21
Over 200%	>\$432,200	35	12	5		18
Total Ownership Needs		189				104
Ownership Gap		154				86
Rental Units by AMI	Max Affordable Rent	North				
<50%	\$689	46				46
50% to 80%	\$1,102	47				47
80.1 to 120%	\$1,653	46	7	3	5	31
120.1 to 200%	\$2,755	25			7	18
Over 200%	>\$2,755	7				7
Total Rental Needs		171				149
Rental Gap		93				93
Total Gap		247				179

Includes full north valley

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*Town of CB Only - Needs MT CB and County Data

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Mid Valley						
Owner Units by AMI	Max Affordable Price	HNA Need	Built since 2016	Under Construction	In Pre-development	Remaining need
<50%	\$108,000	4				4
50% to 80%	\$172,900	8				8
80.1 to 120%	\$259,300	13				13
120.1 to 200%	\$432,200	23				23
Over 200%	>\$432,200	11				11
Total Ownership Needs		59				59
Ownership Gap		25				25

Mid Valley						
Rental Units by AMI	Max Affordable Rent	HNA Need	Built since 2016	Under Construction	In Pre-development	Remaining need
<50%	\$689	10				10
50% to 80%	\$1,102	10				10
80.1 to 120%	\$1,653	10				10
120.1 to 200%	\$2,755	5				5
Over 200%	>\$2,755	1				1
Total Rental Needs		36				36
Rental Gap		30				30
Total Gap		55				55

South						
Owner Units by AMI	Max Affordable Price	HNA Need	Built since 2016	Under Construction	In Pre-development	Remaining need
<50%	\$108,000	18				18
50% to 80%	\$172,900	37				37
80.1 to 120%	\$259,300	63				63
120.1 to 200%	\$432,200	109				109
Over 200%	>\$432,200	52				52
Total Ownership Needs		279				279
Ownership Gap		55				55
Rental Units by AMI	Max Affordable Rent	HNA Need	Built since 2016	Under Construction	In Pre-development	Remaining need
<50%	\$689	61				61
50% to 80%	\$1,102	62				62
80.1 to 120%	\$1,653	61				61
120.1 to 200%	\$2,755	33				33
Over 200%	>\$2,755	9				9
Total Rental Needs		226				226
Rental Gap		61				61
Total Gap		116				116