

A Discussion on Vail Housing Policy



Outline

- State of Housing Today
- The Challenge
- Existing Policy
- Defining a Housing Policy
- If Status Quo is the goal (30%) what does that mean?
 - Policies that generate enough beds for 30% of the new employees needed by development and strategies that keep up with the continual loss of current employee occupied beds in Vail.



State of Housing & Jobs Today

- 6400 Dwelling Units in Vail
 - 1500 employee households in Vail (Rental or Ownership)
 - 624 dwelling units are deed restricted
 - 876 employee occupied dwelling units/non deed restricted
- 9,100 jobs held by 6100 employees (Average employee holds 1.3 jobs)
 - 4500 jobs are entry level (\$9 - \$12 hour)
- Where do employees live?
 - 30%** of Vail employees live and work in Vail today
 - 34% of Vail employees live between Eagle Vail and Edwards
 - 14% of Vail employees live in Lake County
- 1,500 new jobs/1,154 new employees needed by approved projects
 - 257 new beds to offset new jobs, 385 new beds needed to maintain 30% status quo (short 128 beds to maintain current status)



Housing Needs

- There are distinctly different housing needs of Vail employees
 - Seasonal Rental Units
 - Monthly rental rates of \$350 to \$550 / bedroom
 - Long Term Rental Units
 - Monthly rental rates of \$1200 / two-bedroom unit
 - Entry Level For Sale Units
 - Purchase prices from \$135,000 to \$250,000
 - Step Up For Sale Units
 - Purchase prices from \$250,000 to \$400,000
 - Mid and Upper End For Sale Units
 - Purchase prices from \$400,000 to \$1,000,000



The Challenge:

- Job Growth (Vail and Eagle County as a whole)
- Loss of Existing Employee Occupied Housing
 - Increased ownership by non-employees
 - Increasing property Values – owners are moving down valley or out of County
 - New owners are not typically renting their units



The Challenge: Job growth in Vail

- Currently adding 1,500 new jobs
- Next wave of redevelopment may add as many as 2,115 new jobs



The Challenge:

Job growth in Avon & Edwards

- In the next five to ten years there will be 7,370 new jobs
- Today, 37% of Vail's workforce lives between Eagle Vail and Edwards



The Challenge:

Job growth in Eagle and Gypsum

- The approved Costco will add 200 to 300 jobs. There is opportunity for large amounts of additional commercial development adjacent to Costco
- The ranch east of Eagle has a new developer with plans that show a large amount of new commercial space



The Challenge: Job growth in Minturn

- The Ginn development will add approximately 1,000 new jobs
 - Currently 14% of Vail's workforce commutes in from Lake County



The Challenge:

What's the impact of no Action?

- Loss of Community
- Increased direct cost to employer to hire employees
- Inadequate staffing to maintain service levels
- Increased cost and demand for parking and transit



The Challenge: Vail's Housing Stock

- Last year, almost half (46%) of the lowest priced homes that sold in Vail were purchased by out of area buyers and that percentage is expected to increase.
- In the January, 2006 MLS there were 194 properties for-sale in Vail. Of these, 4% (9 units) were priced less than \$500,000. All but one of those were one-bedrooms.



The Challenge:

Housing costs in Eagle County

- The average sales price of a unit (2/06) in Gypsum was \$351,897
- The average sales price of a unit (2/06) in Eagle was \$437,363
- The average sales price of a unit (2/06) in Homestead was \$913,333
 - How far will employees have to drive to be able to afford to purchase a home?



Existing Policy: Current Mitigation Efforts

- Commercial Linkage (15%/30%)
 - Lionshead Redevelopment Area
 - Public Accommodation Zone District
 - Special Development Districts
- Town built developments
 - North Trail Townhomes
 - Buzzard Park
 - Vail Commons
- Partnerships
 - Middle Creek
 - Red Sandstone Creek
- Acquisition by the Town
 - Timber Ridge
 - Creekside Apartments

Mitigation Efforts to Consider

- Residential Linkage
- Revised Commercial Linkage
- Inclusionary Zoning
- Additional Partnerships
- Zoning Revisions
- Impact Fees



Defining A Housing Policy For Vail:

- What is the Goal?
 - Recommend having the Community Plan define Goal
- Staff recommends several next steps in preparation for a comprehensive housing policy



Defining a Housing Policy for Vail: Where do employees go once they get here?

- Parking Spaces
- Transit Stops
 - How many miles will the busses have to travel to bring employees to Vail? What is the cost of this both economically and environmentally?
 - Today it costs \$1.50 per mile to operate a bus



Defining A Housing Policy For Vail: What Other Communities Are Doing

- Consideration: Each Town is unique and has different goals
- Commercial Linkage
 - Aspen/Pitkin County (30-60%), Basalt (20%), Eagle County (20%), San Miguel County (15%), Snowmass Village (45%), Telluride (40%)
 - TOV 15%/30%
 - Average = 28%
- Residential Linkage
 - Aspen/Pitkin (100%), Snowmass Village (45%), Telluride (40%)



Defining A Housing Policy For Vail: What Other Communities Are Doing

- Inclusionary Zoning
 - Aspen/Pitkin County (30%), Boulder (20%),
Carbondale (15%), Eagle County (20%),
Garfield County (10%), Glenwood Springs
(15%), Longmont (10%), San Miguel County
(15%), Steamboat Springs (15%)
 - Average 17%



Defining A Housing Policy For Vail: new and revised strategies

What are the potential strategies

- Commercial Linkage
- Residential Linkage
- Inclusionary Zoning
- Build on TOV Land
- Additional Partnerships
- Zoning Revisions
- Impact Fees



Defining A Housing Policy For Vail: Considerations for May 2nd

- Preparation for Commercial Linkage - authorization for \$9,500 for a rational nexus – takes 4-6 weeks to complete
- Preparation for Residential Linkage - authorization for \$8,500 for a rational nexus - takes 8-10 weeks to complete
- Meet with local developers and other stakeholders to discuss inclusionary zoning and incentives needed to create affordable housing between now and May 2nd
- Revise buy-down program to allow individual buyers/owners in Vail to bring units to the Housing Authority for acceptance into the program



Summary

- Problem
 - Job Growth: 2781 employees = 834 new beds at 30%
 - Loss of Existing Housing: By 2025 NWCCOG the only employees living in Vail will live in deed restricted units
- Proposed Solution
 - No one solution will address the need
 - Community Plan to complete overall strategy
 - May 2nd: Rational Nexus, Input on Inclusionary Zoning

